

THIRD QUARTER 2023 EARNINGS CALL

November 2, 2023

GIBRALTAR

SAFE HARBOR STATEMENTS

Forward-Looking Statements

Certain information set forth in this presentation, other than historical statements, contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 that are based, in whole or in part, on current expectations, estimates, forecasts, and projections about the Company’s business, and management’s beliefs about future operations, results, and financial position. These statements are not guarantees of future performance and are subject to a number of risk factors, uncertainties, and assumptions. Actual events, performance, or results could differ materially from the anticipated events, performance, or results expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially from current expectations include, among other things, the availability and pricing of our principal raw materials and component parts, supply chain challenges causing project delays and field operations inefficiencies and disruptions, availability of labor at our manufacturing and distribution facilities or on our project sites, the loss of any key customers, adverse effects of inflation, our ability to continue to improve operating margins, our ability to translate our backlog into net sales, other general economic conditions and conditions in the particular markets in which we operate, changes in spending due to law and government incentives, such as the Infrastructure Investment and Jobs Act, changes in customer demand and capital spending, competitive factors and pricing pressures, our ability to develop and launch new products in a cost-effective manner, our ability to realize synergies from newly acquired businesses, disruptions to IT systems, the impact of regulation (including the Department of Commerce’s solar panel anti-circumvention investigation and the Uyghur Forced Labor Prevention Act (UFLPA)), rebates, credits and incentives and variations in government spending and our ability to derive expected benefits from restructuring, productivity initiatives, liquidity enhancing actions, and other cost reduction actions. Before making any investment decisions regarding our company, we strongly advise you to read the section entitled “Risk Factors” in our most recent annual report on Form 10-K which can be accessed under the “SEC Filings” link of the “Investor Info” page of our website at www.Gibraltar1.com. We undertake no obligation to update any forward-looking statement, whether as a result of new information, future events or otherwise, except as may be required by applicable law or regulation.

Adjusted Financial Measures

To supplement Gibraltar’s consolidated financial statements presented on a GAAP basis, Gibraltar also presented certain adjusted financial measures in this presentation, including adjusted net sales, adjusted operating income and margin, adjusted net income, adjusted earnings per share (EPS), free cash flow and adjusted earnings before interest, taxes, depreciation and amortization (Adjusted EBITDA). Adjusted net sales reflects the removal of net sales associated with our Processing business, which is in the process of being liquidated. Adjusted net income, operating income and margin exclude special charges consisting of restructuring costs primarily associated with 80/20 simplification or lean initiatives, senior leadership transition costs, acquisition-related costs and the operating losses generated by our Processing business which is in the process of being liquidated. The aforementioned exclusions along with other adjustments to other income below operating profit are excluded from adjusted EPS. Adjusted EBITDA further excludes depreciation, amortization and stock compensation. In evaluating its business, the Company considers and uses these non-GAAP financial measures as supplemental measures of its operating performance. The Company believes that the presentation of adjusted measures and free cash flows provides meaningful supplemental data to investors that are indicative of the Company’s core operating results and facilitates comparison of operating results across reporting periods as well as comparison with other companies. Adjusted EBITDA and free cash flow are also useful measures of the Company’s ability to service debt and Adjusted EBITDA is one of the measures used for determining the Company’s debt covenant compliance. Special charges are excluded since they may not be considered directly related to the Company’s ongoing business operations. Adjustments to the most directly comparable financial measures presented on a GAAP basis are quantified in the reconciliation of adjusted financial measures excluding special charges provided in the supplemental financial schedules that accompany the earnings news release. These adjusted measures should not be viewed as a substitute for the Company’s GAAP results and may be different than adjusted measures used by other companies and our presentation of non-GAAP financial measures should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items.

Reconciliations of non-GAAP measures related to full-year 2023 guidance have not been provided due to the unreasonable efforts it would take to provide such reconciliations due to the high variability, complexity and uncertainty with respect to forecasting and quantifying certain amounts that are necessary for such reconciliations.

THIRD QUARTER 2023 RESULTS

**ADJUSTED
NET SALES**

\$390M

Flat

**ADJUSTED
OPERATING
INCOME**

\$59M

+19%

**ADJUSTED
EPS**

\$1.38

+23%

**ADJUSTED
EBITDA**

\$67M

+18%

**FREE CASH
FLOW**

\$90M

23%

NET SALES

- Participation gains in Residential and Infrastructure offset by active projects shifting from the quarter in project-based businesses
- Permitting remains challenging in Renewables, module supply improving
- New projects driving Agtech business in 4th quarter

INCOME & CASH

- Continue to deliver improved profitability and cash flow
- 80/20, productivity, and price/cost management
- Debt at zero

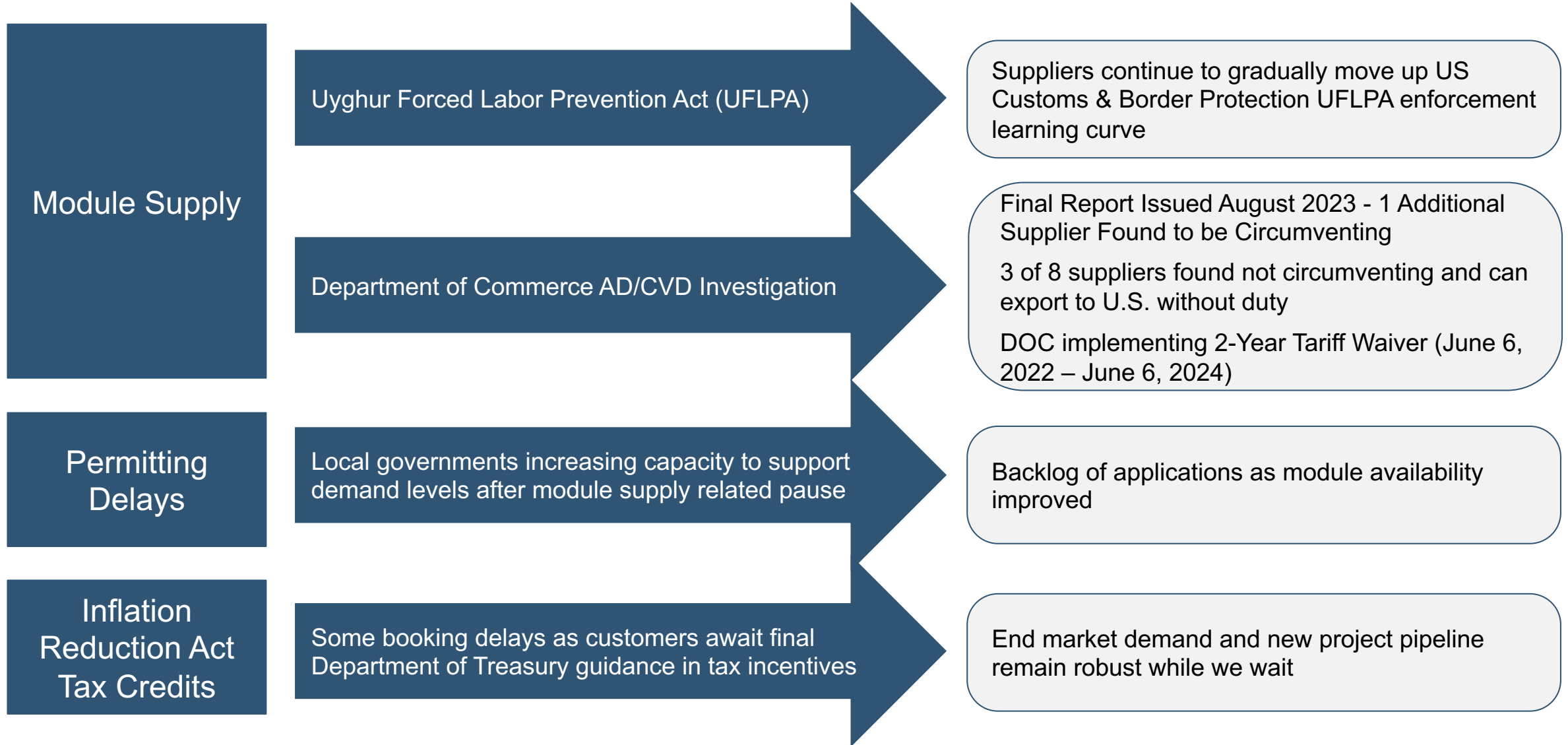
PORTFOLIO MANAGEMENT

- Acquisitions performing as expected

FOCUS

1. Growth, quality of earnings, strong cash performance
2. 80/20 acceleration
3. Ongoing digital / IT investment & execution
4. Organization development

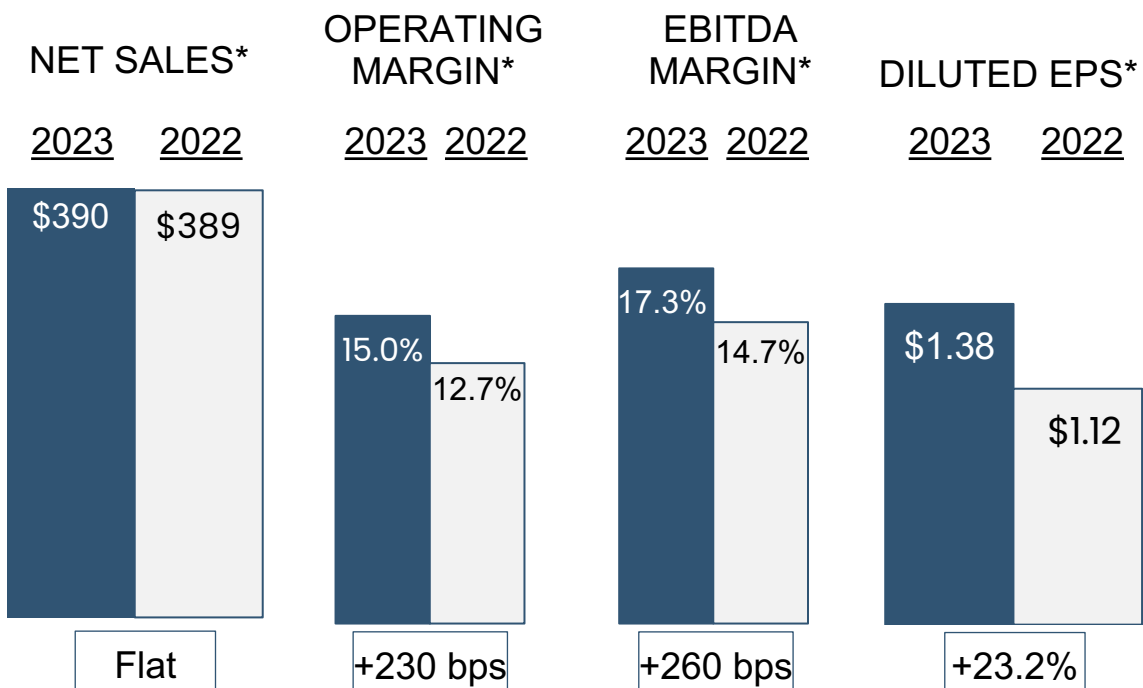
SOLAR INDUSTRY – Q3 2023 UPDATE



CONSOLIDATED FINANCIAL PERFORMANCE

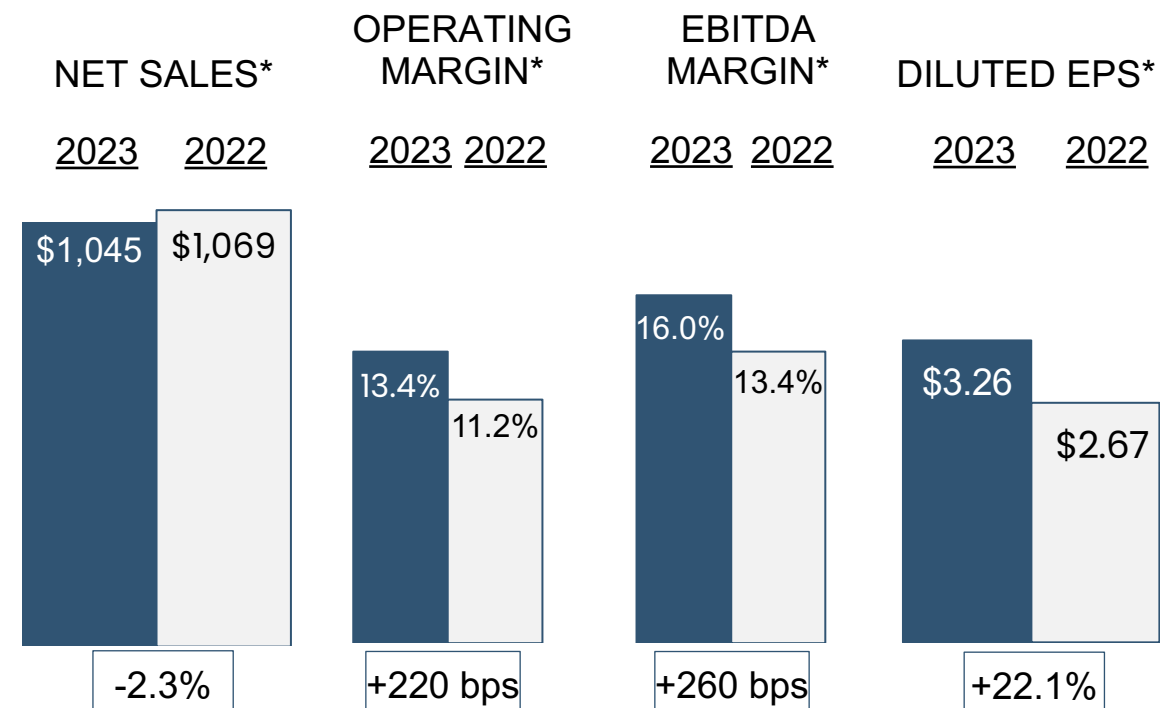
3RD QUARTER RESULTS

ADJUSTED PROFIT MEASURES*



NINE MONTHS RESULTS

ADJUSTED PROFIT MEASURES*



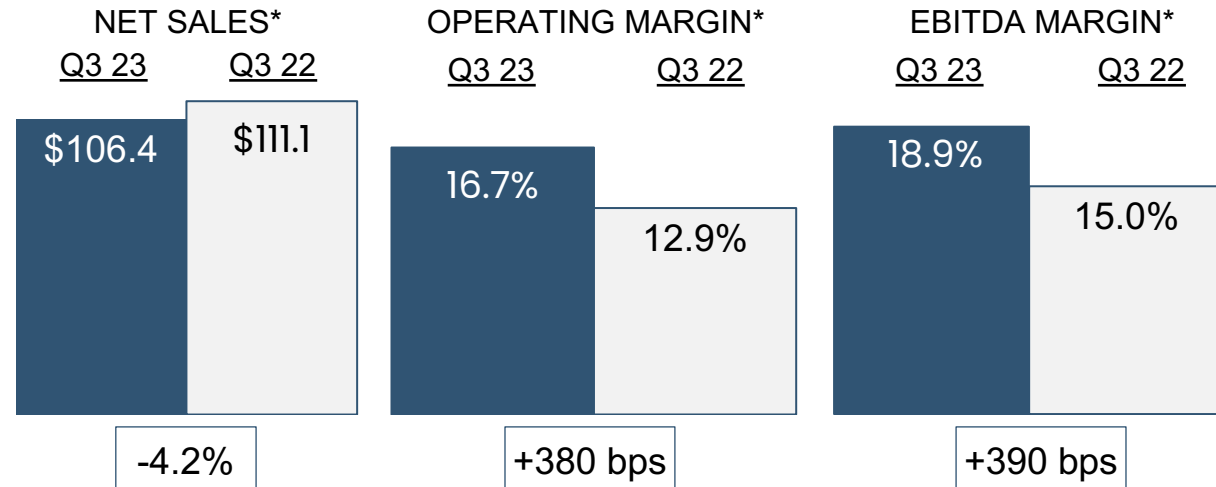
*Amounts, other than EPS, are stated in \$Millions. Refer to appendix in the earnings news release for adjusted measures reconciliations.



RENEWABLES

3RD QUARTER RESULTS

ADJUSTED PROFIT MEASURES

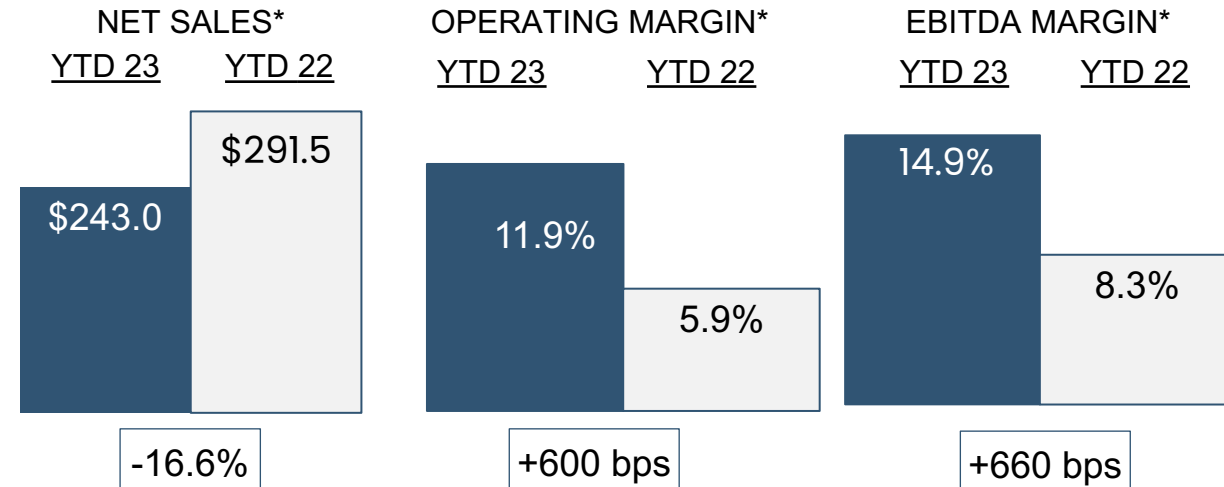


NET SALES

- Module supply improving as manufacturers come up the UFLPA importation learning curve
- Local permitting delays & delay of final Inflation Reduction Act tax credit guidance impacting starts
- Backlog +13.3% YoY: New order bookings robust
- Expect flat sales in Q4 with net sales accelerating in second half from the first half

NINE MONTHS RESULTS

ADJUSTED PROFIT MEASURES



ADJUSTED OPERATING & EBITDA MARGIN

- Margin improved 380 bps YoY – strong execution
 - Project operations and supply chain productivity
 - Field operations efficiency
 - Solid price / cost management

*Amounts are stated in \$Millions. Refer to appendix in the earnings news release for adjusted measures reconciliations.



3RD QUARTER RESULTS

ADJUSTED PROFIT MEASURES

NET SALES*

Q3 23 Q3 22

\$227.7

\$215.6

+5.6%

OPERATING MARGIN*

Q3 23 Q3 22

18.8%

16.8%

+200 bps

EBITDA MARGIN*

Q3 23 Q3 22

20.2%

18.0%

+220 bps

NET SALES

- Up 5.6%, acquisitions contributed 8.8%, organic -3.2%
- Organic decrease driven by:
 - Price adjustments in response to commodity cost prices
 - 80/20 initiatives targeting less attractive products lines
- Partially offset by participation gains with new and existing customers in core product and expansion into new regions

NINE MONTHS RESULTS

ADJUSTED PROFIT MEASURES

NET SALES*

YTD 23 YTD 22

\$635.5

\$595.3

+6.8%

OPERATING MARGIN*

YTD 23 YTD 22

18.3%

18.0%

+30 bps

EBITDA MARGIN*

YTD 23 YTD 22

19.7%

19.2%

+50 bps

ADJUSTED OPERATING & EBITDA MARGIN

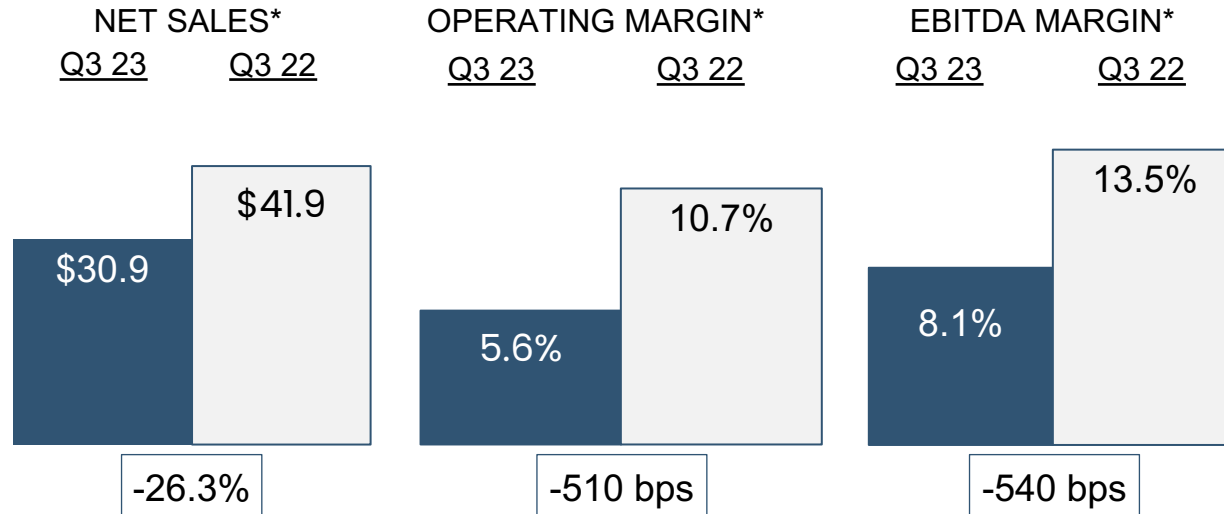
- Margins up 200 bps YoY
 - Volume leverage
 - Price/cost alignment
 - Additional 80/20 initiatives
 - Product mix
- Expect continued strong margin performance through year-end

*Amounts are stated in \$Millions. Refer to appendix in the earnings news release for adjusted measures reconciliations.



3RD QUARTER RESULTS

ADJUSTED PROFIT MEASURES

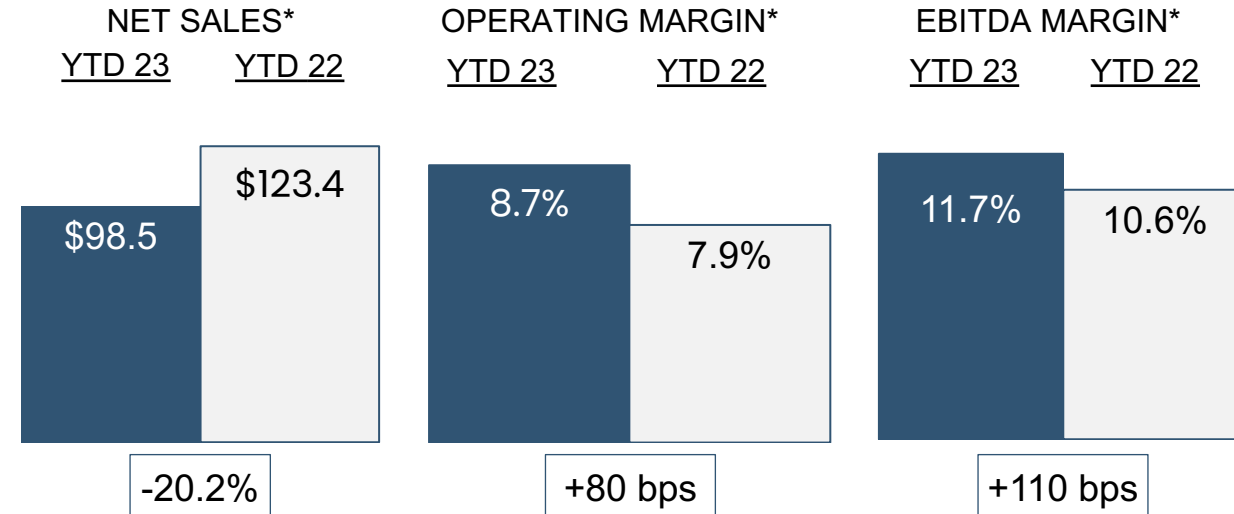


NET SALES*

- Net sales down 26.3%
- New project construction starts delayed
- New orders continue to accelerate - backlog +9.4% sequentially
- New orders plus projects now underway drive revenue acceleration in fourth quarter

NINE MONTHS RESULTS

ADJUSTED PROFIT MEASURES



ADJUSTED OPERATING & EBITDA MARGIN*

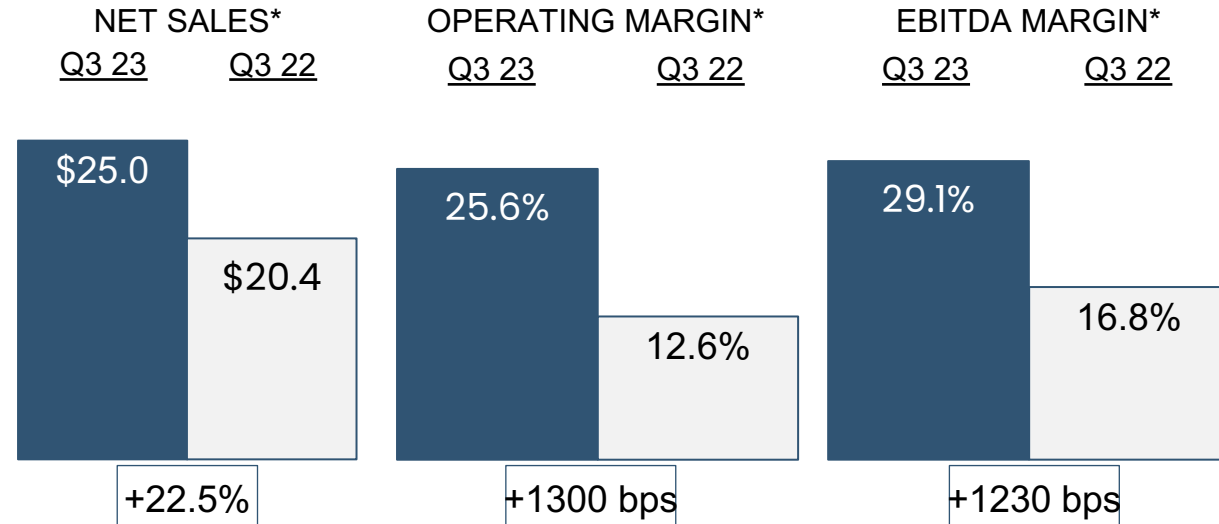
- Adjusted operating margin down 510 basis points
- Margins down due to net sales shifting from third to fourth quarter

*Amounts are stated in \$Millions. Refer to appendix in the earnings news release for adjusted measures reconciliations.



3RD QUARTER RESULTS

ADJUSTED PROFIT MEASURES

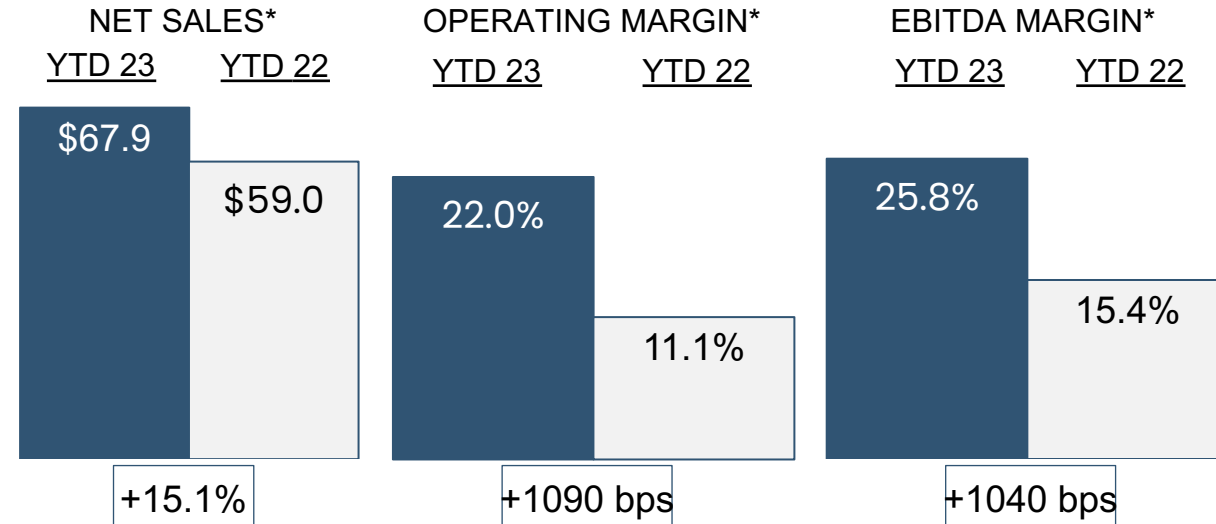


NET SALES

- Net sales up 22.5% and backlog up 6.2%
- Driven by solid end market demand and participation gains
- Expect positive momentum continuing into Q4

NINE MONTHS RESULTS

ADJUSTED PROFIT MEASURES



ADJUSTED OPERATING & EBITDA MARGIN

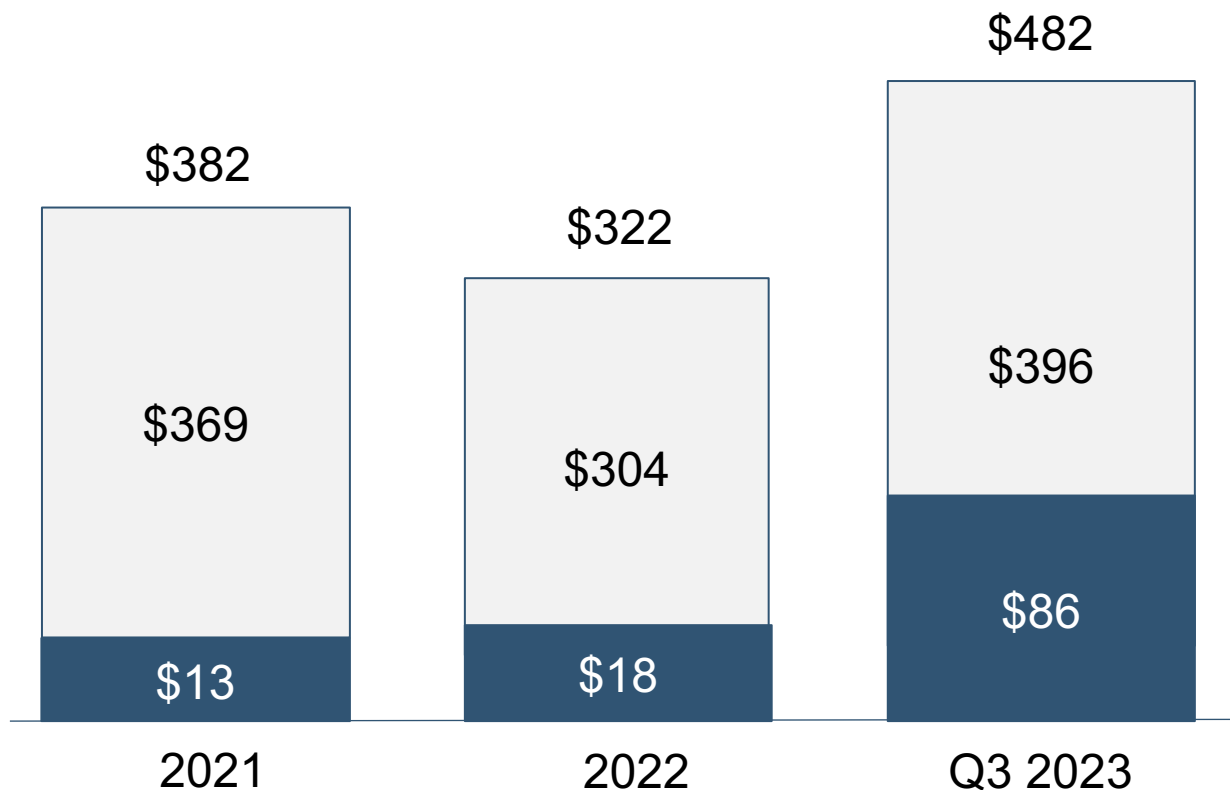
- Strong execution
- 80/20 initiatives and productivity investments
- Supply chain efficiency
- Product line mix

*Amounts are stated in \$Millions. Refer to appendix in the earnings news release for adjusted measures reconciliations.

BALANCE SHEET – MARGIN EXPANSION AND WORKING CAPITAL MANAGEMENT CONTINUE TO DRIVE CASH PERFORMANCE

LIQUIDITY (\$M)

Revolver
 Cash



Balance Sheet is Unleveraged

WORKING CAPITAL

GENERATED CASH OF \$43M

Q3 Benefit

▪ Inventory	\$18M
▪ AR	\$11M
▪ Other liabilities	\$15M
▪ AP	\$ 5M

Q3 Offset by

▪ Other assets	\$ 6M
----------------	-------

NO SHARE REPURCHASES IN Q3

FREE CASH FLOW

Q3 23 FCF* = 23% Net Sales

INCREASING 2023 FCF to >14%

*FCF = Free Cash Flow. Refer to appendix in the earnings news release for adjusted measures reconciliations.

2023 PRIORITIES

STRATEGIC PILLARS

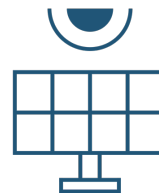
BUSINESS SYSTEM

PORTFOLIO
MANAGEMENT

ORGANIZATION
DEVELOPMENT

2023 KEY PRIORITIES

1. Drive growth, quality of earnings, strong cash performance
2. Execute 80 / 20 – win participation, expand margin, drive service levels
3. Stay the course with digital IT investing in our businesses
4. Organization health and development
5. Conduct business the right and responsible way every day



REVISED 2023 GUIDANCE

	<u>2022*</u>	<u>REVISED 2023 GUIDE</u>	<u>CHANGE VS PRIOR GUIDE</u>
Net Sales	\$1.38B	\$1.37 – \$1.40B	+/- ~1%
Operating Income			
GAAP	\$130.1M	\$152.5 – \$161.0M	~ 1%
Adjusted	\$150.7M	\$173.5 – \$177.7M	~ 1%
Adjusted EBITDA	\$183.4M	\$209.1 – \$214.1M	~ 1%
Operating Margin			
GAAP	9.4%	~ 11.2% – 11.4%	~ 10 bps
Adjusted	10.9%	~ 12.6% – 12.7%	~ 10 bps
Adjusted EBITDA %	13.3%	~ 15.2% – 15.3%	~ 20 bps
GAAP EPS	\$2.56	\$3.51 – \$3.71	~1%
Adjusted EPS	\$3.40	\$4.05 – \$4.15	~1%
Free Cash Flow / Sales	6.0%	>14.0%	> 400 bps

* Refer to appendix in the earnings news release for adjusted measures reconciliations.

GIBRALTAR

November 2, 2023



GIBRALTAR