

ANNUAL REPORT 2025

**AS WE ENTER OUR 40<sup>TH</sup> YEAR,  
WE CELEBRATE THE PAST AND LOOK  
AHEAD TO OUR NEXT PHASE OF GROWTH.  
THAT FUTURE IS BEING SHAPED BY A  
LONG-TERM VISION AND STRATEGY.**

**STRATEGIC REPORT**

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**HIGHLIGHTS**

**FINANCIAL**

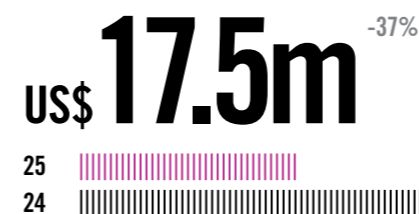
**REVENUE**



**DILUTED ADJUSTED NET INCOME PER SHARE<sup>(1,3)</sup>**



**ADJUSTED EBITDA<sup>(1,2)</sup>**



**CASH FLOW FROM OPERATIONS**



**ORDINARY DIVIDEND PER SHARE**



**NET CASH<sup>(4)</sup>**



1. The Company uses non-US GAAP financial measures to provide supplemental information regarding the Company's operating performance. See further information regarding non-GAAP measures below.
2. 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.
3. Adjusted net income as used herein 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.

**OPERATIONAL**

**NEW LEADERSHIP EMBEDDED:**  
Tim Averkamp as CEO,  
Bob Scheuer as Chairman

**NEW PRODUCT LAUNCHES:**  
SRS-4e (first electric-powered Boomed Laser Screed), Hammerhead (Ride-on), S-15EZ (next-generation mid-sized Boomed Screed)

**STRATEGY IN ACTION:**  
refreshed long-term strategy built on three pillars translated into a concise plan and an operating cadence that turns priorities into results

**POST-PERIOD**

- **Solid start to FY 2026:** Customers report improved activity and healthy backlogs, whilst remaining cautious
- **Strong product pipeline:** Multiple new product launches planned, including the next-generation flagship Boomed screed and a new walk-behind screed
- **European foothold strengthened:** Somero Concrete Institute (SCI) launched in Belgium, bringing access to training in line with the US and supporting aftermarket growth
- **Disciplined returns and capital allocation:** Final FY 2025 dividend of 6.2 cents per share, taking total ordinary dividends for FY 2025 to US\$ 5.5m (including interim) New share buyback program authorized for up to US\$ 6m, to offset equity award dilution and fund opportunistic repurchases
- **FY 2026 outlook:** Revenue, profitability, and cash generation expected to be broadly comparable to 2025



**FORTIFY**

**FORTIFY THE PRESENT  
TO SECURE OUR FUTURE.**

→ Read more on page 16



**INNOVATE**

**INNOVATE TO TRANSFORM  
CHALLENGES INTO  
TOMORROW'S OPPORTUNITIES.**

→ Read more on page 16



**AMPLIFY**

**AMPLIFY OUR INFLUENCE  
TO EXTEND OUR IMPACT  
& MULTIPLY OUR REACH.**

→ Read more on page 17



# AT A GLANCE WHO WE ARE

Somero pioneered the laser screed category over forty years ago, and we continue to refine it today. We serve customers in more than ninety countries, but our differentiation extends well beyond global reach. It's the combination of equipment, training, parts, service, support, and expertise that enables contractors to place higher-quality floors with greater productivity and fewer people. That integrated model is difficult to replicate and underpins our leadership position.



## OUR PURPOSE

To shape a future where innovation and excellence lead the way.



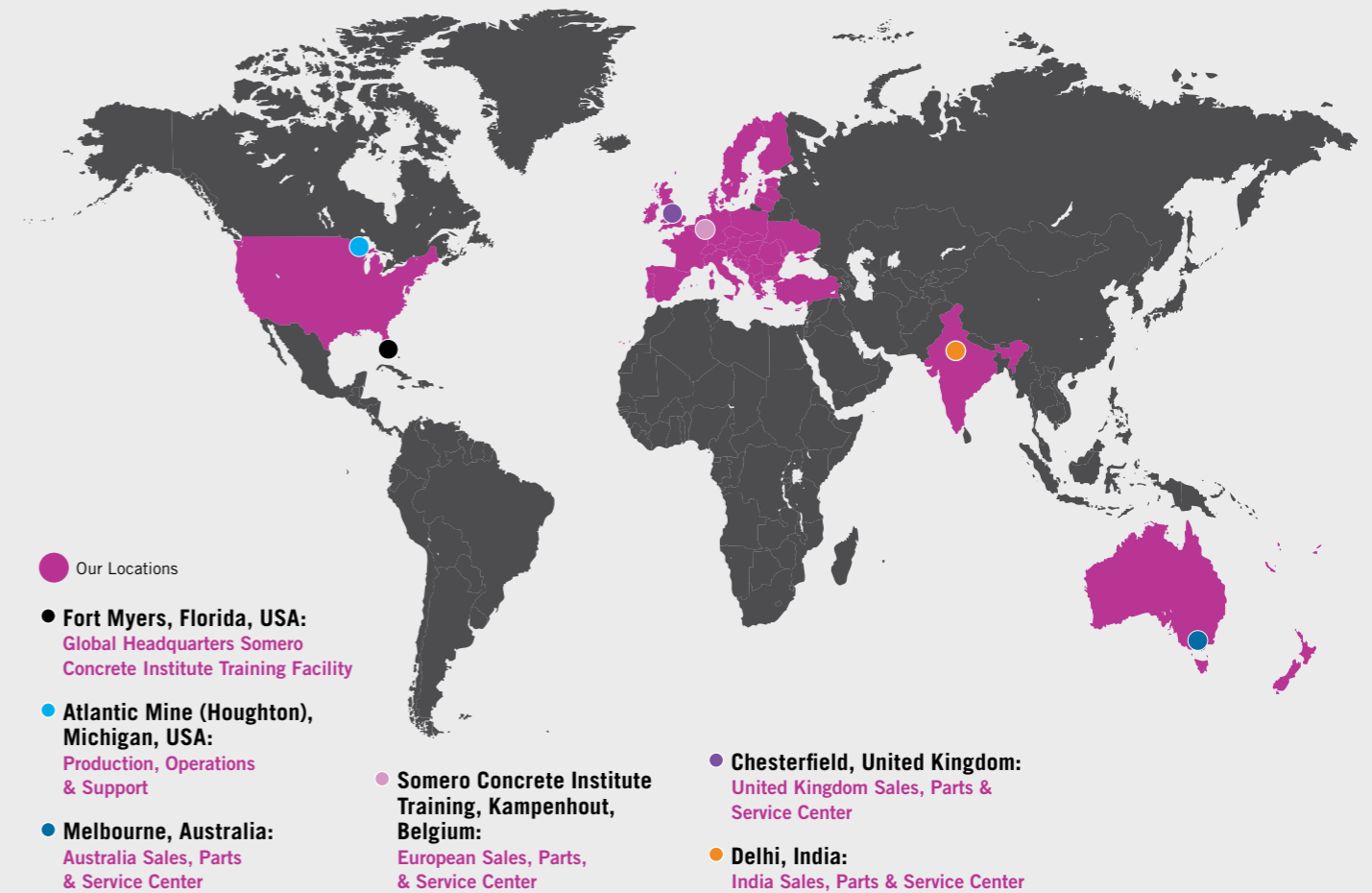
## OUR MISSION

We work hard to deliver world-class products, parts and service because we are passionate about helping our customers succeed.



## OUR VISION

To level today's challenges to build tomorrow's solutions.



## OUR CULTURE AND VALUES

At Somero, we are always striving to be great... providing great equipment, service for our customers and creating a great place to work for our employees and operating a sustainable and responsible business.

**01 LEARNING AND TEACHING**  
Creating an environment where people grow, share knowledge and support each other's development.

**02 SENSE OF URGENCY**  
Acting decisively and efficiently to keep momentum and drive progress.

**03 HAVE FUN**  
Fostering an enjoyable, energising workplace where people feel motivated.

**04 CREATIVE SOLUTIONS (PROBLEM SOLVING)**  
Approaching challenges with innovative thinking and turning problems into opportunities.

**05 PROACTIVE HONEST COMMUNICATION**  
Communicating openly, clearly and with integrity to build trust and alignment.

**06 AMAZING SERVICE**  
Delivering exceptional service that reflects dedication, care and pride.

**07 BE ACCOUNTABLE, TAKE OWNERSHIP**  
Taking responsibility for actions, outcomes and continuous improvement.

**08 EMBRACE AND DRIVE CHANGE**  
Staying adaptable, seeking improvement and leading positive change.

**09 SIMPLICITY**  
Keeping processes, communication and solutions clear, efficient and easy to understand.

OUR BUSINESS

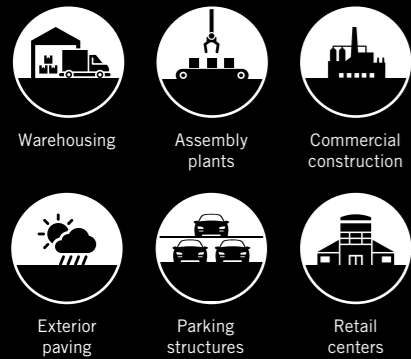
# DELIVERING VALUE FOR STAKEHOLDERS

Somero pioneered the Laser Screed® machine providing industry-leading concrete-leveling equipment, training, education and support for 40 years.

01

## WHAT WE DO

Somero's laser-guided technology and wide-placement methods specified for use in a wide range of construction projects allows concrete contractors and self-performing general contractors to complete every concrete floor installation, faster, flatter and with fewer people, providing a platform for customers to grow successful businesses.



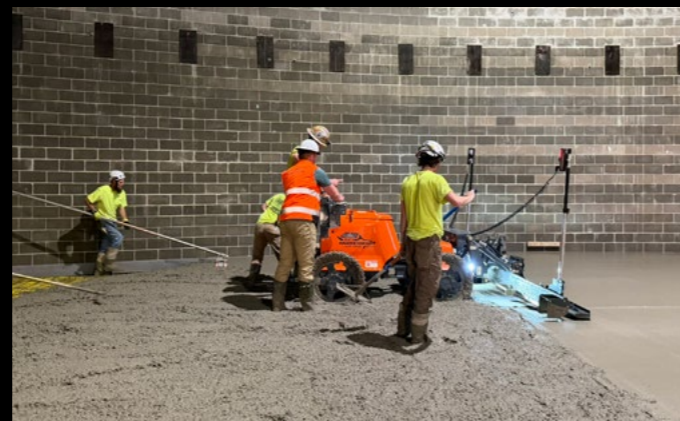
02

## WHO WE WORK WITH

Somero operates in markets across the globe, selling 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.



03

## WHAT MAKES US DIFFERENT

### OUR INNOVATIVE PRODUCT LEADERSHIP

**1986** Pioneered Laser Screed® machine market

**20+** Leading product portfolio

**140+** Patents/applications filings

Product development fueled by customer engagement

### OUR INDUSTRY EXPERTISE, TRAINING AND SUPPORT

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

04

## OUR BENEFICIARIES

### 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 BENEFITS TO OUR CUSTOMERS

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

### KEY OUTCOMES FOR BUILDING OWNERS & END-USERS

- Operational efficiency
- Improved physical appearance
- Lower floor maintenance and total cost of ownership
- Lower forklift repair cost

### KEY BENEFITS FOR OUR INVESTORS

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

OUR BUSINESS CONTINUED

# LEADERS IN LEVELING

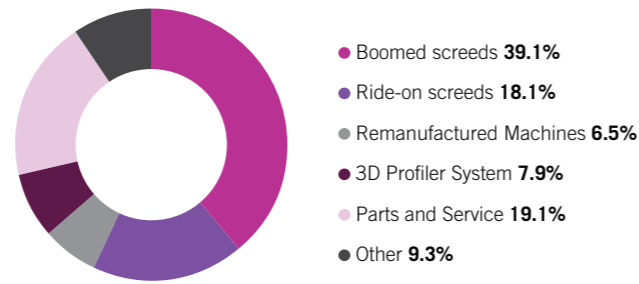
Somero develops advanced, laser-guided concrete leveling solutions supported by deep industry expertise, innovative engineering and world-class customer support. Our technology and services are designed to help contractors deliver higher-quality floors and operate more efficiently across a wide range of construction environments.

## PRODUCTS

Somero products are technologically innovative machinery used in the process of horizontal concrete placement. By using Somero products, customers can expect flatter floors, increased productivity, and higher efficiency.

Somero pioneered the Laser Screed® machine market in 1986 and has led the market ever since through continued innovation, growing our product offering from a single model to a broad portfolio of products. Our proprietary designs are protected by over 140 patents/applications filings.

% OF REVENUE BY PRODUCT GROUP 2025



## PARTS & SERVICES

Every piece of Somero equipment is designed and built to provide maximum productivity and operation economy throughout its working life.

Somero helps customers maintain that built-in value with a variety of services that include in-depth training, service contracts, extended warranty, equipment evaluation, and mechanical repairs including service parts availability.

All of these offerings are in addition to our guaranteed 24 x 7 x 365 troubleshooting over the phone with our expert Somero technicians.

DIRECT GLOBAL SUPPORT

# 24/7

## APPLICATIONS

Somero equipment is used to place and screed the concrete slab in all commercial building types, including all floors in multi-story buildings.

Our equipment has been used in construction projects for a wide array of the world's largest organizations including Amazon, Walmart, Costco, Home Depot, B&Q, Carrefour, IKEA, Mercedes-Benz, Coca-Cola, FedEx, Tesla and Prologis.

- Warehousing
- Assembly plants
- Commercial construction
- Exterior paving
- Parking structures
- Retail centers

# 20+

PRODUCTS

### BUILDING OWNERS/END-USERS SPECIFYING FLAT, LEVEL FLOORS



### ACTIVE IN CONCRETE CONSTRUCTION AND RELATED INDUSTRY ASSOCIATIONS



## EXTENSIVE TRACK RECORD OF GOLDEN TROWEL AWARDS FOR LASER SCREEDED FLOORS WON USING A SOMERO LASER SCREED®

Golden Trowel award given annually to commercial concrete contractors that achieve the highest industry standards in concrete floor construction and produce the flattest and most level floor slabs in the world.

Administered, judged, and issued by The Face® Companies.



## CHAIRMAN'S &amp; CEO'S STATEMENT

## SHAPING EXCELLENCE THROUGH RESILIENCE, DISCIPLINE &amp; INNOVATION

AS I REFLECT ON MY FIRST YEAR AS CHIEF EXECUTIVE OFFICER, I AM EXCITED TO BE PART OF SOMERO AND WOULD LIKE TO THANK OUR EMPLOYEES AROUND THE WORLD FOR THEIR COMMITMENT, PROFESSIONALISM, AND RESILIENCE THROUGHOUT THE YEAR. AS WE MARK MORE THAN 40 YEARS OF SOMERO'S HISTORY, THIS MILESTONE REFLECTS THE DEDICATION OF OUR PEOPLE, THE TRUST AND LOYALTY OF OUR CUSTOMERS, AND THE SUPPORT OF OUR PARTNERS WHO HAVE HELPED BUILD THE COMPANY OVER FOUR DECADES. WHILE CUSTOMERS REMAIN PRUDENT IN THE NEAR TERM, SENTIMENT TOWARD 2026 IS SHOWING EARLY SIGNS OF IMPROVEMENT. WITH A REFRESHED STRATEGY IN ACTION AND DISCIPLINED OPERATING AND GROWTH PLATFORM, I AM CONFIDENT THAT THE FUTURE FOR SOMERO IS BRIGHT."

**TIM AVERKAMP**  
CHIEF EXECUTIVE OFFICER



## OVERVIEW

We finished 2025 strongly, delivering results in line with what we anticipated as the year progressed, following a more challenging first half. We responded decisively to the softer demand backdrop, preserving profitability while continuing to support our customers and execute our strategic priorities. During the year we also completed a smooth leadership transition, with Tim Averkamp appointed Chief Executive Officer. This ensured continuity in the way we run the business, incorporated valuable expertise and viewpoints, and sharpened our focus on execution as we move into the next phase.

Revenue declined 19% to US\$ 88.9m (2024: US\$ 109.2m) reflecting lower volumes across multiple regions and product categories. Our flexible cost structure and disciplined cost measures supported adjusted EBITDA of US\$ 17.5m (2024: US\$ 27.7m) and an adjusted EBITDA margin of 20% (2024: 25%). Pricing actions and efficiency gains helped mitigate unabsorbed overhead, with gross margin of 52% (2024: 54%). Cash flow from operations was US\$ 17.8m (2024: US\$ 17.6m) supported by higher advance customer deposits, benefits from new US tax legislation and lower capex and interim dividend outflows. This translated to a year-end cash balance of US\$ 33.2m after returning US\$ 9.3m through dividends and US\$ 2.6m through share buybacks. Inventory increased primarily due to new products and lower sales volumes, while collections remained strong.

## END MARKETS AND COMPETITIVE POSITION

Long-term fundamentals for private non-residential construction remain supported by structural demand drivers such as onshoring, data centers, warehousing and logistics, power generation, battery plants and semiconductor manufacturing. However, in 2025, tariffs and policy uncertainty, interest rates and credit conditions, labor availability and geopolitical tensions continued to weigh on project activity and equipment purchasing, with the impact most pronounced on larger projects and demand for Boomed screeds.

Toward the end of 2025, a range of broad-based market indicators pointed to stabilization, including steadier US private non-residential construction spending and improving contractor sentiment and backlog measures. While these indicators are not necessarily directly correlated with our trading, they are positive, and consistent with what we are hearing from customers. Entering FY 2026, customers report healthy bidding activity and backlogs, although caution persists.

Against this backdrop, we remain confident in Somero's competitive positioning. The landscape has not changed materially, and we believe Somero retains a clear market-leading position. There are higher levels of competitor activity in certain international markets, particularly in Europe and we are responding by executing on strategic initiatives focused on continuing to invest in innovation, strengthening our sales and dealer channels and expanding our European customer support platform. This includes leveraging our Belgium service center and the recent launch of the Somero Concrete Institute in Belgium, improving customer proximity and supporting growth in training, parts and service revenues.

## STRATEGIC UPDATE

Since the introduction of our strategic framework in our interim results, the Company has moved from strategy definition to disciplined execution. While market conditions remain uneven, we have made tangible progress across each pillar of our strategic framework, focused on strengthening the core business, advancing innovation, and positioning the Company for sustainable long term growth and superior shareholder returns.



## FORTIFY



## INNOVATE



## AMPLIFY

→ Read more on pages 16-17

## DIVIDENDS

Reflecting the Group's FY 2025 performance, strong financial position, and outlook for 2026, the Board has declared a final FY 2025 ordinary dividend of US\$ 0.0624 per share. The final dividend is calculated using the Board-approved payout ratio of 50% of adjusted net income, after considering the Company's expected cash requirements. Together with the interim dividend of US\$ 0.0400 per share paid in October 2025, this brings the total FY 2025 ordinary dividend to US\$ 0.1024 (2024: US\$ 0.1693 per share). The final 2025 ordinary dividend will be payable on May 8, 2026, to shareholders on the register at April 10, 2026 and the common stock will trade ex-dividend on April 9, 2026.

## SHARE BUYBACK

In 2025, the Company repurchased 856,785 shares under its share buyback program, which is intended to offset dilution from ongoing equity award programs (2024: 608,918 shares). The maximum price paid per share is no more than the higher of 105% of the average middle market closing price for the five business days preceding the repurchase, the price of the last independent trade, and the highest current independent purchase bid. Shares repurchased are intended to be canceled and the Company will make further announcements as and when purchases are made.

The Board has also approved a 2026 share buyback program of up to US\$ 6.0m, to mitigate future dilution from share issuances under the Company's equity award programs and fund opportunistic share buybacks in accordance with the Company's capital allocation framework.

MY FIRST PRIORITY WAS TO LISTEN AND LEARN BY ENGAGING WITH CUSTOMERS, EMPLOYEES, DEALERS, AND SHAREHOLDERS TO BETTER UNDERSTAND WHAT DRIVES OUR SUCCESS AND WHERE WE CAN FURTHER IMPROVE. THIS REINFORCED TWO CLEAR OBSERVATIONS.

**FIRST:** SOMERO'S DIFFERENTIATION IS REAL AND DURABLE.

**SECOND:** THERE IS MEANINGFUL OPPORTUNITY AHEAD IF WE REMAIN FOCUSED, DISCIPLINED, AND INTENTIONAL IN HOW WE GROW."

**TIM AVERKAMP**  
CHIEF EXECUTIVE OFFICER

## CHAIRMAN'S & CEO'S STATEMENT CONTINUED

### CASH FLOW AND BALANCE SHEET

Operating cash flow in 2025 was slightly above the prior year at US\$ 17.8m (2024: US\$ 17.6m), with lower profits offset by higher advance customer deposits, favorable impact of new US tax legislation, and lower capex expenditures and interim dividend payout.

Capital expenditure was US\$ 0.8m (2024: US\$ 2.4m), relating primarily to on-going product software programs and other routine investments. Dividends of US\$ 9.3m (2024: US\$ 15.8) were paid, reflecting the Company's ongoing commitment to disciplined return of cash to shareholders, alongside US\$ 2.6m share repurchases under the 2025 and residual 2024 buyback programs.

Net cash at 31 December 2025 was US\$ 33.2m (31 December 2024: US\$ 29.5m) after the dividend payments, leaving the Company with ample liquidity to support operations and strategic investments. The balance sheet remains debt-free with access to an unutilized US\$ 25.0m secured revolving line of credit, providing a strong platform for future growth.

### PRODUCT REVIEW

Demand across our product categories is driven by the mix of project types and applications in the non-residential market, which can shift by region and over time. As a result, our product mix and order patterns naturally fluctuate.

In 2025, lower industry activity impacted volumes across most product categories. Boomed screed sales decreased 19% to US\$ 34.8m (2024: US\$ 43.1m) and ride-on screed sales decreased 21% to US\$ 16.1m (2024: US\$ 20.3m). Sales of 3D Profiler Systems and remanufactured machines decreased 27% and 18%, respectively.

SkyScreed® 36, introduced in 2019, continues to target the high-rise structural segment where we see significant long-term potential. Sales were US\$ 0.3m in 2025 (2024: US\$ 0.4m). As with many new categories, adoption remains gradual and near-term volumes can be uneven as the solution gains wider acceptance.

Parts and service revenue was more resilient, albeit declining to US\$ 17.0m (2024: US\$ 19.1m), mainly in North America, Australia, and Rest of World, commensurate with overall volume declines in those regions. In Europe, parts and service revenue remained relatively stable, supported by our in-region service and training capability, which continues to receive positive customer feedback and supports ongoing customer retention and aftermarket demand.

For further product and geographic revenue details, see footnote 14.

### OUR PEOPLE

The Board would like to thank our employees worldwide for their commitment and professionalism throughout 2025. Their skill, flexibility, and focus on customer outcomes helped Somero respond quickly to changing market conditions while continuing to deliver high-quality products and service. This capability is a key differentiator for the Group and supports both our operating model and long-term performance. We remain committed to creating a rewarding environment that invests in development, encourages high standards, and provides opportunities for our people to grow.

### ENVIRONMENTAL, SOCIAL AND GOVERNANCE

The Board considers ESG factors as part of its ongoing oversight of the business, with a focus on the issues most relevant to long-term performance and stakeholder expectations.

A key material topic for Somero is the environmental impact of construction activity and the role our equipment can play in improving efficiency. Independent studies by Colorado State University and Middle Tennessee State University found that use of Somero's laser screed technology in non-residential slab-on-grade projects can reduce concrete usage and associated construction-phase emissions by approximately 3%.

We continue to progress electrification in line with customer demand, with two electric machines now introduced. Alongside this, we remain focused on training and education for both customers and employees, supporting safer, more productive job sites and improved equipment utilization.



Somero also engages with industry associations and trade groups to support best practice across the sector. The Board remains committed to strong governance, including maintaining an appropriately diverse and independent Board composition.

### CONCLUSION AND OUTLOOK

Despite a challenging environment, our employees' skill and dedication drove significant operational progress in 2025, with trading momentum improving in the second half of the year, trading and profitability were in line with revised market expectations. We maintained shareholder returns, launched two new products and a next-generation machine that contributed meaningful revenue, and progressed product development to support further new and next-generation launches in 2026 and beyond.

Looking ahead, the Board continues to see compelling long-term demand fundamentals for US non-residential construction, supported by various end markets. Customers continue to report healthy bidding activity and backlogs, and we expect Europe and Australia to remain contributors, alongside further benefit from our product pipeline. At the same time, uncertainty around tariffs and trade, geopolitical relations, immigration policy, and a still-restrictive monetary environment remain a key constraint on near-term decision-making and project starts.

In support of the Board's long-term growth agenda, we have committed to targeted investment to drive strategic initiatives. With the planned investments in 2026, we expect an increase in operating costs of approximately US\$ 2.0m.

For 2026, the Board expects revenue, profitability, and cash generation to be broadly comparable to 2025. Expansion into a new customer segment, continued execution of strategic initiatives, and steady customer activity are expected to help offset ongoing weakness in large-line Boomed screeds and continued global uncertainty. While some broad-based indicators and customer feedback suggest conditions stabilized toward the end of 2025, we remain cautious in our expectations given the uneven nature of recovery signals across end markets.

**BOB SCHEUER**  
NON-EXECUTIVE CHAIRMAN

**TIM AVERKAMP**  
CHIEF EXECUTIVE OFFICER

10 March 2026



# GLOBAL MARKET OVERVIEW

STRUCTURAL DIMENSION	NORTH AMERICA	EUROPE
<b>PRIMARY DEMAND DRIVER</b>	Private-capital led (developers, corporates, industrial, tech)	Public/policy led (national governments, EU funding)
<b>ROLE OF PRIVATE NON RESIDENTIAL</b>	Large, meaningful share of construction	Smaller and structurally constrained
<b>NON RESIDENTIAL MIX</b>	Commercial, industrial, logistics, tech-led	Regulated, bespoke, less speculative
<b>CONTRACTOR LANDSCAPE</b>	Fewer, larger, scalable players	Highly fragmented
<b>STANDARDIZATION</b>	Higher repeatability and specs	Lower standardization
<b>PLANNING &amp; PERMITTING</b>	Faster, state-driven	Slower, multi layered
<b>LABOR REGULATION / AVAILABILITY</b>	More flexible	More rigid
<b>PRODUCTIVITY FOCUS</b>	Market-driven	Regulation and policy driven
<b>PERFORMANCE</b>	<ul style="list-style-type: none"> <li>– US\$ 68.1m in revenue in 2025 (2024: US\$ 82.2m)</li> <li>– H2 revenue up 14% on H1</li> <li>– Uncertainty linked to tariffs, interest rates and credit, labor shortages and restrictive immigration policies which impacted sales volumes across all product lines, but most pronounced in Boomed screeds</li> <li>– Machine revenue (direct) from new customers represented 17% of the total NA revenue in 2025 (2024: 23%)</li> <li>– Parts and service revenue, which includes accessories sold with machines, declined to a lesser extent (10%) in 2025</li> </ul>	<ul style="list-style-type: none"> <li>– US\$ 8.9m in revenue in 2025 (2024: US\$ 14.6m)</li> <li>– H2 revenue up 55% on H1</li> <li>– Economic growth is weak but seems to be stabilizing and private investments remain cautious, which impacted sales volumes across all product lines, but most pronounced in Boomed screeds</li> <li>– Competition remains intense, new Hammerhead priced to compete more effectively</li> <li>– Machine revenue (direct) from new customers represented 36% of the total European revenue in 2025 (2024: 32%)</li> <li>– Parts and service revenue, which includes accessories sold with machines, declined to a lesser extent (12%)</li> </ul>
	<p>PERCENTAGE OF TOTAL 2025 REVENUES</p> <p><b>77%</b></p> <p>NORTH AMERICA REVENUE FROM NEW CUSTOMERS</p> <p><b>17%</b></p>	<p>PERCENTAGE OF TOTAL 2025 REVENUES</p> <p><b>10%</b></p> <p>EUROPEAN REVENUE FROM NEW CUSTOMERS</p> <p><b>36%</b></p>

AUSTRALIA	REST OF WORLD
Public infrastructure led with residential support	Public infrastructure and state-linked investment; urbanization and industrialization
Moderate; influenced by mining, energy, data centers	Highly variable; limited in emerging markets
Infrastructure, energy, selective commercial	Infrastructure, industrial, energy, transport, urban commercial
Concentrated Tier 1s with deep subcontracting	Fragmented locally; large SOEs or state-backed champions in some regions
Project specific but repeatable by program	Low to moderate; improving in major infrastructure programs
Structured but lengthy approvals	Often slow, bureaucratic; government-led approval processes
Tight labor market	Variable; labor availability often ample, regulation inconsistent
Strong need for mechanization	Cost inflation, labor efficiency and mechanization increasingly important
<ul style="list-style-type: none"> <li>– US\$ 5.6m in revenue in 2025 (2024: US\$ 6.6m)</li> <li>– H2 revenue up 58% on H1</li> <li>– Australia’s market declined 15% as it continues to normalize to more sustainable levels after an initial uptake period, albeit the decline was less than the prior year</li> <li>– The territory has since experienced severe shortages of skilled tradespeople, sticky inflation and significantly tightened monetary policy which impacted sales volumes mostly on Ride-on screeds</li> <li>– Machine revenue (direct) from new customers represented 32% of the total AUS revenue in 2025 (2024: 62%)</li> </ul>	<ul style="list-style-type: none"> <li>– US\$ 6.3m in revenue in 2025 (2024: US\$ 5.8m)</li> <li>– H2 revenue up 66% on H1</li> <li>– Middle East reported sales of US\$ 2.2m, mostly Boomed screeds, compared to US\$ 0.6m in 2024</li> <li>– Machine revenue from new customers represented 15% of the total ROW revenue in 2025 (2024: 30%)</li> <li>– ROW<sup>1</sup> includes several small markets, therefore fluctuations in each geography are normal</li> </ul>
<p>PERCENTAGE OF TOTAL 2025 REVENUES</p> <p><b>6%</b></p> <p>AUSTRALIAN REVENUE FROM NEW CUSTOMERS</p> <p><b>32%</b></p>	<p>PERCENTAGE OF TOTAL 2025 REVENUES</p> <p><b>7%</b></p> <p>REST OF WORLD REVENUE FROM NEW CUSTOMERS</p> <p><b>15%</b></p>



To find out more about Somero, scan or click the QR code

<sup>1</sup> includes Latin America, the Middle East, India, Southeast Asia, Korea and China.

LOOKING BACK

# FROM A NAPKIN SKETCH TO THE LEADERS IN LEVELING



FOUNDING

## PRODUCT INNOVATION & GLOBAL GROWTH

20+ products sold into over 90 countries

CUSTOMERS IN

# 90+

COUNTRIES

PRODUCT RELEASE DATE

### 1986-1996

Laser Screed LTD. Met with Somero and saw demo of S-240 prototype in USA.

Somero and Laser Screed Ltd, verbally agreed on distribution for Europe and Scandinavia.

1986 - S-240

1991 - STS-130 Topping Spreader

1995 - Manufacturing plant built in Houghton, Michigan

1996 - S-160

### 1997-2025

1998 - Joined the American Society of Concrete Contractors

1998 - S-100

1999 - 3-D Profiler System

2000 - STS-132

2002 - S-9210

2004 - XD 1.0, SXP

2005 - PowerRake, XD 2.0

2007 - XD 3.0 PowerRake, 2.0 SiteShape

2008 - Somero moved company headquarters from Jaffery, New Hampshire to Fort Myers, Florida

2009 - Mini Screed-C

2010 - SMP, Mini Rake

2012 - S-840

2013 - S-15M, S-15R, STS-11M

2014 - S485

2016 - S940

2018 - S158C

2024 - S940E

2025 - Hammerhead

2025 - SRS-4e Electric Boom machine, S-15EZ

LOOKING FORWARD

# TO SHAPING EXCELLENCE

## NEW LEADERSHIP

On April 1st, Tim Averkamp stepped into the CEO role, drawing on his experience in the construction equipment industry to help guide Somero's next chapter.

## REFINED STRATEGY

The creation of our long-term strategic plan started with defining a clear set of pillars, simple and durable priorities that reflect what matters most for Somero's next phase of growth. This work has been actively shaped and driven by leaders and teams across the broader Somero organization, ensuring the strategy is embedded in how we operate day to day.

## FORTIFY

Reinforcing the foundation of the business to ensure resilience, consistency, and operational discipline across cycles.

➔ Read more on pages 16-17

## INNOVATE

Advancing technology and product development to expand our addressable market and reinforce category leadership.

➔ Read more on pages 16-17

## AMPLIFY

Expanding Somero's reach, broadening market coverage, and deploying capital to drive long-term value creation.

➔ Read more on pages 16-17



**VR Training Just Got Real...**

The ALL NEW Somero® Laser Screed Training Simulator powered by FORGEFX

**NEW Operators:** Get Up to Speed Faster

**CURRENT Operators:** Fine-tune Skills with Less Risk

Somero® 22EZ Machine Training is now fully supported by VR Training Modules.



**Somero Experts App Download Today!**

Have your machine in the palm of your hand

- ✓ Access Your Machine's Manuals
- ✓ Troubleshooting Videos - For in the Field Fixes
- ✓ Parts Ordering For Your Machine
- ✓ Comprehensive Checklists for Your Machine

Telematic Diagnostics Now Standard on ALL "EZ" Platform Laser Screed Machines

S-28EZ  
S-22EZ  
S-15EZ



FORTIFY



INNOVATE



AMPLIFY

# LONG-TERM STRATEGIC FRAMEWORK

## SHAPING EXCELLENCE

Somero's strategy is focused on shaping a future where innovation and excellence lead the way. It provides a clear framework for strengthening the business today while positioning it to capture the opportunities of tomorrow.

### STRATEGY IN ACTION



## FORTIFY

### FORTIFY THE PRESENT TO SECURE OUR FUTURE

Reinforcing the foundation of the business to ensure resilience, consistency, and operational discipline across cycles.

#### FY25 PROGRESS

##### OPERATIONAL DISCIPLINE AND COST MANAGEMENT

- Took decisive actions in 2025 to align costs with demand while protecting core capabilities
- Improved planning and inventory management helped stabilize margins and preserve cash generation in a softer volume environment
- Embedding lean disciplines, including 6S and workplace organization, and visual management, as a core element of our operating model to drive productivity and support efficient scaling as volumes recover

##### SOMERO CONCRETE INSTITUTE EUROPE LAUNCH

- Launched the Somero Concrete Institute in Belgium, extending our proven U.S. training model into Europe
- Provides hands-on training, technical education and certification aligned with Somero best practice
- Strengthens our European service footprint and supports better machine utilization and aftermarket engagement



## INNOVATE

### INNOVATE TO TRANSFORM CHALLENGES INTO TOMORROW'S OPPORTUNITIES

Advancing technology and product development to expand our addressable market and reinforce category leadership

#### FY25 PROGRESS

##### 2025 PRODUCT DEVELOPMENT & PORTFOLIO EXPANSION

- **SRS-4e:** Electric-powered version of the SRS-4, progressing our electrification roadmap in line with customer demand and sustainability-led adoption. Electrification remains an important part of our long-term agenda
- **Hammerhead:** Expands Somero into the broader small to mid-range contractor segment with a more affordable, easy to use, and high-quality offering, with strong early customer and dealer reception in the US and Europe
- **S-15EZ:** Next-generation mid-sized Boomed screed designed to improve productivity, quality, and ease of use as pour sizes trend smaller and maneuverability becomes more important

##### 2025 TECHNOLOGY DEVELOPMENT

- Advanced digital capability and telematics to enhance customer experience, utilization, uptime, remote diagnostics and aftermarket opportunity
- **Virtual Reality Training Simulation:** VR-based S-22EZ training with mobile access to enable flexible, remote learning. Improves efficiency, lowers cost, and reinforces technology-driven customer value
- **Somero Experts App:** Delivers digital manuals, checklists, and troubleshooting tools to improve uptime and efficiency and simplify operator support and machine management
- **Telematics Offering:** Standard telematics on new S-15EZ, S-22EZ, and S-28EZ, harnesses digital technology to turn machine data into actionable insight

##### 2026 PRODUCT DEVELOPMENT & PORTFOLIO EXPANSION

- **S-22EZ+:** Updated "flagship" Boomed screed with 30+ features focused on quality, automation, and ease of use
- **Viper walk-behind laser screed:** Debuted at World of Concrete, designed for tight spaces and on-deck applications



## AMPLIFY

### AMPLIFY OUR INFLUENCE TO EXTEND OUR IMPACT AND MULTIPLY OUR REACH

Expanding Somero's reach, broadening market coverage, and deploying capital to drive long-term value creation

#### FY25 PROGRESS

##### COMMERCIAL COVERAGE AND AFTERMARKET

- Continued to strengthen dealer coverage in domestic and international markets to improve proximity and responsiveness
- Introduced product-specific territory managers to increase specialist support and accountability across key product lines
- This more integrated approach is designed to support adoption, utilization and growth in parts, service and training revenue over the equipment lifecycle

##### CAPITAL ALLOCATION AND M&A FRAMEWORK

- Formalized a clear capital allocation framework, reinforcing our priorities around balance sheet strength, disciplined investment and consistent shareholder returns
- Developed an M&A framework focused on capability, addressable market expansion and strengthening aftermarket and customer engagement
- Engaged experienced M&A advisory support and initiated early outreach, positioning the Company to pursue opportunities selectively while maintaining financial discipline

## CAPITAL ALLOCATION AND M&A FRAMEWORK



### CAPITAL ALLOCATION

- 1 MAINTAIN A STRONG BALANCE SHEET**
- Retain sufficient cash for operations and strategic initiatives, and a cushion for unexpected market conditions
  - Potential leverage of up to 2.0x net debt to EBITDA, reserved for M&A
  - Reduce debt when appropriate

- 2 INVEST IN THE BUSINESS**
- Accelerate growth through targeted organic investment
  - Commercial expansion and excellence
  - Manufacturing and operating efficiency, scale, and process discipline
  - Innovation and productivity enhancements

- 3 STRATEGIC ACQUISITIONS**
- Pursue value-accretive M&A to advance the strategy and drive long-term value creation
  - Focus on acquisitions that build on the core and expand the total addressable market
  - See M&A Framework

- 4 RETURN CAPITAL TO SHAREHOLDERS**
- Ordinary dividend payout of 50% of adjusted net income<sup>1</sup>
  - Offset dilution from employee equity incentive programs<sup>1</sup>
  - Opportunistic share repurchases<sup>1</sup>

<sup>1</sup> Subject to ongoing Board approval.

### M&A FRAMEWORK

#### FRAMEWORK & ACTIVITY

- Established a disciplined M&A framework aligned with strategic priorities to accelerate our strategic roadmap
- Engaged experienced advisor to reinforce process discipline, targeted outreach and opportunity assessment
- Market outreach and opportunity assessment underway, enabling selective and financially disciplined execution

#### FINANCIAL CRITERIA

- Incremental Revenue
- ROIC > Cost of Capital
- Accretive Free Cash Flow

#### STRATEGIC FILTERS

- Technology/Capability Expansion
- Portfolio/Product Enhancement
- Recurring Revenue
- Revenue Diversification
- Operational &/or Commercial Synergies
- Geographic & Market (TAM) Expansion

## INVESTMENT CASE

# OUR INVESTMENT CASE IS BASED ON SIX CORE STRENGTHS

This year demonstrated the resilience of Somero's business model. Our team continues to execute with discipline; protecting margins, preserving cash, and continuing to invest strategically to generate long-term value creation for our investors.



## 1 INDUSTRY LEADER IN INTRODUCING CUSTOMER-DRIVEN, TECHNOLOGICALLY ADVANCED NEW PRODUCTS

Our competitive advantage is layered. We lead with innovation and protected technology. We design products directly around customer job site needs. And we support customers through training and service that extends well beyond the initial sale.

## 2 MARKET LEADING POSITION

Our overall product portfolio consists of over 20 products and spans a wide range of applications. Our laser screeds are used in a variety of applications, from small to large pours, to more complex commercial placements with extensive track record of Golden Trowel Awards for laser screeded floors won using a Somero Laser Screed®.

We're deliberately expanding coverage to serve a broader range of contractors and jobsite requirements.

## 3 TOTAL SOLUTIONS PROVIDER

Somero offers a suite of equipment, technical expertise, parts & service, and product and consultative support to be successful.

## 4 SKILLED MANAGEMENT TEAM WITH EXTENSIVE INDUSTRY EXPERIENCE

Our leadership team brings decades of deep industry and operational experience. CFO Enzo LiCausi has spent over seven years as a trusted business partner within the Company. EVP of Sales Howard Hohmann contributes 28 years with Somero and prior hands-on experience as a concrete contractor, our CEO Tim Averkamp adds 30 years of global expertise in industrial manufacturing, construction machinery.

## 5 ATTRACTIVE GLOBAL GROWTH OPPORTUNITY

Somero has built a global brand with customers in 90+ countries, underpinned by four decades of continual innovation.

## 6 STRONG AND CONSISTENT FINANCIAL PERFORMANCE

Gross margins are supported by a premium brand and flexible cost structure.

Our variable cost structure enables us to remain profitable through economic cycles.

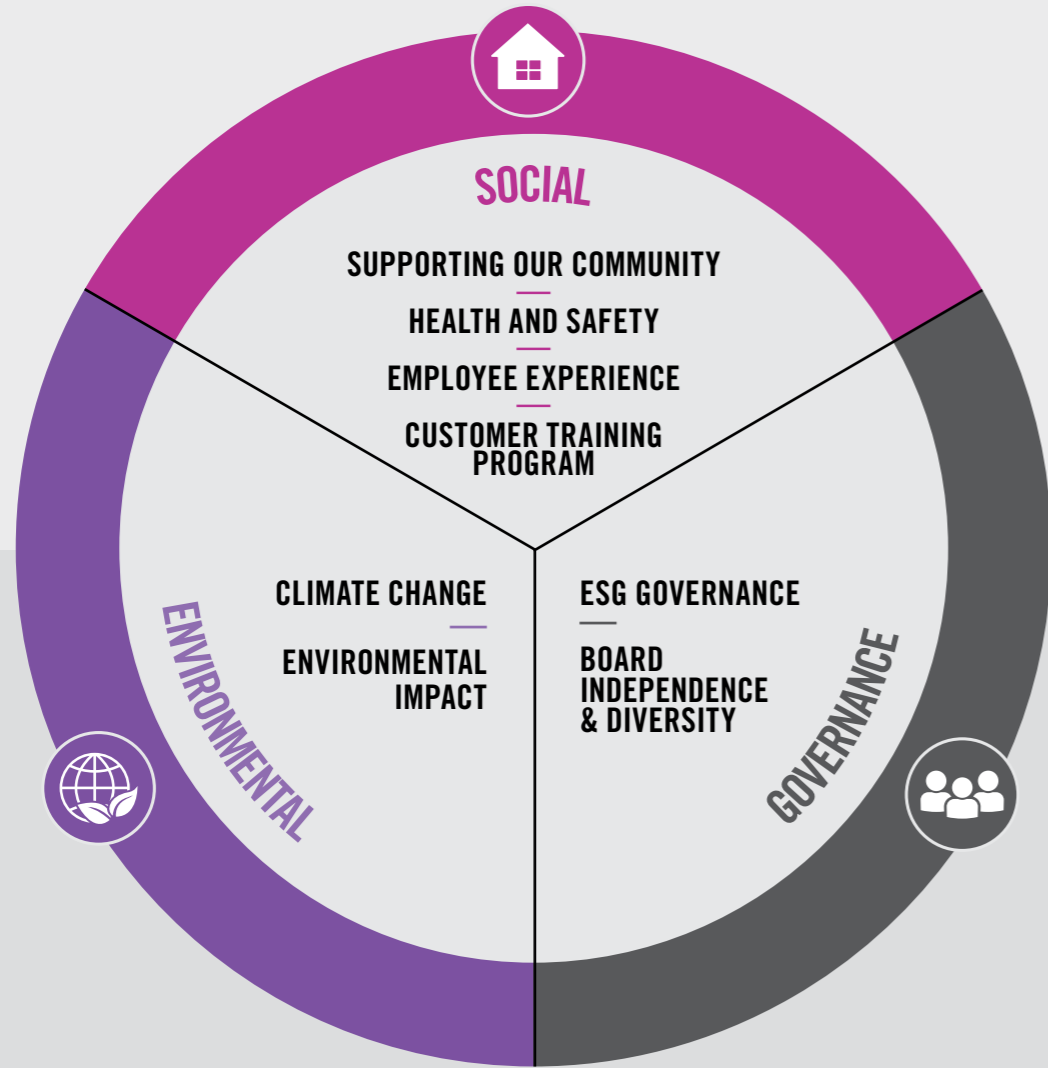
Maintained strong cash generation which funds organic growth.

Significant return capital to shareholders.

ESG

# 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. In 2025, we continued to make progress on our long-term ESG journey. The Company will continue to monitor and improve upon metrics outlined on **pages 21-23**.



||||| **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.



## SOCIAL



### SUPPORTING OUR COMMUNITY

Somero cares deeply about our community and supporting local charities is an important part of that.

**COMMITMENT:**

- To financially support local charities and communities in the areas where we operate and support our employees with volunteering and fundraising efforts wherever possible.

**METRICS:**

- Funds donated to charitable causes, hours donated to volunteering.

**ACCOMPLISHMENTS:**

- Provided financial support to local charities. In 2025, financial support of 19 non-profit organizations, totaling over US \$104,500.
- Provided "days of service" where the Company/employees give time in support of the charities.
- Created employee volunteer initiative program resulting in participation of 47 employees and 297 volunteer total hours toward five non-profit organizations.

**TOTAL CHARITABLE DONATIONS DURING 2025**

**\$104,500**

2024: \$103,500

### HEALTH AND SAFETY

The health and safety of our team, both in the workplace and on site, is of the highest priority at Somero and we work meticulously to ensure the highest safety standards possible to protect the welfare of our people.

**COMMITMENT:**

- We monitor and constantly improve all aspects of health and safety in the workplace and onsite, providing employees with the appropriate training, equipment and support to do their jobs safely.

**METRICS:**

- Recordable incidents, maintain ISO 9001 accreditation, safety training delivered.

**ACCOMPLISHMENTS:**

- Workplace training at Somero facilities to educate employees on safety with a goal to limit/reduce workplace injuries.
- Continued focus on safety program to reduce the Company's Occupational Safety and Health Administration (OSHA) incident rate. Over 750 hours of training provided in 2025.
- Developing new products/solutions for customers that improve job-site safety.
- Continued to maintain an OSHA incident rate below industry average.

**HOURS OF TRAINING PROVIDED**

**750+**

2024: 750+

## ESG CONTINUED

### SOCIAL

#### EMPLOYEE EXPERIENCE

Fostering a positive company culture and environment where our employees have ample opportunity to learn and develop is key for retaining our team and growing our workforce.

**COMMITMENT:**

- We grow and maintain a strong and supportive company culture and provide training and development opportunities to our colleagues to support their growth and progression.

**METRICS:**

- Employee feedback, number of internal training hours delivered to employees.

**ACCOMPLISHMENTS:**

- Conducted 140 days of employee customer support training to expand knowledge base.
- Regular, open engagement with employees through Company-wide meetings, bi-annual performance reviews, and through a variety of social events.



#### CUSTOMER TRAINING PROGRAM

Somero is proud to support our customers by providing unique training opportunities that develop a strong pipeline of skilled workers, benefiting the industry as a whole.

**COMMITMENT:**

- We deliver a training program to our customer base that supports a pipeline of skilled talent within the concrete construction industry.

**METRICS:**

- Number of external training hours delivered.

**ACCOMPLISHMENTS:**

- Held 347 training events globally. Training events held at the Company's training facility included 345 attendees representing 125 individual companies.
- The Company offers virtual training via its Learning Management System (LMS). In 2025, over 3,600 users accessed LMS training videos, up from 3,000 in 2024.
- Key members of the Company's management team actively participated in concrete construction association events, including the American Society of Concrete Contractors (ASCC), and the American Concrete Institute (ACI).
- Providing training opportunities that leverage the Somero Concrete Institute to increase the pool of skilled labor for the concrete construction industry.

### ENVIRONMENTAL

#### CLIMATE CHANGE

Climate change is a critical issue facing humanity today and Somero is committed to ensuring our own operations maintain a low carbon footprint and optimal energy efficiency in support of this effort.

Our products generally help the broader environment by minimizing concrete waste in construction projects, avoiding excess emission of CO<sub>2</sub>.

**COMMITMENT:**

- To reduce our carbon footprint and improve energy efficiency across our operations.

**METRICS:**

- Total energy consumption, CO<sub>2</sub> production.

#### CARDBOARD RECYCLED 2025

# 10+ Tons

2024: 12+ TONS



**ACCOMPLISHMENTS:**

- Commissioned a two-phased environmental study by Middle Tennessee State University and Colorado State University. The phase one study was completed in 2021 by Middle Tennessee State University, the results of which are outlined in a white paper available on our website. The phase one study concluded the use of our laser screed machines in non-residential construction provides a number of environmental benefits, including a reduction in required manpower and concrete used in building projects that in turn reduces carbon emissions during construction that would otherwise occur from the use of alternative manual methods. Colorado State University study completed in 2023 concluded that the use of Somero laser screed equipment reduces concrete used in slab-on-grade projects by 3% over traditional manual methods.

#### POWER CONSUMPTION REDUCTION (FROM 2024)

# -171,783kWh

### ENVIRONMENTAL

#### ENVIRONMENTAL IMPACT

Somero understands that natural resources are finite and our business has a responsibility to protect the environment by minimizing waste and water use.

**COMMITMENT:**

- To reduce the amount of waste across our operations and minimize our water and electrical power consumption.

**METRICS:**

- Waste to landfill, recycling, total water and electrical power consumption.



**ACCOMPLISHMENTS:**

- Measured against baselines established in 2023 for water, electrical power, and gas consumption from operations and identified opportunities to increase efficiency.
- Water consumption decreased by 22% in 2025 compared to 2024.
- Continued the cardboard recycling program implemented in 2023. Recycled 21,618 pounds of cardboard in 2025.
- Natural gas consumption increased 10% due to inclement weather.
- Electricity consumption decreased 17% in 2025 despite the Houghton facility being expanded by 35% in 2023.
- Our Remanufactured machines, which are customer machines that are taken in on trade toward the purchase of new machines, reconditioned and resold, ultimately reduce waste to landfill.

### GOVERNANCE

#### BOARD INDEPENDENCE & DIVERSITY

Ensuring our Board is independent, operates honestly and is representative of the diverse voices in our Company is key to our success.

**COMMITMENT:**

- To ensure equal and fair opportunities among our Board members with appropriate levels of independence.

**METRICS:**

- % of Board by gender, % of Board by ethnicity, number of independent Board members.

**ACCOMPLISHMENTS:**

- 25% of Non-Executive Directors are female.



#### ESG GOVERNANCE

ESG topics are now a critical part of business as usual and ensuring strong leadership and accountability on these matters is of great importance to Somero.

**COMMITMENT:**

- To have transparent accountability on ESG issues and report on performance each year for the benefit of our stakeholders.

**ONGOING ACTION:**

- Enhance ESG reporting to increase awareness of ongoing Company efforts to balance shareholder/stakeholder interests.

# STAKEHOLDER ENGAGEMENT

## HOW WE ENGAGE

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

### ENVIRONMENTAL

The net carbon impact of our operations is modest and use of our equipment reduces CO<sub>2</sub> emissions.

#### MATERIAL TOPICS

- Broader environmental goals

#### ENGAGEMENT

- Investing to increase energy efficiency of operations
- Study on CO<sub>2</sub> environmental impact of Somero equipment

### COMMUNITIES

Somero strives to make a lasting, positive impact in the community and on the environment.

#### MATERIAL TOPICS

- Local charities

#### ENGAGEMENT

- Supporting and donating to local charities, and industry education programs that include total donations of over \$104,500 in 2025

### EMPLOYEES

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

#### MATERIAL TOPICS

- Working environment, culture and values
- Opportunities for learning and career development

#### ENGAGEMENT

- Training programs
- Investing in remote working tools
- Performance management

### CUSTOMERS

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

#### MATERIAL TOPICS

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

#### ENGAGEMENT

- Direct sales/support
- Customer-led product development
- Trade shows
- In-person and virtual information and training sessions
- Support and actively partake in industry associations

### BOARD/ INVESTORS

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

#### MATERIAL TOPICS

- Financial performance
- Business strategy
- Market conditions
- Risk management
- Return of capital
- Governance

#### ENGAGEMENT

- Virtual roadshows
- Recorded presentations
- Trading updates
- Enhancing Board independence and diversity
- Monthly meetings

### 2025 INITIATIVES



**01**  
CONCRETE INDUSTRY  
MANAGEMENT DONATION



**02**  
CUSTOMER TRAINING



**03**  
HOUGHTON AREA FOOD DRIVE 2025



**04**  
31 BACKPACKS



**05**  
HARRY CHAPIN FOOD BANK

# FINANCIAL REVIEW

## SUMMARY OF FINANCIAL RESULTS

	Year ended December 31,	
	2025 US\$ 000 Except per share data	2024 US\$ 000 Except per share data
<b>Revenue</b>	<b>88,857</b>	109,154
<b>Cost of sales</b>	<b>42,661</b>	50,350
<b>Gross profit</b>	<b>46,196</b>	58,804
<b>Operating expenses</b>		
Selling, marketing and customer support	13,376	14,723
Engineering and product development	2,080	2,691
General and administrative	16,798	17,113
Total operating expenses	32,254	34,527
<b>Operating expenses</b>	<b>13,942</b>	24,277
<b>Other income (expense)</b>		
Interest expense	(55)	(53)
Interest income	433	354
Foreign exchange impact	793	(918)
Other	88	139
<b>Income before income taxes</b>	<b>15,201</b>	23,799
<b>Provision for income taxes</b>	<b>4,981</b>	5,195
<b>Net income</b>	<b>10,220</b>	18,604
Basic earnings per share	0.19	0.34
Diluted earnings per share	0.18	0.33
Basic adjusted net income per share <sup>(1), (2), (4)</sup>	0.20	0.34
Diluted adjusted net income per share <sup>(1), (2), (4)</sup>	0.20	0.33
<b>Other data</b>		
Adjusted EBITDA <sup>(1), (2), (4)</sup>	17,475	27,667
Adjusted net income <sup>(1), (3), (4)</sup>	11,070	18,590
Depreciation expense	2,081	1,688
Amortization of intangibles	142	142
Capital expenditures	795	2,449

## Notes:

- Adjusted EBITDA and Adjusted net income are not measurements of the Company's financial performance under US GAAP and should not be considered as an alternative to net income, operating income or any other performance measures derived in accordance with US GAAP or as an alternative to US GAAP cash flow from operating activities as a measure of profitability or liquidity. Adjusted EBITDA and Adjusted net income are presented herein because management believes they are useful analytical tools for measuring the profitability and cash generation of the business. Adjusted EBITDA is also used to determine pricing and covenant compliance under the Company's credit facility and as a measurement for calculation of management incentive compensation. The Company understands that although Adjusted EBITDA is frequently used by securities analysts, lenders, and others in their evaluation of companies, its calculation of Adjusted EBITDA may not be comparable to other similarly titled measures reported by other companies.
- Adjusted EBITDA as used herein is a calculation of net income plus tax provision, interest expense, interest income, foreign exchange gain (loss), other expense, depreciation, amortization, stock-based compensation, and non-cash lease expense.
- Adjusted net income as used herein 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.
- The Company uses non-US GAAP financial measures to provide supplemental information regarding the Company's operating performance. The non-US GAAP financial measures presented herein should not be considered in isolation from, or as a substitute to, financial measures calculated in accordance with US GAAP. Investors are cautioned that there are inherent limitations associated with the use of each non-US GAAP financial measure. In particular, non-US GAAP financial measures are not based on a comprehensive set of accounting rules or principles, and many of the adjustments to the US GAAP financial measures reflect the exclusion of items that may have a material effect on the Company's financial results calculated in accordance with US GAAP.

## NET INCOME TO ADJUSTED EBITDA RECONCILIATION AND ADJUSTED NET INCOME RECONCILIATION

	Year ended December 31,	
	2025 US\$ 000	2024 US\$ 000
<b>Adjusted EBITDA reconciliation</b>		
Net income	10,220	18,604
Tax provision	4,981	5,195
Interest expense	55	53
Interest income	(433)	(354)
Foreign exchange impact	(793)	918
Other	(88)	(139)
Depreciation	2,081	1,688
Amortization	142	142
Non-cash lease expense	379	334
Stock-based compensation	931	1,226
<b>Adjusted EBITDA</b>	<b>17,475</b>	27,667
<b>Adjusted net income reconciliation</b>		
Net income	10,220	18,604
Amortization	142	142
Valuation allowance on deferred tax assets	857	–
Tax impact of stock option & RSU settlements	(149)	(156)
<b>Adjusted net income reconciliation</b>	<b>11,070</b>	18,590

## FINANCIAL REVIEW

### REVENUES

The Company's consolidated revenues decreased by 19% to approximately US\$ 88.9m (2024: US\$ 109.2m). The Company's revenues consist primarily of sales from Boomed screed products, which include the S-28EZ, S-22EZ, S-15R, S-15EZ, SRS-6, SRS-4, and SRS-4e Laser Screed® machines, sales from Ride-on screed products, which are drive through the concrete machines that include the S-485, S-940, S940e, Hammerhead, and S-158C Laser Screed® machines, remanufactured machines sales, 3-D Profiler Systems, parts and service, and other revenues which consist of revenue from sales of other equipment, training and shipping charges.

Boomed screed sales decreased to approximately US\$ 34.8m (2024: US\$ 43.1m), Ride-on Screed sales decreased to approximately US\$ 16.1m (2024: US\$ 20.3m), remanufactured machine sales decreased to approximately US\$ 5.8m (2024: US\$ 7.1m), 3-D Profiler System® sales decreased to approximately US\$ 7.0m (2024: US\$ 9.6m) all decreases due as unit volume declines. Parts and service revenue decreased to approximately US\$ 17.0m (2024: US\$19.1m) declining to a lesser extent aided by the addition of the Belgium sales, parts and service center. All other revenues decreased to approximately US\$ 8.3 (2024: US\$ 10.0m) with declines across most products.

Sales to customers located in North America contributed 77% of total revenue (2024: 75%), sales to customers in Europe contributed 10% (2024: 14%), sales to customers in Australia contributed 6% (2024: 6%) and sales to customers in ROW (Latin America, India, China, Middle East, Korea and Southeast Asia) contributed 7% (2024: 5%).

Sales in North America totaled approximately US\$ 68.1m (2024: US\$ 82.2m) down 17%, primarily driven by a decrease in Boomed screeds, Ride-on screeds and 3-D Profiler Systems. Sales in Europe were approximately US\$ 8.9m (2024: US\$ 14.6m) down 39%, driven mostly by a decrease in Boomed screeds and Ride-on screeds. Sales in Australia were approximately US\$ 5.6m (2024: US\$ 6.6m) down 15%, driven mostly by a decrease in Ride-on screeds. Sales to customers in ROW were approximately US\$ 6.3m (2024: US\$ 5.8m), increasing by 9% driven by an increase in Boomed screeds sold in the Middle East.

The following table shows the breakdown by geography during the year ended December 31, 2025 and 2024:

USD \$000	North America		Europe		Australia		ROW <sup>(1)</sup>		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Boomed screeds <sup>(2)</sup>	26,246	31,374	4,092	7,171	2,740	2,738	1,711	1,803	34,789	43,085
Ride-on screeds <sup>(3)</sup>	11,893	13,927	1,989	3,279	591	1,513	1,626	1,622	16,099	20,341
Remanufactured machines	5,440	5,829	–	1,034	–	–	321	189	5,761	7,052
3-D Profiler System	5,782	8,576	378	228	798	792	–	–	6,958	9,596
Parts & Service	12,875	14,360	1,660	1,893	792	1,075	1,648	1,778	16,975	19,107
Other <sup>(4)</sup>	5,856	8,158	754	1,000	628	434	1,037	381	8,275	9,973
<b>Total</b>	<b>68,092</b>	<b>82,224</b>	<b>8,873</b>	<b>14,605</b>	<b>5,549</b>	<b>6,552</b>	<b>6,343</b>	<b>5,773</b>	<b>88,857</b>	<b>109,154</b>

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

2. Boomed screeds include the S-28EZ, S-22EZ, S-15R, S-15EZ, SRS-6, SRS-4 and SRS-4e.

3. Ride-on screeds include the S-940, S-940e, S-485, Hammerhead®, and S-158C.

4. Other includes training and freight, as well as other equipment such as the SkyScreed, SkyStrip®, Somero Broom + Cure®, STS-11M Topping Spreader, STS-11HC Topping Spreader, Copperhead, Somero Line Dragon®, Mini Screed C and S-PS50.

### GROSS PROFIT

Gross profit decreased to approximately US\$ 46.2m (2024: US\$ 58.8m), with gross margins decreasing to 52% compared to 54% in 2024, reflecting higher input and logistical costs, lower volume scale and unabsorbed overhead, partly offset by a price increase.

### OPERATING EXPENSES

Operating expenses excluding depreciation, amortization and stock-based compensation for 2025 were approximately US\$ 29.8m (2024: US\$ 32.1m), which is primarily reflective of lower headcount, variable incentive compensation, partly offset by CEO onboarding and related expenses, and lapsing of a bad debt reversal in the prior year.

### DEBT

As of December 31, 2025, the Company had no outstanding debt. In August 2022, the Company updated its credit facility to a US\$ 25.0m secured revolving line of credit, with a maturity date of August 2027. The interest rate on the revolving credit line is based on the BSBY Index plus 1.25%. The Company's credit facility is secured by substantially all of its business assets.

### PROVISION FOR INCOME TAXES

The provision for income taxes decreased to approximately US\$ 5.0m, at an overall effective tax rate of 33%, compared to a provision of approximately US\$ 5.2m in 2024, at an overall effective tax rate of 22%. The increase in overall effective tax rate is due to a valuation allowance placed on foreign deferred tax assets.

### EARNINGS PER SHARE

Basic earnings per share represents income available to common stockholders divided by the weighted average number of shares outstanding during the period. Diluted earnings per share reflect additional common shares that would have been outstanding if dilutive potential common shares had been issued, as well as any adjustments to income that would result from the assumed issuance. Potential common shares that may be issued by the Company relate to outstanding restricted stock units.

Earnings per common share has been computed based on the following:

	Year ended December 31,	
	2025 US\$ 000	2024 US\$ 000
Income available to stockholders	10,220	18,604
Basic weighted shares outstanding	54,604,352	55,126,730
Net dilutive effect of restricted stock units	818,232	632,703
Diluted weighted average shares outstanding	55,422,584	55,759,433

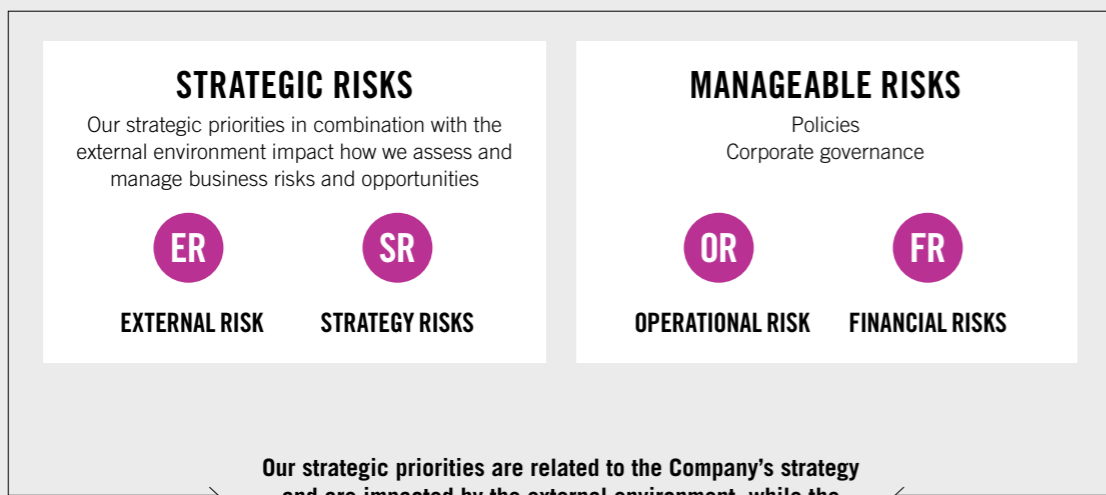
	Per Share US\$	Per Share US\$
Basic earnings per share	0.19	0.34
Diluted earnings per share	0.18	0.33
Basic adjusted net income per share	0.20	0.34
Diluted adjusted net income per share	0.20	0.33

# RISK MANAGEMENT

Active risk management is essential for Somero to drive successful operations. The Company is impacted by various types of risks including strategic and external risks as well as business risks such as operational and financial risks. Somero monitors and minimizes these risks in a structured and proactive manner.

## RISK MANAGEMENT FRAMEWORK

Somero faces different types of risks that can be divided into strategic risks and manageable business risks.



Our strategic priorities are related to the Company's strategy and are impacted by the external environment, while the business risks are related to operational and financial risks.

# PRINCIPAL RISKS AND UNCERTAINTIES

The key risks and uncertainties facing the Company are considered as part of the Company's established process for identifying, evaluating and managing risk. Impacts of significant risks and their mitigation are monitored at Board meetings throughout the year.

### Flexible cost structure OR

A large portion of Somero's cost structure is variable and comprised mainly of costs related to raw materials and components as well as personnel and personnel-related costs. Somero aims to maintain a flexible cost structure that enables the Company to be agile and adapt quickly to fluctuations in market demand.

### Data security FR

All business sectors are targeted by increasingly sophisticated cyber security attacks, a risk that is elevated with an increased number of employees working remotely, which started as a result of the COVID-19 pandemic. The risk of unauthorized access to or loss of data in respect to our Company, employees or suppliers could result in financial exposure or business interruption.

### Bank obligations FR

In August 2022, the Company entered into an amended credit facility that included a US\$ 25.0m secured revolving line of credit that will mature in August 2027. The Company's credit facility is secured substantially by all its business assets.

### Employee retention OR

The Company has a number of programs in place to retain key employees including a savings and retirement match for employees, restricted stock units (RSUs) for employees, and a compensation program to attract and retain key employees.

### Economic and industry conditions ER

Somero's financial performance is affected by a number of factors, including the cyclical nature of the non-residential concrete construction industry, as well as the varying economic conditions of its geographic markets. Somero's primary geographic markets are North America, Europe and Australia, however, the Company has a presence in India, Southeast Asia, the Middle East, and Latin America. Demand in these markets continues to fluctuate in response to overall economic conditions and to the amount of private sector spending on commercial construction projects.

### Competitive Risk ER

Although Somero has maintained a dominant market position, competition poses a threat to market share and revenues. Competitors have been in the market since the beginning of Somero's journey, particularly in Europe. Having been founded by a concrete contractor and inventing the laser screed in 1986, Somero is an organization committed to its customers' success and constant innovation. This mission has resulted in unparalleled customer support and industry expertise, which is critical in a high-risk industry. From its infancy, the Company has upheld a leadership role in advancing the laser screeding industry and continues to actively participate prominently in concrete construction associations such as the American Society of Concrete Contractors (ASCC) and the American Concrete Institute (ACI), as well as a number of associations in Europe and other international countries. Furthermore, since the original laser screed, the Company's product portfolio has grown to 20+ new products and product innovations and over 140 patents/applications filings. The Company remains steadfast in expanding and strengthening its market presence through efforts to spread awareness of quality, performance, and productivity, which are underscored by the Company's value proposition. We focus on fortifying our value proposition predicated on in-house expertise, commitment to innovation, and customer support capabilities, which have and will continue to enable the Company to stay ahead of the market.

### Product development OR

Somero invests significantly in product development and introduces new products each year. Somero's product development effort is a customer-driven process focused on customer needs and value requirements. New products are meaningful contributors to the Company's growth.

### Product replacement demand SR

The Company's financial performance is also dependent on the replacement and refurbishment of older products as they reach the end of their expected life cycles. Somero's level of replacement demand is also dependent on its ability to continue developing enhanced models with advanced technology that encourage customers to replace older machines.

### Global market penetration SR

Somero's financial performance is impacted by its ability to successfully enter and penetrate international markets. Europe and Australia represent Somero's primary markets outside the US, and Somero has primarily focused on developing these markets with a secondary focus on Latin America, Middle East, Southeast Asia and India. Somero's primary market development activities are to promote the benefits of the Company's technology, wide-placement theory, and the demand for quality flat and level floors through education and marketing efforts in emerging markets.

### Interest rates FR

Somero's financial performance is also linked to prevailing interest rates; see "Liquidity" and "Capital Resources" below.

### Liquidity FR

The Company's principal liquidity needs are for payroll, lease obligations, purchases of component parts and other inventory items, payments for professional services from third-party providers, and interest and principal payments on its long-term debt. The Company's primary sources of liquidity are cash balances, cash provided by operations and its available revolving line of credit. Operations are primarily funded through existing cash. The Company maintains its cash balances in banks in each market where it has a presence. The bank accounts facilitate operational transactions with the Company's employees, customers, and vendors in-country. The Company's banks serve retail and commercial clients, with a heavier weighting on retail. Within the commercial customer base, the banks serve a range of industries. The diversification of the customer base mitigates the risk of being negatively impacted by any singular sector or vertical. Also, the Company considers the adequacy of the banks' capitalization to ensure sufficient security. The Company evaluates the allocation of its cash balances amongst the banks routinely to ensure adequate liquidity in each of its markets where it has a presence, and overall banking diversification.

### Capital resources FR

Currently, the Company's capital expenditure plans include investment to increase operational efficiency, add engineering and customer support capabilities, and regular replacement of information technology equipment. One element of Somero's strategy is to identify and acquire businesses that have complementary products and services. Somero may finance such future acquisitions from internally generated funds, bank borrowings, public or private securities offerings or some combination of these methods. In addition, the Company may issue debt or equity securities as some or all of the consideration for such acquisitions. Somero cannot predict the level of financing that may be required in connection with future acquisitions. The amended credit facility allows management access to funding if needed to implement its strategic plan. As of December 31, 2025, the Company had not drawn any amounts under the revolving portion of its Citizens Bank Financing Agreement.

## BOARD OF DIRECTORS

# OUR TEAM

## BOB SCHEUER

### NON-EXECUTIVE CHAIRMAN OF THE BOARD

Mr. Scheuer, age 68, has served in a series of senior executive roles at Dover Corporation, an \$8 billion Fortune 500 company. Most recently, from 2011 to 2014, Mr. Scheuer was Chief Financial Officer and Vice President Finance of Dover Engineered Systems, a \$3.8 billion business segment of Dover Corporation. In this role, Mr. Scheuer provided strategic guidance to the 14 operating company CEOs/CFOs in the segment and directed over 140 global employees in FP&A, budgeting, forecasting, acquisitions, compliance, accounting and reporting. Prior to this role, from 2007 to 2011 Mr. Scheuer served as Chief Financial Officer and Vice President of Finance of Dover Industrial Products, a \$2.4 billion business segment of Dover Corporation and from 1998 to 2007 as Chief Financial Officer and Vice President of Finance of Dover Industries, a \$1.2 billion business segment of Dover Corporation. Prior to his tenure at Dover Corporation, from 1986 to 1998, Mr. Scheuer served in a variety of leadership roles at Kraft Foods, Inc., most recently as Controller of the Grocery Products Division, a \$1.7 billion multi-brand portfolio with six major product lines. Mr. Scheuer received a Bachelor of Science degree from DePaul University and an MBA from Northwestern University J.L. Kellogg School of Management.

## TIM AVERKAMP

### CHIEF EXECUTIVE OFFICER AND DIRECTOR

Mr. Averkamp, age 54, joined Somero in April 2025 as the Chief Executive Officer. Mr. Averkamp has 30 years of international experience in industrial manufacturing, construction machinery, and equipment innovation. Most recently, he was Chief Operating Officer at Stoughton Trailers, LLC, one of the largest trailer manufacturers in North America. Prior to this, Mr. Averkamp served for four years as Group President at Astec Industries, Inc. (NASDAQ: ASTE), a global manufacturer of specialized infrastructure equipment. He led both the Construction Machinery Solutions and the Materials Solutions Groups which encompassed road building and paving, forestry and recycling, and aggregate processing equipment produced and sold globally. This followed 22 years with Deere & Company (NYSE:DE) with various leadership positions primarily within the Construction and Forestry Equipment Division. His roles included President of the Transaxle Manufacturing of America, a Joint Venture business between Deere and Yanmar/Kanzaki, Director of Business Partner Integration over Deere's JV businesses with Hitachi Construction Equipment Company and Bell Equipment, Engineering Manager, Product Marketing Manager, and other technical and commercial positions. Mr. Averkamp has a Bachelor of Science in Mechanical Engineering from the University of Wisconsin-Platteville and a Master of Business Administration from the University of Dubuque, Iowa.

## VINCENZO (ENZO) LICAUSI

### CHIEF FINANCIAL OFFICER, SECRETARY AND DIRECTOR

Mr. LiCausi, age 52, joined Somero in September 2018 as Vice President of Finance & Controller. Mr. LiCausi has over 25 years of experience in various finance and senior management roles. Most recently, Mr. LiCausi served as Vice President of Finance of Conformis Inc., a global NASDAQ listed orthopedics manufacture and marketer. Prior to his role at Conformis, Mr. LiCausi held a variety of senior financial roles at Cambridge Heart, C.R. Bard, Gillette, and Tropicana (PepsiCo) in addition to serving as an Audit Senior at Deloitte & Touche LLP. Mr. LiCausi earned a Bachelor of Science degree in Accountancy from Bentley University in Boston, Massachusetts.

## HOWARD E. HOHMANN

### EXECUTIVE VICE PRESIDENT OF SALES WORLDWIDE, DIRECTOR

Mr. Hohmann, age 64, joined Somero in 1997 and currently serves as Executive Vice President of Sales and Marketing. Mr. Hohmann continues to be a major contributor to its Product Development Team. Mr. Hohmann brings nearly three decades of career expertise in the concrete industry, previously working as Founder, Owner & President of one of the eastern United States' largest and most successful concrete contractors, placing all aspects of concrete floors from coast to coast. Mr. Hohmann was also a concrete flooring consultant, teaching procedures, practices and designs, alongside the inventors of the Somero Laser Screed®. Additionally, he has developed and managed sales in emerging markets, and managed both marketing and inside sales departments. Mr. Hohmann also served the U.S. Marine Corps.

## LAWRENCE L. HORSCH

### NON-EXECUTIVE DIRECTOR, CHAIR OF THE NOMINATION COMMITTEE

Mr. Horsch, age 91, came to Somero in October 2009 with extensive experience having served on 26 company boards, invested in 30 venture projects and conducted four corporate turnarounds. He co-founded SciMed Life Systems prior to its merger with Boston Scientific Corporation, after which he served on the Boston Scientific Corporation board. Mr. Horsch currently serves as the Chairman of Pioneer Sales Group. Mr. Horsch has been a business consultant since 1990. He is a graduate of the University of St. Thomas, received an MBA in Finance from Northwestern University, and is a Chartered Financial Analyst.

## ANNE ELLIS

### NON-EXECUTIVE DIRECTOR

Ms. Ellis, age 67, is a professional engineer with four decades of experience in the architecture, engineering, and construction industry. Ms. Ellis served as the 90th president (2013-2014) of the American Concrete Institute. She is coauthor of the "Concrete Design and Construction" section of the Standard Handbook for Civil Engineers, Fifth Edition. Ms. Ellis' experience includes as a director on 16 boards, chairing four. Additionally, she serves as a strategic advisor to several engineering and environmental companies as well as construction technology start-ups. She is past-chair of the Board of Directors of the National Institute of Building Sciences and serves by invitation on the Industry Leaders Council of the American Society of Civil Engineers. From 2008-2016, she served in a series of growth-enabling corporate roles including director of innovation at AECOM, a \$20 billion publicly traded, professional services and construction company with 100,000 employees operating in 154 countries. From 2004-2018, Ms. Ellis served by appointment of five U.S. cabinet secretaries to their federal advisory committee addressing matters of energy and trade policy. Ms. Ellis was inducted into the National Academy of Construction in 2019.

## THOMAS M. ANDERSON

### NON-EXECUTIVE DIRECTOR, CHAIR OF THE REMUNERATION COMMITTEE

Mr. Anderson, age 74, retired after 30 years of service as president and chief executive officer of Schwing America, Inc. to become the president and managing partner of Schwing Bioset, Inc. He also served as the managing partner of Concrete Pump Repair from 1989 to 2013. Mr. Anderson participated in compensation decisions for all three companies. He is also a partner in Engineered Chassis Systems, a specialty truck manufacturer. He spent 22 years on the board of directors of the American Concrete Pumping Association and five years as the president of the Concrete Pump Manufacturers Association. Mr. Anderson previously served on the Board of Directors of Somero Enterprises, Inc. from 1997 to 1999 prior to the sale of the Company to Dover Corporation. Along with his affiliation with Somero, Mr. Anderson stays active in the concrete industry with an investment in Southwest Concrete Pumping based in Colorado.

## CORPORATE GOVERNANCE REPORT

The Board of Directors (the **Board**) of Somero Enterprises, Inc. (**Somero**) is committed to achieving high standards of corporate governance, integrity and business ethics. Since September 2018, all AIM quoted companies have been required to set out details of a recognised corporate governance code that the board of directors of such company has chosen to apply, how they comply with that code and, where it departs from its chosen corporate governance code, an explanation for doing so. Accordingly, Somero has chosen to adopt the Quoted Companies Alliance Code (the **Code**) as our guide.

The purpose of this statement is to set out in broad terms how we currently comply with the 2023 edition of the Code's 10 "Principles". The 2023 QCA Code places increased emphasis on stakeholder engagement, ESG considerations and transparent, evidence-based disclosures, and the Board has considered these developments in preparing this statement. The Board believes that this framework is appropriate to the size and operations of the business.

The Board considers that Somero complies with the requirements of the Code and continues to implement a robust governance structure to ensure continued compliance with the Code.

### QCA PRINCIPAL

#### PRINCIPAL 1

**Establish a purpose, strategy and business model which promote long-term value for shareholders.**

### OUR APPROACH

The Board has established the strategy for Somero and its subsidiaries (the Group) which is to provide innovative products and solutions to concrete flooring contractors that enable them to attain the highest level of flat-floor precision at the lowest cost, and to develop and penetrate the global market for our products and services.

The Board ensures that Somero's purpose, strategy and business model are aligned with long-term sustainable value creation, taking into account stakeholder and ESG considerations.

The Board regularly reviews progress towards the Group's strategic objectives, which focus on (i) "product innovation" by pushing the construction industry forward with proprietary, innovative designs that help customers reduce manpower, increase speed and safety and deliver the highest quality concrete slabs for building owners and (ii) "international expansion" by deepening our presence in targeted markets by promoting wide-placement theory and quality concrete flooring standards, and increasing market penetration across the full range of our product portfolio.

The Group's vision is 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 and producing the highest quality results in the most efficient, cost-effective and safe manner possible.

For further information, please refer to Somero's "*Business Model*" website page which is available at <https://investors.somero.com/business-model>.

#### PRINCIPAL 2

**Promote a corporate culture that is based on ethical values and behaviors.**

A critical aspect of Somero's strategy is to be perceived as a trusted partner of our customers. In order to achieve this objective, a culture of teamwork, openness, integrity and professionalism forms a key element of our principles and values which sets out the standards of behavior we expect from all our employees.

The Board firmly believes that sustained success will best be achieved by adhering to such a culture and by treating all our stakeholders fairly and with respect. Somero remains highly selective in the quality and fit of the individuals hired and devotes a significant portion of the hiring process to identifying individuals who embody and embrace Somero's core ethical values and culture. The Board supports and promotes the principles of equal opportunities in employment and promotes a culture where every employee is treated fairly.

The Board and management conduct themselves ethically at all times and promote a culture in line with the standards set out in the employee handbook.

### QCA PRINCIPAL

#### PRINCIPAL 3

**Seek to understand and meet shareholder needs and expectations.**

### OUR APPROACH

The Board is committed to maintaining good communications with its shareholders and quickly responding to all queries received.

All shareholders will have at least 20 working days' notice of Somero's Annual General Meeting (the **AGM**) at which the majority of Somero's Directors (**Directors**) are introduced and available for questions. Institutional investors and analysts are invited to briefings by Somero immediately after the announcement of Somero's full-year results and all shareholders are encouraged to participate in Somero's AGM. In addition, retail investors are invited to a briefing immediately following announcement of Somero's interim and full-year results and this presentation is recorded and posted to Somero's "Investors" website page.

The Chairman is contactable at Somero's registered office and all of the Directors are expected to attend the AGM.

Our ESG and stakeholder engagement disclosures are set out on pages 5, 24-25 in this Annual Report, which is available on our website:

<https://investors.somero.com/about-somero/reports-results-and-presentations>.

#### PRINCIPAL 4

**Take into account wider stakeholder and social and environmental responsibilities, and their implications for long-term success.**

We recognise the importance of balancing the interests of our key stakeholders, which is essential for building a quality, long-lasting growth business. Somero takes into account wider stakeholder and social responsibilities and their implications for long-term success and strives to develop long-standing relationships with customers and shareholders alike; maintaining open lines of communication, availability to conduct site tours and a robust library of online content that demonstrates the unique value proposition of our products.

The Board considers ESG factors as part of its ongoing oversight of the business, with a focus on the issues most relevant to long-term performance and stakeholder expectations.

A key material topic for Somero is the environmental impact of construction activity and the role our equipment can play in improving efficiency. Independent studies by Colorado State University and Middle Tennessee State University found that use of Somero's laser screed technology in non-residential slab-on-grade projects can reduce concrete usage and associated construction-phase emissions by approximately 3%.

We continue to progress electrification in line with customer demand, with two electric machines now introduced. Alongside this, we remain focused on training and education for both customers and employees, supporting safer, more productive job sites and improved equipment utilization.

Somero also engages with global industry associations and trade groups to support best practice across the sector.

Our ESG disclosures and sustainability initiatives are set out on pages 21-23 in this Annual Report and on our website: <https://investors.somero.com/about-somero/reports-results-and-presentations>.

Investors and shareholders are invited to learn more about Somero's business and relationship strategies at <https://investors.somero.com/business-model/strategy>. For further information, please contact Somero at <https://investors.somero.com/investor-contacts>.

## CORPORATE GOVERNANCE REPORT

### QCA PRINCIPAL

#### PRINCIPAL 5

**Embed effective risk management, internal controls and assurance activities, considering both opportunities and threats, throughout the organisation.**

### OUR APPROACH

Somero has a comprehensive system for reporting financial results to the Board. Somero is committed to competence and integrity of management and staff at all levels, through its values statement, comprehensive recruitment, training and appraisal programs. Somero has established controls and procedures over the security of data held on computer systems and has put in place suitable disaster recovery arrangements.

A number of the Group's key functions, including treasury and taxation, are dealt with centrally. The Chief Financial Officer reports on an as-needed basis to keep the Board updated. There is no dedicated resource for internal audit functions, which is considered sufficient for the Group due to its size. Day-to-day management of the Group's activities is delegated to senior management and is considered sufficient for the Group.

The Board recognises its responsibility for determining the nature and extent of the principal risks the Group has to take to achieve its strategic objectives and priorities, and maintains sound risk management and internal control systems to do so. To meet this responsibility, the Board relies upon:

- an organisation structure with clearly defined lines of authority and responsibility, limits for authorisation of transactions and segregation of duties;
- the production and review of regular monthly management information to agreed timescales;
- the identification of key performance indicators with explanations of variances;
- a formalised process for reviewing all Company activities during the year;
- detailed annual operating budgets for all businesses; and
- formal authorisation procedures for all investment and capital expenditure.

The Board has overall responsibility for identifying, evaluating and managing major business risks facing the Group. It annually reviews all operating unit assessments of business risk exposure and control, including compliance assessments, and determines appropriate action, taking into account the recommendations of senior management. By identifying and managing those existing and emerging risks, the Board can focus on long-term business opportunities.

Our risk management disclosures are set out on pages 31 in this Annual Report and on our website: <https://investors.somero.com/about-somero/reports-results-and-presentations>.

#### PRINCIPAL 6

**Establish and maintain the Board as a well-functioning, balanced team led by the Chair.**

The Board comprises seven Directors, three of whom are Executive Directors and four of whom are Non-Executive Directors.

All independent Non-Executive Directors are selected from outside of Somero with due regard being given to their ability to contribute to the Board in light of knowledge, skills and experience required. The Board believes that the current composition is sufficient for Somero's current size (Somero is a small company) and the Board has been structured to ensure that an appropriate mix of skills and experience are in place to allow it to operate effectively and to support the development of Somero's strategy and long-term objectives.

Non-Executive Directors are expected to devote such time as is necessary for the proper performance of their duties, including in preparation for and attendance at Board, committee and shareholder meetings. When accepting their appointment, each Non-Executive Director confirms that they can allocate sufficient time to meet the expectations of their role.

The Board has established Audit, Remuneration and Nomination Committees to support the Board in the performance of its duties, and the Board believes that the members of those committees have the appropriate skills and knowledge to perform the functions delegated to them. A review of the effectiveness of each of the committees is carried out annually.

The Code recommends that all Directors retire at each AGM and, if applicable, offer themselves for reappointment. The Board has elected not to propose that all Directors retire at the forthcoming AGM in 2026 due to Somero's ongoing succession planning.

The composition of the Board is constantly under review to ensure that it remains appropriate to the skills and requirements of the Group. At least one third of the Directors retire annually in rotation in accordance with Somero's certificate of incorporation and amended and restated bylaws.

For further information in relation to the composition of the Board, please refer to Somero's "Board of Directors" website page at: <https://investors.somero.com/about-somero/corporate-governance/board-of-directors>.

### QCA PRINCIPAL

#### PRINCIPAL 7

**Maintain appropriate governance structures and ensure that individually and collectively the Directors have the necessary up-to-date experience, skills and capabilities.**

### OUR APPROACH

The Board regularly reviews its composition to ensure that it maintains an appropriate balance of skills, experience, and perspectives to support the Group's strategy, risk profile, and long-term development. This review is informed by a structured assessment of Board capabilities and is used to support succession planning and the identification of future skills requirements. On appointment to the Board, new Directors will receive a comprehensive induction. It is expected that Directors will receive regular updates on legal, regulatory and governance issues.

The Chairman, supported by the Company Secretary, ensures that the Directors' knowledge is kept up to date on key issues and developments pertaining to the Group, its operational environment and to the Directors' responsibilities as members of the Board.

The Directors have access to the advice and services of the Company Secretary and are empowered to take independent professional advice in the furtherance of their duties at Somero's expense, where necessary.

Somero maintains appropriate governance structures and processes that are fit for purpose and support good decision-making by the Board. The Chairman leads the Board and is responsible for its governance structures, performance and effectiveness. The Non-Executive Directors are responsible for bringing independent and objective judgment to Board decisions. The Executive Directors are responsible for the operation of the business and delivering the strategic goals agreed by the Board.

As part of Somero's commitment to continuous improvement, the Board regularly reviews Somero's governance framework to ensure that it remains effective and appropriate for the business.

The Board is supported by the Audit Committee, Remuneration Committee, Nomination Committee and such other committees as may be deemed appropriate from time to time. There are certain material matters which are reserved for consideration by the full Board. Each of the committees has access to information and external advice, as necessary, to enable the committee to fulfil its duties.

For further information, please refer to Somero's "Board of Directors" website page at <https://investors.somero.com/about-somero/corporate-governance/board-of-directors>.

#### PRINCIPAL 8

**Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement.**

The Board periodically conducts a formal performance evaluation and considers the balance of skills, experience, independence and knowledge of Somero as well as its diversity, including gender, how the Board works as a unit, and other factors relevant to its effectiveness.

Although the Board does not undertake annual evaluations of its performance, it considers the intervals at which such evaluations takes place sufficient to ensure continuous Board effectiveness. The Nomination Committee makes recommendations to the Board in respect of succession planning for Directors and is responsible for the process of appointment.

Somero uses the following criteria against which Board, committee, and individual effectiveness is considered:

- Board contribution to company performance;
- company strategy and Board input;
- understanding the business, regulatory environment, and competition;
- risk management and mitigation;
- Board composition, skills, and diversity;
- Board behavior, relationships, and challenge;
- induction, development, and training;
- succession planning and talent retention;
- Board committees and division of responsibilities;
- Board meetings: conduct, focus, and priorities;
- Board support, information quality, and provision;
- leadership, individual contribution, and effectiveness; and
- stakeholder and shareholder engagement.

The Board considers that an externally facilitated performance review has not been required in the past year. Oversight of Board composition and effectiveness has instead been maintained through the work of the Nomination Committee. The Board will nevertheless continue to review this position and may engage external support in the future should it become appropriate.

For further information, please refer to Somero's "Board Committees" website page at <https://investors.somero.com/about-somero/corporate-governance/board-committees>.

# CORPORATE GOVERNANCE REPORT

## QCA PRINCIPAL

### PRINCIPAL 9

**Establish a remuneration policy which is supportive of long-term value creation and the Company's purpose, strategy and culture.**

## OUR APPROACH

Somero has established a remuneration policy, which is to provide executive remuneration packages to attract, motivate and retain Directors of the high calibre required and to reward them for enhancing value to stockholders.

The performance measurement of the Executive Directors and the determination of their annual remuneration package are undertaken by the Remuneration Committee consisting solely of Non-Executive Directors.

The Non-Executive Directors receive annual increases as determined by the full Board. In setting compensation, the Remuneration Committee takes account of the fairness and competitiveness of Executive and Non-Executive Compensation in comparison to peer companies and with regard to the US labor market.

The Remuneration of Non Executive Directors is approved by the Board. In framing remuneration policy, the Remuneration Committee has given consideration to the requirements of the Code.

For further information, our Directors' Remuneration Report is set out on pages 42 in this Annual Report and on our website: <https://investors.somero.com/about-somero/reports-results-and-presentations>.

### PRINCIPAL 10

**Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders.**

We are committed to maintaining good communications with our shareholders, and have put in place appropriate processes and structures to allow that to happen. Somero communicates with its shareholders through its Annual Report, trading announcements, the AGM and in the manner set out in the commentary in relation to Principle 3.

Somero announces the result of the proxy votes cast for each resolution proposed at each general meeting of its shareholders immediately after such meeting, and a range of corporate information (including all historical Annual Reports and notices of meetings, announcements, dividend information and presentations) is made available on Somero's "Investors" website page, which is available at <https://investors.somero.com>.

The Board receives regular updates on the views of shareholders through reports from its brokers and from Directors following shareholder engagement. Analysts' notes are reviewed and discussions held with Somero's brokers to maintain a broad understanding of varying investor views.

Somero's website is updated on a regular basis with information regarding Somero's activities and performance, including financial information. The details of all shareholder votes and their outcomes can also be found on Somero's website, along with historical Annual Reports and other governance-related material.

## THE AUDIT COMMITTEE

The Audit Committee comprises Messrs. Scheuer, Anderson, Horsch and Ms. Ellis, and is chaired by Mr. Scheuer. The Audit Committee determines and examines any matters relating to the financial affairs of the Company, including the terms of engagement of the Company's auditors and, in consultation with the auditors, the scope of the audit. It receives and reviews reports from management and the Company's auditors relating to the interim and annual accounts and the accounting and internal control systems in use throughout the Company. In addition, it ensures that the financial performance, position, and prospects of the Company are properly monitored and reported on. The Audit Committee has unrestricted access to the Company's auditors.

During the year, there were two Audit Committee meetings with full attendance.

	Year ended December 31, 2025 US\$ 000	Year ended December 31, 2024 US\$ 000
Audit	151	143
Other	–	–

The Company also separately engages a tax advisor in matters relating to tax compliance and filings.

	Year ended December 31, 2025 US\$ 000	Year ended December 31, 2024 US\$ 000
Tax	296	317
Other	–	–

## THE REMUNERATION COMMITTEE

The Remuneration Committee comprises Messrs. Anderson, Scheuer, Horsch and Ms. Ellis, and is chaired by Mr. Anderson.

The Remuneration Committee measures the performance of the Executive Directors and key members of senior management as a prelude to recommending their annual remuneration, bonus awards and awards of share options to the Board for final determination.

The Remuneration Committee also makes recommendations to the Board concerning the allocation of share options to employees.

During the year, there were three Remuneration Committee meetings with full attendance.

## INDEPENDENT DIRECTORS

The Board regards the Non-Executive Chairman, Robert Scheuer, and each of Lawrence Horsch, Thomas Anderson, and Anne Ellis as independent Non-Executive Directors.

The Board recognizes that Mr. Scheuer, Mr. Horsch, and Mr. Anderson each has served as an independent Non-Executive Director for more than ten years. Notwithstanding, having carefully considered the individual circumstances, the Board has determined that Mr. Scheuer, Mr. Horsch, and Mr. Anderson continue to be independent. This determination is reviewed on an ongoing basis and is based on a range of factors in addition to tenure, including dependency on compensation as a Director of the Company, size of shareholdings, commercial relationships with the Company and/or incentive pay agreements. Neither Mr. Scheuer, Mr. Horsch, nor Mr. Anderson are dependent on the compensation as a Director of the Company, which is based on a fixed cash fee, do not have material shareholdings in the Company nor any commercial relationships either directly or indirectly with the Company, nor participate in any performance-related pay schemes and Mr. Scheuer, Mr. Horsch, and Mr. Anderson have the strength of character and integrity to remain unaffected by circumstances that, in theory, may compromise their independence.

## THE NOMINATION COMMITTEE

The Nomination Committee comprises Messrs. Horsch, Anderson, Scheuer and Ms. Ellis, and is chaired by Mr. Horsch.

The Nomination Committee regularly reviews the structure, size, and composition of the Board to ensure that it has an appropriate balance of skills, knowledge, experience, and independence relative to the Company's strategy, risk profile, and stage of development. This review is informed by a structured assessment of Board capabilities and comparison against current and anticipated future requirements.

The Nomination Committee also makes recommendations to the Board with regard to any changes, and gives full consideration to succession planning for Directors and other senior executives in the course of its work, taking into account the challenges and opportunities facing the Company and the skills and experience that will be required to support the Group's long-term success. It is responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise.

The Nomination Committee supports equal opportunities in employment and advancement and opposes all forms of unlawful or unfair discrimination on the grounds of color, race, religion, age, nationality, gender or marital status. Full and fair consideration is given to applications for employment from disabled people. All our benefits are accessible to every staff member and we encourage and support personal and professional development. In addition to the three permanent committees discussed above, in accordance with applicable law and best practice the Board establishes ad hoc committees from time to time to deal with discrete matters within the Board's remit in an efficient and effective manner.

The Company adopted a code for Directors' and applicable employees' share dealings. The Directors will comply with Rule 21 of the AIM rules relating to Directors' dealings and will take all reasonable steps to ensure compliance by Somero's applicable employees. In 2016, the Company updated its dealing code to ensure compliance with the EU Market Abuse Regulations which came into effect in 2016 and apply to companies listed on AIM.

During the year, there were two Nomination Committee meeting with full attendance.

## AUDIT COMMITTEE REPORT

### STATEMENT BY THE CHAIR OF THE AUDIT COMMITTEE

On behalf of the Board, I am pleased to present our Audit Committee Report for the year ended December 31, 2025.

### AUDIT COMMITTEE RESPONSIBILITIES

The Audit Committee determines and examines any matters relating to the financial affairs of the Company, including the terms of engagement of the Company's auditors and, in consultation with the auditors, the scope of the audit. The Committee receives and reviews reports from management and the Company's auditors relating to the interim and annual accounts, and the accounting and internal control systems in use throughout the Company. In addition, it ensures that the financial performance, position and prospects of the Company are properly monitored and reported on.

The Audit Committee acts independently to ensure the interests of shareholders are protected in relation to financial reporting, internal controls and risk management. The Audit Committee is responsible for all aspects of the financial reporting of the business and has considered not only the integrity of financial reporting, but also how the challenges faced by the Company may flow through into internal control and the procedures implemented to sufficiently mitigate risk.

The Company's risk management is a permanent focus of the Audit Committee. Details of the Company's risk management, including principal risks and uncertainties, are shown on pages 30 – 31 of this Annual Report. The Audit Committee is also responsible for monitoring the integrity of the consolidated financial statements of the Company and any formal announcements relating to the Company's financial performance, including a review of the Company's accounting policies and areas of significant judgment and uncertainty.

The Audit Committee has unrestricted access to the Company's auditors and manages the relationship between the auditors and the Company. The independence of the auditors is kept under review and is considered at least annually with the aid of a memorandum presented to the Audit Committee by the auditors.

### AUDIT COMMITTEE MEMBERSHIP AND MEETINGS

The Audit Committee is Chaired by me, Robert Scheuer. The other members are Messrs. Anderson, Horsch and Ms. Ellis. Each of the Committee members are Non-Executive Directors of the Company, as set out in further detail on pages 32 – 33 of this Annual Report.

At the invitation of the Audit Committee, representatives of the Company's auditors usually attend Committee meetings. The Audit Committee meets at least twice per year. The meetings were attended by the CEO and CFO, as well as the external auditor, Whitley Penn LLP (Whitley Penn). In 2025, all meetings had full attendance. Additionally, the Committee meets the external auditor twice per year without executive management present, to discuss the auditor's remit and any issues arising.

### ACTIVITIES OF THE AUDIT COMMITTEE DURING THE YEAR

#### Financial reporting

The Audit Committee reviewed the content of the half-year and full-year results announcement and the 2025 Annual Report & Accounts to ensure the integrity of the content, financial statements, and related disclosures. The Audit Committee does this by considering, among other things, the accounting policies and practices adopted by the Company; the application of applicable reporting standards and compliance with broader governance requirements; reports detailing the approach taken by management to the key judgment areas from the external auditors.

The Audit Committee also considers significant issues including whether the business remains a going concern and whether the Annual Report & Accounts are fair, balanced and understandable, and provide the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

#### External Audit

The external auditor reports to the Audit Committee on actions taken to comply with professional and regulatory requirements. In addition, the Audit Committee considers risk areas that might inform the audit strategy, which are discussed with the external auditors.

The Audit Committee reviewed the scope of Whitley Penn's audit and reports outlining the audit work performed and conclusions reached on key risk areas and on the disclosures in the Annual Report & Accounts.

The Audit Committee agreed with the key risk areas identified by the auditors.

The Audit Committee has confirmed it is satisfied with the independence, objectivity and effectiveness of Whitley Penn as auditor and will support a resolution to retain them at the forthcoming Annual General Meeting.

No non-audit services were provided by the external auditors during the fiscal year.

#### Risk Review

Senior management identifies and evaluates major business risks, then designs and implements internal control systems to mitigate these risks. On an annual basis, an evaluation of the effectiveness of the Company's internal control systems is reported and discussed with the Board of Directors and the Audit Committee. The evaluation includes consideration of how internal control systems can be improved.

The Audit Committee is satisfied that the risk review process is sufficiently rigorous.

#### Robert Scheuer

Chair of the Audit Committee

March 10, 2026

## DIRECTORS' REMUNERATION REPORT

	Cash salary 2025	Bonus 2025	Bonus paid in common shares 2025 <sup>1</sup>	Other Remuneration 2025 <sup>2</sup>	Total 2025	Salary 2026	Restricted stock units held at Dec 31, 2025
<b>Executive Directors</b>							
T Averkamp <sup>3</sup>	\$383,333	\$30,966	\$39,103	–	\$453,401	<b>\$630,000</b>	65,579
V LiCausi	\$349,514	\$56,401	\$5,936	–	\$411,851	<b>\$400,000</b>	104,659
H Hohmann	\$473,800	\$78,177	–	–	\$551,977	<b>\$497,490</b>	134,327
<b>Non-Executive Directors</b>							
R Scheuer <sup>4</sup>	\$156,9034	–	–	–	\$156,903	<b>\$179,735</b>	–
L Horsch	\$136,5154	–	–	–	\$136,515	<b>\$128,355</b>	–
T Anderson	\$122,243	–	–	–	\$122,243	<b>\$128,355</b>	–
A Ellis	\$122,243	–	–	–	\$122,243	<b>\$128,355</b>	–

Notes:

- The amount included in the 2025 bonus that was paid in common shares in lieu of cash under the Company's Equity Bonus Plan, as described in Note 15 to the consolidated financial statements.
- No options were held by any Directors at December 31, 2025.
- Mr. Averkamp was appointed CEO on April 1, 2025.
- Effective April 17, 2025, Mr. Scheuer was appointed Non-Executive Chairman replacing Mr. Horsch who remained as Non-Executive Director.

### REMUNERATION POLICY

The Company's policy is to provide executive remuneration packages to attract, motivate and retain Directors of the high caliber required and to reward them for enhancing value to stockholders. The performance measurement of the Executive Directors and the determination of their annual remuneration package are undertaken by the Remuneration Committee consisting solely of Non-Executive Directors. The Non-Executive Directors receive annual increases as determined by the full Board. In setting compensation, the Remuneration Committee takes account of the fairness and competitiveness of Executive and Non-Executive Compensation in comparison to peer companies and with regard to the US labor market. The Remuneration of Non-Executive Directors is approved by the Board. In framing remuneration policy, the Remuneration Committee has given consideration to the requirements of the Code.

### COMPONENTS OF REMUNERATION

The components of executive remuneration are:

- basic salary, health and dental benefits, and retirement plan (100% match of executive's plan contributions up to 7% of executive's salary) determined by the Remuneration Committee and reviewed annually at the beginning of each year and when an individual changes position or responsibility;
- bonuses that are based solely on the performance and profitability of the Company. The maximum Executive Director bonus opportunity for 2025 and 2026 is 100% of salary. At the discretion of the Remuneration Committee and based upon employee election, up to 100% of annual bonus amounts can be paid in the form of common shares; and
- an award of restricted stock units to Executive Directors at 40% to 50% of salary in the first quarter of each financial year as further described later in this report.

Non-Executive Directors receive Board fees solely in cash and no equity-based remuneration.

### DIRECTORS' CONTRACTS

The Company has entered into employment agreements with Executive Directors and certain members of senior management. The terms of these agreements are 12 months and include non-compete and non-disclosure provisions as well as providing for defined severance payments in the event of termination or change in control. If any existing contract of employment is breached by the Company in the event of termination, the Company would be liable to pay, as damages, an amount approximating the net loss of salary and contractual benefits for the unexpired notice period. The Remuneration Committee will seek to ensure that the Director fulfills obligations to mitigate losses and will also give consideration to phased payments where appropriate.

The letters of appointment and terms are listed in the following chart.

Director	Class	Date of appointment	Termination Date
L Horsch	II	May 18, 2023	2026 AGM
T Anderson	II	May 18, 2023	2026 AGM
V LiCausi	II	May 18, 2023	2026 AGM
T Averkamp	III	April 1, 2025	2027 AGM
A Ellis	III	June 18, 2024	2027 AGM
H Hohmann	III	June 18, 2024	2027 AGM
R Scheuer	I	June 14, 2022	2028 AGM

Tim Averkamp is a Class III Director following his appointment on April 1, 2025 and that Tim shall hold office until the Class III Directors are next up for re-election at the 2027 AGM.

## DIRECTORS' REMUNERATION REPORT

### BASIC SALARY

Base salaries and Non-Executive Director fees for 2025 and 2026 are set out in the table on the previous page.

Salaries and fees were increased by 5.0% effective 1 January 2026, in line with the general salary increase applied across the wider employee base. Above this, the base salaries of the Chief Executive Officer and Chief Financial Officer were increased by a total of 20% and 10%, respectively, following a review by the Remuneration Committee to reflect role scope, experience, and market positioning. The Committee believes these adjustments are appropriate to ensure that remuneration for the most senior executive roles remains competitive, supports retention, and reflects the responsibilities associated with leading a global, publicly listed company.

### ANNUAL BONUS

In the year ended December 31, 2025, the Executive Directors earned bonuses as shown in the table on the previous page.

Bonus earned for 2025 was determined based on Company performance with variable payouts along a sliding scale ranging from 0%-200% of the on-target amount.

Bonuses paid to the Company's Executive Directors are determined entirely based on Company performance. Each year, Company performance targets are established and approved by the Remuneration Committee. At year-end, actual results are compared to established targets and the bonus earned is determined along a sliding scale that could result in no payout up to a maximum capped at two times the target bonus. For 2025, the annual established target approved by the Remuneration Committee was based on adjusted EBITDA.

In 2025, adjusted EBITDA was below target, reflecting global market conditions that impacted trading during the year, as discussed elsewhere in this Annual Report. As a result, the formulaic outcome under the bonus plan was below the sliding scale range. After careful consideration, and following a recommendation from the Remuneration Committee, the Board exercised its discretion to approve a bonus payment of 33% of target (target equals 50% of salary). This decision reflected the Committee's assessment that the factors affecting performance during 2025 were largely external and outside the control of management, together with the effective management of the business during a period of reduced workforce, continued profitability and cash generation, and progress made in advancing the Company's refreshed strategic framework.

The Committee believes that the exercise of discretion in these circumstances was appropriate and consistent with the objectives of the remuneration policy and the long-term interests of shareholders.

The annual bonus will operate in a similar manner in 2026. For 2026, the annual established target is EBITDA.

### EQUITY INCENTIVES, RESTRICTED STOCK UNITS

The Remuneration Committee approves the grant of equity awards to Executive Directors under the Company's discretionary equity incentive schemes. All equity awards issued by the Company in 2025 are governed by Somero's 2020 Equity Incentive Plan (the 2020 Plan) that was adopted by the Remuneration Committee in 2019. The 2020 Plan is a ten-year plan making up to 5.6 million of equity awards (stock options, restricted stock units or common shares) available to be granted over a ten-year period until 2030, which is 10.3% of the 54.3 million shares currently issued and outstanding at March 31, 2026.

The Company's policy is to make awards of Restricted Stock Units (RSUs) to Executive Directors with a value at award of 40% – 50% of salary in the first quarter of each financial year. These awards vest after three years subject to continued employment.

The Remuneration Committee has determined that aside from service period requirements, performance criteria should not be applied to these awards. The Remuneration Committee has determined that equity awards are critical incentives necessary to attract, retain and reward key organizational talent including Executive Directors. The Company's key employees, including its Executive Directors, are US-based and awards of this structure are common practice in the USA and so using this award type is essential to achieve the objectives outlined above.

The Remuneration Committee also notes that the industry in which the Company operates is cyclical, further supporting the commercial case for making awards of this structure. The awards provide simple powerful alignment between Executive Directors and the Company and Shareholders. The Remuneration Committee notes that restricted share awards are provided for by the UK Investment Association Principles of Remuneration. These Principles note that award levels should be discounted by at least 50% to the grant level of awards with performance conditions attached to reflect higher certainty of vesting. With awards set at 40% – 50% of salary, Somero's approach is in line with guidance.

Further, this plan was implemented in part due to the significant difficulty for US-based employees to access the AIM market due to securities legislation and administration issues. This plan has resulted in a steady increase in equity ownership across Executive Directors and Key Managers. For more information, see Note 15 within the Notes to the Financial Statements.

In 2025, Executive Directors were awarded RSUs as part of their annual incentive compensation plans. In line with the approach outlined above, on March 14, 2025 the Company made awards to Howard Hohmann and Vincenzo LiCausi with a weighted fair market value at 40% of salary as detailed in the table below. A further 222,080 RSU awards were made to Non-Director employees on the same date. On May 2, 2025, the Company made an award to Timothy Averkamp with a weighted fair market value at 50% of salary also detailed in the table below. Awarded RSUs vest three years from the date of the grant and require continued employment for the period. In 2025, 140,898 RSUs were exercised and 16,730 awards were forfeited. 395,032 units were issued leaving a balance of 883,753 units as of December 31, 2025. For more information, see Note 15 within the Notes to the Financial Statements.

Details of Directors' restricted stock units awarded, exercised and outstanding during 2025 are set out in the table opposite.

### DIRECTOR RESTRICTED STOCK UNITS

Director	Grant Date	January 1, 2025	Award (Exercise)	Canceled	December 31, 2025	Weighted average grant date fair market value per unit (USD)	Weighted average grant date total fair market value (USD)	Vesting date	Fully vested date
<b>Executive Directors</b>									
T Averkamp	5/2/2025	–	65,579	–	65,579	2.86	187,556	5/2/2028	5/2/2028
H Hohmann	3/14/2025	–	56,284	–	56,284	3.37	189,677	3/14/2028	3/14/2028
H Hohmann	3/15/2024	41,709	–	–	41,709	3.94	164,333	3/15/2027	3/15/2027
H Hohmann	3/13/2023	36,334	–	–	36,334	4.30	156,340	3/13/2026	3/13/2026
H Hohmann	3/11/2022	23,123	(23,123)	–	–	6.44	148,894	3/11/2025	3/11/2025
V LiCausi	3/14/2025	–	40,975	–	40,975	3.37	137,970	3/14/2028	3/14/2028
V LiCausi	3/15/2024	34,035	–	–	34,035	3.94	133,952	3/15/2027	3/15/2027
V LiCausi	3/13/2023	29,649	–	–	29,649	4.30	127,576	3/13/2026	3/13/2026
V LiCausi	3/11/2022	14,152	(14,152)	–	–	6.44	91,128	3/11/2025	3/11/2025

### DIRECTOR ORDINARY SHARES

	Ordinary Shares	
	January 1, 2025	December 31, 2025
R Scheuer	25,000	25,000
L Horsch	46,000	46,000
T Anderson	–	29,000
A Ellis	8,000	8,000
T Averkamp	–	–
H Hohmann	–	–
V LiCausi	66,469	66,469

### ANNUAL GENERAL MEETING

At our AGM in June 2025, we voluntarily put our Remuneration Report to an advisory resolution as we have in previous years. 98% of votes were cast in favor of this resolution. In response to proxy adviser comments in 2022, we have included additional information in our Remuneration Reports on the Company's RSU policy including the rationale for making awards of this structure because the Company is US-based and specifying that awards are made at 40% – 50% of salary and so in line with guidance in the UK Investment Association Principles of Remuneration.

In line with guidance under the 2023 Corporate Governance Code, at our 2026 AGM we will voluntarily put a resolution to approve the Remuneration Report, including the Remuneration Policy, as laid out in this section above, to shareholders.

Approved by the Board of Directors and signed on behalf of the Board.

## DIRECTORS' REPORT

The Directors present their Annual Report and the audited financial statements for the year ended December 31, 2025.

### ACTIVITIES

The principal activity of the Company is to design, assemble and sell equipment that automates the process of spreading and leveling large volumes of concrete for flooring and other horizontal surfaces, as well as to provide education, training and support services for its customers throughout the world. Somero's Operations and Support Offices are located in Michigan, USA with Global Headquarters and Training Facilities in Florida, USA. In addition, Somero maintains sales, parts, and service offices located in Chesterfield, UK; Kampenhout, Belgium; Melbourne, Australia; and New Delhi, India.

### REVIEW OF BUSINESS

A fair review of the Company's progress for the period reported, its future prospects and a description of the principal risks and uncertainties facing the Company are set out in the Chairman's and Chief Executive Officer's Statement, the Financial Review, the Directors' Report and the Corporate Governance Report.

The Directors' Report is prepared for the members of the Company and should not be relied upon by any other party for any other purpose.

The Directors' Report (including the Chairman's and Chief Executive Officer's Statement, the Financial Review and the Corporate Governance Report) contain certain forward-looking information and statements in relation to the Company's operations, economic performance and financial conditions. These statements are made by the Directors in good faith based on the information available to them at the time of the approval of this report and, although they believe that the expectations reflected in such forward-looking statements are reasonable, they should be treated with caution due to their inherent uncertainties, including both economic and business risk factors underlying such forward-looking statements or information.

### RESULTS AND DIVIDENDS

The audited results for the year are set out in detail below. Dividends equal to US\$ 9.3m were paid in 2025. A 6.24 US cents per share dividend was declared for the period ending December 31, 2025, with a record date of April 10, 2026, payable on May 8, 2026.

### Performance Graph

Somero stock is traded on the LSE AIM exchange and is therefore quoted in Pounds Sterling. The market price of the shares at December 31, 2025 was 220p. The range during the 2025 period of trading was 205p to 326p.



Apart from the stockholdings listed below, the Company has not been notified of any stockholdings which are 3% or more of the total issued ordinary shares of the Company.

	Amount	% holding
Mr. Brian Kelly	7,535,051	14.1
Regent Gas Holdings Limited	6,647,573	12.3
VN Capital Management	5,477,122	10.1
Unicorn Asset Management	3,090,000	5.7
TrinityBridge	3,042,863	5.6
Charles Stanley	2,494,815	4.6
Hargreaves Lansdown, stockbrokers (EO)	2,221,586	4.1
Interactive Investor (EO)	1,953,596	3.6
Lazard Freres Banque (PB)	1,894,000	3.5
Athanase Industrial Partner	1,842,852	3.4

### OTHER FINANCIAL ARRANGEMENTS

#### Quantitative and Qualitative Disclosure about Market Risk

The Company is exposed to market risk from changes in interest rates and foreign currency exchange rates because it may elect to fund its operations through long- and short-term borrowings and it receives revenues and incurs expenses in a variety of foreign currencies. The Company does not currently hedge against the risk of exchange rate fluctuations. A summary of the Company's primary market risk exposures follows.

#### Foreign Currency Risk

The Company's foreign sales and results of operations are subject to the impact of foreign currency fluctuations because it receives revenues and incurs expenses in a variety of foreign currencies.

However, the vast majority of products and services are priced in US dollars to significantly reduce the exposure to foreign currency risk.

#### Payments to Creditors

The Company's policy is to set payment terms when agreeing the terms of each transaction. It is the Company's general policy to pay suppliers according to the set terms, to ensure suppliers are informed of the terms of payment and to abide by these terms whenever possible.

#### Corporate Social Responsibility

The Company believes, as a good corporate citizen, it must care about the communities it is involved in, keep the environment healthy, provide a safe and rewarding place to work and behave ethically in all its business dealings. For more information regarding Somero's approach to social responsibility, please refer to the Stakeholder Engagement section on pages 22 – 23 of this Annual Report.

#### Donations

During the year, the Company made no political donations. Charitable donations were made in the amount of US\$ 104,500 for 2025.

For more information regarding Somero's community support, please refer to the Stakeholder Engagement section on pages 22-23 of this Annual Report.

#### Employment Policies

The Company supports equal opportunities in employment and advancement and opposes all forms of unlawful or unfair discrimination on the grounds of color, race, religion, age, nationality, gender or marital status. Full and fair consideration is given to applications for employment from disabled people. As an Equal Opportunity Employer, all our benefits are accessible to every staff member, and we encourage and support personal and professional development.

The Company has well established structures to communicate with employees at every level and to encourage their involvement regarding the Company's performance and future activities. As an organization, Somero Enterprises, Inc. prides itself on its honesty, integrity and high professional standards to deliver its services to its customers and in dealing with its staff and the public. It also demands the maintenance of these high standards in everything that it does. To this end, the Company has devised this policy and procedure in order to give encouragement and support to employees in coming forward and reporting certain types of conduct or activities that fall short of these high standards.

Under the Public Interest Disclosure Act 1998, employees who report wrongdoing of certain kinds have specific protection. The Company aims to ensure that by adherence to this policy and through proper use of the procedure, as far as possible, any such report shall be made internally in the first instance by making it possible for all employees to approach an appropriate person within the Company in order to draw their concerns to the attention of someone who has authority to act. This policy and procedure is aimed at ensuring that any employee who wishes to voice a concern regarding potential or actual wrongdoing on the part of the Company or anyone with whom the Company is associated feels sufficiently comfortable to do so.

#### Director Training

The Directors have continued to receive formal AIM compliance training from the initial listing on the AIM to the present date.

#### Health and Safety

The Board considers health and safety a key priority and believes it essential to conduct business to ensure the health, safety and welfare of all our employees and all other persons who may be affected by our activities. This includes members of the public, customers and trade contractors we may employ. We maintain ISO 9001 certification for quality.

#### Environment

It is our intention to take all reasonable measures to conduct our business activities so that damage to the environment and pollution is minimized. While, as an assembly operation our energy consumption is comparably low and net carbon footprint minimal, Somero continues to evaluate and invest in ways to improve energy efficiency and reduce waste in our operations. For more information regarding Somero's approach to business sustainability, please refer to the our ESG and Stakeholder Engagement sections on pages 20-23 of this Annual Report.

#### Vincenzo LiCausi

Company Secretary

March 10, 2026

## REPORT OF THE INDEPENDENT AUDITORS

### TO THE BOARD OF DIRECTORS AND STOCKHOLDERS OF SOMERO ENTERPRISES, INC.

#### Opinion

We have audited the consolidated financial statements of Somero Enterprises, Inc. (the "Company"), a Delaware corporation, which comprise the consolidated balance sheets as of December 31, 2025 and 2024, and the related consolidated statements of comprehensive income, changes in stockholders' equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America ("GAAP").

#### Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date that the consolidated financial statements are issued.

#### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

#### OTHER INFORMATION

Management is responsible for the other information attached to the consolidated financial statements. The other information comprises the management discussion and analysis but does not include the consolidated financial statements and our auditor's report thereon. Our opinion on the consolidated financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the consolidated financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.



Fort Worth, Texas  
March 10, 2026

## CONSOLIDATED BALANCE SHEETS

As of December 31, 2025 and December 31, 2024

	As of December 31,	
	2025 US\$ 000	2024 US\$ 000
<b>Assets</b>		
<b>Current assets:</b>		
Cash and cash equivalents	33,164	29,486
Accounts receivable – net of allowance for credit losses of US\$ 803 in 2025 and US\$ 1,194 in 2024	6,978	9,251
Inventories – net	21,016	18,816
Prepaid expenses and other current assets	2,210	2,576
Income tax receivable	1,078	1,286
Total current assets	64,446	61,415
Accounts receivable, non-current – net	693	567
Property, plant, and equipment – net	25,477	26,763
Financing lease right-of-use assets – net	928	546
Operating lease right-of-use assets – net	1,998	2,224
Intangible assets – net	836	978
Goodwill	3,294	3,294
Deferred tax asset	–	1,982
Other assets	258	347
<b>Total assets</b>	<b>97,930</b>	<b>98,116</b>
<b>Liabilities and stockholders' equity</b>		
<b>Current liabilities:</b>		
Accounts payable	6,765	3,544
Accrued expenses	5,319	7,409
Financing lease liability – current	292	229
Operating lease liability – current	356	332
Total current liabilities	12,732	11,514
Financing lease liability – long-term	523	247
Operating lease liability – long-term	1,710	1,967
Deferred tax liability	506	–
Other liabilities	47	87
<b>Total liabilities</b>	<b>15,518</b>	<b>13,815</b>
<b>Stockholders' equity</b>		
Preferred stock, US\$.001 par value, 50,000,000 shares authorized, no shares issued and outstanding	–	–
Common stock, US\$.001 par value, 80,000,000 shares authorized, 54,257,375 and 54,908,160 shares issued on December 31, 2025 and December 31, 2024, respectively, and 54,065,489 and 54,908,160 shares outstanding on December 31, 2025 and December 31, 2024, respectively	26	26
Less: treasury stock, 191,886 shares as of December 31, 2025 and 0 shares as of December 31, 2024 at cost	(589)	–
Additional paid in capital	9,386	10,947
Retained earnings	76,253	75,334
Other comprehensive loss	(2,664)	(2,006)
<b>Total stockholders' equity</b>	<b>82,412</b>	<b>84,301</b>
<b>Total liabilities and stockholders' equity</b>	<b>97,930</b>	<b>98,116</b>

See Notes to audited consolidated financial statements.

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2025 and 2024

	As of December 31,	
	2025 US\$ 000 Except per share data	2024 US\$ 000 Except per share data
<b>Revenue</b>	<b>88,857</b>	109,154
<b>Cost of sales</b>	<b>42,661</b>	50,350
<b>Gross profit</b>	<b>46,196</b>	58,804
<b>Operating expenses</b>		
Sales, marketing, and customer support	13,376	14,723
Engineering and product development	2,080	2,691
General and administrative	16,798	17,113
Total operating expenses	32,254	34,527
<b>Operating income</b>	<b>13,942</b>	24,277
<b>Other income (expense)</b>		
Interest expense	(55)	(53)
Interest income	433	354
Foreign exchange impact	793	(918)
Other	88	139
<b>Income before income taxes</b>	<b>15,201</b>	23,799
<b>Provision for income taxes</b>	<b>4,981</b>	5,195
<b>Net income</b>	<b>10,220</b>	18,604
<b>Other comprehensive income</b>		
Cumulative translation adjustment	(658)	323
<b>Comprehensive income</b>	<b>9,562</b>	18,927
<b>Earnings per common share</b>		
Earnings per share – basic	0.19	0.34
Earnings per share – diluted	0.18	0.33
<b>Weighted average number of common shares outstanding</b>		
Basic	54,604,352	55,126,730
Diluted	55,422,584	55,759,433

See Notes to audited consolidated financial statements.

## CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

For the years ended December 31, 2025 and 2024

	Common stock			Treasury stock		Retained earnings US\$ 000	Other Comprehensive loss US\$ 000	Total Stockholders' equity US\$ 000
	Shares	Amount US\$ 000	Additional paid-in capital US\$ 000	Shares	Amount US\$ 000			
<b>Balance – December 31, 2023</b>	55,550,697	26	13,253	51,329	(213)	72,498	(2,329)	83,235
Cumulative translation adjustment	–	–	–	–	–	–	323	323
Net income	–	–	–	–	–	18,604	–	18,604
Stock-based compensation	–	–	1,225	–	–	–	–	1,225
Dividend	–	–	–	–	–	(15,768)	–	(15,768)
Cancellation of treasury stock	(660,247)	–	(2,817)	(660,247)	2,817	–	–	–
RSUs settled for cash	–	–	(714)	–	–	–	–	(714)
Share buy-back	–	–	–	608,918	(2,604)	–	–	(2,604)
New shares issued	17,710	–	–	–	–	–	–	–
<b>Balance – December 31, 2024</b>	54,908,160	26	10,947	–	–	75,334	(2,006)	84,301
Cumulative translation adjustment	–	–	–	–	–	–	(658)	(658)
Net income	–	–	–	–	–	10,220	–	10,220
Stock-based compensation	–	–	931	–	–	–	–	931
Dividend	–	–	–	–	–	(9,301)	–	(9,301)
Cancellation of treasury stock	(664,899)	–	(2,038)	(664,899)	2,038	–	–	–
RSUs settled for cash	–	–	(454)	–	–	–	–	(454)
Share buyback	–	–	–	856,785	(2,627)	–	–	(2,627)
New shares issued	14,114	–	–	–	–	–	–	–
<b>Balance – December 31, 2025</b>	54,257,375	26	9,386	191,886	(589)	76,253	(2,664)	82,412

See Notes to audited consolidated financial statements.

## CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended December 31, 2025 and 2024

	Year ended December 31,	
	2025 US\$ 000	2024 US\$ 000
<b>Cash flows from operating activities:</b>		
Net income	10,220	18,604
Adjustments to reconcile net income to net cash provided by operating activities:		
Deferred taxes	2,488	(308)
Depreciation and amortization	2,223	1,830
Non-cash lease expense	379	334
Provision for credit recoveries	(234)	(633)
Stock-based compensation	931	1,225
Gain on sale of property and equipment	—	(74)
Working capital changes:		
Accounts receivable	2,381	81
Inventories	(2,200)	559
Prepaid expenses and other current assets	366	(188)
Other assets	89	(106)
Accounts payable, accrued expenses and other liabilities	956	(312)
Income tax payable (receivable)	208	(3,385)
<b>Net cash provided by operating activities</b>	<b>17,807</b>	<b>17,627</b>
<b>Cash flows from investing activities:</b>		
Property, plant, and equipment purchases	(795)	(2,449)
<b>Net cash used in investing activities</b>	<b>(795)</b>	<b>(2,449)</b>
<b>Cash flows from financing activities:</b>		
Payment of dividend	(9,301)	(15,768)
RSUs settled for cash	(454)	(714)
Payments under financing leases	(294)	(240)
Share buy back	(2,627)	(2,604)
<b>Net cash used in financing activities</b>	<b>(12,676)</b>	<b>(19,326)</b>
Effect of exchange rates on cash and cash equivalents	(658)	323
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>3,678</b>	<b>(3,825)</b>
Cash and cash equivalents:		
Beginning of period	29,486	33,311
End of period	33,164	29,486

See Notes to audited consolidated financial statements.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2025 and 2024

### 1. ORGANIZATION AND DESCRIPTION OF BUSINESS

#### Nature of business

Somero Enterprises, Inc. (the "Company" or "Somero") designs, assembles, remanufactures, sells, and distributes concrete leveling, contouring, and placing equipment, related parts and accessories, and training services worldwide. Somero's Operations and Support Offices are located in Michigan, USA with Global Headquarters and Training Facilities in Florida, USA. Sales, parts and service offices are in Chesterfield, England; Kampenhout, Belgium; Melbourne, Australia and New Delhi, India.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Basis of presentation

The consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

#### Principles of consolidation

The consolidated financial statements include the accounts of Somero Enterprises, Inc., and its subsidiaries. All significant intercompany transactions and accounts have been eliminated in consolidation.

#### Use of estimates

The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying Notes. Actual results could differ from those estimates.

#### Cash and cash equivalents

Cash includes cash on hand, cash in banks, and temporary investments with a maturity of three months or less when purchased. The Company maintains deposits in a number of financial institutions globally, which may at times exceed amounts covered by insurance provided by the U.S. Federal Deposit Insurance Corporation ("FDIC"). The Company has not experienced any losses related to amounts in excess of FDIC limits.

#### Restricted Cash

Restricted cash of approximately US\$ 333,000 and US\$ 320,000 is included in "Cash and cash equivalents" on the consolidated balance sheets as of December 31, 2025 and December 31, 2024. This represents cash deposited by the Company into a guaranteed deposit account and designated as collateral for the building lease in Australia and Belgium, in accordance with the lease agreement.

#### Accounts receivable and allowances for credit losses

Financial instruments which potentially subject the Company to concentration of credit risk consist primarily of accounts receivable. The Company's accounts receivable are derived from revenue earned from a diverse group of customers. The Company performs credit evaluations of its commercial customers and maintains an allowance for credit losses based upon the expected ability to collect accounts receivable. Allowances, if necessary, are established for amounts determined to be uncollectible based on specific identification and historical experience. As of December 31, 2025 and December 31, 2024, the allowance for credit losses was approximately US\$ 803,000 and US\$ 1,194,000, respectively. Provision for credit recoveries for the years ended December 31, 2025 and 2024, was approximately US\$ 234,000 and US\$ 633,000, respectively. The opening balance of accounts receivable on January 1, 2024 was US\$ 9,266,000, which includes US\$ 431,000 of non-current accounts receivable.

#### Inventories

Inventories are stated using the first in, first out ("FIFO") method, at the lower of cost or net realizable value ("NRV"). Provision for potentially obsolete or slow-moving inventory is made based on management's analysis of inventory levels and future sales forecasts. As of December 31, 2025 and December 31, 2024, the provision for obsolete and slow-moving inventory was approximately US\$ 1,887,000 and US\$ 1,163,000, respectively.

#### Intangible assets and goodwill

Intangible assets consist primarily of customer relationships, trademarks, and patents, and are carried at their fair value when acquired, less accumulated amortization. Intangible assets are amortized using the straight-line method over a period of three to twelve years, which is their estimated period of economic benefit.

Goodwill is not amortized but is subject to impairment tests on an annual basis, and the Company has chosen December 31 as its periodic assessment date. Goodwill represents the excess cost of the business combination over the Company's interest in the fair value of the identifiable assets and liabilities. Goodwill arose from the Company's prior sale from Dover Corporation to The Gores Group in 2005 and the purchase of the Line Dragon, LLC business assets in January 2019. The Company did not incur a goodwill impairment loss for the periods ended December 31, 2025 nor December 31, 2024.

#### Revenue recognition

The Company generates revenue by selling equipment, parts, accessories, service agreements and training. The Company recognizes revenue for equipment, parts, and accessories when it satisfies the performance obligation of transferring the control to the customer. For product sales where shipping terms are FOB shipping point, revenue is recognized upon shipment. For arrangements which include FOB destination shipping terms, revenue is recognized upon delivery to the customer. The Company recognizes the revenue for service agreements and training once the service or training has occurred.

As of December 31, 2025 and December 31, 2024, there were approximately US\$ 467,000 and US\$ 520,000, respectively, of extended service agreement liabilities. The opening balance of extended service agreement liabilities on January 1, 2024 was US\$ 600,000. During the years ended December 31, 2025 and 2024, approximately US\$ 438,000 and US\$ 489,000 respectively, of revenue was recognized related to the amounts recorded as liabilities on the consolidated balance sheets in the prior year (deferred contract revenue).

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2025 and December 31, 2024, there were approximately US\$ 3,561,000 and US\$ 505,000, respectively, in customer deposit liabilities for advance payments received during the period for contracts expected to ship following the end of the period. The opening balance of customer deposit liabilities for advance payments received on January 1, 2024 was US\$ 1,635,000. As of December 31, 2025 and December 31, 2024, there are no significant contract costs such as sales commissions or costs deferred. Interest income on financing arrangements is recognized as interest accrues, using the effective interest method.

### Warranty liability

The Company provides warranties on all equipment sales ranging from 60 days to three years, depending on the product. Warranty liabilities are estimated net of the warranty passed through to the Company from vendors, based on specific identification of issues and historical experience.

	US\$ 000
Balance, January 1, 2024	(1,290)
Warranty charges	497
Accruals	(394)
Balance, December 31, 2024	(1,187)
Balance, January 1, 2025	(1,187)
Warranty charges	343
Accruals	(431)
<b>Balance, December 31, 2025</b>	<b>(1,275)</b>

### Property, plant, and equipment

Property, plant, and equipment is stated at cost, net of accumulated depreciation and amortization. Land is not depreciated. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which is 31.5 to 40 years for buildings (depending on the nature of the building), 15 years for improvements, and three to ten years for machinery and equipment.

### Income taxes

The Company determines income taxes using the asset and liability approach. Tax laws require items to be included in tax filings at different times than the items are reflected in the consolidated financial statements. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to temporary differences between the consolidated financial statement carrying amounts of existing assets and liabilities and their respective tax basis and operating loss and tax credit carry forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. Deferred tax assets are reduced by a valuation allowance, if necessary, to the extent that it appears more likely than not that such assets will be unrecoverable.

The Company evaluates tax positions that have been taken or are expected to be taken in its tax returns and records a liability for uncertain tax positions. This involves a two-step approach to recognizing and measuring uncertain tax positions. First, tax positions are recognized if the weight of available evidence indicates that it is more likely than not that the position will be sustained upon examination, including resolution of related appeals or litigation processes, if any. Second, the tax position is measured as the largest amount of tax benefit that has a greater than 50% likelihood of being realized upon settlement.

### Stock-based compensation

The Company recognizes the cost of employee services received in exchange for an award of equity instruments in the consolidated financial statements over the period the employee is required to perform the services in exchange for the award (presumptively the vesting period). The Company measures the cost of employee services in exchange for an award based on the grant-date fair value of the award. Compensation related to stock-based payments was approximately US\$ 931,000 and US\$ 1,225,000 for the year ended December 31, 2025 and 2024, respectively. In addition, the Company settled approximately US\$ 454,000 and US\$ 714,000 in restricted stock units for cash during the year ended December 31, 2025 and 2024, respectively.

### Transactions in and translation of foreign currency

The functional currency for the Company's subsidiaries outside the United States is the applicable local currency. The preparation of the consolidated financial statements requires the translation of these financial statements to USD. Balance sheet amounts are translated at period-end exchange rates and the statement of comprehensive income accounts are translated at average rates. The resulting gains or losses are charged directly to accumulated other comprehensive income. The Company is also exposed to market risks related to fluctuations in foreign exchange rates because some sales transactions, and some assets and liabilities of its foreign subsidiaries, are denominated in foreign currencies other than the designated functional currency. Gains and losses from transactions are included as foreign exchange impact in the accompanying consolidated statements of comprehensive income.

### Comprehensive income

Comprehensive income is the combination of reported net income and other comprehensive income ("OCI"). OCI is changes in equity of a business enterprise during a period from transactions and other events and circumstances from non-owner sources not included in net income.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

### Earnings per share

Basic earnings per share represents income available to common stockholders divided by the weighted average number of common shares outstanding during the year. Diluted earnings per share reflect additional common shares that would have been outstanding if dilutive potential common shares had been issued using the treasury stock method.

Potential common shares that may be issued by the Company relate to outstanding restricted stock units. Earnings per common share have been computed based on the following:

	Year ended December 31,	
	2025 US\$ 000	2024 US\$ 000
Net income	10,220	18,604
Basic weighted shares outstanding	54,604,352	55,126,730
Net dilutive effect of restricted stock units	818,232	632,702
Diluted weighted average shares outstanding	55,422,584	55,759,432

### Fair value

The carrying values of cash and cash equivalents, accounts receivable, accounts payable, and other current assets and liabilities approximate fair value because of the short-term nature of these instruments.

### New accounting pronouncements

In December 2023, the FASB issued ASU 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures". This update enhances the transparency of income tax disclosures by requiring consistent categories and greater disaggregation of information in the rate reconciliation, as well as disaggregation of income taxes paid by jurisdiction. The Company adopted this guidance for the year ended December 31, 2025 on a prospective basis. The adoption of this ASU resulted in increased disaggregation in our rate reconciliation table, particularly regarding state and foreign tax effects, but did not have a material impact on the Company's consolidated financial statements.

## 3. INVENTORIES

Inventories consisted of the following:

	December 31, 2025 US\$ 000	December 31, 2024 US\$ 000
Raw material	11,081	10,229
Finished goods and work in process	6,118	5,974
Remanufactured	3,817	2,613
Total	21,016	18,816

## 4. GOODWILL AND INTANGIBLE ASSETS

Goodwill represents the excess of the cost of a business combination over the fair value of the net assets acquired. The Company is required to test goodwill for impairment at the reporting unit level annually and when events or circumstances indicate the fair value of a unit may be below its carrying value. The following table reflects other intangible assets:

	Weighted average Amortization Period	December 31, 2025 US\$ 000	December 31, 2024 US\$ 000
Capitalized cost	Patents Intangible Assets	12 years 19,247 7,434	19,247 7,434
		26,681	26,681
Accumulated amortization	Patents Intangible Assets	12 years 18,891 6,954	18,819 6,884
		25,845	25,703
Net carrying costs	Patents Intangible Assets	12 years 356 480	428 550
		836	978

Amortization expense associated with the intangible assets in each of the years ended December 31, 2025 and 2024 was approximately US\$ 142,000 and US\$ 142,000, respectively. The amortization expense for each of the next five years will be approximately US\$ 142,000 and the remaining amortization thereafter will be approximately US\$ 126,000.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 5. PROPERTY, PLANT, AND EQUIPMENT

Property, plant, and equipment consist of the following:

	December 31, 2025 US\$ 000	December 31, 2024 US\$ 000
Land	864	864
Building and improvements	26,407	26,291
Machinery and equipment	10,481	9,794
	<b>37,752</b>	36,949
Less: accumulated depreciation and amortization	(12,275)	(10,186)
	<b>25,477</b>	26,763

Depreciation expense for the year ended December 31, 2025 and 2024 was approximately US\$ 2,081,000 and US\$ 1,688,000, respectively.

### 6. LINE OF CREDIT

In August 2022, the Company updated its credit facility to a US\$ 25.0m secured revolving line of credit, with a maturity date of August 2027. The interest rate on the revolving credit line is based on the BSBY Index plus 1.25%. The Company's credit facility is secured by substantially all its business assets. No amounts were drawn under the secured revolving line of credit as of December 31, 2025 and December 31, 2024.

Interest expense for the year ended December 31, 2025 and 2024 was approximately US\$ 55,000 and US\$ 53,000, respectively, and relates primarily to interest costs on leased vehicles.

### 7. RETIREMENT PROGRAM

The Company has a savings and retirement plan for its employees, which is intended to qualify under Section 401(k) of the Internal Revenue Code ("IRC"). This savings and retirement plan provides for voluntary contributions by participating employees, not to exceed maximum limits set forth by the IRC. The Company's matching contributions vest immediately. The Company contributed approximately US\$ 990,000 and US\$ 1,022,000 to the savings and retirement plan during the year ended December 31, 2025 and 2024, respectively.

### 8. LEASES

The Company leases property, vehicles, and equipment under leases accounted for as operating and finance leases. The leases have remaining lease terms of less than one year to seven years, some of which include options for renewal. The exercise of these renewal options is at the sole discretion of the Company. The right-of-use assets and related liabilities presented on the consolidated balance sheets, reflect management's current expectations regarding the exercise of renewal options. The components for lease expense were as follows:

	Year Ended December 31, 2025 US\$ 000	Year Ended December 31, 2024 US\$ 000
Operating lease cost	573	688
Finance lease cost:		
Amortization of right-of-use assets	309	396
Interest on lease liabilities	49	42
Total finance lease cost	<b>358</b>	438

As of December 31, 2025, the weighted average remaining lease term for finance and operating leases was 2.9 years and 6.0 years, respectively, and the weighted average discount rate was 8.2% and 6.0%, respectively. As of December 31, 2024, the weighted average remaining lease term for finance and operating leases was 2.4 years and 6.7 years, respectively, and the weighted average discount rate was 8.5% and 6.0%, respectively.

Maturities of lease liabilities represent the full 12 months of each successive period as follows:

	Operating Leases US\$ 000	Finance Leases US\$ 000
2026	489	349
2027	489	293
2028	366	218
2029	279	59
2030	279	-
Thereafter	557	-
Total	<b>2,459</b>	919
Less imputed interest	(393)	(104)
Total	<b>2,066</b>	815

### 9. SUPPLEMENTAL CASH FLOW AND NON-CASH FINANCING DISCLOSURES

	Year ended December 31,	
	2025 US\$ 000	2024 US\$ 000
Cash paid for interest	48	69
Cash paid for taxes	2,211	8,158
Finance lease liabilities arising from obtaining right-of-use assets	774	168
Operating lease liabilities arising from obtaining right-of-use assets	-	652

### 10. BUSINESS AND CREDIT CONCENTRATION

The Company's line of business could be significantly impacted by, among other things, the state of the general economy, the Company's ability to continue to protect its intellectual property rights, and the potential future growth of competitors. Any of the foregoing may significantly affect management's estimates and the Company's performance. On December 31, 2025 and December 31, 2024, the Company had four customers which represented 33% and three customers that represented 19% of total accounts receivable, respectively.

### 11. ALLOWANCE FOR CREDIT LOSSES

The allowance for credit losses for accounts receivable and the related activity as of December 31:

	2025 US\$ 000	2024 US\$ 000
Beginning balance	1,194	1,862
Provision for credit losses	-	-
Write-offs	(157)	(35)
Recoveries	(234)	(633)
Ending balance	<b>803</b>	1,194

### 12. COMMITMENTS AND CONTINGENCIES

The Company has entered into employment agreements with certain members of senior management. The terms of these are for renewable one-year periods and include non-compete and non-disclosure provisions as well as provide for defined severance payments in the event of termination or change in control.

The Company is also subject to various unresolved legal actions which arise in the normal course of its business. Although it is not possible to predict with certainty the outcome of these unresolved legal actions or the range of possible losses, the Company believes these unresolved legal actions will not have a material effect on its consolidated financial statements.

### 13. INCOME TAXES

Income before income tax expense (benefit) for the year ended December 31, 2025 is as follows (in thousands):

	2025 US\$ 000
US income before tax	17,776
Foreign loss before tax	(2,575)
Total income before tax	<b>15,201</b>

Significant components of the provision for income tax expense (benefit) are as follows (in thousands):

	2025 US\$ 000	2024 US\$ 000
<b>Current Income Tax Expense</b>		
Federal	1,971	4,382
State	522	1,079
Foreign	-	42
Total current income tax expense	<b>2,493</b>	5,503
<b>Deferred Income Tax Expense (Benefit)</b>		
Federal	1,525	427
State	106	(20)
Foreign	857	(715)
Total deferred income tax expense (benefit)	<b>2,488</b>	(308)
Total income tax expense	<b>4,981</b>	5,195

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 2025 and 2024, the effects of temporary differences that give rise to the deferred tax assets are as follows (in thousands):

	2025 US\$ 000	2024 US\$ 000
<b>Deferred tax assets:</b>		
Provision for credit losses	120	109
Inventory	527	287
Accrued expenses	278	287
UK intangibles	142	142
Stock compensation	439	451
Foreign NOL	1,863	1,352
Foreign tax credit	357	357
Lease liability	–	21
Capitalized research expenditures	71	1,612
Other	169	173
Gross deferred tax assets	3,966	4,791
Less: valuation allowance	(2,005)	(636)
Total deferred tax assets	1,961	4,155
<b>Deferred tax liabilities:</b>		
Prepaid expenses	(210)	(186)
Fixed assets	(1,724)	(1,448)
Intangible assets	(533)	(526)
Right of use assets	–	(13)
Total deferred tax liabilities	(2,467)	(2,173)
Net deferred tax asset (liability)	(506)	1,982

A reconciliation of the differences between the effective tax rate and the federal statutory tax rate for the year ended December 31, 2024 is as follows (in thousands):

	2024 US\$ 000
Consolidated Income Before Tax	23,799
Statutory Rate	21%
Statutory Rate Expense	4,998
State taxes	813
Foreign Taxes	(314)
Permanent differences due to stock options & RSUs	38
Permanent differences due to other items	9
Foreign Derived Intangible Income	(464)
Change in Valuation Allowance	182
Tax credits	(197)
Other	130
	5,195

### 13. INCOME TAXES CONTINUED

A reconciliation of the differences between the effective tax rate and the federal statutory tax rate for the year ended December 31, 2025 is as follows (in thousands):

	Amount	Percent
U.S. Federal Statutory Rate	3,194	21.00%
State and Local Income Taxes, Net of Federal Income Tax Effect (a)	521	3.43%
Foreign Tax Effects:		
<b>United Kingdom</b>		
Change in Valuation Allowance	369	2.43%
Other	(10)	-0.06%
<b>Belgium</b>		
Change in Valuation Allowance	396	2.60%
Other	(54)	-0.36%
<b>Australia</b>		
Change in Valuation Allowance	615	4.04%
Other	92	0.61%
<b>Italy</b>		
Other	(11)	-0.07%
Effects of Cross-Border Tax Laws:		
Foreign Derived Intangible Income	(195)	-1.28%
Other	69	0.45%
Tax credits	(115)	-0.75%
Change in valuation allowance	–	0.00%
Nontaxable or nondeductible items	127	0.84%
Changes in unrecognized tax benefit	–	0.00%
Other	(17)	-0.11%
Effective tax rate	4,981	32.76%

(a) State taxes in Michigan, Florida, and Illinois make up the majority (greater than 50 percent) of the effect of this category.

As of December 31, 2025, the Company has US\$ 7.14 m of foreign loss carryforwards with an indefinite carryforward life. Management assesses the recoverability of our deferred tax assets as of the end of each quarter, weighing all positive and negative evidence, and are required to establish and maintain a valuation allowance for these assets if we determine that it is more likely than not that some or all of the deferred tax assets will not be realized. The weight given to the evidence is commensurate with the extent to which the evidence can be objectively verified. If negative evidence exists, positive evidence is necessary to support a conclusion that a valuation allowance is not needed. As of December 31, 2025, management has determined that a valuation allowance is currently needed against the Company's Australia, Belgium, Italy, and UK deferred tax assets.

The Company files income tax returns in the U.S. federal jurisdiction and various state jurisdictions. The Company has no open years for the tax year 2021 and forward at the end of December 31, 2025. The Company has open years related to United Kingdom filings for the tax year 2021, and open years related to Italian filings for tax years 2020 forward.

The Company adopted the accounting standard for uncertain tax positions, ASC 740-10, and as required by the standard, the Company recognizes the financial statement benefit of a tax position only after determining that the relevant tax authority would more likely than not sustain the position following an audit. For tax positions meeting the more likely than not threshold, the amount recognized in the consolidated financial statements is the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement with the relevant tax authority.

Increases or decreases to the unrecognized tax benefits could result from management's belief that a position can or cannot be sustained upon examination based on subsequent information or potential lapse of the applicable statute of limitation for certain tax positions.

#### Statement of Cash Flow Disclosure

The amounts of cash income taxes paid by the Company were as follows:

	2025
Jurisdiction	
Federal	1,490
State and local	465
Foreign	
Belgium	208
All other foreign	74
Income taxes, net of amounts refunded	2,237

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 14. REVENUES BY GEOGRAPHIC REGION AND SEGMENT REPORTING

The Company sells its products to customers throughout the world. The Company operates as a single reportable segment for financial reporting purposes. While revenue is disaggregated by geography, the business is managed and evaluated as a single operating segment by the Chief Operating Decision Makers ("CODM"), comprised of the Executive Leadership Team – CEO, CFO, EVP of Sales and President of Global Operations. This is because all geographic regions provide the same types of products and services to a similar customer base, and the CODM assesses financial performance and allocates resources on a consolidated basis rather than by individual geography.

In making key decisions and allocating resources, the CODM primarily evaluates the Company's consolidated profitability, with a focus on EBITDA, as this metric provides a comprehensive view of operational performance. Revenue by geography is reviewed to identify trends, but profitability remains the primary measure of performance.

The accounting policies are the same in all geographies as described in the summary of significant accounting policies. The chief operating decision maker assesses performance and decides how to allocate resources based on profitability reported on the income statement.

The following table shows the breakdown by geography during the year ended December 31, 2025 and 2024:

USD \$000	North America		Europe		Australia		ROW <sup>(1)</sup>		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Boomed screeds <sup>(2)</sup>	26,246	31,374	4,092	7,171	2,740	2,738	1,711	1,803	34,789	43,085
Ride-on screeds <sup>(3)</sup>	11,893	13,927	1,989	3,279	591	1,513	1,626	1,622	16,099	20,341
Remanufactured machines	5,440	5,829	–	1,034	–	–	321	189	5,761	7,052
3-D Profiler System	5,782	8,576	378	228	798	792	–	–	6,958	9,596
Parts & Service	12,875	14,360	1,660	1,893	792	1,075	1,648	1,778	16,975	19,107
Other <sup>(4)</sup>	5,856	8,158	754	1,000	628	434	1,037	381	8,275	9,973
Total	68,092	82,224	8,873	14,605	5,549	6,552	6,343	5,773	88,857	109,154

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

2. Boomed Screeds include the S-28EZ, S-22EZ, S-15R, S-15EZ, SRS-6, SRS-4 and SRS-4e.

3. Ride-on Screeds include the S-940, S-940e, S-485, Hammerhead, and S-158C.

4. Other includes training and freight, as well as other equipment such as the SkyScreed®, SkyStrip®, Somero Broom + Cure®, STS-11M Topping Spreader, STS-11HC Topping Spreader, Copperhead, Somero Line Dragon®, Mini Screed C and S-PS50.

### 15. STOCK-BASED COMPENSATION

The Company has stock-based compensation plans which are described below. The compensation cost that has been charged against income for the plans was approximately US\$ 931,000 and US\$ 1,225,000 for the years ended December 31, 2025 and 2024, respectively. The income tax effect recognized for stock-based compensation was US\$ 0.1m and US\$ 0.2m, respectively, for the years ended December 31, 2025 and 2024.

#### Restricted stock units

The Company regularly issues restricted stock units to employees subject to Board approval. The Company establishes the fair market value of the restricted stock units at the grant date, based on the stock price and applicable exchange rate.

A summary of restricted stock unit activity in 2025 and 2024 is presented below:

	Shares	Grant date fair market value US\$
Outstanding at January 1, 2024	570,750	2,901,453
Granted	265,063	1,043,174
Vested or settled for cash	(180,962)	(921,711)
Forfeited	(8,502)	(45,000)
Outstanding at December 31, 2024	646,349	2,977,916

	Shares	Grant date fair market value US\$
Outstanding at January 1, 2025	646,349	2,977,916
Granted	395,032	1,287,178
Vested or settled for cash	(140,898)	(907,244)
Forfeited	(16,730)	(65,000)
Outstanding at December 31, 2025	883,753	3,292,850

RSUs settled for cash were US\$ 454,000 in 2025 and US\$ 714,000 in 2024.

As of December 31, 2025, there was US\$ 1,240,000 total unrecognized compensation cost related to non-vested restricted stock units. Restricted stock unit expense is being recognized over the three-year vesting period. The weighted average remaining vesting period is 1.25 years.

### 16. EMPLOYEE COMPENSATION

The Board approved management bonuses and profit-sharing payments totaling US\$ 736,000 and US\$ 1.2m, partly paid in December 2025 and 2024, respectively. The remainder to be paid in early 2026, based upon the Company meeting certain financial targets. Amounts not paid during 2025 are included in accrued expenses in the accompanying consolidated balance sheets.

#### Equity bonus plan

The Company has an Equity Bonus Plan, under which eligible senior managers may choose to receive a percentage of their annual performance bonus in shares of common stock. In March 2025, the Company issued 6,906 shares of common stock, valued at US\$ 23,000 at the time of grant. In March 2024, the Company issued 5,310 shares of common stock, valued at US\$ 21,000 at the time of grant.

### 17. SHARE BUYBACK

In February 2025 and 2024, the Board authorized on-market share buyback programs for such number of its listed shares of common stock as are equal to US\$ 2,000,000 for each program. The maximum price paid per common share was no more than the higher of 105 percent of the average middle market closing price of common share for the five business days preceding the date of the share buyback, the price of the last independent trade and the highest current independent purchase bid. As of December 31, 2025, the Company purchased 657,140 shares of common stock for an aggregate value of US\$ 1,996,000 pursuant to the share buyback program authorized in 2025, and 199,645 shares of common stock for an aggregate value of US\$ 631,000, which completed the share buyback program authorized in 2024. In connection with the Company's share buyback programs authorized in 2025 and 2024, 664,899 shares held in treasury were canceled in 2025.

### 18. SUBSEQUENT EVENTS

In preparing the consolidated financial statements, the Company has evaluated all subsequent events and transactions for potential recognition or disclosure through March 10, 2026, the date the consolidated financial statements were available for issuance.

#### Dividend

The Board approved a dividend payout ratio of 50% of adjusted net income and is pleased to announce a final 2025 dividend of 6.24 US cents per share that will be payable on May 8, 2026 to shareholders on the register at April 10, 2026. Together with the interim dividend paid in October 2025 of 4.00 US cents per share, this represents a full year regular dividend to shareholders of 10.24 US cents per share.

Distribution amount:	\$0.0624 cents per share
Ex-dividend date:	9 April 2026
Dividend record date:	10 April 2026
Final day for currency election:	24 April 2026
Payment date:	8 May 2026

#### Equity bonus plan

In February 2026, the Board approved the 2025 Equity Bonus Plan, under which eligible senior managers can elect to receive up to 100% of their 2025 annual performance bonus in shares of common stock. The Company expects to issue shares for awards under the 2025 Equity Bonus Plan in 2026.

#### Share buyback

In February 2026, the Board approved a share buyback program, pursuant to which, the Board intends to carry out an on-market buyback of such number of its listed shares of common stock as are equal to US\$ 4,000,000. The purpose of the program is to mitigate future dilution resulting from share issuances under the Company's equity award programs and fund opportunistic share repurchases. In April 2026, the Board approved an increase to the 2026 share buyback authorization to US\$ 6,000,000 on the same terms. The Company estimates that the program will be fulfilled by the end of 2026.

## OTHER UNAUDITED INFORMATION

### DIVIDEND

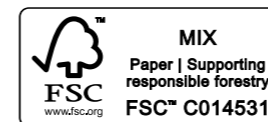
All dividends, have the option of being paid in either GBP or USD subject to the underlying agreements between shareholders and their brokers which Somero cannot override. Payments in USD can be paid by Check or through CREST. Payments in GBP can be paid via Check, CREST and BACS. The default option if no election is made will be for a USD payment via check. Should shareholders wish to change their current currency or payment methods, forms are available through Computershare Investor Services PLC at <https://www-uk.computershare.com/Investor/Content/c057a8a7-f4f8-4fcb-a497-836ce2f708d5>.

If shares are held as Depositary Interests through a broker or nominee, the holding company must be contacted and advised of the payment preferences. Such requests are subject to the terms and conditions of the broker or nominee.

Additional information on currency election and tax withholding can be found at: <https://investors.somero.com/aim-rule-26>. Shareholders can also contact Computershare Investor Services PLC by telephone at +44 (0370) 702 0000 or email via [webcorres@computershare.co.uk](mailto:webcorres@computershare.co.uk).

### ANNUAL GENERAL MEETING

The Annual General Meeting of Stockholders (the "AGM") of the Company will be held 46980 State Hwy M26 Atlantic Mine, Michigan 49905 USA on June 17, 2026 at 9:00 am local time. The notice of the AGM shall be released with the Annual Report and shall include instructions for remote participation. Stockholders of record at the close of business on April 21, 2026 will be entitled to receive notice of, and vote at, the AGM.



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