

INNOVATE.
EXPAND.
GROW.

2024 INTERIM RESULTS
PRESENTATION

H1 2024 HIGHLIGHTS

- Underlying US non-residential construction market remains healthy
- Trading in North America continues to be impeded by project start delays and pauses caused by elevated interest rates, labor shortages and concrete rationing
- Significant inclement weather in H1 2024 further impeded trading in the US and Australia
- Launched two new products, including Somero's first electric machine, with a third new product on track to launch in H2 2024
- European market continued reporting good results comparable to H1 2023
- Belgium service center was fully operational by end of H1 2024 and showing results
- Restructuring in July underscores adaptability that allows for continued healthy profits
- Declared US\$ 0.08 interim dividend payable October 2024



Belgium - Service Center

SALES BY TERRITORY

US\$ MILLIONS	H1 2024	H1 2023
North America	\$ 38.8	\$ 42.2
Europe	7.1	7.0
Australia	3.2	5.3
Rest of World ⁽¹⁾	<u>2.7</u>	<u>4.4</u>
TOTAL	\$ 51.8	\$ 58.9

Commentary:

- North American declined 8% mostly driven by lower Boomed screed sales volume
- Healthy market conditions in Europe continued and new customer acquisitions remain strong
- Inclement weather in Australia impacted H1 2024 trading, against record high trading in H1 2023
- ROW consists of several geographies with relatively small bases of business. Therefore, period to period fluctuations in each geography is normal.

Notes:

(1) ROW includes Latin America, Middle East, India, Southeast Asia, Korea and China

SALES BY PRODUCT

US\$ MILLIONS	H1 2024	H1 2023
Boomed screeds ⁽¹⁾	\$ 19.1	\$ 24.4
Ride-on screeds ⁽²⁾	10.7	11.2
Remanufactured machines	4.1	3.4
3-D Profiler System [®]	4.3	4.3
SkyScreed [®]	0.0	0.0
Other ⁽³⁾	<u>13.6</u>	<u>15.6</u>
TOTAL	\$ 51.8	\$ 58.9

Commentary:

- Sales of Boomed screeds in North America was impacted by elevated interest rates, labor shortages, concrete rationing, and inclement weather
- Sales of Ride-on screeds remained relatively consistent with a modest decline of 4%
- Revenue from Remanufactured machines benefited from higher inventory entering 2024 (2023 trade-ins)
- 3-D Profiler Systems[®] was consistent and continues to deliver good results
- While no SkyScreed[®] sales in H1 2024, demo activity has picked up
- Decline across products within the Other category in line with overall decline

Notes:

(1) Boomed Screeds include the S-28EZ, S-22EZ, S-15R, SRS-6, SRS-4, and S-10A.

(2) Ride-On Screeds include the S-940, S-940e, S-485, and S-158.

(3) Other includes parts, accessories, services and freight, as well as other equipment such as the Somero Line Dragon[®], Broom+Cure[™], STS-11M Topping Spreader, CopperHead[®], Mini Screed[®] C, SkyStrip[®] and S-PS50

FINANCIAL HIGHLIGHTS

US\$ MILLIONS (EXCEPT PER SHARE DATA)	H1 2024	H1 2023
Revenue	\$ 51.8	\$ 58.9
Adjusted EBITDA ^(1,2)	12.4	17.3
Adjusted EBITDA margin ^(1,2)	24%	30%
Profit before tax	10.6	15.6
Adjusted net income ^(1,3)	8.1	12.2
Diluted adjusted net income per share ^(1,3)	\$0.14	\$0.22
Cash flow from operations	2.9	8.8
Net cash ⁽⁴⁾	20.8	25.2
Interim dividend per share	\$0.08	\$0.10

Commentary:

- Revenue decline primarily attributable to decrease in sales of Boomed screeds in North America and, to a lesser extent, Australia
- Profit margins remain healthy, albeit down against 2023 due to lower sales volume and incremental costs related to the new Belgium facility
- Savings from restructuring in July will be realized in H2 2024
- Decline in cash generation was driven mostly by lower sales, and to a lesser extent increase in working capital investment
- Interim ordinary dividend proportion to total ordinary dividend held consistent to prior year

Notes:

- (1) Non-US GAAP financial measures are used to provide supplemental information regarding operating performance. Further information regarding non-GAAP measures is below.
- (2) Adjusted EBITDA is defined as Company net income plus tax provision, interest expense, interest income, foreign exchange loss, other expense, depreciation, amortization, and stock-based compensation.
- (3) Adjusted net income is a calculation of net income plus amortization of intangibles and excluding the tax impact of stock option and RSU settlements and other special items.
- (4) Net cash is defined as cash and cash equivalents less borrowings under bank obligations exclusive of deferred financing costs.

OPERATING RESULTS

US\$ MILLIONS	H1 2024	H1 2023
Revenue	\$ 51.8	\$ 58.9
Gross profit	28.3	33.6
Operating expenses:		
Selling, marketing & customer support	8.2	7.6
Engineering & product development	1.3	1.4
General & administrative	<u>8.0</u>	<u>8.7</u>
Total operating expenses	<u>17.5</u>	<u>17.7</u>
Operating income	10.8	15.9
Other income (expense)	<u>(0.2)</u>	<u>(0.3)</u>
Income before income taxes	10.6	15.6
Provision for income taxes	<u>2.5</u>	<u>3.2</u>
Net income	<u>\$ 8.1</u>	<u>\$ 12.4</u>

Commentary:

- Gross margin primarily reflects net price increase partly offsetting continued input cost increases
- Incremental customer support expenses from the addition of new Belgium service center was offset by lower variable compensation and non-recurring project costs
- Other income (expense) includes interest income & expense and foreign currency impacts on intercompany transactions
- Effective tax rate of 23% up from 21.0% due to reduction in foreign tax credits

FINANCIAL POSITION

US\$ MILLIONS	JUNE 30, 2024	DECEMBER 31, 2023
Cash	\$ 20.8	\$ 33.3
Accounts receivable, net	8.5	8.8
Inventory	24.1	19.4
Prepaid & other	<u>2.1</u>	<u>2.4</u>
Total current assets	55.5	63.9
Other assets	<u>37.6</u>	<u>34.6</u>
Total assets	<u>\$ 93.1</u>	<u>\$ 98.5</u>
Current liabilities	12.4	13.8
Other liabilities	<u>2.5</u>	<u>1.5</u>
Total liabilities	14.9	15.3
Stockholders' equity	<u>78.2</u>	<u>83.2</u>
Total liabilities & equity	<u>\$ 93.1</u>	<u>\$ 98.5</u>

Commentary:

- Cash decrease from year-end 2023 primarily reflects US\$ 11.4m dividend payment, offset by cash flow from operations
- Accounts receivable remained comparable to prior year-end
- Inventory increase due to stocking for new products and the new Belgium facility, as well as lower than planned sales volume
- Increase in Other assets is mainly due to Houghton renovations and renewal of vehicle leases
- Current liabilities remained relatively consistent with prior year
- Increase in other liabilities primarily due to renewal of vehicle leases noted above

CASH FLOWS

US\$ MILLIONS	H1 2024	H1 2023	Commentary:
Net income	\$ 8.1	\$ 12.4	• Decrease in net income mainly attributable to the revenue decline in North America and Australia compared to the prior year period
Adjustments to reconcile to cash provided by operating activities	0.6	0.7	
Net working capital changes	<u>(5.8)</u>	<u>(4.3)</u>	• Uplift in net working capital mostly due to increase in inventory
Net cash provided by operating activities	<u>2.9</u>	<u>8.8</u>	• Substantially completed office renovations in Houghton facility
Net cash used in investing activities	(1.6)	(1.0)	
Payment of dividends	(11.4)	(14.2)	• 2024 dividend payments included 2023 final ordinary dividend and supplemental dividend of US\$ 7.3m and US\$ 4.1m, respectively
Payment under financing leases	(0.1)	(0.2)	
Share buy-back	(1.9)	(0.4)	• Share buyback includes \$1.1m of the 2023 authorization and \$0.8m of 2024 authorization
RSUs settled for cash	<u>(0.7)</u>	<u>(1.2)</u>	
Net cash used in financing activities	(14.1)	(16.0)	
Effect of exchange rates on cash	<u>0.3</u>	<u>(0.3)</u>	
Net increase (decrease) in cash	<u>\$ (12.5)</u>	<u>\$ (8.5)</u>	

NEW PRODUCTS



The S-940e from the Leaders in Leveling™

- The first Somero® battery operated Laser Screed® Machine
- No Emissions and no compromise on productivity:
- Same screeding power as gas or diesel
- On-board charging (120v or 240v), including generator package
- 8 hours of run time, as much as 35,000 sq feet per day
- Powered by three, 48V 7KHW, Vanguard lithium batteries

The SRS-6S is a lightweight, remote control capable Boom Laser Screed® Machine:

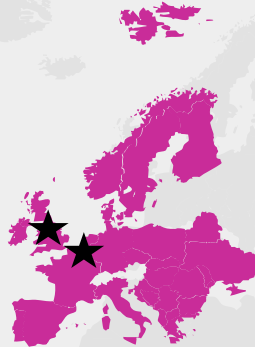
- The next step up from the SRS-4 Boom Laser Screed®
- Big features, focused on productivity
- 12' head that increases production
- 24" head shift for precise screeding around obstacles
- 3 new drive modes for unparalleled maneuverability



And a third machine launching in the second half of this year to round out our trio of new machines for 2024!

INTERNATIONAL GROWTH - EUROPE

- ❖ US\$ 7.1m in revenue in H1 2024 (H1 2023: US\$ 7.0m)
- ❖ Revenue from new customers represented 18% of the total European revenue in H1 2024
- ❖ Parts and service revenue increased 10% on H1 2023
- ❖ New training and service center in Belgium showing demonstrable improvements in customer service



INTERNATIONAL GROWTH - AUSTRALIA

- ❖ US\$ 3.2m in revenue in H1 2024, down 40% from a record high US\$ 5.3m in H1 2023
- ❖ Inclement weather caused significant project delays
- ❖ Revenue from new customers represented 43% of the total AUS revenue in H1 2024



2024 OUTLOOK

Overall US non-residential construction market remains healthy

Elevated interest rates, labor shortages and concrete rationing continue to cause project delays

H1 2024 trading was further impeded by inclement weather in the US and Australia

Generally, US customers continue to report robust project backlogs

Europe continued to deliver strong results

Anticipate trading improvement in H2 over H1 based on new product growth and assumed improvement in weather conditions in US and Australia

Meaningful company-wide workforce reduction demonstrates flexible cost structure and efficient and effective adaptability

We anticipate full year 2024 revenues of approximately US\$ 110.0m, adjusted EBITDA of approximately US\$ 30.0m, and ending net cash of approximately US\$ 27.0m



QUESTIONS



APPENDICES

OUR PROVEN MODEL

WHAT WE DO

Somero's laser-guided technology and wide-placement methods have been specified for use in a wide range of construction projects.

WHO WE WORK WITH

Somero operates in markets across the globe and has sold products in 90+ countries.

We work with small, medium and large concrete contractors and self-performing general contractors. Our equipment has been used in construction projects for a wide array of the world's largest organizations.



Warehousing



Assembly plants



Parking structures



Commercial construction



Exterior paving



Retail centers

WHAT MAKES US DIFFERENT

INNOVATIVE PRODUCT LEADERSHIP

- Pioneered Laser Screed® machine market in 1986
- Product portfolio grown to 20+ products
- Over 120 patents and applications
- Product development fuelled by customer engagement

INDUSTRY EXPERTISE, TRAINING AND SUPPORT

- Proven commitment to exceptional classroom/job-site training
- 24/7 direct global support (in 10 minutes, all major languages)
- Overnight spare parts delivery, next-day world travel
- Somero Concrete College & Institute

OUR BENEFICIARIES

CUSTOMERS

- Quality
- Productivity
- Profit
- Direct access to Somero expertise, training and support

BUILDING OWNERS AND END-USERS

- Operational efficiency
- Improved physical appearance
- Lower floor maintenance cost
- Lower forklift repair cost
















EMPLOYEES

- Challenging and rewarding work environment full of opportunity
- Investment in training to help each employee reach their full potential

INVESTORS

- Strong, consistent financial performance
- Significant growth opportunity in new and existing markets
- Strong, unleveraged financial position
- Disciplined return of cash to shareholders

PRODUCTS & APPLICATIONS

RELEASE	PRODUCT		APPLICATION	MARKET	
BOOMED SCREEDS:					
2024	SRS-6s			25,000-50,000+ ft² placements warehouses, manufacturing assembly plants, tilt-panel and agricultural buildings	SLAB ON GRADE
2022	S-PS50				
2022	S-28EZ				CAST-IN- PLACE
2014	S-22EZ (re-launch in '23)				
2012	S-15R				
2015	S-10A				
2020	SRS-4				
RIDE-ON SCREEDS:					
2024	S-940e			5,000-30,000 ft² placements schools, medical and retail centers, multi-level commercial construction, agricultural buildings	SLAB ON GRADE
2016	S-940				
2014	S-485				SLAB ON DECK
2018	S-158C				
WALK-BEHIND SCREEDS:					
2009	Mini Screed™			Small commercial, residential and multi-level placements	SLAB ON GRADE
2002	CopperHead® XD™ 3.0				
MATERIAL APPLICATION:					
2012	STS-11M			Projects involving concrete hose pumps, projects requiring dry shake-on hardener, applying curing agents and texture to exterior concrete slabs	SLAB ON GRADE
2017	Somero Line Dragon				
2020	Somero Broom + Cure™				SLAB ON DECK
GRADING / EXTERIOR PAVING:					
2004	SiteShape® System			Exterior concrete paving and parking structures, exterior sub-grade	SLAB ON GRADE
2000	3-D Profiler System®				
SKYLINE:					
2020	SkyScreed® 36			Screeding on structural high- rise and slab-on grade applications	HIGH-RISE STRUCTURAL
2021	SkyStrip®				

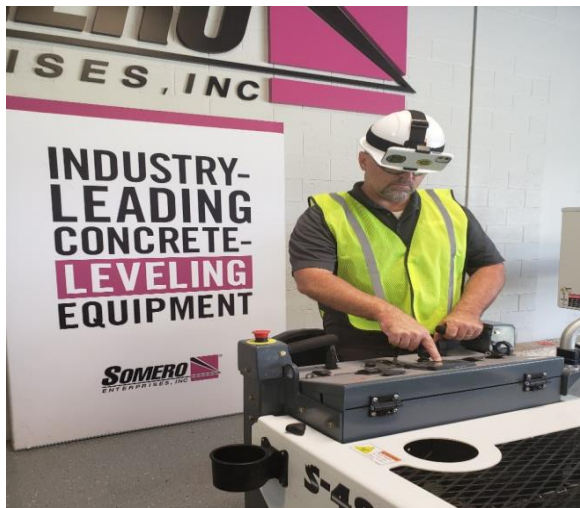
Training and Expertise

Somero does more than sell equipment. The Company helps customers grow profitable businesses by providing access to world class training and concrete placement & finishing expertise. Since 2021, Somero has enhanced its on-demand and virtual training capabilities to meet our customers needs. The trend of remote training continues to grow.

In-Person at the Somero Concrete Institute in Fort Myers, FL which has a 48-person multi-media classroom and a 10,000 ft concrete placing center which is a controlled venue to place, screed, finish and test concrete slabs on a daily basis



On demand training through Somero's Learning Management System (LMS) provides a vast catalogue of training materials in over 12 languages to enable a trainee to complete fundamental training in the absence of a physical trainer.



Virtual training through Somero's platform enables trainees to interact in a live format with Somero trainers regardless of geographic or time zone constraints.

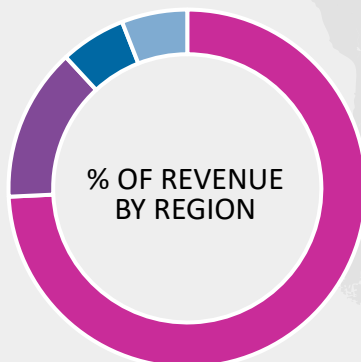
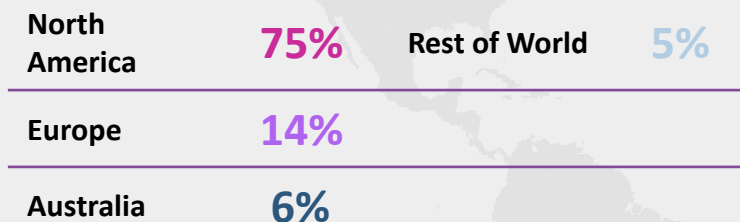


GLOBAL REACH

LEADERS IN LEVELLING

At Somero we provide industry-leading concrete levelling equipment, training, education and support to customers in over 90+ countries.

Our innovative technology allows contractors to complete every concrete floor installation faster, flatter and with fewer people, resulting in a platform for successful businesses to grow.



CUSTOMERS IN
90+
COUNTRIES

OUR LOCATIONS

North America

Fort Myers, Florida:

Global headquarters and Somero Concrete Institute training facility

Houghton, Michigan:

Production, operations and support

UK, Chesterfield:

Sales and service office

Belgium, Kampenhout

Sales and service office

Australia, Melbourne:

Sales and service office

India, New Delhi:

Sales and service office

OUR ESG FRAMEWORK

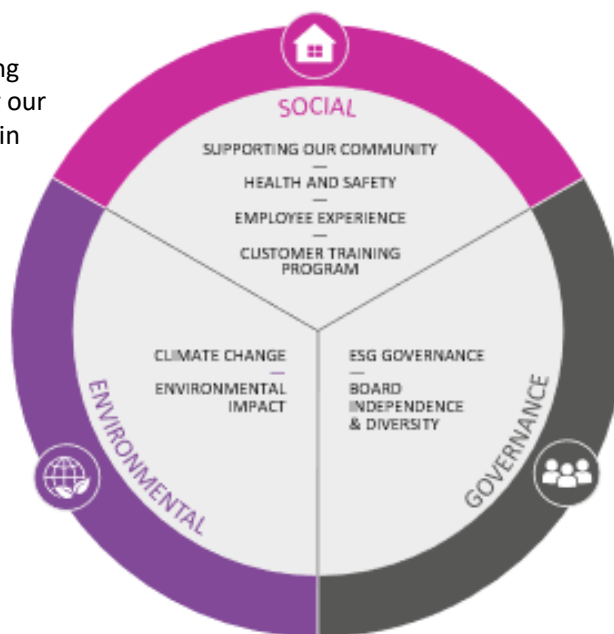
Our goal is to strike the right balance between shareholder expectations and the needs and concerns of our employees and customers, the communities we live in, and the environment

Social

Somero is dedicated to fostering an open and inclusive working environment for our employees, ensuring their safety and wellbeing at all times, supporting a training program for our customers and giving back to the community in which we operate.

Environmental

Somero is committed to making a lasting positive impact on the environment in which we operate and doing our bit to reduce our environmental footprint.



GOVERNANCE

Maintaining strong, diverse leadership and accountability on ESG issues is critical and Somero takes this responsibility seriously in how we manage ESG across our business.

ESG IN ACTION



SUPPORTING OUR COMMUNITY
HEALTH AND SAFETY
EMPLOYEE EXPERIENCE
CUSTOMER TRAINING PROGRAM

Industry Support
Charitable Donations
Employee Volunteering PTO
Employee Training
Somero Concrete Institute

Harry Chapin Food Bank



Customer Training



31 Backpacks



ESG IN ACTION



Environmental Study Phase I: *2021 Middle Tennessee State University research study identified environmental benefits from the use of Somero laser screed equipment over traditional manual methods by reducing concrete.*

Environmental Study Phase II: *Colorado State University study completed in 2023 concluded the use of Somero laser screed equipment reduces concrete used in slab-on-grade projects by 3% over traditional manual methods.*



Investments and actions to reduce waste, energy and water consumption:

- Cardboard recycling baler
- LED lighting retrofit
- Water usage monitoring

HISTORICAL RESULTS

YEARS ENDED DECEMBER 31,															
<i>US\$ Millions (except per share data)</i>	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenue	24.2	21.0	21.9	32.2	45.1	59.3	70.2	79.4	85.6	94.0	89.3	88.6	133.3	133.6	120.7
Revenue growth	-53%	-13%	4%	47%	40%	32%	18%	13%	8%	10%	-5%	-1%	51%	-%	-9.7%
Cost of sales	12.5	11.2	11.7	16.5	21.6	27.3	31.0	34.3	36.9	40.4	38.6	39.8	56.5	57.4	53.3
Gross Profit	11.7	9.8	10.2	15.7	23.5	32.0	39.2	45.1	48.8	53.6	50.7	48.8	76.8	76.2	67.4
Gross profit %	48%	47%	47%	49%	52%	54%	56%	57%	57%	57%	57%	55%	58%	57%	56%
SG&A	27.4	11.5	12.0	14.3	17.1	19.4	21.6	23.9	23.3	24.5	24.1	24.9	31.7	33.1	33.8
Operating income/(loss)	(15.7)	(1.7)	(1.8)	1.4	6.4	12.6	17.6	21.2	25.4	29.2	26.6	23.9	45.1	43.1	33.6
Interest expense	(1.0)	(0.5)	(0.4)	(0.3)	(0.2)	(0.1)	(0.2)	(0.1)	(0.1)	(0.1)	-	-	-	-	-
Other income	0.1	(0.2)	(0.1)	0.1	0.3	(0.1)	-	0.2	0.4	-	0.4	0.7	(0.5)	(2.3)	(0.4)
Income before tax	(16.6)	(2.4)	(2.3)	1.2	6.5	12.4	17.4	21.3	25.7	29.1	27.0	24.6	44.6	40.8	33.2
Tax	(1.2)	(0.2)	-	0.2	1.1	(2.1)	5.8	7.0	7.3	7.5	5.9	5.8	9.8	9.7	5.3
Net income	(15.4)	(2.2)	(2.3)	1.0	5.4	14.5	11.6	14.3	18.4	21.5	21.1	18.8	34.8	31.1	27.9
Other data:															
Adjusted EBITDA⁽¹⁾	0.8	1.0	0.9	4.2	9.0	15.0	20.0	24.6	28.0	30.8	28.7	26.1	47.8	46.0	36.5
Adjusted EBITDA margin	3%	5%	4%	13%	20%	25%	29%	31%	33%	33%	32%	29%	36%	34%	30%
Depreciation & amortization	2.7	2.6	2.6	2.6	2.4	2.0	2.3	2.7	2.1	1.2	1.1	1.1	1.3	1.4	1.6
Capital expenditures	-	-	0.1	0.6	0.8	1.2	4.2	4.4	2.2	0.8	3.0	3.7	6.2	5.2	1.7