TopBuild

Second Quarter 2024

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Rob Kuhns, CFO

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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.

Q2 2024 Key Takeaways

Our Teams Continued to Drive Solid Performance, Fundamentals Remain Strong

- Delivered strong second quarter results
  - Volumes for both segments improved sequentially and vs 2023
  - Strong profit growth
- Material supply remains tight
- Higher interest rates have persisted
  - Single family housing starts have improved year-to-date; demand uneven across regions
  - Multi family backlog continues to support growth
  - Some commercial & industrial project delays, but bidding and backlog remain strong
- Capital allocation strategy is disciplined and unchanged
  - M&A is the priority; pipeline is robust
  - Repurchased 1.25M shares totaling $505.2M; $649.2M remaining under current authorization

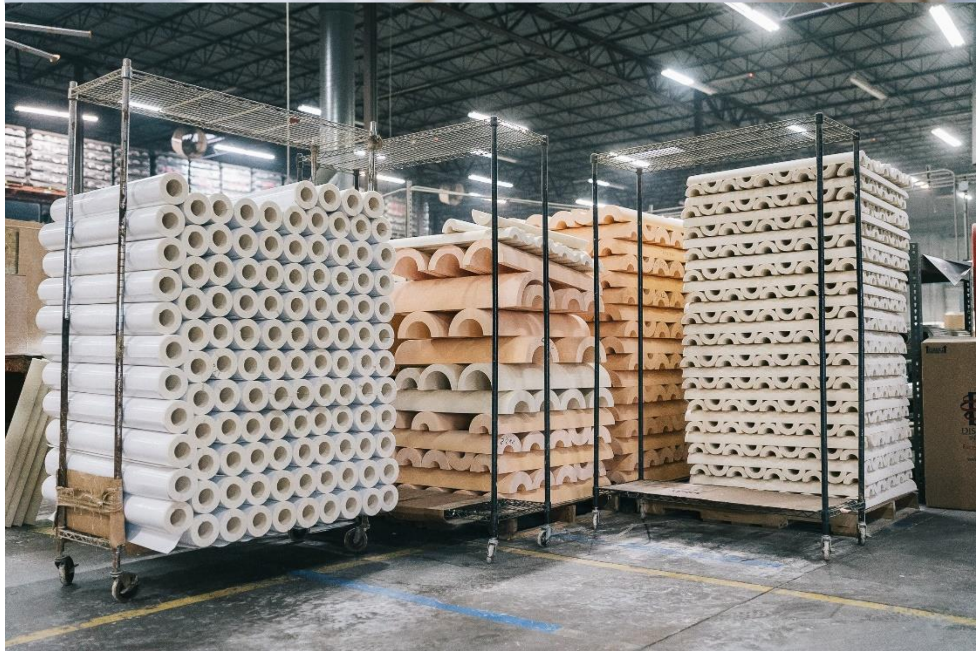
Service Partners truck completes fiberglass delivery

Q2 2024 Financial Results

Building on Strong Track Record of Profitable Growth

Comparisons are to the period ended June 30, 2023 ($ in 000s)	Three Months Ended June 30, 2024
Revenue	$1,365,612
Change	3.7%
Adjusted Operating Profit*	238,029
Change	0.0%
Adjusted Operating Margin*	17.4%
Change	(80) bps
Adjusted EBITDA Margin*	20.3%
Change	(60) Bps

- Excluding Q2 2023 multi-family/commercial margin benefit of approximately $10M, adjusted operating profit rose 3.9%; adjusted operating margin was flat and adjusted EBITDA margin expanded 10 bps

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

*See Appendix for Reconciliation

Installation

Solid Performance as Single-Family Housing Environment Slowly Improves

TruTeam

Comparisons are to the period ended June 30, 2023 ($ in 000s)	**Three Months Ended June 30, 2024**
Revenue	$850,983
Change	5.2%
Adjusted Operating Profit*	171,006
Change	(0.9)%
Adjusted Operating Margin*	20.1%
Change	(120) bps
Adjusted EBITDA Margin*	22.3%
Change	(110) bps

- Revenue growth driven by a combination of M&A, pricing and volume
- Excluding Q2 2023 multi-family/commercial margin benefit of approximately $10M, adjusted operating profit grew 5.2%; adjusted operating margin was flat and adjusted EBITDA margin expanded 10 bps

TruTeam residential insulation installation in progress.

*See Appendix for Reconciliation

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Specialty Distribution

Profit Continues to Expand, Driven by Pricing and Productivity

SERVICE PARTNERS | DI DISTRIBUTION INTERNATIONAL

Comparisons are to the period ended June 30, 2023 ($ in 000s)	Three Months Ended June 30, 2024
Revenue **Change**	$ 592,826 3.2%
Adjusted Operating Profit* **Change**	89,383 4.0%
Adjusted Operating Margin* **Change**	15.1% 10 bps
Adjusted EBITDA Margin* **Change**	17.7% 10 bps

- Revenue growth driven by a combination of M&A, pricing and volume
- Productivity and pricing gains offset in part by higher material costs

Custom fabrication of mechanical insulation at Distribution International.

*See Appendix for Reconciliation

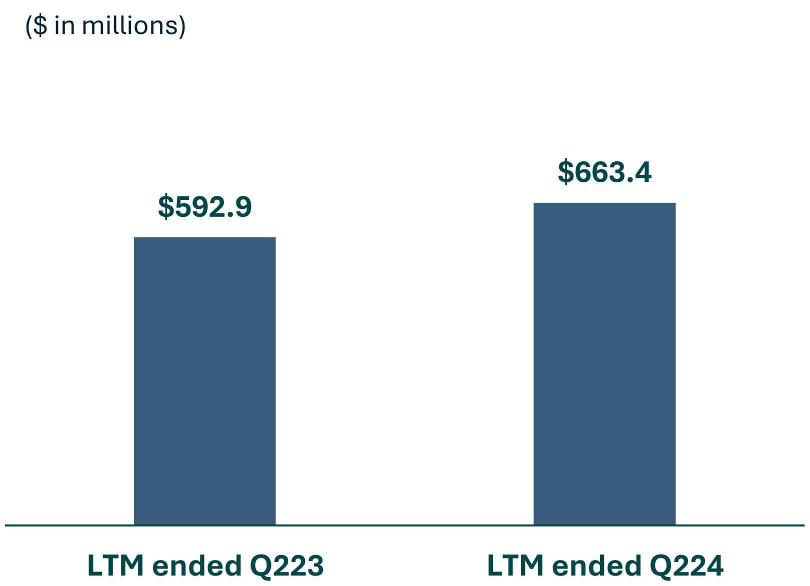
Healthy Balance Sheet and Strong Cash Flow

($ in millions)

Cash, Available Liquidity & Working Capital	
Cash & Cash Equivalents	**$ 463.2**
Available Credit Under Revolver	**436.2**
Total Available Liquidity	**$899.5**

Net Debt and Leverage	
Net Debt	**$947.4**
LTM Pro Forma Adjusted EBITDA*	**1,080.0**
Net Leverage	**0.88x**

Free Cash Flow[1]



Working Capital[2]	**$792.4**
*As a % of LTM Pro Forma Sales**	*14.8%*

[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.

*See Appendix for Reconciliation

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Capital Allocation

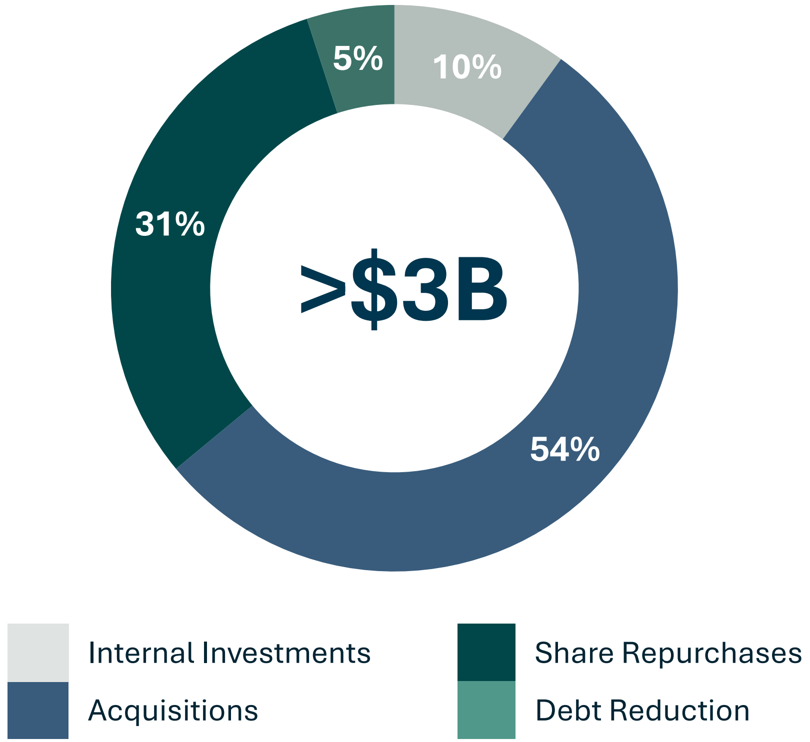
YTD 2024, 6 acquisitions and $505.2M in shares repurchased @ ~$405 per share

Company	Annual Revenue ($ 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 (I)	28.0	May
Texas Insulation (I)	38.9	May
Total	**$ 107.3**	

I = Installation, D = Specialty Distribution

5 Year Capital Allocation

(7/1/19 - 6/30/24)



Commercial Building Insulation

Insulating the building envelope across diverse customer base

Light Commercial

- Restaurants
- Retail Buildings
- Tilt Wall Construction
- Retail and Strip Malls

Heavy Commercial

- Data Centers
- Entertainment Venues
- Leisure and Hospitality
- Sports Facilities
- Institutional Buildings (Education, Healthcare, Research, Religious)
- Airports
- Office Buildings
- Warehouses and Distribution Centers

Lake Tahoe CC Housing
California

Credit: Lake Tahoe Community College

Bees AAA Baseball Stadium Project
Salt Lake City, Utah

Credit: HOK

North Capitol Building
Salt Lake City, Utah

Credit: Oakland Construction

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Commercial/Industrial Mechanical Insulation

Includes Recurring Revenue Stream of Maintenance and Repair Work

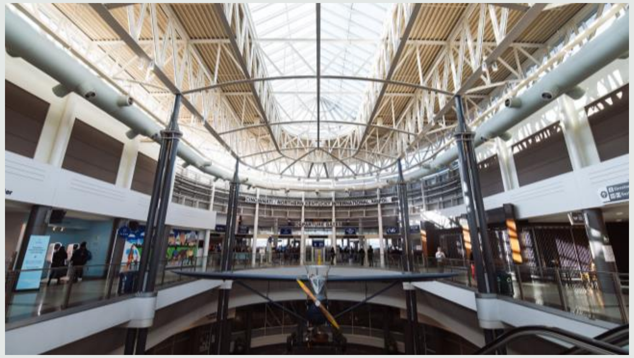
Providing equipment insulation and custom fabrication for commercial and industrial construction projects

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

BP Whiting Refinery
Whiting, Indiana

Credit: bp America

CVG Airport
Boone County, Kentucky



Credit: Rooted Creative

Octane Enhancement Production Facility
Mont Belvieu, Texas

Credit: Enterprise Products Partners L.P.

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2024 Outlook

Another Year of Profitable Growth Expected

(as of August 6, 2024)

SALES

$5,300M to $5,500M

- Mid single digit residential growth
- Low single digit commercial/industrial growth

ADJUSTED EBITDA*

$1,055M to $1,125M

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*See Appendix for Reconciliation

About Us

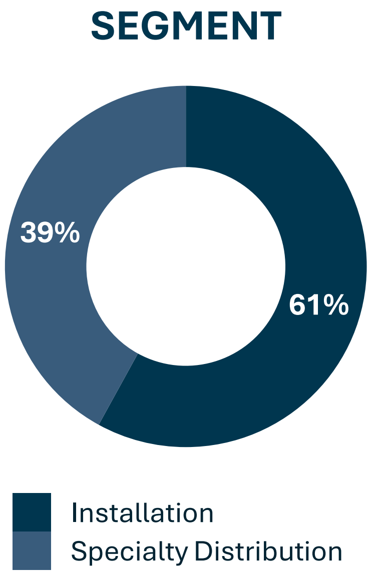
TopBuild Snapshot

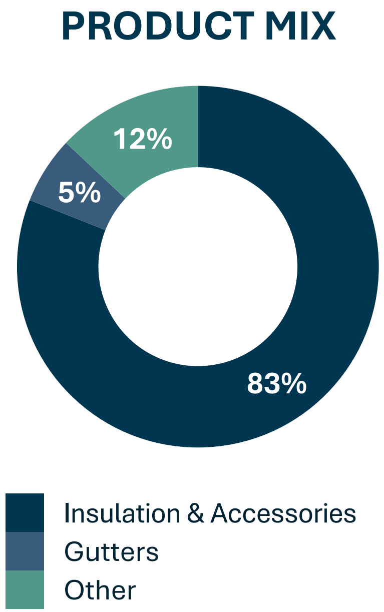
Leading installer and specialty distributor of insulation and related building material products

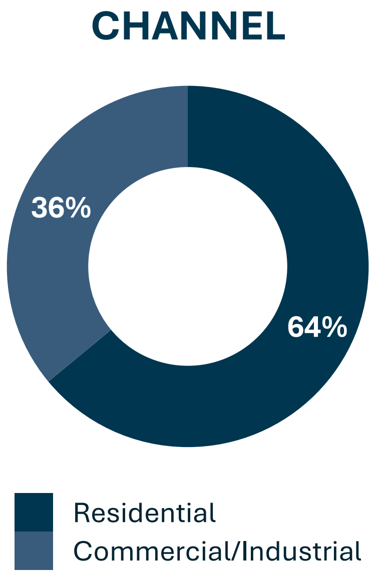
Key Stats

Headquarters	Daytona Beach, FL
Employees	~14,000
Total Branches	~410

Sales Breakdown







As of 12/31/23

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 Builders, General Contractors **61%** of 2023 Sales							
	Specialty Distribution DI Distribution International, Service Partners National and Local Contractors, Installers **39%** of 2023 Sales							
INSULATION PRODUCTS	*Fiberglass, Spray Foam, and Cellulose*		*Fiberglass, Spray Foam, Mineral Wool, Metal Building Insulation, Fireproofing, Firestopping, Expansion Joints, Vapor Barriers, and Rigid Board*		*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 Business Model

Best in class execution and making a difference locally

Core Strengths

- Unique model, diversified end markets
- Laser focus on core business of insulation
- Unrivaled North American size and scale
- Multiple avenues for growth
- M&A a core competency
- Safety of our people always comes first
- Operational excellence and performance driven
- Recognized for exceptional labor, service and reliability
- Emphasis on talent development
- Business is inherently environmentally friendly

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.

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M&A: A Core Competency

Disciplined acquisition strategy creating significant shareholder returns

Strategic Rationale

- Focus on core Insulation products
- Enhance resources and capabilities
- Expand geographic presence and customer base
- Value accretive growth opportunities
- Aligns to culture and leadership

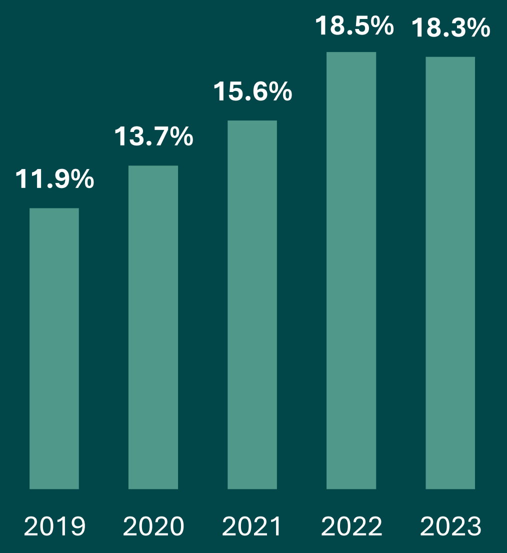
Integration Expertise

- Completed 31 acquisitions since 1/1/2019
- Dedicated integration team
- Timely conversion to our ERP system
- Realize synergies quickly

Track Record of Success

- Exceeded projected synergies, including DI and USI integrations
- Consistently expanded margins post-acquisitions
- Operational excellence focus enhances results

ROIC[1]



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[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)

(in thousands)

	Three Months Ended June 30,		Six Months Ended June 30,		Trailing Twelve Months Ended
	2024	2023	2024	2023	June 30, 2024
Net income, as reported	**$ 150,723**	**$ 164,400**	**$ 303,104**	**$ 300,270**	**$ 617,088**
Adjustments to arrive at EBITDA, as adjusted:					
Interest expense and other, net	7,218	13,953	14,731	30,069	38,004
Income tax expense	52,451	58,750	107,065	106,195	212,099
Depreciation and amortization	35,033	32,551	69,291	64,652	137,517
Share-based compensation	4,632	3,751	9,759	6,886	18,709
Rationalization charges	258	—	(492)	—	1,431
Acquisition related costs	4,379	2,100	5,055	5,758	18,995
Acquisition termination fee	23,000	—	23,000	—	23,000
EBITDA, as adjusted	**$ 277,694**	**$ 275,505**	**$ 531,513**	**$ 513,830**	**$ 1,066,843**
Proforma acquisition EBITDA (a)					13,707
Proforma disposition EBITDA (b)					(515)
Proforma TTM EBITDA, as adjusted					**$ 1,080,035**

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

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Acquisition Adjusted Net Sales (unaudited)

(dollars in thousands)

	2023 Q3	2023 Q4	2024 Q1	2024 Q2	Trailing Twelve Months Ended June 30, 2024
Net Sales	$ 1,326,120	$ 1,286,074	$ 1,278,717	$ 1,365,612	$ 5,256,523
Acquisitions proforma adjustment †	33,549	28,367	24,075	10,603	96,594
Net sales, acquisition adjusted	$ 1,359,669	$ 1,314,441	$ 1,302,792	$ 1,376,215	$ 5,353,117
Receivables, net plus inventories less accounts payable					$ 792,396
Receivables, net plus inventories less accounts payable as a percent of sales (TTM) †					*14.8 %*

† 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 June 30, 2024	Three Months Ended June 30, 2023	Change	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023	Change
Installation						
Sales	$ 850,983	$ 809,055	5.2 %	$ 1,649,726	$ 1,576,145	4.7 %
Operating profit, as reported	$ 170,718	$ 172,278		$ 327,475	$ 319,176	
Operating margin, as reported	*20.1 %*	*21.3 %*		*19.9 %*	*20.3 %*	
Acquisition related costs	288	227		333	490	
Operating profit, as adjusted	$ 171,006	$ 172,505		$ 327,808	$ 319,666	
Operating margin, as adjusted	*20.1 %*	*21.3 %*		*19.9 %*	*20.3 %*	
Share-based compensation	318	310		648	689	
Depreciation and amortization	18,712	16,791		36,979	33,284	
EBITDA, as adjusted	$ 190,036	$ 189,606	0.2 %	$ 365,435	$ 353,639	3.3 %
EBITDA margin, as adjusted	*22.3 %*	*23.4 %*		*22.2 %*	*22.4 %*	
Specialty Distribution						
Sales	$ 592,826	$ 574,488	3.2 %	$ 1,138,620	$ 1,132,862	0.5 %
Operating profit, as reported	$ 89,373	$ 85,980		$ 166,951	$ 159,313	
Operating margin, as reported	*15.1 %*	*15.0 %*		*14.7 %*	*14.1 %*	
Rationalization charges	—	—		(750)	—	
Acquisition related costs	10	—		10	340	
Operating profit, as adjusted	$ 89,383	$ 85,980		$ 166,211	$ 159,653	
Operating margin, as adjusted	*15.1 %*	*15.0 %*		*14.6 %*	*14.1 %*	
Share-based compensation	380	316		813	554	
Depreciation and amortization	15,047	14,740		29,883	29,312	
EBITDA, as adjusted	$ 104,810	$ 101,036	3.7 %	$ 196,907	$ 189,519	3.9 %
EBITDA margin, as adjusted	*17.7 %*	*17.6 %*		*17.3 %*	*16.7 %*	
Total net sales						
Sales before eliminations	$ 1,443,809	$ 1,383,543		$ 2,788,346	$ 2,709,007	
Intercompany eliminations	(78,197)	(66,281)		(144,017)	(126,507)	
Net sales after eliminations	$ 1,365,612	$ 1,317,262	3.7 %	$ 2,644,329	$ 2,582,500	2.4 %

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Margin Reconciliations (unaudited)

(dollars in thousands)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	**2023**	**2024**	**2023**
Operating profit, as reported - segments	$ 260,091	$ 258,258	$ 494,426	$ 478,489
General corporate expense, net	(36,859)	(9,957)	(45,926)	(20,786)
Intercompany eliminations	(12,840)	(11,198)	(23,600)	(21,169)
Operating profit, as reported	$ 210,392	$ 237,103	$ 424,900	$ 436,534
Operating margin, as reported	*15.4 %*	*18.0 %*	*16.1 %*	*16.9 %*
Rationalization charges	258	—	(492)	—
Acquisition related costs [1]	4,379	2,100	5,055	5,758
Acquisition termination fee	23,000	—	23,000	—
Operating profit, as adjusted	$ 238,029	$ 239,203	$ 452,463	$ 442,292
Operating margin, as adjusted	*17.4 %*	*18.2 %*	*17.1 %*	*17.1 %*
Share-based compensation	4,632	3,751	9,759	6,886
Depreciation and amortization	35,033	32,551	69,291	64,652
EBITDA, as adjusted	$ 277,694	$ 275,505	$ 531,513	$ 513,830
EBITDA margin, as adjusted	*20.3 %*	*20.9 %*	*20.1 %*	*19.9 %*

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

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2024 Estimated Adjusted EBITDA Range (unaudited)

(in millions)

	Twelve Months Ending December 31, 2024			
	Low		High	
Estimated net income	**$**	**603.0**	**$**	**663.0**
Adjustments to arrive at estimated EBITDA, as adjusted:				
Interest expense and other, net		48.0		45.0
Income tax expense		212.0		230.0
Depreciation and amortization		144.0		141.0
Share-based compensation		19.0		18.0
Acquisition related costs & rationalization charges		29.0		28.0
Estimated EBITDA, as adjusted	**$**	**1,055.0**	**$**	**1,125.0**

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