

# ACQUISITION OF C.H.I. OVERHEAD DOORS

MAY 2022



# FORWARD-LOOKING STATEMENTS

Certain statements made in this presentation are forward-looking statements that involve risks and uncertainties. The words “anticipate,” “believe,” “expect,” “intend,” “may,” “project,” “will,” “should,” “could” and similar expressions are intended to identify those forward-looking statements. These forward-looking statements reflect the Company’s best judgment based on current information, and although we base these statements on circumstances that we believe to be reasonable when made, there can be no assurance that future events will not affect the accuracy of such forward-looking information. As such, the forward-looking statements are not guarantees of future performance, and actual results may vary materially from the projected results and expectations discussed in this report. Factors that might cause the Company’s actual results to differ materially from those anticipated in forward-looking statements include, but are not limited to: (1) competitive pressure on sales and pricing, including pressure from imports and substitute materials; (2) U.S. and foreign trade policies affecting steel imports or exports; (3) the sensitivity of the results of our operations to prevailing market steel prices and changes in the supply and cost of raw materials, including pig iron, iron ore and scrap steel; (4) the availability and cost of electricity and natural gas which negatively affect our cost of steel production or could result in a delay or cancellation of existing or future drilling within our natural gas drilling programs; (5) critical equipment failures and business interruptions; (6) market demand for steel products, which, in the case of many of our products, is driven by the level of nonresidential construction activity in the United States; (7) impairment in the recorded value of inventory, equity investments, fixed assets, goodwill or other long-lived assets; (8) uncertainties surrounding the global economy, including excess world capacity for steel production, inflation and interest rate changes; (9) fluctuations in currency conversion rates; (10) significant changes in laws or government regulations affecting environmental compliance, including legislation and regulations that result in greater regulation of greenhouse gas emissions that could increase our energy costs, capital expenditures and operating costs or cause one or more of our permits to be revoked or make it more difficult to obtain permit modifications; (11) the cyclical nature of the steel industry; (12) capital investments and their impact on our performance; (13) our safety performance; (14) our ability to close the acquisition and integrate the operations of C.H.I. Overhead Doors, LLC and certain of its affiliates; (15) the impact of the COVID-19 pandemic; and (16) the risks discussed in “Item 1A. Risk Factors” of the Company’s Annual Report on Form 10-K for the year ended December 31, 2021 and elsewhere therein and in the other reports we file with the U.S. Securities and Exchange Commission.



# C.H.I. OVERHEAD DOORS OVERVIEW

- **A leading manufacturer of overhead doors for residential and commercial markets in the U.S. and Canada**
  - Supplies a full product line to professional door dealers and distributors in the residential and commercial markets
  - ~800 teammates across two manufacturing facilities and five warehouses
  - Capability to customize layout, finishes, and hardware resulting in 55,000+ SKU combinations
  - Sectional commercial doors providing aesthetics, ease-of-use and high performance for industrial applications
- **Competitively advantaged through broad product offerings, short lead times, delivery infrastructure, and customer service**
- **History of consistent market share gains, robust EBITDA margins, and excellent free cash flow conversion**



# OVERHEAD DOOR MARKET OPPORTUNITY

## PLATFORM FOR GROWTH

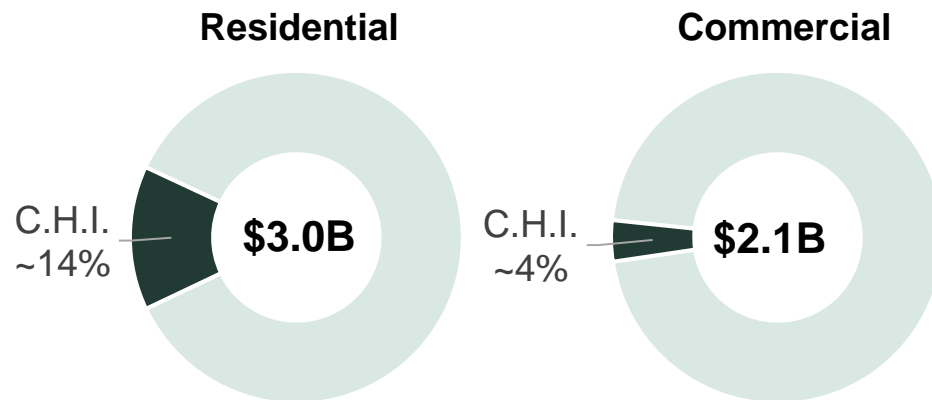
Large addressable North American market

- \$5.1B in 2021
- Meaningful entry for Nucor Steel Products into residential market

Market profile

- Residential historically > 70% repair and remodel
- Largest commercial end uses are warehouses (~40%) and retail (~30%)

## ESTIMATED MARKET SHARE

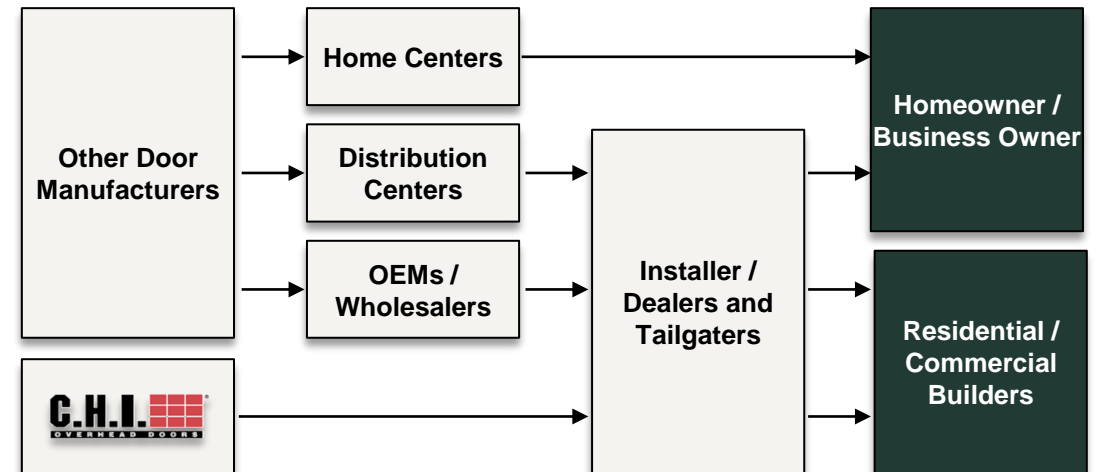


## DIFFERENTIATED BUSINESS MODEL

Customer Solutions Oriented

- Direct sale to installer/dealers of overhead doors
- Made to order - minimizing working capital
- Delivery to site and quality assurance
- Typical order to delivery time – 2 to 4 weeks

## DIFFERENTIATED SALES CHANNEL



# C.H.I.'S FIT WITH NUCOR

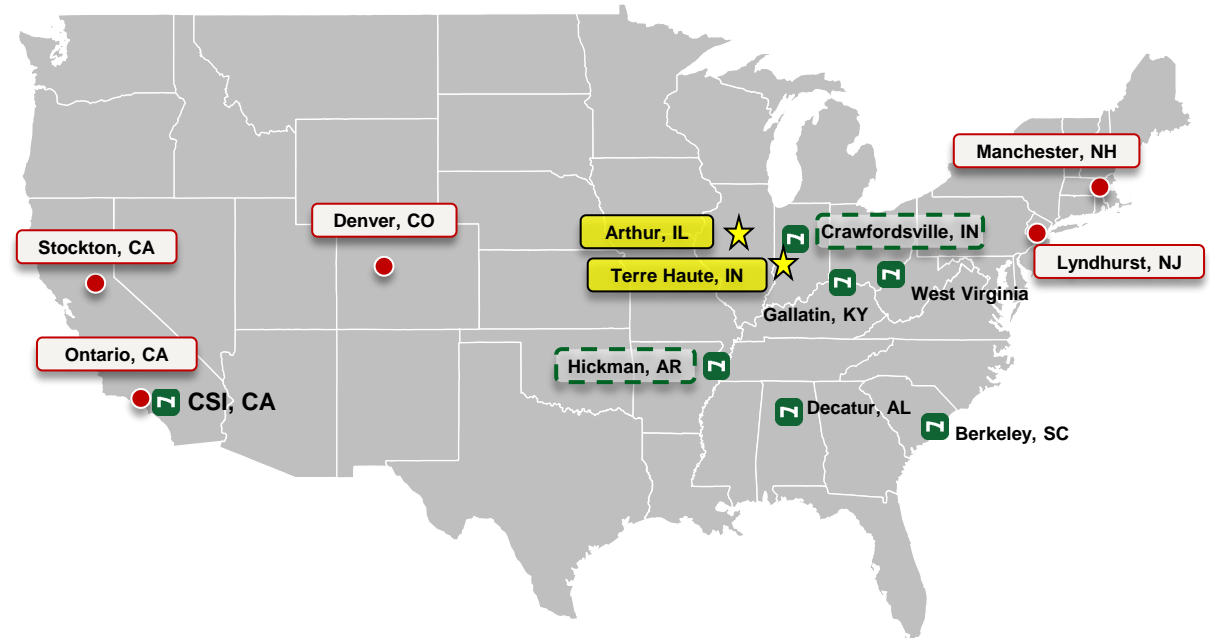
## CULTURAL FIT




- Incentive driven team with safety and performance orientation
- Seasoned and capable management team joining Nucor and will continue to lead the company

## BUSINESS MODEL FIT

- Highly efficient manufacturing business
- Supply chain efficiencies

## GEOGRAPHIC FOOTPRINT

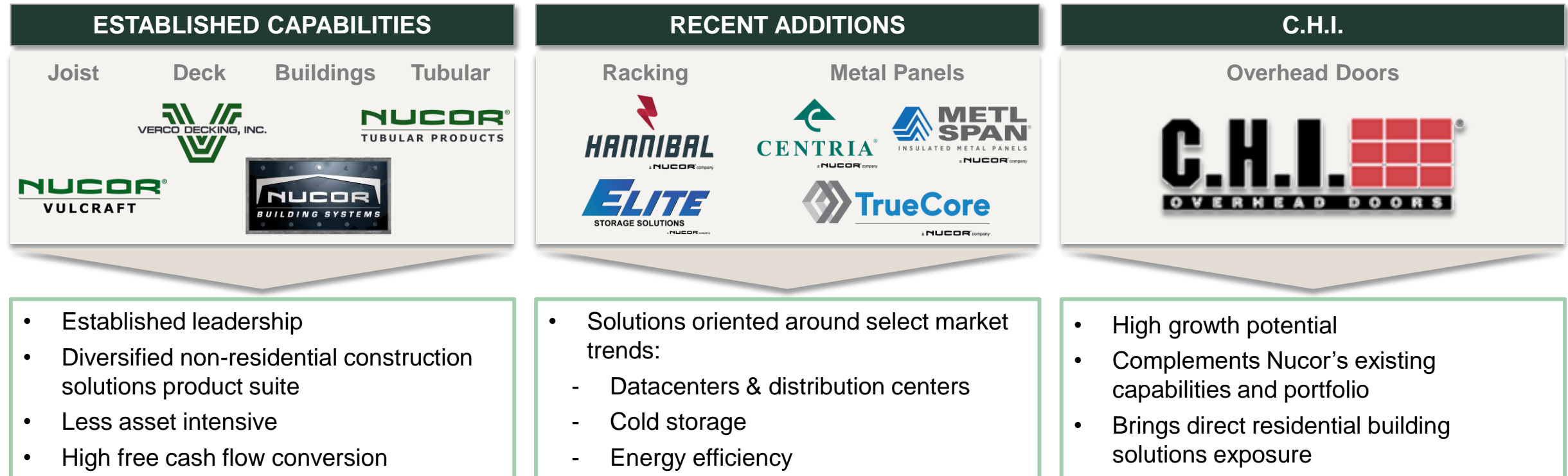


-  Nucor Sheet Mill  
*Includes paint capabilities*
-  C.H.I. Manufacturing
-  C.H.I. Warehouse

Location		Sq. Ft.	Teammates
Arthur, IL		1,000k	~750
Terre Haute, IN		200k	~30

# COMPELLING ADD TO EXISTING POSITION OF STRENGTH

- Expands Nucor's solution set for construction markets
- Collectively these business afford Nucor a differentiated position within key end markets



*Investing to create more through-cycle FCF and accelerate Nucor's growth*

# CONCLUDING COMMENTS

## FINANCING AND TIMELINE

- **Cash purchase price of \$3 billion**
  - Represents approximately 13x estimated trailing twelve months EBITDA at close
  - Immediately EPS accretive
- **Anticipated closing June 2022** or shortly thereafter, subject to customary closing conditions
- **We will fund transaction from available liquidity sources**
  - No immediate impact to Nucor credit ratings expected

## C.H.I. FINANCIAL HIGHLIGHTS

- **Strong, consistent revenue growth**
  - Averaging approximately 10% per annum for many years
- **Large addressable markets**
- **Capacity for growth at existing facilities**
- **High margins**
  - ~30% EBITDA margins
- **High free cash flow relative to EBITDA**
  - Asset light business model