
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended **June 30, 2025**

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number: **000-22462**

GIBRALTAR

GIBRALTAR INDUSTRIES, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or Other Jurisdiction of Incorporation or Organization)

16-1445150

(I.R.S. Employer Identification No.)

3556 Lake Shore Road P.O. Box 2028 Buffalo New York

(Address of principal executive offices)

14219-0228

(Zip Code)

(716) 826-6500

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol</u>	<u>Name of each exchange on which registered</u>
Common Stock, \$0.01 par value per share	ROCK	NASDAQ Stock Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Non-accelerated filer

Accelerated filer

Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicated by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of August 4, 2025, the number of shares of common stock outstanding was: 29,511,507.

GIBRALTAR INDUSTRIES, INC.

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PART I. FINANCIAL INFORMATION

 Item 1. Financial Statements

GIBRALTAR INDUSTRIES, INC.
CONSOLIDATED STATEMENTS OF INCOME
 (in thousands, except per share data)
 (unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net sales	\$ 309,517	\$ 273,624	\$ 555,874	\$ 514,634
Cost of sales	221,682	190,296	398,186	359,219
Gross profit	87,835	83,328	157,688	155,415
Selling, general, and administrative expense	48,329	42,506	89,527	84,501
Operating income	39,506	40,822	68,161	70,914
Interest expense (income), net	354	(1,495)	(1,283)	(2,245)
Other (income) expense, net	(105)	186	(29)	(166)
Income before taxes from continuing operations	39,257	42,131	69,473	73,325
Provision for income taxes	9,819	11,147	16,920	19,387
Income from continuing operations	29,438	30,984	52,553	53,938
Discontinued operations:				
(Loss) income before taxes from discontinued operations	(5,381)	1,486	(8,544)	3,799
(Benefit) provision for income taxes	(1,947)	272	(3,114)	593
(Loss) income from discontinued operations	(3,434)	1,214	(5,430)	3,206
Net income	\$ 26,004	\$ 32,198	\$ 47,123	\$ 57,144
Net earnings per share – Basic:				
Income from continuing operations	\$ 0.99	\$ 1.01	\$ 1.75	\$ 1.76
(Loss) income from discontinued operations	(0.12)	0.04	(0.18)	0.11
Net income	\$ 0.87	\$ 1.05	\$ 1.57	\$ 1.87
Weighted average shares outstanding – Basic	29,717	30,588	30,027	30,580
Net earnings per share – Diluted:				
Income from continuing operations	\$ 0.99	\$ 1.01	\$ 1.74	\$ 1.75
(Loss) income from discontinued operations	(0.12)	0.04	(0.18)	0.11
Net income	\$ 0.87	\$ 1.05	\$ 1.56	\$ 1.86
Weighted average shares outstanding – Diluted	29,806	30,791	30,133	30,801

See accompanying notes to consolidated financial statements.

GIBRALTAR INDUSTRIES, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(in thousands)
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net income	\$ 26,004	\$ 32,198	\$ 47,123	\$ 57,144
Other comprehensive income (loss):				
Foreign currency translation adjustment	2,262	(418)	2,311	(1,382)
Total comprehensive income	<u>\$ 28,266</u>	<u>\$ 31,780</u>	<u>\$ 49,434</u>	<u>\$ 55,762</u>

See accompanying notes to consolidated financial statements.

GIBRALTAR INDUSTRIES, INC.
CONSOLIDATED BALANCE SHEETS
(in thousands, except per share data)

	June 30, 2025	December 31, 2024
	(unaudited)	
Assets		
Current assets:		
Cash and cash equivalents	\$ 43,291	\$ 269,480
Trade receivables, net of allowance of \$1,890 and \$1,793, respectively	163,572	114,898
Costs in excess of billings, net	22,000	18,817
Inventories, net	125,860	93,271
Prepaid expenses and other current assets	29,050	22,326
Assets of discontinued operations	369,736	132,540
Total current assets	753,509	651,332
Property, plant, and equipment, net	121,053	87,079
Operating lease assets	59,758	41,558
Goodwill	410,777	323,189
Acquired intangibles	135,754	55,420
Other assets	1,901	1,936
Non-current assets of discontinued operations	—	258,896
	<u>\$ 1,482,752</u>	<u>\$ 1,419,410</u>
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 119,333	\$ 90,705
Accrued expenses	70,655	65,905
Billings in excess of costs	12,342	14,769
Liabilities of discontinued operations	93,948	83,483
Total current liabilities	296,278	254,862
Deferred income taxes	66,653	49,006
Non-current operating lease liabilities	50,562	33,391
Other non-current liabilities	28,079	24,734
Non-current liabilities of discontinued operations	—	9,383
Stockholders' equity:		
Preferred stock, \$0.01 par value; authorized 10,000 shares; none outstanding	—	—
Common stock, \$0.01 par value; authorized 100,000 shares; 34,419 and 34,313 shares issued and outstanding, respectively	344	343
Additional paid-in capital	350,259	343,583
Retained earnings	922,974	875,851
Accumulated other comprehensive loss	(3,015)	(5,326)
Treasury stock, at cost; 4,913 and 3,960 shares, respectively	(229,382)	(166,417)
Total stockholders' equity	1,041,180	1,048,034
	<u>\$ 1,482,752</u>	<u>\$ 1,419,410</u>

See accompanying notes to consolidated financial statements.

GIBRALTAR INDUSTRIES, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)
(unaudited)

	Six Months Ended June 30,	
	2025	2024
Cash Flows from Operating Activities		
Net income	\$ 47,123	\$ 57,144
(Loss) income from discontinued operations	(5,430)	3,206
Income from continuing operations	52,553	53,938
Adjustments to reconcile income from continuing operations to net cash provided by operating activities:		
Depreciation and amortization	16,100	9,466
Stock compensation expense	6,237	5,909
Other, net	442	3,097
Changes in operating assets and liabilities net of effects from acquisitions:		
Trade receivables and costs in excess of billings	(25,240)	(30,913)
Inventories	(12,864)	(8,145)
Other current assets and other assets	(6,168)	572
Accounts payable	18,281	46,719
Accrued expenses and other non-current liabilities	(711)	9,768
Net cash provided by operating activities of continuing operations	48,630	90,411
Net cash provided by (used in) operating activities of discontinued operations	9,928	(758)
Net cash provided by operating activities	58,558	89,653
Cash Flows from Investing Activities		
Acquisitions, net of cash acquired	(192,946)	—
Purchases of property, plant, and equipment, net	(28,960)	(7,326)
Net proceeds from sale of business	352	—
Net cash used in investing activities of continuing operations	(221,554)	(7,326)
Net cash used in investing activities of discontinued operations	(974)	(1,031)
Net cash used in investing activities	(222,528)	(8,357)
Cash Flows from Financing Activities		
Purchase of common stock at market prices	(62,499)	(1,447)
Net cash used in financing activities	(62,499)	(1,447)
Effect of exchange rate changes on cash	280	(173)
Net (decrease) increase in cash and cash equivalents	(226,189)	79,676
Cash and cash equivalents at beginning of year	269,480	99,426
Cash and cash equivalents at end of period	\$ 43,291	\$ 179,102

See accompanying notes to consolidated financial statements.

GIBRALTAR INDUSTRIES, INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(in thousands)
(unaudited)

	Common Stock		Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury Stock		Total Stockholders' Equity
	Shares	Amount				Shares	Amount	
Balance at March 31, 2025	34,401	\$ 344	\$ 346,653	\$ 896,970	\$ (5,277)	4,911	\$ (229,352)	\$ 1,009,338
Net income	—	—	—	26,004	—	—	—	26,004
Foreign currency translation adjustment	—	—	—	—	2,262	—	—	2,262
Stock compensation expense	—	—	3,606	—	—	—	—	3,606
Net settlement of restricted stock units	5	—	—	—	—	2	(105)	(105)
Awards of common stock	13	—	—	—	—	—	—	—
Excise tax on repurchase of common stock	—	—	—	—	—	—	75	75
Balance at June 30, 2025	34,419	\$ 344	\$ 350,259	\$ 922,974	\$ (3,015)	4,913	\$ (229,382)	\$ 1,041,180
Balance at March 31, 2024	34,266	\$ 343	\$ 335,259	\$ 763,457	\$ (3,078)	3,797	\$ (155,796)	\$ 940,185
Net income	—	—	—	32,198	—	—	—	32,198
Foreign currency translation adjustment	—	—	—	—	(418)	—	—	(418)
Stock compensation expense	—	—	3,719	—	—	—	—	3,719
Net settlement of restricted stock units	1	—	—	—	—	—	(13)	(13)
Awards of common stock	7	—	—	—	—	—	—	—
Balance at June 30, 2024	34,274	\$ 343	\$ 338,978	\$ 795,655	\$ (3,496)	3,797	\$ (155,809)	\$ 975,671

See accompanying notes to consolidated financial statements.

GIBRALTAR INDUSTRIES, INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(in thousands)
(unaudited)

	Common Stock		Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury Stock		Total Stockholders' Equity
	Shares	Amount				Shares	Amount	
Balance at December 31, 2024	34,313	\$ 343	\$ 343,583	\$ 875,851	\$ (5,326)	3,960	\$ (166,417)	\$ 1,048,034
Net income	—	—	—	47,123	—	—	—	47,123
Foreign currency translation adjustment	—	—	—	—	2,311	—	—	2,311
Stock compensation expense	—	—	6,677	—	—	—	—	6,677
Net settlement of restricted stock units	93	1	(1)	—	—	38	(2,474)	(2,474)
Awards of common stock	13	—	—	—	—	—	—	—
Excise tax on repurchase of common stock	—	—	—	—	—	—	(491)	(491)
Common stock repurchased under stock repurchase program	—	—	—	—	—	915	(60,000)	(60,000)
Balance at June 30, 2025	34,419	\$ 344	\$ 350,259	\$ 922,974	\$ (3,015)	4,913	\$ (229,382)	\$ 1,041,180
Balance at December 31, 2023	34,219	\$ 342	\$ 332,621	\$ 738,511	\$ (2,114)	3,778	\$ (154,362)	\$ 914,998
Net income	—	—	—	57,144	—	—	—	57,144
Foreign currency translation adjustment	—	—	—	—	(1,382)	—	—	(1,382)
Stock compensation expense	—	—	6,358	—	—	—	—	6,358
Net settlement of restricted stock units	48	1	(1)	—	—	19	(1,447)	(1,447)
Awards of common stock	7	—	—	—	—	—	—	—
Balance at June 30, 2024	34,274	\$ 343	\$ 338,978	\$ 795,655	\$ (3,496)	3,797	\$ (155,809)	\$ 975,671

See accompanying notes to consolidated financial statements.

GIBRALTAR INDUSTRIES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

(1) BASIS OF PRESENTATION

The accompanying unaudited consolidated financial statements of Gibraltar Industries, Inc. (the "Company") have been prepared by management in accordance with U.S. generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. In the opinion of management, all adjustments (consisting of normal recurring adjustments) considered necessary for the fair presentation of results for the interim period have been included. The Company's operations are seasonal; for this and other reasons financial results for any interim period are not necessarily indicative of the results expected for any subsequent interim period or for the full year. The accompanying unaudited consolidated financial statements should be read in conjunction with the financial statements and notes thereto included in the Company's annual report on Form 10-K for the year ended December 31, 2024.

The consolidated balance sheet at December 31, 2024 has been derived from the audited financial statements at that date, but does not include all of the information and footnotes required by U.S. generally accepted accounting principles for complete financial statements.

Discontinued Operations

In June 2025, the Company committed to a plan to sell its Renewables business, which was the sole business in the Renewables segment, and represents a strategic shift that has a significant effect on the Company's operations and financial results, and as such, qualifies for reporting as discontinued operations. The Renewables business results of operations for the periods presented are reflected in the Company's consolidated statements of income and consolidated statements of cash flows as discontinued operations. Additionally, refer to Note 13 "Discontinued Operations" for information regarding the assets and liabilities of the Renewable business that have been classified as assets and liabilities of discontinued operations in the Company's consolidated balance sheets for the periods presented.

Unless otherwise indicated, the consolidated financial statements disclosures and related information disclosed herein relate to the Company's continuing operations, which exclude its Renewables business, and the Company has recast prior period amounts to reflect discontinued operations.

Recent Accounting Pronouncements

The Company evaluated all recent Accounting Standard Updates, including those that are currently effective in or after 2025, and determined that the adoption of these pronouncements would not have a material effect on the financial position, results of operations or cash flows of the Company. There have been no material changes from the recent accounting pronouncements previously disclosed in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2024.

(2) TRADE RECEIVABLES, NET

The following table provides a roll-forward of the allowance for credit losses for the six month period ended June 30, 2025 that is deducted from the amortized cost basis of trade receivables to present the net amount expected to be collected (in thousands):

Beginning balance as of January 1, 2025	\$	1,793
Bad debt expense, net of recoveries		147
Accounts written off against allowance and other adjustments		(50)
Ending balance as of June 30, 2025	\$	<u>1,890</u>

(3) REVENUE

Sales includes revenue from contracts with customers for roof and foundation ventilation products, single point and centralized mail systems, trims, flashings, metal roofing, rain dispersion products and other accessories, retractable awnings and gutter guards; designing, engineering, manufacturing and installation of controlled environmental

agriculture, custom greenhouses and structural canopies; structural bearings, expansion joints, pavement sealant, elastomeric concrete and bridge cable protection systems.

Refer to Note 12 "Segment Information" for disclosures related to disaggregation of revenue.

As of June 30, 2025, the Company's remaining performance obligations are part of contracts that have an original expected duration of one year or less.

For the three and six months ended June 30, 2025 and 2024, respectively, there were no changes to estimated total costs to be incurred related to any individual contract that materially impacted the Company's consolidated financial statements.

Contract assets consist of net costs in excess of billings, classified as current assets in the Company's consolidated balance sheets. Contract liabilities consist of billings in excess of costs, classified as current liabilities, and unearned revenue, presented within accrued expenses, in the Company's consolidated balance sheets. Unearned revenue as of June 30, 2025 and December 31, 2024 was \$0.8 million and \$0.7 million, respectively. The Company recognized revenue of \$12.6 million and \$13.3 million during the six months ended June 30, 2025 and 2024, respectively, that was included in the contract liabilities balance of \$15.4 million and \$17.3 million at December 31, 2024 and 2023, respectively.

(4) INVENTORIES, NET

Inventories, net of reserves, consisted of the following (in thousands):

	June 30, 2025	December 31, 2024
Raw material	\$ 77,579	\$ 48,019
Work-in-process	3,657	4,195
Finished goods	44,624	41,057
Total inventories, net	<u>\$ 125,860</u>	<u>\$ 93,271</u>

Reserve for excess, obsolete and slow moving inventory as of June 30, 2025 and December 31, 2024 was \$3.1 million and \$3.0 million, respectively.

(5) ACQUISITIONS

During the quarter ended March 31, 2025, the Company acquired three businesses in separate transactions all of which were funded with cash on hand. One acquired business is included within the Company's Agtech segment and the other acquired businesses are included in the Company's Residential segment.

On February 11, 2025, the Company purchased all the outstanding stock of Lane Supply, Inc. ("Lane Supply"), a privately held company that designs, manufactures and installs structural canopies serving the convenience store, travel center, food retail, and quick serve restaurant markets. The results of Lane Supply have been included in the Company's consolidated financial results since the date of acquisition within the Company's Agtech segment. The purchase consideration for this acquisition was \$118.0 million, which includes a working capital adjustment and certain other adjustments provided for in the stock purchase agreement.

On March 31, 2025, the Company acquired two privately held businesses within its Residential segment that primarily specialize in the manufacturing of metal roofing systems, along with metal wall panels, siding and trim products. The Company purchased all the outstanding stock of one of the businesses and substantially all of the assets of the other business for a combined preliminary purchase consideration of \$90.2 million, which includes preliminary working capital adjustments and certain other adjustments provided for in the purchase agreements.

The purchase price for these acquisitions were preliminarily allocated to the assets acquired and liabilities assumed based upon their respective fair values estimated as of the date of acquisitions. The Company has commenced the process to confirm the existence, condition, and completeness of the assets acquired and liabilities assumed to establish fair value of such assets and liabilities and to determine the amount of goodwill to be recognized as of the date of acquisitions. Goodwill recognized in these acquisitions are primarily attributable to factors such as future economic benefits arising from other assets acquired that could not be individually identified including workforce additions, growth opportunities, and increased presence in domestic agtech structures and metal roofing markets, respectively. Due to the timing of these acquisitions, we continue to gather information supporting the acquired assets and assumed liabilities. Accordingly, all amounts recorded are provisional. These provisional amounts are subject to change if new information is obtained concerning facts and circumstances that existed as of the acquisition dates that, if known, would have affected the measurement of the amounts recognized as of that date. The final determination of the fair value of certain assets and liabilities will be completed within a measurement period of up to one year from the date of acquisitions. The final values may also result in changes to depreciation and amortization expense related to certain assets such as property, plant and equipment and acquired intangible assets.

For the acquisition of Lane Supply, the preliminary excess consideration was recorded as goodwill and approximated \$38.3 million, none of which is deductible for tax purposes. The final purchase price allocation will be completed no later than the first quarter of fiscal year 2026.

The preliminary allocation of the purchase consideration to the estimated fair value of the assets acquired and liabilities assumed is as follows as of the date of the acquisition (in thousands):

Cash	\$	2,671
Working capital		20,481
Property, plant and equipment		6,707
Acquired intangible assets		67,100
Other assets		671
Other liabilities		(17,951)
Goodwill		38,300
Fair value of purchase consideration	\$	<u>117,979</u>

The intangible assets acquired in this acquisition consisted of the following (in thousands):

	Fair Value	Weighted-Average Amortization Period
Trademarks	\$ 6,800	20 years
Customer relationships	55,000	15 years
Backlog	5,300	Less than 1 year
Total	<u>\$ 67,100</u>	

For the acquisition of the two metal roofing businesses, the preliminary excess consideration was recorded as goodwill and approximated \$48.3 million, all of which is deductible for tax purposes. The final purchase price allocation will be completed no later than the first quarter of fiscal year 2026.

The preliminary allocation of the purchase consideration to the estimated fair value of the assets acquired and liabilities assumed is as follows as of the date of the acquisitions (in thousands):

Cash	\$	2,328
Working capital		10,740
Property, plant and equipment		4,918
Acquired intangible assets		22,340
Other assets		9,330
Other liabilities		(7,815)
Goodwill		48,327
Fair value of purchase consideration	\$	<u>90,168</u>

The intangible assets acquired in these acquisitions consisted of the following (in thousands):

	Fair Value	Weighted-Average Amortization Period
Trademarks	\$ 3,870	5 -11 years
Customer relationships	18,470	9 - 10 years
Total	<u>\$ 22,340</u>	

In determining the allocation of the purchase price to the assets acquired and liabilities assumed, the Company uses all available information to make fair value determinations using Level 3 unobservable inputs in which little or no market data exists, and therefore, engages independent valuation specialists to assist in the fair value determination of the acquired long-lived assets.

Since the acquisition dates of Lane Supply and the two privately held businesses through June 30, 2025, these acquisitions contributed approximately \$65.3 million in net sales to the Company's consolidated statements of income.

The Company recognized costs related to recent acquisitions comprised of legal and consulting fees within selling, general, and administrative expense of \$0.5 million and \$3.1 million for the three and six months ended June 30, 2025, respectively. No acquisition costs were incurred in the three and six months ended June 30, 2024, respectively.

Pro Forma Information (Unaudited)

The results of Lane Supply (from January 1, 2025 through February 10, 2025) and the two privately held businesses (from January 1, 2025 and March 31, 2025) have not been included in the Company's consolidated statements of income as the Company acquired Lane Supply on February 11, 2025 and the two privately held businesses on March 31, 2025.

The following unaudited pro forma financial information represents a summary of the consolidated results of continuing operations of the Company for the three and six months ended June 30, 2025 and 2024, assuming these acquisitions had been completed on January 1, 2024 (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net sales	\$ 309,517	\$ 318,994	\$ 578,937	\$ 597,479
Operating income	42,151	43,612	74,899	73,765

These pro forma amounts have been compiled by adding the historical results of these businesses to the results of the Company after applying accounting policies and pro forma adjustments primarily for amortization that would have been charged assuming the preliminary fair value adjustments to intangible assets had been applied from January 1, 2024.

The pro forma financial information is not necessarily indicative of the results of continuing operations that would have been achieved if the acquisitions had been effective as of these dates, or of future results.

(6) GOODWILL AND RELATED INTANGIBLE ASSETS

Goodwill

The changes in the carrying amount of goodwill for the six months ended June 30, 2025 are as follows (in thousands):

	Residential	Agtech	Infrastructure	Total
Balance at December 31, 2024	\$ 209,170	\$ 82,341	\$ 31,678	\$ 323,189
Acquired goodwill	48,327	38,300	—	86,627
Foreign currency translation	—	961	—	961
Balance at June 30, 2025	<u>\$ 257,497</u>	<u>\$ 121,602</u>	<u>\$ 31,678</u>	<u>\$ 410,777</u>

Goodwill is recognized net of accumulated impairment losses of \$133.2 million as of June 30, 2025 and December 31, 2024.

The Company is required to regularly assess whether a triggering event has occurred which would require interim impairment testing. The Company determined that no triggering event had occurred as of June 30, 2025 which would require an interim impairment test to be performed.

Acquired Intangible Assets

Acquired intangible assets consisted of the following (in thousands):

	June 30, 2025		December 31, 2024	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Indefinite-lived intangible assets:				
Trademarks	\$ 19,570	\$ —	\$ 19,570	\$ —
Finite-lived intangible assets:				
Backlog	5,300	4,069	—	—
Trademarks	12,920	1,852	2,250	1,473
Unpatented technology	26,711	21,922	26,569	20,919
Customer relationships	124,265	25,194	50,650	21,302
Non-compete agreements	500	475	709	634
	<u>169,696</u>	<u>53,512</u>	<u>80,178</u>	<u>44,328</u>
Total acquired intangible assets	<u>\$ 189,266</u>	<u>\$ 53,512</u>	<u>\$ 99,748</u>	<u>\$ 44,328</u>

The following table summarizes the acquired intangible asset amortization expense (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Amortization expense	\$ 5,697	\$ 1,560	\$ 9,118	\$ 3,198

Amortization expense related to acquired intangible assets for the remainder of fiscal 2025 and the next five years thereafter is estimated as follows (in thousands):

	2025	2026	2027	2028	2029	2030
Amortization expense	\$ 7,499	\$ 11,559	\$ 10,971	\$ 10,730	\$ 10,668	\$ 9,508

(7) LONG-TERM DEBT

The Company had no outstanding debt as of June 30, 2025 and December 31, 2024.

Revolving Credit Facility

On December 8, 2022, the Company entered into a Credit Agreement (the "Credit Agreement") which provides for a revolving credit facility and letters of credit in an aggregate amount equal to \$400 million. The following table sets forth the Company's availability on the revolving credit facility as of (in thousands):

	June 30, 2025	December 31, 2024
Total revolving credit facility	\$ 400,000	\$ 400,000
Less: standby letters of credit issued to third parties	(5,054)	(4,931)
Availability on revolving credit facility	<u>\$ 394,946</u>	<u>\$ 395,069</u>

The Company can request additional financing to increase the revolving credit facility to \$700 million or enter into a term loan of up to \$300 million subject to conditions set forth in the Credit Agreement. The Credit Agreement contains two financial covenants. As of June 30, 2025, the Company was in compliance with all financial covenants. The Credit Agreement terminates on December 8, 2027.

Borrowings under the Credit Agreement bear interest, at the Company's option, at a rate equal to the applicable margin plus (a) a base rate, (b) a daily simple secured overnight financing rate ("SOFR") rate, (c) a term SOFR rate or (d) for certain foreign currencies, a foreign currency rate, in each case subject to a 0% floor. The Credit Agreement includes an applicable margin which ranges from 0.125% to 1.00% for base rate loans and from 1.125% to 2.00% for SOFR and alternative currency loans based on the Company's Total Net Leverage Ratio, as defined in the Credit Agreement. In addition, the Credit Agreement is subject to an annual commitment fee, payable quarterly, which ranges between 0.20% and 0.25% of the daily average undrawn balance of the revolving credit facility based on the Company's Total Net Leverage Ratio.

Borrowings under the Credit Agreement are secured by the trade receivables, inventory, personal property, equipment, and general intangibles of the Company's significant domestic subsidiaries. Capital distributions are subject to certain Total Net Leverage Ratio requirements and capped by an annual aggregate limit under the Credit Agreement.

(8) EQUITY-BASED COMPENSATION

The Gibraltar Industries, Inc. Amended and Restated 2018 Equity Incentive Plan (the "Amended 2018 Plan") which includes a total of 1,631,707 shares available for issuance, allows the Company to grant equity-based incentive compensation awards in the form of non-qualified options, restricted shares, restricted stock units, performance shares, performance stock units, and stock rights to eligible participants.

The Gibraltar Industries, Inc. Amended and Restated 2016 Stock Plan for Non-Employee Directors (the "Non-Employee Directors Plan") which includes 200,000 shares available for issuance, allows the Company to grant awards of shares of the Company's common stock to current non-employee directors of the Company, and permits the Directors to defer receipt of such shares pursuant to the terms of the Non-Employee Directors Plan.

Equity-Based Awards - Settled in Stock

The following table provides the number of stock units granted during the six months ended June 30, along with the weighted-average grant-date fair value of each award:

Awards	2025		2024	
	Number of Awards	Weighted-Average Grant-Date Fair Value	Number of Awards	Weighted-Average Grant-Date Fair Value
Performance stock units (1) (2)	137,940	\$ 61.98	58,582	\$ 77.70
Restricted stock units	57,119	\$ 64.20	33,846	\$ 77.95
Deferred stock units	2,172	\$ 52.95	3,340	\$ 68.86
Common shares	13,032	\$ 52.95	6,680	\$ 68.86

- (1) The Company's performance stock units ("PSUs") represent shares granted for which the final number of shares earned depends on financial performance.
- (2) The PSUs granted in 2024, based on the Company's return on invested capital ("ROIC") for the performance period ended December 31, 2024, earned 45.0% of the targeted PSUs awarded. Therefore, 26,363 units will convert to shares and be issued in 2027.

Equity-Based Awards - Settled in Cash

The Company's equity-based awards that are settled in cash are the awards under the Management Stock Purchase Plan (the "MSPP") which is authorized under the Company's equity incentive plans. The MSPP provides participants the ability to defer a portion of their compensation, convertible to unrestricted investments, restricted stock units, or a combination of both, or defer a portion of their directors' fees, convertible to restricted stock units. Employees eligible to defer a portion of their compensation also receive a company-matching award in restricted stock units equal to a percentage of their deferred compensation.

The deferrals and related company match are credited to an account that represents a share-based liability. The portion of the account deferred to unrestricted investments is measured at fair market value of the unrestricted investments, and the portion of the account deferred to restricted stock units and company-matching restricted stock units is measured at a 200-day average of the Company's stock price. The account will be converted to and settled in cash payable to participants upon retirement or a termination of their service to the Company.

Total MSPP liabilities recorded on the consolidated balance sheet as of June 30, 2025 were \$22.9 million, of which \$4.3 million was included in current accrued expenses and \$18.6 million was included in non-current liabilities. Total MSPP liabilities recorded on the consolidated balance sheet as of December 31, 2024 were \$23.7 million, of which \$3.2 million was included in current accrued expenses and \$20.5 million was included in non-current liabilities. The value of the restricted stock units within the MSPP liabilities was \$16.8 million and \$18.1 million at June 30, 2025 and December 31, 2024, respectively.

The following table provides the number of restricted stock units credited to active participant accounts and the payments made with respect to MSPP liabilities:

	Six Months Ended June 30,	
	2025	2024
Restricted stock units credited	19,414	41,435
MSPP liabilities paid (in thousands)	\$ 1,928	\$ 2,053

(9) EXIT ACTIVITY COSTS AND ASSET IMPAIRMENTS

The Company periodically undertakes restructuring initiatives as part of its focus to improve operating performance and optimize its business portfolio. These initiatives have led to outsourcing or discontinuing low-volume, low margin products, selling or exiting less profitable businesses or product lines, or reorganizing the Company's manufacturing footprint. As a result, the Company has incurred costs related to discrete restructuring events for moving and closing facilities, severance and inventory write-downs during the six months ended June 30, 2025.

The following tables set forth the exit activity costs and asset impairment charges (recoveries) incurred by segment related to the restructuring activities described above (in thousands):

	Three Months Ended June 30,					
	2025			2024		
	Exit Activity	Asset Impairment	Total	Exit Activity	Asset Impairment	Total
Residential	\$ 1,218	\$ —	\$ 1,218	\$ 145	\$ —	\$ 145
Agtech	207	157	364	11	—	11
Infrastructure	—	—	—	—	—	—
Corporate	—	—	—	4	—	4
Total	\$ 1,425	\$ 157	\$ 1,582	\$ 160	\$ —	\$ 160

	Six Months Ended June 30,					
	2025			2024		
	Exit Activity	Asset Impairment	Total	Exit Activity	Asset Impairment	Total
Residential	\$ 2,355	\$ —	\$ 2,355	\$ 145	\$ (72)	\$ 73
Agtech	275	157	432	149	—	149
Infrastructure	—	—	—	—	—	—
Corporate	31	—	31	4	—	4
Total	\$ 2,661	\$ 157	\$ 2,818	\$ 298	\$ (72)	\$ 226

The following table provides a summary of where the exit activity costs and asset impairments were recorded in the consolidated statements of income (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Cost of sales	\$ 346	\$ 11	\$ 580	\$ (61)
Selling, general, and administrative expense	1,236	149	2,238	287
Total exit activity and asset impairment charges	\$ 1,582	\$ 160	\$ 2,818	\$ 226

The following table reconciles the beginning and ending liability for exit activity costs recorded in current accrued expenses on the consolidated balance sheets relating to the Company's restructuring efforts (in thousands):

	2025	2024
Balance at January 1	\$ 121	\$ 23
Exit activity costs recognized	2,661	298
Cash payments	(2,256)	(176)
Balance at June 30	\$ 526	\$ 145

(10) INCOME TAXES

The following table summarizes the provision for income taxes for continuing operations and the applicable effective tax rates:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Provision for income taxes (in thousands)	\$ 9,819	\$ 11,147	\$ 16,920	\$ 19,387
Effective tax rate	25.0%	26.5%	24.4%	26.4%

The effective tax rate for the three and six months ended June 30, 2025 and 2024, respectively, was greater than the U.S. federal statutory rate of 21% due to state taxes and nondeductible permanent differences partially offset by favorable discrete items due to an excess tax benefit on stock-based compensation.

(11) EARNINGS PER SHARE

Weighted average shares outstanding for basic and diluted earnings were as follows (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Basic weighted average shares outstanding	29,717	30,588	30,027	30,580
Dilutive effect of common stock options and stock units	89	203	106	221
Dilutive weighted average shares outstanding	29,806	30,791	30,133	30,801

The following table provides the potential anti-dilutive common stock units not included in the diluted weighted average shares calculations (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Common stock units	76	13	63	2

(12) SEGMENT INFORMATION

The Company has three reportable segments: Residential, Agtech, and Infrastructure. The Company's reportable segments are each managed separately because they design, engineer, manufacture, and where applicable install, distinct products with different production processes.

- Residential consists of operating segments that sell the following products and services to major retail home centers, building material wholesalers, building product distributors, roofing distributors, residential contractors, property management companies, manufactured housing dealers, postal services distributors and providers, and online direct to end consumers: roof and foundation ventilation products, single point and centralized mail systems and package solutions, outdoor living space products (sun-shading), rain dispersion systems, metal roofing job site services, and other construction accessories.
- Agtech consists of an operating segment that sells the following products and services to large-scale indoor commercial growers, agricultural research, development facilities, as well as convenience store, travel centers, food retailers, and quick-serve restaurants: design, manufacture and build controlled environmental agriculture, custom greenhouses and structural canopies.
- Infrastructure consists of an operating segment that sells the following products to commercial and transportation contractors and fabricators: expansion joints, structural bearings, rubber pre-formed seals and other sealants, elastomeric concrete, and bridge cable protection systems.

The accounting policies of the Company's segments are the same as those described in Note 1 "Summary of Significant Accounting Policies" included in the Company's annual report on Form 10-K for the year ended December 31, 2024. The following tables illustrate certain measurements used by management to assess the performance of the segments described above (in thousands):

	Three Months Ended June 30, 2025			
	Residential	Agtech	Infrastructure	Total
Net sales	\$ 230,258	\$ 54,092	\$ 25,167	\$ 309,517
Less (1):				
Operating expenses (2)	186,647	54,586	18,084	259,317
Segment profit (loss)	43,611	(494)	7,083	50,200
<i>Reconciliation of segment profit</i>				
Unallocated corporate expenses				(10,694)
Interest expense, net				(354)
Other income, net				105
Income before taxes from continuing operations				\$ 39,257

	Three Months Ended June 30, 2024			
	Residential	Agtech	Infrastructure	Total
Net sales	\$ 214,316	\$ 34,508	\$ 24,800	\$ 273,624
Less (1):				
Operating expenses (2)	171,003	32,226	18,585	221,814
Segment profit	43,313	2,282	6,215	51,810
<i>Reconciliation of segment profit</i>				
Unallocated corporate expenses				(10,988)
Interest income, net				1,495
Other expense, net				(186)
Income before taxes from continuing operations				\$ 42,131

	Six Months Ended June 30, 2025			
	Residential	Agtech	Infrastructure	Total
Net sales	\$ 410,252	\$ 99,132	\$ 46,490	\$ 555,874
Less (1):				
Operating expenses (2)	335,381	96,241	34,149	465,771
Segment profit	74,871	2,891	12,341	90,103
<i>Reconciliation of segment profit</i>				
Unallocated corporate expenses				(21,942)
Interest income, net				1,283
Other income, net				29
Income before taxes from continuing operations				\$ 69,473

	Six Months Ended June 30, 2024			
	Residential	Agtech	Infrastructure	Total
Net sales	\$ 399,427	\$ 68,535	\$ 46,672	\$ 514,634
Less (1):				
Operating expenses (2)	321,768	63,645	35,561	420,974
Segment profit	77,659	4,890	11,111	93,660
<i>Reconciliation of segment profit</i>				
Unallocated corporate expenses				(22,746)
Interest income, net				2,245
Other income, net				166
Income before taxes from continuing operations				\$ 73,325

Footnotes:

- (1) The significant expense category and amounts align with the segment-level information that is regularly provided to the CODM.
- (2) Operating expenses for each reportable segment includes inventory and manufacturing expenses, employee compensation, depreciation and amortization, freight services, other costs of sales expenses, and other selling, general and administrative expenses.

The following table is the reported segment's and unallocated corporate reported depreciation and amortization (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Residential	\$ 3,239	\$ 2,507	\$ 5,766	\$ 5,098
Agtech	4,539	808	7,299	1,638
Infrastructure	699	747	1,400	1,492
Unallocated corporate expenses	817	641	1,635	1,238
Total depreciation and amortization	\$ 9,294	\$ 4,703	\$ 16,100	\$ 9,466

The following table is the reported segment's and unallocated corporate assets as of (in thousands):

	June 30, 2025	December 31, 2024
Residential	\$ 665,811	\$ 497,317
Agtech	298,960	156,941
Infrastructure	81,750	78,366
Unallocated corporate assets	66,495	295,350
Assets of discontinued operations	369,736	391,436
Total assets	\$ 1,482,752	\$ 1,419,410

The following presents disaggregated revenue by timing of transfer of control to customers by reported segment (in thousands):

	Three Months Ended June 30, 2025			
	Residential	Agtech	Infrastructure	Total
Point in Time	\$ 230,258	\$ 144	\$ 11,674	\$ 242,076
Over Time	—	53,948	13,493	67,441
Total net sales	\$ 230,258	\$ 54,092	\$ 25,167	\$ 309,517

	Three Months Ended June 30, 2024			
	Residential	Agtech	Infrastructure	Total
Point in Time	\$ 212,524	\$ 189	\$ 10,839	\$ 223,552
Over Time	1,792	34,319	13,961	50,072
Total net sales	\$ 214,316	\$ 34,508	\$ 24,800	\$ 273,624

	Six Months Ended June 30, 2025			
	Residential	Agtech	Infrastructure	Total
Point in Time	\$ 410,252	\$ 420	\$ 19,554	\$ 430,226
Over Time	—	98,712	26,936	125,648
Total net sales	\$ 410,252	\$ 99,132	\$ 46,490	\$ 555,874

	Six Months Ended June 30, 2024			
	Residential	Agtech	Infrastructure	Total
Point in Time	\$ 395,856	\$ 2,528	\$ 17,149	\$ 415,533
Over Time	3,571	66,007	29,523	99,101
Total net sales	\$ 399,427	\$ 68,535	\$ 46,672	\$ 514,634

(13) DISCONTINUED OPERATIONS

In June 2025, the Company committed to a plan to sell its Renewables business, which represents a strategic shift in operations. The decision was driven by a change in the Company's long-term strategy to focus its asset portfolio and resources on its Residential, Agtech and Infrastructure segments. The Renewables business was classified as held for sale as of June 30, 2025, and met the criteria for discontinued operations. As of June 30, 2025, the Company has engaged a third-party financial advisor to assist in locating a buyer and the sale is expected to be completed with a third-party buyer within twelve months. The Renewables business was previously reported under the Renewables segment in accordance with ASC Subtopic 280.

Upon classifying the Renewables business as held for sale and as a discontinued operation, the Company conducted a fair value measurement analysis and determined that the Renewables business' fair value less cost to sell was greater than its carrying amount. As a result, no related measurement adjustment was recognized in the consolidated statements of income for the three and six months ended June 30, 2025.

The following table provides the carrying amounts and a reconciliation of the major classes of assets and liabilities included in discontinued operations related to the Renewables business which have been segregated from the Company's continuing operations and are reported as assets and liabilities of discontinued operations held for sale, respectively, in the consolidated balance sheets at (in thousands):

	June 30, 2025	December 31, 2024
Assets of the discontinued operations:		
Trade receivables, net	\$ 52,781	\$ 54,452
Costs in excess of billings, net	13,093	15,753
Inventories, net	39,267	44,869
Prepaid expenses and other current assets	7,154	17,466
Total current assets	112,295	132,540
Property, plant, and equipment, net	21,448	22,741
Operating lease assets	5,460	3,463
Goodwill	184,230	184,230
Acquired intangibles	46,303	48,462
Total non-current assets	257,441	258,896
Total assets classified as discontinued operations (1)	\$ 369,736	\$ 391,436
Liabilities of the discontinued operations:		
Accounts payable	\$ 22,380	\$ 26,703
Accrued expenses	30,622	29,759
Billings in excess of costs	29,441	27,021
Total current liabilities	82,443	83,483
Deferred income taxes	7,649	7,649
Non-current operating lease liabilities	3,856	1,734
Total non-current liabilities	11,505	9,383
Total liabilities classified as discontinued operations (1)	\$ 93,948	\$ 92,866

(1) Total held for sale assets and liabilities of the discontinued operations are classified as current on the June 30, 2025 consolidated balance sheet as it is probable that the sale will occur and proceeds will be collected within one year.

The following table is the components of the (loss) income from discontinued operations before taxes (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net sales	\$ 53,588	\$ 79,381	\$ 97,246	\$ 130,877
Operating expenses	58,969	77,895	105,790	127,078
(Loss) income before taxes	\$ (5,381)	\$ 1,486	\$ (8,544)	\$ 3,799

(14) SUBSEQUENT EVENT

On July 4, 2025, the U.S. enacted a budget reconciliation package known as the One Big Beautiful Bill Act of 2025 ("OBBBA"). Changes in tax laws may affect recorded deferred tax assets and deferred tax liabilities and the Company's effective tax rate in the future. The Company continues to evaluate the impacts that OBBBA may have on its Consolidated Financial Statements and currently, does not expect any material change to its ongoing tax rate as a result of this legislation.

On July 31, 2025, the Company purchased substantially all of the assets of a privately held business within its Residential segment that primarily specializes in the manufacturing of metal roofing systems, for \$16.0 million in an all cash transaction, subject to customary working capital and other adjustments, and for which the preliminary purchase price allocation has not yet been determined.

Item 2. *Management's Discussion and Analysis of Financial Condition and Results of Operations*

Certain information set forth herein includes statements that express our opinions, expectations, beliefs, plans, objectives, assumptions or projections regarding future events or future results and, therefore are, or may be deemed to be, "forward-looking statements." These forward-looking statements can generally be identified by the use of forward-looking terminology, including the terms "believes," "anticipates," "aspires," "expects," "estimates," "seeks," "projects," "intends," "plans," "may," "will" or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. They include statements regarding our intentions, beliefs or current expectations concerning, among other things, our results of operations, financial condition, liquidity, prospects, growth, competition, strategies, margins, integration of acquired businesses, the industries in which we operate and the expected impact of evolving laws and regulation. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. We believe that these risks and uncertainties include, but are not limited to, those described in the "Risk Factors" disclosures in our most recent Annual Report on Form 10-K. Although we base these forward-looking statements on assumptions that we believe are reasonable when made, we caution you that forward-looking statements are not guarantees of future performance and that our actual results of operations, financial condition, liquidity and the development of the industries in which we operate may differ materially from those made in or suggested by the forward-looking statements contained herein. In addition, even if our results of operations, financial condition, liquidity, and the development of the industries in which we operate are consistent with the forward-looking statements contained in this Quarterly Report on Form 10-Q, those results or developments may not be indicative of results or developments in subsequent periods. Given these risks and uncertainties, you are cautioned not to place undue reliance on these forward-looking statements. Any forward-looking statements that we make herein speak only as of the date of those statements, and we undertake no obligation to update those statements or to publicly announce the results of any revisions to any of those statements to reflect future events or developments. Comparisons of results for current and any prior periods are not intended to express any future trends or indications of future performance, unless expressed as such, and should only be viewed as historical data.

The Company uses certain operating performance measures, specifically consolidated gross margin, operating margin by segment and consolidated operating margin, to manage the Company's businesses, set operational goals, and establish performance targets for incentive compensation for the Company's employees. The Company defines consolidated gross margin as a percentage of total consolidated gross profit to total consolidated net sales. The Company defines operating margin by segment as a percentage of total income from operations by segment to total net sales by segment and consolidated operating margin as a percentage of total consolidated income from operations to total consolidated net sales. The Company believes consolidated gross margin, consolidated operating margin, and operating margin by segment may be useful to investors in evaluating the profitability of the Company's segments and the Company on a consolidated basis.

Overview

Gibraltar Industries, Inc. (the "Company") is a leading manufacturer and provider of products and services for the residential, agtech, and infrastructure markets.

The Company operates and reports its results in the following three reporting segments:

- Residential
- Agtech
- Infrastructure

The Company's continuing operations serve customers primarily in North America including home improvement retailers, wholesalers, distributors, contractors, institutional and commercial growers of fruits, vegetables, flowers and other plants, convenience store, travel centers, food retailers, and quick-serve restaurants.

At June 30, 2025, the Company's continuing operations operated in thirty-six facilities, comprised of thirty-one manufacturing facilities and five offices, which are located in nineteen states, Canada, and China. The Company's operational infrastructure provides the necessary scale to support local, regional, and national customers in each of the Company's markets.

Recent Trends

Impacts of Macroeconomic Conditions on our Business

The Company is closely monitoring the fluid nature of the current macroeconomic conditions as it could be adversely impacted by the potential expansion of tariffs for imports of raw materials, primarily steel and aluminum, used in its manufacturing processes, as well as responsive or related policies enacted in other countries.

The global and regional economic conditions may cause volatility in demand for our products as well as cost of materials and logistics, and transportation delays. These conditions may result in impacts to the pricing of the Company's products, product availability and its results of operations, for which such impact is uncertain at this time.

Business Strategy

The Company's mission is to make life better for people and the planet, fueled by advancing the disciplines of engineering, science, and technology. The Company is innovating to reshape critical markets in comfortable living and productive growing throughout North America. Furthermore, the Company strives to create compounding and sustainable value for its stockholders and stakeholders with strong and relevant leadership positions in higher growth, profitable end markets focused on addressing some of the world's most challenging opportunities. The foundation of the Company's strategy is built on three core pillars: Business System, Portfolio Management, and Organization Development.

1. Business System reflects the necessary systems, processes, and management tools required to deliver consistent and continuous performance improvement, every day. The Company's business system is a critical enabler to grow, scale, and deliver its plans. The Company's focus is on deploying effective tools to drive growth, improve operating performance, and develop the organization utilizing 80/20 and lean quote-to-cash initiatives along with digital systems for speed, agility and responsiveness. The Business System pillar challenges existing operating paradigms, drives day-to-day performance, forces prioritization of resources, tests the Company's business models, and drives new product and services innovation.
2. Portfolio Management is focused on optimizing the Company's business portfolio in higher growth markets with leadership positions while ensuring its financial capital and human resources are effectively and efficiently deployed to deliver sustainable, profitable growth while increasing its relevance with customers and shaping its markets.
3. Organization Development drives the Company's continuous focus on ensuring it has the right design and structure to scale the organization in order to execute the Company's plans and meet commitments. The Company's focus is on creating an environment for our people to have the best opportunity for success, continue to develop, grow and learn. At the core of this pillar is the Company's development process focused on helping employees reach their potential, improve performance, develop career roadmaps, identify ongoing education requirements, and succession plans. The Company believes doing so helps it attract and retain the best people to execute its business plans.

The Company believes the key elements of the Company's strategy enable the Company to respond timely to changes in the end markets the Company serves, including the broader market dynamics experienced over the past few years. The Company continues to examine the need for restructuring of the Company's operations, including consolidation of facilities, reducing overhead costs, curtailing investments in working capital, and managing the Company's business to generate incremental cash. The Company believes its strategy enables the Company to respond to volatility in commodity and other input costs and fluctuations in customer demand, along with striving to maintain and improve margins. The Company has used cash flows generated by these initiatives to improve the Company's liquidity position, invest in growth initiatives, including most recently the acquisition of three businesses in separate transactions all of which were funded with cash on hand, and return capital to the Company's shareholders through share repurchases. Overall, the Company continues to strive to achieve stronger financial results, make more efficient use of capital, and deliver higher stockholder returns.

Recent Developments

On July 31, 2025, the Company purchased substantially all of the assets of a privately held business that primarily specializes in the manufacturing of metal roofing systems for \$16.0 million in an all cash transaction, subject to customary working capital and other adjustments. This business will be reported as part of the Company's Residential segment.

In June 2025, the Company committed to a plan to sell its Renewables business, which represents a strategic shift in operations. The decision was driven by a change in the Company's long-term strategy to focus its asset portfolio and resources on its Residential, Agtech and Infrastructure segments. The Renewables business was classified as held for sale as of June 30, 2025, and met the criteria for discontinued operations.

In April 2025, the Company's Board of Directors authorized a new share repurchase program of up to \$200 million of the Company's issued and outstanding common stock. The new program has a duration of three years, ending April 30, 2028. Repurchases may be made, from time to time, in amounts and at prices the Company deems appropriate, subject to market conditions, applicable legal requirements, debt covenants and other considerations. Any such repurchases may be executed using open market purchases, privately negotiated agreements or other transactions. The repurchase program may be suspended or discontinued at any time at the Company's discretion.

On March 31, 2025, the Company acquired two privately held businesses that primarily specialize in the manufacturing of metal roofing systems. The Company purchased all the outstanding stock of one of the businesses and substantially all of the assets of the other business for a combined preliminary purchase consideration of \$90 million in an all cash transaction. These businesses are reported as part of the Company's Residential segment.

On February 11, 2025, the Company purchased all the outstanding stock of Lane Supply, a privately held company that designs, manufactures and installs structural canopies serving the convenience store, travel center, food retail, and quick serve restaurant markets, for \$117 million in an all cash transaction. Lane Supply is reported as part of the Company's Agtech segment.

On December 17, 2024, the Company sold its electronic locker business within its Residential segment to a third party and received net proceeds of \$28 million.

Results of Operations

Three Months Ended June 30, 2025 Compared to the Three Months Ended June 30, 2024

The following table sets forth selected results of operations data and percentage of net sales for the three months ended June 30 (in thousands):

	2025		2024	
Net sales	\$ 309,517	100.0 %	\$ 273,624	100.0 %
Cost of sales	221,682	71.6 %	190,296	69.5 %
Gross profit	87,835	28.4 %	83,328	30.5 %
Selling, general, and administrative expense	48,329	15.6 %	42,506	15.6 %
Income from operations	39,506	12.8 %	40,822	14.9 %
Interest expense (income)	354	0.1 %	(1,495)	(0.6) %
Other (income) expense	(105)	0.0 %	186	0.1 %
Income before taxes	39,257	12.7 %	42,131	15.4 %
Provision for income taxes	9,819	3.2 %	11,147	4.1 %
Income from continuing operations	29,438	9.5 %	30,984	11.3 %
(Loss) income from discontinued operations	(3,434)	(1.1) %	1,214	0.5 %
Net income	\$ 26,004	8.4 %	\$ 32,198	11.8 %

The following table sets forth the Company's net sales by reportable segment for the three months ended June 30, (in thousands):

	2025	2024	Total Change	Impact of		
				Acquisitions	Portfolio Management	Ongoing Operations
Net sales:						
Residential	\$ 230,258	\$ 214,316	\$ 15,942	\$ 20,624	\$ (2,808)	\$ (1,874)
Agtech	54,092	34,508	19,584	29,364	—	(9,780)
Infrastructure	25,167	24,800	367	—	—	367
Consolidated	\$ 309,517	\$ 273,624	\$ 35,893	\$ 49,988	\$ (2,808)	\$ (11,287)

Consolidated net sales increased by \$35.9 million, or 13.1%, to \$309.5 million for the three months ended June 30, 2025 compared to the three months ended June 30, 2024. The increase in revenue was driven by \$50.0 million of net sales generated from the first quarter 2025 acquisitions of Lane Supply in the Agtech segment and the two metal roofing manufacturers in the Residential segment. This increase was partially offset by a 4% decrease in organic revenue, primarily the result of delayed project starts in the Agtech segment, along with revenues from the prior year related to the Company's portfolio management action in which the residential electronic locker business was sold at the end of 2024. Consolidated backlog increased 43% to \$278 million, as compared to the end of the prior year quarter.

Net sales in the Company's Residential segment increased \$15.9 million, or 7.5%, to \$230.3 million for the three months ended June 30, 2025 compared to \$214.3 million for the three months ended June 30, 2024. The revenue increase was largely due to \$20.6 million generated from the first quarter 2025 acquisition of the two metal roofing manufacturers, which more than offset portfolio management activities in the prior year related to the sale of the Company's residential electronic locker business. Continued slowness in mail and package product sales, which are driven mainly by new construction starts from the previous year, was offset by participation gains from local market expansion and recently launched building accessories products.

Net sales in the Company's Agtech segment increased 56.8%, or \$19.6 million, to \$54.1 million for the three months ended June 30, 2025 compared to \$34.5 million for the three months ended June 30, 2024. The revenue increase was largely due to \$29.4 million generated from the first quarter 2025 acquisition of Lane Supply, which more than offset a 28.3% decrease in organic sales related to shifts in large new project starts into the second half of the year. Backlog increased 71% year over year in this segment, driven by both the acquisition of Lane Supply and organic orders.

Net sales in the Company's Infrastructure segment increased 1.6%, or \$0.4 million, to \$25.2 million for the three months ended June 30, 2025 compared to \$24.8 million for the three months ended June 30, 2024. The increase in revenue was a result of continued strong execution and demand. Backlog increased 3% from the prior year.

The Company's consolidated gross margin decreased to 28.4% for the three months ended June 30, 2025 compared to 30.5% for the three months ended June 30, 2024. The decrease was driven by product line mix, partially offset by overall continued operational efficiencies along with 80/20 initiatives.

Selling, general, and administrative ("SG&A") expense increased by \$5.8 million, or 13.7% to \$48.3 million for the three months ended June 30, 2025 compared to \$42.5 million for the three months ended June 30, 2024. The \$5.8 million increase was primarily due to incremental SG&A expense incurred by recent acquisitions, partially offset by lower performance-based compensation expense as compared to the prior year quarter. SG&A expense as a percentage of net sales was flat at 15.6% for the three months ended June 30, 2025 and 2024, respectively.

The following table sets forth the Company's income from operations and income from operations as a percentage of net sales by reportable segment for the three months ended June 30, (in thousands):

	2025		2024		Total Change
Income from operations:					
Residential	\$ 43,611	18.9 %	\$ 43,313	20.2 %	\$ 298
Agtech	(494)	(0.9)%	2,282	6.6 %	(2,776)
Infrastructure	7,083	28.1 %	6,215	25.1 %	868
Unallocated Corporate Expenses	(10,694)	(3.5)%	(10,988)	(4.0)%	294
Consolidated income from operations	\$ 39,506	12.8 %	\$ 40,822	14.9 %	\$ (1,316)

The Residential segment generated an operating margin of 18.9% in the current year quarter compared to 20.2% in the prior year quarter. Operating margin declined year over year, primarily as a result of product mix and lower volume during the current year quarter.

The Agtech segment generated an operating margin of (0.9)% in the current year quarter compared to 6.6% in the prior year quarter. Operating margin declined year over year due to costs related to the acquisition of Lane Supply along with the impact from shift in timing of large projects into the second half of the year.

The Infrastructure segment generated an operating margin of 28.1% during the three months ended June 30, 2025 compared to 25.1% during the three months ended June 30, 2024. The margin improved year over year driven by strong execution, supply chain management and product line mix.

Unallocated corporate expenses decreased \$0.3 million from \$11.0 million during the three months ended June 30, 2024 to \$10.7 million during the three months ended June 30, 2025. The decrease was largely the result of lower performance-based compensation expense partially offset by higher acquisition-related expense as compared to the prior year quarter.

The Company recorded interest expense of \$0.4 million for the three months ended June 30, 2025, compared to interest income of \$1.5 million for the three months ended June 30, 2024. Expense during the current year quarter was the result of maintenance fees associated with the revolving credit facility nearly offset by earnings on certain interest-bearing cash accounts during the three months ended June 30, 2025. Interest income during the prior year quarter was the result of earnings on certain interest-bearing cash accounts.

The Company recorded other income of \$0.1 million for the three months ended June 30, 2025, compared to other expense of \$0.2 million for the three months ended June 30, 2024.

The Company recognized a provision for income taxes of \$9.8 million and \$11.1 million, with effective tax rates of 25.0% and 26.5% for the three months ended June 30, 2025, and 2024, respectively. The effective tax rate for the three months ended June 30, 2025 and 2024, respectively, was greater than the U.S. federal statutory rate of 21% due to state taxes and nondeductible permanent differences partially offset by favorable discrete items due to an excess tax benefit on stock-based compensation.

Six Months Ended June 30, 2025 Compared to the Six Months Ended June 30, 2024

The following table sets forth selected results of operations data and percentage of net sales for the six months ended June 30 (in thousands):

	2025		2024	
Net sales	\$ 555,874	100.0 %	\$ 514,634	100.0 %
Cost of sales	398,186	71.6 %	359,219	69.8 %
Gross profit	157,688	28.4 %	155,415	30.2 %
Selling, general, and administrative expense	89,527	16.1 %	84,501	16.4 %
Income from operations	68,161	12.3 %	70,914	13.8 %
Interest income	(1,283)	(0.2)%	(2,245)	(0.4)%
Other income	(29)	0.0 %	(166)	0.0 %
Income before taxes	69,473	12.5 %	73,325	14.2 %
Provision for income taxes	16,920	3.0 %	19,387	3.7 %
Income from continuing operations	52,553	9.5 %	53,938	10.5 %
(Loss) income from discontinued operations	(5,430)	(1.0)%	3,206	0.6 %
Net income	\$ 47,123	8.5 %	\$ 57,144	11.1 %

The following table sets forth the Company's net sales by reportable segment for the six months ended June 30, (in thousands):

	2025	2024	Total Change	Impact of		
				Acquisitions	Portfolio Management	Ongoing Operations
Net sales:						
Residential	\$ 410,252	\$ 399,427	\$ 10,825	\$ 20,624	\$ (5,553)	\$ (4,246)
Agtech	99,132	68,535	30,597	44,648	—	(14,051)
Infrastructure	46,490	46,672	(182)	—	—	(182)
Consolidated	\$ 555,874	\$ 514,634	\$ 41,240	\$ 65,272	\$ (5,553)	\$ (18,479)

Consolidated net sales increased by \$41.2 million, or 8.0%, to \$555.9 million for the six months ended June 30, 2025 compared to the six months ended June 30, 2024. The increase in revenue was driven by \$65.3 million of net sales generated from the current year acquisitions of Lane Supply in the Agtech segment and the two metal roofing manufacturers in the Residential segment. This increase was partially offset by a 3.6% decrease in organic revenue, the result of delayed project starts in the Agtech segment and revenues from the prior year related to the Company's portfolio management action in which the residential electronic locker business was sold at the end of 2024. Consolidated backlog increased 43% to \$278 million, as compared to prior year.

Net sales in the Company's Residential segment increased \$10.8 million, or 2.7%, to \$410.3 million for the six months ended June 30, 2025 compared to \$399.4 million for the six months ended June 30, 2024. The increase was largely due to \$20.6 million generated from the current year acquisition of the two metal roofing manufacturers, which more than offset portfolio management activities in the prior year related to the sale of the Company's residential electronic locker business and a decrease in organic revenue. Continued slowness in mail and package product sales, which are driven mainly by new construction starts from the previous year, was offset by participation gains from local market expansion and recently launched building accessories products.

Net sales in the Company's Agtech segment increased 44.6%, or \$30.6 million, to \$99.1 million for the six months ended June 30, 2025 compared to \$68.5 million for the six months ended June 30, 2024. The revenue increase was largely due to \$44.6 million generated from the current year acquisition of Lane Supply, which more than offset a 20.5% decrease in organic sales related to shifts in large new project starts into the second half of the year. Backlog increased 71% year over year in this segment, driven by both the acquisition of Lane Supply and organic orders.

Net sales in the Company's Infrastructure segment were essentially flat for the six months ended June 30, 2025 as compared to the six months ended June 30, 2024. Backlog increased 3% from the prior year.

The Company's consolidated gross margin decreased to 28.4% for the six months ended June 30, 2025 compared to 30.2% for the six months ended June 30, 2024. The decrease was driven by product line mix, partially offset by overall continued operational efficiencies along with 80/20 initiatives.

Selling, general, and administrative ("SG&A") expense increased by \$5.0 million, or 5.9% to \$89.5 million for the six months ended June 30, 2025 compared to \$84.5 million for the six months ended June 30, 2024. The \$5.0 million increase was primarily due to incremental SG&A expense incurred by recent acquisitions, partially offset by lower performance-based compensation expense as compared to the prior year. SG&A expense as a percentage of net sales decreased to 16.1% for the six months ended June 30, 2025 compared to 16.4% for the six months ended June 30, 2024.

The following table sets forth the Company's income from operations and income from operations as a percentage of net sales by reportable segment for the six months ended June 30, (in thousands):

	2025		2024		Total Change
Income from operations:					
Residential	\$ 74,871	18.3 %	\$ 77,659	19.4 %	\$ (2,788)
Agtech	2,891	2.9 %	4,890	7.1 %	(1,999)
Infrastructure	12,341	26.5 %	11,111	23.8 %	1,230
Unallocated Corporate Expenses	(21,942)	(3.9)%	(22,746)	(4.4)%	804
Consolidated income from operations	\$ 68,161	12.3 %	\$ 70,914	13.8 %	\$ (2,753)

The Residential segment generated an operating margin of 18.3% in the current year compared to 19.4% in the prior year. Operating margin declined year over year, primarily as a result of product mix and lower volume during the current year.

The Agtech segment generated an operating margin of 2.9% in the current year compared to 7.1% in the prior year. Operating margin declined year over year due to costs related to the acquisition of Lane Supply along with the impact from the shift in timing of large projects into the second half of the year.

The Infrastructure segment generated an operating margin of 26.5% during the six months ended June 30, 2025 compared to 23.8% during the six months ended June 30, 2024. The margin improved year over year driven by strong execution, supply chain management and product line mix.

Unallocated corporate expenses decreased \$0.8 million from \$22.7 million during the six months ended June 30, 2024 to \$21.9 million during the six months ended June 30, 2025. The decrease was largely the result of lower performance-based compensation expense partially offset by higher acquisition-related expense as compared to the prior year.

The Company recorded interest income of \$1.3 million for the six months ended June 30, 2025, compared to \$2.2 million for the six months ended June 30, 2024. The decrease in interest income during the current year was the result of earnings on lower average balances on certain interest-bearing cash accounts during the six months ended June 30, 2025 compared to the six months ended June 30, 2024.

Other income for the six months ended June 30, 2025, was essentially flat as compared to the six months ended June 30, 2024.

The Company recognized a provision for income taxes of \$16.9 million and \$19.4 million, with effective tax rates of 24.4% and 26.4% for the six months ended June 30, 2025, and 2024, respectively. The effective tax rate for the six months ended June 30, 2025 and 2024, respectively, was greater than the U.S. federal statutory rate of 21% due to state taxes and nondeductible permanent differences partially offset by favorable discrete items due to an excess tax benefit on stock-based compensation.

Liquidity and Capital Resources

The following table sets forth the Company's liquidity position as of (in thousands):

	June 30, 2025	December 31, 2024
Cash and cash equivalents	\$ 43,291	\$ 269,480
Availability on revolving credit facility	394,946	395,069
	<u>\$ 438,237</u>	<u>\$ 664,549</u>

Sources of Liquidity

The Company's primary sources of liquidity are comprised of cash on hand and its available borrowing capacity provided under the Company's Credit Agreement. The Credit Agreement provides for a revolving credit facility and letters of credit in an aggregate amount equal to \$400 million and terminates on December 8, 2027. The Company can request additional financing to increase the revolving credit facility to \$700 million or enter into a term loan of up to \$300 million subject to conditions set forth in the Credit Agreement. See Note 7 to the Company's consolidated financial statements in Part I, Item 1, Financial Statements, of this Quarterly Report on Form 10-Q for further information on the Credit Agreement.

Generally, the Company's foreign operations have generated cash flow from operations sufficient to invest in working capital and fund their capital improvements. As of June 30, 2025 and December 31, 2024, the Company's foreign subsidiaries held \$6.9 million and \$8.9 million of cash, respectively.

The Company believes that these sources, together with cash expected to be generated from operations, should provide the Company with ample liquidity and capital resources to meet both its short-term and long-term cash requirements and to continue to invest in operational excellence, growth initiatives, share repurchases and the development of the organization.

Uses of Cash / Cash Requirements

The Company's material short-term cash requirements primarily include accounts payable, certain employee and retiree benefit-related obligations, operating lease obligations, capital expenditures, and other purchase obligations originating in the normal course of business for inventory purchase orders and contractual service agreements. The Company's principal capital requirements are to fund its operations' working capital and capital improvements, as well as provide capital for acquisitions and to strategically allocate capital through repurchases of Company stock under the Company's new authorized program as further detailed below. The Company will continue to invest in growth opportunities as appropriate while focusing on working capital efficiency and profit improvement opportunities to minimize the cash invested to operate its business.

In April 2025, the Company's Board of Directors authorized a new share repurchase program of up to \$200 million of the Company's issued and outstanding common stock. The new program has a duration of three years, ending April 30, 2028. Repurchases may be made, from time to time, in amounts and at prices the Company deems appropriate, subject to market conditions, applicable legal requirements, debt covenants and other considerations. Any such repurchases may be executed using open market purchases, privately negotiated agreements or other transactions. The repurchase program may be suspended or discontinued at any time at the Company's discretion.

Over the long-term, the Company expects that future investments, including strategic business acquisitions, may be financed through a number of sources, including internally available cash, availability under the Credit Agreement, new debt financing, the issuance of equity securities, or any combination of the aforementioned.

These expectations are forward-looking statements based upon currently available information and may change if conditions in the credit and equity markets deteriorate or other circumstances change. To the extent that operating cash flows are lower than current levels, or sources of financing are not available or not available at acceptable terms, the Company's future liquidity may be adversely affected.

Except as disclosed above, there have been no material changes in the Company's cash requirements since December 31, 2024. See Part II, Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Company's Annual Report on Form 10-K for the year ended December 31, 2024.

Cash Flows

The following table sets forth selected cash flow data for the six months ended June 30, (in thousands):

	<u>2025</u>	<u>2024</u>
Net cash provided by (used in):		
Operating activities of continuing operations	\$ 48,630	\$ 90,411
Investing activities of continuing operations	(221,554)	(7,326)
Financing activities	(62,499)	(1,447)
Discontinued operations	8,954	(1,789)
Effect of foreign exchange rate changes	280	(173)
Net (decrease) increase in cash and cash equivalents	<u>\$ (226,189)</u>	<u>\$ 79,676</u>

Operating Activities

Net cash provided by operating activities of continuing operations for the six months ended June 30, 2025 of \$48.6 million consisted of income from continuing operations of \$52.6 million, non-cash net charges totaling \$22.7 million, which include depreciation, amortization, stock-based compensation and other non-cash charges, and \$26.7 million of cash invested in working capital and other net operating assets. The cash invested in working capital and other net operating assets was primarily the result of increases in accounts receivable and inventory, partially offset by increases in accounts payable, largely the result of seasonal demand.

Net cash provided by operating activities of continuing operations for the six months ended June 30, 2024 of \$90.4 million consisted of income from continuing operations of \$53.9 million, non-cash net charges totaling \$18.5 million, which include depreciation, amortization, stock-based compensation and other non-cash charges, and \$18.0 million of cash generated from working capital and other net operating assets. The cash generated from working capital and other net operating assets was largely due to increases in accounts payable, the result of the timing of purchases and vendor payments, and billings in excess of costs, the result of increased advance payments from and billings to customers on projects. These activities were partially offset by increases in accounts receivable and inventory, largely the result of seasonal demand.

Investing Activities

Net cash used in investing activities of continuing operations for the six months ended June 30, 2025 was \$221.6 million, primarily due to the acquisitions of Lane Supply and the two metal roofing related businesses of \$192.9 million, and net capital expenditures of \$29.0 million largely related to the purchases of two facilities. These investments were partially offset by a receipt of the \$0.3 million final working capital settlement received in connection with the sale of the Company's electronic locker business within the Company's Residential segment in the fourth quarter of 2024.

Net cash used in investing activities of continuing operations for the six months ended June 30, 2024 of \$7.3 million was due to net capital expenditures.

Financing Activities

Net cash used in financing activities for the six months ended June 30, 2025 of \$62.5 million consisted of common stock repurchases. The Company paid \$60.0 million during the six months ended June 30, 2025 related to the repurchase of 914,679 shares under the Company's authorized share repurchase program. The remainder of the repurchased common stock of \$2.5 million related to the net settlement of tax obligations for participants in the Company's equity incentive plans.

Net cash used in financing activities for the six months ended June 30, 2024 of \$1.4 million consisted of common stock repurchases related to the net settlement of tax obligations for participants in the Company's equity incentive plans.

Critical Accounting Estimates

As a result of the three separate businesses acquired in 2025, the Company has reinstated critical accounting estimates related to measuring and recognizing the fair value of assets acquired and liabilities assumed in significant business combination transactions. Additionally, there have been no other material changes to the Company's critical accounting estimates during the three and six months ended June 30, 2025 from those disclosed in the consolidated financial statements and accompanying notes contained in the Company's Annual Report on Form 10-K for the year ended December 31, 2024.

Measuring and Recognizing the Fair Value of Assets Acquired and Liabilities Assumed in a Significant Business Combination

When the Company acquires a business, the Company allocates the purchase price to the assets acquired and liabilities assumed in the transaction at their respective estimated fair values. The Company records any premium over the fair value of net assets acquired as goodwill. Significant judgment is necessary to determine the fair value of the purchase price. The allocation of the purchase price involves judgments and estimates both in characterizing the assets and in determining their fair value. The way the Company characterizes the assets has important implications, as long-lived assets with definitive lives, for example, are depreciated or amortized, whereas goodwill is tested annually for impairment, as explained above.

With respect to determining the fair value of assets acquired in a significant business combination, the most subjective estimates involve valuations of long-lived assets, such as identified intangible assets and property, plant, and equipment. The Company uses all available information to make these fair value determinations and engage independent valuation specialists to assist in the fair value determination of the acquired long-lived assets. The fair values of long-lived assets are determined using valuation techniques that use discounted cash flow methods, independent market appraisals, and other acceptable valuation techniques. The significant assumptions used to estimate the value of the intangible assets included discount rates, customer attrition, and certain assumptions that form the basis of the forecasted results (e.g., revenue growth rates and operating profit margin). The significant assumptions related to estimating the fair value of the intangible assets above are forward looking and could be affected by future economic market conditions.

Recent Accounting Pronouncements

See Note 1 to the Company's consolidated financial statements in Part I, Item 1 of this Quarterly Report on Form 10-Q for further information on recent accounting pronouncements.

Item 3. ***Quantitative and Qualitative Disclosures About Market Risk***

In the ordinary course of business, the Company is exposed to various market risk factors, including changes in general economic conditions, competition, interest rates, foreign exchange rates, and raw materials pricing and availability. In addition, the Company is exposed to other financial market risks, primarily related to its foreign operations. In the current year, there have been no material changes in the information provided under Item 7A in the Company's Annual Report on Form 10-K for the year ended December 31, 2024.

Item 4. ***Controls and Procedures***

(a) Evaluation of Disclosure Controls and Procedures

The Company maintains a system of disclosure controls and procedures (as defined in Rule 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended). Management of the Company, under the supervision and with the participation of the Chief Executive Officer and the Chief Financial Officer, evaluated the effectiveness of the Company's disclosure controls and procedures as of the end of the period covered in this report. Based upon that evaluation and the definition of disclosure controls and procedures contained in Rule 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended, the Company's Chief Executive Officer and Chief Financial Officer have concluded that as of the end of such period the Company's disclosure controls and procedures were effective.

(b) Changes in Internal Control over Financial Reporting

The Company acquired Lane Supply, Inc. on February 11, 2025 and two metal roofing related businesses on March 31, 2025. The aforementioned acquisitions will be excluded from management's annual report on internal control over financial reporting for the year ending December 31, 2025. The Company implemented a new Enterprise

Resource Planning (“ERP”) system for two of the Company's operating units in the Residential segment during the quarter ended June 30, 2025. The implementation of this ERP system is expected to, among other things, improve user access security and automate a number of accounting and reporting processes and activities, thereby decreasing the amount of manual processes previously required. Except for the acquisitions of Lane Supply, Inc. and two metal roofing related businesses and the implementation of the aforementioned ERP system, there have been no changes in the Company's internal control over financial reporting (as defined by Rule 13a-15(f) or 15d-15(f) under the Securities Exchange Act of 1934, as amended) that occurred during the period covered by this Quarterly Report on Form 10-Q that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

From time to time the Company has been and may in the future become involved in litigation, as well as other legal proceedings in the ordinary course of the Company's business. The Company maintains liability insurance against risks arising out of the normal course of business. While the outcome of these legal proceedings cannot be predicted with certainty, the Company's management, based on currently available facts, does not believe that the ultimate outcome of any pending litigation will have a material effect on the Company's consolidated financial condition, results of operations, or liquidity.

There were no material legal proceedings terminated, settled, or otherwise resolved during the quarter ended June 30, 2025.

Item 1A. Risk Factors

In addition to the other information set forth in this report, you should carefully consider the risks discussed in “Part I, Item 1A. Risk Factors” in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2024. These risks and uncertainties have the potential to materially affect the Company's business, financial condition, results of operation, cash flows, and future prospects. Additional risks and uncertainties not currently known to the Company or that the Company currently deems immaterial may materially adversely impact the Company's business, financial condition, or operating results. During the quarter ended June 30, 2025, there have been no material changes from the risk factors previously disclosed in the Company's Form 10-Q for the quarter ended March 31, 2025 and the Annual Report on Form 10-K for the fiscal year ended December 31, 2024.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

In April 2025, the Company's Board of Directors authorized a new share repurchase program of up to \$200 million of the Company's issued and outstanding common stock. The new program has a duration of three years, ending April 30, 2028. Repurchases may be made, from time to time, in amounts and at prices the Company deems appropriate, subject to market conditions, applicable legal requirements, debt covenants and other considerations. Any such repurchases may be executed using open market purchases, privately negotiated agreements or other transactions. The repurchase program may be suspended or discontinued at any time at the Company's discretion.

The previously authorized share repurchase program, which was publicly announced on May 4, 2022, expired on May 2, 2025.

The Company did not purchase shares during the quarter ended June 30, 2025 and the dollar value of shares that may yet be purchased under the new program authorized in April 2025 is \$200 million.

The Company did not sell unregistered equity securities during the period covered by this report.

Item 3. Defaults Upon Senior Securities

Not applicable.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

During the quarter ended June 30, 2025, none of the Company's directors or officers (as defined in Rule 16a-1(f) under the Exchange Act) adopted, modified, or terminated a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement" as each term is defined in Item 408(a) of Regulation S-K.

Item 6. Exhibits

- [3.1](#) Certificate of Incorporation of Gibraltar Industries, Inc., as amended by: (i) Certificate of Amendment of Certificate of Incorporation of Gibraltar Industries, Inc. filed on October 27, 2004, (ii) Certificate of Change of Registered Agent and Registered Office of Gibraltar Industries, Inc. filed on May 11, 2005, (iii) Certificate of Amendment of Certificate of Incorporation of Gibraltar Industries, Inc. filed on May 22, 2012, (iv) Certificate of Amendment of Certificate of Incorporation of Gibraltar Industries, Inc. filed on May 11, 2015, (v) Certificate of Change of Registered Agent and/or Registered Office filed on January 10, 2019, (vi) Certificate of Amendment of Certificate of Incorporation of Gibraltar Industries, Inc. filed on May 6, 2021 (incorporated by reference to Exhibit 3.1 to the Company's Quarterly Report on Form 10-Q filed on August 3, 2021), (vii) [Certificate of Amendment to the Certificate of Incorporation of Gibraltar Industries, Inc.](#) filed on May 3, 2023 (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on May 8, 2023), and (viii) [Certificate of Amendment of the Certificate of Incorporation of Gibraltar Industries, Inc.](#) filed on May 1, 2025 (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on May 1, 2025)
- [3.2](#) Second Amended and Restated By-Laws of Gibraltar Industries, Inc., effective as of December 7, 2022 (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K/A filed on December 9, 2022)
- [31.1](#)* Certification of Chairman of the Board, President and Chief Executive Officer pursuant to Section 302 of the Sarbanes–Oxley Act of 2002.
- [31.2](#)* Certification of Vice President and Chief Financial Officer pursuant to Section 302 of the Sarbanes–Oxley Act of 2002.
- [32.1](#)*^ Certification of the Chairman of the Board, President and Chief Executive Officer pursuant to Title 18, United States Code, Section 1350, as adopted pursuant to Section 906 of the Sarbanes–Oxley Act of 2002.
- [32.2](#)*^ Certification of the Vice President and Chief Financial Officer pursuant to Title 18, United States Code, Section 1350, as adopted pursuant to Section 906 of the Sarbanes–Oxley Act of 2002.
- 101.INS* Inline XBRL Instance Document
- 101.SCH* Inline XBRL Taxonomy Extension Schema Document
- 101.CAL* Inline XBRL Taxonomy Extension Calculation Linkbase Document
- 101.LAB* Inline XBRL Taxonomy Extension Label Linkbase Document
- 101.PRE* Inline XBRL Taxonomy Extension Presentation Linkbase Document
- 101.DEF* Inline XBRL Taxonomy Extension Definition Linkbase Document
- 104 Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Submitted electronically with this Quarterly Report on Form 10-Q.

^ Documents are furnished not filed herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

GIBRALTAR INDUSTRIES, INC.
(Registrant)

/s/ William T. Bosway
William T. Bosway
Chairman of the Board, President and Chief Executive Officer

/s/ Joseph A. Lovechio
Joseph A. Lovechio
Vice President and Chief Financial Officer

Date: August 6, 2025

CERTIFICATIONS

I, William T. Bosway, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Gibraltar Industries, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 6, 2025

/s/ William T. Bosway

William T. Bosway

Chairman of the Board, President and Chief
Executive Officer

CERTIFICATIONS

I, Joseph A. Lovechio, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Gibraltar Industries, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 6, 2025

/s/ Joseph A. Lovechio

Joseph A. Lovechio

Vice President and Chief Financial Officer

**CERTIFICATION OF CHAIRMAN OF THE BOARD, PRESIDENT AND CHIEF EXECUTIVE OFFICER
PURSUANT TO TITLE 18, UNITED STATES CODE, SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

I, William T. Bosway, Chairman of the Board, President and Chief Executive Officer, of Gibraltar Industries, Inc. (the "Company"), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that:

The Quarterly Report on Form 10-Q of the Company for the quarter ended June 30, 2025 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m); and

The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ William T. Bosway

William T. Bosway

Chairman of the Board, President and Chief
Executive Officer

August 6, 2025

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

CERTIFICATION OF VICE PRESIDENT AND CHIEF FINANCIAL OFFICER
PURSUANT TO TITLE 18, UNITED STATES CODE, SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Joseph A. Lovechio, Vice President and Chief Financial Officer, of Gibraltar Industries, Inc. (the "Company"), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that:

The Quarterly Report on Form 10-Q of the Company for the quarter ended June 30, 2025 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m); and

The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Joseph A. Lovechio

Joseph A. Lovechio

Vice President and Chief Financial Officer

August 6, 2025

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.