



**CHAMPION<sup>®</sup>**  
**HOMES**



**Investor**  
**Presentation**

February 2025

## Forward-Looking Statements

Statements in this presentation, including certain statements regarding Champion Homes' strategic initiatives, and future market demand are intended to be covered by the safe harbor for "forward-looking statements" provided by the Private Securities Litigation Reform Act of 1995. These forward-looking statements generally can be identified by use of words such as "believe," "expect," "future," "anticipate," "intend," "plan," "foresee," "may," "could," "should," "will," "potential," "continue," or other similar words or phrases. Similarly, statements that describe objectives, plans, or goals also are forward-looking statements. Such forward-looking statements involve inherent risks and uncertainties, many of which are difficult to predict and are generally beyond the control of Champion Homes. We caution readers that a number of important factors could cause actual results to differ materially from those expressed in, implied, or projected by such forward-looking statements. Risks and uncertainties include regional, national and international economic, financial, public health and labor conditions, and the following: supply-related issues, including prices and availability of materials; labor-related issues; inflationary pressures in the North American economy; the cyclical nature and seasonality of the housing industry and its sensitivity to changes in general economic or other business conditions; demand fluctuations in the housing industry, including as a result of actual or anticipated increases in homeowner borrowing rates; the possible unavailability of additional capital when needed; competition and competitive pressures; changes in consumer preferences for our products or our failure to gauge those preferences; quality problems, including the quality of parts sourced from suppliers and related liability and reputational issues; data security breaches, cybersecurity attacks, and other information technology disruptions; the potential disruption of operations caused by the conversion to new information systems; the extensive regulation affecting the production and sale of factory-built housing and the effects of possible changes in laws with which we must comply; the potential impact of natural disasters on sales and raw material costs; the risks associated with mergers and acquisitions, including integration of operations and information systems; periodic inventory adjustments by, and changes to relationships with, independent retailers; changes in interest and foreign exchange rates; insurance coverage and cost issues; the possibility that all or part of our intangible assets, including goodwill, might become impaired; the possibility that all or part of our investment in ECN Capital Corp. ("ECN") might become impaired; the possibility that our risk management practices may leave us exposed to unidentified or unanticipated risks; the potential disruption to our business caused by public health issues, such as an epidemic or pandemic, and resulting government actions; the possibility our share repurchase program will not enhance long-term stockholder value, could increase the volatility of our stock price, and diminish our cash reserves; and other risks set forth in the "Risk Factors" section, the "Legal Proceedings" section, the "Management's Discussion and Analysis of Financial Condition and Results of Operations" section, and other sections, as applicable, in our Annual Reports on Form 10-K, including our Annual Report on Form 10-K for the fiscal year ended March 30, 2024 previously filed with the Securities and Exchange Commission ("SEC"), as well as in our Quarterly Reports on Form 10-Q, and Current Reports on Form 8-K, filed with or furnished to the SEC.

If any of these risks or uncertainties materializes or if any of the assumptions underlying such forward-looking statements proves to be incorrect, then the developments and future events concerning Champion Homes set forth in this presentation may differ materially from those expressed or implied by these forward-looking statements. You are cautioned not to place undue reliance on these statements, which speak only as of the date of this presentation. We anticipate that subsequent events and developments will cause our expectations and beliefs to change. Champion Homes assumes no obligation to update such forward-looking statements to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events, unless obligated to do so under the federal securities laws.

## Non-GAAP Financial Measures

In addition to the results provided in accordance with U.S. generally accepted accounting principles ("U.S. GAAP") throughout this presentation, Champion Homes has provided Non-GAAP financial measures, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted EBITDA less Capex, Adjusted Gross Profit, and Adjusted Gross Profit Margin (collectively the "Non-GAAP Financial Measures") which present operating results on a basis adjusted for certain items. Champion Homes uses these Non-GAAP Financial Measures for business planning purposes and in measuring its performance relative to that of its competitors. Champion Homes believes that these Non-GAAP Financial Measures are useful financial metrics to assess its operating performance from period-to-period by excluding certain items that Champion Homes believes are not representative of its core business. These Non-GAAP Financial Measures are not intended to replace, and should not be considered superior to, the presentation of Champion Homes' financial results in accordance with U.S. GAAP. Champion Homes does not provide a reconciliation of forward-looking measures where Champion Homes is unable to reasonably predict certain items contained in the U.S. GAAP measures without unreasonable efforts. This is due to the inherent difficulty of forecasting the timing or amount of various items that have not yet occurred and are out of the control of Champion Homes or cannot be reasonably predicted. For the same reasons, Champion Homes is unable to address the probable significance of the unavailable information. Forward-looking Non-GAAP Financial Measures provided without the most directly comparable U.S. GAAP financial measures may vary materially from the corresponding U.S. GAAP financial measures.



# Company Overview





**CHAMPION<sup>®</sup>**  
HOMES

Champion Homes, Inc. is rethinking and transforming construction across the United States and Western Canada.

We are making it possible for people to have a home that is built better, built faster and is more attainable today.

We achieve this by providing offsite solutions that are more innovative, affordable, and sustainable housing solutions for our customers and the end consumer.

**A Smarter Way to Build<sup>®</sup>**



# The Factory-Built Home Advantage



## Homeownership Affordability

- Manufactured housing is the largest source of unsubsidized affordable housing in the U.S.<sup>1</sup>
- The average price per sq ft of factory-built homes is 50% less than that of site built<sup>2</sup>
- Average cost of a new factory- built HUD code home is \$127,500<sup>2</sup>
- Average cost of site-built home is \$413,000, excluding land<sup>2</sup>
- Price premium between the average new site-built home and manufactured home is ~\$100k for similar features and amenities<sup>2</sup>



## Labor Costs

- Centralized, indoor facilities for home building process
- Training and onboarding completed within weeks
- Skilled trade labor force becoming more scarce
- Increased utilization of advanced power tools and automation to enhance safety, quality, and reduce dependency on manual processes
- Mostly rural locations offering higher availability of labor



## Production Efficiency & Quality

- Factory construction can achieve an overall labor savings of up to 25% compared with traditional onsite construction and reduce construction time by 20% - 50%
- Standardization of processes and materials
- Rigorous inspection process
- Controlled environment benefits (no weather delays)
- Efficient construction process results in reduced energy usage and material waste
- Turn-key solution that can aid the consumer buying process



## Product Improvement & Innovation

- Designed flexibility
- Advancements in engineering allow for configurable, smart living spaces as well as multi-story structures
- Sustainable materials and improved energy efficiency
- Factory production has less social impact than site-built construction by reducing noise, parking and traffic disruption and environmental impacts<sup>1</sup>
- Incorporates advances in energy efficiency, thereby using resources more responsibly and reducing residents' utility bills<sup>1</sup>

<sup>1</sup> Source: Consumer Finance Protection Bureau – Manufactured Housing Finance Report (May 2021)

<sup>2</sup> Source: MHI 2023 Manufactured Housing Facts Industry Overview (June 2023)



# Corporate Responsibility

## Sustainability

- ENERGY STAR® certified homes
- Strict standards under federal building codes for energy efficient equipment, upgraded insulation, high performance windows, and low flow plumbing fixtures
- Homes cost up to 50% less per sq ft than conventional site-built homes

## Health & Safety

- Ongoing behavior-based safety and training programs with a goal of zero injuries
- Investment in tools and equipment with added safety features
- Responsibility for ensuring a safe work environment shared by EHS team, executive management and our Board of Directors

## Community Outreach

- Encourage civic involvement at local community level
- Local teams provide support and assistance to charitable organizations through initiatives such as food and coat drives, tutoring and mentoring programs, blood drives, and other causes

## Governance

- Code of conduct certification required at all levels within the company (Board of Directors, management, and employees)
- Broadened diversity of Board of Directors with recent additions

## Human Capital

- Commitment to equal opportunity in hiring, recruitment, development and training
- Foster a safe, inclusive and respectful workplace free of discrimination and harassment
- Value unique skills and diversity of thought

## Stakeholder Engagement

- Open and transparent communication with all our stakeholders – shareholders, employees, customers, suppliers, and communities we serve
- Social responsibility to homebuyers, customers, employees and the communities in which they live and work

## Environmental Focus

- Reforestation commitment to plant one tree for every tree used in construction. Planted more than one million trees since fiscal 2021
- Minimize environmental footprint with reuse and recycle programs
- Published our first Sustainability Report for fiscal 2023



# By the Numbers



# Last Twelve Months Financial Highlights

**\$2.4**

**Billion Revenue**

**25,728**

**Homes Sold in North America**

**\$92**

**Thousand US Average Home Selling Price**

**22.1%**

**HUD Market Share Based on Shipment Data<sup>4</sup>**

**11.8%**

**Adjusted EBITDA Margin <sup>1</sup>**

**\$236**

**Million Adj. EBITDA less Capex <sup>2</sup>**

**\$165**

**Million Net Income**

**\$2.84**

**Earnings Per Share**

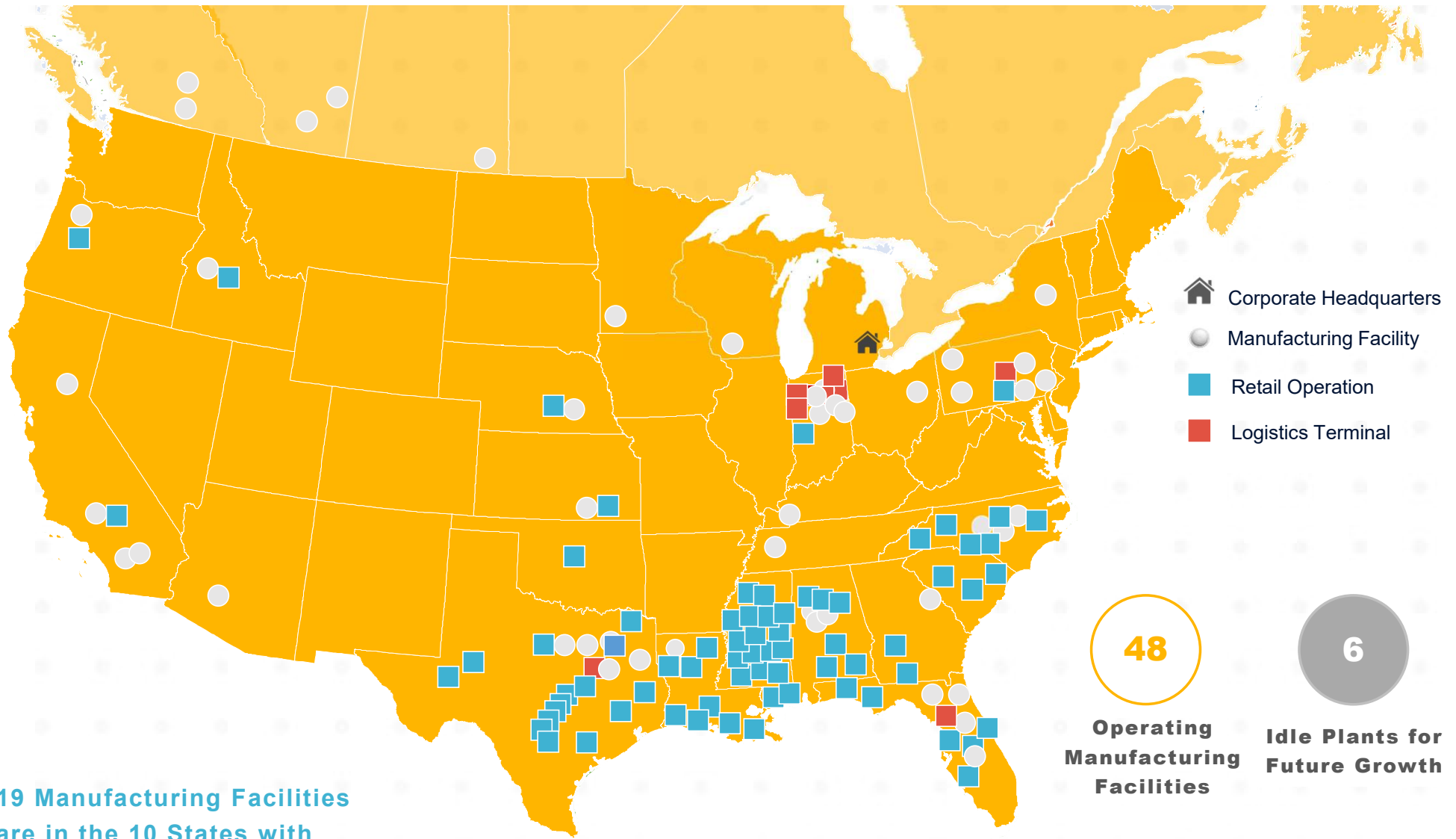
**26.6%**

**Adjusted Gross Margin<sup>3</sup>**

**\$286**

**Million Adjusted EBITDA<sup>1</sup>**

1. Adjusted EBITDA is EBITDA (defined as net Income plus income tax expense, interest expense, and depreciation and amortization) plus or minus certain adjustment. See reconciliation in Appendix.  
2. Defined as Adj. EBITDA less capex. See reconciliation in Appendix.  
3. Defined as Gross Profit adjusted for charges related to the remediation of the water intrusion product liability divided by Net Sales. See reconciliation in Appendix.  
4. HUD Market Share Data through December 2024



-  Corporate Headquarters
-  Manufacturing Facility
-  Retail Operation
-  Logistics Terminal



**Operating  
Manufacturing  
Facilities**



**Idle Plants for  
Future Growth**



**Logistics  
Terminals**



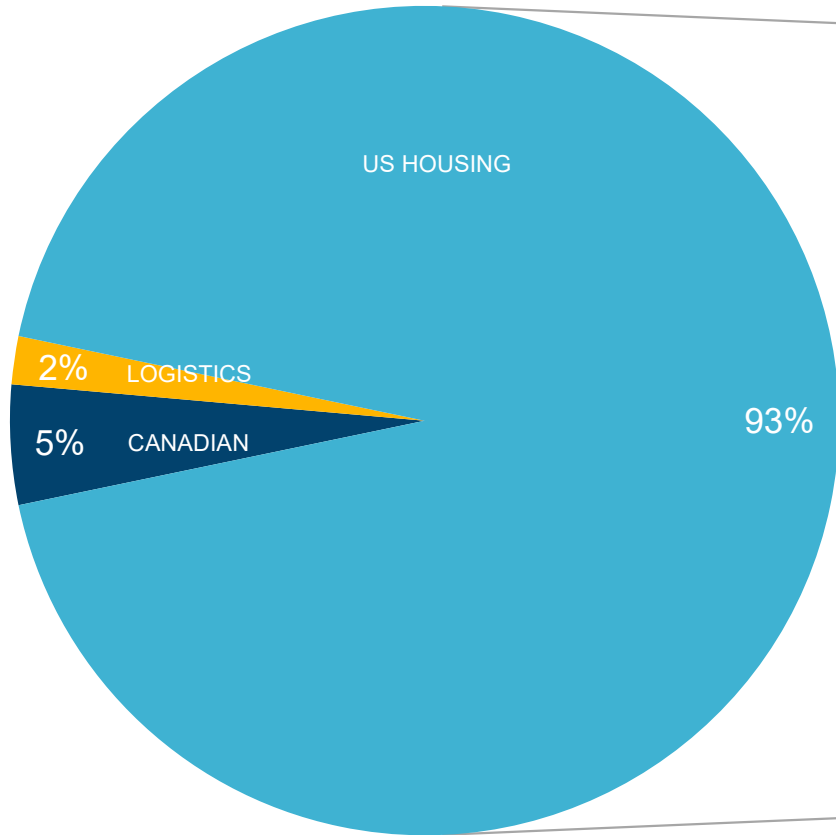
**Retail  
Locations**

**19 Manufacturing Facilities  
are in the 10 States with  
the Highest Number of  
Manufactured Home Shipments**

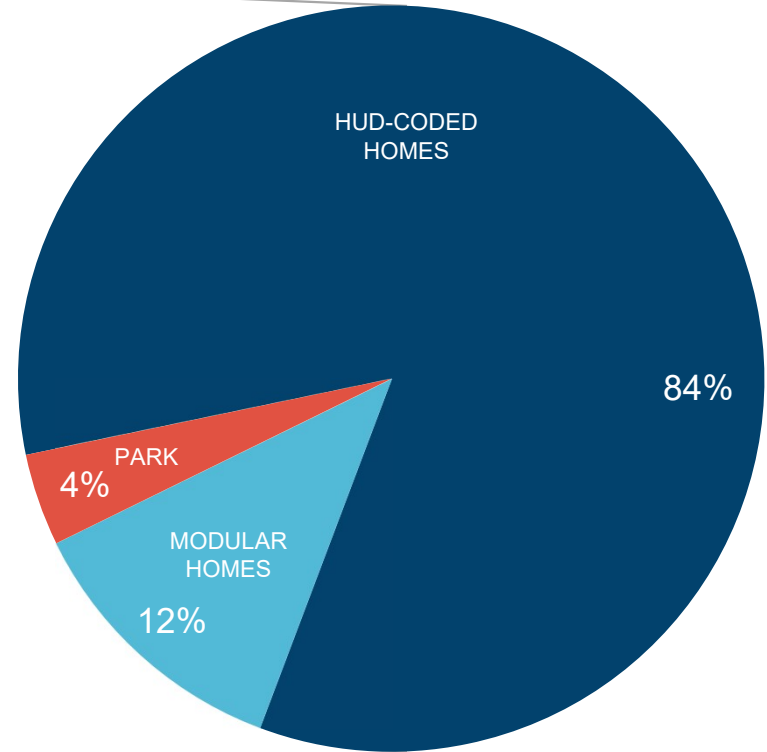
Note: Facilities stats as of 12/28/2024.

# Revenue Breakdown

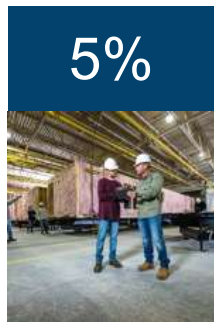
% of Fiscal 2024 Revenue



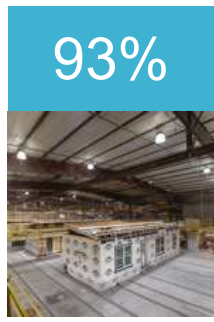
% of US Manufacturing



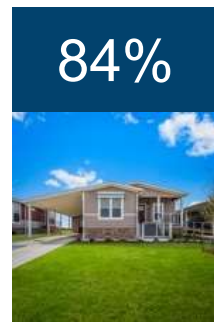
Logistics, Corporate+



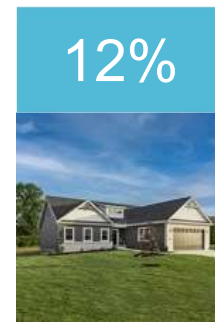
Canadian Housing



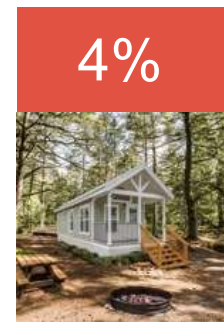
US Housing



Hud-Coded Homes



Modular Homes



Park Model

# Industry-Leading Family of Brands



**SKYLINE**



Dutch Housing



ATLANTIC  
HOMES

*Silvercrest*



BUILDER/DEVELOPER

MODULAR



New Era  
building  
systems



PARK MODELS & CABINS

CANADA



SHORE PARK



TRANSPORT

FINANCIAL SERVICES






TURN-KEY



RETAIL



# Products & Price Point

Comprehensive Product Offering	Type / Styles		Size / Price Range
 <p><b>Manufactured Housing</b></p>	<p>Single-Section Multi-Section</p>	<p>Single-Family Single-Story</p>	<p>400 – 3,100 sq. ft. / \$40 – \$90 per sq. foot</p>
 <p><b>Modular Housing</b></p>	<p>Multi-Section</p>	<p>Single-Family Single-Story</p>	<p>1,000 – 3,100 sq. ft. / \$60 – \$110 per sq. foot</p>
 <p><b>Cross Mod™ Housing</b></p>	<p>Multi-Section Duplexes Apartments</p>	<p>Single &amp; Multi Family Ranch / Cape Cod Single &amp; Two-story</p>	<p>720 – 5,000 sq. ft. / \$70 – \$140 per sq. foot</p>
 <p><b>Park Models</b></p>	<p>Cabins Lofts Rentals</p>	<p>Coastal Rustic Traditional</p>	<p>399 sq. ft. / \$70 – \$185 per sq. foot</p>
 <p><b>Accessory Dwelling Units</b></p>	<p>Flex use Space Extra Living Space Rentals</p>	<p>Coastal Rustic Traditional</p>	<p>435 – 1,100 sq. ft. / \$80 – \$175 per sq. foot</p>

## Embrace



### Value Without Compromise

The new Embrace national series strikes a smart balance between beautiful design and value. It appeals to a customer who wants a home that's modern, welcoming, and affordable.

## ALTITUDE



### Elevated Features & Styling

The new Altitude national series of homes is packed with elevated standard features that appeal to today's buyer who is looking for a high-quality, innovative, and affordable home.

## GENESIS<sup>®</sup> HOMES



### Builder/Developer

Genesis Homes provides builder/developers with a turnkey process, delivering innovative factory-built homes that can be delivered months faster than traditional site-built homes.

# Opportunity



## Increase Operating Capacity & Profitability

- Refine product floor plan designs and options to offer “designed flexibility” to our customers
- Execute on continuous improvement initiatives and enhancing the efficiency and sustainability of our products
- Standardizing manufacturing processes employing metrics-driven accountability

## Market Share Gains & Expanded Offerings

- Growth in the builder/developer channel with expansion of our Genesis models
- Turn-key solutions to enhance simplicity of doing business
- Investment in ECN Capital and captive finance JV, Champion Financing, to drive unit growth through the development of lending products for our customers

NUMEROUS  
**GROWTH DRIVERS**  
TO FURTHER EXPAND OUR  
MARKET **LEADERSHIP**  
POSITION &  
**PROFITABILITY**



## Organic & Acquisition-based Growth Strategy

- Opportunity to expand to new geographies through organic and acquisition strategies
- Track-record of executing accretive acquisitions – Regional Homes, Factory Expo, Manis Custom Builders, and ScotBilt Homes
- Brownfield opening of Navasota, TX and Pembroke, NC in F23 and Decatur, IN and Bartow, FL in F24

## Production Automation & Enterprise-Wide Digital Technologies

- Investment in production automation technology to reduce labor, material waste, and improve precision in our operations
- Launch of automated R&D facility in fiscal 2024
- Implementation of an enterprise-wide integrated platform

## Enhance Customers' Online Digital Experience

- Give homebuyers the ability to shop, design, configure, and price homes online
- Enhance retail experience using online and digital tools to drive additional sales to our channel partners
- Faster response to market and rollout of streamlined product

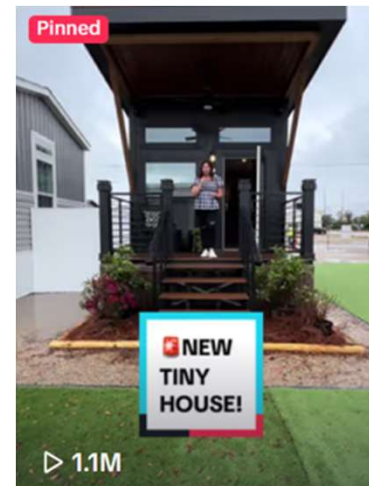
## Production Automation

- Launched R&D Automation facility in F24
- Improves customer satisfaction focusing on high-quality, precision-driven production and assembly
- Reduces overall assembly time versus the traditional construction process
- Improves product yield and quality
- Eliminates ergo stressors in physically demanding positions



## Direct-to-Consumer

- Engaging new customers via social media, 2,255,000 followers and growing
- Double-digit direct-to-consumer lead growth
- Launched Champion Customer Care, providing consumers a live person to guide their home buying process
- Expanding national marketing and supporting retailers with local best-practices/tools



Engaging millions of potential new customers through social marketing



Enhanced virtual home tours that connect with today's buyers and drives leads

## Strategic Rationale

- Combines #2 SKY with #4 Regional Homes enhancing combined procurement and national digital marketing leverage
- Has strong industrial logic with expected EBITDA synergies in the \$10 - \$15M range
- Strengthens SKY's captive retail organization and our ability to grow our direct-to-consumer and builder developer channels
- Provides a larger platform for our captive finance partnership with Triad Financial Services



## Key Statistics

- Operates three manufacturing facilities in Northwest Alabama
- 43 retail locations across the Southeastern US
- Strong relationship with federal and state disaster relief housing programs in AL, FL, LA, MS, and TX
- Approximately 5,000 homes sold in calendar 2022
- Approximately 1,200 employees
- Transaction closed on October 13, 2023



## Equity Investment

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- **SKY purchased shares of ECN for \$138M in September 2023**
  - 27.450M preferred shares
  - 33.550M common shares
- **SKY owns 19.9% Interest in ECN**
- **SKY Nominated Tawn Kelly as Director to ECN's Board**
- **Investment Subject to a Standstill up to 24 Months**
  - Right to match unsolicited offers
  - Joint decisioning on future M&A
- **Preferred Shares**
  - 4% annual dividend
  - Convertible at any time, at common share price with no premium
  - Mandatory conversion after 5 years
  - Liquidation preference

## Champion Financing

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- **Captive finance partnership owned 51% by SKY / 49% by Triad Financial**
- **Provides tailored retail finance programs**
- **Provides a branded floorplan offering**
- **Dedicated Loan origination and servicing provided by Triad Financial**
- **Asset-light structure with no loan risk on Champion Homes' balance sheet**
- **Limited overhead costs**
- **All services provided by Triad, including capital usage, will be recovered on a cost basis**

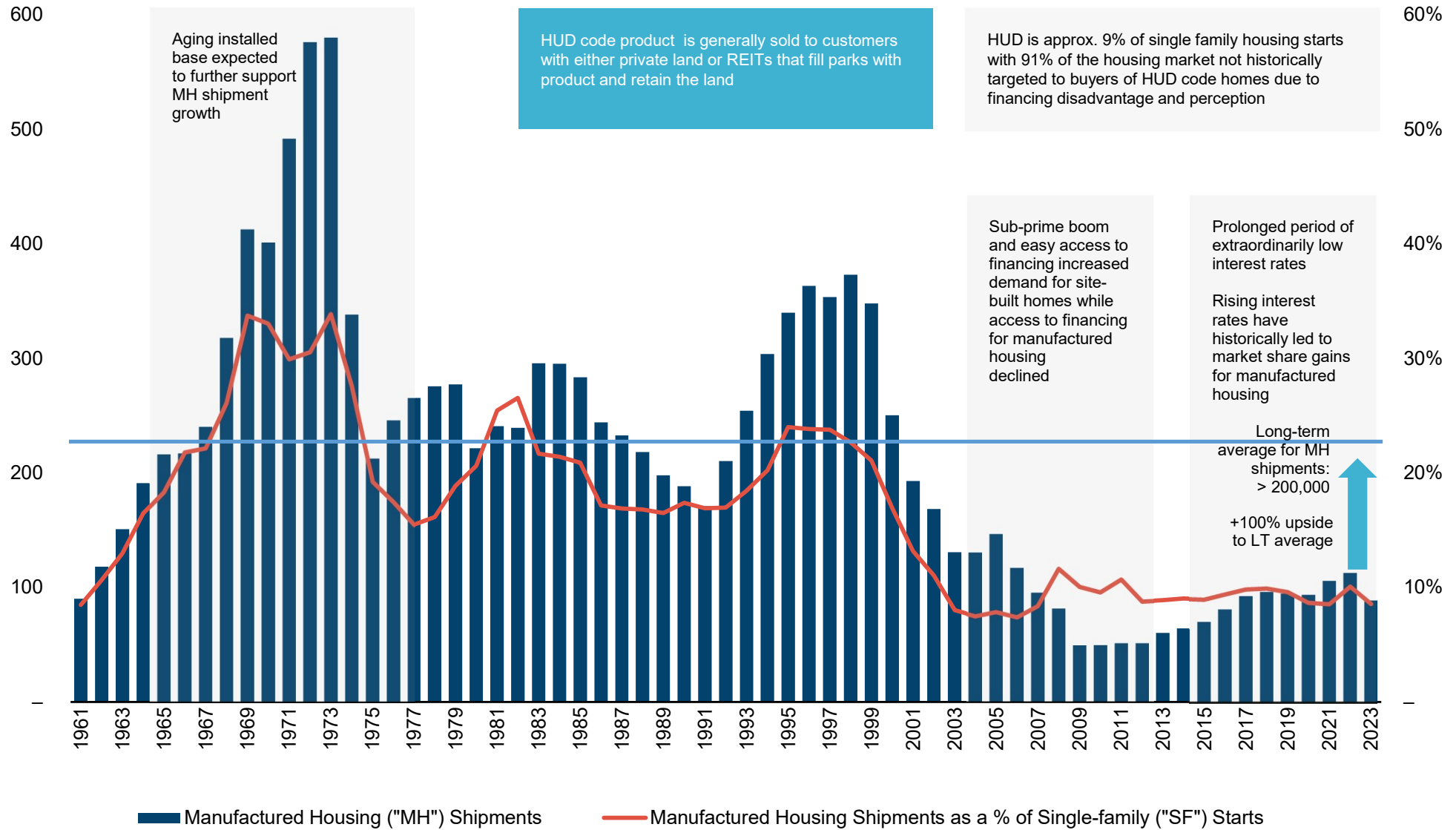
### Transaction Rationale

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- Drives growth by providing broader and more attractive financing options and services for Champion Homes' customers through captive finance company
- Magnifies the benefits of our digital and direct-to-consumer strategic investments
- Ability to offer financing without the loan risk on our balance sheet
- Enhanced customer engagement including a comprehensive turnkey solution for homebuyers
- Strengthens dealer relationships with floorplan capabilities
- Contractual profit-sharing structure allows us to participate in the growth of the partnership with limited start-up and operating costs
- Deepens relationship and optionality with ECN Capital/Triad, the largest independent MH lender.

# HUD Industry Overview

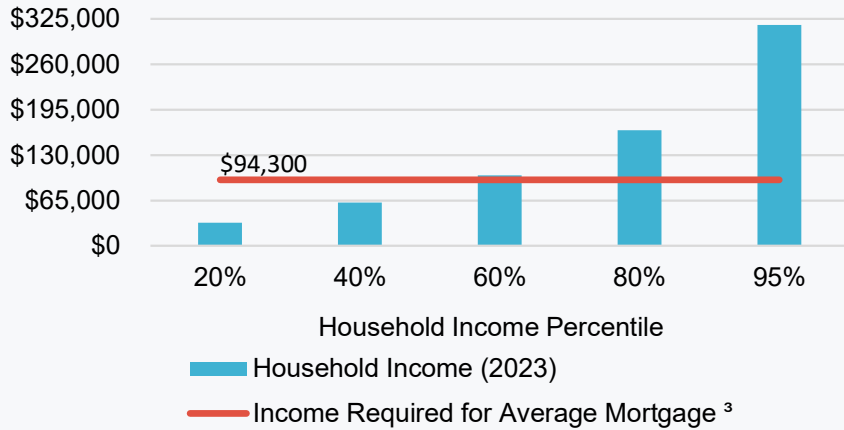
## The Manufactured Housing Industry (HUD Product) has Significant Upside as Financing Returns



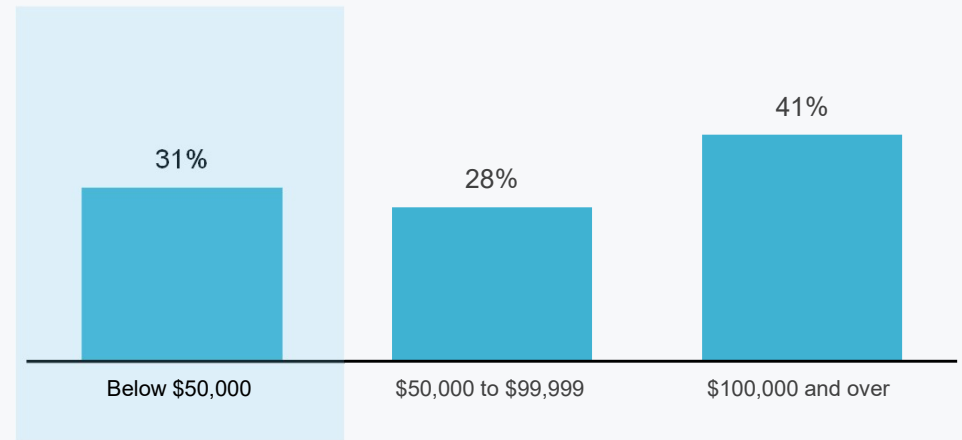
Source: (1) U.S. Census Bureau.

# Market Demographic Trends

## 60% of the US Population Cannot Afford a Traditional Home <sup>(1)</sup>

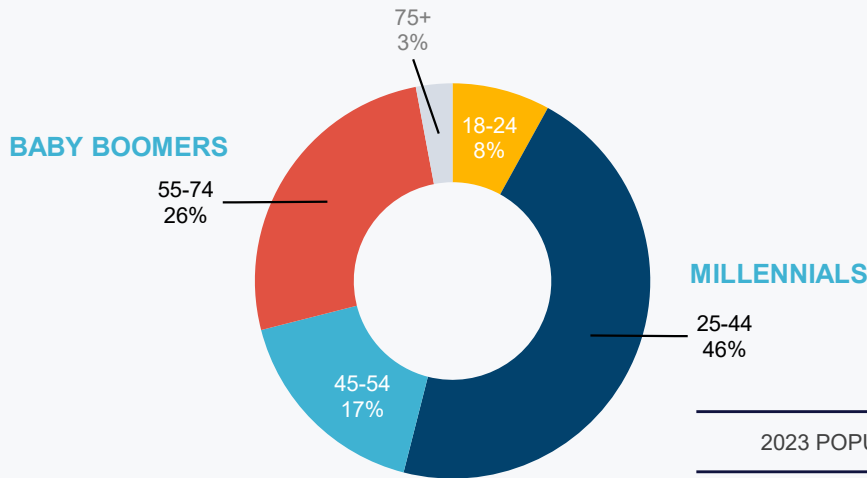


## 2023 US Household Income Distribution <sup>(1)</sup>



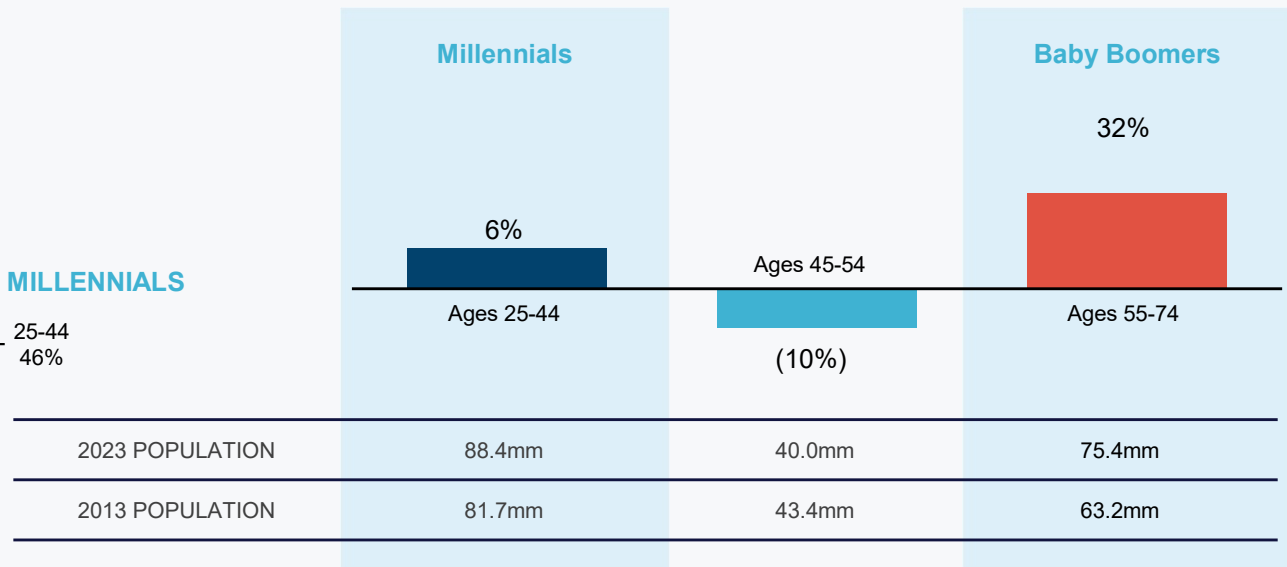
## Favorable US Population Characteristics

### Millennials and Baby Boomers Make up Over 70% of Manufactured Home Sales <sup>(2)</sup>



(2021 US manufactured housing residents by age)

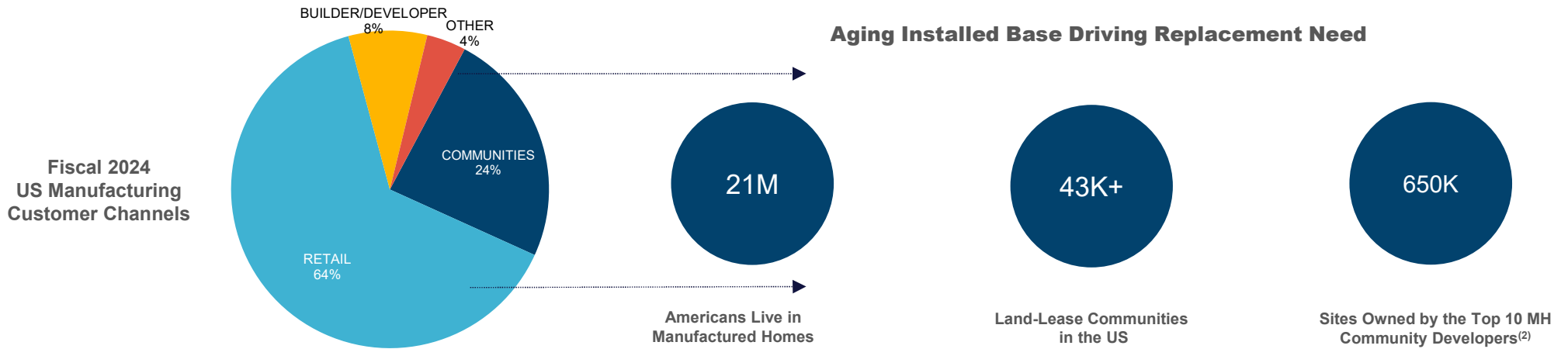
### Millennials and Baby Boomers Make up the Fastest Growing Population Age Segments <sup>(1)</sup>



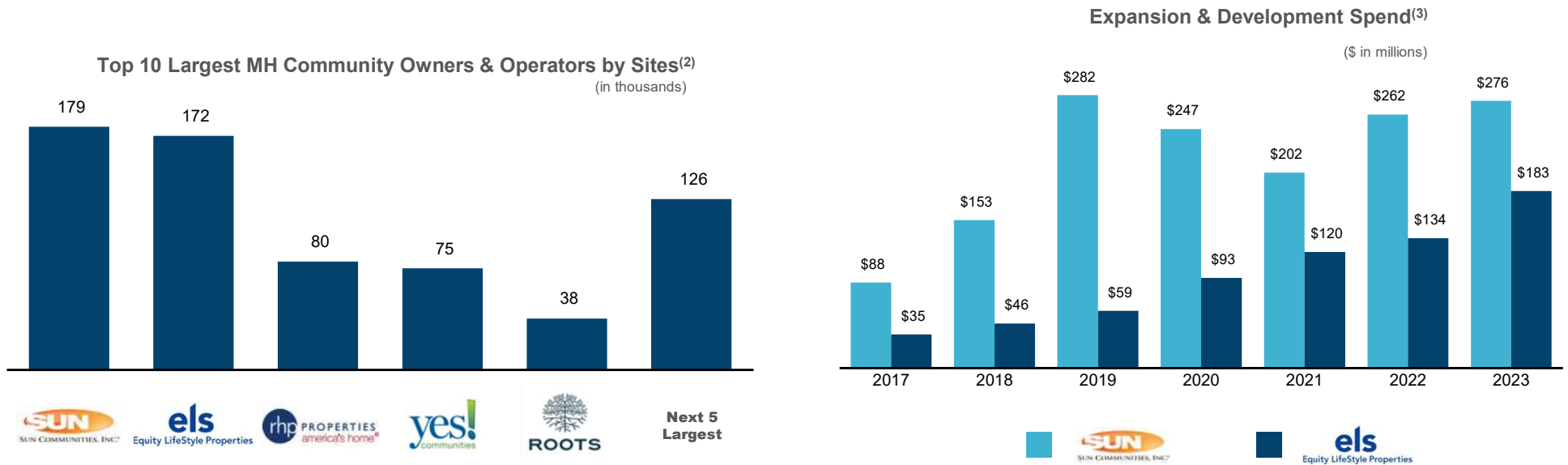
Source: (1) US Census Bureau  
 (2) Manufactured Housing Institute  
 (3) 2024 Mortgage Bankers Association national median mortgage application (March 2024). Based on recommended housing less than 28% of income, household income required is \$94,300

# Customer Channels: Retail, Communities, Builder/Developer

## Manufactured Housing Communities are Key Customers of Manufacturers<sup>(1)</sup>



## Manufactured Housing Communities are Investing for Growth<sup>(3)</sup>



Source:

- (1) Data from 2022 Manufactured Housing Facts (updated August 2022) Industry Overview except when noted.
- (2) Data from MHPHOA as of 1/22/2025 (<https://mhphoa.com/investors/>).
- (3) Data from SUI and ELS SEC filings.

## Challenging Historical Financing Environment

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- Many manufactured homes are financed as a personal property loan (chattel) since the homes are not affixed to the land or are purchased outright with cash
- There has been limited financing and liquidity for manufactured homes after financial institutions exited the market from 1999 through 2002
- Resulted in an environment for manufactured housing borrowers characterized by very restrictive lending terms and significantly higher interest rates relative to site-built home borrowers
- Lack of financing constrained the addressable market of potential manufactured housing buyers

## Improving Financing Environment as Lenders Return to Market

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- Fannie Mae has introduced MH Advantage<sup>®</sup> and Freddie Mac CHOICEHome<sup>®</sup> as part of their Duty to Serve programs to provide additional financing options for HUD-coded manufactured homes that have terms similar to traditional mortgages and are affixed to land
- Both GSE entities plan to purchase more loans that were used to finance manufactured homes titled as real property, enhance current products and create new offerings, and enhance tenant protections in manufactured housing communities
- Separate from the Fannie Mae and Freddie Mac initiatives, there have been several secondary market private placement offerings of chattel loans since September 2019

## Easing Regulation an Additional Tailwind

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- HUD is actively assisting the industry by including support for production of manufactured housing in its strategic plans to update safety standards to improve efficiency of production, and is reducing the regulatory burden placed on manufacturers and dealers by updating the code and regulatory requirements
- Included in President Biden's 2022 Housing Supply Action Plan are steps to support production and availability of manufactured housing
- The Dodd-Frank Reform bill<sup>(1)</sup> signed by President Trump in May 2018 includes several provisions that make it easier for retail customers to buy manufactured homes
- Executive order signed in June 2019 focused on alleviating regulatory barriers that impede the production of affordable housing

(1) Economic Growth, Regulatory Relief and Consumer Protection Act of 2018.



# Financial Highlights



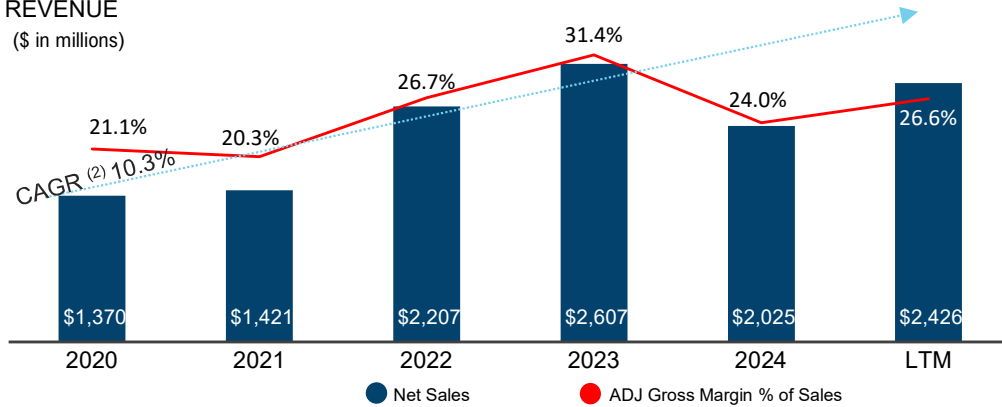
# Five-year Financial Summary

## Historical Financials

## Commentary

### REVENUE

(\$ in millions)



Manufacturing footprint expansion since FY20 includes organic expansions in Navasota, TX, Pembroke, NC, Decatur, IN and Bartow, FL

Retail acquisition of 12 Factory Expo locations in F23 and 43 Regional locations in FY24

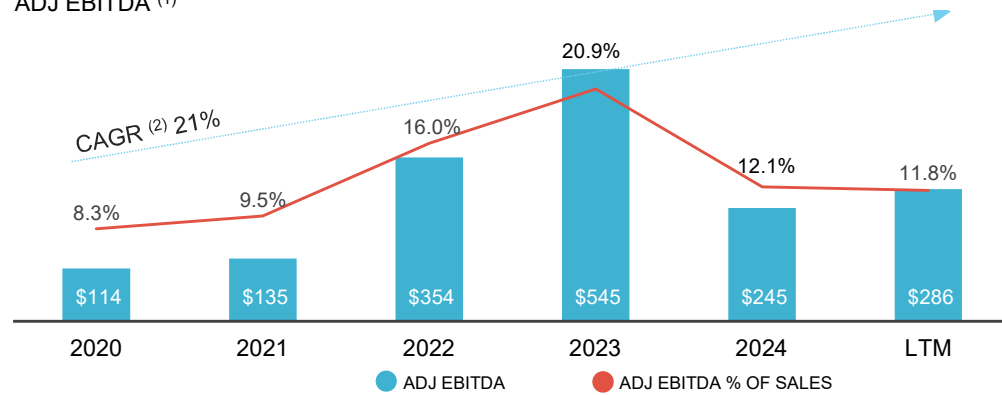
Increased average selling price due to pricing actions taken in response to rising input costs and product mix in FY22 and FY23, followed by an offset of this in FY24

Manufacturing acquisitions of ScotBilt in FY21, Manis in FY23, and Regional in FY24

Additional throughput in existing facilities achieved from product streamlining and rationalization

Retail expansion from 21 sales centers in F20 to 74 in FY24

### ADJ EBITDA (1)



Additional EBITDA generated from footprint expansion

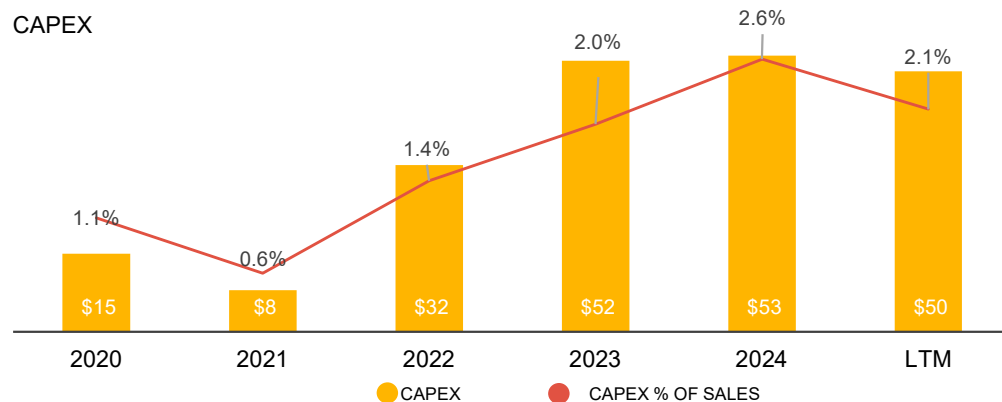
Margin deterioration from lower sales volumes and average selling prices as consumers elected fewer options in fiscal 2024 in response to rising interest rates and inflation

Increased throughput generated increased fixed cost utilization

F23 margins positively impacted by Delivery Disaster Relief Order from FEMA and lower input costs

Managed and reduced SGA expenses in F21 in response to COVID-19

### CAPEX



Maintenance Capex averaged approx. \$200k - \$300k per plant each year

Modest capital needs, but expanded growth capex to capitalize on investment opportunities

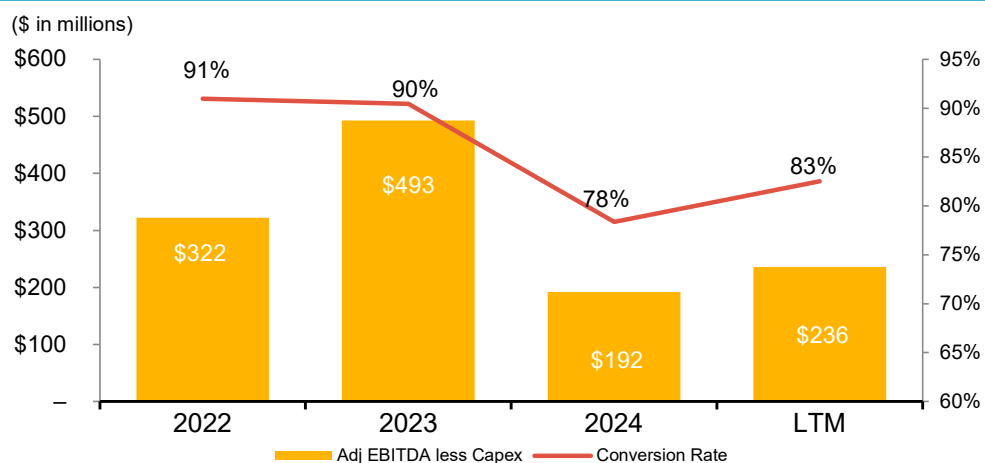
Reduced cap ex spend in 2021 due to COVID-19. Purchased 2 idle facilities in Pembroke, North Carolina.

2022 - 2024 expansion included purchasing and beginning production in three previously idle facilities, as well as investments in plant improvements and automation.

(1) See reconciliation in Appendix.  
 (2) CAGR calculations are inclusive of full fiscal year results and exclude LTM data points

# Cash Flow, Balance Sheet, & Capital Allocation

## Strong Adj. EBITDA less Capex Conversion Rate<sup>(1)(2)</sup>



## Flexible Balance Sheet

(\$ in millions) 12/28/2024

Cash and equivalents	\$ 582
Revolver (\$200mm)	-
Floor plan payable	88
Notes payable	13
Industrial revenue bonds (3)	12
<b>Total Debt</b>	<b>\$ 114</b>
Net Debt	(468)
LTM Adjusted EBITDA	286
Total Debt / LTM Adjusted EBITDA	0.4x
Net Debt / LTM Adjusted EBITDA	(1.6x)

## Commentary

- Investments in automation in FY 2024 reduced free cash flow conversion rates
- Operating leverage drives strong free cash flow
- Minimal Capex as a % of sales
- \$200 million revolving credit facility provides liquidity and capital for growth
- Conservative financial policies and growth-oriented capital allocation strategy
- Capital allocation priorities – balance sheet maintenance, business reinvestment including production automation and digitization
- \$60 million of share repurchases in three quarters of fiscal year 2025; Board of Directors approved current repurchase authorization of \$100 million for potential future repurchases
- Acquisition potential if investment criteria are met (geographic diversity, product diversity, and synergies)

(1) Adj. EBITDA less capex. See reconciliation in Appendix.

(2) Conversion rate defined as Adj. EBITDA less capex, divided by Adj. EBITDA.

(3) Industrial revenue bonds are LC collateralized.



Appendix



## Reconciliation of Net Income to Adjusted EBITDA, Adjusted EBITDA less Capex & Adjusted EBITDA Margin

(\$ in thousands)	2020	2021	2022	2023	2024	LTM
<b>Net income from continuing operations</b>	\$ 58,160	\$ 84,899	\$ 248,044	\$ 401,802	\$ 146,696	\$ 164,853
Interest expense (income), net	1,401	3,248	2,512	(14,977)	(28,254)	(17,141)
Income tax expense (benefit)	26,894	26,501	82,385	132,094	47,136	48,134
Depreciation and amortization	18,546	17,704	20,936	26,726	34,910	41,689
<b>EBITDA</b>	\$ 105,001	\$ 132,352	\$ 353,877	\$ 545,645	\$ 200,488	\$ 237,535
<b>Adjustments:</b>						
Transaction costs	-	1,044	-	339	3,253	-
Acquisition and integration costs	2,674	-	-	-	-	-
FX loss (gain)	235	-	-	-	-	-
Equity based compensation (for awards granted prior to 12/31/18)	4,576	1,359	-	-	-	-
Equity in net loss of affiliate	-	-	-	-	7,023	6,888
Product liability - water intrusion	-	-	-	-	34,500	34,500
Change in fair value of contingent consideration	-	-	-	-	-	7,912
Other non-operating items	1,878	-	-	(973)	-	(1,000)
<b>Adjusted EBITDA</b>	\$ 114,364	\$ 134,755	\$ 353,877	\$ 545,011	\$ 245,264	\$ 285,835
Capex	15,389	8,016	31,979	52,244	52,915	49,900
<b>Adjusted EBITDA less Capex</b>	\$ 98,975	\$ 126,739	\$ 321,898	\$ 492,767	\$ 192,349	\$ 235,935
<b>Conversion Rate</b>	86.5%	94.1%	91.0%	90.4%	78.4%	82.5%
<b>Net Sales</b>	\$ 1,369,730	\$ 1,420,881	\$ 2,207,229	\$ 2,606,560	\$ 2,024,823	\$ 2,425,944
<b>Adjusted EBITDA margin</b>	8.3%	9.5%	16.0%	20.9%	12.1%	11.8%

## Reconciliation of Gross Profit to Adjusted Gross Profit & Adjusted Gross Profit Margin

(\$ in thousands)	2020	2021	2022	2023	2024	LTM
<b>Gross profit</b>	\$ 278,975	\$ 287,295	\$ 589,123	\$ 818,681	\$ 485,794	\$ 609,930
Product liability - water intrusion	-	-	-	-	34,500	34,500
<b>Adjusted Gross profit</b>	\$ 278,975	\$ 287,295	\$ 589,123	\$ 818,681	\$ 520,294	\$ 644,430
<b>Net Sales</b>	\$ 1,369,730	\$ 1,420,881	\$ 2,207,229	\$ 2,606,560	\$ 2,024,823	\$ 2,425,944
<b>Adjusted Gross profit margin</b>	20.4%	20.2%	26.7%	31.4%	25.7%	26.6%