

Investor Presentation

Fiscal 4th Quarter and Full-Year 2021 Results

May 2021



Forward Looking Statements

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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Compelling Investment Thesis



Sustained multi-year revenue growth

Consistently demonstrating growth in excess of end markets served

- Total revenue CAGR of **9.4%** from FY16 through FY21¹
- Organic revenue CAGR of **5.8%** from FY16 through FY21¹



Proven history of robust profitability

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

- **45.5%** Adjusted Gross Profit Margin annual average FY16 – FY21¹
- **16.4%** Adjusted Operating Income Margin annual average FY16 – FY21¹



Strong balance sheet and financial results

Strong financial position supports incremental organic and inorganic growth

- **~1.9x** leverage², \$168MM available on new \$400MM revolving credit facility³
- **\$40.3MM** GAAP net income, **\$91.6MM** adj. EBITDA, and **21.8%** adj. EBITDA margin



Experienced leadership team

Demonstrated track record of leading public companies

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



Driving long-term shareholder value

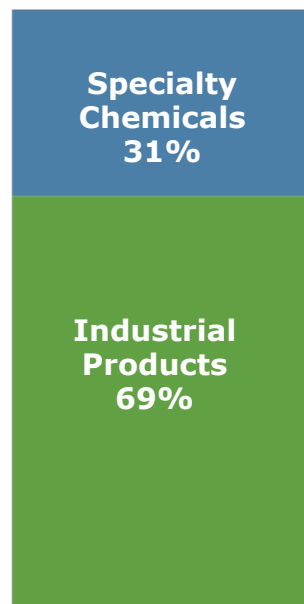
Disciplined and strategic capital allocation policy enhances shareholder value

- **~\$465MM cumulative investment** with 6 acquisitions completed FY16 through FY21
- **~\$100MM cash returned to shareholders** since 3Q18, in the form of dividends and share repurchases⁴
- **~330%** total shareholder return, compared to ~115% for the Russell 2000

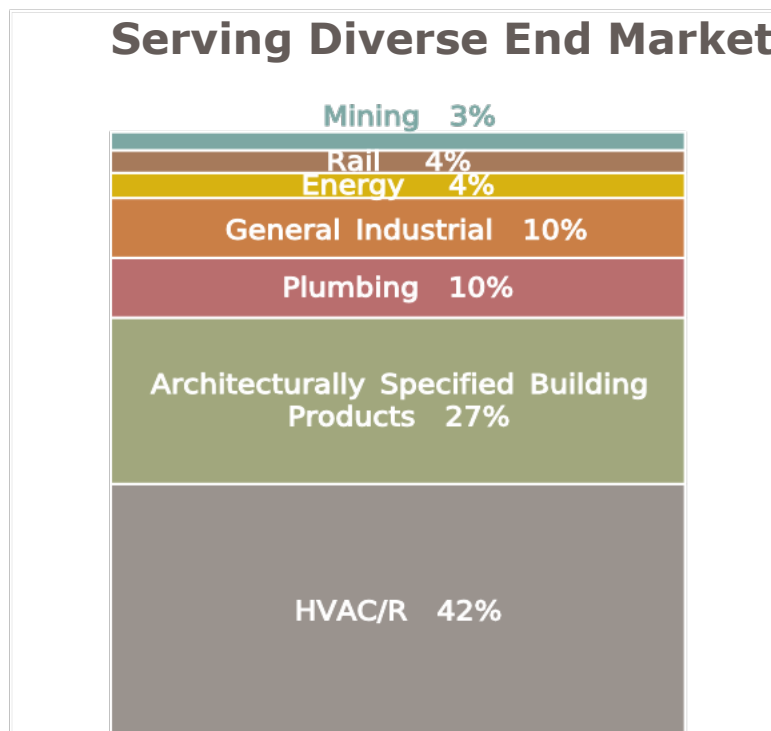
CSW Industrials (Nasdaq: CSWI)

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

Two Segments



Serving Diverse End Markets:



Key Highlights:

2015

Publicly listed on Nasdaq¹

~\$2B

Market capitalization²

~\$15MM

TTM³ Cash Returned to Shareholders

~44%

TTM³ Gross Margin

\$178MM

Liquidity⁴ as of 3/31/2021

FY21 Total Revenue ~\$419.2MM

Our Guiding Objectives

At CSWI, how we succeed matters, and hence we will:

Treat Our Employees Well

- **Employees and insiders collectively own ~6% of CSWI**
- **Continue to invest in** a safe, secure, dignified retirement for **our employees'** through profit sharing plans
 - Demonstrated track record of a 6% match to 401k and an incremental 7% to 11% in contributions to other benefit programs

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

Position CSWI for Sustainable, Long-Term Growth and Profitability

- **Well-positioned to deliver another year of compelling growth**
- **Focused on delivering long-term shareholder value** via our current products and services, as well as evaluating opportunities for inorganic growth in the end markets that we currently serve

Fiscal 4TH Quarter 2021 Summary of Financial Results

TRUaire Product Spotlight Single Deflection Grille

End Market: HVAC/R



TRUaire's SF Series single and double deflection spiral style diffusers feature durable extruded aluminum construction and have individually adjustable blades for deflection control. Available in many standard sizes to fit ducts from 6" to 36" and offered in either pristine white powder coat or aluminum finishes.



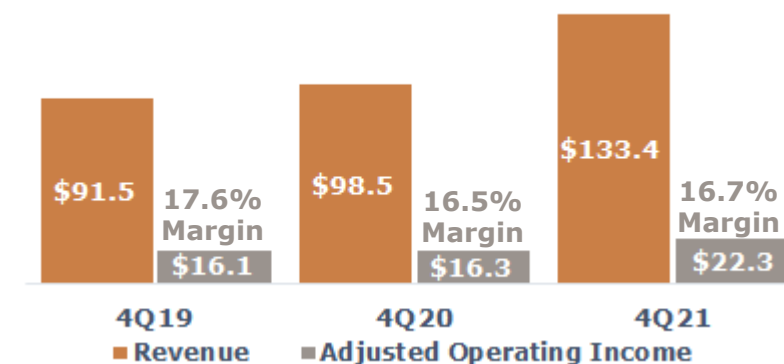
4Q21: Quarterly Revenue and Operating Income

Consolidated Financial Highlights¹ (4Q21 vs 4Q20):

- **Revenue of \$133.4MM, a 35.4% increase**
 - **\$29.4MM** inorganic contribution from TRUaire acquisition
 - Organic sales were flat to the prior year period as increases in Industrial Products were offset by declines in Specialty Chemicals
- **Adjusted Operating Income of \$22.3MM, 36.8% growth**
- **Adjusted Operating Income margin of 16.7%**, 20 basis-point improvement
 - In near term quarters, the benefits of recent price increases are expected to be realized
- **Adjusted EBITDA of \$30.9MM, 50.5% growth**
 - Adjusted EBITDA margin of 23.1% compared to 20.8%
- **Adjusted EPS of \$0.88** a ~7% increase compared to \$0.83

Summary Quarterly Consolidated Results¹

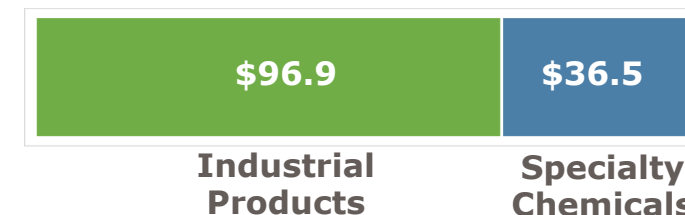
(\$ in millions)



4Q21 Revenue¹

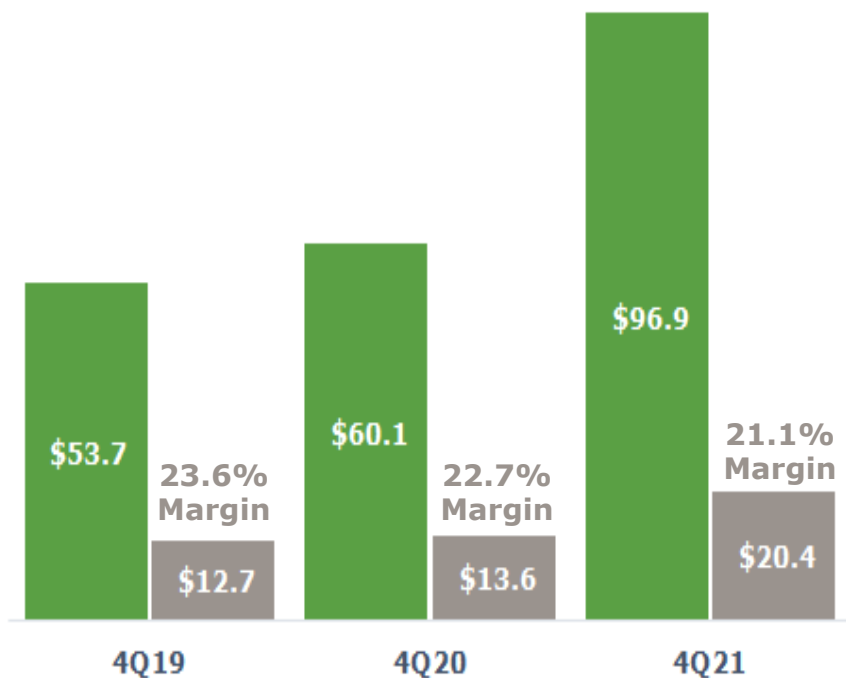
(in millions)

- **\$133.4MM Consolidated CSWI**

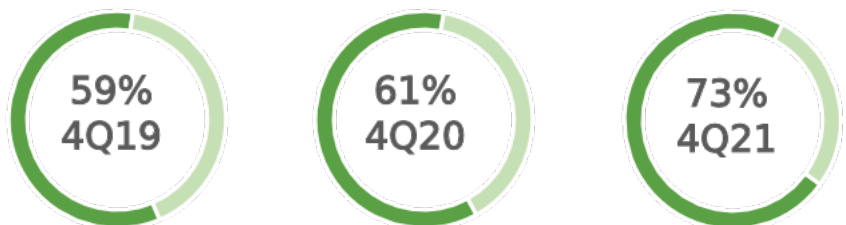


4Q21: Industrial Products Summary¹

■ Revenue
 ■ Adjusted Operating Income (\$ in millions)



Segment as a % of Consolidated CSWI Revenue:



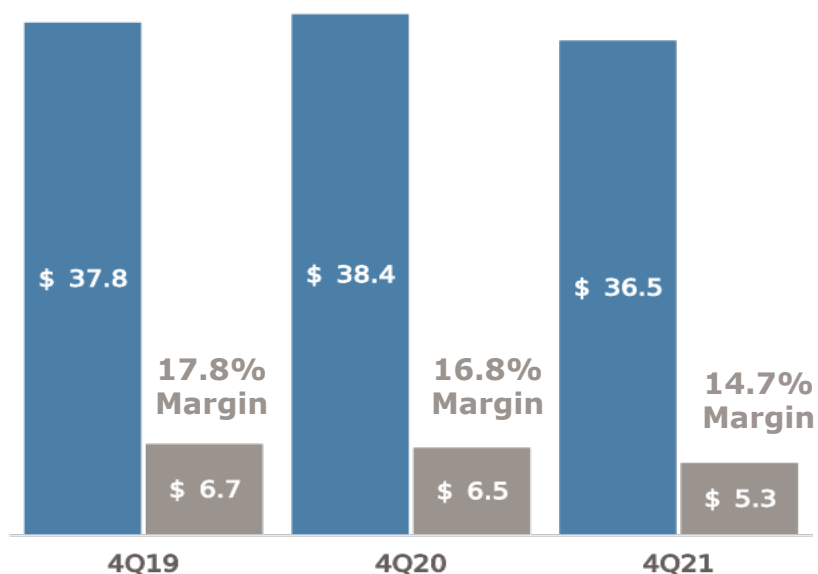
- 4Q21 Segment Revenue increased 61.2%** (12.4% organic) over 4Q20, to **\$96.9MM**, primarily driven by:
 - Inorganic growth from TRUaire of **\$29.4MM**
 - Organic growth of **\$7.4MM**
 - Plumbing, HVAC/R, and ASBP increased \$8.3MM due to robust product demand and distributor sell-through
 - All other end markets (rail and energy) declined \$0.8MM resulting from pandemic-induced demand degradation
- 4Q21 Segment Adjusted Operating Income increased 49.8%** over 4Q20 due to TRUaire inorganic revenue growth and strong organic revenue growth
- 4Q21 Segment Adjusted Operating Income margin** decreased 160 basis points due to incremental amortization expenses associated with the TRUaire acquisition, and higher freight and transportation costs



4Q21: Specialty Chemicals Summary¹

■ Revenue

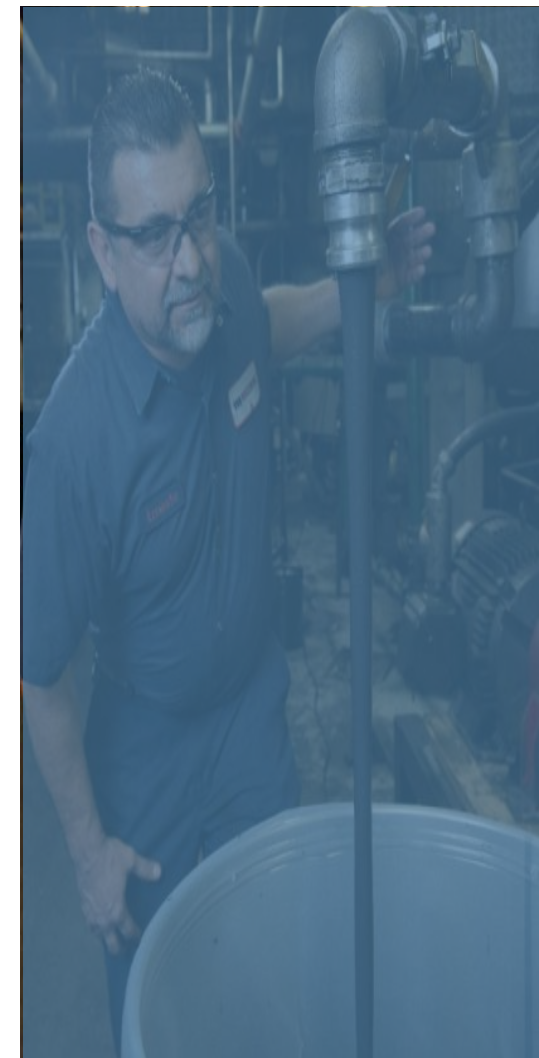
■ Adjusted Operating Income (\$ in millions)



Segment as a % of Consolidated CSWI Revenue:



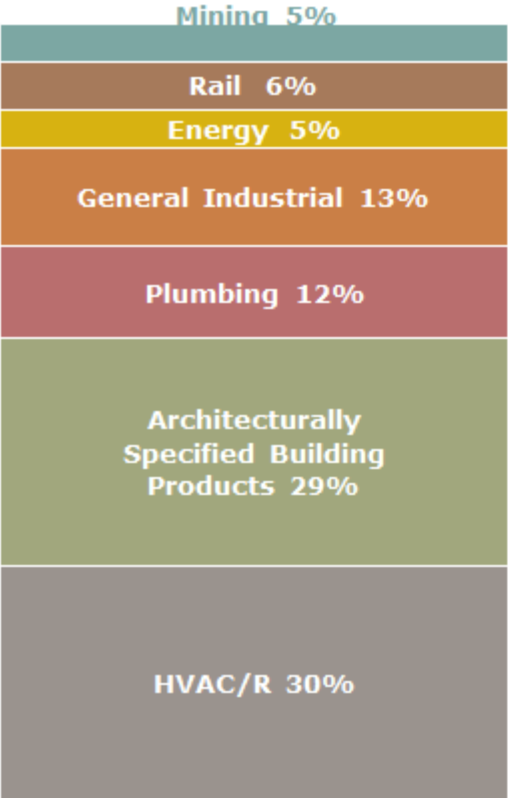
- 4Q21 Segment Revenue** decreased 5.0%, compared to 4Q20, to **\$36.5MM** as increased revenue into the HVAC/R, mining, and energy end markets were more than offset by the decline in ASBP, general industrials, and rail end markets.
 - Rail traffic in some geographies remains significantly lower than prior year
 - General Industrials end market is still being affected by end use customer reluctance to invest in capital equipment maintenance
 - ASBP decline is primarily driven by the slowdown in new construction
- 4Q21 Segment Adjusted Operating Income** decreased 17.3% from 4Q20, to **\$5.3MM**, driven primarily by lower revenue
- 4Q21 Segment Adjusted Operating Income margin** decreased 210 basis points due to the reduction in operating income



Diversified Revenue Across End Markets Served¹

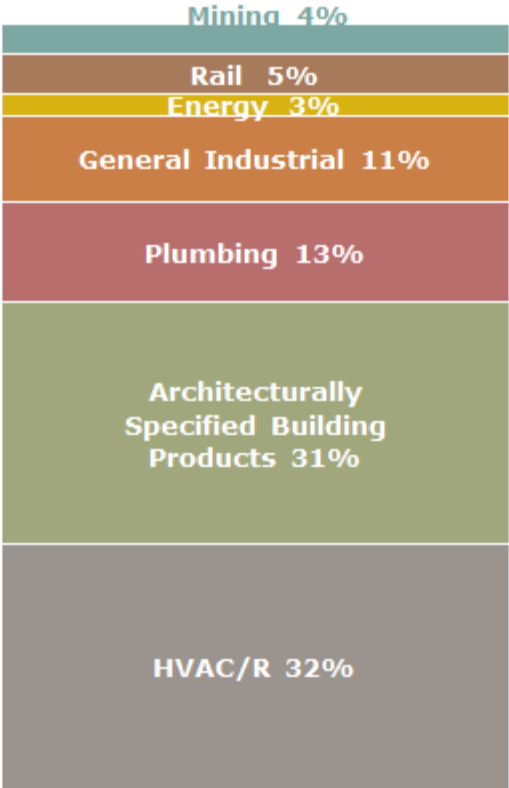
(\$ in millions)

\$91.5MM



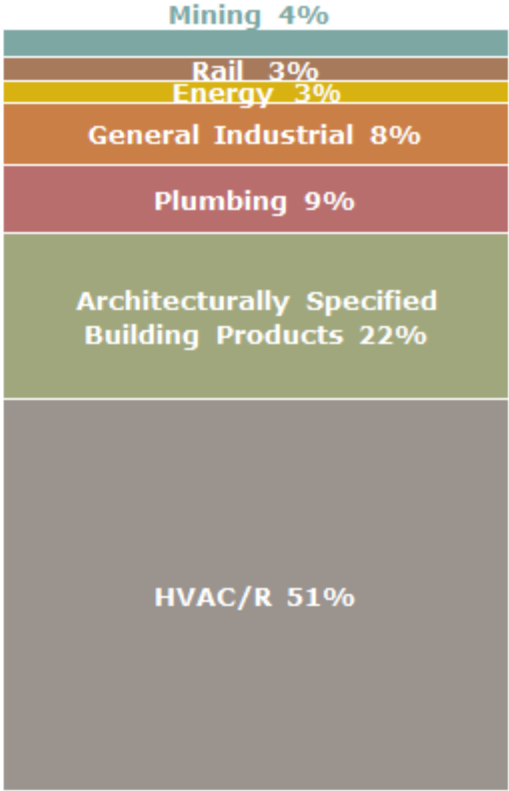
4Q19

\$98.5MM



4Q20

\$133.4MM



4Q21

¹ Calculated for continuing operations only. Each period may not sum to 100% due to rounding.



Fiscal Year Ending March 2021 Summary of Financial Results

CSWI Product Spotlight

Safe-T-Switch® SC1 Cleanout Device

End Market: HVAC/R



Safe-T-Switch® Model SC1 inline cleanout device allows quick and easy access for cleaning of condensate drain lines. Device includes an integrated, easy-access Schrader valve for pressure cleaning. The directional cleaning tool can be used for both pressure and vacuum.



FY21: Best Year in Company History

Consolidated Financial Highlights:



**Strong balance sheet
and liquidity position**



**Committed to
strategic, disciplined
capital allocation**



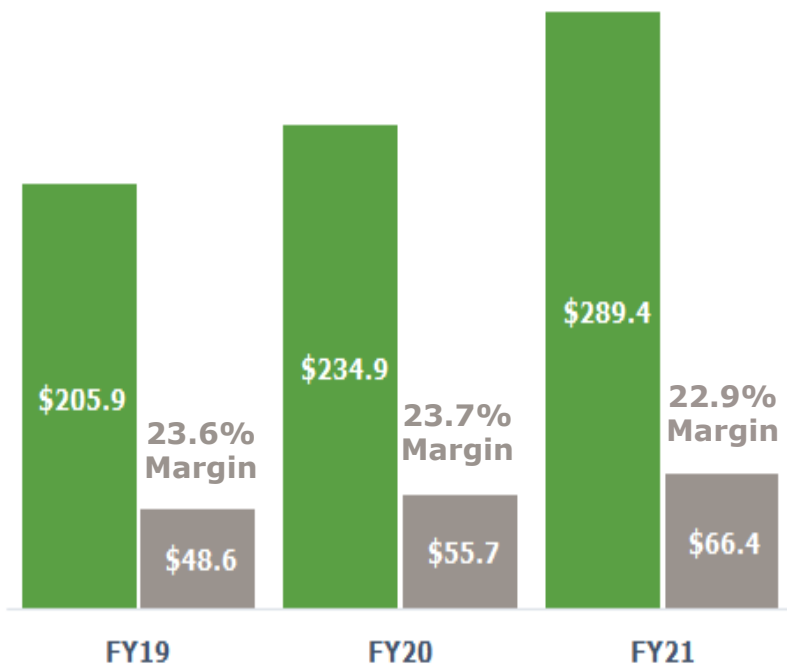
**FY21
Consolidated
Financial Summary**

- **\$178.1MM of effective liquidity** with \$10.1MM cash on hand plus \$168.0MM available on a new, 5-year, \$400.0MM revolving credit facility¹
- **Executing on all parts of our capital allocation strategy**
 - **\$8.8MM** investment in organic growth capital expenditures in FY21
 - **\$385.7MM** for TRUaire acquisition, which closed December 15, 2020
 - **\$15.4MM** of shares repurchased and dividend payments in FY21
 - **11.1%** increase in quarterly cash dividend, to \$0.15 per share²
- **Reported revenue of \$419.2MM**, an increase of 8.6%, led by the inorganic growth with organic revenue nearly flat to prior year
 - Reflects the strength of our diversified portfolio
 - Inorganic growth and increased sales into the HVAC/R, plumbing, and ASBP end markets were slightly offset by pandemic driven demand declines in other end markets served
- **Adjusted operating income of \$72.8MM**, 17.4% of revenue, as compared to 17.2% in the prior year period
- **Adjusted EBITDA \$91.6MM, 21.8%** of revenue, as compared to 21.0% in the prior year period
- **Adjusted EPS of \$3.37**, a **5.3% increase** over the prior year period

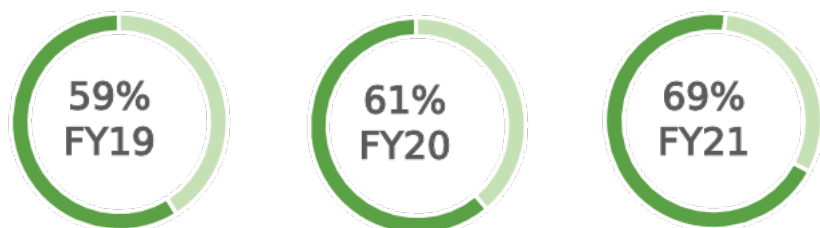
FY21: Industrial Products Summary¹

■ Revenue
 ■ Adjusted Operating Income (\$ in millions)

- **FY21 total revenue growth of 23.2%** (8.8% organic) over the prior year period, to **\$289.4MM**, due to increased demand in the HVAC/R, plumbing, and ASBP end markets, modestly offset by sales into the general industrial and rail end markets
 - Total revenue growth of **\$54.5MM** included TRUaire related inorganic growth of **\$33.8MM** and organic growth of **\$20.7MM**
- **Segment Adjusted Operating Income increased 19.1%** over the prior year period to **\$66.4MM**, driven by increased sales, partially offset by higher (i) costs of products sold due to increased transportation and freight costs and (ii) expenses primarily associated with TRUaire
- **Segment Adjusted Operating Income margin decreased 80 basis points to 22.9%** as a result of increased amortization expense from TRUaire



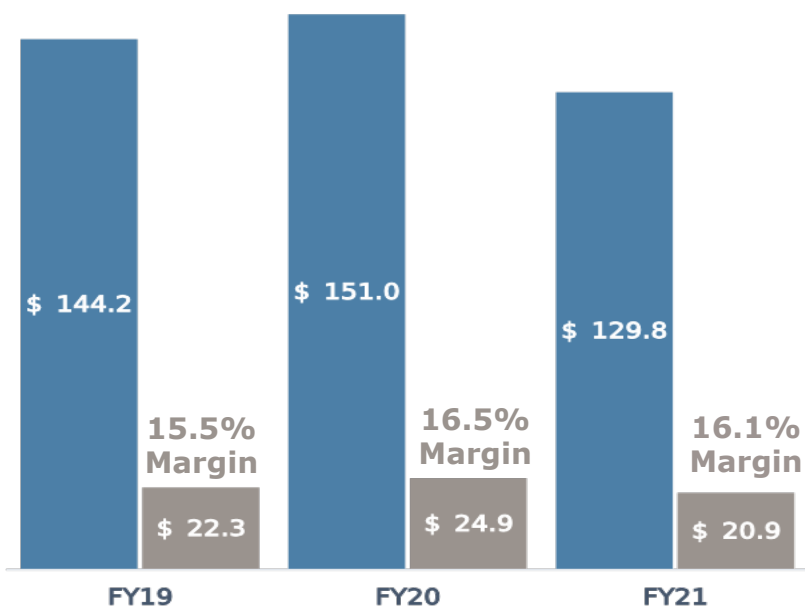
Segment as a % of Consolidated CSWI Revenue:



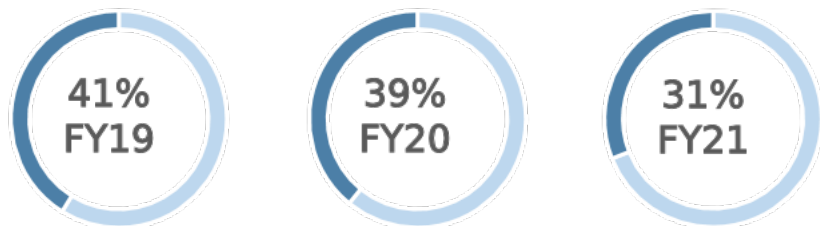
FY21: Specialty Chemicals Summary¹

■ Revenue

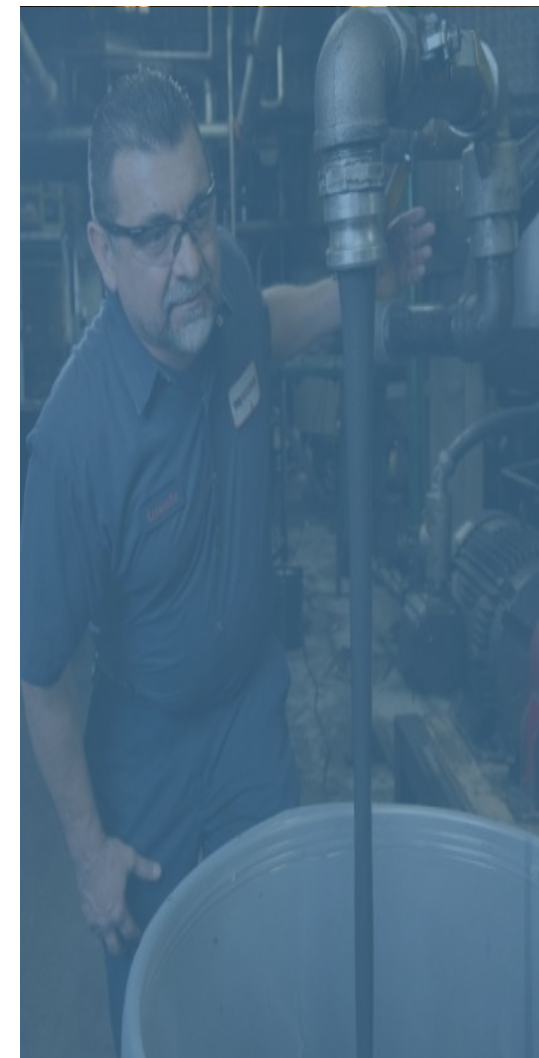
■ Adjusted Operating Income (\$ in millions)



Segment as a % of Consolidated CSWI Revenue:

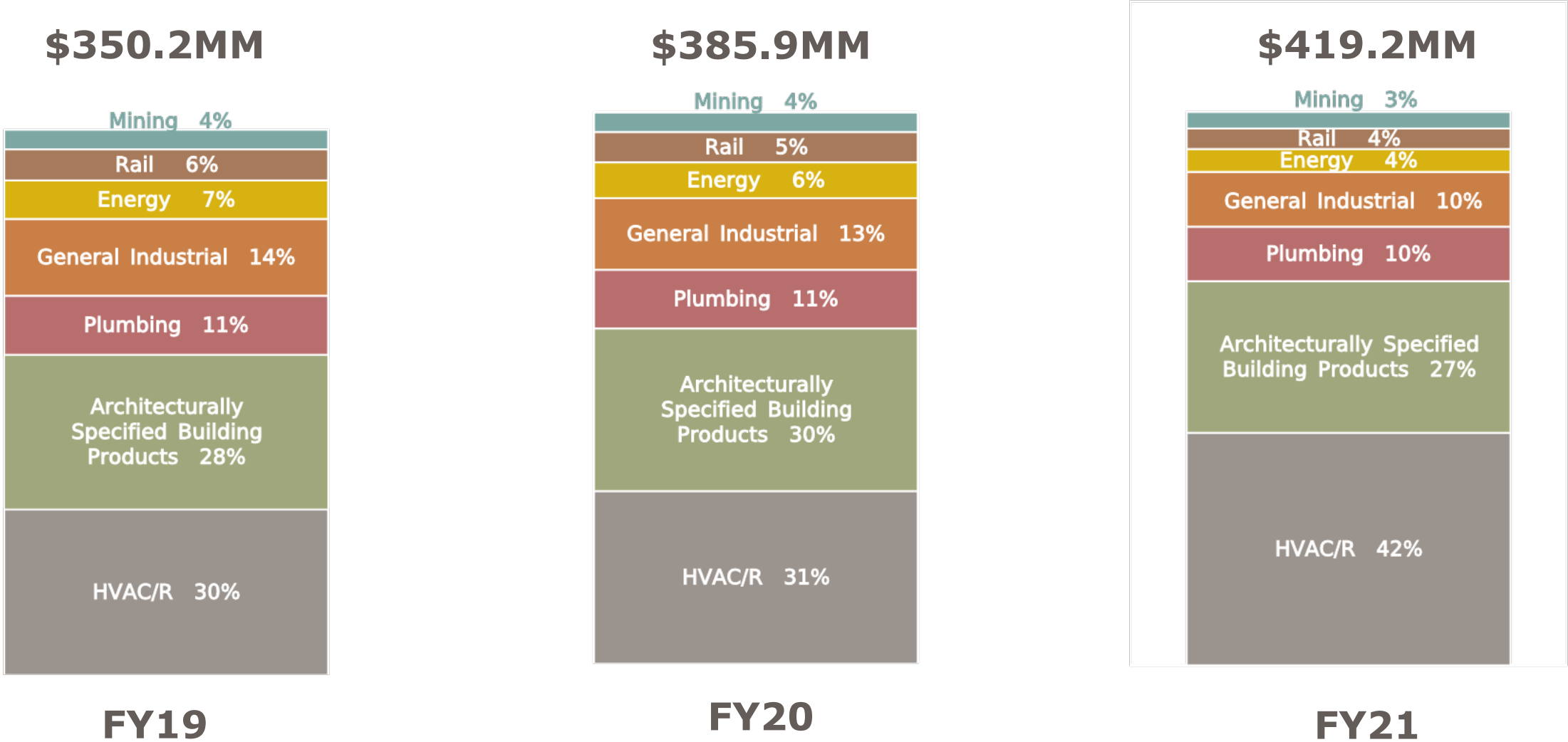


- **Revenue** decreased 14.0%, to **\$129.8MM**, as compared to the prior year period, resulting primarily from pandemic-driven demand decline
 - Macro fundamentals in the energy, rail and mining end markets such as rig count, consumer demand, and rail miles have continued the nascent recovery that began in 3Q21
- **Segment Adjusted Operating Income** decreased to **\$20.9MM** due primarily to decreased sales
- **Segment Adjusted Operating Income margin** decreased 40 basis points to **16.1%**, driven by decreased revenue



Diversified Revenue Across End Markets Served¹

(\$ in millions)



¹ Calculated for continuing operations only. Each period may not sum to 100% due to rounding.

Driving Long-Term Shareholder Value

CSWI Product Spotlight

Fortress Lineset Covers

End Market: HVAC/R



Fortress[®] Lineset covers are a precision system of premade ducting offering strength and longevity at a modest price point. Perfect for a variety of A/C systems, Fortress[®] conceals/protects lineset, wiring and drain hose from weather/damage. Made in USA.



Seeking Sustainable Growth in Shareholder Value

Demonstrated track record of growth and enhancing long-term shareholder value

Maintain Our Strong Balance Sheet

Allocate Capital Efficiently

Maximize Channels to Market and Increase Market Share

Invest in Organic Growth

Disciplined Acquisition Strategy

- **~\$2B** market cap, as of 5/14/21, compared to ~\$500MM in 2015 public debut
- **\$419.2MM** FY21 **revenue**¹, versus \$261.8MM FY15
- **\$72.8MM** FY21 **Adjusted Operating Income**, versus \$44.0MM FY15
- **Six acquisitions** since public debut
- **~\$100MM** cash returned to shareholders through dividend and share repurchase programs²

Maintaining Our Strong Balance Sheet

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

Attributes

• Liquidity

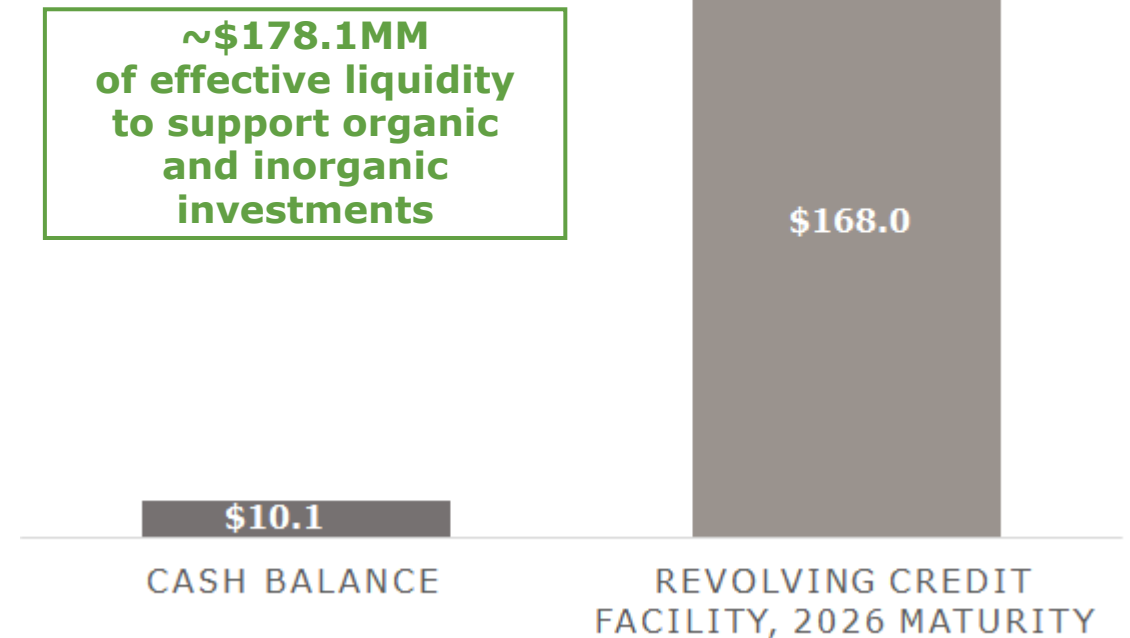
- Cash balance of \$10.1 million¹
- \$168.0MM available under existing \$400.0MM revolving credit facility¹
- Strong operating cash generation of \$66.3MM in FY21

• Debt to EBITDA of ~1.9x after funding the cash portion of the TRUaire acquisition²

- Operating leverage of 1.0x – 3.0x would be appropriate through cycles

Liquidity Position¹

(\$ in millions)



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
- Invest in efficiency initiatives
- Increase sales footprint domestically and internationally

Dividends

- Dividend program initiated in April 2019
- 9 consecutive quarters of dividends declared, for cumulative return of cash of \$18.6MM

Inorganic Growth

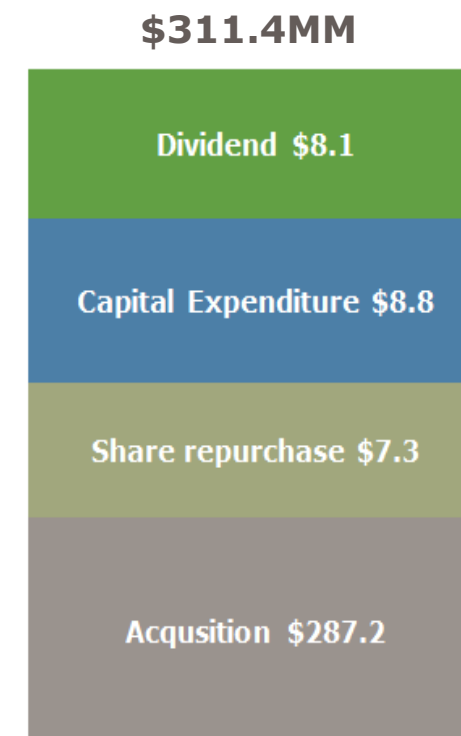
- Prioritize accretive, synergistic acquisitions within existing end markets
- Consider broader strategic opportunities as appropriate

Share Repurchases

- As appropriate, return cash through opportunistic share repurchases
- Cumulative share repurchases of \$81.0MM and 1.4MM shares since program inception in 3Q FY18

FY21 Capital Allocation¹

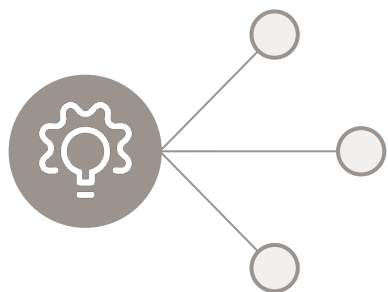
(\$ in millions)



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.

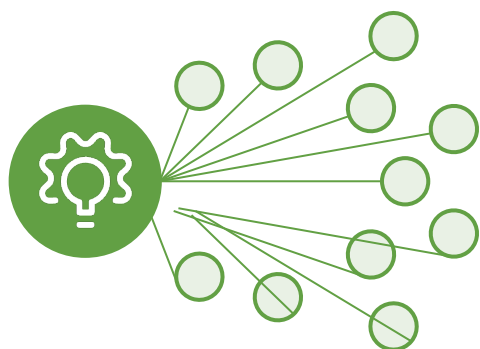
Without CSWI: Limited Distribution



< 40
Distributor
Groups

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

With CSWI: Broad Distribution



> 200
Distributor
Groups

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

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:

- 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

**Serving
Niche
Applications**

- 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

**Providing
Incremental
Market Access**

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

**Value-Selling
Through
Differentiation**

- 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

**Resulting
in Labor
Savings**

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 efficiency.

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
- Committed 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, with maximum leverage of 3.75x Debt / EBITDA¹ for any acquisition
- Drive enhanced returns by leveraging market knowledge, and existing systems and processes

CSWI Acquisition History

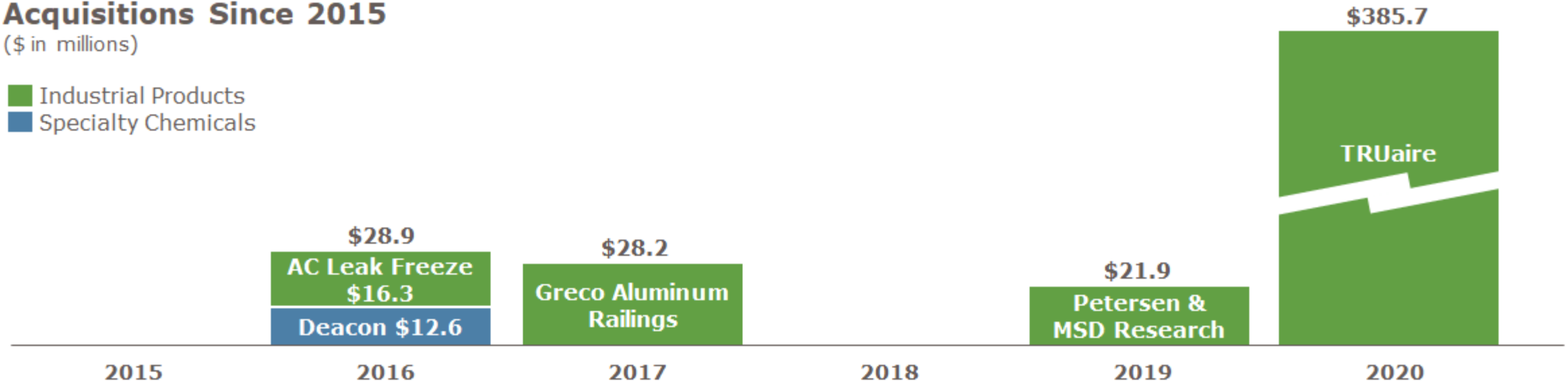
Acquisitions Aligned with Targeted Metrics

- Identify and execute accretive acquisitions that broaden and complement our portfolio of brands and products
- Optimize costs in strategic acquisitions and eliminate most non-manufacturing related costs in product line acquisitions
- Focus on commercially proven products and solutions that:
 - Are attractive in our target end markets
 - Have limited access to distribution channels that benefit from our market channels

Acquisitions Since 2015

(\$ in millions)

- Industrial Products
- Specialty Chemicals



CSWI Expands HVAC/R Product Portfolio

Acquisition delivers on CSWI's disciplined acquisition strategy, maintains strong balance sheet, and maximizes existing channels to markets, while increasing market share



Results in an expanded, competitive, comprehensive HVAC/R product offering

Offers stronger sales relationships and support from joint sales team

Provides opportunities to improve CSWI's HVAC/R and plumbing distribution footprint

Award winning delivery lead times to enhance RectorSeal's operations

RectorSeal technology, enterprise resource planning, and eCommerce platforms to enhance customer experience

Experienced manufacturing leadership team and diverse manufacturing supply chain

RectorSeal and TRUaire have served the HVAC/R and plumbing end markets for nearly 110 years combined

Shell Whitmore Reliability Solutions: A Strategic Joint Venture¹



Aligns with CSWI Capital Allocation

- CSWI initial's investment in the JV consists solely of existing assets
- Growth from JV is expected to be slightly accretive to CSWI's earnings in the first year of operations



Organic growth acceleration

- Partnering with global lubricant leader, Shell
- JV will target North America Class I, II, and III Rail and U.S. Mining sector



Focus remaining Whitmore on high-growth, select end markets

- Expect to pursue incremental share of wallet and market share gains outside of JV Sectors
- Whitmore intends to leverage Shell's distribution network in the Americas to enhance offerings to new and existing distributors and customers



Increase manufacturing utilization at Whitmore's existing facility

- Anticipate operational efficiency with incremental production volumes utilizing existing capacity
- Gradually migrate Shell grease production to JV-owned assets in Whitmore's Rockwall, TX facility, driving production consistency and utilization

CSWI and Business Segment Overview

CSWI Product Spotlight

OilSafe Lubrication Management

End Market: General Industrial



OilSafe[®], is a lubrication management system used to establish best practices throughout our customer's workflow. Every step is color-coded to eliminate risk and human error - simplifying maintenance and extending the life of our customers' machinery.



Two Business Segments With Diverse Product Offerings



Specialty mechanical products, controls, fire & smoke protection; architecturally specified building products; storage, filtration & application equipment for use with our specialty chemicals

Used In:

- Residential and commercial HVAC/R, new installation and repair
- Mechanical products for use with our Specialty Chemicals
- Architecturally Specified Building Products primarily in:
 - Multi-family residential, commercial, hospitality, healthcare, educational, and governmental new construction and remodel
 - Fire & smoke protection; expansion joints; rail
- Filtration

Consumables that enhance performance characteristics and reliability, including pipe thread sealants, fire stopping sealants and caulks, adhesives and solvents cements, lubricants and greases, drilling and anti-seize compounds, degreasers and cleaners, and chemical formulations

Used In:

- Adhesives and solvents for residential and commercial HVAC/R and plumbing
- Anti-seize threaded technology in petrochemical downstream applications, down-hole drilling, and municipal horizontal-directional-drilling
- Sealants for petrochemical downstream and firestopping
- Specialty lubricants for high temperature and high-pressure applications

Industrial Products – Segment Overview

~\$289.4MM

FY21 Revenue

~23%

FY21 Adj. Operating
Income Margin

Summary:

- Highly diversified product portfolio providing industry leading products in both direct-to-customer and distributor models.
- Strong reputation for providing high quality products to long-standing customer base.
- 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.

End Markets Served:

HVAC/R

PLUMBING

GENERAL INDUSTRIAL

RAIL

ARCHITECTURALLY SPECIFIED BUILDING PRODUCTS

Strategic Growth that Outpaces End Markets:

- Niche, innovative products that are relatively low cost and high value, while driving additional revenue for the distributor and efficiency for the professional contractor.
- Acquire, develop, and introduce innovative products that create new niche markets that we can own. Recent examples include condensate cutoff switches and providing accessories for the growing mini split market.

Industrial Brands:



Specialty Chemicals – Segment Overview

~\$129.8MM

FY21 Revenue

~16%

FY21 Adj. Operating
Income Margin

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.

End Markets
Served:

**GENERAL
INDUSTRIAL**

MINING

PLUMBING

ENERGY

RAIL

**ARCHITECTURALLY SPECIFIED
BUILDING PRODUCTS**

**Strategic
Growth that
Outpaces End
Markets:**

- Products that protect assets in the most demanding environments and extreme conditions.
- Our customers depend on their mission-critical equipment, and hence they depend on our trusted specialty lubricants and greases to ensure the reliability of their equipment.

Industrial
Brands:



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:

Integrity Respect Excellence Stewardship Citizenship Accountability Teamwork

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.

8,500+

Annual Training Hours
Across the Company

~6%

Insider ownership,
including ESOP¹

88%

Independent Directors
on our Board

25%

Women Directors
on our Board

¹ Employee Stock Ownership Plan (ESOP)



Appendix

CSWI Product Spotlight

Air Sentry® Desiccant Breathers

End Market: General
Industrial



Air Sentry Breathers provide the first line of defense in contamination control, using patented designs to clean air. These are often used to replace existing breather caps or air vents on fluid holding storage tanks.



CSWI Executive Team: Corporate



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.



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.

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

CSWI Executive Team: Business Segments



Don Sullivan

Executive VP & GM, Industrial Products

Don has served as the EVP & GM, Industrial Products since May 2020. Mr. Sullivan previously served as the Senior VP & GM, Industrial Products, January 2016 to May 2020. From May 2015 to January 2016, Mr. Sullivan was the Chief Operating Officer for RectorSeal, one of CSWI's operating subsidiaries. From October 2010 to April 2015, he served as Division President of Goodman Global, a member of the Daikin Group, a leading global HVAC manufacturer. Prior to 2005, Mr. Sullivan held a variety of management positions at Carrier Corporation, a leading heating, air-conditioning and refrigeration solutions company, including sales, product management and general management.



Craig Foster

Senior VP & GM, Specialty Chemicals

Craig has served as SVP & GM, Specialty Chemicals since January of 2016. From June 2015 to August 2015, Mr. Foster was Vice President and General Manager, Elastomers Division, at Zeon Chemicals, a Japanese specialty chemicals company. From 1995 to June 2015, he served in positions of increasing responsibility with Flint Group, a specialty chemicals company, where he was most recently Regional President of China and India, also serving as the functional executive responsible for the company's global operations. Mr. Foster started his career with Akzo Nobel Coatings, and prior to this served in the U.S. Navy within the Nuclear Submarine Force and the Naval Mobile Construction Force.

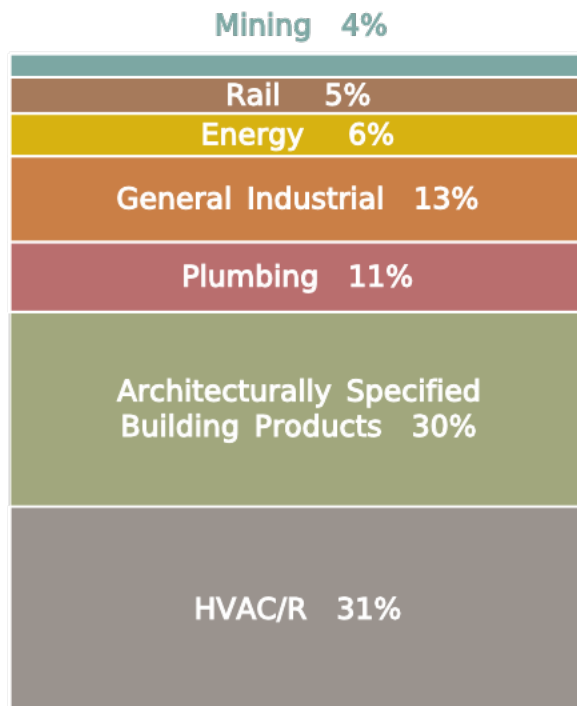
CSWI Revenue and End Market Analysis: Significant Growth Potential in Industrial Products Segment and HVAC/R End Market

CSWI Revenue

\$385.9MM



CSWI FY20 Revenue by Reporting Segment



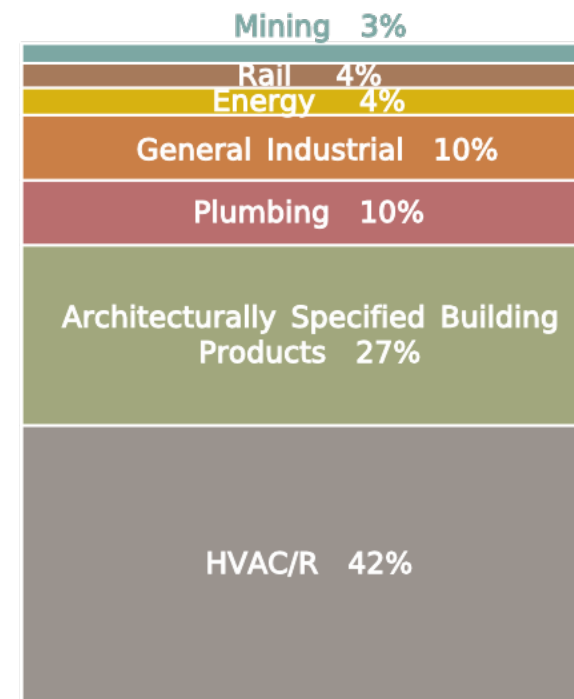
CSWI FY20 Revenue by End Market Served

CSWI Revenue

\$419.2MM

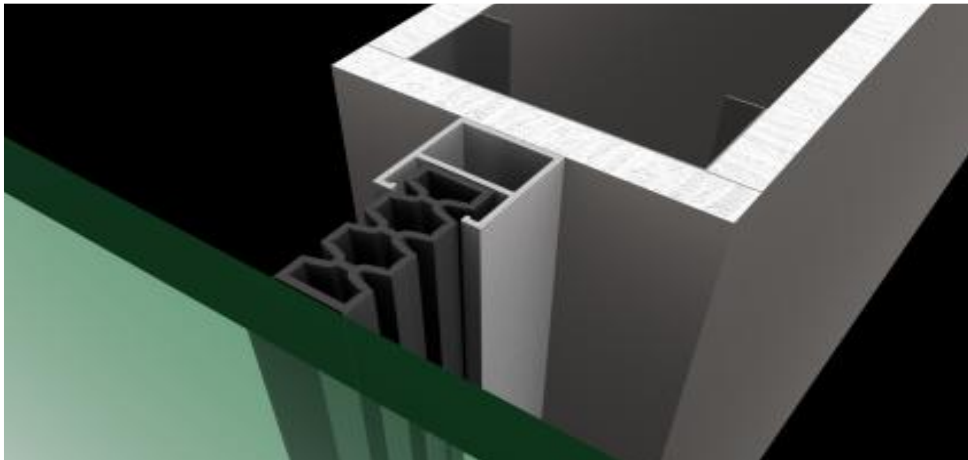


CSWI FY21 Revenue by Reporting Segment



CSWI FY21 Revenue by End Market Served

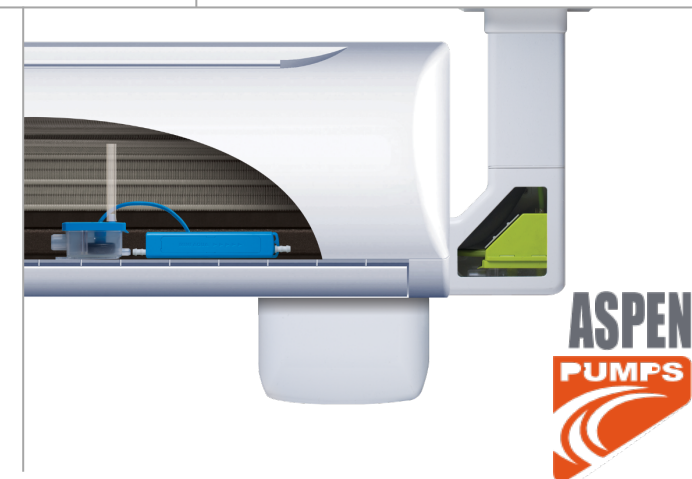
Products Serving the Architecturally Specified Building Products End Market



Products Serving the Energy End Market



Products Serving the HVAC/R End Market



Products Serving the Niche HVAC/R Mini-Split Market



INSTALLATION • MAINTENANCE • TOP SOLUTIONS • ONE SOURCE

Mini-split accessory necessities.

Safe-T-Switch[®]
Primary drain pan overflow protection.

Aspen Pumps[®] Univolt or Silent[™]. 4 discrete condensate pump models. White, Aqua, Orange, Lime

Pre-Filter protects mini pump from condensate debris.

Actabs[™] o-rings Drain pan odor and silve control.

Mighty Bracket[™] Support tool - allows single person evaporator installation or repair

Telescoping wall sleeve

Noklink[™] flexible, easy flare line connector.

Desolv[™] Cleaning kit and Aerosol protect walls and floors.

Slimduct[®] Fortress[™] Lineset duct and fitting systems, 5 sizes, 4 colors

3-in-1 Lineset Cutter
Cuts cleanly, advanced corrosion resistance

Drain hose Insulated and Non-insulated, Smooth bore, UV resistant

Paircoil[™] Dual line, single run, flexible, insulated lineset

RSH-50 Surge Protective Device protects equipment from electrical surges and other voltage disturbances

Condenser brackets Powdercoat & stainless

AC Leak Freeze[™] with UV leak stop barrier, non-clogging, non-reactive polymer free nano formula

Novent[™] The original, code approved locking refrigerant access port caps

Interconnect cable 4 wire plus ground, 14 gauge, shielded

EZ Trap[™] Waterless in-line condensate trap

PRO-FR[™] Flaring & Swaging Tool Bits Kits create precise and fast standard 45° flare or swage

Flarelite[™] flare gasket against leaks for common fittings, 45° copper stamping with coating

Big Foot[™] 12" & 18" Mini-Split stand kits Strong and sturdy base, ASTM-A26 galvanized steel

ArmorPad[™] equipment pad, Light weight, durable, high anchoring strength

Polymer risers



A CSW Industrials Company

Products Serving the General Industrial End Market



Products Serving the Mining End Market



Products Serving the Plumbing End Market



Products Serving the Rail End Market



Reconciliation of Fiscal Fourth Quarter Segment Operating Income to Adjusted Segment Operating Income

	(Unaudited)				(Unaudited)				(Unaudited)			
	Three Months Ended March 31, 2021				Three Months Ended March 31, 2020				Three Months Ended March 31, 2019			
	Industrial Products	Specialty Chemicals	Corporate and Other	Consolidated Continuing Operations	Industrial Products	Specialty Chemicals	Corporate and Other	Consolidated Continuing Operations	Industrial Products	Specialty Chemicals	Corporate and Other	Consolidated Continuing Operations
(Amounts in thousands)												
Revenue	\$ 96,898	\$ 36,471	\$ —	\$ 133,369	\$ 60,101	\$ 38,397	\$ —	\$ 98,498	\$ 53,691	\$ 37,786	\$ —	\$ 91,477
Operating Income	\$ 16,608	\$ 3,787	\$ (3,476)	\$ 16,919	\$ 13,627	\$ 5,512	\$ (4,003)	\$ 15,136	\$ 12,653	\$ 6,726	\$ (3,307)	\$ 16,072
Adjusting items:												
Transaction costs & other professional	844	1,556	—	2,400	—	—	200	200	—	—	—	—
Purchase accounting effect	2,963	—	—	2,963	—	—	—	—	—	—	—	—
Gain on sale of property & other	—	—	—	—	—	—	—	—	—	—	—	—
Asset Impairment	—	—	—	—	—	951	—	951	—	—	—	—
Adjusted Operating Income	\$ 20,415	\$ 5,343	\$ (3,476)	\$ 22,282	\$ 13,627	\$ 6,463	\$ (3,803)	\$ 16,287	\$ 12,653	\$ 6,726	\$ (3,307)	\$ 16,072
% of Revenue	21.1 %	14.7 %		16.7 %	22.7 %	16.8 %		16.5 %	23.6 %	17.8 %		17.6 %

Reconciliation of Fiscal Year End Segment Operating Income to Adjusted Segment Operating Income

	(Unaudited)				(Unaudited)				(Unaudited)			
	Fiscal Year Ended March 31, 2021				Fiscal Year Ended March 31, 2020				Fiscal Year Ended March 31, 2019			
	Industrial Products	Specialty Chemicals	Corporate and Other	Consolidated Continuing Operations	Industrial Products	Specialty Chemicals	Corporate and Other	Consolidated Continuing Operations	Industrial Products	Specialty Chemicals	Corporate and Other	Consolidated Continuing Operations
(Amounts in thousands)												
Revenue	\$ 289,416	\$ 129,789	\$ —	\$ 419,205	\$ 234,895	\$ 150,976	\$ —	\$ 385,871	\$ 205,930	\$ 144,224	\$ 2	\$ 350,157
Operating Income	\$ 55,640	\$ 18,263	\$ (14,435)	\$ 59,468	\$ 55,725	\$ 24,691	\$ (14,349)	\$ 66,066	\$ 48,817	\$ 23,931	\$ (12,307)	\$ 60,441
Adjusting items:												
Transaction costs & other professional	7,763	2,598	—	10,360	—	—	200	200	—	—	—	—
Purchase accounting effect	2,963	—	—	2,963	—	—	—	—	—	—	—	—
Gain on sale of property & other	—	—	—	—	—	(776)	—	(776)	(253)	(1,586)	—	(1,839)
Asset Impairment	—	—	—	—	—	951	—	951	—	—	—	—
Adjusted Operating Income	\$ 66,366	\$ 20,861	\$ (14,435)	\$ 72,791	\$ 55,725	\$ 24,866	\$ (14,149)	\$ 66,441	\$ 48,564	\$ 22,345	\$ (12,307)	\$ 58,602
% of Revenue	22.9%	16.1%		17.4%	23.7%	16.5%		17.2%	23.6%	15.5%		16.7%

Reconciliation of Quarter and Fiscal Year End Segment Net Income to Adjusted EBITDA

(Unaudited)

(Amounts in thousands)	Three Months Ended March 31,		Fiscal Years Ended March 31,	
	2021	2020	2021	2020
GAAP Net Income, Continuing Operations	9,627	13,373	40,287	44,817
Interest Expense	1,312	245	2,383	1,331
Income Tax Expense	1,270	2,685	10,829	12,784
Depreciation & Amortization	11,258	3,587	22,719	14,638
EBITDA	23,467	19,890	76,218	73,570
Transaction Expense	2,400	—	10,360	—
Reversal of Indemnification Receivable	5,000	—	5,000	—
Asset Impairment	—	951	—	951
Pension Termination	—	(531)	—	6,488
Gain on Sale of Property & Other	—	200	—	(100)
Adjusted EBITDA	30,867	20,510	91,578	80,909
Adjusted EBITDA % of Revenue	23.1 %	20.8 %	21.8 %	21.0 %

Reconciliation of Net Income to Adjusted Net Income, Continuing Operations

(Amounts in thousands, except share data)	(Unaudited)			(Unaudited)		
	Three Months Ended March 31,			Twelve Months Ended March 31,		
	2021	2020	2019	2021	2020	2019
GAAP Net Income, Continuing Operations	\$ 9,627	\$ 13,373	\$ 13,624	\$ 40,287	\$ 44,817	\$ 46,052
Adjusting items, net of tax:						
Transaction costs and other professional fees	2,331	—	—	8,830	150	—
Purchase accounting effect	2,237	—	—	2,237	—	—
Gain on sale of property & other	—	150	(1,130)	—	(225)	(2,491)
Asset impairment	—	713	—	—	713	—
Reversal of indemnification receivable	(351)	—	—	(351)	—	—
Pension termination	—	(398)	—	—	4,979	—
Discrete tax provisions & other	—	(1,330)	(1,038)	—	(1,729)	(586)
Adjusted Net Income, Continuing Operations	<u>\$ 13,844</u>	<u>\$ 12,508</u>	<u>\$ 11,456</u>	<u>\$ 51,003</u>	<u>\$ 48,705</u>	<u>\$ 42,975</u>
GAAP Net Income per diluted common share, Continuing Operations	\$ 0.61	\$ 0.88	\$ 0.90	\$ 2.66	\$ 2.95	\$ 2.96
Adjusting items, per diluted common share:						
Transaction costs and other professional fees	0.15	—	—	0.58	0.01	—
Purchase accounting effect	0.14	—	—	0.15	—	—
Gain on sale of property & other	—	0.01	(0.08)	—	(0.02)	(0.15)
Asset impairment	—	0.05	—	—	0.05	—
Reversal of indemnification receivable	(0.02)	—	—	(0.02)	—	—
Pension termination	—	(0.02)	—	—	0.32	—
Discrete tax provisions & other	—	(0.09)	(0.07)	—	(0.11)	(0.04)
Adjusted Net Income per diluted common share	<u>\$ 0.88</u>	<u>\$ 0.83</u>	<u>\$ 0.75</u>	<u>\$ 3.37</u>	<u>\$ 3.20</u>	<u>\$ 2.77</u>



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