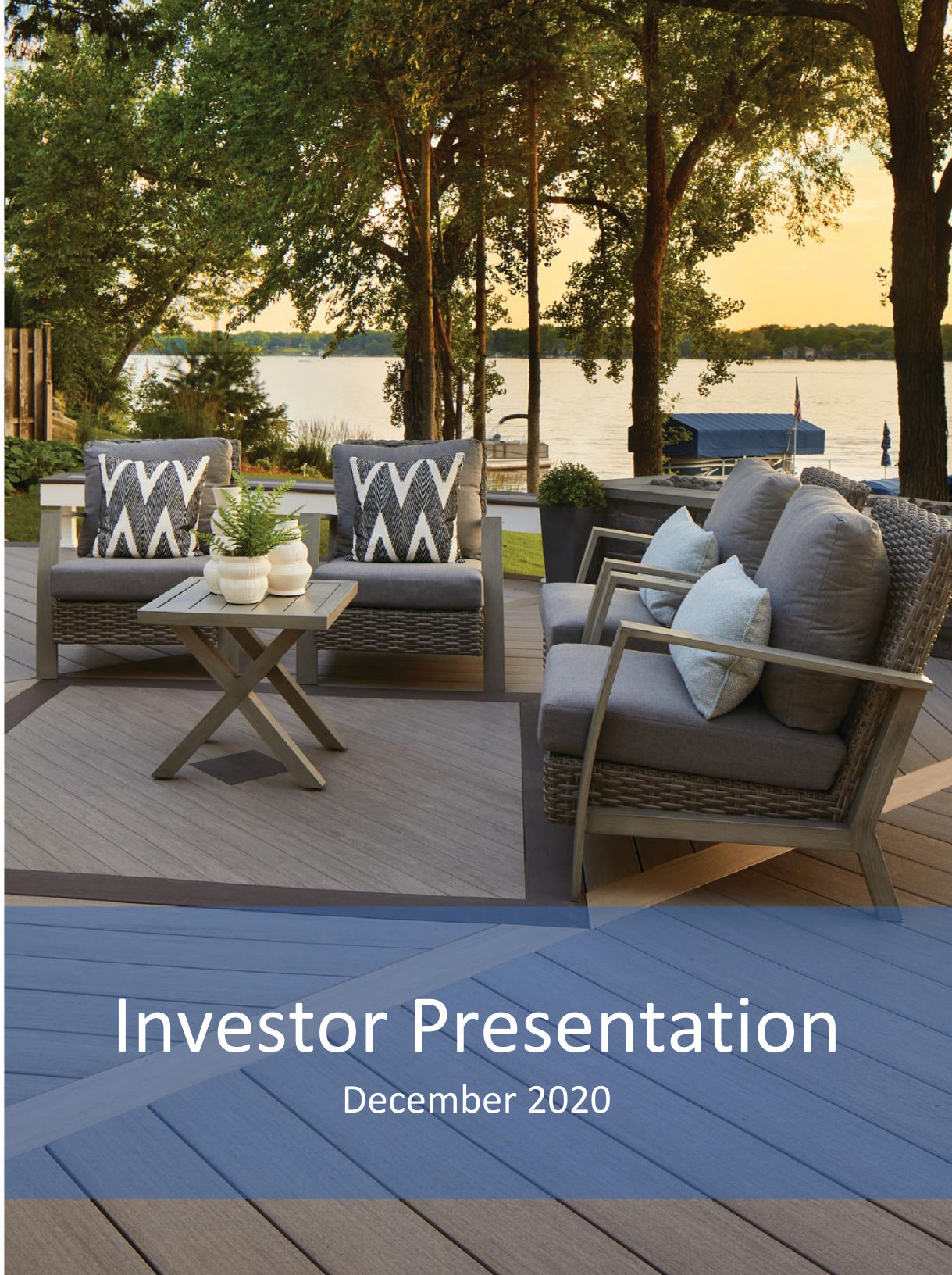
THE AZEK® COMPANY



Investor Presentation

December 2020

Disclaimer

Important Notice

Some statements made in this presentation may constitute "forward-looking statements" within the meaning of the federal securities laws. Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts, but rather are based on current expectations, estimates, assumptions, forecasts or projections about the company's industry and the company's business and financial results. Forward-looking statements often include words such as "anticipates," "estimates," "expects," "projects," "forecasts", "intends," "plans," "believes", "suggest", "estimate", "target", "should", "could", "would", "may", "might", or "will" and words and terms of similar import. Forward-looking statements involve known and unknown risks, uncertainties and other factors, many of which are outside our control. Forward-looking statements include, but are not limited to, statements about our market opportunity and the potential growth of that market, the potential impact of the COVID-19 public health pandemic, our strategy, outcomes and growth prospects, trends in our industry and markets and the competitive environment in which we operate. Actual results, events, developments, performance or achievements may vary materially from those stated in, or implied by, any forward-looking statements, and the assumptions on which forward-looking statements are based may prove to be incorrect. Factors and uncertainties that might cause such differences in such forecasts and projections and other forward-looking statements include, but are not limited to: the fact that our business, financial condition and results of operations are being, and are expected to continue to be, adversely affected by the current COVID-19 pandemic, the fact that demand for our products is significantly influenced by general economic conditions and trends in consumer spending on outdoor living and home exteriors; risks associated with us competing against other manufacturers; risks related to the seasonal nature of certain of our products and the impact of changes in weather conditions and product mix; our ability to develop and introduce new and improved products; our ability to effectively manage changes in our manufacturing process; risks related to our ability to accurately predict demand for our products and to maintain relationships with key distributors or other customers; risks related to shortages in supply, price increases or deviation in the quality of raw materials; our ability to retain management; risks related to acquisitions or joint ventures; our ability to maintain product quality and product performance and potential exposures resulting from our product warranties; our ability to ensure that our products comply with local building codes and ordinances; risks arising from the material weaknesses we have identified in our internal control over financial reporting; and our ability to maintain an effective system of internal controls. Other risks may also cause actual results to differ materially from those projected by any forward-looking statements. New factors emerge from time to time and it is not possible for us to predict all such factors, nor can we assess the impact of any such factor on our business or the extent to which any factor, or combination of factors, may cause results to differ materially from those contained in any forward-looking statement. The forward-looking statements made in this presentation relate only to events as of the date on which such statements are made. We disclaim any intention and undertake no obligation to update or revise any forward-looking statements after the date of this presentation or to conform such statements to actual results or revised expectations, except as required by law. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements.

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Non-GAAP Measures

This presentation (i) contains non-GAAP measures, (ii) uses terms which are not generally used in presentations made in accordance with GAAP, (iii) uses terms which are not measures of financial condition or profitability and (iv) contains terms which are unlikely to be comparable to similar measures used by other companies in our industry. As a result, these financial measures have limitations as analytical and comparative tools and you should not consider these items in isolation, or as a substitute for analysis of our results as reported under GAAP. For a reconciliation of non-GAAP measures used in this presentation to the closest comparable GAAP measure, see the Appendix hereto.

THE AZEK® COMPANY

I. Introduction

Leading Brands and Differentiated Product Portfolio

THE AZEK COMPANY

Beautifully Engineered to Last

We are an industry-leading manufacturer of beautiful, low-maintenance building products and we are committed to accelerating the use of recycled materials

RESIDENTIAL

86% OF NET SALES | 94% OF SEGMENT ADJ. EBITDA [1]

TimberTech® Go Against the Grain.™ | ULTRALOX™ | VERSATEX® | AZEK® Exteriors

Deck, Rail & Accessories

Exteriors

COMMERCIAL

14% OF NET SALES | 6% OF SEGMENT ADJ. EBITDA [1]

Note: Financial metrics as of fiscal year ended September 30, 2020.

1. Segment Adj. EBITDA contribution percentages exclude the impact of corporate and unallocated costs.

A Unique, Long-Term Growth Story

THE AZEK COMPANY

Sustainability is at Our Core	Category leader in sustainable building products focused on recycling plastic waste, preserving natural resources and utilizing energy-efficient manufacturing processes
Resilient, Growing Markets with Material Conversion	Large, high growth markets benefitting from long-term material conversion, favorable secular trends in Outdoor Living and stable R&R demand through economic cycles
Branded Category Leader in Well-Structured Markets	Well known in the industry as a leader in innovation generally holding #1 or #2 market positions in core product categories
Multiple Levers to Drive Growth	Driving above-market growth and accelerating conversion through new products, leveraging downstream-focused salesforce and increased retail penetration
Attractive Margins with Significant Upside	Customer value proposition and vertically integrated, U.S. manufacturing base drives attractive margins with significant upside from recent investments in recycling and continuous improvement initiatives (including AIMS) [1]
Execution-Focused Management Team	Diverse management team with significant public company and industry experience executing goal-orientated strategic roadmap

1. *AZEK Integrated Management System (AIMS).*

Core Values Drive Commitment to ESG

The AZEK Company Values

- ✓ **Core Value: Always Do The Right Thing**
- ✓ **Drives Everyday Behavior**

Recycle

- ~400mm lbs. of waste and scrap diverted from landfills in 2020 through our recycle program
- ~98% of scrap re-used
- ~80% & ~50% of the content in our TimberTech capped composite and capped polymer decking, respectively, is recycled material
- ~54% of extruded materials were made from recycled waste in 2020, up from ~44% in 2019

Environmental

- Majority of Residential products are recyclable at the end of their useful lives
- Engaged third parties to complete Life Cycle Assessment and carbon footprint evaluations
- Efficient water usage – closed-looped water filtration systems recycle ~96% of water used
- Chicago HQ: LEED Certified 2019

Social

- Focus on Safety – 45% improvement in reportable events since 2016
- 50% executive team gender / ethnic diversity
- Engaged employees; at IPO, team awarded celebratory grant for right to own AZEK shares
- Manufactured in the U.S.
- Expanded and adopted ESG policies and mission statements on safety and welfare of employees

Governance

- Board-level oversight of and commitment to sustainability, social impact & sound governance
- Separate Board Chairperson and CEO
- Adoption of Compensation Recovery Policy in event of a financial restatement
- ~33% gender/ethnic diversity on Board
- ESG Steering Committee reports to Board

Inaugural ESG report expected to be issued in early 2021

AZEK at a Glance

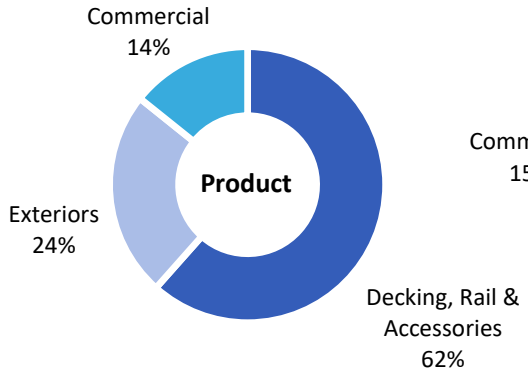
THE AZEK COMPANY

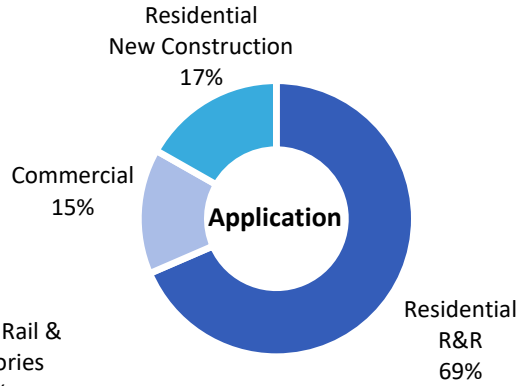
AZEK BY THE NUMBERS

- Headquartered in Chicago, IL with facilities in OH, PA and MN
- ~1,650 employees
- ~200 direct sellers
- 150+ distributor branches
- 4,200+ pro dealers
- ~99% of sales in N.A.

BROAD & COMPLEMENTARY PORTFOLIO

(2020 Net Sales)





LEADER IN BRANDED OUTDOOR LIVING PRODUCTS

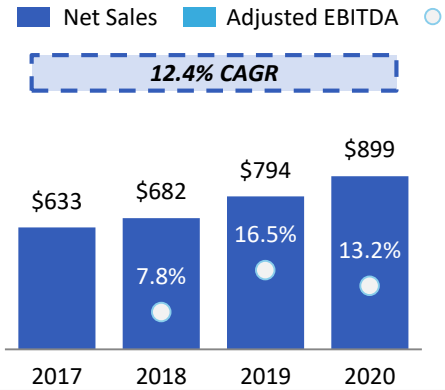
- ✓ 30-year history with legacy of product innovation
- ✓ 20+ years leader in both capped composite and capped polymer decking; leader in PVC trim
- ✓ Created branded trim category
- ✓ Multi-year strategic growth & margin expansion plan underway
- ✓ Investments in sales, marketing, Lean Six Sigma and recycling

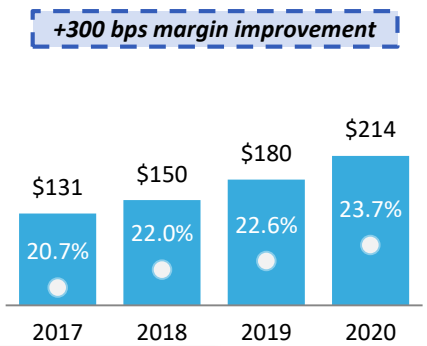
$899mm / *13.2%*
Fiscal 2020 Net Sales / *YoY % Growth*

$214mm / *23.7%*
Fiscal 2020 Adj. EBITDA / *% Margin*

EXECUTION DRIVING GROWTH & IMPROVING PROFITABILITY

($ in millions)





Industry leading manufacturer with resilient business model built over many years

Source: Company information and management estimates.
Note: FY ended September 30. Refer to Appendix for reconciliation for Adjusted EBITDA and Adjusted EBITDA Margin.

AZEK's Value Creation Model

THE AZEK COMPANY

ATTRACTIVE MARKETS

- Material Conversion
- Outdoor Living
- R&R Focus
- Sustainability

Powerful Tailwinds

CORE STRENGTHS

- Brand
- Integrated Manufacturing
- Material Science
- Customer Connection

Attractive Margins

FOCUSED STRATEGY

Growth

- Market Conversion
- Product Innovation
- Retail Expansion
- Consumer Journey
- Strategic M&A

Margin

- AZEK Integrated Management System (AIMS) & Recycling

Accelerating Performance

Recent Developments & Progress

THE AZEK COMPANY

✓ Strong performance and demand in Residential segment

- *Q4 2020: Residential segment net sales increased 30% YOY; downstream sales investments & new products (Reserve and Prime+ collections) contributing nicely*
- *Q4 2020: Deck, Rail & Accessories net sales increased ~35% YOY; Exteriors net sales increased ~18% YOY*
- *Encouraged by demand trends (incl. strong web sessions & sample order growth); short-term and long-term leading indicators positive*

✓ Progress & execution against recycling initiatives and margin expansion plan

- *AZEK's recycling programs diverted ~400m lbs. of scrap and waste from landfills in 2020, an increase from ~290m lbs. in 2019*
- *Launched our FULL-CIRCLE PVC Recycling Program where we directly source scrap materials from fabrication shops and construction sites*

✓ Improving profitability and strong balance sheet

- *Q4 2020: Adjusted EBITDA increased 26% YOY; Adjusted EBITDA Margin expanded 60bps YOY to 25.0%*
- *2020: Adjusted EBITDA increased 19% YOY; Adjusted EBITDA Margin expanded 110 basis points YOY to 23.7%*
- *2020: Adjusted Diluted EPS of $0.59, an increase of 37% over $0.43 in 2019*
- *Net leverage stands at 1.2x at the end of fiscal 2020*

✓ Capacity expansion program on-track to capture long-term growth opportunity

- *$180mm capacity addition plan supports market demand and wood conversion; Phase I of expansion plan ramping up*
- *Expected to add an incremental 70% decking production capacity and new manufacturing facility by mid fiscal 2022*

✓ 2021 outlook based on strong demand & near-term visibility balanced by macro uncertainty

- *Q1 2021 net sales growth in the low 20% range YOY and Adjusted EBITDA growth in the high 20% range YOY*
- *2021 net sales growth of 10% to 14% YOY and Adjusted EBITDA growth of mid-teens YOY*

Execution of our multi-year strategy is on track

Investment Summary

THE AZEK COMPANY

✓ Resilient, Growing Markets

- *Favorable long-term trends: material conversion, Outdoor Living, resilient R&R demand*
- *Consumer interest in Outdoor Living products / decking has increased*

✓ Branded Category Leader

- *Hold #1 or #2 position in well-structured markets*
- *Broadest product portfolio serving all price points*
- *Relationships with distributors, dealers and contractors built over 20+ years*

✓ Multiple Levers to Drive Above Market Growth

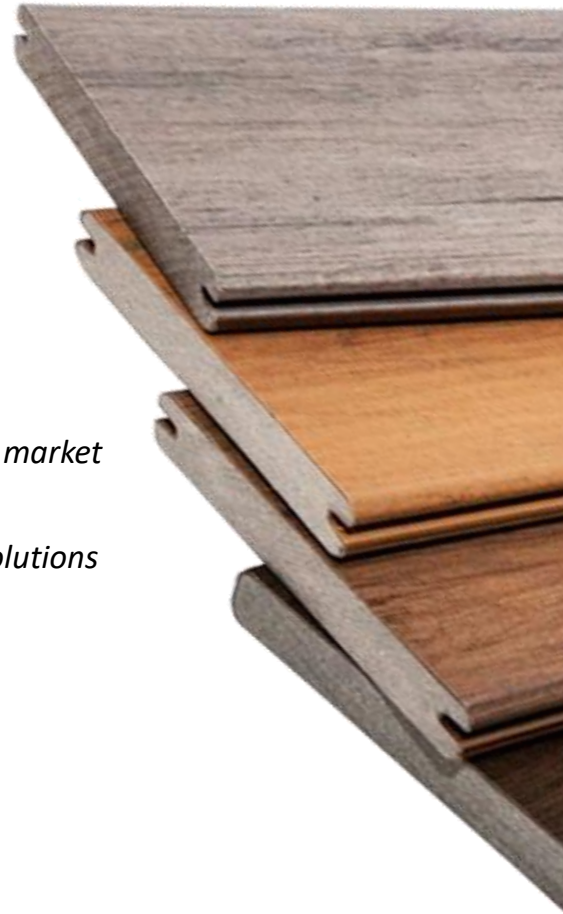
- *Track record of innovation and consistent new product introductions that expand addressable market*
- *Leverage investments in sales and marketing, digital and consumer branding*
- *Grow presence in retail channel – new stocking positions, consumer experience, expand DIY solutions*

✓ Attractive Margins with Significant Upside

- *Vertically integrated U.S. manufacturing network and culture of continuous improvement*
- *Early innings of recycling opportunity across multiple raw material inputs*

✓ Strong Cash Flow Generation and Solid Balance Sheet

- *Reinvesting to support organic growth opportunities and strategic M&A*
- *IPO meaningfully de-leveraged the balance sheet and reduced interest expense*



A unique, long-term growth and ESG story that is well positioned to outperform in any market environment

THE AZEK® COMPANY

I. The AZEK Difference

Large, High Growth Markets Benefiting from Material Conversion

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AZEK products are accelerating conversion from traditional materials such as wood – significant runway remaining

Decking – $3.3B

('19 – '22E)
Decking Market: 5% CAGR
AZEK Material Types: 8% CAGR[1]

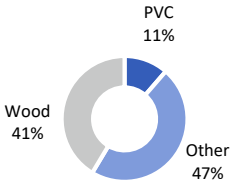
Railing – $2.2B

('19 – '22E)
Rail Market: 4% CAGR
AZEK Material Types: 6% CAGR[1]

Exterior Trim – $2.1B

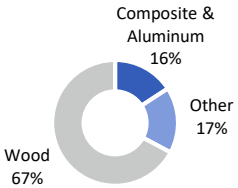
('19 – '22E)
Exterior Trim Market: 2% CAGR
AZEK Material Types: 3% CAGR[1]

TRIM



+58%
Conversion Opportunity

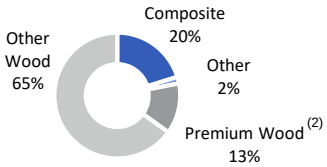
RAIL



+67%
Conversion Opportunity

Early innings of long-term material conversion trend

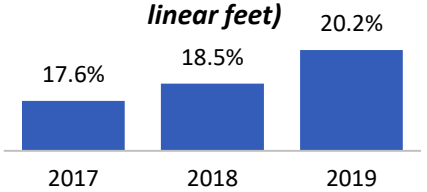
DECKING



+78%
Conversion Opportunity

~58mm installed decks[3] in the U.S., many of which are wood and nearly half of them are beyond their useful life[4]

Composite Decking Gaining Share (% of total market linear feet)



Core $7.6 billion market; AZEK material types expected to grow at a ~7% CAGR (or >1.5x market) driven primarily by conversion

Source: Principia DemandBuilder data and '19-'22E projections. Principia's Trim market definition excludes broader applications such as tongue and groove profiles, sheets, thresholds and column wraps.
Note: Material share %'s are based on volume demanded in billions of linear feet. Decking, Rail and Trim conversion opportunity is based on volume demanded for wood solutions in billions of linear feet. Trim conversion opportunity also includes engineered wood (~17% of total trim market). Other includes (A) hollow vinyl, plastic lumber and metal for decking, (B) iron, stainless steel, hollow vinyl and other plastic for railing and (C) engineered wood, fiber cement, vinyl, other polymer composite and other for trim.

1. *AZEK material types for decking category includes composite and PVC decking, rail category includes composite and aluminum rail, and exterior trim category includes PVC trim.*
2. *Includes premium hardwoods, cedar and redwood.* 3. *Principia estimates.* 4. *North America Deck & Rail Association (NADRA) estimates.*

Superior Value Proposition vs. Traditional Materials

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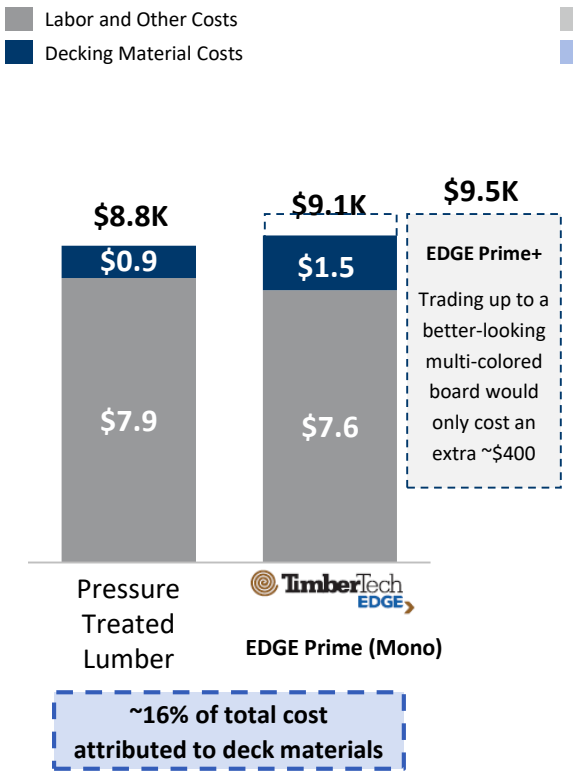
AZEK's products offer a compelling value proposition: superior aesthetics, durability, ease-of-installation, reduced maintenance and lower total lifecycle costs

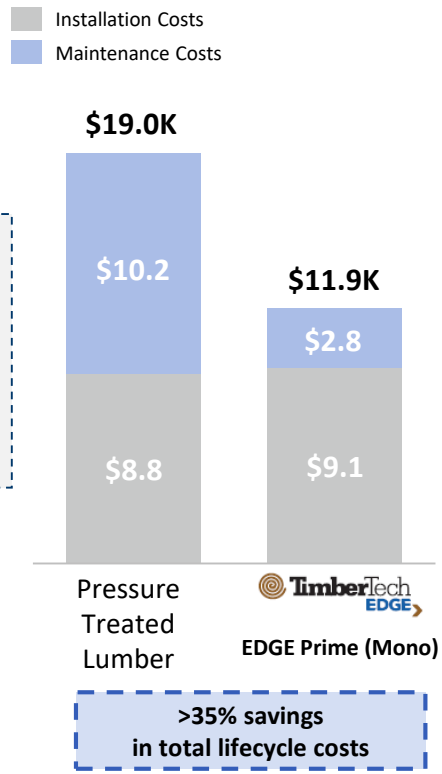
ACCELERATING CONVERSION

INSTALLATION COST (1) (2)



~16% of total cost attributed to deck materials

LIFECYCLE COST (1) (3)



>35% savings in total lifecycle costs

Value proposition, consumer engagement and education drive conversion

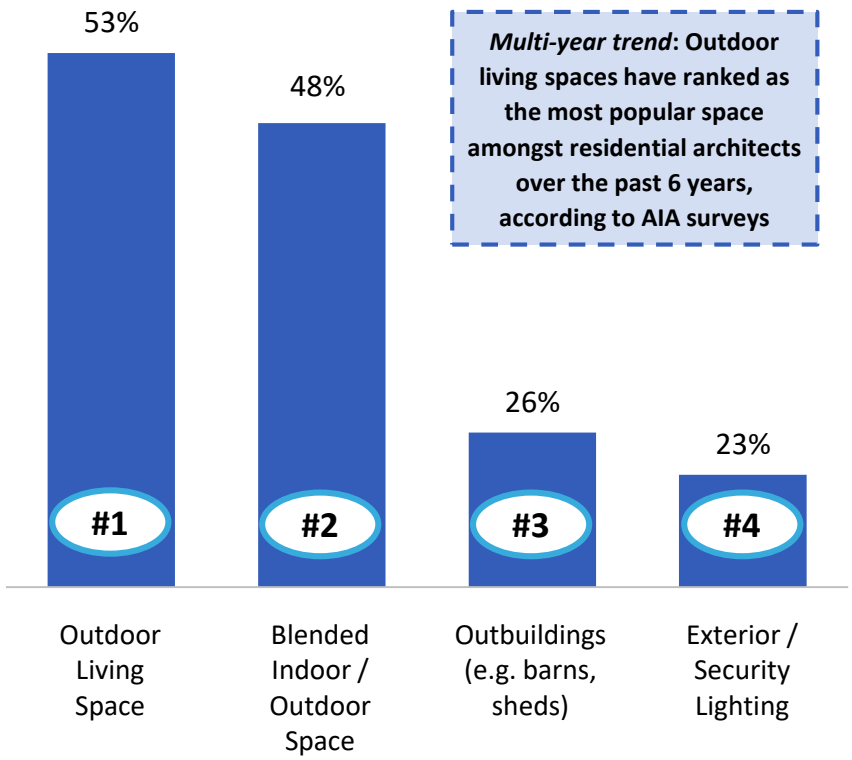
Source: Management estimates.

1. *These assumptions and estimates are based on AZEK market knowledge and feedback from decking-focused contractors with experience installing TimberTech and wood decking products. This is an illustrative example; actual costs for any particular installation can vary significantly. Assumes pressure treated lumber deck board pricing of $1.18 per linear foot based on Dec. 2020 average compiled prices.*
2. *Total Deck Project Installation Costs represent the total aggregate costs of an initial deck installation for a 16' x 20' elevated deck and exclude costs associated with the installation of rail or stairs.*
3. *Total Deck Life-Cycle Costs represent both the aggregate costs of an initial deck installation and the estimated maintenance costs over a 25-year period for a 16' x 20' elevated deck excluding potential replacement costs.*

Homeowners Are Investing More in Outdoor Living

Homeowners are adding decks and renovating patios to create entertaining and living spaces that add more functional square footage; the broader Outdoor Living category represents an ~$18 billion[1] opportunity

AIA SURVEY: OUTDOOR LIVING POPULARITY [2]

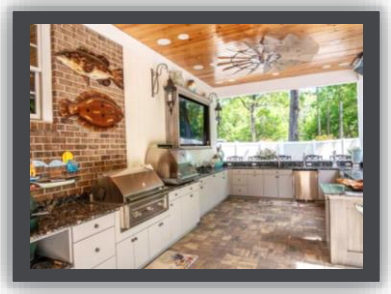


***Multi-year trend*: Outdoor living spaces have ranked as the most popular space amongst residential architects over the past 6 years, according to AIA surveys**

SELECT OUTDOOR LIVING SPACES

Decks

Outdoor Kitchens



Pergolas

Indoor / Outdoor Spaces

The Outdoor Living market is poised to benefit from an increased focus on the home and suburban living

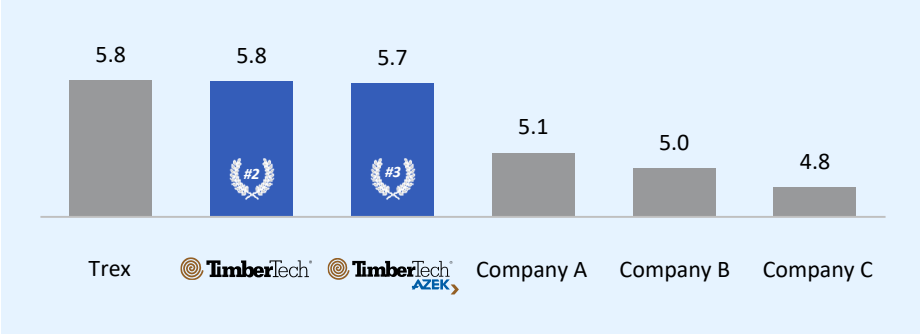
1. *Total U.S. market sales of wood and wood-look siding, pavers, outdoor furniture and outdoor lighting were $10.9 billion in 2018 according to Freedonia, and, when combined with the total U.S. market sales of deck, rail and trim according to Principia in 2019, represent an approximately $18 billion market.*
2. *The American Institute of Architects (AIA) Q2 2020 Home Design Trends Survey; % of firms reporting "increasing" minus % reporting "decreasing"*

A Branded Category Leader

THE AZEK COMPANY

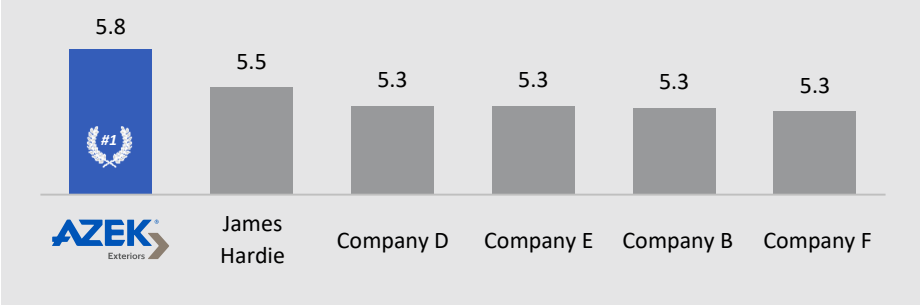
DECKING

2019 Remodeling Brand Use Report – *Highest Overall Quality*



EXTERIOR TRIM

2019 Remodeling Brand Use Report – *Highest Overall Quality*



remodeling BRAND 2019 LEADER

- ✓ *Also ranked #1 for brand used most and brand familiarity*

RECENT AWARDS & RECOGNITIONS

- ✓ **2020 Vinyl Recycling Award – Vinyl Sustainability Council**
- ✓ **2020 Builder Brand Use Study:**
  - *TimberTech Decking ranked #2 in brand familiarity*
  - *AZEK Trim ranked #1 in overall quality, brands used in the past 2 years & brands used the most*
- ✓ **2019 Builder Brand Use Study:**
  - *TimberTech AZEK Decking ranked #1 in overall quality*
  - *AZEK Trim ranked #1 in overall quality*
- ✓ **Houzz: TimberTech won Houzz's Best of Design for four years in a row (2017-2020)**
- ✓ **Pro Remodeler: Top 100 Products for 2020 / Decks and Porches (August 2020)** – *AZEK Vintage Decking Collection*
- ✓ **Dwell: Best Outdoor Products to Elevate Your Lakeside Retreat (May 2020)** – *PRO Reserve Decking Collection*

2020 Builder Brand Use Study

Best of houzz 2020 DESIGN

TOP 100 PRODUCTS 2020

dwell

Leading positions in decking and exteriors markets – both are transitioning away from traditional wood materials

Source: Company data, REMODELING Magazine and BUILDER Magazine are owned by 2020 Hanley Wood Media, Inc. (Decking: Composite/PVC and Exterior: Decorative Mouldings/Trim/Columns categories), Houzz, Pro Remodeler and Dwell. Note: Quality Ratings in above bar charts are based on a 7-point scale, with 7 representing the highest brand quality.

Broad & Differentiated Decking Portfolio

THE AZEK COMPANY

Broad and balanced approach accelerates material conversion across a wide range of price segments

	GOOD	BETTER	BETTER	BEST	PREMIUM	
Estimated End-User Pricing ($/linear foot)	$1.89	$2.50	$3.75		$5.00	$6.00

TimberTech AZEK — Capped Polymer Decking
- Harvest $$
- Arbor *Discontinued*
- Vintage $$$$

TimberTech PRO — 4-Sided Capped Composite Decking
- Terrain (Mono & Variegated) $–$$
- Reserve $$
- Legacy $$$

TimberTech EDGE — 3-Sided Capped Composite Decking
- Prime $
- Premier $–$$
- Prime+ $–$$

2019 product launches

2020 product launches

Example Visuals & Differentiated Technology

TimberTech EDGE

PRIME+ *COLLECTION*

- ✓ 25-Year Limited Fade & Stain / 25-Year Limited Lifetime Product Warranty
- ✓ 3-Sided Capped Composite Decking
- ✓ Scalloped Board Profile

TimberTech PRO

RESERVE *COLLECTION*

- ✓ 30-Year Fade & Stain / 30-Year Limited Lifetime Product Warranty
- ✓ 4-Sided Capped Composite Decking
- ✓ Full Board Profile

New product in 2020

TimberTech AZEK

VINTAGE *COLLECTION*

- ✓ 50-Year Fade & Stain / Limited Lifetime Product Warranty
- ✓ Capped Polymer Decking
- ✓ Unique & proprietary capped polymer technology leads to a cooler, lighter board

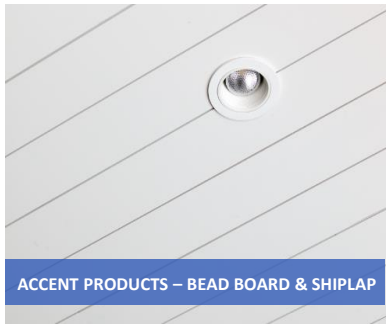
Source: Company data and surveys.

Comprehensive & Complementary Exteriors Portfolio

THE AZEK COMPANY

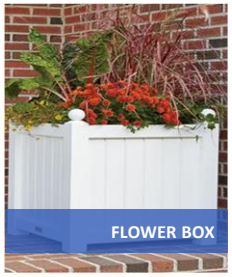
A market leader in Exteriors offering a full line of trim and moulding, value-added and paintable solutions

EXTERIORS PORTFOLIO OVERVIEW



FUNCTIONAL VALUE-ADDED PRODUCTS

FABRICATED PRODUCTS [1]



Broad portfolio that enhances curb appeal, contractor productivity and wood conversion

1. *AZEK does not sell fabricated products, but sells directly to the original equipment manufacturers who fabricate these products.*

New product in fiscal 2021

Commercial Products Overview

THE AZEK COMPANY

Leveraging our leading R&D capabilities and differentiated material technology to deliver innovative, low-maintenance and sustainable products to commercial and industrial customers

SCRANTON PRODUCTS

Vertically integrated supplier of low-maintenance bathroom partitions, privacy and storage solutions

Sample Brands & Products

ARIA PARTITIONS — Partitions offering extreme privacy and innovative design

TUFFTEC LOCKERS — Lockers engineered for strength and durability

- Primary customers include schools, parks, recreational facilities, stadium arenas, industrial plants, retail and commercial facilities
- Sold through both direct and indirect salesforces, covering approximately 900 dealers across North and South America

VYCOM

Manufacturer of highly engineered plastic sheet products for diverse markets and applications

Sample Brands & Products

TIMBERLINE CELTEC SEABOARD FLAMETEC

Outdoor Living

Signage / Display

Marine

Industrial / Semiconductor

- Broad range of industrial end users including the marine, graphic display, recreation, outdoor living, semiconductor and chemical industries
- Sold to approximately 200 engineered polymer distributors and direct customers at locations throughout the U.S. and Canada

✓ **Shared material conversion objectives** ✓ **Common R&D platform** ✓ **Expands outdoor living market access**

Multiple Levers to Drive Growth

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ORGANIC GROWTH LEVERS

Strong Market Growth

- ✓ Long-term material conversion trend
- ✓ Secular growth *(Outdoor Living)*
- ✓ R&R and housing demand

Accelerate Growth through New Products

- ✓ Large, dedicated R&D team
- ✓ Broad range of technologies and materials
- ✓ Robust new product roadmap

Leverage Investments in Sales and Marketing Organization

- ✓ Expand sales force in strategic areas of focus (i.e. Exteriors, Retail)
- ✓ Invest in under-penetrated markets
- ✓ New geographies, smaller dealers and new channels
- ✓ Investment in digital and consumer branding

Grow Presence in Retail

- ✓ Simplify and improve consumer experience
- ✓ Launch tailored new products
- ✓ Elevate brand awareness
- ✓ Expand DIY offering and Deck Resource Center

Selectively Execute Strategic Acquisitions

- ✓ Closed three acquisitions since late 2017

Our multi-faceted growth strategy enables us to drive above-market growth across cycles

Operational Excellence Drives Margin Expansion

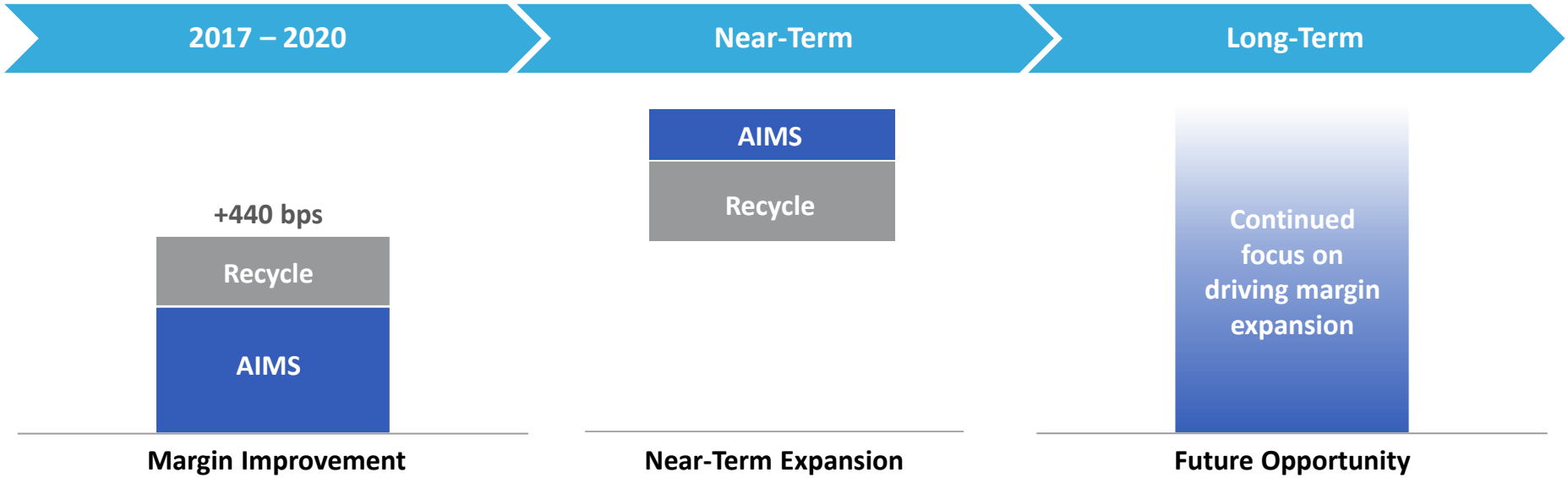
Substantial investments in people, processes and equipment over the last three years

- Culture of Continuous Improvement
- Invested in Manufacturing
- Upgraded & Enabled Recycle Capability

→

- AZEK Integrated Management System (AIMS)
- Operating Leverage
- Vertically-Integrating Recycling Capabilities

ADJUSTED GROSS MARGIN EXPANSION STORY



Strategic initiatives are focused on driving significant ongoing cost benefits

Recycling is in the Early Stages

THE AZEK COMPANY

STATE-OF-THE-ART RECYCLING FACILITIES

- ✓ New polyethylene recycling facility opened December 2018
- ✓ Recently expanded capabilities within PVC recycling through Return Polymers acquisition (January 2020)
- ✓ Transform PE and PVC plastic waste into usable raw materials
- ✓ Nearly all scrap generated is recycled internally

THREE STAGES OF RECYCLING JOURNEY

1 ENABLE RECYCLING CAPABILITY — 2018

- ✓ **Developed initial recycle formulation**
- ✓ **Upgraded manufacturing lines**

2 IN-HOUSE / VERTICAL INTEGRATION — 2019

- ✓ **Opened integrated PE recycling facility; acquired leading PVC recycling facility**
- ✓ **Increase mix of recycled content in our products**
  - Currently up to 80% recycled content in capped composite decking and ~50% recycled content in PVC decking

3 COST REDUCE — 2020+

✓ **Optimize formulation** ✓ **Source lower cost materials**

Significant opportunity to improve our margins as we continue to leverage recent investments in recycling capabilities; our recent acquisition of Return Polymers accelerates our PVC recycling initiatives

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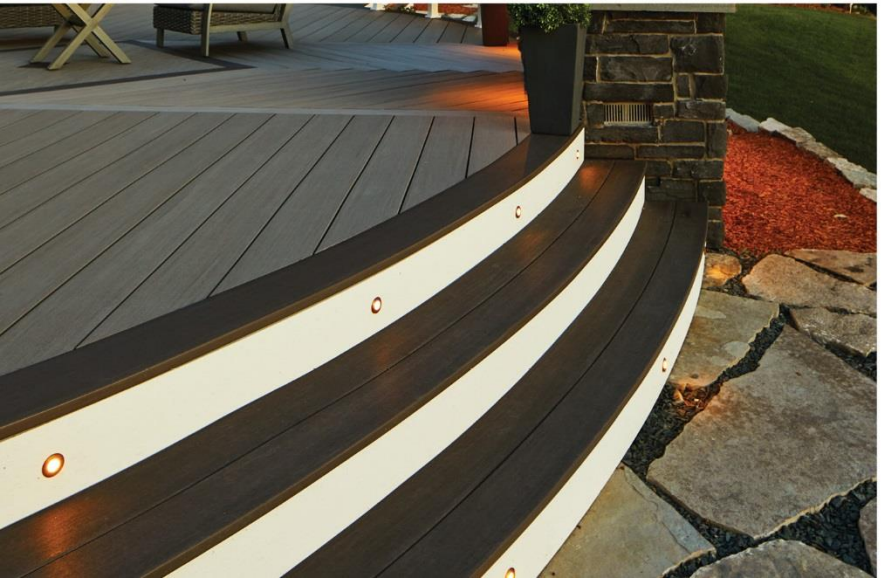
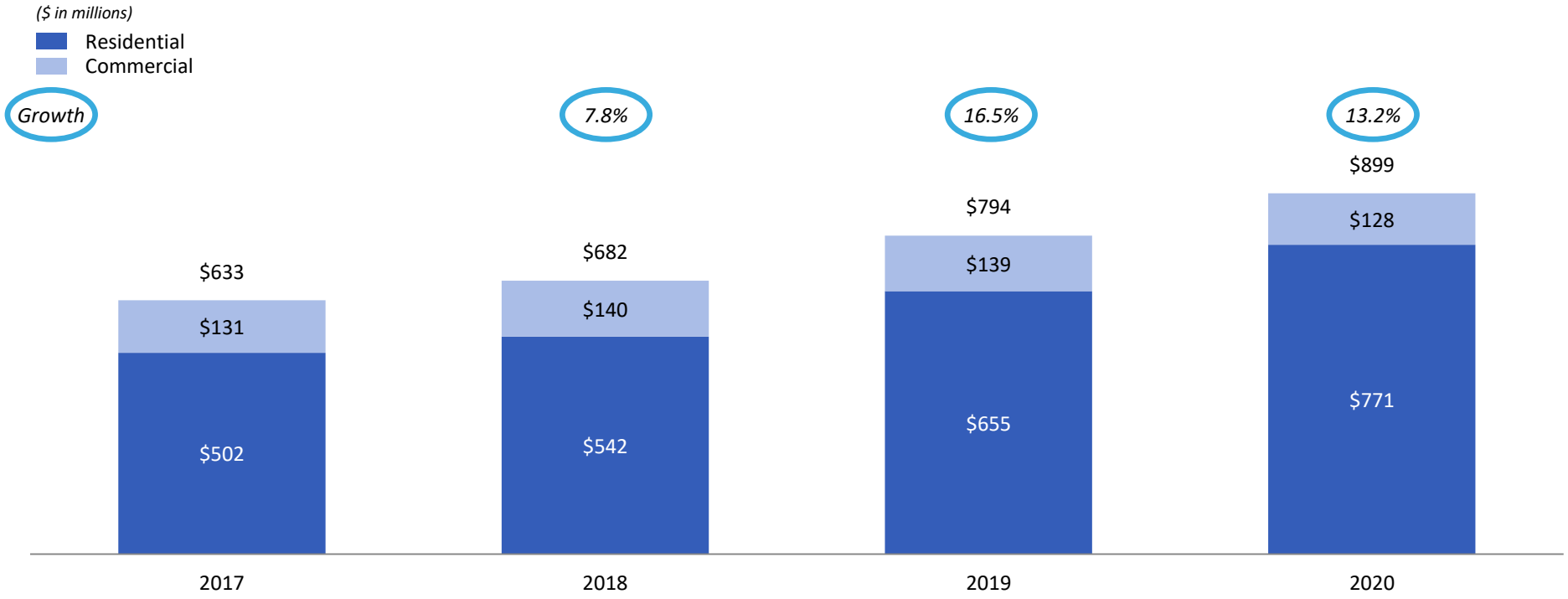


II. Financial Overview

Solid Sales Performance Trends

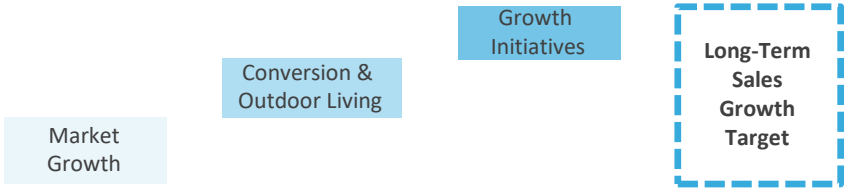
Strong momentum in the business leading up to COVID-19; continued strength in Residential segment through 2020

NET SALES AND GROWTH



'15-'20 CAGR	(YoY Growth)	2018	2019	2020
13.0%	DR&A [1]	7.6%	9.4%	20.6%
14.2%	Exteriors [1]	9.1%	60.3%	10.8%
13.4%	Total Residential	7.9%	20.9%	17.7%
(0.4%)	Total Commercial	7.1%	(0.8%)	(7.7%)

SALES GROWTH EQUATION



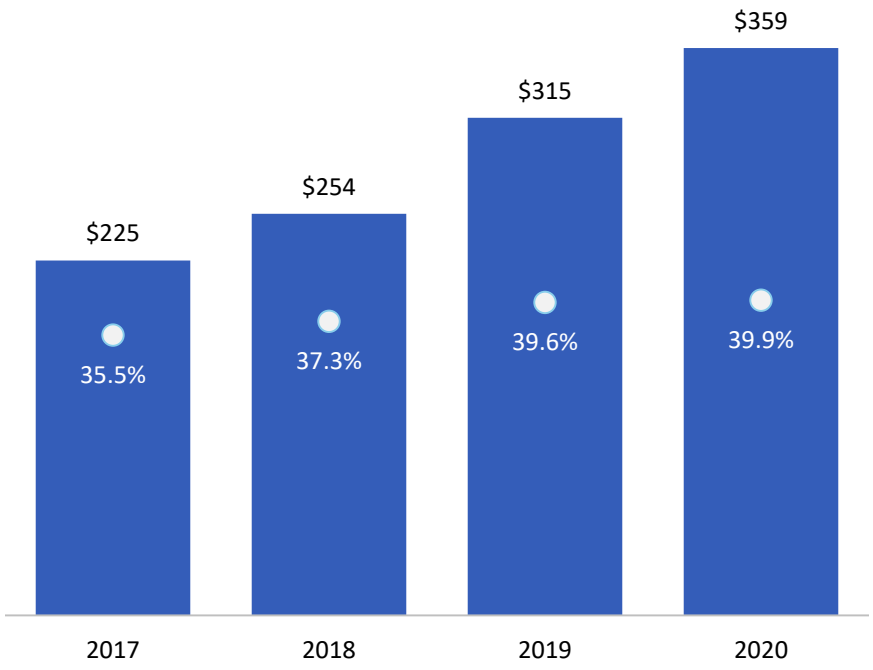
Source: Company financials.
Note: FY ended September 30.
1. Decking, Rail, and Accessories and Exteriors metrics represent net product sales growth including acquisitions of Ultralox (closed December 2017) and Versatex (closed June 2018).

Attractive and Improving Profitability

THE AZEK COMPANY

ADJUSTED GROSS PROFIT AND MARGIN

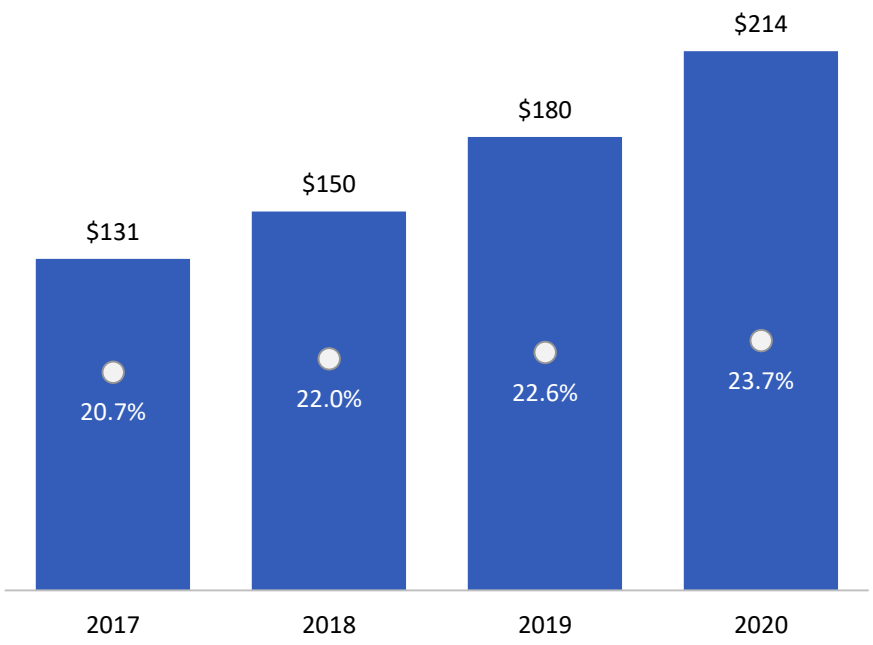
($ in millions)



- ✓ Recent investments in recycling and manufacturing productivity initiatives delivering results
- ✓ Acquisition of Return Polymers delivered immediate procurement cost savings

ADJUSTED EBITDA AND MARGIN

($ in millions)



- ✓ >$50 million increase in SG&A expense since 2017
- ✓ Highly variable cost structure

High confidence in long-term margin opportunity given high variable cost structure and modular capacity

Source: Company financials.
Note: FY ended September. Refer to Appendix for reconciliations for Adjusted Gross Profit and Adjusted EBITDA.

Disciplined Approach to Capital Deployment

Strong cash flows and modest leverage provide flexibility to support organic growth initiatives and strategic M&A

CAPITAL ALLOCATION PRIORITIES

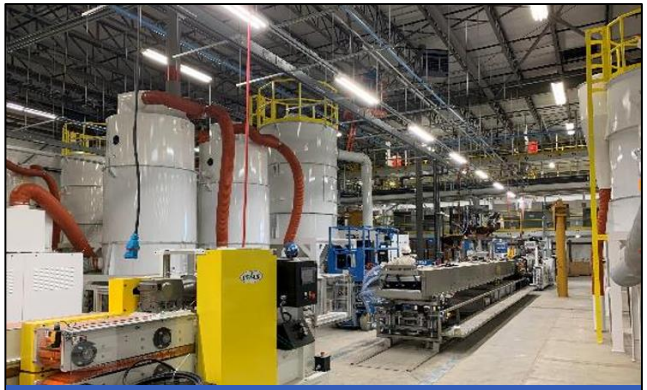
- ✓ **Invest to support the business**
  - *Organic growth, operational and recycling investments*
- ✓ **Strategic M&A**
  - *Product adjacencies, new technologies / manufacturing capabilities, vertical integration, leverage material science expertise*
- ✓ **Debt repayment**
  - *Target net leverage in the ~2.5x Adj. EBITDA range*

NET LEVERAGE SUMMARY

($ in millions)	
Cash and Cash Equivalents	$215
Revolving Credit Facility	-
First Lien Term Loan	468
Total Debt	**$468**
Net Debt	**253**
Fiscal 2020 Adj. EBITDA	**$214**
Total Leverage	2.2x
Net Leverage	**1.2x**

STRATEGIC CAPACITY INVESTMENTS

- ✓ $180 million capacity expansion program across Residential segment, including a new manufacturing facility in the western U.S.
- ✓ Multi-phase investment that is modular, flexible and supports long-term margin objectives
- ✓ By fiscal 3Q21, AZEK expects to add 40% new capacity across Wilmington, OH and Scranton, PA facilities
- ✓ Once complete, program expected to yield ~70% incremental Decking production as well as increases in Railing and Exteriors capacity by mid fiscal 2022



Example New Production Lines – Wilmington, OH

Source: Company financials. Note: Refer to Appendix for reconciliations for total debt, net debt and net leverage.

Investment Summary

THE AZEK COMPANY

✓ Resilient, Growing Markets

- *Favorable long-term trends: material conversion, Outdoor Living, resilient R&R demand*
- *Consumer interest in Outdoor Living products / decking has increased*

✓ Branded Category Leader

- *Hold #1 or #2 position in well-structured markets*
- *Broadest product portfolio serving all price points*
- *Relationships with distributors, dealers and contractors built over 20+ years*

✓ Multiple Levers to Drive Above Market Growth

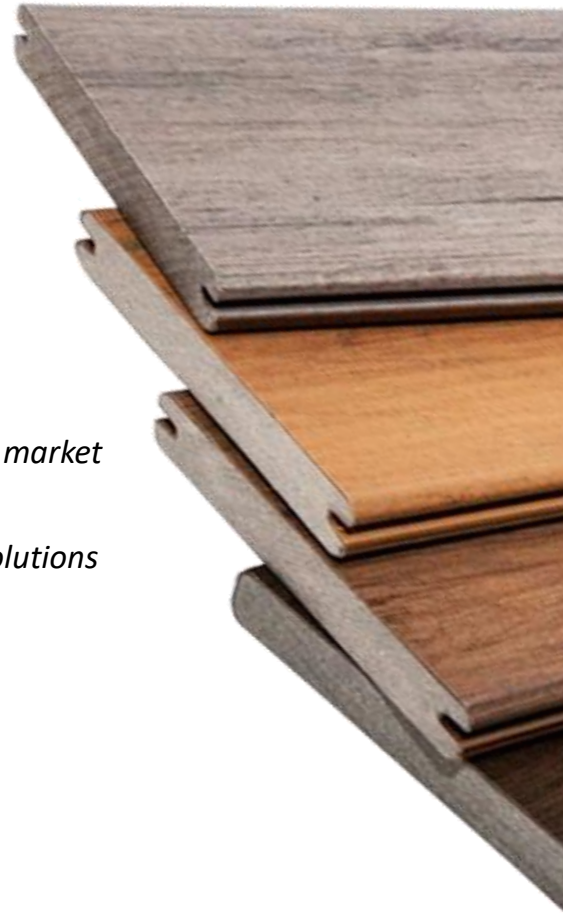
- *Track record of innovation and consistent new product introductions that expand addressable market*
- *Leverage investments in sales and marketing, digital and consumer branding*
- *Grow presence in retail channel – new stocking positions, consumer experience, expand DIY solutions*

✓ Attractive Margins with Significant Upside

- *Vertically integrated U.S. manufacturing network and culture of continuous improvement*
- *Early innings of recycling opportunity across multiple raw material inputs*

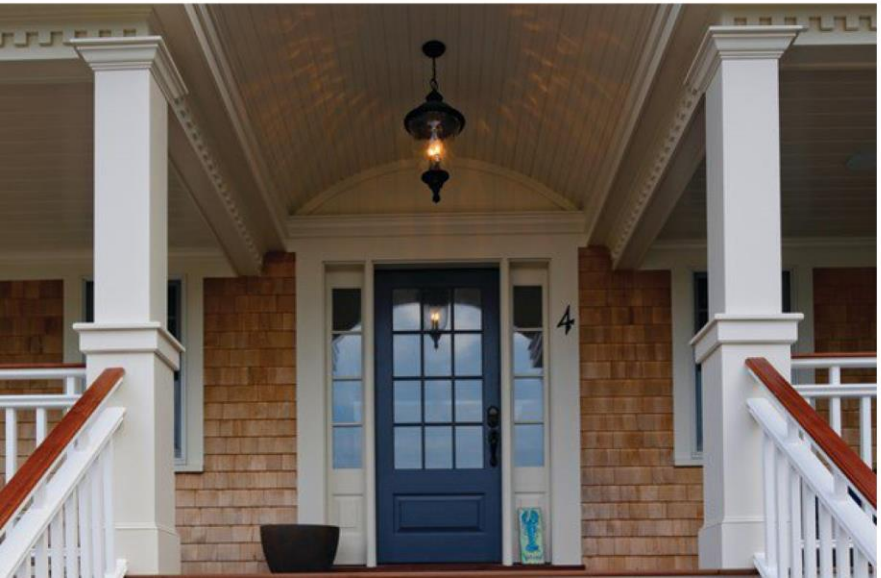
✓ Strong Cash Flow Generation and Solid Balance Sheet

- *Reinvesting to support organic growth opportunities and strategic M&A*
- *IPO meaningfully de-leveraged the balance sheet and reduced interest expense*



A unique, long-term growth and ESG story that is well positioned to outperform in any market environment

THE AZEK® COMPANY



Appendix

Summary Financial History

THE AZEK COMPANY

Fiscal year ending September 30	Twelve Months Ended,						
	2017	2018		2019		2020	
($ in millions, excluding EPS)	FY	FY	YoY %	FY	YoY %	FY	YoY %
Residential	$502.1	$541.9	7.9%	$655.4	20.9%	$771.2	17.7%
Commercial	130.6	139.9	7.1%	138.8	(0.8%)	128.1	(7.7%)
Net sales	**$632.6**	**$681.8**	**7.8%**	**$794.2**	**16.5%**	**$899.3**	**13.2%**
Adjusted Gross Profit	224.5	254.1	13.2%	314.9	23.9%	359.1	14.0%
Adjusted Gross Profit Margin	*35.5%*	*37.3%*		*39.6%*		*39.9%*	
Adjusted SG&A	93.3	104.0	11.5%	135.3	30.1%	145.6	7.6%
% of Net sales	*14.7%*	*15.3%*		*17.0%*		*16.2%*	
Adjusted EBITDA	**$131.3**	**$150.1**	**14.3%**	**$179.6**	**19.7%**	**$213.5**	**18.9%**
Adjusted EBITDA Margin	*20.7%*	*22.0%*		*22.6%*		*23.7%*	
Segment Adjusted EBITDA							
Residential	147.3	168.4	14.3%	188.7	12.1%	238.1	26.1%
Commercial	16.1	21.7	34.2%	21.5	(0.8%)	15.1	(30.0%)
Adjusted Net Income	**$24.2**	**$44.6**	**84.6%**	**$46.7**	**4.5%**	**$72.6**	**55.7%**
Adjusted Diluted EPS	$0.22	$0.41		$0.43		$0.59	
Operating cash flow	$57.4	$67.3		$94.9		$98.4	
Capital expenditures	($22.5)	($42.8)		($63.0)		($95.6)	
Net leverage ratio	6.2x	7.0x		5.7x		1.2x	
Adjusted RONTA	40.6%	41.3%		44.3%		40.1%	

Notes:

- *Adjusted RONTA is calculated as Adj. EBITA / Net Tangible Assets, where Net Tangible Assets are calculated as Trade Receivables, net + Inventories + PP&E, net – Accounts Payable*
- *Numbers may not sum due to rounding*

AZEK's Long History of Growth and Innovation

THE AZEK COMPANY

Internal Development – Product Launches & Key Milestones

New Management Team

1980 – 2009

- 1983 – Plastic Sheets
- 1990 – Bathroom Partitions
- 1997 – Launched Composite Decking
- 1999 – Launched Branded AZEK Trim

2010 – 2015

- 2012 – Launched Next-Gen Capped PVC Decking
- 2015 – Launch of Premium Vintage & Legacy Decking Collections

2016 – 2020+

- 2016 – Introduced High Privacy Bathroom Partitions
- 2017 – Developed Multi-Year New Product Roadmap
- 2018 – Recycling Initiatives "Project Green"
- 2018 – Corporate Re-branding, New Values & Mission Rollout
- 2019 – TimberTech EDGE Decking, Multi-Width Decking, PaintPro Trim
- 2019 – Opened Chicago Training Center and HQ
- 2019 – Outdoor Living – TimberTech Rebrands, Digital Reset, Advertising
- 2020 – Launched TimberTech PRO Reserve and EDGE Prime+ Decking collections

CPG

THE AZEK COMPANY

Acquisitions

- **2002 – Bathroom Partitions**
  Acquired Capitol and Santana Products
- **2007 – PVC Decking**
  Acquired Procell Decking Systems (founded 2004)
- **2012 – Composite Decking / Fasteners**
  Acquired TimberTech (founded 1997)
  TimberTech
- **2017 – Rail**
  Acquired UltraLox (founded 2012)
  ULTRALOX
- **2018 – Trim**
  Acquired Versatex (founded 2004)
  VERSATEX
- **2020 – PVC Recycling**
  Acquired Return Polymers (founded 1992)
  RETURN POLYMERS INC

Legacy of innovation driving category leadership in Outdoor Living

Non-GAAP Reconciliations

THE AZEK COMPANY

ADJUSTED GROSS PROFIT RECONCILIATION

Fiscal year ending September 30 ($ in millions)	Twelve Months Ended, 2017 FY	2018 FY	2019 FY	2020 FY
Gross Profit	**$169.0**	**$202.0**	**$253.2**	**$296.1**
Depreciation[1]	27.2	23.0	28.9	37.6
Amortization[1]	26.7	26.6	27.5	24.7
Business transformation costs[2]	1.6	-	5.3	-
Acquisition costs[3]	-	2.4	-	0.7
Other cost[4]	-	-	-	0.1
Adjusted Gross Profit	**$224.5**	**$254.1**	**$314.9**	**$359.1**
Adjusted Gross Profit Margin	*35.5%*	*37.3%*	*39.6%*	*39.9%*

Notes:

1. Depreciation and amortization for fiscal 2020, 2019, 2018 and 2017 consists of $37.6 million, $28.9 million, $23.0 million and $27.2 million, respectively, of depreciation and $24.7 million, $27.5 million, $26.6 million and $26.7 million, respectively, of amortization of intangible assets, comprised of intangibles relating to our manufacturing processes.
2. Business transformation costs reflect startup costs of our new recycling facility of $5.3 million for fiscal 2019 and other integration-related expenses in fiscal 2017.
3. Acquisition costs reflect inventory step-up adjustments related to recording the inventory of acquired businesses at fair value on the date of acquisition.
4. Other costs includes reduction in workforce costs of $0.1 million for fiscal 2020.

ADJUSTED SG&A RECONCILIATION

Fiscal year ending September 30 ($ in millions)	Twelve Months Ended, 2017 FY	2018 FY	2019 FY	2020 FY
SG&A	**$147.0**	**$144.7**	**$183.6**	**$308.3**
Depreciation	2.8	3.3	4.8	7.1
Amortization	20.9	24.8	32.8	30.4
Share-based compensation costs	1.5	3.1	3.7	120.5
Asset impairment costs[1]	1.0	0.1	-	-
Business transformation costs[2]	7.0	5.8	11.3	0.6
Capital structure transaction costs[3]	0.3	0.4	-	-
Acquisition costs[4]	-	0.8	4.1	0.9
Initial public offering and secondary offering costs	-	0.8	-	-
Other costs[5]	20.3	1.7	(6.8)	4.1
Loss on disposal of PP&E	-	-	(1.5)	(0.9)
Adjusted SG&A	**$93.3**	**$104.0**	**$135.3**	**$145.6**

Notes:

1. Asset impairment costs reflect tangible and intangible asset impairment costs of $1.0 million for fiscal 2017.
2. Business transformation costs reflect consulting costs related to repositioning of brands of $4.3 million and $2.0 million in fiscal 2019 and 2017, respectively, compensation costs related to the transformation of the senior management team of $0.6 million, $2.3 million, $0.2 million and $4.3 million in fiscal 2020, 2019, 2018 and 2017, respectively, costs related to the relocation of corporate headquarters of $2.0 million in fiscal 2019, and other integration-related costs of $2.7 million, $5.6 million and $0.7 million in fiscal 2019, 2018 and 2017, respectively.
3. Capital structure transaction costs reflect non-capitalizable debt and equity issuance costs.
4. Acquisition costs reflect costs directly related to completed acquisitions of $0.9 million, $4.1 million and $1.0 million in fiscal 2020, 2019 and 2018, respectively.
5. Other costs reflect costs for legal defense of $0.9 million, $0.9 million, $1.5 million and $5.2 million in fiscal 2020, 2019, 2018 and 2017, respectively, insurance reimbursement of ($7.7) million in fiscal 2019, and costs related to an incentive plan associated with the initial public offering of $2.9 million in fiscal 2020, settlement costs of $15.0 million in fiscal 2017, respectively, and other miscellaneous adjustments of $0.2 million and $0.1 million in fiscal 2018 and 2017, respectively.

Source: Company financials. Numbers may not sum due to rounding.

Non-GAAP Reconciliations

THE AZEK COMPANY

ADJUSTED EBITDA RECONCILIATION

Fiscal year ending September 30 ($ in millions)	Twelve Months Ended, 2017 FY	2018 FY	2019 FY	2020 FY
Net Income (Loss)	**($67.4)**	**$6.7**	**($20.2)**	**($122.2)**
Interest expense	61.6	68.7	83.2	71.2
Depreciation	30.0	26.3	33.7	44.6
Amortization	47.6	51.4	60.2	55.1
Tax (benefit)/expense	(20.0)	(23.1)	(4.0)	(8.3)
Share-based compensation costs	1.5	3.1	3.7	120.5
Asset impairment costs[1]	48.8	0.9	-	-
Business transformation costs[2]	8.6	5.8	16.6	0.6
Capital structure transaction costs[3]	0.3	0.4	-	37.6
Acquisition costs[4]	-	7.4	4.1	1.6
Initial public offering and secondary offering costs[5]	-	0.8	9.1	8.6
Other costs[6]	20.3	1.7	(6.8)	4.2
Adjusted EBITDA	**$131.3**	**$150.1**	**$179.6**	**$213.5**
Adjusted EBITDA Margin	*20.7%*	*22.0%*	*22.6%*	*23.7%*

Notes:

1. Asset impairment costs reflect tangible and intangible asset impairment costs of $0.9 million and $48.8 million for fiscal 2018 and 2017, respectively. The tangible asset impairment costs for fiscal 2017 include the write off of $1.1 million of inventory relating to certain products determined not to be commercially viable.
2. Business transformation costs reflect consulting costs related to repositioning of brands of $4.3 million and $2.0 million in fiscal 2019 and 2017, respectively, compensation costs related to the transformation of the senior management team of $0.6 million, $2.3 million, $0.2 million and $4.3 million in fiscal 2020, 2019, 2018 and 2017, respectively, costs related to the relocation of corporate headquarters of $2.0 million in fiscal 2019, startup costs of the Company's new recycling facility of $5.3 million in fiscal 2019, and other integration-related costs of $2.7 million, $5.6 million and $2.3 million in fiscal 2019, 2018 and 2017, respectively.
3. Capital structure transaction costs include loss on extinguishment of debt of $1.9 million for the 2021 Senior Notes and $35.7 million for the 2025 Senior Notes for fiscal 2020, and debt related issuance costs of $0.4 million and $0.3 million for fiscal 2018 and 2017, respectively.
4. Acquisition costs reflect costs directly related to completed acquisitions of $0.9 million, $4.1 million and $4.9 million for fiscal 2020, 2019 and 2018, respectively and inventory step-up adjustments related to recording the inventory of acquired businesses at fair value on the date of acquisition of $0.7 million and $2.4 million for fiscal 2020 and 2018, respectively.
5. Initial public offering costs includes $1.4 million in fees related to the Secondary offering of our Class A common stock completed in fiscal 2020.
6. Other costs reflect costs for legal expenses of $0.9 million, $0.9 million, $1.5 million and $5.2 million in fiscal 2020, 2019, 2018 and 2017, respectively, reduction in workforce costs of $0.4 million for fiscal 2020, income from an insurance recovery of legal loss of $7.7 million for fiscal 2019, and costs related to an incentive plan associated with the initial public offering of $2.9 million for fiscal 2020, settlement costs of $15.0 million in fiscal 2017, respectively, and other miscellaneous adjustments of $0.2 million and $0.1 million in fiscal 2018 and 2017, respectively.

Source: Company financials. Numbers may not sum due to rounding.

ADJUSTED RONTA RECONCILIATION

Fiscal year ending September 30 ($ in millions)	Twelve Months Ended, 2017 FY	2018 FY	2019 FY	2020 FY
Adjusted EBITDA	**$131.3**	**$150.1**	**$179.6**	**$213.5**
Less: Depreciation	(30.0)	(26.3)	(33.7)	(44.6)
Adjusted EBITA	**$101.2**	**$123.8**	**$145.9**	**$168.9**
Net tangible assets				
Plus: Trade receivables, net	41.4	44.0	52.6	70.9
Plus: Inventories	98.9	110.9	115.4	130.1
Plus: PP&E, net	134.6	180.8	208.7	261.8
Less: Accounts payable	(25.8)	(35.9)	(47.5)	(42.1)
Net tangible assets	**$249.0**	**$299.8**	**$329.2**	**$420.7**
Adjusted RONTA (Adj EBITA / net tangible assets)	**40.6%**	**41.3%**	**44.3%**	**40.1%**

Note: Adjusted RONTA is calculated as Adj. EBITA / Net Tangible Assets, where Net Tangible Assets are calculated as Trade Receivables, net + Inventories + PP&E, net – Accounts Payable

NET LEVERAGE RECONCILIATION

Fiscal year ending September 30 ($ in millions)	Twelve Months Ended, 2017 FY	2018 FY	2019 FY	2020 FY
Adjusted EBITDA	**$131.3**	**$150.1**	**$179.6**	**$213.5**
Long-term debt - less current portion	893.0	1,108.0	1,103.3	463.0
Current Portion	8.3	8.3	8.3	-
Unamortized deferred financing fees	12.9	15.3	11.9	4.2
Unamortized original issue discount	1.0	1.3	1.1	0.5
Gross debt	915.1	1,132.9	1,124.6	467.7
Cash and cash equivalents	(101.9)	(82.3)	(105.9)	(215.0)
Net debt	813.2	1,050.6	1,018.6	252.6
Net Leverage	**6.2x**	**7.0x**	**5.7x**	**1.2x**

Non-GAAP Reconciliations

THE AZEK COMPANY

ADJUSTED NET INCOME RECONCILIATION

Fiscal year ending September 30 ($ in millions)	Twelve Months Ended, 2017 FY	2018 FY	2019 FY	2020 FY
Net Income (Loss)	**($67.4)**	**$6.7**	**($20.2)**	**($122.2)**
Amortization[1]	47.6	51.4	60.2	55.1
Share-based compensation costs	1.5	3.1	3.7	120.5
Asset impairment costs[2]	48.8	0.9	-	-
Business transformation costs[3]	8.6	5.8	16.6	0.6
Capital structure transaction costs[4]	0.3	0.4	-	37.6
Acquisition costs[5]	-	7.4	4.1	1.6
Initial public offering and secondary offering costs[6]	-	0.8	9.1	8.6
Other costs[7]	20.3	1.7	(6.8)	4.2
Tax impact of adjustments[8]	(35.5)	(11.0)	(20.0)	(33.3)
Tax Act remeasurement[9]	-	(22.5)	-	-
Adjusted Net Income	**$24.2**	**$44.6**	**$46.7**	**$72.6**

ADJUSTED DILUTED EPS RECONCILIATION

Fiscal year ending September 30	Twelve Months Ended, 2017 FY	2018 FY	2019 FY	2020 FY
Net Income (Loss) per common share - diluted	**($0.62)**	**$0.06**	**($0.19)**	**($1.00)**
Amortization	0.44	0.47	0.56	0.45
Share-based compensation costs	0.01	0.03	0.04	0.99
Asset impairment costs	0.45	0.01	-	-
Business transformation costs	0.08	0.05	0.15	-
Capital structure transaction costs	0.00	-	-	0.31
Acquisition costs	-	0.07	0.04	0.01
Initial public offering and secondary offering costs	-	0.01	0.08	0.07
Other costs	0.19	0.02	(0.06)	0.03
Tax impact of adjustments	(0.33)	(0.10)	(0.19)	(0.27)
Tax Act remeasurement	-	(0.21)	-	-
Adjusted Diluted EPS[10]	**$0.22**	**$0.41**	**$0.43**	**$0.59**

Source: Company financials. Numbers may not sum due to rounding.

Notes:

1. Effective as of September 30, 2020, we revised the definition of Adjusted Net Income to remove depreciation expense. The prior periods have been recast to reflect the change.
2. Asset impairment costs reflect tangible and intangible asset impairment costs of $0.9 million and $48.8 million in fiscal 2018 and 2017. The tangible asset impairment costs for fiscal 2017 include the write off of $1.1 million of inventory relating to certain products determined not to be commercially viable.
3. Business transformation costs reflect consulting costs related to repositioning of our brands of $4.3 million and $2.0 million in fiscal 2019 and 2017, respectively, compensation costs related to the transformation of the senior management team of $0.6 million, $2.3 million, $0.2 million and $4.3 million in fiscal 2020, 2019, 2018 and 2017, respectively, costs related to the relocation of our corporate headquarters of $2.0 million in fiscal 2019, startup costs of our new recycling facility of $5.3 million in fiscal 2019, and other integration-related costs of $2.7 million, $5.6 million and $2.3 million in fiscal 2019, 2018 and 2017, respectively.
4. Capital structure transaction costs include loss on extinguishment of debt of $1.9 million for the 2021 Senior Notes and $35.7 million for the 2025 Senior Notes for fiscal 2020, and debt related issuance costs of $0.4 million and $0.3 million for fiscal 2018 and 2017, respectively.
5. Acquisition costs reflect costs directly related to completed acquisitions of $0.9 million, $4.1 million and $4.9 million for fiscal 2020, 2019 and 2018, respectively and inventory step-up adjustments related to recording the inventory of acquired businesses at fair value on the date of acquisition of $0.7 million, and $2.4 million for fiscal 2020 and 2018, respectively.
6. Initial public offering costs includes $1.4 million in fees related to the Secondary offering of our Class A common stock completed in fiscal 2020.
7. Other costs reflect costs for legal expenses of $0.9 million, $0.9 million, $1.5 million and $5.2 million in fiscal 2020, 2019, 2018 and 2017, respectively, reduction in workforce costs of $0.4 million for fiscal 2020, income from an insurance recovery of legal loss of $7.7 million for fiscal 2019, and costs related to an incentive plan associated with the initial public offering of $2.9 million for fiscal 2020, settlement costs of $15.0 million in fiscal 2017, respectively, and other miscellaneous adjustments of $0.2 million and $0.1 million in fiscal 2018 and 2017, respectively.
8. Tax impact of adjustments is based on applying a combined U.S. federal and state statutory tax rate of 24.5%, 24%, 24% and 38% for fiscal 2020, 2019, 2018 and 2017, respectively, except that a tax rate of 0% was applied to the adjustments for share-based compensation costs and for goodwill impairment in fiscal 2017 as those items did not give rise to income tax deductions.
9. Tax Act remeasurement is a one-time tax benefit of $22.5 million as a result of the remeasurement of certain deferred taxes due to the enactment of the Tax Act.
10. Weighted average common shares outstanding used in computing diluted net income (loss) per common share is 122,128,515 shares for fiscal 2020, and 108,162,741 shares for fiscal 2019, 2018 and 2017.

THE AZEK COMPANY®

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