

REFINITIV

## DELTA REPORT

### 10-Q

ALG - ALAMO GROUP INC

10-Q - MARCH 31, 2024 COMPARED TO 10-Q - SEPTEMBER 30, 2023

The following comparison report has been automatically generated

**TOTAL DELTAS** 564

█ **CHANGES** 220

█ **DELETIONS** 172

█ **ADDITIONS** 172

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

**FORM 10-Q**

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE  
ACT OF 1934

FOR THE QUARTERLY PERIOD ENDED **SEPTEMBER 30, 2023** **MARCH 31, 2024**

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE  
ACT OF 1934

FOR THE TRANSITION PERIOD FROM \_\_\_\_ TO \_\_\_\_

Commission file number **0-21220**

**ALAMO GROUP INC.**

(Exact name of registrant as specified in its charter)

Delaware

74-1621248

(State or other jurisdiction of incorporation or organization)

(I.R.S. Employer Identification Number)

**1627 East Walnut, Seguin, Texas 78155**

(Address of principal executive offices, including zip code)

**830-379-1480**

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common Stock, par value \$.10 per share	ALG	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/> Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/> Smaller reporting company	<input type="checkbox"/>
	Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

At **October 27, 2023** **April 26, 2024**, **12,011,781** **12,052,689** shares of common stock, \$.10 par value, of the registrant were outstanding.

**Alamo Group Inc. and Subsidiaries**

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**Alamo Group Inc. and Subsidiaries**  
**Interim Condensed Consolidated Balance Sheets**  
**(Unaudited)**

(in thousands, except share amounts)	(in thousands, except share amounts)	September 30, 2023	December 31, 2022	(in thousands, except share amounts)	March 31, 2024	December 31, 2023
<b>ASSETS</b>						
Current assets:	Current assets:					
Current assets:						
Current assets:						
Cash and cash equivalents						
Cash and cash equivalents						
Cash and cash equivalents	Cash and cash equivalents	\$ 113,534	\$ 47,016			
Accounts receivable, net	Accounts receivable, net	378,107	317,581			
Accounts receivable, net						
Accounts receivable, net						

Inventories, net			
Inventories, net			
Inventories, net	Inventories, net	371,748	352,553
Prepaid expenses and other current assets	Prepaid expenses and other current assets	9,226	9,144
Prepaid expenses and other current assets			
Prepaid expenses and other current assets			
Income tax receivable	Income tax receivable	750	916
Income tax receivable			
Income tax receivable			
Total current assets			
Total current assets			
Total current assets	Total current assets	873,365	727,210
Rental equipment, net	Rental equipment, net	38,431	33,723
Rental equipment, net			
Rental equipment, net			
Property, plant and equipment			
Property, plant and equipment			
Property, plant and equipment	Property, plant and equipment	357,234	335,078
Less: Accumulated depreciation	Less: Accumulated depreciation	(192,715)	(180,071)
Less: Accumulated depreciation			
Less: Accumulated depreciation			
Total property, plant and equipment, net			
Total property, plant and equipment, net			
Total property, plant and equipment, net	Total property, plant and equipment, net	164,519	155,007
Goodwill	Goodwill	195,863	195,858
Goodwill			
Goodwill			
Intangible assets, net			
Intangible assets, net			
Intangible assets, net	Intangible assets, net	159,884	171,341
Deferred income taxes	Deferred income taxes	904	969
Deferred income taxes			
Deferred income taxes			
Other non-current assets			
Other non-current assets			
Other non-current assets	Other non-current assets	22,548	24,400
Total assets	Total assets	\$1,455,514	\$1,308,508
Total assets			
Total assets			
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>			
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>			

LIABILITIES AND STOCKHOLDERS' EQUITY	LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:	Current liabilities:		
Current liabilities:			
Trade accounts payable			
Trade accounts payable	Trade accounts payable	\$ 110,944	\$ 97,537
Income taxes payable	Income taxes payable	13,695	6,592
Income taxes payable			
Accrued liabilities	Accrued liabilities	79,682	71,368
Accrued liabilities			
Accrued liabilities			
Current maturities of long-term debt and finance lease obligations			
Current maturities of long-term debt and finance lease obligations	Current maturities of long-term debt and finance lease obligations	15,008	15,009
Total current liabilities	Total current liabilities	219,329	190,506
Total current liabilities			
Long-term debt and finance lease obligations, net of current maturities	Long-term debt and finance lease obligations, net of current maturities	308,892	286,943
Long-term debt and finance lease obligations, net of current maturities			
Long-term debt and finance lease obligations, net of current maturities			
Long-term tax liability			
Long-term tax liability	Long-term tax liability	2,634	3,781
Other long-term liabilities	Other long-term liabilities	22,171	23,668
Other long-term liabilities			
Other long-term liabilities			
Deferred income taxes			
Deferred income taxes	Deferred income taxes	14,754	18,250
Stockholders' equity:	Stockholders' equity:		
Common stock, \$0.10 par value, 20,000,000 shares authorized; 11,962,295 and 11,913,890 outstanding at September 30, 2023 and December 31, 2022, respectively		1,196	1,191
Stockholders' equity:			
Stockholders' equity:			

Common stock, \$0.10 par value, 20,000,000 shares authorized; 11,996,041 and 11,964,181 outstanding at March 31, 2024 and December 31, 2023, respectively			
Common stock, \$0.10 par value, 20,000,000 shares authorized; 11,996,041 and 11,964,181 outstanding at March 31, 2024 and December 31, 2023, respectively			
Common stock, \$0.10 par value, 20,000,000 shares authorized; 11,996,041 and 11,964,181 outstanding at March 31, 2024 and December 31, 2023, respectively			
Additional paid-in-capital	Additional paid-in-capital	135,571	129,820
Treasury stock, at cost; 82,600 shares at September 30, 2023 and December 31, 2022, respectively		(4,566)	(4,566)
Additional paid-in-capital			
Additional paid-in-capital			
Treasury stock, at cost; 82,600 shares at March 31, 2024 and December 31, 2023, respectively			
Treasury stock, at cost; 82,600 shares at March 31, 2024 and December 31, 2023, respectively			
Treasury stock, at cost; 82,600 shares at March 31, 2024 and December 31, 2023, respectively			
Retained earnings			
Retained earnings			
Retained earnings	Retained earnings	823,960	727,183
Accumulated other comprehensive loss	Accumulated other comprehensive loss	(68,427)	(68,268)
Accumulated other comprehensive loss			
Accumulated other comprehensive loss			
<b>Total stockholders' equity</b>			
<b>Total stockholders' equity</b>			
Total stockholders' equity	Total stockholders' equity	887,734	785,360
Total liabilities and stockholders' equity	Total liabilities and stockholders' equity	\$1,455,514	\$1,308,508
<b>Total liabilities and stockholders' equity</b>			
<b>Total liabilities and stockholders' equity</b>			

See accompanying notes.

**Alamo Group Inc. and Subsidiaries**  
**Interim Condensed Consolidated Statements of Income**  
**(Unaudited)**

Three Months Ended September 30,	Nine Months Ended September 30,
<b>Three Months Ended March 31,</b>	

		Three Months Ended March 31,		Three Months Ended March 31,					
(in thousands, except per share amounts)									
(in thousands, except per share amounts)									
(in thousands, except per share amounts)	(in thousands, except per share amounts)	2023	2022	2023	2022				
Net sales:	Net sales:								
Net sales:									
Net sales:									
Vegetation Management	Vegetation Management	\$ 246,902	\$ 228,511	\$ 764,683	\$ 704,520				
Vegetation Management									
Vegetation Management									
Industrial Equipment									
Industrial Equipment									
Industrial Equipment	Industrial Equipment	172,742	140,282	507,426	422,492				
Total net sales	Total net sales	419,644	368,793	1,272,109	1,127,012				
Total net sales									
Total net sales									
Cost of sales	Cost of sales	305,501	276,428	927,385	848,289				
Cost of sales									
Cost of sales									
Gross profit									
Gross profit									
Gross profit	Gross profit	114,143	92,365	344,724	278,723				
Selling, general and administrative expenses	Selling, general and administrative expenses	60,564	52,723	180,090	161,367				
Selling, general and administrative expenses									
Selling, general and administrative expenses									
Amortization expense	Amortization expense	3,826	3,802	11,465	11,481				
Amortization expense									
Amortization expense									
Income from operations									
Income from operations									
Income from operations	Income from operations	49,753	35,840	153,169	105,875				
Interest expense	Interest expense	(6,729)	(3,734)	(19,506)	(9,570)				
Interest expense									
Interest expense									
Interest income									
Interest income									
Interest income	Interest income	385	93	1,125	222				
Other income (expense), net	Other income (expense), net	138	1,413	94	(473)				
Other income (expense), net									
Other income (expense), net									
Income before income taxes									
Income before income taxes									

Income before income taxes	Income before income taxes	43,547	33,612	134,882	96,054
Provision for income taxes	Provision for income taxes	8,632	7,791	30,244	23,291
Provision for income taxes					
Provision for income taxes					
Net Income					
Net Income					
Net Income	Net Income	\$ 34,915	\$ 25,821	\$ 104,638	\$ 72,763
Net income per common share:	Net income per common share:				
Net income per common share:					
Net income per common share:					
Basic	Basic	\$ 2.93	\$ 2.18	\$ 8.78	\$ 6.13
Diluted	Diluted	\$ 2.91	\$ 2.16	\$ 8.73	\$ 6.10
Diluted					
Diluted					
Average common shares:					
Average common shares:					
Average common shares:	Average common shares:				
Basic	Basic	11,928	11,883	11,916	11,875
Basic	Basic				
Basic	Basic				
Diluted	Diluted				
Diluted	Diluted				
Diluted	Diluted	11,996	11,941	11,983	11,932
Dividends declared	Dividends declared	\$ 0.22	\$ 0.18	\$ 0.66	\$ 0.54
Dividends declared					
Dividends declared					

See accompanying notes.

**Alamo Group Inc. and Subsidiaries**  
**Interim Condensed Consolidated Statements of Comprehensive Income**  
**(Unaudited)**

(in thousands)	Three Months Ended		Nine Months Ended	
	September 30,	2023	September 30,	2023
Net income		\$ 34,915	\$ 25,821	\$ 104,638
		\$ 72,763		
Other comprehensive loss, net of tax:				
Foreign currency translation adjustments, net of tax benefit and (expense) of \$62 and \$(781), and \$(352) and \$(1,685), respectively		(12,718)	(24,921)	(556)
Recognition of deferred pension and other post-retirement benefits, net of tax (expense) and benefit of \$(83) and \$61, and \$(247) and \$375, respectively		282	206	847
Unrealized income (loss) on derivative instruments, net of tax benefit and (expense) of \$7 and \$(7), and \$66 and \$(745), respectively		(36)	22	(450)
Other comprehensive loss		(12,472)	(24,693)	(159)
Comprehensive income		\$ 22,443	\$ 1,128	\$ 104,479
		\$ 33,223		

(in thousands)	Three Months Ended March 31,		
	2024	2023	
Net income	\$ 32,120	\$ 33,349	
Other comprehensive income (loss), net of tax:			
Foreign currency translation adjustments, net of tax benefit and (expense) of \$379 and \$(173), respectively	(7,272)	4,546	
Recognition of deferred pension and other post-retirement benefits, net of tax expense of \$(69) and \$(65), respectively	235	282	
Unrealized income (loss) on derivative instruments, net of tax benefit and (expense) of \$(169) and \$59, respectively	578	(414)	
Other comprehensive income (loss), net of tax	(6,459)	4,414	
Comprehensive income	\$ 25,661	\$ 37,763	

See accompanying notes.

**Alamo Group Inc. and Subsidiaries**  
**Interim Condensed Consolidated Statements of Stockholders' Equity**  
**(Unaudited)**

For nine months ended September 30, 2023							
(in thousands)	Common Stock		Additional Paid-in Capital		Retained Earnings	Accumulated Other Comprehensive Loss	Total Stockholders' Equity
	Shares	Amount	Treasury Stock				
Balance at December 31, 2022	11,831	\$ 1,191	\$ 129,820	\$ (4,566)	\$ 727,183	\$ (68,268)	\$ 785,360
Other comprehensive income	—	—	—	—	33,349	4,414	37,763
Stock-based compensation expense	—	—	1,699	—	—	—	1,699
Stock-based compensation transactions	28	3	138	—	—	—	141
Dividends paid (\$0.22 per share)	—	—	—	—	(2,615)	—	(2,615)
Balance at March 31, 2023	11,859	\$ 1,194	\$ 131,657	\$ (4,566)	\$ 757,917	\$ (63,854)	\$ 822,348
Other comprehensive income	—	—	—	—	36,374	7,899	44,273
Stock-based compensation expense	—	—	1,869	—	—	—	1,869
Stock-based compensation transactions	17	2	72	—	—	—	74
Dividends paid (\$0.22 per share)	—	—	—	—	(2,622)	—	(2,622)
Balance at June 30, 2023	11,876	\$ 1,196	\$ 133,598	\$ (4,566)	\$ 791,669	\$ (55,955)	\$ 865,942
Other comprehensive income	—	—	—	—	34,915	(12,472)	22,443
Stock-based compensation expense	—	—	1,805	—	—	—	1,805
Stock-based compensation transactions	4	—	168	—	—	—	168
Dividends paid (\$0.22 per share)	—	—	—	—	(2,624)	—	(2,624)
Balance at September 30, 2023	11,880	\$ 1,196	\$ 135,571	\$ (4,566)	\$ 823,960	\$ (68,427)	\$ 887,734

For three months ended March 31, 2024							
(in thousands)	Common Stock		Additional Paid-in Capital		Retained Earnings	Accumulated Other Comprehensive Loss	Total Stockholders' Equity
	Shares	Amount	Treasury Stock				
Balance at December 31, 2023	11,882	\$ 1,196	\$ 137,791	\$ (4,566)	\$ 852,859	\$ (54,517)	\$ 932,763
Other comprehensive income (loss)	—	—	—	—	32,120	(6,459)	25,661
Stock-based compensation expense	—	—	2,125	—	—	—	2,125
Stock-based compensation transactions	31	4	(894)	—	—	—	(890)
Dividends paid (\$0.26 per share)	—	—	—	—	(3,103)	—	(3,103)
Balance at March 31, 2024	11,913	\$ 1,200	\$ 139,022	\$ (4,566)	\$ 881,876	\$ (60,976)	\$ 956,556

See accompanying notes.

For nine months ended September 30, 2022

For three  
months  
ended March  
31, 2023

**For three months ended March 31, 2023**

### Cost Trends and Profit Margin, as

### Cost Trends and Profit Margin, as Percentages of Net Sales

### Three Months Ended

See accompanying notes

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**Alamo Group Inc. and Subsidiaries**  
**Interim Condensed Consolidated Statements of Cash Flows**  
**Ended** **(Unaudited)**

**Nine Months** **September**  
**Se20241be30,)**

2023	Three Months Ended	2022		Three Months Ended
	March 31,			March 31,
Gross profit (in thousands)	March 31, 2023	27.0 <sup>26.2</sup> %	25.0 <sup>27.3</sup> %	24.7 <sup>9</sup> %
Income from operations (in thousands)	2023 <sup>11.0</sup> %	2022 <sup>11.9</sup> %	(in thousands) 12.0 <sup>9</sup> %	9.4 <sup>9</sup> %
<b>Operating Activities</b>	<b>Operating Activities</b>	<b>10.4<sup>9.8</sup> %</b>	<b>9.1<sup>10.8</sup> %</b>	<b>8.5<sup>9</sup> %</b>
Net income	Net income	\$ 10.4 <sup>7.5</sup> %	\$ 72,763	7.0 <sup>8.1</sup> %
				6.5 <sup>9</sup> %

cash provided by (used in) operating activities:

Net income  
*This report contains forward-looking statements that are based on Alamo Group's current expectations. Actual results in future periods may differ materially from those expressed or implied because of a number of risks and uncertainties which are discussed in detail in the Forward-Looking Information section. Unless the context otherwise requires, it is intended that the "Company", "we", "our" and "us" means Alamo Group Inc.*

by operating activities:

Provision for doubtful accounts  
We experienced continued strong demand for our products industrial equipment during the first nine months of 2023/2024 while demand for forestry, tree care, and agricultural mowing products has weakened as was reflected in our top line growth. Margins improved slightly due to price discipline over the past year, better manufacturing flows weaker Vegetation Management Division sales that slowed our production cadence and improved capacity utilization. We also experienced more consistent deliveries of purchased products as our supply chain performance improved, which led to enhanced manufacturing efficiencies and margin expansion. adversely

impacted production efficiency	depreciation	6,470	5,665
- Rental	- Rental		

For the first nine months of 2023, the Company's net sales increased by 13% compared to the same period in 2022. The increase in net sales was primarily driven by industrial product demand, partially offset by a decline in forestry, tree care, and agricultural mowing product demand. The decrease in net income was primarily due to continued strong customer demand for our products compared to largely driven by the prior year, positive pricing actions, decline in forestry, tree care, and ongoing cost and expense discipline and a moderately improving supply chain. The year-over-year improvement in both net sales and net income was somewhat constrained by ongoing challenges in certain parts of our supply chain and tightness in the availability of skilled labor. agricultural mowing product demand.

deferred deferred

The Company's Vegetation Management Division experienced a 9% increase 13% decrease in sales for the first nine three months of 2023 2024 compared to the first nine three months of 2022 2023 that was driven by strong weaker shipments of forestry, tree care and governmental agricultural mowing products in both North America and Europe products. The Division's backlog remained strong but has declined by 48% compared to the same period in 2023, primarily driven by softness in incoming orders, specifically in the forestry and North American agricultural mowing softened. The markets As a result, the Division's income from operations for the first nine three months of 2023 was up 31% 2024 declined 41% ~~versus~~ the same period in 2022, due to increased demand, higher pricing and improving supply chain conditions, but offset by labor constraints and negative currency effects. 2023.

Accounts receivable  
The Company's Industrial Equipment Division sales increased in the first **nine** three months of **2023** by **20%**, as compared to the first **nine** three months of **2022**. Industrial Equipment sales were strong in all product lines with excavators, vacuum trucks, sweeper and debris collector and snow removal products increasing safety contributing the most, most to year on year growth.<sup>9</sup> The Division's income from operations for the first **nine** three months of **2023** was up **84%** **102%** versus the same period in **2022**, **2023**, due to the increased demand, higher pricing and some improvement in supply chain conditions. Negatively impacting this Division were supply chain disruptions, labor shortages and, to a lesser extent, negative currency effects, demand.

Consolidated income from operations was \$153.2 million \$47.0 million in the first nine three months of 2024 compared to \$49.0 million in the first three months of 2023,

compared to \$105.9 million in the first nine months, a decrease of 4% in 2022, an increase of 45% in 2023. The Company's backlog of \$890.9 million \$831.3 million at the end of the first nine three months of 2023 was 16% down slightly 16% versus a backlog of \$908.9 million \$994.8 million at the end of the first nine three months of 2022, 2023.

Income taxes Income taxes  
While the supply chain issues we experienced over the last several quarters appear performance has broadly improved, disruptions relating to be improving, we remain affected by inflationary impacts, negative currency exchange rates, chassis frames, transmissions, and labor constraints. hydraulics continue to negatively impact performance. In addition, the Company may be negatively affected by several other factors such as weakness in the overall U.S. or world-wide economy, further increases in interest rates, changes in trade regulations and the imposition of new tariffs, ongoing trade disputes, a deterioration of our supply chain, changes in U.S. fiscal policy such as changes in the federal tax rate, significant changes in currency exchange rates, negative economic impacts resulting from geopolitical events such as the ongoing war in Ukraine, changes in trade policy, increased levels of government regulations, weakness in the agricultural sector, acquisition integration issues, budget constraints or revenue shortfalls in governmental entities, and other risks and uncertainties as described in the "Risk Factors" section in our Annual Report on Form 10-K for the year ended December 31, 2022 December 31, 2023 (the "2022/2023 Form 10-K").

#### Investing Activities Investing Activities

Results of Operations Acquisitions, net of cash acquired — (2,000)

#### Investing Activities Three Months Ended September 30, 2023 March 31, 2024 vs. Three Months Ended September 30, 2022 March 31, 2023

Purchase of property, plant and equipment Net sales for the third first quarter of 2023/2024 were \$419.6 million \$425.6 million, an increase of \$50.8 million \$13.8 million or 14% 3% compared to \$368.8 million \$411.8 million for the third first quarter of 2022/2023. Net sales during the third first quarter of 2023/2024 improved due to strong customer industrial product demand, resulting partially offset by a decline in higher shipments of our products versus the third quarter of 2022, as well as positive pricing actions. Also contributing to our sales were currency translation effects which had a favorable impact on the quarterly results. forestry, tree care, and agricultural mowing product demand. Negatively affecting the third first quarter of 2023/2024 were ongoing labor constraints and disruptions in certain areas of our supply chain, although the supply chain moderately/broadly improved compared to previous quarters.

Net cash used in investing activities Net vegetation management sales increased decreased by \$18.4 million \$32.7

Net cash million or 8% 13% to \$246.9 million \$223.7 million for the third first quarter of 2023/2024 compared to \$228.5 million \$256.4 million during the same period in 2022/2023. The increase decrease was due to strong performance in

Financial Activities Financial Activities Financial Activities government weaker demand for forestry, tree care, and agricultural mowing equipment in North America, Europe, and

Borrowings on bank revolving credit facility

South America. Labor shortages and, to a lesser extent, supply chain issues, had an overall negative affect during the third quarter of 2023. products.

Borrowings on bank Borrowings on bank 134,000 190,000

revolving credit facility Industrial Equipment sales were \$172.7 million \$201.8 million in the

third first quarter of 2023/2024 compared to \$140.3 million \$155.3 million for the same period in 2022/2023. an increase of \$32.4 million \$46.5 million or

23% 30%. The increase was mainly due to solid results in all product lines, Principal payments on long-term contracts, particularly excavators, vacuum trucks, sweeper, debris collectors and snow removal. This Division continued safety contributing the most to be negatively impacted by supply chain disruptions, although improved from last quarter, and

Continued continued labor shortages year on year growth.

acquisition

Gross profit for the third first quarter of 2023/2024 was \$114.1 million (27% \$111.6 million (26% of net sales) compared to \$92.4 million (25% \$112.5 million (27% of net sales) for the same period in 2022/2023, an increase 2023, a decrease of \$21.7 million \$0.9 million. The increase decrease in gross profit during the third first quarter of 2023/2024

compared to the third first quarter of 2022/2023 was primarily attributable to higher sales volume weaker mix between our Vegetation and positive pricing actions. Profitability in the

quarter increased as supply chain conditions generally improved which led to higher efficiencies and better capacity utilization. Industrial Divisions. this resulted in higher slightly lower gross margin compared to the third first quarter of 2022/2023. Profitability in the quarter also decreased due to production inefficiencies resulting from

volume decline in Vegetation Management.

Common stock	Common stock	(1,034)	(712)
Selling, general and administrative expenses ("SG&A") were \$60.6 million (14% of net sales) during the <b>third</b> first quarter of <b>2023</b> 2024 compared to <b>\$52.7 million</b> \$59.7 million (14% of net sales) during the same period of <b>2022</b> , 2023, an increase of <b>\$7.9 million</b> \$0.9 million. The increase in SG&A expense in the <b>third</b> first quarter of 2024 compared to the first quarter of 2023 compared to the <b>third</b> quarter of 2022 was attributable to higher marketing expenses related to sales promotions and commissions, labor cost inflation.			
Amortization expense in the <b>third</b> first quarter of <b>2023</b> 2024 was <b>\$3.8 million</b> \$4.1 million compared to \$3.8 million in the same period in <b>2022</b> , 2023.			
Effect of exchange rate changes on cash and cash equivalents			
Effect of interest expense was <b>\$6.7 million</b> \$6.1 million for the <b>third</b> first quarter of <b>2023</b> 2024 compared to <b>\$3.7 million</b> \$5.9 million during the same period in <b>2022</b> , 2023. The increase in interest expense in the <b>third</b> first quarter of <b>2023</b> 2024 was mainly due to higher interest rates compared to the <b>third</b> first quarter of <b>2022</b> , 2023.			

Effect of interest expense was **\$6.7 million** \$6.1 million for the **third** first quarter of **2023** 2024 compared to **\$3.7 million** \$5.9 million during the same period in **2022**, 2023. The increase in interest expense in the **third** first quarter of **2023** 2024 was mainly due to higher interest rates compared to the **third** first quarter of **2022**, 2023.

Effect of exchange rate changes on cash and cash equivalents

Other income (expense), net was \$0.1 million for the **third** first quarter of **2023** 2024 compared to **\$1.4 million** \$1.0 million \$0.5 million for the same period in **2022**, 2023. The increase in other income in the **third** first quarter of 2022 was from changes in currency exchange rates.

Provision for income taxes was \$8.6 million (20% of income before income tax) in the **third** first quarter of 2023 compared to \$7.8 million (23% of income before income tax) during the same period in 2022. The decrease in the tax rate for the **third** first quarter of 2023 was a result of a return to provision adjustment largely driven by higher research and development and foreign tax credits.

The Company's net income after tax was \$34.9 million or \$2.91 per share on a diluted basis for the **third** first quarter of 2023 compared to \$25.8 million or \$2.16 per share on a diluted basis for the **third** first quarter of 2022. The increase of \$9.1 million resulted from the factors described above.

Cash paid during the period for:

**Nine Months Ended September 30, 2023 vs. Nine Months Ended September 30, 2022**

Interest

Interest  
Net sales for the first nine months of 2023 were \$1,272.1 million, an increase of \$145.1 million or 13% compared to \$1,127.0 million for the first nine months of 2022. The increase in net sales was attributable to continued strong customer demand for our products in both the Vegetation Management and Industrial Equipment Divisions and improved pricing.

Negatively affecting the first nine months of 2023 were ongoing disruptions in certain areas, and Subsidiaries of our supply chain, although our supply chain moderately improved compared to previous quarters. Ongoing skilled labor shortages and negative currency translation effects also negatively impacted the first nine months results of 2023.

#### 1. Basis of Financial Statement Presentation

Net Vegetation Management sales increased during the first nine months by \$60.2 million or 9% to \$764.7 million for 2023 compared to \$704.5 million during the same period in 2022. The increase was due to strong performance in all

product lines particularly agricultural, forestry and tree care and governmental. The Company and its subsidiaries (the "Company") have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP") for the first nine months and with the instructions to Form 10-Q and Article 10 of Regulations S-X. Accordingly, they do not include all of the information and footnotes required by U.S. GAAP for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the periods presented are not necessarily indicative of the results that may be expected for the year ending December 31, 2023 December 31, 2024. The balance sheet at December 31, 2022 December 31, 2023 has been derived from the audited financial statements. Industrial Equipment sales were \$507.4 million during the first nine months of 2023 compared to \$422.5 million for the same period in 2022, an increase of \$84.9 million or 20%. The increase in sales for the first nine months of 2023 compared to the first nine months of 2022 was mainly due to the continued solid

results in vacuum trucks, sweeper, debris collectors and snow removal, with modest support from excavators. Net sales in the first nine months of 2023 were

negatively affected by supply chain disruptions, although it improved from last few quarters, continued labor shortages and currency translation effects. In November 2023, the Financial Accounting Standards Board ("FASB") issued ASU No. 2023-07, Improvements to Reportable Segment Disclosures (Topic 280). This ASU updates reportable segment disclosure requirements by requiring disclosures of significant reportable segment expenses that are regularly provided to the Chief Operating Decision Maker ("CODM") and included within each reported measure of a segment's profit or loss. This ASU also requires disclosure of the title and position of the individual identified as the CODM, and an explanation of how the CODM uses the reported measures of a segment's profit or loss in assessing segment performance and deciding how to allocate resources. Compared to \$278.7 million (25% of net sales) during the same period in 2022, an increase of \$66.0 million. The increase in gross profit was mainly attributable to higher sales volume, and positive pricing actions. Profitability in the first nine months of 2023 increased as supply chain conditions generally improved which led to higher efficiencies and better capacity utilization. This also led to a significantly higher gross margin percentage in the first nine months of 2023 compared to the first nine months of 2022.

In December 2023, the FASB issued ASU No. 2023-09, Improvements to Income Tax Disclosures (Topic 740). The ASU requires disaggregated information about a reporting entity's effective tax rate reconciliation as well as additional information on income taxes paid. The ASU is effective on a prospective basis for annual periods beginning after

DecSG&A expenses were \$180.1 million (14% of net sales) during the first nine months of 2023 compared to \$161.4 million (14% of net sales) during the same period of 2022, once adopted.

increase of \$18.7 million. The increase in SG&A expense in the first nine months of 2023

compared to the first nine months of 2022 was a result of higher marketing expenses

related to commissions and sales promotions. Amortization expense in the first nine months of 2023 was \$11.5 million compared to \$11.5 million in the same period in 2022. The primary reason for the decrease of \$0.0 million was to acquire business operations in an adjacent market, highway safety and equipment, where the Company sees compelling future opportunities. The acquisition price was approximately \$32 million. The Company completed its review of the valuation of the purchase price allocation for *Royal Truck* during the first quarter of 2024.

The Interest expense was \$19.5 million for the first nine months of 2023 compared to \$9.6 million since the date of acquisition, these results are considered immaterial. million during the same period in 2022, an increase of \$9.9 million. The increase in interest expense in the first nine months of 2023 was mainly due to higher interest rates compared to the first nine months of 2022.

Accounts receivable is shown net of sales discounts and the allowance for credit losses

Accounts receivable is shown net of sales discounts and the allowance for credit losses. Other income (expense), net was less than \$0.1 million of income during the first nine months of 2023 compared to \$0.5 million of expense in the first nine months of 2022. The reserves for sales discounts compared to \$19.9 million \$24.0 million at December 31, income in 2023 was primarily due to products shipped to our customers under promotional programs. sale of a manufacturing facility, partially offset by changes in more favorable currency exchange rates. The expense rates in 2022 is primarily from an excise tax audit and to a lesser extent, changes in exchange rates. the first quarter of 2024.

Provision for income taxes was \$30.2 million (22% \$9.7 million (23% of income before income taxes) tax) in the first nine months of 2023 2024 compared to \$23.3 million

(24% \$11.1 million (25% of income before income taxes) tax) during the same period in 2022. The decrease in the tax rate for the first nine months quarter of 2023/2024 was

largely a result of a return to provision adjustment largely driven by higher favorable research and development and foreign tax credits, settlement with the Brazilian government. Finished goods

Finisar The Company's Company's net income after tax was \$104.6 million \$32.1 million or \$8.73 \$2.67 per share on a diluted basis for the first nine months quarter of 2023 2024 compared to \$72.8 million \$33.3 million or \$6.10 \$2.79 per share on a diluted basis for the Work in process first nine months quarter of 2022, 2023. The increase decrease of \$31.8 million \$1.2 million

Working from the factors described above.

process      process      29,844      22,273

## Raw Liquidity and Capital Resources

materials materials 8.586 17.554

In addition to normal operating expenses, the Company has ongoing cash requirements which are necessary to operate the business, including inventory purchases and capital expenditures. The Company's accounts receivable, inventory and accounts payable levels, particularly in its Vegetation Management Division, build in the first quarter and early spring and, to a lesser extent, in the fourth quarter in anticipation of the spring and fall calling seasons. Accounts receivable historically build in the first and fourth quarters each year as a result of pre-season sales and year-round sales programs.

These sales, primarily in the Vegetation Management Division, help balance the Company's production during the first and fourth quarters.

As of September 30, 2023, March 31, 2024, the Company had \$3 million at September 30, \$654.0 million at March 31, 2024 and \$13.2 million at December 31, 2022, \$9.0 million at December 31, 2022, December 31, 2023, \$702.2 million which represents an increase of \$117.3 million \$112.2 million from working capital of \$56.7 million \$50.0 million at December 31, 2022, December 31, 2023.

The increase in working capital was primarily a result of volume driven cash and inflation.

The increase in working capital was primarily a result of volume-driven cash and inflation-driven cash equivalents and volume-driven ~~increased depreciation~~ receivable and, to a **\$22.3 million** **\$24.7 million** at **September 30, 2023** **March 31, 2024** and **December 31, 2023**, lesser extent, an increase in inventory to support the Company's high backlog expense of **\$2.2 million** **\$2.4 million** and **\$1.9 million** **\$2.1 million** for the three months ended **September 30, 2023** **March 31, 2024** and **December 31, 2023**, respectively. **receivable**, **23** **March 31, 2024** and **2022**, respectively and **\$6.5 million** and **\$5.7 million** for the nine months ended **September 30, 2023** and **2022**, **2023**, respectively.

**Capital Expenditure Measure** \$27.1 million \$6.7 million for the first nine months of 2023, 2024, compared to \$23.5 million \$9.0 million during the first nine months of 2022. The Company expects to approve a normalized capital expenditure level, accounts receivable, accounts payable, and accrued expenses, approximate their fair value to be approximately \$33.0 million \$35.0 million \$37.0 million \$45.0 million for the full year approximates the fair value as of September 30, 2023 March 31, 2024 and December 31, 2023, 2024. The Company will fund any future expenditures from operating cash flows or through our revolving credit facility, described below.

6.7. Goodwill and Intangible Assets \$24.0 million \$5.9 million nine three 2023 2024 \$25.0 million

million 56.5 million nine three 2022 2023

#### Net cash provided by financing activities

million \$66.8 million during the nine three m

(\$6.0 million) during the three-month periods ended September 30, 2023 March 31, 2024 and September 30, 2022 March 31, 2023, respectively. Lower higher net cash thousands) thousands) Management Equipment Consolidated

Page 1 of 1



Accounting policies of the Company are applied to determine the various operating lease costs for leases, which generally are expected to be renewed or replaced by other leases. The financial lease costs and yields are consistent with the lease cost components of the cost were as follows:

estimate is made, and if different estimates that reasonably could have been used, or

#### Components of Lease Cost

Changes in the accounting estimates that are reasonably likely to occur periodically, could

Three Months Nine Months

Ended Ended

Financial Statements in the **2022** **2023** Form **September 30**, policies relating to the business combination involve a higher degree of judgment and complexity. There have been no

**Components of Lease Cost**  
Material changes to the nature of estimates, assumptions and levels of subjectivity and  
judgment related to critical accounting estimates disclosed in Item 7 "Management's

Discussion and Analysis of **Financial Condition and Results of Operations**" of the

**2022** **2023** Form 10-K. Months

Ended

#### Off-Balance Sheet Arrangements

(in thousands)

There are no off-balance sheet arrangements that have or are likely to have a current

(in thousands) or future material effect on our financial condition.

(in

(in

Forward-looking Information 2022 2023 2022

Finance Finance

Part I of this Quarterly Report on Form 10-Q and the "Management's Discussion and  
Analysis of Financial Condition and Results of Operations" included in Item 2 of this

Quarterly Report contain forward-looking statements within the meaning of Section 27A of

the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. In

addition, forward-looking statements may be made orally or in press releases, conferences,

Amortization of right-of-use assets, reports or otherwise, in the future by or on behalf of the Company.

use assets

use assets

\$ 2 \$ 6 \$ 7 \$ 25

Forward-looking statements involve risks and uncertainties. These uncertainties

Interest on lease cost

include factors that affect all businesses operating in a global market, as well as matters

lease lease

Specific to the Company and the markets it serves. Particular risks and uncertainties facing

liabilities liabilities

the Company include changes in market conditions and a potential weakening of the

markets we serve; supply chain disruptions; labor constraints; changes in tariff regulations

and the imposition of new tariffs; a strong U.S. dollar; increased competition; negative

economic impacts resulting from geopolitical events such as the war in Ukraine or trade

Interest on lease

wars; new or unanticipated effects of the COVID-19 pandemic; decreases in the prices of

liabilities

agricultural commodities, which could affect our customers' income levels; increases in

operating lease cost

operating lease cost to increase profit margins through continuing production

efficiencies and cost reductions; acquisition integration issues; budget constraints or

income shortfalls which could affect the purchases of our type of equipment by

Operating lease cost

governmental customers; credit availability for both the Company and its customers,

lease cost lease cost

adverse weather conditions such as droughts, floods, Showstorms, etc. which can affect

Buying patterns

of the Company's customers and related contractors; the price and

availability of raw materials and product components; energy cost; increased cost of

governmental regulations which effect corporations including related fines and penalties

Short-term lease cost

(such as the European General Data Protection Regulation and the California Consumer

Privacy Act); the potential effects on the buying habits of our customers due to animal

disease outbreaks

and other epidemics; the

Variable lease cost

Company's ability to develop and manufacture new and existing products profitably; market

Variable lease cost

acceptance of new and existing products; the Company's ability to maintain good relations

lease cost lease cost

with its employees; the Company's ability to successfully complete acquisitions and

operate acquired businesses or assets; the ability to hire and retain quality skilled

employees; cyber security risks affecting information technology or data security breaches;

and the possible effects of events beyond our control, such as political unrest, acts of

terrible natural disasters and pandemics, on the Company or its customers, suppliers and

the economy in general.

Total lease cost

In addition, the Company is subject to risks and uncertainties facing the industry in

Rent expense for the three and nine months ended **September 30, 2023**, **March 31, 2024** and **2022** **2023** was immaterial.

general, including changes in business and political conditions and the economy in general

in both domestic and international markets; weather conditions affecting demand; slower

growth of the Company's lease liabilities, which are as follows including increases in interest

rates and fluctuations in foreign exchange rates; actions of competitors; the inability of the Company's suppliers, customers, creditors, public utility providers and financial service organizations to deliver or provide their products or services to the Company; seasonal factors in the Company's industry; legal actions including budget levels, regulations and legislation, primarily relating to the environment, commerce, infrastructure spending, health and safety; and availability of materials.

### Future Minimum Lease Payments

2023 The Company wishes to caution readers not to place undue reliance on any forward-  
2024 looking statements and to recognize that the statements are not predictions of actual future  
2025 results. Actual results could differ materially from those anticipated in the forward-looking  
2024 statements and from historical results, due to the risks and uncertainties described above,  
2024 as well as others not now anticipated. The foregoing statements are not exclusive and  
2025 further information concerning the Company and its businesses, including factors that  
2025 could potentially materially affect the Company's financial results, may emerge from time to  
2025 time. It is not possible for management to predict all risk factors or to assess the impact of  
2025 such risk factors on the Company's businesses.

2026

2026

### Item 3. Quantitative and Qualitative Disclosures About Market Risks

2026 2026 2,941 2,728

2027 The Company is exposed to various market risks. Market risks are the potential losses arising from adverse changes in market prices and rates. The Company does not enter into derivative or other financial instruments for trading or speculative purposes.

## 2028 **Foreign Currency Risk** 2028

2028

## International Sales

### Thereafter

A portion of the Company's operations consists of manufacturing and sales activities in international jurisdictions. The Company primarily manufactures its products in the U.S., U.K., France, Canada, Brazil, and the Netherlands. The Company sells its products primarily in the functional currency within the markets where the products are produced, but certain sales from the Company's U.K. and Canadian operations are denominated in minimum minimum other foreign currencies. As a result, the Company's financials, specifically the value of its lease lease foreign assets, could be affected by factors such as changes in foreign currency exchange payments payments \$ 17,211 \$ 18,821 as a result of the

Company distribute their products.  
payments

## Exposure to Exchange Rates

### Total minimum lease

The Company translates the assets and liabilities of foreign-owned subsidiaries at rates in effect at the balance sheet date. Revenues and expenses are translated at average rates in effect during the reporting period. Translation adjustments are included in accumulated other comprehensive income within the statement of stockholders' equity. The total foreign currency translation adjustment for the current quarter decreased stockholders' equity by \$12.7 million. **\$7.3 million.**   
**Less interest** **(1,140)** **(1,287)**

Total operating lease represents the remaining three months of 2024. Forward currency contracts are used to hedge against the earnings effects of such fluctuations. The result of a uniform 10% strengthening or 10% decrease in the value of the dollar relative to the currencies in which the Company's sales are denominated would result in a change in gross profit of **\$9.6 million** \$3.6 million for the **nine** three month period ended **September 30, 2023** March 31, 2024. This calculation assumes that each exchange rate would change in the same direction relative to the U.S. dollar. In addition to the direct effects of changes in exchange rates which include a changed dollar value of the resulting sales, changes in exchange rates may also affect the volume of sales or the foreign currency sales price as competitors' products become more or less attractive. The Company's sensitivity analysis of the effects of changes in foreign currency exchange rates does not factor in a potential change in sales levels of local currency prices. Total operating lease represents the remaining nine months of 2024.

\*Period ended March 31, 2024  
represents the remaining nine months of  
**Interest Rate Risk**

### **Future Lease Commencements**

The Company's long-term debt bears interest at variable rates. Accordingly, the Company's net income is affected by changes in interest rates. Assuming the current level of borrowings at variable rates and a two percentage point change for the **third** first quarter

2023, 2024 September 30, 2023 March 31, 2024 otherwise, the Company's lease expense for buildings, that have not yet commenced in the amount of \$4.1 million \$2.4 million. World operating lease with approximately \$1.6 million year 2024 with lease term of 2 years. interest rates, management could take actions to mitigate its exposure. However, due to the ~~suppression~~ of the lease term, the Company has not taken any actions to date. This analysis assumes no such actions. Further this analysis does not consider the effects of the change in the level of overall economic activity that could exist in such an environment.

#### Operating Leases

In January 2020, the Company entered into an interest rate swap agreement with three of its total lenders that hedge future cash flows related to its outstanding debt obligations, which expired in January 2023.

(thousands) 30, 2023 31, 2022

March 31, 2024

December 31, 2023

#### Item 4. Controls and Procedures

Other non-current assets

Other non-current assets \$ 15,768 \$ 17,249

Accredited Audit was carried out under the supervision and with the participation of ~~Alma's~~ management, including our President and Chief Executive Officer, ~~and~~ Executive Vice President and Chief Financial Officer

Accrued liabilities

(Principal (Principal Financial Officer), and Vice President & Chief Accounting Officer (Principal Accounting Officer), of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934). Based upon the evaluation, the President and Chief Executive Officer, and Executive Vice President and Chief Financial Officer (Principal Financial Officer), and Vice President & Chief Accounting Officer (Principal Accounting Officer), concluded that the Company's design and operation of these disclosure controls and procedures were effective at the end of the period covered by this report.

liabilities liabilities 11,194 12,849

#### Changes in internal control over financial reporting

Total Total

operating lease lease There has been no change in our internal control over financial reporting that occurred during our last fiscal year that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Total operating lease

#### PART II. OTHER INFORMATION

Total operating lease

#### Item 1. Legal Proceedings

Weighted Average For a description of legal proceedings, refer to the consolidated financial statements ~~and notes~~ included in the Company's annual report on Form 10-K for the year ended December 31, 2022 December 31, 2023 (the "2022" "2023 10-K").

Remaining Lease Term

#### Item 1A. Risk Factors

Weighted

Weighted Average There have not been any material changes from the risk factors previously disclosed in the 2022 2023 Form 10-K for the year ended December 31, 2022 December 31, 2023.

Remaining Lease

#### Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Weighted

Average The following table provides a summary of the Company's repurchase activity for its common stock during the three months ended September 30, 2023.

Discount

Rate Rate 3.85 % 3.30 %

Weighted Average

Discount Rate

Weighted Average

Discount Rate

Supplemental Cash Flow information related to leases was as follows:

Nine Months Ended  
September 30,

Three Months  
Ended  
March 31,

Three Months Ended  
March 31,

(in thousands)		(in thousands)		Issuer Purchases of Equity Securities		2024	2023
2023	2022	Total Number	(in thousands)	Maximum Dollar Value of Shares			
Cash paid for amounts included in the Period	Cash paid for amounts included in the Period	Total Number Purchased	Shares Purchased as Part of Publicly Announced Plans or Programs	Value of Shares That May Yet Be Purchased Under the Plans or Programs (a)			
July 1-31, 2023 measurement of lease liabilities:	July 1-31, 2023 measurement of lease liabilities:	—	—	—	\$25,861,222		
August 1-31, 2023	August 1-31, 2023	—	—	—	\$25,861,222		
September 1-30, 2023	September 1-30, 2023	—	—	—	\$25,861,222		
(a) On December 13, 2018, the Board authorized a stock repurchase program of up to \$30.0 million of the Company's common stock. The program has a term of five (5) years, terminating on December 12, 2023.							
None.sh paid for amounts included in the measurement of lease liabilities.							
<b>Item 3. Defaults Upon Senior Securities</b>							
Operating cash flows from operating leases							
None.							
<b>Item 4. Mine Safety Disclosures</b>							
from operating leases							
Not Applicable							
Operating cash flows from operating leases							
\$ 3,994							
leases							
\$ 3,971							
(a) Reports on Form 8-K							
<b>8.9. Debt</b>							
None.							
The components of long-term debt are as follows:							
(b) Other Information							
(in thousands)	(in thousands)	September 30, 2023	December 31, 2022	(in thousands)		March 31, 2024	December 31, 2023
None.	None.						
(b) During the period covered by this report, none of the Company's directors or executive officers adopted or terminated a Rule 10b5-1 trading arrangement or a non-Rule 10b5-1 trading arrangement (each as defined in Item 408 of Regulation S-K under the Securities Exchange Act of 1934, as amended).							
obligations							
\$ 8							
obligations							
\$ 9							
<b>Item 6. Exhibits</b>							
obligations							
Finance lease obligations							
Term debt							
Term debt							
15,000							
15,000							
15,008							
Term debt							
Term debt							
15,008							
15,008							
15,008							
Long-term debt:							
Long-term debt:							
Long-term debt:							
Long-term debt:							
Finance lease obligations							
Finance lease obligations							
9							
Finance lease obligations							
15							

Exhibit Index		Incorporated by Reference	
Exhibit Index	Exhibit Title	From the Following Documents	
31.1 — Term debt, net	<a href="#">Certification by Jeffery A. Leonard under Section 302 of the Sarbanes-Oxley Act of 2002</a>	Filed Herewith	
31.2 — Revolving credit facility	<a href="#">Certification by Richard J. Wehrle under Section 302 of the Sarbanes-Oxley Act of 2002</a>	Filed Herewith	
31.3 — Bank revolving credit facility	<a href="#">Certification by Ian M. Eckert under Section 302 of the Sarbanes-Oxley Act of 2002</a>	Filed Herewith	
32.1 — Bank revolving credit facility	<a href="#">Certification by Jeffery A. Leonard under Section 906 of the Sarbanes-Oxley Act of 2002</a>	Filed Herewith	
32.2 — Bank revolving credit facility	<a href="#">Certification by Richard J. Wehrle under Section 906 of the Sarbanes-Oxley Act of 2002</a>	Filed Herewith	
Total Long-term debt	<a href="#">Certification by Ian M. Eckert under Section 906 of the Sarbanes-Oxley Act of 2002</a>	Filed Herewith	
T32.3LC — Total Long-term debt	<a href="#">Certification by Ian M. Eckert under Section 906 of the Sarbanes-Oxley Act of 2002</a>	Filed Herewith	
Total Long-term debt	<a href="#">Certification by Ian M. Eckert under Section 906 of the Sarbanes-Oxley Act of 2002</a>	Filed Herewith	
101.INS — XBRL Instance Document - the instance document debt debtes not appear in the 100.INS interactive Data File	2024 86,943	Filed Herewith	
Total debt	because its XBRL tags are embedded within the inline XBRL document	323,900 \$ 301,952	
101.SCH — XBRL Taxonomy Extension Schema Document		Filed Herewith	
101.CAL — XBRL Taxonomy Extension Calculation Linkbase		Filed Herewith	
101.LAB — XBRL Taxonomy Extension Label Linkbase		Filed Herewith	
101.DEF — XBRL Taxonomy Extension Definition Linkbase	As of September 30, 2023 March 31, 2024, \$2.4 million	\$2.6 million of the revolver capacity was committed to irrevocable standby letters of credit issued in the ordinary course of business as required by vendors' contracts, resulting in \$312.6 million	
101.PRE — XBRL Taxonomy Extension Presentation Linkbase		\$307.4 million in available borrowings.	
Dividends declared and paid on a per share basis were as follows:			
104 — Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)		Three Months Ended March 31,	
		Three Months Ended March 31,	
	Alamo Group Inc.	Three Months Ended March 31,	
SIGNATURES		March 31,	
		2024	
Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.		2024	
November 2, 2023	Alamo Group Inc.	Three Months Ended September 30,	
Dividends declared	(Registrant)	Nine Months Ended September 30,	
		2023 2022	
Dividends declared		2023 2022	
Dividends declared	/s/ Jeffery A. Leonard		
Dividends declared	Jeffery A. Leonard		
Dividends paid	President & Chief Executive Officer		
Dividends paid	(Principal Executive Officer)		
Dividends paid			
Dividends paid			

On October 2, 2023 April 1, 2024, the Company (Richard J. Wehrle) that its Board of Directors had declared a quarterly cash dividend of \$0.22 \$0.26 per share, which was paid on October 31, 2023 April 29, 2024, to shareholders of record at the close of business on October 16, 2023 April 16, 2024.

#### 10.11. Earnings Per Share

Executive Vice President & Chief Financial Officer

(Principal Financial Officer)

The following table sets forth the reconciliation from basic to diluted average common shares and the calculations of net income per common share. Net income for basic and diluted calculations do not differ.

### **Revenues from Contracts with Customers**

a. All significant deficiencies and material weaknesses in the design or

operation of internal control over financial reporting which are reasonably Disaggregation of revenue is presented in the tables below by product type and by geographical location. Management has determined that this level of disaggregation would likely to adversely affect the registrant's ability to record, process, be beneficial to users of the financial statements.

summarize and report financial information; and b. Any fraud, whether or



United Kingdom	All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.
Brazil	13,322 9,688 37,354 36,891
Netherlands	Netherlands 7,720 8,570 26,603 15,912
Date	November 2, 2023 2024
	/s/ Richard J. Wehrle
Netherlands	Richard J. Wehrle
Australia	Australia 6,332 7,518 20,882 16,651 & Chief Financial Officer
Australia	(Principal Financial Officer)
Germany	
Germany	
Germany	Germany 3,754 2,757 9,326 4,515
Other	Other 15,539 14,615 44,391 59,786
Other	
Other	
Consolidated	Consolidated \$419,644 <b>Exhibit 31.3</b> 272,109 \$1,127,012

I, Ian M. Eckert, certify that:  
Consolidated

Con:1. I have reviewed this quarterly report on Form 10-Q of Alamo Group Inc;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

The following includes a summary of the unaudited financial information by reporting segment at **September 30, 2023** **March 31, 2024**:

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

**Nine Months Ended**  
**September 30,**

**Three Months Ended**

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rule 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:is Ended

**March 31,**

(in thousands) Designed such disclosure controls and procedures or caused such disclosure controls and procedures to be designed under our supervision, (in thousands) to ensure that material information relating to the registrant, including its (in thousands) consolidated subsidiaries, is made known to us by others within those

**2022** **2023** **2022**

<b>Net Sales</b>	entities, particularly during the period in which this report is being prepared;		
<b>Net Sales</b>			

**Net Sale** b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our

Management supervision, to provide reasonable assurance regarding the reliability of	228,511	\$	764,683	\$	704,520
--	---------	----	---------	----	---------

Vegetatiointernal control over financial reporting and the preparation of financial statements for external financial reporting in accordance with generally accepted accounting principles;

Industrial Equipment

Indu. C. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the

Industrial effectiveness of the disclosure controls and procedures, as of the end of	140,282		507,426		422,492
--	---------	--	---------	--	---------

the period covered by this report based on such evaluation; and d.

Consolidated Disclosed in this report any change in the registrant's internal control over	368,793	\$	1,272,109	\$	1,127,012
--	---------	----	-----------	----	-----------

Consolidated financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially

Income from affect, the registrant's internal control over financial reporting; and

**Income from Operations**

5. The registrant's other certifying officer(s) and I have disclosed, based on our most

Inc recent evaluation of internal control over financial reporting, to the registrant's

<b>Operations</b>	<b>Operations</b>
-------------------	-------------------

auditors and the audit committee of the registrant's board of directors (or persons managing the equivalent functions):	\$ 30,251	\$ 27,130	\$ 102,320	\$ 78,261
Vegetation Management				
Vegeta. All significant deficiencies and material weaknesses in the design or Industrial operation of internal control over financial reporting which are reasonably Industrial likely to adversely affect the registrant's ability to record, process, Industrial summarize and report financial information; and b. Any fraud, whether or Equipment not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.	8,710	50,849	27,614	
Consolidated	\$ 49,753	\$ 35,840	\$ 153,169	\$ 105,875
Date: May 2, 2024	/s/ Ian M. Eckert			
Consolidated	Ian M. Eckert			
Consolidated	Vice President, Corporate Controller & Chief Accounting Officer			
(in thousands)	(in thousands)	September 30, 2023 December 31, 2022 (Principal Accounting Officer)	March 31, 2024	December 31, 2023
<b>Goodwill</b>	<b>Goodwill</b>			
Vegetation Management	Vegetation Management	\$ 127,684 \$ 127,562		
Industrial Equipment		68,179 68,296		
Consolidated		\$ 195,863 \$ 195,858		
<b>Total Identifiable Assets</b>				
Vegetation Management		<b>Exhibit 32.1</b>		
Vegetation Management	Vegetation Management	\$ 127,684 \$ 127,562		
Industrial Equipment	Industrial Equipment	68,179 68,296		
Consolidated	Consolidated	\$ 195,863 \$ 195,858		
<b>Total Identifiable Assets</b>				
Vegetation Management		<b>CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002</b>		
Industrial Equipment	Industrial Equipment	\$ 127,684 \$ 127,562		
Consolidated	Consolidated	\$ 1,455,514 \$ 1,308,508		
In connection with the Quarterly Report of Alamo Group Inc. (the "Company") on Form 10-Q for the period ended September 30, 2023 March 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jeffery A. Leonard, President & Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. ss. 1350, as adopted pursuant to ss. 906 of the Sarbanes-Oxley Act of 2002, that:				
<b>Total Identifiable Assets</b>				
1. The Form 10-Q fully complies with the requirements of section 13 (a) or 15 (d) of Vegetation Management the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and Vegetation Management				
2. The information contained in the Form 10-Q fairly presents, in all material respects, Vegetation Management the financial condition and results of operations of the Company.				
Industrial Equipment				
Date: November 2, 2023	/s/ Jeffery A. Leonard			
Consolidated	Jeffery A. Leonard			
Consolidated	President & Chief Executive Officer			
Consolidated				

### 12.13. Accumulated Other Comprehensive Loss

Changes in accumulated other comprehensive loss by component, net of tax, were as follows:

Three Months Ended September 30,														
2023					2022									
<b><u>Exhibit 32.2</u></b>														
<b>CERTIFICATION PURSUANT TO</b>														
<b>18 U.S.C. SECTION 1350,</b>														
<b>AS ADOPTED PURSUANT TO</b>														
<b>SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002,</b>														
<b>2024</b>														
In connection with the Quarterly Report of Alamo Group Inc. (the "Company") on Form 10-Q for the period ended <b>September 30, 2023</b> <b>March 31, 2024</b> , as filed with the Securities and Exchange Commission on the date <b>September 28, 2023</b> , I, <b>Richard J. Walker</b> , Vice President & Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. 1350, as adopted pursuant to ss. 906 of the Sarbanes-Oxley Act of 2002, that:														
Translation Plans Flow														
(in thousands)	(in thousands)	Adjustment	Items	Hedges	Total	Adjustment	Items	Hedges	Total					
						(in thousands)								
						Adjustment	Items	Hedges	Total					

1. The Form 10-Q fully complies with the requirements of section 13 (a) or 15 (d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and  
 2. The information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Other	comprehensive income (loss)	comprehensive income (loss)	Other
Date: November 2, 2023	Income (loss)	/s/ Richard J. Wehrle	Richard J. Wehrle
before reclassifications	before reclassifications	(12,718)	Executive Vice President, Corporate Controller & Chief Financial Officer (Principal Financial Officer)
Amounts reclassified from accumulated other comprehensive (income) loss	Amounts reclassified from accumulated other comprehensive (income) loss	— 282 61 343	(373) (25,294)
Other comprehensive income (loss)	Other comprehensive income (loss)	— 206 395 601	
Other comprehensive income (loss)	Other comprehensive income (loss)	(12,718) 282 (36) (12,472)	(24,921) 206 22 (24,693)

**Exhibit 32.3**

Balance as of end of period **CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,** 21 \$ (68,427) \$ (85,473) \$ (4,400) \$ 1,343 \$ (88,530)

AS ADOPTED PURSUANT TO

**SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Alamo Group Inc. (the "Company") on Form 10-Q for the period ended March 31, 2024 as filed with the Securities and Exchange

Commission on the date hereof (the "Report"), I, Ian M. Eckert, Vice President, Corporate Controller & Chief Accounting Officer of the Company, certify, pursuant to 18 U.S.C. ss. 1350, as adopted pursuant to ss. 906 of the Sarbanes-Oxley Act of 2002, that:

	Adjustment	Plans Items	Hedges	Total		Foreign Currency	Gains (Losses)
					2022	Translation Adjustment	Defined Benefit on Cash Flow
Balance as of beginning of period	\$ (65,429)	\$ (2,310)	\$ 471	\$ (68,268)	\$ (42,397)	\$ (5,017)	\$ (1,576)
1. The Form 10-Q fully complies with the requirements of section 13 (a) or 15 (d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and				(1,593)	(43,076)	—	3,503
2. The information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.							(39,573)
Date: May 2, 2024	e (income) loss	/s/ Ian M. Eckert—	847	587 1,434	— 617 (584) 33		
Other comprehensive income (loss)	Ian M. Eckert (556)		847 (450)	(159)	(43,076) 617 2,919		(39,540)
Balance as of end of period	Vice President, Corporate Controller & Chief Accounting Officer		21 \$ (68,427)	\$ (85,473) \$ (4,400) \$ 1,343 \$ (88,530)	\$ (85,473) \$ (4,400) \$ 1,343 \$ (88,530)		

**13. Subsequent Events**

On October 10, 2023, the Company announced that it acquired 100% of the outstanding equity capital of Royal Truck & Equipment, Inc. ("Royal Truck"). Royal Truck is a leading manufacturer of truck mounted highway attenuator trucks and other specialty trucks and equipment for the highway infrastructure and traffic control market. Royal Truck represents the Company's entry into the highway safety equipment market, a new platform for future opportunities. The purchase price was approximately \$28 million subject to post closing adjustments. The Company will include the operating results of Royal Truck in its consolidated financial statements as of December 31, 2023, these results are expected to be immaterial.

**Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations**

The following tables set forth, for the periods indicated, certain financial data:

As a Percent of Net Sales	As a Percent of Net Sales	Three Months Ended September 30,		Nine Months Ended September 30,	
		2023	2022	2023	2022
<b>As a Percent of Net Sales</b>					
2024					
2024					
Vegetation Management	Vegetation Management	58.8 %	62.0 %	60.1 %	62.5 %
Vegetation Management					
Vegetation Management					
Industrial Equipment					

Industrial Equipment									
Industrial Equipment	Industrial Equipment	41.2	%	38.0	%	39.9	%	37.5	%
<b>DISCLAIMER</b>									
Total sales, net									
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