TopBuild

Fourth Quarter and Year End 2024

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Safe Harbor

Statements contained herein reflect our views about future periods, including our future plans and performance, constitute “forward-looking statements” under the Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by words such as “will,” “would,” “anticipate,” “expect,” “believe,” “designed,” “plan,” or “intend,” the negative of these terms, and similar references to future periods. These views involve risks and uncertainties that are difficult to predict and, accordingly, our actual results may differ materially from the results discussed in our forward-looking statements. We caution you against unduly relying on any of these forward-looking statements. Our future performance may be affected by a number of risks including but not limited to the material risks under the caption entitled “Risk Factors” in our most recent Annual Report, as filed with the SEC, as well as under the caption entitled “Risk Factors” in subsequent reports that we file with the SEC. Our forward-looking statements in this presentation speak only as of the date of this presentation. Factors or events that could cause our actual results to differ may emerge from time to time and it is not possible for us to predict all of them. Unless required by law, we undertake no obligation to update any forward-looking statements as a result of new information, future events, or otherwise. The Company believes that the non-GAAP performance measures and ratios that are contained herein, which management uses to manage our business, provide additional meaningful comparisons between current results and results in our prior periods. Non-GAAP performance measures and ratios should be viewed in addition, and not as an alternative, to the Company's reported results under United States GAAP. Additional information about the Company is contained in the Company's filings with the SEC and is available on TopBuild's website at www.topbuild.com.

Q4 & FY 2024 Key Takeaways

Continued Focus on Driving Growth and Profitability

- Ninth consecutive year delivering sales and profit growth
- Choppiness across residential construction landscape
  - Market sentiment remains cautious
  - Soft demand driven by affordability challenges and economic uncertainty
- Commercial & industrial continues to improve with strong backlog
- Relentless focus on operational excellence and driving improvements across the business
- Capital allocation strategy is disciplined and unchanged
  - M&A continues to be the priority; robust pipeline
  - In 2024, completed 8 acquisitions totaling $153.1M in annual sales and repurchased ~2.5M shares totaling $966.4M
  - Board approved new $1.0 billion share repurchase program
- Broad macro fundamentals supportive of long-term growth

Service Partners truck completes fiberglass delivery

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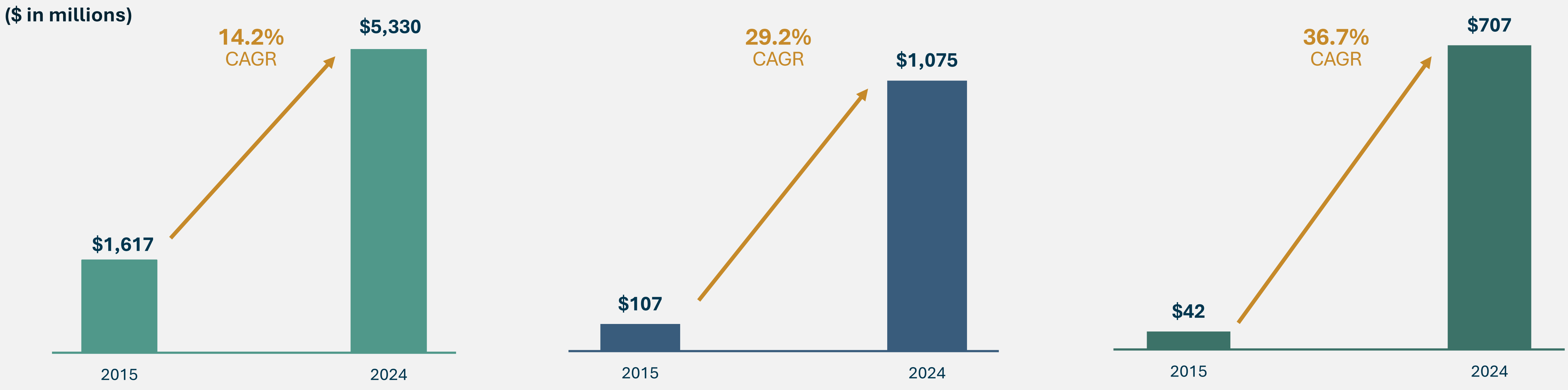
9-Year Track Record of Driving Growth and Profitability

Delivering Outperformance in Changing Environments

SALES | **ADJUSTED EBITDA[1]** | **FREE CASH FLOW[2]**



[1] See Appendix for reconciliation
[2] Free cash flow is defined as cash from operating activities less capital expenditures.

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Q4 2024 Financial Results

Performance In Line with Expectations

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Comparisons are to the period ended Dec 31, 2023 ($ in 000s)	Three Months Ended December 31, 2024
Sales	$1,312,206
Change	2.0%
Adj. Operating Profit*	$219,137
Change	3.3%
Adj. Operating Margin*	16.7%
Change	*20 bps*
Adj. EBITDA Margin*	19.7%
Change	*10 bps*

Top: TruTeam insulation installation at residential location.
Bottom: Mechanical insulation inventory at fabrication facility

*See Appendix for Reconciliation

Installation

Managing Consistently through Choppy Environment

TruTeam

Comparisons are to the period ended Dec 31, 2023 ($ in 000s)	**Three Months Ended December 31, 2024**
Sales	$788,554
Change	(0.2%)
Adj. Operating Profit*	$149,537
Change	(0.3%)
Adj. Operating Margin*	19.0%
Change	*0 bps*
Adj. EBITDA Margin*	21.4%
Change	*0 bps*

- Installation sales relatively flat as multi-family demand slowed
- Strategically balancing price/cost relationship


TruTeam residential insulation installation in progress.

*See Appendix for Reconciliation

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Specialty Distribution

Continued Profit Expansion

SERVICE PARTNERS | DISTRIBUTION INTERNATIONAL

Comparisons are to the period ended Dec 31, 2023 ($ in 000s)	**Three Months Ended December 31, 2024**
Sales	$601,830
Change	6.6%
Adj. Operating Profit*	$91,160
Change	9.4%
Adj. Operating Margin*	15.1%
Change	*30 bps*
Adj. EBITDA Margin*	17.7%
Change	*20 bps*

- Solid performance from commercial & industrial
- Sales growth supported by customer purchases of spray foam ahead of industry cost increases

Custom fabrication of mechanical insulation at Distribution International.

*See Appendix for Reconciliation

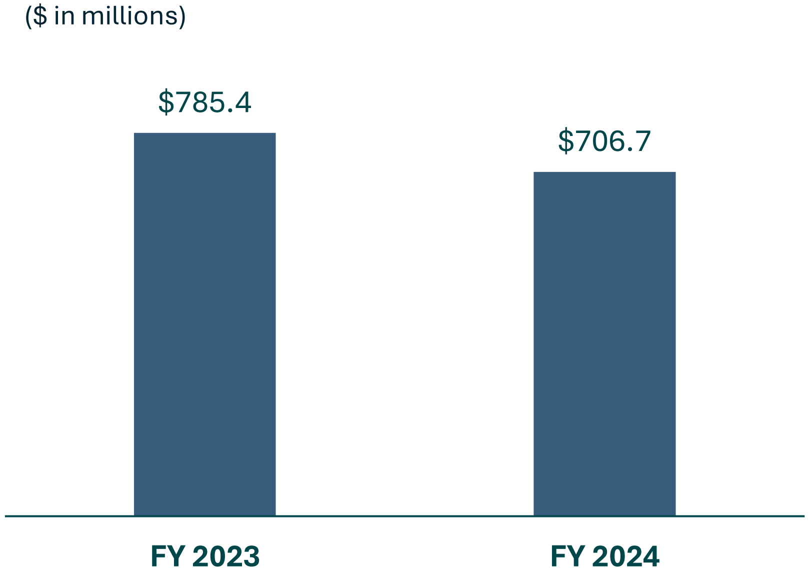
Healthy Balance Sheet and Strong Cash Flow

($ in millions)

Cash, Available Liquidity & Working Capital	
Cash & Cash Equivalents	**$ 400.3**
Available Credit Under Revolver	**436.2**
Total Available Liquidity	**$836.5**

Net Debt and Leverage	
Net Debt	**$987.2**
LTM Pro Forma Adjusted EBITDA*	**1,086.0**
Net Leverage	**0.91x**

Free Cash Flow[1]



Working Capital[2]	**$701.8**
*As a % of LTM Pro Forma Sales**	*13.0%*

[1] Free cash flow is defined as cash from operating activities less capital expenditures.
[2] Working capital is defined as receivables, net plus inventories less accounts payable.

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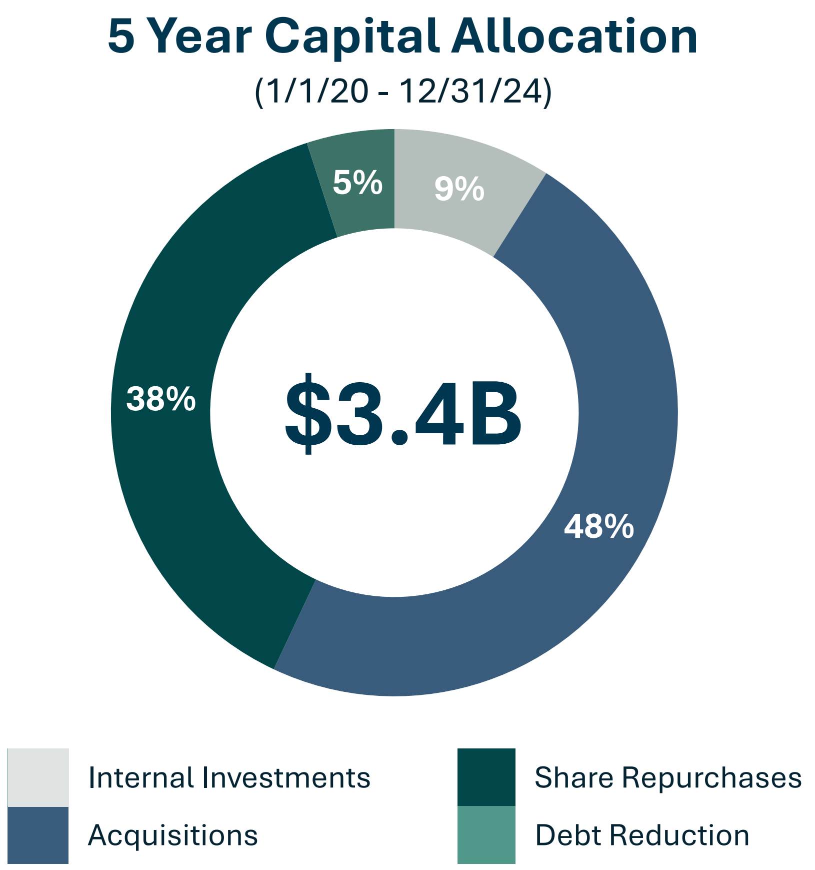
*See Appendix for Reconciliation

Capital Allocation

8 Acquisitions and ~2.5M Shares Repurchased in 2024

Company	Annual Sales ($ in millions)	Month Closed
Brabble Insulation (I)	$ 5.2	February
Morris Black & Sons (I)	3.8	March
Pest Control Insulation (D)	25.4	March
Green Space Insulation (I)	6.0	April
Insulation Works, Inc. (I)	28.0	May
Texas Insulation (I)	38.9	May
Shannon Global Energy Solutions (D)	10.8	December
Metro Supply Company (D)	35.0	December
Total	**$ 153.1**	

I = Installation, D = Specialty Distribution



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Commercial Building Insulation

Insulating the Building Envelope Across Diverse Customer Base

Light Commercial

- Restaurants
- Low Rise Hospitality
- Tilt Wall Construction
- Retail and Strip Malls

Heavy Commercial

- Airports
- Data Centers
- Entertainment Venues
- Large Warehouses & Distribution Centers
- Leisure & Hospitality
- Manufacturing
- Office Buildings
- Sports Facilities
- Institutional Buildings (Education, Healthcare, Municipal, Research)

Wells Fargo
Irving, Texas

Rendering Credit: KDC/Corgan/Wells Fargo

Worthy Fate High School
Fate, Texas

Rendering Credit: Royse City ISD

TCC – Southeast Campus Expansion
Arlington, Texas

Credit: Tarrant County College

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Commercial/Industrial Mechanical Insulation

Includes Recurring Revenue Stream of Maintenance and Repair Work

Providing equipment insulation and custom fabrication for commercial and industrial construction projects

- Industrial Manufacturing
- Oil & Gas
- Energy & Alternative Fuels
- Chemical Processing
- Pharmaceuticals & Biotech
- Food and Beverage
- Marine
- Other

Port Arthur LNG. Liquefaction Project
Jefferson County, Texas

Credit: Port Arthur LNG

Chemours Expansion
Ingleside, Texas

Credit: American Institute of Chemical Engineers

Vanderbilt University Hospital, Jim Ayers Tower
Nashville, Tennessee

Rendering Credit: Blair + Mui Dowd Architects

2025 Outlook

Uncertain Demand Outlook Throughout the Year; Does Not Include 2025 M&A

(as of February 25, 2025)

SALES	**$5,050M to $5,350M**
ADJUSTED EBITDA*	**$925M to $1,075M**

RESIDENTIAL	COMMERCIAL & INDUSTRIAL
MID SINGLE DIGIT DECLINE	LOW SINGLE DIGIT GROWTH

INTEREST EXP & OTHER, NET	TAX RATE	WORKING CAPITAL	CAPEX
$49 – $55M	25 – 27%	12 - 14% OF SALES	1.5 - 2% OF SALES

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*See Appendix for Reconciliation

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About Us

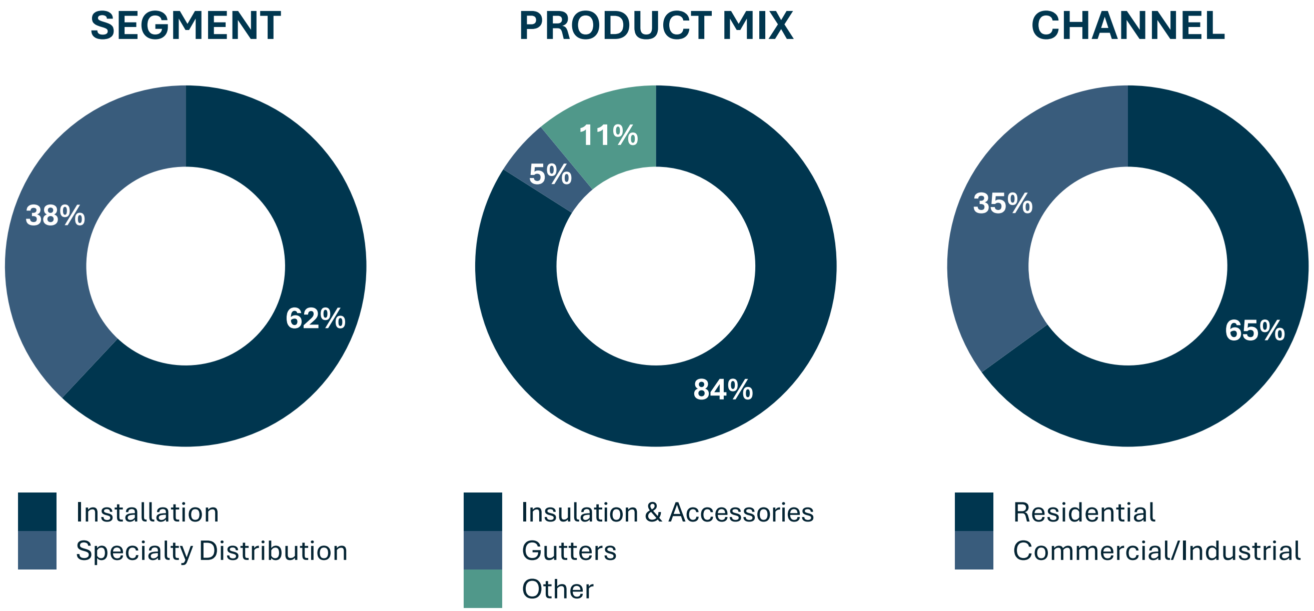
TopBuild Snapshot

Leading Installer and Specialty Distributor of Insulation and Related Building Material Products

Key Stats as of 12/31/24

Headquarters	Daytona Beach, FL
Employees	13,984
Total Branches	440

Sales Breakdown as of 12/31/24



We Serve Large, Highly Fragmented Insulation End Markets

Total Addressable Market of ~$18.25B to Grow Organically and Via Acquisition

	Residential		Commercial / Industrial					
STRUCTURE	Residential		Building Envelope		Mechanical			
MARKET SIZE	~$6.25B		~$6.25B		~$5.75B			
SUB-MARKETS/ VERTICALS	Single Family	Multi Family	Light Commercial	Heavy Commercial	Industrial Mfg	Energy & Alt Fuel	Oil & Gas	Chemicals
					Pharma & Biotech	Food & Beverage	Marine	Other

TOPBUILD REPORTING SEGMENTS & TARGET CUSTOMERS

Installation TruTeam — **62%** of 2024 Sales (Residential, Building Envelope)
Builders, General Contractors

Specialty Distribution DI Distribution International, Service Partners — **38%** of 2024 Sales (Residential, Building Envelope, Mechanical)
National and Local Contractors, Installers

INSULATION PRODUCTS

- Residential: *Fiberglass, Spray Foam, and Cellulose*
- Building Envelope: *Fiberglass, Spray Foam, Mineral Wool, Metal Building Insulation, Fireproofing, Firestopping, Expansion Joints, Vapor Barriers, and Rigid Board*
- Mechanical:
  - *Commercial – Fiberglass Duct Wrap, Fiberglass Pipe Cover, PVC Jacketing and Fittings, Phenolic and Foam Glass, Fiberglass and Foam Duct Board, Fiberglass, and Mineral Wool Pipe Insulation*
  - *Industrial – Fiberglass, Foam Glass, Mineral Wool, Ceramic Fiber, Metal Jacketing and Fittings, Aerogel, Perlite, Calcium Silicate, Phenolic, and Polyisocyanurate*

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Our Values and Core Strengths

Best In Class Execution,
Making a Difference Locally

Our Values

SAFETY

We put the ***safety*** of our ***people*** first.

INTEGRITY

We deliver results with ***integrity***, ***respect***, and ***accountability***.

FOCUS

We are ***customer-focused***, grounded in strong relationships.

INNOVATION

We are ***continuously improving*** and encourage idea sharing.

UNITY

We are united as one ***team***, valuing ***diversity***.

COMMUNITY

We ***make a difference*** in the communities we serve.

EMPOWERMENT

We are ***empowered*** to be our best, individually and as a team.

CORE STRENGTHS

STRATEGY

Disciplined, thoughtful approach. Operational excellence and performance driven.

TECHNOLOGY

Leveraging technology and single ERP system. Enables uniform analysis of metrics across entire branch network.

M&A

Identifying, analyzing and integrating strategic acquisitions, driving synergies and strong results. Large fragmented end markets present strategic acquisition opportunities.

FINANCIAL

Strong balance sheet. Ample liquidity. Robust free cash flow generation. Track record of generating strong returns.

DIRECT LABOR

Culture of safety and collaboration. 'Employer of Choice' offering competitive compensation, full suite of benefits and opportunities for advancement.

ORGANIZATION

Branch empowerment with central support. Relentless focus on talent development.

OPERATIONS

Unrivaled North American size and scale. Flexible and differentiated business model. Strong supplier relationships.

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Strong M&A Track Record

Disciplined Acquisition Strategy Drives Significant Shareholder Returns

Strategic Rationale

- Continued focus on core of insulation
- Learn about opportunities to expand total addressable market (TAM)
- Leverage core strengths
- Financial discipline
- Deliver strong shareholder returns

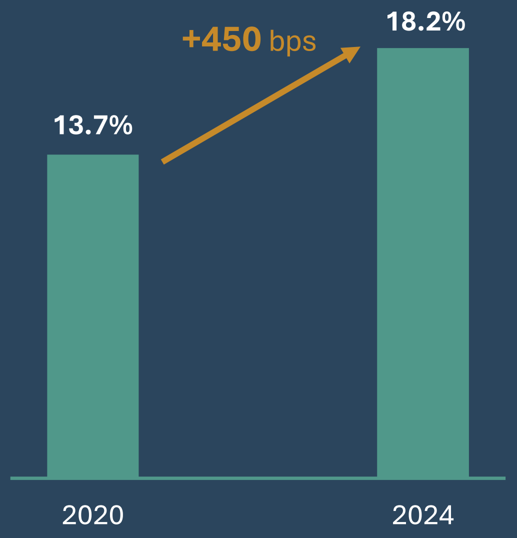
Integration Expertise

- Completed 42 acquisitions since 2015 spin-off
- Dedicated integration team
- Timely conversion to TopBuild ERP system
- Realize synergies quickly

Track Record of Success

- Focus on driving operational excellence
- Consistently expanded margins post-acquisition
- Exceeded projected synergies, including DI and USI integrations

ROIC[1]



[1] Operating Profit and Average Invested Capital adjusted for USI and Distribution International acquisitions.
Note: ROIC defined as ((1 - Tax Rate) * Adjusted Operating Profit) / (LT Debt + Equity).

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Appendix

Reconciliation of Adjusted EBITDA to Net Income

(Unaudited)

(dollars in thousands)

	Three Months Ended December 31,		Year Ended December 31,	
	2024	**2023**	**2024**	**2023**
Net income, as reported	**$ 150,540**	**$ 146,382**	**$ 622,602**	**$ 614,254**
Adjustments to arrive at EBITDA, as adjusted:				
Interest expense and other, net	14,729	10,458	45,555	53,342
Income tax expense	52,181	47,960	218,186	211,229
Depreciation and amortization	35,714	34,662	140,491	132,878
Share-based compensation	3,174	4,757	16,579	15,836
Rationalization charges	80	41	73	1,923
Acquisition related costs	1,607	7,381	8,109	19,698
Acquisition termination fee	—	—	23,000	—
EBITDA, as adjusted	**$ 258,025**	**$ 251,641**	**$ 1,074,595**	**$ 1,049,160**
Proforma acquisition EBITDA (a)			11,395	
Proforma TTM EBITDA, as adjusted			**$ 1,085,990**	

(a) Represents the trailing twelve months proforma impact of acquisitions

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Acquisition Adjusted Net Sales

(Unaudited)

(dollars in thousands)

	2024 Q1	2024 Q2	2024 Q3	2024 Q4	Year Ended December 31, 2024
Net sales	$ 1,278,717	$ 1,365,612	$ 1,373,268	$ 1,312,206	$ 5,329,803
Acquisitions proforma adjustment †	35,308	22,616	13,363	8,762	80,049
Net sales, acquisition adjusted	$ 1,314,025	$ 1,388,228	$ 1,386,631	$ 1,320,968	$ 5,409,852
Receivables, net plus inventories less accounts payable					$ 701,828
Receivables, net plus inventories less accounts payable as a percent of sales (TTM) †					*13.0 %*

† Trailing 12 months sales have been adjusted for the pro forma effect of acquired branches

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Segment Data

(Unaudited)

(dollars in thousands)

	Three Months Ended December 31, 2024	Three Months Ended December 31, 2023	Change	Year Ended December 31, 2024	Year Ended December 31, 2023	Change
Installation						
Sales	$ 788,554	$ 790,414	*(0.2) %*	$ 3,294,630	$ 3,188,232	*3.3 %*
Operating profit, as reported	$ 149,445	$ 149,999		$ 649,162	$ 644,392	
Operating margin, as reported	*19.0 %*	*19.0 %*		*19.7 %*	*20.2 %*	
Rationalization charges	—	41		—	1,923	
Acquisition related costs	92	11		456	527	
Operating profit, as adjusted	$ 149,537	$ 150,051		$ 649,618	$ 646,842	
Operating margin, as adjusted	*19.0 %*	*19.0 %*		*19.7 %*	*20.3 %*	
Share-based compensation	258	372		976	1,496	
Depreciation and amortization	19,214	18,422		75,230	69,123	
EBITDA, as adjusted	$ 169,009	$ 168,845	*0.1 %*	$ 725,824	$ 717,461	*1.2 %*
EBITDA margin, as adjusted	*21.4 %*	*21.4 %*		*22.0 %*	*22.5 %*	
Specialty Distribution						
Sales	$ 601,830	$ 564,468	*6.6 %*	$ 2,340,837	$ 2,268,339	*3.2 %*
Operating profit, as reported	$ 90,569	$ 83,355		$ 352,431	$ 330,938	
Operating margin, as reported	*15.0 %*	*14.8 %*		*15.1 %*	*14.6 %*	
Rationalization charges	80	—		(476)	—	
Acquisition related costs	511	—		525	350	
Operating profit, as adjusted	$ 91,160	$ 83,355		$ 352,480	$ 331,288	
Operating margin, as adjusted	*15.1 %*	*14.8 %*		*15.1 %*	*14.6 %*	
Share-based compensation	358	298		1,545	1,286	
Depreciation and amortization	15,156	15,193		60,157	59,607	
EBITDA, as adjusted	$ 106,674	$ 98,846	*7.9 %*	$ 414,182	$ 392,181	*5.6 %*
EBITDA margin, as adjusted	*17.7 %*	*17.5 %*		*17.7 %*	*17.3 %*	
Total net sales						
Sales before eliminations	$ 1,390,384	$ 1,354,882		$ 5,635,467	$ 5,456,571	
Intercompany eliminations	(78,178)	(68,808)		(305,664)	(261,877)	
Net sales after eliminations	$ 1,312,206	$ 1,286,074	*2.0 %*	$ 5,329,803	$ 5,194,694	*2.6 %*

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Margin Reconciliation

(Unaudited)

(dollars in thousands)

	Three Months Ended December 31,		Year Ended December 31,	
	2024	2023	2024	2023
Operating profit, as reported - segments	$ 240,014	$ 233,354	$ 1,001,593	$ 975,330
General corporate expense, net	(9,807)	(16,787)	(65,416)	(52,067)
Intercompany eliminations	(12,757)	(11,767)	(49,834)	(44,438)
Operating profit, as reported	$ 217,450	$ 204,800	$ 886,343	$ 878,825
Operating margin, as reported	*16.6 %*	*15.9 %*	*16.6 %*	*16.9 %*
Rationalization charges	80	41	73	1,923
Acquisition related costs [1]	1,607	7,381	8,109	19,698
Acquisition termination fee	—	—	23,000	—
Operating profit, as adjusted	$ 219,137	$ 212,222	$ 917,525	$ 900,446
Operating margin, as adjusted	*16.7 %*	*16.5 %*	*17.2 %*	*17.3 %*
Share-based compensation	3,174	4,757	16,579	15,836
Depreciation and amortization	35,714	34,662	140,491	132,878
EBITDA, as adjusted	$ 258,025	$ 251,641	$ 1,074,595	$ 1,049,160
EBITDA margin, as adjusted	*19.7 %*	*19.6 %*	*20.2 %*	*20.2 %*

[1] Acquisition related costs include corporate level adjustments as well as segment operating adjustments.

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2025 Estimated Adjusted EBITDA Range

(Unaudited)

(dollars in millions)

	Twelve Months Ending December 31, 2025	
	Low	High
Estimated net income	**$ 519.0**	**$ 640.0**
Adjustments to arrive at estimated EBITDA, as adjusted:		
Interest expense and other, net	55.0	49.0
Income tax expense	182.0	225.0
Depreciation and amortization	148.0	143.0
Share-based compensation	20.0	17.0
Acquisition related costs & rationalization charges	1.0	1.0
Estimated EBITDA, as adjusted	**$ 925.0**	**$ 1,075.0**