

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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): January 04, 2024

Lindsay Corporation

(Exact name of Registrant as Specified in Its Charter)

Delaware  
(State or Other Jurisdiction  
of Incorporation)

1-13419  
(Commission File Number)

47-0554096  
(IRS Employer  
Identification No.)

18135 Burke Street  
Suite 100  
Omaha, Nebraska  
(Address of Principal Executive Offices)

68022  
(Zip Code)

Registrant's Telephone Number, Including Area Code: (402) 829-6800

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$1.00 par value	LNN	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

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

**Item 2.02 Results of Operations and Financial Condition.**

On January 4, 2024, Lindsay Corporation (the “Company”) issued a press release announcing the Company’s results of operations for its first quarter ended November 30, 2023. A copy of the press release is furnished herewith as Exhibit 99.1.

In addition, a copy of the slide presentation to be used during the Company’s fiscal 2024 first quarter investor conference call at 11:00 a.m. Eastern Time on January 4, 2024 is furnished herewith as Exhibit 99.2.

**Item 9.01 Financial Statements and Exhibits.**

[99.1 Press Release, dated January 4, 2024, issued by the Company.](#)

[99.2 Slide Presentation for Fiscal 2024 First Quarter Investor Conference Call on January 4, 2024.](#)

104 Cover Page Interactive Data File (embedded within the Inline XBRL document).

In accordance with General Instruction B.2 of Form 8-K, the information contained in Item 2.02 of this Current Report on Form 8-K, including Exhibits 99.1 and 99.2 relating to Item 2.02 and attached hereto, is being “furnished” and, as such, shall not be deemed to be “filed” for purposes of Section 18 of the Securities and Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that Section, nor shall it be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

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## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

LINDSAY CORPORATION

Date: January 4, 2024

By: /s/ Brian L. Ketcham  
Brian L. Ketcham, Senior Vice President and Chief Financial Officer

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## Lindsay Corporation Reports Fiscal 2024 First Quarter Results

OMAHA, Neb., January 4, 2024—Lindsay Corporation (NYSE: LNN), a leading global manufacturer and distributor of irrigation and infrastructure equipment and technology, today announced results for its first quarter which ended on November 30, 2023.

### Key Highlights

- North America irrigation revenue growth driven by improved demand for irrigation equipment
- Irrigation equipment pricing remains stable, supporting gross margin improvement
- Improved infrastructure operating performance driven by growth in Road Zipper System™ leasing

"Demand for irrigation equipment in North America improved in the quarter, reflecting increased order activity as grower profitability became more certain post-harvest compared to the delayed investment decisions we had experienced in last year's spring selling season," said Randy Wood, President and Chief Executive Officer. "Quoting activity in international irrigation markets remains active and growing, however revenues for the quarter were lower in South America following the record revenues captured in Brazil in the prior year. Across our infrastructure business, growth in our Road Zipper System leasing revenues and sales of our road safety products largely offset muted Road Zipper System project activity in the quarter. Importantly, our leasing business continues to represent a greater proportion of our infrastructure segment revenues with this sales mix accretive to Lindsay's overall margin profile."

### First Quarter Summary

#### Consolidated Financial Summary

(dollars in millions, except per share amounts)

	FY2024	FY2023	First Quarter \$ Change	%Change
Total revenues	\$161.4	\$176.2	(\$14.8)	(8%)
Operating income	\$21.1	\$24.6	(\$3.5)	(14%)
Operating margin	13.1%	14.0%		
Net earnings	\$15.0	\$18.2	(\$3.2)	(18%)
Earnings per share	\$1.36	\$1.65	(\$0.29)	(18%)

Revenues for the quarter were \$161.4 million, a decrease of \$14.8 million, or 8 percent, compared to revenues of \$176.2 million in the prior year first quarter. The decrease resulted primarily from lower international irrigation sales compared to prior year first quarter.

Operating income for the quarter was \$21.1 million, a decrease of \$3.5 million, or 14 percent, compared to operating income of \$24.6 million in the prior year first quarter. Operating margin was 13.1 percent of sales compared to 14.0 percent of sales in the prior year first quarter. The decrease in operating income and margin resulted primarily from lower revenues as gross margin improved compared to prior year first quarter.

Net earnings for the quarter were \$15.0 million, or \$1.36 per diluted share, compared with net earnings of \$18.2 million, or \$1.65 per diluted share, in the prior year first quarter. Lower net earnings resulted largely from lower operating income that was partially offset by higher interest income. In addition, net earnings in the quarter were impacted by a higher effective income tax rate compared to the prior year first quarter.

### First Quarter Segment Results

#### Irrigation Segment

(dollars in millions)

	FY2024	FY2023	First Quarter \$ Change	%Change
Revenues:				
North America	\$89.4	\$83.9	\$5.4	7%
International	\$50.8	\$68.1	(\$17.3)	(25%)
Total revenues	\$140.2	\$152.1	(\$11.9)	(8%)
Operating income	\$25.3	\$28.6	(\$3.3)	(12%)
Operating margin	18.1%	18.8%		

Irrigation segment revenues for the quarter were \$140.2 million, a decrease of \$11.9 million, or 8 percent, compared to \$152.1 million in the prior year first quarter. North America irrigation revenues of \$89.4 million increased \$5.4 million, or 7 percent, compared to the prior year first quarter. The increase in North America irrigation revenues resulted primarily from higher unit sales volume that was partially offset by the impact of a less favorable mix of shorter machines compared to the prior year first quarter. Average selling prices remained stable and were comparable to the prior year first quarter.

International irrigation revenues of \$50.8 million decreased \$17.3 million, or 25 percent. The decrease resulted primarily from lower sales in Brazil and Argentina compared to record sales in those markets in the prior year first quarter. Changes in the timing of funding under the financing program in Brazil contributed to lower sales in the quarter relative to the prior year first quarter. Revenue in the current year also benefited from the favorable effects of foreign currency translation of approximately \$1.8 million compared to the prior year first quarter.

Irrigation segment operating income for the quarter was \$25.3 million, a decrease of \$3.3 million, or 12 percent, compared to the prior year first quarter. Operating margin was 18.1 percent of sales, compared to 18.8 percent of sales in the prior year first quarter. Lower operating income and operating margin resulted primarily from lower international irrigation revenues and the resulting impact from deleverage of fixed operating expenses. Gross margin remained consistent with the prior year first quarter.

Infrastructure Segment (dollars in millions)	First Quarter			
	FY2024	FY2023	\$ Change	% Change
Total revenues	\$21.2	\$24.1	(\$2.9)	(12%)
Operating income	\$3.6	\$3.4	\$0.2	7%
Operating margin	17.1%	14.0%		

Infrastructure segment revenues for the quarter were \$21.2 million, a decrease of \$2.9 million, or 12 percent, compared to \$24.1 million in the prior year first quarter. The decrease resulted from lower Road Zipper System sales, which were largely offset by higher Road Zipper System lease revenue and higher sales of road safety products.

Infrastructure segment operating income for the quarter was \$3.6 million, an increase of \$0.2 million or 7 percent compared to the prior year first quarter. Operating margin was 17.1 percent of sales, compared to 14.0 percent of sales in the prior year first quarter. Increased operating income and operating margin resulted primarily from a more favorable margin mix of revenue with higher lease revenue compared to the prior year first quarter.

The backlog of unfilled orders at November 30, 2023 was \$86.8 million compared with \$129.6 million at November 30, 2022. The irrigation backlog was lower compared to the prior year while the infrastructure backlog was comparable to the prior year.

## Outlook

Mr. Wood concluded, "While customers will invest cautiously, current farm income projections, moderating inflation and an anticipation of flat to lower interest rates provide a stable backdrop for irrigation equipment demand in North America. We expect sales volume levels in developed international markets, particularly Brazil, to improve over the balance of the year, and we continue to see project opportunities in developing markets supported by continuing global concerns over food security and global grain supplies."

"In our infrastructure business, we are beginning to see the positive impact of increased U.S. infrastructure spending, particularly in Road Zipper System leasing and sales of road safety products. We also continue to actively manage projects through our Road Zipper System project sales funnel, however the timing of project implementation remains challenging to predict."

## First Quarter Conference Call

Lindsay's fiscal 2024 first quarter investor conference call is scheduled for 11:00 a.m. Eastern Time today. Interested investors may participate in the call by dialing (833) 535-2202 in the U.S., or (412) 902-6745 internationally, and requesting the Lindsay Corporation call. Additionally, the conference call will be simulcast live on the Internet and can be accessed via the investor relations section of the Company's Web site, [www.lindsay.com](http://www.lindsay.com). Replays of the conference call will remain on our Web site through the next quarterly earnings release. The Company will have a slide presentation available to augment management's formal presentation, which will also be accessible via the Company's Web site.

## About the Company

Lindsay Corporation (NYSE: LNN) is a leading global manufacturer and distributor of irrigation and infrastructure equipment and technology. Established in 1955, the company has been at the forefront of research and development of innovative solutions to meet the food, fuel, fiber and transportation needs of the world's rapidly growing population. The Lindsay family of irrigation brands includes Zimmatic® center pivot and lateral move agricultural irrigation systems, FieldNET® and FieldWise® remote irrigation management technology, FieldNET Advisor™ irrigation scheduling technology, and industrial IoT solutions. Also a global leader in the transportation industry, Lindsay Transportation Solutions manufactures equipment to improve road safety and keep traffic moving on the world's roads, bridges and tunnels, through the Barrier Systems®, Road Zipper® and Snoline™ brands. For more information about Lindsay Corporation, visit [www.lindsay.com](http://www.lindsay.com).

### Concerning Forward-Looking Statements

*This release contains forward-looking statements that are subject to risks and uncertainties and which reflect management's current beliefs and estimates of future economic circumstances, industry conditions, Company performance and financial results. You can find a discussion of many of these risks and uncertainties in the annual, quarterly and current reports that the Company files with the Securities and Exchange Commission. Forward-looking statements include information concerning possible or assumed future results of operations and planned financing of the Company and those statements preceded by, followed by or including the words "anticipate," "estimate," "believe," "intend," "expect," "outlook," "could," "may," "should," "will," or similar expressions. For these statements, the Company claims the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. The Company undertakes no obligation to update any forward-looking information contained in this press release.*

### For further information, contact:

#### LINDSAY CORPORATION:

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**LINDSAY CORPORATION AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS**  
(Unaudited)

(in thousands, except per share amounts)	Three months ended	
	November 30, 2023	November 30, 2022
Operating revenues	\$ 161,358	\$ 176,159
Cost of operating revenues	111,453	123,139
Gross profit	49,905	53,020
Operating expenses:		
Selling expense	9,817	9,677
General and administrative expense	14,662	14,437
Engineering and research expense	4,352	4,308
Total operating expenses	28,831	28,422
Operating income	21,074	24,598
Other income (expense):		
Interest expense	(877)	(909)
Interest income	1,068	373
Other income (expense), net	(270)	(57)
Total other income (expense)	(79)	(593)
Earnings before income taxes	20,995	24,005
Income tax expense	5,976	5,788
Net earnings	<u>\$ 15,019</u>	<u>\$ 18,217</u>
Earnings per share:		
Basic	\$ 1.36	\$ 1.66
Diluted	\$ 1.36	\$ 1.65
Shares used in computing earnings per share:		
Basic	11,017	10,989
Diluted	11,059	11,073
Cash dividends declared per share	\$ 0.35	\$ 0.34

**LINDSAY CORPORATION AND SUBSIDIARIES**  
**SUMMARY OPERATING RESULTS**  
(Unaudited)

(in thousands)	Three months ended	
	November 30, 2023	November 30, 2022
Operating revenues:		
Irrigation:		
North America	\$ 89,377	\$ 83,934
International	50,791	68,149
Irrigation segment	140,168	152,083
Infrastructure segment	21,190	24,076
Total operating revenues	<u>\$ 161,358</u>	<u>\$ 176,159</u>
Operating income:		
Irrigation segment	\$ 25,307	\$ 28,641
Infrastructure segment	3,619	3,372
Corporate	(7,852)	(7,415)
Total operating income	<u>\$ 21,074</u>	<u>\$ 24,598</u>

The Company manages its business activities in two reportable segments as follows:

*Irrigation* - This reporting segment includes the manufacture and marketing of center pivot, lateral move, and hose reel irrigation systems, as well as various innovative technology solutions such as GPS positioning and guidance, variable rate irrigation, remote irrigation management and scheduling technology, irrigation consulting and design and industrial IoT solutions.

*Infrastructure* – This reporting segment includes the manufacture and marketing of moveable barriers, specialty barriers, crash cushions and end terminals, and road marking and road safety equipment.



**LINDSAY CORPORATION AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(Unaudited)

(in thousands)	November 30, 2023	November 30, 2022	August 31, 2023
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 159,381	\$ 99,168	\$ 160,755
Marketable securities	16,278	11,424	5,556
Receivables, net	143,049	157,116	144,774
Inventories, net	164,144	188,404	155,932
Other current assets, net	18,450	25,295	20,467
Total current assets	501,302	481,407	487,484
Property, plant, and equipment, net	103,818	93,518	99,681
Intangibles, net	27,005	17,760	27,719
Goodwill	84,029	67,295	83,121
Operating lease right-of-use assets	17,544	18,477	17,036
Deferred income tax assets	12,712	8,117	10,885
Other noncurrent assets, net	17,508	21,722	19,734
Total assets	<u>\$ 763,918</u>	<u>\$ 708,296</u>	<u>\$ 745,660</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
Current liabilities:			
Accounts payable	\$ 52,242	\$ 58,535	\$ 44,278
Current portion of long-term debt	227	223	226
Other current liabilities	89,502	89,827	91,604
Total current liabilities	141,971	148,585	136,108
Pension benefits liabilities	4,308	4,812	4,382
Long-term debt	115,120	115,297	115,164
Operating lease liabilities	17,746	19,161	17,689
Deferred income tax liabilities	695	693	689
Other noncurrent liabilities	17,218	14,960	15,977
Total liabilities	297,058	303,508	290,009
Shareholders' equity:			
Preferred stock	—	—	—
Common stock	19,115	19,090	19,094
Capital in excess of stated value	98,628	93,079	98,508
Retained earnings	647,455	593,475	636,297
Less treasury stock - at cost	(277,238)	(277,238)	(277,238)
Accumulated other comprehensive loss, net	(21,100)	(23,618)	(21,010)
Total shareholders' equity	466,860	404,788	455,651
Total liabilities and shareholders' equity	<u>\$ 763,918</u>	<u>\$ 708,296</u>	<u>\$ 745,660</u>

**LINDSAY CORPORATION AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Unaudited)

(in thousands)	Three months ended	
	November 30, 2023	November 30, 2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net earnings	\$ 15,019	\$ 18,217
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	5,307	4,871
Provision for uncollectible accounts receivable	71	704
Deferred income taxes	(1,666)	1,129
Share-based compensation expense	1,603	1,473
Unrealized foreign currency transaction loss (gain)	79	(83)
Other, net	73	289
Changes in assets and liabilities:		
Receivables	1,689	(19,828)
Inventories	(7,970)	4,803
Other current assets	2,762	3,526
Accounts payable	7,087	123
Other current liabilities	(4,263)	(11,898)
Other noncurrent assets and liabilities	2,081	1,356
Net cash provided by operating activities	21,872	4,682
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchases of property, plant, and equipment	(6,941)	(3,798)
Purchases of marketable securities	(12,992)	—
Proceeds from maturities of marketable securities	2,325	—
Other investing activities, net	(593)	(384)
Net cash used in investing activities	(18,201)	(4,182)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Dividends paid	(3,861)	(3,742)
Common stock withheld for payroll tax obligations	(1,575)	(2,471)
Other financing activities, net	56	43
Net cash used in financing activities	(5,380)	(6,170)
Effect of exchange rate changes on cash and cash equivalents	335	(210)
Net change in cash and cash equivalents	(1,374)	(5,880)
Cash and cash equivalents, beginning of period	160,755	105,048
Cash and cash equivalents, end of period	<u>\$ 159,381</u>	<u>\$ 99,168</u>



# 1<sup>st</sup> Quarter Fiscal 2024 Earnings Slide Deck

# Safe-Harbor Statement

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This presentation contains forward-looking statements that are subject to risks and uncertainties, and which reflect management's current beliefs and estimates of future economic circumstances, industry conditions, Company performance, financial results and planned financing. You can find a discussion of many of these risks and uncertainties in the annual, quarterly and current reports that the Company files with the Securities and Exchange Commission.

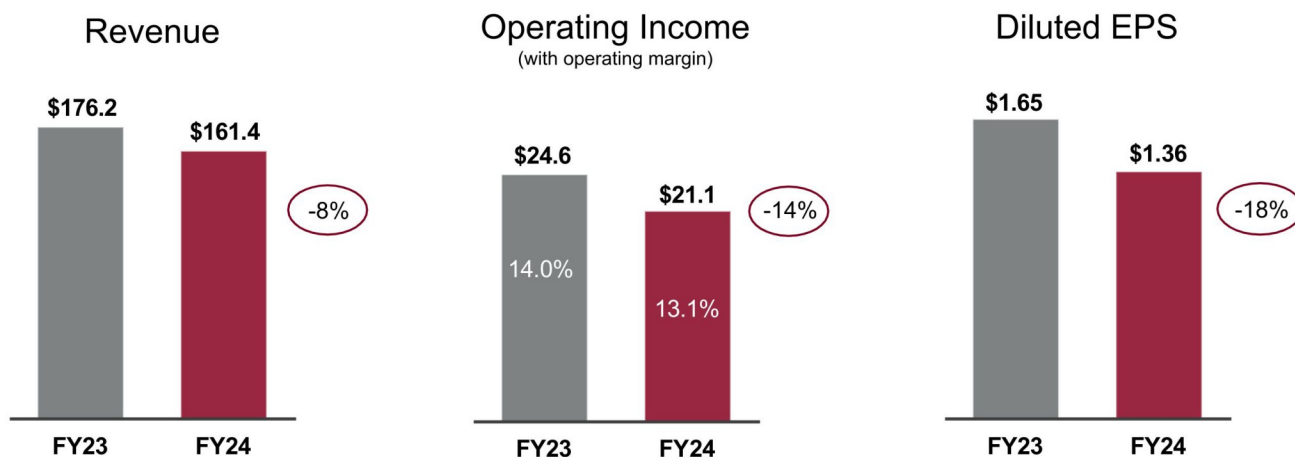
Investors should understand that a number of factors could cause future economic and industry conditions and the Company's actual financial condition and results of operations to differ materially from management's beliefs expressed in the forward-looking statements contained in this presentation. These factors include those outlined in the "Risk Factors" section of the Company's most recent annual report on Form 10-K filed with the Securities and Exchange Commission, and investors are urged to review these factors when considering the forward-looking statements contained in this presentation.

For these statements, the Company claims the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995.

For additional financial statement information, please see the Company's earnings release dated January 4, 2024.

# First Quarter Summary

\$ in millions, except per share amounts



- Revenues decreased \$14.8 million compared to prior year
  - Irrigation decreased \$11.9 million
  - Infrastructure decreased \$2.9 million
- Operating income decreased \$3.5 million compared to prior year
  - Irrigation decreased \$3.3 million
  - Infrastructure increased \$0.2 million
  - Corporate expense increased \$0.4 million



# First Quarter Financial Summary

<i>(\$ in millions, except per share amounts)</i>	Q1 - FY24	Q1 - FY23	Change
<u>Revenue</u>			
North America irrigation	\$89.4	\$83.9	7%
International irrigation	\$50.8	\$68.1	-25%
Irrigation	\$140.2	\$152.1	-8%
Infrastructure	\$21.2	\$24.1	-12%
Total revenue	\$161.4	\$176.2	-8%
Operating income	\$21.1	\$24.6	-14%
Operating margin	13.1%	14.0%	-90 bps
Net earnings	\$15.0	\$18.2	-18%
Diluted earnings per share (EPS)	\$1.36	\$1.65	-18%
Backlog	\$86.8	\$129.6	-33%

# Current Market Factors

## Irrigation

- Agricultural commodity prices continue to fluctuate based on supply and demand changes
  - Corn and soybean prices in November 2023 were 32 percent and 8 percent lower, respectively, compared to one year ago
  - Commodity prices remain broadly supportive to grower profitability
- 2023 net farm income is projected at \$151.1 billion, a decrease of 17 percent from record levels in 2022 but remains at a historically high level
- Current farm income levels, moderating inflation and an anticipation of flat to lower interest rates provide a stable backdrop for irrigation equipment demand, however farmers remain cautious
- Changes in the timing of funding under the financing plan in Brazil impacted first quarter results, but is not expected to have a significant impact on full year results



## Infrastructure

- Infrastructure Investment and Jobs Act (IIJA) funding marks the largest infusion of federal investment into infrastructure projects in more than a decade
  - Includes \$110 billion in incremental federal funding for roads, bridges, and other transportation projects
  - The additional funding is expected to support higher demand in the U.S. for Lindsay products and solutions
- Transportation contract awards increase 17 percent year to date through November 2023
- Spending for public highway, pavement, and street construction expected to grow approximately 16 percent in calendar 2024
- The timing and scope of construction projects can be impacted by a variety of factors

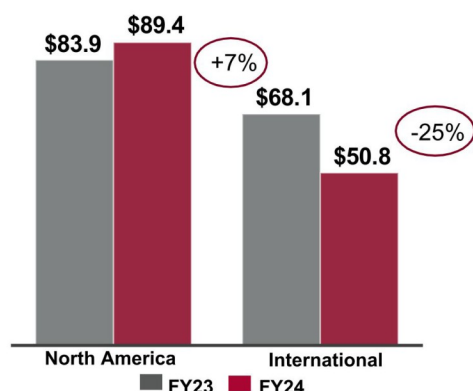


# Irrigation Segment – First Quarter Summary

\$ in millions



## Revenue

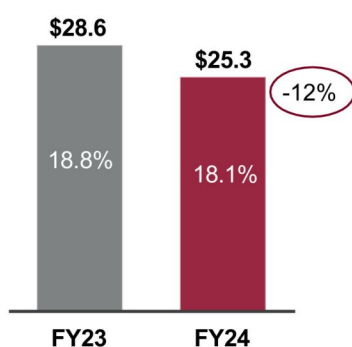


- North America revenue increased \$5.4 million
  - Higher unit sales volume was partially offset by less favorable mix of shorter machine sales compared to prior year
  - Average selling prices remained stable and were comparable to prior year
  - Unit sales volume breakdown by category:
    - Replacement 47%, Dryland 27%, Conversion 26%

- International revenue decreased \$17.3 million
  - Lower sales in Brazil and Argentina following record sales in the prior year
    - Changes in the timing of funding under the government financing program in Brazil
    - Government transition in Argentina following presidential election
  - Favorable foreign currency translation impact of \$1.8 million

## Operating Income

(with operating margin)



- Operating income decreased \$3.3 million
  - Lower international irrigation revenues and the resulting impact of deleverage of fixed operating expenses
  - Overall gross margin consistent with the prior year

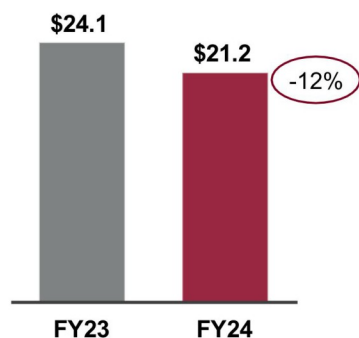


# Infrastructure Segment

\$ in millions

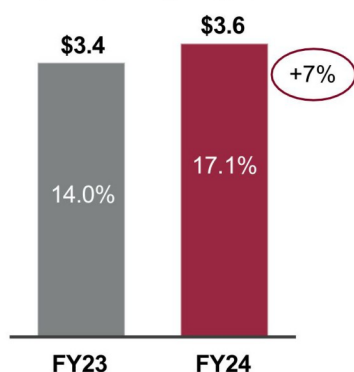


## Revenue



- Total revenue decreased \$2.9 million
  - Lower Road Zipper System™ sales due to project revenue of \$8.0 million in the prior year that did not repeat
  - Higher Road Zipper System lease revenue connected to road construction activity
  - Higher sales of road safety products
- First commercial sale of RoadConnect™ technology platform
  - Beta trials of Impact Alert™ continuing with certain state departments of transportation

## Operating Income (with operating margin)



- Operating income increased \$0.2 million
  - More favorable margin mix of revenue with higher Road Zipper System lease revenues result in higher gross margin compared to the prior year

# Innovation Leadership: Addressing Global Megatrends



# Strong Commitment to Sustainable Practices



*Our mission is to conserve natural resources, expand our world's potential, and enhance the quality of life for people.*

1

Investing in sustainable technologies



2

Improving our operational footprint



3

Empowering and protecting our people



4

Engaging in our local communities



5

Operating with integrity



# Summary Balance Sheet and Liquidity

<i>(\$ in millions)</i>	November 30, 2023	November 30, 2022	August 31, 2023
Cash, cash equivalents and marketable securities	\$175.7	\$110.6	\$166.3
Current assets	\$501.3	\$481.4	\$487.5
Current liabilities	\$142.0	\$148.6	\$136.1
Net working capital	\$359.3	\$332.8	\$351.4
Long-term debt	\$115.1	\$115.3	\$115.2
Shareholders' equity	\$466.9	\$404.8	\$455.7

- As of November 30, 2023, available liquidity of \$225.7 million, with \$175.7 million in cash, cash equivalents and marketable securities and \$50.0 million available under revolving credit facility

Well-positioned with a strong balance sheet to continue to execute our capital allocation strategy and create value for shareholders.

# Free Cash Flow Summary

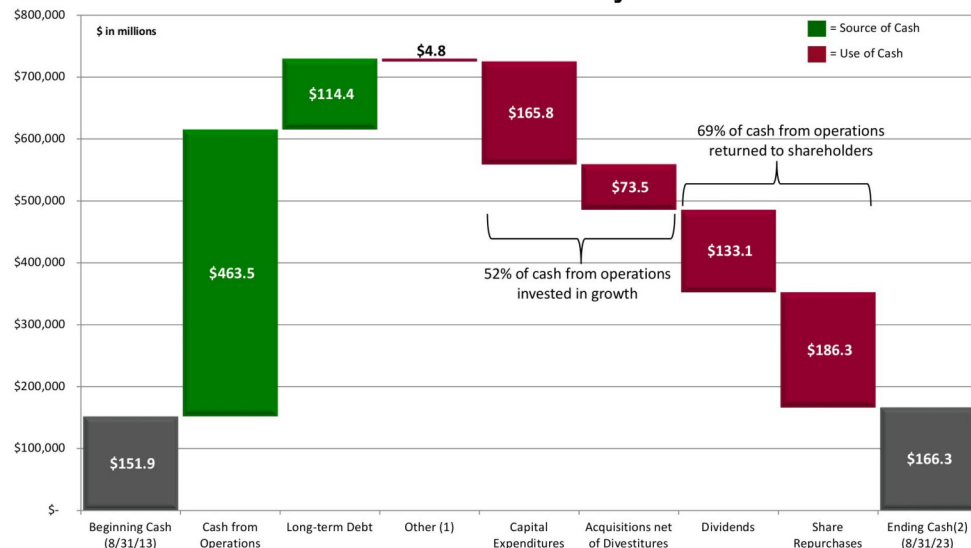
(\$ in millions)	Q1 FY24	Q1 FY23
Net earnings	\$15.0	\$18.2
Depreciation / amortization	\$5.3	\$4.9
Other non-cash adjustments	\$0.2	\$3.5
Changes in assets and liabilities:		
Receivables	\$1.7	(\$19.8)
Inventories	(\$8.0)	\$4.8
Other	\$7.7	(\$6.9)
Net cash provided by operations	<b>\$21.9</b>	<b>\$4.7</b>
Capital expenditures	(\$6.9)	(\$3.8)
Free cash flow	<b>\$15.0</b>	<b>\$0.9</b>
Percent of net earnings	100%	5%

# Capital Allocation – A Balanced Approach

The Company's prioritization for cash use:

- Working capital to support organic growth
- New product development
- Capital expenditures - expected to be \$35 - \$40 million in fiscal 2024
  - Reflects incremental investment in plant modernization & productivity improvements at certain manufacturing facilities
- Acquisitions that align with strategic priorities
- Increasing dividend payments
- Opportunistic share repurchases

## Allocation History

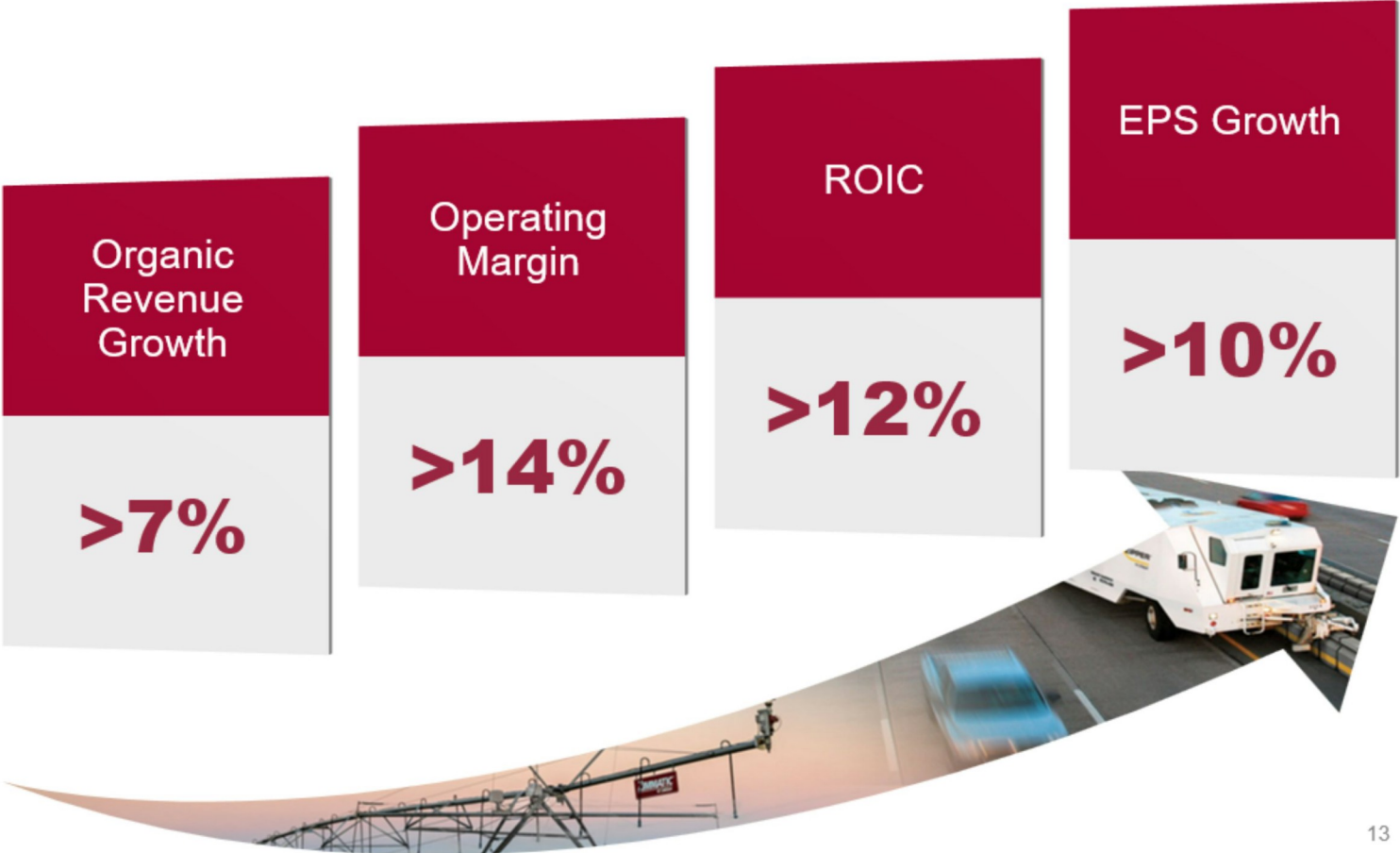


(1) Other includes debt repayments, net cash sources/uses from note receivables, settlement of net investment hedges, and stock compensation related activity.

(2) Ending cash includes marketable securities.

# Five-Year Financial Goals

(Annual Averages)



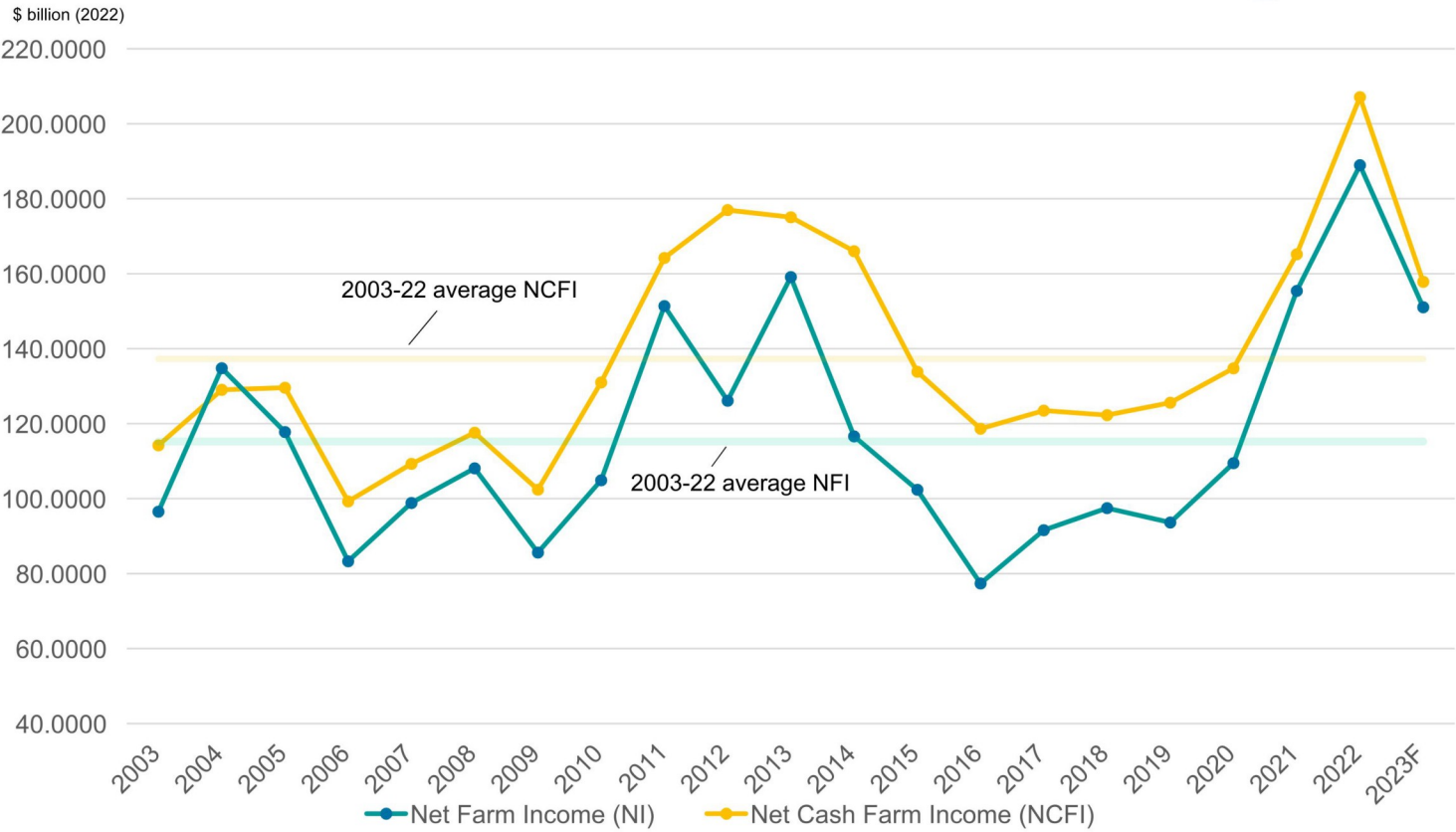
# Appendix

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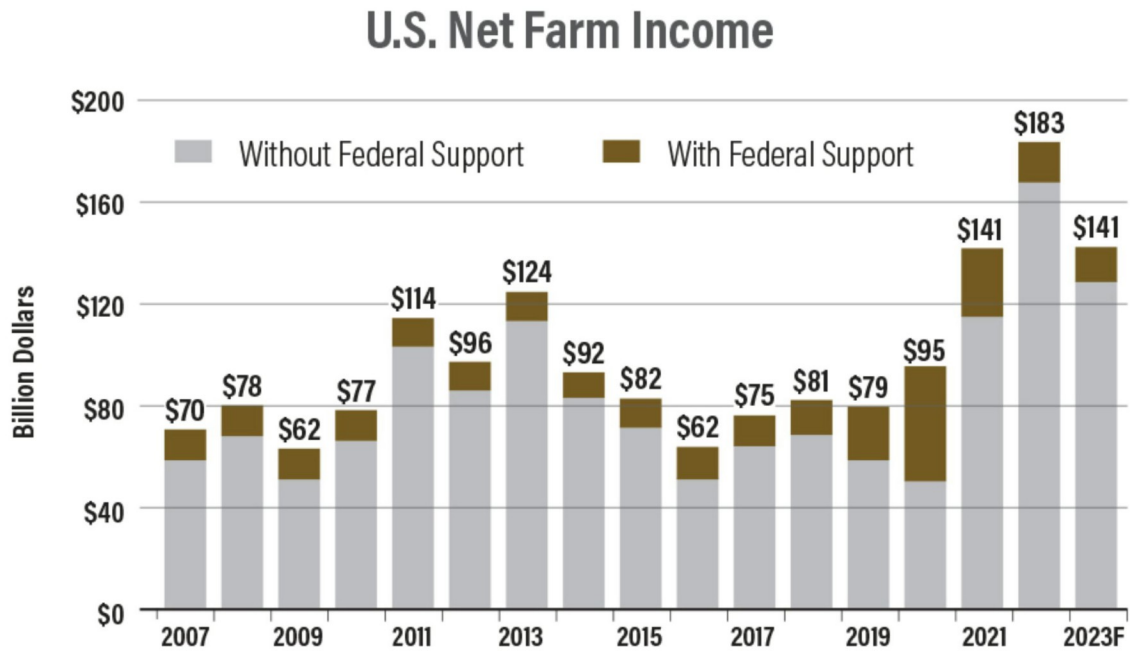
# U.S. Net Farm Income and Net Cash Farm Income

Inflation adjusted, 2003-2023F



Note: F = forecast. Values are adjusted for inflation using the U.S. Bureau of Economic Analysis Gross Domestic Product Price Index (BEA API series code: A191RG) rebased to 2023 by USDA, Economic Research Service. Source: USDA, Economic Research Service, Farm Income and Wealth Statistics. Data as of November 30, 2023

# U.S. Net Farm Income and Federal Support



SOURCE: USDA, ERS, FARM BUREAU CALCULATIONS

# Commodity Prices



Source: Trading Economics

# United States Drought Condition

