

# MODERN-MILL

A FRESH APPROACH TO BUILDING MATERIALS

## BUSINESS OVERVIEW

November 2023

# MEET MODERN MILL

**We're a team on a mission!**

We are creating a new generation of building materials to build a more sustainable future. Bringing fresh innovation and new inspiration to the world, right from the heart of Mississippi.

Embracing our responsibility and commitment to:



Put people first



Make things better  
for the planet



Pursue relentless  
innovation

# ABOUT MODERN MILL

**Modern Mill was formed with the objective to replace wood with an environmentally-friendly solution that is durable, versatile, cost-effective and indistinguishable from wood in its aesthetic and workability**

Modern Mill products are **trademarked** as ACRE™. Finished goods include **sheet goods, trim, decking, porch flooring and siding.**

**ACRE technology is used by OEMs to replace wood** in products from windows, doors, and fencing to marine applications, furniture and more.

ACRE is **made with upcycled rice hulls**, an agricultural waste byproduct that would otherwise be discarded.

ACRE is the first wood alternative that is **truly indistinguishable to wood** including species like ipe, teak and cedar. This makes ACRE a perfect substitute for wood, a durable building material and a practical solution for deforestation. **ACRE offers the potential for carbon credits.**

Modern Mill has **achieved remarkable milestones** including the completion of its first manufacturing facility, validating its go-to-market strategy and creating sales momentum with a national footprint wholesale distributors, pro-dealer networks, contractors and homeowners.

Modern Mill has **received many industry awards and recognition** including Fast Company's Most Innovative Company and World Changing Idea, Green Builder Product of the Year as well as features in Dwell and top brands as they use ACRE to showcase their sustainable leadership.

Modern Mill is located in a **designated Opportunity Zone**. It has created more than **100 quality jobs**, providing a living wage and generous benefits program for employees and their families.

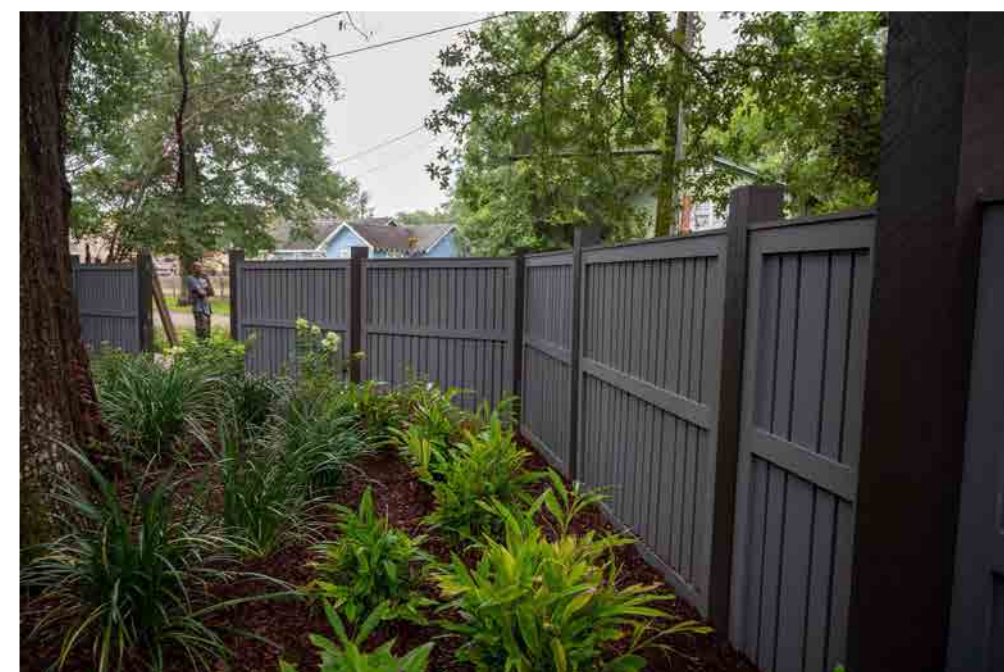
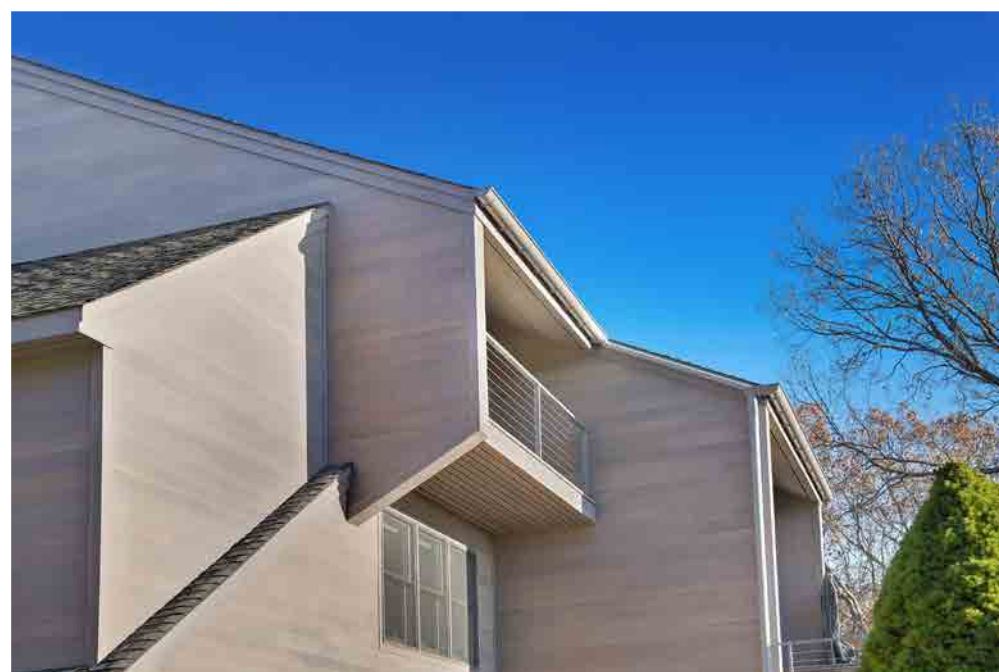
Modern Mill supports the trades education, is committed to hiring veterans and supporting individuals in need of reentry/return to work programs.

ACRE products are a circular economy solution, made from upcycled materials and produced in a zero-waste facility. ACRE is 100% tree-free and recyclable. The use of ACRE products saved the equivalent of more than 30,000 acres of rainforest and diverted more than 4,000 tons of rice hulls from landfills – both numbers will grow as Modern Mill grows.

**“ACRE is the most successful and fastest adoption we've had with any new product launch.”**

Jack Stevenson, President of seven location Mid-Cape Home Centers, and 40-year Industry Veteran, Massachusetts Lumber Retailer Person of the Year

# ACRE INSTALLATIONS



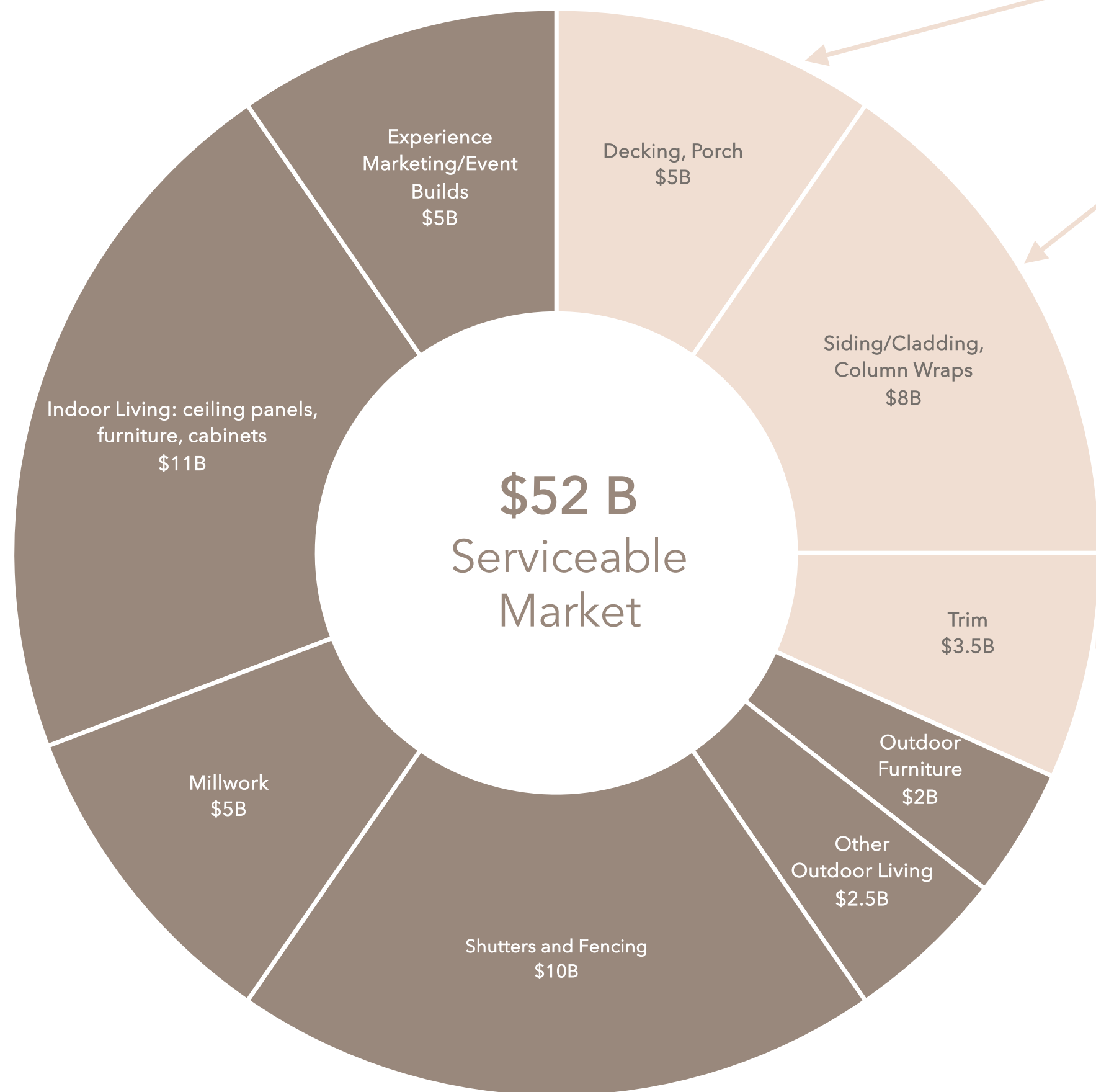
# AN EXTRAORDINARY PRODUCT

ACRE offers the benefits of wood and composites without the downsides — and brings numerous additional benefits as well



# GIGANTIC MARKET & OPPORTUNITIES

The conversation from wood is a \$52B market. Modern Mill has doubled sales YOY in Trim, Siding and Decking



**TOP 3**  
Markets for ACRE today  
**\$16B**

Today, wood is 75% of the market creating a tremendous opportunity for ACRE

- Trim, Siding, Decking are Modern Mill's primary markets served today
- Proven, tested and trusted products
- Sales doubled YOY with repeat business
- Just a 1% shift from wood to composites adds \$160M to our primary markets

### The Conversion From Wood is Rapidly Growing

- Composite share for 2021 was 25%, up over 3% vs 2020
- The composite market grew to 25% over 25 years, continued adoption is poised to happen faster due to innovation which has improved aesthetics, sustainability and consumer demand

### ACRE is Well-Positioned to Take Share from Both Wood and Traditional and Inferior Composites

- Priced for value (\$3.00 per linear foot vs. premium hardwoods at \$8-10, and inferior composites at 1.70-\$2.50)
- Attractive lifetime economics (ROI compared to maintenance and replacement of wood/inferior products)
- Customer advocacy. High referrals due to contractor productivity and homeowner enthusiasm

# ENVIRONMENTAL IMPACT OF ACRE

We're just getting started!

**10,000\***  
acres of rainforests preserved

**9,500\***  
softwood trees saved

**5,000\***  
tons of rice hulls  
upcycled/diverted from landfills

**Lifetime Warranty**  
The need to manufacture and  
replace materials is less\*

**100% Recyclable**  
Made with post-consumer and  
post-industrial materials

**Zero Waste Manufacturing**  
A Circular Product

**Smart Manufacturing**  
Closed loop systems reuse and  
recycle water and more!

**Clean Air**  
Free of phenol, formaldehyde and  
adhesives, low VOC

**Support for Natural Habitats**  
100% tree-free, supports  
bio-diversity, won't overrun  
environments like bamboo

**Made in the USA**  
Fewer emissions, confidence in  
human rights, high standards for  
safety and control

**Learn More**  
[Clean Air Certificate/Furniture](#)  
[Clean Air Certificate/Building Products](#)  
[LEED Points](#)  
[Environmental Product Declaration](#)

\*As of June 2023  
\*See modern-mill.com for details

# CLEAR COMPETITIVE ADVANTAGE

## True Innovation

A revolutionary and unique building material. ACRE competes with wood. ACRE is a more elevated choice to traditional composites. It is installed and takes paint or stain just like wood. ACRE is low-maintenance, offers long-term durability and superior aesthetics to all alternatives.

## Unmatched Sustainability

100% Tree-Free. Zero-waste/Circular Solution, Recyclable. Made with upcycled food waste. No VOCs, phenol, formaldehyde, or adhesives.

## Resilient Economic Sector

ACRE benefits from residential and commercial construction activity in growth cycles and does exceptionally well in recessionary periods as the perfect material for refreshing and refurbishing aging and outdated wood surfaces, furniture, and other wood components.

## Wood is Our Primary Competitor

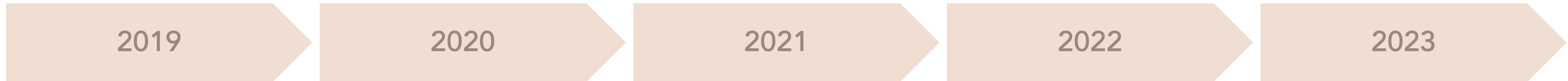
Modern Mill's trajectory is supported by fast growth markets including outdoor living, new construction, repair and remodel, and a desire for more sustainable choices. Because ACRE outperforms wood as well as composites, ACRE has tremendous potential to penetrate sectors ranging from decking to siding to windows, marine, furniture and more.

## Operational Excellence

Founders with a track record of exceptional success. Hire the best. Execute with focus and accountability. Create exceptional customer and employee experiences. Reward results and impact.



# DEMONSTRATED MARKET ACCEPTANCE AND ABILITY TO EXECUTE



- Modern Mill, Inc is founded
- Mill construction begins; key hires are made

- Modern Mill is fully operational and producing ACRE compound and sheet goods
- Modern Mill to hire top talent from the building materials industry and from our local community in Mississippi
- Modern Mill signs its first distributors, begins selling truckloads, signs a big box contract and enjoys relationships with enthusiastic repeat truckload customers

- ACRE Decking and Trim Boards are launched
- ACRE by Modern Mill is a Fast Company World Changing Idea
- More than 100 employees are hired into quality jobs and a vision for an Opportunity Zone is achieved



- ACRE Shiplap Siding and Porch Flooring are launched
- ACRE is recognized for a host of industry awards including the International Builder's Show most innovative product, Green Builder's Most Sustainable Product, Fast Company World Changing Idea
- ACRE is selected by top brands including Heineken, Chipotle, and OMNI Hotels as a sustainability showcase for industry event builds and net zero properties



- ACRE is a Fast Company World's Most Innovative Company
- ACRE is a Pro Builder MVP/Best of 2023
- Americas Product Innovation of the Year, Environmental Finance
- EBITDA/Gross Margin Positive
- Significant product demand creates an inflection point and the need to accelerate growth by expanding capacity to take advantage of new revenue opportunities



# LEADING BRANDS CHOOSE ACRE TO DEMONSTRATE SUSTAINABLE LEADERSHIP

Unmatched sustainability and unique narrative make the ACRE story one others want to share

**Heineken's** Greener Bar



**Jessica Alba, Summit House Studios Lifestyle & Honest Company.** Selected for two property renovations, social media and TV show filming in process. Honest Company Packaging

SUMMIT HOUSE STUDIOS

**Chipotle's** Net Zero/All Electric Restaurants



**Dean Sharp, The House Whisperer** Four-time and unpaid features on national podcast, first composite featured. Selected for Sharp's personal deck renovation



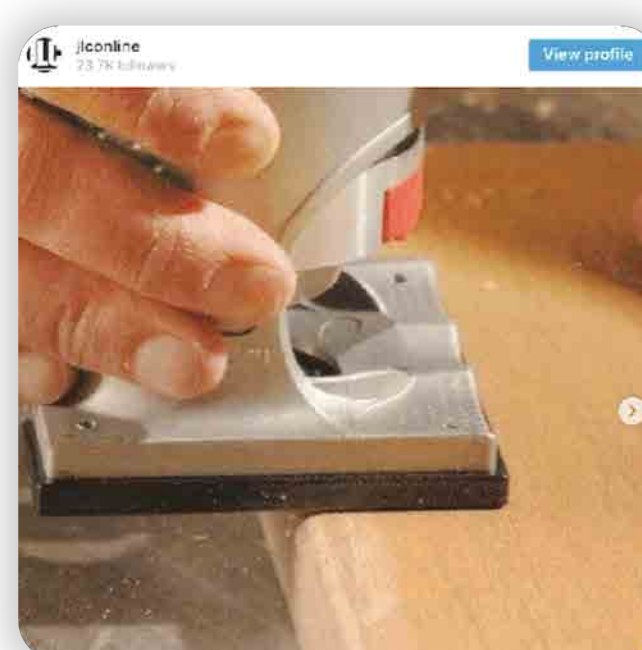
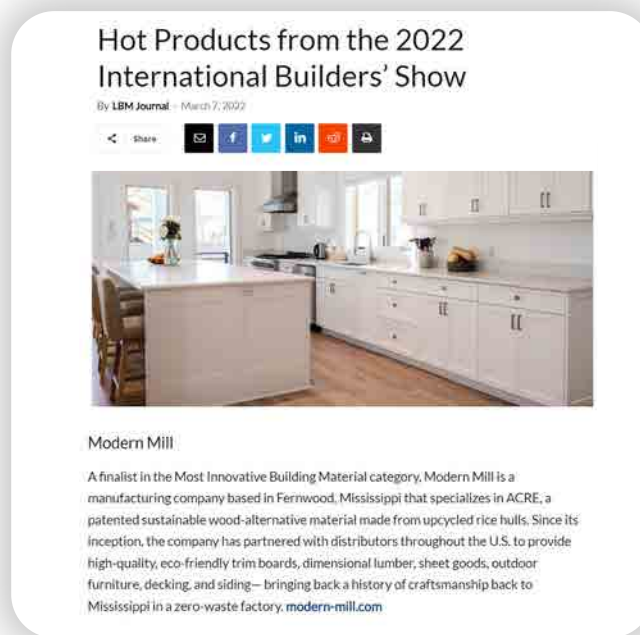
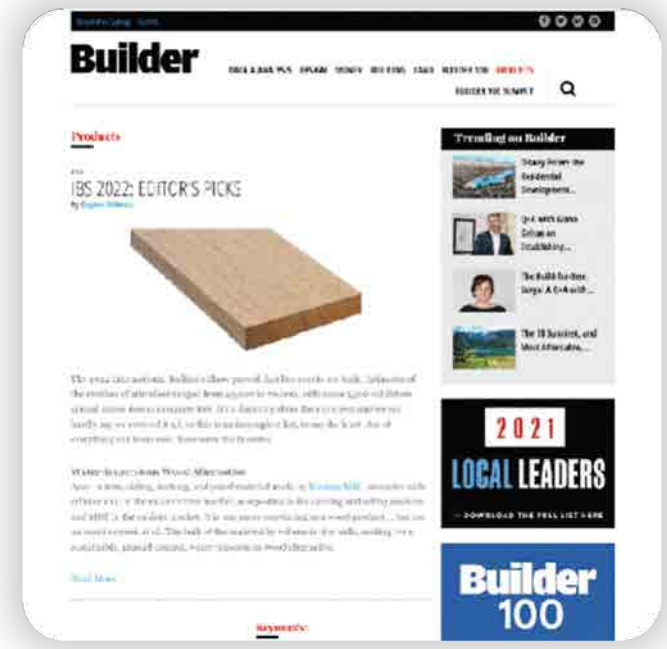
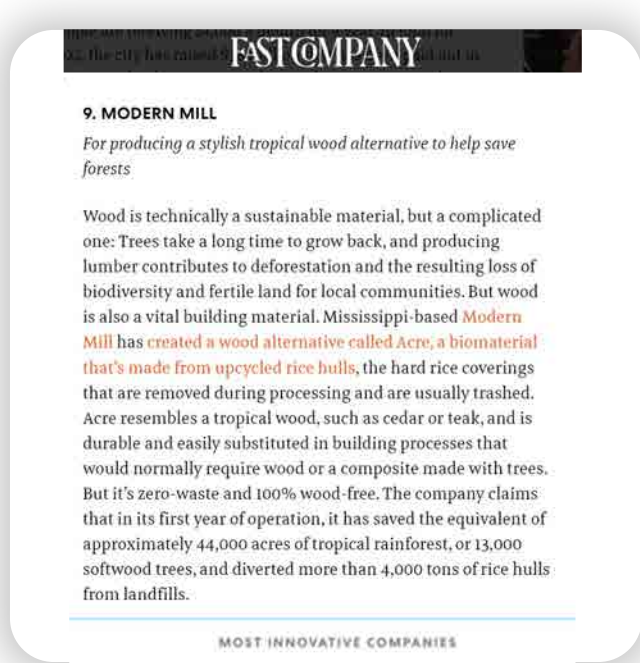
**OMNI Hotel's** Historic Collection Selected for how closely ACRE mimics wood, allowing the Historic Collection to stay "on brand"



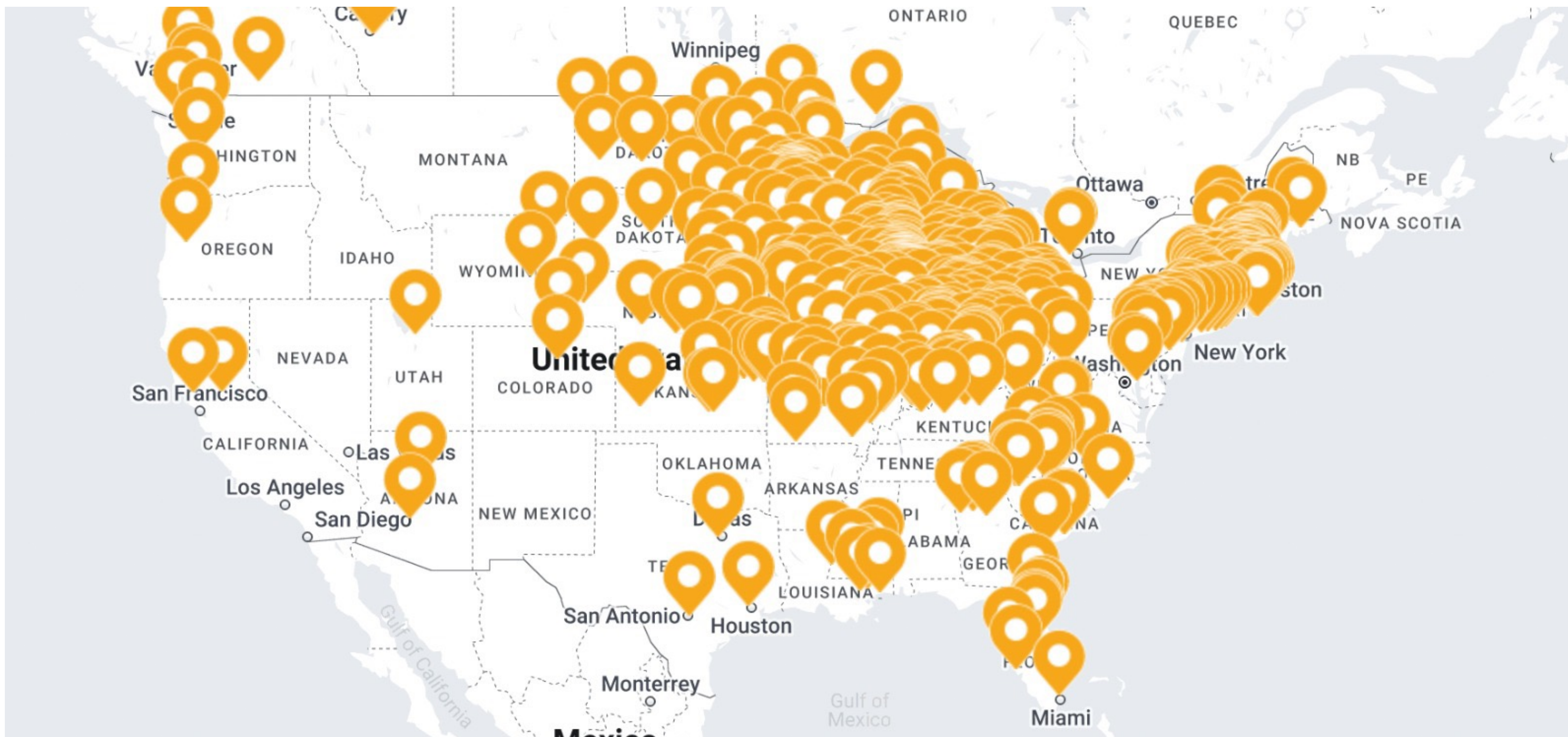
**Chip Wade, Wade Works** and other influencers, call ACRE "the perfect composite", features on Fox & Friends, social media, and HGTV



# INDUSTRY AWARDS & RECOGNITION



# VAST GEOGRAPHIC REACH



Total Us Dealer Locations

**500**

Percentage of US States Covered

**80%**

Manufacturing Facilities

**1(MS)**

International Availability

**4 countries**

# THANK YOU

For any questions regarding Modern Mill, please contact Kim Guimond at 617-717-9193, or by email at [kim@modern-mill.com](mailto:kim@modern-mill.com)

*Certain information set forth in this report, including management's assessment of the Company's future plans and operations, contains forward-looking statements which are based on the Company's current internal expectations, estimates, projections, assumptions and beliefs, and which may prove to be incorrect. Some of the forward-looking statements may be identified by words such as "anticipate", "believe", "plan", "estimate", "expect", "predict", "intend", "will", "may", "could", "would", "should" and similar expressions intended to identify forward-looking statements. These statements are not guarantees of future performance and undue reliance should not be placed on them. Such forward-looking statements necessarily involve known and unknown risks and uncertainties, which may cause the Company's actual performance and financial results in future periods to differ materially from any projections of future performance or results expressed or implied by such forward-looking statements. This communication is for informational purposes only and does not constitute an offer to sell or a solicitation to buy securities. This letter is intended only for accredited investors that are existing shareholders of sustainable lumber, inc. if you are reading this letter and do not qualify under those requirements, please delete this immediately.*