

February 2022

# Investor Presentation

Fiscal 2022 3<sup>rd</sup> Quarter and  
Year-to-Date Results

## Forward Looking Statement

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 relating to, among other things, the business, financial condition and results of operations of CSW Industrials, Inc. (“CSWI” or the “Company”). Any statements preceded or followed by or that include the words “believe,” “expect,” “intend,” “plan,” “should” or words, phrases or similar expressions or the negative thereof, are intended to identify forward-looking statements. These statements are made on the basis of the current beliefs, expectations and assumptions of the management of CSWI. There are a number of risks and uncertainties that could cause CSWI’s actual results to differ materially from the forward-looking statements included in this presentation. In light of these risks, uncertainties, assumptions, and other factors inherent in forward-looking statements, actual results may differ materially from those discussed in this presentation. Other unknown or unpredictable factors could also have a material adverse effect on CSWI’s actual future results, performance, or achievements and include, without limitation, the factors described from time to time in our filings with the SEC, including the risk factors described in our Annual Report on Form 10-K. As a result of the foregoing, readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this presentation. CSWI does not assume any obligation to update these forward-looking statements to reflect any new information, subsequent events or circumstances, or otherwise, except as may be required by law.

## Non-GAAP Financial Information

This presentation includes non-GAAP financial measures including Adjusted Earnings Per Share, Adjusted Net Income and Adjusted Operating Income. Reconciliations to the most directly comparable GAAP measures are included in the Appendix of this presentation. These measures should be considered in addition to results prepared in accordance with GAAP, but are not a substitute for GAAP results.



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# CSW Industrials (Nasdaq: CSWI)



A growth-oriented, diversified industrial company with a strategic focus on providing niche, value-added products in the end markets we serve.

**Three Segments** (Segment percentages reflect TTM<sup>1</sup> Revenue)



TTM Total Revenue ~\$586.5MM

## Key Highlights

**2015**

Publicly Listed on Nasdaq<sup>2</sup>

**~\$1.8B**

Market Capitalization<sup>3</sup>

**~\$430MM**

Acquisition Capital Invested from December 2021

**~40%**

TTM Gross Margin

**\$195MM**

Liquidity<sup>4</sup>

# Compelling Investment Thesis



**Sustained multi-year revenue growth**



**Proven history of robust profitability**



**Strong balance sheet and financial results**



**Experienced leadership team**



**Driving long-term shareholder value**

## Consistently demonstrating growth in excess of end markets served

- Total revenue CAGR of **9.4%** from FY16 through FY21<sup>1</sup>
- Organic revenue CAGR of **5.8%** from FY16 through FY21<sup>1</sup>

## Robust margin profile provided by niche products, applications, and solutions

- **45.5%** Adjusted Gross Profit Margin annual average FY16 – FY21<sup>1</sup>
- **20.1%** Adjusted EBITDA Margin annual average FY16 – FY21<sup>1</sup>

## Strong financial position supports incremental organic and inorganic growth

- ~1.6x leverage, ~\$179MM available on our \$400MM revolving credit facility<sup>2</sup>
- \$125.1MM TTM adjusted EBITDA, and 21.3% adjusted EBITDA margin as a percent of revenue<sup>3</sup>

## Demonstrated track record of leading public companies

- Dedicated to enhancing shareholder value
- Committed to exemplifying CSWI's culture and values

## Disciplined and strategic capital allocation policy enhances shareholder value

- ~\$505MM cumulative investment with 7 acquisitions completed FY16 through 3Q22
- ~\$107MM cash returned to shareholders since 3Q18, in the form of dividends and share repurchases<sup>4</sup>
- ~270% total shareholder return, compared to ~90% for the Russell 2000<sup>5</sup>

# Our Guiding Objectives

At CSWI, *how we succeed matters*, and accordingly we will:

## Treat Our Employees Well

- Meaningful, continued safety improvements
  - Calendar year end 2020 **TRIR<sup>1</sup> was 3.2**
  - Calendar year end 2021 **TRIR<sup>1</sup> was 1.3**
  - **Goal** is a zero-incident workplace
- Completed **2nd annual, Company-wide Safety Awareness Month**, demonstrating core value of excellence and accountability as we make safety a priority

## Serve Our Customers Well

- Emphasize consistent availability and timely delivery
- Maintain incremental inventory for high demand products and specific raw materials
- Focus on driving market and wallet share gains

## Manage Our Supply Chains Effectively

- Acknowledge and proactively respond to cost increases for specific raw materials and logistics impacting the industry
- Utilize balance sheet strength to strategically anticipate supply chain disruptions and raw material dislocations
- Leverage own manufacturing capacity

## Position CSWI for Sustainable, Long-Term Growth and Profitability

- **Top-Line Growth: 25.6%** revenue CAGR from YTD20 to YTD22<sup>2</sup>
- **Compelling Profitability: 20.8%**, 21.2%, and 21.0% Adjusted EBITDA margin<sup>3</sup> 3Q22 YTD, 3Q21 YTD, and 3Q20 YTD, respectively
- **Capital Allocation Priorities: risk-adjusted returns analysis** continuously evaluating next inorganic opportunity, while investing organic capital

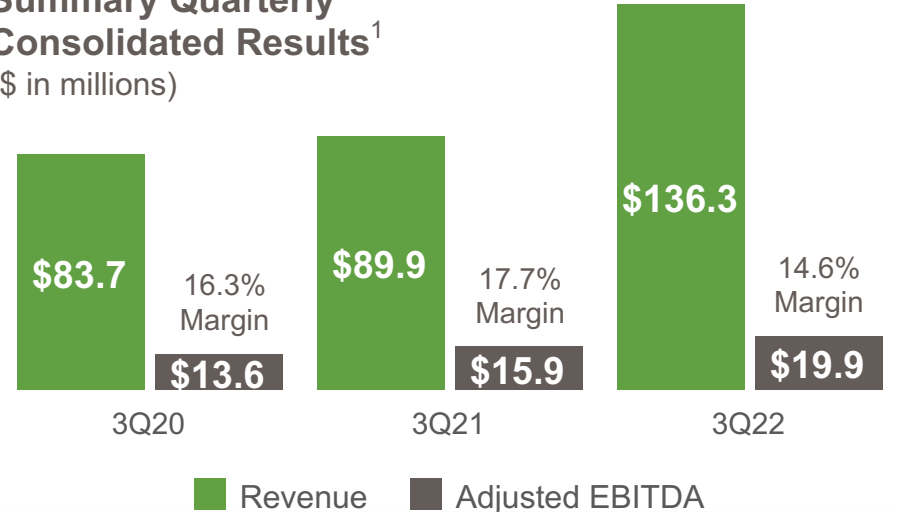
# Fiscal 2022 3<sup>rd</sup> Quarter Summary of Financial Results

# Consolidated Results: 3Q22 Summary

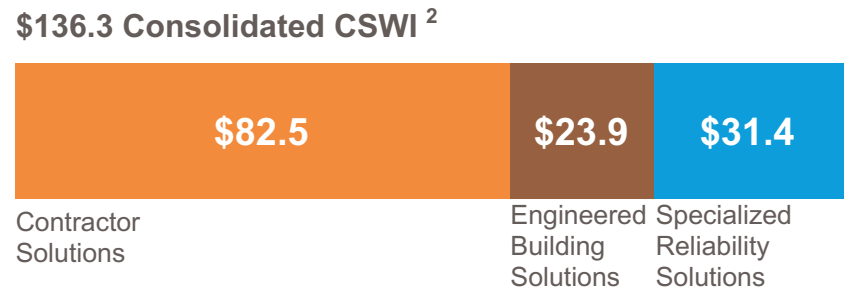
## Consolidated Financial Highlights (3Q22 vs 3Q21):

- Revenue of \$136.3MM, **51.5% increase**
  - \$26.8MM inorganic contribution from TRUaire and Shoemaker acquisitions
  - \$19.6MM organic growth, or 21.7% of total growth, from price actions and increased volumes
- Adjusted EBITDA of \$19.9MM, **25.4% growth**, and 14.6% margin
- Multiple price actions in 3Q22, with additional price in 4Q22 for specific products
  - Additional pricing actions will continue to protect profitability
- Net cash provided by operating activities of \$26.7MM, a 188.8% increase, compared to \$9.2MM

**Summary Quarterly Consolidated Results<sup>1</sup>**  
(\$ in millions)



**3Q22 Revenue**  
(\$ in millions)



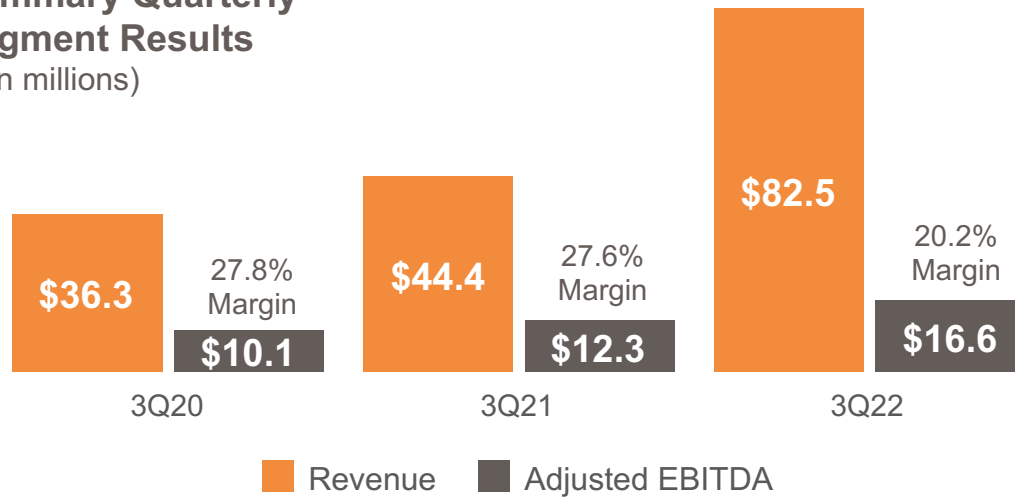
<sup>1</sup> Throughout the presentation, all financials are presented with calculations for continuing operations only.  
<sup>2</sup> Consolidated CSWI revenue includes Corporate & Other, which are not depicted above. Please see the Appendix for the breakout.



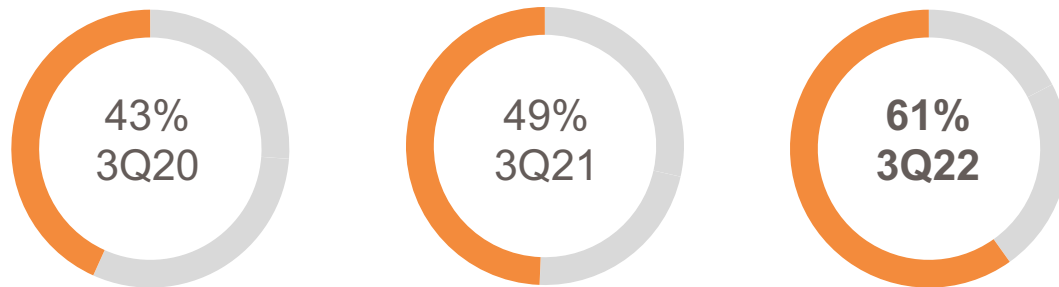


# Contractor Solutions: 3Q22 Segment Summary

## Summary Quarterly Segment Results (\$ in millions)



## Segment as a % of Consolidated CSWI Revenue:



## Segment Financials (3Q22 vs 3Q21):

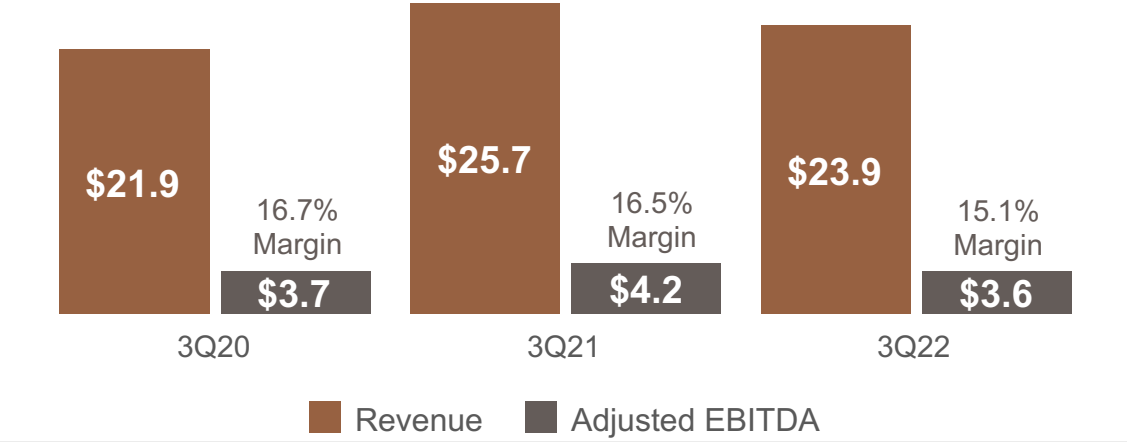
- Segment Revenue increased **85.6%** to **\$82.5MM**
  - Inorganic growth (\$26.8MM) from the TRUaire and Shoemaker acquisitions
  - Organic growth of \$11.2MM, due to increased volumes in HVAC/R, plumbing and architecturally-specified building products end markets, and multiple pricing initiatives
- Segment Adjusted EBITDA increased **35.5%** due to strong revenue growth
- Segment EBITDA margin was **20.2%**
  - No adjustments were made in the current period
  - Incremental expenses outpaced revenue growth, including
    - Further inflation in material and freight costs
    - Increased costs to support commercial success and business growth
    - \$0.5MM of costs from the pandemic-driven reduction in operations at TRUaire manufacturing facility in Vietnam
    - \$0.5MM Shoemaker transaction costs

# Engineered Building Solutions: 3Q22 Segment Summary

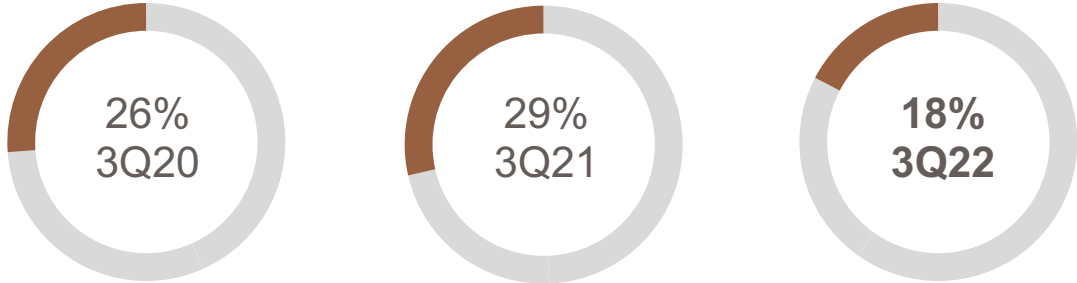
## Segment Financials (3Q22 vs 3Q21):

- Segment Revenue decreased 7.0% as
  - Prior period declines in the backlog reduced current period revenue
- Segment adjusted EBITDA and margin decreased
  - Shift in sales to shorter-cycle, lower margin projects
- Intentional focus on backlog diversification stabilizing top line revenue
  - Market share growth in institutional, education, and commercial projects, minimize our exposure to multi-family projects
  - Geographic diversification expansion

## Summary Quarterly Segment Results (\$ in millions)

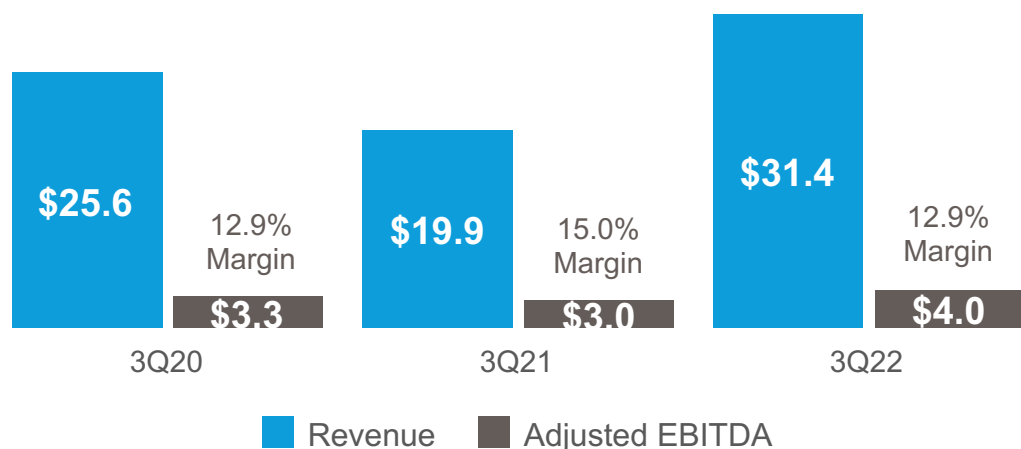


## Segment as a % of Consolidated CSWI Revenue:

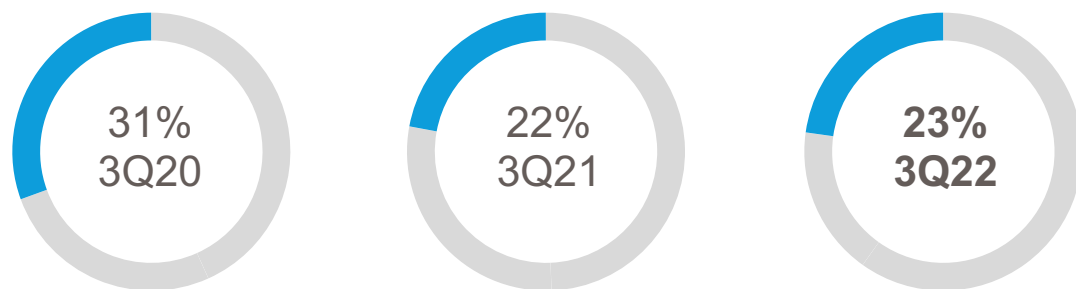


# Specialized Reliability Solutions: 3Q22 Segment Summary

## Summary Quarterly Segment Results (\$ in millions)



## Segment as a % of Consolidated CSWI Revenue:



## Segment Financials (3Q22 vs 3Q21):

- Segment Revenue increased **57.9% (all organic)**, to \$31.4MM, primarily driven by:
  - Demand recovery in the energy, mining, rail and general industrial end markets
  - Multiple price increases to mitigate cost inflation
  - Inclusion of the newly formed Whitmore Shell JV
- Segment EBITDA increased, while margin decreased
  - Accelerating material and freight expenses outpaced implemented pricing initiatives
- Expect ongoing improved profitability due to
  - Continued improvement in end market conditions, accelerating growth of the JV, and cumulative pricing action benefits
- Segment revenue increased \$5.8MM, or 22.6%, over 3Q20

# Fiscal Year-to-Date 2022 Summary of Financial Results

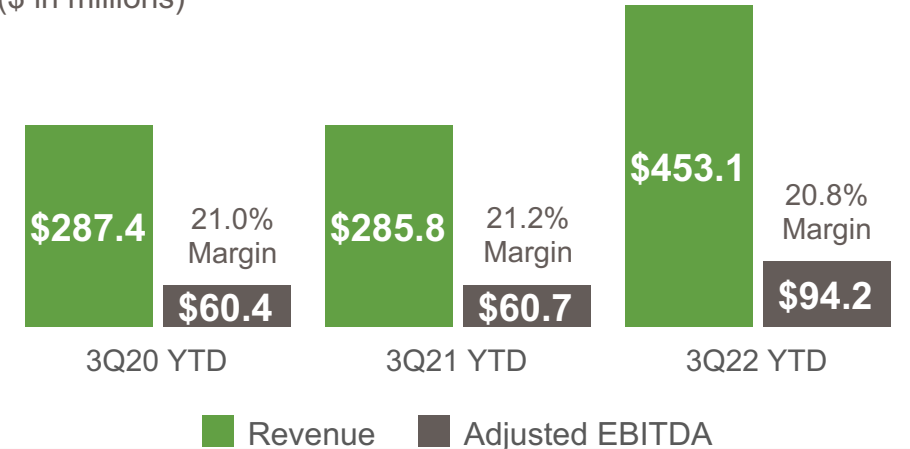
# Consolidated Results: 3Q22 YTD Summary

## Consolidated Financial Highlights (3Q22 YTD vs 3Q21 YTD):

- Revenue of \$453.1MM, a **58.5% increase**
  - \$95.6MM inorganic contribution from the TRUaire and Shoemaker acquisitions
  - \$71.7MM organic growth, or **25.1% of total growth**, with growth in all segments
- Adjusted EBITDA of \$94.2MM, **55.2% growth**, while maintaining steady margin of **20.8%**
- Adjusted EPS of \$3.12, a **25.2% increase**, compared to \$2.49
- Diversity in the end markets we serve supports our 3Q22 YTD performance and provides an even stronger platform for growth as we start the new year
- Multiple price actions in all end markets served during 3Q22 YTD
  - Pricing has protected profit dollars, with a decrease in margins as pricing has outpaced accelerating inflation
  - Additional price action in January 2022
- Net cash provided by operating activities of \$69.5MM, a 28.5% increase, compared to \$54.0MM

## Summary 3Q22 YTD Consolidated Results<sup>1</sup>

(\$ in millions)



## 3Q22 YTD Revenue

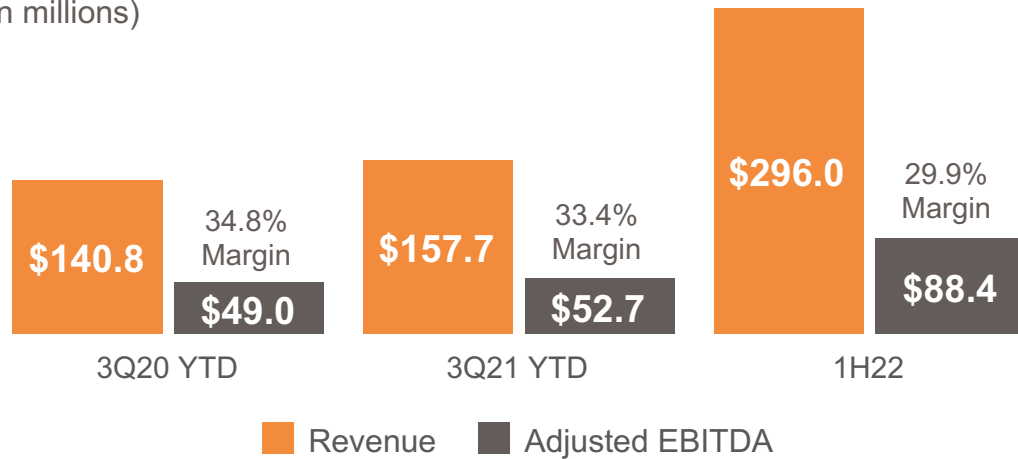
(\$ in millions)

### \$453.1 Consolidated CSWI<sup>2</sup>

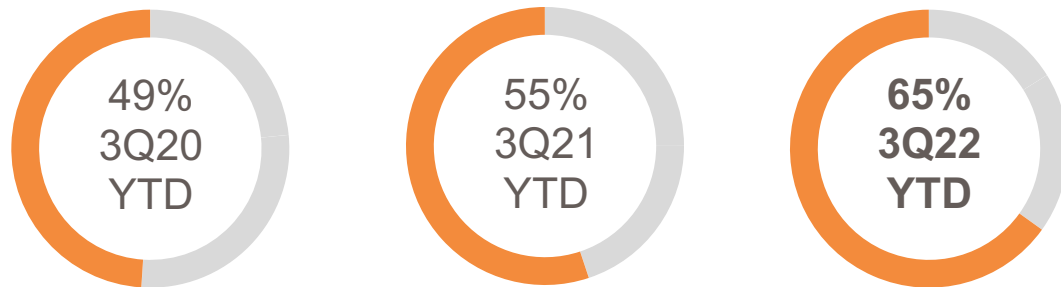


# Contractor Solutions: 3Q22 YTD Segment Summary

## Summary 3Q22 YTD Segment Results (\$ in millions)



## Segment as a % of Consolidated CSWI Revenue:



## Segment Financials (3Q22 YTD vs 3Q21 YTD):

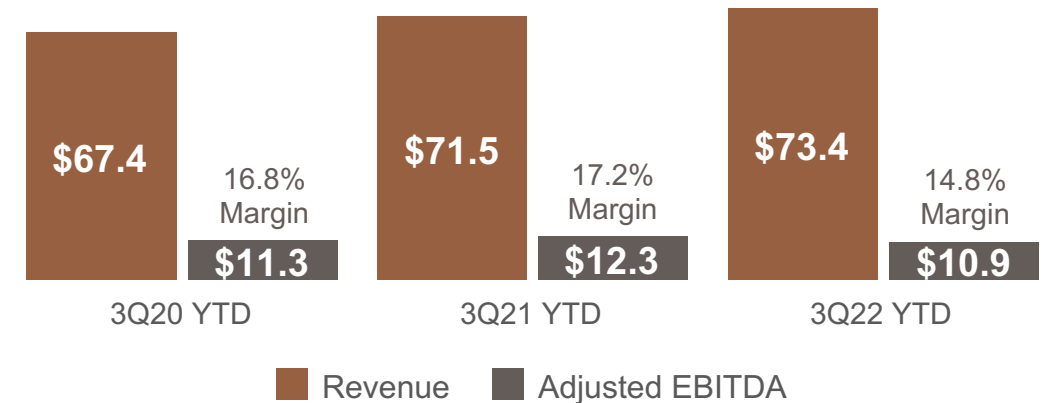
- Segment Revenue **increased 87.7%** to **\$296.0MM**, primarily driven by:
  - Inorganic growth from TRUaire and Shoemaker of \$95.6MM
  - Organic growth of \$42.8MM, or **27.1%** of total growth, driven by increased sales volumes into the HVAC/R, plumbing, and architecturally-specified building products end markets
  - Pricing initiatives that began in 4Q21
- Segment adjusted EBITDA increased **67.9%**
  - Strong revenue growth was partially offset by increased costs
- Segment adjusted EBITDA margin was **29.9%**
  - Further inflation in material and freight costs
  - Increased costs to support commercial success and business growth
  - \$1.7MM of costs from the pandemic-driven reduction in operations at TRUaire manufacturing facility in Vietnam
  - \$0.5MM Shoemaker transaction costs, no adjustments were made in the current period

# Engineered Building Solutions: 3Q22 YTD Segment Summary

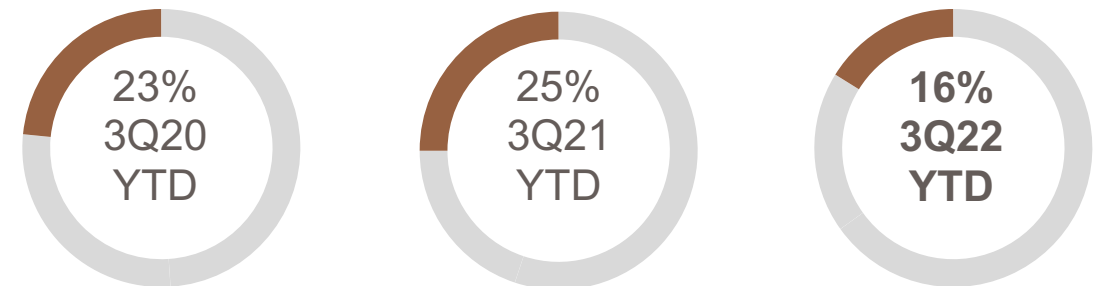
## Segment Financials (3Q22 YTD vs 3Q21 YTD):

- Segment Revenue increased **2.6% (all organic)** to \$73.4MM, primarily driven by:
  - Enhanced marketing efforts to promote existing and newly developed products, market share gains due to competitive leads times in the market place, and improved specification levels, which fully offset the decline in many of the largest categories of construction that we serve
- Segment EBITDA increased, while margin decreased
  - Shift in sales to shorter-cycle, lower margin projects
  - Incremental expenses for investments in future growth with additional sales team members and new product development
- Trailing Eight Quarters book to bill ratio at 1
  - Activity provides optimism for FY23
    - Bookings increased approximately 42%
    - Backlog increased approximately 13%

## Summary 3Q22 YTD Segment Results (\$ in millions)

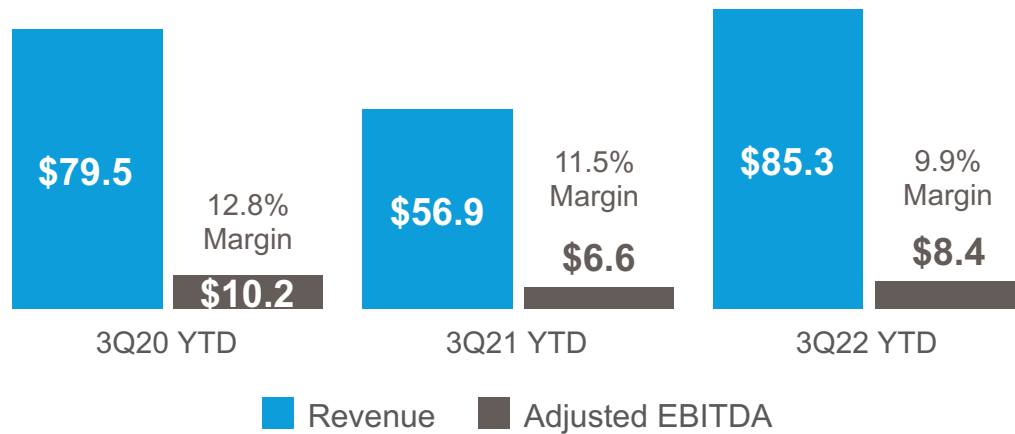


## Segment as a % of Consolidated CSWI Revenue:

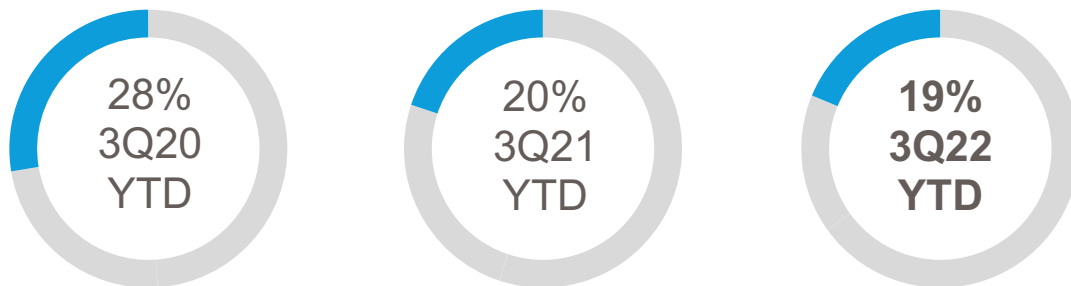


# Specialized Reliability Solutions: 3Q22 YTD Segment Summary

## Summary 3Q22 YTD Segment Results (\$ in millions)



## Segment as a % of Consolidated CSWI Revenue:



## Segment Financials (3Q22 YTD vs 3Q21 YTD):

- Segment Revenue increased **49.9% (all organic)**, to \$85.3MM, primarily driven by:
  - Demand recovery in the energy, mining, rail and general industrial end markets
  - Multiple price increases to mitigate cost inflation
  - Inclusion of the newly formed Whitmore Shell JV
- Segment EBITDA increased, while margin decreased
  - Accelerating material and freight expenses outpaced implemented pricing actions
- Expect ongoing improved profitability due to
  - Continued improvement in end market conditions, accelerating growth of the JV, and cumulative pricing action benefits
- **YTD22 revenue increased 7.3% over YTD20, highlighting the recovery**

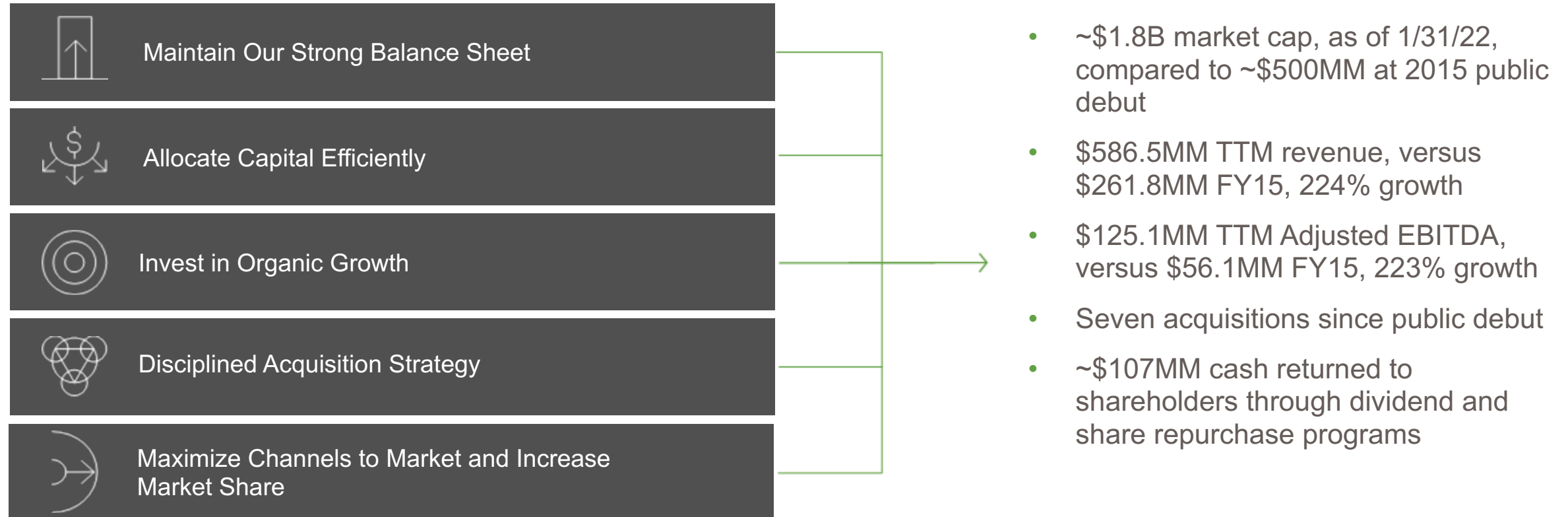


A photograph of an industrial manufacturing process. In the foreground, a row of dark grey plastic buckets is being filled by a robotic arm. The arm is equipped with a complex assembly of metal parts, including a large cylindrical component and various hoses. The background shows a blurred industrial setting with yellow safety railings. The entire image has a semi-transparent grey overlay.

# Driving Long-Term Shareholder Value

# Seeking Sustainable Growth in Shareholder Value

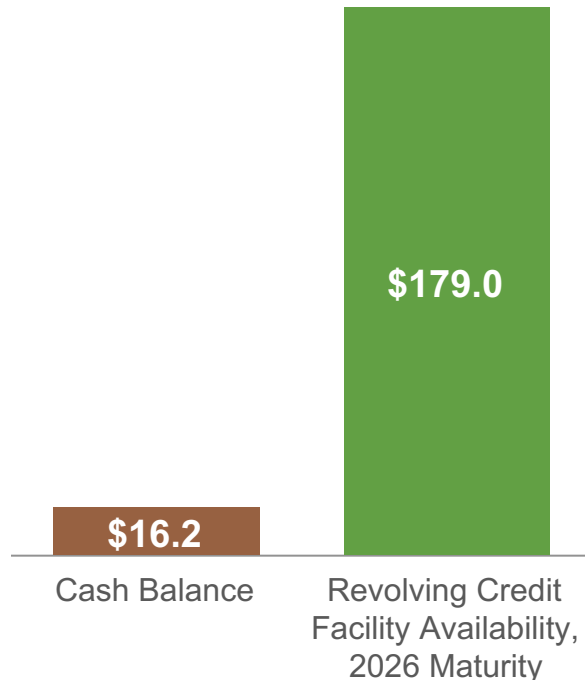
Our demonstrated track record of growth and enhancing long-term shareholder value.



# Maintaining Our Strong Balance Sheet

CSWI is committed to maintaining a strong balance sheet, with ample liquidity through cash on hand and available credit, to maximize growth opportunities, both organically and inorganically.

## Liquidity Position as of 12/31/21 (\$ in millions)



## Strong liquidity position to support organic & inorganic investments

- Cash balance of \$16.2MM as of 12/31/21
- ~\$179.0MM available under existing \$400.0MM revolving credit facility as of 12/31/21
- Strong operating cash generation of \$69.5MM year-to-date fiscal 2022 compared to \$54.0MM in the prior year period
- Debt to EBITDA of ~1.6x after funding the cash portion of the Shoemaker acquisition<sup>1</sup>
  - Operating leverage of 1.0x – 3.0x would be appropriate through cycles

# Allocating Capital Efficiently

Capital allocation decisions will continue to be prioritized on a risk-adjusted returns basis, with the goal of driving long-term shareholder value.

## Organic Growth

- Invest in enhancing innovative, value-adding products and efficiency initiatives
- Increase sales footprint domestically and internationally

## Inorganic Growth

- Prioritize accretive, synergistic acquisitions within existing end markets
- Consider broader strategic opportunities as appropriate

## Dividends

- Dividend program initiated in April 2019
- 12 consecutive quarters of dividends declared, for cumulative return of cash of \$25.7MM

## Share Repurchases

- As appropriate, return cash through opportunistic share repurchases
- Cumulative share repurchases of \$81.4MM and 1.4MM shares since program inception in 3Q FY18

**TTM Capital Allocation<sup>1</sup>**  
(\$ in millions)

**\$65.0MM**

Capital Expenditures \$10.3

Acquisitions \$45.0

Dividends \$9.2

Share Repurchase \$0.5

# Investing in Innovative Products

Our product innovation strategy is focused on commercially attractive products and solutions, while maintaining a flexible manufacturing strategy.

## Key Innovation Attributes Include:

### Serving Niche Applications

- Attractive in our target end markets, especially where we have the solution for specific applications or needs
- Ensuring reliability for our customers' mission-critical equipment, with specialty lubricants and greases that perform under environments

### Providing Incremental Market Access

- Products that are in constrained distribution channels benefit from our numerous market channel options
- Cross-selling end markets, such as HVAC/R and plumbing, or various directional drilling applications, enabling greater market access

### Value-Selling Through Differentiation

- Enhancing products via innovative research and development
- Protecting capital assets in the most demanding environments and extreme conditions
- Providing code-driven, life safety solutions

### Resulting in Labor Savings

- Driving material labor or maintenance savings for end-users, especially where empirically demonstrated
- Extending the life of our customers' capital intense assets with quantifiable data support

# Strategic, Disciplined Approach to M&A

As a diversified industrial growth company, our goal is to increase free cash flow through sustainable organic growth, accretive inorganic growth, and operational efficiencies.

## CSW Industrials Target Criteria:

- Seek long-term growth well in excess of GDP
- Expect strong margin contribution in-line with existing operations, and margin resiliency through-cycles
- Leverage our go-to-market strategy and channels to market, including our extensive distribution network
- Commit to capital allocation strategy, investing in opportunities with the highest risk adjusted rate of return
- Expand in existing markets with product introductions and meaningful acquisitions
- Maintain strong balance sheet
- Drive enhanced returns by leveraging market knowledge, and existing systems and processes



# Accessing Distribution Channels to Accelerate Growth

We have focused on growing our distribution network in recent years, enhancing revenue growth from new product introductions and acquisitions.

## Without CSWI: Limited Distribution



Newly designed products, while innovative & helpful for contractors, are often challenged by limited distribution

## With CSWI: Broad Distribution



## The Power of Our Distribution Model

CSWI maintains robust access to distributors, including through buying groups and national account relationships

CSWI can acquire or master distribute products, resulting in sales at a faster and more cost-effective rate due to leverage in logistics, supply agreements, sales staff, credit and back-office support

# Corporate Sustainability



# Corporate Culture and Values

## The Goal of Our Corporate Culture is to Maximize Performance

CSWI's corporate culture will shape and guide our Company by helping each team member understand how to make his/her contribution to the Company we serve. Our culture manifests the observed behaviors, norms, and dominant values of the Company. Our culture should be effective in reinforcing certain behaviors and eradicating others. Everything we do is accomplished with a focus on environmental stewardship, and the health and safety of our team members.

### Core Values Support Our Culture:



Accountability



Citizenship



Teamwork



Respect



Integrity



Stewardship



Excellence

# Corporate Culture and Values

## Our Commitment to Diversity, Inclusion, and Respect:

We seek to create, nurture, and sustain an inclusive and diverse environment that attracts and retains the highest caliber team members, leveraging their skills and expertise to serve our customers. We are dedicated to attracting, developing, and retaining high-quality individuals of all backgrounds, and to making CSWI a place where everyone can contribute and grow. We at CSWI believe that diversity not only inspires our internal team, but also informs customer insight and service.

### Key Highlights:

1.3

Total Recordable Incident Rate<sup>1</sup>

~5%

Insider ownership, including ESOP<sup>2</sup>

88%

Independent Directors on our Board

38%

Diverse Directors on our Board

# Business Segment Overview

# Segment Summary

## Contractor Solutions

- **\$383.9MM** TTM Revenue, **\$117.3MM** adjusted EBITDA, and **30.6%** adjusted EBITDA margin
- Manufactures and supplies products for residential and commercial HVAC/R and plumbing applications, designed primarily for professional tradespeople



## Engineered Building Solutions

- **\$97.5MM** TTM Revenue, **\$13.5MM** adjusted EBITDA, and **13.8%** adjusted EBITDA margin
- Provides primarily code-driven products focused on life safety that are engineered to provide aesthetically-pleasing solutions for the construction, refurbishment and modernization of commercial, institutional, and multi-family residential buildings



## Specialized Reliability Solutions

- **\$106.8MM** TTM Revenue, **\$10.9MM** adjusted EBITDA, and **10.2%** adjusted EBITDA margin
- Provides long-established products for increasing the reliability, performance and lifespan of industrial assets and solving equipment maintenance challenges



Shell & Whitmore  
Reliability Solutions, LLC

# Contractor Solutions Segment – Overview

## Summary:

- Highly diversified product portfolio providing industry leading products in both direct-to-customer and distributor models
- Focus on adding value by innovating new and existing products to accelerate organic growth
- Future growth focus on new product introductions through organic innovation and inorganic additions
- Strong reputation for providing high quality products to long-standing customer base

~\$383.9MM

TTM Revenue

~30.6%

TTM Adjusted EBITDA Margin

## End Markets Served:



HVAC/R



Plumbing



Electrical



Industrial

# Contractor Solutions Segment – Overview

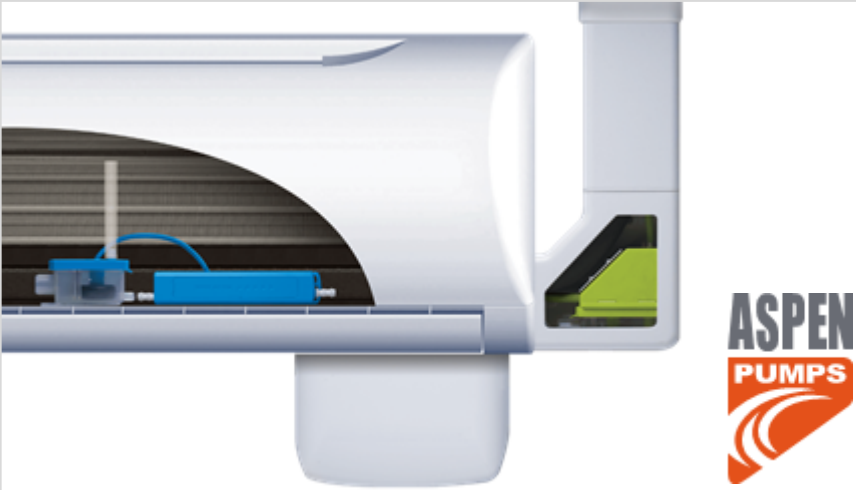
## Strategic Growth that Outpaces End Markets:

- Continue to develop and market innovative products providing low cost and high value, while supporting additional revenue growth for distributors and efficiencies for professional contractors
- Acquire, develop, and introduce innovative products in specific new markets that can be owned. Successful examples include condensate cutoff switches and component accessories for the thriving market of mini-split HVAC systems

## Contractor Solutions Brands:



# Contractor Solutions: Products



# Products Serving Niche HVAC/R Mini-Split Market

## Slimduct & Fortress

Lineset duct and fitting systems, 5 sizes, 4 colors

## Nokink

Flexible, easy flare line connector

## Aspen Pumps

Univolt or Silent+. 4 discrete condensate pump models. White, Aqua, Orange, Lime.



## Coil-Cure

EPA registered coil cleaner and disinfectant.



## Coil-Cure AM

Spray-applied antimicrobial coil coating



## Mighty Bracket

Support tool - allows single person evaporator installation or repair



## Desolv

Cleaning Kit and Aerosol protect walls and floors



## Safe-T-Switch

Primary drain pan overflow protection.

## PRO-Fit Quick Connect

Push-to-connect refrigerant fittings. Quick-release removal



## Surge Protection

Protects equipment from electrical surges and other voltage disturbances



## AC Leak Freeze with UV

Leak stop sealant, non clogging, non reactive polymer-free nano formula

## Condenser brackets

Powdercoat and stainless



## EZ Trap

Waterless in-line condensate trap



## Flaretite

Flare gasket against leaks for common fittings, 45° copper stamping with coating



## PRO-Fit Flaring & Swaging Tool Bit Kits

Create precise and fast standard 45° flare or swage



# Engineered Building Solutions Segment – Overview

## Summary:

- Decades of experience creating products that protect lives
- Endless use cases for construction, refurbishments, and modernization of buildings
- Multiple manufacturing locations provides efficiency to meet the needs of general contractors and architects
- Continuous engineering improvement to produce best in class products

~\$97.5MM

TTM Revenue

~13.8%

TTM Adjusted EBITDA Margin

## End Markets Served:



Smoke & Fire Protection



Safety Railings



Expansion Joints



Safety Egress

# Engineered Building Solutions Segment – Overview

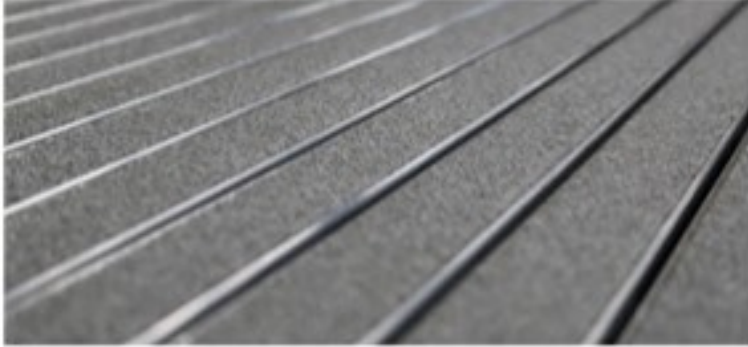
## Where Form Meets Function:

- Market leader in providing unique solutions to architects and contractors that meet code requirements, while adding functionality, performance, and aesthetically-pleasing designs
- Whether for new construction or renovation, safety and code compliance are top of mind for commercial builders, our products provide fire-rated and smoke-rated protection
- Design, manufacture and install stainless steel and other architectural metal products railings for interior and exterior end uses

## Engineered Building Solutions Brands:



# Engineered Building Solutions: Products



# Specialized Reliability Solutions Segment – Overview

## Summary:

- Our product portfolio allows us to effectively compete and capture enhanced margins relative to larger Specialty Chemical peers
- Focus on end markets with sustainable growth trends, offering products that serve niche solutions to our customers
- Focus on adding value by innovating new and existing products to accelerate organic growth
- Future growth focus on new product introductions through organic innovation and inorganic additions

~\$106.8MM

TTM Revenue

~10.2%

TTM Adjusted EBITDA Margin

## End Markets Served:



Rail/Transport



Energy



Mining



Industrial

# Specialized Reliability Solutions Segment – Overview

## Mission Critical Meets Mission Accomplished:

- Established reputation for solving equipment maintenance challenges and increasing the reliability, performance, and lifespan of industrial assets utilized in the most demanding environments and extreme conditions
- Two centuries of combined operations manufacturing and supplying our trusted specialty lubricants, compounds, sealants, coatings, desiccant breather filtration, and lubrication management systems

## Specialized Reliability Solutions Brands:



# Specialized Reliability Solutions: Products



# Specialized Reliability Solutions: Shell Whitmore JV Products



# Appendix



# CSWI Executive Team

Veteran leadership with broad industry experience, dedicated to enhancing shareholder value.



**Joe Armes**

Chairman, CEO  
& President

Joe has served as the Company's Chairman of the Board of Directors & CEO since September 2015, & President since February 2018. Prior to the Company's September 2015 spin-off from Capital Southwest Corporation, a capital provider to middle market companies, Mr. Armes served as the Chairman, CEO & President of Capital Southwest Corporation from June 2013 to September 2015.



**James Perry**

Executive VP  
& CFO

James has been EVP and CFO since May 2020. From 2004 to 2019, he served in financial roles with Trinity Industries, a publicly held, diversified industrial company, and served as its CFO from 2010 to 2019. From 2001 to 2004, Mr. Perry was a senior financial executive at RMH Teleservices, including as CFO. He previously held positions at JP Morgan Chase & Co. and Ernst & Young LLP.



**Donal Sullivan**

Executive VP  
& General Manager

Donal has served as EVP & General Manager, Contractor Solutions since May 2020, and previously served as SVP & General Manager, Industrial Products from January 2016, and was appointed as an executive officer of the Company in March 2019. He has previously held roles at Goodman Global and Carrier Corporation.



**Luke Alverson**

Senior VP, General  
Counsel & Secretary

Luke has served as SVP, General Counsel & Secretary since February 2016. From May 2008 to February 2016, Mr. Alverson held roles of increasing responsibility with Flowserve Corporation, a leading global manufacturer of fluid motion control products and provider of related services, serving most recently as VP, Corporate Legal Services & Assistant Secretary.

# Reconciliation of Fiscal Third Quarter Segment Operating Income to Adjusted Segment Operating Income and to Adjusted Segment EBITDA

| (Amounts in thousands)                      | (Unaudited)                          |                       |                     |                         |                      | (Unaudited)                          |                       |                     |                         |                      | (Unaudited)                          |                       |                     |                         |           |
|---|--------------------------------------|-----------------------|---------------------|-------------------------|----------------------|--------------------------------------|-----------------------|---------------------|-------------------------|----------------------|--------------------------------------|-----------------------|---------------------|-------------------------|-----------|
|   | Three Months Ended December 31, 2021 |                       |                     |                         |                      | Three Months Ended December 31, 2020 |                       |                     |                         |                      | Three Months Ended December 31, 2019 |                       |                     |                         |           |
|   | Engineered                           |                       | Specialized         |                         |                      | Engineered                           |                       | Specialized         |                         |                      | Engineered                           |                       | Specialized         |                         |           |
| Contractor Solutions                        | Building Solutions                   | Reliability Solutions | Corporate and Other | Consolidated Operations | Contractor Solutions | Building Solutions                   | Reliability Solutions | Corporate and Other | Consolidated Operations | Contractor Solutions | Building Solutions                   | Reliability Solutions | Corporate and Other | Consolidated Operations |           |
| Revenue, net                                | \$ 82,459                            | \$ 23,905             | \$ 31,384           | \$ (1,462)              | \$ 136,286           | \$ 44,439                            | \$ 25,700             | \$ 19,874           | \$ (80)                 | \$ 89,932            | \$ 36,251                            | \$ 21,928             | \$ 25,599           | \$ (62)                 | \$ 83,716 |
| GAAP Operating Income                       | \$ 10,756                            | \$ 3,200              | \$ 2,650            | \$ (4,459)              | \$ 12,148            | \$ 2,900                             | \$ 4,194              | \$ 619              | \$ (3,597)              | \$ 4,117             | \$ 8,672                             | \$ 3,333              | \$ 2,052            | \$ (3,570)              | \$ 10,488 |
| Adjusting Items:                            |                                      |                       |                     |                         |                      |                                      |                       |                     |                         |                      |                                      |                       |                     |                         |           |
| Transaction costs & other professional fees | —                                    | —                     | —                   | —                       | —                    | 6,919                                | —                     | 1,041               | —                       | 7,960                | —                                    | —                     | —                   | —                       | —         |
| Adjusted Operating Income                   | \$ 10,756                            | \$ 3,200              | \$ 2,650            | \$ (4,459)              | \$ 12,148            | \$ 9,819                             | \$ 4,194              | \$ 1,660            | \$ (3,597)              | \$ 12,077            | \$ 8,672                             | \$ 3,333              | \$ 2,052            | \$ (3,570)              | \$ 10,488 |
| % Revenue                                   | 13.0 %                               | 13.4 %                | 8.4 %               |                         | 8.9 %                | 22.1 %                               | 16.3 %                | 8.4 %               |                         | 13.4 %               | 23.9 %                               | 15.2 %                | 8.0 %               |                         | 12.5 %    |
| Adjusting Items:                            |                                      |                       |                     |                         |                      |                                      |                       |                     |                         |                      |                                      |                       |                     |                         |           |
| Other Income (Expense)                      | 80                                   | (87)                  | (78)                | (42)                    | (127)                | 98                                   | (430)                 | (128)               | (132)                   | (592)                | (502)                                | (175)                 | (178)               | 6                       | (848)     |
| Depreciation & Amortization                 | 5,782                                | 498                   | 1,472               | 138                     | 7,890                | 2,345                                | 472                   | 1,439               | 136                     | 4,392                | 1,434                                | 504                   | 1,440               | 120                     | 3,498     |
| Loss (gain) on property sale and others     | —                                    | —                     | —                   | —                       | —                    | —                                    | —                     | —                   | —                       | —                    | 476                                  | —                     | —                   | —                       | 476       |
| Adjusted EBITDA                             | \$ 16,618                            | \$ 3,611              | \$ 4,045            | \$ (4,362)              | \$ 19,912            | \$ 12,261                            | \$ 4,236              | \$ 2,972            | \$ (3,592)              | \$ 15,877            | \$ 10,080                            | \$ 3,662              | \$ 3,314            | \$ (3,443)              | \$ 13,613 |
| % Revenue                                   | 20.2 %                               | 15.1 %                | 12.9 %              |                         | 14.6 %               | 27.6 %                               | 16.5 %                | 15.0 %              |                         | 17.7 %               | 27.8 %                               | 16.7 %                | 12.9 %              |                         | 16.3 %    |

# Reconciliation of YTD Segment Operating Income to Adjusted Segment Operating Income and to Adjusted Segment EBITDA

| (Amounts in thousands)                      | (Unaudited)                         |                       |                     |                         |                      | (Unaudited)                         |                       |                     |                         |                      | (Unaudited)                         |                       |                     |                         |            |
|---|-------------------------------------|-----------------------|---------------------|-------------------------|----------------------|-------------------------------------|-----------------------|---------------------|-------------------------|----------------------|-------------------------------------|-----------------------|---------------------|-------------------------|------------|
|   | Nine Months Ended December 31, 2021 |                       |                     |                         |                      | Nine Months Ended December 31, 2020 |                       |                     |                         |                      | Nine Months Ended December 31, 2019 |                       |                     |                         |            |
|   | Engineered                          |                       | Specialized         |                         |                      | Engineered                          |                       | Specialized         |                         |                      | Engineered                          |                       | Specialized         |                         |            |
| Contractor Solutions                        | Building Solutions                  | Reliability Solutions | Corporate and Other | Consolidated Operations | Contractor Solutions | Building Solutions                  | Reliability Solutions | Corporate and Other | Consolidated Operations | Contractor Solutions | Building Solutions                  | Reliability Solutions | Corporate and Other | Consolidated Operations |            |
| Revenue, net                                | \$ 296,048                          | \$ 73,389             | \$ 85,288           | \$ (1,589)              | \$ 453,136           | \$ 157,694                          | \$ 71,549             | \$ 56,887           | \$ (295)                | \$ 285,836           | \$ 140,817                          | \$ 67,362             | \$ 79,453           | \$ (260)                | \$ 287,373 |
| GAAP Operating Income                       | \$ 67,021                           | \$ 9,388              | \$ 3,928            | \$ (13,823)             | \$ 66,514            | \$ 40,458                           | \$ 11,763             | \$ 1,287            | \$ (10,958)             | \$ 42,550            | \$ 45,008                           | \$ 10,064             | \$ 6,207            | \$ (10,346)             | \$ 50,932  |
| Adjusting Items:                            |                                     |                       |                     |                         |                      |                                     |                       |                     |                         |                      |                                     |                       |                     |                         |            |
| Transaction costs & other professional fees | —                                   | —                     | —                   | —                       | —                    | 6,919                               | —                     | 1,041               | —                       | 7,960                | —                                   | —                     | —                   | —                       | —          |
| Purchase Accounting Effect                  | 3,919                               | —                     | —                   | —                       | 3,919                | —                                   | —                     | —                   | —                       | —                    | —                                   | —                     | —                   | —                       | —          |
| Loss (gain) on sale of property & other     | —                                   | —                     | —                   | —                       | —                    | —                                   | —                     | —                   | —                       | —                    | —                                   | —                     | (776)               | —                       | (776)      |
| Adjusted Operating Income                   | \$ 70,940                           | \$ 9,388              | \$ 3,928            | \$ (13,823)             | \$ 70,433            | \$ 47,377                           | \$ 11,763             | \$ 2,328            | \$ (10,958)             | \$ 50,510            | \$ 45,008                           | \$ 10,064             | \$ 5,431            | \$ (10,346)             | \$ 50,156  |
| % Revenue                                   | 24.0 %                              | 12.8 %                | 4.6 %               |                         | 15.5 %               | 30.0 %                              | 16.4 %                | 4.1 %               |                         | 17.7 %               | 32.0 %                              | 14.9 %                | 6.8 %               |                         | 17.5 %     |
| Adjusting Items:                            |                                     |                       |                     |                         |                      |                                     |                       |                     |                         |                      |                                     |                       |                     |                         |            |
| Other Income (Expense)                      | (174)                               | (66)                  | (72)                | (120)                   | (432)                | 47                                  | (950)                 | (60)                | (296)                   | (1,259)              | (855)                               | (347)                 | (21)                | (7,079)                 | (8,302)    |
| Depreciation & Amortization                 | 21,587                              | 1,565                 | 4,563               | 404                     | 28,120               | 5,243                               | 1,511                 | 4,302               | 404                     | 11,461               | 4,378                               | 1,566                 | 4,746               | 360                     | 11,050     |
| Purchase Accounting Effect                  | (3,919)                             | —                     | —                   | —                       | (3,919)              | —                                   | —                     | —                   | —                       | —                    | —                                   | —                     | —                   | —                       | —          |
| Loss (gain) on property sale and others     | —                                   | —                     | —                   | —                       | —                    | —                                   | —                     | —                   | —                       | —                    | 476                                 | —                     | —                   | —                       | 476        |
| Pension Termination                         | —                                   | —                     | —                   | —                       | —                    | —                                   | —                     | —                   | —                       | —                    | —                                   | —                     | —                   | 7,019                   | 7,019      |
| Adjusted EBITDA                             | \$ 88,434                           | \$ 10,887             | \$ 8,419            | \$ (13,539)             | \$ 94,202            | \$ 52,668                           | \$ 12,324             | \$ 6,570            | \$ (10,850)             | \$ 60,711            | \$ 49,006                           | \$ 11,283             | \$ 10,155           | \$ (10,046)             | \$ 60,399  |
| % Revenue                                   | 29.9 %                              | 14.8 %                | 9.9 %               |                         | 20.8 %               | 33.4 %                              | 17.2 %                | 11.5 %              |                         | 21.2 %               | 34.8 %                              | 16.8 %                | 12.8 %              |                         | 21.0 %     |

# Reconciliation of TTM Segment Operating Income to Adjusted Segment Operating Income and to Adjusted Segment EBITDA

| (Amounts in thousands)                      | (Unaudited)                                    |   |                                     |                        |                            |
|---|--|---|-------------------------------------|------------------------|----------------------------|
|   | Trailing Twelve Months Ended December 31, 2021 |   |                                     |                        |                            |
|   | Contractor<br>Solutions                        | Specialized<br>Reliability<br>Solutions | Engineered<br>Building<br>Solutions | Corporate<br>and Other | Consolidated<br>Operations |
| Revenue, net                                | \$ 383,881                                     | \$ 97,512                               | \$ 106,766                          | \$ (1,654)             | \$ 586,506                 |
| GAAP Operating Income                       | \$ 85,691                                      | \$ 11,691                               | \$ 3,350                            | \$ (17,299)            | \$ 83,433                  |
| Adjusting Items:                            |  |   |                                     |                        |                            |
| Transaction costs & other professional fees | 844  | —                                       | 1,556                               | —                      | 2,400                      |
| Purchase Accounting Effect                  | 6,882  | —                                       | —                                   | —                      | 6,882                      |
| Adjusted Operating Income                   | \$ 93,417                                      | \$ 11,691                               | \$ 4,906                            | \$ (17,299)            | \$ 92,715                  |
| % Revenue                                   | 24.3 %   | 12.0 %                                  | 4.6 %                               |                        | 15.8 %                     |
| Adjusting Items:                            |  |   |                                     |                        |                            |
| Other Income (Expense)                      | (4,958)  | (261)                                   | (34)                                | 110                    | (5,142)                    |
| Depreciation & Amortization                 | 30,758   | 2,069                                   | 6,005                               | 546                    | 39,377                     |
| Purchase Accounting Effect                  | (6,882)  | —                                       | —                                   | —                      | (6,882)                    |
| Reversal of Indemnification Receivable      | 5,000  | —                                       | —                                   | —                      | 5,000                      |
| Adjusted EBITDA                             | \$ 117,336                                     | \$ 13,499                               | \$ 10,877                           | \$ (16,643)            | \$ 125,068                 |
| % Revenue                                   | 30.6 %   | 13.8 %                                  | 10.2 %                              |                        | 21.3 %                     |



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