



Investor Presentation

NASDAQ Ticker: WLDN

June 2019

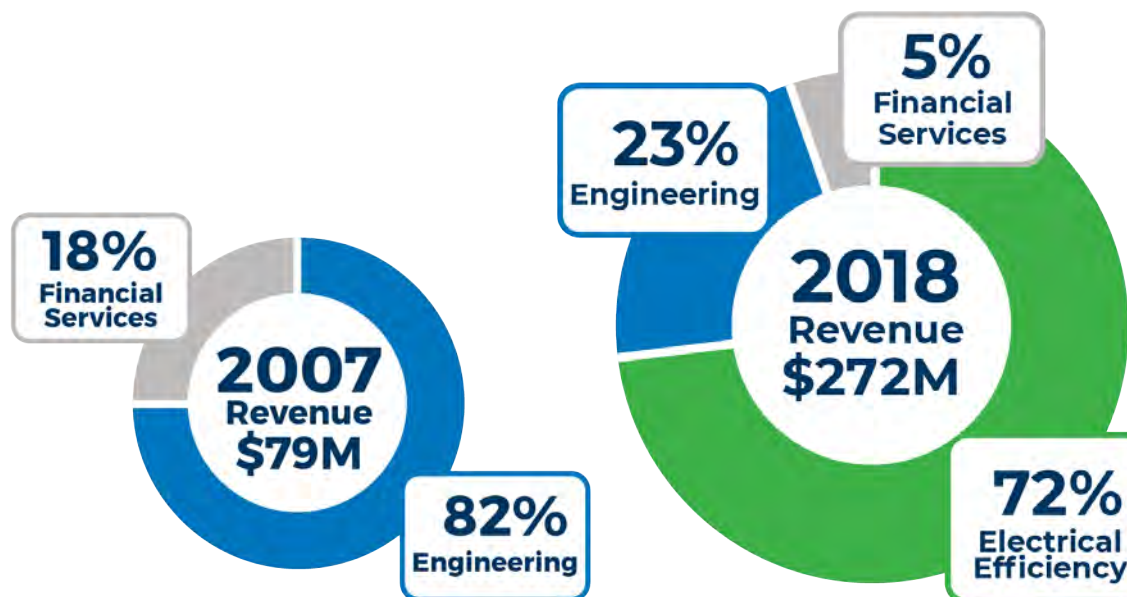
Safe Harbor Statement – Statements in this presentation that are not purely historical, are forward-looking statements that involve risks and uncertainties within the meaning of the Private Securities Litigation Reform Act of 1995. Willdan's actual results could differ materially from those in any such 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 28, 2018. Willdan disclaims any obligation, and does not undertake, to update or revise any forward looking statements.

Willdan Overview

ELECTRIC GRID SOLUTIONS COMPANY

Our FY18 Stats

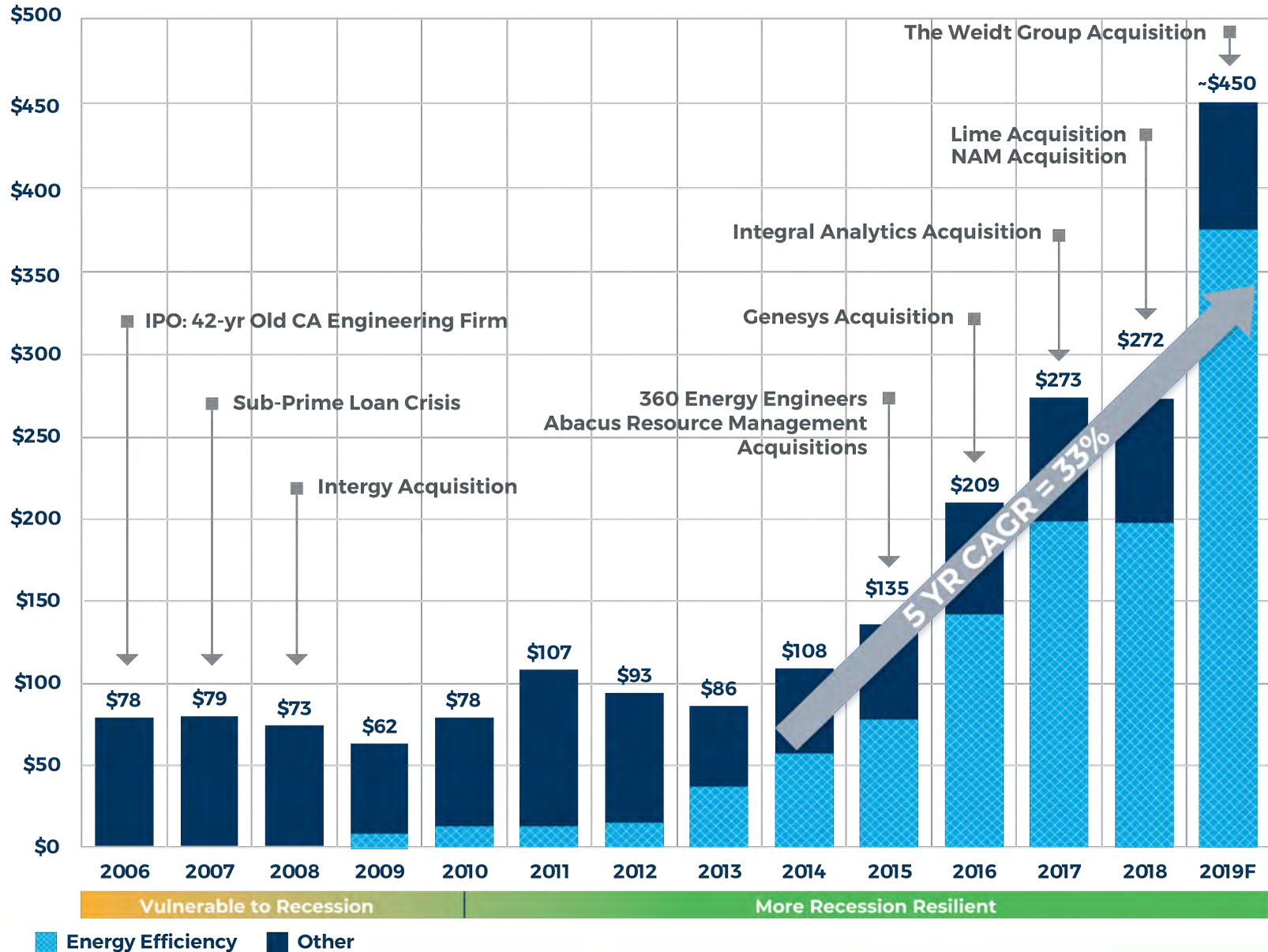
- \$272M Revenue
- Diluted EPS = \$1.03
- Adjusted Diluted EPS = \$2.07 ⁽¹⁾



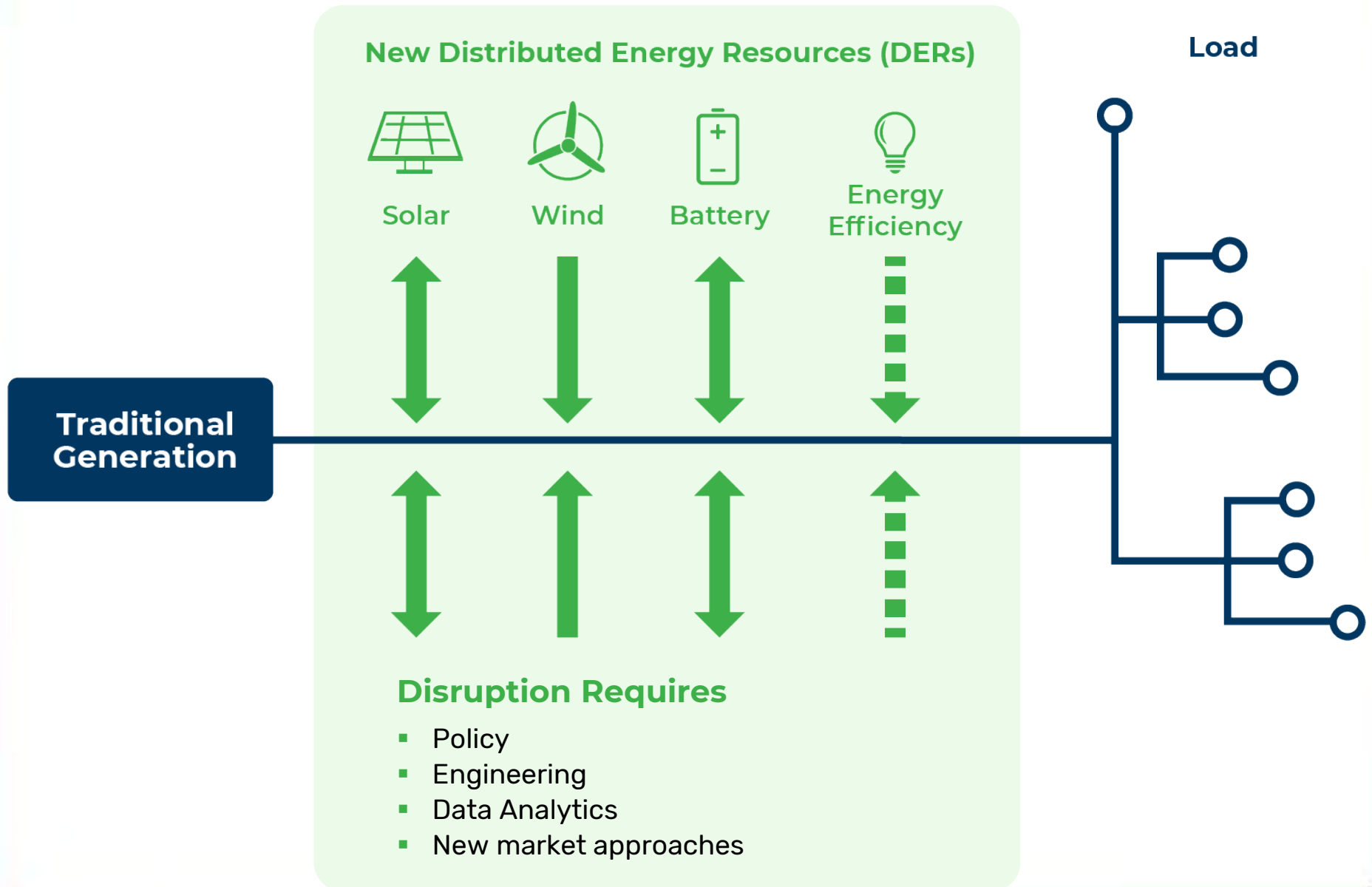
(1) Adjusted Diluted EPS is defined as net income plus stock-based compensation, intangible amortization and transaction costs, net of tax, all divided by the diluted weighted-average shares outstanding, and is a non-GAAP financial measure. See appendix for a reconciliation to diluted EPS, which is the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

Willdan – A Financial History

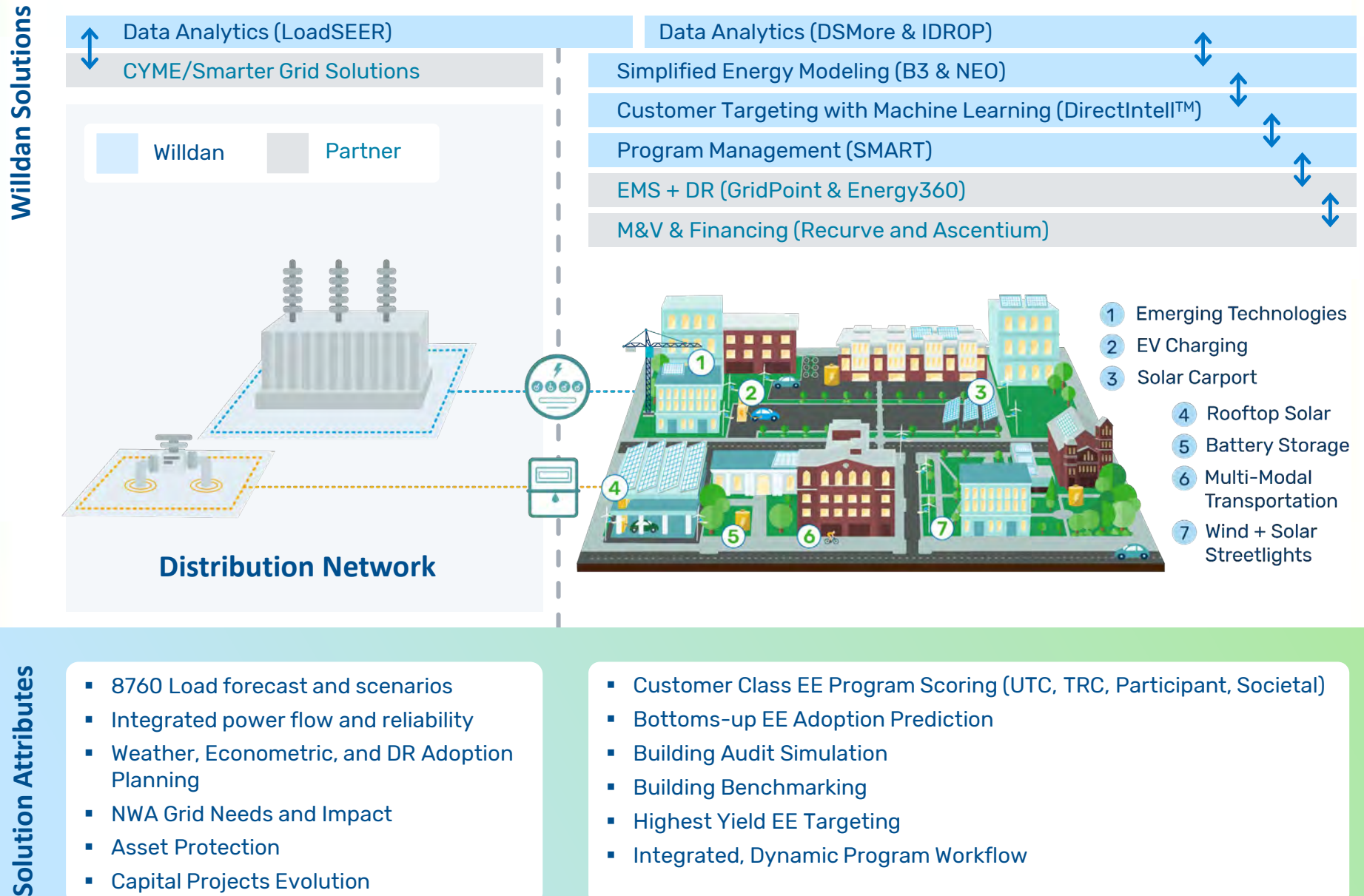
Revenue (\$ in millions)



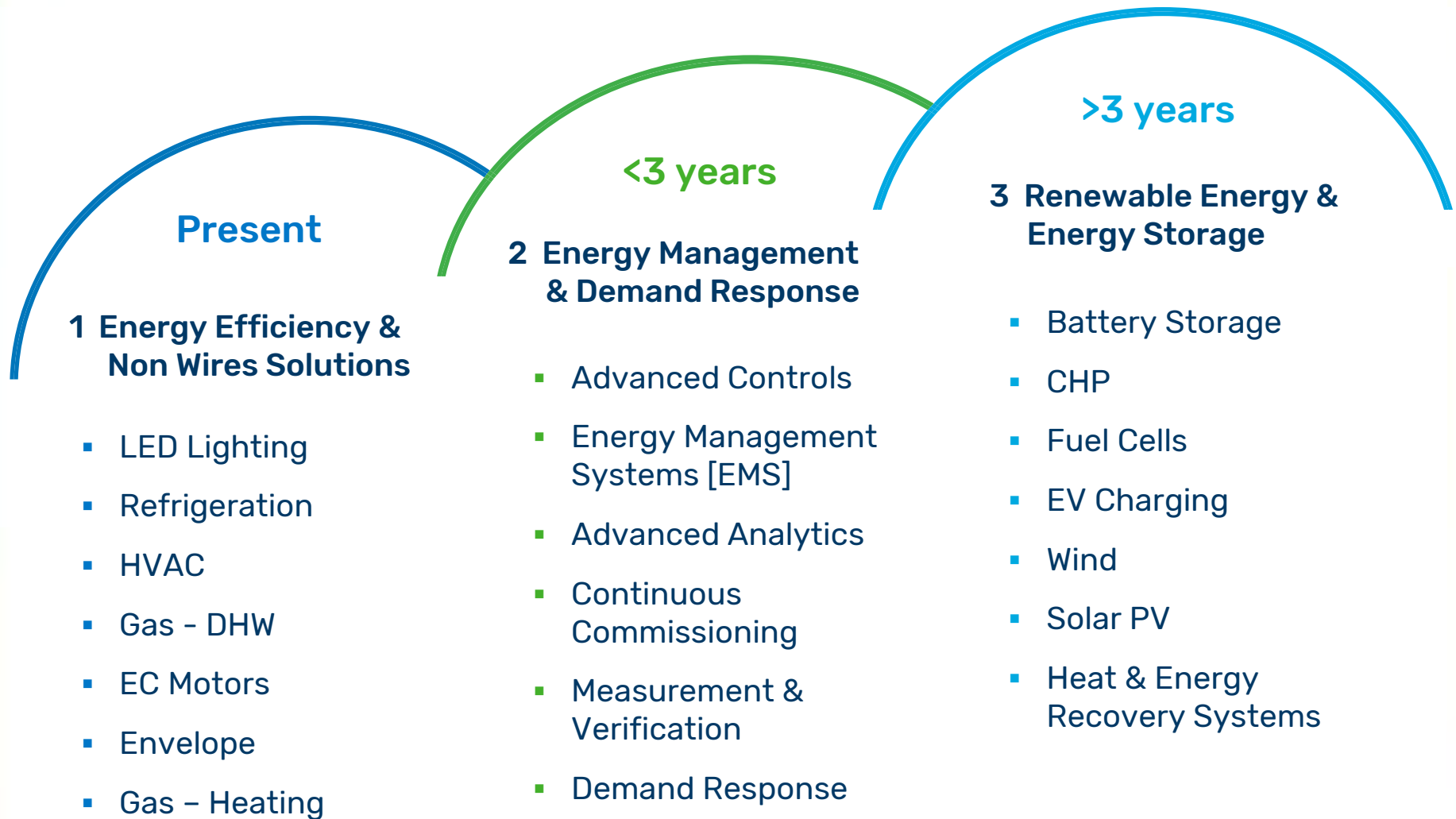
What Willdan Does



Willdan's Long-Term Vision for Data and Systems



Our Industry's Three Horizons

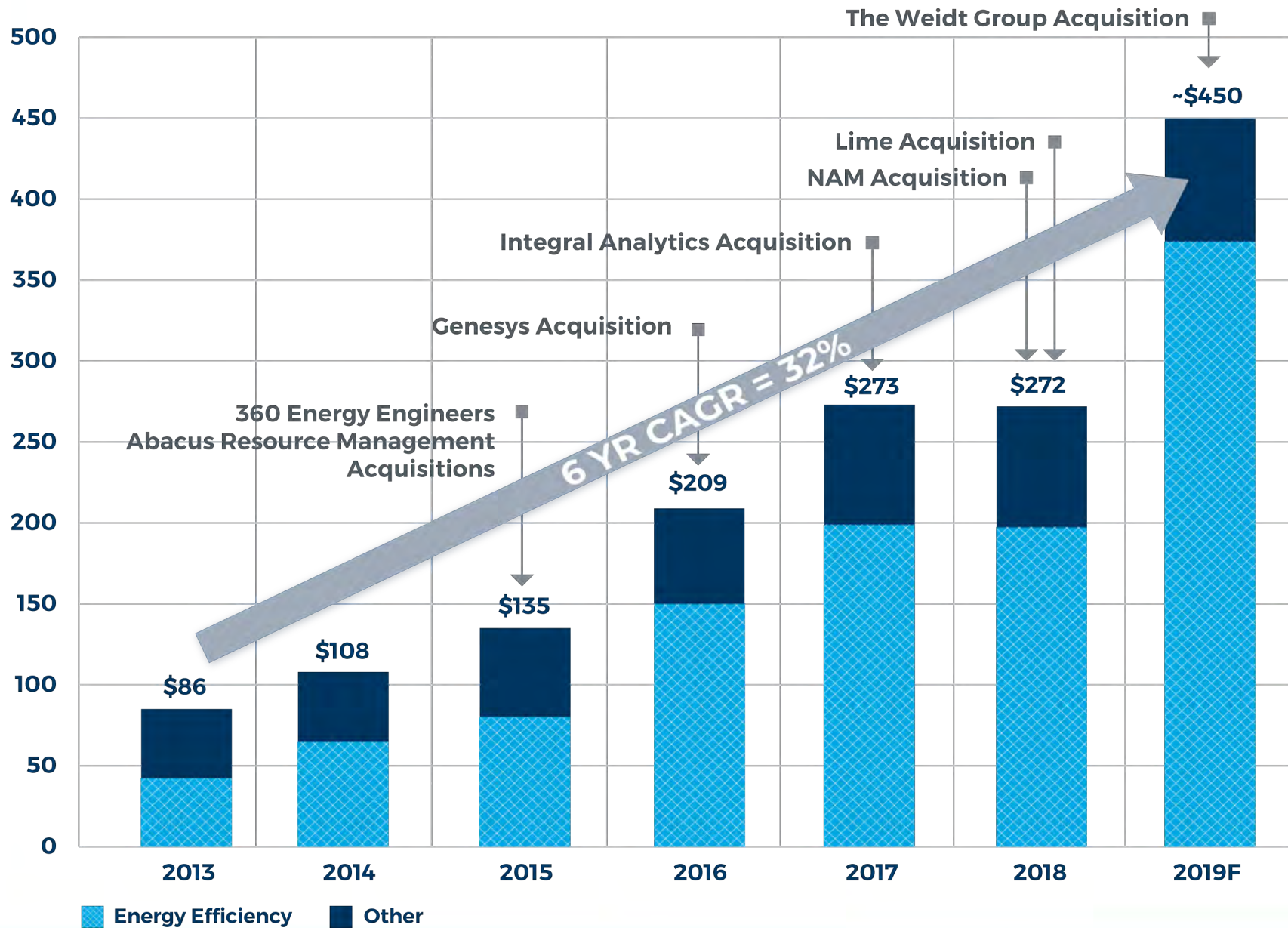


Competitors






Name	Category	Ticker	Estimated Revenue in Competition with Willdan
CLEAResult	PE Roll-up	--	≈\$500M
Willdan	Mgmt. Consultant	WLDN	≈450M (2019F)
GoodCents/ Franklin	PE Roll-up	--	≈\$300M
ICF	Mgmt. Consultant	ICFI	≈\$250M
Leidos	Mgmt. Consultant	LDOS	≈\$230M
Nexant	PE Roll-up	--	≈\$150k


History of Deals & Growth

Revenue (\$ in millions)



Acquisitions Catalyze Growth

Strategy	Adds Energy Efficiency	Adds Performance Contracting	Adds Central Plant Engineering	Adds Grid Data Analytics	Adds CA Public Sector
Acquisition	INTERGY	360 ENERGY ENGINEERS ABACUS	GENESYS	INTEGRAL ANALYTICS	NAM
New Program Cross-Sold	 Direct Install \$30M/yr	 Rocky Mountain Power Direct Install \$10M/yr	 Multifamily \$8M/yr	 <small>An Exelon Company</small> Public Sector \$3M/yr	 Microgrid \$1M/yr
	2008	2015	2016	2017	2018



Lime Energy Acquisition

Closed November 9, 2018

Energy Efficiency Company

- Founded 1997, went public in 2008. Currently traded OTC/Pink Sheets
- Direct install
- Contracts with 10 of the top 25 US electric utilities ⁽¹⁾
- Approximately 260 staff
- Paid \$120M
- 67.1% of 2018 1H revenue from:
 - LADWP⁽²⁾ – largest US municipal utility⁽¹⁾
 - Duke Energy – 2nd largest US investor owned utility⁽¹⁾

(\$M)	2017A	2018A
Revenue	\$124.6	\$153.9
Net Revenue ⁽³⁾	\$42.9	\$50.5
Net Income	\$4.7	\$7.4
Adjusted EBITDA ⁽⁴⁾	\$8.5	\$11.0
Adjusted EBITDA % Revenue	6.8%	7.2%
Adjusted EBITDA % Net Revenue	19.9%	21.8%

(1) Source: Energy Information Administration Data, summed by parent corporation.

(2) Los Angeles Department of Water and Power.

(3) Net Revenue is defined as contract revenue minus subcontractor services and other direct costs and is a non-GAAP financial measure. See appendix for a reconciliation to the corresponding GAAP financial measure.

(4) Adjusted for Extinguishment of Debt, Change in Derivative Liability, Acquisition Costs, Pro-forma COGS Adjustment, Other One-Time Costs and Share-Based Compensation that ends after Acquisition.

Lime Better Positions Willdan – CA, NY, and NJ

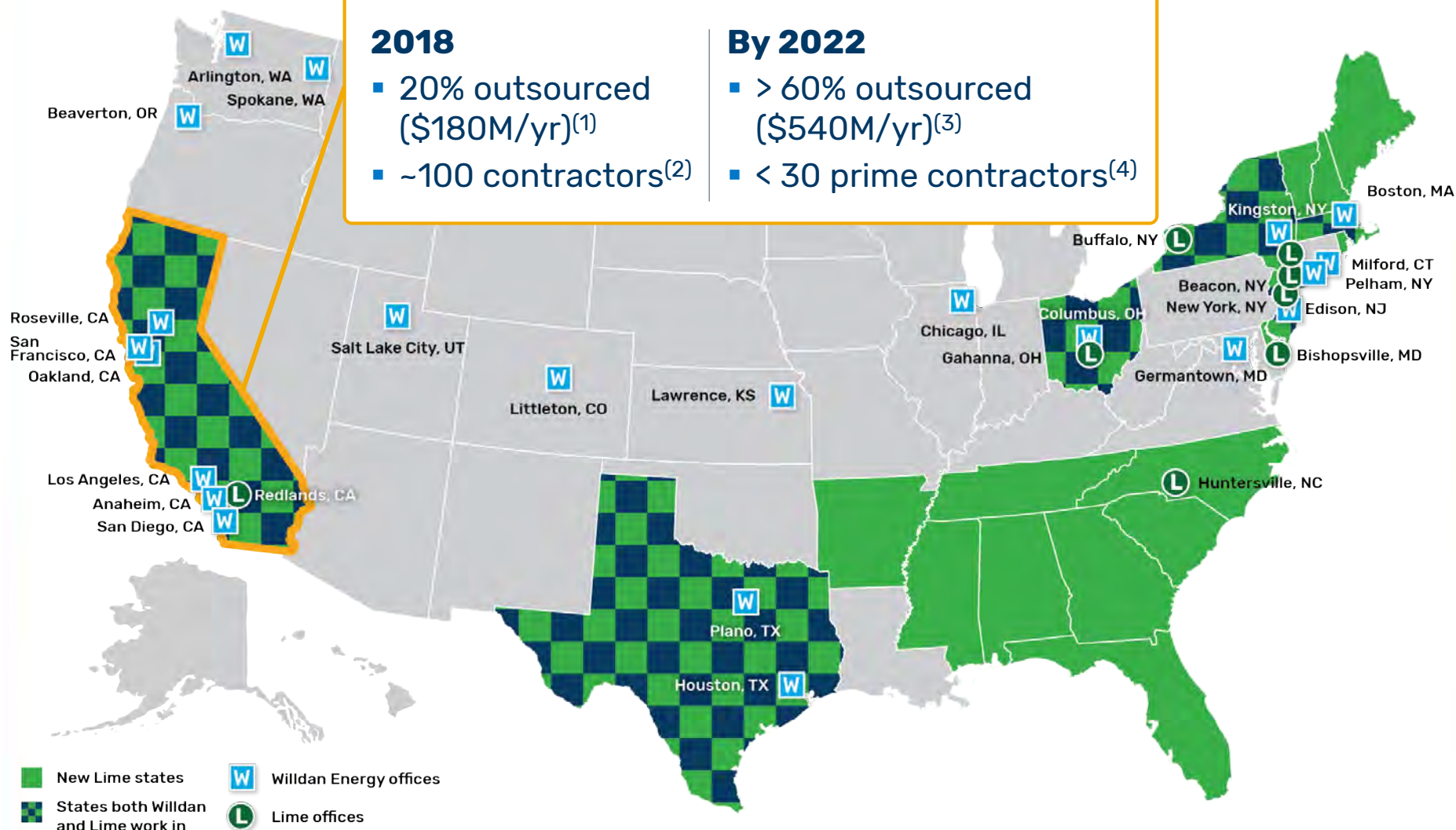
CA Opportunity - \$900M⁽¹⁾/yr Market

2018

- 20% outsourced (\$180M/yr)⁽¹⁾
- ~100 contractors⁽²⁾

By 2022

- > 60% outsourced (\$540M/yr)⁽³⁾
- < 30 prime contractors⁽⁴⁾



(1) Based on 2018 budget provided in Decision 18-01-004 from the California Public Utilities Commission.

(2) Based on third-party contractors disclosed by Pacific Gas and Electric Company, Southern California Edison, Southern California Gas Company and San Diego Gas and Electric on their third-party program webpages.

(3) Assumes no changes in budget from 2018.

(4) Based on management estimates and assumes an anticipated reduction in prime contractors.

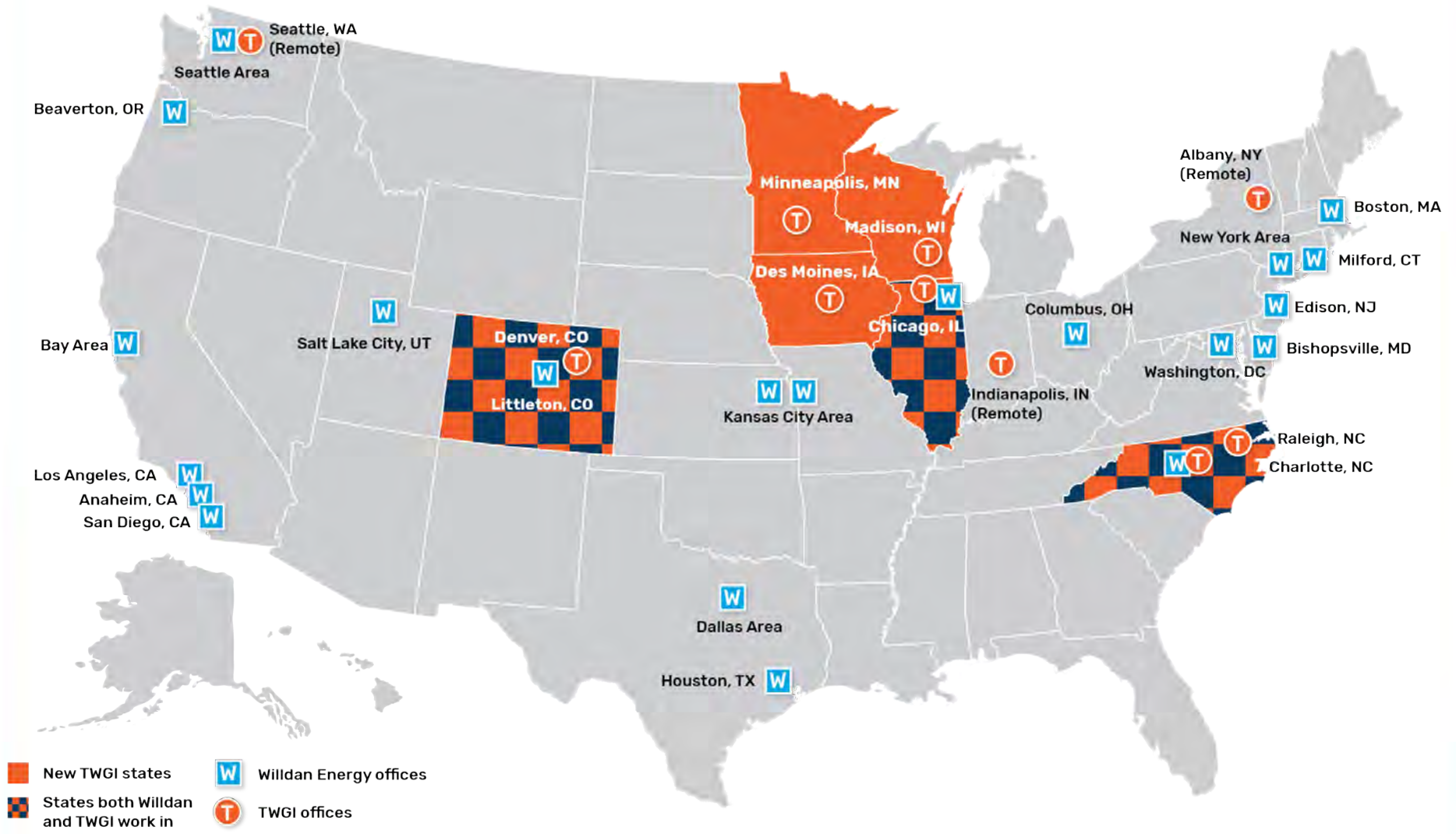
The Weidt Group Acquisition

Closed March 8, 2019

- Revenue \approx \$14M/yr
- Adds upper Midwest and associated utilities
 - Xcel Energy
 - MidAmerican Energy
 - Alliant Energy
 - CenterPoint Energy
- Adds new/existing construction utility-program focus
- Adds NEO and B3 software



The Weidt Group Adds the Midwest



The Weidt Group Expands and Complements Willdan




	Utility	# Electric Customers
1	Exelon	7,690,000
2	Duke Energy	7,100,000
3	First Energy	6,000,000
4	Dominion	6,000,000
5	American Electric Power	5,300,000
6	PG&E	5,200,000
7	Edison International	4,929,000
8	NextEra Energy	4,600,000
9	Southern Company	4,412,000
10	Consolidated Edison Inc.	3,600,000
11	National Grid	3,500,000
12	Xcel Energy	3,400,000
13	Tennessee Valley Authority	3,300,000
14	Northeast Utilities	3,087,000
15*	Entergy	2,800,000
16	American Corporation	2,436,000
17	MidAmerican Energy	2,429,844
18	PPL Corporation	2,343,000
19	PSEG	2,200,000
20	DTE Energy	2,100,000
21	Centerpoint Energy	2,100,000
22	Iberdrola USA	1,852,000
23	Oncor	1,672,000
24	Sempra Energy	1,400,000
25	Los Angeles Department of Water & Power	1,400,000

*Focus on Energy = 2,500,000 customers

Top 25 US Utilities

Willdan = 16 of top 25

After The Weidt Group =
18 of top 25

-  Current Willdan utility energy efficiency contracts
-  Current The Weidt Group utility energy efficiency contracts
-  Current Willdan & The Weidt Group utility energy efficiency contracts

Source: Energy Information Administration Data, summed by parent corporation

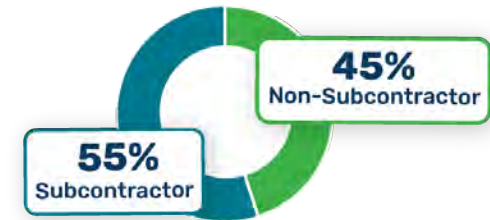
Willdan Pre- and Post-Acquisition

SEPTEMBER 28, 2018

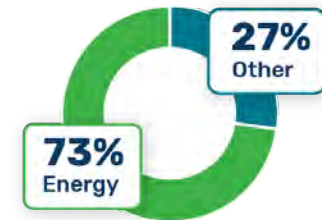
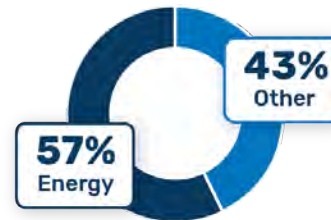
2019F



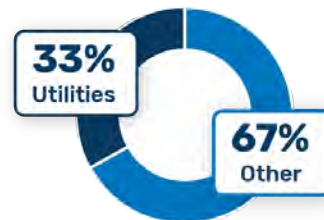
Subcontractors
as a % of Revenue



Energy as a %
of Net Revenue



Utilities as %
Net Revenue



of Employees

851

1,280



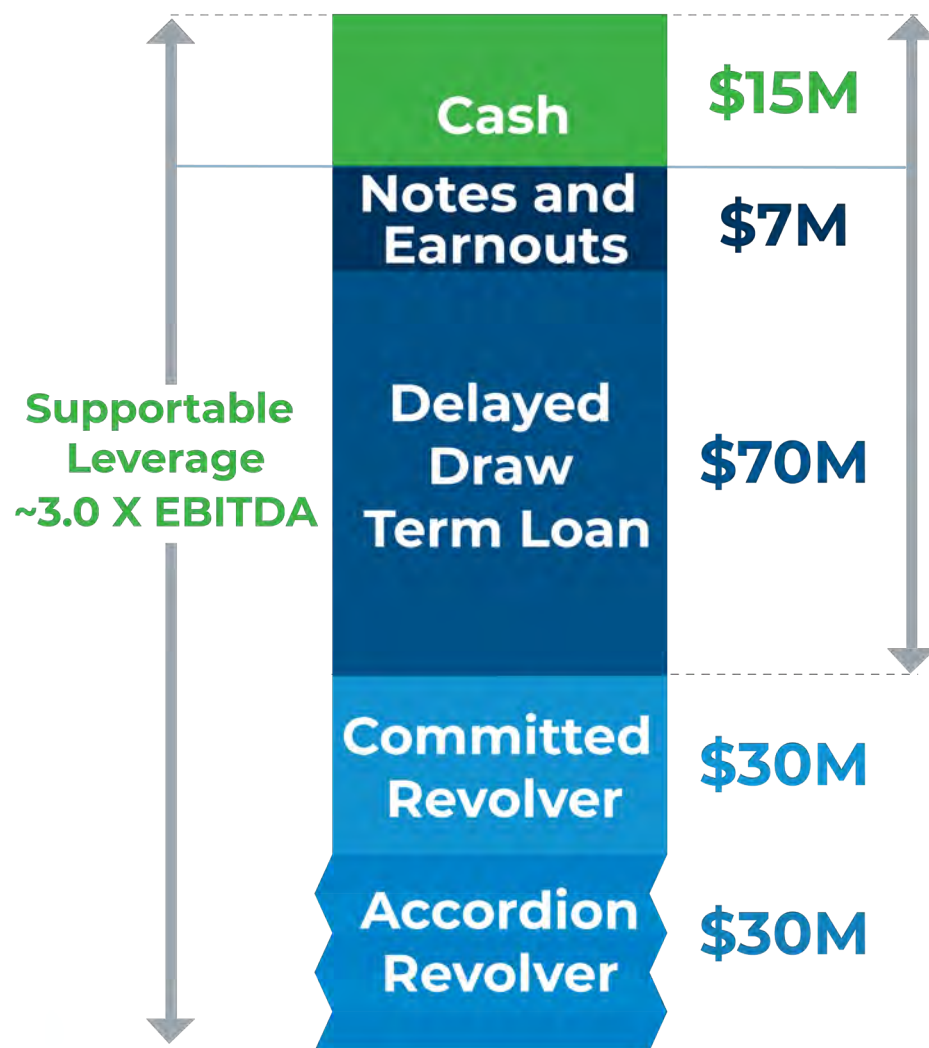
of Locations

43

61

Balance Sheet

As of FY2018:



Return On Invested Capital (ROIC)

$$\text{ROIC} = \frac{\text{Annual After-Tax Net Income}}{\text{Investment Capital} = (\text{Total Equity} + \text{Long-Term Debt})}$$

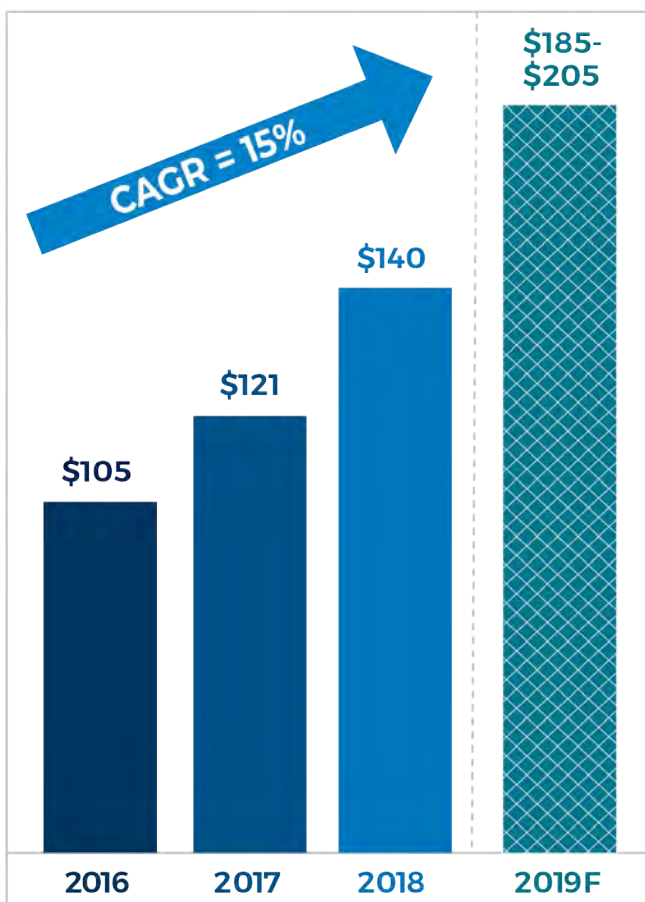
	3 Year Average ROIC
Willdan	11.6%
NAVIGANT	10.4%
TETRA TECH	8.6%
NV5	8.0%
ICF	6.1%
LEIDOS	5.9%
AMERESCO	4.2%
AECOM	2.3%

(1) Calculated from data in SEC filings; last 3 FYE 10k filings.

Four-Year Financial Performance

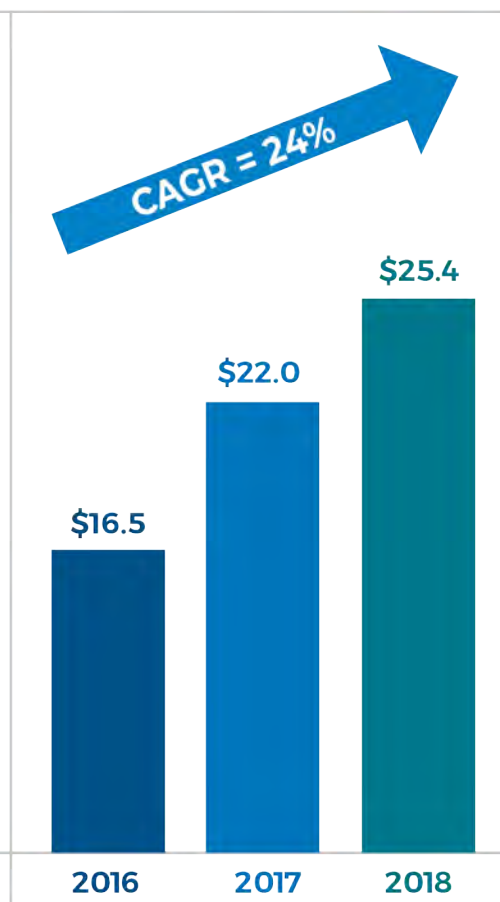
\$ in millions, except per share data

Net Revenue⁽¹⁾



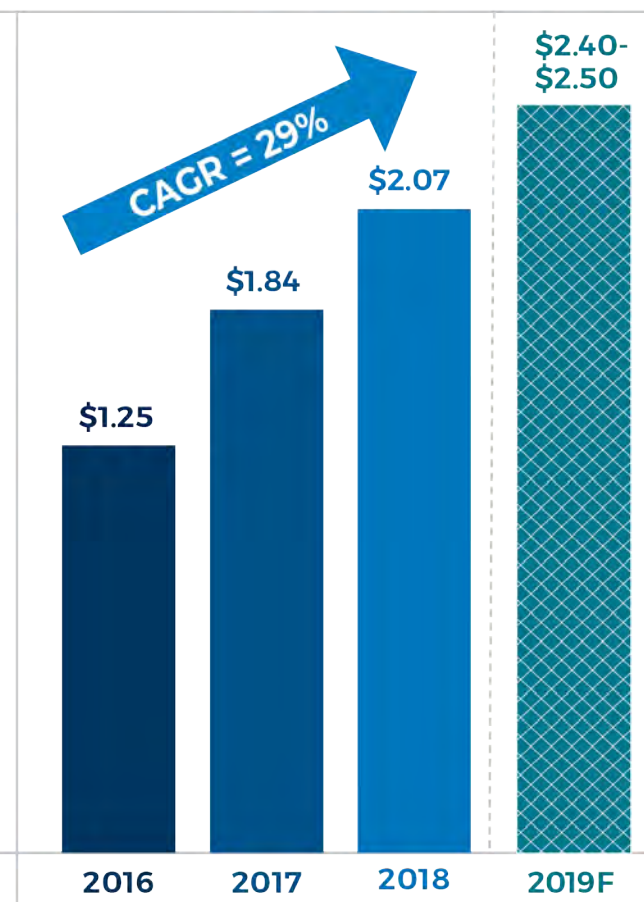
Adjusted EBITDA⁽²⁾

(before Stock Comp., & Transaction Costs)



Adjusted Diluted EPS⁽³⁾

(before Stock Comp., Intangible Amortization & Transaction Costs)



(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.

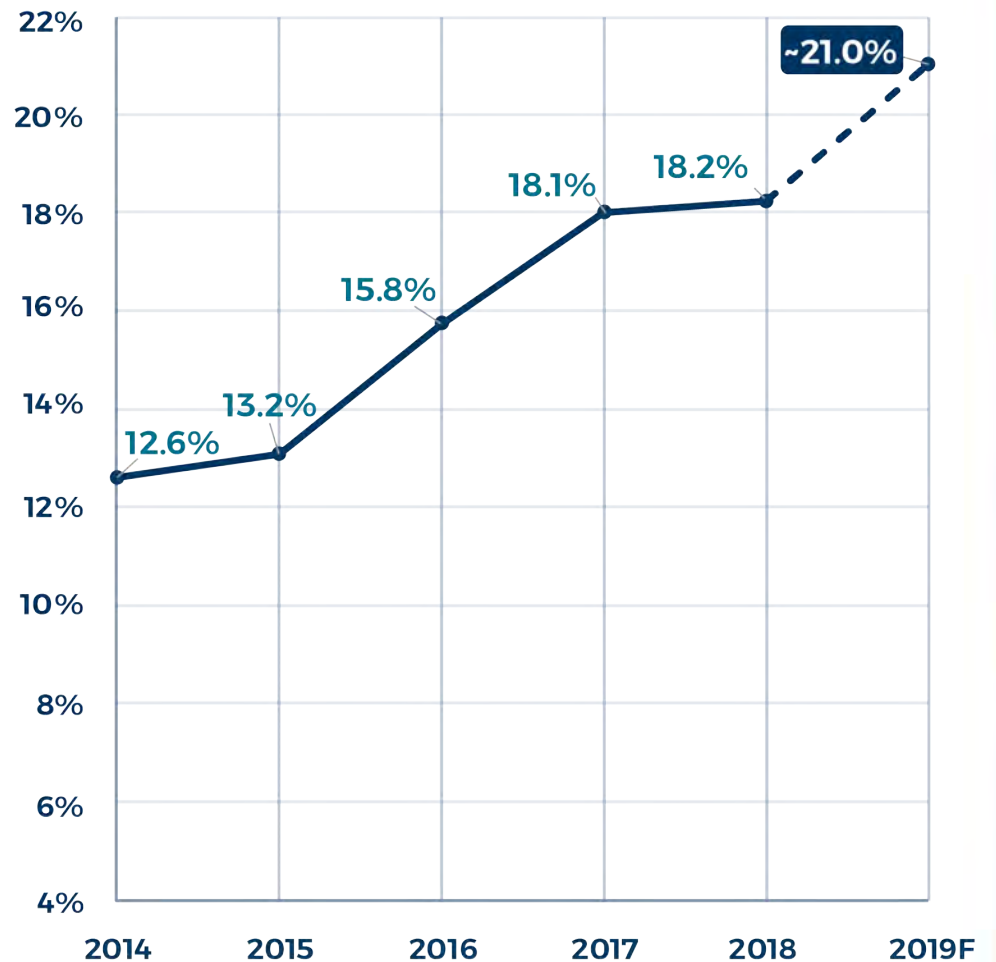
(3) Adjusted Diluted EPS is defined as net income plus stock-based compensation, intangible amortization and transaction costs divided by the diluted weighted-average shares outstanding, and is a non-GAAP financial measure.

Adjusted EBITDA Margin Trend

Adjusted EBITDA vs Revenue



Adjusted EBITDA vs Net Revenue*



*See (1) and (2) on page 16 for Net Revenue and Adjusted EBITDA definitions.

Summary

ELECTRIC GRID SOLUTIONS COMPANY

2019 Outlook

Range

Net Revenue \$185 - 205M

Adjusted
Diluted EPS \$2.40 - 2.50

- Annual effective tax rate of 24%
- Diluted share count of 11.7M shares
- Annual Depreciation of \$4.5M
- Annual Amortization of \$8.5M
- Assumes No Future Acquisitions
- Stock-based compensation of ≈\$11.9M
- Interest of ≈\$4.5M

Long Term

Organic Growth >10%

Accretive
Acquisitions >10%

Total Growth >20%