

Alto Ingredients, Inc.

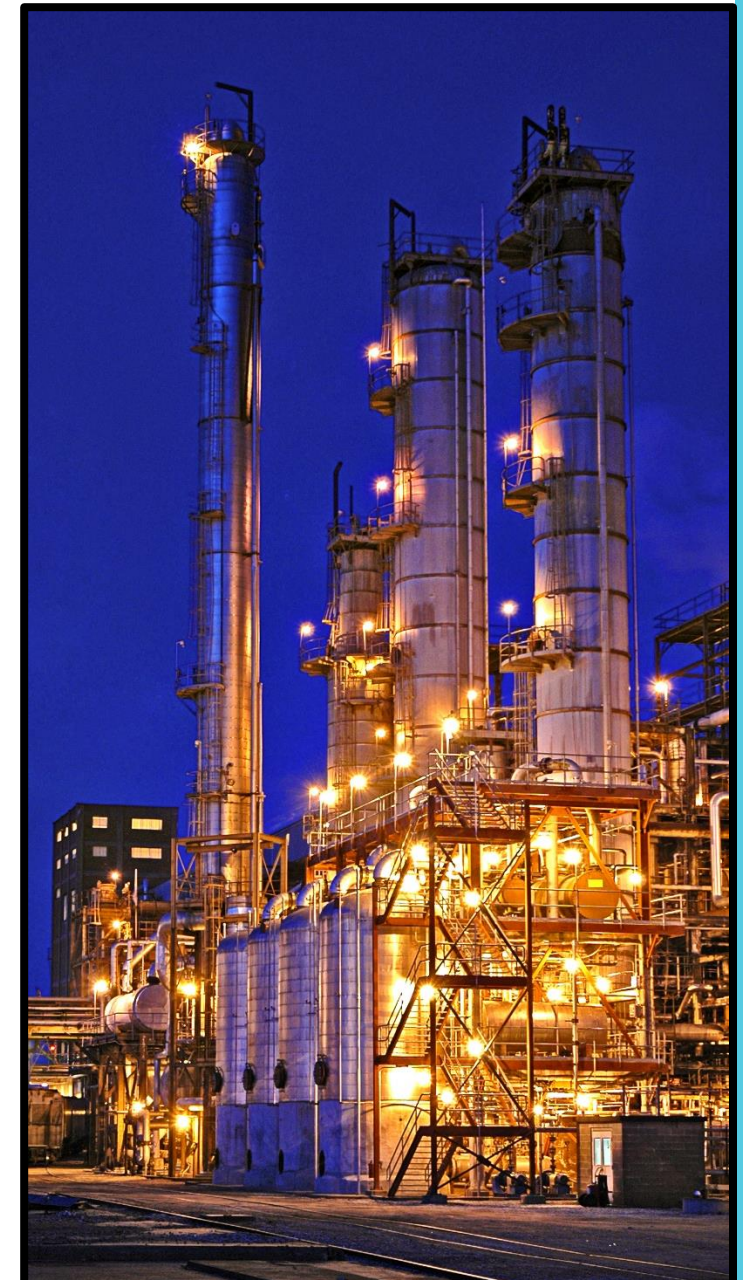
H.C. Wainwright Global Investment Conference

September 11-13, 2023



Safe Harbor Statement

Statements and information contained in this communication that refer to or include Alto Ingredients' estimated or anticipated future results or other non-historical expressions of fact are forward-looking statements that reflect Alto Ingredients' current perspective of existing trends and information as of the date of the communication. Forward looking statements generally will be accompanied by words such as "anticipate," "believe," "plan," "could," "should," "estimate," "expect," "forecast," "outlook," "guidance," "intend," "may," "might," "will," "possible," "potential," "predict," "project," or other similar words, phrases or expressions. Such forward-looking statements include, but are not limited to, statements concerning Alto Ingredients' plant improvements, other capital projects and other business initiatives and strategies, and their financing, costs, timing and effects, including, but not limited to, EBITDA and/or Adjusted EBITDA that Alto Ingredients' expects to generate as a result of its projects, initiatives and strategies; estimates of EBITDA or Adjusted EBITDA and Alto Ingredients' other plans, objectives, expectations and intentions. It is important to note that Alto Ingredients' plans, objectives, expectations and intentions are not predictions of actual performance. Actual results may differ materially from Alto Ingredients' current expectations depending upon many factors affecting Alto Ingredients' business and plans. These factors include, among others, adverse economic and market conditions, including for fuel-grade ethanol, specialty alcohols and essential ingredients; export conditions and international demand for the company's products; fluctuations in the price of and demand for oil and gasoline; raw material costs, including production input costs, such as corn and natural gas; and the cost, ability to fund, timing and effects of, including the financial and other results deriving from, Alto Ingredients' plant improvement and other capital projects and other business initiatives and strategies. These factors also include, among others, the inherent uncertainty associated with financial and other projections; the anticipated size of the markets and continued demand for Alto Ingredients' products; the impact of competitive products and pricing; the risks and uncertainties normally incident to the specialty alcohol production and marketing industries; changes in generally accepted accounting principles; successful compliance with governmental regulations applicable to Alto Ingredients' facilities, products and/or businesses; changes in laws, regulations and governmental policies; the loss of key senior management or staff; and other events, factors and risks previously and from time to time disclosed in Alto Ingredients' filings with the Securities and Exchange Commission including, specifically, those factors set forth in the "Risk Factors" section contained in Alto Ingredients' Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on May 9, 2023.





Transforming grain into high-margin components used in a wide range of consumer and commercial products



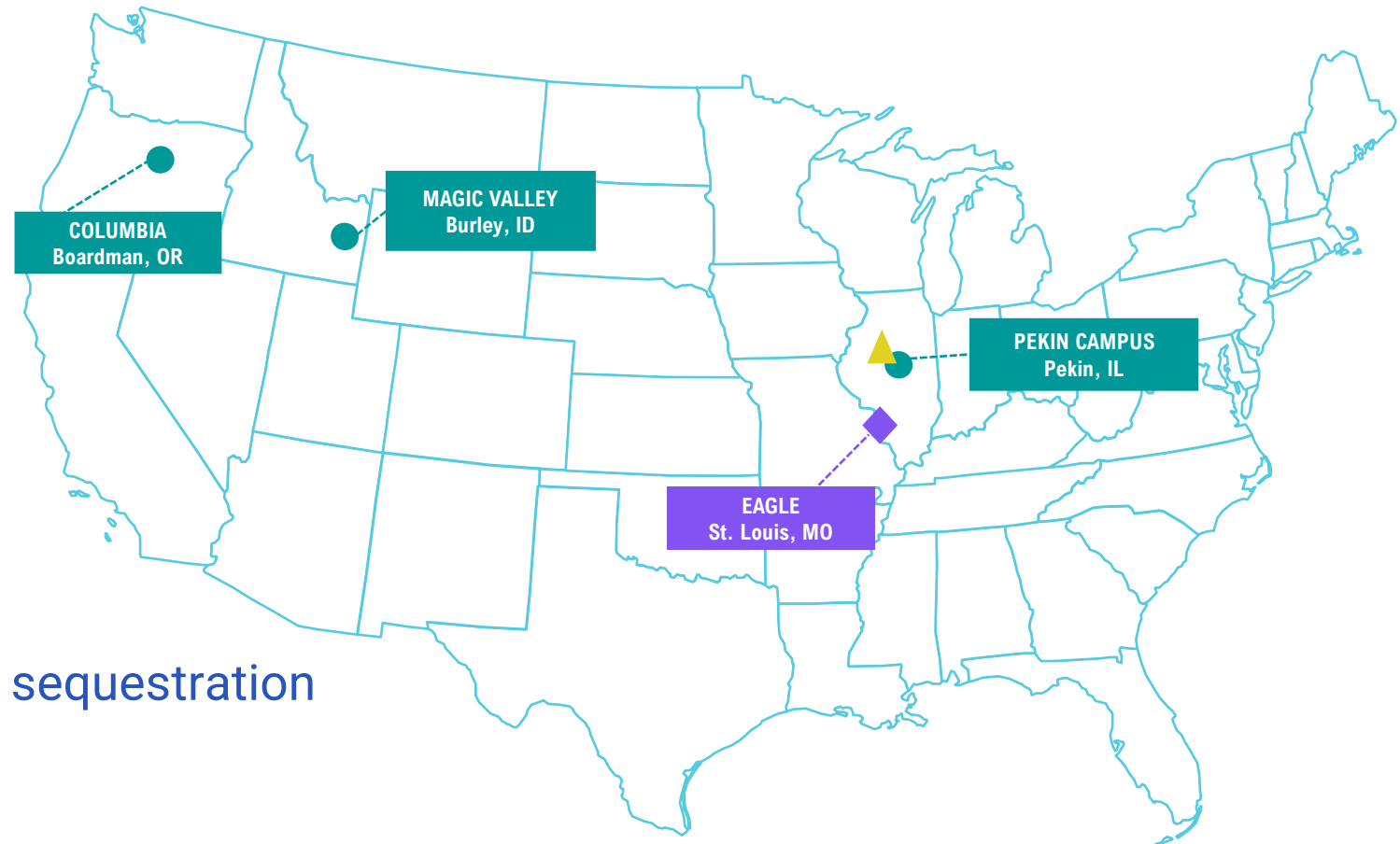
Investing in Premier Assets, Expanding Markets Served

Major producer and distributor of specialty alcohols and essential ingredients

Making Everyday Products Better:

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

... Supporting sustainability and positioning for carbon capture and sequestration



Producing High Value Products

Health, Home & Beauty	Food & Beverage	Essential Ingredients	Renewable Fuels
<ul style="list-style-type: none">• API Grade Ethyl Alcohol• USP Grade Ethyl Alcohol• Industrial Grade Ethyl Alcohol	<ul style="list-style-type: none">• Grain Neutral Spirits• Vinegar• Corn Oil and Corn Germ• Carbon Dioxide<ul style="list-style-type: none">– Beverage Carbonation– Dry Ice	<ul style="list-style-type: none">• Alto Yeast• Corn Protein• Corn Oil• Corn Germ• High Protein• Dry Distillers Grains• Wet Distillers Grains• Corn Condensed Distillers Solubles	<ul style="list-style-type: none">• Transportation Fuel<ul style="list-style-type: none">• Ethanol• Corn Oil<ul style="list-style-type: none">• Renewable Diesel Feedstock

Targeting Carbon Capture & Sequestration & Sustainable Plant-based Alternatives

Expanding Customer Base

Blue chip customers prioritize Alto's certifications, reliability, service and quality

Sample list follows:

Health, Home & Beauty



EASTMAN



CRODA

Food & Beverage



Essential Ingredients

MARS



Renewable Fuels



ExxonMobil

Optimizing Asset Base and Reducing Carbon Footprint

Increasing High-margin Product Sales and Growing EBITDA

- Expanding production: corn oil, GNS/specialty alcohol, yeast, etc.
- Implementing efficiency initiatives: corn storage, natural gas pipeline, biogas RNG, and operating & equipment upgrades
- Initiating carbon capture utilization and sequestration & cogeneration
- Broadening blue chip customer base by targeting niche, high-margin markets

**Projecting Additional Incremental Annual Adj. EBITDA:
~\$67M by year end 2025 and ~\$125M by year end 2026**

Expanding High-quality Specialty Alcohol

- Marketing new offerings:
 - 192 proof GNS & ultra low-moisture 200 proof GNS
 - Attracting new and existing spot purchase customers
 - Garnering qualifications for the 2024 annual contracting period

- **Started:**
Q1 2022
- **Operational:**
Q1 2023
- **Expected incremental annual EBITDA run rate*:**
~\$9M in 2024

** Estimated annualized EBITDA contribution when fully operational*

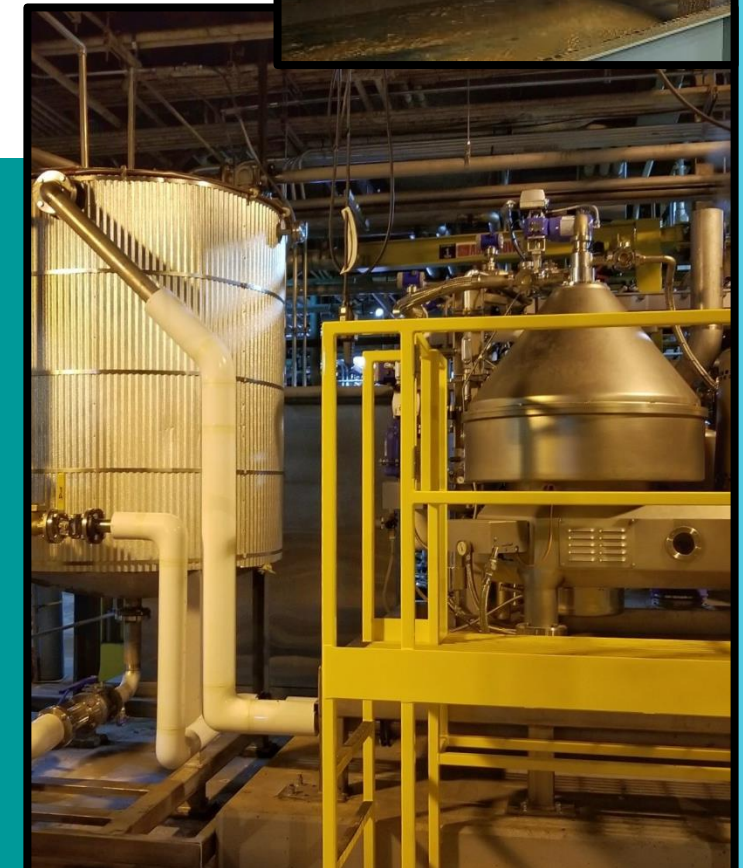
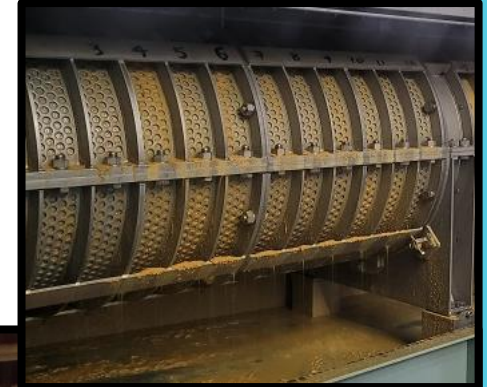


Expanding High-Margin Offerings

- Completed corn oil extraction and high protein technology installation at Magic Valley
- Aligning operating systems to ensure optimal efficiency at Magic Valley
- Expect to achieve full value for these products in Q4 2023
- Planning to roll out corn oil extraction at other dry mills beginning in early 2024
- Evaluating roll out of high protein technology at other dry mills

- **Expected start:**
Staggering 3 dry mills
beginning early 2024
- **Timeline:**
~18 mos. per facility
- **Expected incremental annual EBITDA run rate*:**
~\$9M for Magic Valley
~\$27M for 3 other plants
\$14M+ for corn oil
\$13M+ for hi-protein

** Estimated annualized EBITDA contribution when fully operational*



Developing Primary Yeast Production

- Completed successful product trials
- Continuing front-end engineering and design (FEED) study to determine plan, schedule and budget
- Inflationary pressures have impacted
 - Negatively, the cost of installation to be higher than originally anticipated
 - Positively, product prices for primary yeast have also risen
 - Assuming returns remain justified, targeting construction in early 2024



- **Expected start:**
 - FEED study Q2 2023
 - Construction 2024
- **Expected operational:**
Summer 2025
- **Expected incremental annual EBITDA run rate*:**
 - ~\$19M first 12 mos.
 - ~\$25M thereafter

** Estimated annualized EBITDA contribution when fully operational*



Pursuing Carbon Capture and Sequestration

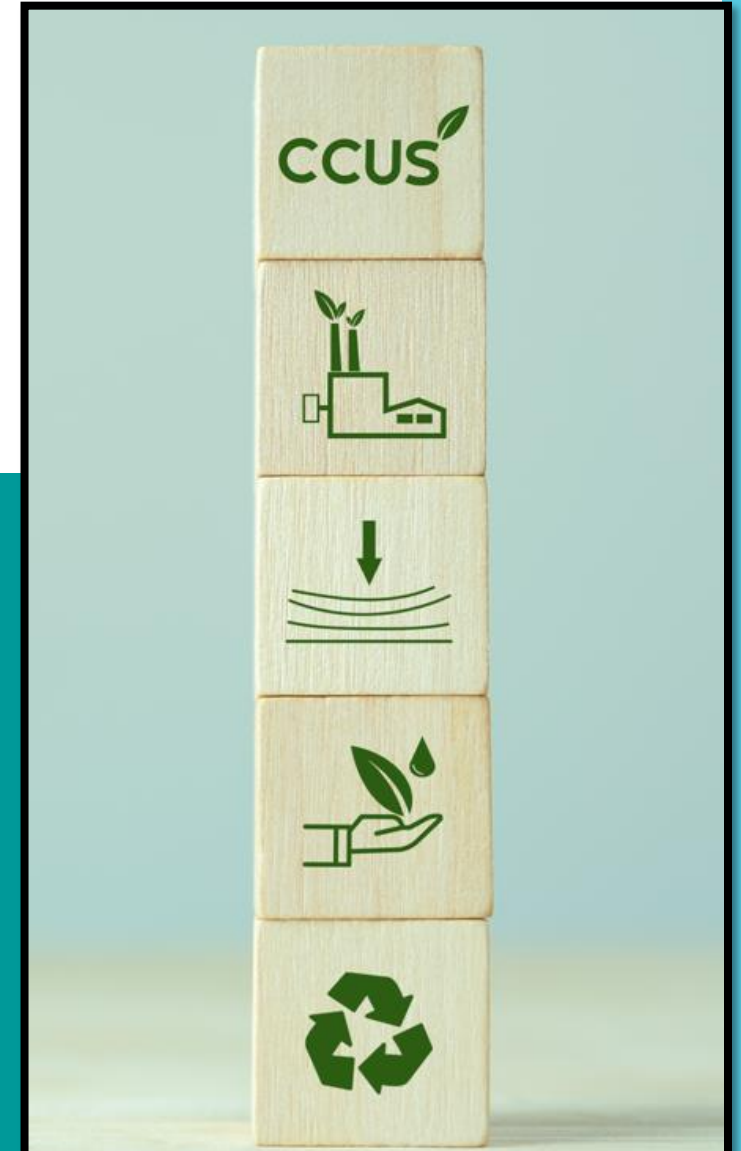
- Inflation Reduction Act of 2022 Section 45Q tax incentive improves economics
 - \$85 per metric ton for 12 years
 - ~700,000 MT/year capacity at Pekin Campus
- Above the Mount Simon Sandstone formation and near the Illinois Basin
- Selected FEED study and development partners
- Requires our natural gas pipeline and cogen projects to be completed
- Creates other market opportunities: Sustainable aviation fuel (SAF), blue ethanol, ethanol-to-jet fuel, synthetic natural gas, etc.

- **Started FEED study:**
Q2 2023

- **Expected operational:**
2026

- **Expected incremental annual EBITDA run rate*:**
~\$30M based only on 45Q tax incentive

** Estimated annualized EBITDA contribution when fully operational*



Increased Corn Storage Improving Efficiency

- Installed silo at Pekin campus to build inventory to mitigate interruptions, such as holidays, weather
- Fully operational in Q2 2023
 - Reducing cost of delivered corn
 - Lowering silo cleaning expense
 - Increasing reliability of operations

- **Started:**
Q2 2022

- **Operational:**
Q1 2023

- **Expected incremental annual EBITDA run rate*:**
~\$2M+



** Estimated annualized EBITDA contribution when fully operational*

Enhancing Access to Natural Gas

- Completed new natural gas pipeline FEED study and working on initial routing steps
- Advancing to definitive land agreements and construction permit application process
- Installation of new natural gas pipeline to:
 - Improve energy procurement, consistent with sustainability efforts
 - Create a new revenue stream by converting biogas waste to renewable natural gas
- Evaluating additional biogas/renewable natural gas (RNG)
 - Capturing methane generated during production

- **Expected start:**
 - FEED study Q2 2023
 - Construction H2 2023
- **Expected operational:**
2024
- **Expected incremental annual EBITDA run rate*:**
~\$3M

** Estimated annualized EBITDA contribution when fully operational*



Evaluating Power Cogeneration

- Initiated financing conversations
- Completed FEED study
- To replace existing energy production and lower energy costs
 - Leverages steam from production generating MW at Pekin
 - Replaces obsolete equipment
 - Addresses energy needs
 - Provides steam needed for processing products

- **Completed FEED study:**
Q1 2023
- **Expected incremental
annual EBITDA run rate*:**
~\$15M
- **Expected operational:**
Late 2025/early 2026

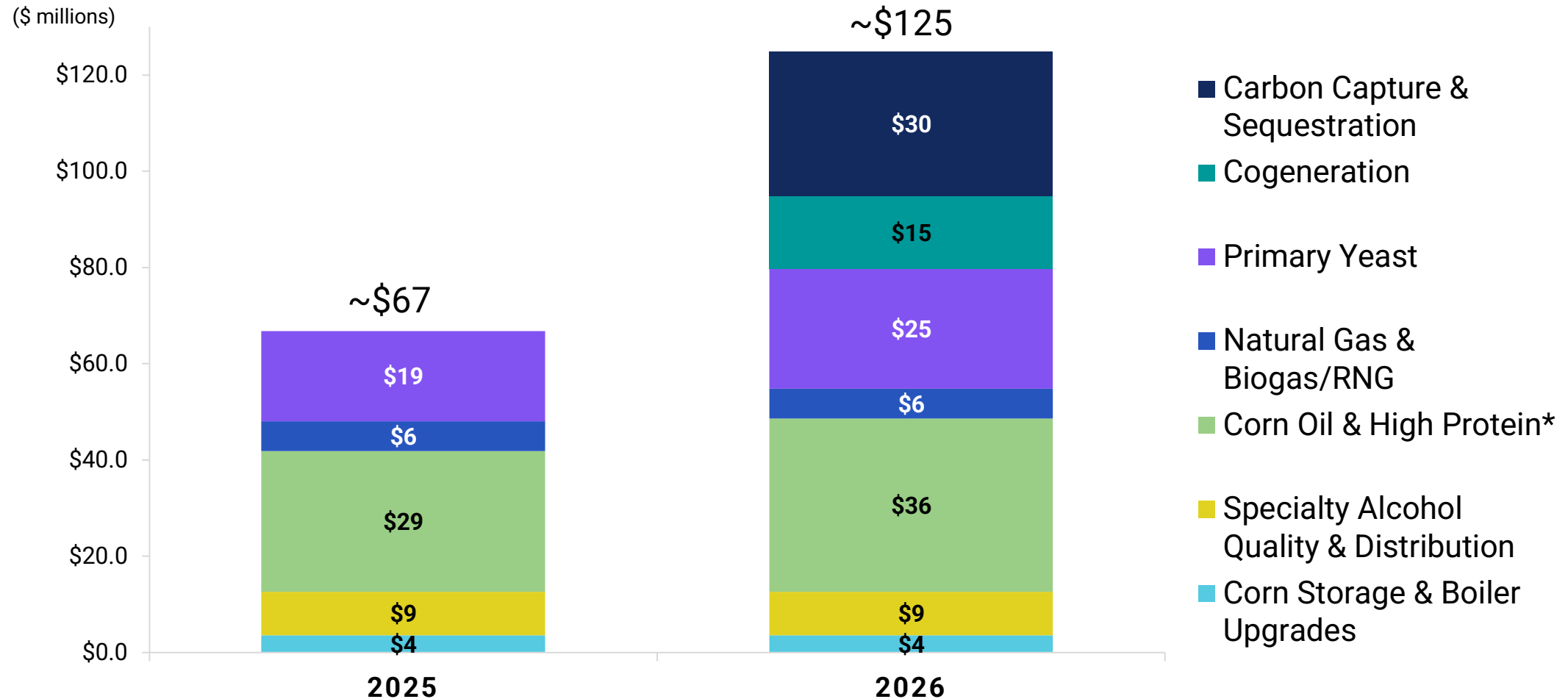
** Estimated annualized EBITDA contribution when fully operational*



Expanding Annualized Adj. EBITDA Run Rate

Diversifying revenue, investing in assets and optimizing facilities

Increasing annualized Adj. EBITDA by ~\$67M by end of 2025 and ~\$125M by end of 2026



*Estimated annualized Adj. EBITDA contribution when fully operational. * High Protein at Magic Valley to be evaluated prior to expansion at the three other dry mills, which would contribute \$13M+ million of annualized Adj. EBITDA, included in the above amounts.*

Certifications Create Differentiation

Deepen Relationships and Open Doors to New Customers

Specialty alcohols:

- More challenging to produce
- Require certifications, audit trails and paperwork
- Create significant product performance impact for a small percentage of their cost



Sustainability: Committed to Carbon Reduction Targets

Earned 2 EcoVadis Silver Medals, 80th percentile among peers

Completed materiality survey and initial roadmap

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

Completed Scope 1 & 2 Greenhouse Gas emissions inventory to

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



Expect Positive Q3 2023 Adj. EBITDA

- Improving performance
 - Generated positive \$16M Adj. EBITDA for Q2 2023
 - Expect positive Adj. EBITDA for Q3 2023
- Strong liquidity
 - \$49M in availability under operating line of credit
 - \$40M committed term loan balance
 - \$25M option for additional term loan funding


<i>unaudited, \$ in thousands</i>	June 30, 2023	Dec. 31, 2022
Cash & cash equivalents	\$ 22,739	\$ 36,456
Current assets	\$ 179,529	\$ 199,121
Current liabilities	(58,686)	(78,017)
Working capital	\$ 120,843	\$ 121,104

Leveraging Technology to Capture Opportunity

Optimizing Asset Base and Reducing Carbon Footprint

- Capturing market trends and opportunities with expanded offerings
 - Investing in growing high-margin product sales and EBITDA
 - Expanding production: corn oil, GNS/specialty alcohol, yeast, etc.
 - Implementing efficiency initiatives: corn storage, natural gas pipeline, biogas RNG, and operating & equipment upgrades
 - Initiating carbon capture utilization and sequestration & cogeneration
- Creating diversification with sustainability
- Broadening blue chip customer base by targeting high-margin niche markets

**Projecting Additional Incremental Annual Adj. EBITDA:
~\$67M by year end 2025 and ~\$125M by year end 2026**



Q&A



Appendix

Experienced Leadership Team



Bryon McGregor
President & CEO
16 years with Alto

Prior Experience & Education



Brokerage Treasurer



Project Finance Head



Director

*Brigham Young University, BS
in Business Management*



Mike Kandris
Director and Interim COO
15 years with Alto

Prior Experience & Education



Former President and COO



Executive Committee Member



Board Member

*California State University, BS
in Business*



Rob Olander, CPA
Chief Financial Officer
16 years with Alto

Prior Experience & Education



Controller and
Business Manager



Senior Auditor

*Midland University, BS
in Business Administration*



Jim Sneed (1)
Chief Commercial Officer
29 years with Alto

Prior Experience & Education



Vice President, Ethanol
Marketing & Trading



Vice President, Marketing
& Logistics

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



Auste Graham
General Counsel
2 years with Alto

Prior Experience & Education



Vice President, Legal,
Americas



Senior Legal Counsel

*Vanderbilt University Law
School, JD*

Senior Management with Deep Bench Strength

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

Prior Experience



Dan Croghan
VP, Eagle General Manager
2 years with Alto

Prior Experience



Michael Kramer
VP, Treasurer
16 years with Alto

Prior Experience



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

Prior Experience



Ed Baker
VP, Human Resources
16 Years with Alto

Prior Experience



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

Prior Experience



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

Prior Experience



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

Consolidated Statements of Operations

Unaudited, in thousands, except per share data

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Net sales	\$ 317,297	\$ 362,189	\$ 631,188	\$ 670,307
Cost of goods sold	300,116	353,345	617,171	656,690
Gross profit	17,181	8,844	14,017	13,617
Selling, general and administrative expenses	7,911	8,996	15,793	16,625
Asset impairments	—	—	574	—
Income (loss) from operations	9,270	(152)	(2,350)	(3,008)
Interest expense, net	(1,734)	(319)	(3,299)	(519)
Income from cash grant	—	22,652	—	22,652
Other income (expense), net	59	(66)	78	388
Income (loss) before provision for income taxes	7,595	22,115	(5,571)	19,513
Provision for income taxes	—	—	—	—
Net income (loss)	\$ 7,595	\$ 22,115	\$ (5,571)	\$ 19,513
Preferred stock dividends	\$ (315)	\$ (315)	\$ (627)	\$ (627)
Net income allocated to participating securities	(96)	(284)	—	(251)
Net income (loss) available to common stockholders	\$ 7,184	\$ 21,516	\$ (6,198)	\$ 18,635
Net income (loss) per share, basic	\$ 0.10	\$ 0.29	\$ (0.08)	\$ 0.26
Net income (loss) per share, diluted	\$ 0.10	\$ 0.29	\$ (0.08)	\$ 0.26
Weighted-average shares outstanding, basic	73,394	72,936	73,603	71,690
Weighted-average shares outstanding, diluted	74,103	73,123	73,603	71,958

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GAAP to Non-GAAP Reconciliation

Use of Non-GAAP Measures

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

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

Adjusted EBITDA Reconciliation

Unaudited, in thousands

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Net income (loss)	\$ 7,595	\$ 22,115	\$ (5,571)	\$ 19,513
Adjustments:				
Interest expense	1,734	319	3,299	519
Interest income	(190)	(145)	(411)	(303)
Asset impairments	—	—	574	—
Acquisition-related expense	700	875	1,400	1,750
Depreciation and amortization expense	5,681	6,728	11,735	12,861
Total adjustments	7,925	7,777	16,597	14,827
Adjusted EBITDA	\$ 15,520	\$ 29,892	\$ 11,026	\$ 34,340