

INVESTOR PRESENTATION

FIRST QUARTER 2024 RESULTS SUMMARY

MAY 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, 2023, 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 agricultural land, greenspaces, forests, and physical infrastructure.

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



4,200+
Employees

Publicly traded since 1993
(NYSE: ALG)

Quarterly dividend paid
continuously since going public

29 manufacturing locations
North and South America, and
Europe

Two operating divisions
Vegetation Management and
Industrial Equipment

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
- ▶ Specialty Construction Forms
- ▶ Spare Parts, Wear Parts and Technical Services
- ▶ Operator Safety Training



MANUFACTURING OPERATIONS

Global Reach and Operational Scale

With a portfolio of 40+ brands, the Group operates 29 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 **17**
- Canada **3**
- Brazil **1**
- France **3**
- United Kingdom **3**
- Netherlands **2**
- Australia **Sales Office**
- China **Sourcing Office**

FINANCIAL HIGHLIGHTS

1Q24

- ▶ Record net sales of \$425.6 million increased 3.4% compared to \$411.8 million in 1Q2023
- ▶ Operating income margin softened by 90 basis points, driven by less favorable mix on higher new equipment sales in Industrial Equipment and lower efficiencies in Vegetation Management
- ▶ First quarter results broadly in line with expectations
 - Governmental and industrial markets display significant strength
 - Non-governmental markets remain under pressure in Vegetation Management Division, similarly as in 4Q2023

\$425.6M  3.4% from 1Q23

Net Sales

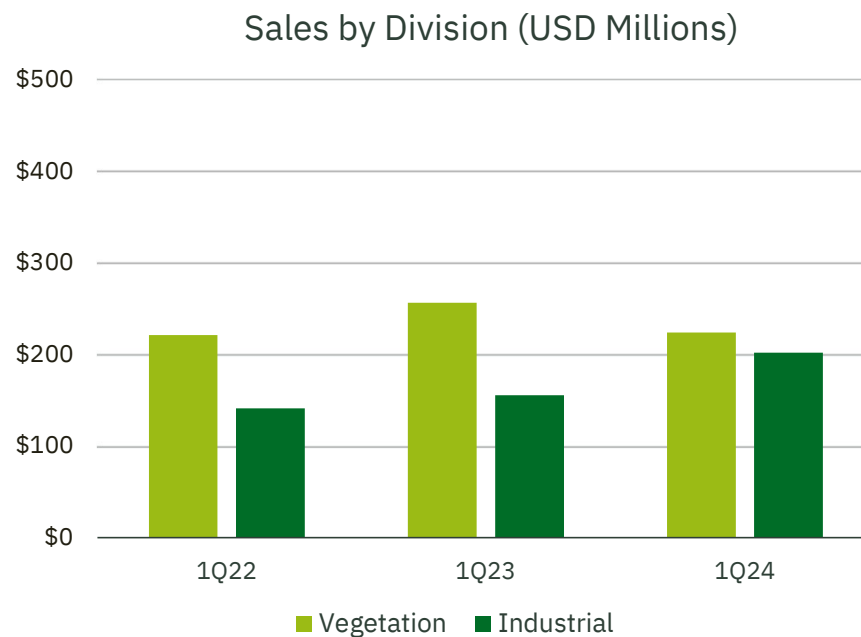
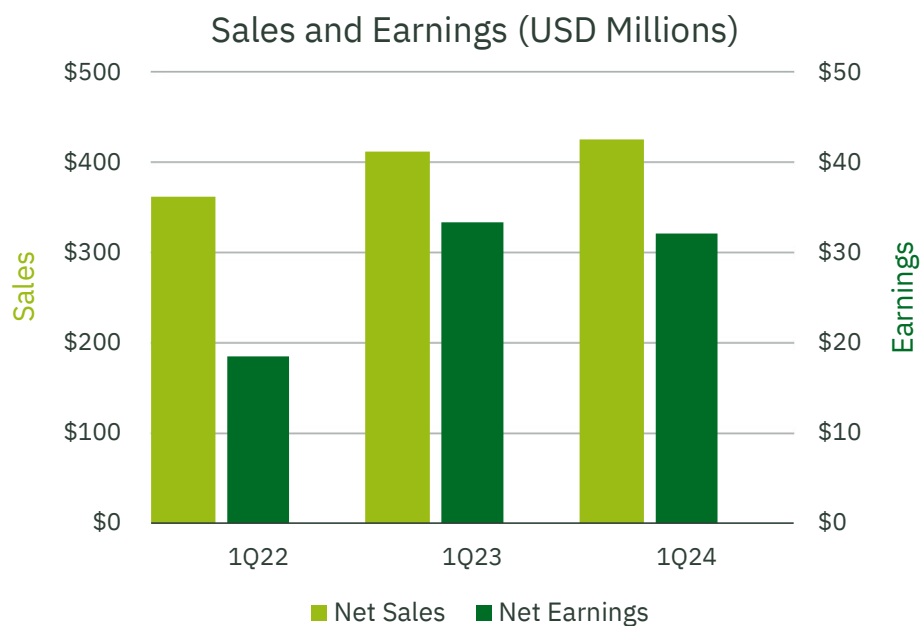
11.0%  0.9% from 1Q23

Operating Income

\$ 2.67  \$0.12 from 1Q23

Earnings Per Share

SALES AND EARNINGS OVERVIEW



BALANCE SHEET

Quarter Ended March 31			
(In USD Thousands)	2024	2023	2022
Current Assets	915,531	845,416	749,263
Total Assets	1,519,420	1,429,212	1,338,015
Current Liabilities	213,362	204,248	198,516
Working Capital	702,169	641,168	550,747
Total Debt	321,533	371,267	372,836
Total Debt Net of Cash	199,731	261,947	288,559
Shareholders' Equity	956,556	822,348	727,180
Debt as a % of Capitalization	25.2%	31.1%	33.9%
Debt Net of Cash as % of Capitalization	17.3%	24.2%	28.4%
Net Cash from Operating Activities	1,124	1,206	(54,985)
Capital Expenditures	6,653	8,999	4,358
Dividends Paid	3,103	2,615	2,133



INCOME STATEMENT

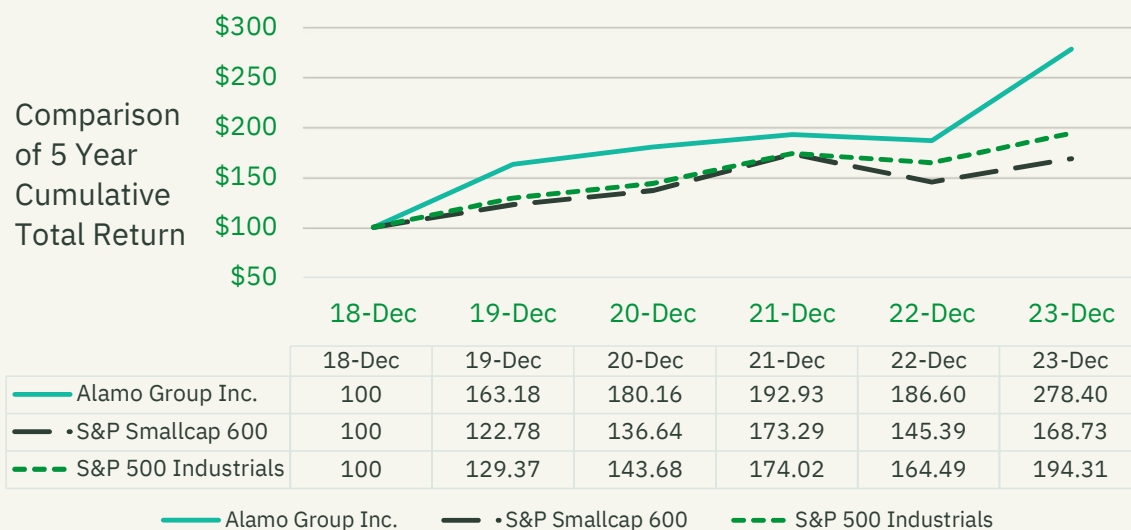
Quarter Ended March 31			
(In USD Thousands)	2024	2023	2022
Revenue	425,586	411,771	362,005
Gross Margin	111,632	112,507	86,641
% of Revenue	26.2%	27.3%	23.9%
Operating Expenses	64,653	63,483	57,522
Operating Income	46,979	49,024	29,119
% of Revenue	11.0%	11.9%	8.0%
Depreciation - PP&E	6,580	5,521	5,236
Depreciation - Rental	2,355	2,105	1,890
Amortization	4,235	3,991	4,054
Net Income	32,120	33,349	18,470
Diluted Earnings Per Share	2.67	2.79	1.55
EBITDA ⁽¹⁾	60,149	60,641	40,299

(1) EBITDA is a non-GAAP financial measure defined for this purpose as the sum of operating income and depreciation and amortization. See reconciliation in the Appendix.



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.



Targeted Long-Term
Performance Metrics

5-10%
Revenue Growth

>12%
Operating Income

>14%
ROIC

Outlook 2024

- ▶ Strong backlog and momentum in the Industrial Division indicates positive outlook for the balance of 2024 at least
- ▶ While backlog remains healthy in the Vegetation Division, uncertain interest rates environment and higher dealer inventory levels will likely prolong headwinds in 2024
- ▶ Actions to protect profitability began in first quarter
- ▶ Supply Chain continues to improve; prices of purchased components stabilized

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



Corporate Office
1627 East Walnut St.
Seguin, Texas 78155
Info@alamo-group.com
(830) 379-1480
(830) 372-9683 Fax

Jeffery A. Leonard
President & CEO

Agnes Kamps
EVP/ Chief Financial Officer



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](https://www.alamo-group.com) > Investors > Financial News Release:
<https://www.alamo-group.com/2024-financial-news-release/>

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

Appendix



Reconciliations

EBITDA

Quarter Ended March 31			
(In USD Thousands)	2024	2023	2022
Operating Income	46,979	49,024	29,119
Depreciation - PP&E	6,580	5,521	5,236
Depreciation - Rental	2,355	2,105	1,890
Amortization	4,235	3,991	4,054
EBITDA ⁽¹⁾	60,149	60,641	40,299

(1) We define EBITDA as the total of Operating Income, Depreciation, and Amortization. We believe this non-GAAP measure is useful to investors as it provides greater transparency in regards 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.

