

THIRD QUARTER 2024 EARNINGS CALL

October 30, 2024

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 generate order flow and sales and increase backlog, 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 East and Gulf coast port strikes, the impact of trade and regulation (including the latest Department of Commerce’s solar panel anti-circumvention investigation, the bifacial module exemption revocation, the Auxin Solar challenge to the Presidential waiver of tariffs, deadline to install certain modules under the waiver, 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 has been liquidated and our Japan renewables business which was sold on December 1, 2023. Adjusted net income, operating income and margin exclude special charges consisting of restructuring costs (primarily comprised of exit activities costs and impairment of both tangible and intangible assets associated with 80/20 simplification, lean initiatives and / or discontinued products), senior leadership transition costs (associated with new and / or terminated senior executive roles), acquisition related costs (legal and consulting fees for recent business acquisitions), and portfolio management (which represents the operating results generated by our processing business which was liquidated in 2023 and our Japan renewables business which was sold in 2023). The aforementioned exclusions along with other adjustments to other income below operating profit are excluded from adjusted EPS. Adjusted EBITDA further excludes interest, taxes, depreciation, amortization and stock compensation expense. 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, as well as management, 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 2024 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 2024 REVIEW

**ADJUSTED
NET SALES**

\$361M

(6%)

**ADJUSTED
OPERATING
INCOME**

\$50M

**(13.6%)
(120 bps)**

**ADJUSTED
EPS**

\$1.27

(7%)

**ADJUSTED
EBITDA**

\$59M

**(11.7%)
(100 bps)**

**FREE CASH
FLOW**
(% of Sales)

\$59M

16%

NET SALES

- Industry headwinds continued in both Residential and Renewables businesses while Agtech accelerated and Infrastructure remained solid
- Managing well in a dynamic environment and positioned well to navigate near-term challenges

INCOME & CASH

- 3 of 4 segments delivered margin improvement – Residential, Agtech, Infrastructure
- Generated \$65 million operating cash flow
- Repurchased 139,427 shares at an average price of \$64.45
- Maintained a strong balance sheet

PORTFOLIO MANAGEMENT

- Acquisitions performed as expected – pipeline / processes are active

FOCUS

1. Participation expansion, quality of earnings, strong cash performance
2. 80/20 acceleration and operating execution
3. Digital / IT investment in operating systems

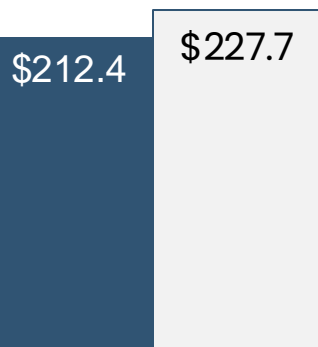


3RD QUARTER RESULTS

ADJUSTED PROFIT MEASURES

NET SALES*

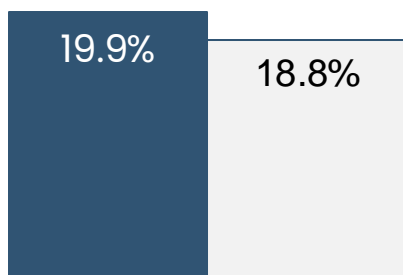
Q3 24 Q3 23



-6.7%

OPERATING MARGIN*

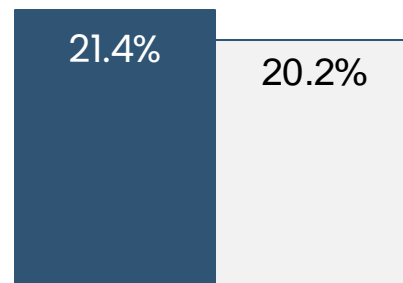
Q3 24 Q3 23



+110 bps

EBITDA MARGIN*

Q3 24 Q3 23



+120 bps

NET SALES

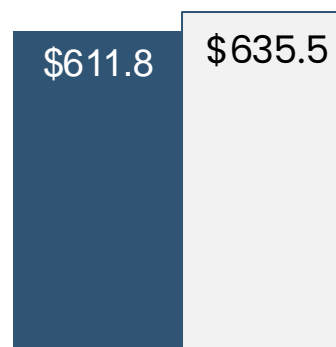
- Decreased \$15.3M driven by slower market including repair and remodel sector
- Timing and benefit of new business awards delayed as slower market conditions impact timing of supplier transitions

NINE MONTHS RESULTS

ADJUSTED PROFIT MEASURES

NET SALES*

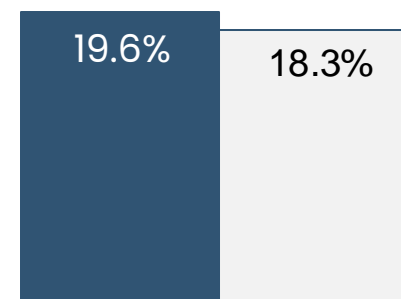
YTD 24 YTD 23



-3.7%

OPERATING MARGIN*

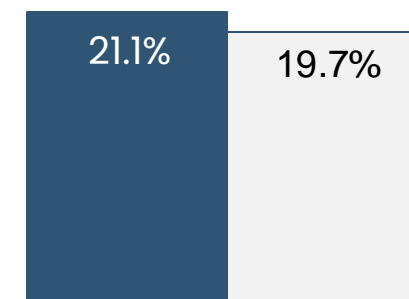
YTD 24 YTD 23



+130 bps

EBITDA MARGIN*

YTD 24 YTD 23



+140 bps

ADJUSTED OPERATING & EBITDA MARGIN

- Margins up 110 bps and 120 bps respectively through stronger execution, effective price/cost management and 80/20 initiatives

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

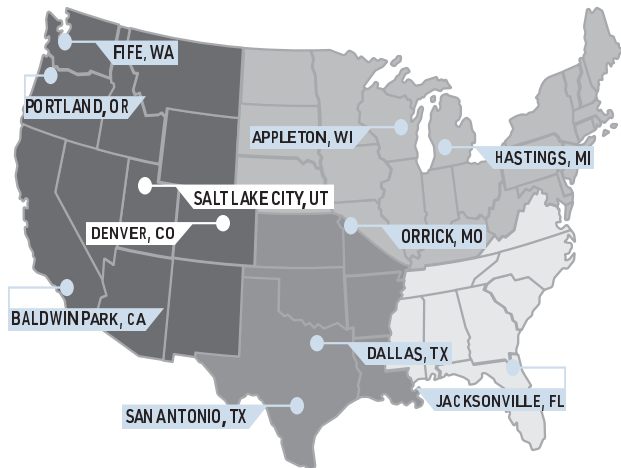


RESIDENTIAL – MARKET OVERVIEW, EXPANSION INITIATIVES, NEW PRODUCTS

RECENT MARKET DYNAMICS

- Market remained slow in Q3
 - Existing home sales continue to be soft
 - Point-of-sale results down ~5%
 - ARMA data - U.S. shingle shipments down ~2%, down 6% excluding Texas market
- Delays in transitioning awarded business impacted revenue approximately \$4M in the quarter

PARTICIPATION EXPANSION INITIATIVES



- New locations launching in Q4 / Q1 2025
- Mountain West, Mid-Atlantic, West Coast

SHINGLE VENT ROLL LAUNCHED IN Q3

- Easier installation for contractors
- Patents granted – design, utility, and process



BILT CRE8 MAILBOX LAUNCHED IN Q3

- Patented - first ever to market
- Reduces packaging footprint 60%
- Reduces freight costs up to 55%



PIPE BOOT FLASHING LAUNCH IN Q4

- \$100M+ U.S. market
- High performance and UV stabilized material content
- Design patent pending





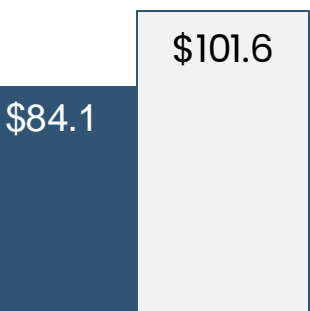
RENEWABLES

3rd QUARTER RESULTS

ADJUSTED PROFIT MEASURES

NET SALES*

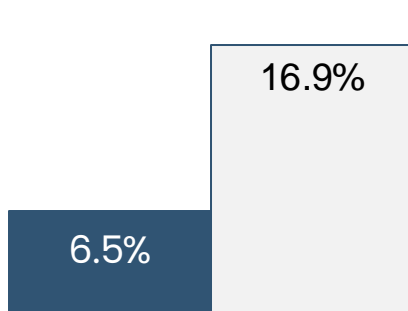
Q3 24 Q3 23



-17.2%

OPERATING MARGIN*

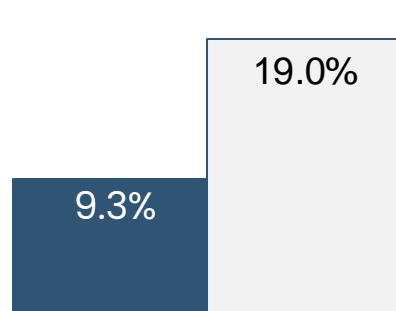
Q3 24 Q3 23



-1040 bps

EBITDA MARGIN*

Q3 24 Q3 23



-970 bps

NET SALES

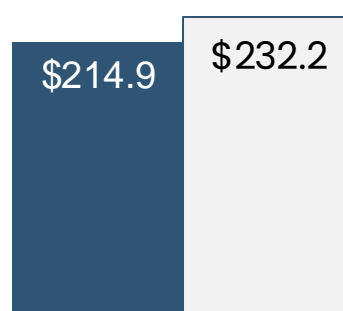
- Net sales decreased \$17.5M and backlog declined 24% as customers focus on near-term deadlines related to trade and regulatory dynamics
- Industry focused on module installations and administrative reporting requirements to support 12/3/2024 expiration of tariff moratorium

NINE MONTHS RESULTS

ADJUSTED PROFIT MEASURES

NET SALES*

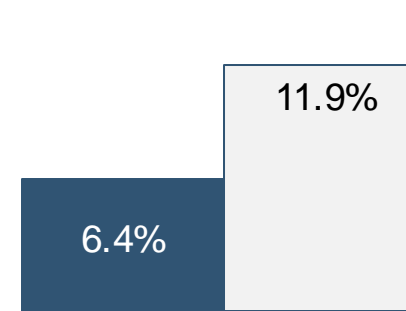
YTD 24 YTD 23



-7.5%

OPERATING MARGIN*

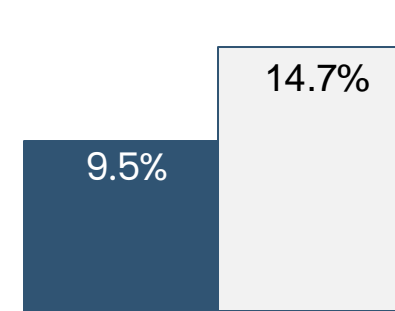
YTD 24 YTD 23



-550 bps

EBITDA MARGIN*

YTD 24 YTD 23

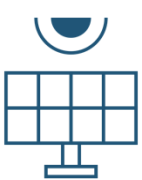


-520 bps

ADJUSTED OPERATING & EBITDA MARGIN

- Margins impacted by lower volume, trade and regulatory dynamics, and launch execution of 1P tracker

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



RENEWABLES – TRACKER LAUNCH

TERRASMART™ TERRATRAK

- Booked 340+ MW across 64 projects with 18 different customers since launch
- Actively pursuing >1.6 GW pipeline in the U.S. DG solar market space



FOXGLOVE
97 MW



ENERSYS READING
3MW (1ST ON PILES)

36 projects in construction + 12 more scheduled to start in Q4

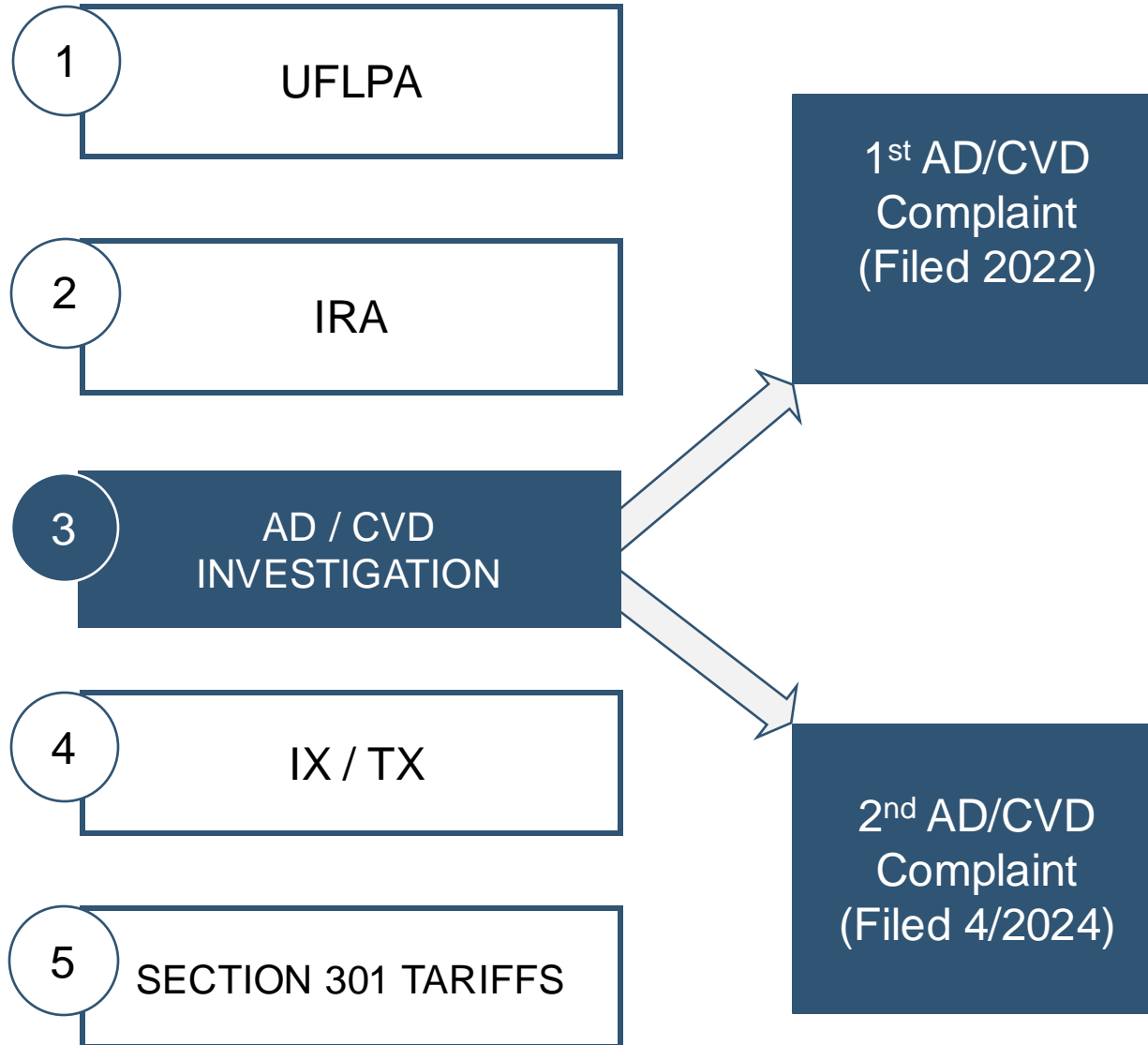


2 projects in construction

Oct 2023

Oct 2024

SOLAR INDUSTRY REGULATORY / TRADE UPDATE



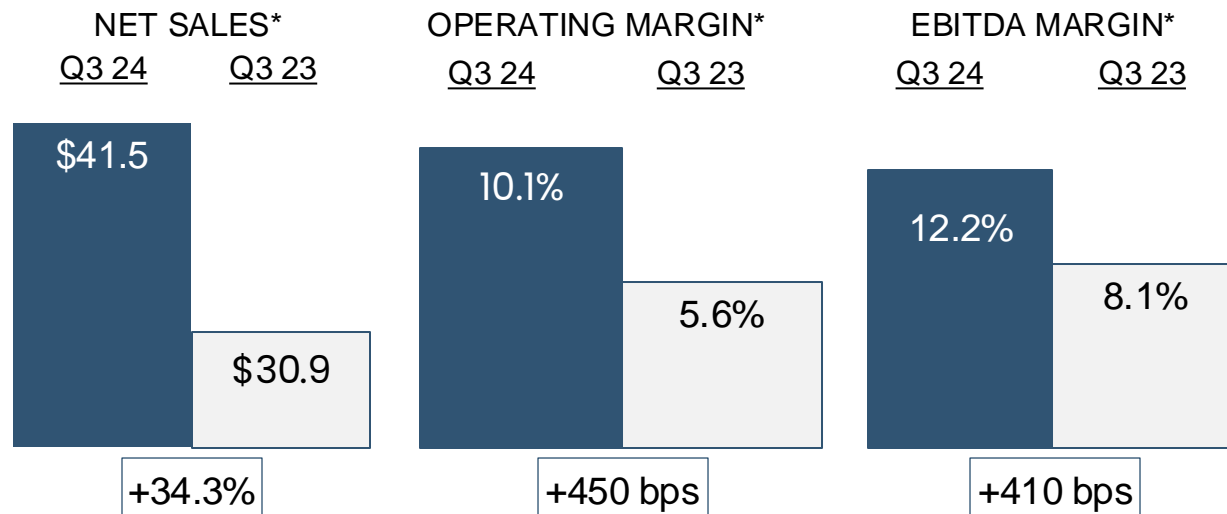
OUTCOME / RESULTS

- 5 manufacturers found attempting to avoid US duties by completing minor processing in 3rd countries
- Duties may not be collected on panels imported during **the Presidential Proclamation** as long as they are installed by 12/3
- Importers of record (IORs) must provide U.S. CBP with certification for each panel installed
- Industry awaiting outcome / ruling of **Critical Circumstances**

EVENT	AD	CVD
Petition(s) Filed	April 24, 2024	April 24, 2024
DOC Prelim Findings	October 1, 2024	July 18, 2024
DOC Final Findings	December 16, 2024	October 1, 2024
USITC Prelim Findings	June 10, 2024	June 10, 2024
USITC Final Findings	January 30, 2025	November 15, 2024
Issuance of Orders	February 6, 2025	November 22, 2024

3RD QUARTER RESULTS

ADJUSTED PROFIT MEASURES

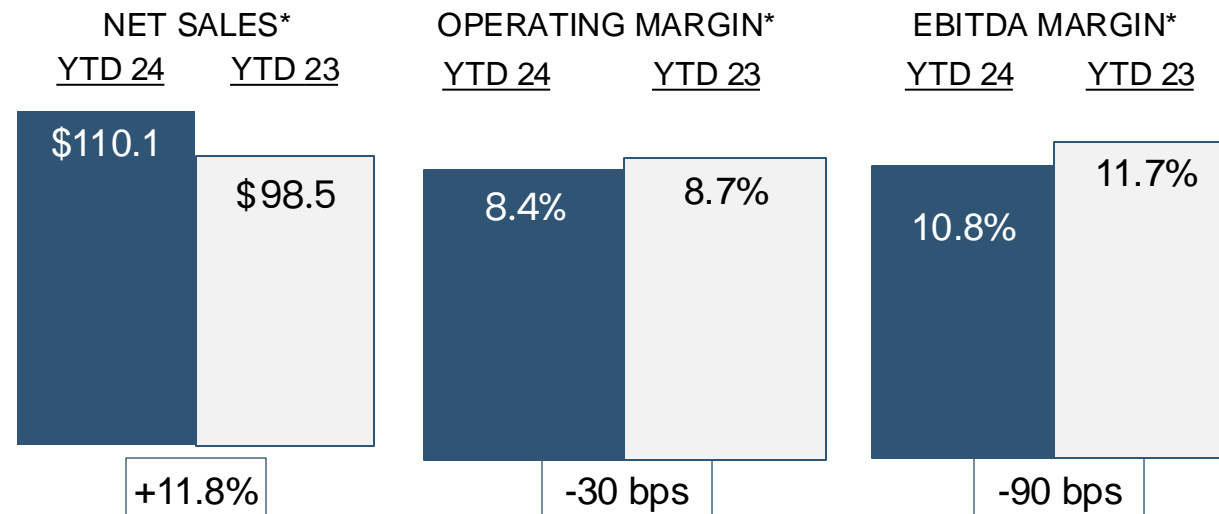


NET SALES

- Net sales up \$10.6M driven by Produce projects ramping up
- Backlog is down 3% related to timing of anticipated project bookings

NINE MONTHS RESULTS

ADJUSTED PROFIT MEASURES



ADJUSTED OPERATING & EBITDA MARGIN

- Margins up 450 and 410 bps, respectively, driven by volume, product mix, 80/20 initiatives & solid field execution.

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



AGTECH – REVENUE MOMENTUM ACCELERATING WITH NEW PROJECTS

BOEMBERRY FARMS

PHASE 5 Complete in Q4 – Project value ~\$25M



- Largest CEA strawberry facility in the world
- 120 acres built across 5 phases
- Annual production: 12.5M pounds of strawberries
- Two additional phases starting in 2025 & 2026



KINGSONE FARMS

PHASE 1 Starting in Q4 – Project value \$35M+



- 1st fully automated purpose-built facility for lettuce
- Phase 1 & Phase 2 cover 13 acres - annual production: 21M heads of lettuce
- Total site 40 acres with annual production of ~60M+ heads of lettuce





3rd QUARTER RESULTS

ADJUSTED PROFIT MEASURES

NET SALES*

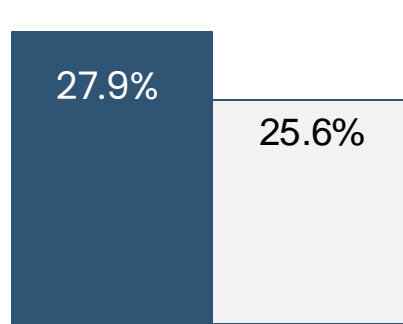
Q3 24 Q3 23



-7.2%

OPERATING MARGIN*

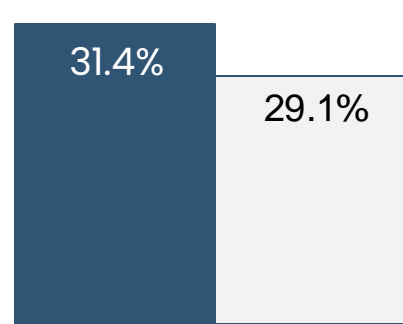
Q3 24 Q3 23



+230 bps

EBITDA MARGIN*

Q3 24 Q3 23



+230 bps

NET SALES

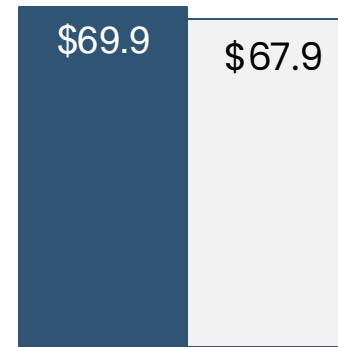
- Net sales down \$1.8M impacted by the timing on a large project in the prior year, backlog up 3%
- Market demand and quoting remain solid supported by ongoing federal and state investment, participation gains, and new products

NINE MONTHS RESULTS

ADJUSTED PROFIT MEASURES

NET SALES*

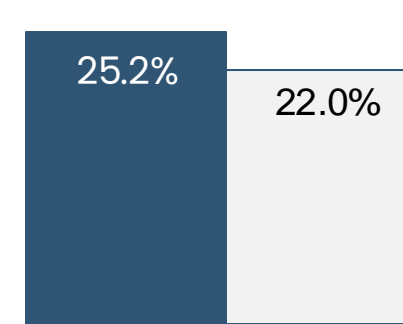
YTD 24 YTD 23



+2.9%

OPERATING MARGIN*

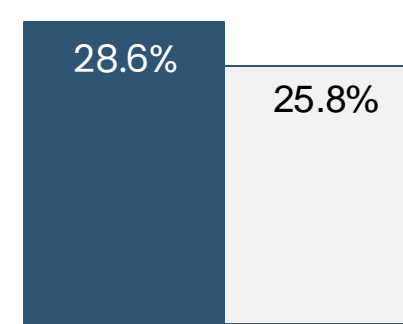
YTD 24 YTD 23



+320 bps

EBITDA MARGIN*

YTD 24 YTD 23



+280 bps

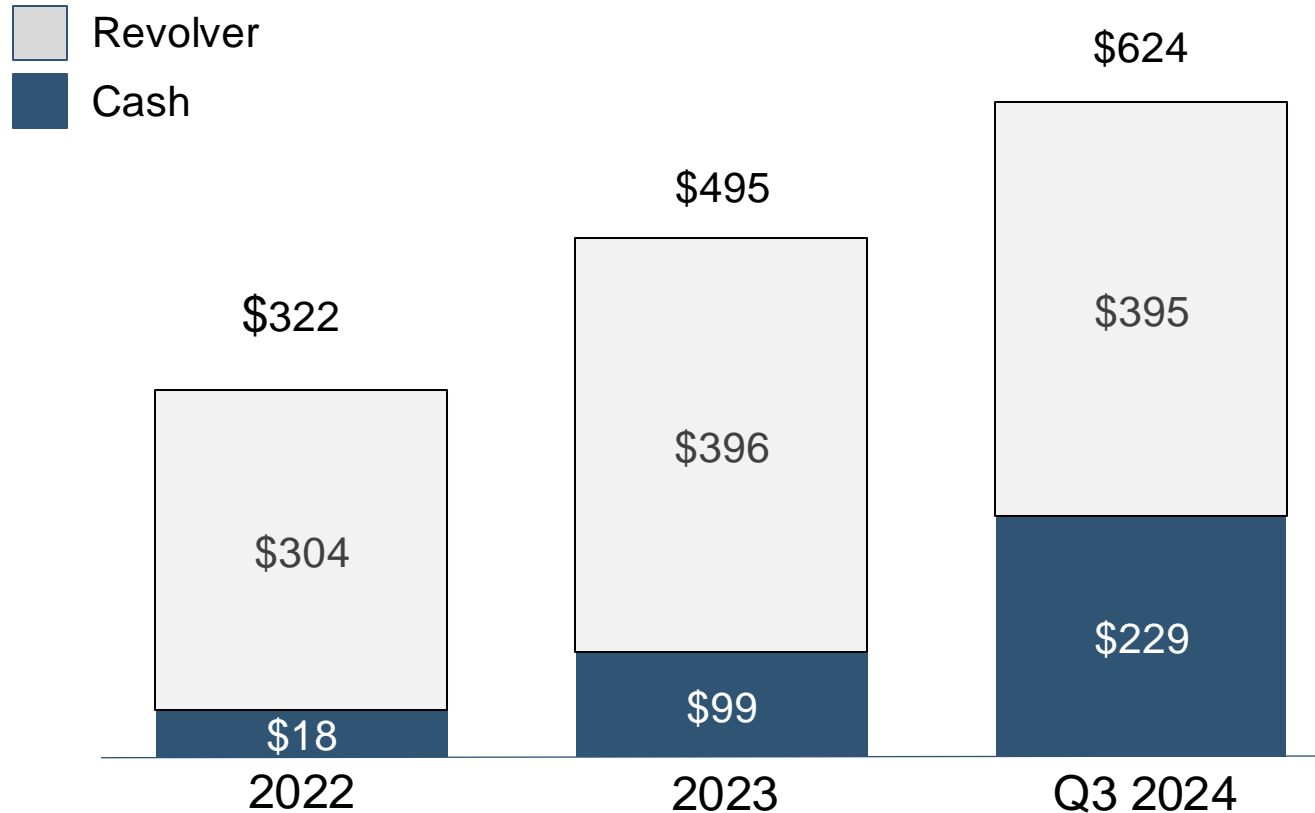
ADJUSTED OPERATING & EBITDA MARGIN

- Operating and EBITDA margin up 230 bps
- Increase driven by product line mix, new products, 80/20 initiatives and strong execution

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

BALANCE SHEET – FREE CASH FLOW REMAINS STRONG, AMPLE LIQUIDITY

LIQUIDITY (\$M)



Balance Sheet Remains Unleveraged

WORKING CAPITAL

GENERATED CASH OF \$20M

Q3 Investment	
▪ Inventory	\$ 4M
▪ Other Assets	\$ 8M

Q3 Offset by	
▪ AR	\$ 10M
▪ AP	\$ 22M

REPURCHASED 139K SHARES

FREE CASH FLOW

Q324 FCF* = 16.4% Net Sales

Expect 2024 FCF ~10% Net Sales

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

CONFIRMING UPDATED 2024 GUIDANCE

	<u>2023*</u>	<u>2024</u>
Adjusted Net Sales	\$1.36B	\$1.31 – \$1.33B
Operating Income		
GAAP	\$150.7M	\$141.0 – \$146.7M
Adjusted	\$173.1M	\$162.7 – \$168.4M
Adjusted EBITDA	\$209.3M	\$200.1 – \$205.8M
Operating Margin		
GAAP	10.9%	10.8% – 11.0%
Adjusted	12.7%	12.4% – 12.6%
Adjusted EBITDA %	15.4%	15.3% – 15.5%
GAAP EPS	\$3.59	\$3.57 – \$3.71
Adjusted EPS	\$4.09	\$4.11 – \$4.25
Free Cash Flow / Sales	14.9%	~ 10%

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

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