

# INVESTOR PRESENTATION



***SMITH-MIDLAND***<sup>®</sup>  
***EXCELLENCE IN PRECAST CONCRETE***

**November 2021**  
**NASDAQ: SMID**

# Safe Harbor Statement

**These slides and the accompanying oral presentation contain forward-looking statements.** All statements other than statements of historical fact contained in this presentation, including statements regarding the future financial position of Smith-Midland Corporation (“SMID” or the “Company”), including financial targets, business strategy, and plans and objectives for future operations, are forward-looking statements. SMID has based these forward-looking statements on its estimates and assumptions and its current expectations and projections about future events. These forward-looking statements are subject to a number of risks, uncertainties and assumptions, including those that may be described in greater detail in the Company’s publicly filed documents, including its Annual Report on Form 10-K for the fiscal year ended December 31, 2020. In light of these risks, uncertainties and assumptions, the forward-looking statements discussed in this presentation are inherently uncertain and may not occur, and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements. Accordingly, you should not rely upon forward-looking statements as predictions of future events. SMID undertakes no obligation to update publicly or revise any forward-looking statements for any reason after the date of this presentation, to conform these statements to actual results or to changes in SMID’s expectations.

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# Smith-Midland at a Glance

- Innovative precast concrete manufacturer
- Founded 1960, headquartered in Midland, Virginia
- Leader in highway & infrastructure products
- Innovative commercial construction building products
- Three production facilities servicing NY to FL

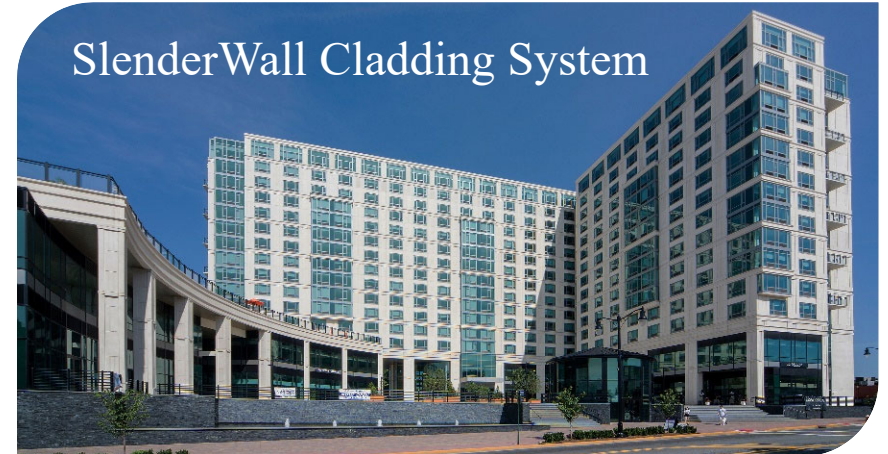


- Shares Outstanding 5.2 million\*
- Market Cap \$121 million\*
- 200 Employees
- Backlog at November 1, 2021 of \$28.5 million

*\* As of November 12, 2021*



# Proprietary Products





# Customized Products



**DECORATIVE • SECURITY • MILITARY TRAINING**

# Strategically Located Manufacturing Plants



## **VIRGINIA (Midland)**

45 acres, 59K sf reaches  
NY to NC/WV

## **NORTH CAROLINA (Reidsville)**

46 acres, 15K sf  
reaches NC to TN/KY

\*New in 2020, double capacity from prior plant



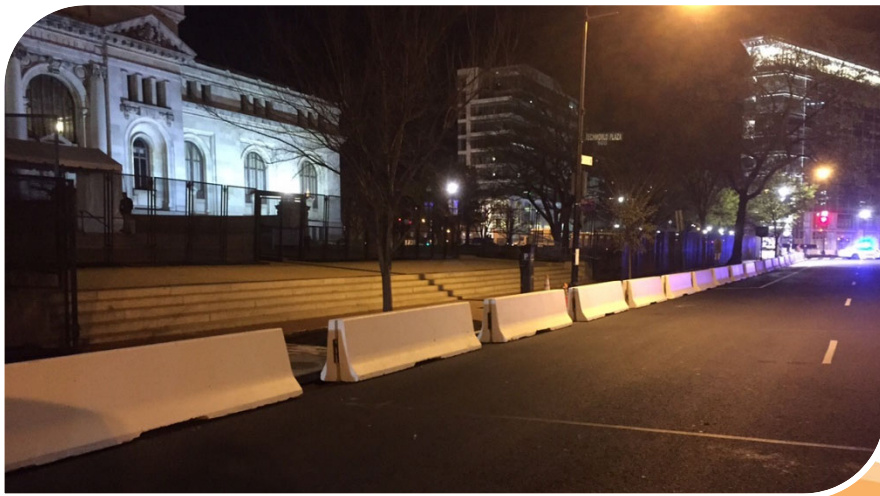
## **SOUTH CAROLINA (Columbia)**

39 acres, 29K sf  
reaches NC to FL/AL



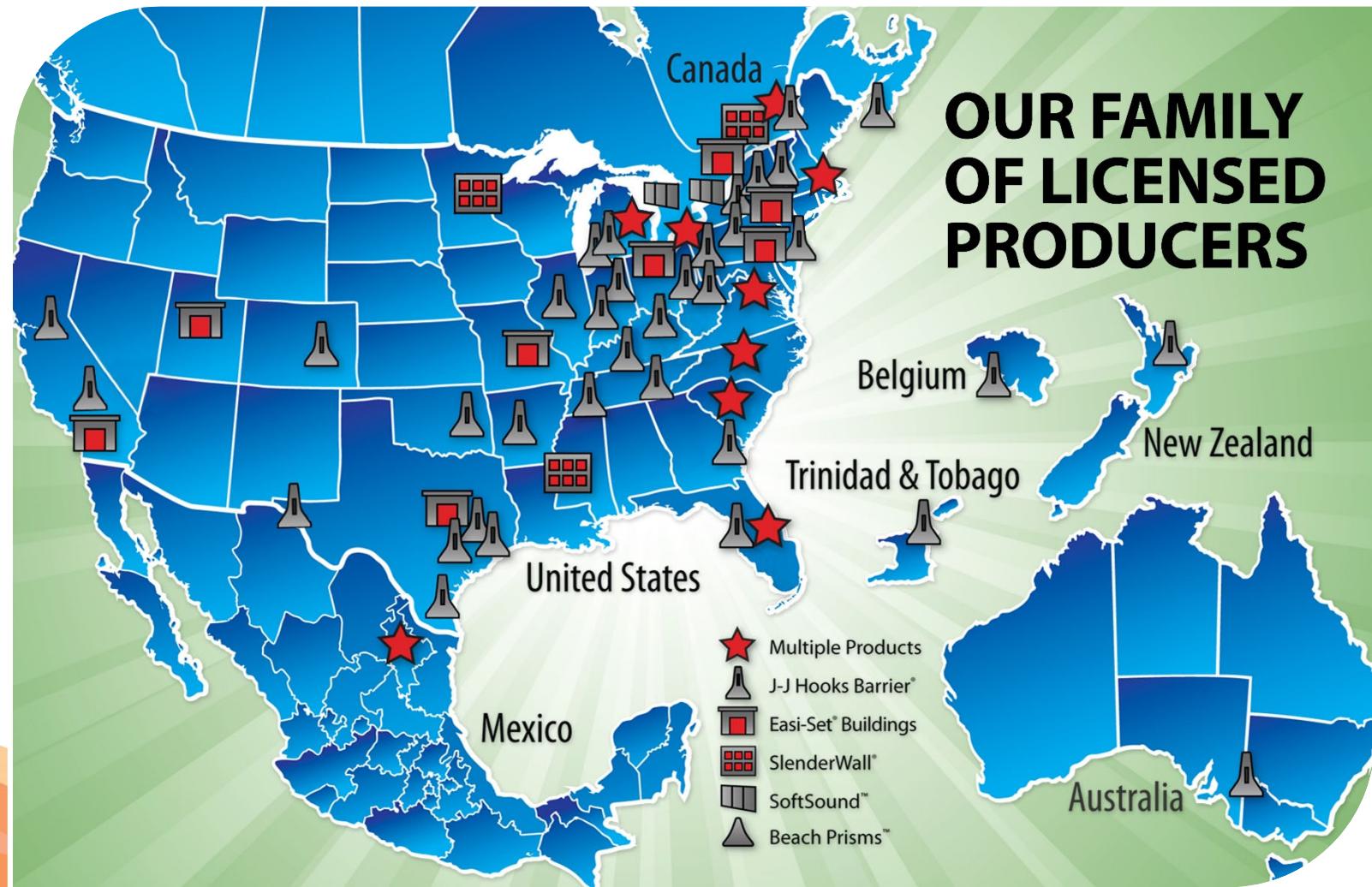
# Concrete Safety Barrier Rental Division

- Construction, Highway, & Event Security
- 250K linear feet fleet
- Expansion to 300K linear feet by end of 2021
- 2022-2024 buy-back for 200K linear feet



- Shift to barrier rentals vs barrier sales
- Higher margins of 25-35%
- Recurring revenues
- Stability of earnings and income
- Improved cash-flow cycle

# Expanded Geographic Reach through Licensing



**70+ Licenses • Award-Winning Products • 6% Royalty**



# Infrastructure Spend Tailwinds Benefit Smith-Midland



- New MASH TL3 standard
- All U.S. highway barrier mandated replacement over the next 5-7 years
- J-J Hooks approved in California for the first time in Company history – 2<sup>nd</sup> most highway miles in U.S.
- Accelerated spend through Public Private Partnerships

# Trends Favoring Off-Site Precast Modular Construction

- Macro trend to off-site modular construction
- Shortened lead times
- Reduced subcontractors
- Minimization of carrying costs
- Increased quality
- Speed of installation
- Aging construction workforce
- **DEVELOPER** saves **TIME & MONEY**





# 9/30/21 YTD Highlights

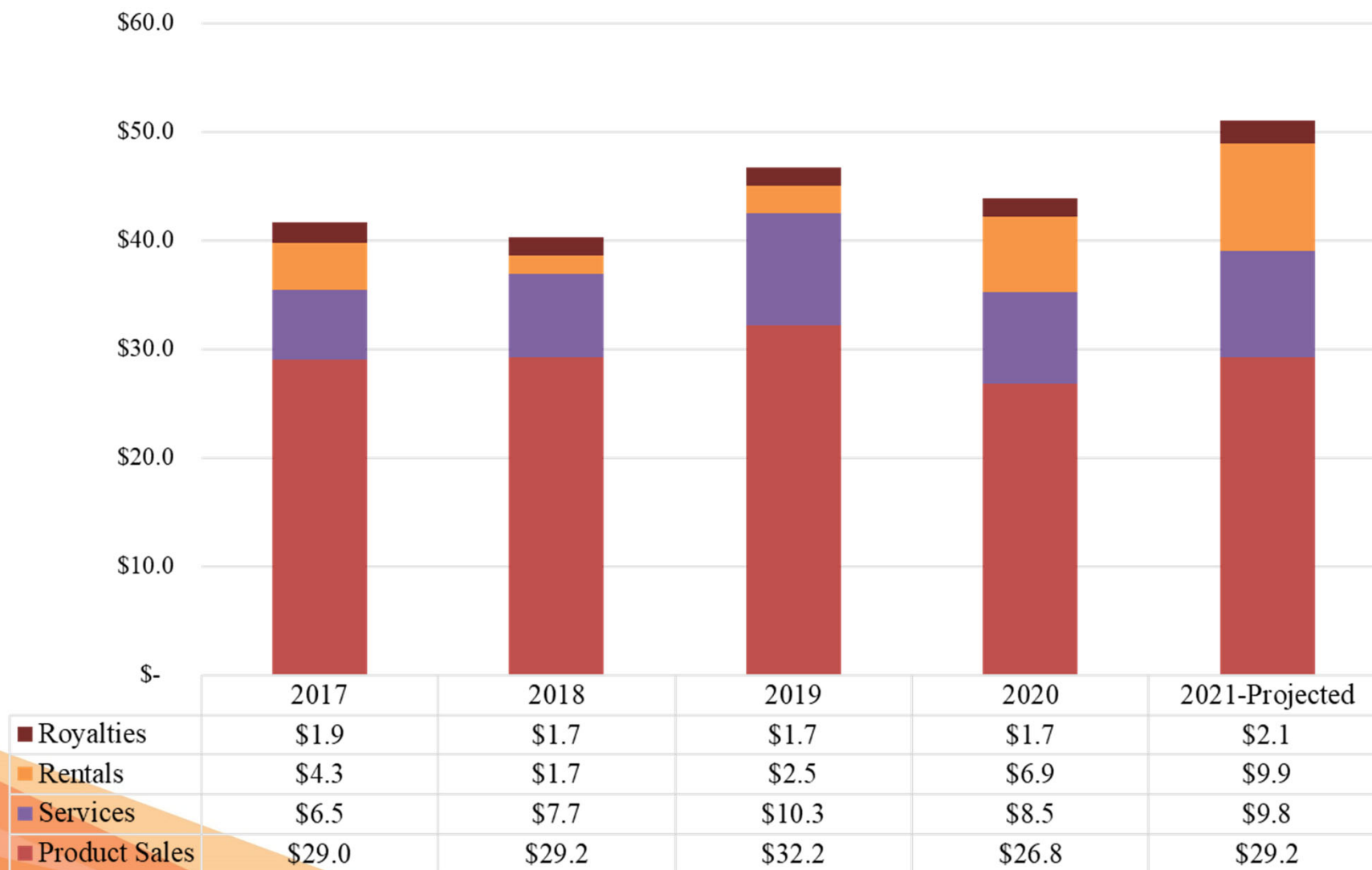
BALANCE SHEET	9/30/2021	12/31/2020
Cash & Investments	\$ 16,238	\$ 9,992
Current Assets	33,111	23,341
Total Debt	4,365	4,936
Total Assets	55,246	46,499
Shareholders Equity	31,454	23,649
Capital Expenditures	1,210	2,627

- PPP Loan Forgiven \$2.7 million
- Core barrier rentals up 48% YoY
- Backlog increased to \$28.5 million
- Most SlenderWall bids in history

INCOME STATEMENT	9/30/2021		9/30/2020	
Product Sales	\$ 21,868		\$ 20,036	
Barrier Rentals	8,667		4,820	
Royalty Income	1,788		1,165	
Shipping & Installation	<u>8,302</u>		<u>6,768</u>	
Total Revenue	40,625		32,789	
COGS	<u>28,388</u>		<u>24,971</u>	
Gross Profit	12,237	30%	7,818	24%
Operating Expenses	<u>5,890</u>		<u>5,237</u>	
Operating Income	6,347	16%	2,581	8%
Other Income (Expense)	<u>2,910</u>		<u>(41)</u>	
Pre-Tax Income	9,257		2,540	
Tax	<u>1,711</u>		<u>588</u>	
Net Income	<u>\$ 7,546</u>	19%	<u>\$ 1,952</u>	6%
EPS	\$ 1.45		\$ 0.38	

(in thousands, except EPS)

# Revenues by Type



(in millions)

**\*2018 – Excludes \$6.6M in Product Sales Deferred  
due to Buy-Back Obligation**



# Balance Sheet

	<u>12/31/2016</u>	<u>12/31/2017</u>	<u>12/31/2018</u>	<u>12/31/2019</u>	<u>12/31/2020</u>
Cash & Investments	\$ 4,573	\$ 4,488	\$ 3,053	\$ 2,540	\$ 9,992
Current Assets	15,872	19,032	21,596	19,031	23,341
Total Assets	24,052	29,225	41,369	42,115	46,499
Current Liabilities	5,060	7,834	11,860	9,602	8,900
Total Debt	3,933	3,533	4,503	5,011	4,936
Total Liabilities	9,809	12,020	22,522	21,294	22,850
Shareholders Equity	14,243	17,205	18,847	20,821	23,649
Capital Expenditures	3,745	2,741	5,234	4,513	2,627

(in thousands)

# Income Statement

	<u>12/31/2016</u>	<u>12/31/2017</u>	<u>12/31/2018</u>	<u>12/31/2019</u>	<u>12/31/2020</u>
Revenue	\$40,050	\$41,717	\$40,220	\$46,691	\$43,862
COGS	29,701	30,253	29,730	36,722	32,820
Gross Profit	10,349	11,464	10,490	9,969	11,042
Operating Expenses	6,013	7,749	8,274	7,423	7,283
Operating Income	4,336	3,715	2,216	2,546	3,759
Other Expenses (Income)	39	(26)	(43)	48	(33)
Pre-Tax Income	4,297	3,741	2,259	2,498	3,792
Tax Expense	1,462	1,057	572	549	1,127
<b>Net Income</b>	<b>\$2,835</b>	<b>\$2,684</b>	<b>\$1,687</b>	<b>\$1,949</b>	<b>\$2,665</b>
EPS	\$0.57	\$0.53	\$0.33	\$0.38	\$0.51
Interest	126	147	134	139	182
Taxes	1,462	1,057	572	549	1,127
Depreciation/Amortization	821	926	1,247	1,793	2,412
<b>EBITDA</b>	<b>\$5,244</b>	<b>\$4,814</b>	<b>\$3,640</b>	<b>\$4,430</b>	<b>\$6,386</b>
EBITDA Percent	13.1%	11.5%	9.1%	9.5%	14.6%

(in thousands, except EPS)



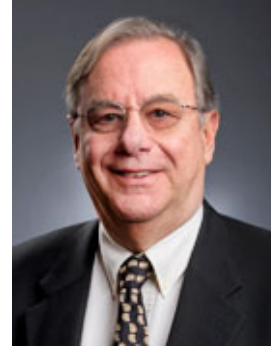
# Management Team



Ashley Smith  
President & CEO



AJ Krick, CPA  
Chief Financial Officer



Arthur Miles  
President Easi-Set



Matthew Smith  
VP Sales & Marketing



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