Q2 2024 Earnings Presentation

July 25, 2024

Today's Agenda

- Q2 2024 Results
- Current Market Dynamics and Long-term Megatrends
- Strategic Priorities
- Updated 2024 Outlook and Guidance
- Q&A

Disclosure Regarding Forward-Looking Statements

These slides contain (and the accompanying oral discussion will contain) "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements involve known and unknown risks, uncertainties and other factors that could cause the actual results of the Company to differ materially from the results expressed or implied by such statements, including general economic and business conditions, conditions affecting the industries served by the Company and its subsidiaries, the overall market acceptance of such products and services, the integration of acquisitions and other factors disclosed in the Company's periodic reports filed with the Securities and Exchange Commission, as well as future economic and market circumstances, industry conditions, company performance and financial results, operating efficiencies, availability and price of raw materials, availability and market acceptance of new products, product pricing, domestic and international competitive environments, geopolitical risks and actions and policy changes of domestic and foreign governments. Consequently, such forward-looking statements should be regarded as the Company's current plans, estimates, and beliefs. The Company does not undertake and specifically declines any obligation to publicly release the results of any revisions to these forward-looking statements that may be made to reflect any future events or circumstances after the date of such statements or to reflect the occurrence of anticipated or unanticipated events.

CEO Opening Comments

Avner Applbaum, President & CEO

Q2 2024 Financials and Key Messages

$1.04B	**(0.6%)**	**14.2%**	**$4.91**	**$131M**	**$27M**
Net Sales	Y/Y Net Sales	Operating Margin	Diluted EPS	Operating Cash Flow	Cash Returned to Shareholders

The global Valmont team achieved strong results, **expanding operating margins 140 bps and increasing diluted EPS to $4.91,** on comparable sales

Commercial and operational execution, pricing strategies and an improved cost structure contributed to the improved profitability, guided by the Valmont Business Model

Infrastructure sales were $763 million, down 1% year-over-year, as **strong utility market demand and favorable pricing across the portfolio** were more than offset by product mix shift, lower telecom and solar volumes, and the effect of lower steel index on price

Agriculture sales were $282 million, up slightly year-over-year, with **North America volumes higher on replacement sales due to severe storm events**; international markets mixed with continued softness in Brazil and good momentum in Middle East project business

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Infrastructure Market Drivers

Steady-to-improving near-term demand across our markets, with positive long-term drivers

Near Term Demand

- Elevated utility capex spending due to the energy transition, replacement of aging infrastructure, and power load growth
- Strong Department of Transportation demand supported by road construction investment with future benefits expected from IIJA[1]; commercial lighting markets remain muted
- Telecom remains soft as wireless carriers are likely to maintain a more normalized level of capex spending following record investment years
- Solar market remains attractive with strong demand tailwinds
- Coatings continues to align with GDP trends while supporting internal production

Global Megatrends

Multi-Year Energy Transition

Enabling the optimization to support the growing need for diverse energy consumption including renewables to address connectivity demands for a growing population and urbanization.

Aging Infrastructure & Resilience

Grid hardening and building climate resilience with intensifying weather, supported through reliable infrastructure.

Technology & Data Consumption

Exponential growth in the volume, velocity, and variety of data being generated, transmitted, and consumed across various digital platforms and devices.

[1] Infrastructure Investment and Jobs Act

Agriculture Market Drivers

Outlook for sustained long-term growth remains strong, despite short-term demand headwinds

Near Term Demand

- North America order rates were higher due to storm events; grower sentiment remains muted due to expected NFI[1] decline this year and the downward trend in grain prices
- Brazil expected farm income remains pressured by lower grain prices; FINAME was renewed; the country remains a key part of our long-term strategy
- International project pipeline is strong; current Egypt project and additional $50 million in Middle East projects remain on track

Global Megatrends

Food Security

Giving the means for the world to produce their own food and enabling less reliability on others.

Sustainability & Productivity

Water conservation and being good stewards of the land that is available will continue to be important and addressing labor shortages. It is about doing more with less and using technology to our advantage in meeting those demands.

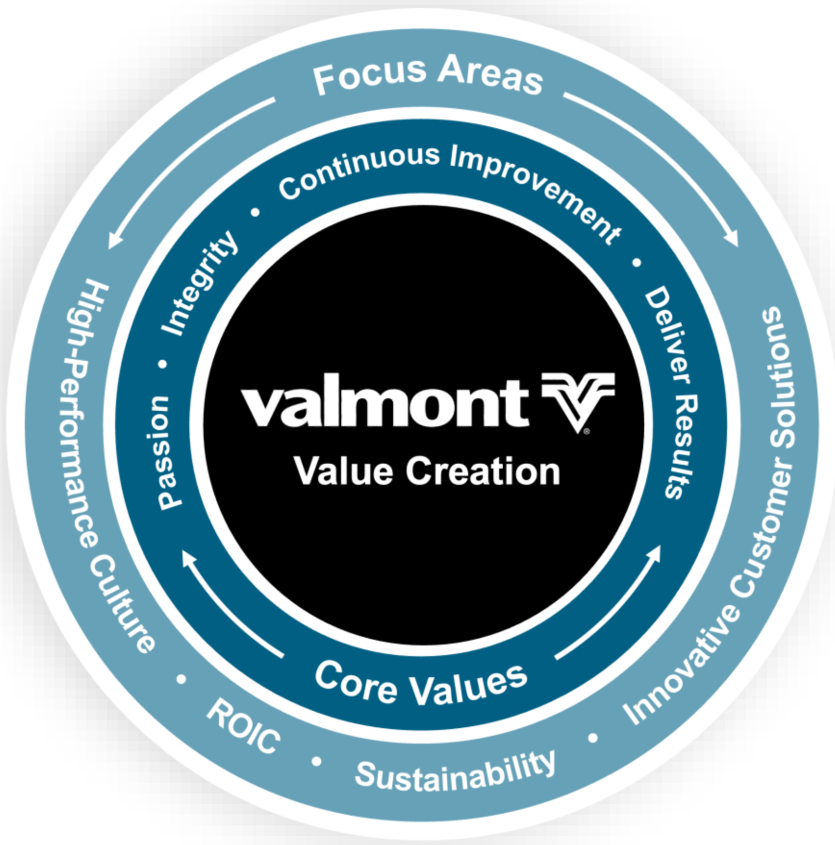
Population Growth

Pressure to produce more food leads to an intensified focus on improving yields (crops and livestock) to meet the dietary needs of a growing population.

[1] Net Farm Income

Maximizing Value Creation

- Leveraging focus areas and core values of Valmont Business Model to produce desired outcomes
- We've refined our strategy and are **concentrating growth on high-return areas** that align our core competencies with customer needs
- Initial focus on realigning the organization to streamline decision-making and create agility to respond to evolving market demands, while reducing cost structure
- Now refocusing commercial (commercial execution) and operating teams (operational excellence) on opportunities that deliver the greatest value and drive the highest return
  - Utility produced a greater mix of distribution and substation structures – enhancing margins while accommodating customers
  - Solar is exiting certain low-margin projects as we focus on enhancing profitability and ROIC



Taking Action to Enhance our Competitive Position and Drive Profitable Growth

Conserving Resources. Improving Life.®

ESG is a core focus area: It creates efficiencies and cost savings, improves safety, manages risks, and fosters innovation, enhancing our resilience and competitive edge

Recommitted to our **2025 environmental goals[1]:**

10%
Reduction in Scope I/II Carbon Intensity

12%
Additional Reduction in Normalized Global Electrical Usage

19%
Reduction in Scope I Mobile Source Combustion Fuel Carbon Emissions

100%
of global manufacturing facilities to adopt low-flow water fixtures for nonproduction areas

2024 Sustainability Report Highlights:

- Notable improvements in 2023 safety metrics, including a 13.5% TRIR reduction
- A record global response rate of 87% on our most recent employee engagement survey
- Indapur Taluka Galvanizing facility in India was awarded The Valmont Sustainability Award
- Earned multiple honors and awards for ESG initiatives

Released 9th Sustainability Report, Demonstrating Dedication to Sustainable Practices and Solutions

[1] Based on 2018 Baseline Data

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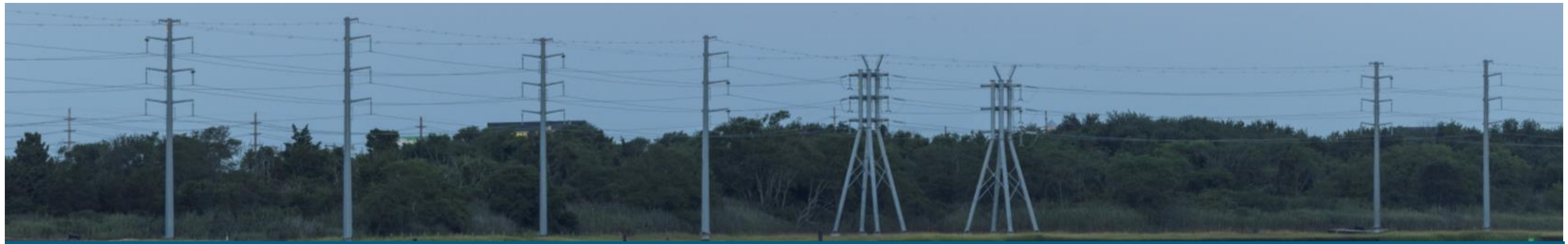
Financial Results and Outlook

Tim Francis, Interim CFO

Q2 2024 Financial Summary

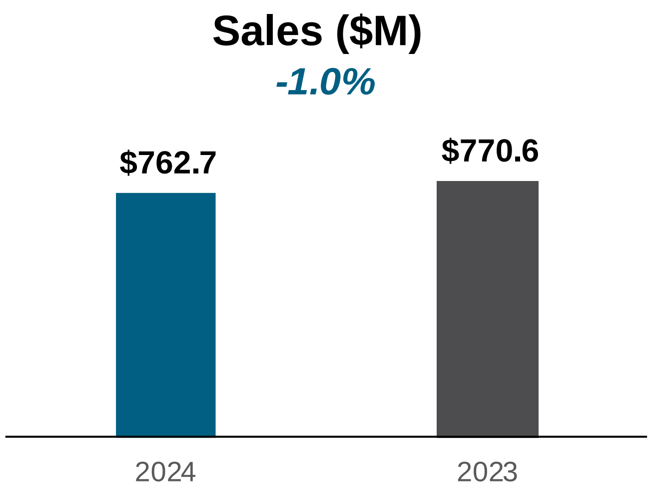


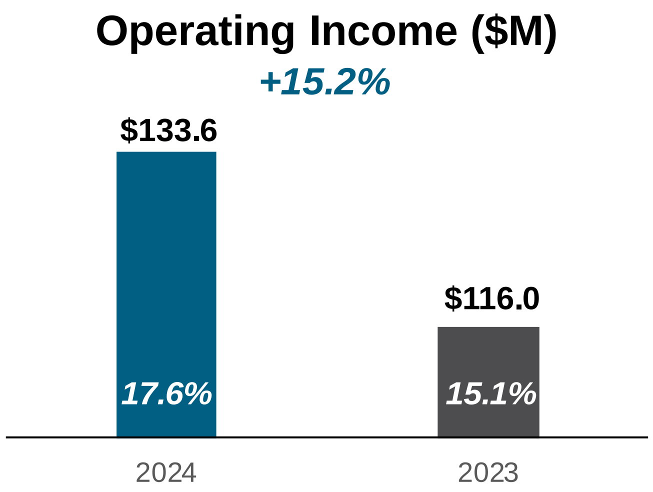
$M, except EPS	2024	2023	%
Net Sales	**1,039.7**	1,046.3	-0.6%
Operating Income	**147.3**	133.7	+10.2%
Operating Margin	**14.2%**	12.8%	+140 bps
Net Earnings[1]	**99.7**	89.4	+11.6%
Diluted EPS	**4.91**	4.21	+16.6%

- Sales were similar to prior year
- Operating margin expanded 140 bps on commercial and operational execution, pricing strategies and an improved cost structure
- Diluted EPS improved on higher operating income, lower share count and a tax benefit of ~$0.15 per share

[1] Net Earnings Attributable to Valmont Industries, Inc.

Q2 2024 Results | Infrastructure

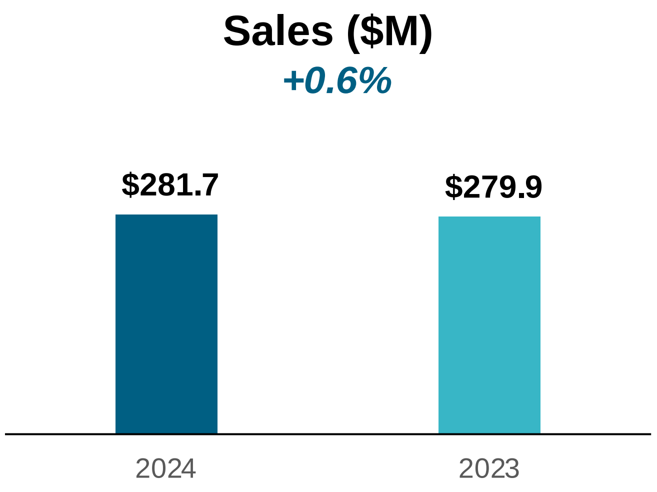


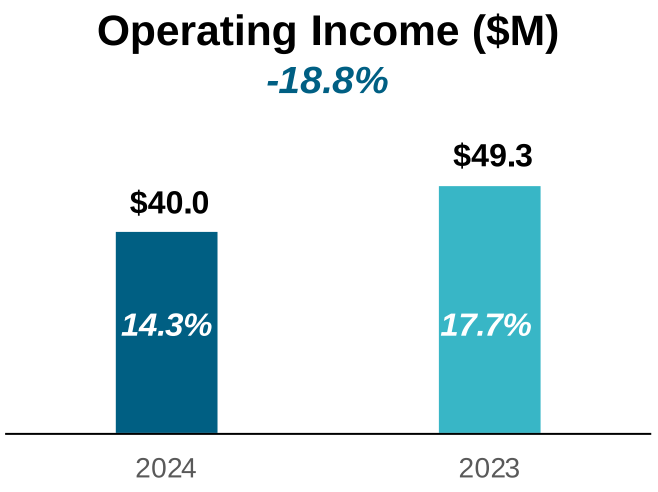


Sales ($M)	2024	2023	%
Transmission, Distribution, and Substation (Utility)	$323.0	$314.4	+3%
Lighting and Transportation	$243.6	$246.1	-1%
Coatings	$91.6	$91.1	0%
Telecommunications	$58.4	$67.7	-14%
Solar	$46.1	$51.3	-10%

- Utility volumes were slightly higher; a greater mix of distribution and substation structures, and the unfavorable contractual price impact of steel index deflation, limited sales growth this quarter
- Telecom sales were lower due to a softer market environment compared to last year and Solar volumes were lower due to project timing
- Pricing was favorable for the segment as steel price deflation was offset by favorable product mix
- Operating margin improved due to commercial execution, pricing strategies, lower COGS due to declining steel costs and reduced SG&A expenses

Q2 2024 Results | Agriculture





Sales ($M)	2024	2023	%
North America	$161.3	$140.9	+14%
International	$120.4	$139.0	-13%
Irrigation Equipment and Parts	$254.3	$252.5	+1%
Technology Products and Services	$27.4	$27.4	0%

- North America volumes were significantly higher driven by replacement sales due to severe weather; average irrigation selling prices were lower compared to last year due to targeted regional pricing actions
- International sales decreased due to significantly lower sales in Brazil due to normalized backlog levels and lower grain prices impacting growers' buying behavior; these lower sales were partially offset by higher Middle East projects and the contribution from the HR Products acquisition
- Operating income decreased as the benefit of reduced SG&A expenses was more than offset by the impact of lower volumes and pricing in Brazil

Building Solid Financial Foundation

Free Cash Flows ($M)	YTD 6/29/2024
Net Cash Flows from Operating Activities	$ 154
Net Cash Flows from Investing Activities	(37)
Net Cash Flows from Financing Activities	(151)
Net Cash Flows from Operating Activities	$ 154
Purchase of Property, Plant, & Equipment	(33)
Free Cash Flows	**$ 121**

Liquidity ($M)		6/29/2024
Cash	$	163
Total Long-Term Debt		1,018
Shareholders' Equity		1,471
Total Debt to Adj. EBITDA[1]		1.66x
Available Credit under Revolving Credit Facility[2]	$	512
Cash		163
Total Available Liquidity	**$**	**675**

- Q2 2024 Operating Cash Flows were nearly 50% higher than Q2 2023
- Expect to generate strong cash flow in 2024 through earnings growth and diligent working capital management
- During the quarter we reduced borrowings on our revolving line of credit by $90M, and Total Debt to Adjusted EBITDA[1] remains within our desired range of 1.5 to 2.5 times
- Long-term debt mostly fixed-rate, with long-dated maturities in 2044 and 2054
- Strong and flexible balance sheet to support balanced capital allocation strategy

[1] Please see Adjusted EBITDA and Leverage Ratio at end of document.
[2] $800M Total Revolver less borrowings and Standby LCs of $288M.

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Balanced Approach to Capital Allocation

2024 Year-to-Date Capital Deployment: **$72M**

Growing Our Business

$33M
Capital Expenditures

- We continue to invest in strategic capacity expansions to increase output and enhance manufacturing flexibility
- Prioritize projects that deliver high ROIC

N/A
Acquisitions

- Targeting adjacent opportunities in end markets with favorable and global long-term demand trends
- Returns exceeding cost of capital within 3 years

Returning Cash to Shareholders

$15M
Share Repurchases

- ~$121M remains on the current share repurchase authorization
- Opportunistic approach, supported by free cash flow

$24M
Dividends

- Q2 Dividends Paid $12.1M
- Payout ratio target: 15% of earnings; current payout ~13%

Over the past year, we have returned ~$275M to shareholders through dividends and repurchases.

Updating 2024 Outlook and Key Assumptions

(3.5%) – (1.5%)
Change In Net Sales Y/Y

Previous outlook: (2.0%) – 0.5%

$16.50 – $17.30
GAAP Diluted EPS

Previous outlook: $15.40 – $16.40

Segment Assumptions

- Infrastructure sales are now expected to be Flat to up 1.5% vs. PY; due to lower expected solar sales and steel deflationary impact on Utility sales
- No change from prior Agriculture sales outlook; expected to be down 10.0% to 15.0% vs. PY

Key Assumptions

- Steel cost assumptions aligned with HRC futures market
- Effective tax rate of ~26.0%
- Minimal expected foreign currency translation impact on net sales
- For cash flow purposes, capital expenditures now expected to be in the range of $95.0 to $110.0 million

Other Modeling Considerations

- Expect Infrastructure full-year gross profit margin improvement compared to 2023, although may not reach 1H 2024 results
- Expect 2H 2024 Agriculture operating margins to be similar to Q4 2023 (10.3% on adjusted[1] basis)
- Expect full-year consolidated SG&A as a % of net sales to be lower than 2023

[1]Please see Reg G reconciliation to GAAP measures at end of document.

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Valmont Team Is Executing Our Strategy and Performing Well in Dynamic Market

Actively managing our business to maximize returns

Driving commercial execution and operational excellence

Leveraging competitive advantages and core competencies

Streamlining administrative functions and enhancing productivity

Building resiliency as we make progress on our strategic initiatives

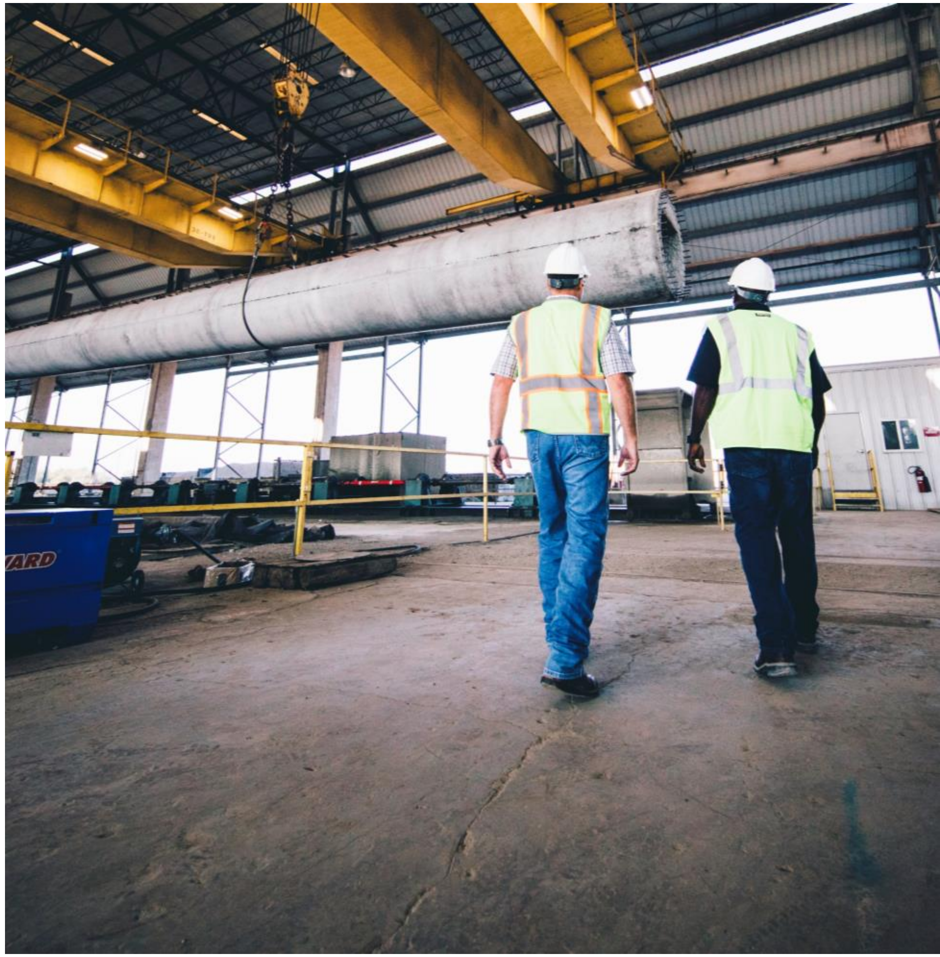
Structurally reducing cost structure, improving margins and cash flows to generate sustainable shareholder value

Achieving strong financial results in dynamic markets

Delivering innovative solutions to customers in attractive growing markets that address vital megatrends

Creating a high-performance culture that is positioned for sustained financial success

Well-positioned to achieve long-term financial targets



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Q&A

Appendix

Long-Term Financial Targets

Net Sales Growth[1]	Operating Margin	Return on Invested Capital	Net Earnings FCF Conversion
MSD+	Approaching **Mid-Teens**	**High-Teens**	**100%**
Serving markets with positive growth outlook aligned with megatrends Innovation and market expansion to grow above markets	Strategic pricing to align with value we deliver Streamlined organization aligned with strategy Operational efficiencies & focus on the outliers	A disciplined and efficient capital allocation strategy Internal investments and acquisitions are evaluated based on financial and strategic criteria	Managing net working capital to maximize cash flow Supply chain and inventory optimization

Delivering reliable growth while expanding operating margins and ROIC to consistently create shareholder value

[1] VMI sales growth through the Agriculture cycle; organic sales growth only

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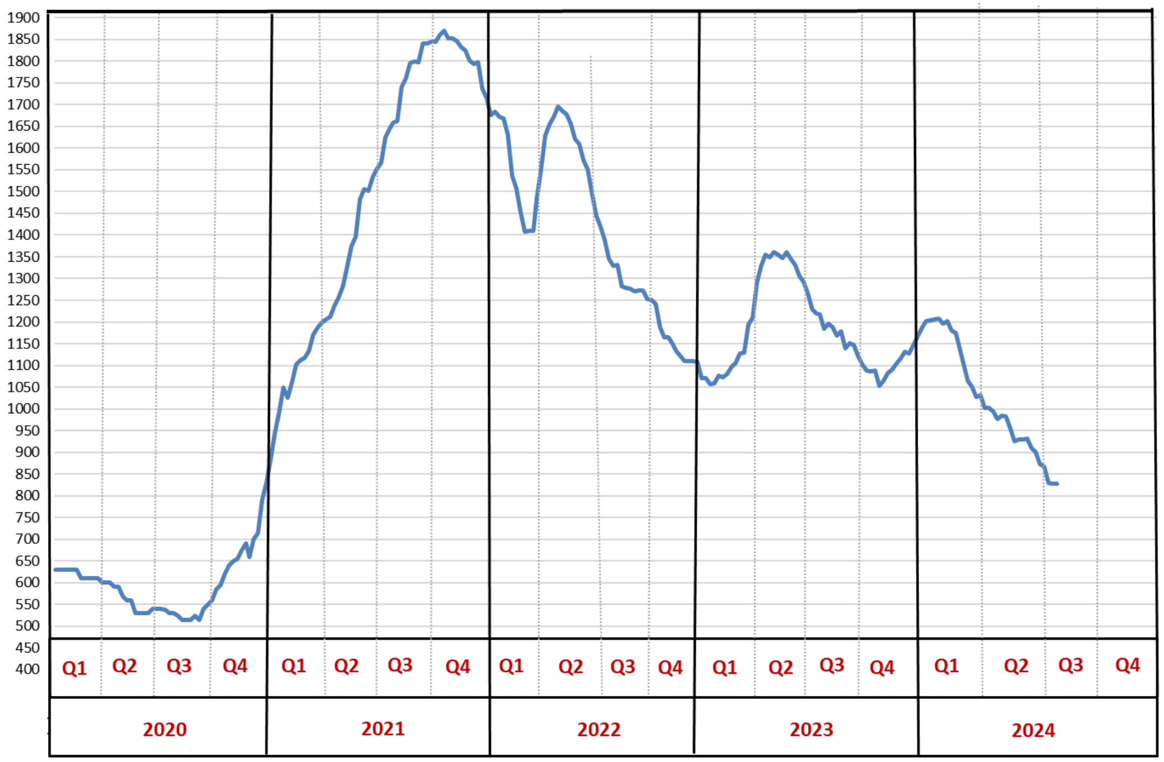
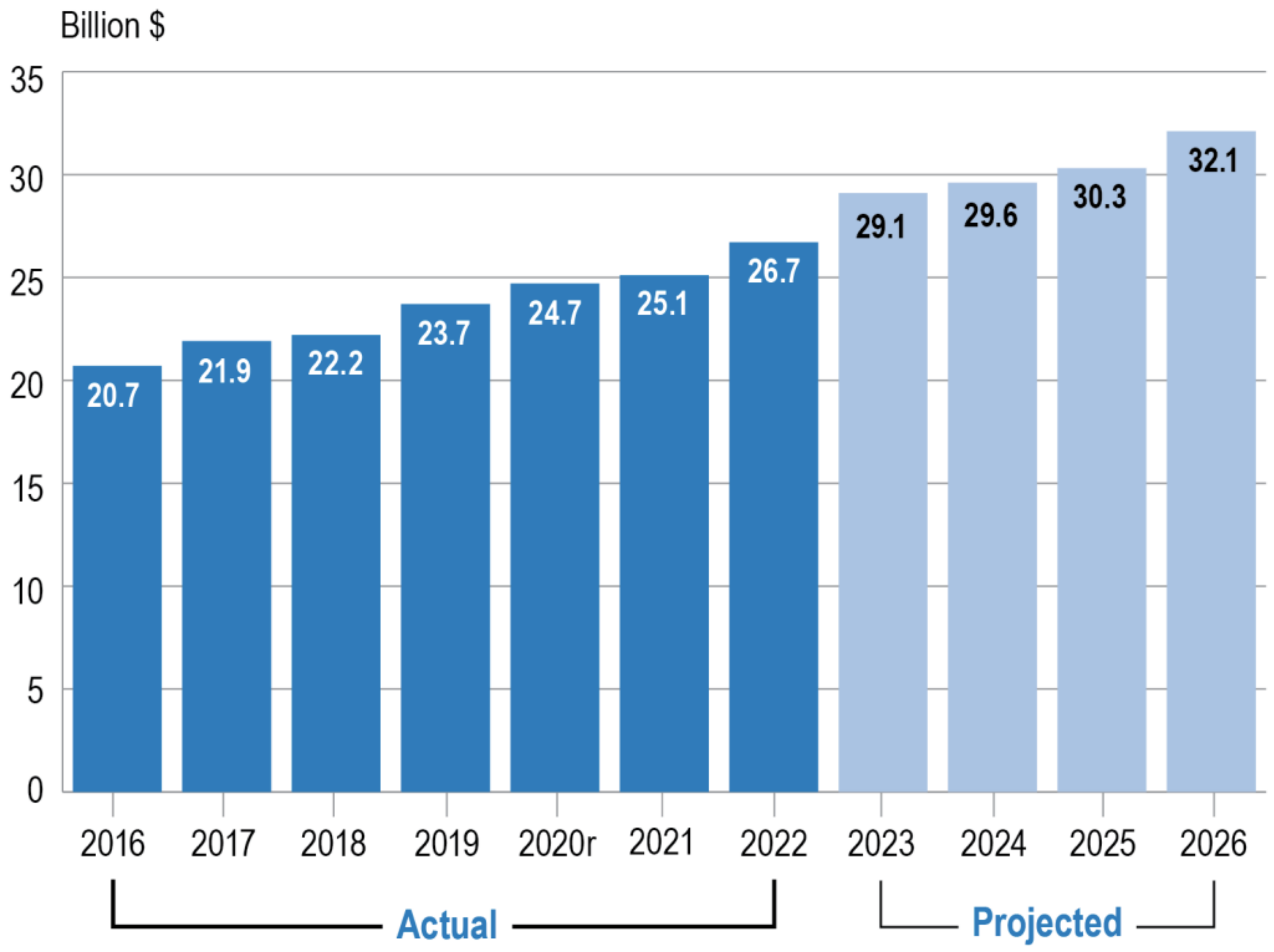
Steel Material Index Trends

AMM Steel Material Index
National Mills Carbon Grade
Cut to Length and Coiled / Hot Rolled Plate Average
2020 through 2024 YTD



- The contractual price impact from steel index deflation is leading us to adjust our expected increase in Utility sales downward
- Steel cost changes impact Utility the most because of the contractual pricing mechanisms and strong backlog

Actual and Projected Transmission Investment



Investment of investor-owned electric companies and stand-alone transmission companies. Actual Investment figures were obtained from the EEI Property & Plant Capital Investment Survey supplemented with FERC Form 1 data. Projected investment figures were obtained from the EEI Transmission Capital Investment Forecast Survey supplemented with data obtained from company 10-k reports and investor presentations.

Source: Edison Electric Institute Business Analytics Group
Updated January 2024

Utility Industry Capital Expenditures

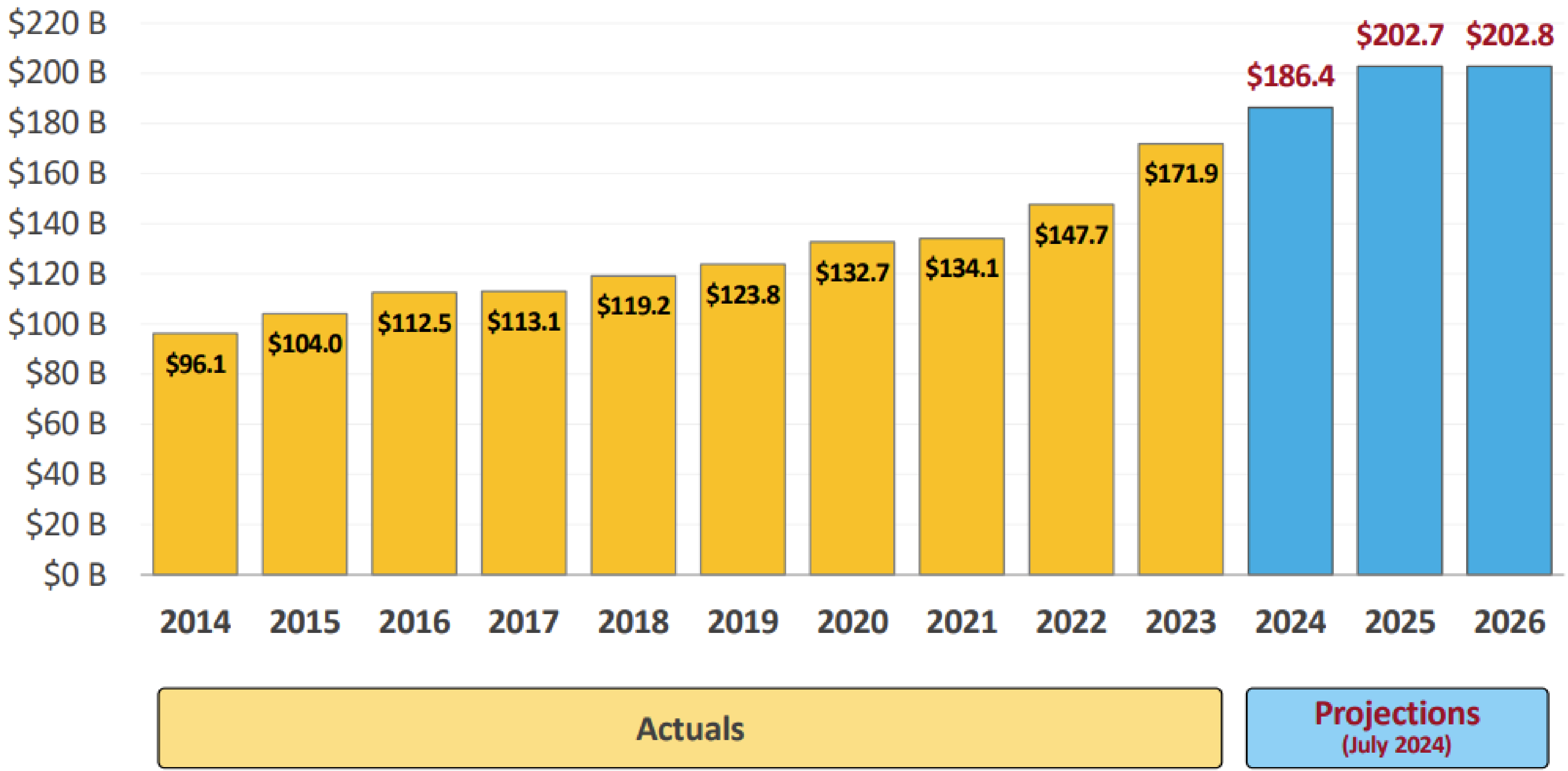


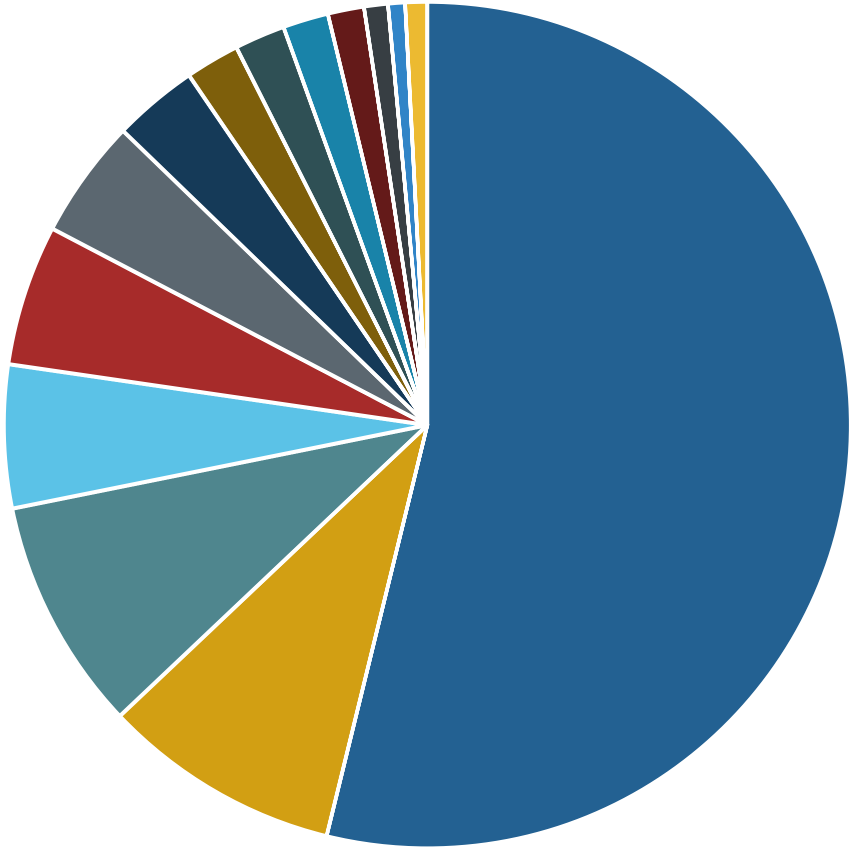
Chart represents total company spending of U.S. Investor-Owned Electric Utilities, consolidated at the parent or appropriate holding company.

At the industry level, CapEx tends to be overestimated for the current, or first, year's projection and underestimated for the two following years. We expect a continued level of elevated spending after accounting for the historical trend of over- and underestimation.

Source: EEI Finance Department, member company reports, and S&P Global Market Intelligence
Updated July 2024

Infrastructure Investment and Jobs Act (IIJA)

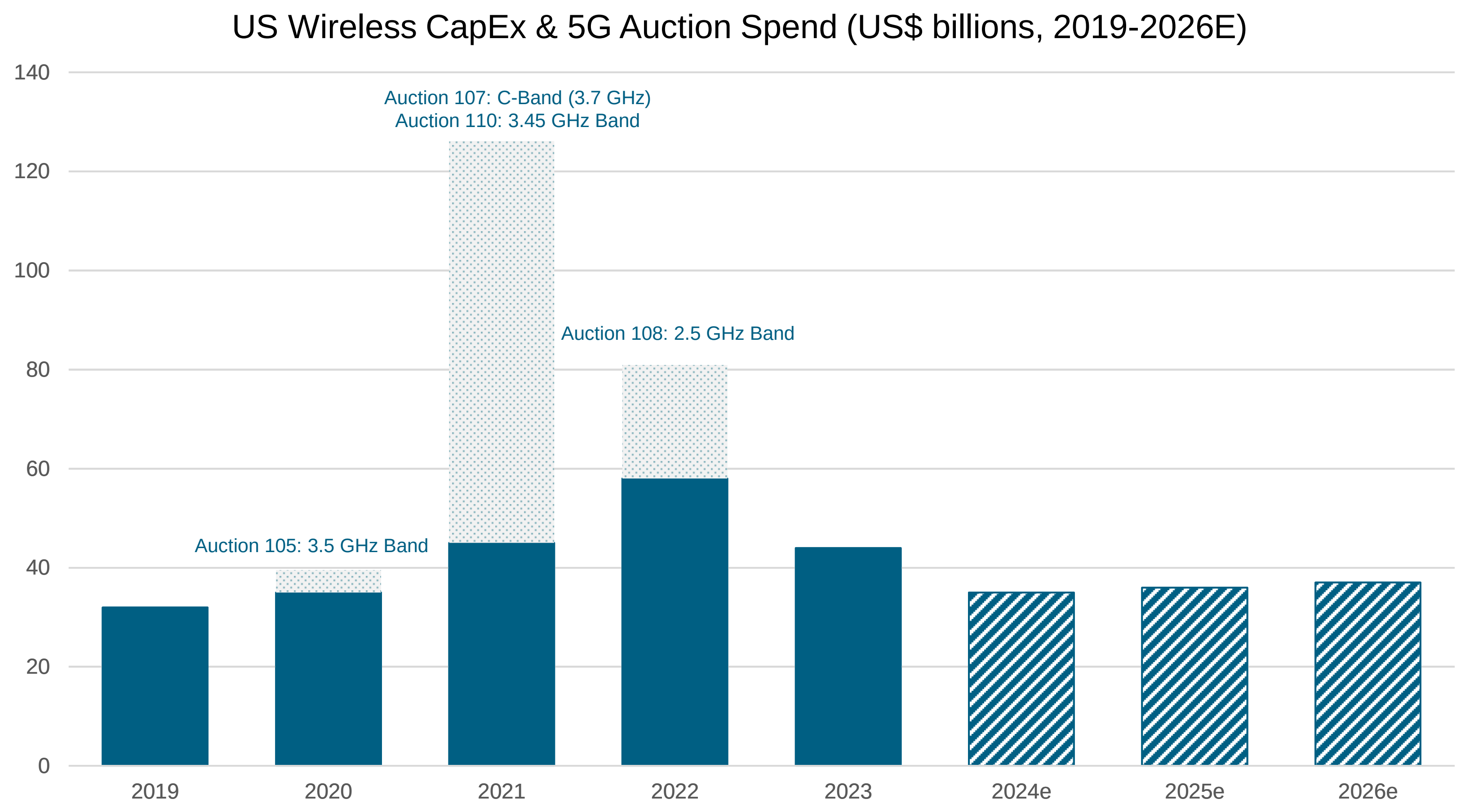
Infrastructure Investment and Jobs Act Spending Breakdown (In Order - Most to Least)



- Previously-Passed Transportation Funding | $650B
- Roads, Bridges and Related Programs | $111B
- Energy, Power and Electric Grid Reliability | $107.5B
- Freight and Passenger Rail | $66B
- Broadband | $65B
- Water and Wastewater Infrastructure | $55B
- Public Transportation | $39.2B
- Airports | $25B
- Natural Disaster Prevention and Mitigation | $23.3B
- Cleaning-Up Abandoned Sites | $21B
- Army Corps of Engineers | $16.7B
- Highway and Pedestrian Safety | $11B
- Ports and Coast Guard | $7.8B
- Cybersecurity and other Infrastructure Programs | $10.11B

Source: Grassley.senate.gov

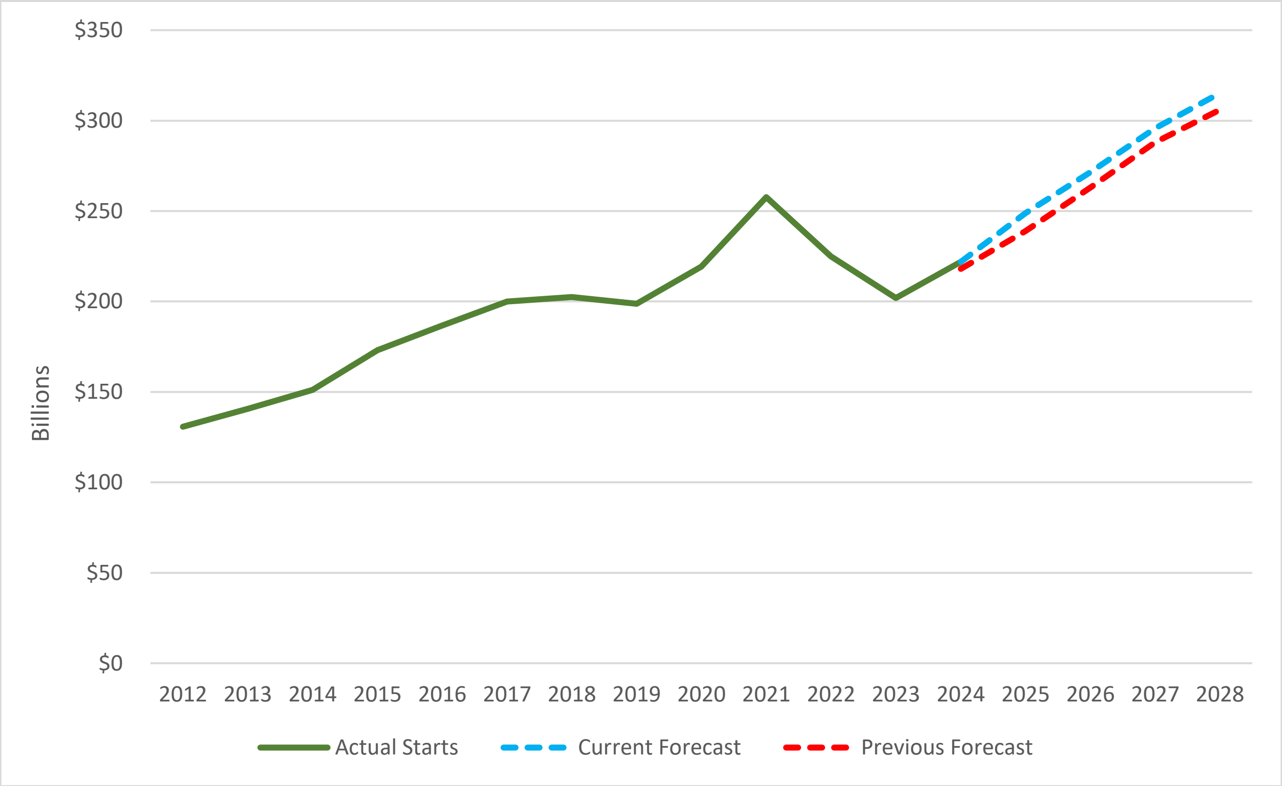
Wireless Carrier Spending



The data does not include investments in fiber or other digital infrastructure, or expenditures for private networks. Also not included is the tower companies' capex to acquire, build, or augment existing sites. Funding from BEAD or other government programs is not included in the projections. All of this activity is additive to planned network investments and construction

Source: Inside Towers
Updated: March 2024

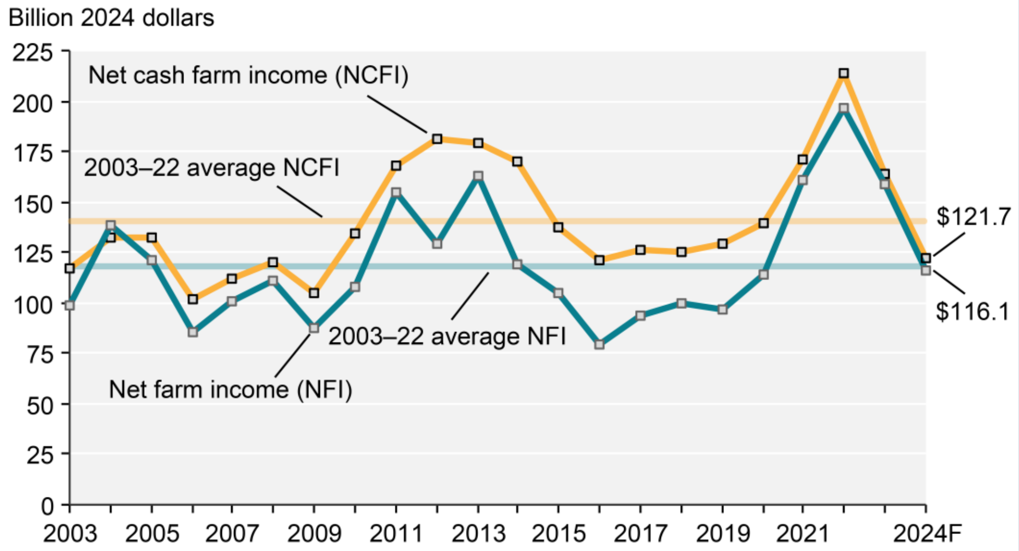
Single Family Housing Starts Market Forecast



Source: CMD Forecast Data
Updated February 2024

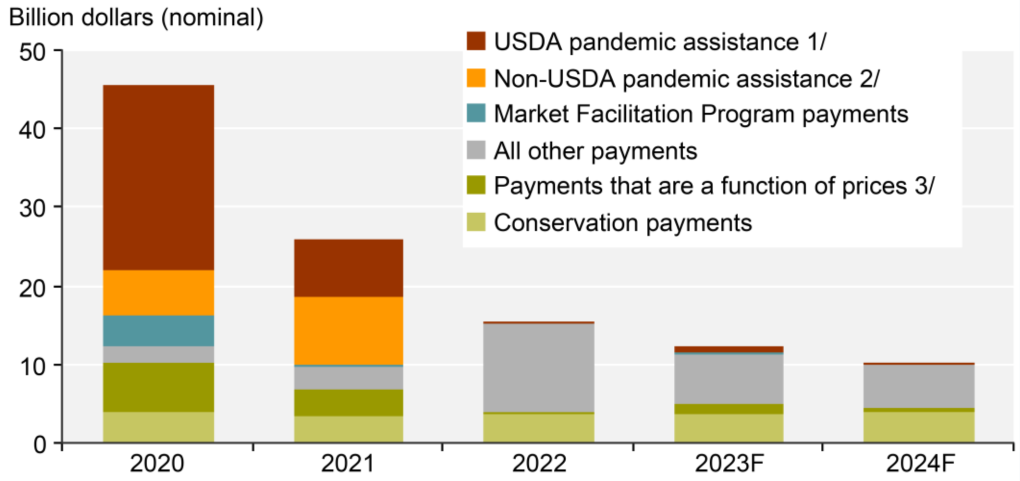
U.S. Net Cash Farm Income by Year

U.S. net farm income and net cash farm income, inflation adjusted, 2003–24F



Note: F = forecast; data for 2023 and 2024 are forecasts. Values are adjusted for inflation using the U.S. Department of Commerce, Bureau of Economic Analysis, Gross Domestic Product Price Index (BEA API series code: A191RG) rebased to 2024 by USDA, Economic Research Service.
Source: USDA, Economic Research Service, Farm Income and Wealth Statistics.
Data as of February 7, 2024.

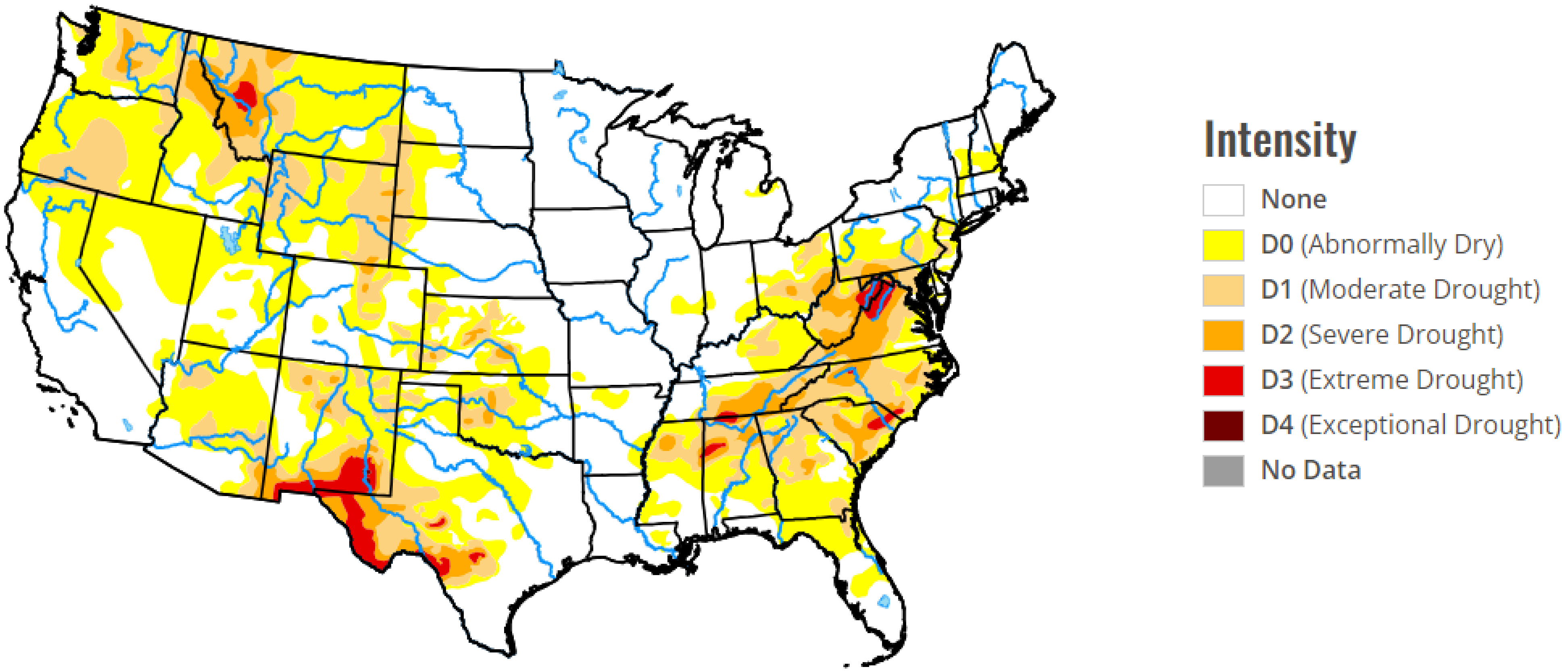
Direct Government payments to U.S. farm producers, 2020–24F



F = forecast.
1/ Includes payments from the Coronavirus Food Assistance Program and other USDA pandemic assistance for producers.
2/ Includes forgiven loans from the Paycheck Protection Program.
3/ Includes Price Loss Coverage, Agriculture Risk Coverage, loan deficiency payments (excluding grazeout payments), marketing loan gains, certificate exchange gains, and dairy payments.
Source: USDA, Economic Research Service, Farm Income and Wealth Statistics.
Data as of February 7, 2024.

Source: USDA
Updated February 7, 2024

U.S. Drought Condition



Source: Drought Monitor
Updated July 18, 2024

Reconciliation of Non-GAAP Financial Measures to Reported Financial Measures

Dollars in thousands

The non-GAAP table below discloses the impacts of the realignment charges and non-recurring charges associated with major scope changes for two strategic projects initiated by departed senior leadership on the fourth quarter of fiscal 2023 results. Amounts may be impacted by rounding. We believe it is useful when considering company performance for the non-GAAP adjusted operating income (loss) to be taken into consideration by management and investors with the related reported GAAP measures.

	Thirteen weeks ended December 30, 2023			
Operating Income (Loss) Reconciliation	*Infrastructure*	*Agriculture*	*Corporate*	*Consolidated*
Operating income (loss) - as reported	$ 82,550	$ 13,946	$ (32,948)	$ 63,548
Realignment charges	16,191	8,194	6,645	31,030
Other non-recurring charges	—	5,626	—	5,626
Adjusted operating income (loss)	$ 98,741	$ 27,766	$ (26,303)	$ 100,204
Net sales - as reported	745,713	269,813	—	1,015,526
Operating income (loss) as a % of net sales	11.1 %	5.2 %	NM	6.3 %
Adj. operating inc. (loss) as a % of net sales	13.2 %	10.3 %	NM	9.9 %

Historical Free Cash Flow[1,2] (2014 – 2023)

Dollars in millions

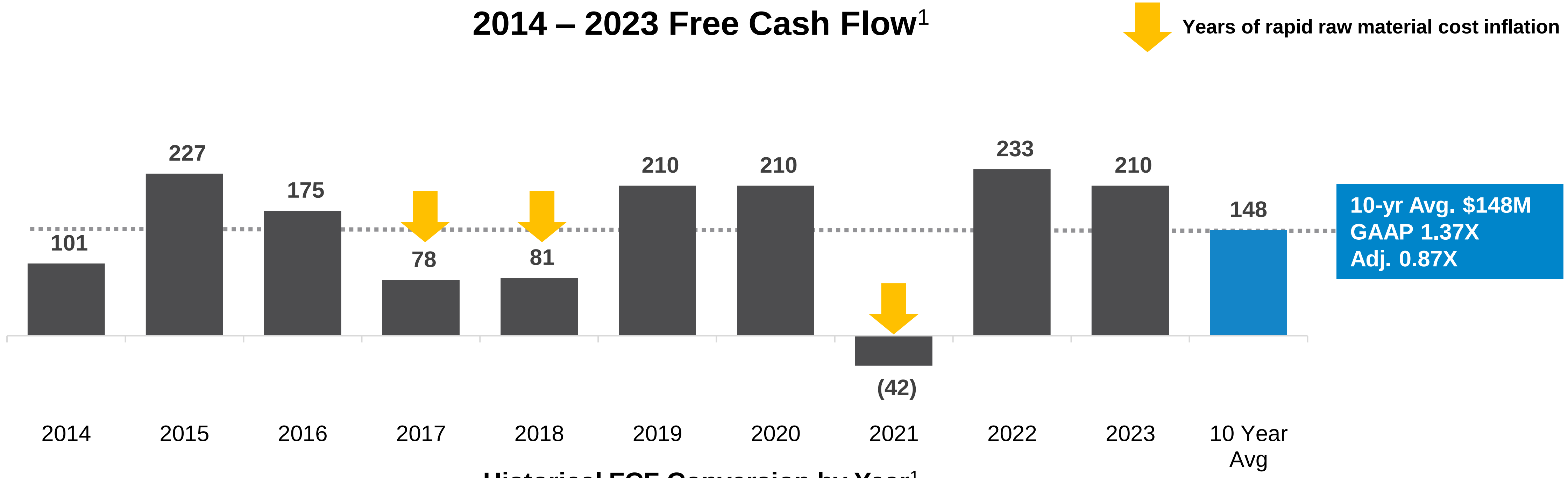
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Net cash flows from operating activities	$ 174.1	$ 272.3	$ 232.8	$ 133.1	$ 153.0	$ 307.6	$ 316.3	$ 65.9	$ 326.3	$ 306.8
Net cash flows from investing activities	(256.9)	(48.2)	(53.0)	(49.6)	(155.4)	(168.1)	(104.0)	(417.3)	(132.1)	(115.3)
Net cash flows from financing activities	(136.8)	(32.0)	(95.2)	(32.0)	(162.1)	(98.9)	(173.8)	133.5	(181.9)	(176.4)
Net cash flows from operating activities	$ 174.1	$ 272.3	$ 232.8	$ 133.1	$ 153.0	$ 307.6	$ 316.3	$ 65.9	$ 326.3	$ 306.8
Purchase of plant, property, and equipment	(73.0)	(45.5)	(57.9)	(55.3)	(72.0)	(97.4)	(106.7)	(107.8)	(93.3)	(96.8)
Free cash flows	101.1	226.8	174.9	77.8	81.0	210.2	209.6	(41.9)	233.0	210.0
Net earnings attributable to Valmont Industries, Inc.	$ 183.9	$ 40.1	$ 175.5	$ 120.5	$ 101.8	$ 146.4	$ 140.7	$ 195.6	$ 250.9	$ 150.8
Adjusted free cash flow net earnings attributable to Valmont Industries, Inc.	$ 187.7	$ 131.7	$ 139.9	$ 162.7	$ 130.4	$ 146.4	$ 159.8	$ 222.3	$ 284.2	$ 291.6
Free Cash Flow Conversion - GAAP	0.55	5.66	1.00	0.65	0.80	1.44	1.49	(0.21)	0.93	1.39
Free Cash Flow Conversion - Adjusted	0.53	1.71	1.25	0.48	0.62	1.44	1.31	(0.19)	0.82	0.72
Reconciliation of Net Earnings to Adjusted Figures										
Net earnings attributed to Valmont Industries, Inc.	$ 183.9	$ 40.1	$ 175.5	$ 120.5	$ 101.8	$ 146.4	$ 140.7	$ 195.6	$ 250.9	$ 150.8
Loss from divestiture of offshore wind energy structures business	-	-	-	-	-	-	-	-	33.3	-
Change in valuation allowance against deferred tax assets	-	7.1	(20.7)	41.9	-	-	-	5.0	-	-
Impairment of long-lived assets	-	61.8	1.1	-	28.6	-	19.1	21.7	-	140.8
Reversal of contingent liability	-	-	(16.6)	-	-	-	-	-	-	-
Other non-recurring expenses (non-cash)	-	18.1	-	-	-	-	-	-	-	-
Noncash loss from Delta EMD shares	3.8	4.6	0.6	0.2	-	-	-	-	-	-
Adjusted free cash flow net earnings attributable to Valmont Industries, Inc.	$ 187.7	$ 131.7	$ 139.9	$ 162.7	$ 130.4	$ 146.4	$ 159.8	$ 222.3	$ 284.2	$ 291.6

[1]*Adjusted net earnings for purposes of calculating free cash flow conversion may not agree to the adjusted net earnings. The difference is due to non-recurring expenses which were settled in cash in the year of occurrence as part of net cash flows from operating activities.*

[2]*We use the non-GAAP measure of free cash flow, which we define as GAAP net cash flows from operating activities reduced by the purchase of property, plant, and equipment. We believe that free cash flow is a useful performance measure for management and useful to investors as the basis for comparing our performance with other companies. Our measure of free cash flow may not be directly comparable to similar measures used by other companies.*

Free Cash Flow Throughout the Cycle

Dollars in millions



Historical FCF Conversion by Year[1]

GAAP	0.55X	5.66X	1.00X	0.65X	0.80X	1.44X	1.49X	(0.21X)	0.93X	1.39X
Adj.	0.53X	1.71X	1.25X	0.48X	0.62X	1.44X	1.31X	(0.19X)	0.82X	0.72X

[1]We use the non-GAAP measure of free cash flow, which we define as GAAP net cash flows from operating activities reduced by the purchase of property, plant, and equipment. We believe that free cash flow is a useful performance measure for management and useful to investors as the basis for comparing our performance with other companies. Our measure of free cash flow may not be directly comparable to similar measures used by other companies.

Calculation of Adjusted EBITDA and Leverage Ratio

Dollars in thousands

Certain of our debt agreements contain covenants that require us to maintain certain coverage ratios. Our Debt to Adjusted EBITDA may not exceed 3.5X Adjusted EBITDA (or 3.75X Adjusted EBITDA after certain material acquisitions) of the prior four fiscal quarters. See "Leverage Ratio" below.

	Four fiscal quarters ended June 29, 2024
Net earnings attributable to Valmont Industries, Inc.	$ 174,471
Interest expense	60,853
Income tax expense	87,398
Depreciation and amortization expense	95,325
Stock-based compensation	33,471
EBITDA	451,518
Impairment of long-lived assets	140,844
Realignment charges	35,210
Proforma acquisition adjustment	1,130
Adjusted EBITDA	$ 628,702
Interest-bearing debt, excluding origination fees and discounts of $25,965	$ 1,045,953
Less: cash and cash equivalents in excess of $50,000	113,142
Net indebtedness	$ 932,811
Net indebtedness	$ 932,811
Leverage ratio	1.48
Interest-bearing debt, excluding origination fees and discounts of $25,965	$ 1,045,953
Total debt to adjusted EBITDA	1.66