



Oppenheimer 17th Annual Industrial Growth Conference

May 4, 2022

DISCLAIMERS

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Executive Summary

- On March 7, 2022, AZZ Inc. (“AZZ” or the “Company”) (NYSE: AZZ) entered into a definitive agreement to acquire Precoat Metals (“Precoat”) from Sequa Corporation, a portfolio company of Carlyle
 - Purchase price of \$1.283 billion comprised of \$1.25 billion of cash consideration and approximately \$33 million of assumed liabilities
 - Net purchase price of approximately \$1.13 billion when adjusted for the net present value of approximately \$150 million of expected net tax benefits
 - Valuation represents approximately 8.2x Precoat’s LTM 12/31/2021 adjusted EBITDA after giving effect to the net present value of expected net tax benefits
- Headquartered in Fort Worth, Texas, AZZ is a global provider of galvanizing and metal coating solutions, welding solutions, specialty electrical equipment and highly engineered services for maintaining and building critical infrastructure
 - For AZZ’s fiscal year ending 2/28/2022, the Company generated sales of \$903 million and adjusted EBITDA of \$157 million (17.4% margin)⁽¹⁾
- Headquartered in St. Louis, Missouri, Precoat is the leading independent provider of value-added services for prepainted metal coil coatings in North America
 - Precoat generated LTM 12/31/2021 sales of \$699 million and adjusted EBITDA of \$137 million (19.7% margin)
- Combination advances AZZ’s previously stated strategy of becoming predominantly a metal coatings company
 - Significantly enhances AZZ’s scale, resulting in pro forma revenue and adjusted EBITDA of more than \$1.6 billion⁽²⁾ and \$300 million⁽²⁾, respectively
 - Increases AZZ’s expected metal coatings sales to over \$1.2 billion
 - Immediately improves AZZ’s margin profile, with pro forma adjusted EBITDA margin of more than 18%⁽²⁾ (approximately 100 bps improvement)
 - Expected to be more than 20% accretive to adjusted EPS in first year
 - Continuity of leadership and shared cultural values will support smooth integration
- The transaction will be funded with a combination of newly issued debt and equity-linked securities consisting of the following financing package:
 - New 5-year \$400 million Senior Secured Revolving Credit Facility (undrawn at close)
 - New 7-year \$1,300 million Term Loan B
 - New 8-year \$240 million Subordinated Convertible Notes to be purchased by Blackstone, which upon approval of AZZ’s stockholders would convert into Series A Convertible Preferred Shares
- Pro forma net leverage and net first lien leverage of 5.0x and 4.2x, respectively, as of 2/28/2022 with the goal of returning to below 3.0x net leverage
 - The conversion of the Subordinated Convertible Notes into Series A Convertible Preferred Shares would result in pro forma net leverage of 4.2x as of 2/28/2022
 - Near-term focus will be on closing the transaction, deleveraging and investing in profitable growth projects via the combined company’s strong free cash flow generation
 - AZZ remains committed to paying a dividend on its common stock while continuing to support profitable growth initiatives
- The acquisition is currently targeted to close in May 2022 during AZZ’s first quarter FY2023, subject to customary closing conditions and regulatory approvals

(1) Pro forma for the acquisitions of Steel Creek and DAAM Galvanizing, AZZ generated LTM 2/28/2022 revenue of \$935 million and adjusted EBITDA of \$165 million (17.6% margin).

(2) Based on financials as of LTM 2/28/2022 for AZZ and LTM 12/31/2021 for Precoat. AZZ financials include pro forma impact of Steel Creek and DAAM Galvanizing acquisitions. Does not include any estimated run-rate synergies.

Agenda

1 Strategic Rationale and Macro / Business Update

2 AZZ Overview

3 Precoat Metals Overview

4 Industry Overview

5 Key Credit Highlights

6 Financial Overview

Appendix

Strategic Rationale

1 Advances AZZ's strategy of becoming predominantly a metal coatings company

2 Highly complementary acquisition extends AZZ's position across the metal coating value chain



3 Leading industry positions across a broad and diverse set of customers



4 Attractive financial profile significantly enhances AZZ's scale and margins

**Precoat
Metals**

5 Highly accretive transaction with compelling value creation

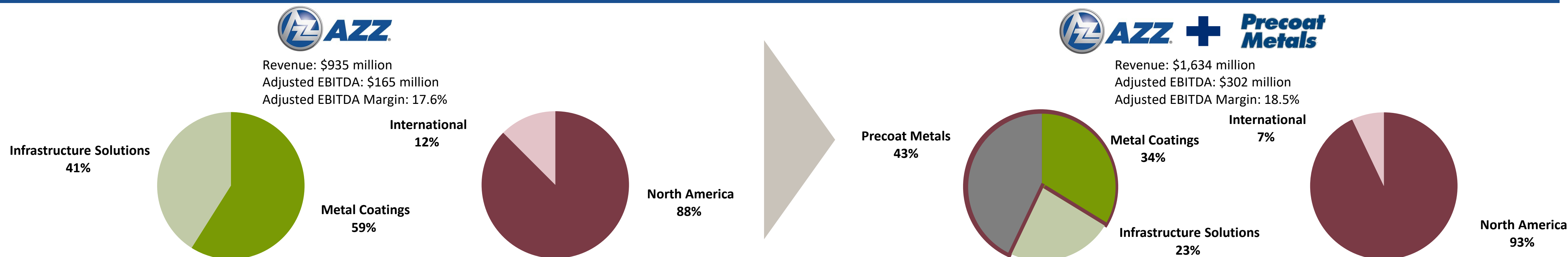
6 Strong free cash flow generation supports near-term deleveraging and future growth

7 Consistent with previously communicated acquisition strategy prioritizing North American coatings targets with strong strategic fit

Highly Complementary Acquisition Creates Predominantly Metal Coatings Company with Leading Positions Across Value Chain

Acquisition of Precoat represents a continued transition of AZZ from a portfolio of businesses to a focused provider of coating and galvanizing solutions for critical applications

Precoat Metals Advances AZZ's Strategy of Becoming Predominantly a Metal Coatings Company While Significantly Enhancing Scale and Margins



Highly Complementary Acquisition With Strong Strategic Fit



Sales	\$551 million	<i>More than Doubles Coatings-Related Sales</i>	\$699 million
Substrate	Steel		Steel, Aluminum
Value Chain	Post-Fabrication		Pre-Fabrication
Solutions Offering	<ul style="list-style-type: none"> Hot-dip galvanizing Spin galvanizing Powder coating 	<ul style="list-style-type: none"> Anodizing Plating Other surface coating applications 	<ul style="list-style-type: none"> Prepaint coating Shape correction Cut-to-length Slitting Embossing Laminating / printing
End Markets	<ul style="list-style-type: none"> Industrial Construction OEM 	<ul style="list-style-type: none"> Renewable / Utility Petrochem Other 	<ul style="list-style-type: none"> Construction Appliance HVAC Container Transportation Other
Market Position	#1 in hot-dip galvanizing in North America		#1 independent coil coating provider across end markets

Note: Based on financials as of LTM 2/28/2022 for AZZ and LTM 12/31/2021 for Precoat. AZZ financials include pro forma impact of Steel Creek and DAAM Galvanizing acquisitions. Does not include any estimated run-rate synergies.

Closely Aligned With Our Previously Communicated Strategic Objectives

AZZ Acquisition Strategy

North American Coatings Focus



Strategic Fit



Accretive Within the First Year



Precoat Metals

Leading independent provider of value-added solutions for pre-painted metal coil coating in North America

Highly complementary acquisition extends AZZ's position across the metal coating value chain

Expected to be immediately accretive to adjusted EPS and more than 20% accretive to adjusted EPS in the first full fiscal year

Integration-Lite Combination With Significant Upside Potential

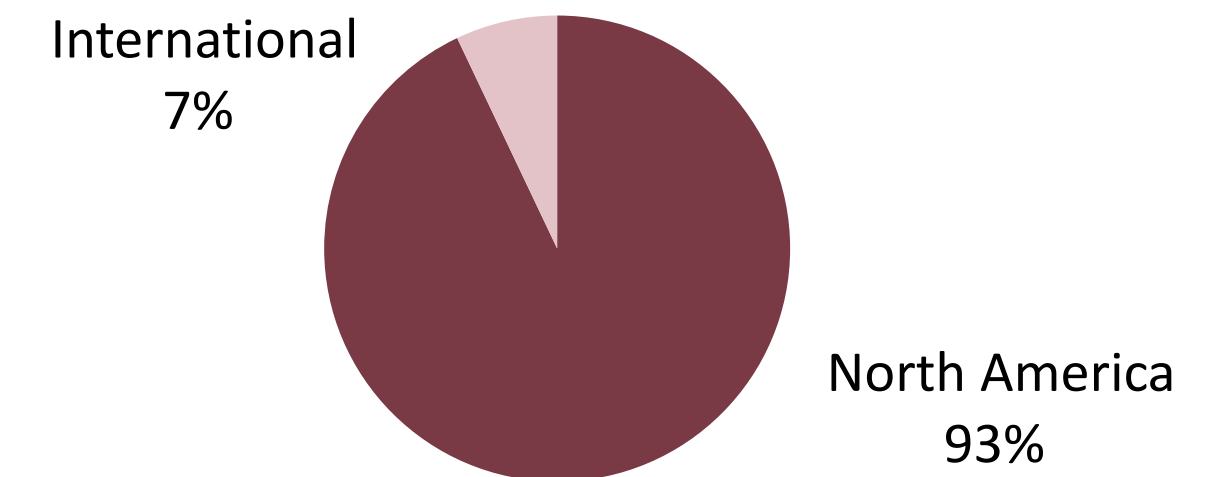
- ✓ **Strong systems and experienced management team at Precoat provide continuity and low integration complexity**
- ✓ **Opportunity to enhance combined corporate culture and values to bring out the best of both organizations**
- ✓ **Greater investment and increased support to the Precoat team to drive improvements in the organization and accelerate growth**
- ✓ **Ability to capitalize on shared vision of value-added metal coating solutions and best practices to drive continuous operational improvements**
- ✓ **Superior processing capabilities and operational flexibility**
- ✓ **Competitive advantage from strategic footprint with close proximity to customers**
- ✓ **Strong, centralized back-office and logistics network driving sales and operational efficiencies**
- ✓ **Runway for profitable expansion and continued margin improvement**

Current Situation / Macro Update

Geopolitical

- AZZ's Metal Coatings segment and Precoat are both 100% North America-based, resulting in minimal current disruption from the Russia / Ukraine war and insulation from broader global uncertainty
- AZZ's Infrastructure Solutions segment has two European facilities located in the Netherlands and Poland, both of which have not seen any interruption due to the ongoing conflict; AZZ continues to monitor the situation closely
 - The revenue associated with the two European facilities comprises ~4.4% of AZZ's pro forma FY2022 sales and ~2.5% of the combined company's pro forma sales

Pro Forma Revenue by Geography⁽¹⁾



Supply Chain / Inflation / Commodity Prices

- While AZZ and Precoat continue to monitor supply chain related disruptions as well as material and labor inflation, both businesses have been able to expand margins due to short-cycle contracts and purchase orders that allow for agility in pricing as costs rise
- AZZ's Metal Coatings segment and Precoat both operate via a tolling model in which customers procure and own the metal, resulting in no direct exposure to movements in steel or aluminum prices
- Strategic management / pricing and pass-through mechanisms help insulate both businesses from changes in input costs
 - AZZ stores reserves of zinc, a key galvanizing input, and utilizes fixed price forward contracts to manage purchasing, while preemptively enacting price changes to manage fluctuations in zinc prices
 - Precoat takes no commodity price risk on coatings by directly passing through paint costs to customers with a markup for processing services, creating an incremental margin opportunity as input costs rise

(1) Based on financials as of LTM 2/28/2022 for AZZ and LTM 12/31/2021 for Precoat. AZZ financials include pro forma impact of Steel Creek and DAAM Galvanizing acquisitions.

Current Situation / Macro Update (Cont'd)

COVID-19

- AZZ and Precoat are both considered providers of critical infrastructure, so both companies remained open throughout the COVID-19 pandemic
- AZZ's Metal Coatings segment was impacted by lower volumes of steel processed in FY2021 due to the economic slowdown, but maintained strong performance due to cost containment measures and saw sales rebound by 13% in FY2022
- AZZ's Infrastructure Solutions segment was more severely impacted in FY2021 due to restrictions on travel and access to customer facilities as well as challenges in key end markets; however, FY2022 backlog is high (+63% vs. FY2021) and demand outlook remains strong
- Despite a challenging demand environment in 2020, Precoat showed resilient performance and generated both revenue and adjusted EBITDA growth
- Precoat demonstrated strong performance in 2021 largely driven by increases in volume and price, which is expected to continue in 2022

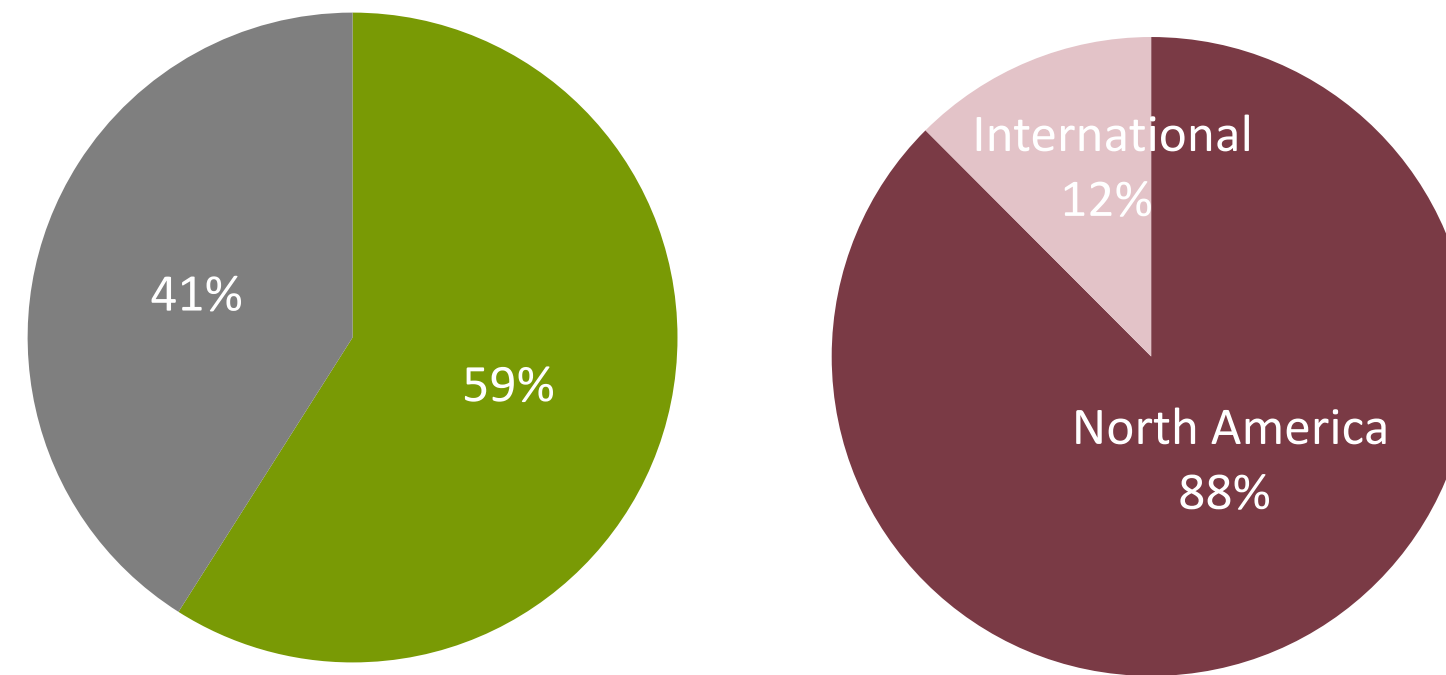
ESG

- AZZ remains committed to operating in a sustainable and socially responsible manner, while minimizing the environmental impact of its operations
- In 2021, AZZ published its inaugural annual ESG Report, representing the initial step in AZZ's commitment to regularly disclosing ESG performance
- AZZ closely considered ESG when evaluating Precoat, and Precoat's prepaint solution offers environmental benefits relative to other coating methods, resulting in less waste, paint usage and energy usage

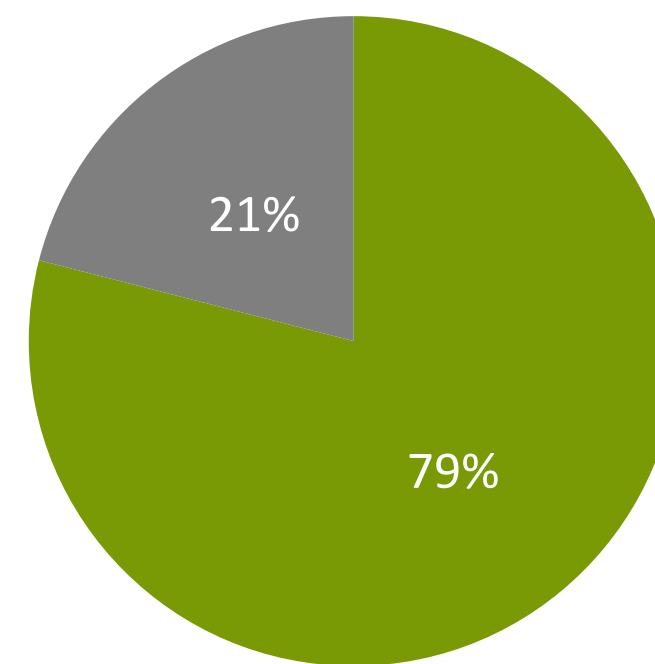
AZZ at a Glance

Headquarters	Ft. Worth, Texas
Total Employees	~3,900
Facilities	>60
Pro Forma FY22 Sales	\$935 million
Pro Forma FY22 Adj. Operating Income	\$121 million

By Pro Forma Sales

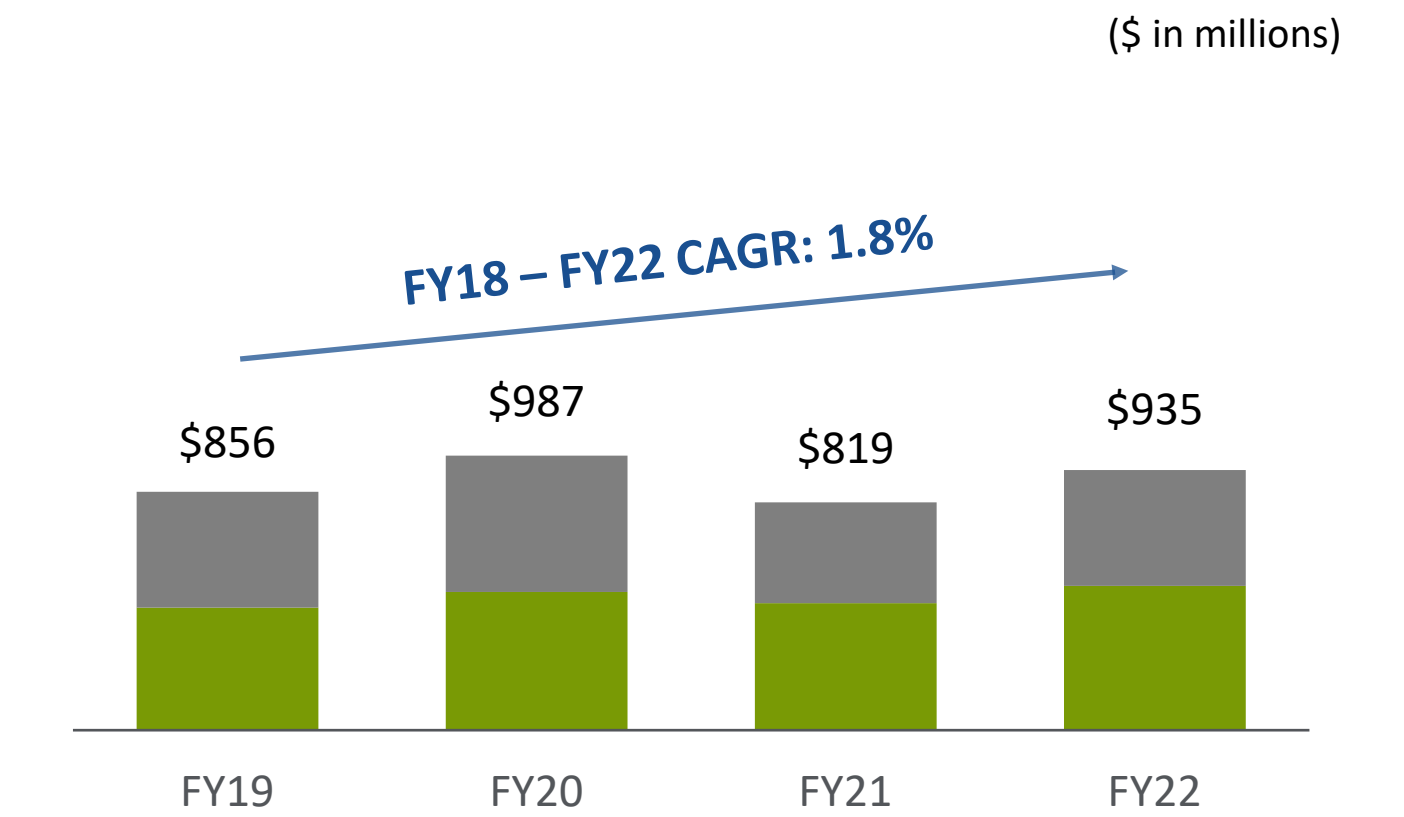


By Pro Forma Operating Income

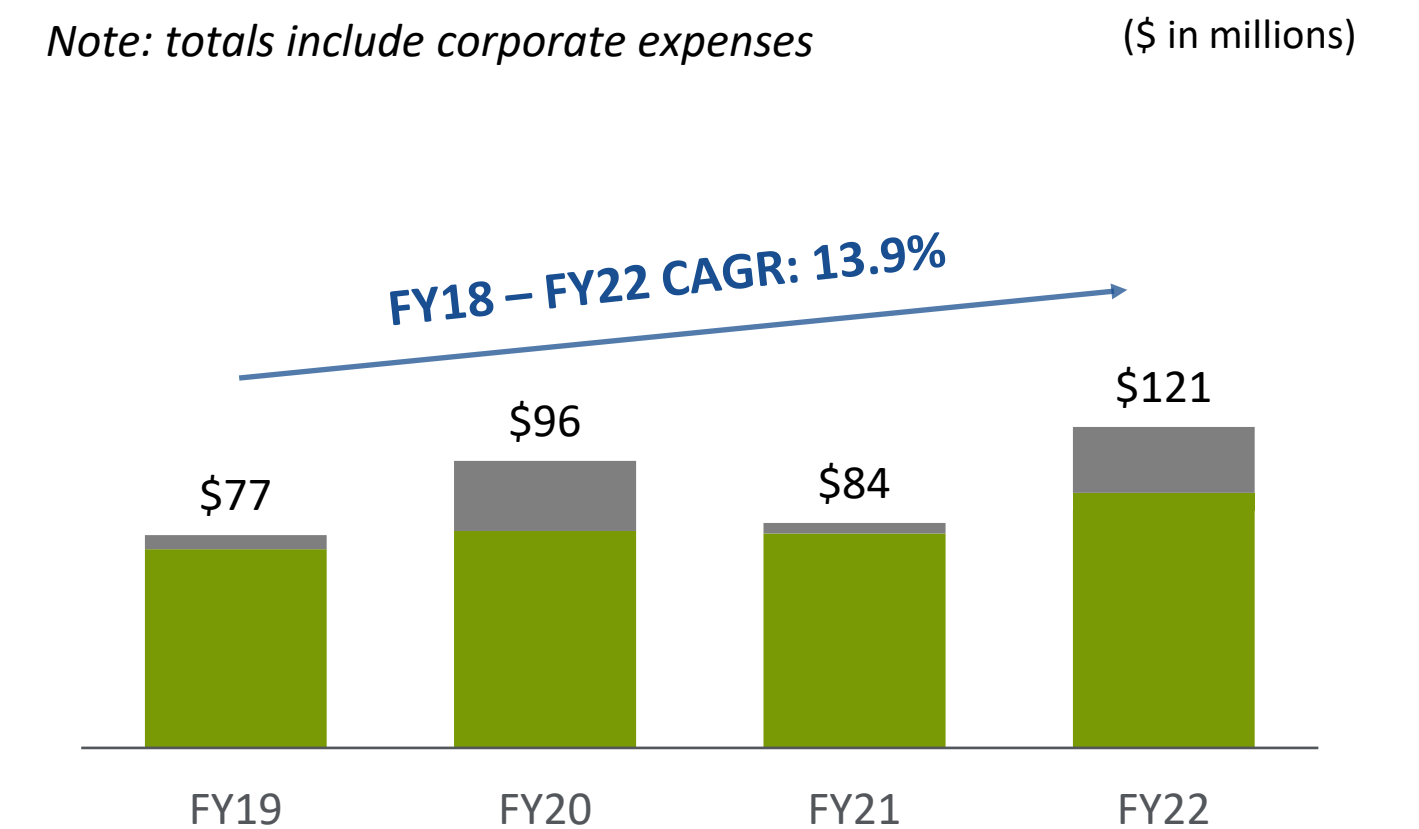


■ Metal Coatings ■ Infrastructure Solutions

Pro Forma Sales Contribution



PF Adj. Operating Income Contribution



Note: totals include corporate expenses

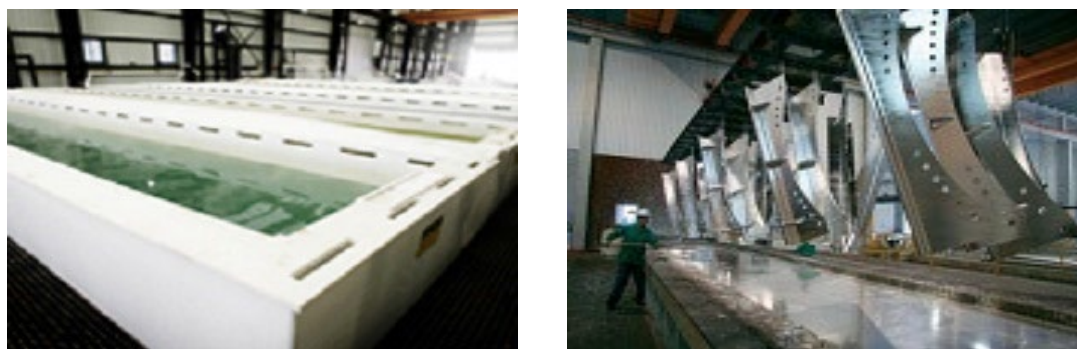
Note: Financials pro forma for one-time expenses. FY2022 financials pro forma for acquisitions of Steel Creek and DAAM Galvanizing. AZZ growth rates exclude impact of Steel Creek and DAAM Galvanizing acquisitions.

Our Current Portfolio

Metal Coatings (PF FY22 Sales: \$551 million)

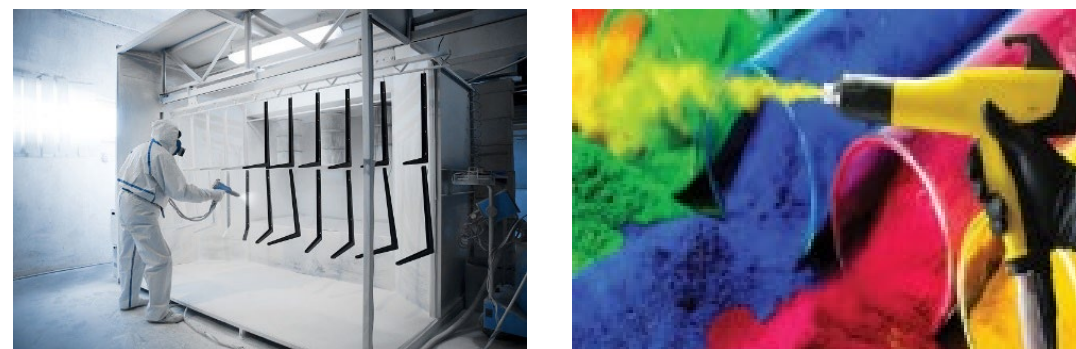
#1 in Hot-Dip Galvanizing of Fabricated Steel

Galvanizing



- Protects, extends lives and enhances a variety of critical infrastructure products across broad set of industries

Surface Technologies



- Powder coatings
- Plating
- Anodizing
- Corrosion & cosmetic benefits
- Highly automated

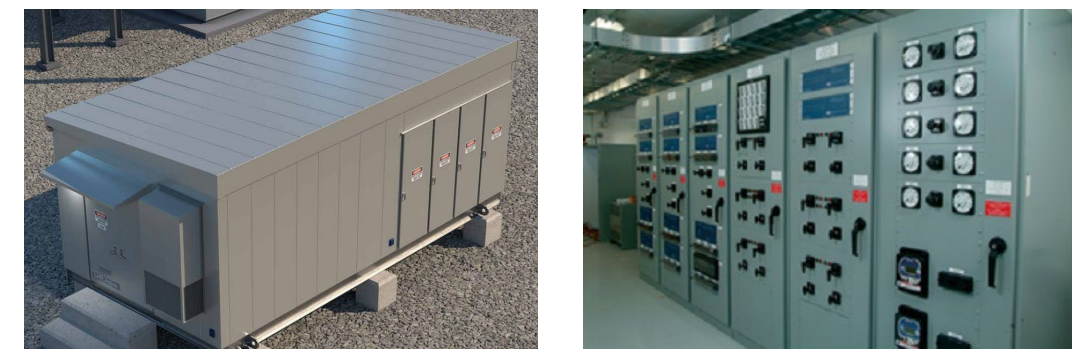
~30%-35% Market Share⁽¹⁾

Note: Financials pro forma for acquisitions of Steel Creek and DAAM Galvanizing.
(1) Management estimates.

Infrastructure Solutions (PF FY22 Sales: \$384 million)

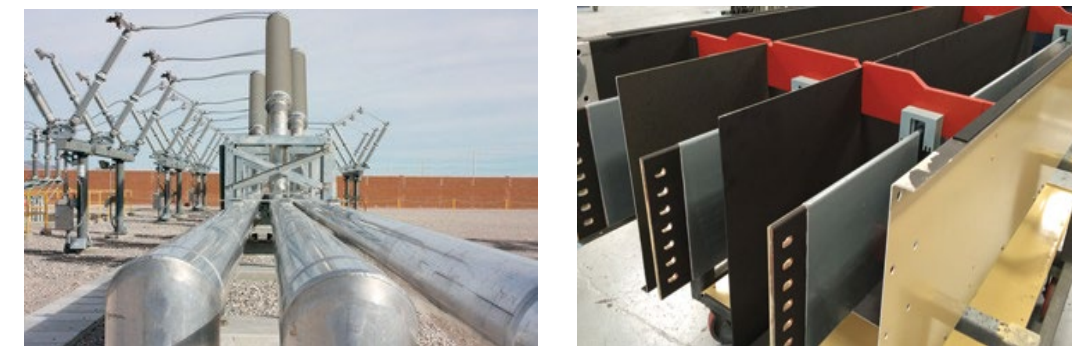
Diverse portfolio of Electrical and Industrial businesses

Electrical Products



Enclosure Systems

Switchgear



High Voltage Bus

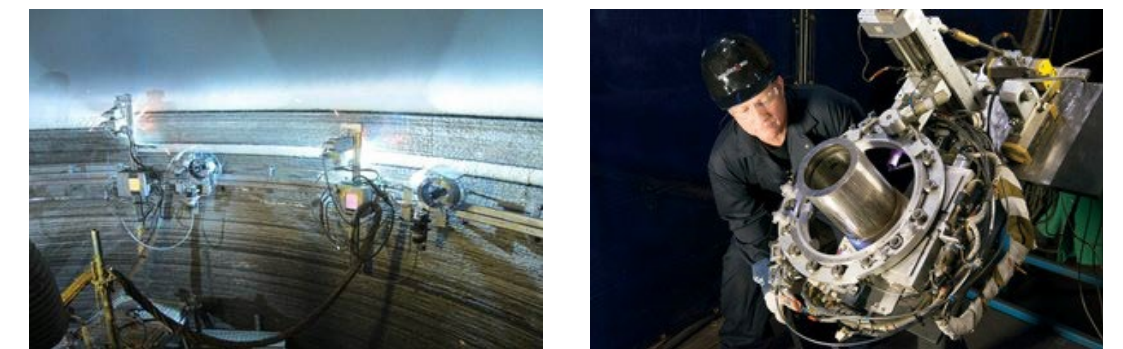
Medium Voltage Bus



Tubular Products

Lighting Systems

Industrial Solutions



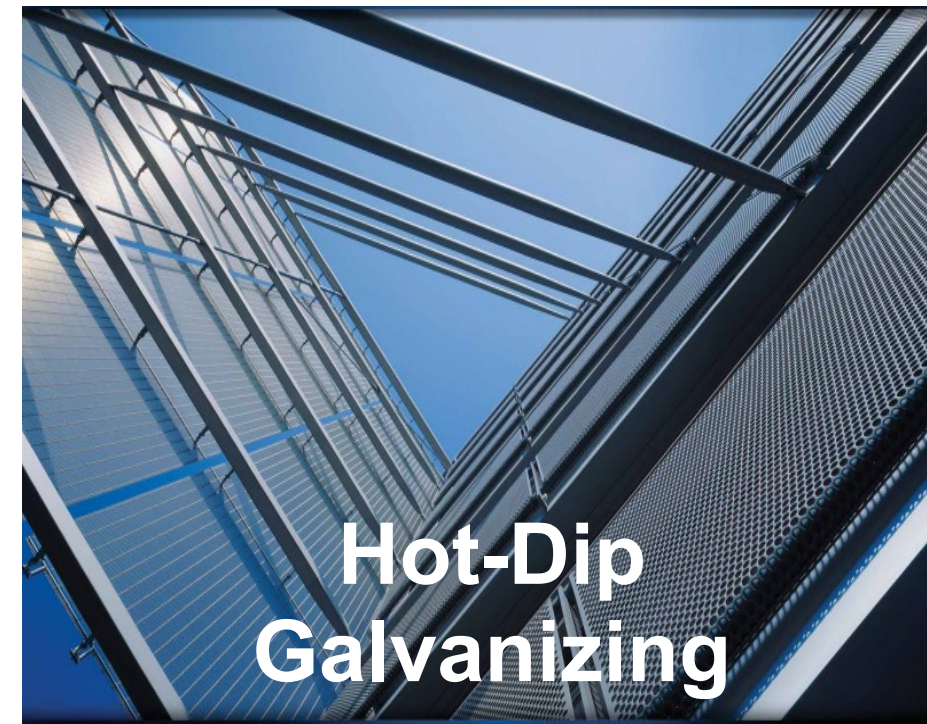
- Specialty weld overlay services for critical component maintenance & repair

Our Leading Metal Coatings Business

Key Facts

Pro Forma FY22 Sales (% of Total)	\$551 Million 59% of Total
Pro Forma FY22 Adj. Operating Income ⁽¹⁾ (% Margin)	\$134 million 24.3%
Facilities	47

Service Offerings



Includes powder coating, anodizing and plating

Business Highlights

- Unmatched protection and corrosion resistance for prefabricated steel
- Strategic footprint offers significant advantage
- Essential service to critical infrastructure
- Stable volumes and strong financial performance

- Highly fragmented landscape with diverse end markets
- Addresses cosmetic as well as corrosion needs for metal coatings and finishing
- Alignment with Galvanizing has provided stronger financial performance

End Markets Served



Industrial: 25%



Construction: 26%



OEM: 15%



Renewable/Utility: 15%



Petrochem: 3%



Other: 16%⁽²⁾

Note: Financials pro forma for acquisitions of Steel Creek and DAAM Galvanizing.

(1) Segment adjusted operating income not burdened by corporate costs.

(2) Other includes agriculture, bridge & highway, and recreation.

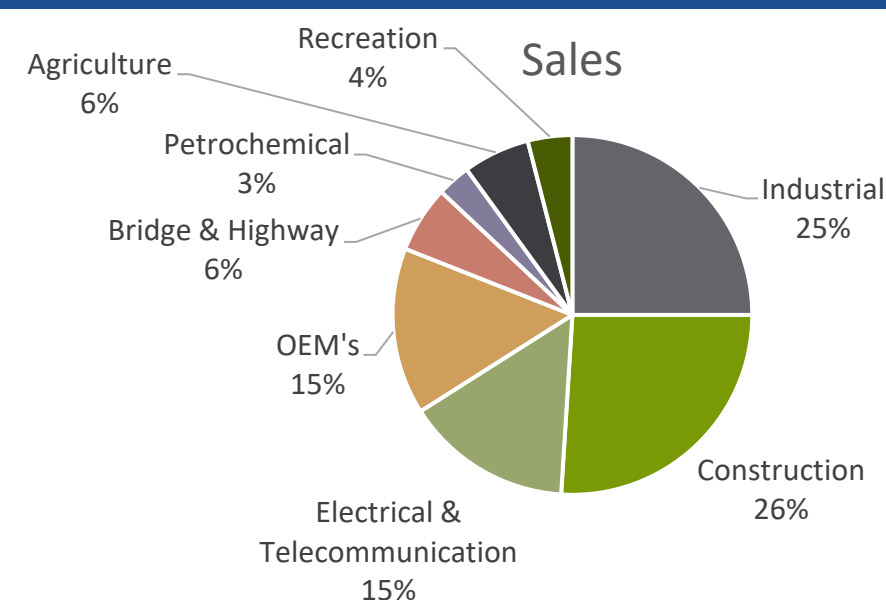
North American Hot-Dip Galvanizing Market

Post-Fabrication Hot-Dip Galvanizing is a subset of the overall metal coatings materials market which protects steel structures from corrosion, using zinc, a environmentally friendly infinitely reusable material

Commentary

- The North American Hot-Dip Galvanizing Market is a ~\$2 billion industry and grows at similar rate as GDP.
- The Hot-Dip market serves a diverse set of end markets and is benefitting from positive trends in key end markets, including a broader set of customers that are converting from post-fabrication wet-spray paint to galvanizing for superior corrosion protection, as well as increased infrastructure spending
- The Hot-Dip galvanizing market penetration in North America is ~33%, whereas in Europe it is more developed at ~+50%; North America has an opportunity to grow to similar penetration rates

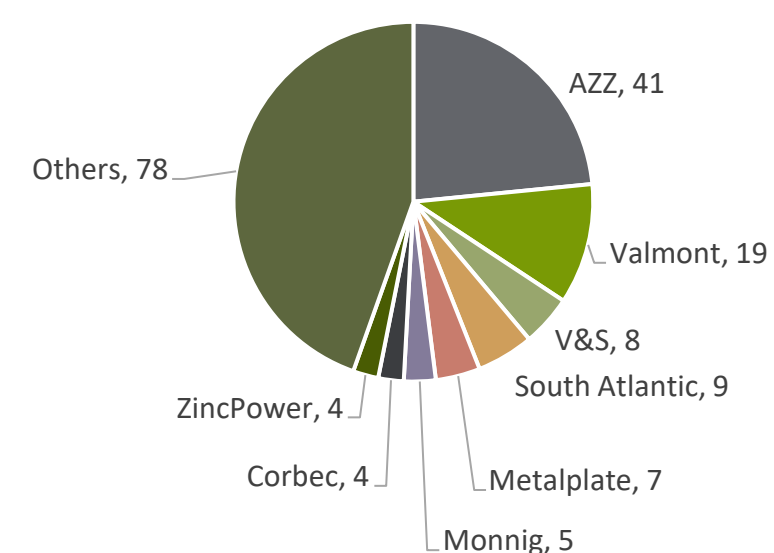
U.S. End Market Breakdown



Diversity of demand, and growth/investment in infrastructure will generate growth

U.S. Hot-Dip Galvanizing Market

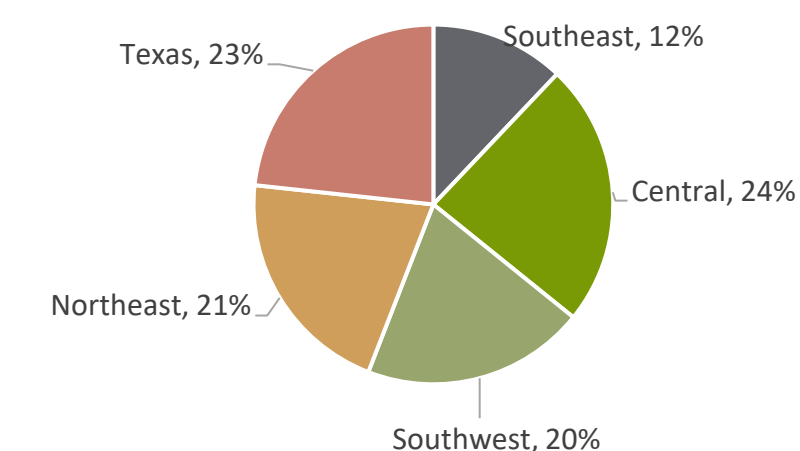
Competitor Landscape; # of plants



AZZ is the clear leader in hot-dip galvanizing, and has industry-leading margins due to focus on operations improvement, customer service and pricing

U.S. Regional Breakdown

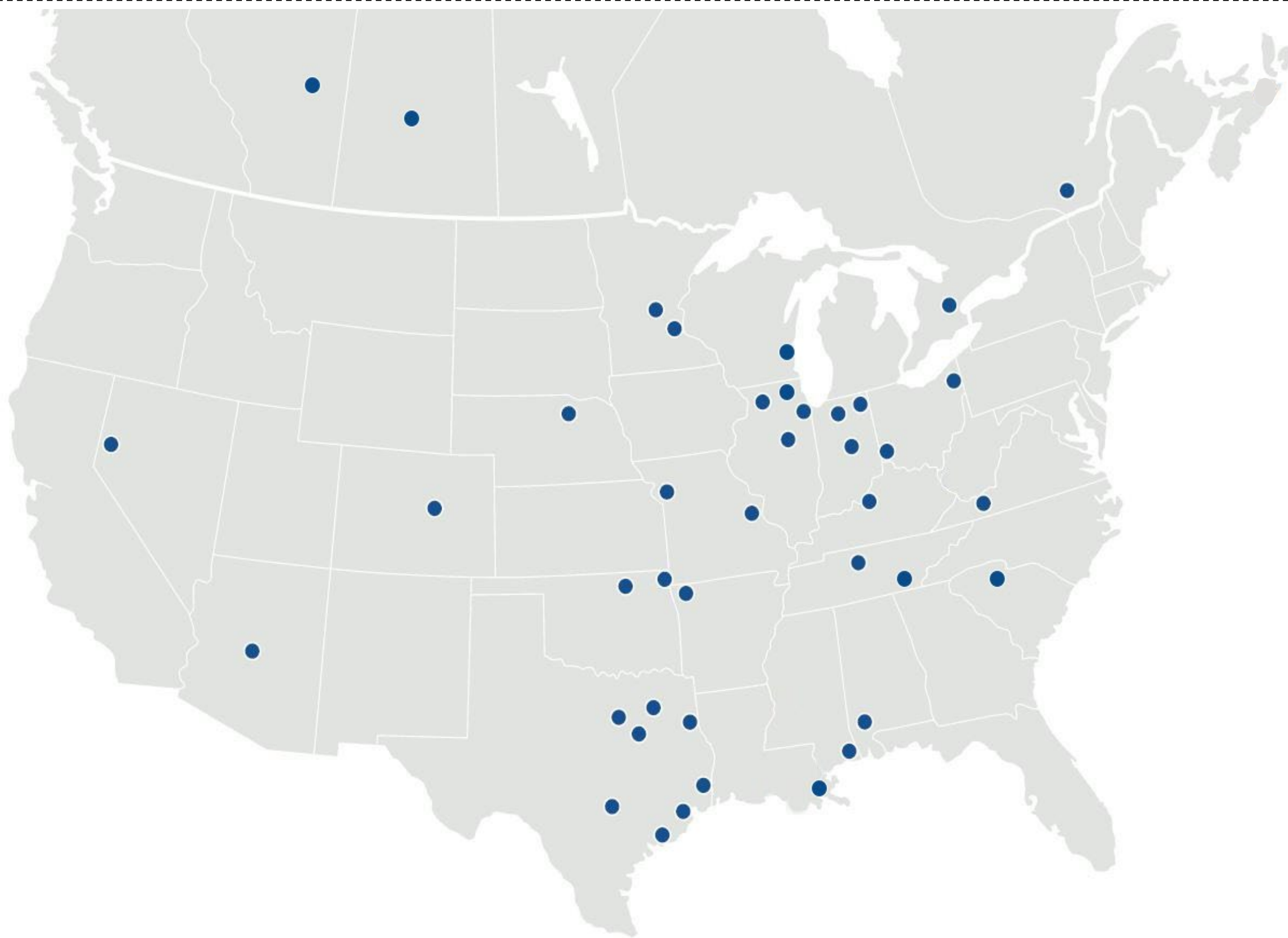
Sales by Region



AZZ's footprint and close proximity to metal fabricators is a key competitive advantage

North America's Largest Independent Hot-Dip Galvanizer of Post-Fabricated Steel

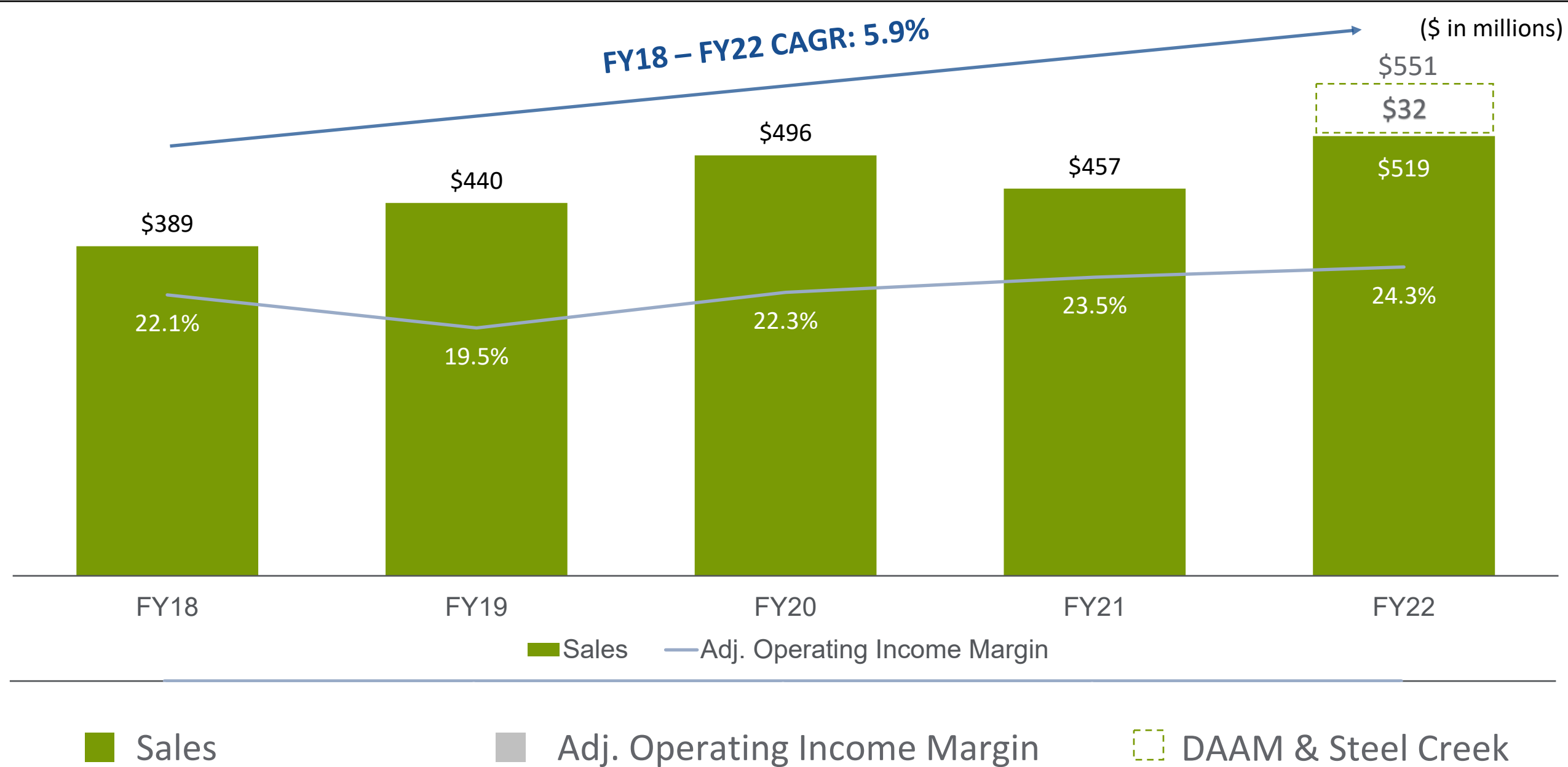
1 Hot-Dip Galvanizing Market Position in North America



- Expansive footprint with 41 galvanizing locations throughout North America
 - Proximity to customers offers competitive advantage
 - Strong back-office and logistics network drive sales and operational efficiencies
 - Facilities differentiated on services and quality
- Compelling platform poised for growth
 - Adjacency opportunities in corrosion protection
 - Digital Galvanizing System driving greater operational efficiency, productivity and customer service
 - Geographic expansion

Metal Coatings Segment Continues Strong Year-Over-Year Performance

Historical Growth Trajectory



Growth Drivers

- Expanding reach of Digital Galvanizing System
- Sales force approach to market
- Expand Spin Galvanizing
- Focused growth on other coatings applications

Near Term Priorities

- Continue to focus on customer service across the platform
- Effectively integrate recent acquisitions – 9 Metal Coatings segment acquisitions since 2017
- Continue to expand Spin Galvanizing and additional expansion of products to our Customers
- Continue to target 21 – 23% operating margins for the segment – recently exceeding longer-term expectation on improved volumes and customer service excellence
- Target GDP+ growth driven by expanded and value-added services and continued strategic bolt-on acquisitions

Note: Financials pro forma for divestiture of Galvabar. FY2022 financials pro forma for acquisitions of Steel Creek and DAAM Galvanizing. Segment adjusted operating income not burdened by corporate costs.

Considerations for Maximizing Value of Infrastructure Solutions

Portfolio Analysis

- Eleven legacy businesses with minimal overlap – enhancing integration process to drive more synergies
- Businesses that trail Metal Coatings margin / return criteria, however, improving backlogs and returns in FY2022
- Maintain operating focus and cash conservation in current environment
- Continuing portfolio evaluation – divested two businesses over past two years (Nuclear Logistics and Southern Mechanical Services)
- End-markets more severely impacted by COVID-19 and still recovering

Segment Overview

Electrical Products		Sales	\$238 million (25% of Total)
		PF Adj. Operating margin	High single digit
		End-markets	~57% T&D ~15% Industrial ~28% Power
		Geography mix	>95% North America
Industrial Solutions		PF Sales	\$146 million (16% of Total)
		PF Adj. Operating margin	Low double digit
		End-markets	~65% Refining ~35% WTE ⁽¹⁾ and Other
		Geography mix	~65% North America ~17% Netherlands ~11% Poland ~7% Brazil

Note: Represents FY2022 financials pro forma for one-time expenses.

(1) WTE refers to Waste-to-Energy market.

Infrastructure Solutions is a Portfolio of Diverse Businesses

		% Segment ⁽¹⁾	# of Locations								
Electrical Products	Enclosures	22%	3	<ul style="list-style-type: none"> Manufacturer of custom modular enclosures (“e-houses”), as well as relay panels Integration of customer furnished equipment 		Control Centers		Power Distr. Centers		Data Centers	
	Switchgear	21%	2	<ul style="list-style-type: none"> Leading independent provider of 38kV switchgear Padmount and Arc-Resistant Switchgear 		Emergency Mobile Substations		Mining		Medium Voltage	
	Bus Duct	High Voltage	7%	2	<ul style="list-style-type: none"> Global leader in high-voltage SF₆ gas insulated bus products Voltage ranges from 115kV to 1,200kV 		SF ₆ Gas Insulated Lines		Cooling Units		High-Current Contact
		Medium Voltage	6%	1	<ul style="list-style-type: none"> Innovative medium voltage bus duct products Product line includes isolated phase duct, segregated and non-segregated phase duct 		Isolated Bus Duct System		Segregated Bus Duct Systems		Non-Segregated Bus Duct Systems
	Tubular and Lighting	6%	2	<ul style="list-style-type: none"> Harsh and Hazardous Duty Lighting manufacturer with over 75-year history Full length tubing as well as pup-joints – Company’s original business in 1956 		Oil Field Lighting		Marine Lighting		Full-Length Tubing	
Industrial Solutions	Specialty Weld Overlay	38%	5	<ul style="list-style-type: none"> Industry leading life extension and repair processes to address low cycle fatigue failure in coke drums and reactors World's largest installed base for the mitigation of fireside corrosion Turnaround driven business 		Water-wall Service		Heater / Furnace Service		Boiler Services	
						Vessel Service		Pipe & Piping Service		Coke Drum Repair	

(1) Proportion of FY2022 segment sales of \$384 million.

AZZ's Continued Strategic Transformation Into a Focused Coatings Provider

AZZ has taken strategic actions in recent years to prioritize its Metal Coatings segment, paving the way for our continued evolution into a focused coatings provider

Metal Coatings

- Strong portfolio of complementary high margin coating assets
- Long-term strategy to grow organically and with a robust acquisition program
- Continued focus on driving profitable growth and expanding coating applications
- 5-Year Average Adjusted EBITDA Margin: ~29%
- 9 acquisitions since FY2017

Infrastructure Solutions

- Diverse collection of lower margin electrical and industrial businesses with minimal overlap or synergies
- Evaluating opportunities consistent with becoming a more focused coatings company
- 5-Year Average Adjusted EBITDA Margin: ~10%

Acquisitions and Divestitures



Precoat Metals Is the Leading Independent Metal Coil Coating Solutions Provider in North America

Company Snapshot

- Leader in the advanced application of protective and decorative coatings and related value-added services for steel and aluminum coil in North America
- Leading positions and strong track record servicing the fastest growing segments of the most demanding and highest value end markets
- Highly diversified product and solutions offering across metal substrates and coatings coupled with differentiated value-added processing capabilities
- Focus on service and embracing complexity with ability to coat both large and smaller runs efficiently
- Only scaled, independent coil coatings solution provider capable of coating steel and aluminum from multiple sources
- Network of 13 strategically located manufacturing facilities in close proximity to major customers and metal suppliers, supporting highly efficient supply chain logistics and providing sustainable competitive advantage
- Superior processing capabilities and operational flexibility, focusing on value-added applications
- Proven growth strategy focused on substrate diversity, conversion to prepaint opportunities and strategic partnerships with high-value customers and suppliers
- Diverse blue-chip customer base with long-term relationships and low concentration
- Attractive financial profile: LTM 12/31/2021 sales of \$699 million and adjusted EBITDA of \$137 million (~20% margin)
- ~1,100 employees
- Corporate office located in St. Louis, Missouri

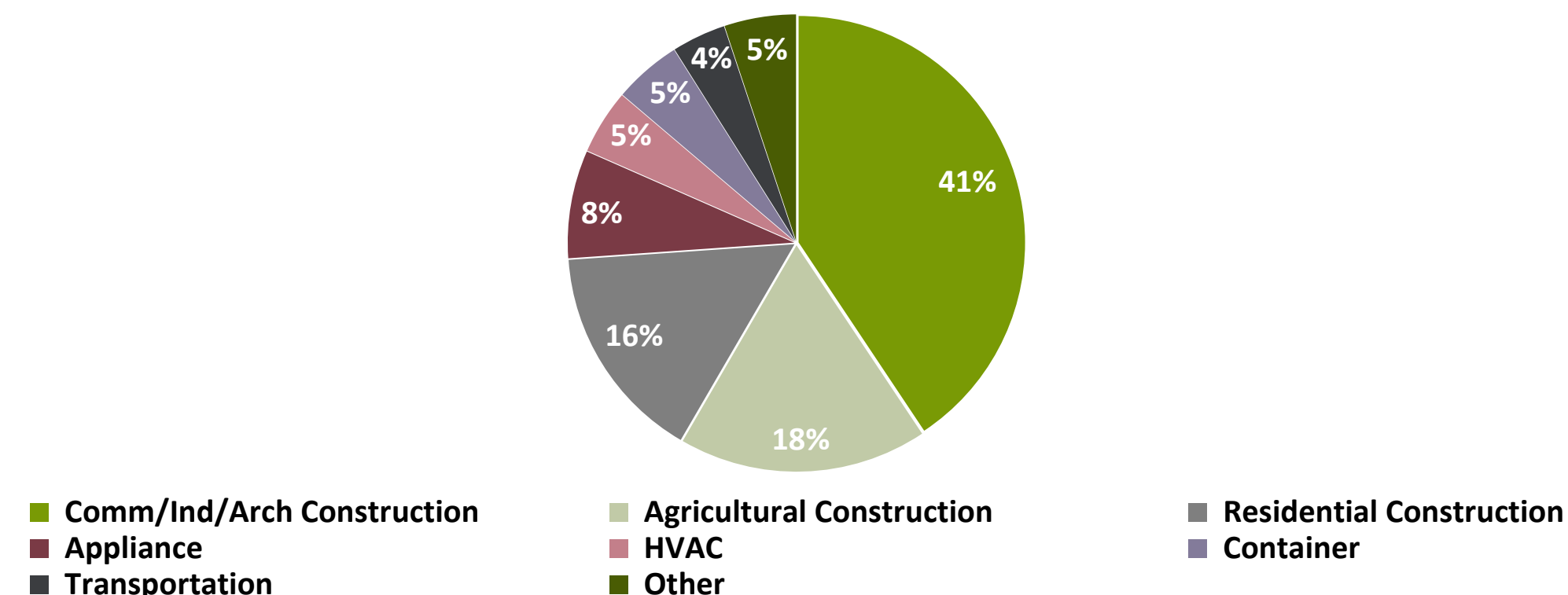
#1
position across highly attractive and growing end markets

15 coating lines and
17 processing lines

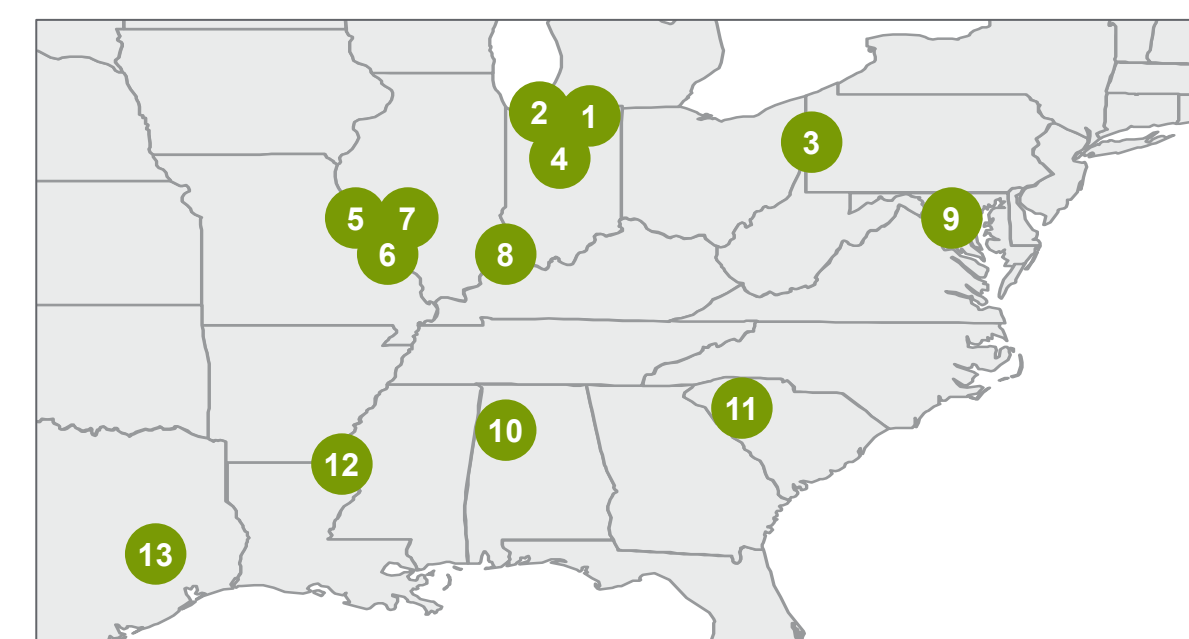
1/3
of coating volume undergoes value-added processing

1.7mm
tons volume of metal coated per year

LTM 12/31/2021 Sales Breakdown



Manufacturing Footprint



\$75mm+

Investment required to replicate any coating facility, creating sustainable competitive advantage

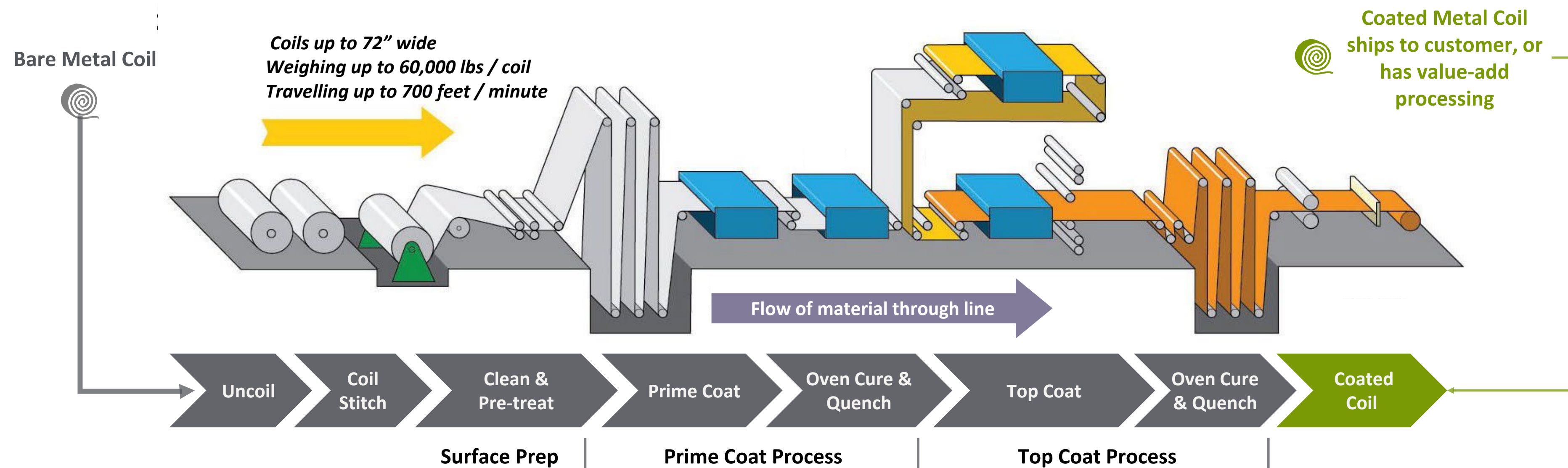
Differentiated strategic footprint with close proximity to customers, mills and transportation drives significant cost advantages and shorter lead times for customers

Highly differentiated coil coating solutions provider distinguished by unique scale, customer service, breadth of offerings and proprietary know-how

A “One-Stop-Shop” for Coil Coating Solutions and Value-Added Processing

Overview of the Coil Coating Process

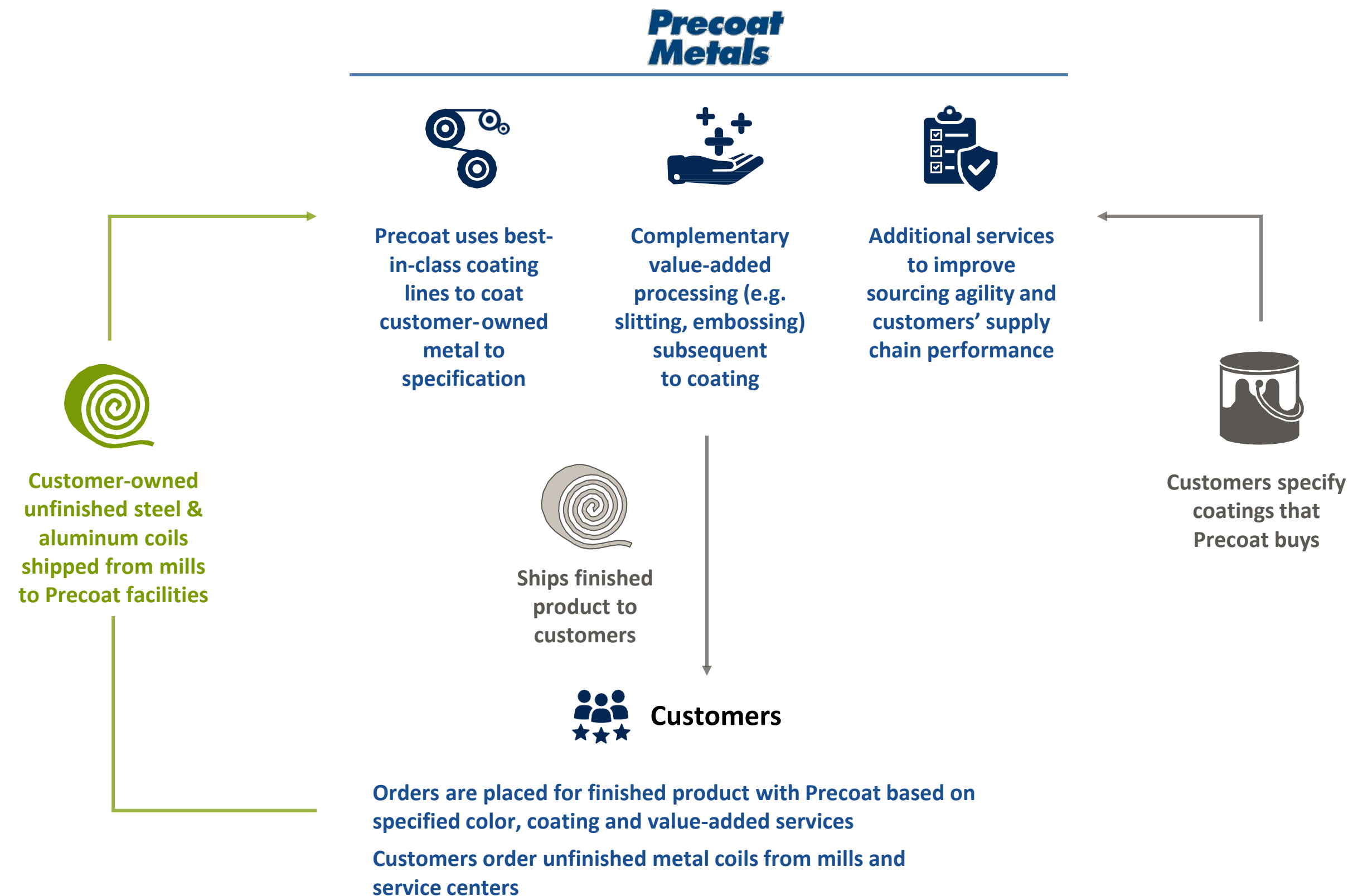
- Coil coating is a continuous, highly automated process whereby coatings and film laminates are applied to coils of metal before fabrication into end products
- Steel or aluminum substrate in coil form is unwound, cleaned on both sides, chemically treated, primed, oven-cured, top-coated, oven-cured again and recoiled for packaging and shipment
- Value-added processing services are provided subsequent to coating based on customer specifications
- Coil coating is recognized for its cost effectiveness, aesthetics, field performance and sustainability - the process is a closed loop system with greater than 98% volatile organic compound (VOC) capture and conversion to fuel



Precoat's diversified solutions and service offering support customers across the entire coil coating value chain

Differentiated Business Model as Service-Oriented Independent Toll Processor

Toll Processing Model Overview






















Key Advantages

- ✓ No direct metal or coating source affiliations
- ✓ Customers can multi-source metal and coatings
- ✓ **Transparency**
 - No conflicts of interest between internal needs and customer orders
- ✓ Unparalleled product and processing capabilities
- ✓ Short lead time and flexible scheduling
- ✓ Warehousing capacity for over 500,000 tons of customer metal
- ✓ No metal or coatings price risk
 - Customers purchase all metal
 - Pass through all coating price increases to customers
 - Unique industry footprint, capability to process orders through any period of equipment downtime
- ✓ No metal inventory and limited working capital
- ✓ Well-invested network requires limited capital requirements

Precoat fulfills critical customer needs for service and flexibility without holding any metal inventory or taking any metal or coatings price risk

Leading Positions in Key End Markets





	Representative Product Applications				Market Position ⁽¹⁾		
	<u>Commercial / Industrial / Architectural</u>		<u>Agricultural</u>		<u>Residential</u>		
	 Structural and Mechanical	 Last Mile Warehousing	 Farm Storage Structures	 Animal Confinement	 Barndominium	 Weathered Metal Roof Print	#1 Overall #1 Entry Doors #2 Garage Doors
Appliance	 Large Appliances	 Walk-in Coolers	 Display Cases				#1
HVAC	 HVAC Systems	 Water Heaters	 HVAC Accessories				#1 (Joint)
Container	 Food & Beverage Containers	 General Line Containers	 Barrels, Drums and Pails				#1
Transportation	 Trailers & RVs	 Buses	 Automotive Lightweighting	 Cargo / Truck Trailers			#1 Buses #1 Trailer

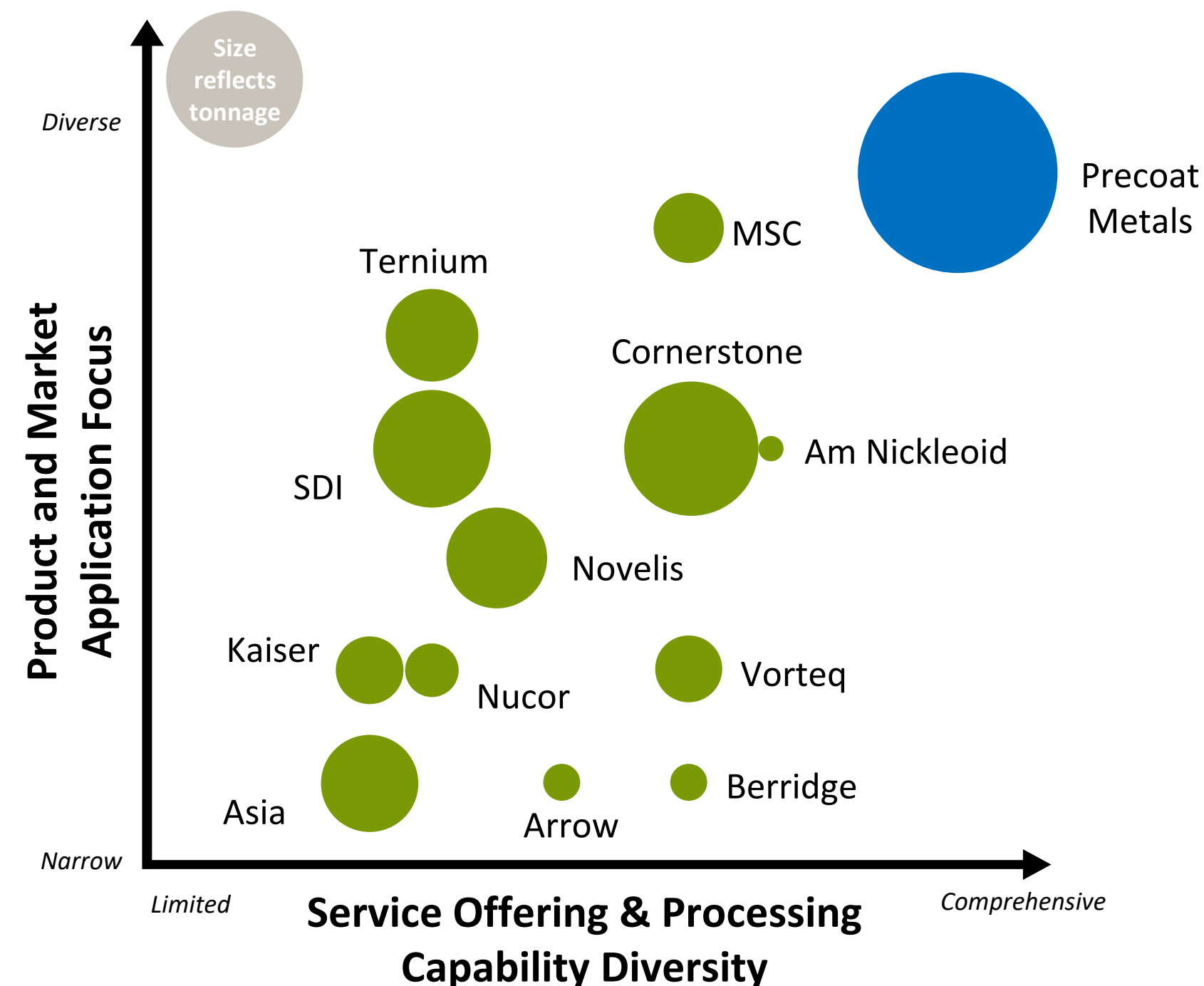
Broad product offering across major end markets solidifies Precoat's leading position

(1) Estimated coil coating market position.

Unique Competitive Advantage Supported by Best-in-Class Service

Precoat's Positioning within the Prepainted Coil Coating Competitive Landscape

Precoat Metals	<ul style="list-style-type: none"> • Only independent coil coating solutions provider of scale serving every end market • Both large and small, complex runs • Full breadth of value-added service offerings • Unmatched footprint in close proximity to customers, suppliers and key modes of transportation
Other Independent Processors	<ul style="list-style-type: none"> • Smaller, sub-scale regional players • Inability to provide full-suite of capabilities across multiple locations • Focus on smaller, niche orders and targeted end markets 
Captive / Toll Coaters	<ul style="list-style-type: none"> • Broad sourcing ability, but limited substrate diversity • Channel conflict due to other businesses in their portfolio • Market breadth typically narrow 
Pure Captive Coaters	<ul style="list-style-type: none"> • Smaller scale • Narrow focus on captive business requirements • Coil coating is non-core • Freight optimization is a challenge 
Integrated Steel & Aluminum Mills	<ul style="list-style-type: none"> • Significant scale, but lack commercial independence • Preference for large runs • Broad set of coating capabilities • Lack of metal sourcing flexibility • Limited value-added processing 



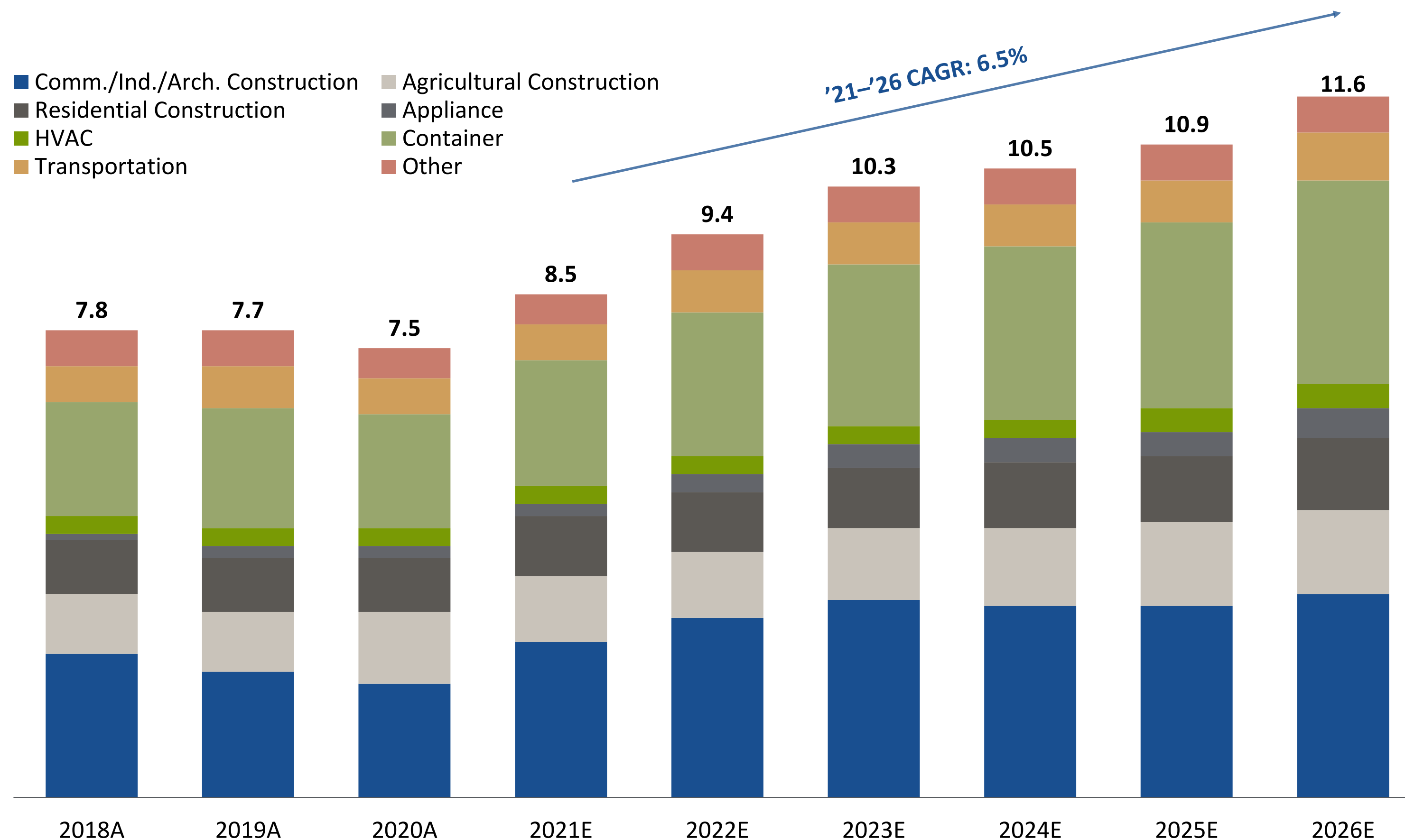
Best-Positioned Across All Competitive Criteria		
Product & Market	Offerings & Processing Capabilities	
Substrate Range	Sourcing Latitude	Service Flexibility
Surface Criticality	Value-Added Processing	Line Spec Capabilities
Market Breadth	Redundancy / Footprint Flexibility	

Clear industry leader with entrenched advantages as a unique independent toll coater

U.S. Prepainted Coil Coating End Market Trends

U.S. Annual Prepainted Coil Shipment Demand Volume

(in millions of short tons)



Long-Term Growth

- Precoat's broad and diverse range of capabilities across substrates, sizes and gauges provide ability to support applications spanning all end markets
- Highest level of volume growth of steel in the market is expected to come from the construction segment
 - Tailwinds in residential and targeted nonresidential building applications
- Containers segment is expected to lead the way in prepainted aluminum usage
 - Beverage cans
 - Food cans
 - Industrial adhesives / paints / sealants containers
- Appliance segment is projected to experience the highest prepainted growth rates
 - Strong market tailwinds
 - Significant postpaint to prepaint conversion trends

Key Credit Highlights



Sources & Uses and Pro Forma Capitalization

Sources of Funds

Sources	\$	%
New Term Loan B	\$1,300	82%
New Subordinated Convertible Notes	240	15%
Assumed Liabilities	33	2%
AZZ Balance Sheet Cash	4	0%
Total Sources	\$1,577	100%

Uses of Funds

Uses	\$	%
Acquisition of Precoat Metals	\$1,250	79%
Assumed Liabilities	33	2%
Refinance AZZ Current Debt	227	14%
Breakage Costs on AZZ Senior Notes	3	0%
Estimated Fees & Expenses	64	4%
Total Uses	\$1,577	100%

Pro Forma Capitalization

(\$ in millions)	Standalone 2/28/2022	Adjustments	Pro Forma 2/28/2022
Cash & Cash Equivalents	\$15	(\$4)	\$12
Debt:			
Existing \$400mm Unsecured RCF	\$77	(\$77)	--
New \$400mm Secured RCF	--	--	--
New First Lien Term Loan	--	1,300	\$1,300
Total First Lien Debt	\$77	\$1,223	\$1,300
Existing Senior Unsecured Notes	\$150	(\$150)	--
New Subordinated Convertible Notes	--	240	\$240
Total Debt	\$227	\$1,313	\$1,540
Net Debt	212	1,317	1,528
Equity Value (Market Cap)	\$1,202	--	\$1,202
Total Capitalization	\$1,429	\$1,313	\$2,742
Credit Metrics			
LTM 2/28/2022 Adjusted EBITDA (incl. Synergies) ⁽¹⁾	\$165	\$142 ⁽²⁾	\$307
Total Debt / Adjusted EBITDA	1.4x	Total leverage and net leverage of 4.2x following conversion of Subordinated Convertible Notes into Series A Convertible Preferred Shares	5.0x
Net Debt / Adjusted EBITDA	1.3x		5.0x
First Lien Debt / Adjusted EBITDA	0.5x		4.2x
First Lien Net Debt / Adjusted EBITDA	0.4x		4.2x
Total Debt / Capitalization	15.9%		56.2%

Note: Market data as of April 22, 2022.

(1) Based on financials as of LTM 2/28/2022 for AZZ and LTM 12/31/2021 for Precoat. AZZ financials include pro forma impact of Steel Creek and DAAM Galvanizing acquisitions.

(2) Includes 50% credit for \$10 million of estimated run-rate synergies.

\$240 Million Strategic Investment From Blackstone

Overview

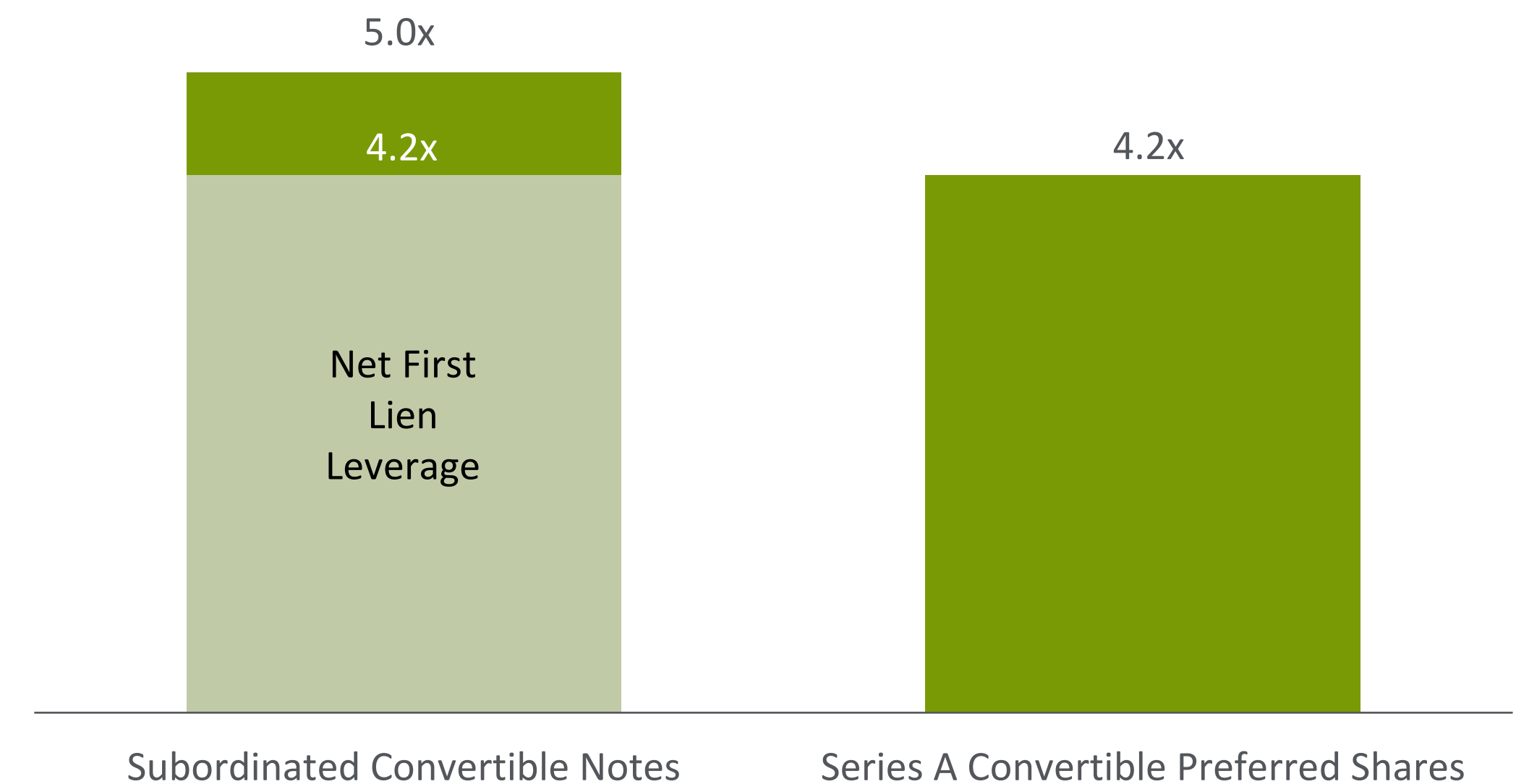
- On April 25, 2022, AZZ announced that funds managed by Blackstone Tactical Opportunities (“Blackstone”) would make a \$240 million strategic investment in the Company in order to support the Company’s previously announced acquisition of Precoat Metals
 - Under the terms of its investment, Blackstone would purchase \$240 million aggregate principal amount of Subordinated Convertible Notes, which upon approval of AZZ’s stockholders would convert into Series A Convertible Preferred Shares
 - Blackstone’s investment is subject to the closing of the Company’s previously announced acquisition of Precoat Metals and finalizing definitive documentation

Summary of Indicative Terms

Amount	\$240 million
Security Type	Subordinated Convertible Notes, which upon approval of AZZ’s stockholders would convert into Series A Convertible Preferred Shares
Dividend	6.0% per annum, payable quarterly in cash or in kind at AZZ’s election
Conversion	Convertible into shares of AZZ’s common stock at a 30% premium to 30-day VWAP at closing
Board Seat	1 director appointed by Blackstone

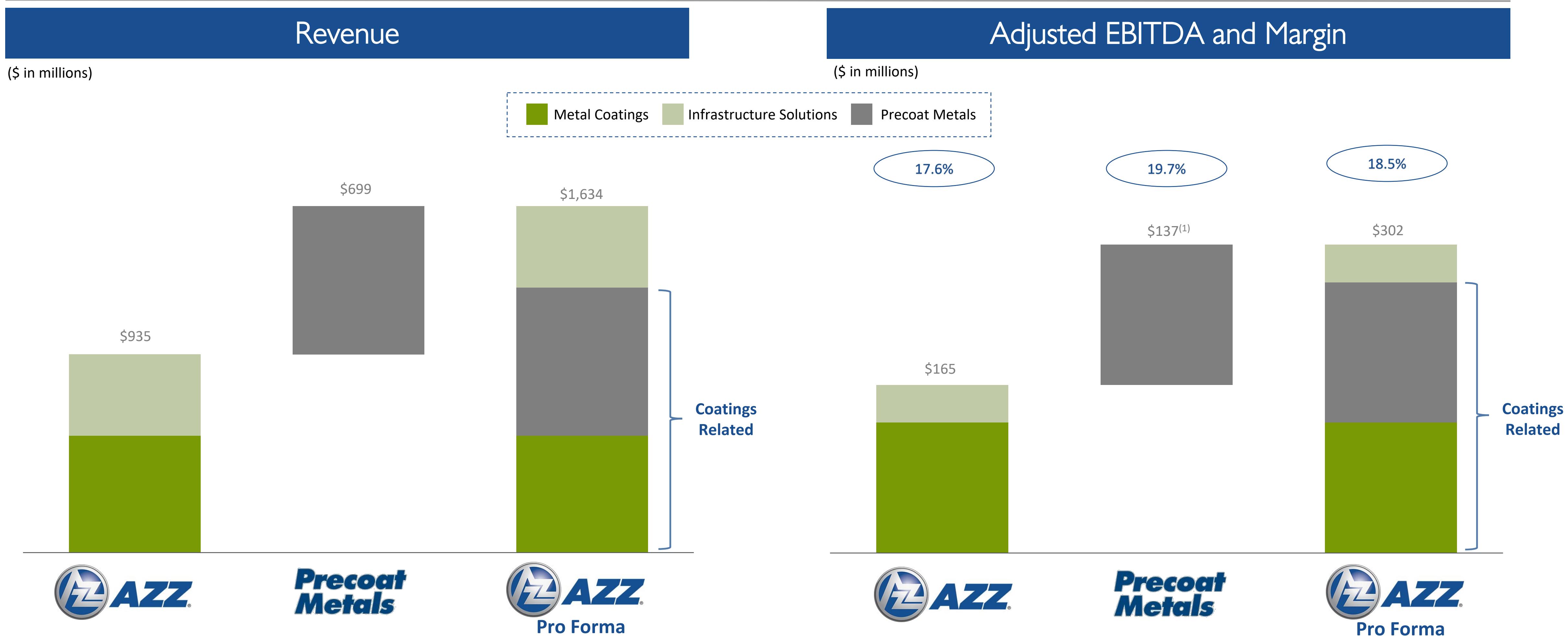
Net Leverage

(Net Debt / Pro Forma LTM Adjusted EBITDA)



Reflects summary of indicative terms for the Series A Convertible Preferred Shares, which are substantially identical to the indicative terms of the Subordinated Convertible Notes. The summary of indicative terms reflects non-binding terms that are mutually agreed upon between AZZ and Blackstone subject to negotiation of final documentation and is not exhaustive as to all of the terms and conditions which would govern the investment. Definitive documentation with respect to the Subordinated Convertible Notes and Series A Convertible Preferred Shares has not yet been executed and the terms summarized herein are subject to change.

2 Significantly Enhanced Scale and Attractive Margin Profile



✓ Nearly doubles revenue and adjusted EBITDA

✓ Increases higher margin coating mix

✓ Compelling opportunity for additional margin upside

Note: Based on financials as of LTM 2/28/2022 for AZZ and LTM 12/31/2021 for Precoat. AZZ financials pro forma for acquisitions of Steel Creek and DAAM Galvanizing.

(1) Does not include any estimated run-rate synergies.

4 Diverse Blue-Chip Customer Base with Long-Term Relationships and Low Concentration



**Precoat
Metals**

Representative Customers



Representative Customers

~3,000 Total Customers

Diverse Customer Base With No Customer Accounting For >5% of Sales

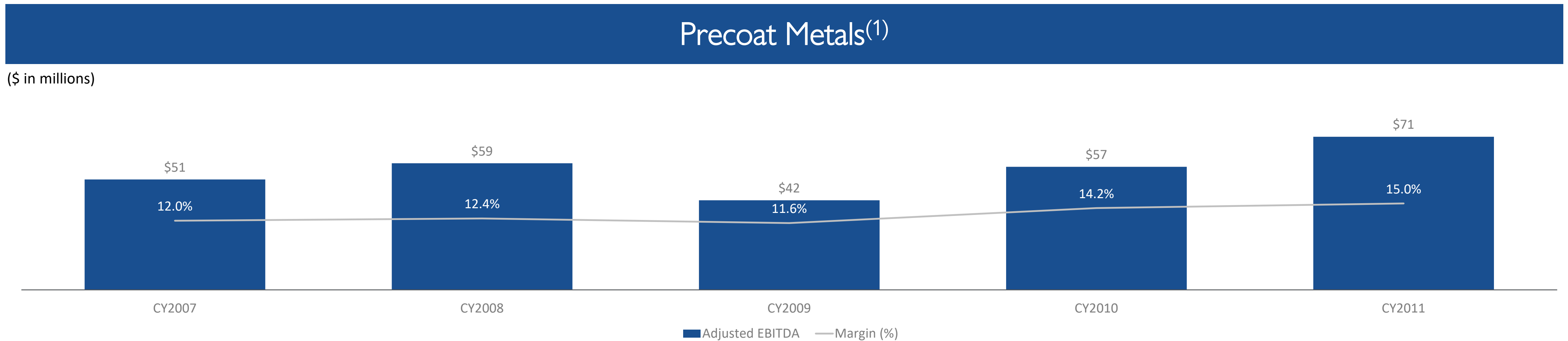
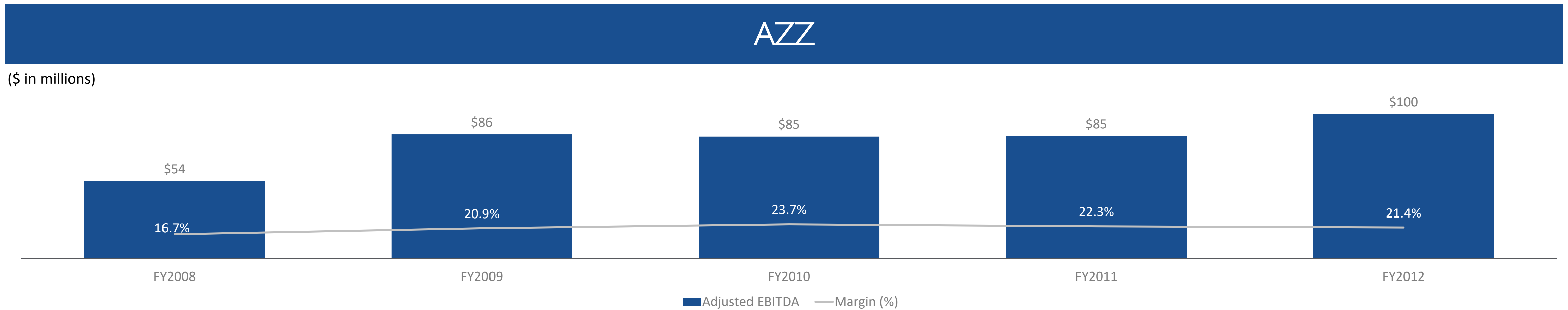
85% of Top 25 Customer Relationships **10+ Years**

600+ Total Customers

Diverse Customer Base With No Customer Accounting For >7% of Sales

25+ Years Average Tenure of Top 10 Customers

5 Resilient Financial Performance Through the Cycle



(1) Reflects Precoat historical adjusted EBITDA figures as disclosed by Precoat.

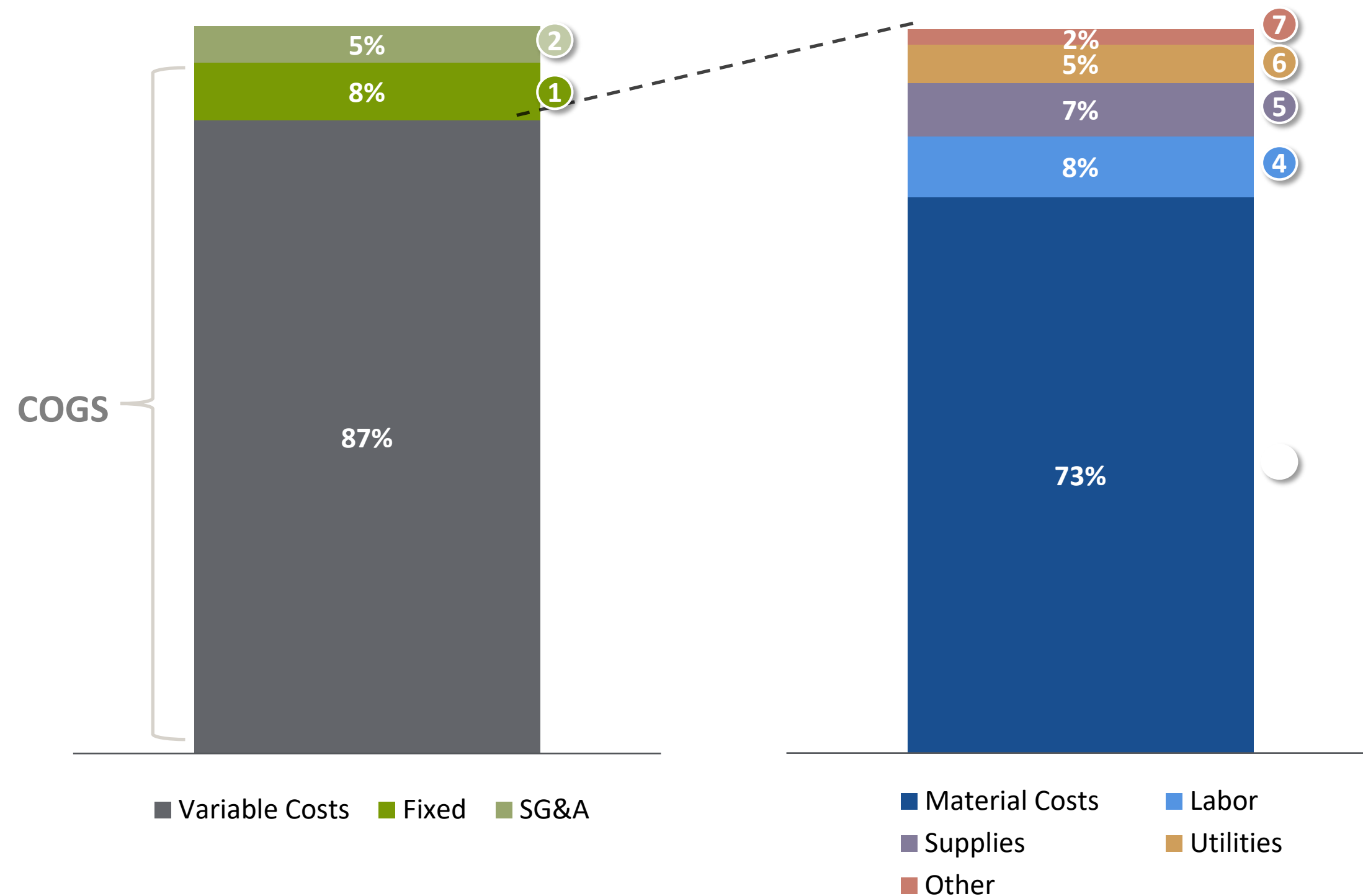
5 Precoat's Meaningful Variable Cost Structure Provides Enhanced Agility

Due to high material cost mix and flexible labor arrangements, Precoat enjoys a highly variable cost structure that supports stability and cycle resiliency. Toll processing model eliminates the need to own the metal at any point through the process, thus eliminating any exposure to metal price fluctuations

Cost Breakdown (2021)

Total Operating Costs

Total Variable Costs



Highlights

① Fixed Costs

- Comprised primarily of indirect labor (engineering and quality management) and insurance expenses

② SG&A

- Captures SG&A payroll, bonus, travel & entertainment and other SG&A costs

④ Material Cost

- Includes coatings, laminates, metal treatments and solvents

④ Labor

- Derived of coating line and secondary processing labor, operations support, shipping, quality control and maintenance

⑤ Supplies

- Represents COGS for shipping supplies

⑥ Utilities

- Represents energy spend on electricity and natural gas

⑦ Other

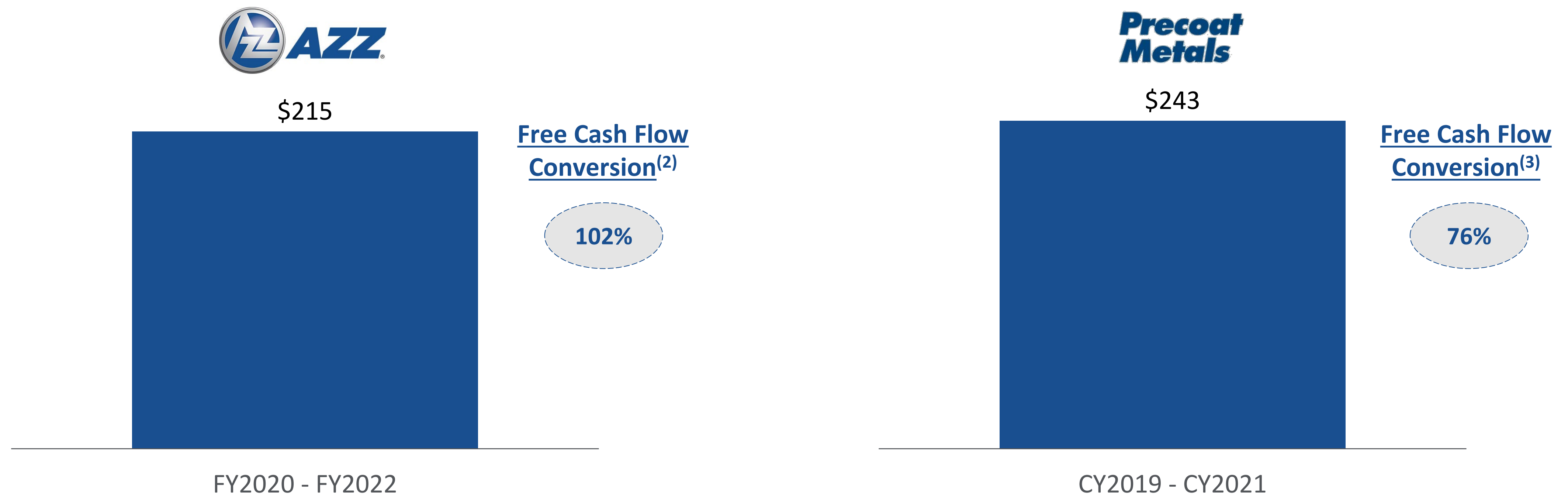
- Includes production, maintenance and safety supplies and employee fringe benefits

6 Strong Free Cash Flow Generation

- AZZ and Precoat exhibit strong cash conversion and working capital management
- Limited working capital and capex requirements
- Historical investments driving continued profitable growth and margin performance

Cumulative 3-Year Adjusted Free Cash Flow⁽¹⁾

(\$ in millions)



Note: Reflects fiscal year ending February 28 for AZZ and fiscal year ending December 31 for Precoat. AZZ financials not pro forma for acquisitions or divestitures.

(1) AZZ adjusted free cash flow defined as adjusted free cash flow from operations less capex. Precoat adjusted free cash flow defined as adjusted EBITDA less change in net working capital and capex.

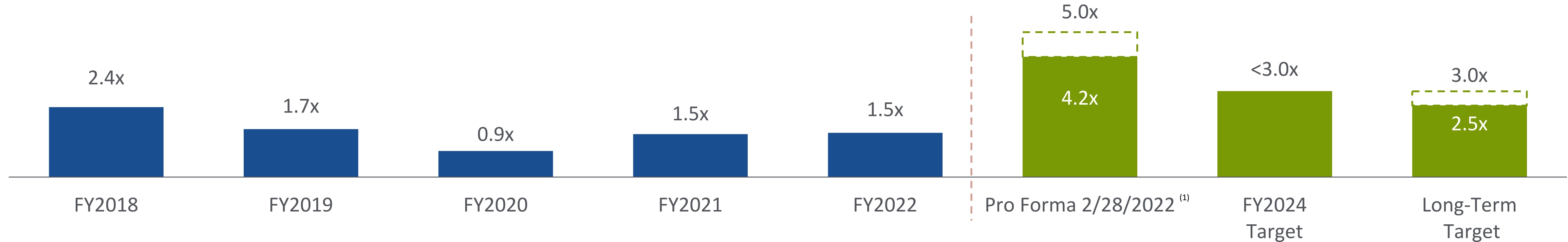
(2) Adjusted free cash flow conversion defined as adjusted free cash flow divided by adjusted net income.

(3) Adjusted free cash flow conversion defined as adjusted free cash flow divided by adjusted EBITDA.

6 Demonstrated Track Record of Prudent Balance Sheet Management

Net Leverage

(Net Debt / Pro Forma LTM Adjusted EBITDA)



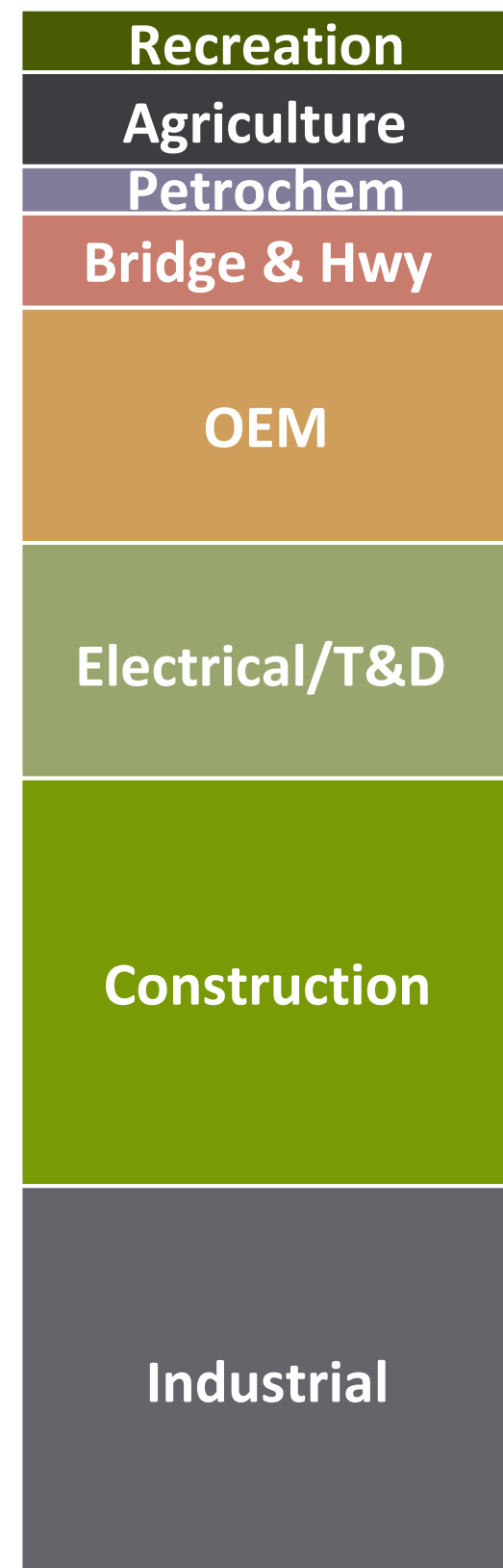
Near-Term Focus on Rapid Deleveraging

- Pro forma net leverage of 5.0x (4.2x following conversion of Subordinated Convertible Notes into Series A Convertible Preferred Shares) as of 2/28/2022 with goal of returning to <3.0x by the end of FY2024, in line with AZZ's publicly committed long-term target of 2.5x to 3.0x
- Strong free cash flow generation supports deleveraging priority and future growth

(1) Based on financials as of LTM 2/28/2022 for AZZ and LTM 12/31/2021 for Precoat. AZZ financials include pro forma impact of Steel Creek and DAAM Galvanizing acquisitions.

7 Highly Attractive End Markets Benefitting from Accelerating Tailwinds

AZZ's Post-Fabrication Hot-Dip Galvanizing business is focused on the subset of the overall metal coatings materials market which protects post-fabricated steel structures from corrosion, using zinc, a environmentally friendly infinitely reusable material

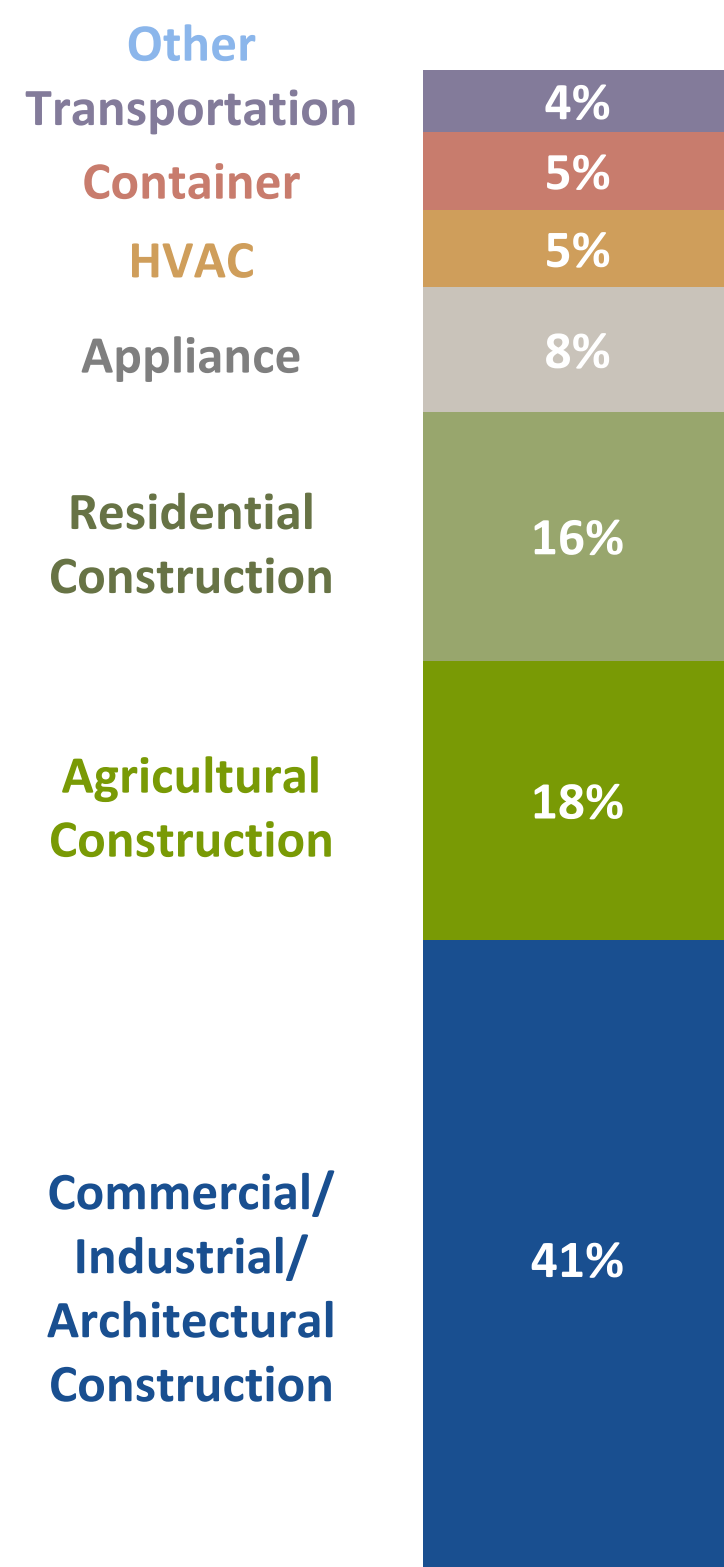


- AZZ is North America's largest independent provider of hot-dip galvanizing to the post-fabrication metal market
- Recreation market has seen a surge in investment due to recent COVID pandemic (boat trailers, docks, RV frames)
- Agriculture construction has significant headroom coming off the lowest levels in 20 years following the trade war between the U.S. and China, driving investment and construction of agriculture equipment and structures
- Petrochem market seeing the return of capital projects as oil prices rise
- Bridge and highway construction being driven higher due to government spending on infrastructure and a growing number of structurally deficient bridges
- OEM (truck and trailer) market seeing record high orders as transportation companies struggle to keep up with demand
- Electrical/T&D market investment is being driven by grid hardening, resiliency, renewable integration which drives demand for galvanized poles, lattice towers, solar sub-frames
- General construction market driven by growth and investment in North America and the return to on-shore manufacturing
- Industrial demand for hot-dip galvanizing growing with several large multi-year industrial projects active throughout the U.S.
- The hot-dip galvanizing market penetration in North America is ~33%, whereas in Europe it is more developed at ~50%+; North America has an opportunity to grow to similar penetration rates
- Hot-dip galvanizing market is benefitting from end-market conversion away from wet-spray paint (VOC/ESG issues) to a more environmentally friendly option (hot-dip galvanizing)

Strong demand outlook for post-fabricated steel benefitting from positive trends in key end markets

7 Highly Attractive End Markets Benefitting from Accelerating Tailwinds (Cont'd)

Precoat 2021A Revenue by End Market



Metal Materials Market Growth

1-2%
4-7%
5-10%
3-5%
5-8%
2-3%
2-3%
2-3%

Prepainted Metal Subsegment Growth

3.2%
4.9%
9.5%
3.8%
16.6%
3.2%
4.6%
5.9%

Normalizing Trends Affecting End Market Growth Rates:

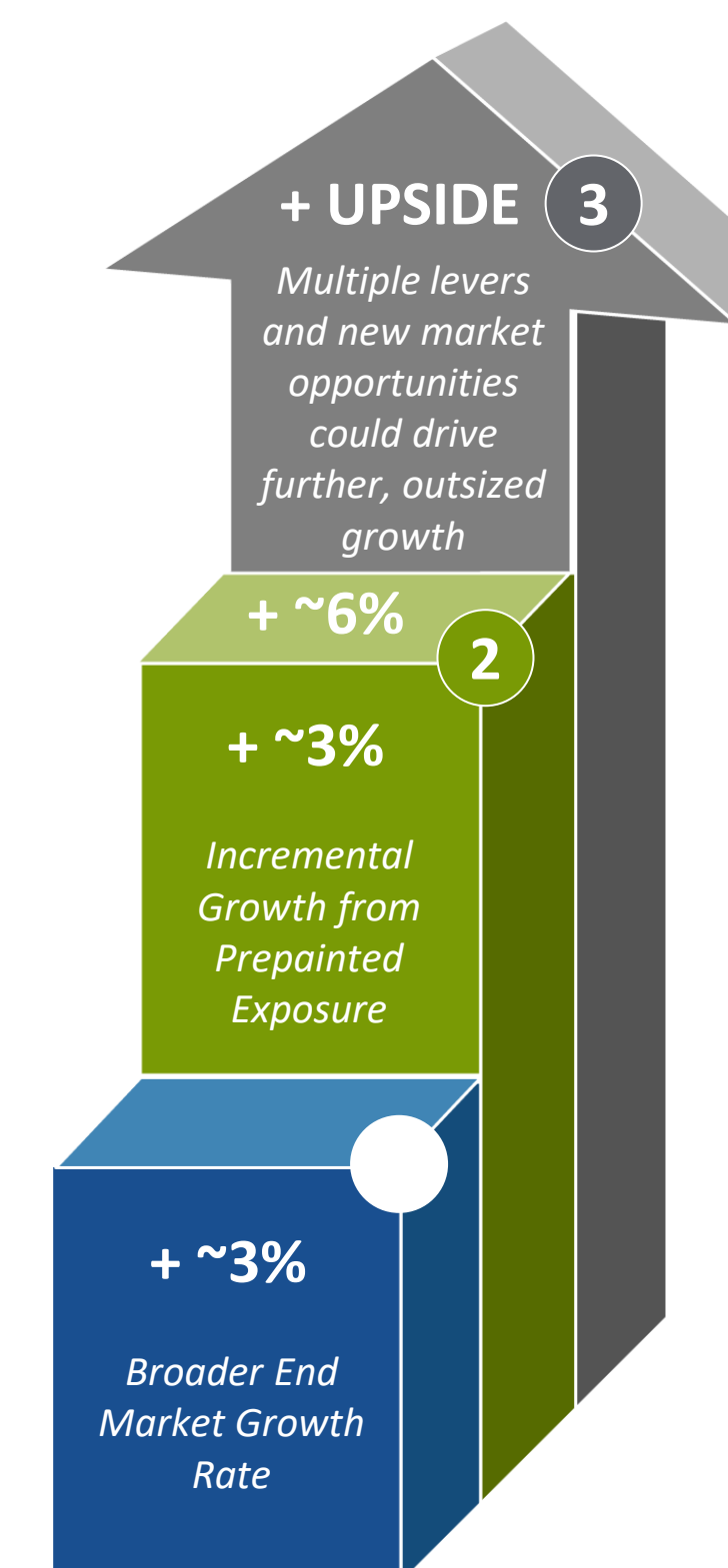
- ✓ **Construction:**
 - ✓ **Non-Res:** Rebounding demand in commercial sectors such as offices
 - ✓ **Agriculture:** Market has stabilized coming out of Trade Wars, with significant pent-up construction demand following rebound in equipment spend
 - ✓ **Res:** Strong momentum in housing starts
- ✓ **Appliance/HVAC:** Manufacturing restart post-COVID
- ✓ **Transportation:** Strong post-COVID recovery across automotive sector

2 Accelerating Secular Tailwinds and “New Norms” Driving Outsized Growth in Prepainted Metal:

- ✓ **Construction:**
 - ✓ **Non-Res:** Growth in last-mile warehousing, cold storage facilities and data centers as online shopping delivery and digital asset build outs accelerate
 - ✓ **Residential:** Increasing adoption of metal housing and roofing
- ✓ **Transportation:** Megatrends including automotive lightweighting and increased demand for supported vehicle types (last-mile delivery vehicles, RVs and tractor trailers)
- ✓ **Container:** Sustainability/recyclability megatrends driving conversion from plastic to aluminum; “keg to can” trend of at-home beverage consumption; increased use of decorative coatings
- ✓ **Appliance:** Accelerating OEM conversion from use of postpainted to prepainted metal

3 Additional Upside:

- ↑ Early innings in agricultural construction recovery
- ↑ Infrastructure bill to spur additional upside across end markets with potential to add ~700k tons per year of incremental prepainted coil demand
- ↑ OEMs increasingly interested in outsourcing to core competency providers
- ↑ Electrification trends driving demand for battery housing in electric vehicles metal



Precoat is well-positioned in highly stable end markets with secular tailwinds and “new norms” in prepainted segment driving above end market growth

8 Experienced Management Team with History of Organic Growth and M&A Integration



Tom Ferguson
President and Chief Executive Officer

9 Years at AZZ

Prior Experience



Philip Schlom
Chief Financial Officer

3 Years at AZZ



David Nark
SVP of Marketing, Communications and Investor Relations

9 Years at AZZ



Kurt Russell
President & COO Precoat

12 Years at Precoat



Bryan Stovall
President & COO Metal Coatings

29 Years at AZZ



Gary Hill
President & COO AIS

14 Years at AZZ and Predecessors

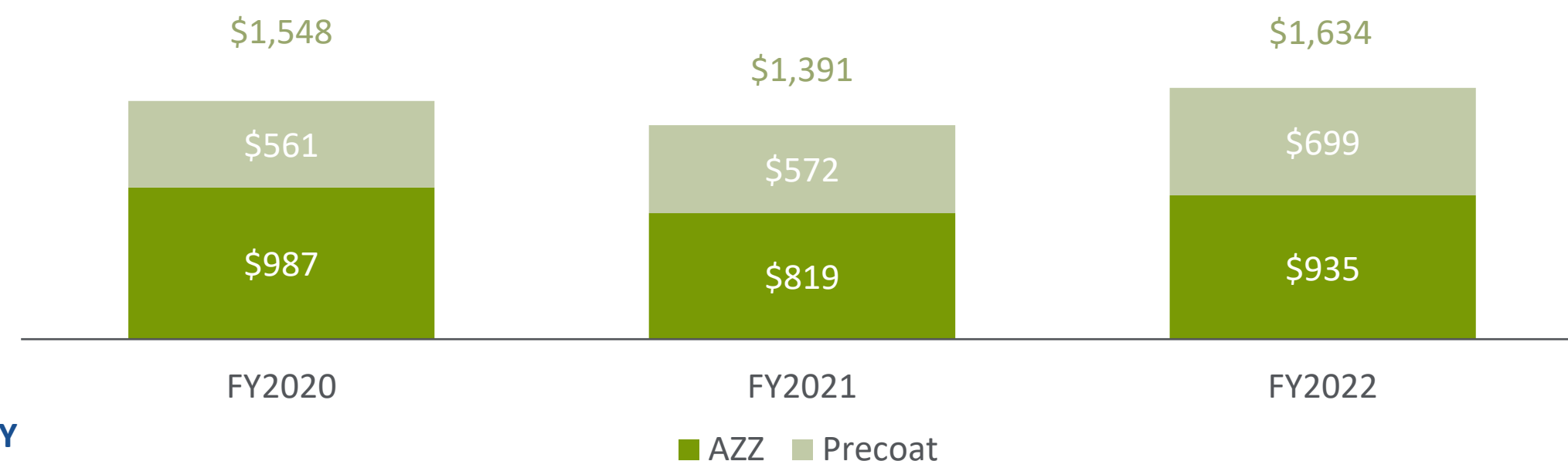


- ✓ Precoat management team to join AZZ and remain with the business, providing continuity and consistency
- ✓ Precoat will be operated as a standalone reporting segment, limiting overall integration complexity
- ✓ Combined corporate culture and shared vision of value-added metal coating solutions and best practices to drive continuous improvement across businesses

Pro Forma Historical Financial Performance (FY2020 – FY2022)

Revenue

(\$ in millions)

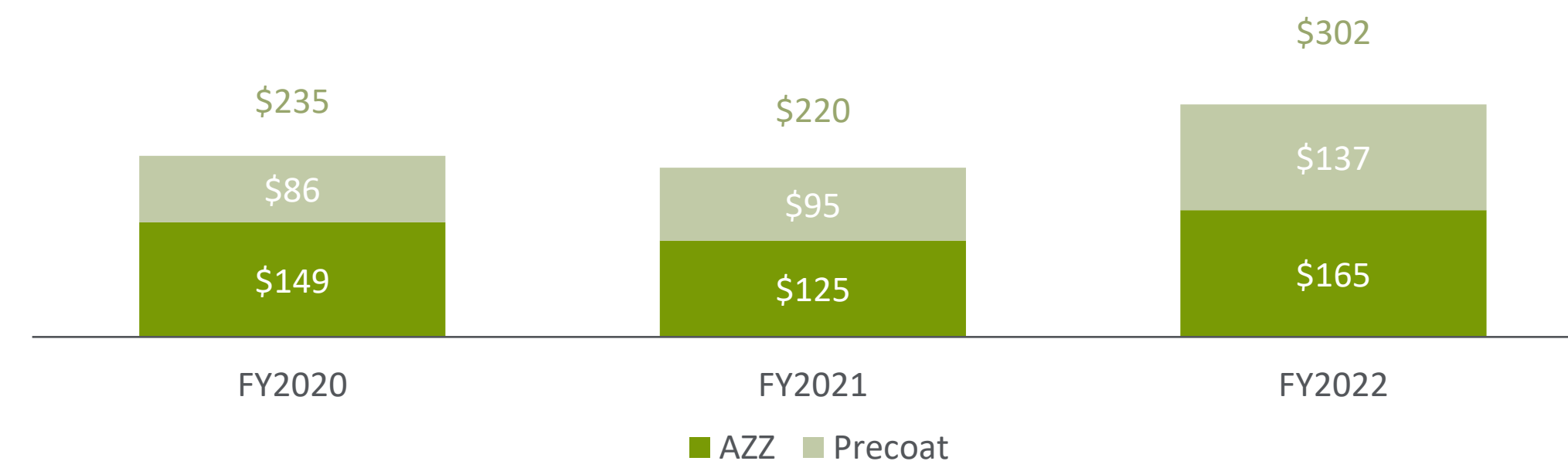


% YoY Growth

	FY2020	FY2021	FY2022
AZZ	6.4%	(17.0%)	10.2% ⁽¹⁾
Precoat	(0.3%)	1.8%	22.3%
Total	3.9%	(10.1%)	15.1% ⁽¹⁾

Adjusted EBITDA

(\$ in millions)

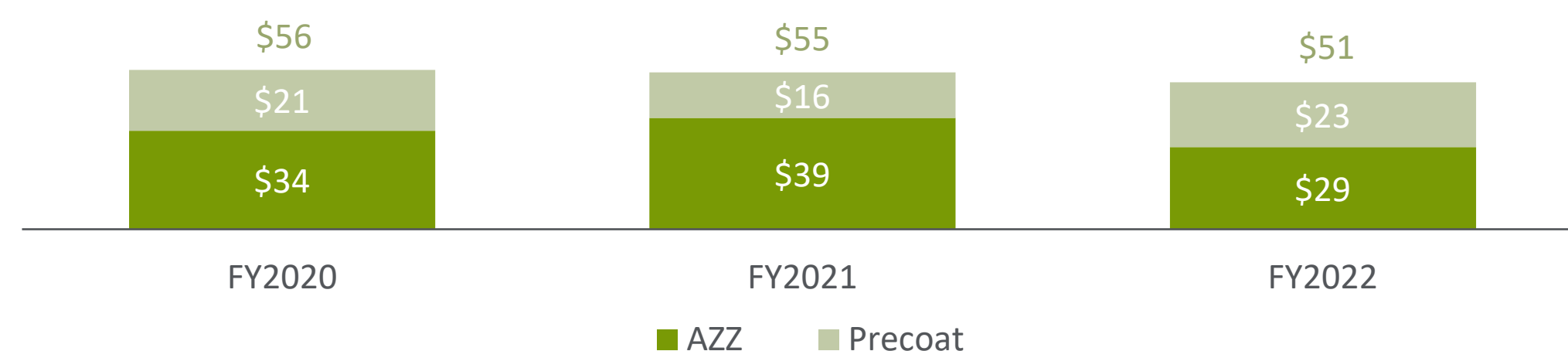


% Margin

	FY2020	FY2021	FY2022
AZZ	15.1%	15.3%	17.6%
Precoat	15.4%	16.5%	19.7%
Total	15.2%	15.8%	18.5%

Capex

(\$ in millions)

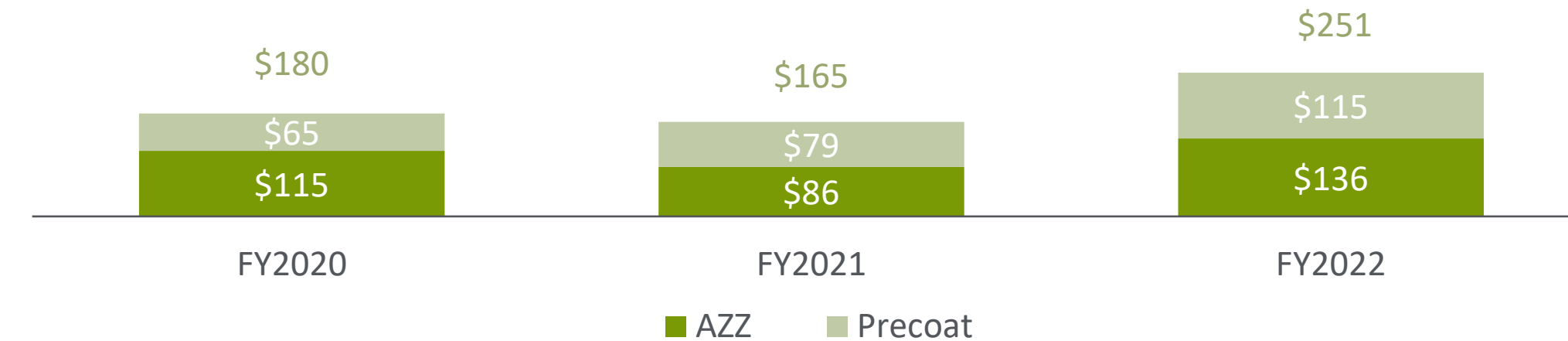


% of Sales

	FY2020	FY2021	FY2022
AZZ	3.5%	4.7%	3.1%
Precoat	3.8%	2.8%	3.2%
Total	3.6%	3.9%	3.1%

Adjusted EBITDA – Capex

(\$ in millions)



% Margin

	FY2020	FY2021	FY2022
AZZ	11.6%	10.5%	14.5%
Precoat	11.6%	13.8%	16.4%
Total	11.6%	11.9%	15.3%

Note: Reflects fiscal year ending February 28 for AZZ and fiscal year ending December 31 for Precoat. AZZ financials pro forma for the divestitures of Galvabar, NLI and SMS and one-time expenses. AZZ FY2022 financials pro forma for acquisitions of Steel Creek and DAAM Galvanizing. Reflects AZZ reported and adjusted financials for each fiscal year presented and Precoat financial information received during due diligence, which does not necessarily reflected audited financials. Does not include any estimated run-rate synergies.

(1) Not pro forma for acquisitions of Steel Creek and DAAM Galvanizing.

NYSE: AZZ