

EVOLVING DEMAND CREATING OPPORTUNITIES FOR WORK TRUCK ATTACHMENTS

May 25, 2022

TODAY'S SPEAKERS



Bob McCormick
President and Chief
Executive Officer



Sarah Lauber
Chief Financial Officer and
Secretary



Mark Van Genderen
President, Commercial Snow
and Ice Control

FORWARD-LOOKING STATEMENTS



This presentation contains certain forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended. These statements include information relating to future events, future financial performance, strategies, expectations, competitive environment, regulation, product demand, the payment of dividends, and availability of financial resources. These statements are often identified by use of words such as "anticipate," "believe," "intend," "estimate," "expect," "continue," "should," "could," "may," "plan," "project," "predict," "will" and similar expressions and include references to assumptions and relate to our future prospects, developments, and business strategies. Such statements involve known and unknown risks, uncertainties and other factors that could cause our actual results, performance, or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements.

Factors that could cause or contribute to such differences include, but are not limited to, weather conditions, particularly lack of or reduced levels of snowfall and the timing of such snowfall, including as a result of global climate change, our ability to manage general economic, business and geopolitical conditions, including the impacts of natural disasters, pandemics and outbreaks of contagious diseases and other adverse public health developments, such as the COVID-19 pandemic, our inability to maintain good relationships with our distributors, our inability to maintain good relationships with the original equipment manufacturers with whom we currently do significant business, lack of available or favorable financing options for our end-users, distributors or customers, increases in the price of steel or other materials, including as a result of tariffs, necessary for the production of our products that cannot be passed on to our distributors, increases in the price of fuel or freight, a significant decline in economic conditions, the inability of our suppliers and original equipment manufacturer partners to meet our volume or quality requirements, inaccuracies in our estimates of future demand for our products, our inability to protect or continue to build our intellectual property portfolio, the effects of laws and regulations and their interpretations on our business and financial condition, our inability to develop new products or improve upon existing products in response to end-user needs, losses due to lawsuits arising out of personal injuries associated with our products, factors that could impact the future declaration and payment of dividends or our ability to execute repurchases under our stock repurchase program, our inability to compete effectively against competition, our inability to achieve the projected financial performance with the business of Henderson Enterprises Group, Inc. ("Henderson"), which we acquired in 2014, or with the assets of Dejana Truck & Utility Equipment Company, Inc., which we acquired in 2016, and unexpected costs or liabilities related to such acquisitions or any future acquisitions, as well as those discussed in the section entitled "Risk Factors" in our annual report on Form 10-K for the year ended December 31, 2021 and any subsequent Form 10-Q filings.

You should not place undue reliance on these forward-looking statements. In addition, the forward-looking statements in this release speak only as of the date hereof and we undertake no obligation, except as required by law, to update or release any revisions to any forward-looking statement, even if new information becomes available in the future.



**DOUGLAS
DYNAMICS**



WORK TRUCK

ATTACHMENTS



2022 & LONG-TERM FINANCIAL TARGETS

Sarah Lauber – Chief Financial Officer

2022 FINANCIAL PLANS – OFF TO A SOLID START



Q1 results

- In line with internal expectations
- Positive dealer sentiment and low inventories heading into pre-season for attachments
- Solutions backlog remains at record levels
- Increased dividend for 12th consecutive year
- Repurchased \$3M worth of shares in Q1 following recent \$50M authorization

Reiterating 2022 guidance

	Low	High
Sales	\$570M	\$630M
Adj EBITDA	\$70M	\$100M
Adj EPS	\$1.25	\$2.15
Tax Rate	25%	26%

Guidance assumes average snowfall for the fourth quarter and no significant changes to economic conditions or supply chain.

CONFIRMING LONG-TERM FINANCIAL TARGETS



Sales growth – low to mid-single digits

EBITDA % profile – mid to high 20's



Sales growth – mid to high-single digits

EBITDA % Profile – low teens

Expanding Vertical Integration

Disciplined Acquisition Strategy

2025 Targeted Adjusted EPS of \$3.00 +

Assumptions: average snowfall, consistent chassis delivery, stable economy, no transformative acquisitions

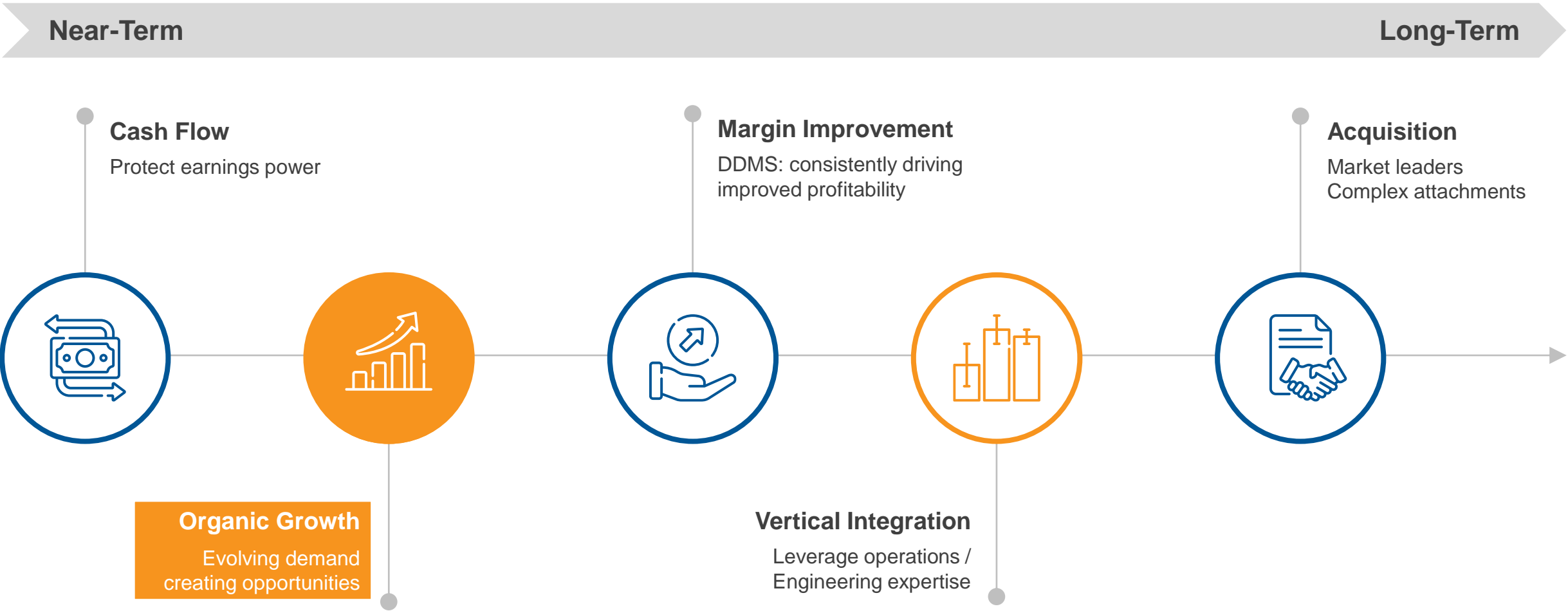


**DOUGLAS
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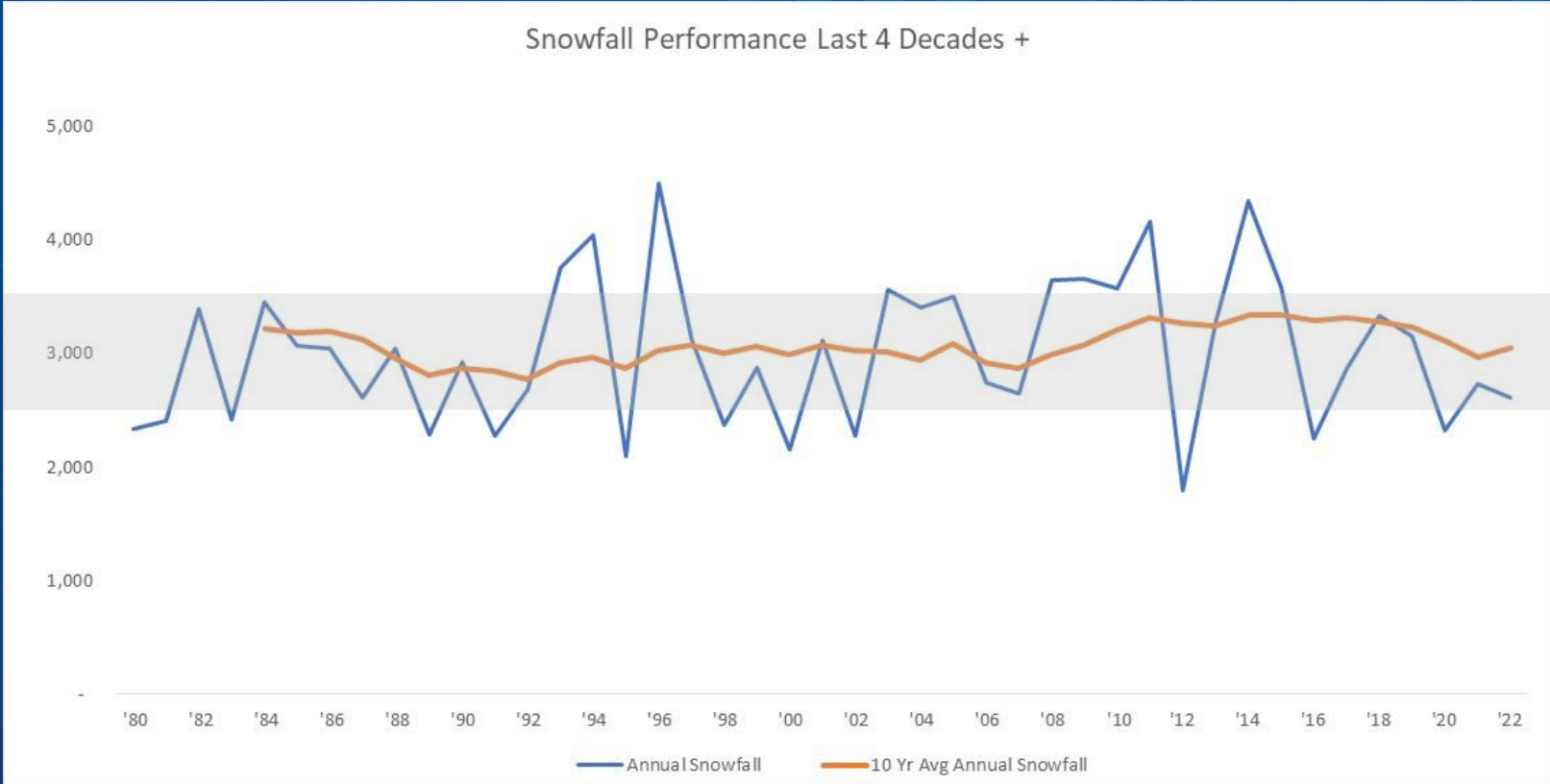
WORK TRUCK ATTACHMENTS: POSITIONED TO WIN

Bob McCormick – President and Chief Executive Officer

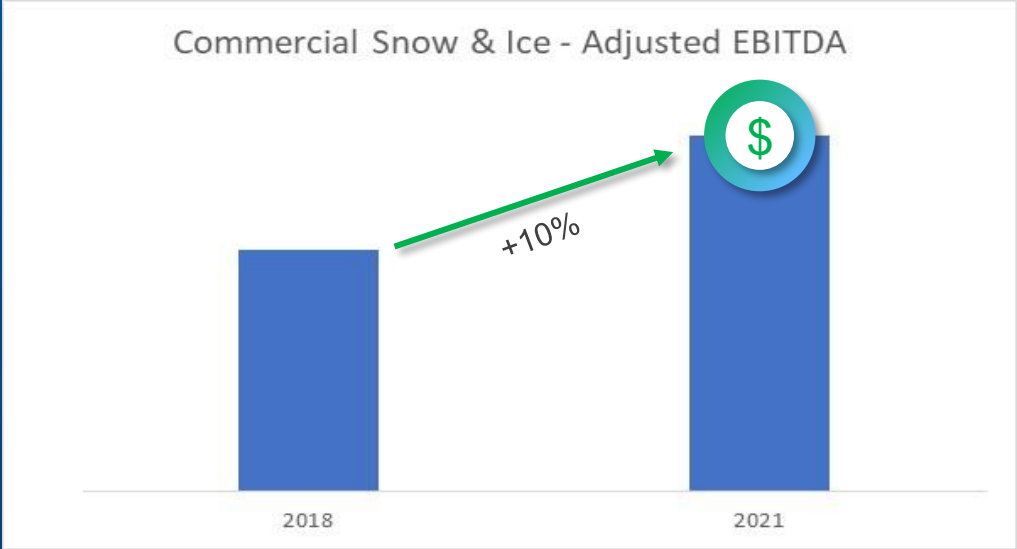
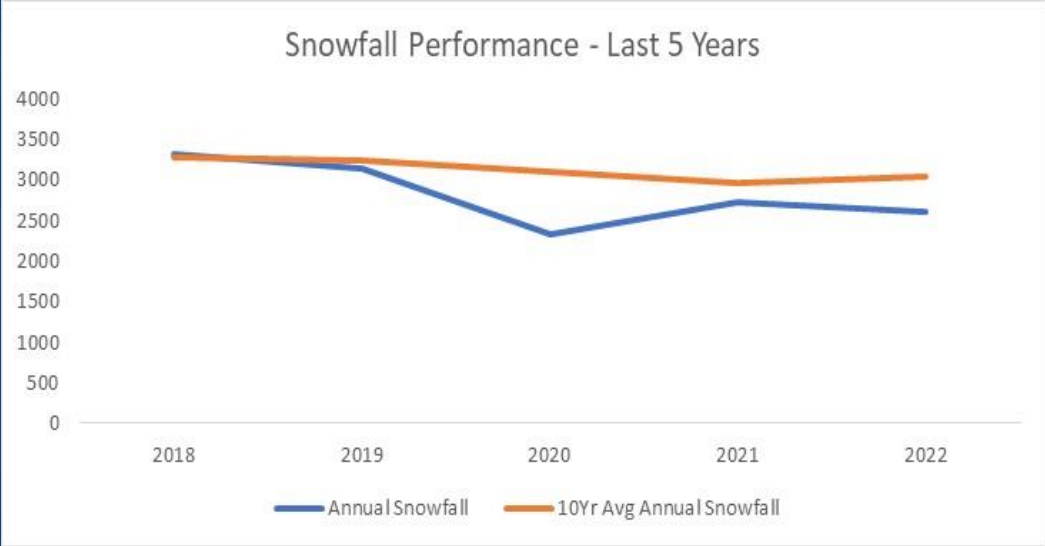
WTA: LONG-TERM GROWTH STRATEGY



WEATHER REPORT: SNOWFALL INFLUENCES PERFORMANCE



BREAKING NEWS: STRONG PERFORMANCE DESPITE NEAR AVERAGE SNOWFALL



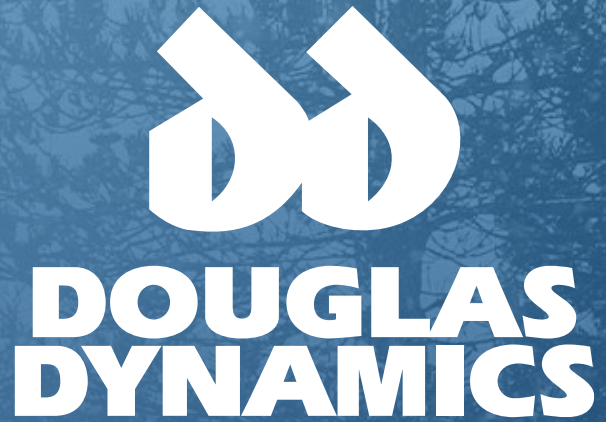
INTRODUCING MARK VAN GENDEREN



President, Commercial Snow & Ice Control

- Joined DD two years ago
- Spent 21 years at Harley-Davidson
- Diverse leadership roles in manufacturing, product development, sales and marketing, investor relations, and dealer development
- Career highlights include:
 - Built Harley-Davidson's Latin America business from the ground up
 - Led and reimagined their e-commerce and apparel divisions

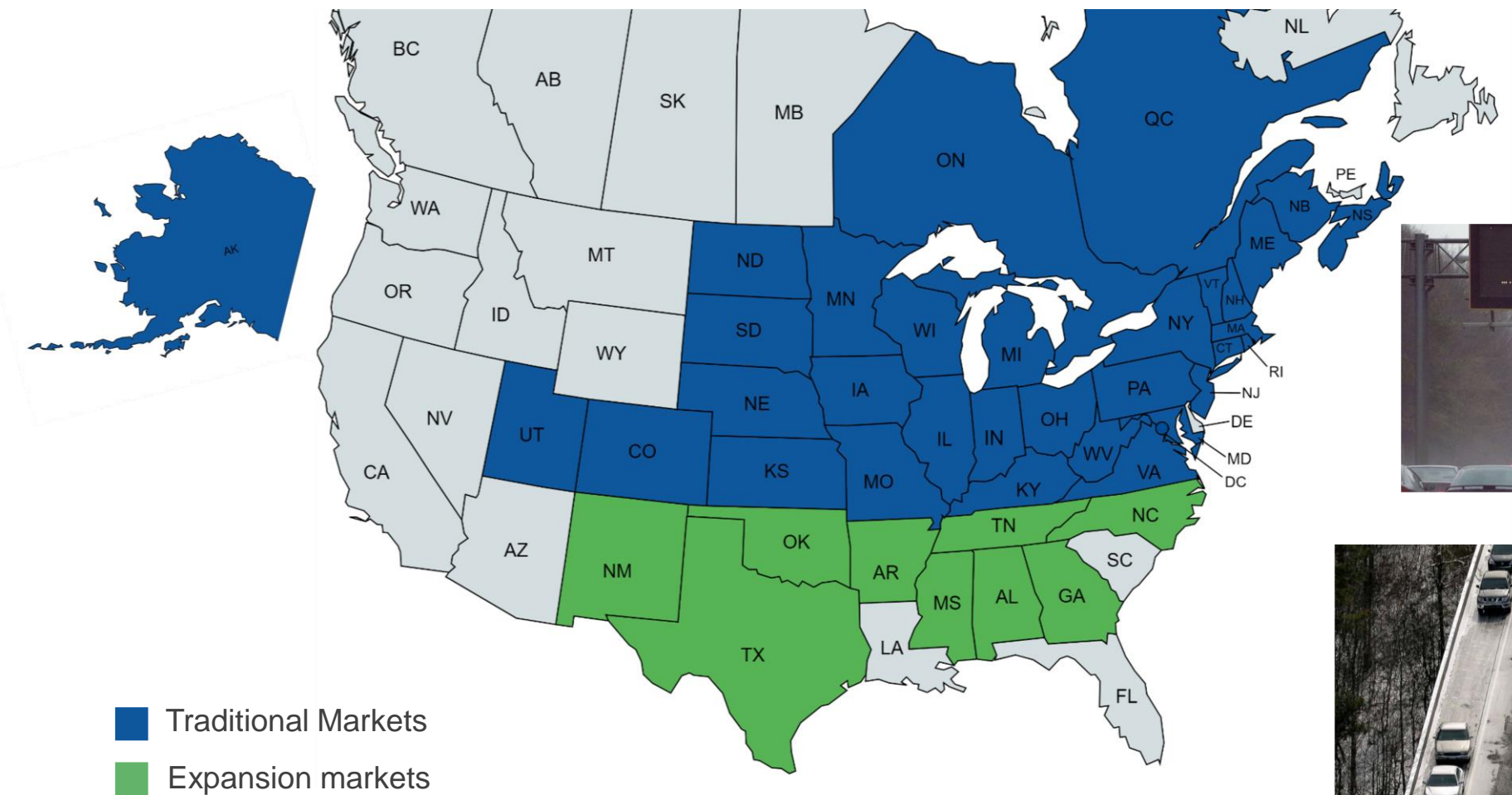




EVOLVING DEMAND CREATING OPPORTUNITIES

Mark Van Genderen – President, Commercial Snow and Ice

WINTER WEATHER ADVISORY: DISRUPTION CREATING DEMAND OUTSIDE THE "SNOWBELT"



SHIFTING SOCIETAL EXPECTATIONS CREATING NEW OPPORTUNITIES



Increased focus on safety

- Pressure for higher levels of service resulting from safety concerns and increasingly litigious society
- New ways to treat sidewalks, pathways, walkways available

Environment and regulations

- State legislation driving change
- Customers demand environmentally-friendly business models
- Increasing use of liquids to pre-treat
- Preventative snow and ice management



SHIFTING SOCIETAL EXPECTATIONS CREATING NEW OPPORTUNITIES



Customer demand for services

- 24 / 7 / 365 convenience and access ***now required***
- Changing expectations and increasing impatience
- Demand for immediate satisfaction
- People willing to pay for priority
- Driving demand for equipment



TRADITIONAL SNOW & ICE CONTROL METHODS



EXPANDING SNOW & ICE CONTROL METHODS TO MEET EXPECTATIONS



THE ROAD AHEAD – TURNING STRATEGY INTO RESULTS



GROW



WTA - Vertical
integration project -
TBA



UTV strategy



Liquid strategy



OEM
relationships



Technology strategy -
TBA

DEFEND



Truck plow strategy



Hopper strategy

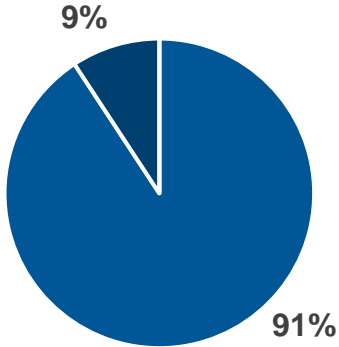
SNOW

ICE

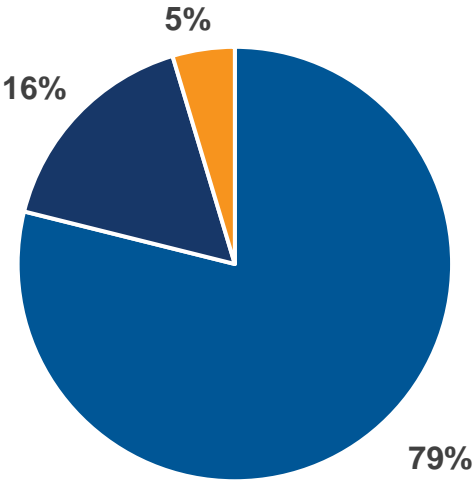
EQUIPMENT EXPANSION DRIVING REVENUE DIVERSIFICATION



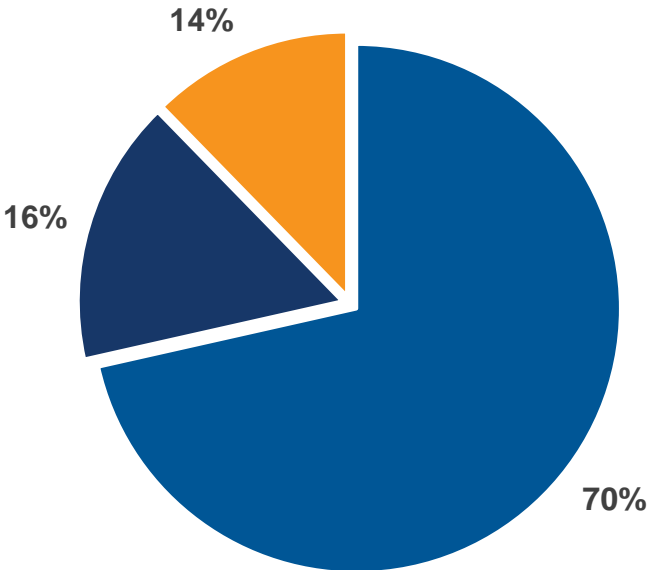
2010 - Actual



2021 - Actual



2025 - Projected



Truck plows



Truck hoppers/spreaders



Major new product initiatives



**SITTING DOWN WITH OUR DEALERS AT
THE NTEA WORK TRUCK SHOW**



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WORK TRUCK ATTACHMENTS: POSITIONED TO WIN

Bob McCormick – President and Chief Executive Officer

ROADMAP TO LONG-TERM VALUE CREATION



Drive organic growth through diversification

Innovation and diversification to further strengthen market position



Execute effectively

Delivering margin improvements via DDMS and evolving talent strategy



Deliver long-term shareholder value

Committed to goal of \$3.00 EPS in 2025 and sustainable dividend growth

