CSW Industrials Deploys $25.8 Million of Investment Capital in Contractor Solutions Segment

March 12, 2026

Investment Highlights

- **Strategic expansion in the fast-growing HVAC/R ductless application:** Capital investment of $21 million for acquisition of Duckt-Strip®, a differentiated electrical cable for HVAC Mini-Split systems
- **Strong Fit with Contractor Solutions broad distribution network:** Creating immediate opportunity to scale and accelerate product growth, supported by our role as master distributor since September 2022
- **Attractive, disciplined economics:** Acquisition valued at approximately 7.0x trailing twelve-months' EBITDA and expected to be accretive to earnings per share in the first full year of ownership
- **Focused Investment in HVAC/R Technology:** $4.8 million incremental minority investment in Flair, a HVAC controls company with a dedicated smart grille, register & diffuser product line
- **Consistent capital allocation strategy:** $1.0 billion+ of cumulative acquisition capital investment in fiscal year 2026

DALLAS, March 12, 2026 (GLOBE NEWSWIRE) -- CSW Industrials, Inc. (NYSE: CSW) today announced the strategic acquisition of Duckt-Strip®, a differentiated, code-compliant electrical cable solution purpose-built for HVAC mini-split installations. The transaction strengthens CSW's Contractor Solutions segment by expanding its offering in the HVAC/R ductless application while leveraging the Company's national distribution platform to accelerate growth and margin expansion. In addition, CSW recently made an additional $4.8 million minority investment in Flair, following our October 2024 $2 million initial investment. CSW funded the transactions with cash on hand and borrowings under its existing $700 million revolving credit facility.

Joseph B. Armes, Chairman, President, and Chief Executive Officer of CSW Industrials, said, "The acquisition of Duckt-Strip is a strong strategic fit within our Contractor Solutions segment. It adds an exclusive, high-value product that aligns with our focus on innovation, disciplined capital deployment, and long-term shareholder value creation. This acquisition, along with the Flair minority investment, reflects our continued confidence in deploying capital into the HVAC/R space, especially for faster growing segments such as ductless, while investing in value-added businesses where we can leverage our scale and execution capabilities."

Jeff Underwood, Senior Vice President of CSW and General Manager, Contractor Solutions, commented, "CSW has been a trusted partner and master distributor of Duckt-Strip since September 2022, and bringing this product into the CSW family allows us to meaningfully accelerate its growth. With our national distribution footprint and deep relationships across HVAC channels, we see clear opportunities to expand market reach, improve service levels, and drive margin enhancement while continuing to innovate for contractors and distributors. Since 2024, our master distribution relationship with Flair has supported the development of industry-leading products, strengthened distribution capabilities, and streamlined operations. We look forward to further advancing profitability, platform expansion, and innovation."

Duckt-Strip is differentiated from other ductless power & communication cables due to its Rip-n-Strip™ technology that integrates all required conductors into a single cable that meets UL standards and enables installers to quickly install cabling. Additionally, by insulating power and communications, it minimizes the chance of cross-talk impacting ductless unit performance, which can occur when common tray cable is used for ductless applications.

The $21 million of capital for the acquisition of Duckt-Strip, represents a valuation of approximately 7.0x Duckt-Strip's trailing twelve-month adjusted earnings before interest, taxes, depreciation, and amortization (EBITDA), consistent with CSW's disciplined approach to capital allocation and focus on value-enhancing acquisitions.

Flair has developed a suite of innovative HVAC/R control products, including smart grilles, register & diffusers (GRDs), as well as ductless thermostat controls. Its products allow for room-level temperature control technology at an affordable cost while aiding with meaningful energy savings. It has developed a full suite of professional grade products that serve as the operating system of the HVAC unit, ensuring that connected devices work effectively with the HVAC unit.

Safe Harbor Statement

This press release includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, which are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, as amended. Words or phrases such as "may," "should," "expects," "could," "intends," "plans," "anticipates," "estimates," "believes," "forecasts," "predicts" or other similar expressions are intended to identify forward-looking statements, which include, without limitation, earnings forecasts, effective tax rate, statements relating to our business strategy and statements of expectations, beliefs, future plans and strategies and anticipated developments concerning our industry, business, operations, and financial performance and condition.

The forward-looking statements included in this press release are based on our current expectations, projections, estimates, and assumptions. These statements are only predictions, not guarantees. Such forward-looking statements are subject to numerous risks and uncertainties that are difficult to

predict. These risks and uncertainties may cause actual results to differ materially from what is forecast in such forward-looking statements, and include, without limitation, the risk factors described from time to time in our filings with the Securities and Exchange Commission, including our Annual Report on Form 10-K.

All forward-looking statements included in this press release are based on information currently available to us, and we assume no obligation to update any forward-looking statement except as may be required by law.

About CSW Industrials
CSW Industrials is a diversified industrial growth company with industry-leading operations in three segments: Contractor Solutions, Specialized Reliability Solutions, and Engineered Building Solutions. CSW provides niche, value-added products with two essential commonalities: performance and reliability. The primary end markets we serve with our well-known brands include: HVAC/R, plumbing, electrical, general industrial, architecturally-specified building products, energy, mining, and rail transportation. For more information, please visit www.csw.com.

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