

FOURTH QUARTER 2021 EARNINGS CALL

February 23, 2022

GIBRALTAR

SAFE HARBOR STATEMENTS

Forward-Looking Statements

Certain information set forth in this presentation, other than historical statements, contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 that are based, in whole or in part, on current expectations, estimates, forecasts, and projections about the Company’s business, and management’s beliefs about future operations, results, and financial position. These statements are not guarantees of future performance and are subject to a number of risk factors, uncertainties, and assumptions. Actual events, performance, or results could differ materially from the anticipated events, performance, or results expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially from current expectations include, among other things, the availability and pricing of our principal raw materials and component parts, supply chain challenges causing project delays and field operations inefficiencies and disruptions, availability of labor at our manufacturing and distribution facilities or on our project sites, the impacts of COVID-19 on the global economy and on our customers, suppliers, employees, operations, business, liquidity and cash flows, the loss of any key customers, other general economic conditions and conditions in the particular markets in which we operate, changes in customer demand and capital spending, competitive factors and pricing pressures, our ability to develop and launch new products in a cost-effective manner, our ability to realize synergies from newly acquired businesses, disruptions to our IT systems, the impact of regulation, rebates, credits and incentives and variations in government spending and our ability to derive expected benefits from restructuring, productivity initiatives, liquidity enhancing actions, and other cost reduction actions. Before making any investment decisions regarding our company, we strongly advise you to read the section entitled “Risk Factors” in our most recent annual report on Form 10-K which can be accessed under the “SEC Filings” link of the “Investor Info” page of our website at www.Gibraltar1.com. We undertake no obligation to update any forward-looking statement, whether as a result of new information, future events or otherwise, except as may be required by applicable law or regulation.

Adjusted Financial Measures

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

Reconciliations of non-GAAP measures related to full-year 2022 guidance have not been provided due to the unreasonable efforts it would take to provide such reconciliations due to the high variability, complexity and uncertainty with respect to forecasting and quantifying certain amounts that are necessary for such reconciliations.

2021 YEAR IN REVIEW

REVENUE	\$1.34B	+30%
ADJUSTED OPERATING INCOME	\$124M	9.3%
ADJUSTED EBITDA	\$157M	11.8%
ADJUSTED EPS	\$2.78	+1.8%
ORDER BACKLOG	\$344M	+16.0%

GROWTH

- Strong end market demand throughout the year with organic growth up 9% and acquisitions adding 21%
- Order backlog improved on end market strength and new order activity across the business

INCOME

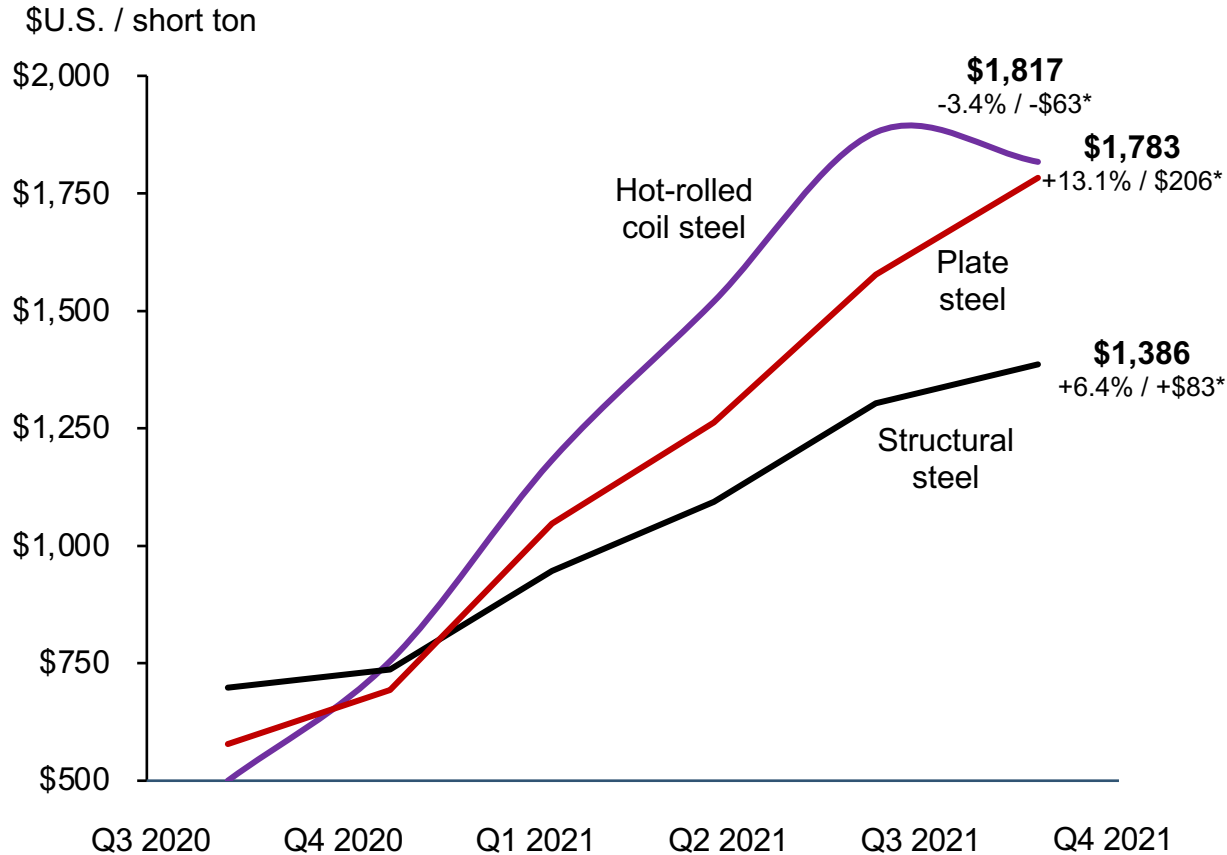
- Adjusted operating income increased \$8M and adjusted EBITDA increased \$13M while margins were lower than planned
- Headwinds accelerated during the year – inflation, labor, transportation, COVID variants

SEGMENTS

- Renewables: margin impacted by industry supply chain issues, inflation, project rescheduling
- Residential: achieved positive price/cost balance in the 4Q and offset macro headwinds
- Agtech: margin improved sequentially the entire year on lower volume, inflation, and supply chain issues
- Infrastructure: delivered strong growth, and margin improvement

COMMODITY COSTS WILL REMAIN ELEVATED AND DYNAMIC

IHS MARKIT – JANUARY 2022 Average Steel Price Per Quarter (Spot)



*Refers to change from Q3 2021

INCREASE VS. Q4 2020**

Commodity	Q3 2021	Q4 2021	Forecast**
HR coil steel	149%	141%	Decrease
Structural steel	77%	88%	Increase
Plate steel	127%	157%	Increase
Aluminum	57%	47%	Increase
Polypropylene	94%	66%	Decrease
Ocean Freight	331%	258%	Hold
Over-the-road	25%	26%	Hold

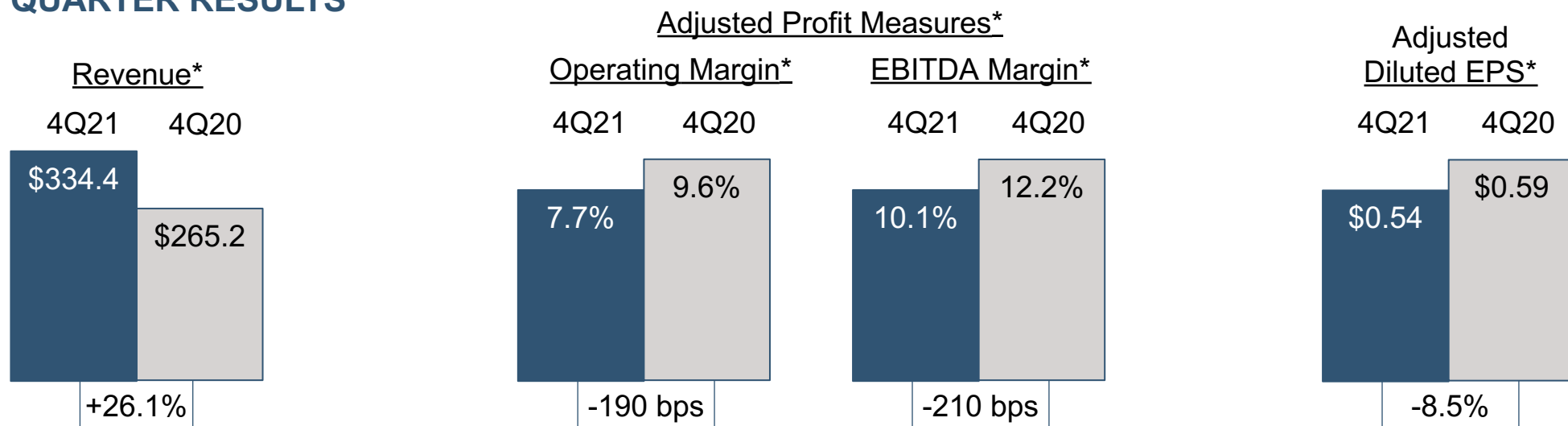
Key Operating Initiatives

1. Optimal price / cost management and balance
2. New products / product cost reduction / modification
3. Automation for labor optimization and efficiency
4. 80/20 and Lean Enterprise
5. Working capital investment – key commodities

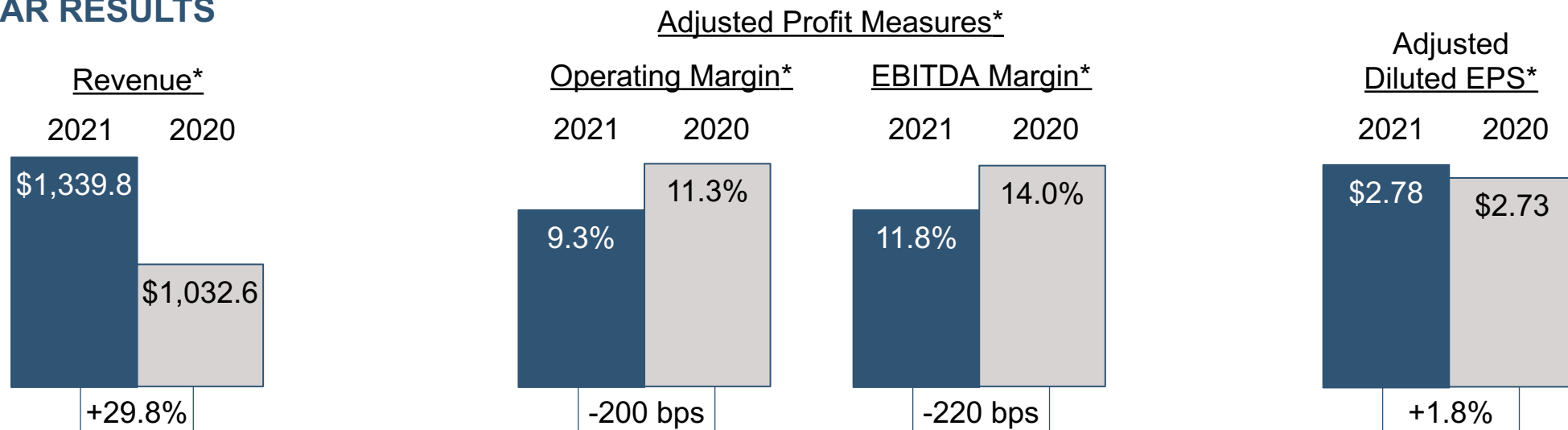
**IHS Markit January 2022 Report

2021 CONSOLIDATED FINANCIAL PERFORMANCE

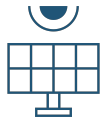
FOURTH QUARTER RESULTS



FULL YEAR RESULTS

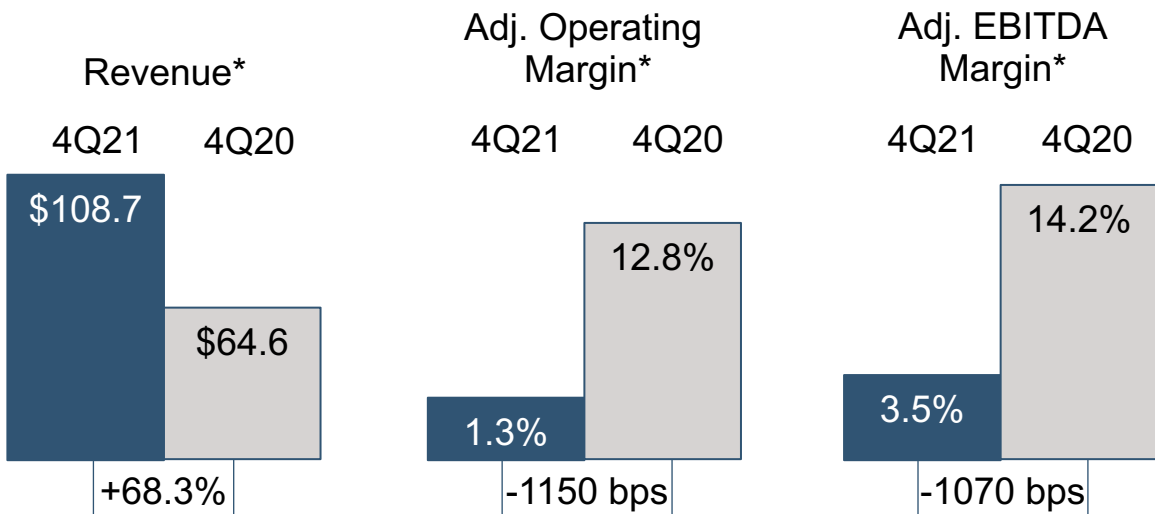


*Amounts are stated in \$Millions. Refer to appendix in the earnings news release for adjusted measures reconciliations.

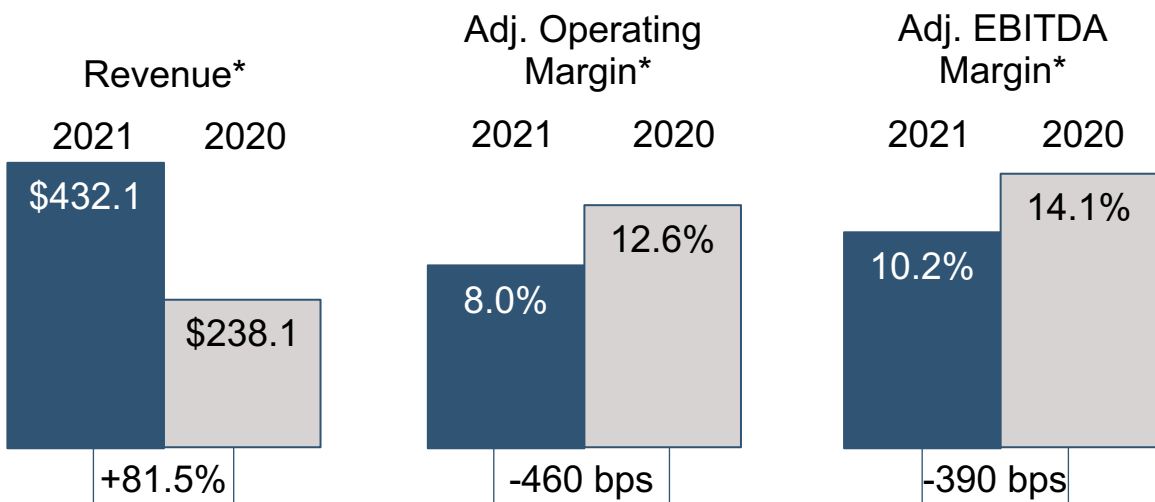


2021 RENEWABLES

FOURTH QUARTER RESULTS



FULL YEAR RESULTS



4Q REVENUE

- Up 68.3% driven by acquisition of Terrasmart
- Proforma down 5.7% in Q4 driven by project movement into 2022 – proforma up over 9% for the year
- Significant growth from TerraTrak tracker in both the quarter and the year
- Sunfig subscriptions for developers up 450%+
- Backlog remains strong - up 27% to \$167 million

4Q ADJUSTED OPERATING & EBITDA MARGIN

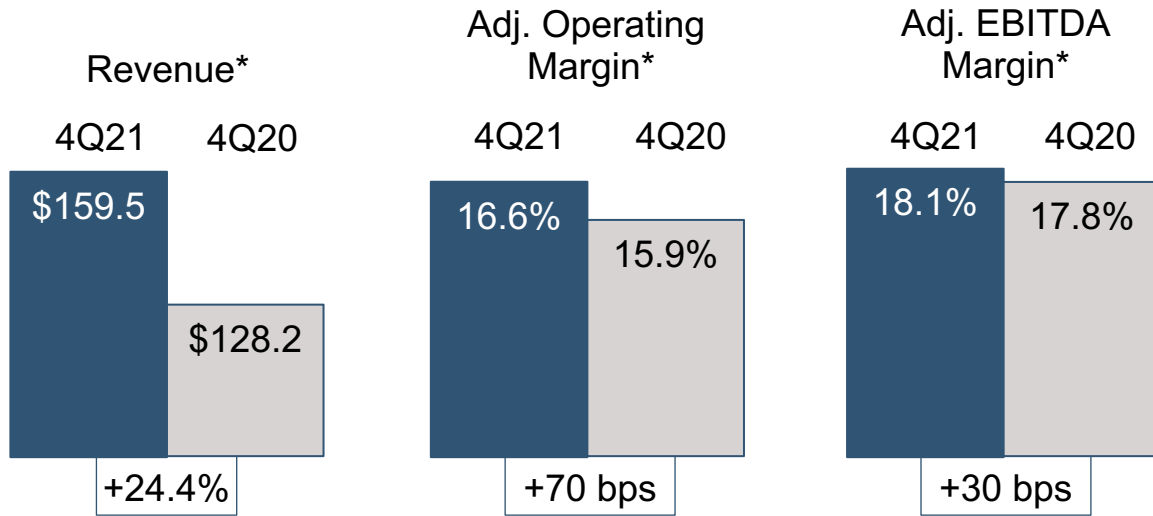
- Performance driven by field operation inefficiencies
 - Panel management created significant project rescheduling driving more cost per unit of revenue
 - Install crew movement, racking field modifications to support panel type and options
- Unanticipated and additional inflation in structural steel impacted canopy racking projects
- Product mix with new TerraTrak - margins will improve with experience and scale

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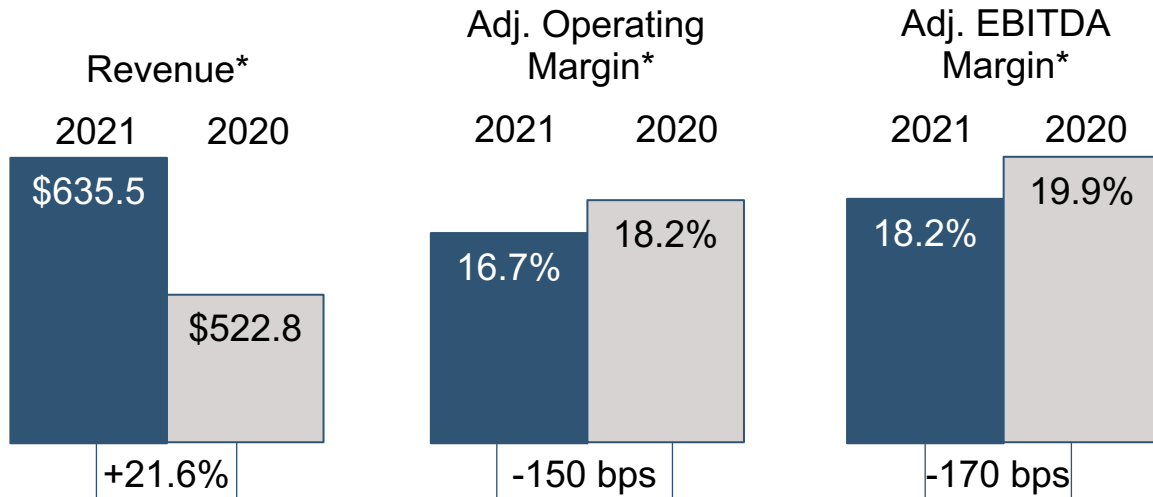


2021 RESIDENTIAL

FOURTH QUARTER RESULTS



FULL YEAR RESULTS



4Q REVENUE

- Up 24.4% - 6th consecutive quarter of double-digit revenue growth
- Driven by price, volume, product line mix and participation gains
- Participation gains driven by...
 - Expansion with existing and new customers
 - Geographic expansion
 - Product wins – new and existing platforms

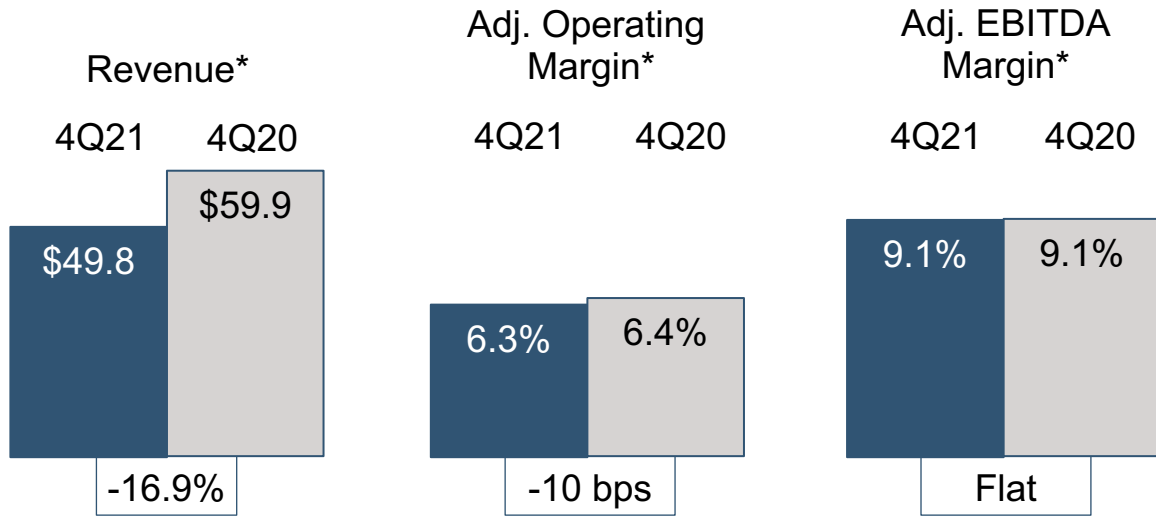
4Q ADJUSTED OPERATING & EBITDA MARGIN

- Improved price / cost alignment as inflation for some commodities slowed and/or declined
- Less supply chain disruption versus Q2 and Q3
- Additional 80/20 initiatives delivered results
- Market and product line mix benefits
- Better productivity as labor management improved

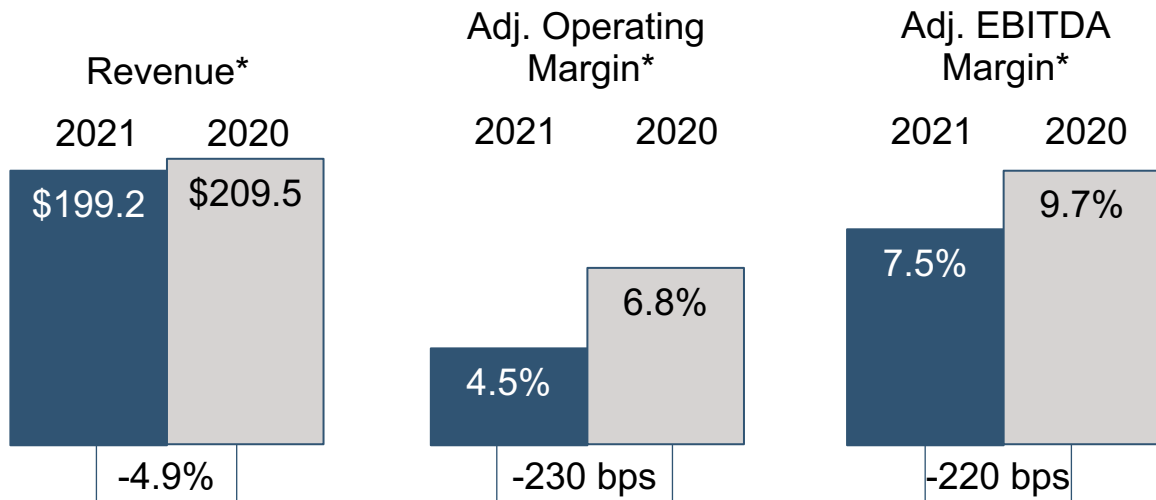
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FOURTH QUARTER RESULTS



FULL YEAR RESULTS



4Q REVENUE

- Down 16.9%
 - Revenue timing for Produce projects due to supply chain delays and Canadian water rights / permits
 - Cannabis project delays related to new permit delays at the State and local level
- Backlog up 1% end of Q4 – new January 2022 bookings drive current backlog to \$113M
 - Up 22% since December year-end
 - Up 34% vs. January 2021

4Q ADJUSTED OPERATING & EBITDA MARGIN

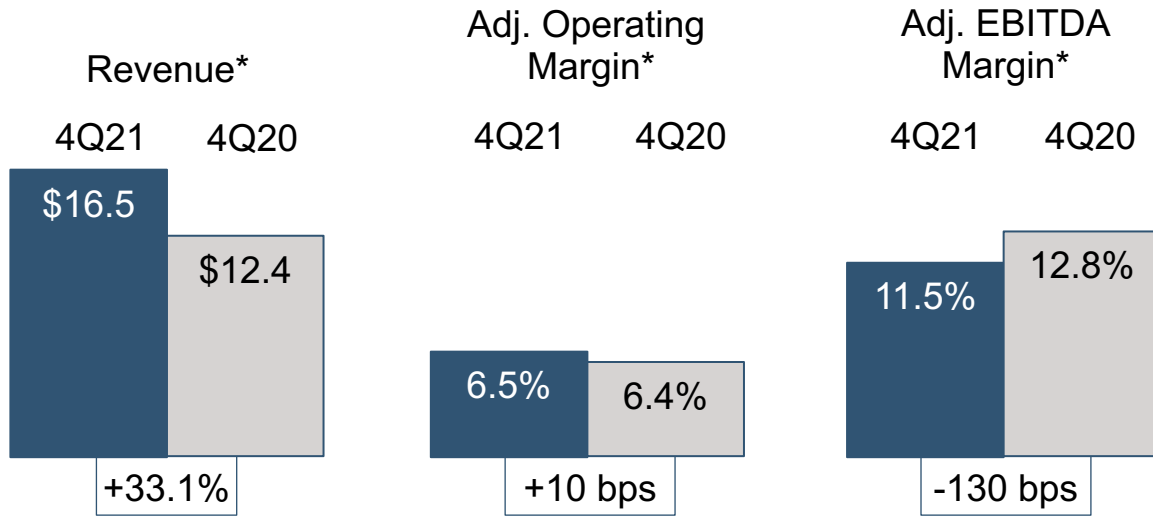
- Operating margin improved 120 bps sequentially despite revenue delays and additional inflation - structural steel, aluminum, glass
 - Headwinds offset by improved execution and supply chain improvements
 - Business mix benefits and improvement in Produce margins
- Expect positive momentum to continue with good backlog, system improvements, and business mix

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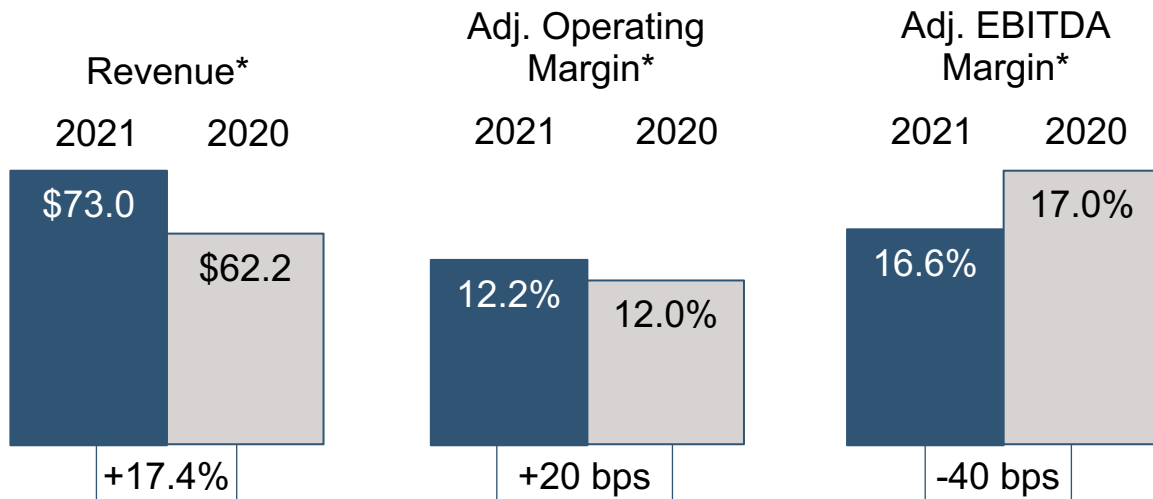


2021 INFRASTRUCTURE

FOURTH QUARTER RESULTS



FULL YEAR RESULTS



4Q REVENUE

- Up 33.1%
 - Solid demand for manufactured product given more funding available for projects
 - Non-fabricated product demand accelerated as customers catch up on projects deferred in 2020
- Order backlog up 12% to \$47M - solid demand moving into 2022
 - “Engineering” backlog also strong due to government spending expected in 4Q 2022

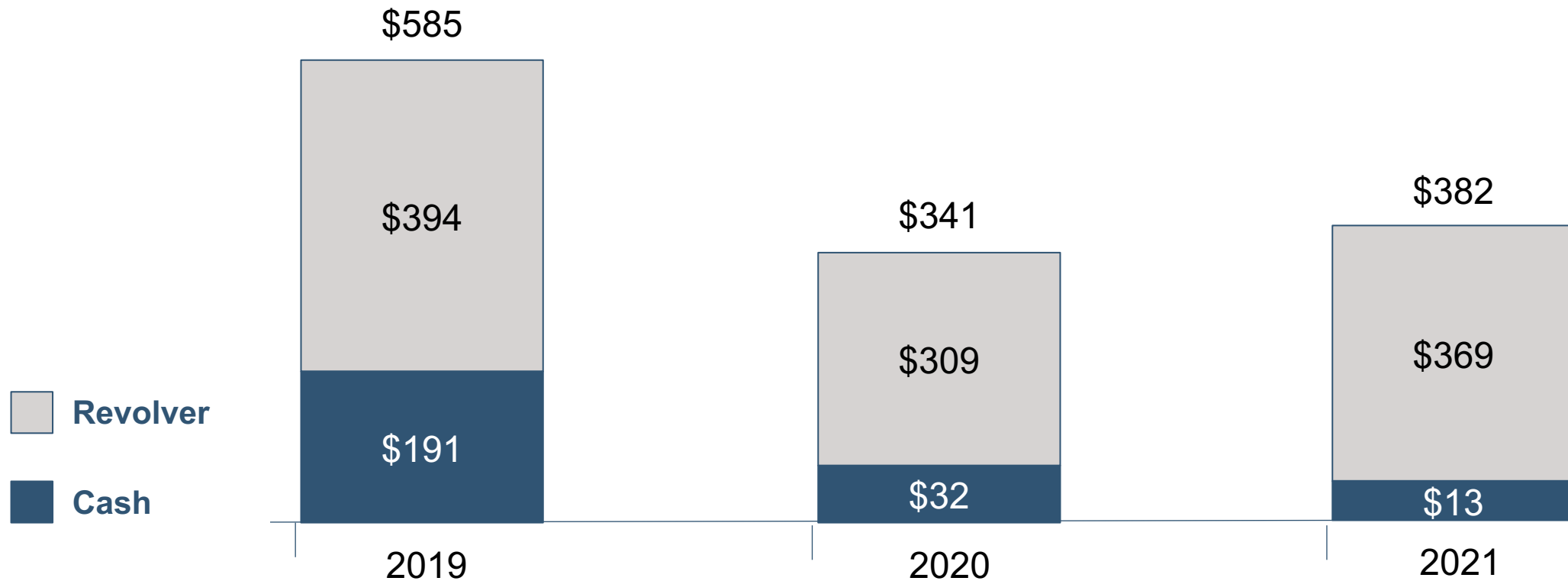
4Q ADJUSTED OPERATING & EBITDA MARGIN

- Improved margin 10 bps in the quarter, 20 bps full year
- Offset additional headwinds
 - Manufactured product
 - Structural and plate steel inflation
 - Labor availability
 - Non-fabricated product (high margin)
 - Supplier closure due to Hurricane Ida (100+ days)

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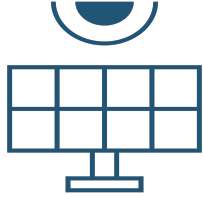

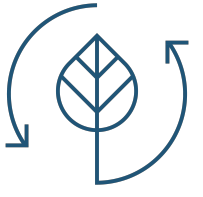

BALANCE SHEET REMAINS HEALTHY AND SUPPORTS INVESTMENTS FOR GROWTH

LIQUIDITY (\$M)



0.19X Leverage & 0.11X Net Leverage - Repay Revolver During 2022 From Operating Cash Flow

PORTFOLIO POSITIONED IN ATTRACTIVE MARKETS – GROWTH & PROFITABILITY

					
REVENUE (\$M) (2021)	\$432	\$636	\$199	\$73	Established leadership position
GROWTH (\$M) (‘19-’21 CAGR)	\$202 +37%	\$174 +17%	\$56 +18%	\$9 +7%	Growing faster than market
ADJ OPER MARGIN (\$M) (2021)	\$35 8%	\$106 17%	\$9 5%	\$9 12%	Improved capability to manage current environment

DELIVER DOUBLE DIGIT MARGIN IN RENEWABLES & AGTECH IN 2022

KEY TRENDS AND INITIATIVES ENTERING 2022 – SIMPLIFY AND FOCUS

RENEWABLES	% OF 2021 REVENUE	MARKET TRENDS / ASSUMPTIONS	KEY INITIATIVES
	32%	<ul style="list-style-type: none"> • General quote activity remains very robust in the C&I solar space • Supply chain disruption will continue through 2Q – WRO, duties issues • Steel costs – hot-rolled coil down, structural & plate stays elevated • No incremental ITC benefits planned 	<ol style="list-style-type: none"> 1. Mitigate field disruption - coordinated supply chain initiative with customers 2. Upgrade system / process capability 3. Execute TerraTrak growth plan 4. Implement Terrasmart acquisition cost synergies as planned for 2022 5. Optimize go-to-market strategy
RESIDENTIAL	48%	<ul style="list-style-type: none"> • Building costs remain elevated / stable • Repair / remodel investments continue • Housing demand / supply favorable • Rate increases will have some impact • Channel inventory higher to mitigate supply chain disruption in 1st half 	<ol style="list-style-type: none"> 1. Continue participation expansion – new products, key customer, regions 2. Continue price / cost management 3. “Go live” with IT ERP upgrade 4. 80/20 to offset labor and supply chain inflation and disruption

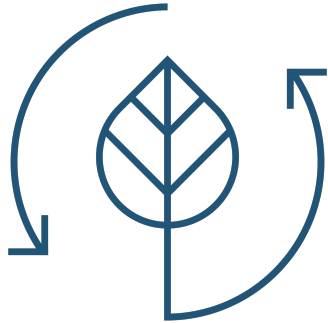
KEY TRENDS AND INITIATIVES ENTERING 2022 – SIMPLIFY AND FOCUS

AGTECH

% of 2021 REVENUE

MARKET TRENDS / ASSUMPTIONS

KEY INITIATIVES



15%

- Produce industry expansion continues to grow at 7% - 8%
- Commercial momentum continues in retail and car wash segments
- Cannabis licensing accelerates for states legalized in 2020 – 2nd half impact

1. Execute higher margin Produce backlog
2. Implement participation gains in Commercial – retail and car wash
3. Strengthen supply chain for roofing structures and glass

INFRASTRUCTURE



5%

- State DOT budget funding more consistent with a cadence
- Solid investment in surface protection for bridges, runways, & structures
- Infrastructure bill drives demand starting later in the year
- Structural / plate steel costs stay high

1. Mitigate structural and plate steel inflation – bearings & joints
2. Expand engineering capacity to support growing demand
3. Continue upgrade to systems & operations

2022 GUIDANCE

	<u>2021</u>	<u>2022</u>
Revenue	\$1.34B	\$1.38 – \$1.43B
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Operating Income		
GAAP	\$97.0M	\$130 – \$139M
Adjusted	\$124.4M	\$146 – \$155M
Adjusted EBITDA	\$157.4M	\$180 – \$189M
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Operating Margin		
GAAP	7.2%	~ 9.4 – 9.7%
Adjusted	9.3%	~ 10.6 – 10.9%
Adjusted EBITDA %	11.8%	~13.0 – 13.3%
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GAAP EPS	\$2.25	\$2.80 – \$3.00
Adjusted EPS	\$2.78	\$3.20 – \$3.40
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Free Cash Flow / Sales	0.4%	~ 10%

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

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