Alto Ingredients, Inc.

Q4 & FY 2023 Investor Presentation

March 11, 2024

Safe Harbor Statement

Statements and information contained in this communication that refer to or include Alto Ingredients' estimated or anticipated future results or other non-historical expressions of fact are forward-looking statements that reflect Alto Ingredients' current perspective of existing trends and information as of the date of the communication. Forward looking statements generally will be accompanied by words such as "anticipate," "believe," "plan," "could," "should," "estimate," "expect," "forecast," "outlook," "guidance," "intend," "may," "might," "will," "possible," "potential," "predict," "project," or other similar words, phrases or expressions. Such forward-looking statements include, but are not limited to, statements concerning Alto Ingredients' projected outlook, future performance, margin improvements and ethanol crush margin spreads; Alto Ingredients' plant improvement, other capital projects, including carbon capture and storage at its Pekin Campus and corn oil and high-protein at its Magic Valley facility, and other business initiatives and strategies, and their financing, costs, timing and effects, including, but not limited to, EBITDA and/or Adjusted EBITDA that Alto Ingredients' expects to generate as a result of its projects, initiatives and strategies; the timing and effects of Alto Ingredients' efforts to correct production rate, quality and consistency challenges of its corn oil and high-protein system at its Magic Valley facility; Alto Ingredients' expected volumes of contracted specialty alcohol for future periods and any related premiums to fuel-grade ethanol; Alto Ingredients' expectations around its new product offerings; benefits of sustainability efforts; and Alto Ingredients' other plans, objectives, expectations and intentions. It is important to note that Alto Ingredients' plans, objectives, expectations and intentions are not predictions of actual performance. Actual results may differ materially from Alto Ingredients' current expectations depending upon many factors affecting Alto Ingredients' business and plans. These factors include, among others, Alto Ingredients' ability to finalize definitive documentation with Vault 44.01 for its carbon capture and storage project on acceptable terms and to fund and execute the project as intended; adverse economic and market conditions, including for renewable fuels, specialty alcohols and essential ingredients; export conditions and international demand for the company's products; fluctuations in the price of and demand for oil and gasoline; raw material costs, including production input costs, such as corn and natural gas; adverse impacts of inflation and supply chain constraints; and the cost, ability to fund, timing and effects of, including the financial and other results deriving from, Alto Ingredients' plant improvement and other capital projects, including carbon capture and storage at its Pekin Campus and corn oil and high-protein at its Magic Valley facility, and other business initiatives and strategies. These factors also include, among others, the inherent uncertainty associated with financial and other projections and large-scale capital projects; the anticipated size of the markets and continued demand for Alto Ingredients' products; the impact of competitive products and pricing; the risks and uncertainties normally incident to the alcohol production and marketing industries; changes in generally accepted accounting principles; successful compliance with governmental regulations applicable to Alto Ingredients' facilities, products and/or businesses; changes in laws, regulations and governmental policies, including with respect to the Inflation Reduction Act's tax and other benefits Alto Ingredients expects to derive from carbon capture and storage; the loss of key senior management or staff; and other events, factors and risks previously and from time to time disclosed in Alto Ingredients' filings with the Securities and Exchange Commission including, specifically, those factors set forth in the "Risk Factors" section contained in Alto Ingredients' Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on November 8, 2023.

ALTO INGREDIENTS

Transforming corn into higher-margin specialty alcohol and essential ingredients used in a wide range of consumer and commercial products

Producer and distributor of renewable fuel and essential ingredients and the largest producer of specialty alcohols

Targeting higher-margin markets with premium products	Pursuing carbon capture & storage as part of lowering carbon footprint	Optimizing asset base & executing efficiency initiatives	Advancing traceability & sustainability certifications & programs	Broadening customer base

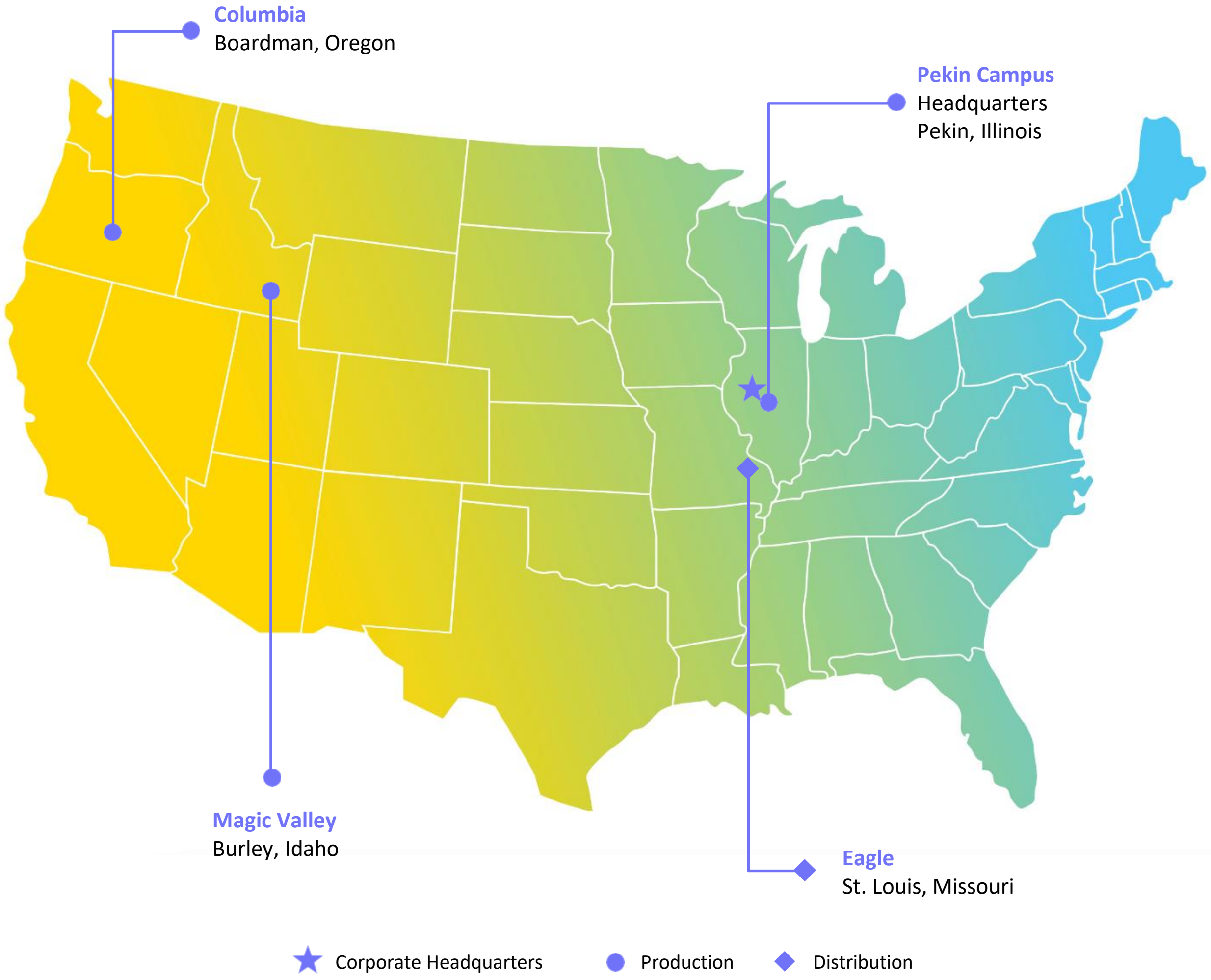
Expanding Higher-margin Production and Improving Profitability

Targeting Higher-margin Markets

Making everyday products better:

- Health, Home & Beauty
- Food & Beverage
- Industry & Agriculture
- Essential Ingredients
- Renewable Fuels

Engaging in decarbonization to support sustainability



Producing Premium Products

Health, Home & Beauty

- API Grade Ethyl Alcohol
- USP Grade Ethyl Alcohol

Food & Beverage

- Grain Neutral Spirits
- Vinegar
- Corn Oil and Corn Germ
- Carbon Dioxide
  - Beverage Carbonation
  - Dry Ice

Industry & Agriculture

- Industrial Grade Ethyl Alcohol
- Fertilizer
- Automotive

Essential Ingredients

- Alto Yeast
- Corn Meal
- Corn Protein Feed
- Corn Oil
- Corn Germ
- High Protein DDGS
- Distillers Grains

Renewable Fuels

- Transportation Fuel
  - Ethanol
- Corn Oil
  - Renewable Diesel Feedstock

Pursuing Carbon Capture & Storage (CCS)

- Signed letter of intent with Vault for safe and permanent CO_2 storage deep underground in a secure geologic reservoir
- Progressing in overall system design, community outreach, financing, vendor negotiations, EPA application preparations, and schedule alignment to procure equipment and install power and compression
- Evaluating attractive options to meet Pekin Campus' current and future energy needs
  - An increase in capacity with current utility provider
  - Onsite energy facilities that may be built, owned and operated by independent third party
  - A reduction in capital requirements, lowering carbon footprint and cutting long-term energy costs
- Utilizing EPA's extended CCS application approval process from 18 - 24 mos. to further align project schedules to reduce risk
- Exploring other market opportunities: sustainable aviation fuel (SAF), blue ethanol, ethanol-to-jet fuel, synthetic natural gas, etc.

- **Inflation Reduction Act of 2022 Section 45Q tax incentive improves economics: $85 per metric ton for 12 years and ~600,000 MT/year capacity at Pekin Campus**
- **Mount Simon Sandstone formation and near the Illinois Basin**
- **Designed as dedicated relatively short-distance intrastate pipeline, which greatly limits disruption and risk concerns**

Sustainability Efforts

Published Inaugural Sustainability Report in December 2023

Earned at Pekin Campus

- Safe Food/Safe Feed - a third-party product safety certification
- 2 EcoVadis Silver Medals, 80th percentile among peers

Completed materiality survey and initial roadmap

- Strengthened environmental, health, safety, and security policy and objectives
- Improved Code of Ethics and Supplier Code of Conduct
- Implemented a supplier transparency program
- Partnered with SEDEX, improving sustainability and ensuring ethical sourcing

SMETA 4-PILLAR CERTIFIED FACTORY

Completed Scope 1 & 2 Greenhouse Gas emissions inventory to

- Inform carbon capture & storage program
- Improve energy efficiencies with cogeneration and boiler upgrades
- Maximize biogas utilization

Investing in Premier Assets, Creating Differentiation, Increasing Efficiencies

Upgraded Specialty Alcohol Distillery

- 192 proof GNS & ultra low-moisture 200 proof GNS
- 93 MG contracted for 2024

Installed High-efficiency Boiler

- Replaced two inefficient boilers
- Reduced energy needs & operating costs

Increased Corn Storage

- Increased flexibility, lowered costs
- Exceeded expectations to date

Increasing Corn Oil & Installing High Protein

- Implementing enhancements
- Hot-idled Magic Valley for improvements during low crush margin period

Expanding Alcohol Distribution

- Break bulk services
- Leveraging trucking
- Expanding reach

Certifications Create Differentiation

Deepen Relationships and Open Doors to New Customers

Specialty Alcohols & Essential Ingredients:

More challenging to produce

Require certifications, audit trails and paperwork

Create significant product performance impact for a small percentage of their cost

Expanding Customer Base

Customers prioritize Alto's certifications, reliability, service and quality
Sample list follows:

Health, Home & Beauty

- P&G
- Reckitt Benckiser
- VI·JON
- Sterno

Food & Beverage

- Firmenich — for good, naturally
- Ole Smoky Tennessee
- KERRY
- CONTINENTAL CARBONIC products, inc.

Industry & Agriculture

- HIGHLINE WARREN
- TAMINCO people and molecules
- Solutia
- RECO
- CRODA
- alcotra sustainable pioneers

Essential Ingredients

- MARS
- ROYAL CANIN
- CHURCH & DWIGHT CO., INC.
- Nestlé

Renewable Fuels

- bp
- MARATHON
- Chevron
- Shell
- PHILLIPS 66

Improved 2023 Gross Profit and Adj. EBITDA

Improving Performance

- $43M increase in gross profit YOY
- $27M increase in Adj. EBITDA YOY

Strong Liquidity

- $33M available under operating line of credit
- $65M available under term loan, subject to certain conditions

unaudited, $ in thousands	Dec. 31, 2023	Dec. 31, 2022
Cash & cash equivalents	$ 30,014	$ 36,456
Current assets	$ 168,770	$ 199,121
Current liabilities	$ (65,288)	$ (78,017)
Working capital	$ 103,482	$ 121,104

ALTO INGREDIENTS

Capital Initiatives to Improve Adj. EBITDA

Diversifying revenue, investing in assets and optimizing facilities

In Operation

- **Specialty Alcohol Quality & Distribution**
- **Corn Storage & Boiler Upgrades**
- **Magic Valley: Corn Oil & High Protein**

Under Development

Carbon Capture & Storage

Target Ann. Adj. EBITDA $30M+

Partnership Energy Projects: Cogen & Natural Gas Pipeline

in process to save costs

For Future Evaluation

- **Primary Yeast**
- **Biogas conversion**
- **Corn Oil:**
  3 additional plants
- **High Protein:**
  3 additional plants
- **Other potential projects**

Expanding Higher-margin Production and Improving Profitability

- Targeting higher-margin markets with premium products
- Pursuing CCS as part of lowering carbon footprint
- Optimizing asset base & executing efficiency initiatives
- Advancing traceability & sustainability certifications & programs
- Broadening customer base

Appendix

Experienced Leadership Team

Bryon McGregor
President & CEO
16 years with Alto

Brigham Young University
BS in Business Management

Mike Kandris
Director and Interim COO
15 years with Alto

California State University
BS in Business

Rob Olander, CPA
Chief Financial Officer
17 years with Alto

Midland University
BS in Business Administration

Jim Sneed [(1)]
Chief Commercial Officer
32 years with Alto

Olivet Nazarene University
BS in Accounting
Kellogg School of Management, MBA

Auste Graham
General Counsel
2 years with Alto

Vanderbilt University
Law School, JD

Prior Experience and Education

E*TRADE FINANCIAL
Brokerage Treasurer

bp
Project Finance Head

CREDIT SUISSE
Director

RUAN
Former President and COO

ATA
Executive Committee Member

NATIONAL TANK TRUCK CARRIERS
Board Member

Controller and Business Manager

Deloitte.
Senior Auditor

Hawkeye Gold
Vice President, Ethanol Marketing & Trading

Aventine Renewable Energy
Vice President, Marketing & Logistics

ESSENTRA
Vice President, Legal Americas

AkzoNobel
Senior Legal Counsel

**(1) In aggregate, including years with Aventine, acquired by Alto in 2015.*

Senior Management with Deep Bench Strength

Todd Benton (1)
VP, Site Manager at Pekin
25 years with Alto

Prior Experience

Dan Croghan
VP, Eagle General Manager
2 years with Alto

Prior Experience

Michael Kramer
VP, Treasurer
17 years with Alto

Prior Experience

Patrick McKenzie
VP, Business Development and Engineering
13 years with Alto

Prior Experience

Ed Baker
VP, Human Resources
16 years with Alto

Prior Experience

John Shriver (1)
VP, Essential Ingredients
25 years with Alto

Prior Experience

Stacy Swanson (1)
VP, Quality & Sustainability
11 years with Alto

Prior Experience

**(1) In aggregate, including years with Aventine, acquired by Alto in 2015.*

Consolidated Statements of Operations

	Three Months Ended Dec. 31,		Year Ended Dec. 31,	
(unaudited, in thousands except per share data	2023	2022	2023	2022
Net sales	$ 273,625	$ 328,437	$1,222,940	$1,335,621
Cost of goods sold	276,150	349,765	1,207,287	1,363,171
Gross profit (loss)	(2,525)	(21,328)	15,653	(27,550)
Selling, general and administrative expenses	(8,523)	(7,551)	(32,664)	(31,579)
Loss on disposal of assets	(153)	(2,230)	(293)	(2,230)
Asset impairments	(5,970)	—	(6,544)	—
Loss from operations	(17,171)	(31,109)	(23,848)	(61,359)
Income from cash grant	—	—	2,812	22,652
Interest expense, net	(2,126)	(968)	(7,425)	(1,827)
Other income, net	449	930	553	862
Loss before provision for income taxes	(18,848)	(31,147)	(27,908)	(39,672)
Provision for income taxes	97	1,925	97	1,925
Consolidated net loss	$ (18,945)	$ (33,072)	$(28,005)	$(41,597)
Preferred stock dividends	$ (319)	$ (319)	$(1,265)	$(1,265)
Net loss available to common stockholders	$ (19,264)	$ (33,391)	$(29,270)	$(42,862)
Net loss per share, basic and diluted	$ (0.26)	$(0.46)	$ (0.40)	$ (0.60)
Weighted-average shares outstanding, basic and diluted	72,969	73,276	73,339	71,944

GAAP to Non-GAAP Reconciliation

Use of Non-GAAP Measures

Management believes that certain financial measures not in accordance with generally accepted accounting principles ("GAAP") are useful measures of operations.

The company defines Adjusted EBITDA as unaudited consolidated net income (loss) before interest expense, interest income, provision for income taxes, asset impairments, loss on extinguishment of debt, unrealized derivative gains (losses), acquisition-related expense, and depreciation and amortization expense. A table is provided at the end of this presentation that provides a reconciliation of Adjusted EBITDA to its most directly comparable GAAP measure, net income (loss). Management provides this non-GAAP measure so that investors will have the same financial information that management uses, which may assist investors in properly assessing the company's performance on a period-over-period basis. Adjusted EBITDA is not a measure of financial performance under GAAP and should not be considered as an alternative to net income (loss) or any other measure of performance under GAAP, or to cash flows from operating, investing or financing activities as an indicator of cash flows or as a measure of liquidity. Adjusted EBITDA has limitations as an analytical tool and you should not consider this measure in isolation or as a substitute for analysis of the company's results as reported under GAAP.

Adjusted EBITDA Reconciliation

	Three Months Ended Dec. 31,		Years Ended Dec. 31,	
(unaudited, in thousands)	2023	2022	2023	2022
Consolidated net loss	$ (18,945)	$ (33,072)	$ (28,005)	$ (41,597)
Adjustments:				
Interest expense, net	2,126	968	7,425	1,827
Interest income	(265)	(169)	(854)	(510)
Unrealized derivative losses	8,162	8,037	9,679	4,017
Acquisition-related expense	700	875	2,800	3,500
Asset impairments	5,970	—	6,544	—
Provision for income taxes	97	1,925	97	1,925
Depreciation and amortization expense	5,698	5,973	23,080	25,095
Total adjustments	22,488	17,609	48,771	35,854
Adjusted EBITDA	$ 3,543	$ (15,463)	$ 20,766	$ (5,743)