

Investor Presentation

Updated: July 2024

**American
Woodmark**

Legal Disclosure

Forward-Looking Statements

This presentation contains certain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, including statements as to expected future financial and operating results. These forward-looking statements may be identified by the use of words such as “anticipate,” “estimate,” “project,” “forecast,” “expect,” “believe,” “should,” “could,” “would,” “plan,” “may,” “intend,” “prospect,” “goal,” “will,” “predict,” or “potential” or other similar words or variations thereof. These statements are based on the current beliefs and expectations of the management of American Woodmark and are subject to significant risks and uncertainties that could cause actual outcomes and results to differ materially from those expressed in this presentation. These risks and uncertainties are detailed in certain of American Woodmark’s filings with the Securities and Exchange Commission (“SEC”), including in its Annual Report on Form 10-K for the year ended April 30, 2024 under the heading “Risk Factors”, and under the heading “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Forward-Looking Statements.” These reports, as well as the other documents filed by American Woodmark with the SEC, are available free of charge at the SEC’s website at www.sec.gov. The statements made in this presentation, including with respect to any projected financial and operating results, are based on information available to management as of the first day of the month set forth on the cover of this presentation and American Woodmark undertakes no obligation to update any such statements to reflect developments after such date.

Non-GAAP Financial Measures

This presentation includes certain non-GAAP financial measures, including Adjusted EBITDA, Adjusted EBITDA Margin, Net Leverage, and Free Cash Flow. These measures are intended to serve as a supplement to, and not a substitute for, the most comparable GAAP measures. For reconciliations of these non-GAAP financial measures to the most comparable GAAP financial measures, please see Appendix A to this presentation.



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Key Messages: Why Invest With Us?

1

Leveraging **market leadership** in resilient value segment of the U.S. cabinet market to drive **deeper channel penetration**

2

Superior service platform and turnkey builder channel solution is a key **competitive advantage** ingrained in our **growth strategy**

3

Our **culture and connections** deliver profitability through our Growth, Digital Transformation and Platform Design ("**GDP**") **strategy**

4

Operational Excellence drives **continuous improvement** throughout our organization

5

Proven model expected to deliver **strong Free Cash Flow ("FCF")** through the cycle and support our **disciplined capital allocation** strategy



Value-oriented portfolio and operational excellence mindset provides resilience and strong cash generation

American Woodmark: At a Glance

American Woodmark is a **U.S. based pure-play cabinet manufacturer** highly focused on the **resilient value segment** of the U.S. market

From **inspiration to design and installation**, we strive for **simplification** and the **highest level of service** in the industry

Cabinetmaker of choice for homeowners, builders, designers, dealers, distributors, and retailers

Unique **turnkey service model** for the direct-to-builder customer differentiates us from the competition

Key Company Facts

Winchester, VA
Headquarters

~8,600
Team Members

~\$1.85 billion¹
Total Revenue

19²
Manufacturing and
Distribution Facilities

8
Service Centers



Founded in 1951, we have remained highly focused on growing our core cabinet business and serving our customers

American Woodmark

¹ FYE 04/30/2024; ² 15 Locations in US, 4 in Mexico

Our Purpose Driven Culture Sustains Our Competitive Advantage

Mission

Create **value through people**:

- Provide kitchens and baths of pride for the American family
- Reward shareholders and our employees
- Contribute to our society

Vision

Uncover and celebrate the unique **potential** in every **individual**:

- Community Connections
- Customer Experience
- Interconnected Individuals
- Disruptive Innovation
- Systems Thinking

Values

Our **CITE** principles:

- **C**ustomer Satisfaction
- **I**ntegrity
- **T**eamwork
- **E**xcellence

Our communities, employees, designers and customers inspire our culture and set us apart

Our Leadership Team

Strong leadership with decades of experience and industry expertise



Scott Culbreth

President & Chief
Executive Officer



Paul Joachimczyk

Senior Vice President &
Chief Financial Officer



Rob Adams

Senior Vice President,
Manufacturing &
Technical Operations



Kim Coldiron

Senior Vice President &
Chief Human Resources
Officer



Dwayne Medlin

Senior Vice President,
Remodel Sales



Joel Charlton

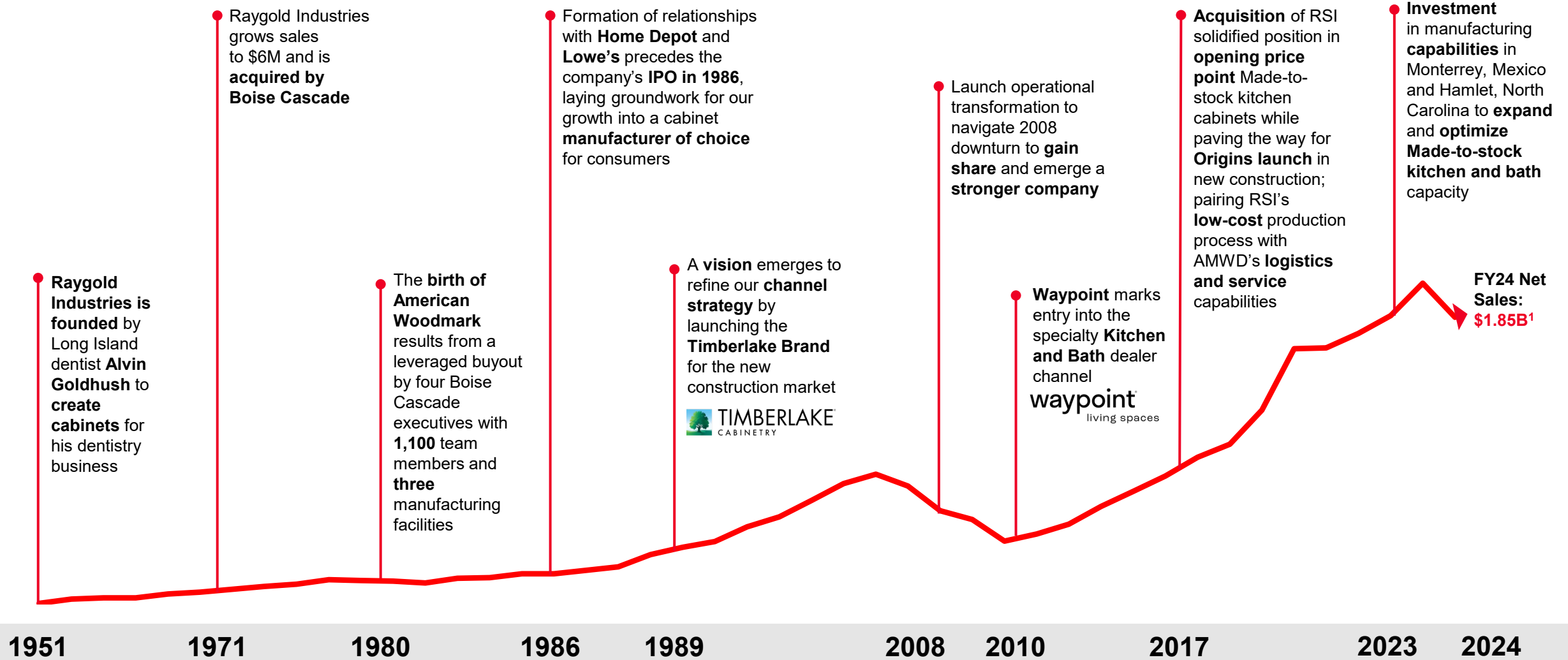
Senior Vice President, New
Construction



Bill Waszak

Senior Vice President &
Chief Information Officer

Steady Evolution Has Strengthened Our Scale And Market Position



American Woodmark

→ \$ Sales Growth; ¹Sales for FYE 04/30/2024

Tailwinds From Demographic Shifts and Undersupplied Housing Support Higher Levels of Future Residential Investment

U.S. Population Age 44-59

~65 million (Gen X)¹

- Move up buyers; drives investment in remodeling
- Significant home equity supports higher levels of remodel activity
- Higher housing turnover and increasing mobility

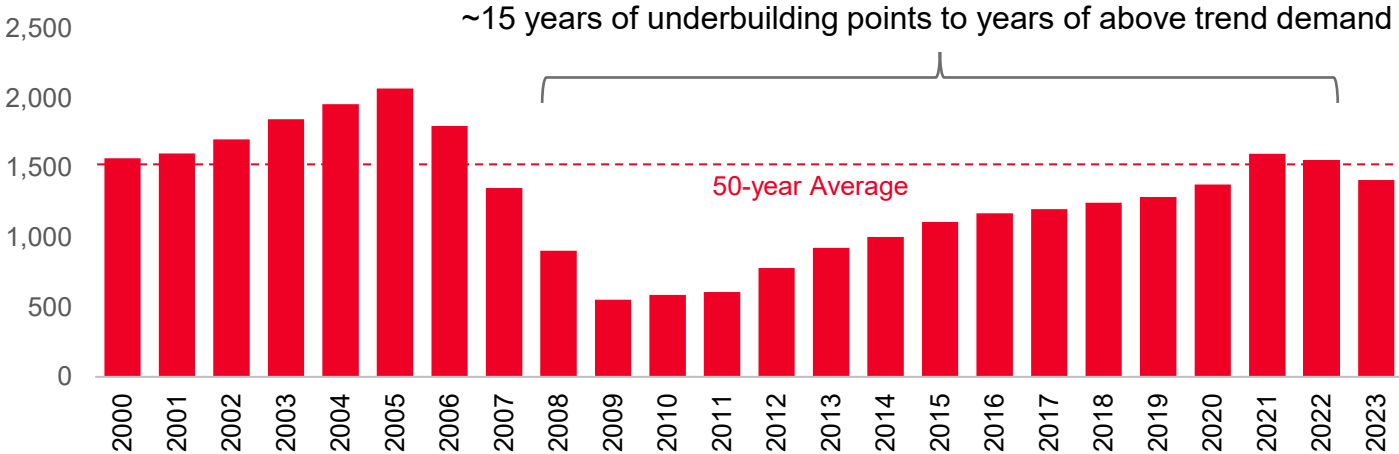
U.S. Population Age 28-43

~72 million (Millennials)¹

- Seven million more people compared to Gen X are entering prime household formation years
- Remote work/mobility increases migration to affordable housing markets
- Increasing disposable incomes

Demographics and past underinvestment, combined with mobility and migration trends, provide strong multi-year tailwinds for the U.S. housing market over the next decade

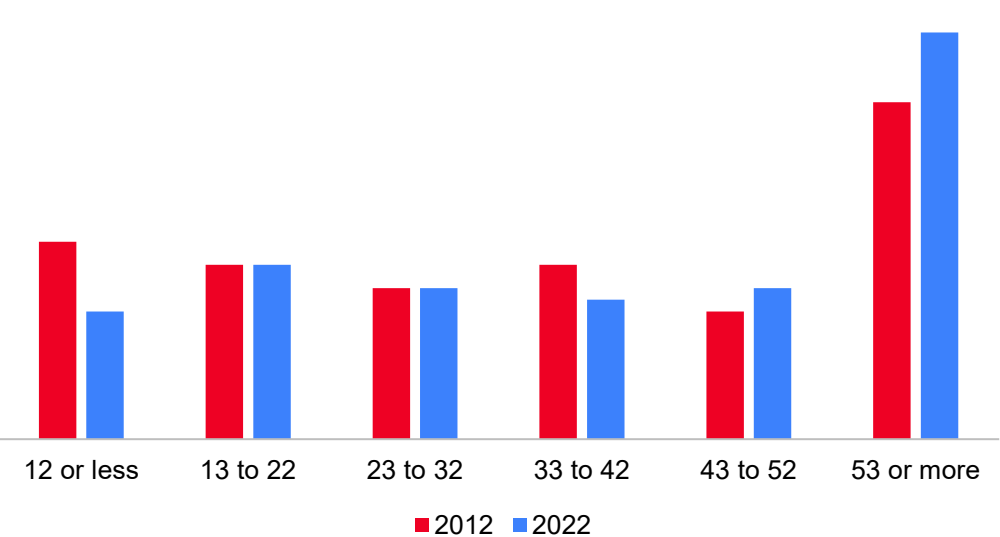
Annual U.S. Housing Starts (thousands)¹



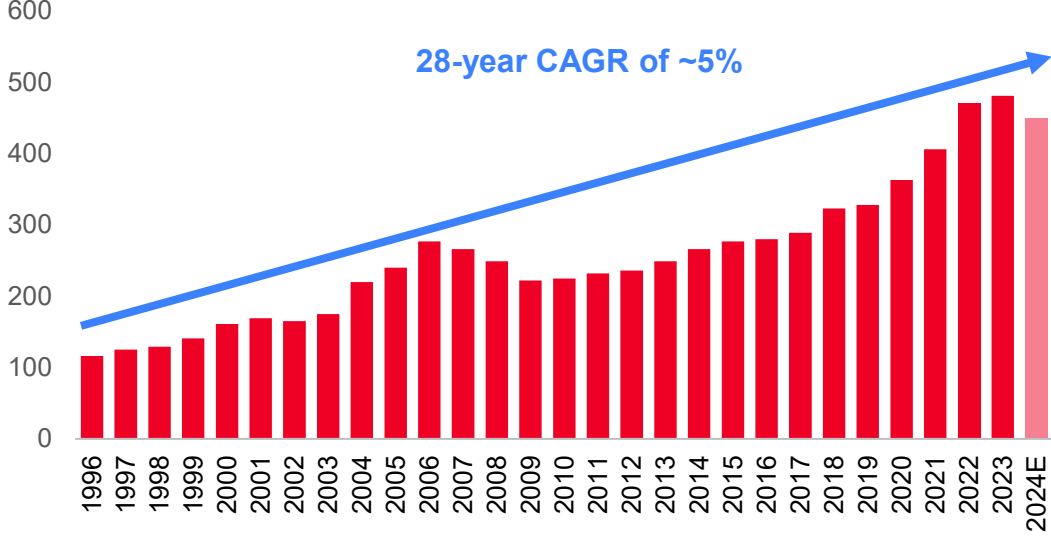
¹U.S. Census Bureau

Aging U.S. Housing Stock Is An Important Repair & Remodeling Leading Indicator

Increasing Age in Years of U.S. Housing Stock: 2012 vs 2022¹



Historically Stable Growth in U.S. Repair & Remodel (R&R) Expenditures (\$B)^{2,3}

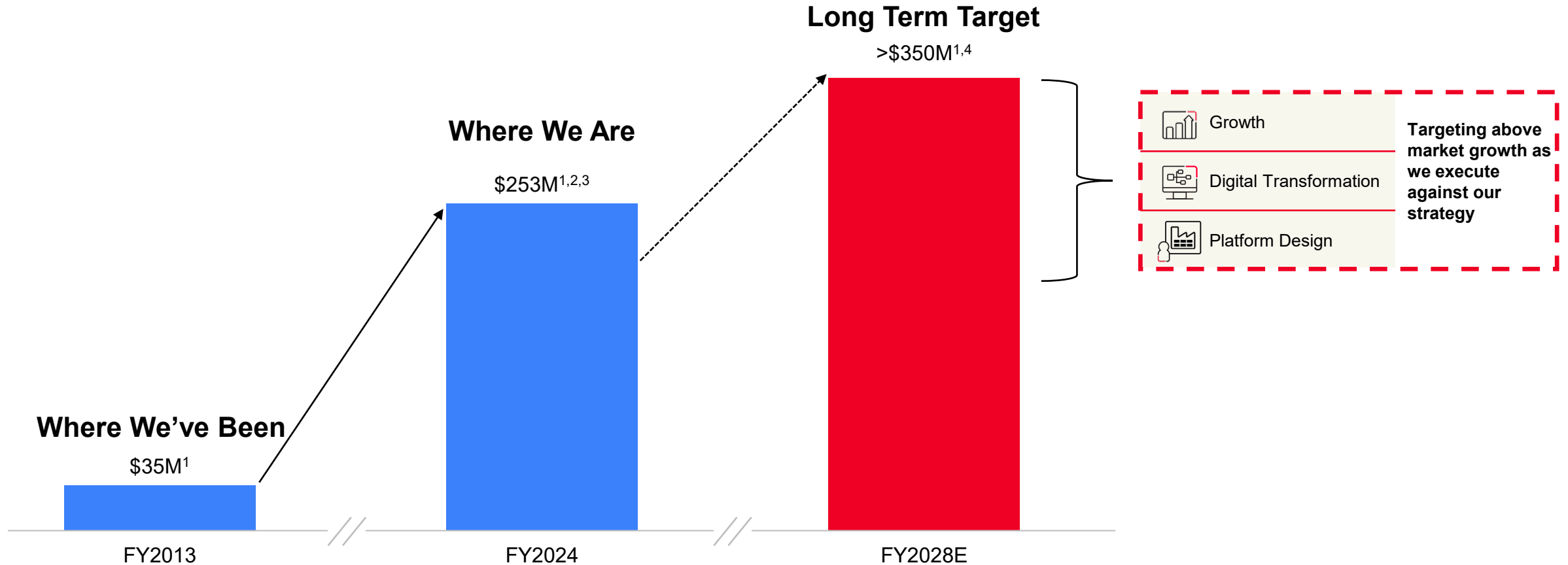


- **Pent up Demand:** Median age of a U.S. home is approximately 40 years old, up from a median age of 31 years in 2005
- **Past Underinvestment:** Homes under 12 years old fell to just 11% of total stock in 2022, down from 17% in 2012 due to ~10 years of below-trend new construction
- **Historically Resilient:** Over the past 28 years only the 2006-2009 financial crisis and 2024E have seen R&R declines in excess of 3%

Aging U.S. housing stock & declining new home affordability supports strong multi-year repair & remodel demand

Building On a Solid Foundation to Accelerate Adjusted EBITDA¹ Growth

Efficiently aligning our scaled platform with a favorable long-term growth outlook by providing quality solutions and executing our “GDP” strategy

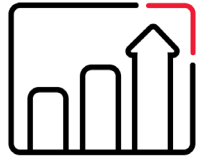




Long-term Strategy: “GDP”

“GDP”: Our Economic Engine To Drive Growth & Margin Expansion

Our “GDP” Strategy is the lens we view long-term decision-making through, enabling growth and profitability through the cycle



Growth

Product Innovation

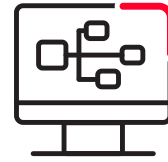
- Targeted launches of opening price point brands into new markets
- Relevancy across Made-to-Stock (MTS), Made-to-Order (MTO), Framed, Frameless categories

Channel Initiatives

- Dealer/Distributor penetration



- E-commerce expansion



Digital Transformation

One American Woodmark

- Investments in technology infrastructure to operate as one company
- Faster marketing cycles

Driving Deeper Channel Penetration

- E-commerce expanding with improved product offerings, content, and experience
- Accelerate customer conversion with easy-to-use design and shopping tools



Platform Design

Customer Experience (CX)

- MTS Kitchen and bath center of excellence
- Delivery, quality, response rate

Operational Excellence (OPEX)

- Design For Manufacturing & Assembly (DFMA), materials, logistics, and labor savings
- Drive production and efficiency through a balanced manufacturing footprint

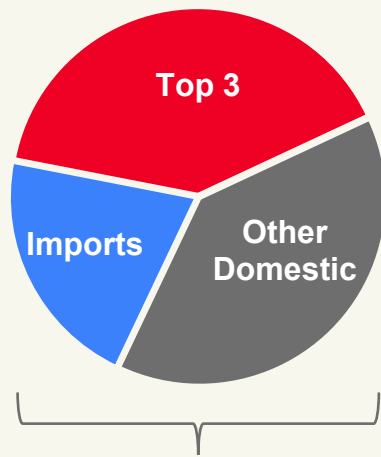
Automation

- Reduce labor costs and waste
- Improve lead times and quality
- Make our employees' jobs easier

Growth: Maximize Our Market Opportunity Through Key Growth Pillar Initiatives

Highly Fragmented Market Opportunity

Kitchen & Bath Cabinet Industry¹



Over 50% of the market is highly fragmented, less capitalized local and regional manufacturers or import products

Key Growth Drivers

Product Innovation and Capacity Investments

- Accelerating growth through product innovation and relevant offerings
- Building on over 30% of MTO sales from products introduced in the last three years
- Monterrey, Mexico and Hamlet, North Carolina expansions to strengthen MTS product line and improve our financial performance

Expand Channel Opportunities

- Simple Trends brand to compete with low-cost imports
- Launch of 1951
- E-commerce and Digital Marketing to expand customer purchase options and reduce time-to-purchase decision

Our initiatives are focused on delivering above market growth

Case Study: Builder Turnkey Solution

Builder Channel Opportunity

- Homebuilders have demanding servicing requirements to efficiently bring new homes to market
- Cabinet installation occurs at the tail end of the home building process, requiring a high level of precision and flexibility to complete homes on time
- Builders award business to suppliers with capacity who can reliably service their product needs

American Woodmark Solution

- Develop a full-turnkey direct business model for U.S. home builders featuring design, measure, installation, and project management-related services
- Investments in technology to improve the builder's cabinet experience from start to finish – adding value, eliminating waste, and tracking to complete homes on schedule



Outcome

- **Largest share of direct-to-builder sales among all U.S. cabinet-makers at a national scale that remains unrivaled**
- **Track record of 30+ years providing all or a portion of 19 of the top 20 U.S. production builders' cabinetry needs**
- **Our unique model to support top national home builders has helped grow American Woodmark's share**

Case Study: Adapting Our Offerings To Add Value And Accelerate Growth

Builder Channel Opportunity

- Builders increasingly look to suppliers to find ways to improve new home affordability
- Demographic shifts drive more first-time home buyers further accelerating the need for value-oriented options

American Woodmark Solution

- Gain share with Origins brand and expand offerings across the homebuilding market
- Efficient logistics & service footprint built around single-family building density allows for a turnkey solution
- Meet a growing builder need for opening price point homes with on-trend offerings

Origins
BY THE BERKSHIRES

Outcome

- Achieved goal of lowering costs and improving affordability, especially for growing first time homebuyer market
- Origins is our fastest growing brand over the past five years

Case Study: Adapting Our Brand Portfolio To Accelerate Growth

Distribution Channel Opportunity

- New Construction business primarily served by Builder Direct channel
- Grow Distribution market share by increasing penetration in Distributor channel by reducing conflict with Builder Direct business

American Woodmark Solution

- Introduce a dedicated Distribution Channel brand leveraging multiple product platforms appealing to the diverse needs of building product distributors with simplified pricing and relevant programming



1951
Cabinetry

Outcome

- **Launched 1951 Cabinetry™ brand to the market, honoring the founding of the company**
- **Successfully transitioned 45% of Distributor customer orders from Timberlake to 1951 Cabinetry™ in the first 3 months**
- **Added dozens of new Distributor customers based on appeal of expanded product offering and relevant brand programming**

Digital Transformation: Customer Experience and Drive Efficiencies

Strengthening Our Competitive Advantage and Profitability by Leveraging Digital Capabilities

Unlock Efficiencies Through One American Woodmark

- Enterprise Resource Planning and Customer Relationship Management systems to help realize efficiency gains
- Better leverage information across the organization
- Unify offerings and capabilities under a single platform
- Sophisticated data analysis to track customer lifecycle and service needs
- Better align internal capacity across teams

Increase Consumer Centric Approach to Digital Marketing

- Expand engagement through robust digital marketing campaign
- Accommodate online consumer preferences
- Lead generation E-commerce tools to increase business reach
- Invest in Dealer/Distributor online platform to improve customer experience (CX)



Digital Transformation Case Study: Digital Marketing Platform

Digital Lead Generation

- Kitchen & Bath retailers in the dealer channel are key growth drivers with billions in cabinetry sales
- Local retailers often rely on advertising methods with limited reach due to budget constraints

American Woodmark Solution

- We bring a digital brand presence with a nationwide marketing toolkit to help consumers connect with local dealers
- Through a dealer locator and contact application, customers seamlessly connect with a Waypoint Living Spaces retail location
- A common platform creates shared visibility
- Waypoint representatives can provide support across the purchase journey



Platform Design: Leverage Complexity Reduction and Operational Excellence to Drive Margin Improvement

Complexity Reduction and Customer Experience

- Localize capacity needs and position near skilled labor
- Establish MTS Kitchen & Bath Manufacturing Centers of Excellence
- Facility enhancements to improve reliability and service
- Improve customer experience and lower costs by expanding DFMA:
 - Improve throughput
 - Shorten lead times
 - Optimal inventory management

Operational Excellence and Systems Thinking

- Increase use of high-quality substitute materials
- Procurement strategy to drive global sourcing synergies
- Logistics and delivery network initiatives; optimize Final Mile Network
- Invest \$75 million in automation from FY24 to FY28
- Enhance technology to lower capital requirements and improve processes
- Focus on product performance, appearance, and reducing defects

Significant Opportunity For Margin Expansion



Target ~200bps of Adjusted EBITDA Margin Improvement by FY28¹

American Woodmark

¹Note the expected increase of Adjusted EBITDA Margin Improvement presented above reflects the current expectations and beliefs of management compared to FY23. See additional disclosures, footnote 1 on slide 34 for further information, Appendix A for a reconciliation of Adjusted EBITDA Margin to the most comparable GAAP financial measure and for a definition of "Adjusted EBITDA Margin."

Creating Manufacturing Centers of Excellence to Meet Growing Demand

Greenfield Monterrey, MX Facility



Completed in:
Q4 FY24

Highlights:

- Strategically located components capacity
- Strengthens Made-to-Stock Kitchen & Bath supply chain
- Labor availability and talent pool enhancements
- Lowers average cost of production across our footprint
- Lead time and logistics optimization

Expansion of Hamlet, NC Facility



Completed in:
Q3 FY24

Highlights:

- Creates a new Bath Manufacturing Center of Excellence in Hamlet, NC
- Consolidates Kitchen Manufacturing Center of Excellence in Lincolnton, NC
- Addresses growth opportunities and improves throughput
- Improves service to the largest U.S. repair and remodel market
- Strengthens our supply chain and modernizes assets

Expansion of Made-to-Stock manufacturing operations to better serve large east coast market



Competitive Advantages

American Woodmark

How We Win: By Providing a Superior Customer Experience Across Our Targeted Product Offerings with a Focus on Value



Market



Product



Channels & Customers



Customer Experience

Objective

Be the preeminent kitchen and bath cabinet value player that serves all market channels

Innovation focus on a relevant, lean, value-oriented product offering for kitchen and bath

Win in the value segment by selling through Home Centers, National Builders, Independent Dealers and Distributors, and E-commerce

Create differentiated, relevant value by offering end to end engagement, leveraging technology and connections across touchpoints, and offering efficient turnkey solutions

Strategic Rationale

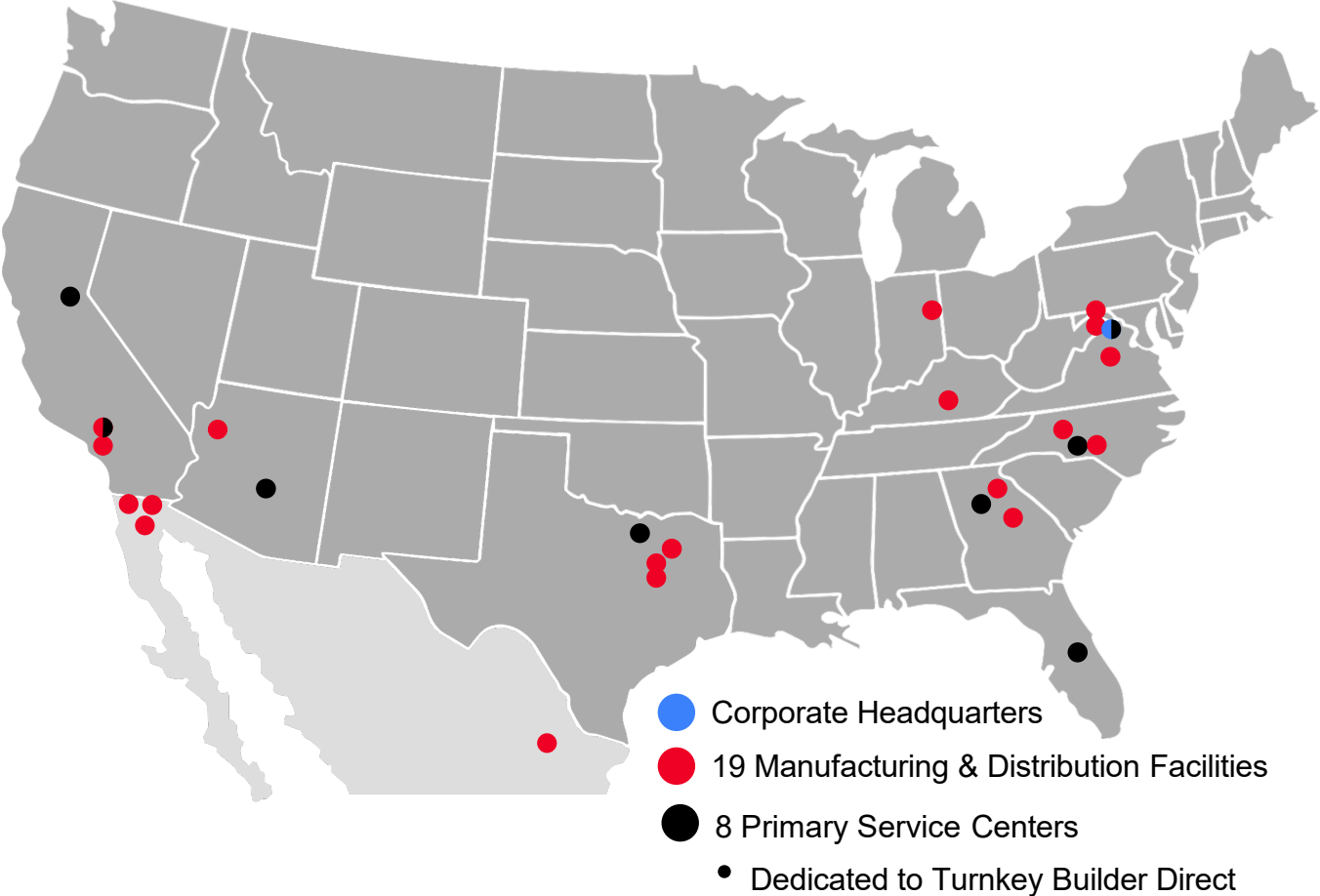
- Value segment represents 60% of the market, and our product offering addresses 80% of the segment¹
- Longstanding customer relationships serving the value segment while large competitors focus elsewhere

- Serve the largest segment of the market with strong growth rates
- Manufacturing know-how and platform is structured to win in this segment

- Achieve above market growth through deeper channel penetration
- Create a more diversified and balanced portfolio

- Create sustainable differentiation through relevant product and service solutions
- Higher customer satisfaction presents opportunity to capture pricing

U.S. Centric Revenue Profile with Significant Scale and Operational Capabilities in Key Growth Regions



Proximity to customers enhances our service capabilities and improves overall speed and customer experience

Strategically located manufacturing facilities is a critical cost and logistics differentiator

Manufacturing presence efficiently serves large East Coast market and faster growing Sunbelt and Southwest regions of the U.S.

Invested presence in attractive regions of opportunity, with efficient, low-cost manufacturing across U.S. and Mexico

Positioned to Capture Outsized Growth Towards Affordable Offerings



New Construction¹

Market Size \$5.8 B



Home Center¹

Market Size \$3.2 B



Dealer¹

Market Size \$7.5 B



E-commerce¹

Market Size ~\$1.2 B



Approximate American Woodmark Market Share²



Cabinet Market Channel

Total Domestic Market of ~\$16.5B¹ With Growing Emphasis On E-commerce Across Our Core Market Channels

- Direct-to-Builder sales model offers turnkey solutions
- Target first time buyers and mid-level housing
- Simplified selection process with ongoing service and engagement
- Launching 1951 brand to grow share with distributors

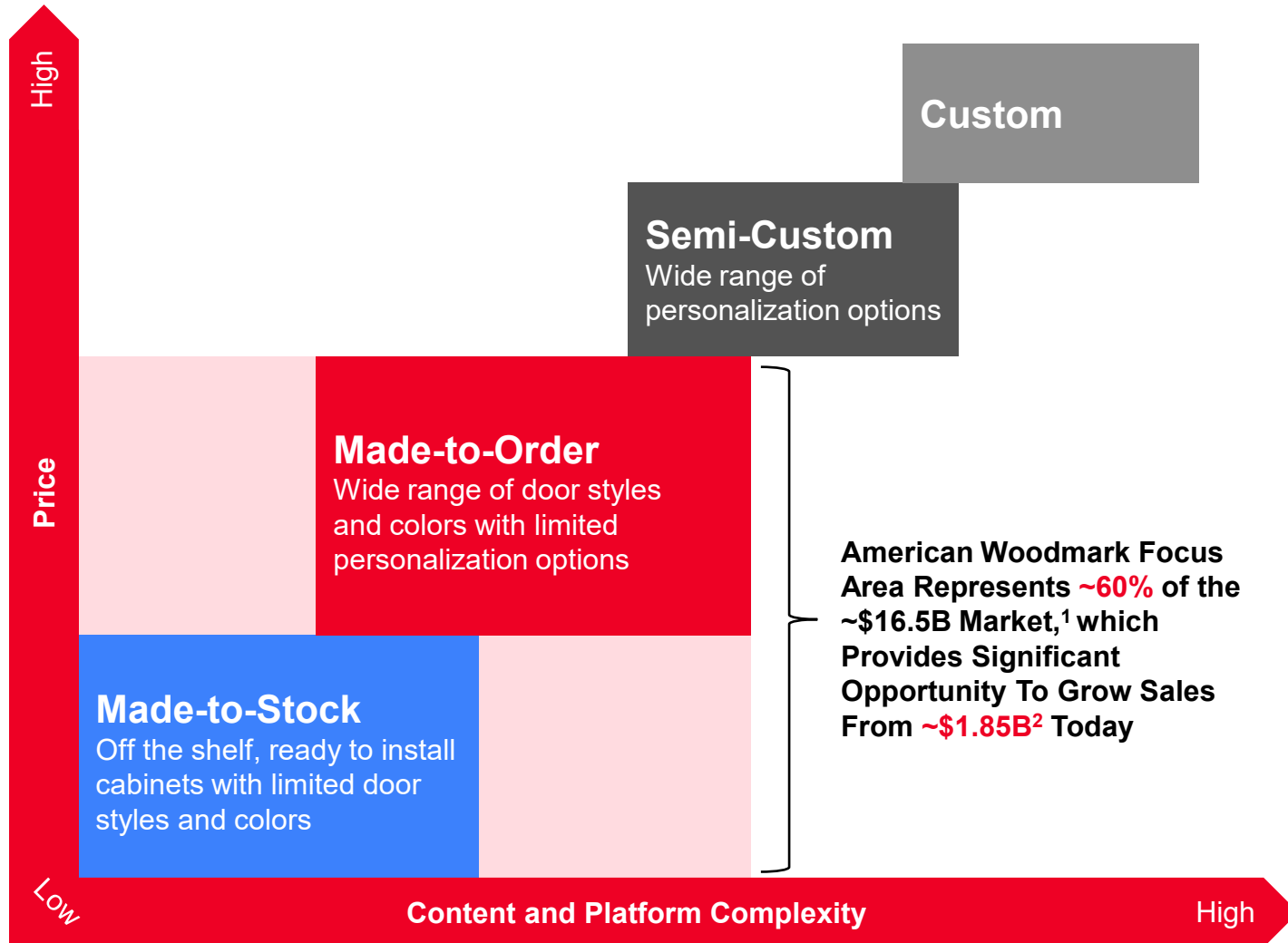
- Repair & Remodel historically shown stable mid-single-digit growth
- Leveraging national retail footprint
- Deepening relationships with Pro customers
- Improving customer experience and omnichannel strategy

- Estimate ~\$1.5B¹ in addressable dealer market opportunity
- Partner with trusted vendors and expand access to value brands
- Increasing product categories to meet customer needs

- E-commerce opportunities increasing within all core market channels
- Better meet changing customer preferences
- Targeting ~2x FY24² E-commerce sales by FY28

Our value focus allows us to win with our customers and capture new market opportunities

Market Shifting to Value Offering Plays into Our Core Competency



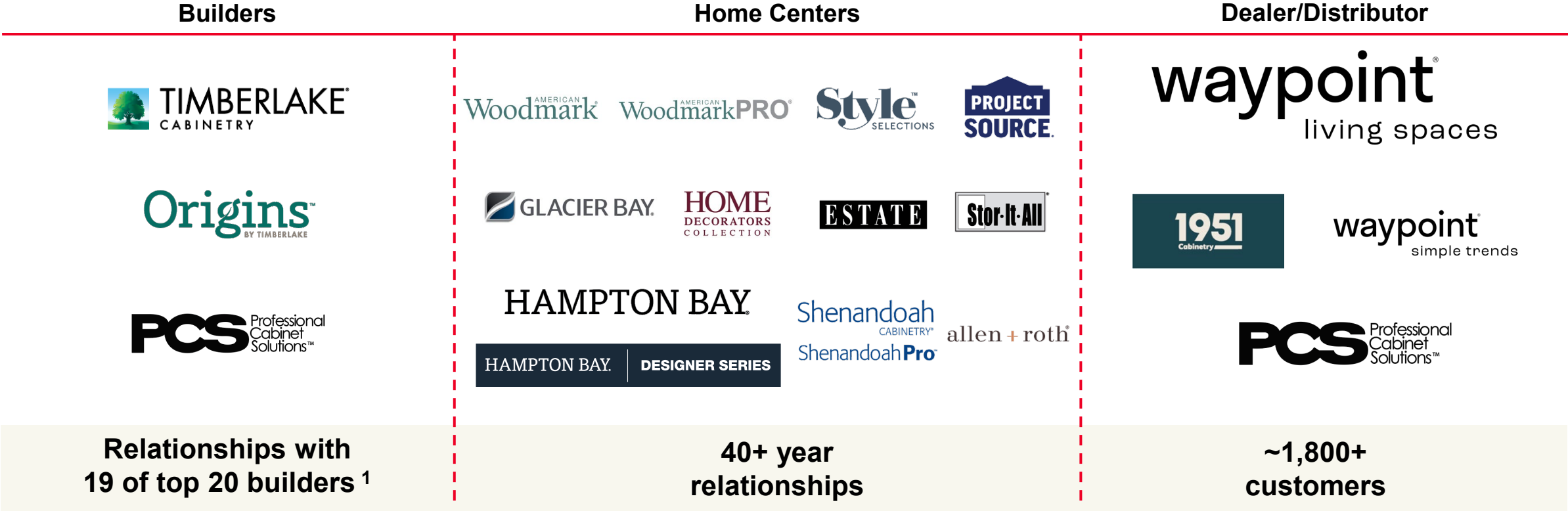
Made-to-Stock

- Provide less cyclical growth with affordable, high-quality products
- Lean, on trend, and relevant offerings help drive operational excellence and supply chain optimization

Made-to-Order

- Meeting customers with value-added products made on a case-by-case basis
- MTO products help capture later cycle upside

Our Leading Brands Reinforce Long-Term Customer Relationships and Allow Us To Capitalize On Emerging Trends



¹ One of the top 20 builders is a modular home builder that does not utilize cabinetry with traditional construction

Commitment to Sustainability Supports Our People and Our Brand

Three Main Focus Areas Guide Our Path to Sustainability 2030



Our Team Members

Leveraging Our
Greatest Resource



Carbon Footprint

Deploying Innovation to Reduce
Emissions and Fuel Consumption



The Planet

Reducing Waste and Assuring a
Responsible Supply Chain

Elevate already impressive safety record and provide sustainability training

Employee Health and Safety

- Goal to further improve upon our five-year recordable incident rate which is already superior to our industry average

Sustainability Education

- Provide sustainability training for team members

Increase use of Smartway-approved carriers and investments in renewable energy

Fleet Innovation

- We have reached ~80% Smartway carrier usage for over-the-road (OTR) shipments out of our 2030 goal of 100%

Renewable Energy

- In support of our plan to source more renewable energy, we have completed a rooftop solar installation on a second factory

Enhance our Supplier Code of Conduct and reduce our landfill waste through useful outlets for our byproducts

Sustainable Forests

- We have improved our Supplier Code of Conduct to target suppliers who use the best land management and sustainable forestry practices

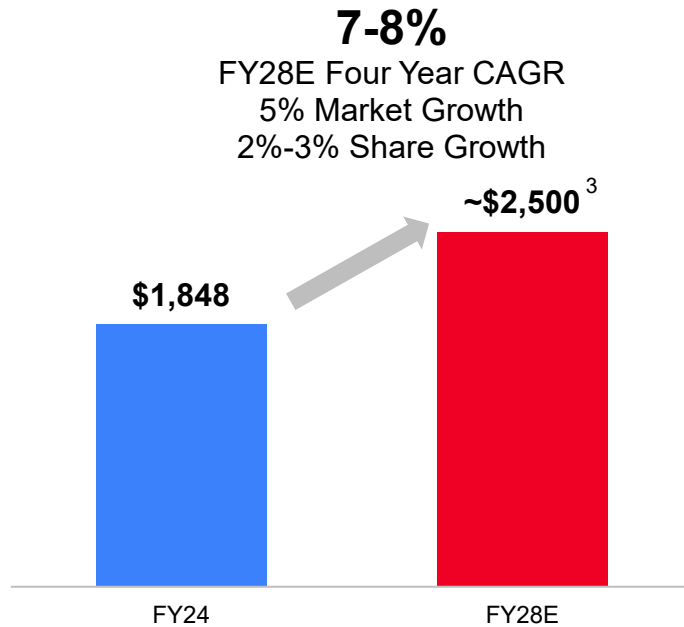
Waste Elimination

- We currently recycle much of our waste with a goal to minimize landfill usage

A modern kitchen with dark, possibly black or dark grey, cabinetry. The countertop is a light-colored, possibly white or light grey, material. On the countertop, there are several items: a bowl of oranges, a silver kettle, a knife block, and a bowl of green fruit. Above the countertop, there are open shelves with various items, including a bottle of oil, jars, and decorative plates. The kitchen is set against a white wall with a marble-like pattern. The image is partially obscured by a large white triangle on the right side, which contains the text 'Financial Overview'.

Financial Overview

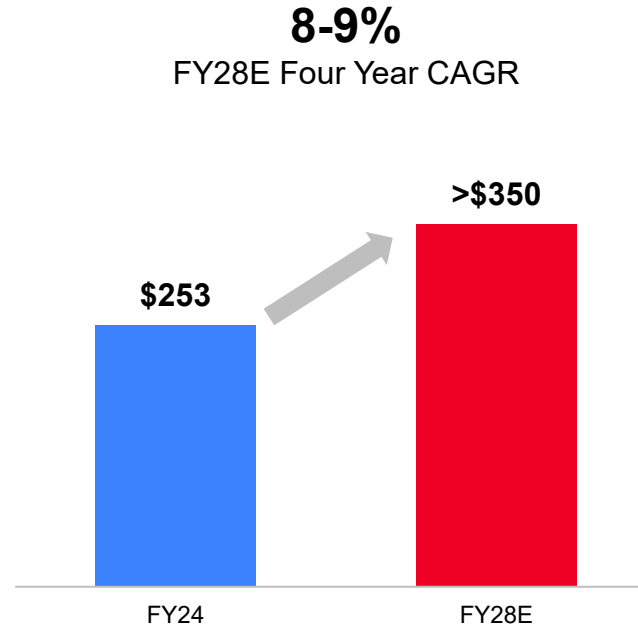
Leveraging Our Strategy And Long-Term Housing Tailwinds To Drive Strong Adjusted EBITDA Growth



Net Sales (\$M)^{1,2}

Revenue Enablers:

Active growth programs, new products, E-commerce, Dealer/Distributor penetration, multi-year housing tailwinds

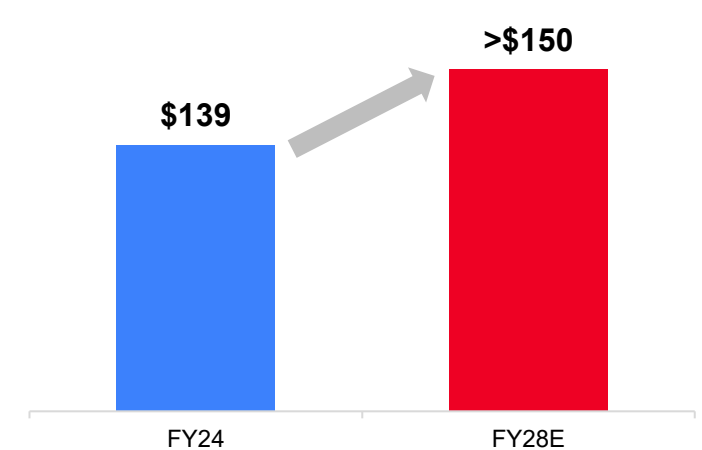


Adjusted EBITDA^{1,2} (\$M)

Adjusted EBITDA Enablers:

Platform investments, supply chain initiatives, digital transformation, operating leverage

Maintaining Strong Free Cash Flow



Free Cash Flow¹ (\$M)

FCF Enablers:

Share gains, productivity investments, working capital management

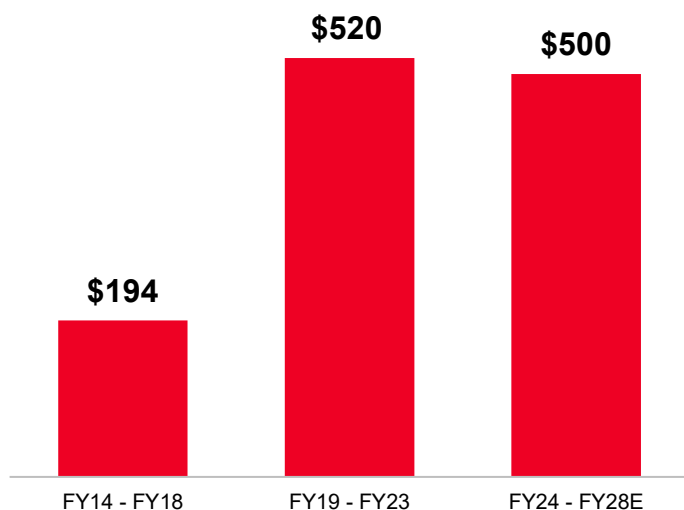
Focused on above-market revenue growth, FCF generation, and targeting Adjusted EBITDA Margins¹ of ~14-15%

American Woodmark

¹Note the FY2028 projected financial numbers presented above reflect the current expectations and beliefs of management. See additional disclosures, footnote 1 on slide 34 for further information, Appendix A for a reconciliation of each non-GAAP number to the most comparable GAAP financial measure and for definitions of "Adjusted EBITDA", and "Free Cash Flow".; ²FYE 04/30/2024, ³The FY2028 revenue estimates assumes existing home sales and single family starts to grow at a CAGR of approximately 5%

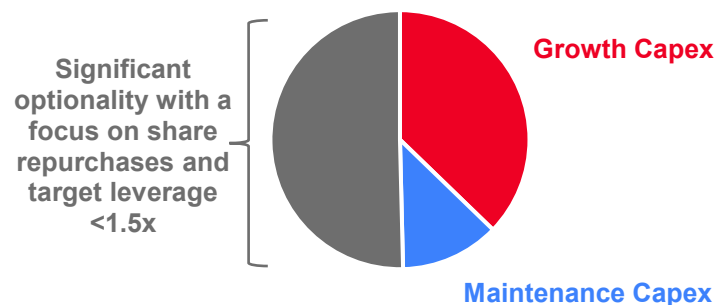
Powerful Cash Engine Supports Our Capital Deployment Priorities And Fuels Our Strategy

Free Cash Flow¹ (\$M)



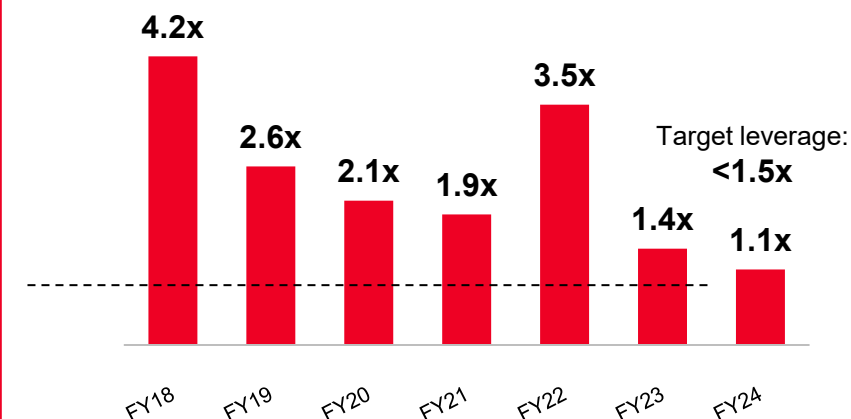
Capital Allocation Priorities

FY24 – FY28 Est. Capital Deployment >\$1.0B



Strong Balance Sheet

Net Debt/Adj. EBITDA¹



- Delivered ~\$714M in cumulative FCF from FY14 – FY23
- Target: >\$500M of cumulative FCF from FY24 - FY28 while also investing for growth
- Target: FY28 FCF >\$150 million

- Capital allocation priorities are reinvesting for growth, debt paydown, and returning excess cash to shareholders via buybacks
- ~75% of Capex earmarked for growth through FY28, providing substantial flexibility
- Target: ~\$500M in investments in our GDP initiatives through FY28

- Repurchased 1.1M shares, or 7.1% of shares outstanding, for ~\$88M in FY24
- Current fixed rate debt comprises >50% of total debt at below market rates through FY25
- Target leverage: Achieve and maintain Net Debt / Adj. EBITDA below ~1.5x through the cycle

Key Takeaways

- 1 A compelling **investment opportunity** with a purpose driven culture and clearly defined **“GDP” strategy**
- 2 A track record of **attractive growth** with long-term industry tailwinds and **strong market position** in our core value segment
- 3 **Investments** in supply chain, production capabilities, and digital build upon our **strong foundation** for expected **profitable growth**
- 4 **Disciplined capital allocation** with a continuous focus on driving efficiencies
- 5 Expect significant **cash flow** and strong cash conversion driven by **operational excellence** and **resilient** product mix



Unwavering commitment to a value-oriented approach and operational excellence provides resilience through the cycle



Appendix

Additional Disclosures

¹ The projections herein are based on a number of assumptions and estimates that are inherently subject to business, economic and competitive uncertainties and contingencies, many of which are beyond our control. See page 2 of this presentation for a discussion of the risks and uncertainties that could cause actual results to differ materially from those expressed in this presentation.

² The information presented on this slide with respect to the overall US cabinet market and the size of the New Construction, Home Center & Retail and Dealer/Distributor markets represents internal management estimates. These estimates are based on management's knowledge and experience in these markets and are informed by certain internal surveys, market research, industry publications and surveys and additional sources. Although management believes these estimates are reliable, they may prove to be inaccurate due to the method by which we obtained some of the data for these estimates or because of the inability to verify such data with certainty due to limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in data gathering. These estimates and any internal surveys informing such estimates have not been independently verified. For these reasons, investors should not place undue reliance on the market information presented. Total market size is estimated by company management at \$16.5 billion. Current addressable market opportunity within Dealer/Distributor channels is estimated at ~\$1.5B based on internal management estimates. This data is as of Calendar year 2023.

³ Estimate for e-commerce market is inclusive of all e-commerce within New Construction, Home Center, Dealer/Distributor market channels.

Appendix A

Adjusted EBITDA, and Adjusted EBITDA margin Definition

We use EBITDA, Adjusted EBITDA, and Adjusted EBITDA margin in evaluating the performance of our business, and we use each in the preparation of our annual operating budgets and as indicators of business performance and profitability. We believe EBITDA, Adjusted EBITDA, and Adjusted EBITDA margin allow us to readily view operating trends, perform analytical comparisons and identify strategies to improve operating performance.

We define Adjusted EBITDA as net income adjusted to exclude (1) income tax expense (benefit), (2) interest expense, net, (3) depreciation and amortization expense, (4) amortization of customer relationship intangibles and trademarks, (5) expenses related to the acquisition of RSI Home Products, Inc. ("RSI acquisition") and the subsequent restructuring charges that the Company incurred related to the acquisition, (6) inventory step-up amortization, (7) non-recurring restructuring charges, (8) stock-based compensation expense, (9) gain/loss on asset disposals, (10) change in fair value of foreign exchange forward contracts, (11) pension settlement charges, and (12) net gain/loss on debt forgiveness and modification. We believe Adjusted EBITDA, when presented in conjunction with comparable GAAP measures, is useful for investors because management uses Adjusted EBITDA in evaluating the performance of our business.

We define Adjusted EBITDA margin as Adjusted EBITDA as a percentage of net sales.

Reconciliation of Adjusted Non-GAAP Financial Measures to the GAAP Equivalents

Adjusted EBITDA and Adjusted EBITDA Margin (in thousands)	Year ended April 30, 2013	Year ended April 30, 2018	Year ended April 30, 2019	Year ended April 30, 2020	Year ended April 30, 2021	Year ended April 30, 2022	Year ended April 30, 2023	Year ended April 30, 2024
Net income (GAAP)	\$ 9,758	\$ 63,141	\$ 83,688	\$ 74,861	\$ 61,193	\$ (29,722)	\$ 93,723	\$ 116,216
Add back:								
Income tax expense (benefit)	6,982	31,619	27,200	25,687	19,500	(13,257)	28,963	35,752
Interest (income) expense, net	643	13,054	35,652	29,027	23,128	10,189	15,994	8,207
Depreciation and amortization expense	14,431	28,671	45,446	49,513	51,100	50,939	48,077	48,337
Amortization of customer relationship intangibles and trademarks	-	16,333	49,000	49,000	47,889	45,667	45,667	30,444
EBITDA (Non-GAAP)	\$ 31,814	\$ 152,818	\$ 240,986	\$ 228,088	\$ 202,810	\$ 63,816	\$ 232,424	\$ 238,956
Add back:								
Acquisition related expenses	-	12,902	4,118	221	174	80	80	47
Inventory step-up amortization	-	6,334	-	-	-	-	-	-
Non-recurring restructuring charges, net	270	-	-	-	5,848	183	1,525	(198)
Pension Settlement	-	-	-	-	-	68,473	(7)	-
Net loss on debt modification	-	-	(5,266)	-	13,792	-	(2,089)	-
Change in fair value of foreign exchange forward contracts	-	-	-	1,102	(1,102)	-	-	1,544
Stock-based compensation expense	3,509	3,097	3,040	3,989	4,598	4,708	7,396	10,682
Gain/Loss on asset disposal	(250)	615	1,973	2,629	384	697	1,050	1,742
Adjusted EBITDA (Non-GAAP)	\$ 35,343	\$ 175,766	\$ 244,851	\$ 236,029	\$ 226,504	\$ 137,957	\$ 240,379	\$ 252,773
Net Sales	\$ 630,437	\$ 1,250,274	\$ 1,645,319	\$ 1,650,333	\$ 1,744,014	\$ 1,857,186	\$ 2,066,200	\$ 1,847,502
Adjusted EBITDA margin (Non-GAAP)	5.6%	14.1%	14.9%	14.3%	13.0%	7.4%	11.6%	13.7%

A reconciliation of Adjusted EBITDA and Adjusted EBITDA Margin as projected is not provided because we do not forecast Net Income as we cannot, without unreasonable effort, estimate or predict with certainty various components of Net Income.

Additional Definitions

Free cash flow

To better understand trends in our business, we believe that it is helpful to subtract amounts for capital expenditures consisting of cash payments for property, plant and equipment and cash payments for investments in displays from cash flows from continuing operations which is how we define free cash flow. Management believes this measure gives investors an additional perspective on cash flow from operating activities in excess of amounts required for reinvestment. It also provides a measure of our ability to repay our debt obligations.

Net leverage

Net leverage is a performance measure that we believe provides investors with a more complete understanding of our leverage position and borrowing capacity after factoring in cash and cash equivalents that eventually could be used to repay outstanding debt.

We define net leverage as net debt (total debt less cash and cash equivalents) divided by the trailing 12 months Adjusted EBITDA.

A reconciliation of these non-GAAP financial measures and the most directly comparable measures calculated and presented in accordance with GAAP are set forth on the following tables.

Reconciliation of Adjusted Non-GAAP Financial Measures to the GAAP Equivalents

Free Cash Flow
(in thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Cash provided by operating activities	\$ 58,737	\$ 71,778	\$ 77,080	\$ 86,775	\$ 190,845	\$ 177,542	\$ 151,763	\$ 24,445	\$ 198,837	\$ 230,750
Less: Capital expenditures	22,378	33,119	25,531	49,893	39,385	40,739	46,318	51,582	45,380	92,241
Free cash flow	\$ 36,359	\$ 38,659	\$ 51,549	\$ 36,882	\$ 151,460	\$ 136,803	\$ 105,445	\$ (27,137)	\$ 153,457	\$ 138,509

Free Cash Flow
(in thousands)

	2028E	2024-2028E
Cash provided by operating activities	\$ 250,000	\$ 1,000,000
Less: Capital expenditures	100,000	500,000
Free cash flow	\$ 150,000	\$ 500,000

	As of April 30, 2018	As of April 30, 2019	As of April 30, 2020	As of April 30, 2021	As of April 30, 2022	As of April 30, 2023	As of April 30, 2024
Current maturities of long-term debt	\$ 4,143	\$ 2,286	\$ 2,216	\$ 8,322	\$ 2,264	\$ 2,263	\$ 2,722
Long-term debt, less current maturities	809,897	689,205	594,921	513,450	506,732	369,396	371,761
Total Debt	814,040	691,491	597,137	521,772	508,996	371,659	374,483
Less: cash and cash equivalents	(78,410)	(57,656)	(97,059)	(91,071)	(22,325)	(41,732)	(87,398)
Net debt	\$ 735,630	\$ 633,835	\$ 500,078	\$ 430,701	\$ 486,671	\$ 329,927	\$ 287,085
Net leverage	4.19	2.59	2.12	1.90	3.53	1.37	1.14