

TO: BUILDERS SOURCE INC. EMPLOYEES

FROM: JEFF GORE, PRESIDENT & CEO, BUILDING MATERIAL DISTRIBUTORS, INC.

DATE: JUNE 1, 2022

SUBJ: OWNERSHIP CHANGE

We are very excited and pleased to announce that Building Material Distributors, Inc. (BMD) has acquired Builders Source Inc. as of June 1, 2022. Builders Source Inc. will operate as a wholly owned subsidiary of BMD.

BMD, which was established in 1943, is an employee-owned company, focused on the building industry, and well-known for market leadership in the businesses we operate. The Company is headquartered in Galt, California (near Sacramento) and has 30 facilities located throughout the country, including ALL Inc., an appliance and cabinet business in St Paul, MN. In addition, BMD has a growing presence in interior products in the middle of the country, including Texas Door & Trim (Dallas, TX) Moehl Millwork (Des Moines, IA), Kansas City Millwork (Olathe, KS), ClearOvations (Santa Fe, NM and Denver, CO), and now Builders Source Inc. BMD's businesses support developers, architects, builders, contractors, and homeowners with many product and service categories. You can learn more about BMD and our companies through any of our websites, or by visiting the following website just for Builders Source Inc. employees: www.bmdusa.com/bsi

BMD's core values are defined as follows and serve as guiding principles in how we conduct our business:

- Employee Ownership
- Integrity
- People
- Accountability
- Communication
- Teamwork
- Excellence
- Continuous Improvement

As an employee-owned company, BMD is proud of its reputation and the capabilities we bring to the market; such as strategic selling, deep technical knowledge, marketing, business data analysis, strong channel relationships, and operational effectiveness.

Builders Source Inc. is a leader in the market, which is due not only to the great products you offer, but also to the expertise and exceptional service you provide to your customers. We are excited for the future, the value that will be created by this acquisition, and the new partnership resulting in increased sales and profits for both companies.

What does this mean to you? Initially, you may notice some changes as we integrate our two businesses, but our first goal is to continue to build on what Builders Source Inc. does best- growing and delivering value for customers. The Builders Source Appliance Gallery, Baillio's, Appliance Liquidators, Dalton Service Center, and Cunningham Distributing names will remain intact and employee roles will stay the same. We are pleased that David Springer, Bill Schritter, and the current leadership team will remain and continue leading the business as they do today.

We know you will have many questions. We will be conducting introductory informational sessions this week. To create open dialog, we have established an email address for any questions: bsquestions@bmdusa.com. Please feel free to contact us.

Laurie Salter, VP of Human Resources and Organizational Effectiveness, will be attending your introductory informational sessions to provide you with additional information and answer your questions. Mark Buri, Executive Vice President, and Joe Garrett, Dir. PMO & Integration with other BMD employees, will be visiting during the next month to begin integration of our businesses to facilitate growth and expansion. We see a bright future for Builders Source Inc. and look forward a strong alliance in creating premium living spaces throughout the country. The BMD team looks forward to meeting and getting to know each one of you.

