

# INVESTOR PRESENTATION

**ALAMO GROUP INC.**

**NYSE: ALG**

FY 2024



# SAFE HARBOR STATEMENT

This presentation and related conference call contain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are not historical facts and represent only the Company’s beliefs and expectations. Forward-looking statements involve known and unknown risks and uncertainties, which may cause the Company’s actual results in future periods to differ materially from forecasted results. Among those factors which could cause actual results to differ materially are the following: market demand, supply chain disruptions, labor shortages, competition, weather, disease outbreaks, seasonality, changes in U.S. trade policy, negative economic impacts resulting from geopolitical events, including the war in Ukraine and the Middle East, acquisition risks, financial issues, and other risks and uncertainties, including (but not limited to) those described under the captions “Forward-Looking Information” in Part I, Item 1 and “Risk Factors” in Item 1A of the Company’s Annual Report on Form 10-K for the year ended December 31, 2024, as well as other risks and uncertainties listed from time to time in the Company’s SEC filings. The Company does not undertake any obligation to update the information contained herein, which reflects management’s beliefs and expectations only as of this date. More information about factors that potentially could affect Alamo Group’s financial results are included in the Company’s public filings.

## Non-GAAP Measures

This presentation also contains non-GAAP financial measures. These measures are included to facilitate meaningful comparisons of our results to those in prior periods and future periods and to allow a better evaluation of our operating performance, in management’s opinion. Our reference to these non-GAAP measures should not be considered as a substitute for results that are presented in a manner consistent with GAAP. These non-GAAP measures are provided to enhance investors’ overall understanding of our financial performance.

# Alamo Group at a Glance

Alamo Group, the parent company of over 40 global brands, operates through two divisions: Industrial Equipment and Vegetation Management.

We specialize in manufacturing equipment that is vital for the maintenance of physical infrastructure, forests, greenspaces and agricultural land.

We are deeply committed to providing our customers with innovative products that perform these essential maintenance activities safely and efficiently for the betterment of communities worldwide.



Founded in  
1969



Headquartered in  
Seguin, Texas USA



3,750  
Employees

Publicly traded since 1993  
(NYSE: ALG)

Quarterly dividend paid  
continuously since going public

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27 manufacturing locations  
North and South America,  
and Europe

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Two operating divisions  
Industrial Equipment and  
Vegetation Management

# We Operate Globally Through Two Divisions

## Industrial Equipment:

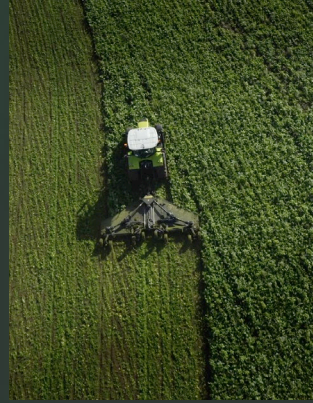
This Division sells and services unique types of mobile equipment used for the maintenance of public and private infrastructure and other types of hardscapes, no matter the time of year.

In 2024, this Division produced 52% of Alamo Group consolidated net sales with EBITDA of 16%.

## Vegetation Management:

This Division sells and services a wide variety of mobile and semi-mobile equipment for the management and control of organic vegetation in natural landscapes including forests, farms, rights-of-way and other greenspaces.

In 2024, this Division produced 48% of Alamo Group consolidated net sales with EBITDA of 11%.



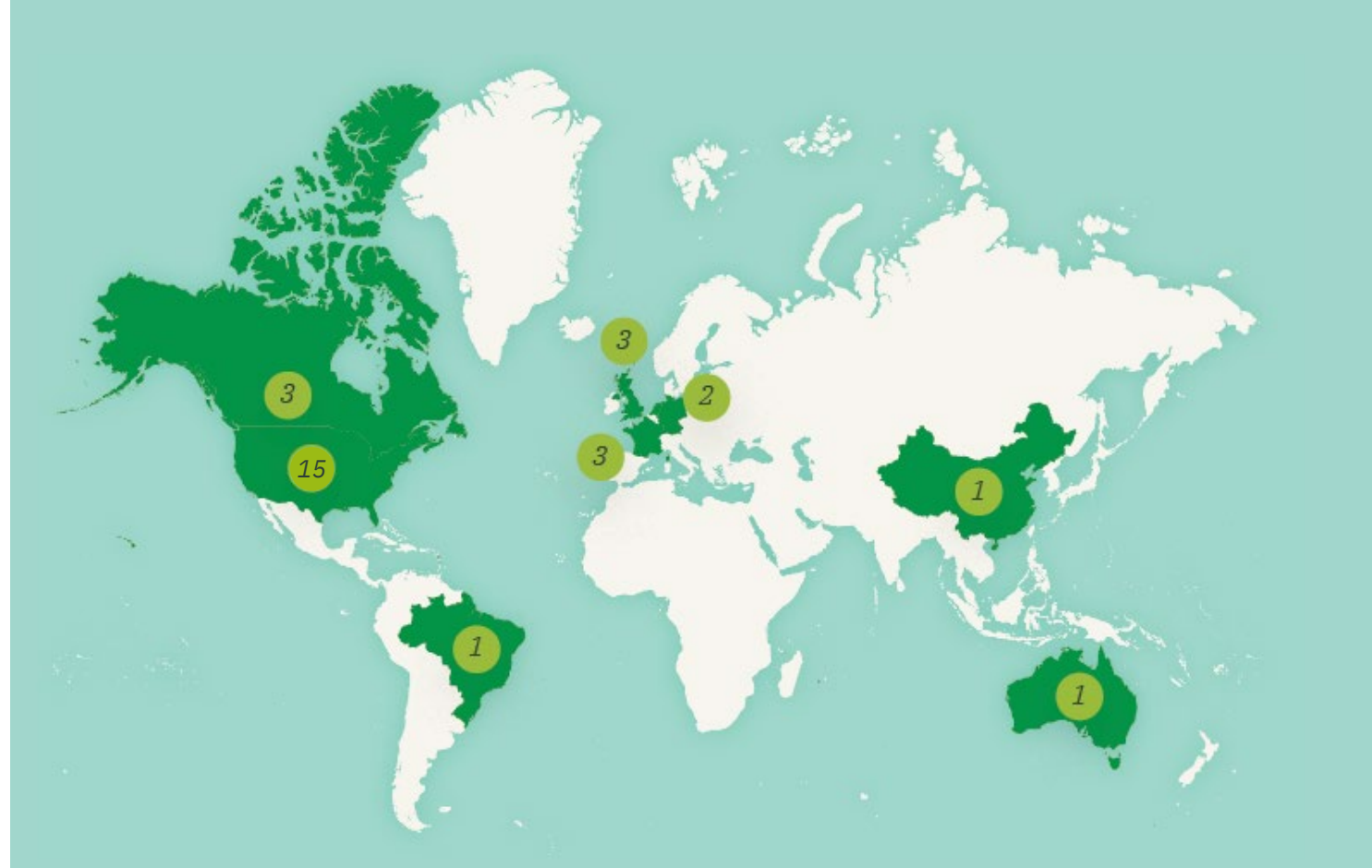
# Manufacturing Operations

## Global Reach and Operational Scale

With a portfolio of 40+ brands, the Group operates 27 manufacturing locations worldwide.

This extensive network enables Alamo Group to deliver its equipment, parts, and services across six continents.

The Group's commitment to quality, innovation and sustainability supports its ability to meet a wide range of needs, demonstrating its role as a key player in the global market.



## Global Locations:

- United States **15**
- Canada **3**
- Brazil **1**
- France **3**
- United Kingdom **3**
- Netherlands **2**
- Australia **Sales 1**
- China **Sourcing Office**

# Our Brand Solutions

Our customers count on us to provide high-quality, high-performance equipment to maintain forests, fields, farmlands and infrastructure, no matter the time of year or the weather conditions.

As we continue to expand our portfolio of brands, we are careful to select those which bring added value to both customers and shareholders while carrying out our commitment to improve places where people live, work and gather socially.

- ▶ Forestry, Tree Care, Recycling
- ▶ Biomass Production
- ▶ Agricultural Land Maintenance
- ▶ Landscaping & Turf Maintenance
- ▶ Roadside Mowing, Hedge and Brush Control
- ▶ Metal Mill & Mine Maintenance
- ▶ Street and Parking Lot Sweeping and Leaf, Brush and Debris Collection
- ▶ Highway Safety
- ▶ Storm Sewer Cleaning
- ▶ Vacuum and Hydro-Excavation
- ▶ Specialty Excavation and Storm Debris Removal
- ▶ Snow and Ice Removal
- ▶ Canal and Waterway Vegetation Management
- ▶ Spare Parts, Wear Parts and Technical Services
- ▶ Operator Safety Training



# We Are Helping To Create a Greener Future



Rivard Mistral Access  
Electric Sewer Cleaning Truck



The Schwarze EM6 Avalanche All-Electric  
Sweeper



Gradall EL 4100  
All Electric Excavator



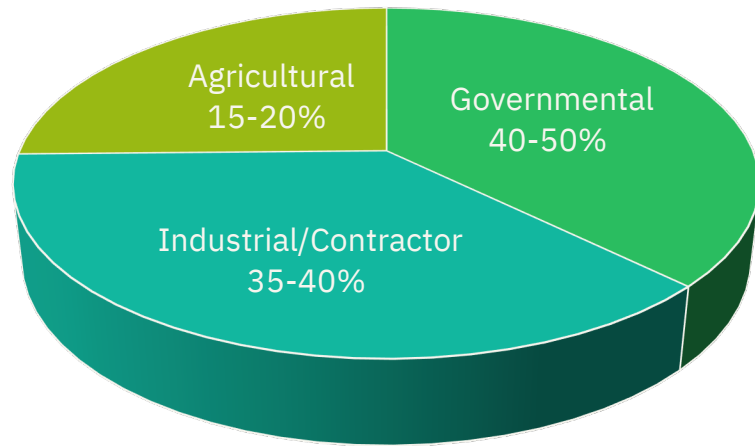
Timberwolf TW 280hb  
Hybrid Electric Woodchipper



Dixie Chopper Electric Zero-Turn Mower

# Our Served Customer Groups

Approximate Customer Segment Sales  
2024



■ Governmental   ■ Industrial/Contractor   ■ Agricultural

## The Industrial Equipment Division Serves:

- State, county, and municipal government agencies
- Environmental cleaning contractors and rental fleet operators
- Highway maintenance contractors
- Airport fixed base operators
- Specialist snow removal contractors

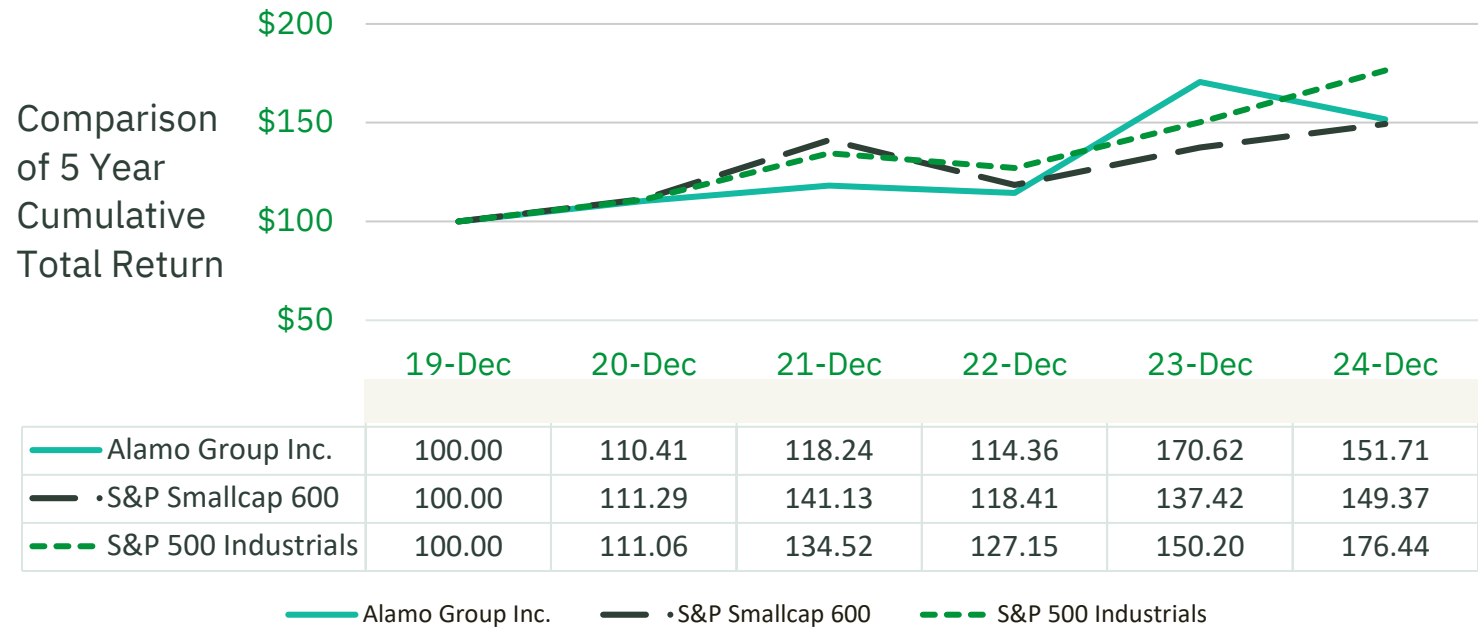
## The Vegetation Management Division Serves:

- Large National Tree Cares Contractors
- Specialist recycling contractors
- Wood pellet (fuel) producers
- Land clearing contractors
- Farmers
- State, county, and municipal government agencies



# Our Commitment Driving Shareholder Value

Alamo Group is well positioned to capitalize on its strong order backlog and sustained demand across most of its served markets to maintain its historic track record of long-term growth and total shareholder returns.



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The stock price performance included in this graph is not necessarily indicative of future stock price performance.

## Targeted Long-Term Performance Metrics

**5-10%**  
Revenue Growth

**>12%**  
Operating Income

**>14%**  
ROIC


# Financial Highlights

## Full Year 2024

- Net Sales were \$1.6 billion, a 3.6% decrease compared to full year 2023
  - Industrial Equipment Division net sales grew 19%
  - Vegetation Management Division net sales declined 20%
- Operating Income margin of 10.1% softened by 160 basis points
  - Industrial Equipment Division margins increased, driven by growth and improved efficiencies
  - Vegetation Management Division margins were lower due to market-driven downturn
- Long-term strategic actions included consolidation of Forestry factories and US Ag factories as well as workforce adjustment, and are expected to drive annual savings of \$25 to \$30 million

\$1,629M  4% from YTD 2023

Net Sales

10.1%  160 bps from YTD 2023

Operating Income

# Outlook 2025

- Continued optimism in the strength of governmental markets, modestly tempered by the uncertain future direction of Federal fiscal policy
- An improvement in the agricultural equipment market expected late 2025 while the forestry and tree care markets begin to recover gradually
- Continuous improvement process to enhance our efficiencies, focusing on long-term profitability, will continue

We remain focused on the Company's strategy and positive about our future performance



# ALAMO GROUP

## LEADERSHIP

President & CEO  
– **Jeff Leonard**

Executive VP & Chief Financial Officer  
– **Agnes Kamps**

Executive VP & Industrial Equipment Division  
– **Kevin Thomas**

Executive VP & Vegetation Management Division  
– **Rick Raborn**

Executive VP Corporate Development & Investor Relations  
– **Ed Rizzuti**

Executive VP & Chief Sustainability Officer  
– **Dan Malone**

Senior Vice President & Corporate Human Resources  
– **Janet Pollock**

Vice President Internal Audit  
– **Lori Sullivan**

### Board of Directors

Independent Chair of the Board  
– **Richard Parod**

Chair of Compensation Committee  
– **Robert Bauer**

Chair of Nominating / Governance Committee  
– **Eric Etchart**

Chair of Audit Committee  
– **Tracy Jokinen**

Member  
– **Lorie Tekorius**

Member  
– **Paul Householder**

Member  
– **Nina Grooms**

Member  
– **Colleen Haley**

Member  
– **Jeff Leonard**

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President & CEO

Agnes Kamps  
EVP/ Chief Financial Officer

Ed Rizzuti  
EVP / Corporate Development & Investor Relations



Additional details about Alamo Group's financial news and reports can be located on our website in the following documents:

**Earning Release** can be found at [alamo-group.com > Investors > Financial News Release: https://www.alamo-group.com/2024-financial-news-release/](https://www.alamo-group.com/2024-financial-news-release/)

**10-Q** can be found at [alamo-group.com > Investors > Financial Reports: https://www.alamo-group.com/2024-financial-reports/](https://www.alamo-group.com/2024-financial-reports/)

# Appendix



# Sales and Earnings Overview

Sales and Earnings  
(USD Millions)



Sales by Division  
(USD Millions)



# Balance Sheet

Year Ended December 31			
(In USD Thousands)	2024	2023	2022
Current Assets	857,495	803,957	727,210
Total Assets	1,450,279	1,409,386	1,308,508
Current Liabilities	190,309	213,926	190,506
Working Capital	667,186	590,031	536,704
Total Debt	220,481	235,277	301,952
Total Debt Net of Cash	23,207	183,358	254,936
Shareholders' Equity	1,018,254	932,763	785,360
Debt as a % of Capitalization	17.8%	20.1%	27.8%
Debt Net of Cash as % of Capitalization	2.2%	16.4%	24.5%
Net Cash from Operating Activities	209,778	131,154	14,530
Capital Expenditures	24,993	37,745	31,141
Dividends Paid	12,442	10,485	8,549





# Income Statement

Year Ended December 31			
(In USD Thousands)	2024	2023	2022
Revenue	1,628,513	1,689,651	1,513,616
Gross Margin	412,488	453,644	376,518
% of Revenue	25.3%	26.8%	24.9%
Operating Expenses	247,680	255,677	227,926
Operating Income	164,808	197,967	148,592
% of Revenue	10.1%	11.7%	9.8%
Depreciation - PP&E	26,865	23,665	23,673
Depreciation - Rental	9,992	8,789	7,739
Amortization	16,227	15,519	15,277
Net Income	115,930	136,161	101,928
Diluted Earnings Per Share	9.63	11.36	8.54
EBITDA <sup>(1)</sup>	220,623	247,701	194,608

(1) EBITDA is a non-GAAP financial measure defined for this purpose as the sum of net income, interest, taxes, depreciation and amortization. See the Reconciliation.



# Reconciliation

## EBITDA

	Year Ended December 31		
(In USD Thousands)	2024	2023	2022
Net Income	115,930	136,161	101,928
Interest, net	17,911	24,608	13,609
Provision for income taxes	33,698	38,959	32,382
Depreciation	36,857	32,454	31,412
Amortization	16,227	15,519	15,277
<b>EBITDA <sup>(1)</sup></b>	<b>220,623</b>	<b>247,701</b>	<b>194,608</b>

(1) We define EBITDA as the Net Income plus Interest, Taxes, Depreciation, and Amortization. We believe this non-GAAP measure is useful to investors as it provides greater transparency in regard to the information used by management in its financial and operational decision-making. The EBITDA presented may not be comparable to similarly titled measures of other companies.

