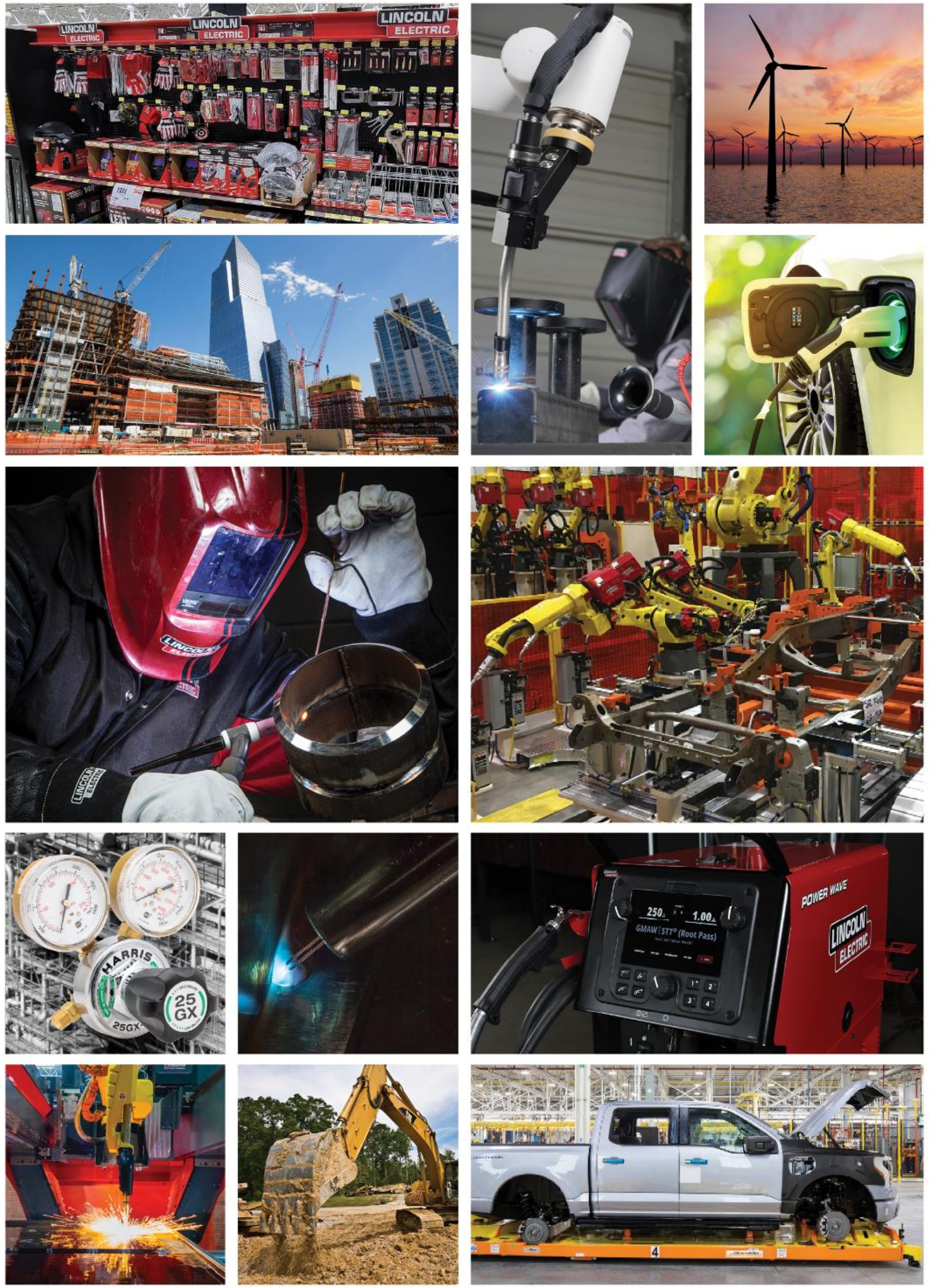
February 21, 2023

LINCOLN ELECTRIC HOLDINGS, INC.

Q4 & Full Year 2022 Earnings



Safe Harbor and Regulation G Disclosures

Forward-Looking Statements:

Statements made during this presentation which are not historical facts may be considered forward-looking statements. Forward-looking statements involve risks and uncertainties that could cause actual events or results to differ materially from those expressed or implied. Forward-looking statements generally can be identified by the use of words such as “may,” “will,” “expect,” “intend,” “estimate,” “anticipate,” “believe,” “forecast,” “guidance” or words of similar meaning. For further information concerning issues that could materially affect financial performance related to forward-looking statements, please refer to Lincoln Electric’s quarterly earnings releases and periodic filings with the Securities and Exchange Commission, which can be found on www.sec.gov or on www.lincolnelectric.com.

Non-GAAP Measures:

Our management uses non-GAAP financial measures in assessing and evaluating the Company’s performance, which exclude items we consider unusual or special items. We believe the use of such financial measures and information may be useful to investors. Non-GAAP financial measures should be read in conjunction with the GAAP financial measures, as non-GAAP measures are a supplement to, and not a replacement for, GAAP financial measures. Please refer to the attached schedule for a reconciliation of non-GAAP financial measures to the related GAAP financial measures.

Full Year 2022 Highlights:

Record Sales, Adjusted Operating Income Margin, and Adjusted EPS performance.

Maintained balanced capital allocation with $508M in growth investments and $312M returned to shareholders.

$3.8B

Record 2022 sales
+16% vs. prior year; Organic sales +20%

22.7%

Adjusted ROIC performance
(Adjusted ROIC of 28.6% ex-Fori)

16.8%

Record 2022 Adjusted Operating Income Margin
+200 bps vs, prior year

$383M

Cash flow from operations
+5% vs. prior year

$8.27

Record 2022 Adjusted EPS
+33% vs. prior year

$312M

Returned $312 million to shareholders (dividends and share repurchases)

Q4 Organic Sales Momentum

Q4 Organic sales increased 14% with a high backlog position in Americas Welding

All product areas & the welding segments grew

Automation up high-teens percent

Consumables up mid-teens percent

Equipment up mid-to-high single-digit percent

Q4 global end sector performance[1]

~90% of revenue serving end markets with organic sales growth

Automotive/Transportation up 30 percent

Energy and Heavy Industries up mid-teens percent

General Industries up low single digit percent

Construction/Infrastructure compressed low 20 percent

[1] End sector performance reflects direct channel organic sales trends

Income Statement – Q4 2022

$ in Millions		Q4 2022	% of Sales		Q4 2021	% of Sales	YoY % Change *Fav/ (Unfav)*
Net Sales	$	930.9		$	844.3		10.3%
Gross Profit		308.0	33.1%		272.7	32.3%	13.0%
SG&A		164.1	17.6%		150.8	17.9%	(8.9)%
Operating Income		141.5	15.2%		120.3	14.3%	17.6%
Special item charges[1,2]		5.3	0.6%		1.8	0.2%	191.7%
Adjusted Operating Income[1]	$	146.8	15.8%	$	122.2	14.5%	20.2%
Interest Expense, net[3]		8.6	0.9%		5.5	0.6%	(57.6)%
Effective Tax Rate		19.6 %			(4.0) %		(2,360) bps
Adjusted Effective Tax Rate[4]		19.7 %			19.7 %		0 bps
Net Income	$	109.1	11.7%	$	74.4	8.8%	46.6%
Special Items[5]		4.1	0.4%		21.8	2.6%	(81.3)%
Adjusted Net Income[1]	$	113.2	12.2%	$	96.2	11.4%	17.7%
Diluted EPS	$	1.87		$	1.25		49.6%
Adjusted Diluted EPS[1]	$	1.94			1.61		20.5%

Q4 2022 SALES MIX[6]

Volume	4.4%	**Price**	9.9%	**Acq/Div**	0.7%	**FX**	(4.7)%
TOTAL	**10.3%**						

[1] Please review the appendix for reconciliation of non-GAAP measures.
[2] Q4 Special items include Rationalization and asset impairment charges of $2.4 million and Acquisition transaction costs of $2.9 million in 2022. This compares with $1.6 million of Rationalization and asset impairment charges and $0.3 million in Amortization of step up in value of acquired inventories in 2021.
[3] Interest Expense, net is defined as interest income earned from investments less interest expense from borrowings.
[4] Q4 Adjusted effective tax rates reflect unfavorable adjustments of 10bps in 2022 and 2,370bps in 2021 from special items.
[5] Q4 Special items include the charges noted in footnote 2 and a $1.3 million tax effect of Special items in 2022 and a $46.4 million pension settlement charge and $26.5 million tax effect of Special items in 2021.
[6] Figures may not sum due to rounding.

Americas Welding Segment

($ in Millions)	Q4 2022	Q4 2021	% YoY Change
Net Sales	$ 573.6	$ 480.3	19.4%
Adjusted EBIT	$ 114.4	$ 83.7	36.6%
Adjusted EBIT Margin[2]	19.0%	16.4%	+260 bps

Q4 2022 SALES MIX[1]							
Volume	7.7%	**Price**	11.4%	**Acq/Div**	1.2%	**FX**	(0.9)%
TOTAL	**19.4%**						

Volumes higher with growth across most end markets, led by automation.

Price reflects benefits of prior pricing actions taken to mitigate inflation.

Margin expands on effective cost management and operational improvements in automation.

[1] Figures may not sum due to rounding.
[2] Adjusted EBIT Margin is calculated using Total Sales, which includes Inter-segment sales.

International Welding Segment

($ in Millions)	Q4 2022	Q4 2021	% YoY Change
Net Sales	$ 243.1	$ 245.5	(1.0)%
Adjusted EBIT	$ 22.8	$ 28.4	(19.5)%
Adjusted EBIT Margin[2]	9.2%	11.2%	(200) bps

Q4 2022 SALES MIX[1]							
Volume	1.4%	**Price**	11.7%	**Acq/Div**	-	**FX**	(14.0)%
TOTAL	**(1.0)%**						

Volume growth led by Asia Pacific; Modest EMEA volume compression on challenging prior year comparisons.

Price primarily reflects benefits of prior pricing actions taken to mitigate inflation & FX.

FX reflects the weakening Euro and Turkish Lira.

Margin declined on lower cost absorption.

[1] Figures may not sum due to rounding.
[2] Adjusted EBIT Margin is calculated using Total Sales, which includes Inter-segment sales.

The Harris Products Group

($ in Millions)	Q4 2022	Q4 2021	% YoY Change
Net Sales	$ 114.2	$ 118.5	(3.6)%
Adjusted EBIT	$ 12.1	$ 15.6	(22.5)%
Adjusted EBIT Margin[2]	10.3%	12.9%	(260) bps

Q4 2022 SALES MIX[1]							
Volume	(2.4)%	**Price**	(0.1)%	**Acq/Div**	-	**FX**	(1.1)%
TOTAL	**(3.6)%**						

Volumes compressed on soft retail channel and residential-oriented applications (HVAC).

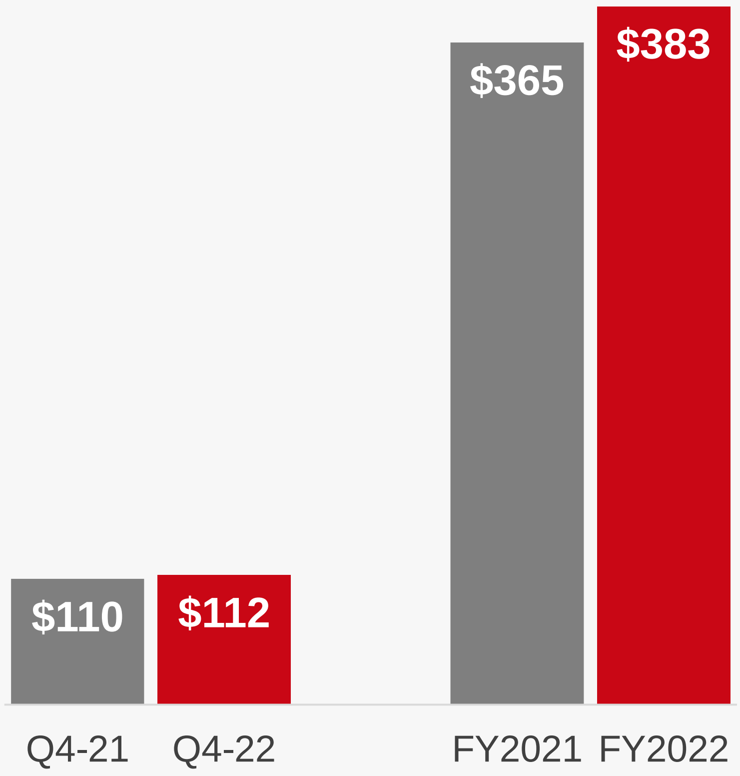
Price relatively steady.

Margin decline reflects reduced price in certain metals offerings, unfavorable mix and lower operating leverage.

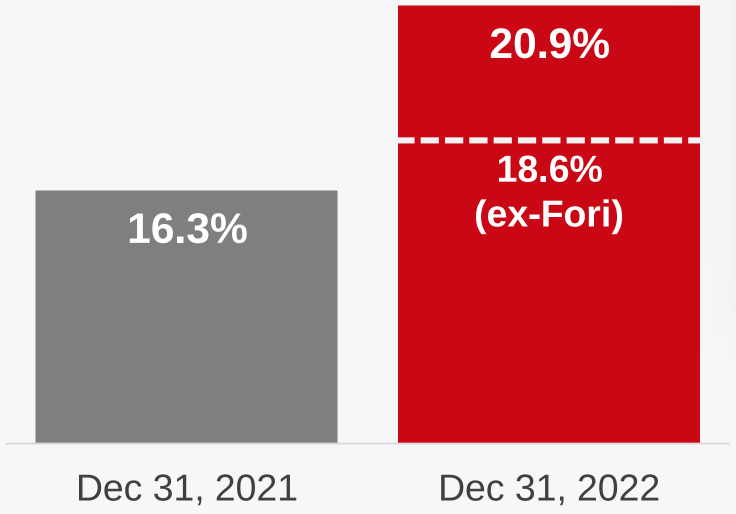
[1] Figures may not sum due to rounding
[2] Adjusted EBIT Margin is calculated using Total Sales, which includes Inter-segment sales.

Cash Flow From Operations Metrics

Cash Flow from Operations
($ in Millions)



Average Operating Working Capital to Net Sales Ratio



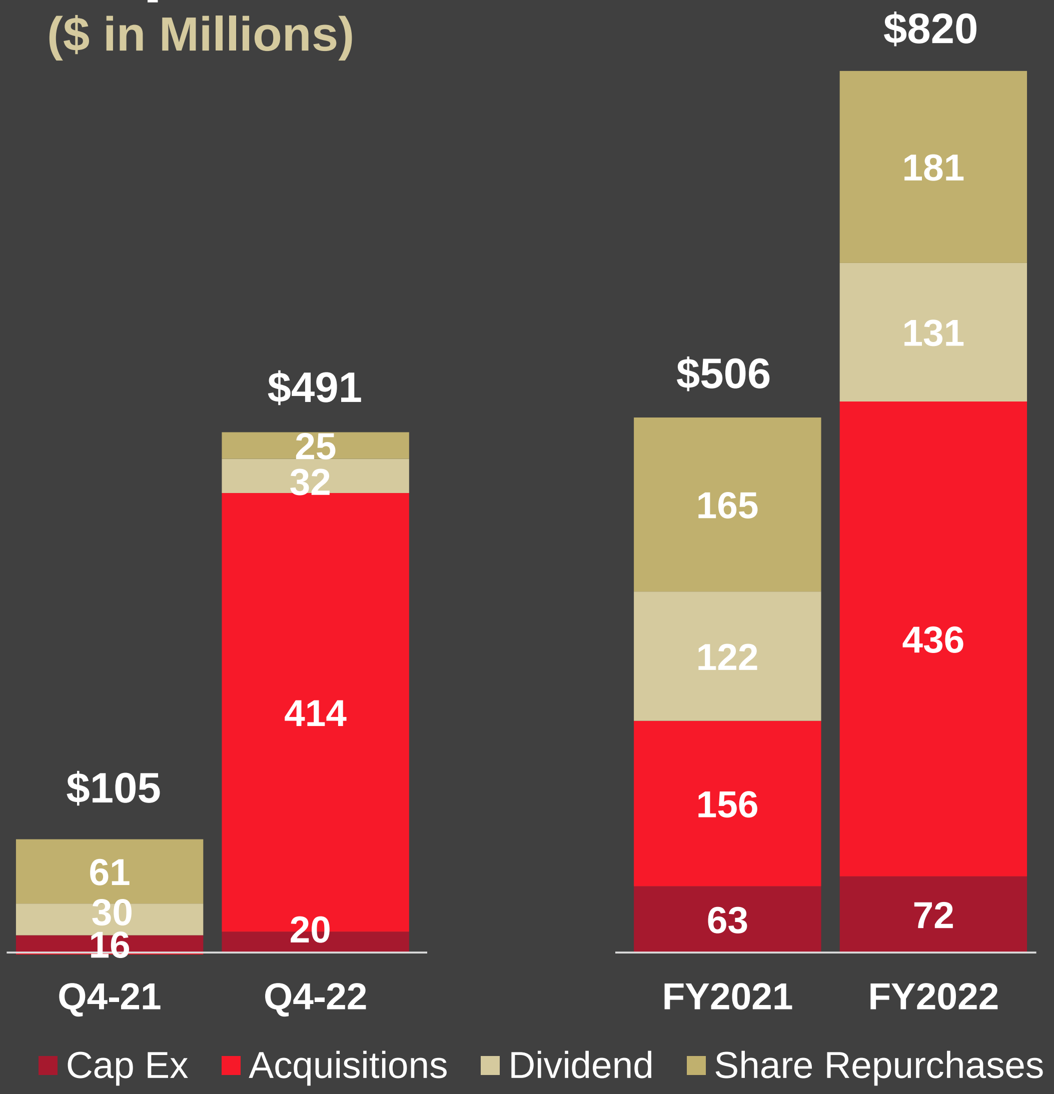
82% cash conversion[1] in Q4-2022; 64%in FY2022

Working capital remains strategically elevated to mitigate supply constraints and is impacted by the inclusion of Fori's working capital without commensurate Fori sales

[1]Cash conversion is defined as Net cash provided by operating activities *less* Capital expenditures *divided by* Adjusted Net income.

Capital Allocation[1]

($ in Millions)



[1] Figures may not sum due to rounding
[2] Adjusted Return on Invested Capital. Please refer to the appendix for reconciliation of Non-GAAP metrics.

Q4 Capital Allocation & Returns

- **Growth**: $434 million
- **Return to Shareholders**: $57 million
- **Dividend Rate**: +9.8%
- **Return on Invested Capital**[2]: 22.7% (28.6% ex-Fori)

Capital Allocation Outlook

Prioritized uses of cash:

- Growth investments (organic and M&A)
- Dividend and Share repurchases

Solid Balance Sheet and Liquidity

(As of December 31, 2022)

Investment grade profile balance sheet

Total Debt: $1.2B // Net Debt: $1.0B

1.68x Total debt/Adjusted EBITDA[2]
1.41x Net debt[1]/Adjusted EBITDA[2]
Debt Covenant: 3.5x Total Debt/Adj. EBITDA[2]

$400M unsecured term loan due 2025 (SOFR + 75 to 175 bps)

$700M in private Notes with 3.3% interest rate with 11-year tenor; First maturity of $100M in August, 2025

Ample liquidity to fund growth & shareholder returns

Liquidity: $704M
- Cash: $197M
- Available lines of credit: $507M

Expect increased cash generation in 2023 with estimated >75% cash conversion[3]

[1] Net Debt is defined as Total debt less Cash and cash equivalents
[2] Debt covenant ratios use a credit agreement adjusted EBITDA definition which differs slightly from the Adjusted EBITDA calculation presented in the appendix
[3] Cash conversion is defined as Free Cash Flow dividend by Adjusted Net Income

Full Year 2023 Assumptions

Assumptions

Low double digit sales growth
(Mid-single digit % organic sales)

Neutral price/cost

Mid-to-high teens % incremental operating income margin *(Low-20% excluding Fori)*

$55-$60 million interest expense

Low-to-mid 20% tax rate

$80-$100 million in cap-ex

>75% cash conversion

Risks

Economic and geopolitical headwinds

Supply and labor availability

Inflation (raw materials & labor)

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LINCOLN® ELECTRIC

Non-GAAP Information

Adjusted operating income, Adjusted net income, Adjusted EBIT, EBITDA, Adjusted EBITDA, Adjusted effective tax rate, Adjusted diluted earnings per share, Adjusted EPS, Organic sales, Cash conversion, and Adjusted Return on invested capital are non-GAAP financial measures.

Management uses non-GAAP measures to assess the Company's operating performance by excluding certain disclosed special items that management believes are not representative of the Company's core business. Management believes that excluding these special items enables them to make better period-over-period comparisons and benchmark the Company's operational performance against other companies in its industry more meaningfully. Furthermore, management believes that non-GAAP financial measures provide investors with meaningful information that provides a more complete understanding of Company operating results and enables investors to analyze financial and business trends more thoroughly. Non-GAAP financial measures should not be viewed in isolation, are not a substitute for GAAP measures and have limitations including, but not limited to, their usefulness as comparative measures as other companies may define their non-GAAP measures differently.

Non-GAAP Financial Measures

Non-GAAP Financial Measures:

Reconciliation of Operating Income, Net Income, Effective Tax Rate, and EPS to Non-GAAP Adjusted Operating Income, Adjusted Net Income, Adjusted Effective Tax Rate, and Adjusted EPS

(In thousands, except per share amounts)
(Unaudited)

	Three Months Ended December 31, 2022	Three Months Ended December 31, 2021	Twelve Months Ended December 31, 2022	Twelve Months Ended December 31, 2021
Operating income as reported	$ 141,488	$ 120,349	$ 612,336	$ 461,669
Special items (pre-tax):				
Rationalization and asset impairment charges (2)	2,383	1,550	11,788	9,827
Acquisition transaction costs (3)	2,935	—	6,003	1,923
Amortization of step up in value of acquired inventories (4)	—	273	1,106	5,804
Adjusted operating income (1)	$ 146,806	$ 122,172	$ 631,233	$ 479,223
As a percent of total sales	15.8 %	14.5 %	16.8 %	14.8 %
Net income as reported	$ 109,146	$ 74,427	$ 472,224	$ 276,466
Special items:				
Rationalization and asset impairment charges (2)	2,383	1,550	11,788	9,827
Acquisition transaction costs (3)	2,935	—	6,003	1,923
Pension settlement net charges (5)	—	46,404	(4,273)	126,502
Amortization of step up in value of acquired inventories (4)	—	273	1,106	5,804
Tax effect of Special items (6)	(1,250)	(26,451)	(1,192)	(47,188)
Adjusted net income (1)	113,214	96,203	485,656	373,334
Non-controlling interests in subsidiaries' income (loss)	—	(17)	—	114
Interest expense, net	8,633	5,478	29,500	22,214
Income taxes as reported	26,612	(2,841)	120,603	48,418
Tax effect of Special items (6)	1,250	26,451	1,192	47,188
Adjusted EBIT (1)	$ 149,709	$ 125,274	$ 636,951	$ 491,268
Effective tax rate as reported	19.6 %	(4.0)%	20.3 %	14.9 %
Net special item tax impact	0.1 %	23.7 %	(0.2)%	5.5 %
Adjusted effective tax rate (1)	19.7 %	19.7 %	20.1 %	20.4 %
Diluted earnings per share as reported	$ 1.87	$ 1.25	$ 8.04	$ 4.60
Special items per share	0.07	0.36	0.23	1.62
Adjusted diluted earnings per share (1)	$ 1.94	$ 1.61	$ 8.27	$ 6.22
Weighted average shares (diluted)	58,459	59,637	58,749	60,062

Please see the following slide for corresponding footnotes

Non-GAAP Financial Measures

(continued)

Footnotes for Non-GAAP Financial Measures:

Reconciliation of Operating Income, Net Income, Effective Tax Rate, and EPS to Non-GAAP Adjusted Operating Income, Adjusted Net Income, Adjusted Effective Tax Rate, and Adjusted EPS

1. Adjusted operating income, Adjusted net income, Adjusted EBIT, Adjusted effective tax rate and Adjusted diluted EPS are non-GAAP financial measures. Refer to Non-GAAP Information section.
2. 2022 charges are primarily related to non-cash asset impairment charges. 2021 charges are primarily related to severance, gains or losses on the disposal of assets.
3. Related to acquisitions and are included in Selling, general & administrative expenses.
4. Related to acquisitions and are included in Cost of goods sold.
5. Pension settlement net charges related to the termination of a pension plan and are included in Other income (expense).
6. Includes the net tax impact of Special items recorded during the respective periods. The tax effect of Special items impacting pre-tax income was calculated as the pre-tax amount multiplied by the applicable tax rate. The applicable tax rates reflect the taxable jurisdiction and nature of each Special item.

Non-GAAP Financial Measures

Adjusted Return on Invested Capital (ROIC)

(In thousands)
(Unaudited)

Return on Invested Capital	Twelve Months Ended December 31, 2022	Twelve Months Ended December 31, 2021
Net income as reported	$ 472,224	$ 276,466
Plus: Interest expense (after-tax)	23,276	17,794
Less: Interest income (after-tax)	1,202	1,172
Net operating profit after taxes	$ 494,298	$ 293,088
Special items:		
Rationalization and asset impairment charges	11,788	9,827
Acquisition transaction costs	6,003	1,923
Pension settlement net charges	(4,273)	126,502
Amortization of step up in value of acquired inventories	1,106	5,804
Tax effect of Special items [2]	(1,192)	(47,188)
Adjusted net operating profit after taxes [1]	$ 507,730	$ 389,956
Invested Capital	**December 31, 2022**	**December 31, 2021**
Short-term debt	$ 93,483	$ 52,730
Long-term debt, less current portion	1,110,396	717,089
Total debt	1,203,879	769,819
Total equity	1,034,041	863,909
Invested capital	$ 2,237,920	$ 1,633,728
Return on invested capital as reported [3]	22.1 %	17.9 %
Adjusted return on invested capital [3]	22.7 %	23.9 %

1. Adjusted net operating profit after taxes and Adjusted ROIC are non-GAAP financial measures. Refer to Non-GAAP Information section.

2. Includes the net tax impact of Special items recorded during the respective periods.

3. The tax effect of Special items impacting pre-tax income was calculated as the re-tax amount multiplied by the applicable tax rate. The applicable tax rates reflect the taxable jurisdiction and nature of each Special item. Return on invested capital and Adjusted return on invested capital excluding Fori would have been 27.9% and 28.6%, respectively, for December 31, 2022.

Segment EBIT

EBIT and Adjusted EBIT Reconciliation – Three Months Ended December 31, 2022

(In thousands)
(Unaudited)

	Americas Welding	International Welding	The Harris Products Group	Corporate / Eliminations	Consolidated
Three months ended December 31, 2022					
Net sales	$ 573,592	$ 243,114	$ 114,228	$ —	$ 930,934
Inter-segment sales	29,479	5,754	2,470	(37,703)	—
Total sales	$ 603,071	$ 248,868	$ 116,698	$ (37,703)	$ 930,934
Net income					$ 109,146
As a percent of total sales					11.7 %
EBIT [1]	$ 113,813	$ 21,020	$ 12,056	$ (2,498)	$ 144,391
As a percent of total sales	18.9 %	8.4 %	10.3 %		15.5 %
Special items charges [3]	567	1,816	—	2,935	5,318
Adjusted EBIT [2]	$ 114,380	$ 22,836	$ 12,056	$ 437	$ 149,709
As a percent of total sales	19.0 %	9.2 %	10.3 %		16.1 %
Three months ended December 31, 2021					
Net sales	$ 480,263	$ 245,529	$ 118,459	$ —	$ 844,251
Inter-segment sales	30,657	8,071	1,720	(40,448)	—
Total sales	$ 510,920	$ 253,600	$ 120,179	$ (40,448)	$ 844,251
Net income					$ 74,427
As a percent of total sales					8.8 %
EBIT [1]	$ 40,258	$ 26,824	$ 12,320	$ (2,355)	$ 77,047
As a percent of total sales	7.9 %	10.6 %	10.3 %		9.1 %
Special items charges (gains) [4]	43,450	1,539	3,238	—	48,227
Adjusted EBIT [2]	$ 83,708	$ 28,363	$ 15,558	$ (2,355)	$ 125,274
As a percent of total sales	16.4 %	11.2 %	12.9 %		14.8 %

Please see the following slide for corresponding footnotes

Non-GAAP Financial Measures

(continued)

Footnotes for EBIT and Adjusted EBIT Reconciliation – Three Months Ended December 31, 2022

1. EBIT is defined as Operating income plus Other income (expense).
2. The primary profit measure used by management to assess segment performance is Adjusted EBIT. EBIT for each operating segment is adjusted for special items to derive Adjusted EBIT.
3. Special items in 2022 primarily reflect Rationalization and asset impairment charges of $1,816 and $567 in International Welding and Americas Welding, respectively, and acquisition transaction costs of $2,935 in Corporate/Eliminations.
4. Special items in 2021 reflect Rationalization and asset impairment charges of $1,550 primarily in International Welding, pension settlement charges of $43,439 and $2,965 in Americas Welding and The Harris Products Group, respectively, and amortization of step up in value of acquired inventories of $273 in The Harris Products Group.

Non-GAAP Financial Measures

EBITDA and Adjusted EBITDA

(In thousands)
(Unaudited)

Total Debt / Adjusted EBITDA	Twelve Months Ended December 31, 2022	Twelve Months Ended December 31, 2021
Net income as reported	$ 472,224	$ 276,466
Non-controlling interests in subsidiaries' income	—	114
Interest expense, net	29,500	22,214
Income tax expense	120,603	48,418
Depreciation and amortization	78,059	81,146
EBITDA [1]	$ 700,386	$ 428,358
Special Items:		
Rationalization and asset impairment charges	11,788	9,827
Acquisition transaction costs	6,003	1,923
Pension settlement charges	(4,273)	126,502
Amortization of step up in value of acquired inventories	1,106	5,804
Adjusted EBITDA [1]	$ 715,010	$ 572,414
	December 31, 2022	**December 31, 2021**
Total debt	$ 1,203,879	$ 769,819
Total debt / EBITDA	1.72	1.80
Total debt / Adjusted EBITDA	1.68	1.34

1. EBITDA and Adjusted EBITDA are non-GAAP financial measures. Refer to Non-GAAP Information section.