

Bowman

Q1 2024 EARNINGS CALL | MAY 7, 2024 | NASDAQ: BWMN



TRANSPORTATION



POWER & UTILITIES



ENERGY



BUILDING INFRASTRUCTURE



WATER RESOURCES

Presenters:

Gary Bowman

Chairman & CEO

Bruce Labovitz

Chief Financial Officer

Safe Harbor Statement



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, Adjusted EPS and Net Service Billing.

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

Q1 2024 Conference Call



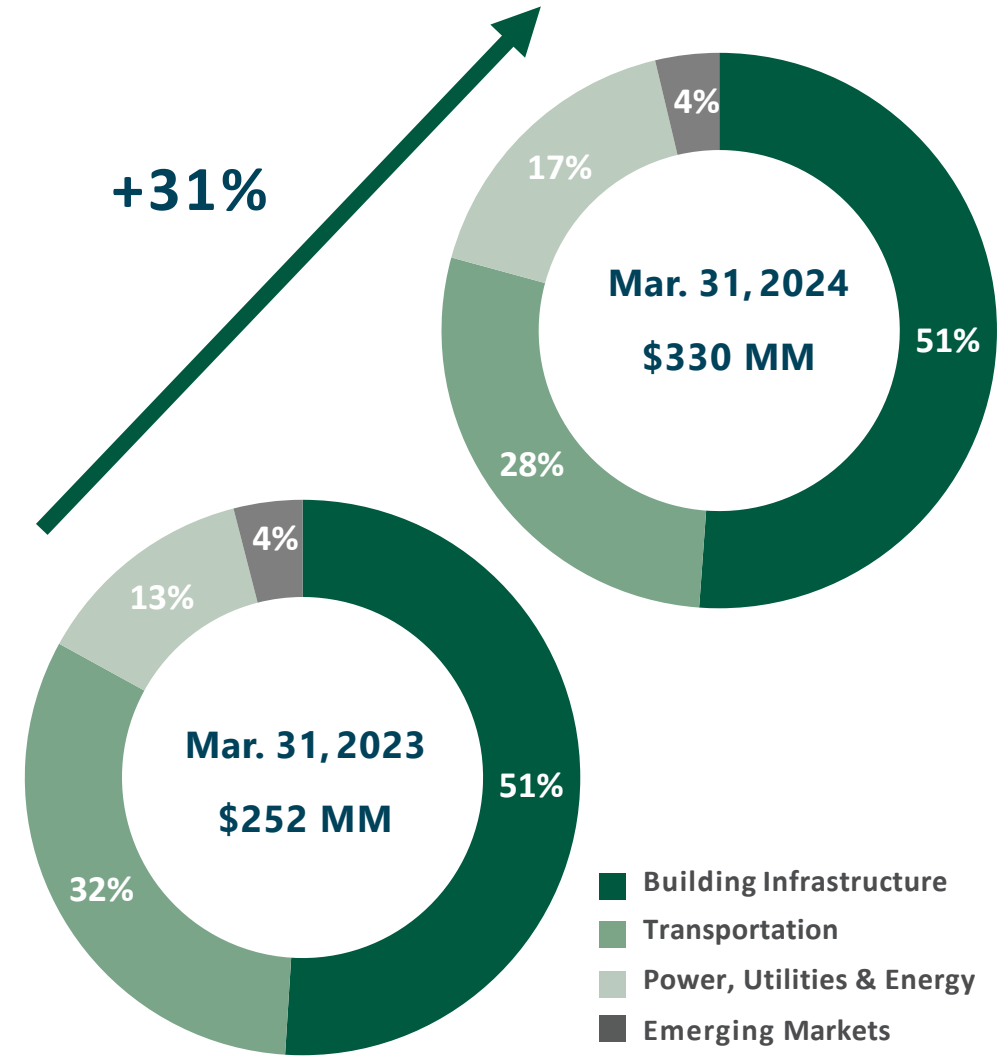
Q1 Highlights & Insights

- 25% YoY Growth in Gross Contract Revenue
- 27% YoY Growth in Net Service Billing
- 25% YoY Growth in Adjusted EBITDA
- 31% YoY Growth in Backlog
- 8% Sequential Growth in Backlog (03/31/24 vs 12/31/23)
- Organic Net Service Billing growth of 3% YoY
- Continued Revenue Diversification
- Annualized net revenue of \$40 million acquired year-to-date
 - \$8.5 million during Q1 and \$32 million subsequent to Q1

Gross Backlog

Select Services Matrix

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 2024 Compared To Q1 2023

(Dollars in millions, except per share data)

For the Three Months Ended March 31

	2024	2023	Change
Gross Contract Revenue	\$94.9	\$76.1	+24.7%
Net Service Billing ¹	\$85.7	\$67.6	+26.8%
Gross Margin	50.6%	50.9%	-30 bps
SG&A % of GCR	47.1%	44.2%	+290 bps

For the Three Months Ended March 31

	2024	2023	Change
Net (Loss) Income	(\$1.6)	\$0.5	NM
Adjusted EBITDA ¹	\$12.1	\$9.7	+25.4%
Adjusted EBITDA Margin, Net ¹	14.2%	14.3%	-10 bps
Adjusted EPS ¹ (basic)	\$0.22	\$0.28	-21.4%

Non-GAAP Adjusted EPS

For the three months ended March 31,

Basic

Diluted

	2024	2023	2024	2023
(Loss) Earnings per share (GAAP)	\$(0.11)	\$0.04	\$(0.11)	\$0.04
Pre-tax basic per share adjustments	\$0.23	\$0.32	\$0.22	\$0.30
Adjusted EPS before tax expense	\$0.12	\$0.36	\$0.11	\$0.34
Tax expense (benefit) per share adjustment	\$(0.12)	\$0.04	\$(0.11)	\$0.03
Adjusted EPS - adjusted net income	\$0.24	\$0.32	\$0.22	\$0.31
Adjusted EPS allocated to non-vested shares	\$0.02	\$0.04	\$0.02	\$0.05
Adjusted EPS attributable to common shares	\$0.22	\$0.28	\$0.20	\$0.26

Q1 2024 Revenue Composition

Growth Across Diversified Markets

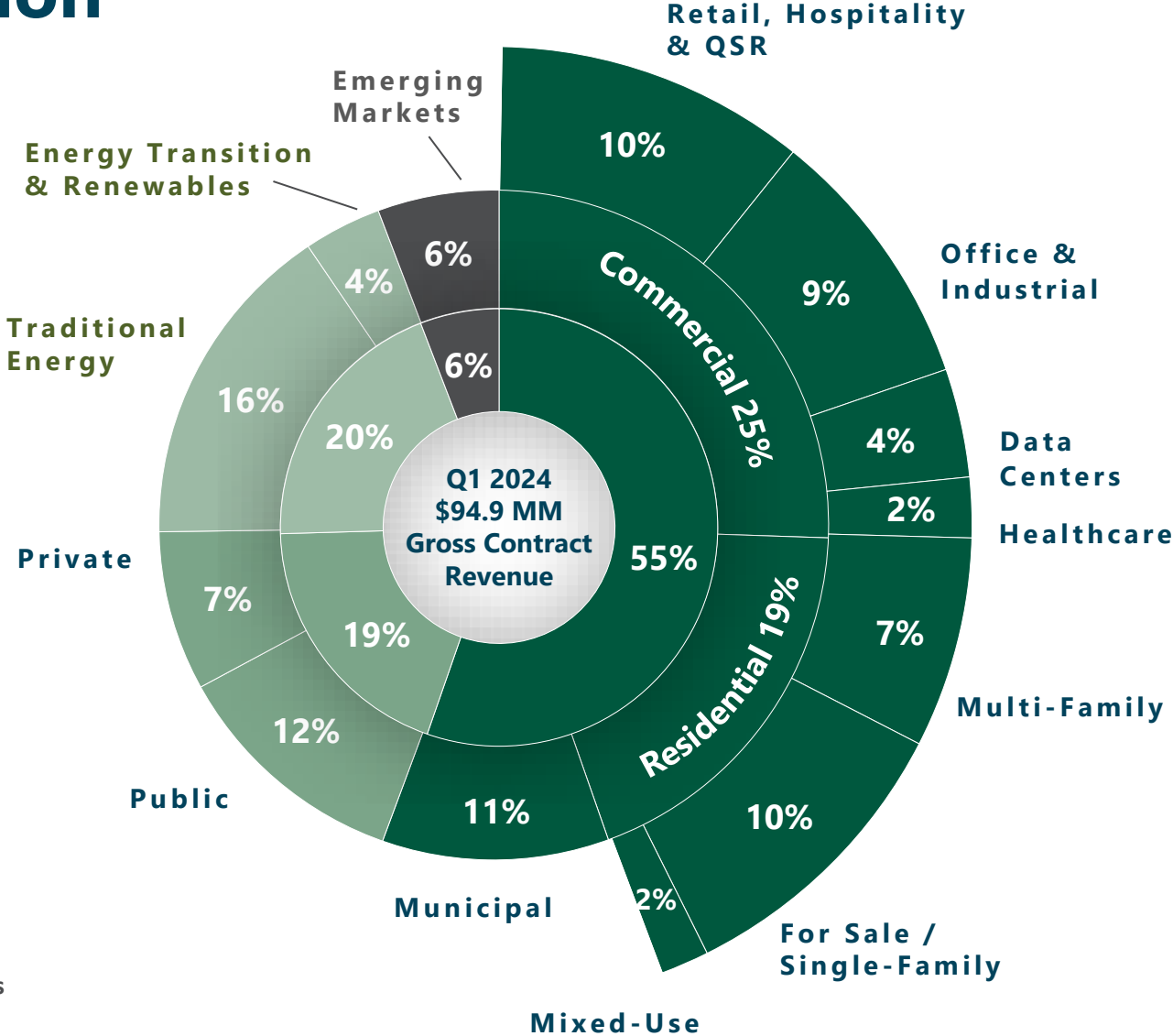
25% Gross Revenue Growth

1% Organic Growth in Gross Revenue

27% Net Revenue Growth

3% Organic Growth in Net Revenue

4% As Adjusted Organic Growth in Net Revenue¹



- Building Infrastructure
- Power, Utilities & Energy
- Transportation
- Emerging Markets

¹ Adjusted to include organic growth on acquired revenue

Balance Sheet, Tax, and Capitalization

Cash & Leverage

- \$12 million Cash on Hand
- \$84 million Net Debt
- 1.7x Net Leverage Ratio – T4Q Adjusted EBITDA
- \$2.5 million Cash from Operating Activities
- \$3.2 million Cap Ex Expenditure

Capital Structure

- New \$100 million facility from BofA & TD Bank
- Limited exposure to interest rate volatility
- 15.3 million total outstanding shares including all unvested restricted stock grants at 03/31/24¹
- M&A consideration remains cash, seller notes, and equity



Updating Guidance






FY 2024 Guidance

Issued	Net Revenue	Adjusted EBITDA
November 2023	\$345 - \$360 MM	\$56 - \$62 MM
March 2024	\$363 - \$378 MM	\$59 - \$65 MM
May 2024	\$382 - \$397 MM	\$63 - \$69 MM

Guidance Includes Acquisitions Completed to Date Only

End Market Highlights

Q1 2024 – % Gross Revenue | YoY % Change

55.6% +19.1% YoY	19.1% +13.2% YoY	19.5% +38.6% YoY	19.5% +38.6% YoY	5.8% +128.4% YoY
				
<p align="center">BUILDING INFRASTRUCTURE</p> <ul style="list-style-type: none"> • Commercial • Industrial • Municipal • Fulfillment Centers • Quick Service Restaurants • Residential • Build-for-Rent • Other 	<p align="center">TRANSPORTATION INFRASTRUCTURE</p> <ul style="list-style-type: none"> • Inroads with FDOT and RIDOT and other DOTs • Pennsylvania Turnpike Commission – Allegheny Tunnel Transportation Improvement Project • Mobile mapping for interstate highways • Canadian Railway Assignment in Illinois 	<p align="center">POWER & UTILITIES</p> <ul style="list-style-type: none"> • Undergrounding (Pike, Florida Power & Light, Tampa Electric) • Expanded gas pipeline services in Nevada • Expanding engagement with SDG&E 	<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 Aggregates • Water, Wastewater, Water Reclamation Services Pilot • Fairfax County Stormwater

Surdex Acquisition



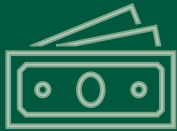
Highlights & Insights



- Closed April 2024
- Fleet of ten single-engine and multi-engine aircrafts
- Adds high-altitude aerial imaging
- Public sector-focused prior to acquisition
- Complimentary suite of services
- Resolutions to 30 centimeters from high-altitude
- Leaf-on and leaf-off seasons
- Significant revenue synergy opportunities – utility, transportation and land development applications
- Already winning new work post-closing

Key Initiatives and M&A Pipeline

Operations



Commitment to fostering work-sharing and collaboration

Challenge employees to share best practices

Expose employees to technical training and professional development

Technology

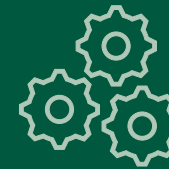


Systems, Platforms and Processes that accelerate delivery

Extensive iteration and applied learning

Multi-dimensional production and communications

Business Development



Well-connected rainmaking talent

Seasoned professionals with real-world experience

Networked closers

Strategic acquisitions that generate revenue synergies



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N A S D A Q : B W M N

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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

Gross Revenue to Net Service Billing Reconciliation

(Dollars in thousands)

For the Three Months Ended March 31

	2024	2023
Gross Contract Revenue	\$94,907	\$76,100
Less: Sub-Consultants & Other Direct Expenses	\$9,218	\$8,538
Net Service Billing	\$85,689	\$67,562

Reconciliation of GAAP to Non-GAAP Financials Measures

Adjusted EBITDA Reconciliation

(Dollars in thousands)

For the Three Months Ended March 31

	2024	2023
Net (Loss) Income (GAAP)	\$(1,558)	\$537
+Interest Expense	2,131	896
+Depreciation & Amortization	5,995	3,565
+Tax (Benefit) Expense	(3,453)	(213)
EBITDA	\$3,115	\$4,785
+Non-Cash Stock Compensation	7,861	4,434
+Settlements & Other Non-Core Expenses	399	-
+Acquisition Expenses	753	454
Adjusted EBITDA	\$12,128	\$9,673
Adjusted EBITDA Margin, Net	14.2%	14.3%

Reconciliation of GAAP to Non-GAAP Financials Measures

EPS To Adjusted EPS Reconciliation

(Dollars in thousands)

For the Three Months Ended March 31

	2024	2023
Net (Loss) Income (GAAP)	\$(1,558)	\$537
+Tax Expense (Benefit) (GAAP)	(3,453)	(213)
Income (Loss) Before Tax Expense (GAAP)	\$(5,011)	\$324
+Acquisition Related Expenses	1,350	849
+Amortization Of Intangibles	3,339	1,369
+Non-Cash Stock Comp Related To Pre-IPO	1,557	1,722
+Other Non-Core Expenses	399	-
Adjusted Income Before Tax Expense	\$1,634	\$4,264
Adjusted Income Tax (Benefit) Expense	(1,660)	496
Adjusted Net Income	\$3,294	\$3,768
Adjusted Earnings Allocated To Non-Vested Shares	310	488
Adjusted Net Income Attributable To Common Shareholders	\$2,984	\$3,280

Non-GAAP Adjusted EPS

BASIC ADJUSTED EPS

For the Three Months Ended March 31

Earnings (loss) per share (GAAP)

Pre-tax basic per share adjustments

Adjusted EPS before tax expense

Tax expense (benefit) per share adjustment

Adjusted EPS - adjusted net income

Adjusted EPS allocated to non-vested shares

Adjusted EPS attributable to common shares

2024	2023
\$(0.11)	\$0.04
\$0.23	\$0.32
\$0.12	\$0.36
\$(0.12)	\$0.04
\$0.24	\$0.32
\$0.02	\$0.04
\$0.22	\$0.28

Non-GAAP Adjusted EPS – Dilutive

DILUTIVE ADJUSTED EPS

For the Three Months Ended March 31

(Loss) Earnings per share (GAAP)

Pre-tax basic per share adjustments

Adjusted EPS before tax expense

Tax expense (benefit) per share adjustment

Adjusted EPS - adjusted net income

Adjusted EPS allocated to non-vested shares

Adjusted EPS attributable to common shares

2024	2023
\$(0.11)	\$0.04
\$0.22	\$0.30
\$0.11	\$0.34
\$(0.11)	\$0.03
\$0.22	\$0.31
\$0.02	\$0.05
\$0.20	\$0.26

Reconciliation of GAAP to Non-GAAP Financials Measures

EPS To Adjusted EPS Reconciliation

(Dollars in thousands)

For the Three Months Ended March 31

	2024	2023
(Loss) Earnings Per Share (GAAP)		
Basic	\$(0.11)	\$0.04
Diluted	\$(0.11)	\$0.04
Adjusted Earnings Per Share (Non-GAAP)		
Basic	\$0.22	\$0.28
Diluted	\$0.20	\$0.26
Weighted Average Shares Outstanding		
Basic	13,827,728	11,800,308
Diluted	14,561,032	12,669,581