

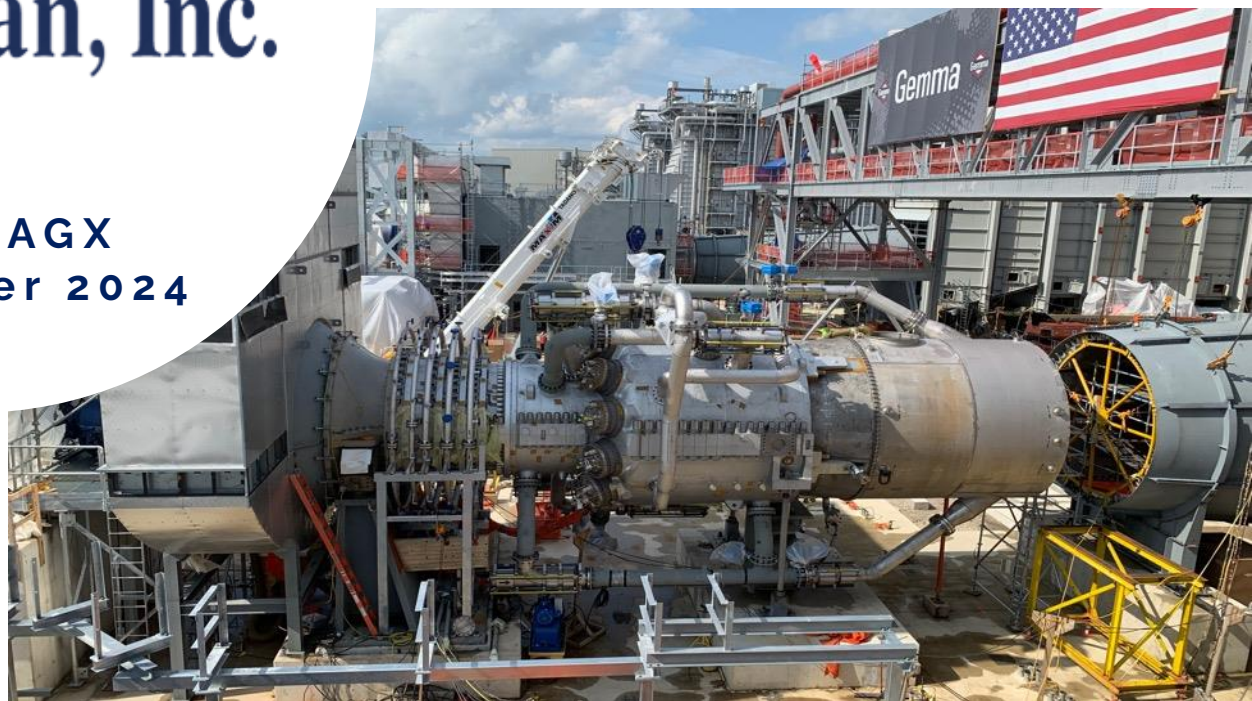


INVESTOR
PRESENTATION



Argan, Inc.

NYSE: AGX
September 2024



Safe Harbor Statement

All statements in this presentation that are not historical are forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934. Such forward-looking statements may be identified by words such as “believe,” “intend,” “expect,” “may,” “could,” “would,” “will,” “should,” “plan,” “project,” “contemplate,” “anticipate,” or similar statements. Because these statements reflect the current views of Argan, Inc. (“Argan” or the “Company”) concerning future events, these forward-looking statements are subject to risks and uncertainties. Argan’s actual results could differ materially from those anticipated in these forward-looking statements as a result of many factors, which are described under the caption “Risk Factors” in Argan’s most recent Form 10-K filed with the Securities and Exchange Commission. Argan undertakes no obligation to update publicly any forward-looking statements contained in this presentation.

Argan Positioned for Long- Term Success

Investment Highlights

- **Growing energy demand** and **aging power-generating infrastructure** driving increased repowering and replacement opportunities
 - Power Industry Services and Industrial Construction Services 2Q25 **revenues increased 65% and 52%** YoY, respectively
- **Healthy backlog of over \$1 billion**
- **Solid balance sheet at July 31, 2024:** large cash and net liquidity position, no debt
- 2Q25 **EBITDA of \$25M** - highest since October 2017
- **Quarterly dividend increased 20%** to \$0.30 per common share in 3Q24
- **Disciplined capital allocation:**
 - Since November 2021, **Argan has returned \$101.6 million to shareholders** through its share repurchase program
 - **Argan has paid \$1.00 per share annually** through regular quarterly cash dividends since fiscal 2017, with a **\$1.20 per share annual current run rate** based on the increased dividend

Argan At-A-Glance

Power Industry Services



Building innovative **power** solutions for the transition to low-carbon/zero-carbon emissions: efficient gas-fired power plants, biomass projects, solar energy facilities, wind farms, waste-to-energy facilities

Industrial Construction Services



Servicing heavy and light industrial clients, particularly in new industries as well as agriculture, petrochemical, pulp & paper, water and **power**

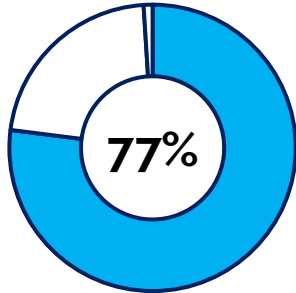
Telecommunications Infrastructure Services



Constructing and connecting technology, telecommunications and **power**

Business Segments

Power Industry Services

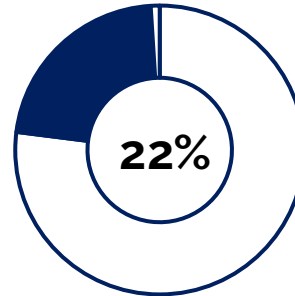


Q2 Revenues: \$174M
Pre-Tax Income: \$21M

Growth Drivers:

- Electrification of economy
- Alternative energy generation
- Demand for power dependability
- Replacement of old power plants
- Strategic capital support from governments

Industrial Construction Services

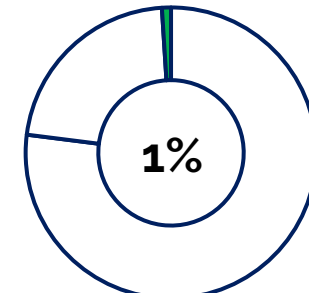


Q2 Revenues: \$50M
Pre-Tax Income: \$4M

Growth Drivers:

- Alternative, diverse end markets
- Onshoring of industry
- Strengthened backlog
- Growing regional market in Southeast

Telecommunications Infrastructure Services



Q2 Revenues: \$4M
Pre-Tax Income: \$0.5M

Growth Drivers:

- Increased demand for communications transmissions
- Security cleared personnel
- Expanded business footprint in the mid-Atlantic region of the U.S.

Demand in Electricity Projected to Surge

Natural Gas & Renewables will be Needed to Support Increased Demand for Reliable Energy



AI & Data Centers

The growth of generative AI is driving the increase in the number of data centers

AI power demand is **projected to grow at annual average of 70% through 2027¹**



Electric Vehicles & Charging

Federal incentives and state mandates are driving EV adoption across the US

By 2040, EVs adoption is projected to grow 20-fold, **increasing the average total annual EV load in the U.S. to 468,000 GWh from 24,000 GWh in 2023²**



Solar & Battery Factories

Federal tax incentives are driving a 50-year high in American manufacturing

Since 2021 **companies have committed \$525 billion towards the construction of factories** making semiconductors, microchips, batteries and solar panels³

¹ Source: Morgan Stanley, Powering the AI Revolution, March 2024

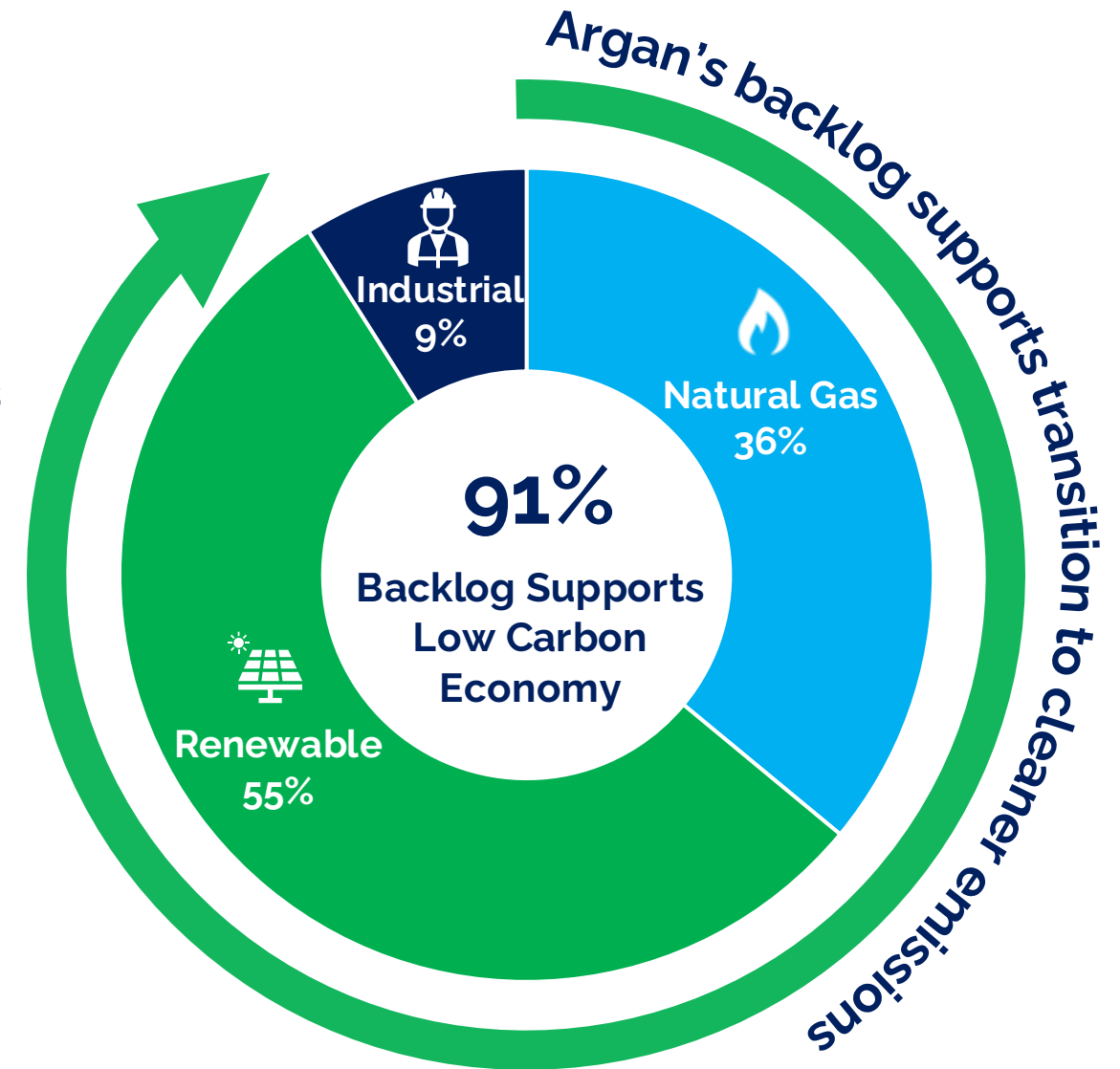
² Source: Price Waterhouse Cooper, Strategy and analysis of forecasted US EV utilization and the corresponding electricity load, 2024

³ Source: The New York Times, March 2024

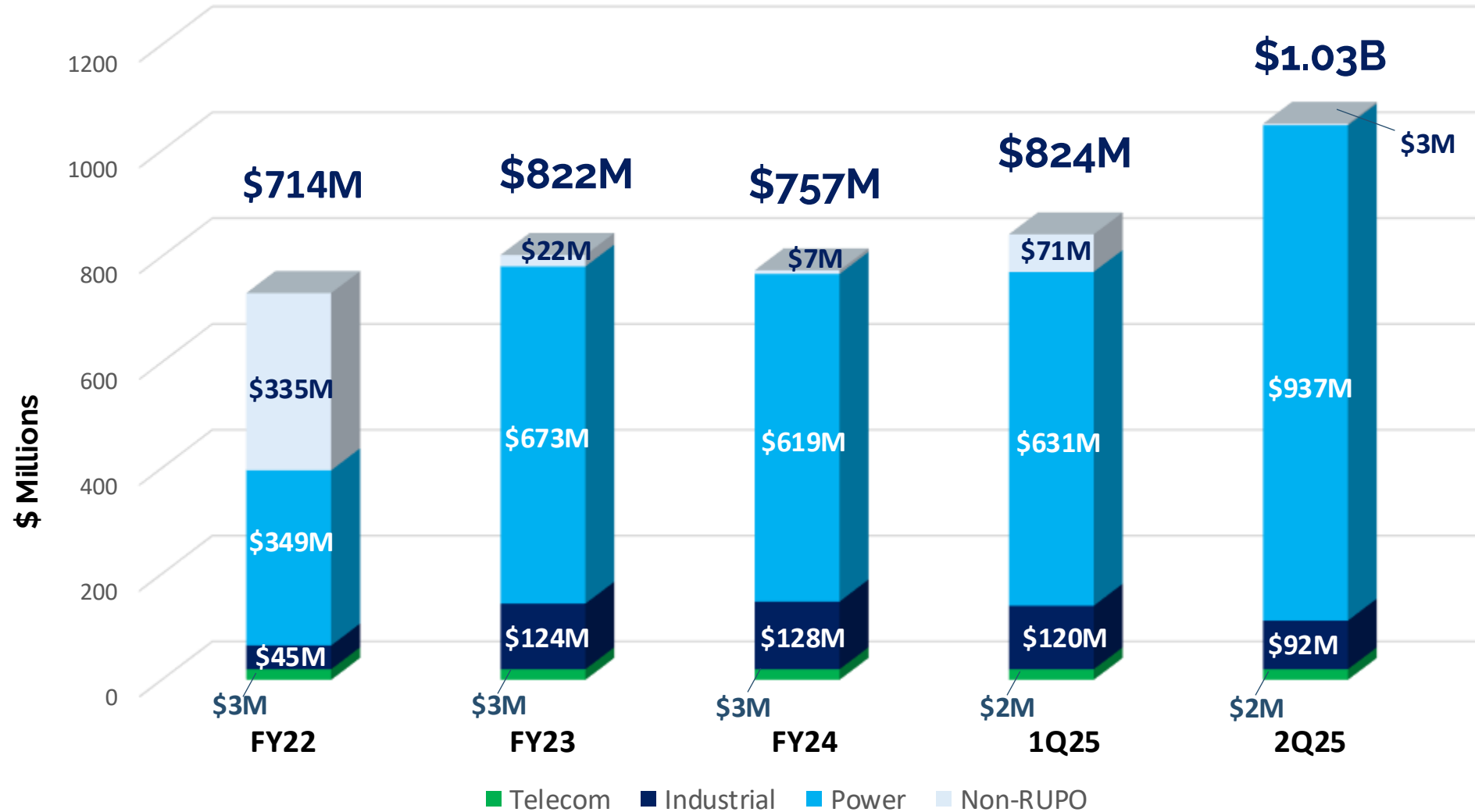
Enabling the Shift to Low-/Zero-Carbon Emissions

Industry Drivers

- Growing demand for **reliable** and **affordable** electricity
- Aging power plants – **83 GW of planned retirements** in the next 10 years¹
- Availability of cheap, domestic natural gas
- Growing renewables & need for storage solutions
- Power market dynamics and capacity auctions
- Green hydrogen and carbon capture
- Aspirational climate goals vs. energy dependability
- Government infrastructure investment (i.e., IRA)





Substantial Project Backlog

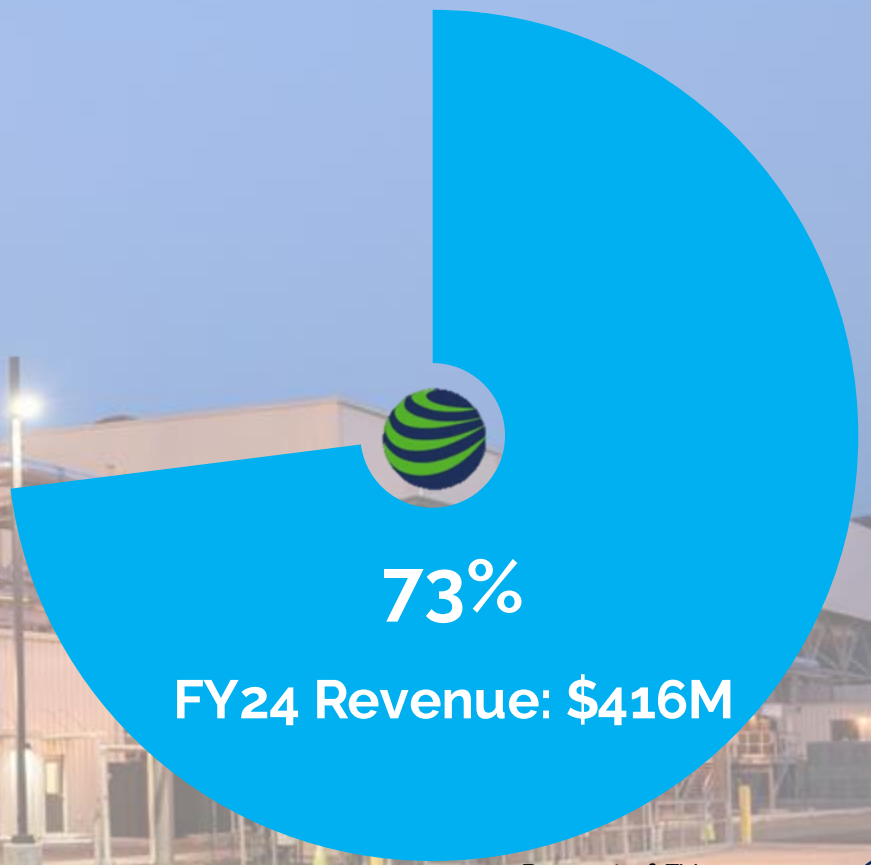


- Remaining Unsatisfied Performance Obligations ("RUPO") is a measure that represents the unrecognized value of active contracts with customers as determined under the revenue recognition rules of U.S. GAAP
- Project backlog as of July 31, 2024, is fully committed by customers and actively being worked on today

Strong Backlog Composition

Business Segment	Project	Description	Location	Size	Project Start	Estimated Completion
	Trumbull Energy Center	<ul style="list-style-type: none"> Natural gas-fired combined cycle power station 2 gas-fired turbines with heat recovery steam generators and one steam turbine 	Ohio	950 MW	Nov 2022	2026
	ESB FlexGen Peaker Plants	Three 65 MW gas turbine peaker power plants in the Dublin area	Ireland	195 MW	June 2022	2024
	Gas Power Project	Consulting agreement and letter of intent for EPC	Texas	1,200 MW	TBD	TBD
	LNG Gas Turbine Project	Subcontract to install five 90 MW gas turbines	Louisiana	450 MW	2024	2025
	Three Solar and Battery Projects Midwest U.S.	Full notice to proceed on three solar plus battery power projects	Illinois	160 MW power 22 MWh storage	2023	2024 - 2025
	Shannonbridge	Full notices to proceed on emergency thermal power plant	Ireland	264 MW	2023	2024
	Solar Project	Full notice to proceed on solar project	Illinois	405 MW	2024	2026
	Water Waste Treatment Facility	TRC to complete the mechanical and electrical scope for the plant	North Carolina	\$40 million	June 2023	2025
	Water Treatment Plant	TRC to complete the electrical scope of work	North Carolina	\$25 million	May 2023	2025

Power Industry Services



Percent of FY24 revenues 10

Project Spotlight: Trumbull Energy Center – Ohio



- Gemma Power Services is executing an EPC services contract for a 950MW natural gas-fired power plant in Lordstown, Ohio
- The combined cycle power station will consist of **two gas-fired, high efficiency, combustion turbines** with **two heat recovery steam** generators and a single steam turbine
- The project will help meet electricity demand in a region facing planned retirements of existing coal-fired electricity generating assets
- Project is currently under construction and completion is scheduled for 2026

Project Spotlight: Solar & Battery Plants – Illinois



- Gemma continues to grow its position as an industry leading EPC provider
- Teams have received full notices to proceed on **3 solar and battery storage projects**
- The converted plants will represent 160 MW of electrical power and 22 MWh of energy storage
- **Gemma has commenced engineering, design and construction activities** as well as procurement of major equipment

Project Spotlight: Solar Project – Illinois



- Gemma received full notice to proceed on a **405 MW utility scale solar field**
- Teams have begun erecting panels on a site encompassing **2,123 acres**; our largest solar project to date
- Multi-phased project includes solar-tracking panels that can be stowed by remote command
- Expected completion scheduled for 2026

International Operations

Northern Ireland (U.K.)

264 MW Turbine Power Plant in Shannonbridge

- APC received full notice to proceed on an EPC services contract with GE Vernova for the Shannonbridge Power Project
- The thermal power plant will feature eight turbine units to enhance the region's power infrastructure and to ensure a reliable electricity supply during critical situations and emergencies

195 MW ESB Power Plants in and around Dublin

- Three separate power plants, each using 65 MW aero-derivative gas turbine flexible generation
- The plants will play a key role in maintaining the long-term stability of the electricity system in Ireland as well as facilitating increasing levels of intermittent renewables in line with ESB's Net Zero by 2040 strategy



The Competitive Landscape

Major EPC service providers for new fixed-price gas-fired power plant projects across the United States



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FLUOR®



Kiewit



ch2m™

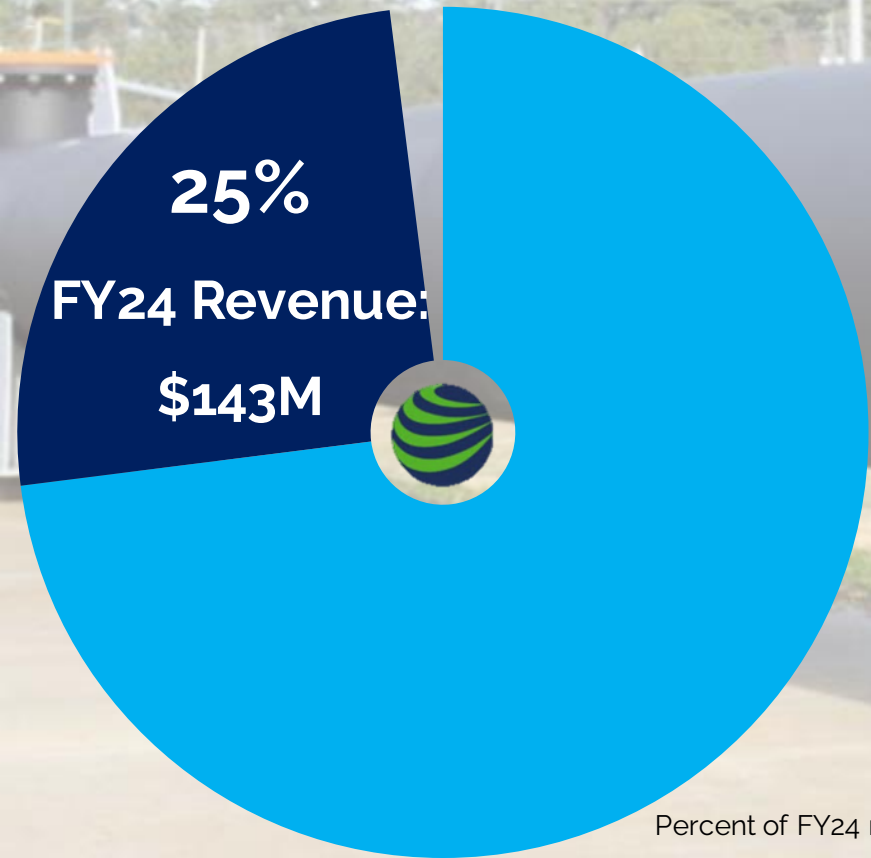
ZACHRY

AECOM

SKANSKA

BURNS  **MCDONNELL**™

Industrial Construction Services



Percent of FY24 revenues



Driving Sustained Success of Industrial Construction Services Segment



- Diversified heavy industrial contractor in U.S.
- **Industry leaders** providing **full-service turnkey construction services**
- **Expertise** in emergency and scheduled plant turnarounds
- Custom industrial pipe and vessel fabrication in 90,000 sq. ft. ASME code production facility
- **Serving growth industries** including power, pulp & paper, petrochemical, water, pharmaceutical, fertilizer, and other heavy industrial customers located primarily in the Southeast region of the U.S.



Project Spotlight: Wastewater Pre-Treatment Facility North Carolina, USA

- Lump sum contract including 90 workers at 50 working hours per week
- TRC managing engineering, procurement, and construction
- Crucial facility responsible for treatment and discharge of high-strength pharmaceutical industrial process wastewater to the county municipal facility

Best-in-industry standards elevate The Roberts Company among peers. Increase in awarded projects supports Argan's diverse and strong \$1.0B backlog

Telecommunications Infrastructure Services

SMCIS SMC
Infrastructure
Solutions

2%

FY24 Revenue:

\$14M



Percent of FY24 revenues

Comprehensive Technology Cabling and Utility Construction Solutions in Mid-Atlantic Region



Services include:

- Trenchless directional boring
- Installation of buried lines
- Structural cabling
- Termination and connectivity for high-speed data, voice and security networks

Repeatable revenues:

- Substantial portion pursuant to work orders under master agreements

Acquisition in Fiscal 2022 expanded footprint in Virginia

Positioned for growth with increasing need for dependable telecommunications and power infrastructure

FINANCIAL REVIEW



Summary Income Statement: Second Quarter Fiscal 2025

	Three Months Ended July 31,		Six Months Ended July 31,	
	(Unaudited)			
(\$ in millions, except per share amounts)	2024	2023	2024	2023
Revenues	\$227	\$141	\$385	\$245
Gross Profit	\$31	\$24	\$49	\$38
Gross margin %	13.7%	16.8%	12.8%	15.5%
SG&A	\$12	\$11	\$24	\$21
Net Income	\$18	\$13	\$26	\$15
Diluted per share	\$1.31	\$0.94	\$1.90	\$1.10
EBITDA	\$25	\$18	\$37	\$22
Cash dividends per share	\$0.30	\$0.25	\$0.60	\$0.50

- 2Q25 consolidated revenue **increase of 61%** with Power Industry Services revenue **increasing 65%** YoY and Industrial Construction Services **increasing 52%** YoY
- Achieved **earnings per diluted share of \$1.31**
- Achieved **EBITDA of of \$25M** - highest since October 2017
- **Current backlog of over \$1 billion**

Balance Sheet Strength

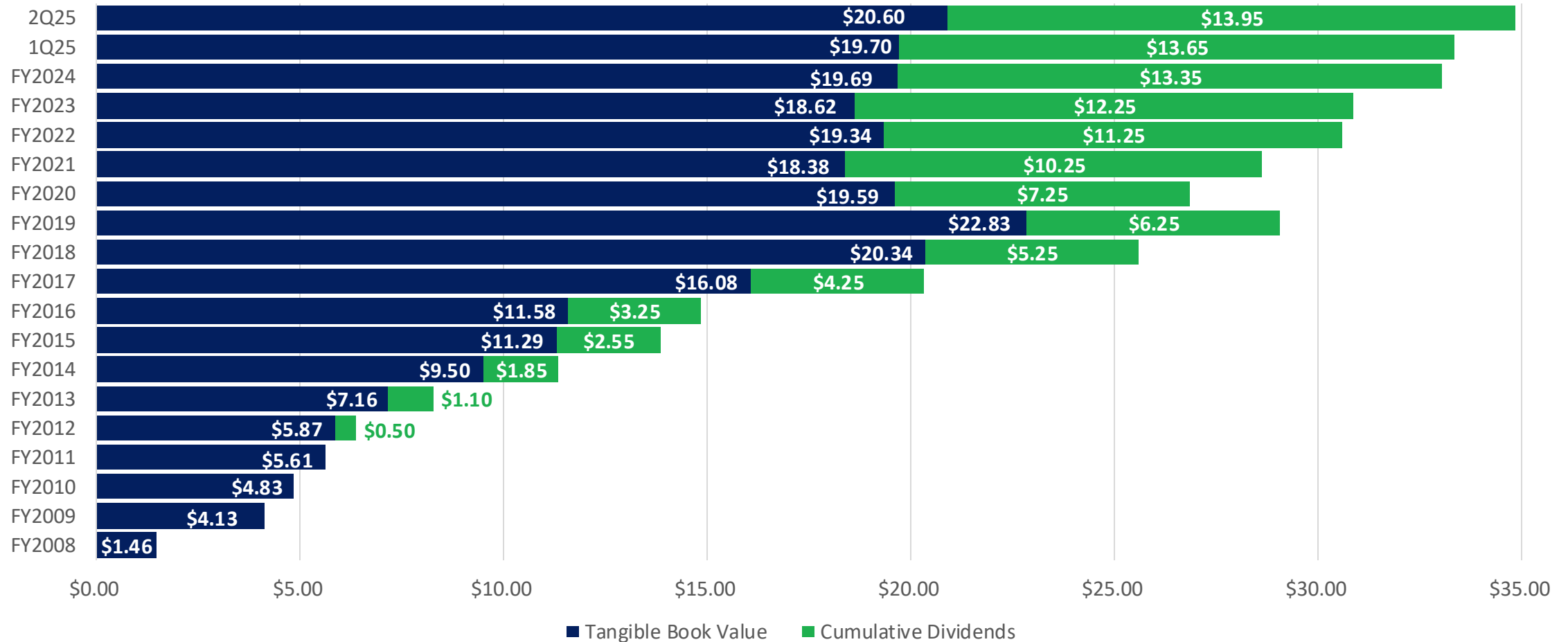
Balance Sheet Data	July 31, 2024	January 31, 2024
Cash, cash equivalents, and investments	\$485 M	\$412 M
Net liquidity ¹	\$260 M	\$245 M
Debt	Nil	Nil
Shareholders' equity	\$308 M	\$ 291 M
Shares outstanding	13,498,000	13,243,000

¹ Total current assets minus total current liabilities

Strong cash position, no debt, and significant bonding capacity to support future growth and shareholder value

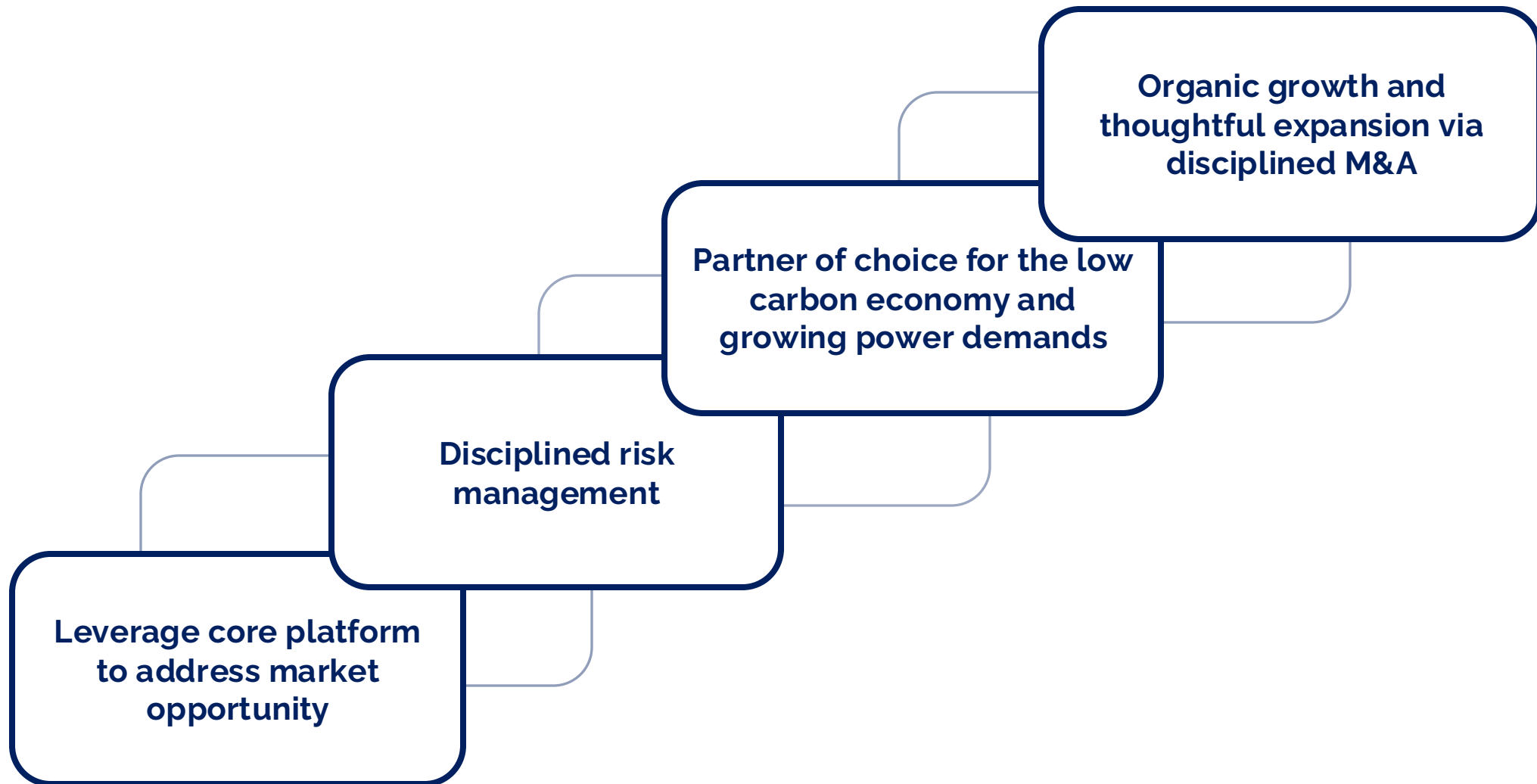
Long-Term Value Creation

Tangible Book Value¹ & Cumulative Dividends Per Share



¹ Tangible book value = (total stockholders' equity – goodwill – other intangible assets)/shares outstanding

Long-Term Growth Strategy



Outlook

- **Partner of choice** for innovative energy solutions as demand on power grid intensifies
- **Well-positioned for growth** with strong and diversified backlog
- **Multiple industry growth drivers**
- **Strong balance sheet** also supports M&A opportunities
- Argan remains confident in its strategy to promote **long-term shareholder value** through the diversification of revenues

Argan is positioned to support the growth in electricity demand:

PJM projects a 32% increase by 2039

¹PJM Load Forecast Report, January 2024

Q & A





APPENDIX

Summary Income Statement: FY2024 & 2023

(\$ in millions, except per share amounts)	For the Fiscal Years Ended January 31,	
	2024	2023
Revenues	\$ 573	\$ 455
Gross Profit	81	86
Gross Margin %	14.1%	19.0%
SG&A	44	45
Net Income	\$ 32	\$ 33
Diluted per share	2.39	2.33
EBITDA Attributable To Stockholders of Argan, Inc.	51	48
Cash Dividends Per Share	\$ 1.10	\$ 1.00

Reconciliation of Condensed Consolidated Net Income to EBITDA

(\$ in thousands)	Three Months Ended July 31,		Six Months Ended July 31,	
	2024	2023	2024	2023
Net income, as reported	\$18,198	\$12,767	\$26,080	\$14,876
Income tax expense	6,083	4,592	9,514	5,487
Depreciation	463	488	943	1,035
Amortization of purchased intangible assets	98	98	195	196
EBITDA	\$24,842	\$17,945	\$36,732	\$21,594

Reconciliation of Consolidated Net Income to EBITDA Continued

(\$ in thousands)	For The Fiscal Years Ended January 31,	
	2024	2023
Net income, as reported	\$ 32,358	\$ 34,704
Income tax expense	16,575	11,296
Depreciation	2,013	2,983
Amortization of purchased intangible assets	392	732
EBITDA	51,338	49,715
EBITDA of non-controlling interest	-	1,606
EBITDA attributable to the stockholders of Argan, Inc.	\$ 51,338	\$ 48,109