

TopBuild to Acquire Progressive Roofing, Creating a New Platform for Growth

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**PROGRESSIVE
ROOFING**



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.

Progressive Roofing Transaction Overview

Progressive Roofing

- Highly profitable leader in commercial roofing installation and aftermarket services
- Offers comprehensive lifecycle of roofing services, with sizable recurring revenue
- Broad reach with branches in key geographies and significant potential for expansion

Commercial Roofing Services

- \$75B TAM, highly fragmented market with >35,000 businesses¹
- Stable revenue stream from very high level of non-discretionary, service-based work (maintenance/R&R) with favorable margins

Financial Highlights²

- Revenue of \$438M with significant exposure to non-cyclical and non-discretionary drivers
- EBITDA of \$89M and EBITDA margin of 20.3%
- Immediately accretive to EPS

Consideration and Valuation

- Cash consideration of \$810M
- Represents 9.1x EBITDA²
- Represents 8.6x EBITDA post-synergies, considering \$5M in synergies

Funding

- Proceeds from TopBuild's recently expanded credit facilities and cash on hand
- ~1.6x pro forma Net Debt to Adjusted EBITDA^{2,3}

Timing and Approvals

- Subject to regulatory approvals and customary closing conditions
- Expected to close early Q3 2025

New \$75B Opportunity for Future Growth

Progressive Roofing



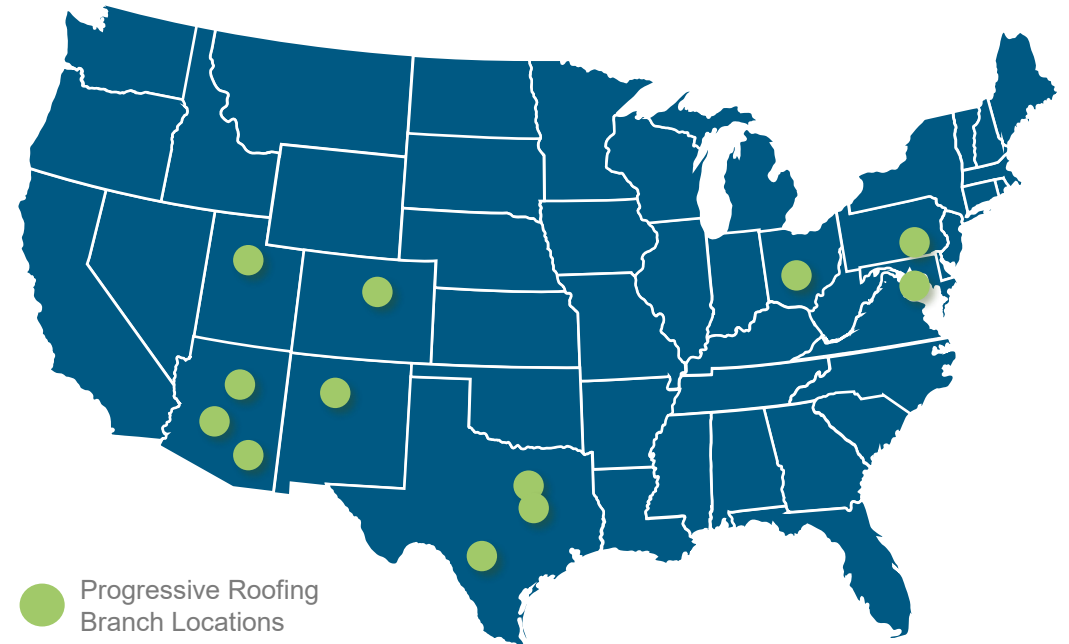
1978
Founded

12
Branches

~1,700
Total Employees

~70%
Re-roofing and Maintenance

- Complementary and comprehensive suite of roofing services spanning non-discretionary re-roofing, recurring maintenance services, and new construction
- Highly experienced and capable management team with unparalleled expertise
- Employer of choice with unwavering focus on safety, employee development, and long-term success
- Customer-centric approach – ensuring quality and satisfaction across every step of process – drives strong client retention with ~80% multi-year repeat customers
- Attractive and diverse end verticals: education, technology (i.e. data centers, chip manufacturing), industrial, government, and healthcare
- Strong track record of profitably expanding geographic reach through greenfields and M&A



A Leader in Commercial Roofing Services

Progressive Roofing Transaction Rationale



**Aligns with Our
Core Strengths
and Culture**



**Expands Building
Envelope Offering to
General Contractor
Customers**



**Increases Exposure
to Non-Cyclical and
Non-Discretionary
Revenue Drivers**



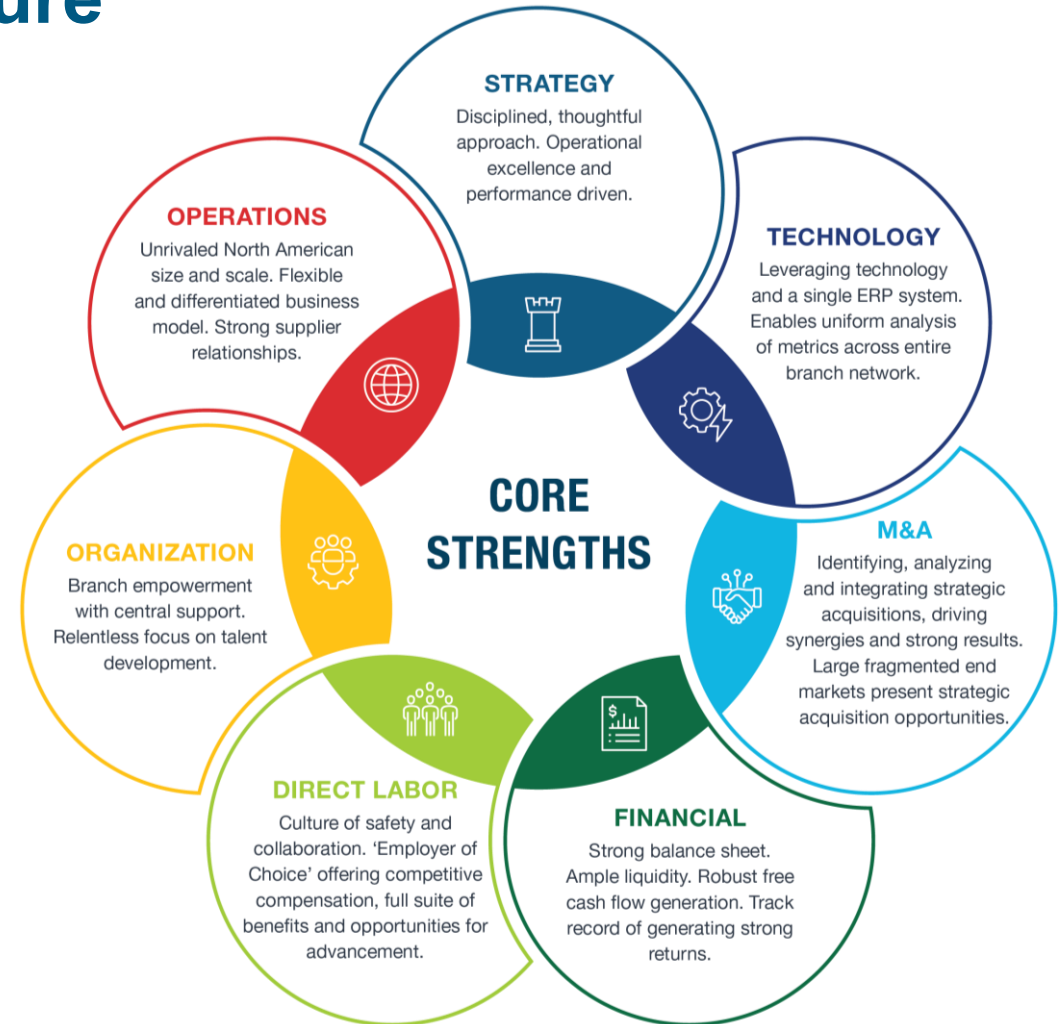
**Establishes
Scalable Platform
For Growth in
Large and Highly
Fragmented Sector**

A Natural Adjacency For TopBuild



Aligns with Core Strengths and Culture

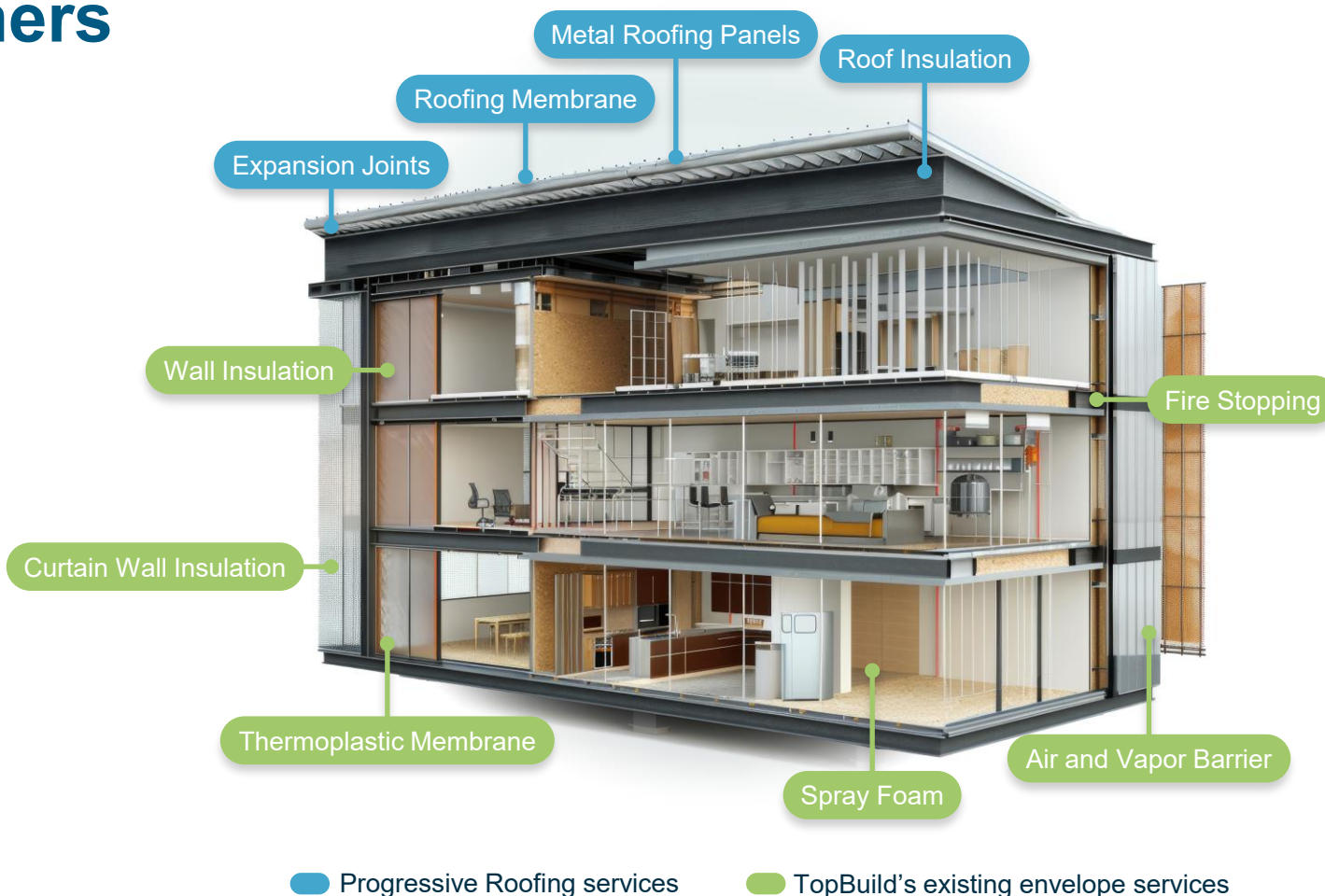
- ✓ **Organization:** Dispersed network with local branch empowerment and central support; strategic relationship-driven sales and estimating teams
- ✓ **Operations:** Strong supplier relationships with shared supplier partners for insulation and commercial roofing
- ✓ **Technology:** Investments in systems, process and training drive strong data tracking and analytics capabilities
- ✓ **Labor:** Employer of choice; aligned culture of collaboration with safety-first mentality
- ✓ **M&A:** Well-developed acquisition pipeline and process, with proven track record of improving profitability of acquired companies and driving operational excellence



Complementary Core Strengths and Culture

Expands Building Envelope Offering to General Contractor Customers

Shared Suppliers



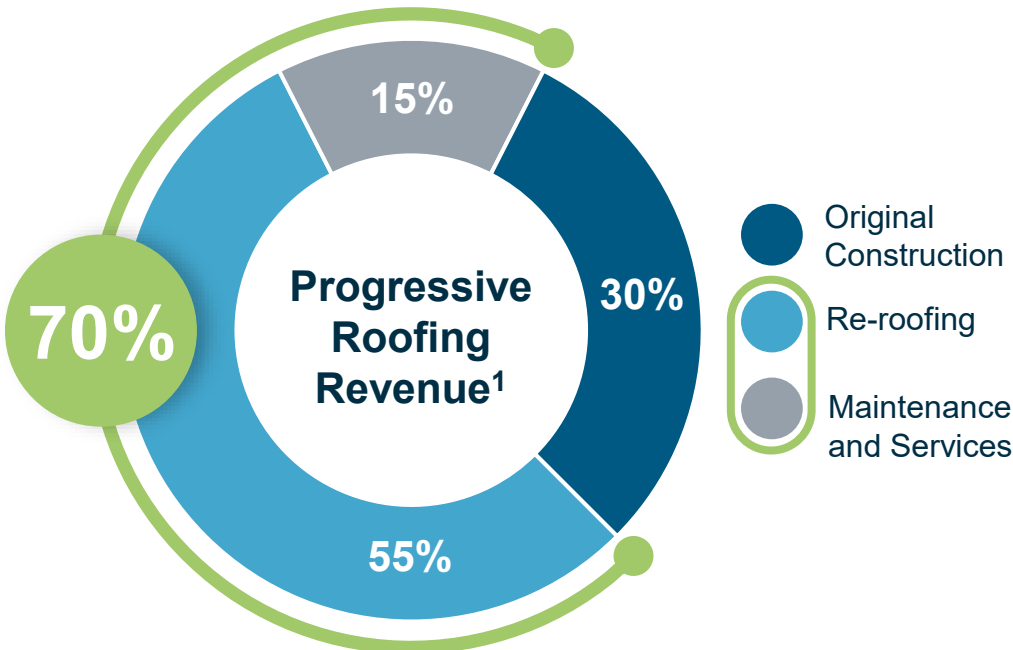
Broad Suite of Building Envelope Solutions

Increases Exposure to Non-Cyclical and Non-Discretionary Revenue Drivers

Trends Driving the Growth in Commercial Roofing Services

- Aging installed base of commercial buildings
- Energy efficiency requirements
- Climate-related R&R drivers
- Strong demand for preventative maintenance
- Some shift to shorter replacement cycles

Commercial Roofing Industry is Substantially Weighted Toward Re-roofing and Maintenance



70% of Revenue is Non-Discretionary



Establishes Scalable Platform for Growth in Large and Highly Fragmented Sector

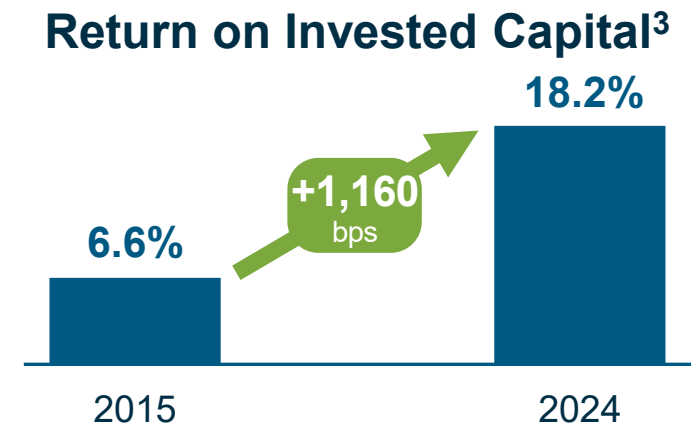
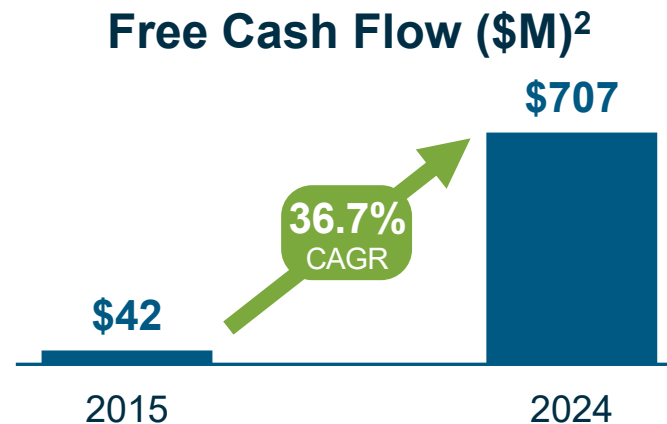
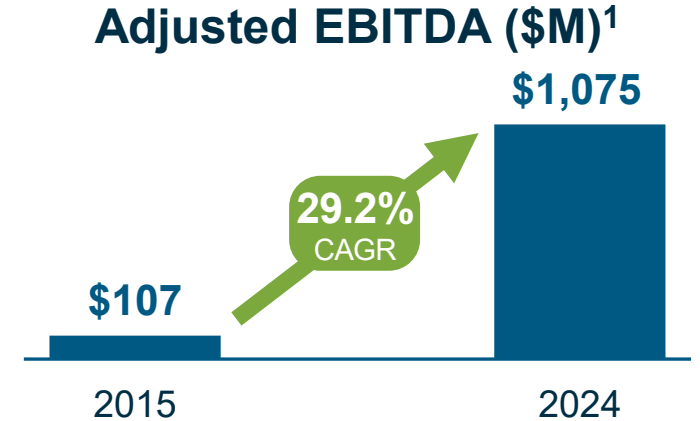
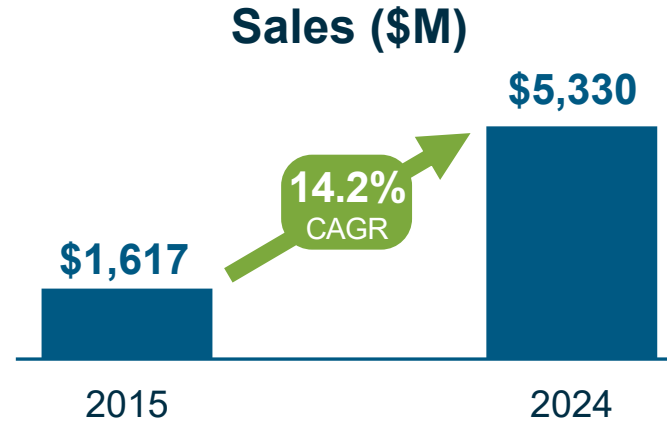


- Competitive landscape is **highly fragmented**¹
 - Largest 20 commercial roofing companies have ~10% share combined; no company has more than 2% share
 - Remaining ~90% of the industry is made up of thousands of small businesses
 - Most jobs are awarded at the local level
- TopBuild and Progressive have **well-developed M&A processes** to capture substantial opportunity associated with market fragmentation
 - Dedicated M&A team
 - Robust acquisition pipeline
 - Established integration management office
 - Opportunity to drive synergies with future acquisitions

Significant M&A Opportunities

TopBuild Has a Proven Track Record of Value Creation

- Acquisition of Progressive Roofing builds on track record of growth and success
- Capital allocation approach prioritizes strategic M&A
- Completed 43 acquisitions since spin-off in 2015
- Continued robust M&A pipeline
- Proven M&A success in new growth platform
 - 2021 acquisition of Distribution International (DI) added mechanical insulation end market
 - Successfully grew DI, drove operational excellence to expand margins, and achieved significant synergies



Driving Significant Shareholder Returns

Key Takeaways



Aligns with Our Core Strengths and Culture

Dispersed network with local branches and central support

Strong supplier partnerships

Complementary cultures – safety-driven, people-focused



Expands Building Envelope Offering to General Contractor Customers

Full lifecycle of value-added services

Diverse customer verticals across commercial / industrial



Increases Exposure to Non-Cyclical and Non-Discretionary Revenue Drivers

70%+ of commercial roofing industry revenue is non-discretionary re-roofing and maintenance services



Establishes Scalable Platform For Growth in Large and Highly Fragmented Sector

Expansion into highly fragmented market increases TopBuild's TAM to ~\$95B

Well-developed M&A pipeline and process

A Natural Next Step for TopBuild

Q&A





Appendix

Pro Forma Non-GAAP Reconciliation

(Unaudited)

(\$ in millions)	Trailing Twelve Months Ended March 31, 2025		
	Historical TopBuild ⁽¹⁾	Proforma Progressive	Pro Forma Combined
Net sales	\$ 5,284	\$ 438	\$ 5,722
EBITDA, as adjusted ⁽²⁾	\$ 1,056	\$ 89	\$ 1,145
Net debt, total ⁽³⁾			\$ 1,877
Net debt leverage			1.6 x

⁽¹⁾ As disclosed and reconciled in previous quarterly filings with the U.S. Securities and Exchange Commission.

⁽²⁾ Earnings before interest, taxes, depreciation, and amortization as defined in our credit agreement.

⁽³⁾ TopBuild extended and upsized its Senior Secured Credit Facilities on May 16, 2025. The net proceeds of \$524 million along with delayed draw of \$250 million and current cash balances will be used to fund the acquisition of Progressive Roofing for \$810 million.

Reconciliation of Adjusted EBITDA to Net Income

(Unaudited)

(\$ in millions)

	Year Ended December 31,	
	2015	2024
Net income, as reported	\$ 79	\$ 623
Adjustments to arrive at EBITDA, as adjusted:		
Interest expense and other, net	9	46
Income tax (benefit) expense	(5)	218
Depreciation and amortization	12	140
Share-based compensation	5	17
Rationalization charges	5	—
Acquisition related costs	—	8
Acquisition termination fee	—	23
Legal adjustments, net	2	—
EBITDA, as adjusted	\$ 107	\$ 1,075