



Investor Presentation

NASDAQ Ticker: WLDN

May 2020

Safe Harbor Statement – Statements in this presentation that are not purely historical, are forward-looking statements that involve risks and uncertainties within the meaning of the Private Securities Litigation Reform Act of 1995. Willdan's actual results could differ materially from those in any such forward-looking statements. Willdan's business could be affected by a number of other factors, including the risk factors listed from time to time in Willdan's SEC reports including, but not limited to, the Annual Report on Form 10-K for the year ended December 27, 2019. Willdan disclaims any obligation, and does not undertake, to update or revise any forward looking statements.

Willdan At a Glance

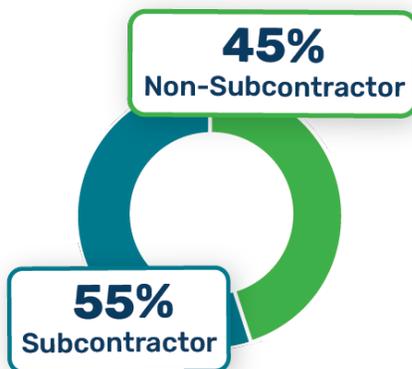
ELECTRIC GRID SOLUTIONS COMPANY

Our FY19 Stats

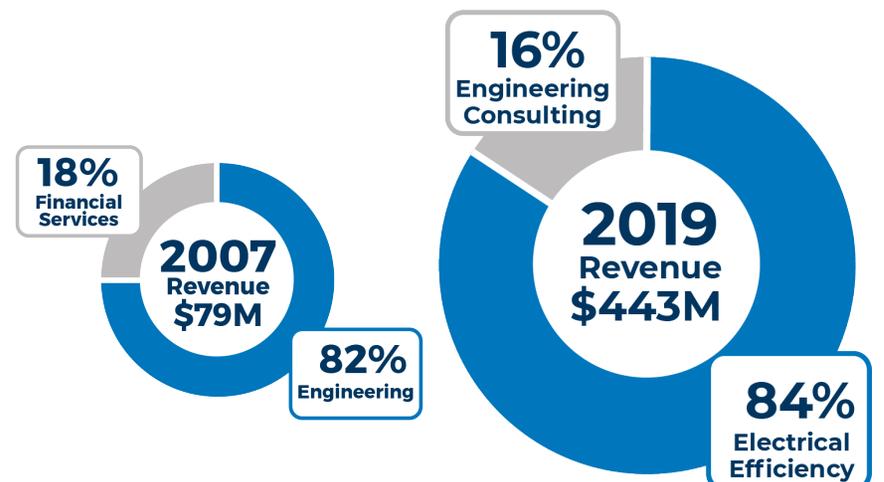
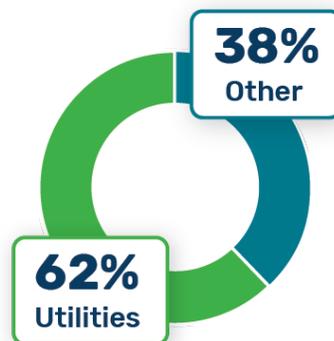
- \$443M Revenue
- Diluted EPS = \$0.41
- Adjusted Diluted EPS = \$2.27⁽¹⁾



Subcontractors as a % of Revenue



Utilities as % Net Revenue



(1) Adjusted Diluted EPS is defined as net income plus stock-based compensation, intangible amortization and transaction costs, net of tax, all divided by the diluted weighted-average shares outstanding, and is a non-GAAP financial measure. See appendix for a reconciliation to diluted EPS, which is the corresponding GAAP financial measure.

Willdan – Long Term Strategic Growth Drivers



Increased spending on Energy Efficiency in large markets



Public Sector demand for Renewable & Electrification



Resilient business and revenue model



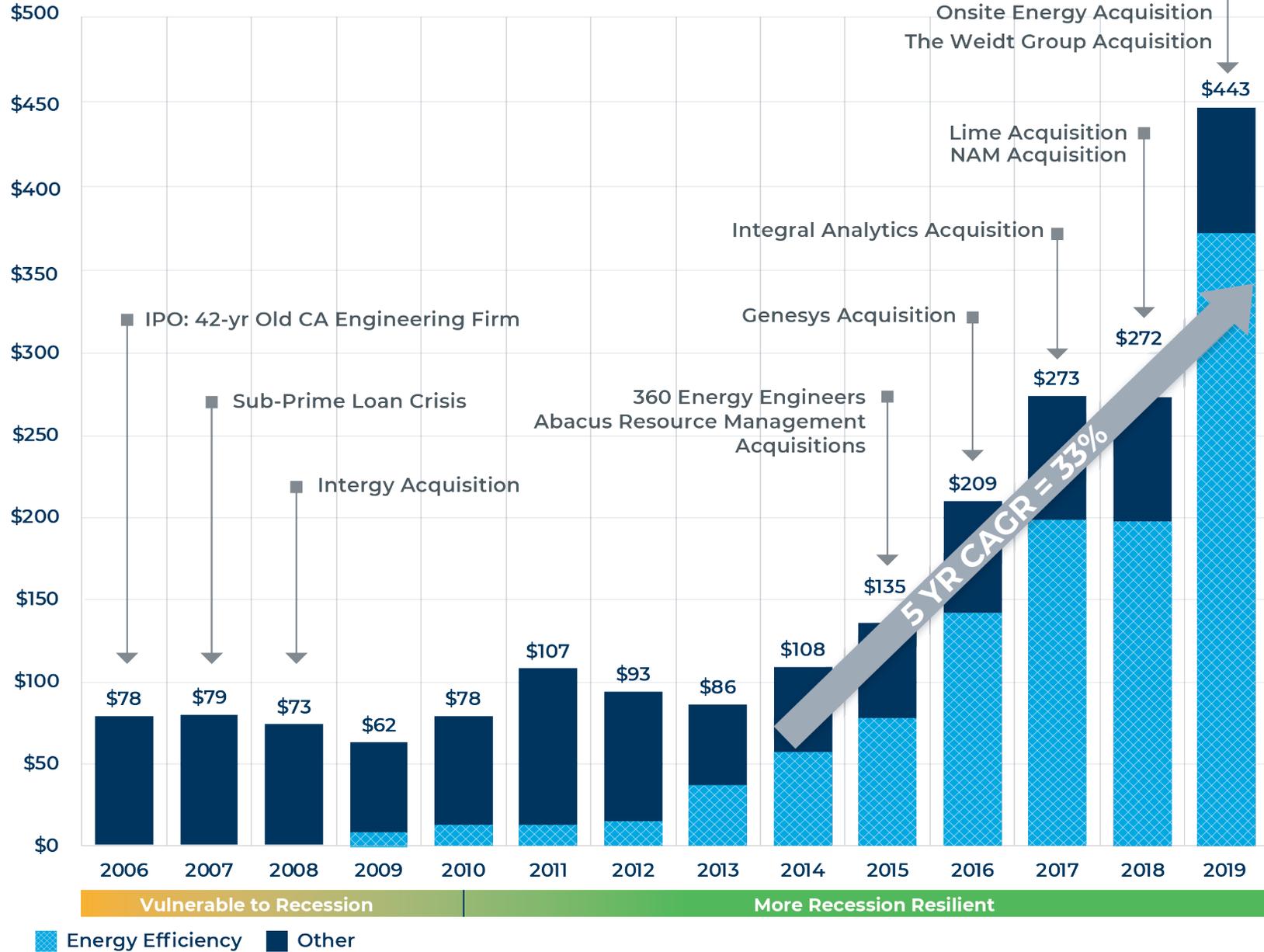
Acquisitions catalyze strategic growth opportunities



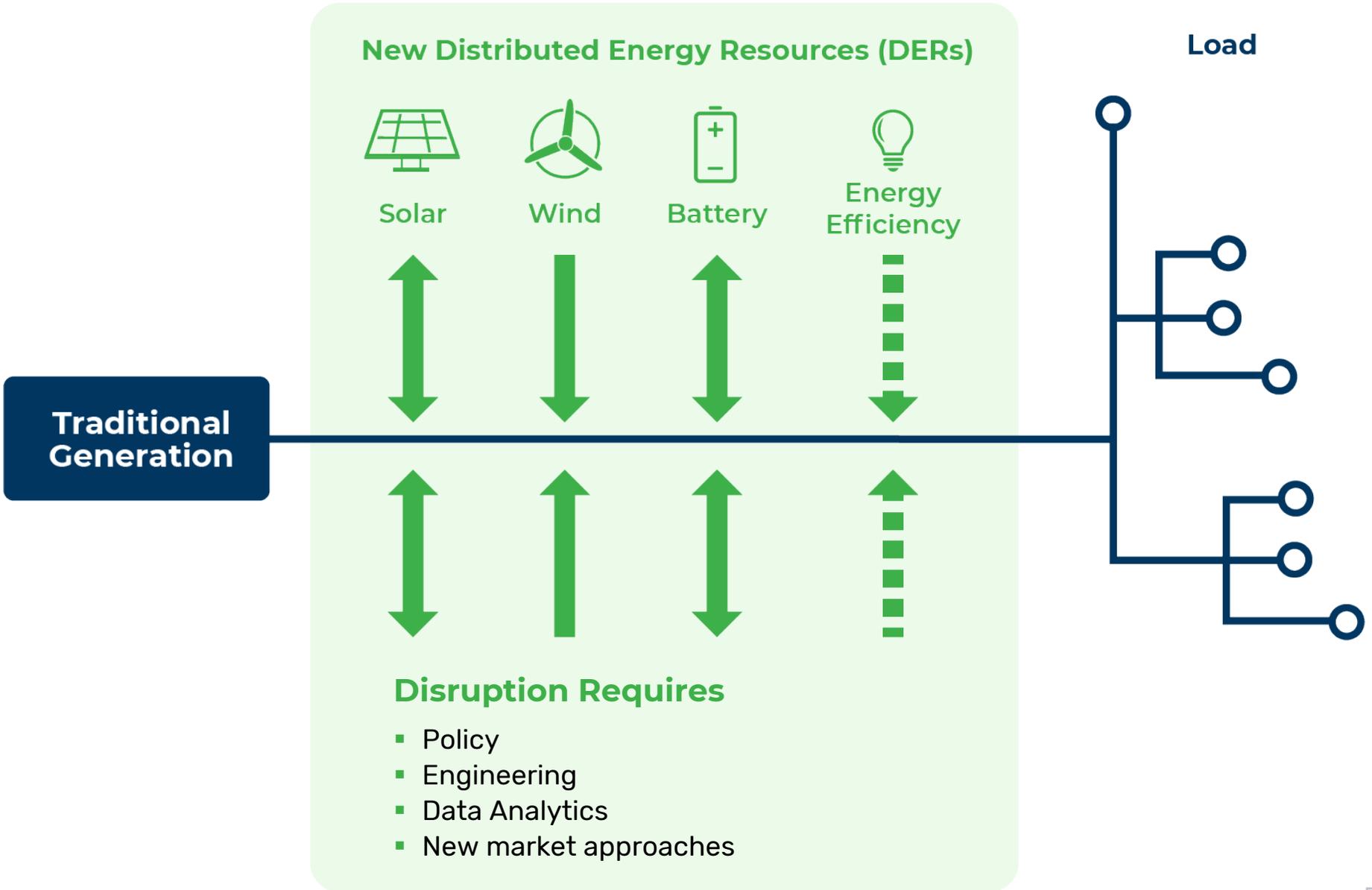
Disciplined capital deployment

Willdan – A Financial History

Revenue (\$ in millions)



What Willdan Does



Competitors*

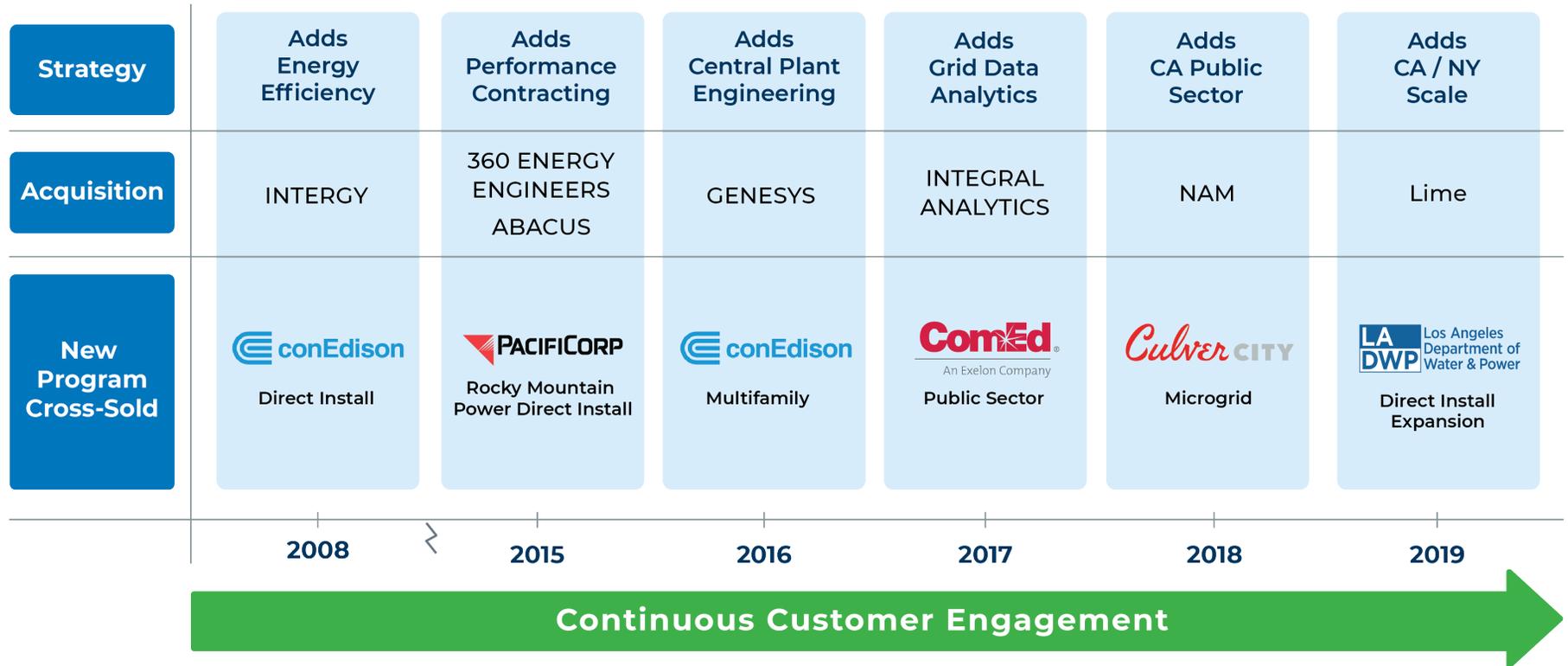
Name	Category	Ticker	Estimated Revenue in Competition with Willdan
CLEAResult	PE Roll-up	--	≈\$500M
Willdan	Mgmt. Consultant	WLDN	≈\$443M
GoodCents/ Franklin	PE Roll-up	--	≈\$300M
TRC	PE Roll-up	--	≈\$275M
ICF	Mgmt. Consultant	ICFI	≈\$250M
Leidos	Mgmt. Consultant	LDOS	≈\$230M
Nexant	PE Roll-up	--	≈\$150k

(*) Listed in estimated revenue in competition with Willdan.

Willdan Software



Acquisitions Catalyze Strategic Growth



Energy and Environmental Economics (E3) Acquisition

Closed October 28, 2019

Energy Policy Consulting Company

- Founded 1989
- E3 serves both public and private sectors with:



Energy Policy
Consulting



Market Analysis



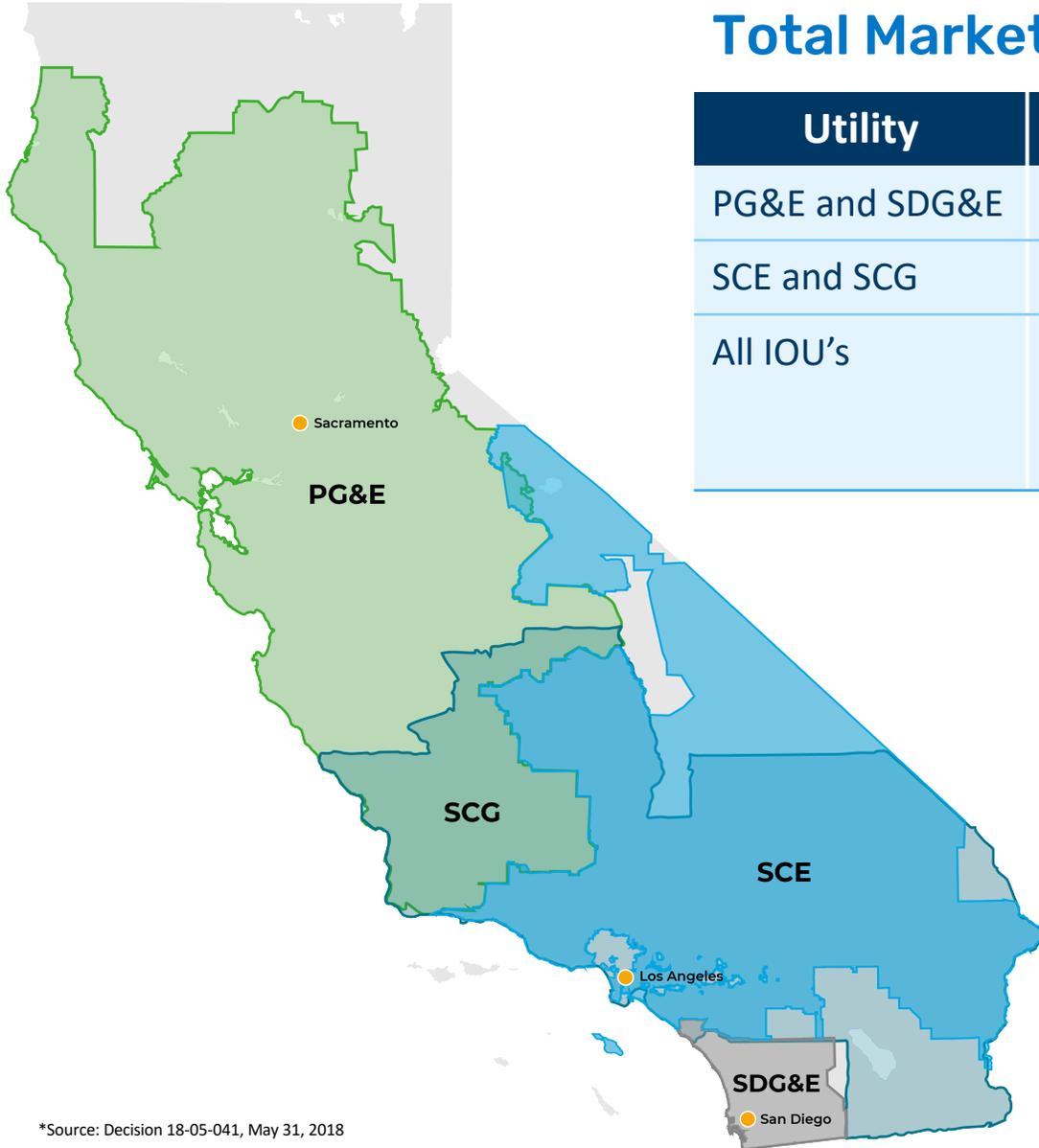
Data Analysis

- Revenue \approx \$16M/yr

Expertise

- Asset valuation and market price forecasting
- Resource planning
- Energy and environmental policy
- Rate design
- Regulatory strategy and litigation support

CA IOU Opportunity



Total Market ≈ \$900M/yr*

Utility	Outsource Requirement	Date
PG&E and SDG&E	25%	6/30/2020
SCE and SCG	25%	9/30/2020
All IOU's	40%	12/31/2020
	60%	12/31/2022
	100%	12/31/2025



Willdan Experience:

- Largest EE Provider in CA
- Historically \$20M/yr for CA IOU's

*Source: Decision 18-05-041, May 31, 2018

Our Industry's Three Horizons

Present

1 Energy Efficiency & Non Wires Solutions

- LED Lighting
- Refrigeration
- HVAC
- Gas - DHW
- EC Motors
- Envelope
- Gas - Heating

<3 years

2 Energy Management & Demand Response

- Advanced Controls
- Energy Management Systems [EMS]
- Advanced Analytics
- Continuous Commissioning
- Measurement & Verification
- Demand Response

>3 years

3 Renewable Energy & Energy Storage

- Battery Storage
- CHP
- Fuel Cells
- EV Charging
- Wind
- Solar PV
- Heat & Energy Recovery Systems

COVID-19 Response

Health and Safety

- Our priority is the health and safety of our employees and customers
- Majority of WLDN employees working from home
- Following guidance of health organizations and governments

Business Continuity

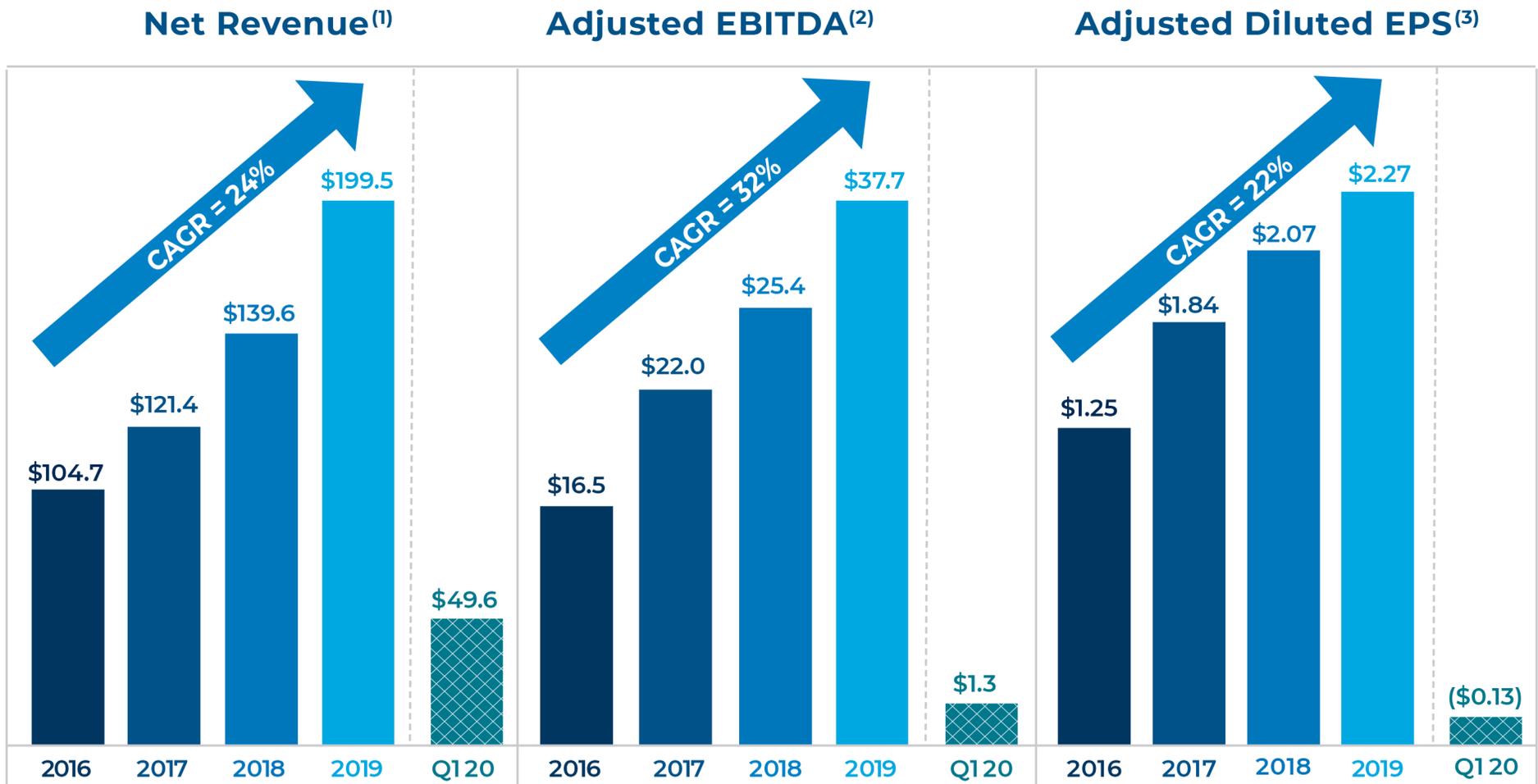
- 60% of business deemed essential or slightly impacted
- Temporarily suspended 80% of small business Direct Install (DI) programs
- DI ~40% of gross contract revenue
- Largely impacted in NY and CA

Cost and Expense Reduction

- Implemented comprehensive cost reductions across the organization
- Salary reductions and reduction in workforce
- Freeze on all non-critical spending

Strong Financial Results

\$ in millions, except per share data



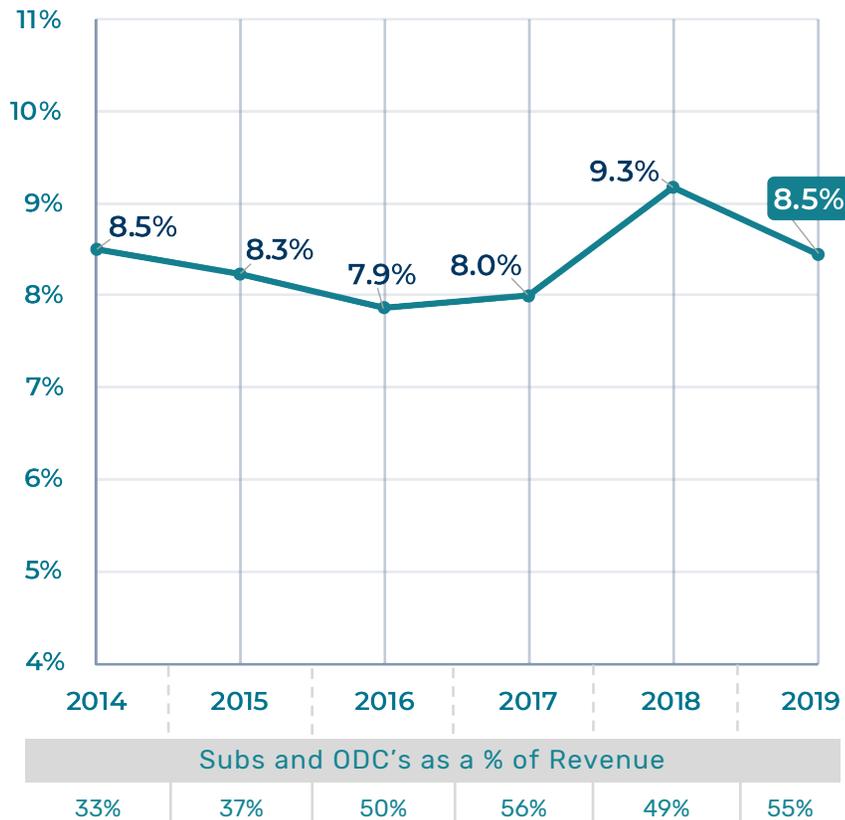
(1) Net Revenue is defined as contract revenue minus subcontractor services and other direct costs and is a non-GAAP financial measure.

(2) Adjusted EBITDA is defined as net income plus interest expense, interest accretion, income tax expense (benefit), stock-based compensation, depreciation and amortization, transaction costs and gain (loss) on sale of equipment and is a non-GAAP financial measure.

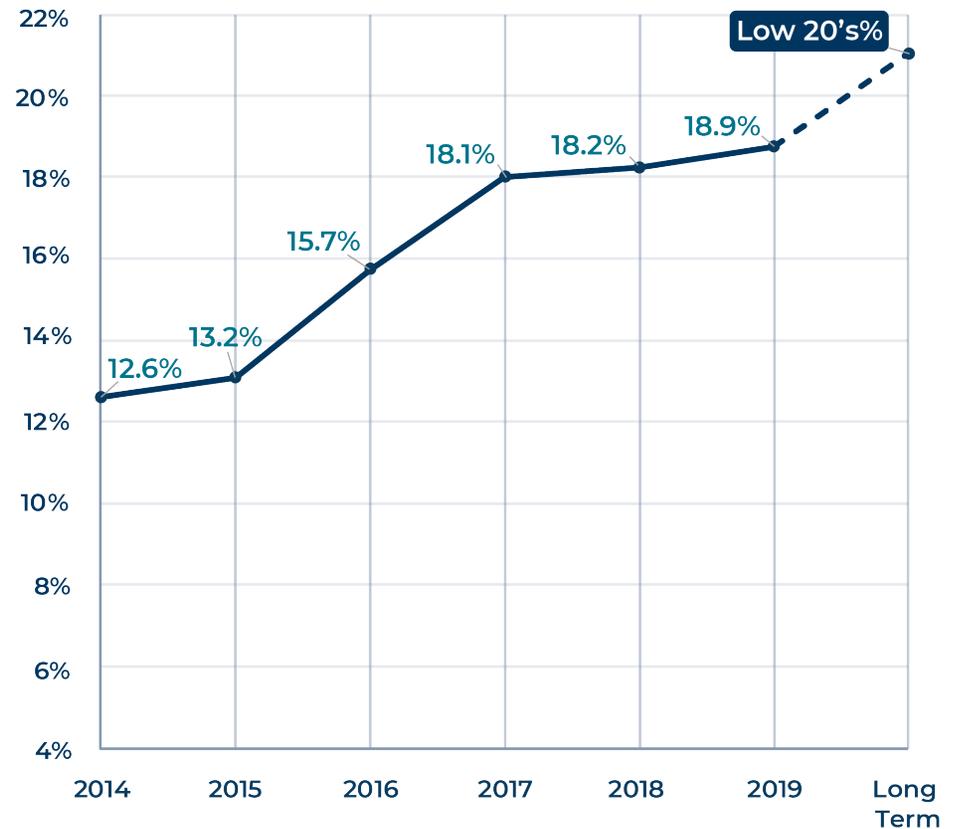
(3) Adjusted Diluted EPS is defined as net income plus stock-based compensation, intangible amortization and transaction costs divided by the diluted weighted-average shares outstanding, and is a non-GAAP financial measure.

Adjusted EBITDA Margin Trend

Adjusted EBITDA vs Revenue



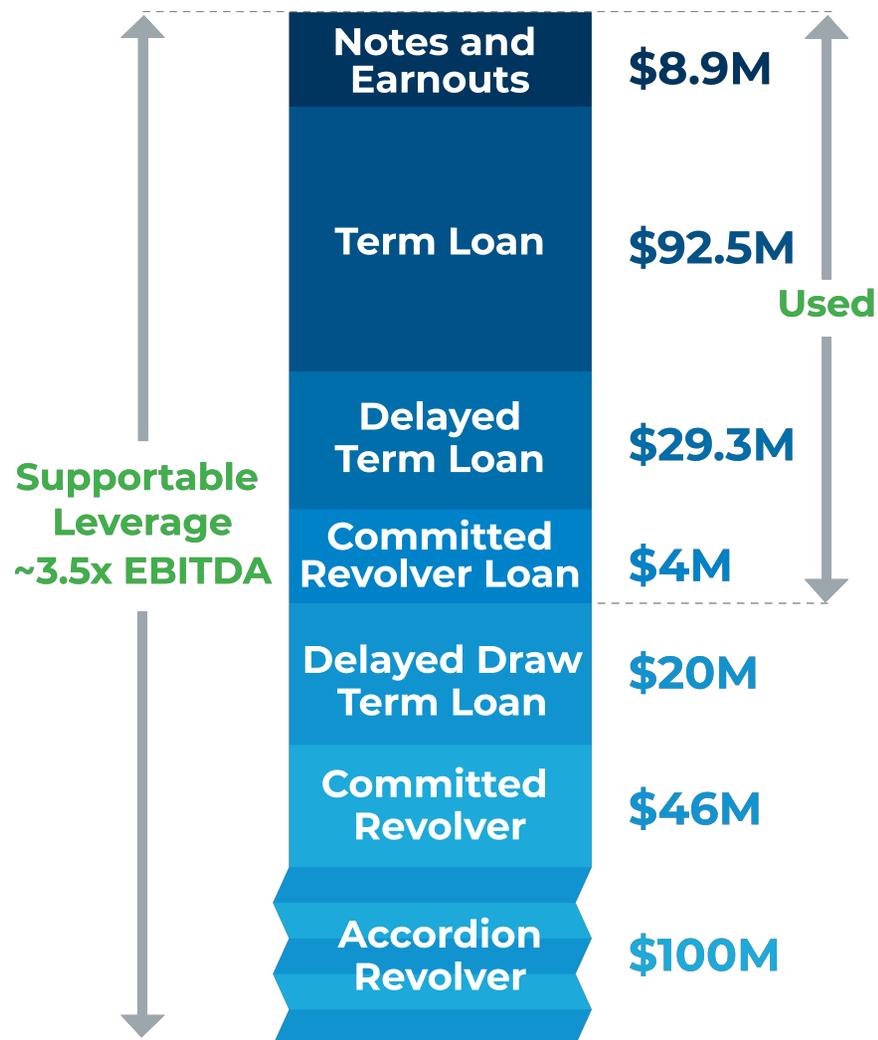
Adjusted EBITDA vs Net Revenue*



*See (1) and (2) on page 13 for Net Revenue and Adjusted EBITDA definitions.

Balance Sheet and Capital Resources

At April 3, 2020



Liquidity and Capital Resources

- Record \$16.5M in CFO in Q1 FY20*
- Amended credit agreement effective May 6 increasing debt covenant flexibility
- Minimized working capital and focus on cash collections
- Deferring tax payments where possible
- FY20 cash flow targeted for debt repayment

* Q1 FY20 cash flow from operations includes no unusual items

Summary and Financial Targets

ELECTRIC GRID SOLUTIONS COMPANY

- Withdrew FY20 financial targets April 16, 2020
- Look to reinstate financial targets once there is improved visibility into expected results
- FY20 interest expense of ~\$6.0M vs. prior estimate of ~\$4.5M
- Targeted long-term growth of >20%
 - Organic growth >10%
 - Accretive acquisitions >10%