



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

# **INVESTOR PRESENTATION**

NASDAQ: SMID

***NOVEMBER 2023***

# Safe Harbor Statement

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**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, 2022. 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

**SMID**

(Nasdaq)

**Founded  
1960**

Headquartered in  
Midland, Virginia

**\$24.50**

Share Price\*

\* As of 11/13/23

**\$130M**

Market Cap

**\$57.7M**

Revenue (TTM)

**\$60.2M**

Backlog



**LEADER**  
In Highway &  
Infrastructure Products



**INNOVATIVE**  
Commercial  
Construction Building  
Products



**THREE**  
Production Facilities  
Servicing NY to FL

# Investment Highlights

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## **Leading precast concrete manufacturer**

Patented products include J-J Hooks® and EASI-SET®

## **Most widely used highway safety barrier connection in the U.S.**

Approved in 42 states, mandated replacement by 2030

## **Strategic shift to barrier rental model**

Higher margin, favorable cash flow model

## **Growing licensee base expanding geographic reach**

70+ licensees across seven countries

## **Macro-economic tailwind from increased infrastructure spending**

Transportation and commercial construction

## **Strong backlog of \$60 million**

Doubled since end of 2021

# Proprietary Products



**JJ-Hooks®  
Highway Barriers**



**SlenderWall®  
Cladding System**



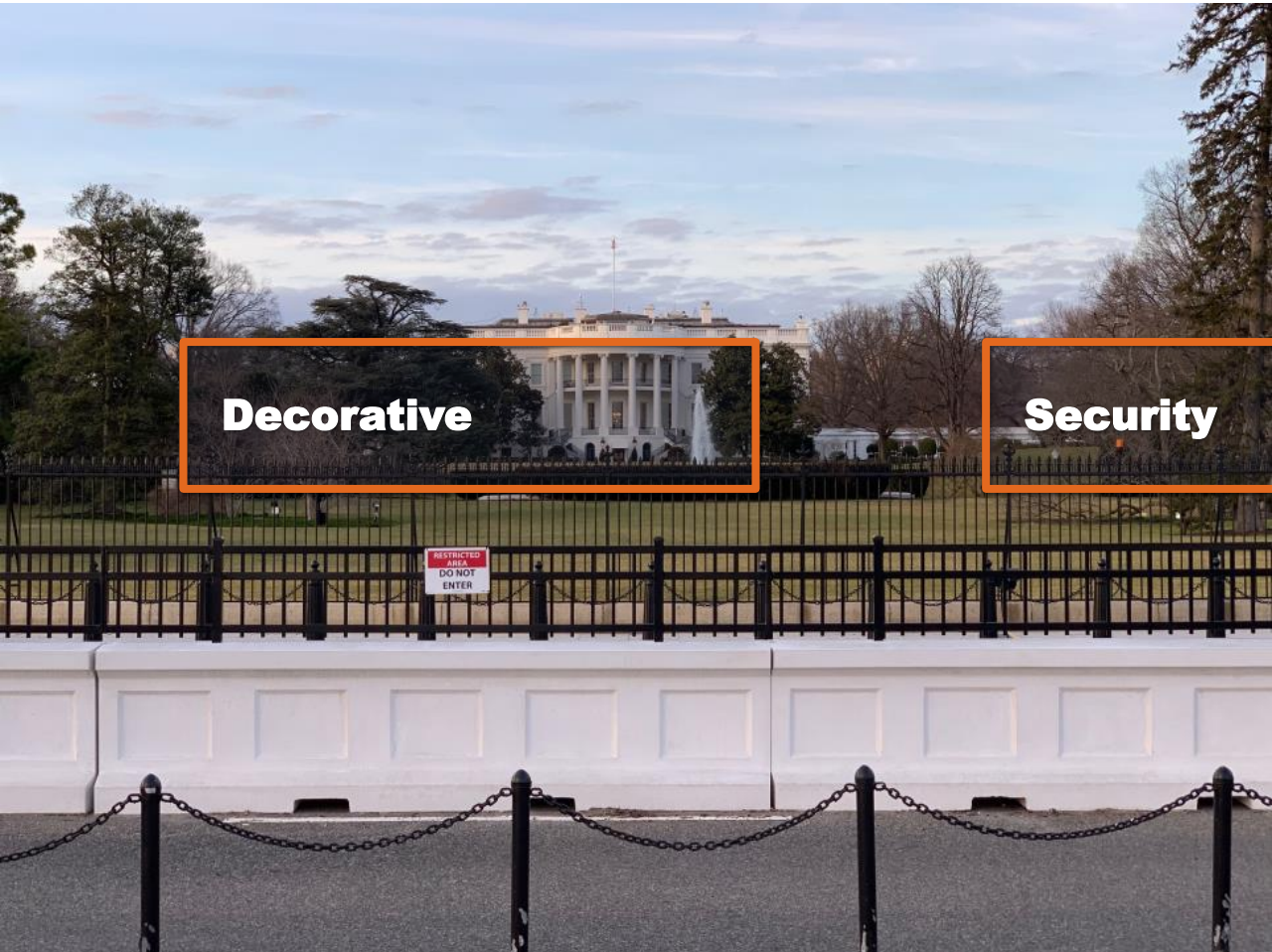
**Easi-Set®  
Concrete Buildings**



**SoftSound®  
Absorptive Noise Wall**



# Customized Products





# 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

**520K** linear feet fleet

Expansion to **575K** linear feet by end of 2023

Estimated cost **\$5 million**



Shift to **barrier rentals** vs sales

Higher margins of **25-35%**

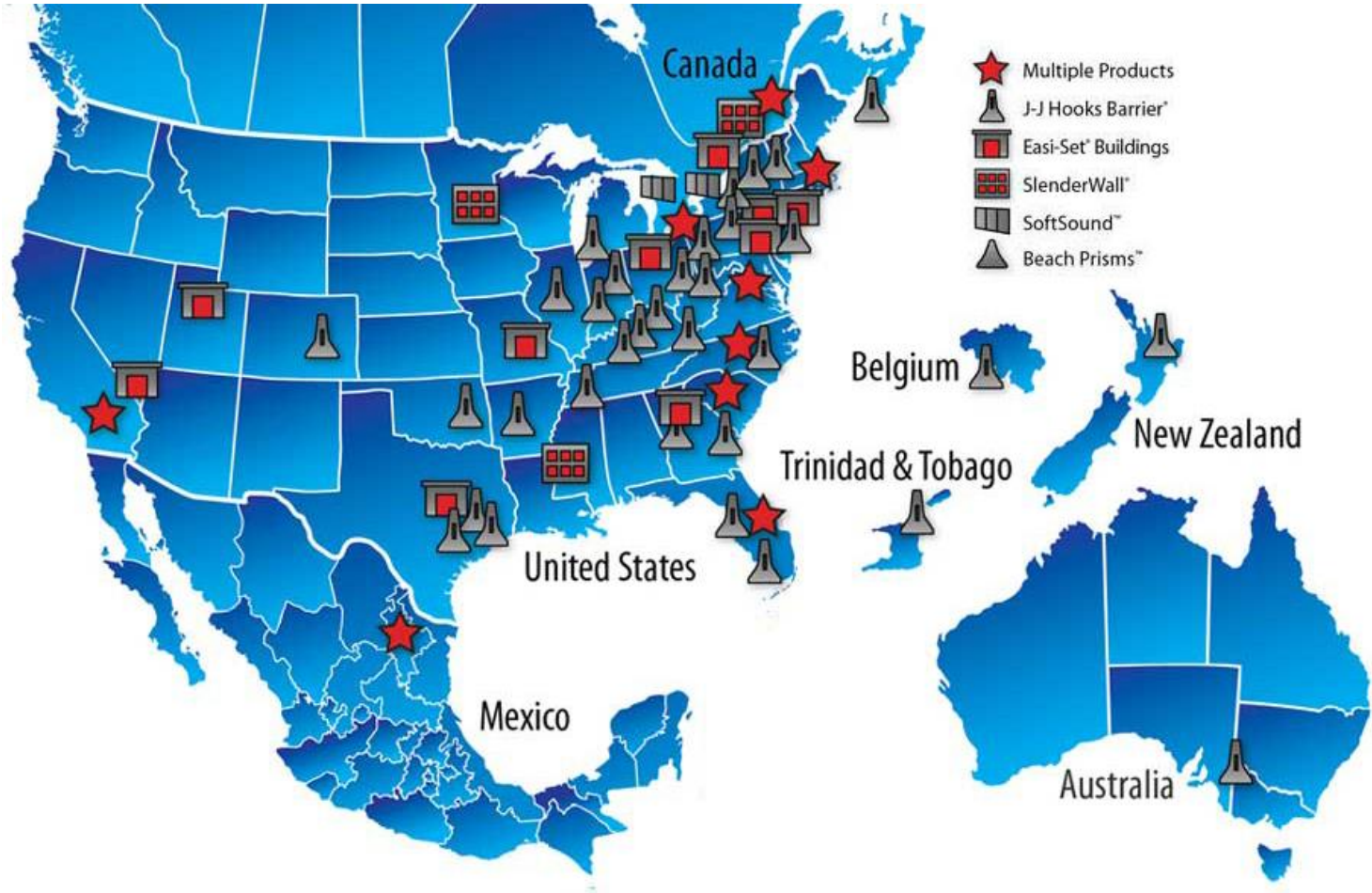
**Recurring** revenues

**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

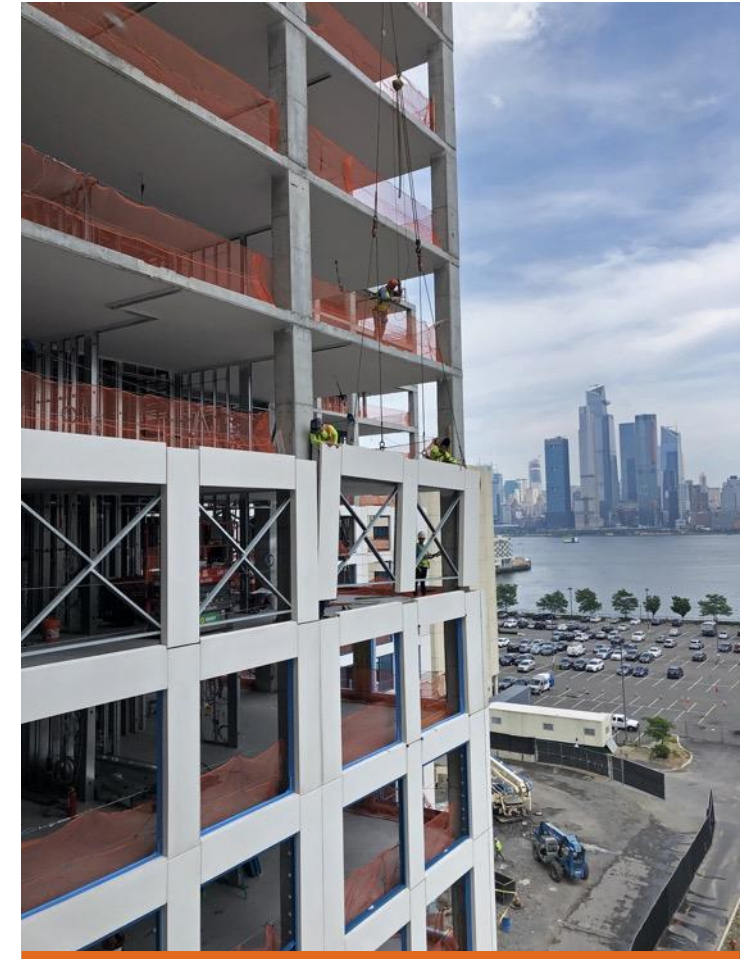


- New **MASH TL3** standard
- All U.S. highway barrier **mandated replacement** over the next 5-7 years
- J-J Hooks® **approved in California** for the first time in Company history – 2<sup>nd</sup> most highway miles in U.S.
- **Accelerated spend** through Public / Private Partnerships



# Trends Favoring Off-Site Precast Modular Construction

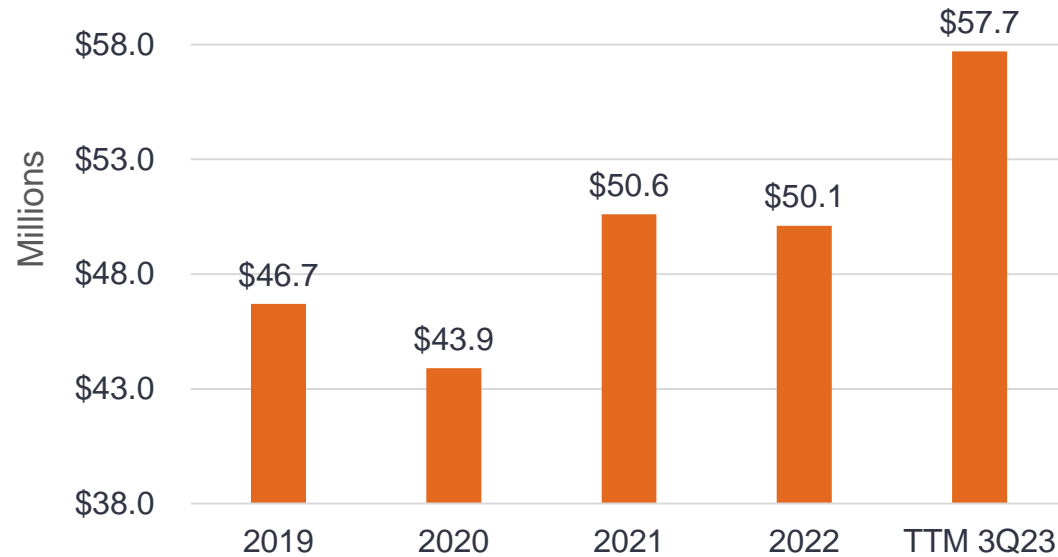
- **Macro trend to off-site** modular construction
- **Shortened** lead times
- **Reduced** subcontractors
- **Minimization** of carrying costs
- **Increased** quality
- **Speed** of installation
- **Aging** construction workforce
- **Developer** saves **Time & Money**



# Annual Revenue, Backlog

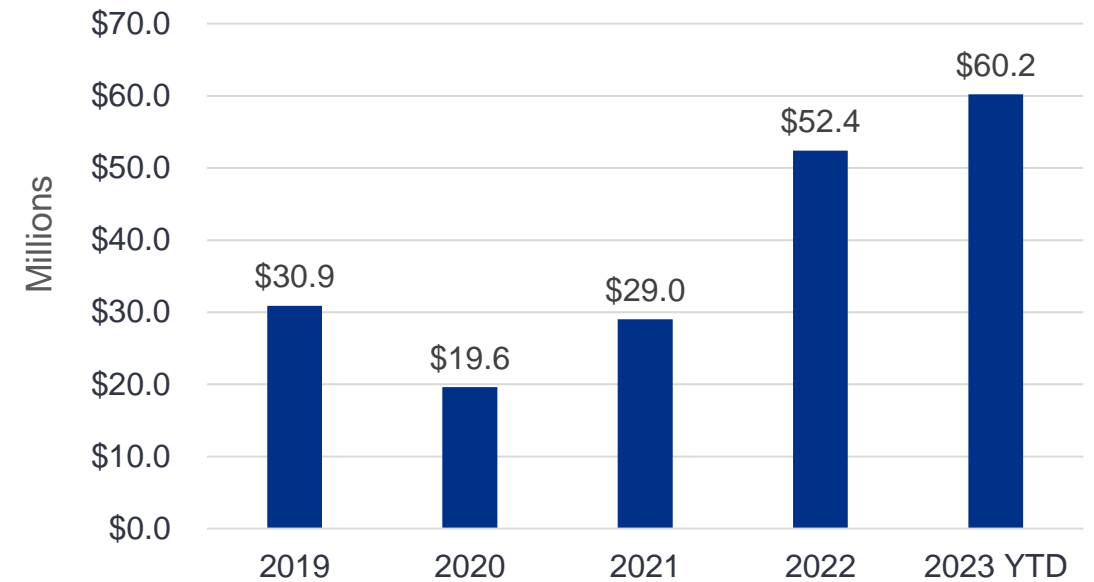
## REVENUE

(in millions)



## BACKLOG

(in millions)





# Investment Highlights

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# APPENDIX

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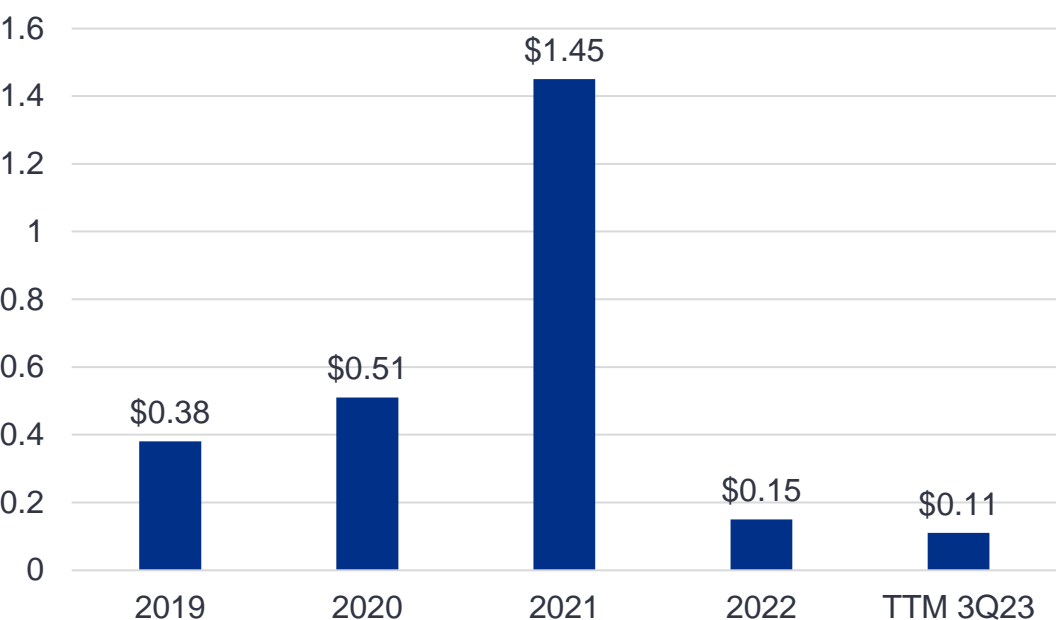
[investors@smithmidland.com](mailto:investors@smithmidland.com)

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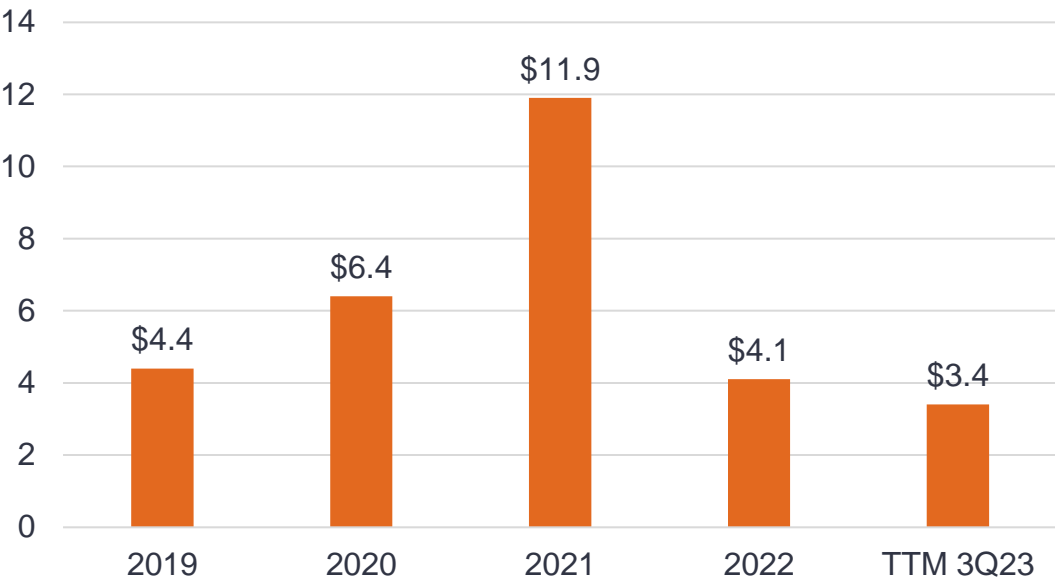


# Earnings per Share & EBITDA

Earnings per Share



EBITDA  
(in millions)



# Balance Sheet

ASSETS	September 30, 2023 (Unaudited)		December 31, 2022	
<b>Current assets</b>				
Cash	\$	5,849	\$	6,726
Other current assets		24,044		22,214
<b>Total current assets</b>		<b>29,893</b>		<b>28,940</b>
Property and equipment, net		27,412		25,124
Other assets		349		249
<b>Total assets</b>	<b>\$</b>	<b>57,654</b>	<b>\$</b>	<b>54,313</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>				
<b>Current liabilities</b>				
Current maturities of notes payable		627		618
Other current liabilities		12,298		10,606
<b>Total current liabilities</b>		<b>12,925</b>		<b>11,224</b>
Notes payable - less current maturities		5,260		5,730
Other liabilities		5,651		4,304
<b>Total liabilities</b>		<b>23,836</b>		<b>21,258</b>
<b>Total stockholders' equity</b>		<b>33,818</b>		<b>33,055</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$</b>	<b>57,654</b>	<b>\$</b>	<b>54,313</b>

# Income Statement

	2022	2021	2020	2019
Product sales	\$27,821	\$28,500	\$26,776	\$32,228
Barrier rentals	6,545	9,925	6,879	2,488
Royalty income	2,498	2,216	1,688	1,672
Shipping and installation revenue	<u>13,267</u>	<u>10,001</u>	<u>8,519</u>	<u>10,303</u>
<b>Total revenue</b>	<b>50,131</b>	<b>50,642</b>	<b>43,862</b>	<b>46,691</b>
Cost of goods sold	<u>40,662</u>	<u>36,222</u>	<u>32,820</u>	<u>36,722</u>
Gross profit	9,469	14,420	111,042	9,969
General and administrative expenses	5,551	5,416	4,989	4,887
Selling expenses	<u>3,064</u>	<u>2,836</u>	<u>2,294</u>	<u>2,536</u>
Total operating expenses	8,615	8,252	7,283	7,423
<b>Operating income</b>	<b>854</b>	<b>6,168</b>	<b>3,759</b>	<b>2,546</b>
Total other income (expense), net	91	2,926	33	(48)
<b>Income before income tax expense</b>	<b>945</b>	<b>9,094</b>	<b>3,792</b>	<b>2,498</b>
Income tax expense	<u>145</u>	<u>1,524</u>	<u>1,127</u>	<u>549</u>
<b>Net income</b>	<b>800</b>	<b>7,570</b>	<b>2,665</b>	<b>1,949</b>
<b>Basic and diluted earnings per share</b>	<b>\$0.15</b>	<b>\$1.45</b>	<b>\$0.51</b>	<b>\$0.38</b>

Year ended December 31; \$ in thousands, except earnings per share