SOMERO ENTERPRISES, INC

LEADERS IN LEVELING

2020 INTERIM RESULTS

September 2020

COVID-19

- The pandemic created significant uncertainty and led to shelter-in-place restrictions, slowing the pace of construction projects and in turn, slowing the pace of our trading
- We quickly implemented a plan and successfully delivered against its four main objectives:
  - To protect the health of our employees
  - To preserve cash
  - To protect profits
  - To uphold our commitment to product development
- We remain cautious about the outlook for the rest of the year but are seeing signs of encouragement that provide a degree of confidence
- No fundamental long-term change seen in our markets

H1 2020 HIGHLIGHTS

- US$ 35.3m in H1 2020 revenues (H1 2019: US$ 39.0m) despite disruption from COVID-19 pandemic
- Cost reductions & cash management drove healthy profits and cash flows in H1
- Investments for long-term growth continue made possible by good cash flow & a strong balance sheet
- Resumption of dividend payments
- Recommencement of the US$ 1.0m share buyback program
- Reinstatement of FY20 financial guidance. Results expected to approximate:
  - US$ 75.0m in revenues
  - US$ 19.0m in adjusted EBITDA
  - US$ 20.0m in year-ending cash

2020 H1 RESULTS

SALES BY TERRITORY

US$ MILLIONS	H1 2020	H1 2019	CHANGE $	CHANGE %
North America	$ 27.8	$ 27.2	$ 0.6	2%
Europe	4.1	5.5	(1.4)	-25%
China	1.8	2.5	(0.7)	-28%
Middle East	0.2	0.2	-	-
Latin America	0.2	0.7	(0.5)	-71%
Rest of World [1]	1.2	2.9	(1.7)	-59%
TOTAL	**$ 35.3**	**$ 39.0**	**$ (3.7)**	**-9%**

Notes:
1. ROW includes Australia, India, Southeast Asia, Korea & Russia

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SALES BY PRODUCT

US$ MILLIONS	H1 2020	H1 2019	CHANGE $	CHANGE %
Boomed screeds[1]	$ 11.6	$ 16.2	$ (4.6)	-28%
Ride-on screeds[2]	6.7	7.8	(1.1)	-14%
Remanufactured machines	2.7	1.9	0.8	42%
3-D Profiler System®	3.5	2.4	1.1	46%
Somero Line Dragon®	1.7	1.1	0.6	55%
SkyScreed®	0.3	0.2	0.1	50%
Other[3]	8.8	9.4	(0.6)	-6%
TOTAL	**$ 35.3**	**$ 39.0**	**$ (3.7)**	**-9%**

Notes:
(1) Boomed Screeds include the S-22E, S-22EZ, S-15R, S-10A & SRS-4
(2) Ride-On Screeds include the S-840, S-940, S-485, & S-158C
(3) Other includes parts, accessories, services and freight, as well as other equipment such as the Broom + Cure™, STS-11M Topping Spreader, CopperHead ®, & Mini Screed® C

FINANCIAL SUMMARY

US$ MILLIONS *(EXCEPT PER SHARE DATA)*	H1 2020	H1 2019	CHANGE $	CHANGE %
Revenue	$ 35.3	$ 39.0	$ (3.7)	-9%
Adjusted EBITDA (1,2)	8.7	11.2	(2.5)	-22%
Adjusted EBITDA margin (1,2)	25%	29%	-	-400bps
Profits before tax	7.5	10.5	(3.0)	-29%
Adjusted net income (1,3)	5.8	8.0	(2.2)	-28%
Diluted adjusted net income per share (1,3)	$0.10	$0.14	$(0.04)	-29%
Cash flow from operations	7.0	4.4	2.6	59%
Net cash (4)	28.9	15.1	13.8	91%
Interim dividend per share	$0.0400	$0.0575	$(0.0175)	-30%

Notes:
(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, and stock-based compensation.
(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.

OPERATING RESULTS

US$ MILLIONS	H1 2020	H1 2019
Revenue	$ 35.3	$ 39.0
Gross profit	19.3	21.9
Operating expenses:		
Selling, marketing & customer support	5.2	5.5
Engineering & product development	1.0	1.0
General & administrative	5.6	5.2
Total operating expenses	11.8	11.7
Operating income	7.5	10.1
Other income (expense)	-	0.4
Income before income taxes	7.5	10.5
Provision for income taxes	1.7	2.4
Net income	**$5.8**	**$8.1**

Highlights:

- Gross margin of 54.7% modestly down from 56.0% in H1 2019 due in part to the operational impact of lower volume and unfavorable mix from the higher % of remanufactured machine sales
- Overall operating expenses in H1 2020 remained generally flat with the prior year while maintaining the level of investment in product development
- The H1 2020 effective tax rate remained constant at 23%, in line with go-forward expectations

FINANCIAL POSITION

US$ MILLIONS	JUNE 30, 2020	DECEMBER 31, 2019
Cash	$ 28.9	$ 23.8
Accounts receivable, net	8.8	11.9
Inventory	13.8	12.3
Prepaid & other	1.5	1.3
Total current assets	53.0	49.3
Other assets	22.9	22.2
Total assets	**$75.9**	**$71.5**
Current liabilities	20.1	9.7
Other liabilities	2.6	2.8
Total liabilities	22.7	12.5
Stockholders' equity	53.2	59.0
Total liabilities & stockholders' equity	**$75.9**	**$71.5**

Highlights:

- Cash increased by US$ 5.1m from year-end 2019 due to solid operating cash flows
- Accounts receivable decreased US$ 3.1m from year-end due to solid collections and lower trading during the period
- Inventory increased US$ 1.5m from year-end due to the addition of new products and the impact of lower than originally expected trading during the period
- Current liabilities includes US$ 11.7m of 2019 dividends declared in March 2020 but unpaid as of June 30, 2020

CASH FLOWS

US$ MILLIONS	H1 2020	H1 2019
Net income	$ 5.8	$ 8.1
Adjustments to reconcile to cash provided by operating activities	1.1	0.7
Working capital changes	0.1	(4.4)
Net cash provided by operating activities	7.0	4.4
Net cash used in investing activities	(1.5)	(2.7)
Payment of dividends	-	(14.2)
Repayment of debt and capital leases	(0.1)	(0.1)
Stock options and RSUs settled for cash	(0.2)	(0.6)
Net cash used in financing activities	(0.3)	(14.9)
Effect of exchange rates on cash	(0.1)	0.1
Net increase (decrease) in cash	**$ (5.1)**	**$ (13.1)**

Highlights:

- Cash flow from operations increased by US$ 2.6m from H1 2019 due to net positive working capital impact driven by strong receivable collection efforts that offset an increase in inventory
- Cash used in investing activities decreased US$ 1.2m in H1 2020 due primarily to a non-recurring US$ 2.0m acquisition included in H1 2019 offset partly by an increase in capital expenditures related to the Houghton expansion in H1 2020
- US$ 11.7m in 2019 dividends declared in March 2020 will be paid in October 2020

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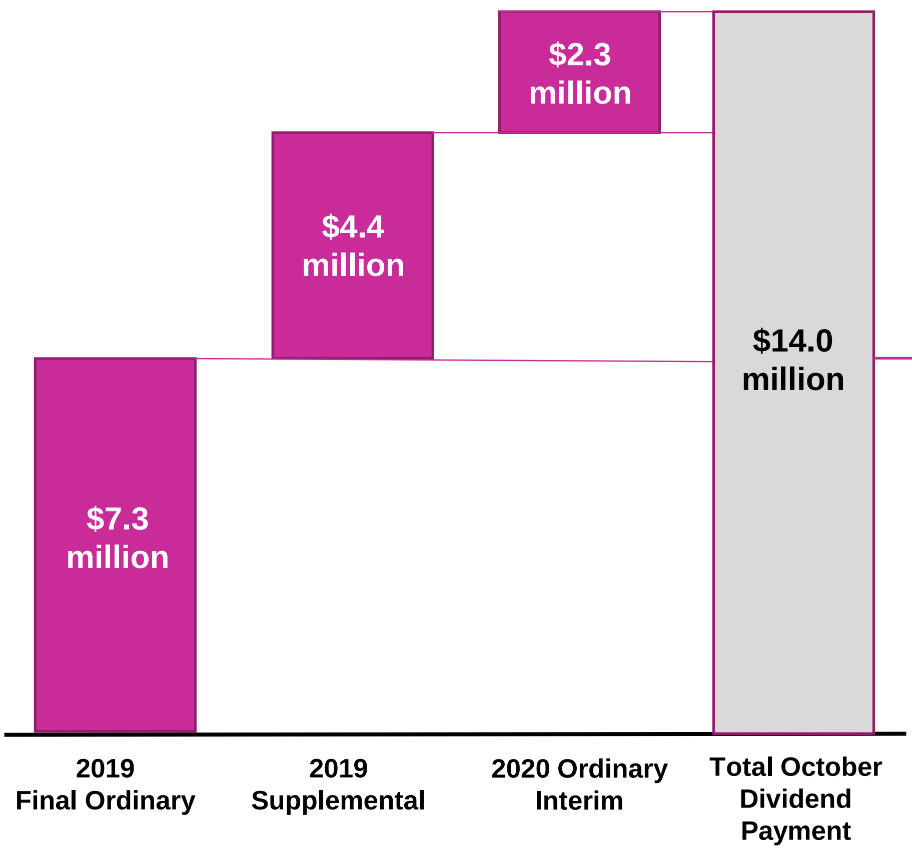
OCTOBER DIVIDEND PAYMENT



2019 Final Ordinary:	**$0.130 per share**
2019 Supplemental:	**$0.077 per share**
2020 Interim Ordinary:	**$0.040 per share**
Total October Payment:	**$0.247 per share**

STRATEGY UPDATE & OUTLOOK

GROWTH STRATEGY

Our strategy

To deliver innovative products & 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.

Product innovation

Somero's vision is for our innovative technology to be used wherever a ready-mix truck is discharging concrete for a horizontal concrete slab.

This represents a vast opportunity. Our current core products are sold into the "slab-on-grade" segment of the horizontal concrete market. The SkyScreed opens the unpenetrated structural high-rise segment of the horizontal concrete market. Our team has identified, and continues to identify, new segments within broader horizontal concrete market to target with our product development efforts and we will continue to invest to pursue these opportunities.

In H1 2020 alone, we launched three new products that contributed a combined $1.6m in revenues during first six months of the year. This brings our total portfolio to 17 products protected by 78 patents and patent applications.

International markets

Somero is committed to growing our business globally through our global direct sales and support teams that continue to promote adoption of wide-placement theory and quality concrete flooring standards. Approximately 25% of our non-operational employees are based outside the US.

Our footprint outside the US remains strong and presents a significant opportunity for future growth, including growth from new products.

SKYSCREED® 36

Somero took the next step in the journey to penetrate the structural high-rise market by introducing the SkyScreed® 36. The SkyScreed® 36 allows the operator to screed an additional 1,000 square feet per placement, reducing by almost half the pick placements required compared to SkyScreed® 25.

In H1 2020, SkyScreed jobsite product demonstrations, a key element to the selling process, were limited due to COVID-19 restrictions and project delays.

As restrictions began to ease, we completed the sale of the first SkyScreed® 36 resulting in a US$ 0.3m contribution to revenue in H1 2020.

SRS-4, SOMERO BROOM + CURE™

The **SRS-4** is the lightest weight, easiest to transport compact boomed laser screed machine Somero has ever offered. At just 4,440 lbs. with a compact head design, the machine is easily transported on a trailer making this an attractive option for hard to reach job-sites.

Also, with remote-controlled operation, no lower frame and crab steering, the machine provides 360° visibility and highly maneuverable operation.

The **Somero Broom + Cure™** is Somero's latest innovation providing an efficient alternative to manual-application in the broom and cure process.

The Somero Broom + Cure™ uses a proprietary 14' broom and spray-bar head to deliver smooth and consistent application of curing agents and texture to exterior concrete slabs in accordance with American Concrete Institute standards. The design also offers space for 55-gallon drums allowing for integrated materials-handling to keep spraying consistent and refills easy.

SOMERO ENTERPRISES, INC

OUTLOOK

- In the US, we are confident in the health of the non-residential construction market supported by extended project backlogs reported by our customers, and in demand for our new products
- In Europe, we are encouraged by signs of improvement, hopeful market activity continues to normalize, and expect market drivers will include demand for new products
- In China, we are pleased market activity has normalized at a faster pace than the US & Europe and with the stabilizing impact of local leadership, and we continue to view market demand for quality concrete flooring as the catalyst for meaningful long-term growth
- We anticipate the H2 level of activity in Middle East, Latin America, India and Australia will be dependent on control over COVID-19 infection rates in each respective territory
- We see significant long-term growth opportunities from the SkyScreed and our other new products and will continue to invest to drive product development
- We anticipate full year 2020 revenues of approximately US$ 75.0m, adjusted EBITDA of approximately US$ 19.0m, and ending net cash of approximately US$ 20.0m

BUSINESS MODEL

THE CONCRETE FLOOR IS THE MOST CRITICAL COMPONENT OF ANY BUILDING. IT CARRIES THE LOAD OF THE ENTIRE BUSINESS OPERATION.

Our world-class products and services allow contractors to complete every installation faster, flatter and with fewer people.

THEIR SUCCESS IS OUR SUCCESS.

OUR MISSION

Why?

For every Somero employee the answer is clear. We work hard to deliver world-class products and services because we're passionate about our customers' success and strive to ensure our customers achieve their business and profitability goals.

Our customers see this passion day-in and day-out and as a result, we earn their loyalty and are able to retain them as a customer for life.

How?

How we pursue our mission makes us unique.

Somero's business is far more than simply selling equipment. Providing customers access to unparalleled industry expertise, training and support is core to our success as an educator and innovator in the concrete industry.

What?

We provide equipment with unsurpassed quality and performance supported by unparalleled global service, technical support, training and education.

Somero offers a wide portfolio of products that cover concrete slab placements in all types of construction projects.

Somero also sells parts and accessories and provides service and training to customers to keep their machines up and running and operating optimally.

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OUR MODEL

The use of Somero equipment delivers significant benefits to customers and building owners and end-users, a true win-win proposition.

Somero Customers: Concrete contractors and self-performing general contractors operating across the globe
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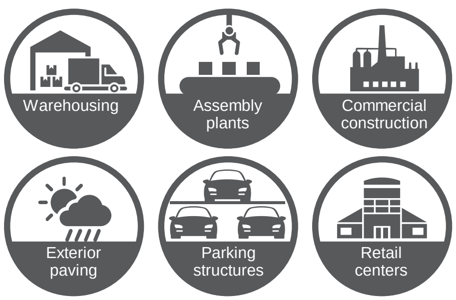
Applications: Somero's laser-guided technology and wide-placement methods have been specified for use in a wide range of construction projects.

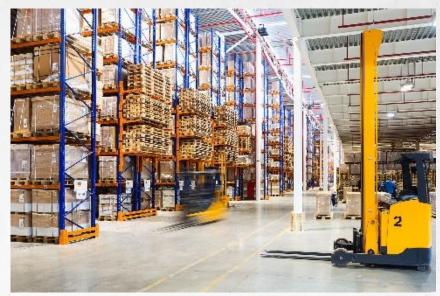


Building owners and end users: Somero equipment has been used in construction projects for many of the world's largest organizations.

MULTI-FACETED VALUE PROPOSITION

Key benefits to customers

- Increases 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 cost
- Lower forklift repair cost

What makes us different?

Innovative product leadership

- Increases quality
- Pioneered Laser Screed® machine market in 1986
- Product portfolio grown to 17 products
- 78 patents/applications
- Customer led product development

Industry expertise, training and support

- Committed to exceptional training
- 24/7 direct global support (all major languages)
- Overnight spare parts delivery, next day world travel
- Somero Concrete College & Institute

OUR PRODUCTS AND SERVICES

SkyScreed® 25

SkyScreed® 36

S-22EZ

S-15R

SRS-4

S-940

S-485

Somero Broom + Cure™

STS-11M

Somero Line Dragon®

Factory Certified Remanufactured

MACHINE	APPLICATIONS
STATIONARY SCREEDS:	
SkyScreed® 25	Allows screeding on structural high-rise and slab-on grade applications
SkyScreed® 36	
BOOMED MACHINES:	
S-22EZ	(25,000-50,000+ sq. ft. placements) warehouses, manufacturing assembly plants, agricultural buildings
S-15R	
S-10A	
SRS-4	
RIDE-ON MACHINES:	
S-940	(5,000-30,000 sq. ft. placements) schools, medical centers, retail centers and multi-level commercial construction, agricultural buildings
S-485	
S-158C	
OTHER EQUIPMENT:	
3-D Profiler System®	Exterior concrete paving and parking structures
SiteShape ® System	Exterior sub-grade
STS-11M	Projects requiring dry shake-on hardener
Somero Line Dragon	Projects involving concrete hose pumps
Mini Screed™	Small commercial, residential and multi-level placements
Somero Broom + Cure™	Applies curing agents and texture to exterior concrete slabs
CopperHead® XD™ 3.0	Small commercial placements and upper deck applications
Remanufactured Machines	Factory certified remanufactured machines in all categories

APPENDIX

HISTORICAL RESULTS

US$ Millions (except per share data)	YEARS ENDED DECEMBER 31, 2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenue	66.4	51.9	24.2	21.0	21.9	32.2	45.1	59.3	70.2	79.4	85.6	94.0	89.3
Revenue growth	*19%*	*-22%*	*-53%*	*-13%*	*4%*	*47%*	*40%*	*32%*	*18%*	*13%*	*8%*	*10%*	*-5%*
Cost of sales	28.8	23.1	12.5	11.2	11.7	16.5	21.6	27.3	31.0	34.3	36.9	40.4	38.6
Gross Profit	**37.6**	**28.8**	**11.7**	**9.8**	**10.2**	**15.7**	**23.5**	**32.0**	**39.2**	**45.1**	**48.8**	**53.6**	**50.7**
Gross profit %	*57%*	*55%*	*48%*	*47%*	*47%*	*49%*	*52%*	*54%*	*56%*	*57%*	*57%*	*57%*	*57%*
SG&A	24.3	26.0	27.4	11.5	12.0	14.3	17.1	19.4	21.6	23.9	23.3	24.5	24.1
Operating income/(loss)	**13.3**	**2.8**	**-15.7**	**-1.7**	**-1.8**	**1.4**	**6.4**	**12.6**	**17.6**	**21.2**	**25.4**	**29.2**	**26.6**
Interest expense	-1.5	-0.8	-1.0	-0.5	-0.4	-0.3	-0.2	-0.1	-0.2	-0.1	-0.1	-0.1	-
Other income	-1.1	0.2	0.1	-0.2	-0.1	0.1	0.3	-0.1	-	0.2	0.4	-	0.4
Income before tax	**10.7**	**2.2**	**-16.6**	**-2.4**	**-2.3**	**1.2**	**6.5**	**12.4**	**17.4**	**21.3**	**25.7**	**29.1**	**27.0**
Tax	3.8	0.5	-1.2	-0.2	-	0.2	1.1	-2.1	5.8	7.0	7.3	7.5	5.9
Net income	**6.9**	**1.7**	**-15.4**	**-2.2**	**-2.3**	**1.0**	**5.4**	**14.5**	**11.6**	**14.3**	**18.4**	**21.5**	**21.1**
Other data:													
Adjusted EBITDA[(1)]	**16.5**	**6.0**	**0.8**	**1.0**	**0.9**	**4.2**	**9.0**	**15.0**	**20.0**	**24.6**	**28.0**	**30.8**	**28.7**
Adjusted EBITDA margin	*25%*	*12%*	*3%*	*5%*	*4%*	*13%*	*20%*	*25%*	*29%*	*31%*	*33%*	*33%*	*32%*
Depreciation & amortization	2.8	2.7	2.7	2.6	2.6	2.6	2.4	2.0	2.3	2.7	2.1	1.2	1.1
Capital expenditures	0.5	0.6	-	-	0.1	0.6	0.8	1.2	4.2	4.4	2.2	0.8	3.0

Notes:

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

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THANK YOU