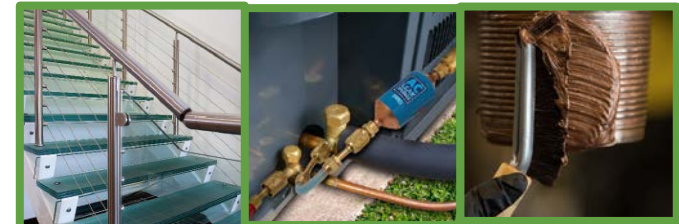




Investor Presentation

Fiscal Fourth Quarter 2020

May 20, 2020



Safe Harbor 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"). 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.

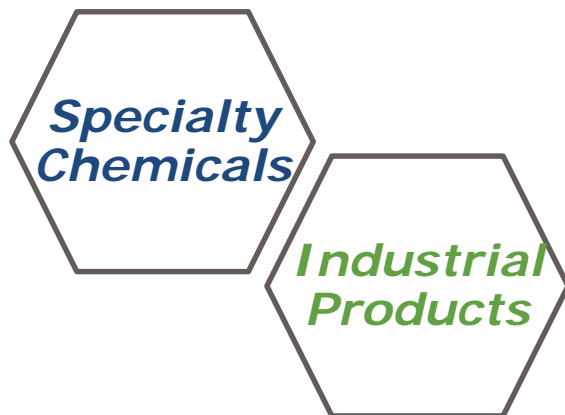
Non-GAAP Financial Information

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.

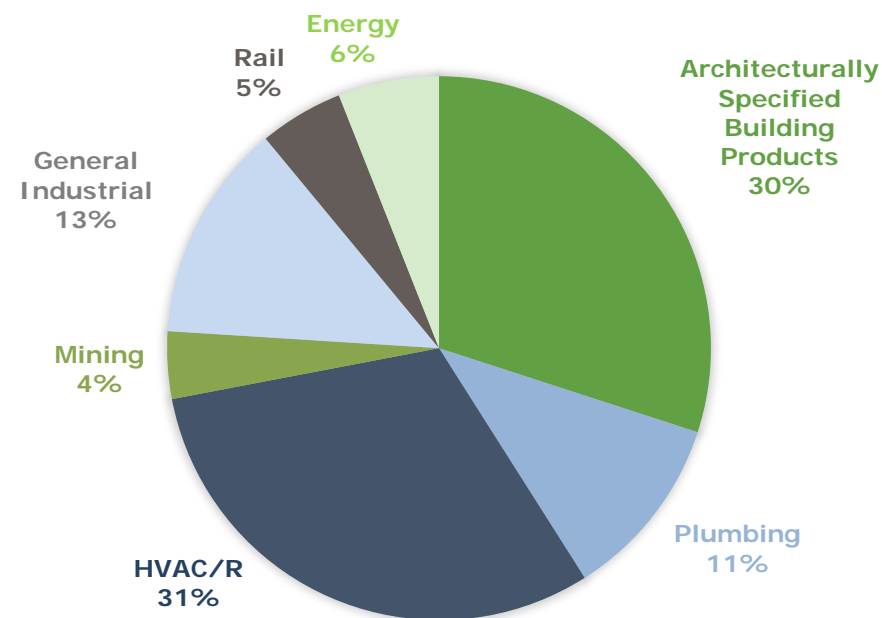
CSW Industrials (Nasdaq: CSWI)

A diversified industrial growth company with well-established, scalable platforms, and domain expertise across two operating segments

Two Operating Segments



Serving Diverse End Markets



Fiscal Full Year 2020

Culture, Values, Capital Allocation, and Strategy

Corporate Culture Statement

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, the norms, and the dominant values of the company. Our culture should be effective in reinforcing certain behaviors and eradicating others.

The goal of our corporate culture is to maximize performance

Accountability Teamwork Excellence Integrity
Respect Citizenship Stewardship

Dedicated to Enhancing Shareholder Value

- Experienced senior leadership team
- Strong, flexible balance sheet
- Disciplined capital allocation principles
- Strategic acquisition opportunities
- Core values and culture designed to maximize performance
- Insider ownership at approximately 7%, including ESOP

Market Cap ⁽¹⁾	LTM Revenue ⁽²⁾	LTM Adjusted Operating Income ⁽²⁾	LTM Adjusted Operating Income Margin ⁽²⁾
~\$1,010.87 mm	\$385.9 mm	\$66.4 mm	17.2%

Capital Allocation

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

- Capital allocation decisions will continue to be evaluated and prioritized on a risk-adjusted returns basis as detailed below:
 - Investment to support organic growth opportunities
 - Investment in inorganic growth opportunities:
 - The Company will prioritize accretive, synergistic acquisitions within the existing business units
 - The Company will also consider broader strategic opportunities, as appropriate
 - Return of excess free cash to stockholders, as appropriate, through opportunistic share repurchases and dividends

CSWI Key Growth Drivers & Objectives

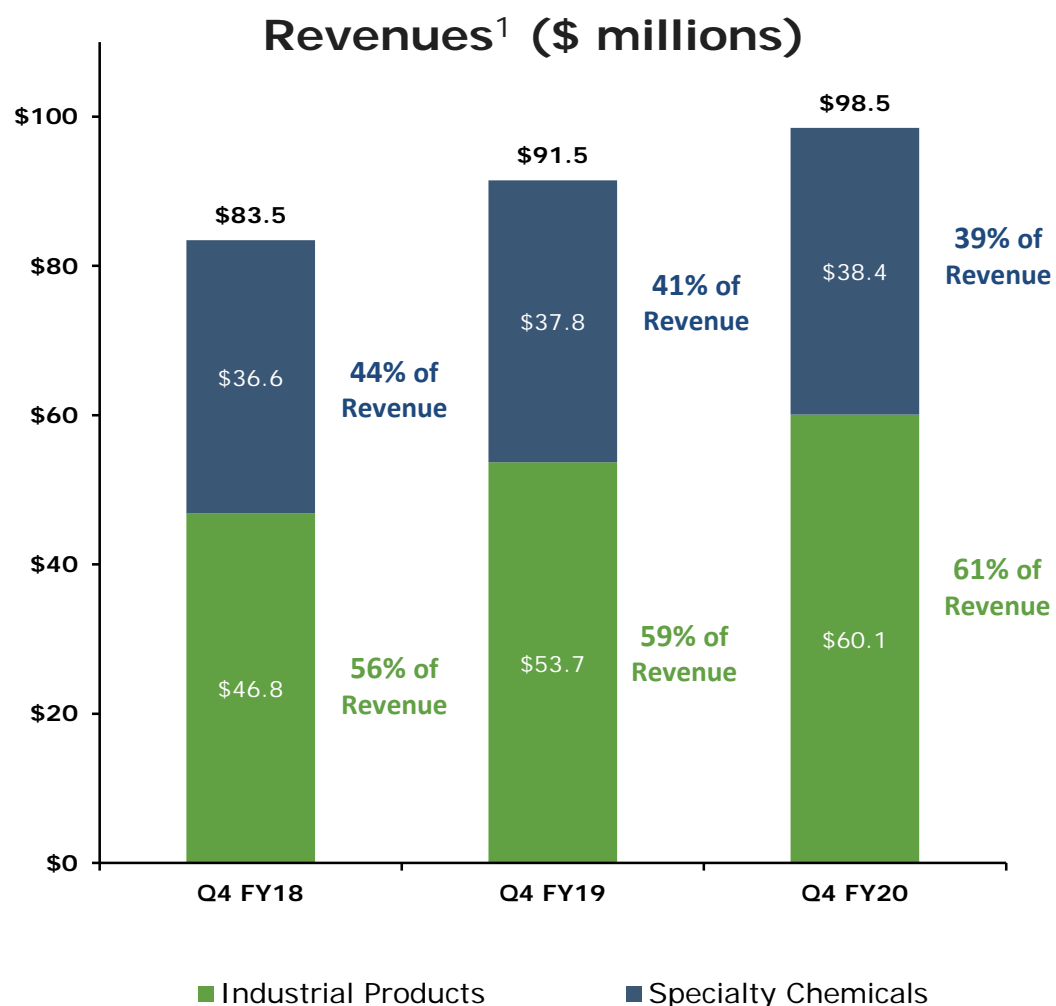


Affirmation of Core Values, Through A Focus on Four Key Objectives

- We will treat our employees well
- We will serve our customers well
- We will effectively manage our supply chains
- We will position the Company for sustainable, long-term growth and profitability

Fourth Fiscal Quarter 2020 - Summary of Financial Results

Quarterly Results by Segment



4Q FY20 Summary of Segment Performance^{1,2}

Fiscal fourth quarter revenue of \$98.5 million represented a **7.7%** (3.7% organic) increase as compared to the prior year period

Industrial Products Segment:

- Revenue increased **11.9%** (5.2% organic) in 4Q FY20 over 4Q FY19, primarily driven by increased sales in the HVAC/R, architecturally specified building products, and rail end markets, partially offset by lower sales into the general industrial end market
- Accounted for 76%, 65%, and 68% of adjusted operating income from continuing operations in Q4 FY18, Q4 FY19, and Q4 FY20, respectively

Specialty Chemicals Segment:

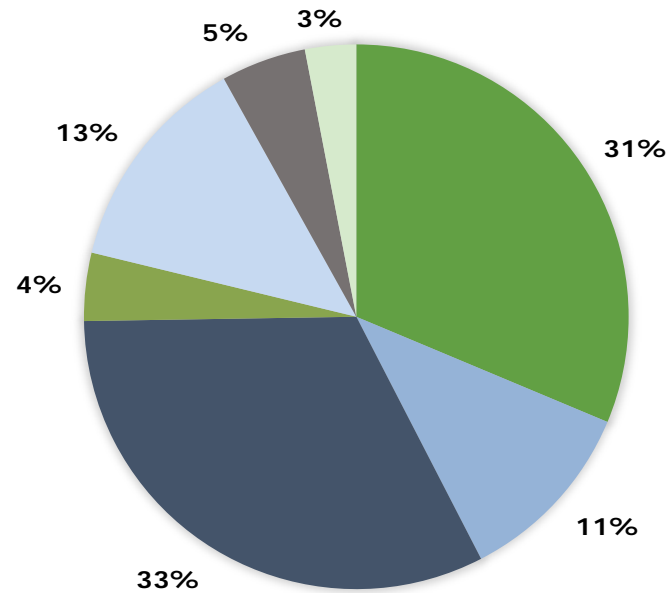
- Revenue increased **1.6%** in Q4 FY20 over Q4 FY19, driven by increased sales into the general industrial and architecturally specified building products end markets, partially offset by declines in the rail and energy markets
- Accounted for 24%, 35%, and 32% of adjusted operating income from continuing operations in Q4 FY18, Q4 FY19, and Q4 FY20, respectively

Quarterly Revenue by End Market

75% of fiscal fourth quarter revenue was generated by sales into three key end markets: architecturally specified building products, plumbing, and HVAC

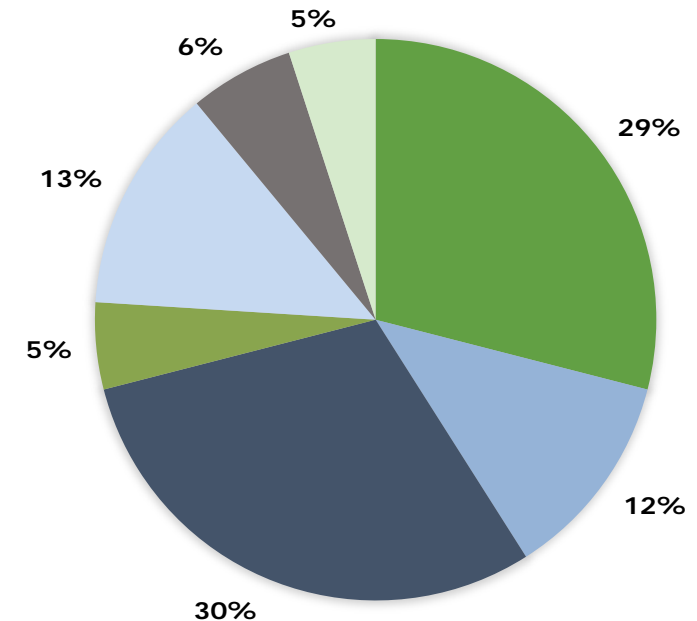
4th Quarter Fiscal 2020¹

\$98.5 million in revenue



4th Quarter Fiscal 2019¹

\$91.5 million in revenue



■ Architecturally Specified Building Products
 ■ Plumbing
 ■ HVAC/R
 ■ Mining
 ■ General Industrial
 ■ Rail
 ■ Energy

Fiscal Full Year 2020 - Summary of Financial Results

Fiscal Full Year Revenues by Segment

FY2020 Summary of Segment Performance^{1,2}

Overall full year revenue increased **10.2%** (5.9% organic) compared to the prior year period

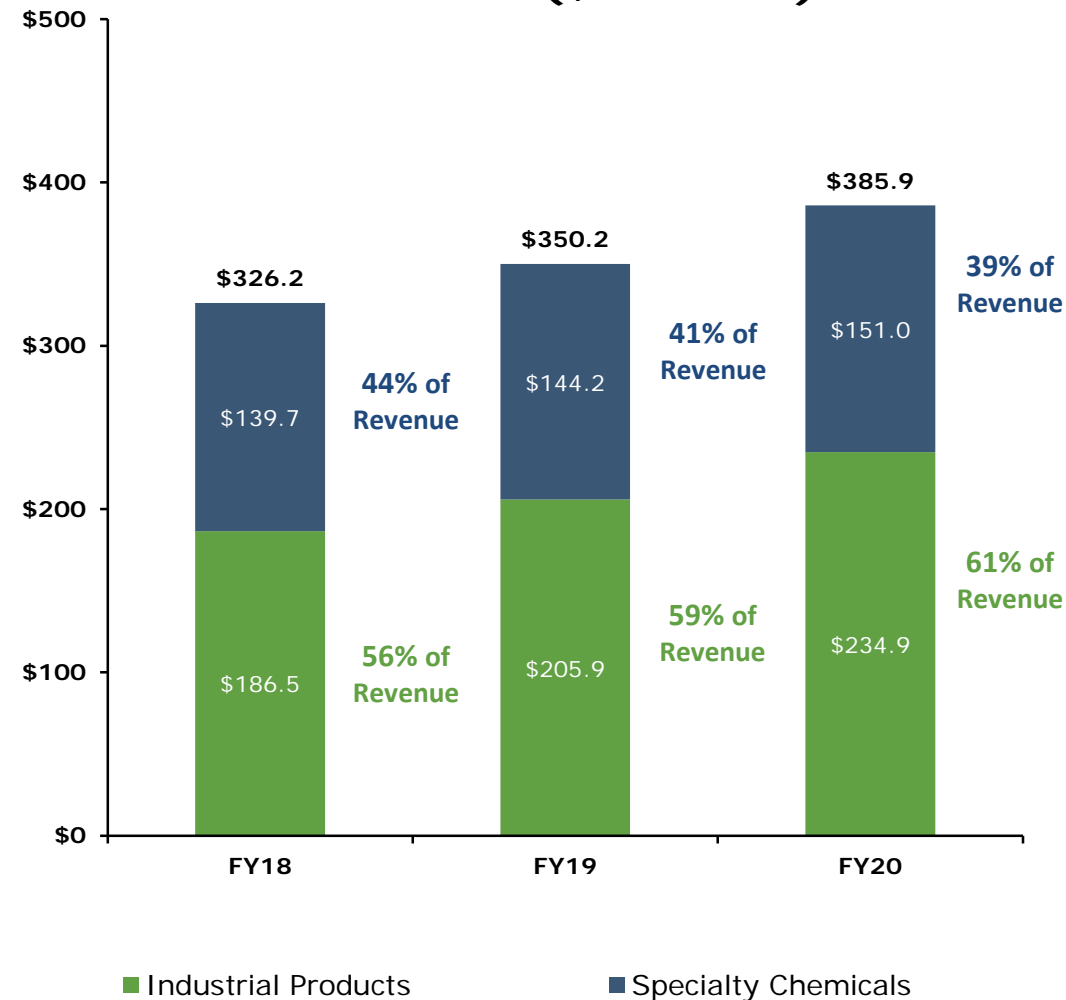
Industrial Products Segment:

- Revenue increased **14.1%** (6.7% organic), primarily driven by increased sales in the HVAC/R and architecturally specified building products
- Accounted for 70%, 68%, and 69% of adjusted operating income from continuing operations in FY2018, FY2019, and FY2020, respectively

Specialty Chemicals Segment:

- Revenue increased **4.7%**, driven by increased sales in all end markets with architecturally specified building products and rail leading the growth
- Accounted for 30%, 32%, and 31% of adjusted operating income from continuing operations in FY2018, FY2019, and FY2020, respectively

Revenues¹ (\$ millions)

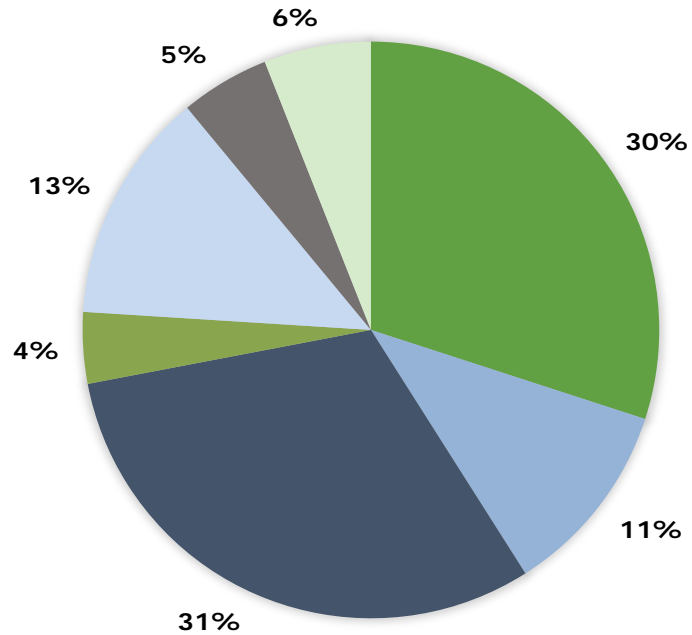


Full Year Revenue by End Market

72% of fiscal full year revenue was generated by sales into three key end markets, architecturally specified building products, plumbing, and HVAC/R

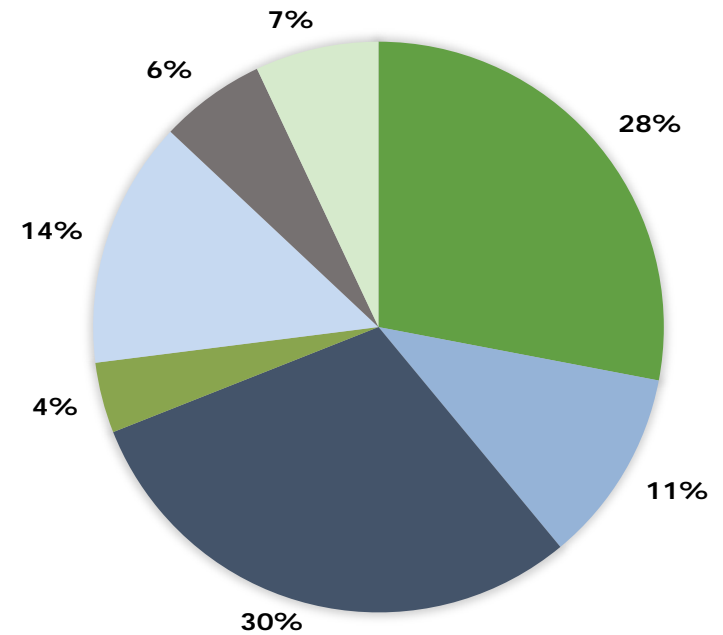
Fiscal Full Year 2020¹

\$385.9 million in revenue



Fiscal Full Year 2019¹

\$350.2 million in revenue



■ Architecturally Specified Building Products
 ■ Plumbing
 ■ HVAC/R
 ■ Mining
 ■ General Industrial
 ■ Rail
 ■ Energy

Company Leadership

Executive Team - Corporate

Our Senior Leadership Team Averages Over 25 Years of Experience in the Industrial Manufacturing & Specialty Chemicals Industries

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 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, he 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, he 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.

Executive Team – Business Segments

Don Sullivan
Senior VP & GM, Industrial Products



Craig Foster
Senior VP & GM, Specialty Chemicals



Portfolio Companies



Industrial Brands



Segment, Product, and Brand Review

*Broad, yet complimentary portfolio of leading products
that provide performance optimizing solution*

Two Business Segments Serving 7 Niche End Markets

Industrial Products

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

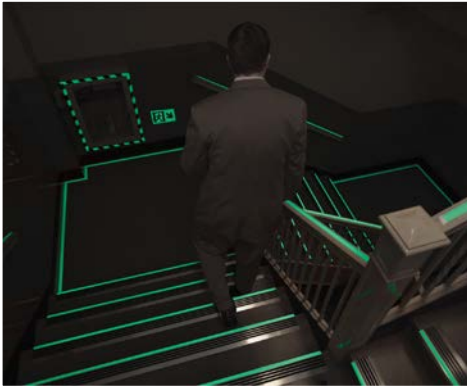
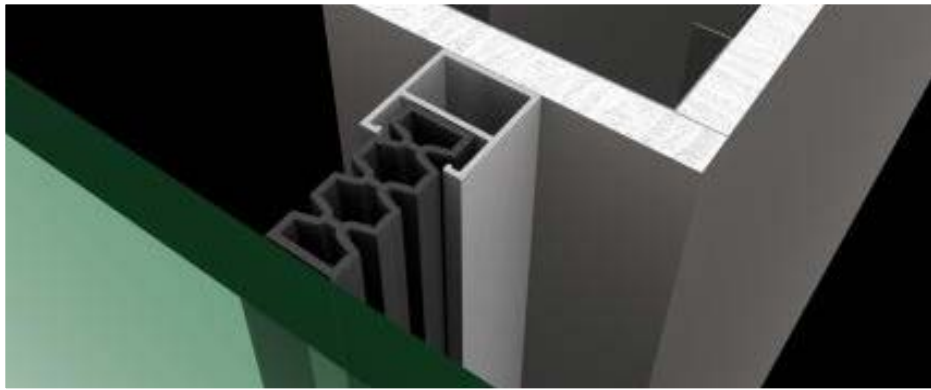
- Application Equipment for use with our Specialty Chemicals
- Architecturally Specified Building Products
- Controls
- Filtration
- Fire & Smoke Protection
- Specialty Mechanical Products
- Storage

Specialty Chemicals

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

- Adhesives/Solvents
- Anti-seize
- Caulks
- Cements
- Firestopping Sealants
- Friction & Heat Control
- Lubricity
- Pipe Thread Sealants

Architecturally Specified Building Products



Products Serving the Energy End Market



Products Serving the HVAC/R End Market



Products Serving Niche HVAC/R Mini-Splits



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

Aspen Pumps™ Univolt or Silent™. A discrete condensate pump models. White, Aqua, Orange, Lime.

Pre-Filter protects mini pump from condensate debris.

Actabs™ DMSS Drain pan odor and silt control.

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

Telescoping wall sleeve

Nokink™ flexible, easy flare line connector.

Desolv™ Cleaning kit and Aerosol protect walls and floors.

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 sealant, non-clogging, non-reactive polymer-free nano formula.

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

Interconnect cable 4 wire plus ground, 1/4 gauge, shielded.

EZ Trap™ Waterless in-line condensate trap.

PRO-FIT™ Flaring & Swaging Tool Bits Kits create precise and fast standard 45° flare or swage.

Flarelite™ flare gasket against leaks for common fittings, 40° copper stamping with coating.

Polymer risers

Big Foot™ Fix-It-Foot vibration absorbing risers.

Big Foot™ 12" & 18" Mini-Split stand kits Strong and sturdy base, ASTM-A36 galvanized steel.

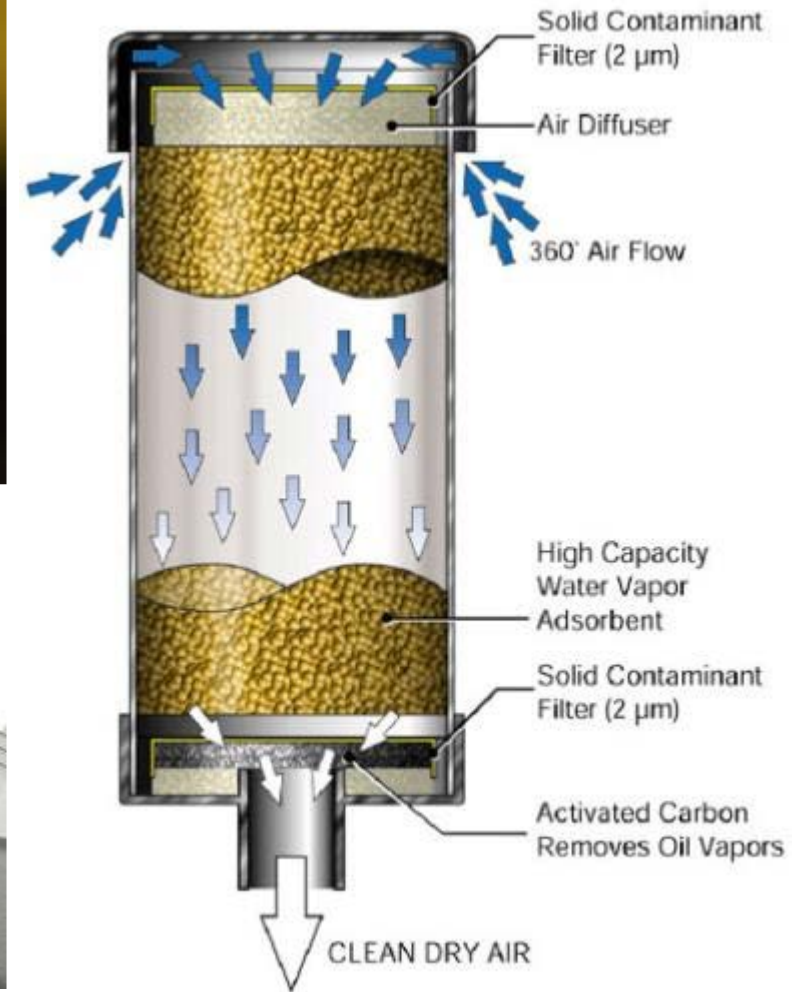
ArmorPad™ equipment pad, Light weight, durable, high anchoring strength.

INSTALLATION • MAINTENANCE • TOP SOLUTIONS • ONE SOURCE

Mini-split accessory necessities.

A CSW Industrials Company

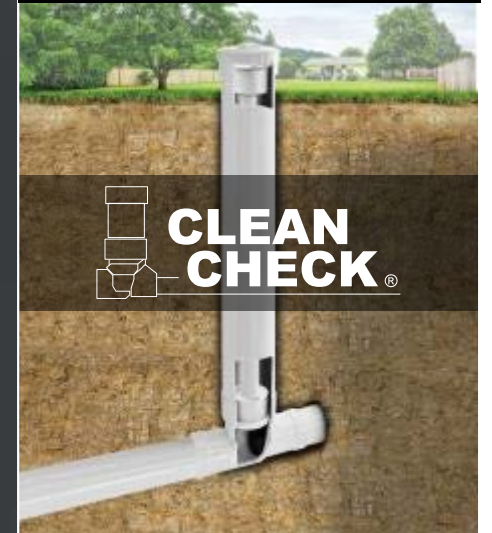
Products Serving the General Industrial End Market



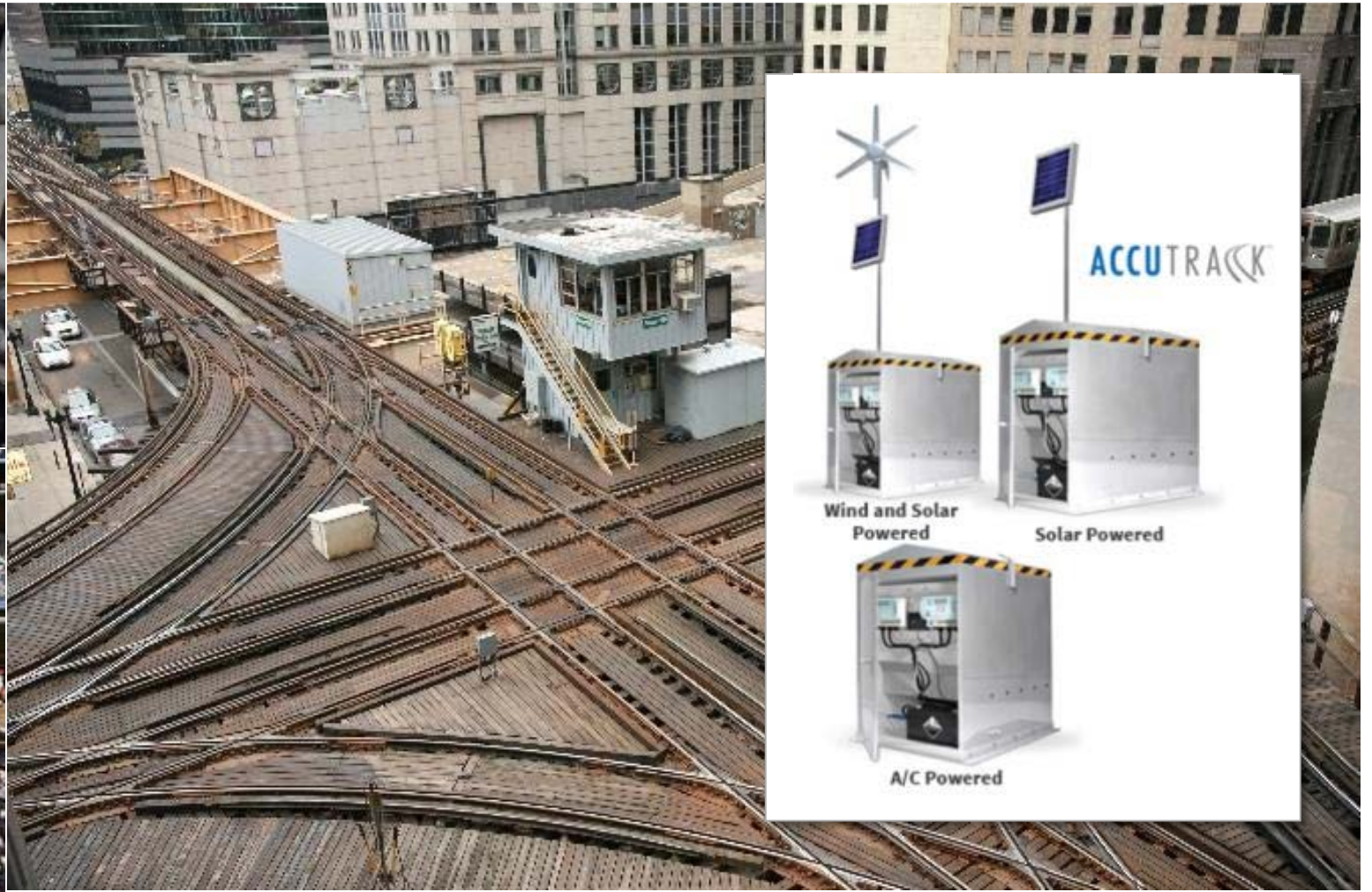
Products Serving the Mining End Market



Products Serving the Plumbing End Market



























































Products Serving the Rail End Market



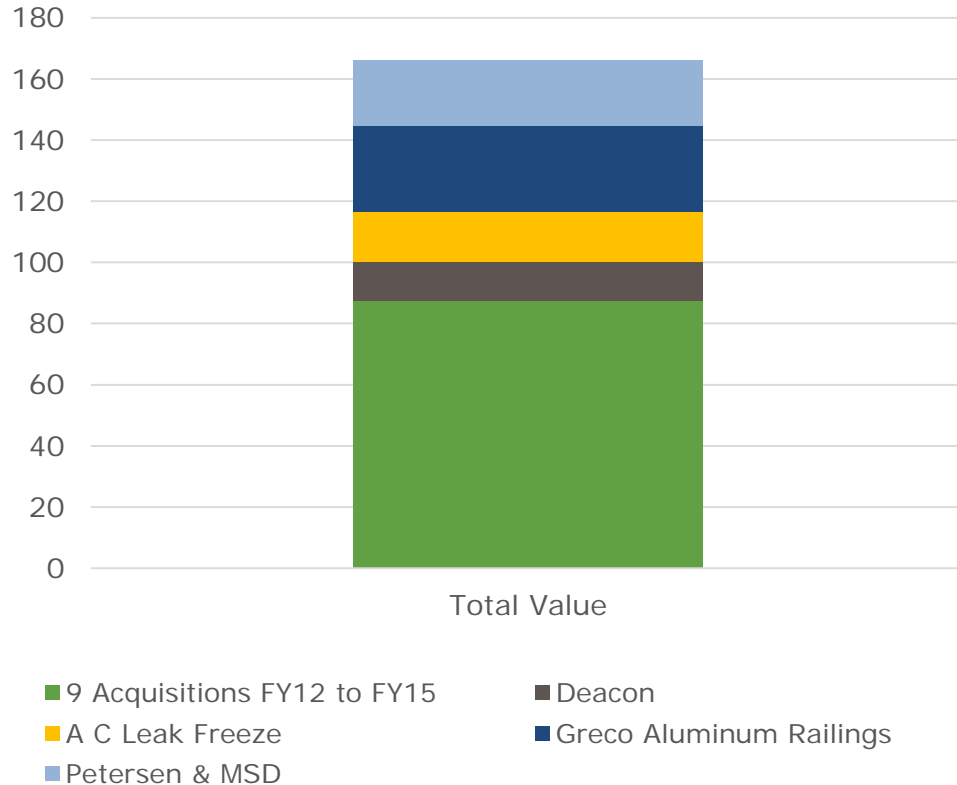
Appendix

Competitors in Our End Markets

HVAC/R	Building Products	Industrial	Rail	Energy	Plumbing	Mining
						
						
						
						
						
						
						
						

Focused Acquisitions

Capital Invested for Acquisitions (\$ millions)

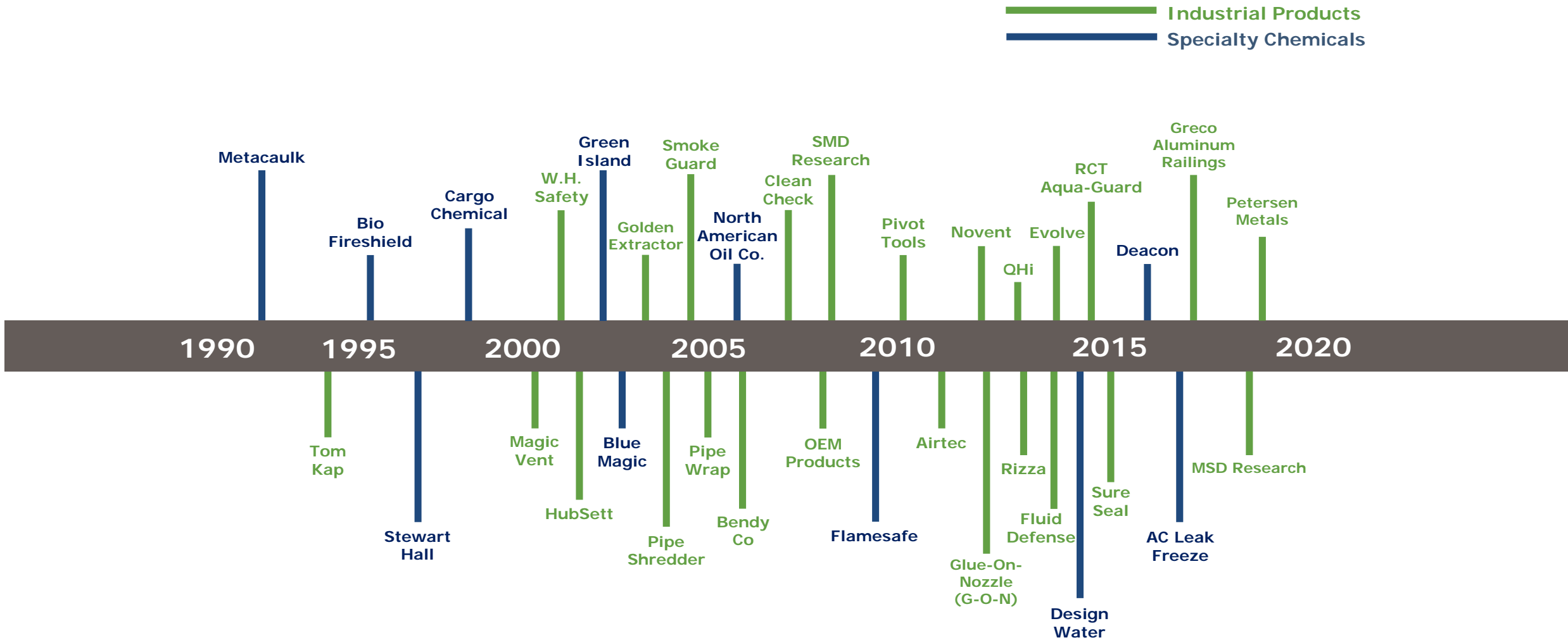


Strategic Execution Plan

- Identify and execute accretive, bolt-on acquisitions that will 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
 - Currently have limited access to distribution channels that will benefit from our market channels
- Utilize strong free cash flow or third-party financing to fund these acquisitions
- Divest non-strategic and under-performing businesses

Seeking further attractive synergistic acquisitions to achieve higher growth and profitability

Acquisition History



Reconciliation of Operating Income to Adjusted Operating Income (Unaudited)

(Amounts in thousands)

	Three Months Ended March 31,		Fiscal Year Ended March 31,	
	2020	2019	2020	2019
GAAP Operating Income - Continuing Operations	\$ 15,136	\$ 16,071	\$ 66,067	\$ 60,440
Adjusting items:				
Gain on sale of property & other	200	-	(576)	(1,839)
Asset Impairment	951	-	951	-
Adjusted Operating Income - Continuing Operations	<u>\$ 16,287</u>	<u>\$ 16,071</u>	<u>\$ 66,442</u>	<u>\$ 58,601</u>

Reconciliation of Net Income and EPS to Adjusted Net Income and EPS (Unaudited)

(Amounts in thousands, except per share amounts)

	Three Months Ended March 31,		Fiscal Year Ended March 31,	
	2020	2019	2020	2019
GAAP Net Income - Continuing Operations	\$ 13,373	\$ 13,624	\$ 44,817	\$ 46,052
Adjusting items, net of tax:				
Gain on sale of property & other	150	(1,130)	(75)	(2,491)
Asset Impairment	713	-	713	-
Pension Termination	(398)	-	4,979	-
Discrete Tax Provisions & Other	(1,330)	(1,038)	(1,729)	(586)
Adjusted Net Income - Continuing Operations	<u>\$ 12,508</u>	<u>\$ 11,456</u>	<u>\$ 48,705</u>	<u>\$ 42,975</u>
GAAP Diluted income per common share, Continuing operations	\$ 0.88	\$ 0.90	\$ 2.95	\$ 2.96
Adjusting items, per diluted common share:				
Gain on sale of property & other	0.01	(0.08)	(0.01)	(0.15)
Asset Impairment	0.05	-	0.05	-
Pension Termination	(0.02)	-	0.32	-
Discrete Tax Provisions & Other	(0.09)	(0.07)	(0.11)	(0.04)
Adjusted earnings per diluted common share	<u>\$ 0.83</u>	<u>\$ 0.75</u>	<u>\$ 3.20</u>	<u>\$ 2.77</u>

Q4 Reconciliation of Segment Operating Income to Adjusted Operating Income (Unaudited)

(Amounts in thousands, except percentages)

	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
Revenue	\$ 60,101	\$ 38,397	\$ -	\$ 98,498	\$ 53,691	\$ 37,786	\$ -	\$ 91,477
Operating Income	\$ 13,627	\$ 5,512	\$ (4,003)	\$ 15,136	\$ 12,653	\$ 6,726	\$ (3,308)	\$ 16,071
Adjusting items:								
Gain on sale of property & other	-	-	200	200	-	-	-	-
Asset Impairment	-	951	-	951	-	-	-	-
Adjusted Operating Income	\$ 13,627	\$ 6,463	\$ (3,803)	\$ 16,287	\$ 12,653	\$ 6,726	\$ (3,308)	\$ 16,071
<i>% of revenue</i>	22.7%	16.8%		16.5%	23.6%	17.8%		17.6%

FY Reconciliation of Segment Operating Income to Adjusted Operating Income (Unaudited)

(Amounts in thousands, except percentages)

	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
Revenue	\$ 234,895	\$ 150,976	\$ -	\$ 385,871	\$ 205,931	\$ 144,223	\$ 1	\$ 350,155
Operating Income	\$ 55,725	\$ 24,691	\$ (14,349)	\$ 66,067	\$ 48,817	\$ 23,930	\$ (12,307)	\$ 60,440
Adjusting items:								
Gain on sale of property & other	-	(776)	200	(576)	(253)	(1,586)	-	(1,839)
Asset Impairment	-	951	-	951	-	-	-	-
Adjusted Operating Income	\$ 55,725	\$ 24,866	\$ (14,149)	\$ 66,442	\$ 48,564	\$ 22,344	\$ (12,307)	\$ 58,601
<i>% of revenue</i>	23.7%	16.5%		17.2%	23.6%	15.5%		16.7%



CSW
INDUSTRIALS

Investor Presentation May 20, 2020