



LEADERS IN LEVELING

2021 RESULTS PRESENTATION



2021 IN REVIEW

Revenue

2021 US\$ 133.3m

2020	88.6
2019	89.3

Adjusted EBITDA¹

2021 US\$ 47.8m

2020	26.1
2019	28.7

Ordinary dividend per share

2021 US\$ 0.31

2020	0.17
2019	0.19

1. Adjusted EBITDA as used herein is a calculation of the Company's net income plus tax provision, interest expense, interest income, foreign exchange loss, other expense, depreciation, amortization stock-based compensation and non-cash lease expense.

2021 HIGHLIGHTS

- Extraordinary growth in revenue, EBITDA, and operating cash flow, all reaching record highs
- Exceptional operational execution to capitalize on strong demand, meet customer delivery requirements
- Highly active North American non-residential construction led growth, driven partly by strong demand for new warehousing
- Focused execution of new product growth strategy, introduced 1 new product in 2021 and completed design of 2 products expected to be launched in early 2022
- Outlined 2022 plans to add selling, field support and product development staff to support future growth plans
- Outstanding cash generation funded investments in facility expansion and staffing, enabled significant return of cash to shareholders, and resulted in an historic level of year-end cash



2021 RESULTS

FINANCIAL HIGHLIGHTS



US\$ MILLIONS (EXCEPT PER SHARE DATA)	2021	2020	CHANGE \$	CHANGE %
Revenue	133.3	88.6	44.7	51%
Adjusted EBITDA ^(1,2)	47.8	26.1	21.7	83%
Adjusted EBITDA margin ^(1,2)	36%	29%		+700bps
Profit before tax	44.6	24.6	20.0	81%
Adjusted net income ^(1,3)	34.8	18.9	15.9	84%
Diluted adjusted net income per share ^(1,3)	\$0.61	\$0.33	\$0.28	85%
Cash flow from operations	36.9	30.6	6.3	21%
Net cash ⁽⁴⁾	42.1	35.4	6.7	19%
Ordinary dividend per share	\$0.3102	\$0.1681	\$0.1421	85%
Supplemental dividend per share	\$0.1970	\$0.1810	\$0.016	9%

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.

SALES BY TERRITORY



US\$ MILLIONS	2021	2020	CHANGE \$	CHANGE %
North America ⁽¹⁾	\$ 106.6	\$ 70.7	\$ 35.9	51%
Europe	12.1	8.6	3.5	41%
Australia	6.1	1.1	5.0	455%
China	2.7	3.9	(1.2)	(31%)
Rest of World ⁽²⁾	<u>5.8</u>	<u>4.3</u>	<u>1.5</u>	<u>35%</u>
TOTAL⁽³⁾	\$ 133.3	\$ 88.6	\$ 44.7	51%

Notes:

(1) H1 2021 revenues in North America were US\$ 50.9m (H1 2020: US\$ 27.8m), while H2 2021 revenues were US\$ 55.7m (H2 2020: US\$ 42.9m)

(2) ROW includes Latin America, India, Southeast Asia, Korea, Middle East and Russia

(3) H1 2021 total revenues were US\$ 64.4m (H1 2020: US\$ 35.3m), while H2 2021 revenues were US\$ 68.9m (H2 2020: US\$ 53.3m)

SALES BY PRODUCT



US\$ MILLIONS	2021	2020	CHANGE \$	CHANGE %
Boomed screeds ⁽¹⁾	\$ 65.4	\$ 31.7	\$ 33.7	106%
Ride-on screeds ⁽²⁾	21.3	17.6	3.7	21%
Remanufactured machines	4.8	5.8	(1.0)	(17%)
3-D Profiler System [®]	10.0	7.5	2.5	33%
Somero Line Dragon [®]	4.2	4.7	(0.5)	(11%)
SkyScreed [®]	0.9	1.0	(0.1)	(10%)
Other ⁽³⁾	<u>26.7</u>	<u>20.3</u>	<u>6.4</u>	<u>32%</u>
TOTAL	\$ 133.3	\$ 88.6	\$ 44.7	51%

Notes:

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

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

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

OPERATING RESULTS



US\$ MILLIONS	2021	2020
Revenue	\$ 133.3	\$ 88.6
Gross profit	76.9	48.8
Operating expenses:		
Selling, marketing & customer support	12.6	10.3
Engineering & product development	2.1	1.8
General & administrative	<u>17.0</u>	<u>12.8</u>
Total operating expenses	<u>31.7</u>	<u>24.9</u>
Operating income	45.1	23.9
Other income (expense)	<u>(0.5)</u>	<u>0.7</u>
Income before income taxes	44.6	24.6
Provision for income taxes	<u>9.8</u>	<u>5.8</u>
Net income	<u>\$ 34.8</u>	<u>\$ 18.8</u>

Commentary:

- Gross margin improved to 58% from 55% in '20 due to higher volume efficiencies and favorable product and geographic mix
- Operating expenses increased US\$ 6.8m in part to 20% increase in headcount geared around product development, sales and customer support, higher salaried compensation expense (inclusive of incentive programs), accruals and reserves related to China re-organization and to a lesser extent continued fortification of IT cybersecurity & infrastructure costs
- Effective tax rate decreased to 22.0% from 23.6 % as higher sales outside the US resulted in a greater foreign tax credit

FINANCIAL POSITION



US\$ MILLIONS	DECEMBER 31, 2021	DECEMBER 31, 2020
Cash	\$ 42.1	\$ 35.4
Accounts receivable, net	7.7	6.4
Inventory	14.3	11.1
Prepaid & other	<u>1.6</u>	<u>1.7</u>
Total current assets	65.7	54.6
Other assets	<u>29.3</u>	<u>24.2</u>
Total assets	<u>\$ 95.0</u>	<u>\$ 78.8</u>
Current liabilities	15.6	12.3
Other liabilities	<u>3.7</u>	<u>3.0</u>
Total liabilities	19.3	15.3
Stockholders' equity	<u>75.7</u>	<u>63.5</u>
Total liabilities & equity	<u>\$ 95.0</u>	<u>\$ 78.8</u>

Commentary:

- Cash increased by US\$ 6.7m from '20 due to strong operating cash flow, offset by higher capex and dividends paid
- Accounts receivable increased US\$ 1.3m from '20 mostly due to higher level of sales, offset by strong collection efforts
- Inventory increased US\$ 3.2m due to the addition of new products, and to mitigate extended supplier lead times
- Current liabilities increased US\$ 3.3m due in part to a higher level of customer equipment purchase deposits and revenue driven expenses, and the timing of payments of operating expense liabilities

CASH FLOWS



US\$ MILLIONS	2021	2020
Net income	\$ 34.8	\$ 18.8
Adjustments to reconcile to cash provided by operating activities	3.1	2.8
Working capital changes	<u>(1.0)</u>	<u>9.0</u>
Net cash provided by operating activities	<u>36.9</u>	<u>30.6</u>
Net cash used in investing activities	(6.2)	(3.7)
Payment of dividends	(22.4)	(13.9)
Payment under financing leases	(0.2)	(0.2)
Share buy-back	(1.0)	(1.0)
Stock options and RSUs settled for cash	<u>(0.7)</u>	<u>(0.2)</u>
Net cash used in financing activities	(24.3)	(15.2)
Effect of exchange rates on cash	<u>0.4</u>	<u>(0.1)</u>
Net increase (decrease) in cash	<u>\$ 6.8</u>	<u>\$ 11.6</u>

Commentary:

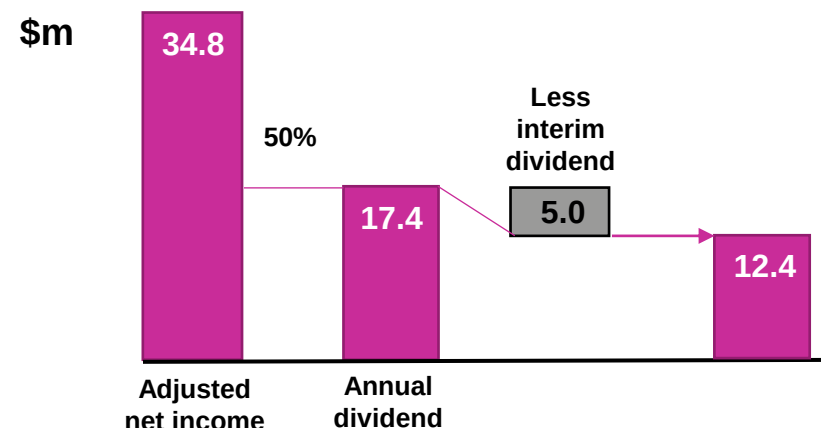
- Operating cash flow increased by US\$ 6.3m from '20 due to increase in operating profits and higher customer deposits, offset by an increase in working capital due in part to the normalizing of accounts receivable from '20 and an increase in inventory
- Capital investment increased US\$ 2.5m from '20 related to the Houghton facility expansion
- '21 dividend payments of US\$ 22.4m were comprised of a US\$ 7.2m '20 final ordinary dividend, a US\$ 10.2m '20 supplemental dividend, and a US\$ 5.0m '21 interim dividend
- Substantially completed US\$ 1m share buy-back, as previously announced

DIVIDEND

Ordinary Dividend:

The dividend payout ratio is 50% of adjusted net income.

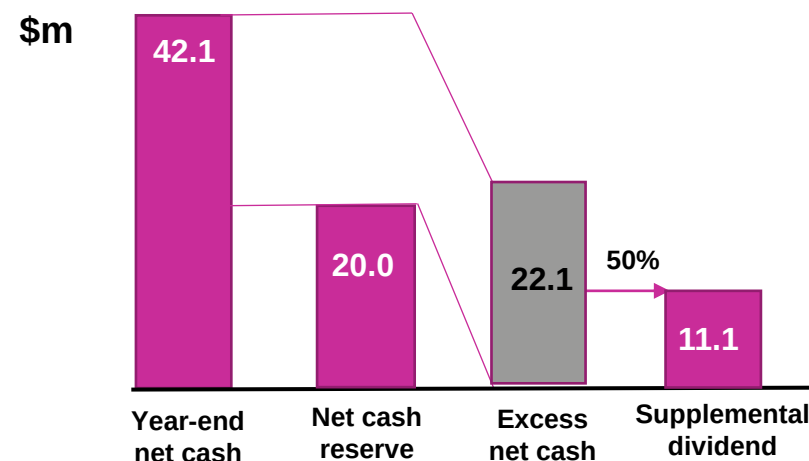
Interim dividend: \$0.09 per share
Final dividend: \$0.2202 per share



Supplemental Dividend:

50% of year-end net cash balance in excess targeted reserve of at least US\$ 20.0m as of December 31, 2021 is paid as a supplemental dividend. Based on Board review, the required year-end net cash reserve will be US\$ 25.0m beginning December 31, 2022 and going forward due to increased size and complexity of the business.

Supplemental dividend: \$0.1970 per share





STRATEGY UPDATE & OUTLOOK

LONG-TERM GROWTH



OUR VISION

For our innovative technology to be deployed whenever horizontal concrete slabs are placed. We remain focused on developing customer solutions that expand the market segments and applications we address.

OUR STRATEGY

To bring innovative solutions and training, support and industry expertise to concrete flooring contractors to support them in producing the highest quality results in the most efficient, cost-effective and safe manner possible. **Faster, Flatter, Fewer® and Safer.**

STRATEGIC OBJECTIVE



PRODUCT INNOVATION

Pushing the industry forward with proprietary, innovative designs that help customers reduce manpower, increase speed & safety and deliver the highest quality concrete slabs for building owners.

PROGRESS DURING THE YEAR

- Launched SkyStrip™ June 2021
- Completed S-28EZ design, successor to S-22EZ
- Completed S-PS50 design for tilt-panel applications, expanding addressable market

2021 New Product Revenues*

US\$ 2.3m

* Sales of SkyStrip™ & Broom+Cure™

Current Patents & Applications

90+

ONGOING PRIORITIES

To expand Somero's product offering, and consequently increase the Company's addressable market opportunity, by developing proprietary, innovative and often disruptive solutions for customers that improve the efficiency, productivity, quality and safety of their work



INTERNATIONAL EXPANSION

Deepening our presence in targeted markets by promoting wide-placement theory & quality concrete flooring standards, and increasing penetration across the full range of our product portfolio.

- Increased size of in-country team directly serving Australia
- Introduced SRS-4 in Australia, planning 2022 SkyScreed introduction in Europe & Australia

Non-Operational Staff Based Outside US

25%

2021 International Revenue Growth %

50%

To allocate resources to targeted international markets where the value proposition of the Company's products is strongest in order to promote the benefits wide-placement and quality concrete flooring standards and increase market penetration with new and exiting products

NEW PRODUCTS – S-28EZ



S-28EZ LASER SCREED® MACHINE

Somero completed the design of the S-28EZ in 2021 with commercial availability expected in early 2022. The S-28EZ will replace the S-22EZ in the product line-up.

Development of the S-28EZ started with the customer. A significant number of new features were added to the design, all of which were based on direct feedback from the job-site. One key enhancement was to increase the telescopic boom extension to 25' from the 20' found on the S-22EZ. This extension adds meaningful increase in productivity that is highly-valued in projects with large, wide-placements where speed and labor savings are critical to deliver a profitable, high-quality result.



NEW PRODUCTS – S-PS50



S-PS50 LASER SCREED® MACHINE

Design of the S-PS50 was completed in 2021 with a scheduled release in early 2022.

The S-PS50 is by far the largest boomed-screed machine we have ever developed with a 50-foot extension. This machine is targeted for use to level concrete in tilt-up panel casting applications, work that has historically a manual, labor intensive process.

The S-PS50 is designed to significantly increase productivity for customers by reducing manpower and increasing the speed of the process, in addition to improving the quality of the panels cast in place.



PRODUCTS & APPLICATIONS



RELEASE	PRODUCTS		APPLICATIONS	MARKETS
BOOMED SCREEDS:				
2022	S-PS50	  	S-PS50 S-28EZ SRS-4	25,000-50,000+ ft² placements warehouses, manufacturing assembly plants, tilt-panel and agricultural buildings SLAB ON GRADE CAST-IN-PLACE
2022	S-28EZ			
2014	S-22EZ			
2012	S-15R			
2015	S-10A			
2020	SRS-4			
RIDE-ON SCREEDS:				
2016	S-940	 	S-940 S-485	5,000-30,000 ft² placements schools, medical and retail centers, multi-level commercial construction, agricultural buildings SLAB ON GRADE SLAB ON DECK
2014	S-485			
2018	S-158C			
WALK-BEHIND SCREEDS:				
2009	Mini Screed™	 	Mini Screed™ CopperHead®	Small commercial, residential and multi-level placements SLAB ON GRADE SLAB ON DECK
2002	CopperHead® XD™ 3.0			
MATERIAL APPLICATION:				
2012	STS-11M	  	Somero Line Dragon® STS-11M Somero Broom+Cure™	Projects involving concrete hose pumps, projects requiring dry shake-on hardener, applying curing agents and texture to exterior concrete slabs SLAB ON GRADE SLAB ON DECK
2017	Somero Line Dragon			
2020	Somero Broom + Cure™			
GRADING / EXTERIOR PAVING:				
2004	SiteShape® System	 	SiteShape® System 3-D Profiler System®	Exterior concrete paving and parking structures, exterior sub-grade SLAB ON GRADE
2000	3-D Profiler System®			
SKYLINE:				
2019	SkyScreed® 25	 	SkyScreed® 36 SkyStrip®	Allows screeding on structural high-rise and slab-on grade applications HIGH-RISE STRUCTURAL
2020	SkyScreed® 36			
2021	SkyStrip®			

INTERNATIONAL GROWTH

Our international growth strategy is to focus on markets where our value proposition is strongest, such as Europe and Australia driven by adding or reallocating resources to these markets. 2021 was a strong year as these markets combined to contribute US\$ 18.2m to 2021 sales, an 88% increase compared to 2020.

Chesterfield, ENG



EUROPE



Somero is highly focused on penetrating the European market by allocating and adding resources to targeted countries within the EU where Somero's value proposition is strongest, and by capturing revenue by introducing new products, such as the SkyScreed to the region. In 2021, revenues from Europe grew to

AUSTRALIA

In 2021 Somero added sales & support resources to the team in Australia and is focused on gain further traction across full the product portfolio, particularly from products new to the Australian market, such as the SRS-4 and soon the SkyScreed and SkyStrip.



Melbourne, AU

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. In 2021, because of restrictions brought on by the pandemic, Somero leveraged its on-demand and virtual training capabilities to meet our customers needs.

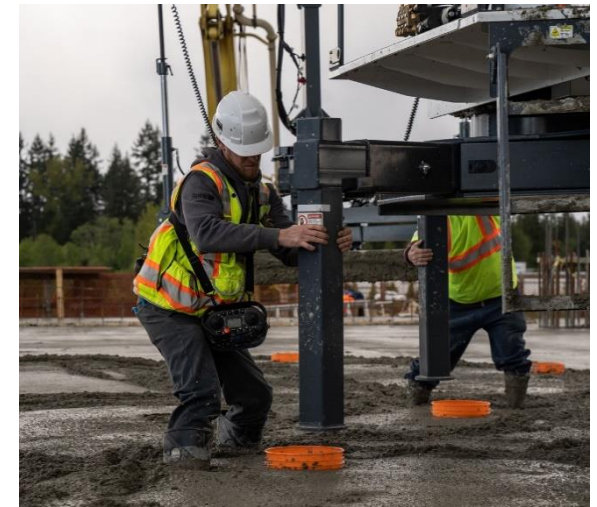
In-Person at the Somero Concrete Institute in Fort Myers, FL which has a 48-person multi-media classroom and a 10,000 ft concrete placing center which is a controlled venue to place, screed, finish and test concrete slabs on a daily basis



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.



2022 OUTLOOK



Positive momentum of a highly-active US non-residential construction market carrying forward supported by customer feedback indicating project backlogs extending well into 2022

Positive momentum in Europe and Australia also carrying forward supported by healthy and non-residential construction activity levels. In other international markets, excluding China, activity levels remain positive and anticipate opportunities for 2022 growth

We anticipate significant long-term growth opportunities from new products and new market segments, including the SkyScreed and the high-rise structural market

Plan increased hiring of product development, sales and support staff in US and targeted international markets that will raise operating costs above traditional annual increases to benefit growth in future years

Following an extraordinary 2021, the Board expects 2022 will see healthy cash generation with modest revenue growth and EBITDA comparable to 2021, a view reflecting the annualized impact of 2021 staffing additions and 2022 hiring plans





APPENDICES

OUR PURPOSE



PURPOSE

Driven by a passion for our customers' success, we strive to ensure our customers achieve their business and profitability goals through our hard work to deliver world-class products and services

VISION

For our innovative technology to be deployed whenever horizontal concrete slabs are placed. We remain focused on developing customer solutions that expand the market segments and applications we address.

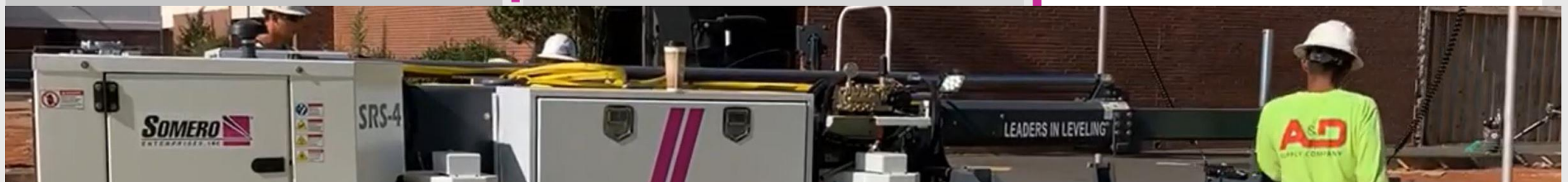
VALUES

We believe in a set of core values for how we do business, how we innovate, how we treat our customers and employees. Our values include:

1. Commitment to teaching & learning
2. Ability to solve problems creatively
3. Accountability & taking ownership
4. A sense of urgency
5. Proactive honest communication
6. Embracing & driving change
7. Expressing passion through amazing service
8. Having fun

CULTURE

At Somero, we are always striving to be great ... providing great equipment and service for our customers and creating a great place to work for our employees. Our culture, from the very beginning, is shaped by the shared commitment to our core values across our entire organization.



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.



Warehousing



Assembly plants



Parking structures



Commercial construction



Exterior paving



Retail centers

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.



WHAT MAKES US DIFFERENT

INNOVATIVE PRODUCT LEADERSHIP

- Pioneered Laser Screed® machine market in 1986
- Product portfolio grown to 20+ products
- Designs protected by 92 patents/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

KEY BENEFITS TO OUR CUSTOMERS

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

KEY BENEFITS TO OUR EMPLOYEES

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

KEY OUTCOMES FOR BUILDING OWNERS AND END-USERS

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

KEY BENEFITS TO OUR INVESTORS

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

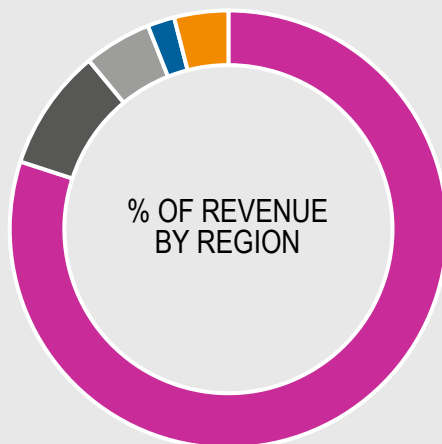
GLOBAL REACH

LEADERS IN LEVELLING

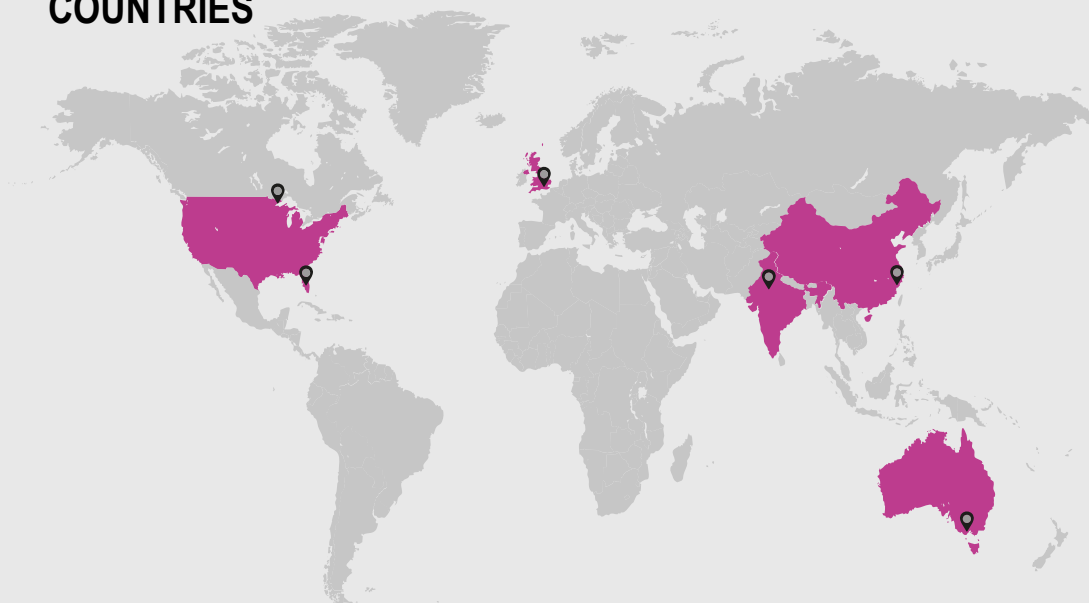
At Somero we provide industry-leading concrete leveling equipment, training, education and support to customers in over 90+ countries.

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.

North America	80%	China	2%
Europe	9%	Rest of World	4%
Australia	5%		



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

India, New Delhi:

Sales and service office

China, Shanghai:

Sales, service and Somero Concrete College training facility

Australia, Melbourne:

Sales and service office

ESG

OUR GOAL

Striking the right balance between shareholder expectations and the needs and concerns of our employees and customers, the communities we live in, and the environment

OUR APPROACH

Developing a comprehensive ESG strategy that includes regular engagement with stakeholders on material topics

OUR STAKEHOLDERS

CUSTOMERS

Somero's customer relationships are built on years of providing solutions and world class training & support.

MATERIAL TOPICS

- New product development
- High-quality products & services
- Training & education
- Job-site safety

ENGAGEMENT

- Direct sales/support
- Customer led product development
- Trade shows
- Virtual information sessions

CASE STUDY

Somero commissioned a 2021 research study by experts from Middle Tennessee State University that concluded the use of Somero laser screed equipment to replace a manual process to place concrete slabs reduces CO2 emissions by eliminating of concrete waste and reducing remediation work after placement.

COMMUNITIES & ENVIRONMENT

Somero strives to make a lasting, positive impact in the community and on the environment. The net carbon impact of our operations is modest and use of our equipment reduces CO2 emissions

- Broader environmental goals
- Local charities

- Investing to increase energy efficiency of operations
- Study on CO2 environmental impact of Somero equipment
- Supporting and donating to local charities, and industry education programs

EMPLOYEES

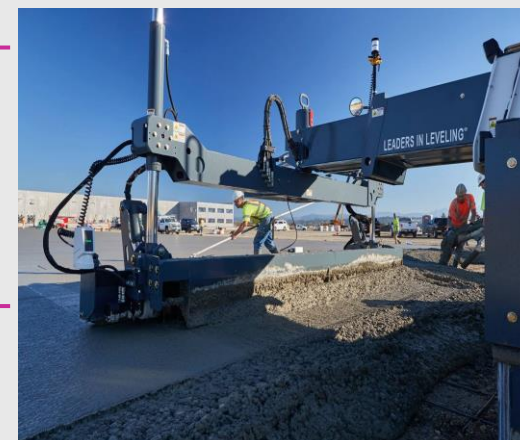
Our dedicated and talented employees deliver great results for our customers & shareholders. We strive to create a work environment where employees thrive and grow

- Working environment, culture & values
- Opportunities for learning & career development
- Training programs
- Investing in remote working tools
- Performance management

SHAREHOLDERS

Somero prioritizes an open, transparent dialogue with shareholders regarding our business performance and strategy

- Financial performance
- Business strategy
- Market conditions
- Risk management
- Return of capital
- Governance
- Virtual roadshows
- Recorded presentations
- Trading updates
- Enhancing Board independence & diversity



HISTORICAL RESULTS



	YEARS ENDED DECEMBER 31,													
<i>US\$ Millions</i> (except per share data)	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenue	51.9	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
Revenue growth	-22%	-53%	-13%	4%	47%	40%	32%	18%	13%	8%	10%	-5%	-1%	51%
Cost of sales	23.1	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
Gross Profit	28.8	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
Gross profit %	55%	48%	47%	47%	49%	52%	54%	56%	57%	57%	57%	57%	55%	58%
SG&A	26.0	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
Operating income/(loss)	2.8	-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
Interest expense	-0.8	-1.0	-0.5	-0.4	-0.3	-0.2	-0.1	-0.2	-0.1	-0.1	-0.1	-	-	
Other income	0.2	0.1	-0.2	-0.1	0.1	0.3	-0.1	-	0.2	0.4	-	0.4	0.7	(0.5)
Income before tax	2.2	-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
Tax	0.5	-1.2	-0.2	-	0.2	1.1	-2.1	5.8	7.0	7.3	7.5	5.9	5.8	9.8
Net income	1.7	-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
Other data:														
Adjusted EBITDA⁽¹⁾	6.0	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
Adjusted EBITDA margin	12%	3%	5%	4%	13%	20%	25%	29%	31%	33%	33%	32%	29%	36%
Depreciation & amortization	2.7	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
Capital expenditures	0.6	-	-	0.1	0.6	0.8	1.2	4.2	4.4	2.2	0.8	3.0	3.7	6.2

THANK YOU

