



Nasdaq: ALNT

March 6, 2026

# Fourth Quarter & Full Year 2025 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.*

*FOURTH QUARTER 2025:*

**STRONG GROWTH, EXPANDED MARGINS AND IMPROVED FINANCIAL FLEXIBILITY**

Revenue <b>\$143.4M</b> <i>+17% YoY</i>	Net Income <b>\$6.4M</b> <i>+112% YoY</i>
Gross Margin <b>32.4%</b> <i>+90bps YoY</i>	Q4 Cash from Operations <b>\$13.6M</b> <i>+9% YoY</i>
Operating Margin <b>7.9%</b> <i>+260bps YoY</i>	Q4 Debt Reduction <b>\$9.9M</b> <i>Sequential change</i>

**Improving industrial demand with 15% organic growth and positive book-to-bill of 1.01**

**Operational discipline driving sustainable margin expansion**

**Strong operating leverage translating into outsized earnings growth – Diluted EPS of \$0.38, more than double the prior year**

**Sequential order growth of 9% supports positive exit momentum into 2026**

*FULL YEAR 2025:*

## MARGIN EXPANSION, CASH GENERATION AND MEANINGFUL DELEVERAGING

Revenue <b>\$554.5M</b> <i>+5% YoY</i>	Net Income <b>\$22.0M</b> <i>+67% YoY</i>
Gross Margin <b>32.8%</b> <i>+150bps YoY</i>	FY Cash from Operations <b>\$56.7M</b> <i>+35% YoY</i>
Operating Margin <b>7.9%</b> <i>+220bps YoY</i>	Debt, net of cash <b>\$139.7M</b> <i>Down \$48.4M</i>

Record gross margin of 32.8% reflecting mix and structural cost improvements

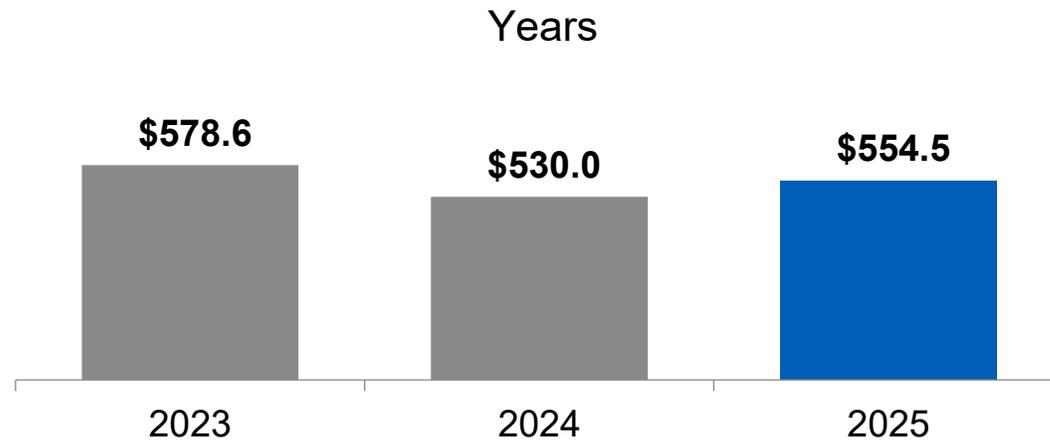
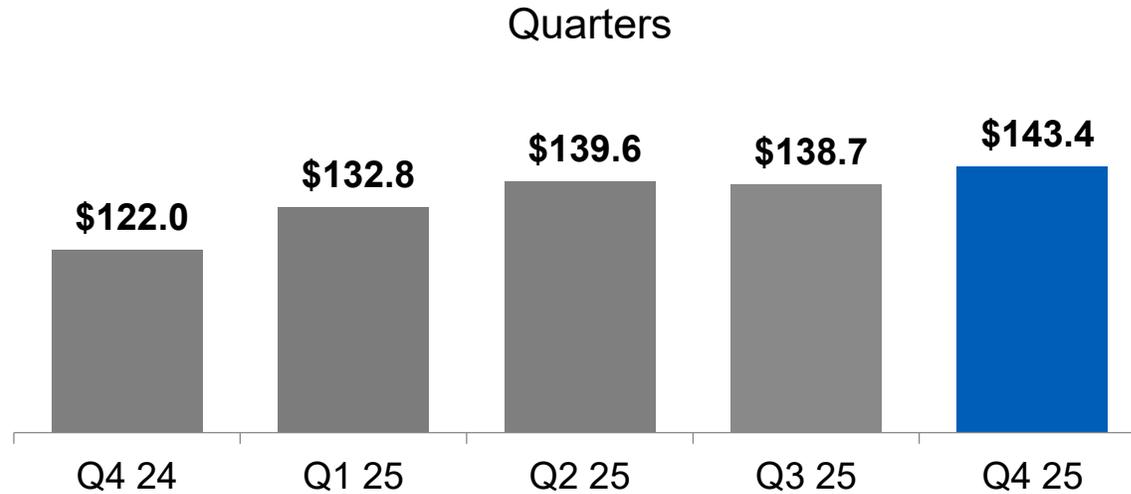
Simplify to Accelerate NOW delivered \$6M+ in annualized savings in 2025

Record cash generation enabled significant debt reduction and leverage improvement to 1.82x

Strategic initiatives and secular drivers reinforce long-term confidence

# REVENUE GROWTH ACROSS KEY MARKET VERTICALS

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



## Q4 25 market performance (YoY)

- + 24% **Industrial** (Power quality to data centers & industrial automation)
- + 35% **Vehicle** (commercial vehicle & construction strength)
- + 9% **Medical** (surgical instrument demand)
- 5% **A&D** (program timing, underlying pipeline intact)

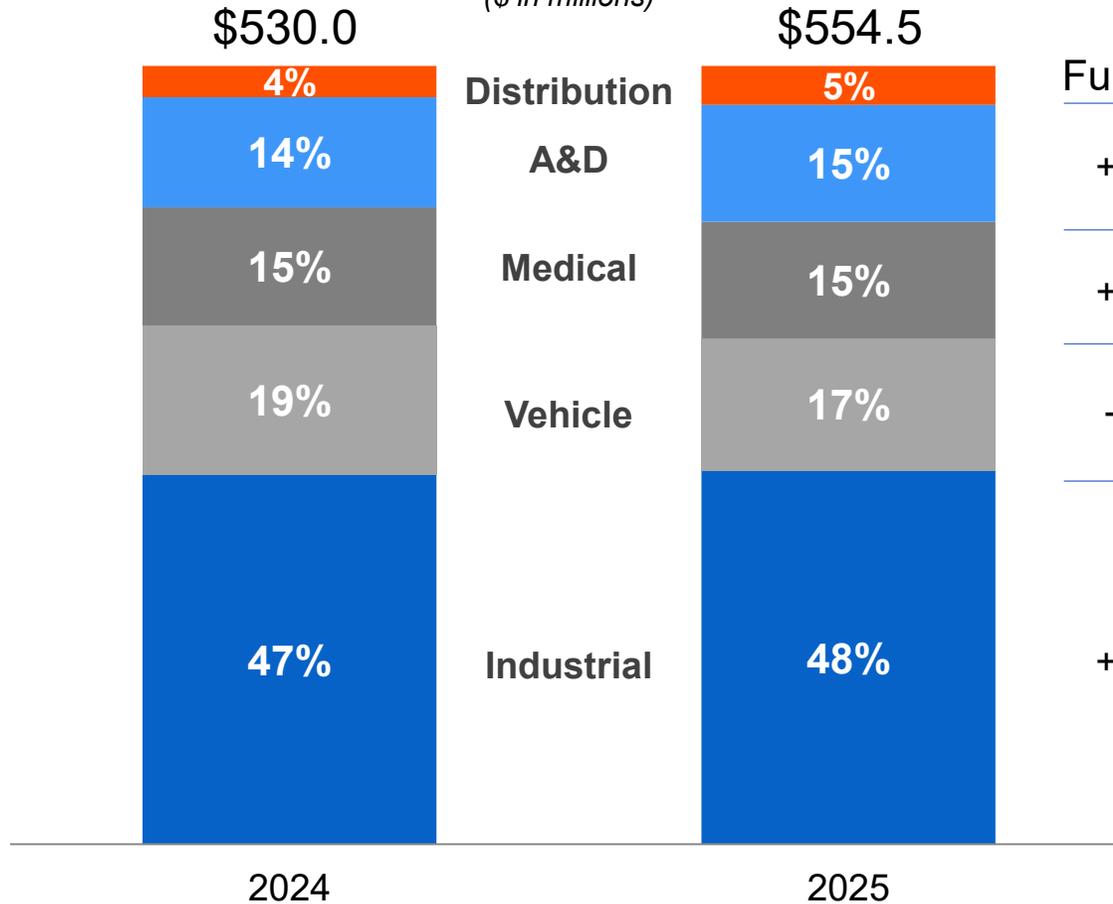
**15% organic growth in Q4 (constant currency); FX tailwind of \$3.7M**

**56% of Q4 25 sales to U.S. customers**

# DIVERSIFIED END MARKETS SUPPORTING DURABLE REVENUE GROWTH

## Revenue by Market

(\$ in millions)



2024

2025

NOTE: Components may not add to totals due to rounding

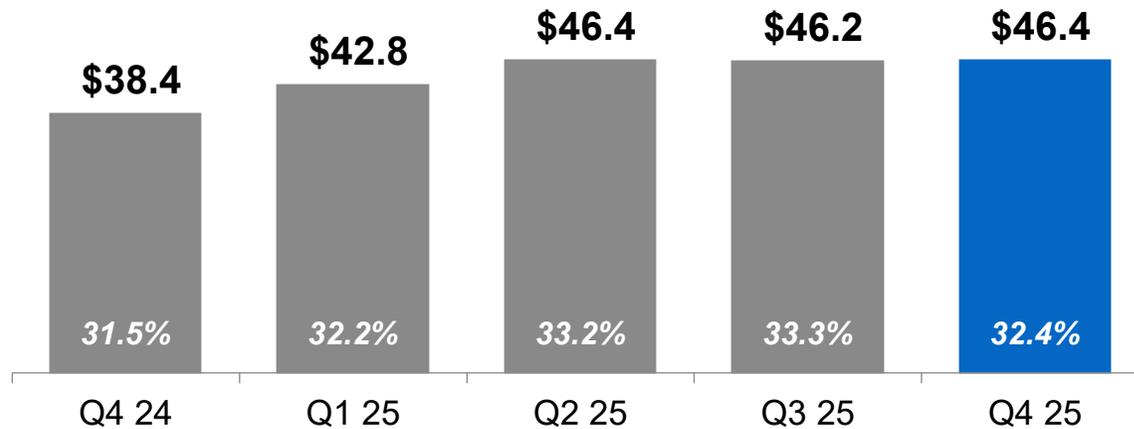
## Full Year Change and Market Drivers

- + 8% Reflects defense and space program timing as well as strong execution in expanding our defense business
- + 5% Higher surgical instrument demand
- 6% Lower powersports and truck demand, partially offset by commercial automotive and construction strength
- + 8% Strong demand for power quality solutions supporting data center infrastructure, along with growth in pumps, vehicle and material handling markets

# RECORD FULL YEAR GROSS MARGIN

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

### Gross Profit and Margin - Quarters



### Years



**Q4 25 margin expanded 90 bps YoY**

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

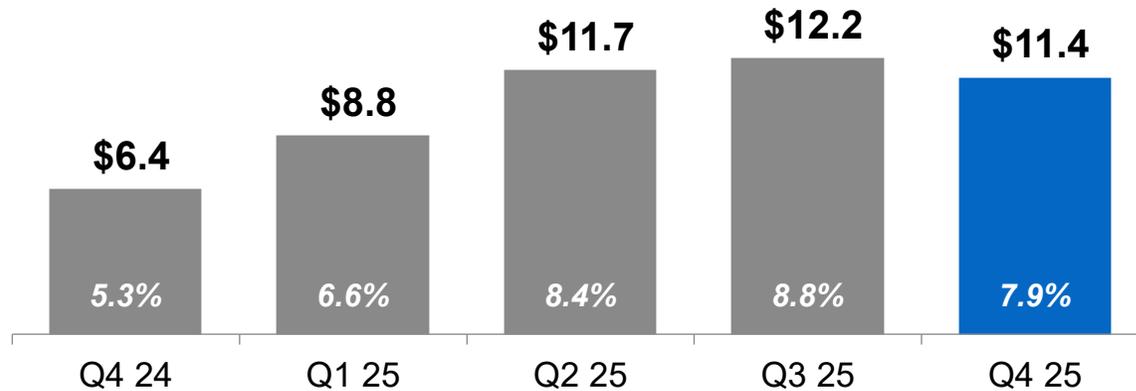
**Sequentially margin moderation reflected higher vehicle mix, which carries lower relative margins**

**Full-year 2025 gross margin expanded 150 bps to a record 32.8%**

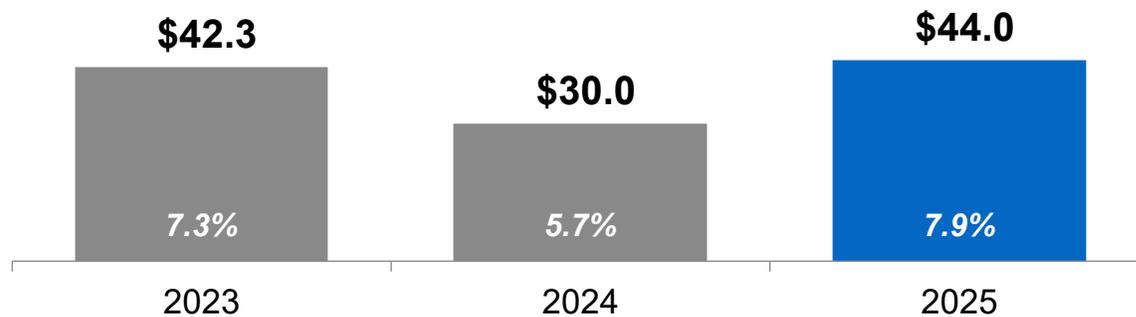
# STRUCTURAL COST IMPROVEMENTS DRIVING OPERATING LEVERAGE

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

### Operating Income and Margin - Quarters



### Years



Cost actions are driving sustainable operating leverage and margin durability – Q4 margin expanded 260 bps YoY

Q4 25 SG&A was 15.2% of sales, an improvement of 60 bps YoY

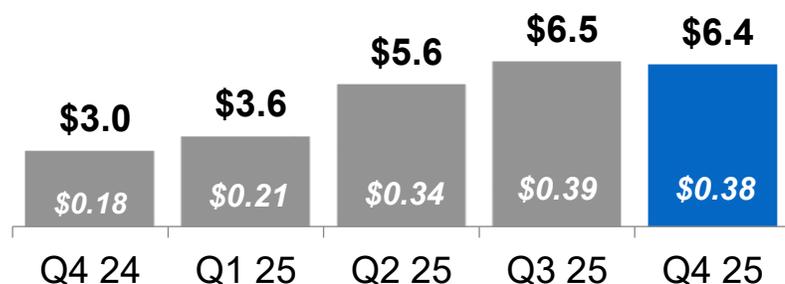
Sequential moderation reflected product mix and higher incentive compensation

\$4.0M restructuring and realignment costs in 2025

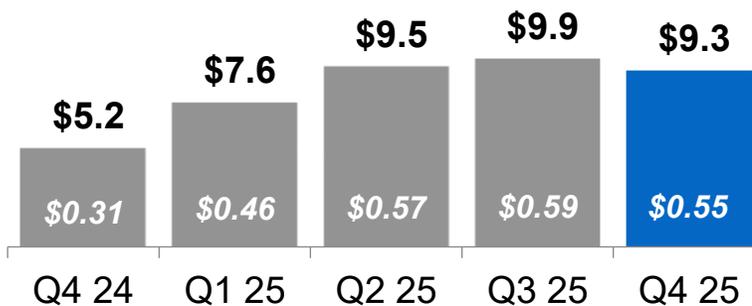
# EARNINGS MOMENTUM

(\$ in millions, except per share data)

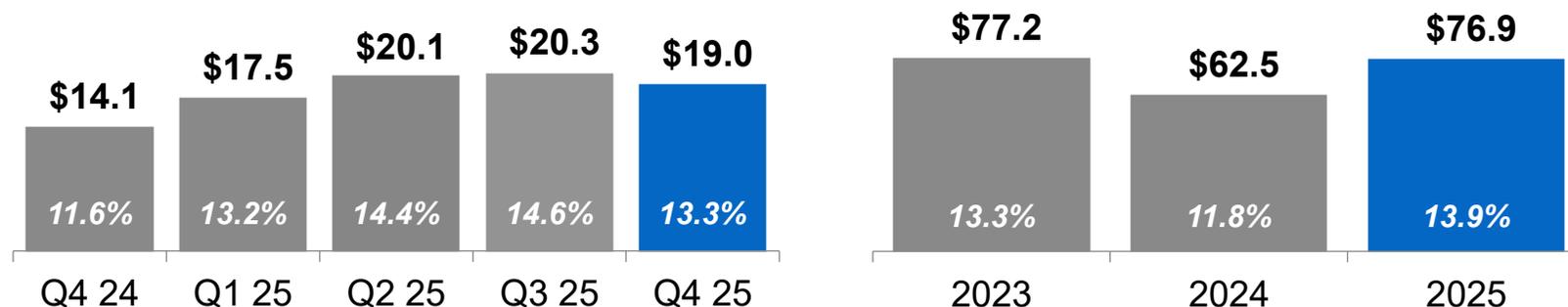
### GAAP Net Income & EPS



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



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



## Q4 YoY growth:

Net income	+112%
Adj. Net income <sup>(1)</sup>	+78%
Adj. EBITDA <sup>(1)</sup>	+35%
Adj. EBITDA margin <sup>(1)</sup>	+170 bps

**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

# EXECUTING AND DELIVERING ON 2025 FINANCIAL COMMITMENTS

(\$ in millions)

	Three Months Ended		Twelve Months Ended	
	12/31/25	12/31/24	12/31/25	12/31/24
Net cash provided by operating activities	\$ 13.6	\$ 12.4	\$ 56.7	\$ 41.9
Capital expenditures (CapEx)	(1.9)	(2.8)	(7.0)	(9.7)
<b>Operating free cash flow (FCF)<sup>(1)</sup></b>	<b>\$ 11.7</b>	<b>\$ 9.6</b>	<b>\$ 49.7</b>	<b>\$ 32.2</b>

FY26 CapEx Expectation: \$10 million – \$12 million

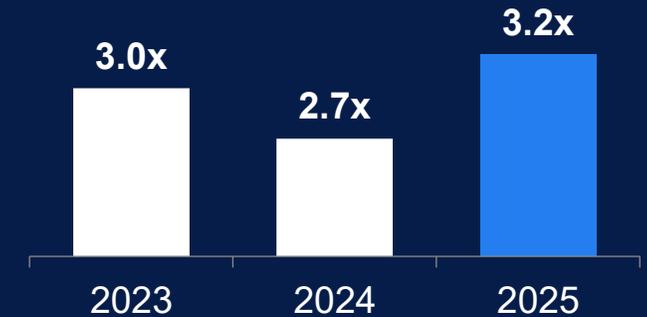
<sup>(1)</sup> Free cash flow is a non-GAAP metric defined as cash flow from operations, less capital expenditures

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

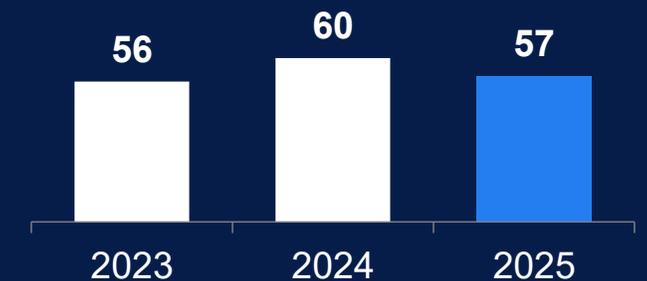
## Financial priorities:

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

### Inventory Turnover



### Days Sales Outstanding



# STRENGTHENED BALANCE SHEET THROUGH SIGNIFICANT DELEVERAGING

(\$ in millions)

CAPITALIZATION		
	Dec 31, 2025	Dec 31, 2024
Cash and cash equivalents	\$ 40.7	\$ 36.1
Total debt	180.4	224.2
<b>Total net debt</b>	<b>139.7</b>	<b>188.1</b>
Shareholders' equity	301.7	264.9
<b>Total capitalization</b>	<b>\$ 482.0</b>	<b>\$ 489.0</b>
Debt/total capitalization	37.4%	45.8%
Net debt/net total capitalization	31.7%	41.5%
Leverage Ratio <sup>1</sup>	1.82x	3.01x

**Deleveraging reflects disciplined cash deployment and working capital execution**

**Debt down \$9.9M in Q4 and \$43.8M YTD**

**Net debt reduced \$48.4M YTD**

**Bank leverage ratio<sup>2</sup> of 2.34x at year end**

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

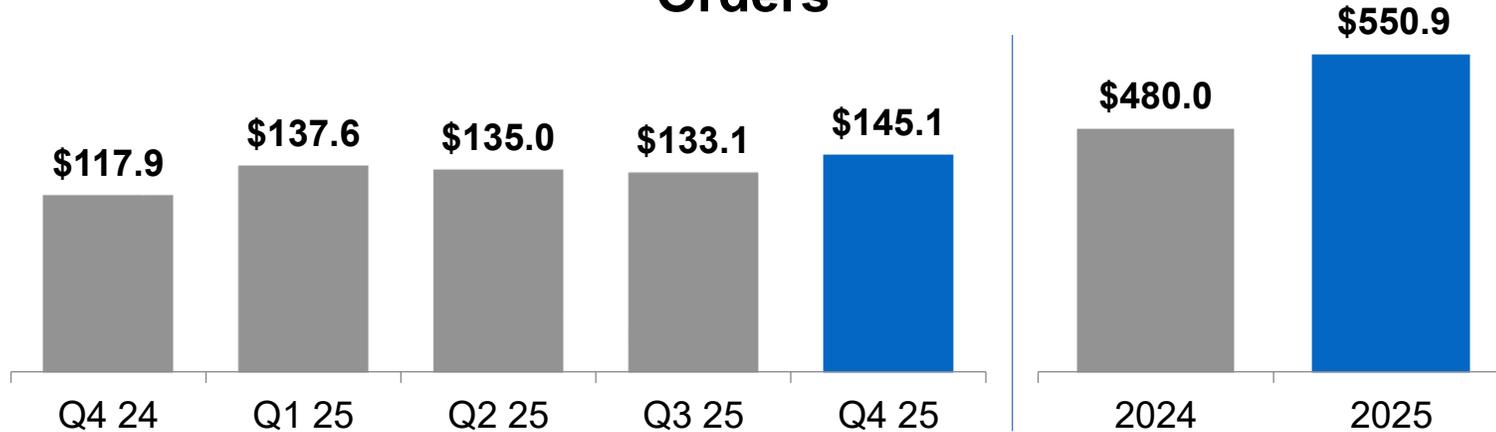
<sup>2</sup> Bank leverage ratio calculated in accordance with the Company's credit agreement, which amongst other items excludes foreign cash.

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

# SOLID BACKLOG AND DEMAND TRENDS

(\$ in millions)

## Orders



## Backlog



**Q4 25 order momentum**

**Book:Bill 1.01x**

**+9% sequentially | Driven by Industrial, A&D, and Vehicle**

**+23% YoY | Broad-based demand**

**2025 orders up 15%**

**Majority of backlog to ship in three to nine months**

# MOMENTUM, DISCIPLINE AND FLEXIBILITY HEADING INTO 2026<sup>1</sup>



## Execution and Operating Leverage

- Strength in industrial automation and power quality solutions supporting data center infrastructure
- Simplify to Accelerate NOW delivering structural cost and margin improvements
- Disciplined execution supporting durable margin expansion

## Strengthened Financial Flexibility

- Record cash generation and \$48M reduction in net debt
- Leverage improved to 1.8x, enhancing balance sheet flexibility
- Capacity to support organic growth and disciplined capital allocation

## Confident and Disciplined Outlook

- Positioned to navigate macro variability with a diversified end-market portfolio
- Aligned with long-term secular drivers: electrification, automation, energy efficiency and precision control
- Focused on delivering sustainable, high-quality earnings growth

<sup>(1)</sup> Outlook provided on March 6, 2026

# CONFERENCE CALL AND WEBCAST PLAYBACK

Replay Number: **412-317-6671** *passcode: 10205461*

Telephone replay available through Friday, March 20, 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				
	Dec 31, 2024	Mar 31, 2025	June 30, 2025	Sept 30, 2025	Dec 31, 2025
Net income	\$ 3,013	\$ 3,557	\$ 5,617	\$ 6,477	\$ 6,383
Non-GAAP adjustments, net of tax <sup>(1)</sup>					
Amortization of intangible assets - net	2,387	2,369	2,394	2,399	2,391
Foreign currency loss / (gain) – net	(355)	519	637	356	80
Acquisition and integration-related costs – net	145	-	18	13	5
Restructuring and business realignment costs - net	18	1,148	859	640	412
<b>Adjusted Net Income</b>	<b>\$ 5,207</b>	<b>\$ 7,593</b>	<b>\$ 9,525</b>	<b>\$ 9,885</b>	<b>\$ 9,271</b>
Average Diluted Shares Outstanding	16,608	16,638	16,713	16,780	16,803
Diluted earnings per share	\$ 0.18	\$ 0.21	\$ 0.34	\$ 0.39	\$ 0.38
Adjusted diluted earnings per share	\$ 0.31	\$ 0.46	\$ 0.57	\$ 0.59	\$ 0.55

(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, 2023	Dec 31, 2024	Dec 31, 2025
Net income	\$ 24,097	\$ 13,166	\$ 22,034
Non-GAAP adjustments, net of tax <sup>(1)</sup>			
Amortization of intangible assets - net	9,752	9,726	9,553
Foreign currency loss / (gain) – net	223	(64)	1,592
Acquisition and integration-related costs – net	2,344	341	36
Restructuring and business realignment costs - net	1,042	1,510	3,059
<b>Non-GAAP Adjusted Net Income</b>	<b>\$ 37,458</b>	<b>\$ 24,679</b>	<b>\$ 36,274</b>
Average Diluted Shares Outstanding	16,272	16,603	16,732
Diluted earnings per share	\$1.48	\$0.79	\$1.32
Adjusted diluted earnings per share	\$2.30	\$1.49	\$2.17

(1) Applies a blended federal, state, and foreign tax rate of approximately 21% for 2023 and 23% for 2024 and 2025 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.

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# ADJUSTED EBITDA RECONCILIATION

(\$ in thousands)

	For the three months ended				
	Dec 31, 2024	Mar 31, 2025	June 30, 2025	Sept 30, 2025	Dec 31, 2025
Net income	\$ 3,013	\$ 3,557	\$ 5,617	\$ 6,477	\$ 6,383
Interest expense	3,089	3,635	3,552	3,401	2,587
Provision for income taxes	862	903	1,685	1,845	2,267
Depreciation and amortization	6,643	6,281	6,401	6,423	6,302
<b>EBITDA</b>	<b>13,607</b>	<b>14,376</b>	<b>17,255</b>	<b>18,146</b>	<b>17,539</b>
Stock compensation expense	765	920	835	835	840
Acquisition and integration-related costs	189	-	23	17	7
Restructuring and business realignment costs	23	1,499	1,122	836	536
Foreign currency loss (gain)	(464)	677	832	465	105
<b>Adjusted EBITDA</b>	<b>\$ 14,120</b>	<b>\$ 17,472</b>	<b>\$ 20,067</b>	<b>\$ 20,299</b>	<b>\$ 19,027</b>
<b>Revenue</b>	<b>\$ 122,010</b>	<b>\$ 132,803</b>	<b>\$ 139,578</b>	<b>\$ 138,743</b>	<b>\$ 143,354</b>
<b>Adjusted EBITDA Margin</b>	<b>11.6%</b>	<b>13.2%</b>	<b>14.4%</b>	<b>14.6%</b>	<b>13.3%</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, 2023	Dec 31, 2024	Dec 31, 2025
Net income	\$ 24,097	\$ 13,166	\$ 22,034
Interest expense	12,383	13,296	13,175
Provision for income taxes	5,603	3,692	6,700
Depreciation and amortization	25,068	25,891	25,407
<b>EBITDA</b>	<b>\$ 67,151</b>	<b>\$ 56,045</b>	<b>\$ 67,316</b>
Stock-based compensation expense	5,477	4,147	3,430
Acquisition and integration-related costs	2,959	445	47
Restructuring and business realignment costs	1,316	1,971	3,993
Foreign currency loss (gain)	281	(83)	2,079
<b>Adjusted EBITDA</b>	<b>\$ 77,184</b>	<b>\$ 62,525</b>	<b>\$ 76,865</b>
<b>Revenue</b>	<b>\$ 578,634</b>	<b>\$ 529,968</b>	<b>\$ 554,478</b>
<b>Adjusted EBITDA Margin</b>	<b>13.3%</b>	<b>11.8%</b>	<b>13.9%</b>

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# REVENUE EXCLUDING FOREIGN CURRENCY EXCHANGE AND CALCULATION OF ORGANIC REVENUE

(\$ in thousands)

	Three Months Ended December 31, 2025	Twelve Months Ended December 31, 2025
Revenue as reported	\$ 143,354	\$ 554,478
Less: Foreign currency impact	(3,659)	(6,481)
Revenue excluding foreign currency exchange impacts	<u>\$ 139,695</u>	<u>\$ 547,997</u>

	Three months ended December 31, 2025	Twelve months ended December 31, 2025
Revenue change over prior year	17.5 %	4.6 %
Less: Impact of acquisitions and foreign currency	(3.0)	(1.4)
Organic revenue	<u>14.5 %</u>	<u>3.2 %</u>

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)

	December 31, 2025		December 31, 2024	
Total debt	\$	180,389	\$	224,177
Less: cash and cash equivalents	\$	40,705	\$	36,102
Total net debt (Non-GAAP)	\$	139,684	\$	188,075
Adjusted EBITDA (Non-GAAP)	\$	76,865	\$	62,525
Leverage Ratio (Non-GAAP)		1.82		3.01

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.



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March 6, 2026

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**Dick Warzala**  
Chairman, President & CEO

**Jim Michaud**  
Chief Financial Officer