

Bowman

Q1 2023 EARNINGS CALL | MAY 9, 2023 | NASDAQ: BWMN



BUILDING INFRASTRUCTURE



TRANSPORTATION



POWER & UTILITIES



ENERGY



WATER RESOURCES

Disclaimer



Please note that many of the comments made today are considered forward-looking statements under federal securities laws.

As described in our filings with the SEC, these statements are subject to numerous risks and uncertainties that could cause future results to differ from those expressed, and we are not obligated to publicly update or revise these forward-looking statements. In addition, on today's call, we will discuss certain non-GAAP financial information such as Adjusted EBITDA and Net Service Billing.

You can find this information, together with the reconciliations to the most directly comparable GAAP information in yesterday's earnings press release and our 8-K filed with the SEC and on our website at [bowman.com](https://www.bowman.com).

Q1 2023 Conference Call

Gary Bowman

Chairman & CEO

Bruce Labovitz

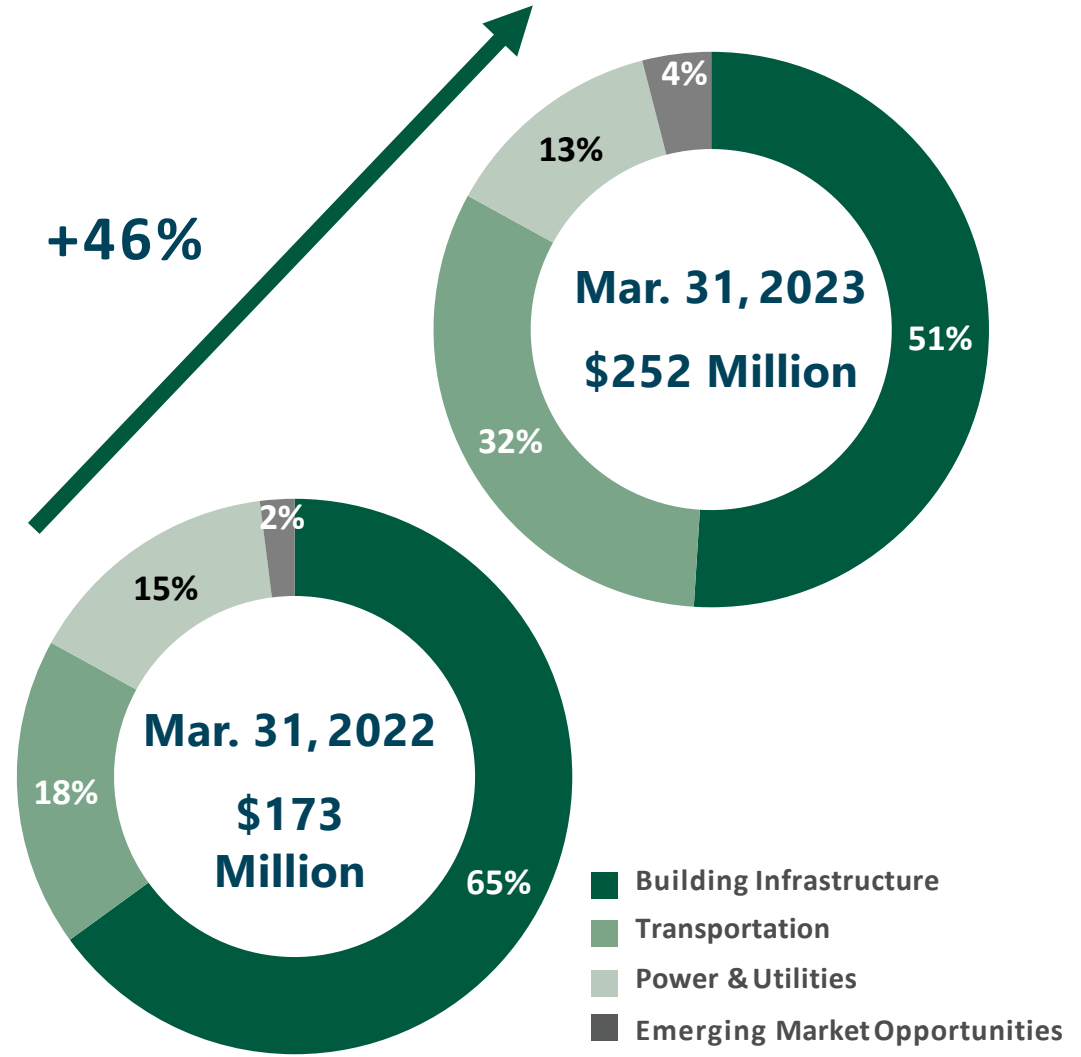
Chief Financial Officer

Q1 2023 Highlights

- \$67.6 Million Net Revenue, Up 45%
- 12% Year-Over-Year Organic Growth
- Adjusted EBITDA of \$9.7 Million, Up 31%
- Successfully Diversifying Revenue Sources
- New Orders Ahead of Plan
- Backlog Growth of 46% YoY
- Completed One Acquisition Post Q1
- Acquisition Pipeline Remains Robust

Gross Backlog

Civil & Site Engineering	Construction Management	Energy Efficiency	Electrical Engineering
Facility Commissioning	Geospatial Engineering	Landscape Architecture	Land/Easement Procurement
Plumbing Engineering	Structural Engineering	Surveying	Transportation Engineering
Environmental Consulting	Mechanical Engineering	Water Resources	Right-of-Way



Financial Highlights

Q1 2023 Compared To Q1 2022

Dollars in Millions

For the Three Months Ended March 31

	2023	2022	Change
Gross Contract Revenue	\$76.1	\$52.5	+45%
Net Service Billing ¹	\$67.6	\$47.7	+42%
Gross Margin	50.9%	51.5%	-60 bps
SG&A % of GCR	44.2%	43.5%	+70 bps

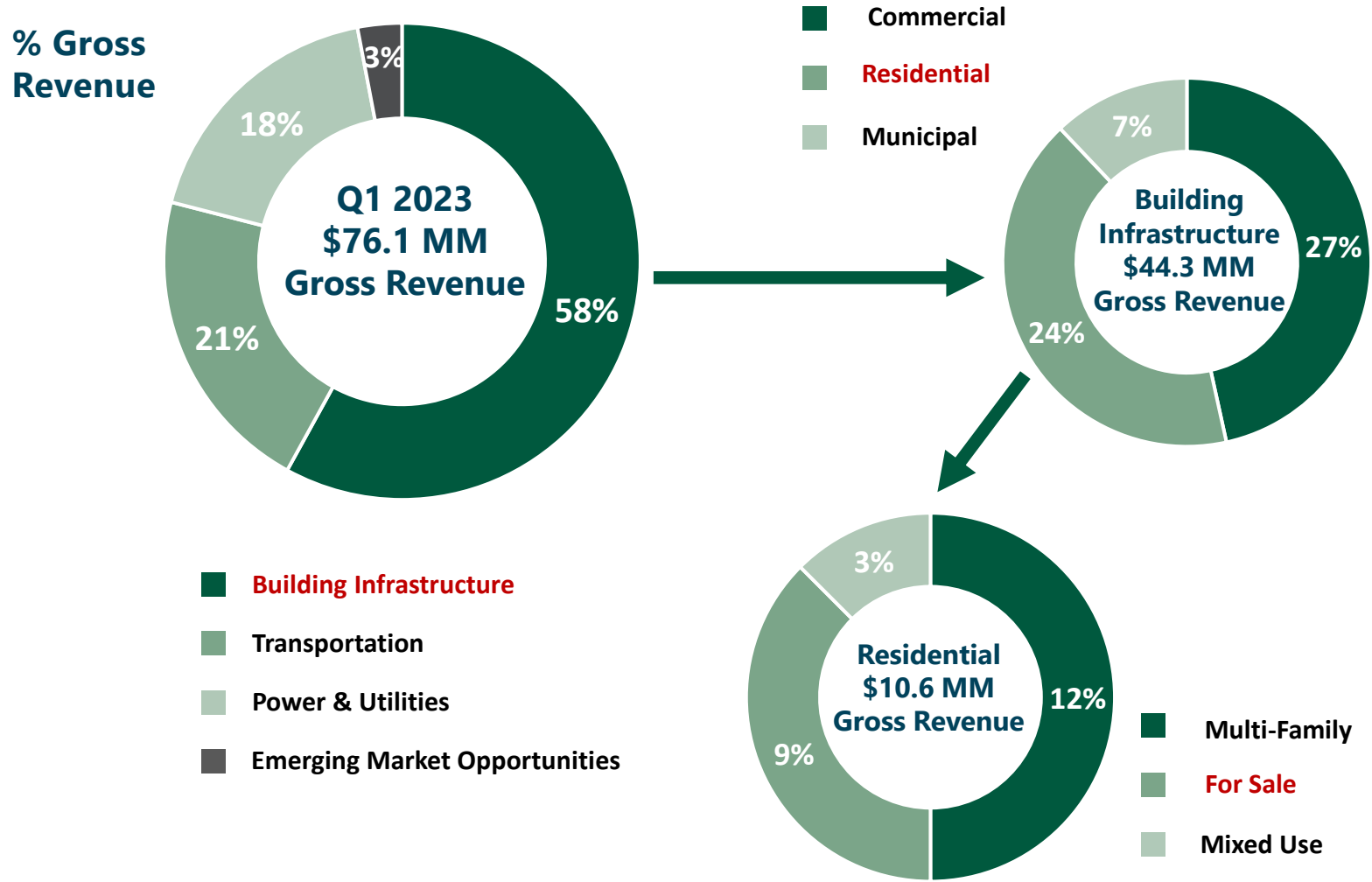
Dollars in Millions

For the Three Months Ended March 31

	2023	2022	Change
Non-Cash Stock Compensation	\$4.4	\$3.2	+38%
Net Income	\$0.5	\$1.5	-63%
Adjusted EBITDA ¹	\$9.7	\$7.4	+31%
Adjusted EBITDA Margin, Net ¹	14.3%	15.5%	-120 bps

¹ Non-GAAP financial metrics — See Non-GAAP tables in the corresponding press release for reconciliations

Q1 2023 Highlights



- 45% Gross Revenue Growth
- 13% Organic Growth in Gross Revenue
- 42% Net Revenue Growth
- 12% Organic Growth in Net Revenue

Balance Sheet & Capitalization

Cash & Leverage

- \$14 Million Cash Position
- \$30 Million Net Debt
- 0.8x Net Leverage Ratio
- \$6 Million Net from Operating Activities
- Established UTP for Section 174 Tax Changes

Capital Structure

- \$50 Million Bank of America Revolver – Undrawn at 3/31
- Limited Exposure to Interest Rate Volatility
- 13.6 Million Total Outstanding Shares
- Low Cap Ex - \$0.5 Million of Capital Asset Investment
- Continue to Structure M&A with Cash, Seller Notes and Equity



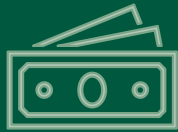
Guidance History

Increasing FY 2023 Guidance

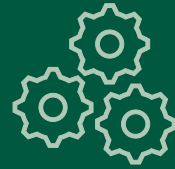
Issued	FY 2023 Net Revenue	Adjusted EBITDA
November 2022	\$270 - \$290 MM	\$42 - \$48 MM
March 2023	\$280 - \$295 MM	\$43 - \$49 MM
May 2023	\$285 - \$300 MM	\$44 - \$50 MM

Guidance Includes Acquisitions Completed to Date Only

Key Growth Drivers



**Entering Q2
with \$30 Million
in Un-Booked
Awards**



Significant Pent-up Demand for Infrastructure

Committed Public sector funding for transportation and infrastructure

Attractive Private sector incentives for investments in power, utilities and renewable energy



Culture of Intra-company Collaboration

Driving revenue synergies from acquisitions

Optimizing utilization through work-sharing

Technology platform driving efficiencies

End Market Highlights

Q1 2023 – % Gross Revenue | Change

58.3% +\$44.3 MM	21.0% +\$16.0 MM	17.5% +\$13.3 MM	3.2% +\$2.4 MM	
				
<p align="center">BUILDING INFRASTRUCTURE</p> <ul style="list-style-type: none"> • Commercial • Residential • Industrial • Municipal • Fulfillment Centers • Quick Service Restaurants • Build-for-Rent • Other 	<p align="center">TRANSPORTATION INFRASTRUCTURE</p> <ul style="list-style-type: none"> • Illinois Tollway Authority I-294 Project • IDOT Corridor Management Project • Pennsylvania Turnpike Commission – Allegheny Tunnel Transportation Improvement Project 	<p align="center">POWER & UTILITIES</p> <ul style="list-style-type: none"> • Undergrounding (Pike, Florida Power & Light, Tampa Electric) • Southwest Gas 	<p align="center">ENERGY SERVICES</p> <ul style="list-style-type: none"> • Renewable Energy Solutions Provider <ul style="list-style-type: none"> • Solar • Battery Storage • EV Charging Stations • Pattern Energy - Wind Energy Project Engineering and Design 	<p align="center">MINING & WATER RESOURCES</p> <ul style="list-style-type: none"> • Civil Engineering and Mine Infrastructure Services • Copper and Aggregates • Geospatial Capabilities for Industrial Minerals, Cement and Aggregate Industries • Water, Wastewater and Reclamation Services

Acquisition Overview



DRY UTILITIES



Acquisitions are focused on further diversifying our markets, services and geographies with the opportunity for value creation and through revenue synergies.

- 18 acquisitions since IPO
- FY'22 bought > \$60 million of net revenue at an average multiple of < 7X
- YTD'23 bought > \$5 million of net revenue
- 20% annualized revenue growth for 2021 acquisitions
- Experiencing success with revenue synergies and cross-selling
- Increasing utilization through work-sharing

A photograph of two workers in safety gear (hard hats and high-visibility vests) standing in a solar farm. The worker on the right is pointing towards the solar panels. In the background, there are several wind turbines under a clear blue sky. The overall scene is bright and sunny.

Bowman

N A S D A Q : B W M N

Bowman

B O W M A N C O N S U L T I N G G R O U P L T D .



APPENDIX

Reconciliation of GAAP to Non-GAAP Financials Measures

Adjusted EBITDA Reconciliation (Dollars in Thousands)

For the Three Months Ended March 31

	2023	2022
Net Income	\$537	\$1,457
+Interest Expense	896	334
+Depreciation & Amortization	3,565	2,389
+Tax (Benefit) Expense	(213)	(117)
EBITDA	\$4,785	\$4,063
+Non-Cash Stock Compensation	4,434	3,236
+Acquisition Expenses	454	105
Adjusted EBITDA	\$9,673	\$7,404
Adjusted EBITDA Margin, Net	14.3%	15.5%