



November 15, 2018

acpi announces Agreement to Acquire Elkay Wood Products Company

ACProducts, Inc. (acpi®) today announced that it has entered into an agreement to acquire Elkay Wood Products Company ("EWP"), a leading manufacturer of kitchen and bath cabinetry. EWP is a renowned manufacturer with an iconic brand portfolio including Medallion®, Design-Craft®, Yorktowne®, Schuler®, Medallion at Menards®, MasterCraft®, and American Cabinetry Collection®.

The combined company will represent the most diverse and balanced cabinet company in North America. With an expansive portfolio across both framed and frameless product offerings, the combined company will be a leader in serving the dealer, direct-to-builder, and home center channels. The combined plant network spans a national footprint with infrastructure to effectively serve cabinet buyers in all 50 states.

The combination will be beneficial for all key stakeholders, most importantly the companies' customers and associates, and will provide best-in-class product development and marketing on the one hand, complemented by a strong focus on operational excellence, bringing cabinet buyers high quality, great value and peace of mind for their kitchen and bath projects.

"Elkay Wood Products Company has a long and successful history of serving cabinet dealers, builders and home centers. We are proud to welcome Elkay's 1,600 team members to the acpi family as we grow our fantastic workforce. We are thrilled about the potential this new business combination creates," said Larry Denbrock, President and CEO, acpi.

Tom Samanic, Elkay Wood Products Company's President commented, "This is an exciting day for Elkay Wood Products and reflects the hard work and dedication of everyone involved in our history and success over the years, most specifically, our dedicated associates as well as our valued customers and suppliers. We have great respect for acpi and look forward to the next phase in our business' growth as part of the acpi family. Together, we look to build on past success by continuing to drive product innovation and operational excellence to meet customer needs."

Tim Jahnke, CEO of Elkay Manufacturing Company, parent company of EWP, added, "We found acpi to be the ideal partner for EWP. The combined business will be a stronger company with a broader product offering to serve the market more completely. The sale also enables further investment in the long-term growth of the other Elkay businesses."

The transaction, which is subject to customary closing conditions, is expected to be completed by the end of Q1, 2019.

Jefferies LLC served as financial advisor to Elkay Manufacturing Company in connection with this transaction and Mayer Brown LLP acted as Elkay Manufacturing Company's legal advisor.

Ropes & Gray LLP served as legal advisor to acpi in connection with this transaction.

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High-Quality. Great Value. **Peace of Mind.**



About acpi™

acpi is the largest independent manufacturer and distributor of cabinets in the United States. Our 286,000-square foot facility in Thompsontown, PA is home to our Echelon Cabinetry and Advanta Cabinetry brands, offering six wood species for our stock and semi-custom framed cabinets, including cherry, maple, oak, birch, plantation hardwood, and laminate / thermofoil. Additionally, acpi launched a frameless line, Studio Full Access, in 2015 under its Advanta brand to support our multifamily market offerings. Acpi recently acquired additional capacity through a purchase of a 200,000-square foot facility in Mount Union, PA, which supports Studio Full Access and acpi's new Serenade brand, a semi-custom frameless line targeting dealer customers. In January 2017, acpi acquired Smart Cabinetry, a New Paris, Indiana-based, highly efficient provider of opening price point framed cabinets. Finally, acpi has recently completed two additional acquisitions of Cabinets 2000 and Master WoodCraft. Cabinets 2000 is a Norwalk, CA-based manufacturer of high-end frameless cabinets for the Southern California market. Master WoodCraft is a Marshall, TX-based manufacturer of framed and frameless cabinets for the multifamily builder market. acpi serves customers through a multi-channel approach of direct sales and sales to dealers and distributors, all through a broad network of 3PL and distribution locations across the United States.

www.advantacabinets.com

www.echeloncabinetry.com

www.smartcabinetry.com

www.mwccabinetry.com

www.cabinets2000.com

www.serenadecabinetry.com

About Elkay

Elkay is 98-year-old family-owned and operated manufacturer of products for the building industry. Family-owned and professionally managed, Elkay has been making innovative products and delivering excellent customer care since 1920. Headquartered in Oak Brook, Illinois, Elkay today delivers world-class sinks, faucets, foodservice fixtures, water coolers, drinking fountains and award-winning rapid bottle filling stations. Elkay Interior Systems is an international leader in the design and build of branded retail environments for some of the world's most fast growing and beloved restaurant and hospitality brands. To learn more about Elkay, visit www.corporate.elkay.com.

www.medallioncabinetry.com

www.designcraftcabinets.com

www.yorktownecabinetry.com

www.schulercabinetry.com

www.medallionatmenards.com

www.mastercraftcabinets.com

www.americancabinetrycollection.com

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