



First Quarter Earnings

MAY 1, 2024

BUILT TO CONNECT

Safe Harbor

Certain statements contained in this presentation contain forward-looking statements within the meaning of the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. Such statements relate to, among other things, income, earnings, cash flows, changes in operations, operating improvements, businesses in which we operate and the United States and global economies. Statements in the presentation that are not historical are hereby identified as “forward-looking statements” and may be indicated by words or phrases such as “anticipates”, “supports”, “plans”, “projects”, “expects”, “believes”, “should”, “would”, “could”, “hope”, “forecast”, “management is of the opinion”, use of the future tense and similar words or phrases. These forward-looking statements are based largely on management’s expectations, which are subject to a number of known and unknown risks, uncertainties and other factors discussed and described in our most recent Annual Report on Form 10-K, including those risks described in Part I, Item 1A thereof, and in other reports subsequently filed by us with the Securities and Exchange Commission, which may cause actual results, financial or otherwise, to be materially different from those anticipated, expressed or implied by the forward-looking statements. All forward-looking statements included in this document are based on information available to us on the date hereof, and we assume no obligation to update any such forward-looking statements to reflect future events or circumstances, except as required by law.

NON-GAAP MEASURES

In an effort to provide investors with additional information regarding the Company’s results, the Company refers to various GAAP (U.S. generally accepted accounting principles) and non-GAAP financial measures which management believes provide useful information to investors. These non-GAAP measures have no standardized meaning prescribed by U.S. GAAP and therefore are unlikely to be comparable to the calculation of similar measures for other companies. Management of the Company does not intend these items to be considered in isolation or as a substitute for the related GAAP measures. Nonetheless, this non-GAAP information can be useful in understanding the Company’s operating results and the performance of its core business. Management of the Company uses both GAAP and non-GAAP financial measures to establish internal budgets and targets and to evaluate the Company’s financial performance against such budgets and targets. A reconciliation of these non-GAAP measures to the most directly comparable GAAP measure is included in the appendix.



First Quarter Highlights

JACO VAN DER MERWE
CEO AND PRESIDENT

First Quarter Overview

\$309.2M

NET SALES

24.9%

GROSS MARGIN

+2.4%

IMPLIED ORDERS

1

Infrastructure Solutions saw **solid performance overall**, aside from select supply chain delays, with **implied orders up 9.3%** sequentially

2

Softening in market conditions and the **impact of current interest rates** and a **slowdown in conversions** on the dealer side from equipment rentals to sales, impacted performance for Materials Solutions, **with implied orders down 11%** sequentially

- Implemented right-sizing activities as we anticipate challenging conditions for dealers and contractors in the first half of the year

3

Delivered **\$309.2M in net sales**, a decrease of 11.1%, and **gross margin of 24.9%**, a decrease of 70 basis points

4

Backlog level of **\$559.8M** approached **historic range**, given improved lead times on most of our product lines, supporting our ability to **meet demand for products** and **increase sales** moving forward

5

2024 World of Asphalt/Agg 1 Show and Conference garnered **record attendance** and **positive customer engagement**

Strategic Roadmap for 2024 and Beyond

STRATEGIC PILLARS



EMPOWERED, ENABLED
& ENGAGED EMPLOYEES

Develop high performance talent through competitive market based compensation and benefits, ongoing leadership and technical skills development and a values based culture.

Being an employer of choice, giving employees the tools they need to succeed and creating life changing opportunities is key to our joint success



CUSTOMER
FOCUSED

Strong customer focus means driving commercial and operational excellence and simplifying product offering and production process, among others



INDUSTRY CHANGING
INNOVATION

A central cornerstone of success is industry changing innovation

Rolling out new product development approach that increases market competitiveness and better leverages technology and digital connectivity

Execution on strategic pillars to drive sustainable value creation

Business Dynamics and Observations

INFRASTRUCTURE SOLUTIONS

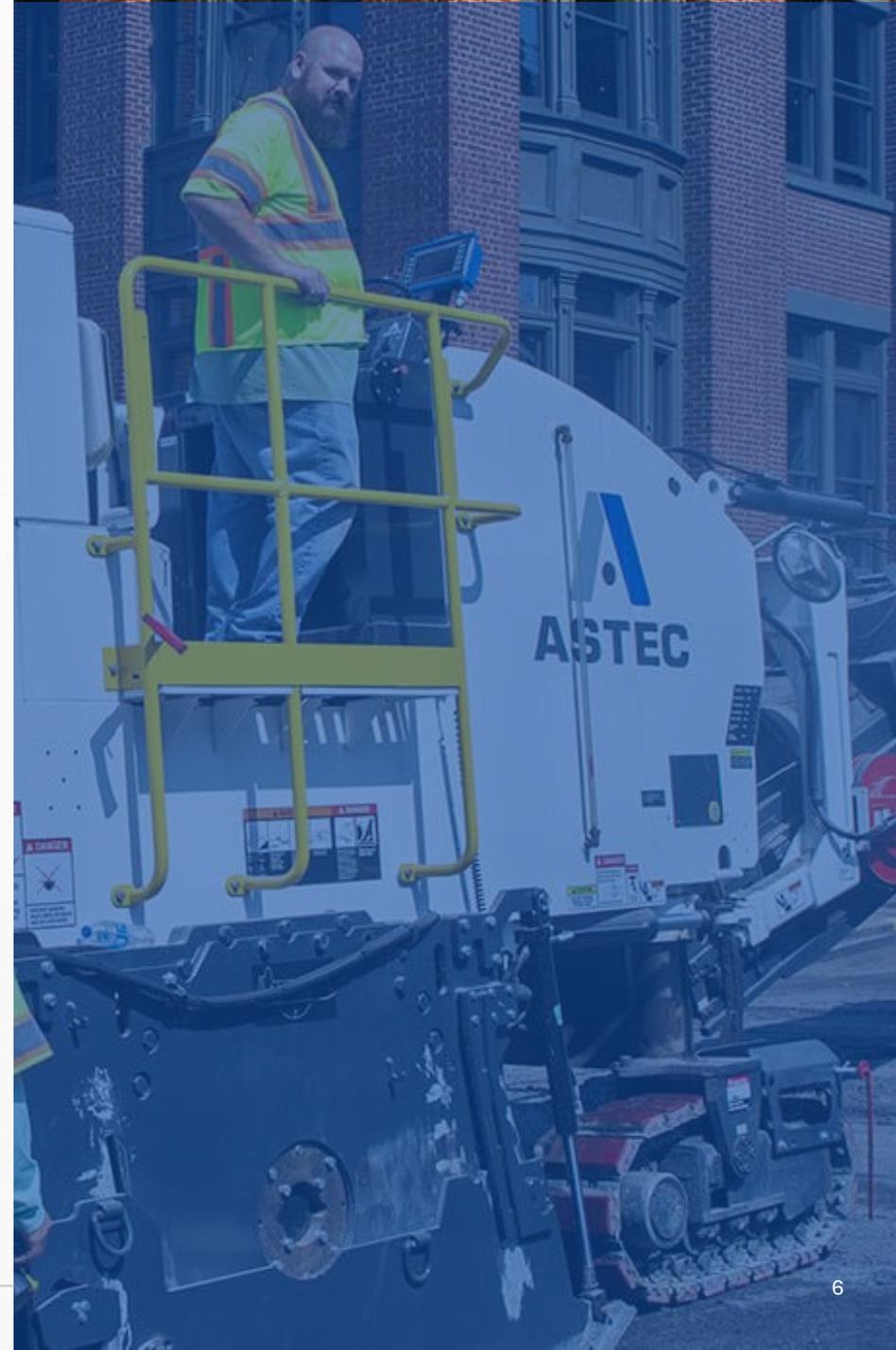
- Net sales of \$202.2M decreased 6.2%: *Select supply chain delays resulted in revenue moving out of the quarter partially offset by increased parts sales*
- Segment Operating Adjusted EBITDA margin of 12.7% decreased 50 basis points: *Primarily due to supply chain delays and volume related manufacturing inefficiencies*

MATERIALS SOLUTIONS

- Net sales of \$107.0M decreased by 19.1%: *Due to lower equipment sales, attributable to finance capacity constraints with contractors and dealers, as well as longer product conversions*
- Segment Operating Adjusted EBITDA margin of 5.0% decreased 600 basis points: *Impacted by lower sales volume, manufacturing inefficiencies, and other period related costs*

FEDERAL HIGHWAY BILL UPDATE

- Federal Highway and pavement contract awards increased 11% year-over-year, according to ARTBA*, with total state budgets up 12% year-over-year
- Expect continued strong demand for asphalt road building and concrete production equipment moving forward

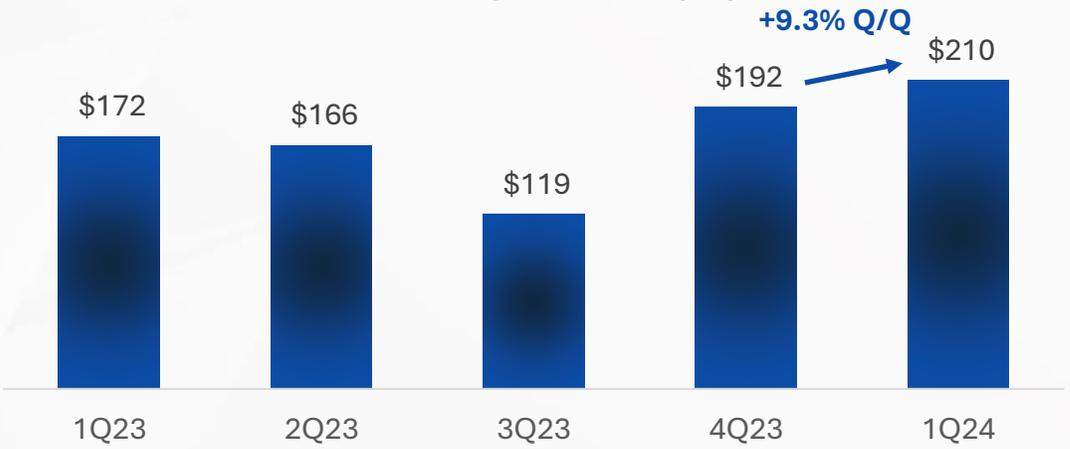


Q1 24 Implied Orders

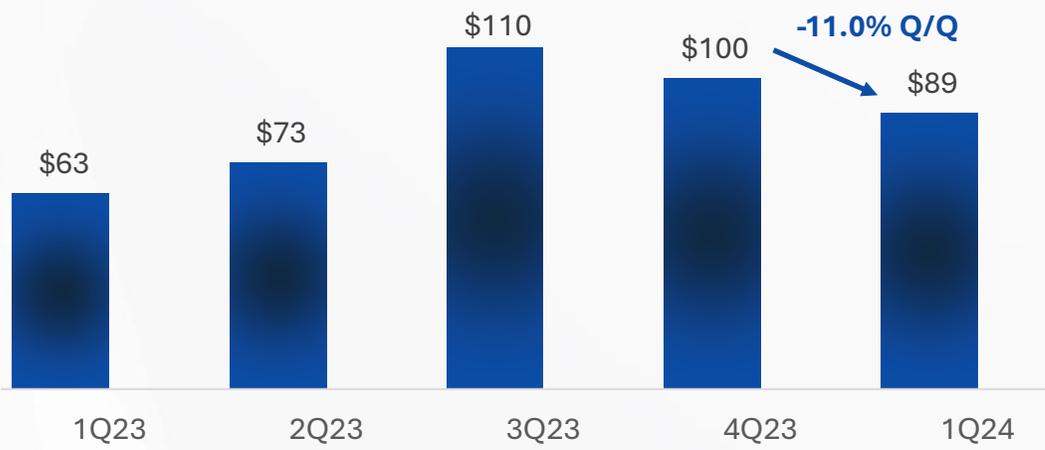
Implied Orders (\$M)



INFRASTRUCTURE SOLUTIONS Implied Orders (\$M)

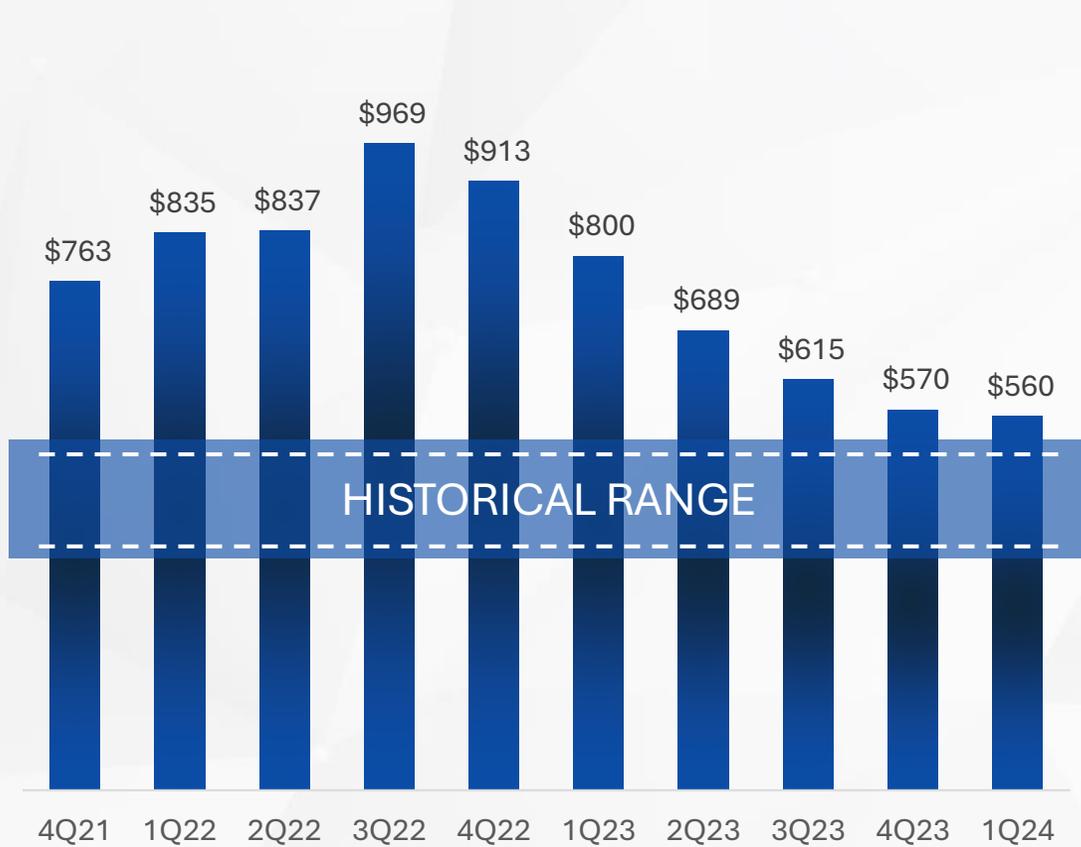


MATERIALS SOLUTIONS Implied Orders (\$M)

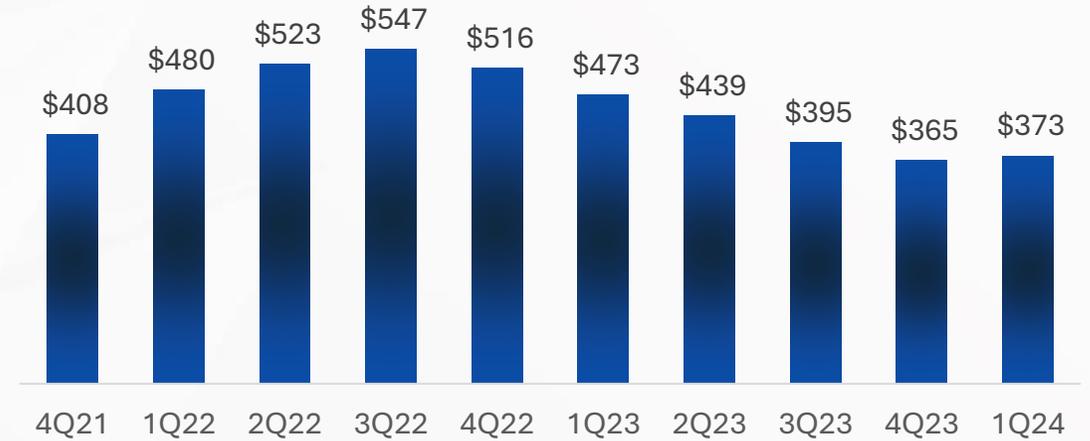


Historical Backlog

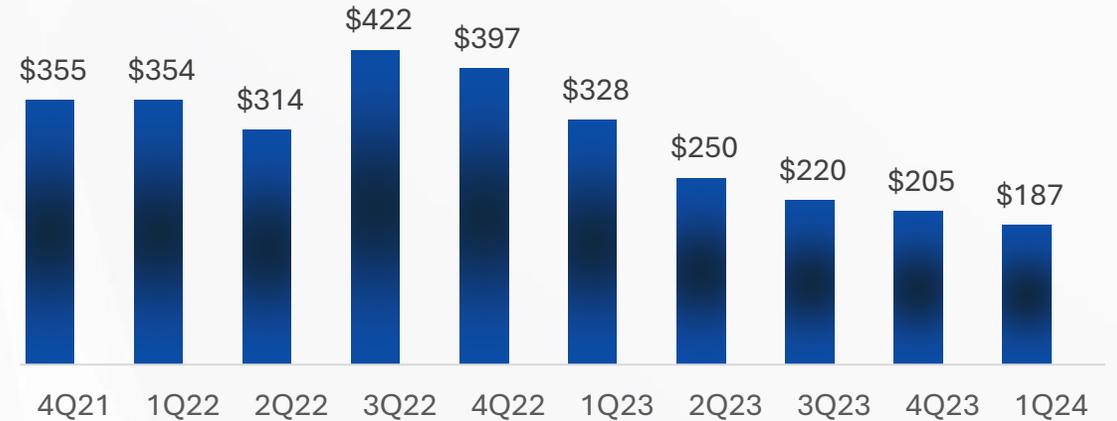
BACKLOG (\$M)



INFRASTRUCTURE SOLUTIONS BACKLOG (\$M)



MATERIALS SOLUTIONS BACKLOG (\$M)



2024 World of Asphalt/Agg 1 Show and Conference

NEW PRODUCTS UNVEILED

- **ReMix™ CCPR System:** Cold Central Plant Recycling (CCPR) system efficiently utilizes RAP, minimizing waste and promoting sustainable road construction practices. Producing up to 300 TPH nominal production rates.
- **Vari-Frequency Screen Technology:** Will revolutionize the industry with its ability to eliminate screen cloth blinding, increase performance and reduce operating costs.
- **Intellipac™ Moisture System:** Provides visibility into virgin aggregate moisture levels with advanced features that empower operators with real-time data and insights.
- **Intelliflex™ Burner Controls:** Intuitive control over burner performance and safety operations for asphalt mixing plants. Providing seamless startups to efficient shutdowns.



CONFERENCE KEY TAKEAWAYS

- Record attendance, with a 38% increase over the previous record set in 2022
- Interest in equipment and digital solutions was high, indicating positive, long-term customer mindset





First Quarter Financial Results

HEINRICH JONKER

VICE PRESIDENT FINANCE –
INFRASTRUCTURE SOLUTIONS AND INTERIM CHIEF FINANCIAL OFFICER

1Q24 Financial Results

(\$M, except per share and percentage data)

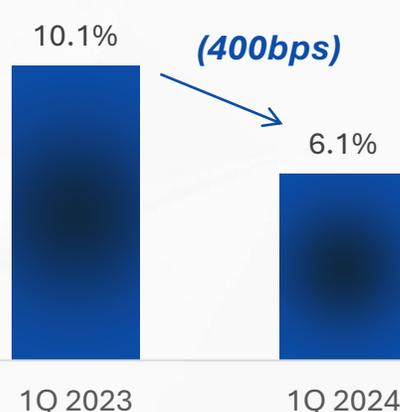
NET SALES



ADJ. EBITDA¹



ADJ. EBITDA MARGIN¹



ADJ. EPS¹



- Equipment sales decreased \$40.0M or 18.6%
- Parts sales increased \$10.7M or 10.3%
- Domestic sales decreased \$38.1M or 13.5%
- International sales decreased \$0.6M or 0.9%

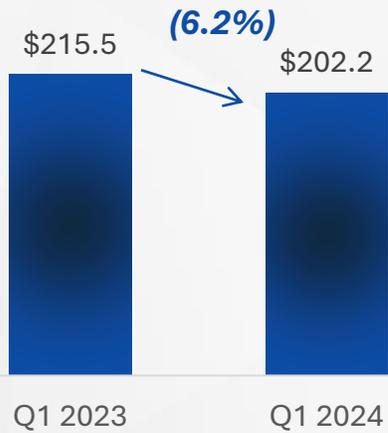
- Adj. EBITDA margin decreased largely due to lower volumes which impacted manufacturing efficiencies at select sites and other period related costs, partly offset with pricing net of inflation.
- Increased SG&A costs largely driven by unfavorable personnel costs related to a one-time recovery related to restructuring activity during the prior year, increased consulting and technology support costs partially offset by lower exhibit and promotional costs.

- Excludes transformation and other costs of \$0.19 in 1Q24 and \$0.37 in 1Q23
- Adjusted effective tax rate was 26.0%

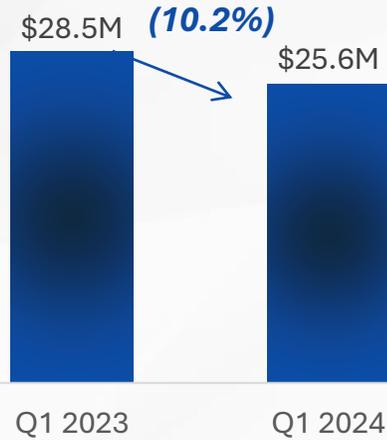
Infrastructure Solutions

1Q24 Financial Performance (\$M, except percentage data)

NET SALES



SEGMENT OPERATING ADJ. EBITDA



SEGMENT OPERATING ADJ. EBITDA MARGIN



PERFORMANCE DRIVERS

- Sales decreased mainly due to select supply chain delays related to equipment sales, strong performance from parts sales
 - Domestic sales -3.2%
 - International sales -30.6%
 - Equipment sales -12.0%
 - Parts sales +17.7%
- Segment Operating Adj. EBITDA margin decreased 50 bps due lower net volume and mix, manufacturing inefficiencies from lower volume partially offset by pricing net of inflation



Materials Solutions

1Q24 Financial Performance (\$M, except percentage data)

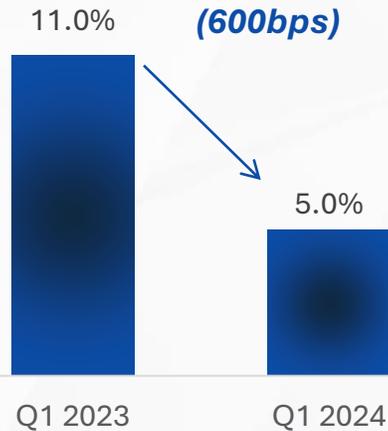
NET SALES



SEGMENT OPERATING ADJ. EBITDA



SEGMENT OPERATING ADJ. EBITDA MARGIN

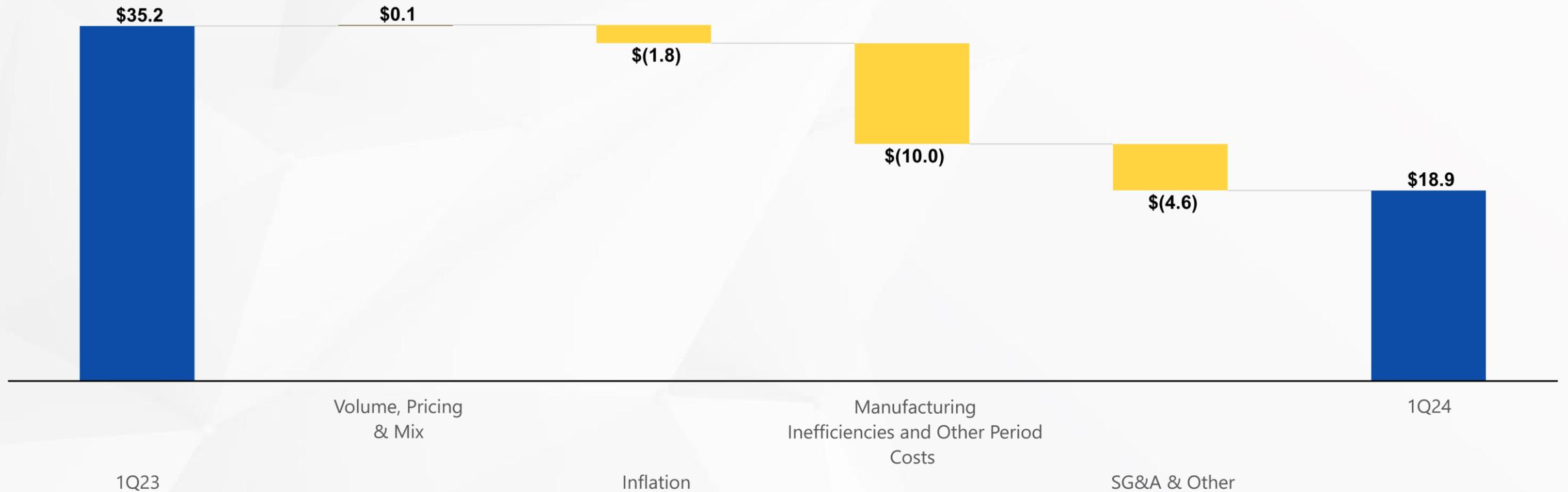


PERFORMANCE DRIVERS

- Sales decreased due to lower equipment sales, attributable to finance capacity constraints with contractors and dealers, as well as fewer product conversions
 - Domestic sales -35.7%
 - International sales +15.3%
 - Equipment sales -27.4%
 - Parts sales -3.0%
- Segment Operating Adj. EBITDA margin decreased 600 bps due to lower net volume and mix, manufacturing inefficiencies from lower volume, other period related costs and higher SG&A costs partially offset by pricing net of inflation

1Q24 Adjusted EBITDA¹ Bridge

(\$M)



Maintain Strong, Flexible Balance Sheet with Ample Liquidity

SUMMARY BALANCE SHEET

(\$M)	3/31/24
Cash and Cash Equivalents	\$55.3
Total Current Assets	\$778.8
Total Assets	\$1,123.0
Total Current Liabilities	\$310.4
Total Long-Term Debt	\$125.0
Total Liabilities and Equity	\$1,123.0

LIQUIDITY

(\$M)	3/31/24
Cash and Cash Equivalents	\$55.3
Available Credit	\$115.2
Total Available Liquidity	\$170.5

COMMENTARY

- Operating activities were a \$47.0M use of cash for Q1 2024
- Cash available for operations decreased 7.5% and liquidity decreased 27.3% compared to 12/31/23
- Available credit from a \$250M revolving credit facility

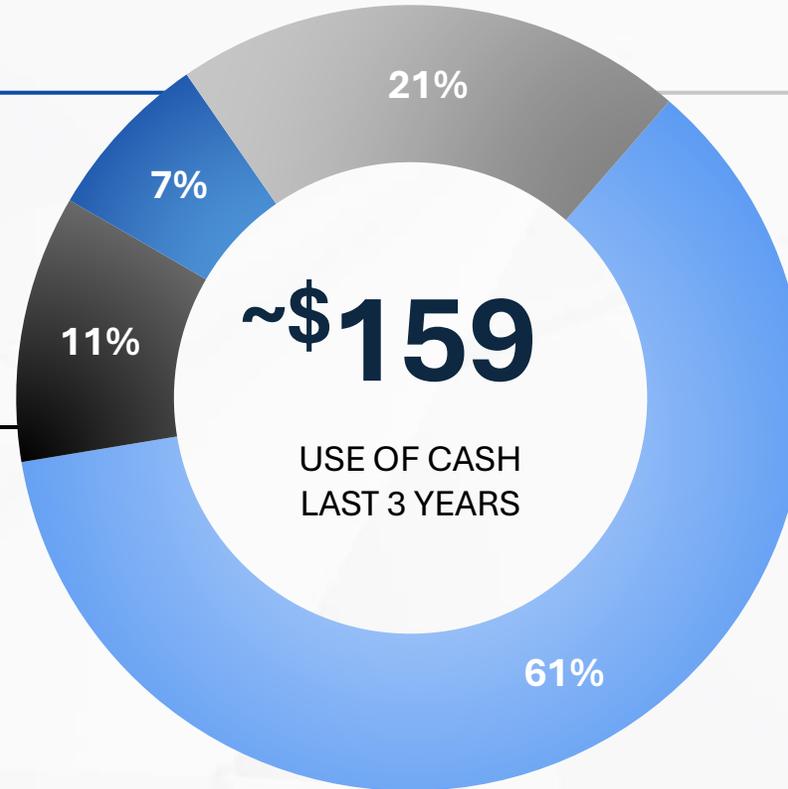
Disciplined Capital Deployment Framework

Share Repurchases

- ~\$116M remaining in authorized share repurchase program, positioning us for additional opportunistic share repurchases subject to market conditions

Acquisitions

- Disciplined M&A approach to identify acquisitions that align with growth strategy and meet financial criteria



Returns to Shareholders

- Dividend of \$0.13 per share in 1Q 2024

Capital Allocation

- Capital expenditure investments to increase capacity and improve efficiency were \$5.8 million in 1Q 2024

Continually evaluate strategy to ensure a balanced approach

1Q 2024 Summary

Despite challenging market dynamics, **business fundamentals remain strong and well-positioned to drive sustainable growth** and value creation for all stakeholders

1

New strategic pillars to ensure continued commitment to drive sustainable value for our employees, customers and shareholders

2

Focused on delivering results while deploying strategy, driving cost efficiencies during mixed market conditions

- **Materials Solutions**
Implemented right-sizing activities as we anticipate challenging conditions for dealers and contractors in the first half of the year
- **Infrastructure Solutions**
Strong outlook for asphalt and concrete plants

3

Significant number of new products released at World of Asphalt/Agg 1 trade show and excitement about the momentum in our innovation pipeline between now and ConExpo 2026

4

Encouraged by increased federal highway funding and continued positive sentiment from customers

5

Confident in our resilient operating model and initiatives to reduce costs and enhance efficiency positioning us well for growth and value creation.



Questions & Answers

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APPENDIX

BUILT TO CONNECT



GAAP vs Non-GAAP Adjusted EPS Reconciliations

(in millions, except per share amounts; unaudited)

Astec Industries Inc.
GAAP vs Non-GAAP Adjusted EPS Reconciliations
(In millions, except per share amounts; unaudited)

	Three Months Ended March 31,	
	2024	2023
Net income attributable to controlling interest	\$ 3.4	\$ 12.1
Adjustments:		
Transformation program	6.5	7.2
Restructuring and other related charges	0.1	7.1
Gain on sale of property and equipment, net	(0.9)	(3.4)
Income tax impact of adjustments	(1.3)	(2.5)
Adjusted net income attributable to controlling interest	<u>\$ 7.8</u>	<u>\$ 20.5</u>
Diluted EPS	\$ 0.15	\$ 0.53
Adjustments:		
Transformation program ^(a)	0.29	0.32
Restructuring and other related charges	—	0.31
Gain on sale of property and equipment, net	(0.04)	(0.15)
Income tax impact of adjustments	(0.06)	(0.11)
Adjusted EPS	<u>\$ 0.34</u>	<u>\$ 0.90</u>

^(a) Calculation includes the impact of a rounding adjustment

EBITDA and Adjusted EBITDA Reconciliations

(in millions, except percentage data; unaudited)

Astec Industries Inc.
EBITDA and Adjusted EBITDA Reconciliations
(In millions, except percentage data; unaudited)

	Three Months Ended March 31,	
	2024	2023
Net sales	\$ 309.2	\$ 347.9
Net income attributable to controlling interest	\$ 3.4	\$ 12.1
Interest expense, net	2.1	1.5
Depreciation and amortization	6.5	6.3
Income tax provision	1.4	4.4
EBITDA	13.4	24.3
EBITDA margin	4.3 %	7.0 %
Adjustments:		
Transformation program	6.3	7.2
Restructuring and other related charges	0.1	7.1
Gain on sale of property and equipment, net	(0.9)	(3.4)
Adjusted EBITDA	\$ 18.9	\$ 35.2
Adjusted EBITDA margin	6.1 %	10.1 %