

Bowman

UPDATED Q3 2022 EARNINGS CALL | DECEMBER 23, 2022 | NASDAQ: BWMN



BUILDING INFRASTRUCTURE



TRANSPORTATION



POWER & UTILITIES



ENERGY



WATER RESOURCES

The Company's Q3 Earnings presentation dated November 11, 2002 has been updated to include new slides included herein as Appendix.

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).

Q3 2022 Conference Call

Gary Bowman

Chairman & CEO

Bruce Labovitz

Chief Financial Officer

Highlights

\$265 Million Net Revenue Run Rate

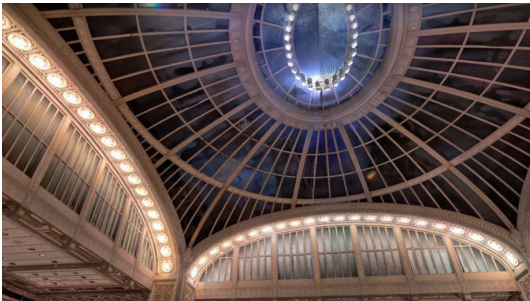
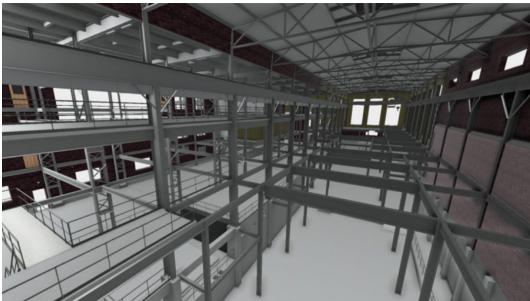
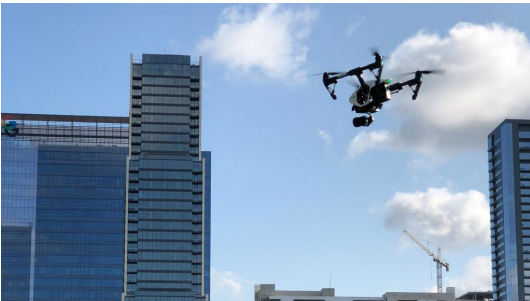
25% Year-Over-Year Organic Growth

\$23 Million Cash Flow from Operations YTD¹

Increasing FY '22 Outlook and Introducing FY '23 Outlook

¹Before changes in working capital

Recent Acquisitions



3D MODELING AND REALITY CAPTURE



SEI Professional Services
a Bowman company



SOLAR ENGINEERING

Financial Highlights

Q3 2022 Compared to Q3 2021

Dollars in Millions

For the Three Months Ended September 30

	2022	2021	Change
Gross Contract Revenue	\$71.2	\$39.7	+79%
Net Service Billing ¹	\$64.9	\$35.7	+82%
Gross Margin	52.3%	50.9%	+140 bps
SG&A % of GCR	44.8%	46.3%	-150 bps

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

Dollars in Millions

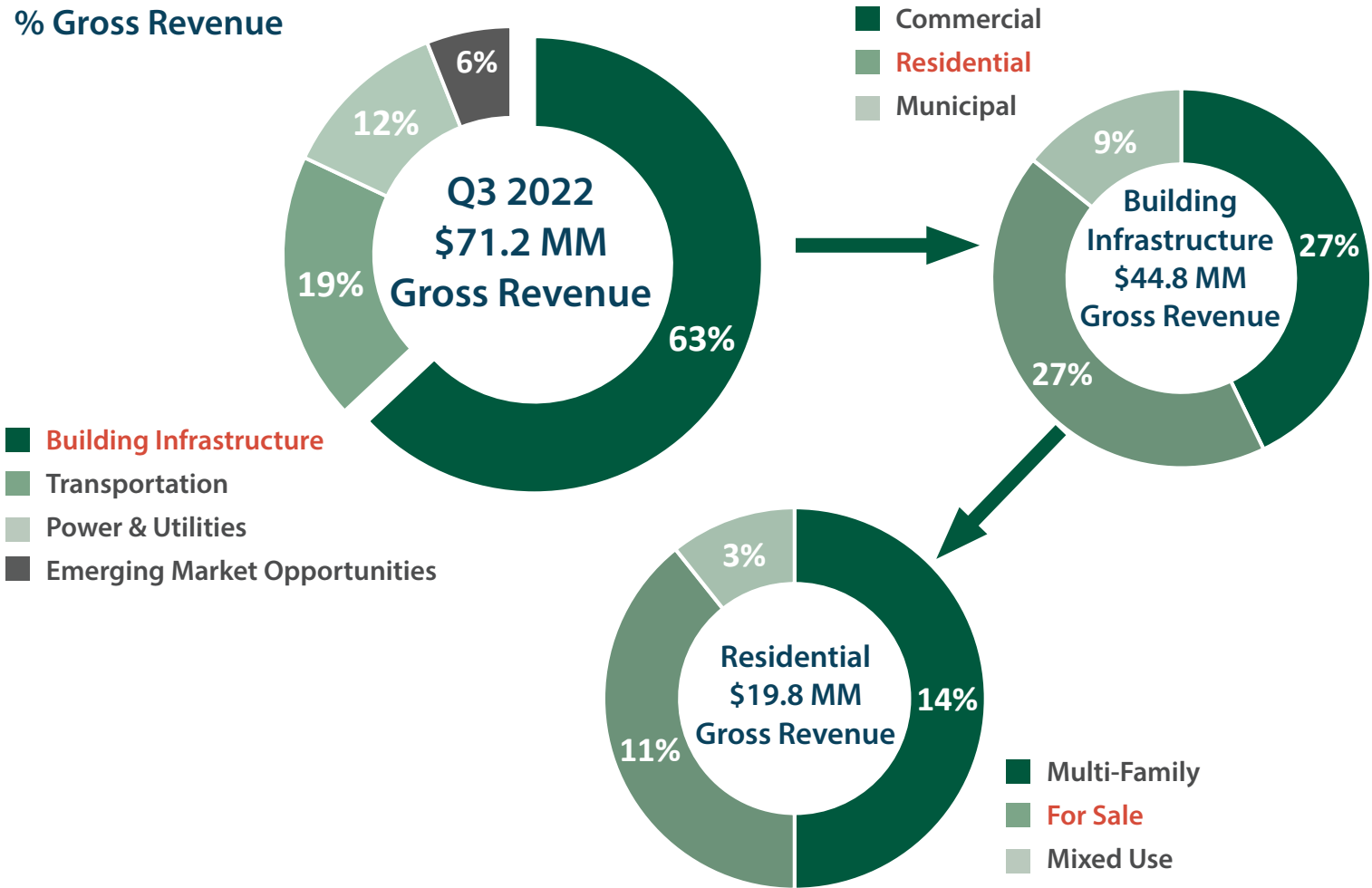
For the Three Months Ended September 30

	2022	2021	Change
Net Income	\$3.4	\$0.4	+750%
Adjusted EBITDA ¹	\$9.6	\$4.4	+118%
Adjusted EBITDA Margin, Net ¹	14.8%	12.4%	+240 bps
Backlog	\$230	\$139	+65%

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

Q3 2022 Highlights

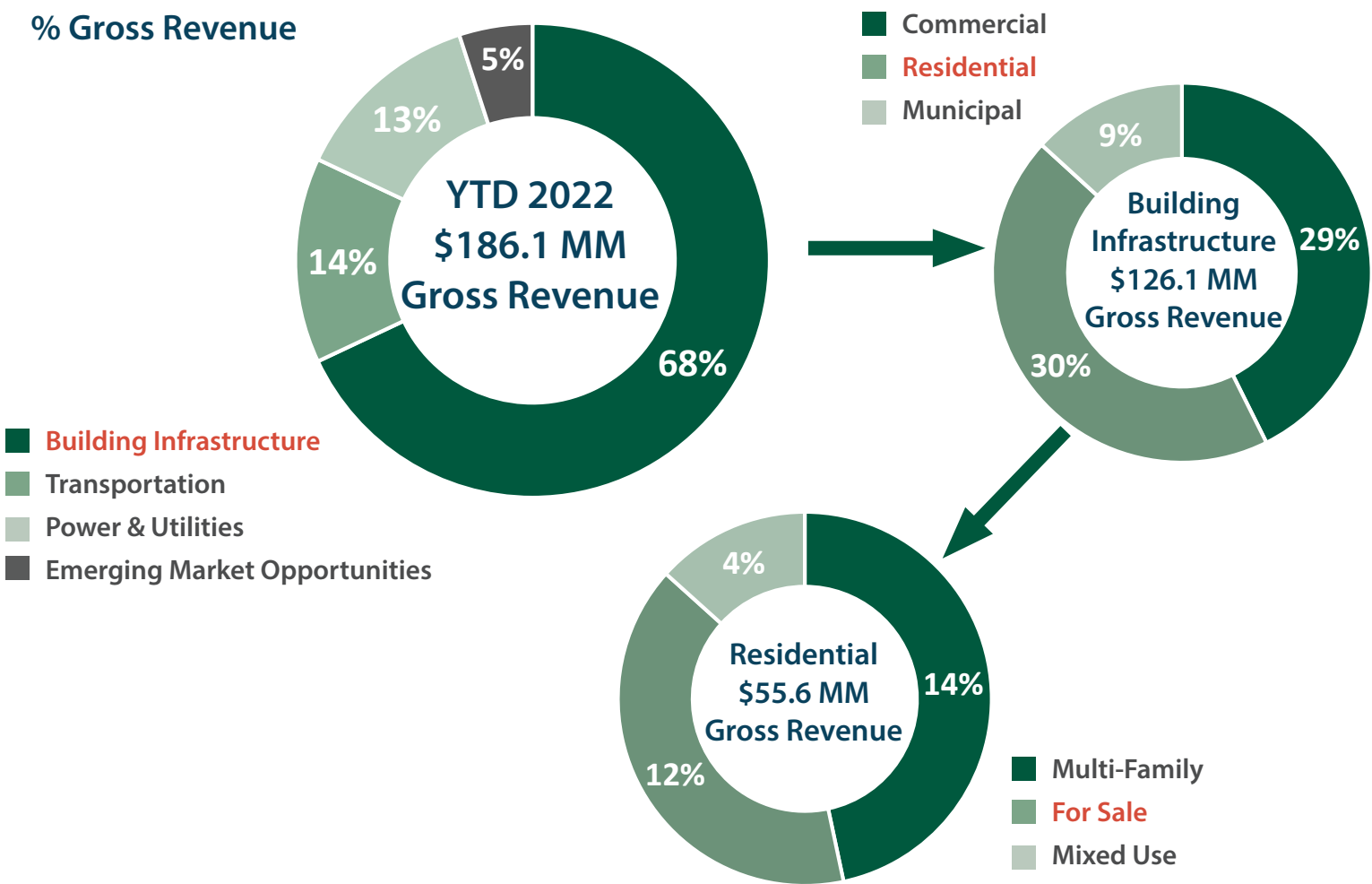
% Gross Revenue



- 79% Gross Revenue Growth
- 23% Organic Growth in Gross Revenue
- 25% Organic Growth in Net Revenue
- 65% YOY Backlog Growth

YTD 2022 Highlights

- 72% Gross Revenue Growth
- 28% Organic Growth in Gross Revenue
- 31% Organic Growth in Net Revenue
- 38% YTD Backlog Growth



Revenue Distribution

Consolidated Gross Revenue	Q1	Q2	Q3	Q4	YTD
Building Infrastructure	38,762	42,571	44,765		120,093
Transportation	3,970	9,276	13,218		26,464
Power & Utilities	7,637	7,924	8,809		24,370
Emerging Markets	2,092	2,628	4,454		9,178
Total	52,461	62,399	71,246		186,105
Building Infrastructure	73.9%	68.2%	62.8%		67.8%
Transportation	7.6%	14.9%	18.6%		14.2%
Power & Utilities	14.5%	12.7%	12.4%		13.1%
Emerging Markets	4.0%	4.2%	6.2%		4.9%
Total	100.0%	100.0%	100.0%		100.0%

Balance Sheet & Capitalization

Cash & Leverage

- \$23 Million Cash Position
- \$19 Million Net Debt
- Leverage Ratio < 1.0
- \$24 Million Cash Flow - Pre-Change in Working Capital
- \$12 Million Net from Operating Activities

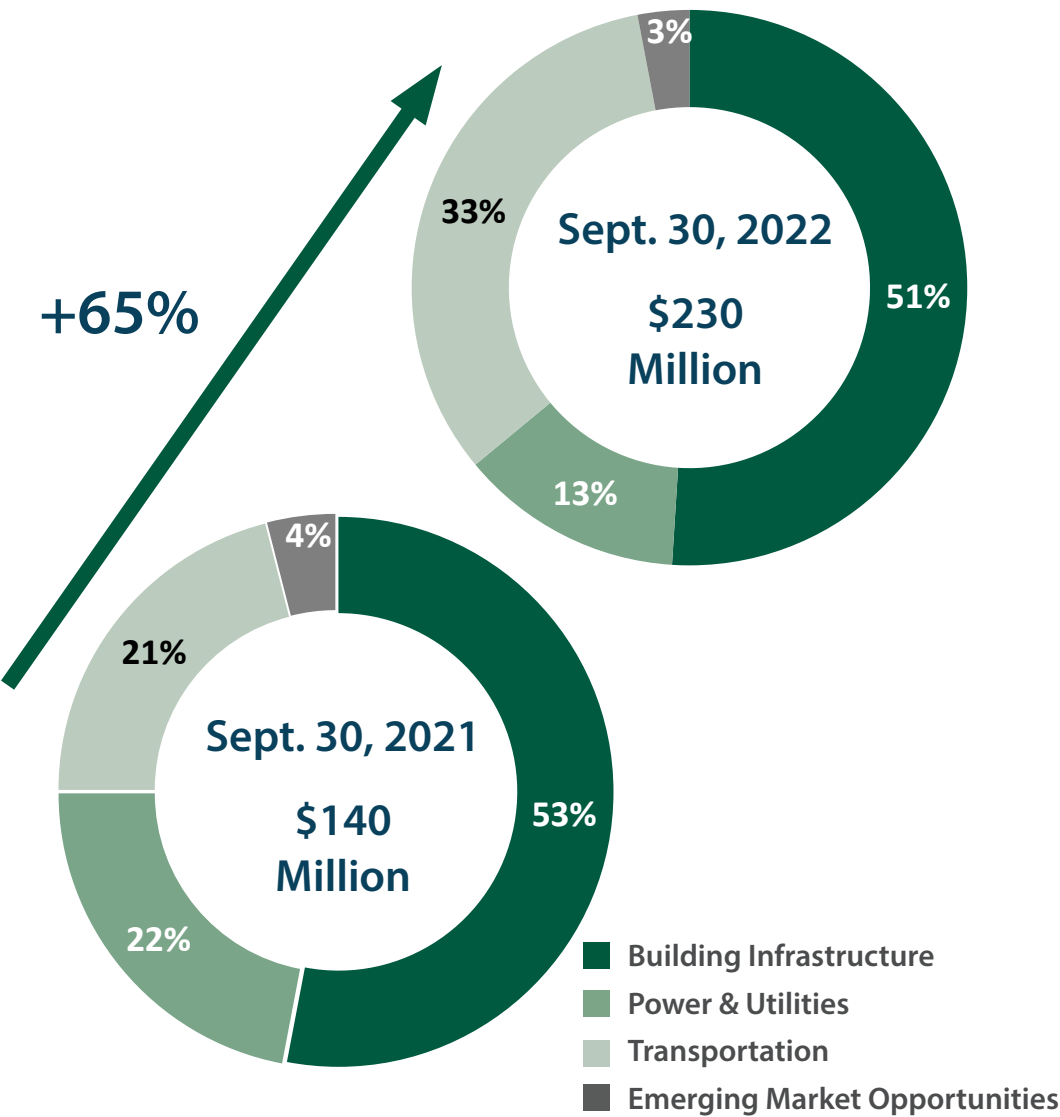
Credit Facilities

- \$25 Million Bank of America Revolver
- Capital Leases - Equipment
- Seller Financing



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



Guidance

Increasing & Narrowing FY 2022 Guidance

Issued	FY 2022 Net Revenue	Adjusted EBITDA
November 2021	\$150 - \$170 MM	\$20 - \$24 MM
March 2022	\$170 - \$185 MM	\$23 - \$27 MM
May 2022	\$185 - \$200 MM	\$25 - \$29 MM
August 2022	\$205 - \$220 MM	\$29 - \$33 MM
November 2022	\$230 - \$234 MM	\$33 - \$35 MM

Introducing FY 2023 Guidance

Issued	FY 2023 Net Revenue	Adjusted EBITDA
November 2022	\$270 - \$290 MM	\$42 - \$48 MM

Guidance Includes Acquisitions Completed to Date Only

Share Repurchase Authorization

\$10 Million Repurchase Plan Authorization

- Top Priority for Capital Allocation Remains Investment in Strategic Growth
- Program Intended to Address Periodic Market Inefficiencies
- Company Not Obligated to Acquire any Specific Number of Shares
- Updates to be Provided in Connection with Quarterly Filings



Q3 2022 - % Gross Revenue | Change

62.8% +\$16.5 MM	18.6% +\$9.2 MM	12.4% +\$2.5 MM	6.2% +\$3.4 MM	
				
BUILDING INFRASTRUCTURE	TRANSPORTATION INFRASTRUCTURE	POWER & UTILITIES	ENERGY SERVICES	MINING & EXPLORATION
<ul style="list-style-type: none">• Commercial• Residential• Industrial• Municipal• Fulfillment Centers• Quick Service Restaurants• Build-for-Rent• Other	<ul style="list-style-type: none">• Illinois Tollway Authority I-294 Project• IDOT Corridor Management Project	<ul style="list-style-type: none">• Undergrounding (Pike, Florida Power & Light, Tampa Electric• Southwest Gas	<ul style="list-style-type: none">• Renewable Energy Solutions Provider<ul style="list-style-type: none">• Solar• Battery Storage• Pattern Energy - Wind Energy Project Engineering and Design	<ul style="list-style-type: none">• Freeport-McMoRan - Copper Mines• Meaningful Focus of M&A Strategy

Growing National Footprint



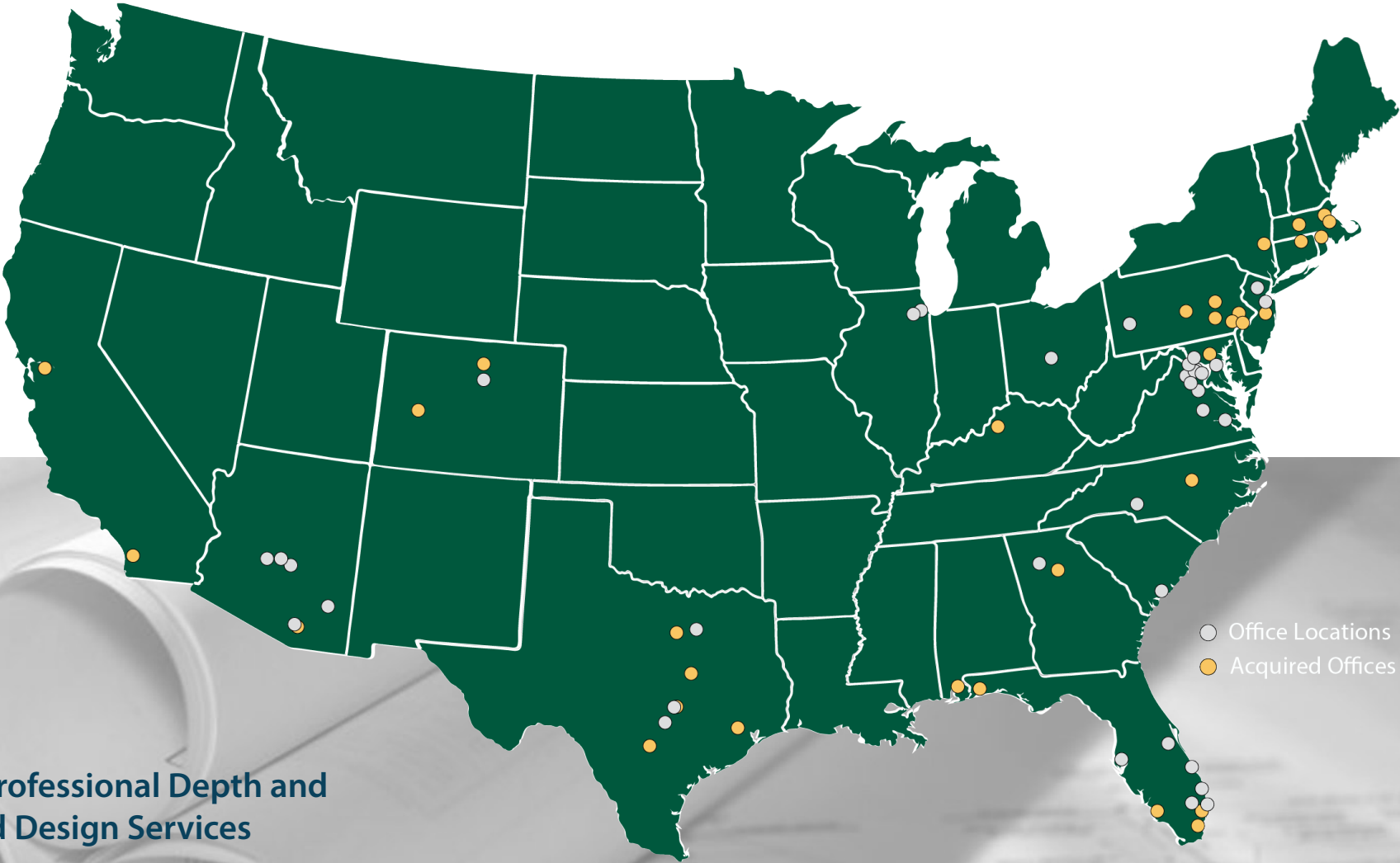
118
ENR Top 500
Design Firm

98
ENR Top 500
Pure Designers

1,700+
Professionals Nationwide

68
Offices

Attractive Geographic Markets with Professional Depth and Growing Demand for Engineering and Design Services



Acquisition Integration and M&A Pipeline



M&A is focused on further diversifying our markets, services and geographies with the opportunity for value creation through revenue synergies.

- 15 acquisitions since January 2021
- YTD bought > \$50 million of net Revenue at an average multiple of < 6X
- Experiencing success with revenue synergies
- 24% annualized revenue growth for 2021 acquisitions
- Increasing revenue through cross selling
- Projecting mid-\$60 million in 2022 revenue acquired

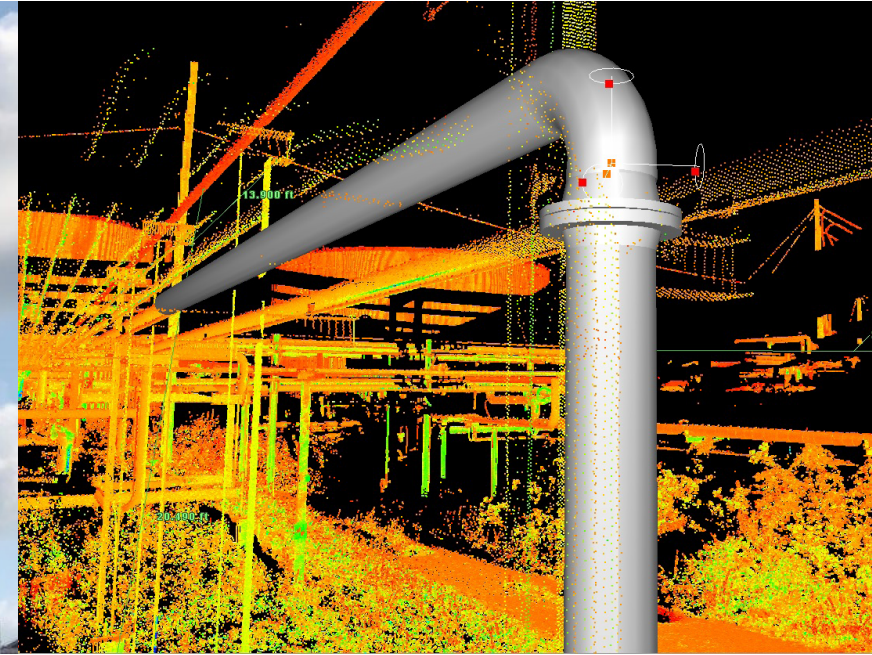
Geospatial



REALITY CAPTURE



PHOTOGRAMMETRY



3D MODELING



APPENDIX

Reconciliation of GAAP to Non-GAAP Financials Measures

Adjusted EBITDA Reconciliation (Dollars in Thousands)

For the Three Months Ended September 30

	2022	2021
Net Income	\$3,397	\$357
+Interest Expense	538	216
+Depreciation & Amortization	3,138	1,598
+Tax Expense	(1,773)	(379)
EBITDA	\$5,300	\$1,792
+Non-Cash Stock Compensation	4,214	2,634
+Transaction Related Expenses	---	---
+Settlements/Non-Core Expenses	---	---
+Acquisition Expenses	110	---
Adjusted EBITDA	\$9,624	\$4,426
Adjusted EBITDA Margin, Net	14.8%	12.4%

For the Nine Months Ended September 30

	2022	2021
Net Income	\$4,534	\$899
+Interest Expense	1,223	650
+Depreciation & Amortization	8,350	4,506
+Tax Expense	(2,079)	(139)
EBITDA	\$12,028	\$5,916
+Non-Cash Stock Compensation	11,487	5,341
+Transaction Related Expenses	---	1,440
+Settlements/Non-Core Expenses	215	---
+Acquisition Expenses	876	---
Adjusted EBITDA	\$24,606	\$12,697
Adjusted EBITDA Margin, Net	14.6%	13.1%

2022 Non-Cash Stock Compensation Breakdown

(Dollars in Thousands)

Grant Type	Q1	Q2	Q3	YTD
Pre-IPO	\$2,335	\$2,601	\$2,457	\$7,392
Post-IPO	\$816	\$1,243	\$1,476	\$3,535
Acquisitions ¹	\$85	\$194	\$281	\$560
Total	\$3,236	\$4,038	\$4,214	\$11,487

¹ Represents non-cash stock compensation expense pertaining to shares issued as closing incentives in acquisitions, but not shares issued as consideration in acquisitions.

Future Non-Cash Stock Compensation Expense

(Dollars in Thousands)

The future expense of unvested awards for the remainder of 2022 and succeeding years is as follows:

	Q4 '22	2023	2024	2025	Thereafter	Total
Pre-IPO	\$1,906	\$7,034	\$4,391	\$1,300	\$274	\$14,905
Post-IPO	\$1,246	\$4,473	\$1,678	\$243	---	\$7,639
Acquisitions ¹	\$289	\$930	\$792	\$192	---	\$2,204
Total	\$3,441	\$12,437	\$6,861	\$1,735	\$274	\$24,748

¹ Represents non-cash stock compensation expense pertaining to shares issued as closing incentives in acquisitions, but not shares issued as consideration in acquisitions.

The background image shows two people from behind, wearing white hard hats and bright yellow safety vests. They are standing in front of a large array of solar panels. In the distance, several wind turbines are visible against a clear blue sky. The overall scene is bright and sunny, suggesting a clean energy environment.

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N A S D A Q : B W M N

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