ASTEC™

# Fourth Quarter and Full Year Earnings

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February 28, 2024

# 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.

# Fourth Quarter and Full Year Highlights

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Jaco van der Merwe

President & Chief Executive Officer

# Full Year 2023 Highlights

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| | 2023 Y/Y |
|---|---|
| **Sales** | +5% |
| **GM** | +400 bps |
| **Adj. EBITDA**[1] | +55% |
| **Adj. EPS**[1] | +117% |
| **Adj. ROIC**[1] | +470 bps |

1. Record full-year sales +5% on **solid end market demand, including parts; implied orders +27.6% Q/Q in 4Q**; Federal Highway Bill funding further supports **confidence in long-term performance**

2. GM 24.7%, +400 bps Y/Y **price realization**; full-year **adj. EPS[1] more than doubled** to $2.67

3. Establishing a customer focused performance culture through consistent execution with a focus on **OneASTEC operating model**; laid foundation for **new level of profitability** as business grows

4. **Achieved 2023 milestones on Oracle solutions implementation** as part of our transformation to operate more efficiently and effectively, and drive sustainable profitability

5. Published inaugural Corporate Sustainability Report evidencing commitment to our environment and people as we establish sound governance and move forward to achieve **long-term sustainability**

[1] See appendix for the reconciliation of GAAP to Non-GAAP measures.

# Strategic Actions Drive Stakeholder Returns

| | | |
|---|---|---|
| **Simplify** | **Optimizing Organizational Structure and Operations** | Reduce organizational structure complexity<br>System and process consolidation<br>Product portfolio optimization |
| **Focus** | **Improved Operational Excellence** | Quality and performance focused company culture<br>Large investments in mobile construction and crushing equipment facilities<br>Aftermarket excellence<br>Inventory management |
| **Grow** | **Profitable Growth** | Aftermarket development<br>Dealer expansion<br>Innovative new products<br>Leverage technology and digital connectivity<br>Acquisition roadmap |

**Delivering value for our employees, customers, partners and shareholders**

# Creating a Performance Culture through Consistent Execution

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| | 2023 Accomplishments | 2024 Objectives |
|---|---|---|
| **Driving One ASTEC strategy to create value** | • Expanded gross margins 400 bps<br>• Positive margin impact from pricing<br>• Factory investments in people, process and equipment | • Leveraging strategic priorities to serve growing markets<br>• Launch of new products |
| **Dedicated to employees, customers and shareholders** | • Expanded global distribution network<br>• Released multiple new products | • Greater collaboration with dealers<br>• Further improve parts fill rates |
| **Promote the One ASTEC Operating Model to drive continuous improvement** | • Launched Oracle at major manufacturing facility and corporate<br>• Improved parts fill rates 20% since 2021 | • Execute on ERP plan to drive efficient and effective operations<br>• Improve throughput velocity through further OpEx and CapEx investments |
| **Committed to Core Values: Safety, Devotion, Integrity, Respect, Innovation** | • Published inaugural CSR<br>• Reduced recordable injury rate to 1.27 (best in recent company history) compares favorably to industry average | • Unite organization around new vision statement and long-term objectives |

**Delivering superior quality, consistent performance and long-term value**

# Business Dynamics and Observations


**Infrastructure Solutions**
- Strong infrastructure demand for asphalt road building and concrete production
- Working with dealers to support growing aftermarket opportunity
- Further opportunity to increase dealer inventory

**Materials Solutions**
- Nearing completion of Northern Ireland expansion to increase throughput and market coverage
- Elevated interest rates may affect mobile crushing and screening equipment outlook
- Dealer inventory at optimal levels

**Astec Dynamics**
- New product offerings
- End Customers remain busy with growing project backlog
- Increased sales coverage
  - Dealer distribution network expansion
  - Direct sales force deployment

**Federal Highway Bill funds being deployed**
- Multi-year bill provides stability; driving future demand
- Federal highway and pavement contract awards +8.6% YOY increase for December 2023(*)

**Improving profitability while navigating a dynamic business environment**

(*) Source: American Road & Transportation Builders Association (ARTBA)

# Robust Customer Demand for Innovative New Products

**Peterson 5710 E Horizontal Grinder**

Equipped with features to improve efficiency and reduce material handling costs

Launched March 2023

Units sold and incremental margins in line with expectations

Forecasted units for 2024 on track

**Roadtec RX405 Cold Planer**

New half lane milling machine serving largest market segment

Launched October 2023

Unit sales exceeding expectations

Incremental margins accretive

**Further new products to be unveiled at World of Asphalt in Nashville – March 25-27, 2024**

# Converting Backlog with Operational Excellence

- Improved throughput velocity through OpEx and CapEx investments
- Enhanced Operations Management (Manufacturing/Quality Engineers)
- Dynamic environment impacting backlog and conversion
  - Order patterns
  - Interest rates
  - Parts
- Cross-site manufacturing

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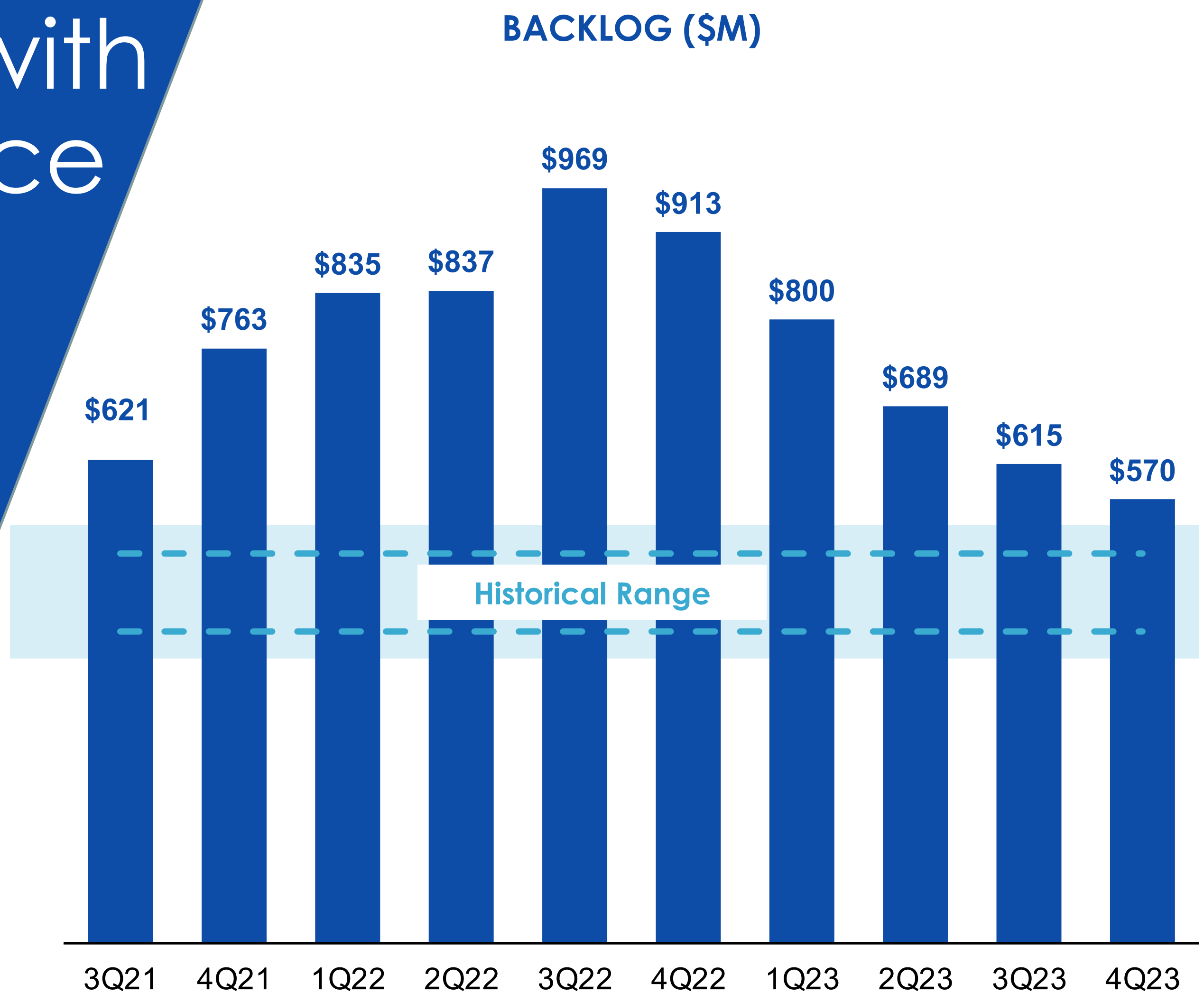
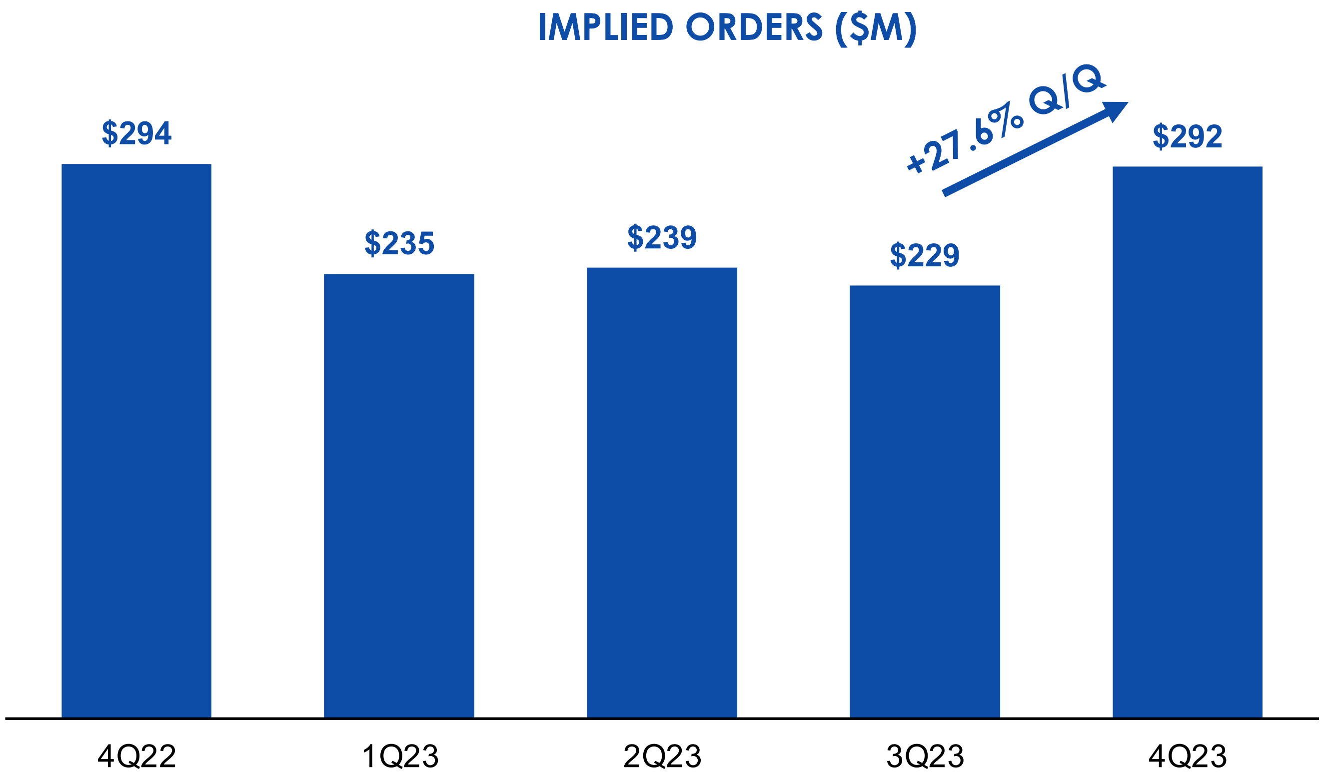



**Backlog remains healthy as we drive operational excellence and make progress converting backlog to sales**

# Uptick in 4Q23 Implied Orders




**Optimistic About Outlook**

Road construction growth 16%(*) YOY

State Department of Transportations plan to increase capital spending by 13%(*)

Positive asphalt and concrete plant outlook

New product releases expected to have positive effect on mobile equipment

Enter year with healthy backlog of $570M

Positive customer sentiment

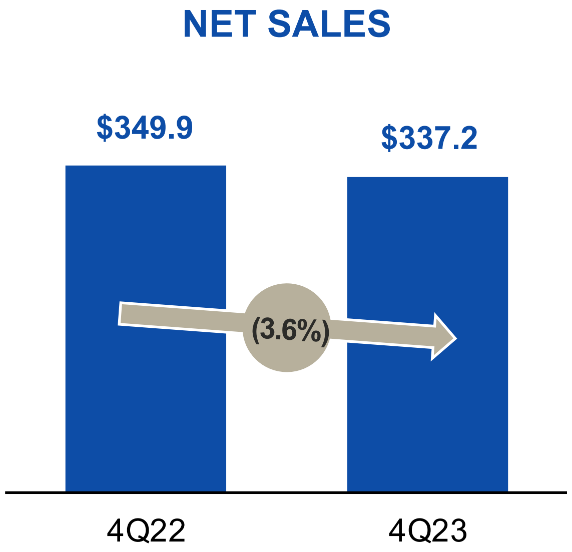
(*) Source: American Road & Transportation Builders Association (ARTBA)

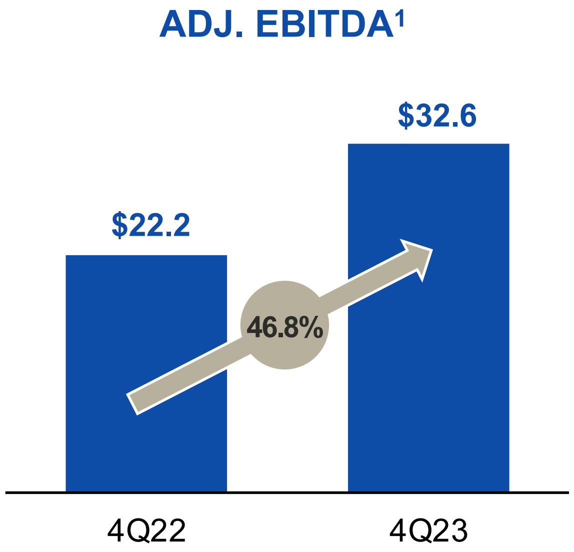
# Total Company and Segment Financial Results

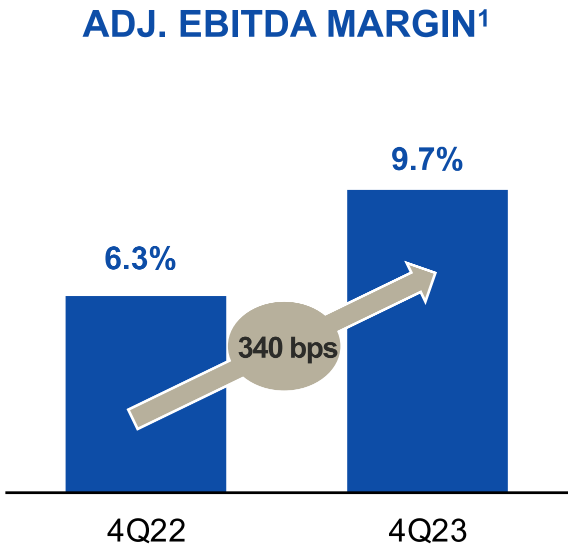
Becky Weyenberg
Chief Financial Officer

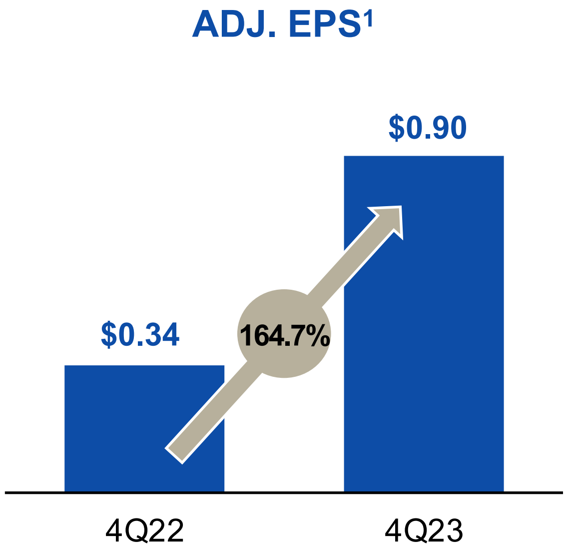
# 4Q23 Financial Results

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




- Equipment sales decreased $16.7M or 6.9%
- Parts sales increased $1.9M or 2.0%
- Domestic sales increased $4.1M or 1.5%
- International sales decreased $16.8M or 24.7% due to slow quarter in Europe, Australia and Canada

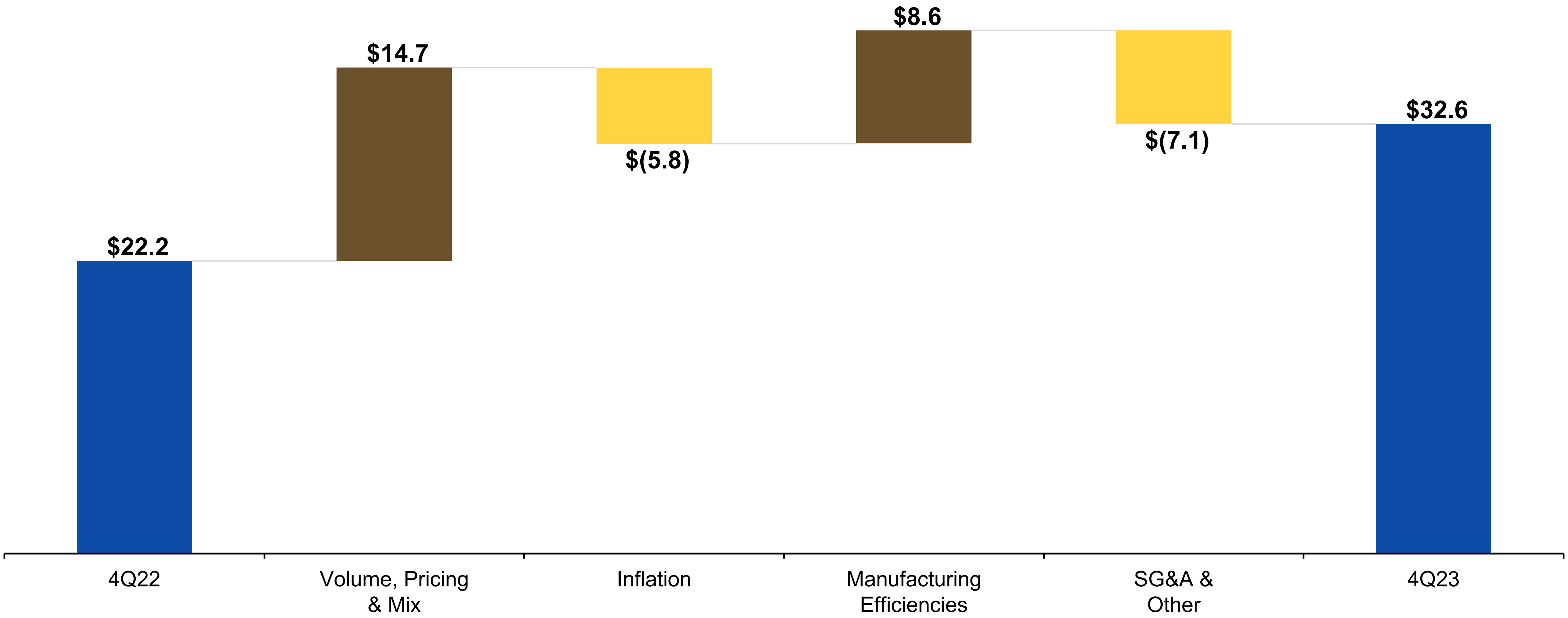
- Adj. EBITDA margin increased due to gross margin expansion primarily through pricing actions and manufacturing efficiencies partially offset by inflation on material, labor and overhead
- Increased SG&A costs driven by planned higher personnel related costs and increased consulting and project costs

- Excludes transformation and other costs of $0.25 in 4Q23 and $0.38 in 4Q22
- Adjusted effective tax rate was 17.3%

[1] See appendix for the reconciliation of GAAP to Non-GAAP measures.

# 4Q23 Adjusted EBITDA[1] Bridge

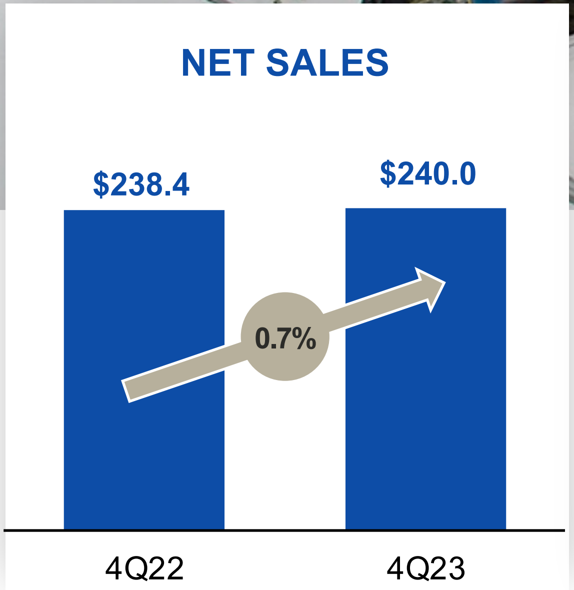
($M)

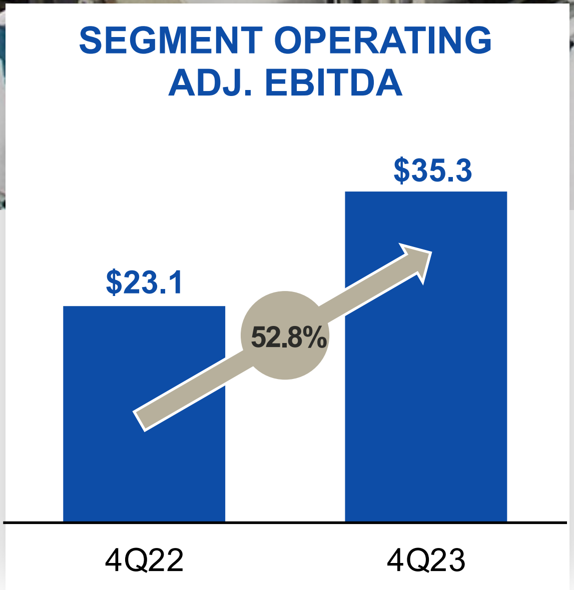


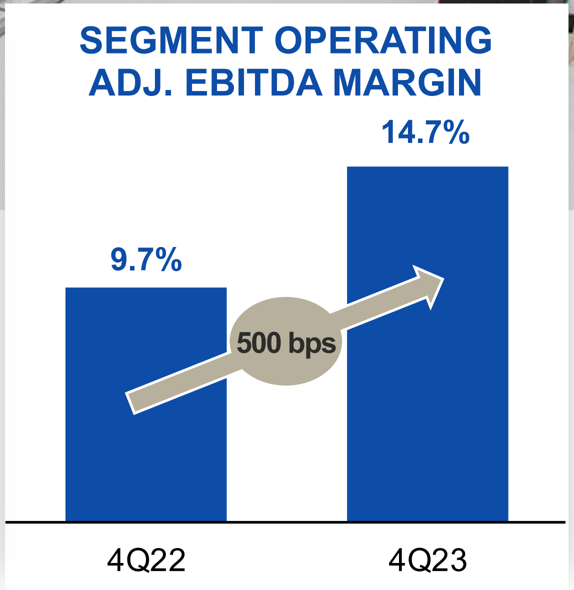

[1] See appendix for the reconciliation of GAAP to Non-GAAP measures.

# Infrastructure Solutions

## 4Q23 Financial Performance ($M)



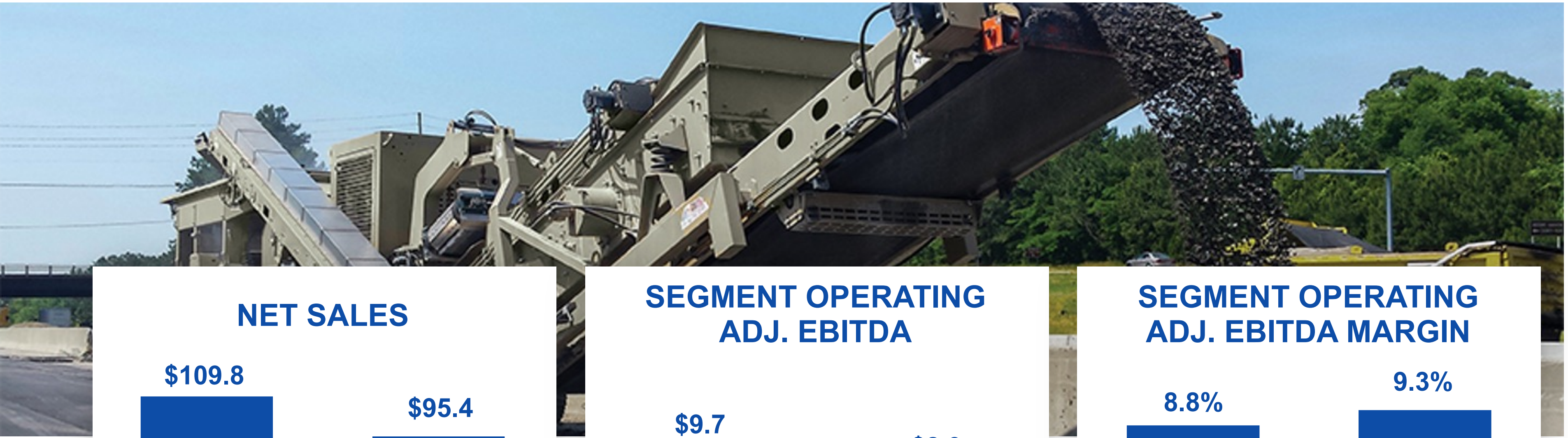



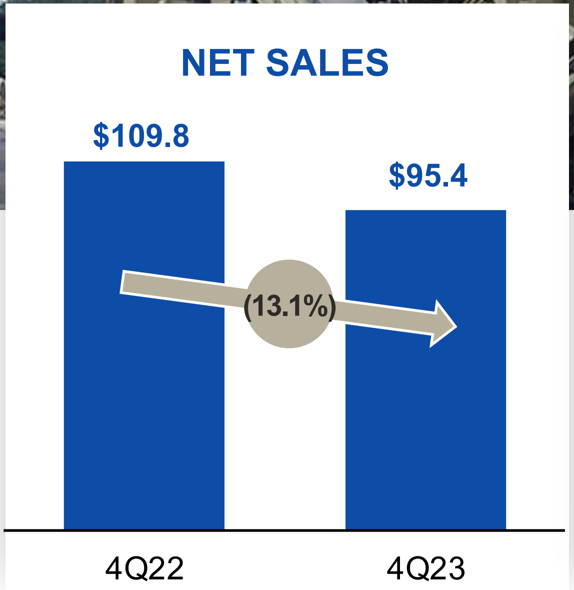

### PERFORMANCE DRIVERS

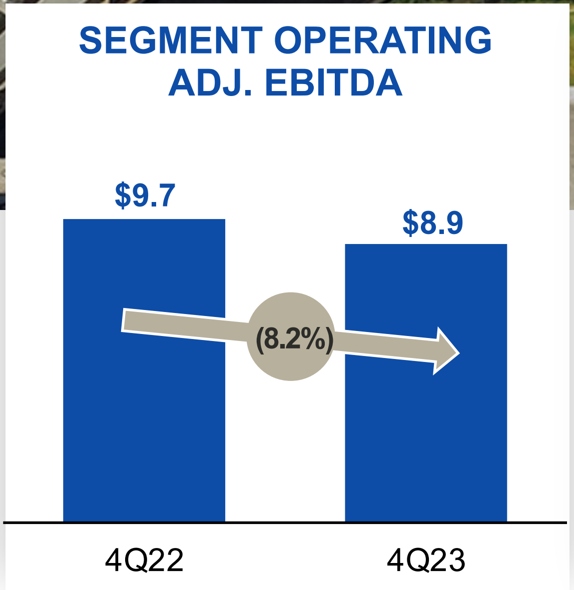
- Sales increased as domestic sales offset soft international demand
  - – Domestic sales +5.0%
  - – International sales -23.6%
  - – Equipment sales -2.8%
  - – Parts sales +7.2%
- Segment Operating Adj. EBITDA margin increased due to gross margin impacts for net positive volume and mix, pricing outpacing inflation and manufacturing efficiencies partially offset by higher SG&A personnel costs

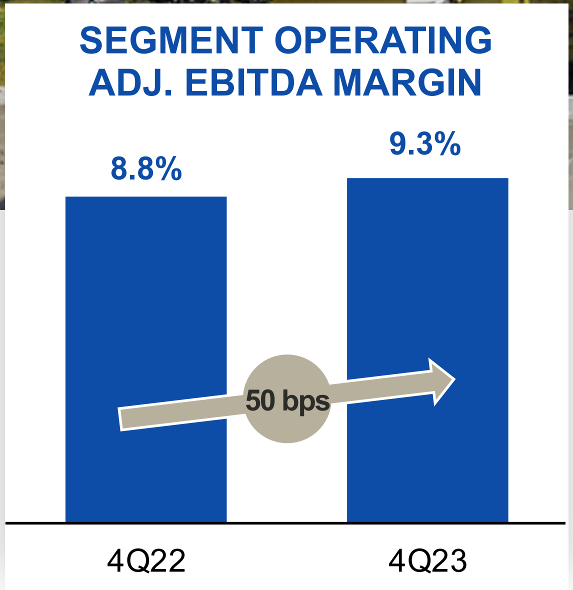
# Materials Solutions

## 4Q23 Financial Performance ($M)





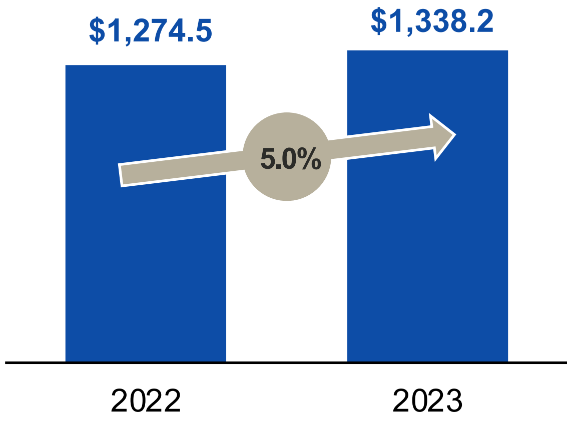

### PERFORMANCE DRIVERS

- Sales decreased with soft demand across all regions and both equipment and parts
  - – Domestic sales -7.0%
  - – International sales -28.7%
  - – Equipment sales -15.7%
  - – Parts sales -7.8%
- Segment Operating Adj. EBITDA margin increased due to pricing and manufacturing efficiencies partially offset by impacts for lower net volume and mix, inflation and higher SG&A personnel costs

# Full Year 2023 Financial Results

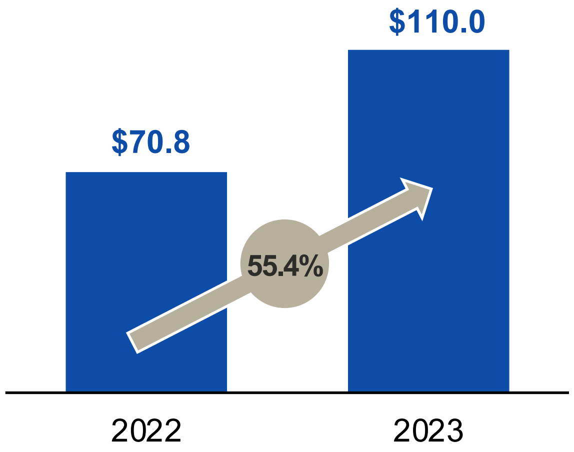
## ($M, except per share and percentage data)

### NET SALES

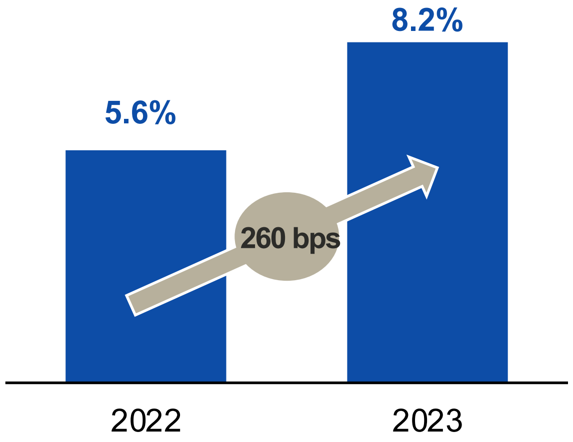



- Equipment sales increased $29.9M or 3.6%
- Parts sales increased $14.5M or 4.0%
- Domestic sales increased $69.1M or 6.8%
- International sales decreased $5.4M or 2.1%

### ADJ. EBITDA[1]

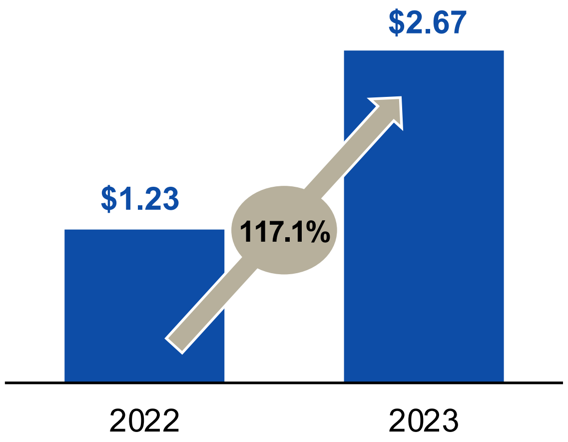



### ADJ. EBITDA MARGIN[1]




- Margin increased due to gross margin expansion, primarily through pricing actions partially offset by inflation on material, labor and overhead
- Increased SG&A costs driven by planned higher personnel related cost, a one-time litigation reserve and increased consulting, prototype and project costs

### ADJ. EPS[1]

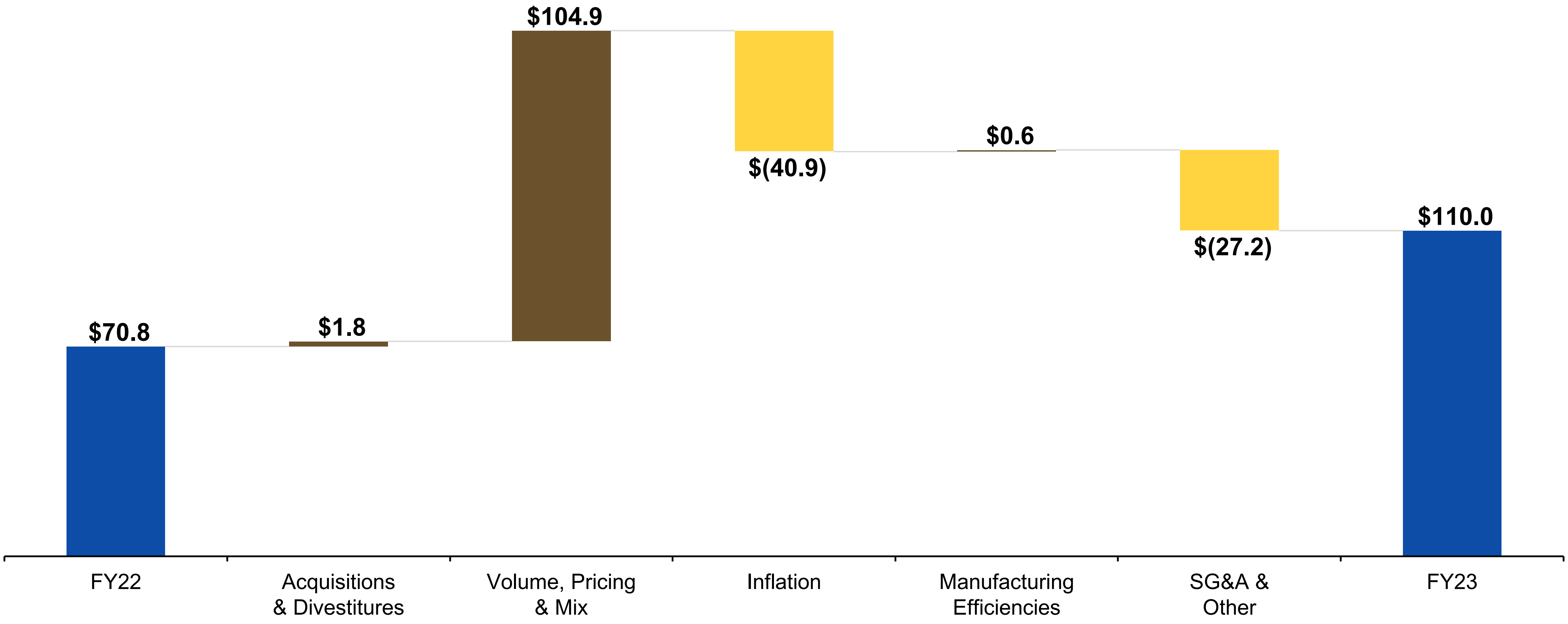



- Excludes transformation and other costs of $1.20 in 2023 and $1.23 in 2022
- Adjusted effective tax rate was 22.1%

[1] See appendix for the reconciliation of GAAP to Non-GAAP measures.

# Full Year 2023 Adjusted EBITDA[1] Bridge

($M)




[1] See appendix for the reconciliation of GAAP to Non-GAAP measures.

# Maintain Strong, Flexible Balance Sheet with Ample Liquidity

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## SUMMARY BALANCE SHEET

| ($M) | 12/31/23 |
|---|---|
| **Cash and Cash Equivalents** | $59.8 |
| **Total Current Assets** | $719.5 |
| **Total Assets** | $1,059.3 |
| **Total Current Liabilities** | $299.0 |
| **Total Long-Term Debt** | $72.0 |
| **Total Liabilities and Equity** | $1,059.3 |

| ($M) | 12/31/23 |
|---|---|
| **Cash and Cash Equivalents** | $59.8 |
| **Available Credit** | $174.7 |
| **Total Available Liquidity** | $234.5 |

**COMMENTARY**

- Operating activities were a $27.8M source of cash for full year 2023
- Cash available for operations decreased 4.8% and liquidity increased 1.1% compared to 12/31/22
- Available credit from our $250M revolving credit facility

**Remain disciplined with a long-term net debt to Adj. EBITDA target range of 1.5x to 2.5x**

# Disciplined Capital Deployment Framework

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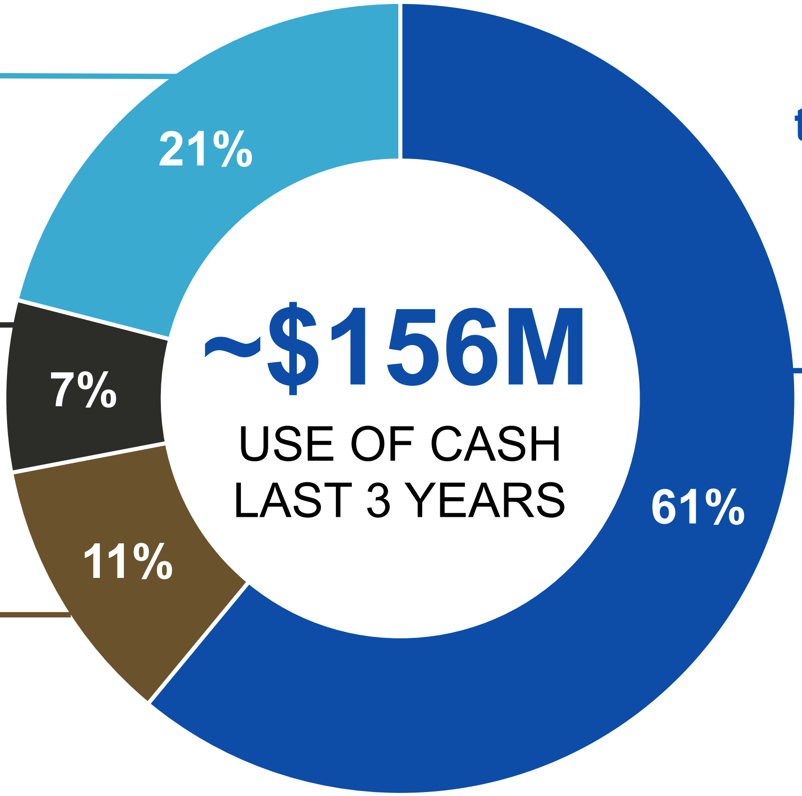
**Returns to Shareholders**
- Dividend of $0.13 per share in 4Q23

**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




**Continually evaluate strategy to ensure a balanced approach**

**Property and Equipment**
- Internal investments targeting return objectives of >14% ROIC

**Focusing on Operational Execution**

# 4Q 2023 SUMMARY

1. Built momentum during 4Q with **sequential growth in sales and implied orders**, accompanied by **margin expansion; full-year 2023 performance improved on nearly all metrics**
2. Data points support **stable demand in 2024** as customer sentiment remains positive amidst **anticipated industry growth**
3. Establishing a performance culture with **OneASTEC operating model** to deliver consistent execution as we **drive operational excellence** and achieve **higher levels of profitability**
4. **Implementing Oracle solutions to enable transformation**, connecting people, products and process to operate more efficiently and effectively
5. Executing our **OneASTEC operating model** to improve profitability and **drive long-term stakeholder value**

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# QUESTIONS AND ANSWERS

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# APPENDIX

# GAAP vs Non-GAAP Adjusted EPS Reconciliations

(in millions, except per share amounts; unaudited)

| | Three Months Ended December 31, | | Year Ended December 31, | |
|---|---|---|---|---|
| | 2023 | 2022 | 2023 | 2022 |
| Net income (loss) attributable to controlling interest | $ 14.9 | $ (1.0) | $ 33.5 | $ (0.1) |
| Adjustments: | | | | |
| Transformation program | 6.9 | 6.8 | 29.7 | 25.5 |
| Restructuring and other related charges | 0.1 | 4.7 | 7.7 | 6.2 |
| Asset impairment | 0.4 | 0.1 | 1.2 | 3.5 |
| Gain on sale of property and equipment, net | — | (0.3) | (3.1) | (0.7) |
| Transaction costs | — | 0.1 | — | 2.0 |
| Income tax impact of adjustments | (1.7) | (2.6) | (8.2) | (8.4) |
| Adjusted net income attributable to controlling interest | $ 20.6 | $ 7.8 | $ 60.8 | $ 28.0 |
| | | | | |
| Diluted EPS | $ 0.65 | $ (0.04) | $ 1.47 | $ — |
| Adjustments: | | | | |
| Transformation program | 0.30 | 0.30 | 1.30 | 1.12 |
| Restructuring and other related charges [a] | — | 0.20 | 0.35 | 0.27 |
| Asset impairment | 0.02 | — | 0.05 | 0.15 |
| Gain on sale of property and equipment, net | — | (0.01) | (0.14) | (0.03) |
| Transaction costs | — | — | — | 0.09 |
| Income tax impact of adjustments | (0.07) | (0.11) | (0.36) | (0.37) |
| Adjusted EPS | $ 0.90 | $ 0.34 | $ 2.67 | $ 1.23 |

[a] Calculation includes the impact of a rounding adjustment

# EBITDA and Adjusted EBITDA Reconciliations

(in millions, except percentage data; unaudited)

| | Three Months Ended December 31, | | Year Ended December 31, | |
|---|---|---|---|---|
| | 2023 | 2022 | 2023 | 2022 |
| Net sales | $ 337.2 | $ 349.9 | $ 1,338.2 | $ 1,274.5 |
| | | | | |
| Net income (loss) attributable to controlling interest | $ 14.9 | $ (1.0) | $ 33.5 | $ (0.1) |
| Interest expense, net | 1.9 | 0.6 | 6.8 | 1.5 |
| Depreciation and amortization | 6.0 | 7.0 | 25.6 | 27.9 |
| Income tax provision | 2.6 | 4.2 | 9.1 | 5.0 |
| EBITDA | 25.4 | 10.8 | 75.0 | 34.3 |
| EBITDA margin | 7.5 % | 3.1 % | 5.6 % | 2.7 % |
| | | | | |
| Adjustments: | | | | |
| Transformation program | 6.7 | 6.8 | 29.2 | 25.5 |
| Restructuring and other related charges | 0.1 | 4.7 | 7.7 | 6.2 |
| Asset impairment | 0.4 | 0.1 | 1.2 | 3.5 |
| Gain on sale of property and equipment, net | — | (0.3) | (3.1) | (0.7) |
| Transaction costs | — | 0.1 | — | 2.0 |
| Adjusted EBITDA | $ 32.6 | $ 22.2 | $ 110.0 | $ 70.8 |
| Adjusted EBITDA margin | 9.7 % | 6.3 % | 8.2 % | 5.6 % |

# Return on Invested Capital Reconciliations

(in millions, except percentage data; unaudited)

| | Year Ended December 31, | |
|---|---|---|
| | 2023 | 2022 |
| Income (loss) from operations | $ 48.6 | $ 7.5 |
| Less: income tax provision (benefit) | 9.1 | 5.0 |
| Adjustments: | | |
| Transformation program | 29.7 | 25.5 |
| Restructuring and other related charges | 7.7 | 6.2 |
| Asset impairment | 1.2 | 3.5 |
| Loss (gain) on sale of property and equipment, net | (3.1) | (0.7) |
| Transaction costs | — | 2.0 |
| Income tax impact of adjustments | (8.2) | (8.4) |
| Adjusted net operating profit after tax | $ 66.8 | $ 30.6 |
| | | |
| Average total equity [a] | $ 639.7 | $ 641.5 |
| Average current maturities of long-term debt [a] | 0.1 | 0.2 |
| Average short-term debt [a] | 9.9 | 6.3 |
| Average long-term debt [a] | 79.8 | 16.0 |
| Less: average cash, cash equivalents and restricted cash [a] | 58.0 | 76.7 |
| Average invested capital [a] | $ 671.6 | $ 587.3 |
| | | |
| Adjusted ROIC [b] | 9.9 % | 5.2 % |

[a] Average of previous five quarters.

[b] Calculated as Adjusted net operating profit after tax divided by Average invested capital.