

February 2023

# Investor Presentation

Fiscal 3<sup>rd</sup> Quarter  
2023 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, Adjusted Operating Income, and Adjusted EBITDA. 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, Inc. (Nasdaq: CSWI)



A diversified industrial growth 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 ~\$735.5MM**

## Key Highlights

**2015**

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

**~\$2.1B**

Market Capitalization<sup>3</sup>

**~\$103MM**

Acquisition Capital Invested Since December 2021

**~41%**

TTM Gross Margin

**\$248MM**

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 **13.9%** from FY17 through FY22<sup>1</sup>
- Organic revenue CAGR of **8.2%** from FY17 through FY22<sup>1</sup>

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

- **44.3%** adjusted Gross Profit Margin annual average FY17 – FY22<sup>1</sup>
- **20.3%** adjusted EBITDA Margin annual average FY17 – FY22<sup>1</sup>

## Strong financial position supports incremental organic and inorganic growth

- ~1.5x leverage, ~\$233MM available on our \$500MM revolving credit facility<sup>2</sup>
- \$161.9MM TTM EBITDA, and 22.0% 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

- ~**\$567MM** cumulative investment with 9 acquisitions completed FY16 through YTD23
- ~**\$167MM** cash returned to shareholders since 3Q18, in the form of dividends and share repurchases<sup>4</sup>
- ~**360%** total shareholder return since inception, 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 Team Members Well

- Focus on **Safety**:
  - **Goal** is a zero-incident workplace
- Focus on **Total Rewards**:
  - **Competitive** total rewards with generous health and retirement benefits
- Focus on **Wellness**:
  - **Cigna Well-Being Award** 2022, 2021 and 2020
  - **Resilience** Wellness Challenge focused on mental health

## Serve Our Customers Well

- Emphasis consistent availability and timely delivery
- Continuously evaluate inventory at the product and category levels to meet customer demand for our products, while optimizing working capital investments
- Focus on driving market and wallet share gains

## Manage Our Supply Chains Effectively

- Supply chain recovery signaled by sequential quarter over quarter improvement in material and freight costs and freight delays
- Supplier on-time delivery has meaningfully improved
- Proactively increased dual-sourcing for critical components
- Leverage own manufacturing capacity

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

- **Top-Line Growth: 40.2%** Revenue CAGR<sup>1</sup>
- **Compelling Profitability: 22.2%**, 21.2%, and 20.8% EBITDA margin 3Q23 YTD, 3Q22 YTD, and 3Q21 YTD, respectively
- **Capital Allocation Priorities: Invested \$59.2MM and completed multiple acquisitions YTD23** in desirable HVAC/R and plumbing end markets

# Fiscal 2023 3<sup>rd</sup> Quarter Summary of Financial Results

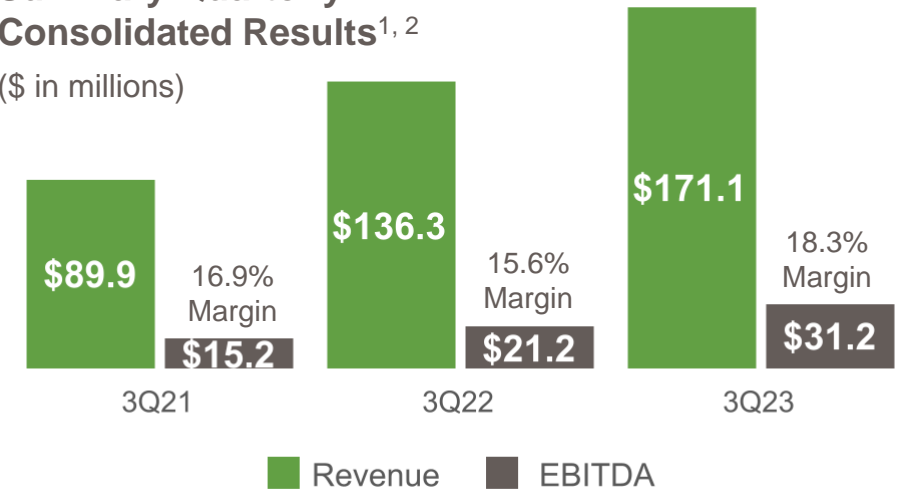
# Consolidated Results: 3Q23 Summary

## Consolidated Financial Highlights (3Q23 vs 3Q22):

- **Record fiscal third quarter Revenue of \$171.1MM, a 26% increase**
  - **\$12.0MM** inorganic contribution from the Shoemaker, Cover Guard, AC Guard, and Falcon acquisitions
  - **\$22.8MM** organic growth, or **66%** of **\$34.8MM** total growth
  - Increased revenue in heating, ventilation, air conditioning and refrigeration ("HVAC/R"), general industrial, architecturally-specified building products, energy, mining and rail end markets
- **EBITDA of \$31.2MM, a 47% increase**
  - EBITDA **doubled** as compared to 3Q21
  - EBITDA margin **improved 270** basis points to **18%**, due to improvement in gross margin and operating expense margins
- **EPS of \$1.01, a 71% increase**
- Net cash provided by operating activities of \$36.8MM

## Summary Quarterly Consolidated Results<sup>1, 2</sup>

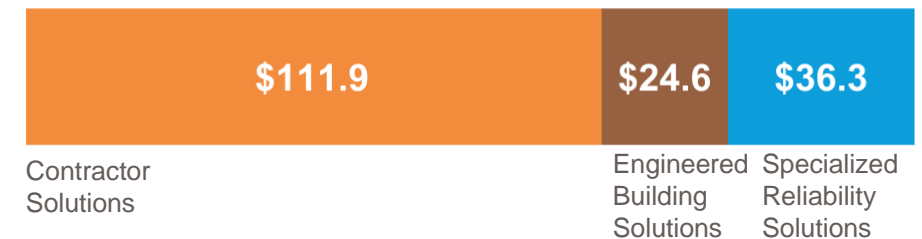
(\$ in millions)



## 3Q23 Revenue

(\$ in millions)

**\$171.1 Consolidated CSWI<sup>3</sup>**

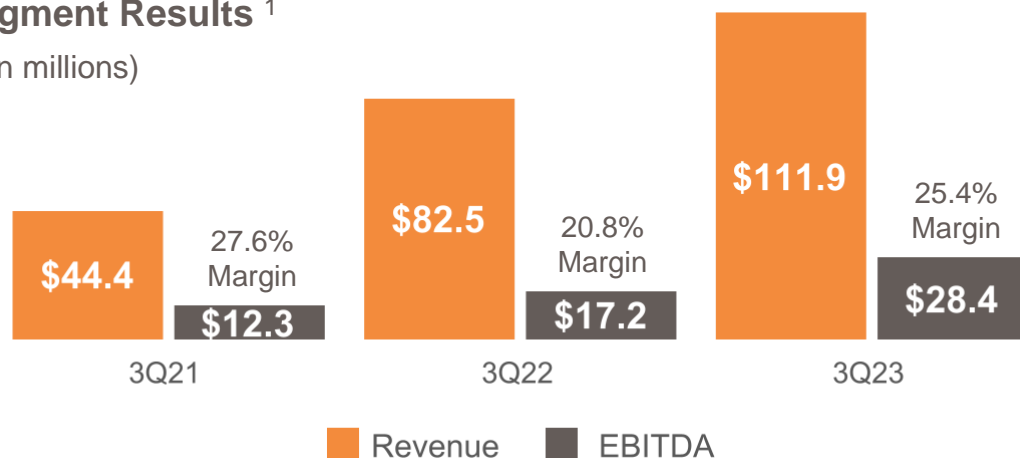




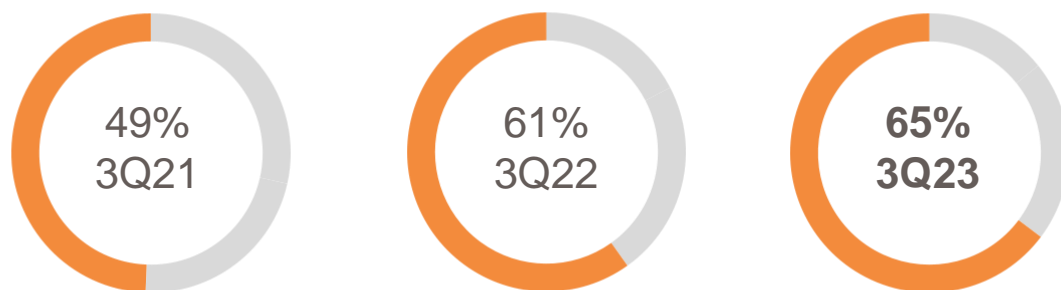
# Contractor Solutions: 3Q23 Segment Summary

## Summary Quarterly Segment Results <sup>1</sup>

(\$ in millions)



## Segment as a % of Consolidated CSWI Revenue:



## Segment Financials (3Q23 vs 3Q22):

- Segment Revenue of **\$111.9MM**, a **36% increase**
  - Inorganic growth of **\$12.0MM** from the Shoemaker, Cover Guard, AC Guard, and Falcon acquisitions
  - Organic growth of **\$17.5MM**, due to cumulative benefit of implemented pricing initiatives, partially offset by a slight decrease in unit volumes
- Segment EBITDA increased **65%** to **\$28.4MM**
  - Segment EBITDA **doubled** as compared to 3Q21
  - Strong revenue growth was partially offset by increased spending on third-party sales commissions and professional fees related to ERP optimization
- Segment EBITDA margin increased **460** basis points to **25%**
  - Gross margin improvement driven by cumulative impact of pricing initiatives and a reduction in cost of shipping containers
  - Reduced growth in operating expense as a percentage of revenue
- Segment Revenue expected to continue outpacing the categories we serve with continued focus on margins

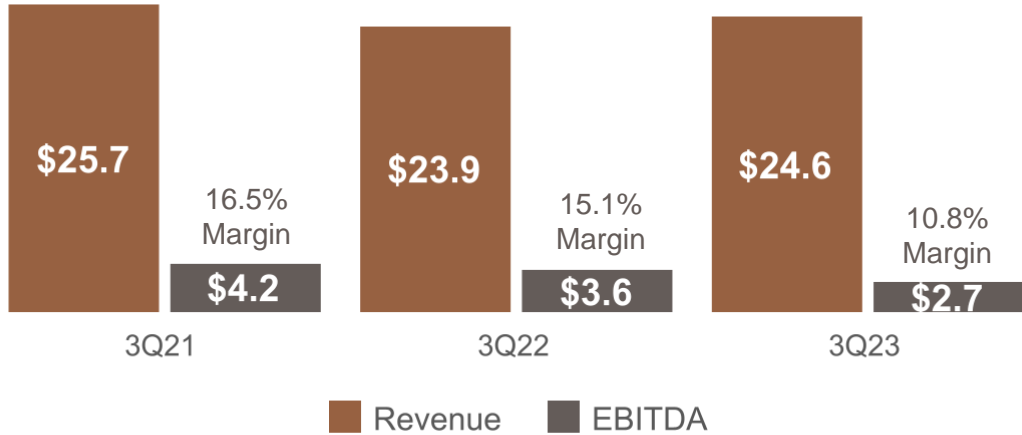
# Engineered Building Solutions: 3Q23 Segment Summary

## Segment Financials (3Q23 vs 3Q22):

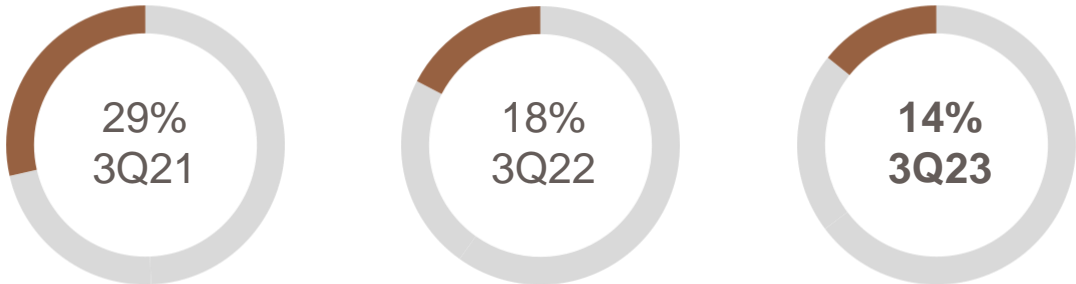
- Segment Revenue of **\$24.6MM**, a **3% increase**
  - Growth due to sustained commercial initiatives and market retention
- Segment EBITDA decreased 26% due to a shift in sales to lower margin projects
- Segment EBITDA margin declined 430 basis points for the reasons mentioned above
- Record backlog for fourth consecutive quarter
  - Increased quantity and quality of projects within our backlog reflect intentional curation of opportunities

## Summary Quarterly Segment Results

(\$ in millions)



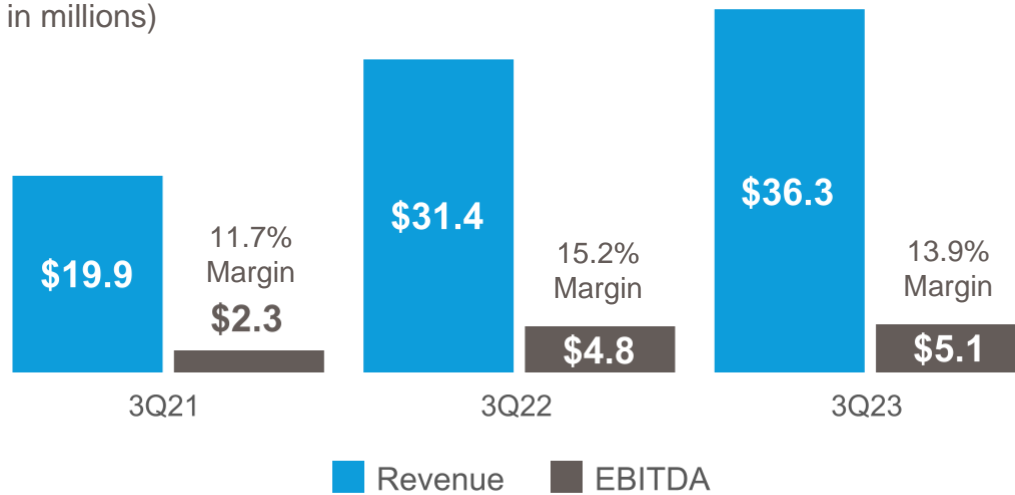
## Segment as a % of Consolidated CSWI Revenue:



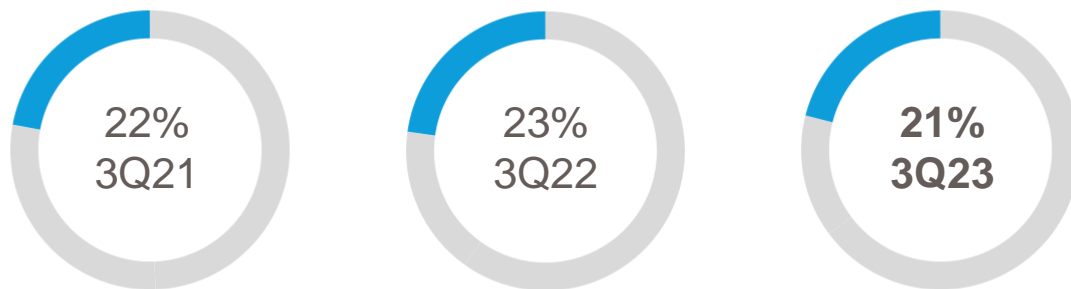
# Specialized Reliability Solutions: 3Q23 Segment Summary

## Summary Quarterly Segment Results <sup>1</sup>

(\$ in millions)



## Segment as a % of Consolidated CSWI Revenue:



## Segment Financials (3Q23 vs 3Q22):

- Segment Revenue of **\$36.3MM**, a **16% increase**
  - Continued strength in all end markets
  - Incremental unit volumes and cumulative benefit of implemented pricing initiatives
- Segment EBITDA **increased 5.9%** to **\$5.1MM**
  - Segment EBITDA **doubled** as compared to 3Q21
  - EBITDA increase driven by revenue growth
- Segment EBITDA margin **decreased** slightly to **13.9%**
  - Decreased EBITDA margin due to the one-time Canadian pension plan termination loss of \$0.5M in 3Q23

# Fiscal Year-to-Date 2023 Summary of Financial Results

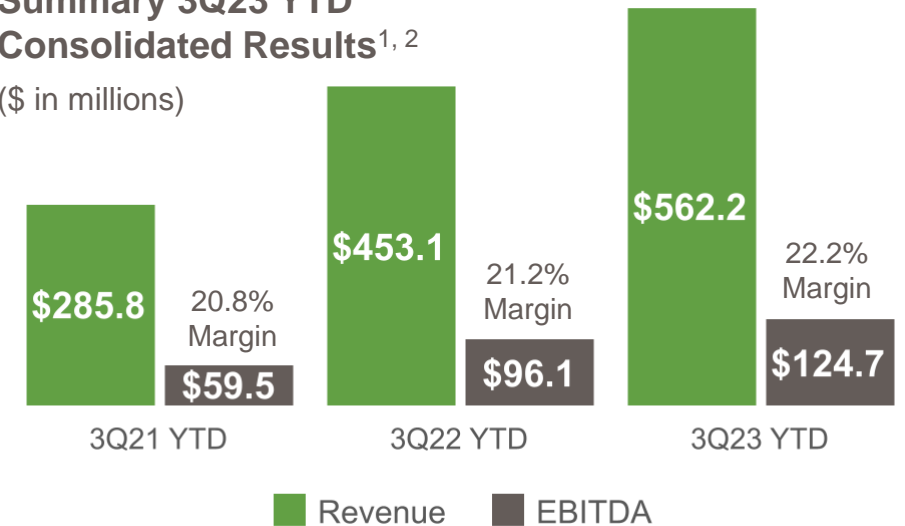
# Consolidated Results: 3Q23 YTD Summary

## Consolidated Financial Highlights (3Q23 YTD vs 3Q22 YTD):

- **Record Revenue of \$562.2MM, a 24% increase**
  - **\$31.6MM** inorganic contribution from Shoemaker, Cover Guard, and AC Guard acquisitions
  - **\$77.5MM** organic growth, or **71%** of **\$109.1MM** total growth
  - Growth in all segments and all end markets served
- **Record EBITDA of \$124.7MM, 30% growth**
  - EBITDA margin increased 100 basis points
- **Record EPS of \$4.46, a 38% increase**, compared to \$3.22 (as adjusted to exclude the final TRUaire purchase accounting effect)
- Net cash provided by operating activities of **\$84.1MM**, a 21% increase, compared to \$69.5MM
- Fiscal 2023 YTD, **returned cash to shareholders of \$43.6MM**, including \$35.7 million through share repurchases and \$7.9 million in dividends

## Summary 3Q23 YTD Consolidated Results<sup>1, 2</sup>

(\$ in millions)



## 3Q23 YTD Revenue

(\$ in millions)

**\$562.2 Consolidated CSWI<sup>3</sup>**

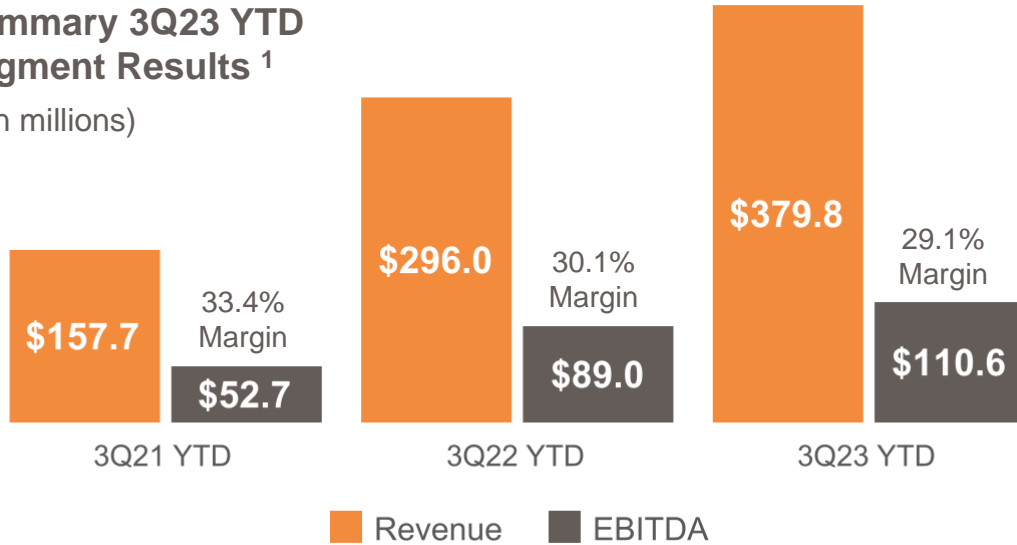




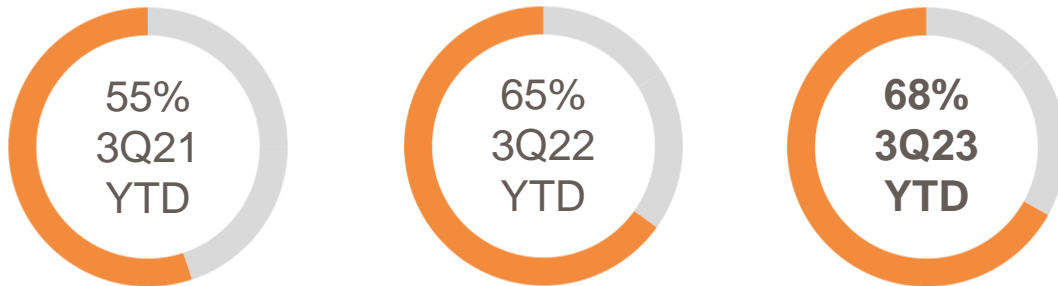
# Contractor Solutions: 3Q23 YTD Segment Summary

## Summary 3Q23 YTD Segment Results <sup>1</sup>

(\$ in millions)



## Segment as a % of Consolidated CSWI Revenue:



## Segment Financials (3Q23 YTD vs 3Q22 YTD):

- Segment Revenue **increased 28%** to **\$379.8MM**, primarily driven by:
  - Inorganic growth of **\$31.6MM** from the Shoemaker, Cover Guard, AC Guard, and Falcon acquisitions
  - Organic growth of **\$52.1MM**, driven by price increases and offset by a slight decrease in unit volumes
  - Revenue growth driven by the HVAC/R and architecturally-specified building products end markets
- Segment EBITDA increased **24%** to **\$110.6MM**
  - Strong revenue growth was partially offset by increased spend on third-party sales commissions and professional fees related to ERP optimization
- Segment EBITDA margin was **29%**
  - Strong revenue growth was more than offset by increased costs to support commercial success, business growth, and acquisition closing costs

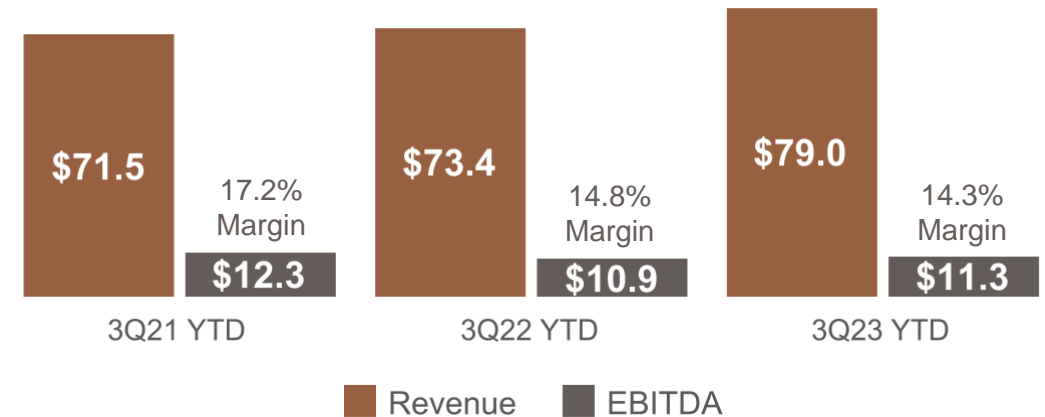
# Engineered Building Solutions: 3Q23 YTD Segment Summary

## Segment Financials (3Q23 YTD vs 3Q22 YTD):

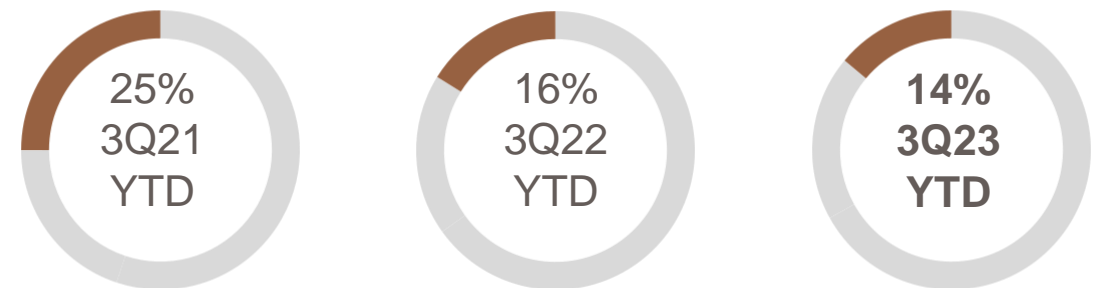
- Segment Revenue **increased 8%** to **\$79.0MM**, primarily driven by:
  - Successful commercial initiatives and new product introductions
- Segment EBITDA **increased 4%** to **\$11.3MM**
- Segment EBITDA margin was 14.3%
  - Increased net revenue and management of operating expenses offset by completion of lower margin legacy projects
- Activity provides optimism
  - Bookings increased more than 50%
  - Backlog steadily improving, as of December 31, 2022:
    - Trailing 8-quarter book to bill ratio of 1.19 to 1
    - Trailing 4-quarter book to bill ratio of 1.29 to 1
    - Record backlog at the end of December 2022
  - Overall, the construction market has grown year over year, with strength in the multifamily, manufacturing and commercial sectors where EBS will remain focused

## Summary 3Q23 YTD Segment Results

(\$ in millions)



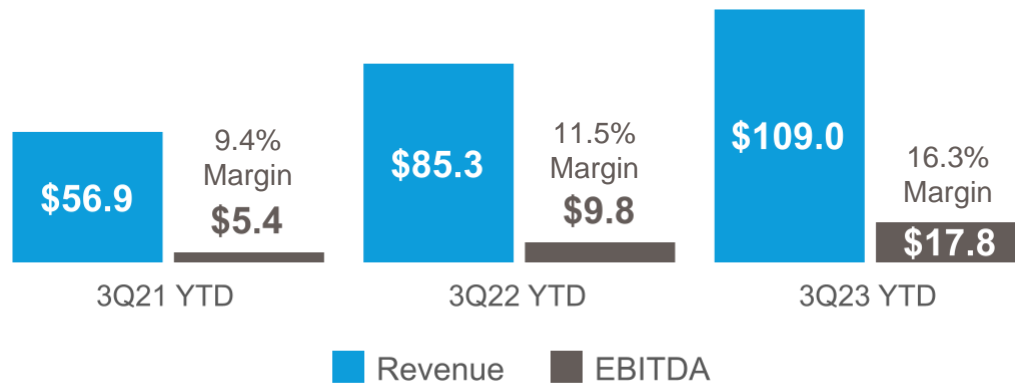
## Segment as a % of Consolidated CSWI Revenue:



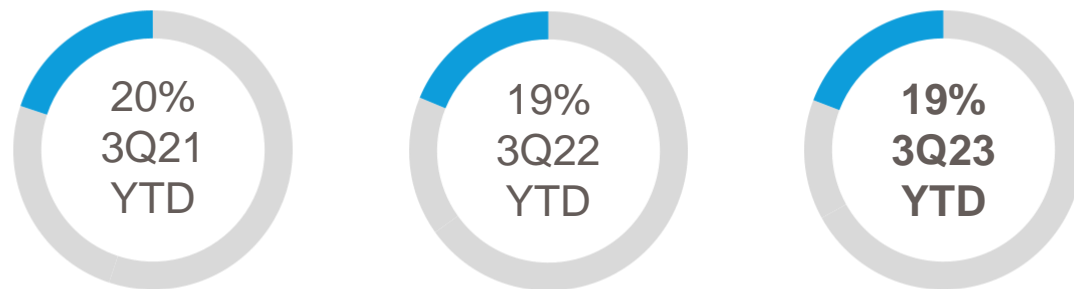
# Specialized Reliability Solutions: 3Q23 YTD Segment Summary

## Summary 3Q23 YTD Segment Results <sup>1</sup>

(\$ in millions)



## Segment as a % of Consolidated CSWI Revenue:



## Segment Financials (3Q23 YTD vs 3Q22 YTD):

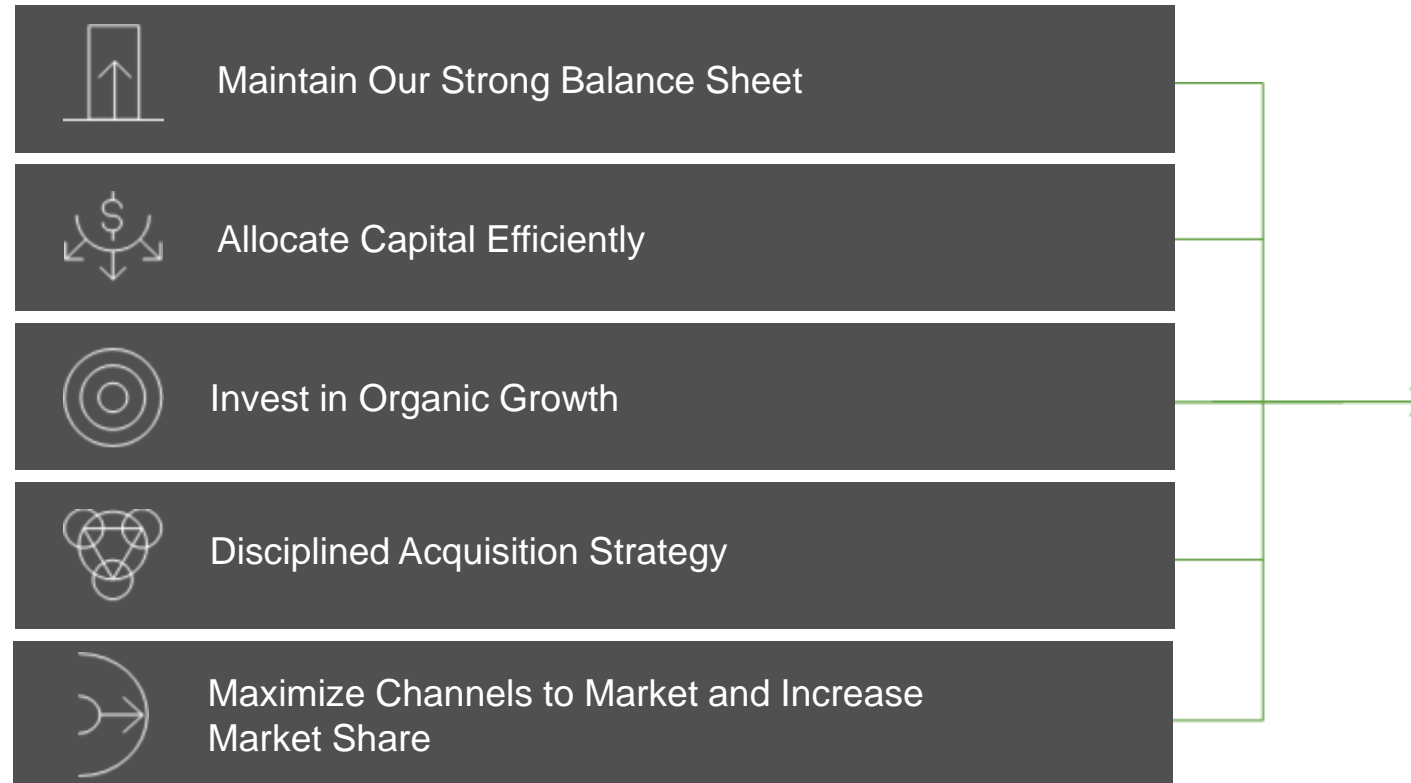
- Record Segment Revenue increased **28% (all organic)**, to **\$109.0MM**, primarily driven by:
  - Pricing initiatives, increased unit volumes and growth in all end markets served
- 3Q23 YTD Segment Revenue **increased by 92%** as compared to 3Q21 YTD, highlighting the end market demand strength
- Segment EBITDA and EBITDA margin increased significantly
  - Volume and price increases more than offset material inflation and additional costs to support commercial success and business growth

A photograph of an industrial manufacturing process. In the foreground, a row of black plastic buckets is being filled by a mechanical arm. The arm is part of a larger machine with various components, including a hopper and a dispensing mechanism. The background shows a factory setting with other equipment and a yellow safety railing. The text "Driving Long-Term Shareholder Value" is overlaid on the left side of the image.

# Driving Long-Term Shareholder Value

# Seeking Sustainable Growth in Shareholder Value

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



## Since Inception

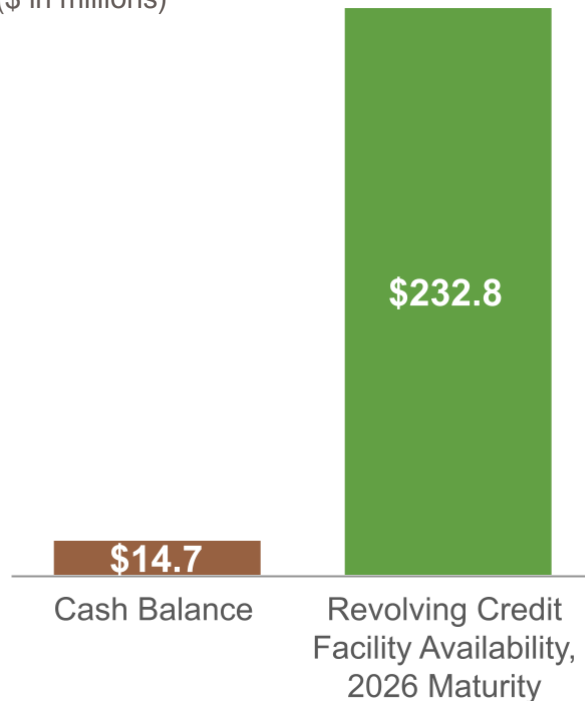
- **345%** market cap growth<sup>1</sup>
- **181%** Revenue growth<sup>2</sup>
- **189%** adjusted EBITDA growth<sup>3</sup>
- **Nine** acquisitions since public debut
- **~\$167MM cash returned to shareholders** through dividend and share repurchase programs



# 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 12/31/22 (\$ in millions)



## Strong liquidity position to support organic & inorganic investments

- Cash balance<sup>1</sup> of \$14.7MM
- ~\$232.8MM available under \$500.0MM revolving credit facility<sup>1</sup>
- Strong operating cash generation of \$84.1MM YTD
- Debt to EBITDA of ~1.5x<sup>2</sup>, as compared to 1.6x as of September 30, 2022
  - Targeting operating leverage of 1.0x – 3.0x 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
- Expand capacity to serve Specialized Reliability Solutions' customers

## Dividends

- Dividend program initiated in April 2019
- 16 consecutive quarters of dividends declared, for cumulative cash return of \$36.3MM

## Inorganic Growth

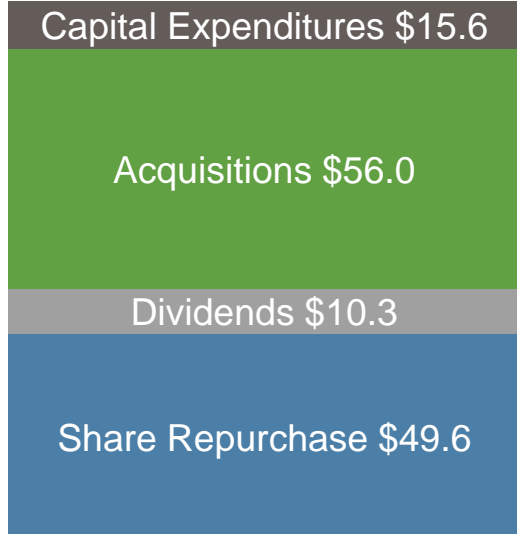
- Prioritize accretive, synergistic acquisitions within existing end markets
- Consider broader strategic opportunities as appropriate

## Share Repurchases

- As appropriate, return cash through opportunistic share repurchases
- Cumulative share repurchases of \$131.0 million and 1.9 million shares since program inception in 3Q FY18

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

**\$131.5MM**



# Investing in Innovative Products

Our product innovation strategy is focused on developing 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 Customer Value

- 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.

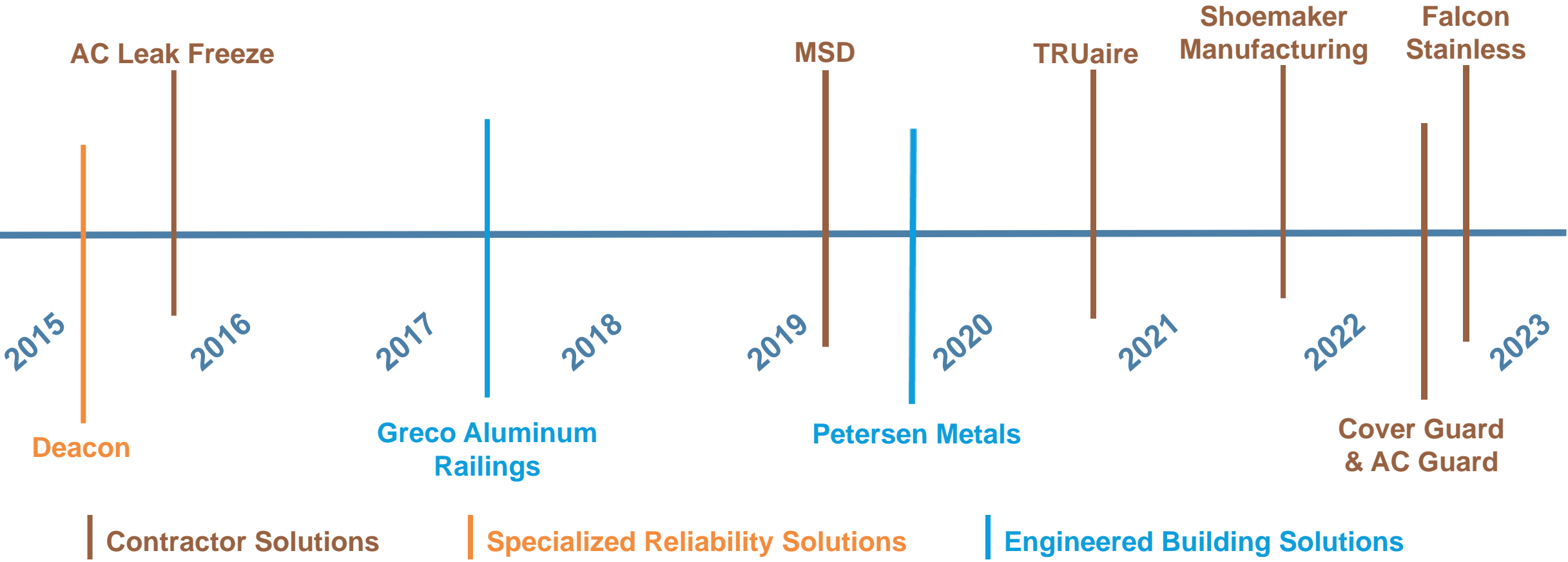
## CSW Industrials Target Criteria:

- 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



# Strategic, Disciplined M&A Execution

Demonstrated track record of acquisitions aligned with our stated strategy





# 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 is committed to recruiting great talent, offering rewarding career destinations, and recognizing team members for a job well done. Our employee-centric culture features a diverse and inclusive environment where every team member belongs, is encouraged to contribute, and is provided with options to develop and expand their skill sets. CSWI leaders embody and cultivate our Core Values – collectively known as ACT. RISE. – to help empower team members and maximize sustainable performance.

Everything we do is accomplished with a focus on environmental stewardship, and the health and safety of our team members.

## Our Core Values Provide the Framework for Our Corporate Culture:



**A**ccountability



**R**espect



**C**itizenship



**I**ntegrity



**T**eamwork



**S**tewardship



**E**xcellence

# 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, and we are excited to have been named to Forbes 2023 America's Best Small Companies list.



### Key Highlights:

1.9

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

<sup>1</sup> TRIR is for the calendar year ended 12/31/22.  
<sup>2</sup> Employee Stock Ownership Plan (ESOP).

# Business Segment Overview



# Segments Summary

## Contractor Solutions

- **\$500.3MM** TTM Revenue, **\$145.4MM** EBITDA, and **29.1%** EBITDA margin
- Manufactures and supplies products for residential and commercial HVAC/R and plumbing applications, designed primarily for professional tradespeople



## Engineered Building Solutions

- **\$102.9MM** TTM Revenue, **\$13.5MM** EBITDA, and **13.1%** EBITDA margin
- Provides code-driven, life-safety products 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

- **\$139.7MM** TTM Revenue, **\$23.1MM** EBITDA, and **16.5%** 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

**~\$500.3MM**

TTM Revenue

**~29.1%**

TTM 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



Push-to-connect refrigerant fittings



Water & Gas Connectors



Pipe Thread Sealant



Grilles, Registers, and Diffusers



Surge Protective Devices



Secondary Condensate Drain Pans



Condensate overflow switches and clean out devices



# Products Serving Niche HVAC/R Mini-Split Market

**Slimduct, Fortress, and Cover Guard**  
Protection for exposed ducted and ductless HVAC piping



**Nokink**  
Flexible, easy flare line connector

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

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



**Coil-Cure**  
EPA registered coil cleaner and disinfectant.



**Coil-Cure AM**  
Spray-applied antimicrobial coil coating



**Desolv**  
Cleaning Kit and Aerosol protect walls and floors



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

**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

**Slimduct, Fortress, and Cover Guard**  
Protection for exposed ducted and ductless HVAC piping

**Condenser brackets**  
Powdercoat and stainless



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

**EZ Trap**  
Waterless in-line condensate trap



**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

**~\$102.9MM**

TTM Revenue

**~13.1%**

TTM EBITDA Margin

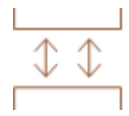
## End Markets Served:



Smoke & Fire Protection



Safety Railings



Expansion Joints



Safety Egress

# Engineered Building Solutions Segment – Overview

## Where Form Meets Function:

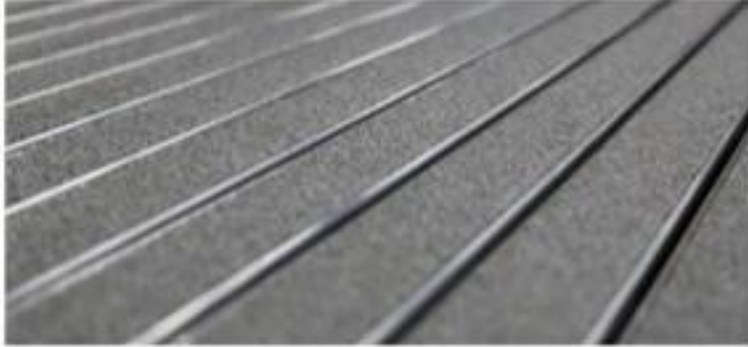
- Market leader in providing unique solutions to architects and contractors that meet code requirements, while adding functionality, performance, and aesthetically pleasing designs
- Whether for new construction or renovation, safety and code compliance are top of mind for commercial builders, our products 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

~\$139.7MM

TTM Revenue

~16.5%

TTM 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.



**Joseph B. Armes**  
Chairman, CEO  
and 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 E. Perry**  
Executive VP and 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 J. Sullivan**  
Executive VP and GM,  
Contractor Solutions

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 E. Alverson**  
Senior VP, General  
Counsel and 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.



**Danielle R. Garde**  
Senior VP and  
Chief People Officer

Danielle has served as SVP and Chief People Officer since October 2022. From June 2020 to September 2022, she was the Chief Human Resources Officer at PlayPower, Inc., a privately-held producer of recreation equipment. From March 2014 to February 2020, Ms. Garde held roles of increasing responsibility with KidKraft Inc., a privately-held producer of children's toys and furniture, last serving as VP, Human Resources.

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

(Amounts in thousands)	(Unaudited)					(Unaudited)					(Unaudited)				
	Three Months Ended December 31, 2022					Three Months Ended December 31, 2021*					Three Months Ended December 31, 2020*				
	Contractor Solutions	Engineered Building Solutions	Specialized Reliability Solutions	Corporate and Other	Consolidated Operations	Contractor Solutions	Engineered Building Solutions	Specialized Reliability Solutions	Corporate and Other	Consolidated Operations	Contractor Solutions	Engineered Building Solutions	Specialized Reliability Solutions	Corporate and Other	Consolidated Operations
Revenue, net	\$ 111,906	\$ 24,619	\$ 36,334	\$ (1,767)	\$ 171,093	\$ 82,459	\$ 23,905	\$ 31,384	\$ (1,462)	\$ 136,286	\$ 44,439	\$ 25,700	\$ 19,874	\$ (80)	\$ 89,932
Operating Income	\$ 21,829	\$ 2,257	\$ 3,921	\$ (4,896)	\$ 23,112	\$ 11,324	\$ 3,200	\$ 3,384	\$ (4,459)	\$ 13,450	\$ 2,900	\$ 4,194	\$ (27)	\$ (3,597)	\$ 3,471
Adjusting Items:															
Transaction costs & other professional fees	—	—	—	—	—	—	—	—	—	—	6,919	—	1,041	—	7,960
Adjusted Operating Income	\$ 21,829	\$ 2,257	\$ 3,921	\$ (4,896)	\$ 23,112	\$ 11,324	\$ 3,200	\$ 3,384	\$ (4,459)	\$ 13,450	\$ 9,819	\$ 4,194	\$ 1,014	\$ (3,597)	\$ 11,431
% Revenue	19.5 %	9.2 %	10.8 %		13.5 %	13.7 %	13.4 %	10.8 %		9.9 %	22.1 %	16.3 %	5.1 %		12.7 %
Adjusting Items:															
Other Income (Expense)	(308)	(31)	(324)	(74)	(738)	80	(87)	(78)	(42)	(127)	98	(430)	(128)	(132)	(592)
Depreciation & Amortization	6,906	433	1,464	50	8,853	5,782	498	1,472	138	7,890	2,345	472	1,439	136	4,392
EBITDA	\$ 28,427	\$ 2,659	\$ 5,061	\$ (4,919)	\$ 31,227	\$ 17,186	\$ 3,611	\$ 4,779	\$ (4,362)	\$ 21,213	\$ 12,261	\$ 4,236	\$ 2,325	\$ (3,592)	\$ 15,231
% Revenue	25.4 %	10.8 %	13.9 %		18.3 %	20.8 %	15.1 %	15.2 %		15.6 %	27.6 %	16.5 %	11.7 %		16.9 %

Note: Numbers may not foot due to rounding.

\* Throughout the presentation, prior periods have been adjusted to reflect the change in inventory accounting method, as described in our fiscal 2022 Form 10-K.

# 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, 2022					Nine Months Ended December 31, 2021*					Nine Months Ended December 31, 2020*				
	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	\$ 379,831	\$ 78,978	\$ 108,958	\$ (5,549)	\$ 562,219	\$ 296,048	\$ 73,389	\$ 85,288	\$ (1,589)	\$ 453,136	\$ 157,694	\$ 71,549	\$ 56,887	\$ (295)	\$ 285,836
Operating Income	\$ 90,416	\$ 10,172	\$ 13,658	\$ (14,945)	\$ 99,302	\$ 67,589	\$ 9,388	\$ 5,290	\$ (13,823)	\$ 68,443	\$ 40,458	\$ 11,763	\$ 72	\$ (10,958)	\$ 41,335
Adjusting Items:															
Transaction costs & other professional fees	—	—	—	—	—	—	—	—	—	—	6,919	—	1,041	—	7,960
Purchase Accounting Effect	—	—	—	—	—	3,919	—	—	—	3,919	—	—	—	—	—
Adjusted Operating Income	\$ 90,416	\$ 10,172	\$ 13,658	\$ (14,945)	\$ 99,302	\$ 71,508	\$ 9,388	\$ 5,290	\$ (13,823)	\$ 72,362	\$ 47,377	\$ 11,763	\$ 1,113	\$ (10,958)	\$ 49,295
% Revenue	23.8 %	12.9 %	12.5 %		17.7 %	24.2 %	12.8 %	6.2 %		16.0 %	30.0 %	16.4 %	2.0 %		17.2 %
Adjusting Items:															
Other Income (Expense)	243	(190)	(375)	(207)	(528)	(174)	(66)	(72)	(120)	(432)	47	(950)	(60)	(296)	(1,259)
Depreciation & Amortization	19,895	1,343	4,519	149	25,905	21,587	1,565	4,563	404	28,120	5,243	1,511	4,302	404	11,461
Purchase Accounting Effect	—	—	—	—	—	(3,919)	—	—	—	(3,919)	—	—	—	—	—
Adjusted EBITDA	\$ 110,554	\$ 11,326	\$ 17,802	\$ (15,003)	\$ 124,679	\$ 89,002	\$ 10,887	\$ 9,781	\$ (13,539)	\$ 96,131	\$ 52,668	\$ 12,324	\$ 5,355	\$ (10,850)	\$ 59,496
% Revenue	29.1 %	14.3 %	16.3 %		22.2 %	30.1 %	14.8 %	11.5 %		21.2 %	33.4 %	17.2 %	9.4 %		20.8 %

Note: Numbers may not foot due to rounding.

\* Throughout the presentation, prior periods have been adjusted to reflect the change in inventory accounting method, as described in our fiscal 2022 Form 10-K.

# Reconciliation of TTM Segment Operating Income to Segment EBITDA

(Amounts in thousands)	(Unaudited)				
	Trailing Twelve Months Ended December 31, 2022				
		Engineered	Specialized		
	Contractor	Building	Reliability	Corporate	Consolidated
	Solutions	Solutions	Solutions	and Other	Operations
Revenue, net	\$ 500,270	\$ 102,886	\$ 139,711	\$ (7,349)	\$ 735,518
Operating Income	\$ 118,943	\$ 11,886	\$ 17,375	\$ (19,965)	\$ 128,238
% Revenue	23.8 %	11.6 %	12.4 %		17.4 %
Adjusting Items:					
Other Income (Expense)	287	(230)	(271)	(348)	(562)
Depreciation & Amortization	26,187	1,841	5,972	194	34,194
EBITDA	\$ 145,417	\$ 13,496	\$ 23,077	\$ (20,119)	\$ 161,870
% Revenue	29.1 %	13.1 %	16.5 %		22.0 %



**CSW**  
INDUSTRIALS