



Nasdaq: ALNT

May 7, 2026

# First Quarter Fiscal Year 2026 Financial Results Call

**Dick Warzala**  
Chairman, President & CEO

**Jim Michaud**  
Chief Financial Officer

# SAFE HARBOR STATEMENT

*The statements in this presentation that relate to future plans, events or performance are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include, without limitation, any statement that may predict, forecast, indicate, or imply future results, performance, or achievements. Examples of forward-looking statements include, among others, statements the Company makes regarding expected savings from restructuring and simplifying actions, the cost of implementing such actions, operating results, expectations for the level of sales for the next several quarters, the Company’s belief that it has sufficient liquidity to fund its business operations, and expectations with respect to the conversion of backlog to sales. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on the Company’s current beliefs, expectations and assumptions regarding the future of the Company’s business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of the Company’s control. The Company’s actual results and financial condition may differ materially from those indicated in the forward-looking statements. Therefore, you should not rely on any of these forward-looking statements. Important factors that could cause our actual results and financial condition to differ materially from those indicated in the forward-looking statements include, among others, general economic and business conditions, conditions affecting the industries served by the Company and its subsidiaries, conditions affecting the Company’s customers and suppliers, competitor responses to the Company’s products and services, the overall market acceptance of such products and services, the pace of bookings relative to shipments, the ability to expand into new markets and geographic regions, the success in acquiring new business, the impact of changes in income tax rates or policies, commercial activity and demand across our and our customers’ businesses, global supply chains, the prices of our securities and the achievement of our strategic objectives, the ability to attract and retain qualified personnel, the ability to successfully integrate an acquired business into our business model without substantial costs, delays, or problems, and other factors disclosed in the Company’s periodic reports filed with the Securities and Exchange Commission. Any forward-looking statement speaks only as of the date on which it is made. New risks and uncertainties arise over time, and it is not possible for us to predict the occurrence of those matters or the manner in which they may affect us. The Company has no obligation or intent to release publicly any revisions to any forward-looking statements, whether as a result of new information, future events, or otherwise.*

*This presentation will discuss some non-GAAP financial measures, which the Company believes are useful in evaluating our performance. You should not consider the presentation of this additional information in isolation or as a substitute for results prepared in accordance with GAAP. The Company has provided reconciliations of comparable GAAP to non-GAAP measures in tables found in the Supplemental Information portion of this presentation.*

**Q1 HIGHLIGHTS:**

**SOLID START TO 2026 DRIVEN BY MARGIN EXPANSION AND BOOKINGS MOMENTUM**

Revenue <b>\$138.9M</b> +5% YoY	Net Income <b>\$5.4M</b> +51% YoY
Gross Margin <b>32.7%</b> +50bps YoY	Q1 Orders <b>\$158.1M</b> +15% YoY
Operating Margin <b>6.7%</b> +10bps YoY	Q1 Debt Reduction <b>\$3.1M</b> Sequential change

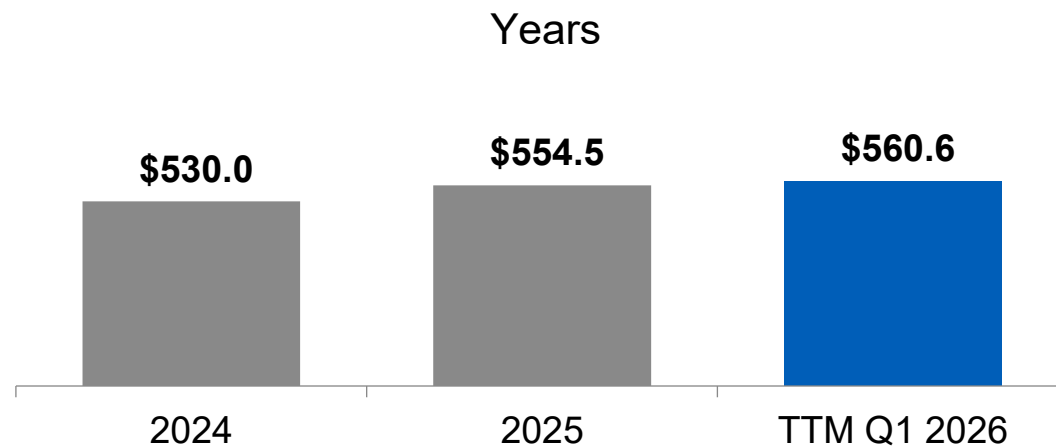
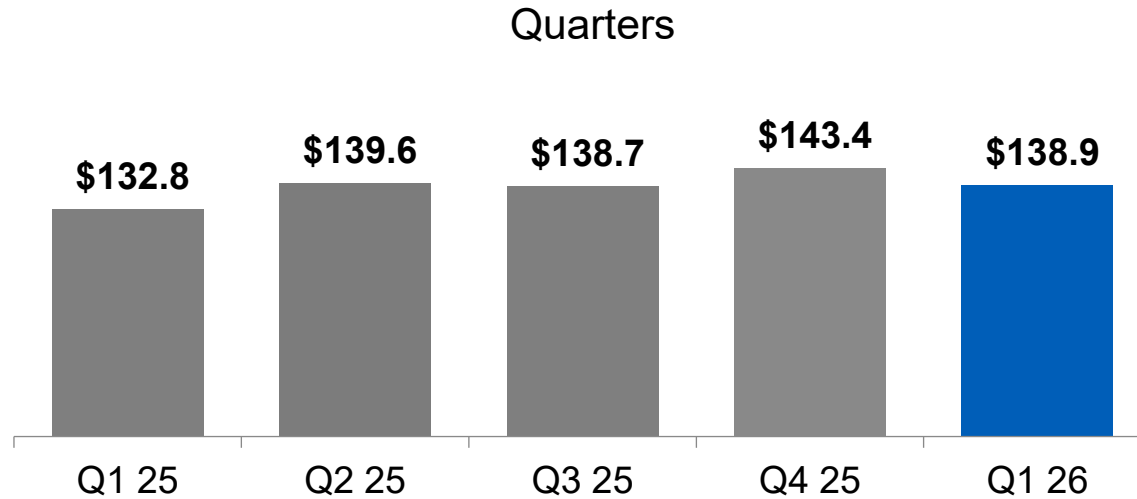
**Growth in revenue, gross profit, operating income and earnings despite a still variable demand environment**

**Operational discipline supported margin improvement despite near-term cost headwinds**

**Stronger bookings support growth visibility into the periods ahead**

# REVENUE GROWTH ACROSS KEY VERTICALS LED BY INDUSTRIAL AND VEHICLE DEMAND

(\$ in millions; narrative compared with prior-year period unless otherwise noted)



## Q1 26 market performance (YoY)

- + 8% **Industrial** (Power quality to data centers & industrial automation)
- + 7% **Vehicle** (commercial auto)
- + 2% **Medical** (surgical robotics)
- 3% **A&D** (program timing, underlying pipeline intact)

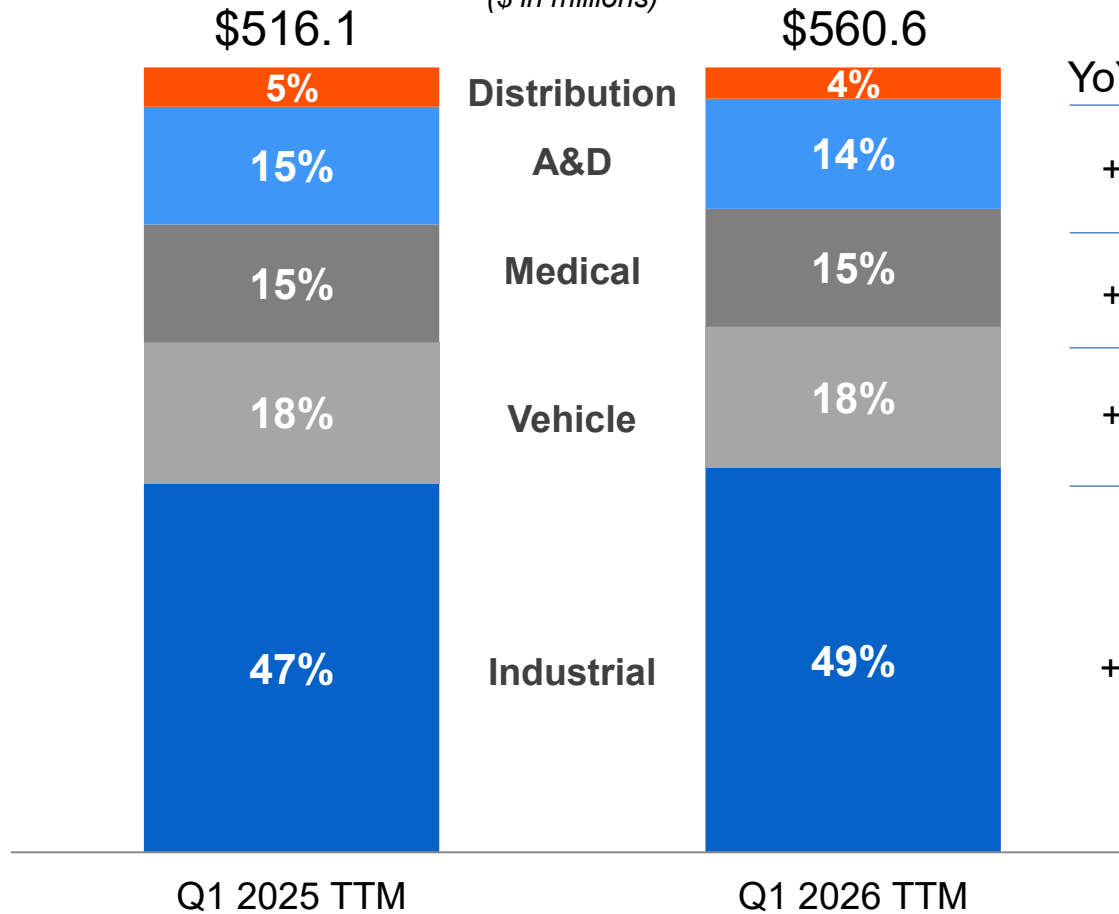
**1% organic growth in Q1 (constant currency); FX tailwind of \$5.1M**

**50% of Q1 26 sales to U.S. customers**

# DIVERSIFIED END MARKETS CONTINUE TO SUPPORT DURABLE GROWTH

## Revenue by Market

(\$ in millions)



### YoY Change and Market Drivers

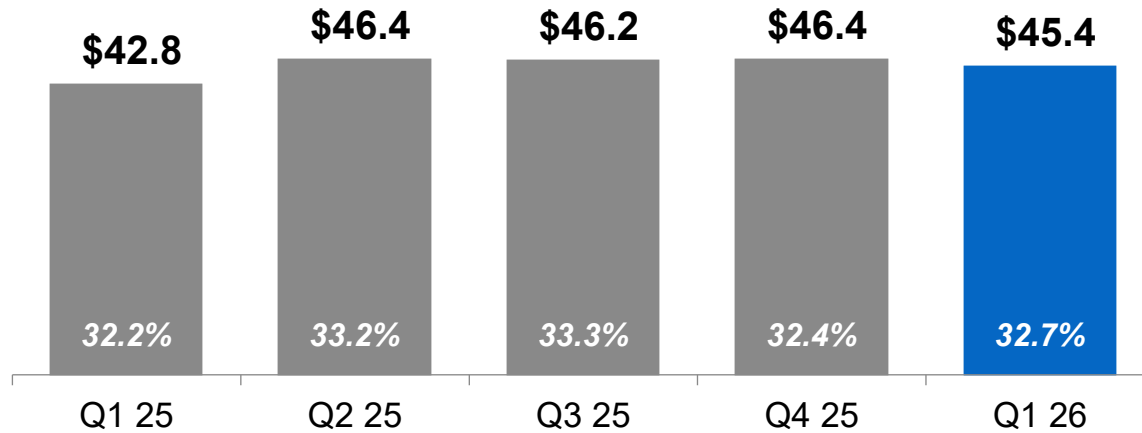
- + 2% Reflects defense and aerospace program timing, partially offset by M10 Booker Tank program cancellation
- + 5% Higher surgical instrument demand, partially offset by lower medical mobility
- + 8% Commercial automotive and construction strength, partially offset by lower powersports and truck demand
- + 13% Strong demand for power quality solutions supporting data center infrastructure, along with growth in industrial automation and pumps

NOTE: Components may not add to totals due to rounding

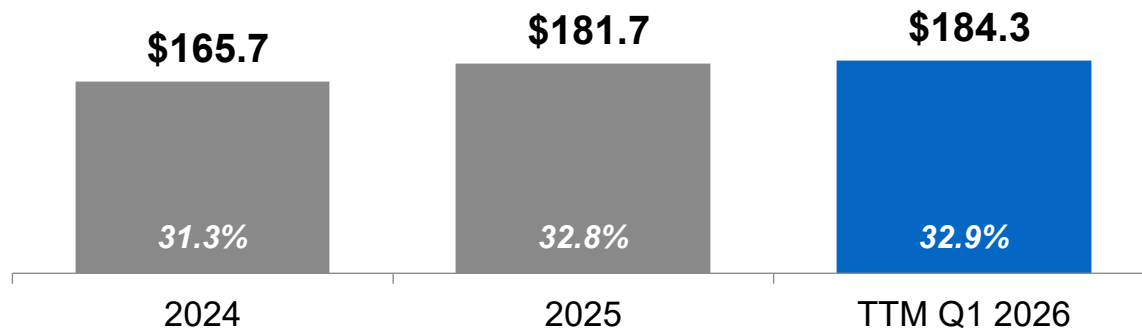
# GROSS MARGIN EXPANSION

(\$ in millions; narrative compared with prior-year period unless otherwise noted)

## Gross Profit and Margin - Quarters



## Years



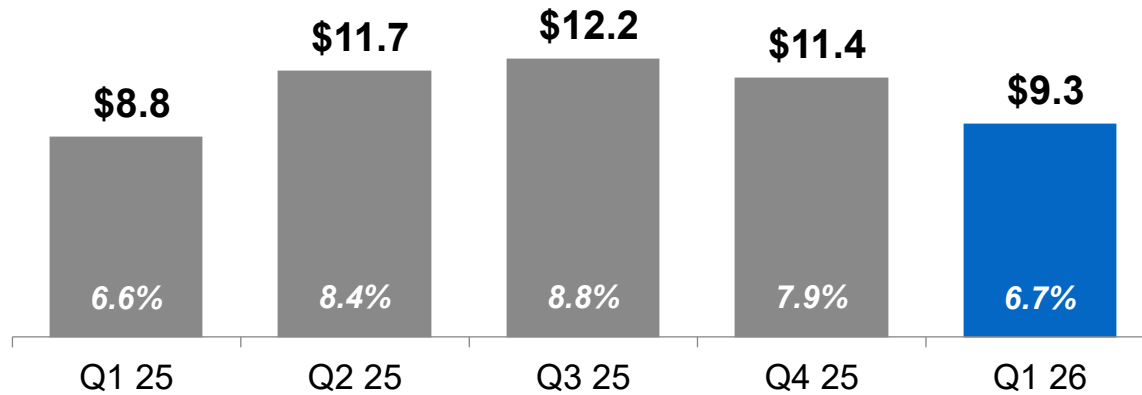
**Q1 26 margin expanded 50 bps YoY**

- + Higher volume
- + Favorable Mix
- + Simplify to Accelerate NOW
- + Lean tool kit (AST)

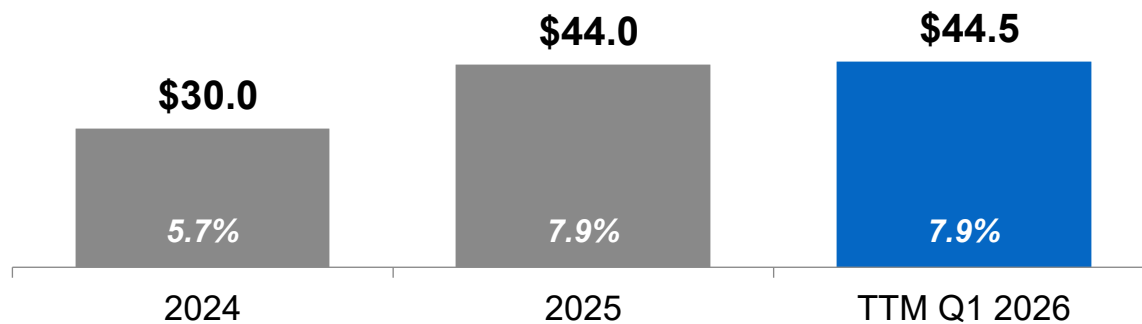
# OPERATING MARGIN IMPROVED YEAR OVER YEAR AMID ELEVATED Q1 COSTS

(\$ in millions; narrative compared with prior-year period unless otherwise noted)

Operating Income and Margin - Quarters



Years



**Q1 26 margin expanded 10 bps YoY**

**Q1 26 SG&A was 16.1% of sales, up 120 bps YoY**

Reflects higher commissions and incentive compensation, increased trade show activity, and elevated IT-related costs

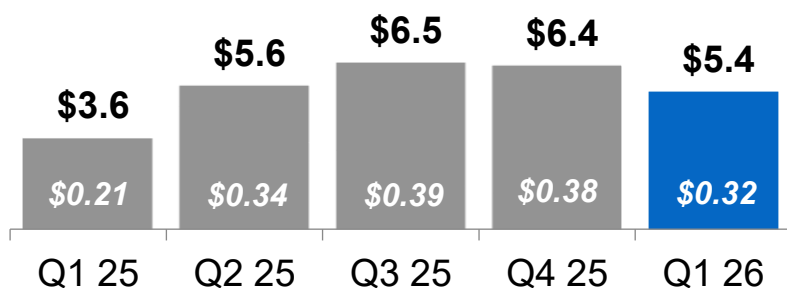
**Restructuring and business realignment costs elevated due to additional carryover costs associated with Dothan transition**

**Expect \$2M to \$3M of restructuring and realignment costs in 2026**

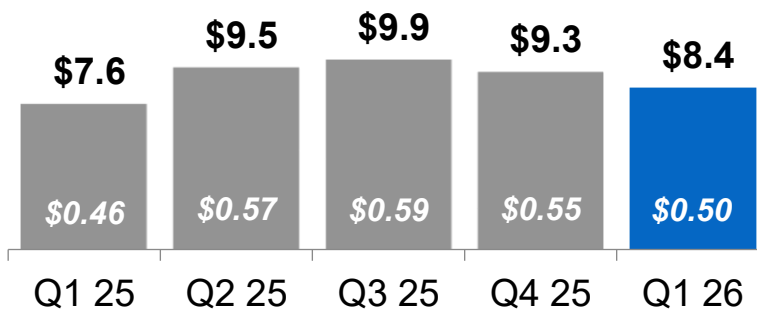
# EARNINGS GROWTH REFLECTS IMPROVED PROFITABILITY AND LOWER INTEREST EXPENSE

(\$ in millions, except per share data)

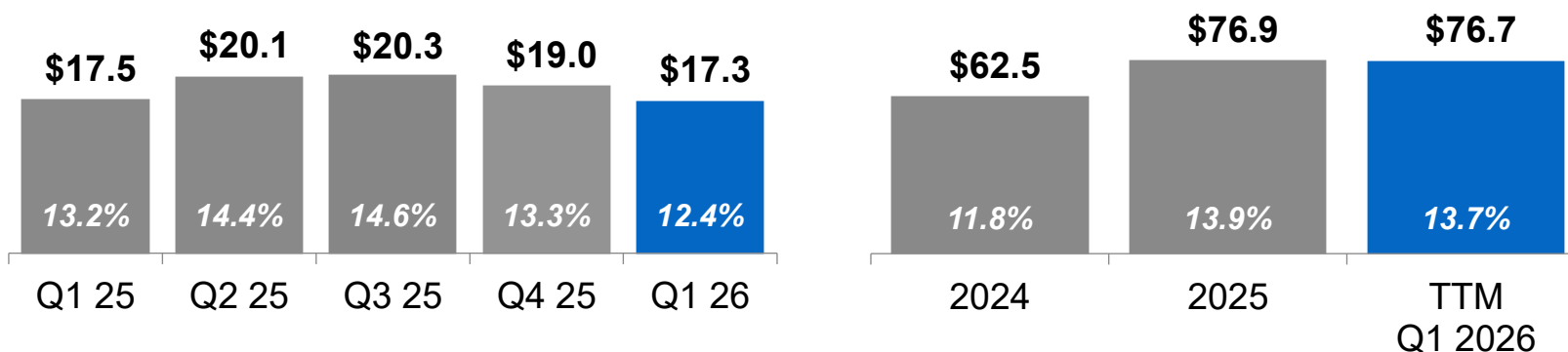
### GAAP Net Income & EPS



### Adjusted Net Income & Adjusted EPS<sup>1</sup>



### Adjusted EBITDA<sup>1</sup> and Margin



## Q1 YoY growth:

Net income	+51%
Adj. Net income <sup>(1)</sup>	+11%
Adj. EBITDA <sup>(1)</sup>	(1%)

**Full-Year 2026 expected tax rate:  
~21%–23%**

Adjusted net income excludes amortization of intangible assets related to acquisitions, acquisition and integration-related costs, restructuring and business realignment costs, and other non-recurring items

<sup>(1)</sup>See supplemental slides for Adjusted Net Income and Adjusted EBITDA reconciliations and other important disclaimers

NOTE: Components may not add up to totals due to rounding

# FOCUSED ON WORKING CAPITAL, CASH DISCIPLINE AND DEBT REDUCTION

(\$ in millions)

	Three Months Ended	
	3/31/26	3/31/25
Net cash provided by operating activities	\$ 6.2	\$ 13.9
Capital expenditures (CapEx)	(2.2)	(1.1)
<b>Operating free cash flow (FCF)<sup>(1)</sup></b>	<b>\$ 4.0</b>	<b>\$ 12.9</b>

Cash provided by operating activities variance was primarily due to timing differences and larger incentive payouts rather than underlying business performance.

FY26 CapEx Expectation: \$12 million – \$15 million

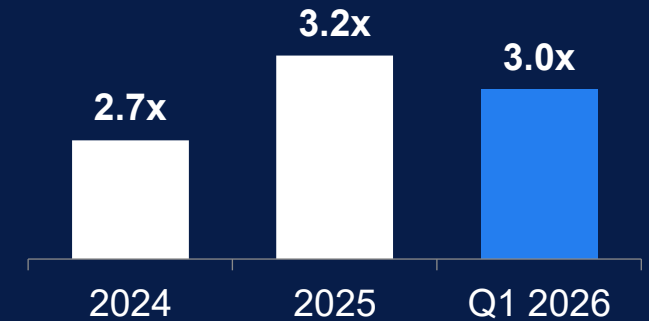
<sup>(1)</sup> Free cash flow is a non-GAAP metric defined as cash flow from operations, less capital expenditures

NOTE: Components may not add up to totals due to rounding

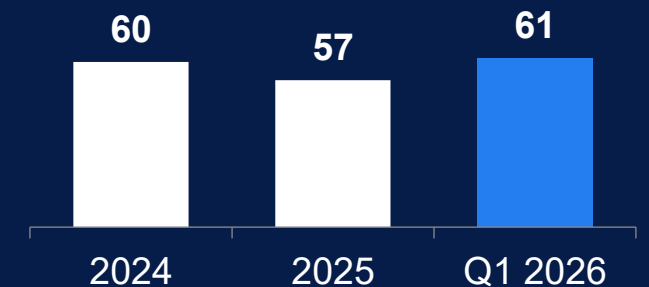
## Financial priorities:

1. Reduce inventory and strengthen working capital management
2. Take out costs
3. Reduce debt

### Inventory Turnover



### Days Sales Outstanding



# CONTINUED DELEVERAGING STRENGTHENS BALANCE SHEET FLEXIBILITY

(\$ in millions)

CAPITALIZATION		
	Mar 31, 2026	Dec 31, 2025
Cash and cash equivalents	\$ 41.2	\$ 40.7
Total debt	177.3	180.4
<b>Total net debt</b>	<b>136.1</b>	<b>139.7</b>
Shareholders' equity	305.9	301.5
<b>Total capitalization</b>	<b>\$ 483.2</b>	<b>\$ 481.8</b>
Debt/total capitalization	36.7%	37.4%
Net debt/net total capitalization	30.8%	31.7%
Leverage Ratio <sup>1</sup>	1.78x	1.82x

**Balance sheet flexibility improved further in Q1**

**Debt down \$3.1M in the quarter**

**Bank leverage ratio<sup>2</sup> of 2.24x at quarter end remains comfortably within covenant requirements**

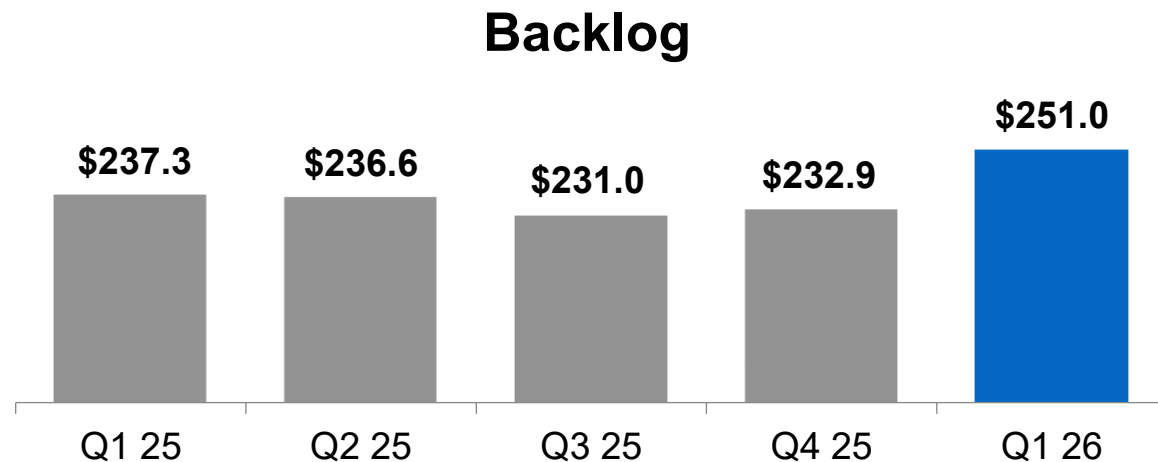
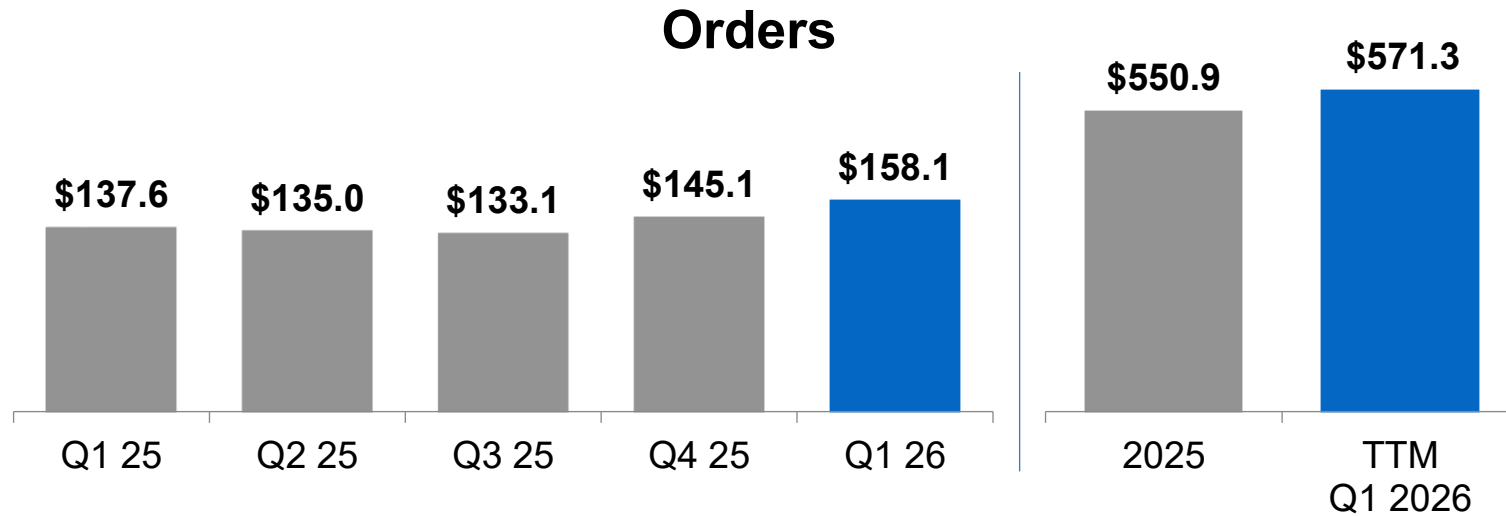
<sup>1</sup> Leverage ratio calculated as total net debt divided by trailing twelve months of Adjusted EBITDA. See supplemental slides for reconciliations.

<sup>2</sup> Bank leverage ratio calculated in accordance with the Company's credit agreement, which amongst other items excludes foreign cash.

NOTE: Components may not add up to totals due to rounding

# STRONG ORDERS AND BACKLOG SUPPORT GROWTH VISIBILITY

(\$ in millions)



**Book:Bill 1.14x**

**Strong Q1 bookings support improved growth visibility into the balance of 2026**

**Orders increased 9% sequentially and 15% year over year, with strength led by Industrial and Vehicle**

**Backlog remains healthy, with most expected to convert to revenue within three to nine months**

# BUILDING ON MOMENTUM WITH DISCIPLINE, FLEXIBILITY AND LONG-TERM GROWTH DRIVERS<sup>1</sup>



## Execution and Growth Priorities

- Strong Q1 bookings support demand visibility into the balance of 2026
- Industrial automation and power quality for data center infrastructure continue to align the portfolio with attractive growth verticals

## Margin and Cash Discipline

- Simplify to Accelerate NOW and broader optimization actions continue to support margin improvement and operating leverage
- Focused on cash generation, disciplined capital spending and continued deleveraging

## Positioned for 2026

- Diversified end markets and global operations support resilience in a dynamic macro and trade environment
- Portfolio aligned with long-term drivers including electrification, automation, energy efficiency and precision control

<sup>(1)</sup> Outlook provided on May 7, 2026

# CONFERENCE CALL AND WEBCAST PLAYBACK

Replay Number: **412-317-6671** *passcode: 13759860*

Telephone replay available through Thursday, May 21, 2026

Webcast / Presentation / Replay available at  
[www.allient.com/investors](http://www.allient.com/investors)

Transcript, when available, at  
[www.allient.com/investors](http://www.allient.com/investors)



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# Supplemental Information

# ADJUSTED NET INCOME RECONCILIATION

(\$ in thousands, except per share data)

	For the three months ended				
	Mar 31, 2025	June 30, 2025	Sept 30, 2025	Dec 31, 2025	Mar 31, 2026
Net income	\$ 3,557	\$ 5,617	\$ 6,477	\$ 6,383	\$ 5,357
Non-GAAP adjustments, net of tax <sup>(1)</sup>					
Amortization of intangible assets - net	2,369	2,394	2,399	2,391	2,392
Foreign currency loss – net	519	637	356	80	15
Acquisition and integration-related costs – net	-	18	13	5	-
Restructuring and business realignment costs - net	1,148	859	640	412	660
<b>Adjusted Net Income</b>	<b>\$ 7,593</b>	<b>\$ 9,525</b>	<b>\$ 9,885</b>	<b>\$ 9,271</b>	<b>\$ 8,424</b>
Average Diluted Shares Outstanding	16,638	16,713	16,780	16,803	16,879
Diluted earnings per share	\$ 0.21	\$ 0.34	\$ 0.39	\$ 0.38	\$ 0.32
Adjusted diluted earnings per share	\$ 0.46	\$ 0.57	\$ 0.59	\$ 0.55	\$ 0.50

(1) Applies a blended federal, state, and foreign tax rate of 23% applicable to the non-GAAP adjustments.

Adjusted net income and diluted EPS are defined as net income as reported, adjusted for certain items, including amortization of intangible assets and unusual non-recurring items. Adjusted net income and diluted EPS are not a measure determined in accordance with GAAP in the United States, and may not be comparable to the measure as used by other companies. Nevertheless, the Company believes that providing non-GAAP information, such as adjusted net income and diluted EPS are important for investors and other readers of the Company's financial statements and assists in understanding the comparison of the current quarter's and current year's net income and diluted EPS to the historical periods' net income and diluted EPS.

NOTE: Components may not add up to totals due to rounding

# ADJUSTED NET INCOME RECONCILIATION

(\$ in thousands, except per share data)

	For twelve months ended		
	Dec 31, 2024	Dec 31, 2025	Mar 31, 2026
Net income	\$ 13,166	\$ 22,034	\$ 23,834
Non-GAAP adjustments, net of tax <sup>(1)</sup>			
Amortization of intangible assets - net	9,726	9,553	9,576
Foreign currency loss / (gain) – net	(64)	1,592	1,088
Acquisition and integration-related costs – net	341	36	36
Restructuring and business realignment costs - net	1,510	3,059	2,571
<b>Non-GAAP Adjusted Net Income</b>	<b>\$ 24,679</b>	<b>\$ 36,274</b>	<b>\$ 37,105</b>
Average Diluted Shares Outstanding	16,603	16,732	16,879
Diluted earnings per share	\$0.79	\$1.32	\$1.42
Adjusted diluted earnings per share	\$1.49	\$2.17	\$2.21

(1) Applies a blended federal, state, and foreign tax rate of 23% applicable to the non-GAAP adjustments.

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NOTE: Components may not add up to totals due to rounding

# ADJUSTED EBITDA RECONCILIATION

(\$ in thousands)

	For the three months ended				
	Mar 31, 2025	June 30, 2025	Sept 30, 2025	Dec 31, 2025	Mar 31, 2026
Net income	\$ 3,557	\$ 5,617	\$ 6,477	\$ 6,383	\$ 5,357
Interest expense	3,635	3,552	3,401	2,587	2,553
Provision for income taxes	903	1,685	1,845	2,267	1,426
Depreciation and amortization	6,281	6,401	6,423	6,302	6,210
<b>EBITDA</b>	<b>14,376</b>	<b>17,255</b>	<b>18,146</b>	<b>17,539</b>	<b>15,546</b>
Stock compensation expense	920	835	835	840	848
Acquisition and integration-related costs	-	23	17	7	-
Restructuring and business realignment costs	1,499	1,122	836	536	862
Foreign currency loss	677	832	465	105	20
<b>Adjusted EBITDA</b>	<b>\$ 17,472</b>	<b>\$ 20,067</b>	<b>\$ 20,299</b>	<b>\$ 19,027</b>	<b>\$ 17,276</b>
<b>Revenue</b>	<b>\$ 132,803</b>	<b>\$ 139,578</b>	<b>\$ 138,743</b>	<b>\$ 143,354</b>	<b>\$ 138,915</b>
<b>Adjusted EBITDA Margin</b>	<b>13.2%</b>	<b>14.4%</b>	<b>14.6%</b>	<b>13.3%</b>	<b>12.4%</b>

In addition to reporting revenue and net income, which are U.S. generally accepted accounting principle (“GAAP”) measures, the Company presents EBITDA and Adjusted EBITDA (earnings before interest, income taxes, depreciation and amortization, stock-based compensation expense, acquisition and integration-related costs, restructuring and business realignment costs, and foreign currency gains/losses), which are non-GAAP measures. The Company believes EBITDA and Adjusted EBITDA are often a useful measure of a Company’s operating performance and are a significant basis used by the Company’s management to evaluate and compare the core operating performance of its business from period to period by removing the impact of the capital structure (interest), tangible and intangible asset base (depreciation and amortization), taxes, stock-based compensation expense, acquisition and integration-related costs, restructuring and business realignment costs, foreign currency gains/losses on short-term assets and liabilities, and other items that are not indicative of the Company’s core operating performance. EBITDA and Adjusted EBITDA do not represent and should not be considered as an alternative to net income, operating income, net cash provided by operating activities or any other measure for determining operating performance or liquidity that is calculated in accordance with GAAP.

# ADJUSTED EBITDA RECONCILIATION

(\$ in thousands, except per share data)

	For twelve months ended		
	Dec 31, 2024	Dec 31, 2025	Mar 31, 2026
Net income	\$ 13,166	\$ 22,034	\$ 23,834
Interest expense	13,296	13,175	12,093
Provision for income taxes	3,692	6,700	7,223
Depreciation and amortization	25,891	25,407	25,336
<b>EBITDA</b>	<b>\$ 56,045</b>	<b>\$ 67,316</b>	<b>\$ 68,486</b>
Stock-based compensation expense	4,147	3,430	3,358
Acquisition and integration-related costs	445	47	47
Restructuring and business realignment costs	1,971	3,993	3,356
Foreign currency loss (gain)	(83)	2,079	1,422
<b>Adjusted EBITDA</b>	<b>\$ 62,525</b>	<b>\$ 76,865</b>	<b>\$ 76,669</b>
<b>Revenue</b>	<b>\$ 529,968</b>	<b>\$ 554,478</b>	<b>\$ 560,590</b>
<b>Adjusted EBITDA Margin</b>	<b>11.8%</b>	<b>13.9%</b>	<b>13.7%</b>

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# REVENUE EXCLUDING FOREIGN CURRENCY EXCHANGE AND CALCULATION OF ORGANIC REVENUE

(\$ in thousands)

	<b>Three Months Ended March 31, 2026</b>	
Revenue as reported	\$	138,915
Foreign currency impact - (favorable) / unfavorable		(5,085)
Revenue excluding foreign currency exchange impacts	\$	133,830

	<b>Three months ended March 31, 2026</b>	
Revenue change over prior year	4.6	%
Less: Impact of acquisitions and foreign currency	(3.8)	
Organic revenue	0.8	%

In addition to reporting revenue and net income, which are U.S. generally accepted accounting principle (“GAAP”) measures, the Company presents Revenue excluding foreign currency exchange rate impacts, Organic revenue, EBITDA and Adjusted EBITDA (earnings before interest, income taxes, depreciation and amortization, stock-based compensation expense, acquisition and integration-related costs, restructuring and business realignment costs, and foreign currency gains/losses), total net debt, and leverage ratio, which are non-GAAP measures. The Company believes that Revenue excluding foreign currency exchange rate impacts is a useful measure in analyzing organic sales results. The Company excludes the effect of currency translation from revenue for this measure because currency translation is not fully under management’s control, is subject to volatility and can obscure underlying business trends. The portion of revenue attributable to currency translation is calculated as the difference between the current period revenue and the current period revenue after applying foreign exchange rates from the prior period. Organic revenue is reported revenues adjusted for the impact of foreign currency and the revenue contribution from acquisitions.

# TOTAL NET DEBT AND LEVERAGE RATIO RECONCILIATION

(\$ in thousands)

	March 31, 2026	December 31, 2025
Total debt	\$ 177,301	\$ 180,389
Less: cash and cash equivalents	\$ 41,175	\$ 40,705
Total net debt (Non-GAAP)	\$ 136,126	\$ 139,684
Adjusted EBITDA (Non-GAAP)	\$ 76,669	\$ 76,865
Leverage Ratio (Non-GAAP)	1.78	1.82

We believe that total net debt and leverage ratio provide meaningful measures of liquidity and a useful basis for assessing our ability to fund our activities, including the financing of acquisitions and debt repayments. Total net debt is calculated as total debt less cash and cash equivalents. Leverage ratio is total net debt divided by adjusted EBITDA for the trailing twelve months.



Nasdaq: ALNT

May 7, 2026

# First Quarter Fiscal Year 2026 Financial Results Call

**Dick Warzala**  
Chairman, President & CEO

**Jim Michaud**  
Chief Financial Officer