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Astec Industries

Investor Day

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CORPORATE SPEAKERS:

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Astec Industries, Incorporated; Senior Vice President, Investor Relations

Jaco van der Merwe

Astec Industries, Incorporated; President and Chief Executive Officer

Brian Harris

Astec Industries, Incorporated; Chief Financial Officer

Aletheia Silcott

Astec Industries, Incorporated; Chief Human Resource Officer

Michael Norris

Astec Industries, Incorporated; Group President of Materials Solutions

Chad Hartley

Astec Industries, Incorporated; Group President of Infrastructure Solutions

PARTICIPANTS:

\Unidentified Participant

Unknown; Unknown

PRESENTATION:

Steve Anderson^ Good morning and welcome to Astec's 2026 Investor Day. My name is Steve Anderson and I'm the Senior Vice President of Investor Relations. We're happy you've joined us today.

I've been with Astec for over 26 years and I can tell you I've never been more excited about the future of Astec than I am right now. You'll learn more about the reasons why over the next 90 minutes. Before we get started, I'd like to share some details about today's event.

The event is being webcast and recorded for replay. Presentation materials are available under the Investor Relations tab of the Astec Industries website at www.astecindustries.com. We don't anticipate any interruptions during the presentation, but we are broadcasting from one of our manufacturing facilities in Chattanooga, Tennessee.

In the unlikely event you hear any noises from our production areas, please excuse us and know that any disruptions will be quickly resolved. Some statements we will make are forward-

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looking. For more details about the risks, uncertainties, and assumptions relating to these statements, please see our safe harbor language in this presentation.

We will also discuss GAAP and non-GAAP financial metrics. We encourage you to familiarize yourself with our disclosures and the reconciliation tables as you consider these metrics.

Before we go deeper, I'd like to introduce you to our Executive Leadership Team, many of whom you'll hear from today. We are leaders with over 130 years of combined experience across infrastructure, materials, manufacturing, engineering, finance, innovation, and human resources.

For our agenda today we will cover five primary topics. Who we are. The next era of growth. The megatrends shaping our markets. How we operate through the Astec built-to-connect way. And ultimately, why we feel Astec is a compelling long-term investment.

Questions can be submitted via the chat box on the webcast page during the presentation and will be answered during the brief question-and-answer session at the conclusion of the presentation. With that, let me turn the presentation over to Jcko van der Merwe, our President and Chief Executive Officer.

Jaco van der Merwe^ Thank you, Steve. And I appreciate your kind words about how you view Astec today.

Welcome to Astec's 2026 Investor Day. I want to start by thanking my team and all our partners who made this day possible. Secondly, I want to thank each of our participants on the call today. I trust that you will find the next 90 minutes insightful and that you will walk away as excited about Astec's future as we are.

Since 1972, Astec has provided innovative solutions and exceptional customer service to the rock-to-road industry. Over the past three years, we have focused relentlessly on building a solid foundation, improving consistency, strengthening our balance sheet, and proving we can execute. Today marks an inflection point.

This is the moment where we describe the future of Astec and how we will further improve consistency, how we will enhance profitability, and lastly, how we will grow. Our purpose, vision, core values, and three strategic pillars are ingrained in who we are, how we operate, and how we win. Achieving Astec's full potential will take focus on multiple fronts.

Growing our reoccurring revenue mix and bringing industry-changing solutions to the market will be key for us to reach the long-term goals we will share with you today. We like the industry we play in. As the demand for infrastructure, natural resources, and recycling will continue to grow.

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I am very proud of our team, our product portfolio, our strong brand, and the relationship we have and are still building with our customers. Before we get into details, we want to start with who we are. This short video brings Astec to life.

Our people, our purpose, and the work behind the results we deliver.

(VIDEO START)

Unidentified Participant^ In a world full of complexity, we bring certainty. In a world of chaos, we build order. When the future is calling, we stand ready.

Driven by a legacy of manufacturing innovation, Astec equipment is at work behind the scenes, transforming challenges into progress, quietly building the infrastructure that physically connects the world. Our impact is hidden in plain sight. You don't think about the materials that create the foundation of your forever home, or the asphalt mix under the plane that brings you home, or the equipment needed to clear a road until it's your road that's gone.

We are the foundation beneath the structures where memories are made, the roads that connect lives and dreams, the unseen hand that turns raw materials into the building blocks of progress. Our touch is everywhere, every moment, every day. Without the machinery and technology we provide, progress stalls, movement stops, and innovation fades.

Astec is the constant you can depend on. Our equipment and people represent the promise of reliability, precision, safety, and support. From the materials that build the skyline to the roads that bring us together, we are built to connect.

And with over 4,000 employees at a global presence, our reach is as vast as our impact. At the heart of this success are the skilled innovators and master craftsmen who design and build our equipment to the highest standards. And our commitment goes beyond the equipment we manufacture.

It's in the expertise we share, the partnerships we foster, and the solutions we deliver. Astec doesn't just power industries. We empower people and communities.

Every innovation, every breakthrough, every challenge met is a step towards what's next. It's not just about building infrastructure. It's about connecting the world.

You don't have to see us to know we're here. Astec. We're built to connect.

(VIDEO END)

Jaco van der Merwe^ What a fantastic overview of Astec. At Astec, we are built to connect. Think about it this way.

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Everything you drive on, everything you land on, your house, hotel, or the office you are in right now has probably needed the products Astec makes during the construction process. We connect people, families, and industries to the future. What did you see in this video?

Products, manufacturing sites, customer sites? I saw so much more than that. I see a company and industry that is made up of hardworking people.

People who make things happen. Focusing on our employees and our customers are two of the three strategic pillars. The third being innovation.

Having engaged, enabled, and empowered employees is the key to success of our business. Part of our vision is to provide life-changing opportunities for our 4,500 team members. When we do this well, results will follow.

I want to share one of many examples with you. Kim Graf is a General Manager at one of our manufacturing sites. Kim started with Astec in 1992 at our front desk. She slowly worked herself into the HR team, where she later became the HR Manager. Her ability to communicate well made her a natural choice when the GM position became available a couple of years later. Today she runs one of our best facilities.

Today we have over 4,500 employees and 26 manufacturing sites around the world. We generate 80% of our revenue in the U.S., of which approximately 34% is from parts and service. Over the last three years, this team has generated a total return for our shareholders of 74%.

This is an example of what is possible if we work together and use our resources in the right way. Astec operates in two strong segments, infrastructure solutions and material solutions. Both these segments have strong and growing parts and service businesses.

The Astec brand is well known for quality and customer service in asphalt, aggregate, mineral processing and concrete production industries. Our product brands provide customers with a connection to legacy brands and companies started or acquired by Astec over the last 50 plus years. I am very proud of how our two recent acquisitions have integrated into Astec and our branding structure.

Our two operating segments have truly assembled an unrivaled product portfolio that reflects the products our customers need to be successful. Each segment has a strong new product development pipeline. Combined with our Astec digital solutions, we are uniquely positioned in the rock to road space like no other OEM in North America.

As an example of our focus on new product development, we have showcased and launched over 25 new or upgraded products at the March 2026 CONEXPO trade show. Products are important, but providing our customers with solutions and support is what differentiates us in the market. Our parts and service business now makes up approximately 34% of our total revenue.

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Growing this to 40 to 50% will ensure we provide our customers with the support they expect from us while improving our consistency and profitability. Launching our Astec signal platform at CONEXPO 2026 was an exciting event for us. Moving away from products with software to providing customers with intelligence from products is transforming how we do business.

Although Astec generates 80% of our revenue in the U.S., we have significant market share growth opportunities. Parts and service, mining, aggregate production, recycling, and selected adjacencies like industrial heating are just a few examples. Internationally, our products and brands are recognized well beyond our size and install base.

We have a blank canvas internationally, supported by various manufacturing and sales facilities in key markets around the world. We will continue to grow our international presence through organic and inorganic growth. Finding local manufacturing closer to key markets is part of our acquisition focus.

To bring this to life, we want to show you how Astec comes together, from raw material to finished solutions, and from plant to the job site. This is our Rock to Road story.

(VIDEO START)

Unidentified Participant^ From raw rock in the quarry to the roads, runways, and structures that connect our world, Astec's Rock to Road strategy mirrors how our customers do business. We don't just operate at one point in the process. We design and build the equipment that extracts material, processes it in asphalt and concrete plants, and turns it into the roads and infrastructure we all rely on.

We are built to connect. Signal is the platform that connects the dots for our customers and our industry. Across every business segment, Signal connects machines, plants, and people, giving customers real visibility into their assets and operations.

With Signal, iron becomes smart. Customers gain insight into efficiency opportunities, predictive alerts, asset health, and remote diagnostics, reducing downtime and keeping crews focused on building the infrastructure that connects the world. Our industry is transforming.

Today's asphalt plants are highly automated, and concrete opens new markets from pavement to structures. Signal turns siloed operations into connected, intelligent systems. Astec creates the intelligence that drives the iron we produce.

From rock to road and beyond, Astec and Signal connect our customers to their operations and connect us more closely to them.

(VIDEO END)

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Jaco van der Merwe[^] Iron becomes smart. I love that expression. I mentioned earlier that providing customers with intelligence from equipment will be a key differentiator for Astec through our Signal platform.

Helping customers manage and utilize their equipment in a safe and more efficient way will become a necessity in an environment of inflation and customer consolidations. Launching Astec's Signal platform at CONEXPO 2026 was a huge milestone for us. This platform will enable us to further grow our parts and service mix and our customers to run equipment safer and more efficiently across their rock-to-road portfolio.

Imagine an environment where you have 100% visibility of where your fleet is located, how well it's running, and how you operate in the most efficient way. An environment where you use Signal to drive intelligence and operational improvement. An environment where you minimize equipment downtime through smart services, telematics, all from your smartphone or tablet.

An environment where you run equipment remotely or autonomously in a safe and productive manner. An environment where customers use our smart services to fix or prevent problems before they happen. These are all elements becoming a reality as we speak.

Focusing on customer service has been an important part of our legacy since Astec was founded over five decades ago. When our customers are successful, we are also. Our customers rely on us for support, training, efficiency improvements, and to bring industry-changing innovation to them.

Our customer base is very diverse from a new entrant to the market who chooses us because of our support and expertise, to the large industry consolidators who need visibility and performance across their rock-to-road portfolio. We engage all of them at all levels in their respective organizations. Our teams are available 24/7.

We are, however taking this to the next level. During 2025, we launched our Astec customer-focus principles. The A representing acting with urgency and empathy. We want to respond quickly and with care. The S represents simplify every experience, remove friction, and make it easy for the customer. The T stands for take ownership. Own the engagement from start to finish and follow through. E represents engaging as one Astec. Work together across roles and departments to deliver a complete solution. And lastly, the C stands for communicate effectively. Keep the customer informed throughout the engagement.

We are very proud of the business that Dr. Brock and his founding partner started. Since our inception in 1972, Astec has grown through various cycles. Some were very successful and some were full of valuable lessons. As you all know, we grew through acquisitions.

Our company started as a pure-play asphalt plant producer. Entering the crushing and screening market was a natural adjacency when Astec bought Telsmith, JCI, and KPI. The addition of Peterson, BTI, and Power Flame complemented the asphalt, crushing, and screening businesses.

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In early 2017, Astec took a deliberate decision to enter the concrete plant market through the acquisition of RexCon. Since then, we have added CON-E-CO and BMH to become the leading suppliers of concrete plant equipment in North America. The acquisition of MINDS gave us the opportunity to build a digital platform that can support our businesses.

Launching of our Signal platform positioned Astec to meet the digital and AI needs of our customers. The acquisition of TerraSource Global added opportunities in washing, recycling, and soft rock mining. Our most recent acquisition of CWMF was a great tuck-in business which provides regional support to customers in the northern part of the U.S. As mentioned before, we are at an inflection point. Over the last three years, we have worked very hard to create consistency, improve our profitability, and we made the biggest acquisition in the history as we continue to grow. But we are not done yet. In fact, we see many additional opportunities to enhance all three elements, consistency, profitability, and growth.

As we enter the next phase of our company's journey, we are excited about the opportunities for growth, the markets we operate in, and the Astec built-to-connect way we have been operating under for the last three years. We see various industry megatrends that will have a positive effect on our future growth. Recycling, reindustrialization, digital solutions, and mining are just a few examples.

As these megatrends connect with our Built to Connect business model, we will generate great results. Our focus remains on growing our top and bottom line in a consistent, disciplined, yet aggressive manner.

I will now hand it over to Brian Harris, our Chief Financial Officer, who will walk you through our long-term growth targets and financial capacity.

Brian Harris^ Okay thanks, Jaco.

In this section of the presentation, we outline our financial and operational targets for the next five years. These are the targets that management will hold themselves accountable for, and it's our intention to provide regular updates on our progress towards these targets in the coming quarters and years ahead.

While we do not expect improvement in performance to be upwards in a straight line, we fully expect to achieve these targets by 2030, and that in doing so we will deliver significant shareholder value. Management has selected four performance metrics which we believe to be the most relevant to investors, those that reflect best-in-class peer performance, and those which are consistent with management's long-term incentive plans and align closely with shareholder value creation. With that said, I would like to add a little color to each metric.

Revenue growth CAGR of greater than 6% compares to our previous three-year average of 3%, so you may ask why the acceleration in top-line organic growth? Astec is at an inflection point,

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where the coming together of innovative new products with our superior digital offering provides the opportunity to capitalize on the tailwinds from growth megatrends and favorable end markets. Our global footprint and brand recognition is a launchpad for growth in a number of key markets, and recent acquisitions have created increased scale and expanded the global install base.

Adjusted EBITDA margin is perhaps the most important metric by which the quality of our earnings is compared to our industry peers. From a relatively low starting point three years ago, we have achieved a 440 basis point improvement, and we expect to build consistently at a pace of 75 to 150 basis points each year. This margin improvement is underpinned by a number of initiatives, most importantly growing the higher margin parts and service revenue in our mix, continuous improvement in our manufacturing efficiency and a relatively fixed SG&A base that can support a substantially larger business, providing a leveraged P&L account.

Return on invested capital is another critical performance metric for investors and management alike. First and foremost, we must ensure that our return on invested capital is exceeding our weighted average cost of capital, which currently sits at 8.25%, compared to our reported 2025 adjusted ROIC of 11.5%. I will discuss our capital allocation priorities in a moment.

But first, I want to emphasize that our goal is not to strive for a bigger and bigger ROIC percentage, but rather to grow the capital employed base upon which we generate a return which exceeds the cost of capital. By doing so, we will generate significant economic profit. Consider an extreme example. Most investors would prefer to earn a 20% return on \$1 million of capital, rather than a 50% return on \$1,000 of capital, even though the rate of return on the smaller capital is higher.

The last of our four metrics is operating cash flow, which is also a management incentive metric and one which will be driven by improved and growing EBITDA, a focus on working capital management, and stable, consistent maintenance capital expenditure. We are often asked about our capital allocation strategy, and we believe this question lends itself less to a specific answer and more to a set of decision rules.

Starting from a balance sheet with almost zero debt three years ago, Astec has been able to allocate capital in a prudent but value-creating way.

The left-hand chart shows the \$380 million of capital deployed over the past three years, during which time capital expenditure has averaged 2.4% of revenue. Cash has been returned to shareholders through a long-standing dividend policy, and we invested \$250 million for the TerraSource acquisition in 2025. This left the company with a net debt to adjusted EBITDA leverage ratio of 2 times, well within our stated range of 1.5 to 2.5 times.

The right-hand column provides a forward look at the capital to be deployed in the five years from 2026 to 2030. Assuming a continuation of the current dividend policy, no share buybacks,

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capital expenditure at 2.5% of revenue, and including the acquisition of CWMF in January 2026, our capital deployed would be \$409 million.

However this is just half the story, because it would leave the company with a leverage ratio well below 1 times. If we were to operate with a leverage ratio range between 1.5 and 2.5 times, we have the capacity to deploy a further \$400 million to \$600 million of capital.

Astec has developed a robust capital deployment decision-making strategy that will result in a positive NPV investment, an optimal capital structure, and excess cash flow returned to shareholders in a value-maximizing way. Clearly, as a growth-oriented company, it's essential that we take a disciplined approach to inorganic growth. And to this end, we have developed a comprehensive playbook that defines the businesses that will be of interest, and most importantly, those that will not be a good fit.

Our two most recent acquisitions of TerraSource and CWMF are great examples of businesses that met all our acquisition criteria. Both transactions were compelling for different reasons, but had the common feature of being EPS accretive in the first full year.

The graphic on the left summarizes the critical elements of our acquisition playbook. Delving into these a little deeper, recurring aftermarket parts and service revenue is important to increase our mix of higher margin products and get closer to our peers that are often in the 40 to 50% range. Enhancing the overall scale of the business will allow us to unlock synergies in procurement and the back office, as well as leveraging our relatively fixed SG&A cost base.

As we grow our digital service offerings, companies that can support our technology and innovation aspirations will be of great interest. Achieving leadership in our chosen markets, which are aligned with the macro trends, will allow us to grow faster than the underlying markets. Being closely tied to our large-scale customers can further enhance our market position in an industry that is consolidating at breakneck speed.

And often overlooked, but something that Astec management is very focused on, is how well the two cultures will fit together. History is littered with examples of acquisitions that look good on paper, but failed due to cultural differences.

As I said earlier, capital deployment revolves around a decision-making strategy, with shareholder value creation at the center. Here are some of the big themes that will drive growth in the construction industry and inform our thinking around acquisition opportunities.

The re-industrialization of America, whether this be in basic manufacturing or the construction of large-scale data centers, consumes large quantities of aggregates and concrete. The growth in mining, particularly as it relates to rare earth metals, will be another source of incremental revenue.

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The digital revolution that is upon us will drive automation, along with innovative new technologies that put data in the hands of operators in a more meaningful way than ever before. Companies that incorporate this technology into their equipment will derive new sources of revenue and access to a larger customer base.

Lastly, the need to continuously reduce cost and improve efficiency will drive the need for equipment that can be more energy efficient, allow for increased use of recycled materials, and reduce downtime. Astec has the breadth of product and global reach to service all these industry trends, and importantly, has the capital available to do so while prudently managing debt levels.

And now, back to Jaco for a more in-depth view of the megatrends and why Astec is well-positioned to take advantage of them.

Jaco van der Merwe^ Thank you, Brian.

Our core business is within the infrastructure market. It is an attractive market segment that will need investments for decades to come. According to the American Society of Civil Engineers, if the United States wants to improve from a C report card grade to a B, we will need over \$9 trillion of investment.

As a reminder, the Infrastructure Investment and Jobs Act provided \$1.2 trillion of investment, with \$379 billion for highways, \$65 billion for energy and power, and \$69 billion for water and environment. We expect the next highway bill to be very focused on roads and bridges, and this portion could be as high as \$600 billion. We have a lot of work to do as a country with about 4.1 million miles of roads and 623,000 bridges in poor or mediocre condition.

Our customers operate in this space. The need for investment is clear, and it has bipartisan support. Our funding mechanisms need reform, and our company and industry are very involved with regulators to get this done.

Astec is well-positioned to respond and take advantage of the funding needed to keep our infrastructure intact. Both Brian and I talked about megatrends earlier that we believe will have a positive effect on Astec.

This slide provides more detail on what sits below these megatrends. Movement in the macro environment cannot be controlled by the company, but many of the examples listed here will have a positive effect on Astec. Recent developments around data center growth is a great example.

We know our markets, and our customers use our equipment to take advantage of these megatrends. The release of our Signal platform positions us well to benefit when our customers shift towards the use of digital platforms.

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Our Build to Connect way has been in place and refined over the last few years. We have a strong and clear purpose of Build to Connect. Our vision of building industry-changing solutions that create life-changing opportunities both honors our legacy, but also explains what will make us successful in the future.

Innovation and employees. The three strategic pillars provide the foundation of our purpose and vision, engage employees, customer focus, and innovative solutions. Our engaged employees will look after our customers, who will then reward us with business to fund innovation.

Next, members of our executive leadership team will present on the three strategic pillars. Aletheia Silcott will start by talking about our team members, and then Michael Norris will talk about being customer-focused and developing innovative solutions.

Aletheia Silcott^ Thank you, Jaco.

Hello. I'm Aletheia Silcott, and I have the pleasure of serving our employees as the HR leader at Astec. I would like to share with you how our people approach directly supports our strategy, sustainable growth, and operational performance.

Before I get into the details, though, I'd like to start with our people, the men and women who help us to be the success that we are today. This short video brings to life what it means to be an Astec employee, and how being engaged, enabled, and empowered directly supports our strategy and performance.

(VIDEO START)

Unidentified Participant^ At Astec, our strategy starts with our people. One of our three strategic pillars is engaged employees, brought to life through our E3 strategy, engaged, empowered, and enabled. This isn't a one-time initiative.

It's how we build the business. We invest intentionally in our teams through ongoing training, leadership development, and clearly-defined career journeys. Our global learning platform offers more than 580 courses, giving every employee access to the skills and knowledge they need to grow, adapt, and lead.

Engagement is not assumed. It's measured. Through biennial employee surveys, we listen carefully to our people and act on what we learn, continuously improving the employee experience and strengthening retention.

We unite our global workforce through common platforms and consistent execution under our Astec operating model, creating alignment, clarity, and shared ways of working. And through dedicated programs like our WIN program, employees are empowered to improve processes, drive operational excellence, and deliver meaningful cost savings. The result is a skilled, connected, and committed workforce that executes consistently and improves continuously.

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At Astec, engaged employees aren't just part of our culture, they're how we deliver lasting performance over time.

(VIDEO END)

Aletheia Silcott^ At Astec, our employees are guided by a clear purpose, Build to Connect. That purpose shows up not just in what we build for our customers, but in how we develop, enable, and engage our workforce. And we believe that a high-performance culture with fully engaged employees is a competitive advantage, especially in a complex manufacturing-driven environment.

The men and women at Astec are what makes us truly successful. They are the heart of our organization and the craftsmen of our products. When we create a positive employee experience for our team members, they, in turn, create innovative solutions and go above and beyond for our customers.

Let me briefly walk you through how this comes to life and what we've been focused on over the last three years.

First, living our vision of life-changing opportunities. In 2025 alone, more than 300 of our team members were promoted or took on new challenges internally. This is not incidental, that's intentional. We focus on clearly-defined career journeys and leadership development programs at all levels of the organization that allows us to grow talent from within.

Why does this matter to investors? Because internal mobility protects institutional knowledge and lowers long-term talent costs. It also creates stronger leaders who understand our products, our customers, and our operating model.

Second, establishing a high-performance culture. We drive consistency and accountability through our OneASTEC operating model, supported by a well-defined high-performance framework. This creates alignment across all of our functions and geographies and ensures that we execute with quality and discipline, even as we scale.

Our high-performance culture is not just about expectations, it's about clarity. Our teams know what success looks like, how performance is measured and how they contribute to our collective results. That clarity translates directly into execution of reliability, and improved operating outcomes.

Third, operational excellence, driven by each and every one of our team members. A great example of this is our WIN program, where employees submit improvement ideas directly from the front lines. To date, over 3,000 projects have been submitted, demonstrating a culture where grassroots ideas are grown and owned locally and benefit the entire organization.

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At the same time, we are investing heavily in lean capability. We currently have 93 manufacturing certification graduates, with 145 additional graduates scheduled for this year. This builds internal problem-solving capability and drives continuous improvement in productivity, quality, safety, all critical to margin performance.

Finally, training and development and employee incentives. We offer more than 580 training courses spanning technical skills, leadership development, and compliance. We also conduct a biennial Voice of OneASTEC employee engagement survey.

This survey provides critical insights into the needs of our team members. We strive to be a best place to work, and the voice of the employee is paramount as we curate competitive benefits, wages and opportunities.

We also take pride in recognizing our talented employees who make a lasting impact on our organization. Programs like our Bravo Awards and Peer Recognition reinforce our winning behaviors and reward employees who deliver results aligned with our strategy.

In summary, we foster a culture and a workforce that is empowered to act, enabled with the right tools and engaged in continuous improvement.

For our investors, this means stronger execution, lower operational risk, better scalability and a culture that supports long-term value creation. Our people strategy is not separate from our business strategy, it's a core driver of it.

And now, over to our Group President of Materials Solutions, Michael Norris, who's going to touch on our other two strategic pillars.

Michael Norris^ Thank you, Aletheia.

At Astec, everything we do starts and ends with our customers. We are a reliable provider of the world's renowned brands and top tier solutions. And that reputation has been earned over decades of listening to what our customers need and delivering their expectations.

This slide captures the foundation of how we put customers at the center of our business. First, we develop customer-focused solutions. We offer custom solutions spanning the full Rock to Road value chain.

Our engineering teams work directly alongside customers to develop innovative answers to their most pressing challenges. This is not off the shelf equipment. It's the purpose built technology designed for real world job site conditions.

And second, we focus on overall customer experience. As Jaco mentioned previously our Astec customer-focused principles guide every interaction with our customers. A great example of the

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impact, we have enabled our customers to improve their recycled portion of their asphalt content by up to 20%, helping them operate more efficiently and sustainably.

Third, customer training and support. We run dedicated customer schools designed to help operators get the maximum value from their tailored solutions. Annually, we train over 2,000 customers.

Training is available in the classroom, in the field, and through virtual sessions, meeting our customers wherever they are. This investment in education directly translates into better uptime and productivity for their operations.

And fourth, we deliver an enhanced aftermarket experience. We have a global service team supporting all business segments, along with inspection services specifically designed to prevent costly downtime. And backing all of this up is over 1 million square feet of parts on the shelf, ensuring timely delivery so that customers are never waiting on us.

The bottom line is this. Our customer first mindset, it's not just a philosophy, it's embedded in how we design, build, train and service. It drives loyalty, repeat business and ultimately long term value for our shareholders.

Now, we'll turn to a short video that shows what happens when more than 50 years of innovation pushes even further.

(VIDEO START)

Unidentified Participant^ At Astec, innovation is one of our three strategic pillars, and it's woven into the fabric of our culture. We innovate with purpose to solve our customers' toughest challenges, to modernize a traditionally analog industry and to consistently build value for our shareholders. Across the construction, infrastructure and materials markets, digital transformation is accelerating.

Astec is not following that change. We're leading it. With extended reality, customers and technicians gain a deeper understanding of our equipment, improving training, accelerating service and reducing downtime through immersive, hands-on experiences.

MyAstec simplifies the customer experience entirely. In just three clicks, customers can find the exact part they need, reducing friction, saving time and keeping operations running. Safety and efficiency come together with the Astec SiloBot, which inspects the insides of silos without putting people at risk, delivering critical insights faster and more effectively.

Our Signal telematics platform unifies data across all business units, giving customers real-time visibility into performance, health, and productivity, anywhere, anytime. Innovations like our moisture detection system help customers maintain optimal material conditions, improving

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quality, consistency and, importantly, reducing cost. And through disciplined new product development, we continue to launch solutions that meet evolving industry demands.

This innovation strategy drives higher customer retention, expands aftermarket and digital revenue potential, improves operational efficiency and positions Astec for sustainable long-term growth. Innovation isn't just how we operate, it's how Astec grows.

(VIDEO END)

Michael Norris^ Our customers told us something loud and clear, we don't just need machines, we need smarter machines, and that's exactly what we build.

Take our Signal Connectivity Suite. Imagine running a job site with real-time visibility into performance, health, and productivity, all unified across your entire Rock to Road fleet through one asset management dashboard. That's not a future promise, that's today.

Think about parts and service. We built the MyAstec portal so your team can find the exact part they need in just three clicks. No catalogs, no hold times, three clicks and you're ordering.

At CONEXPO 2026, we launched or upgraded over 25 new products, each one backed by our disciplined phase gate new product development process that ensures everything we release is ready for the real world, not just the showroom.

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C: Chad Hartley; Group President of Infrastructure Solutions; Astec Industries Incorporated

Michael Norris^ No catalogs, no hold times, three clicks and you're ordering. At CONEXMO 2026, we launched or upgraded over 25 new products, each one backed by our disciplined phase gate new product development process that ensures everything we release is ready for the real world, not just the showroom. Now, here's where it gets exciting.

Our advanced technology group is developing a power simulations that are transforming the industry as we know it. SiloBot uses artificial intelligence for more efficient inspection, assessment and reporting. Dropzone uses A.I. detection for safe truck loading. And we're using extended reality as both a sales and a service tool, which allow our customers to walk through an entire asphalt plant or a crushing plant virtually before it's even built. This is what built to connect really means. It's not just connecting rock to road.

It's connecting data, people and the future of the industry to the technology that will define it. Innovation isn't a department at Astec. It's who we are.

Jaco van der Merwe^ Thank you, Alicia and Michael. To add what Michael just talked about, our focus on innovation and developing sustainable solutions provides several benefits for our customers, including operating within federal and state legal environments and obtaining permits

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for new facilities, driving cost reductions through energy and operational efficiency. Customers depend on us to keep doing product development and to ensure they can operate in a changing environment.

This is an area where we effectively combine product and digital innovation to make the complete system more efficient. Astec is uniquely positioned in the rock to road space to deliver for our customers. Earlier in the presentation, Brian outlined the key performance metrics that we will hold ourselves accountable for and which we believe are of great interest to investors.

However we know that investors have a choice and when they choose to invest in Astec, they do so knowing that our performance compares favorably with the peer group and best-in-class companies. Our recent share price performance and the total shareholder returns compared very well with our peer group, which demonstrates that a turnaround has begun at Astec, giving us the confidence to deliver even greater shareholder value in the future. Our 2030 targets also compare favorably with both peers and best in class companies, providing a compelling basis for investment in Astec.

During full year 2025, we deliver 10% EBITDA for the first time since we started reporting adjusted EBITDA in 2016. We are committed to delivering our 2030 targets as we elevate Astec to new levels, 14% to 17% adjusted EBITDA, 13% to 15% ROIC, and 25% plus operating cash flow growth are achievable targets.

Our focus on growing our parts and service business, introducing new products, and continuing our operational excellence journey are anchored by a strong balance sheet. Executing our plans will position us well to deliver the 2030 targets. To reinforce the investment thesis in Astec, I'd like to remind you of the growth drivers and industry tailwinds.

We have a large number of new products launching over the next 12 to 18 months, which target specific segments of the market. Our growing parts and service business will expand margins. Public funding is stable and growing, and the public end markets are non-cyclical.

The industry megatrends promise multiple years of growth in the demand for construction materials, and our positive cash flow and strong balance sheet provide excellent options for capital allocation. The flywheel multiplier effect of these growth drivers with the Astec Built to Connect way will supercharge the impact on shareholder value creation, reinforcing the case to invest in Astec. Thank you for spending your morning with us today.

We really appreciate your time and interest in Astec. Putting investor money to work successfully is a big responsibility. The Astec leadership team shares in that responsibility, as we are all shareholders.

We know what we need to do to deliver our long-term results. We know what good looks like. We are dedicated to strengthening our parts and service business, continuous improvement, and bringing our industry-changing solutions to the market.

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Over the last three years, we delivered 74% of total shareholder returns. We focused on creating consistency. Now, we are shifting our focus to further improve profitability and to accelerate our growth.

Thank you. I will now turn the presentation back over to Steve.

QUESTION & ANSWER:

Steve Anderson^ At this time, our management team is available to take questions. As a reminder, questions can be submitted in the chat box on the webcast page, and we will get to as many of those as we can. During the Q&A session, I will be off-camera receiving questions that you have submitted on the Investor Day website.

I will direct your questions as appropriate. But before we get started, I want to ask Jaco to introduce a key recent addition to the Astec team. Jaco?

Jaco van der Merwe^ Yes. Thank you, Steve. And I want to welcome Chad Hartley this morning. Chad is our new group president for the Infrastructure Solutions Group.

Chad, you joined us on Monday so I assume everything is already figured out by now.

Chad Hartley^ Absolutely. I'm perfectly well.

Jaco van der Merwe^ I think so. We're very fortunate, Chad brings many years of experience in sales, manufacturing, running global operations to our team. So, Chad, why Astec? I mean what piqued your interest in the business, and what are the opportunities that you see right now?

Chad Hartley^ Yes. Thanks, Jaco, and great to be here with Astec. When you take a look at this business, extremely strong foundation. A lot of good things going on within the business, driving more consistency in the results.

And then truly it's at this inflection point that you talk about on the journey. So, I think it's just an absolutely great time to be a part of the company. What I see is great people within the organization, and truly from the shop floor all the way up through leadership, the passion, the engagement that I've seen has been really, really good.

And I think right now it's just really about time to accelerate, right?

Jaco van der Merwe^ Yes.

Chad Hartley^ So the consistency is starting to happen, so that's great. A couple other things I would just say the innovation, the digital piece of things, that ecosystem and how this business has a portfolio to really drive a broader industry solution is great.

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And so, all in all, I just think it's a great time to be a part of this company, and just I see the passion and I see the opportunity within Astec.

Jaco van der Merwe^ Yes, absolutely, and we definitely welcome you to the team and look forward to see what you're going to bring to the table for us.

Chad Hartley^ Yes, thank you.

Steve Anderson^ Thank you, Chad. And now for our question-and-answer session. Our first question goes to Jaco.

Can you elaborate on the most important drivers for margin growth over the next five years?

Jaco van der Merwe^ Yes, as part of our presentation today we talk about, you know, growing our EBITDA margin from 14% to 17%. And we know that is a really aggressive target, but there's three significant focus areas for us. Number one is growing our parts and service business.

It gives us a huge opportunity to connect with our customers on a daily basis and to make sure our customers' equipment are running as they want them to run. Secondly, we see a big opportunity still in improving our own internal operations, manufacturing, sales and operations planning, improving quality, the state of our inventory. So, there's so many opportunities from an operational excellence point of view.

Lastly, we're very excited about our new product development pipeline. And just recently at CONEXPO, we launched over 25 new or significantly upgraded equipment. So that pipeline is healthy.

Between those three focus areas, we feel margin can be driven into this range that we quoted. But we also see some efficiencies from an S&A point of view. Right now we know that we have some room for improvement compared to our peer companies.

Steve Anderson^ All right. Thank you, Jaco. Next question I'll direct to Brian.

Brian, how much of your anticipated revenue and margin growth will be organic versus inorganic?

Brian Harris^ Yes, the vast majority of the revenue growth that we have in the next five years is organic, and for the reasons that Jaco just mentioned. But there are a couple of other areas. One, of course is the inorganic growth that we've got from CWMF.

The first year we closed that deal on January 1st, 2026. So, we have a full year in year one of that five-year plan. And then also we have the second six months of the TSG acquisition, which we closed in July of last year.

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So, both of those would be incremental. But everything else that we have in the plan for the next five years is organic growth.

Steve Anderson^ Thank you, Brian. Next question I'll direct to Michael Norris, Group President of our material solutions segment. The material solutions segment went through a down cycle but has shown recent improvement.

How do you see the cycle playing out over the next five years?

Michael Norris^ Yes, thanks for the question, Steve. And material solutions is definitely on the upswing. If we take a look at the cycle a little bit and think about the last two years, it was really impacted by high interest rates.

And how that impacted our business was that our big producers that use our equipment, they limited their investment in capital. The high interest expense really impacted our channel partners' ability to reinvest in their inventory. We had high inventory levels.

I think that was across our own peer group. But I think if you think about it now, that's changed. Our customers, they're used to working in this high-interest rate environment today.

And we have increased demand from infrastructure spending. Data centers are driving a lot of interest in our business today. We also have TerraSource that joined us that gives us a lot of new markets that we can go into.

I think if you think about energy, if you think about fertilizers, special minerals like lithium and those types of things, and those markets, they have a different cycle than what that traditional aggregate market has. So, I think we have opportunity and durability in that cycle. And also, I would say that TerraSource brings thousands of assets for us to harvest the aftermarket as well.

And that just gets us closer to our 40% to 50% target of aftermarket revenue. So, I think we're in a good place. Our portfolio is strong.

And I think we're at the right time in the cycle to be able to grow this business over the next several years.

Steve Anderson^ All right. Thank you, Michael.

Michael Norris^ You're welcome.

Steve Anderson^ And for Chad, Chad, can you tell us about your operational, commercial, and manufacturing experience and how they relate to Astec?

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Chad Hartley^ Yes, absolutely, Steve. I think the experience I've got centers around a lot of the themes that Astec's really on, right, disciplined execution, building strong teams, thinking about the innovation pipelines, everything. That's all been things that have been experiences in my career.

Transformation is another thing. Again this inflection point that we talk about, been through a lot of journeys of transforming parts of the business, bringing different parts of the business together. And I think there's a lot of that opportunity here within Astec.

And then from a customer focus perspective, really bringing innovation, industry solutions, digital, all those things together as you have an acquisitive company, there's just broader aspects that you can bring customer solutions to. So, I think those are all things that I have a lot of passion for and have a lot of background in. So, I just feel like the fit of these things that with everything that's been talked about today and a lot of the experiences I've had sticking to disciplined execution, building strong teams, all those things really come together.

Steve Anderson^ Thank you, Chad. I'll direct this next question to Jaco. With Signal, how much of the rollout is from retrofitting installed Astec equipment versus a possible accelerator in equipment replacement demand?

Jaco van der Merwe^ Yes, Steve, that's a really good question. Signal is obviously a platform that consists of various pieces. And included in there is controls, obviously in the future, telematics, management capabilities.

So today every piece of equipment that goes out is Signal ready. But there is a significant opportunity for us to go and retrofit. And that cycle has already started.

We are very fortunate that various of the big players in the market have chosen our solution as their platform for the future. And we think this business can grow significantly over the long term. And it's going to be a mix between new installations but also retrofits.

Steve Anderson^ All right. And as a follow-up and related question, Jaco, can you discuss how you plan to monetize the new Signal digital platform and how the digital megatrend plays into your 2030 targets?

Jaco van der Merwe^ Yes. So, obviously Signal and monetizing a product like Signal is something new for Astec. Our teams, our product management teams, have done a lot of work around that.

And we see various channels on how to monetize this. First of all, obviously sell the technology as part of the new product that we sell. Selling controls for plant upgrades or retrofits.

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But long term, I think there's an element of license fees as you go. And it becomes more a way for the customer to run their business versus just the product. Now, I will say Signal obviously is a product.

We want to monetize that. But long term, our goal is to use Signal to drive smart services and with that then sell more parts to our customers. I can see a future where we use Signal to provide services to our customers, to provide spare parts for them without even them interacting in the process.

They will trust us to make sure they keep their machines running and their equipment running in the most efficient way.

Steve Anderson^ Thank you, Jaco.

Brian, I'll direct the next question to you. How much revenue can you support with the existing level of SG&A?

And will SG&A need to grow as you expand internationally?

Brian Harris^ Yes, so today our SG&A percentage of revenue is about 19%. We know that's high relative to our industry peers and higher than where we would like it to be. But we've talked about having this leveraged P&L account.

So, the G&A portion of that corporate back-office expenses and the infrastructure that we need to support being a public company is relatively fixed. So as our top line grows, then we'd expect that percentage to come down. Now, obviously as we grow our sales organically, we may need to flex our sales teams and our sales expenses appropriately.

But the SG&A will not grow at the same kind of pace that we see our top line growing at. So, we will bring that percentage down, and ultimately that will improve our EBITDA margins as well as we go over the next five years here.

Steve Anderson^ Thank you, Brian. And, Jaco, I'll direct the next one to you. Can you talk about the role of acquisitions in getting to the 40% to 50% part mix goal?

Jaco van der Merwe^ Yes. Acquisitions play an important role in our strategic roadmap. And I think the recent acquisition of TerraSource is a great example where we found a business that has a very high parts and service mix in that product.

So obviously that will help us. That will probably over the next year as it gains momentum help us to add another two, three percentage points to our mix. Today we are at 34%.

Brian also presented earlier today our strategic filters around acquisitions. And you can clearly see aftermarket is a key consideration when we do acquisitions. I will say we've also noticed

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through our scouting of the market of acquisition opportunities that a lot of companies that is available have not focused that much on parts and service business.

And that just means that there's a great opportunity for us that if we do buy a business, that we can use the way we think about equipment and servicing our customers, that we can grow that mix within an acquired business. So absolutely part of our focus, we are constantly looking for that pure play parts players. But if we have to buy a company with a lower percentage and we see the opportunity, we will definitely take advantage of that.

Michael Norris^ Jaco, I might add to that just a little bit. If I think about our own population and the assets that we have in place, I think we have a lot of opportunity to capture more of our own share as well. So, there's an inorganic path to get there, but I think organically we have a good path to get there as well.

Jaco van der Merwe^ Yes.

Steve Anderson^ All right, Michael, I'll direct, excuse me, I'll direct the next question to you. On the mining and rare earth minerals opportunity, can you talk about how you're seeing the demand in the recent one to two years and where you see the opportunity going?

Michael Norris^ Yes. I would say it's a great question. I think today if I think about just North America and we talk about the rare earth minerals and you think about the Department of Defense and the investment that they're making in rare earth minerals here, I mean that Mountain Pass project, we're in on that. Our dealer and channel network is in on those projects.

And that's going to get to be more and more of a higher demand for us. And we're well positioned with our product portfolio and the products that we have to be able to capitalize on that. So, it's an important part of the future for us.

I mean we're seeing that demand.

Jaco van der Merwe^ Yes, and if I can add a little bit there. We talked about different megatrends that is of interest to us. And mining is a space that is definitely an opportunity for us.

In certain markets around the world, South Africa, Brazil, where we have factories that is predominantly focused on mining. And here in North America, we are playing, way on the outside of mining. So great opportunity for us, obviously with rare earth minerals.

Great opportunity now that we have the TerraSource product portfolio and getting into soft rock mining. So that space is something that's very interesting to us.

Steve Anderson^ All right.

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Brian, I'll send the next one to you. On the greater than 6% organic revenue CAGR target, how much of that growth is expected to come from infrastructure solutions versus material solutions?

Brian Harris^ Yes, the mix is probably pretty even right now. We've got a lot of activity on the MS side. You've seen our backlog has grown substantially over the last two or three quarters.

So, we do expect that to be a good source of the growth. But probably over the five years, it'll be pretty well balanced, maybe a little more acceleration in MS in the near term.

Jaco van der Merwe^ But over the five-year horizon that we've been looking at, I think pretty well balanced between both IS and MS.

Jaco van der Merwe^ And maybe, Michael, you can add a little bit of color around the new products that we launched at CONEXPO, and what does that pipeline look like for MS here over the next 12 months?

Michael Norris^ Yes. I would just, thanks, Jaco, just to add to that. I mean I think if I look at our innovation pipeline that we have on the MS side, I mean over the next 18 months, we're going to have over a dozen new products that are going to hit the market. And those are focused on domestic market, North America, that's our big market, but also on the international side.

So you can imagine on our mobile equipment, we primarily manufacture in North America for North America historically. And the weights and dimensions and over-the-road access and those types of things are different globally. So a lot of our innovation pipeline gives us opportunities to expand our North American business, but also grow internationally as well.

A lot of good stuff coming.

Steve Anderson^ All right. And, Jaco, if you could address this, can you talk about how your concrete segment fits into the long-term framework of Astec? What are you trying to achieve in this business from a parts and service standpoint?

And from a high level, can you compare and contrast the margin profile of concrete versus asphalt?

Jaco van der Merwe^ Yes, absolutely. We bought RexCon in 2017, and I've had the great fortunes to watch this concrete portfolio grow. And I will say it gives Astec great diversification.

If you look at our customers today they do crushing and screening. They do asphalt production. They do concrete production, obviously lay down.

So it really fits well with that rock-to-road portfolio that we're building. From a margin profile point of view, I will say it's comparable with asphalt. Typically, on a concrete plant, the mix of

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parts is a lot lower compared to what you see on an asphalt plant, just because of the complexity in asphalt production.

But overall, it still has a really nice margin profile. And we are really starting now the new product development in that space. And over the next couple of years, we're very excited about how we will bring change to that market and obviously have a solution for our signal platform that connects to the concrete side as well.

Steve Anderson^ All right. Thank you, Jaco. Michael, I'll direct the next one to you. Can you talk about the opportunity to develop system sales?

And is the installed base a source of advantage? Can you leverage existing brands? How do you develop dealer support for MS systems? How should we think about the benefit?

Michael Norris^ Yes, that's a great question, Steve. I think maybe first I'll define what a system is maybe for some of the listeners who don't understand that. So on the MS side of the business, we have two mainly tracks of portfolio that we offer.

One is we call a system, which is a complete fixed plant installation. You can imagine this, the larger producers are doing a lot of tons per hour. And so that's what that system business is.

And we're trying to grow that business because it's a larger system. Obviously it's a bigger order, but it's also a bigger consumer of parts. And we talk about trying how we're going to grow our parts business.

And the other path that we have is around the mobile track stuff. And so that typically goes through a dealer channel. And so if we think about the mix of those, the system business is better for parts, better for aggregate production on big volumes.

And then the mobile stuff is more for the contractor market. It's more of a little bit smaller. Parts consumption is not quite as high as it is on the other units.

So the systems business is a big portion of us, an important part of what we do. And it's also one of the largest profitability opportunities that we have.

Jaco van der Merwe^ And, Michael, maybe to add to that, I will say since Michael is in his role, we for a while there at Astec lost its focus on the system business. And I will say we've done a great job bringing that back to life. And, Michael, maybe just talk about the pipeline a little bit.

Michael Norris^ Yes. I would say I mean our pipeline and project opportunities is in the hundreds at the moment. And when we talked earlier about the high interest rates kind of pausing that capital investment by the large producers, well, that's all coming online today. And we've seen that pick up significantly in the later half of Q4.

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And Q1 has been strong, and it continues into Q2 as well. I mean the pipeline is really growing there.

Jaco van der Merwe^ And typically when you have a system like that, I mean that will be in place for 15, 20 plus years.

Michael Norris^ Exactly.

Jaco van der Merwe^ And it just produces play parts every day of the week.

Michael Norris^ Yes. And that's a great point. I mean for us, we try not to lose any deals when it comes to the systems projects that we have.

If you're out, you could be out for 10 years or more, and you lose that annuity for the parts business along with that. So we've really focused on that. And for us, it's a competitive advantage.

I mean our engineering teams, how we [ETO], we can do that with some of the digital tools that we have today. We can do the augmented reality, lay out your plant in your quarry before you even place the PO, we can walk you through what that would look like to help you identify traffic patterns and where you want to stockpile and just kind of get your logistics and your quarry in place. So we have a lot of tools to kind of help promote that, and it's a big focus for us at the moment.

Steve Anderson^ All right. Thank you. Brian, I'll direct the next question to you.

Do you include any larger CapEx investments in your 2.5% of revenue target, or is this primarily maintenance CapEx? And is it reasonable to think you can reach 100% cash conversion within your target period?

Brian Harris^ Yes. We haven't really included any major significant capital expenditure projects in the 2.5%. That's pretty much the run rate. We've been at 2.4% for the past three years, so we've included 2.5% in the model that we've got going forward for the next five years. And a lot of that is maintenance and replacement.

We are investing in the manufacturing facilities to upgrade them, improve our efficiencies, reduce costs. So the 2.5% is really the major part of that.

Steve Anderson^ We have a few parts-related questions, so I'll summarize those. Does reaching 40% to 50% of revenue from parts and service by 2030 require additional M&A, or do you have a current plan to attain that mark organically, and what efforts are underway?

Jaco van der Merwe^ Yes, getting to that target obviously is going to take both acquisitions and growing organically. I mentioned earlier, TerraSource was a great opportunity for us to buy a

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very strong parts and service business. And even with that mix, we think there is a lot more to go after.

Michael talked about the thousands of installations that they have, and getting to touch every one of those is something that we're busy putting the resources in place. There is not that many pure play parts businesses that makes 100% sense, but there is quite a few, and we are exploring those. But from an organic point of view, we see obviously significant opportunity both in the local market, internationally, and we're very excited about how we're going to use our signal platform to help us to enable that.

And I think if we do that well, our customers will see the benefit, with improved run time or up times in their operations, and that will just generate then a new cycle of capital spend with us.

Steve Anderson^ All right, thank you. Another question related to parts. Do you have sufficient infrastructure in place to achieve the 40% parts mix targets, or will that require additional investment?

Jaco van der Merwe^ Yes. I will say in general we have. We have great capability in shipping and receiving. We have the warehouse capacity.

Obviously if you look at parts, there's a mix between procured parts that we buy and sell, and then there's manufactured parts. And in certain of our facilities, we will need investment in capacity. And, Michael, maybe you can say something about that, just an image from a machining point of view, what you've seen and what your team is working on.

Michael Norris^ Yes. I'll maybe go back to the previous question that asked really about what we're doing today right? So today right now, there's people out there that are going and calling on these customers where our assets are located and doing machine audits and things like that to go and try to drive that business today. So we have that asset population mapped out.

We know where they are. We have people in place going out to call on those things. So that's what we're doing today.

If we think about our capacity to fulfill parts, I mean fill rate for us is one of the major focuses. We look at that on a monthly basis for all of our sites and all of our product portfolios to make sure that we have the parts on the shelf and available at the time the customer needs it. And we find if you do that, you win a lot. And so we're really focused on that.

Jaco van der Merwe^ Yes. And I will also note that in most product lines, from a market share point of view, we have an opportunity to grow our share. As, you know, in general, it's lower than what we see in some of our capital equipment product lines.

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So big opportunity, an opportunity with existing customers running our equipment. The last thing on parts is it takes time to develop that. It's not something that you're just going to get a big order and all of a sudden you jump to 40%.

It is something that you have to work on on a daily basis. A tool like MyAstec that we have now rolled out on our asphalt plants, soon it will be on our concrete plants, are all ways that we want to make it easy for our customers to do business with us. And if we do that, we feel comfortable that we can grow that to 40% to 50%.

Steve Anderson^ All right. Thank you, Jaco. The next one I'll direct to Brian.

How do you envision deploying capital towards acquisitions going forward? Larger deals, smaller bolt-on acquisitions, other?

Brian Harris^ Yes, look, I think it's going to be a combination of the above. We've talked in the presentation there about having 400 million to 600 million of capital available to allocate towards acquisitions if we maintain our leverage in that 1.5 to 2.5 times range. We have a very active business development process within the company, and we have a pretty active pipeline of potential targets.

We're constantly looking at them. We've talked about the filters and the discipline that we have, but it's a little hard to predict exactly when those deals will land, how big they'll be. There could be some smaller bolt-on tuck-in deals along the way that fit nicely with the existing portfolio that we have, and there could be larger transformational ones.

But we're very disciplined about the approach that we take to our acquisition, and it'll just take time for those to land. We're going to stay well within our leverage boundaries, and we'll acquire what we can and what's the best fit for the company going forward.

Steve Anderson^ All right. Thank you, Brian. And I'll stick with you, Brian, on this one.

How are you thinking about the level and timing and investment necessary to achieve your international growth goals?

Brian Harris^ Well, again the growth goals are both domestic and international. We have a very good international footprint. It represents about 20% of our revenue today.

We operate in some very attractive end markets. We'd like to grow internationally, and it really depends on the art of the possible when it comes to acquisitions. We get inbound inquiries all the time with businesses that are for sale, and we look hard at those.

But it's about managing risk, about being in the right markets where we see the growth potential. I wouldn't say there was a specific mix between international and growth. The 80-20 domestic-international is quite a good mix just now, and that may not change significantly over time.

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But we will be looking at international targets to underpin the over (Audio Gap)

Jaco van der Merwe[^] -- around the world, sometimes much bigger than what we are. But our opportunity to grow market share is significant internationally. And players, international players, like our product. So if we can take our existing product and make it close to the customers, I think there is a significant opportunity for us.

So we're excited about that. I think the really good thing is we have a lot of international experience. If I just look at all four of us, we've all lived in different countries and worked in different countries. So, lots of international experience within our leadership team.

Steve Anderson[^] All right, great. And we have time for a couple more questions. I'll direct the next one to Michael.

In the material solutions segment, where do you foresee your growth coming from geographically?

Michael Norris[^] Well, just kind of as we discussed a little bit earlier, I think the North American market for us is still our primary market, and it's the most stable market for us. But we have good foundations already set up in Latin America, and we're seeing good growth opportunities there. Brazil for us has been a growth area for us over the last few years.

So Asia, I think with TerraSource, with the energy and the potash and the fertilizer, and those types of markets are going to be a growth area for us in the Middle East. And I think we have a lot of opportunity. And, again going back to this innovation, you imagine our products today were for North America, and so our new products that were coming out are going to give us more of an international appeal.

And so we're excited about what the future looks like there. And like I said, all those are coming online over the next 18 months or so. So we're excited about what our growth opportunities are internationally.

Steve Anderson[^] Okay great. Thank you. Jaco, maybe address this one, please.

If you were able to build out the parts enterprise, are you able to leverage the investment by expanding the offering beyond Astec parts and carrying margin-attractive non-Astec parts?

Jaco van der Merwe[^] Yes, absolutely. If you look at our customer base today a lot of our customers, especially right now, are growing through industry consolidation. So a lot of acquisitions made by our customers, and that means that they have a mixed fleet of equipment.

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So customers want to deal with us. And if we provide them better service on Astec equipment with our support, they're looking to us for support on competitive parts as well. And in some of our business areas, we're already doing really well with that.

And just here recently, both Michael and in our infrastructure solutions side, we've launched dedicated platforms that are specifically focused on competitive parts, and we see a significant opportunity there. And to be quite frank, I think we're doing a really good job of supporting our customers. We have great full rate today.

So if a customer needs something, we probably have it. And if we can create that same type of availability from a competitive point of view, we feel that we can attract quite a bit of business there.

Steve Anderson^ All right. Thank you, Jaco. And then this question ties parts and digital together, but can you talk about the customer acceptance rates on MyAstec, and is this accelerating?

For new users of MyAstec, what kind of acceleration in your parts are you seeing? And what are you seeing once those customers are fully onboard?

Jaco van der Merwe^ Yes, if I remember correctly, we probably now have 400 assets, 400 asphalt plants on MyAstec. So it's growing on a daily basis. We have a team now that just go from customer to customer.

We create a digital twin of what the customer have so that we know exactly what that customer wants when they order parts from us. So, anything technology related, there's a variance in adoption. Typically the younger employees, and we see a lot of that in our industry now, they adapt to this technology really quickly.

Somebody who's on an asphalt plant that's used to picking up the phone and say send me that thing, and everybody knows what that thing is, they want to do that. So we're catering for both, but we know long term it's going to be a great opportunity for us. And obviously that's a platform that we now started to take to concrete, and it's going to be on the material solution side as well in the future.

So, yes, a great opportunity for us.

Michael Norris^ I might just add a little bit to that, Jaco, if you don't mind, on the signal platform you talked about and the telematics piece there. I mean really all of this ease of tools that we're trying to put together is really to try to reduce friction. If we can be easy and have a good fill rate, we feel pretty confident that we can win in that market segment.

So telematics and signal is going to be a good adder for us for sure.

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Steve Anderson^ All right. And, Jaco, as we wrap up, is there a final message you'd like to leave with us?

Jaco van der Merwe^ Yes, absolutely, Steve. First of all, I want to thank everybody for joining us today and I trust that you've learned a lot about Astec today and I trust that you see how excited we are about the future of Astec. I think if you look at our long-term targets taking this business to a 14% or 17% EBITDA business, it's elevating it to a place that we've never been before.

And I think we as a team, we really like the product portfolio that we have. We like the market that we play in. And I think we have a very clear path to get to our 2030 targets, and I want to remind you of those.

Obviously growing our parts and service business, driving operational excellence, and then bringing new products to the market that gives our customers the opportunities to stay competitive. And I got away from ConExpo this year so energized because it was so clear that we are leading the way around that. So, the next thing is we are very fortunate that we have a strong balance sheet.

And Brian talked about the financial capacity that we have to take advantage of inorganic opportunities. And we have a strong process, we have a strong team around that, and I think over the next few years we're going to put that money to work in a good way. And then lastly, we've proven that we can execute.

The last three years we've grown and improved our shareholder returns to 74% over the last three years. So this team have demonstrated through our Build to Connect way that if we execute, the results will come. And from my side where I'm sitting today I hope you guys agree, this journey has just started.

Today we're not only announcing these targets to the market. We're making a commitment. We're making a commitment with our 4,500 employees that we're going to take this business and really put it in a place where it deserves to be.

So thank you very much. We appreciate your time.

Steve Anderson^ Thank you. Thank you, Jaco. And thank you all for joining us today.

As we've mentioned previously our Investor Day materials can be found in the Investor Relations section of the Astec Industries website at www.astecindustries.com. So have a great day. We're adjourned.