



WILLDAN GROUP, INC.

Q2 FY25 Earnings Call

NASDAQ: WLDN

August 7, 2025

Mike Bieber, President & CEO

Kim Early, Executive Vice President & CFO

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Q2'25 Key Takeaways

Strong execution drove record results

Q2'25 vs. Q2'24

- Contract Revenue \$174M **+ 23%**
- Net Revenue \$95M **+ 31%**
- Adjusted EBITDA \$22M **+ 71%**
- GAAP EPS \$1.03 **+ 212%**
- Adjusted EPS \$1.50 **+ 173%**

23% organic + 8% acquisitive = 31% net revenue growth

Load growth and execution fuel positive long-term outlook

Willdan Provides Energy & Infrastructure Solutions

SERVICES

Energy Segment (~85%)

- Policy, Forecasting and Data Analytics
- Energy Engineering
- Program Management

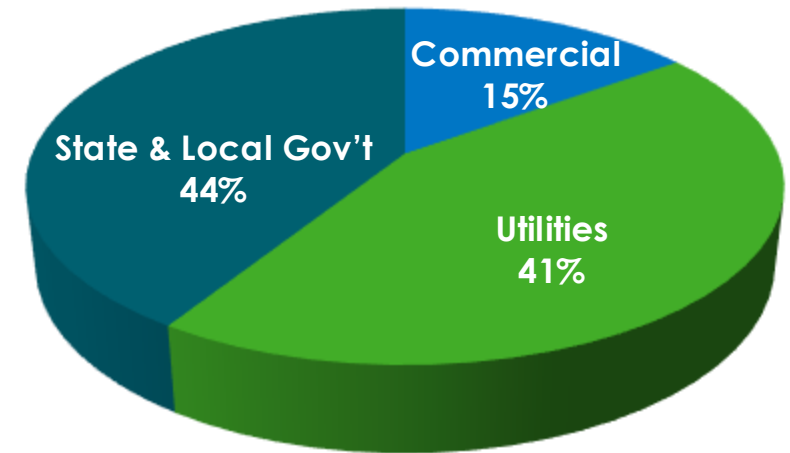
Engineering & Consulting Segment (~15%)

- Civil Engineering
- Financial Consulting

**+60 Years
Serving
Municipalities**

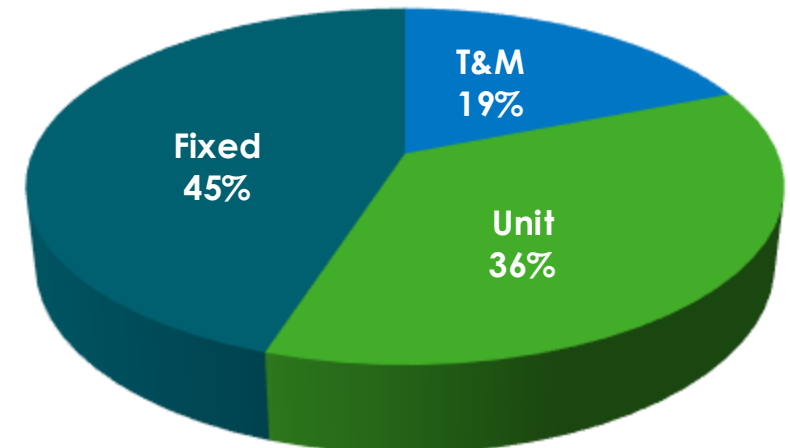
Customer Mix

(FY2025 Pro Forma Estimate)



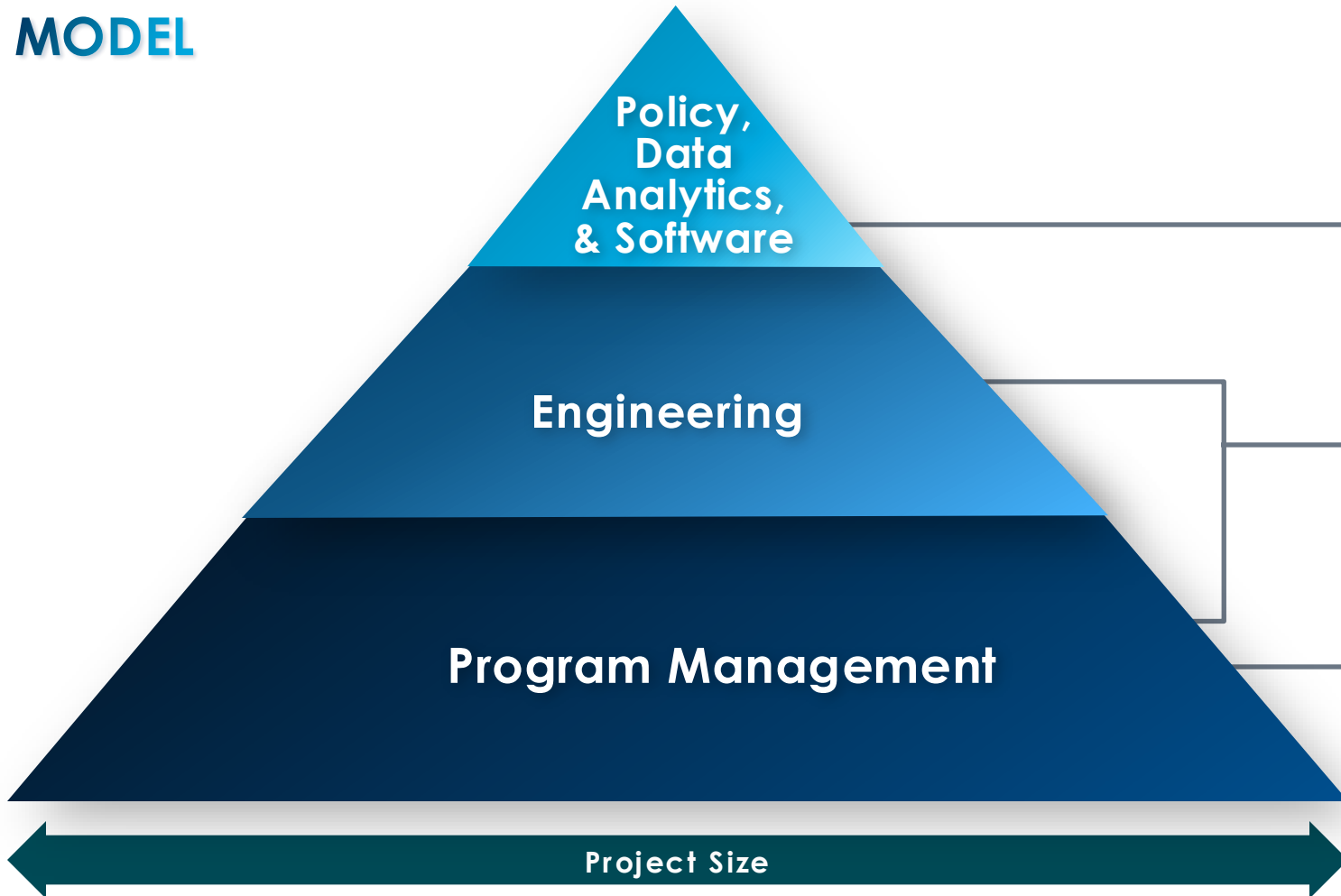
Contract Type

(FY2025 Pro Forma Estimate)



Upfront Policy Work Informs Willdan Strategy

MODEL



COLLABORATION EXAMPLE: *Powering Data Centers*

Hyperscaler master planning and location analysis

Design/build electricity supply

O&M energy optimization

Notable Wins

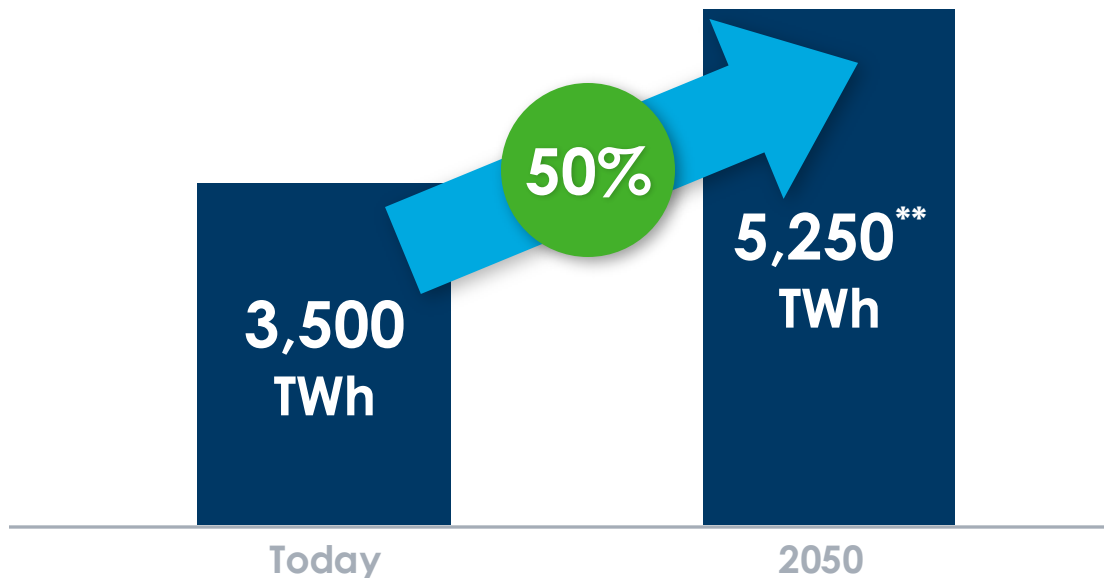
Since last earnings call

Client	Description
1. Phoenix Data Center - \$36M	Consulting, Engineering and CM for data center substation
2. New York Power Authority - \$20M	Two contracts for energy infrastructure upgrades
3. Sunnyvale Data Center - \$17M	Consulting, Engineering and CM for data center substation
4. White River School District, WA - \$13M	Performance construction project for education market
5. BA Family, Illinois - \$6M	5MW solar project
6. Illinois Commerce Commission - \$1M	Electricity resource adequacy plan

Business Trends

50% Increase in U.S. Electricity Demand by 2050*

Terawatt-hours (TWh)



* A study conducted by PA Consulting April 7, 2025.

** Energy and Environmental Economics (E3) Analysis, February 2025. E3 is a Willdan company.

Dynamic landscape fuels positive long-term outlook

Tariff Uncertainty

- Risks
 - Equipment price escalation
 - Project delays
- Mitigation
 - More flexible contract terms
 - Alternative equipment sources

Proactively managing tariff exposures



FINANCIAL RESULTS

Kim Early, EVP & CFO

Q2'25 v Q2'24

(\$ in millions, except for EPS)

Contract Revenue



Net Revenue



Gross Profit



Adjusted EBITDA



Adjusted EPS



Broad-based growth, excellent execution and tax benefits combined to drive a record quarter

1H'25 v 1H'24

(\$ in millions, except for EPS)

Contract Revenue



Net Revenue



Gross Profit



Adjusted EBITDA



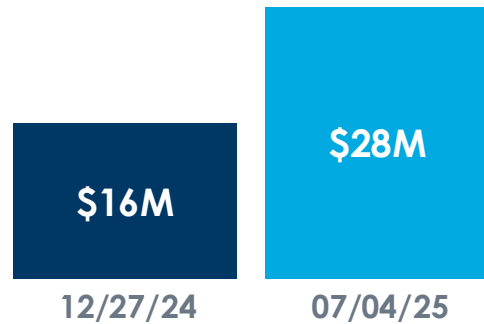
Adjusted EPS



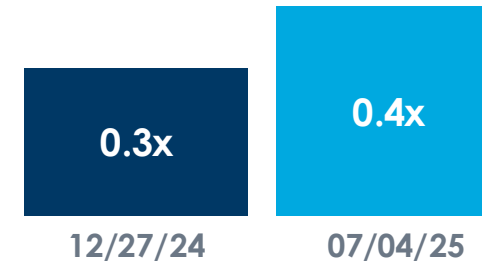
Consistent execution and operating efficiency propelled a strong first half

Balance Sheet & Cash Flow

NET DEBT



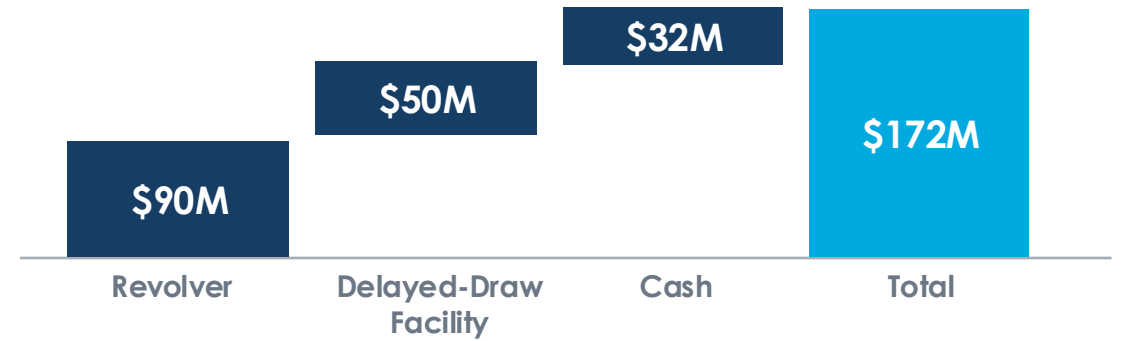
NET DEBT/ADJUSTED EBITDA TTM



FREE CASH FLOW

(\$ in M, except FCF/share)	YTD Q2'25	FCF/Share TTM
Cash Flow From Operations	\$29	\$4.34
Less: Capital Expenditures	5	
Free Cash Flow	\$24	

TOTAL LIQUIDITY



Financial strength and ample liquidity enables investment in strategic growth

Increasing Financial Targets*

Financial Target	From	To
Net Revenue	\$325-335M	\$340-350M
Adjusted EBITDA	\$65-68M	\$70-73M
Adjusted Diluted EPS	\$2.75-2.90	\$3.50-3.65
Full Year Effective Tax Rate	16%	(15%)**

* Financial Targets assume no future acquisitions and 15.1M average diluted common shares

** Full year effective tax rate is a tax rate benefit

Key Takeaways

- ▶ **Delivered solid growth and financial performance**
- ▶ **Raising FY25 financial targets**
- ▶ **Well positioned in dynamic and growing markets**
- ▶ **Active pipeline of strategic acquisition opportunities**



Q&A



APPENDIX

Reconciliation of Contract to Net Revenue

<i>(\$ in millions)</i> <i>Note: totals may not foot due to rounding</i>	FY2023	FY2024	Q2'24	Q2'25	1H'24	1H'25
CONSOLIDATED						
Contract Revenue	\$510.1	\$565.8	\$141.0	\$173.5	\$263.5	\$325.9
Subcontractor services & other direct costs	240.4	269.5	68.5	78.5	122.1	145.6
Net Revenue	\$269.7	\$296.3	\$72.5	\$95.0	\$141.4	\$180.3
ENERGY SEGMENT						
Contract Revenue	\$427.0	\$473.3	\$117.9	\$146.7	\$218.6	\$273.0
Subcontractor services & other direct costs	236.6	266.1	67.6	76.8	120.2	142.9
Net Revenue	\$190.4	\$207.2	\$50.3	\$69.9	\$98.4	\$130.1
ENGINEERING & CONSULTING SEGMENT						
Contract Revenue	\$83.1	\$92.5	\$23.1	\$26.7	\$44.9	\$52.9
Subcontractor services & other direct costs	3.8	3.4	1.0	1.7	1.9	2.7
Net Revenue	\$79.3	\$89.1	\$22.2	\$25.0	\$43.0	\$50.2

Reconciliation GAAP Net Income to Adjusted EPS

<i>(\$ & shares in millions except per share amounts)</i> <i>Note: totals may not foot due to rounding</i>	FY2023	FY2024	Q2'24	Q2'25	1H'24	1H'25
Net Income	\$10.9	\$22.6	\$4.6	\$15.4	\$7.5	\$20.1
<i>Stock-based Compensation, net of tax</i>	4.3	6.1	1.6	2.7	2.7	4.7
<i>Intangible Amortization, net of tax</i>	8.2	5.9	1.5	2.9	3.0	4.9
<i>Interest Accretion, net of tax</i>	-	0.1	-	0.7	-	1.0
<i>Refinancing Costs, net of tax</i>	0.4	-	-	0.7	-	0.7
<i>Transaction Costs, net of tax</i>	-	-	-	-	-	0.2
Adjusted Net Income	\$23.8	\$34.7	\$7.7	\$22.3	\$13.2	\$31.6
Diluted Weighted Avg. Shares Outstanding	13.606	14.245	14.074	14.917	14.001	14.778
Diluted EPS	\$0.80	\$1.58	\$0.33	\$1.03	\$0.54	\$1.36
Adjusted Diluted EPS	\$1.75	\$2.43	\$0.55	\$1.50	\$0.95	\$2.14
<i>Period Growth in Adjusted Diluted EPS</i>	99%	39%	112%	173%	64%	125%

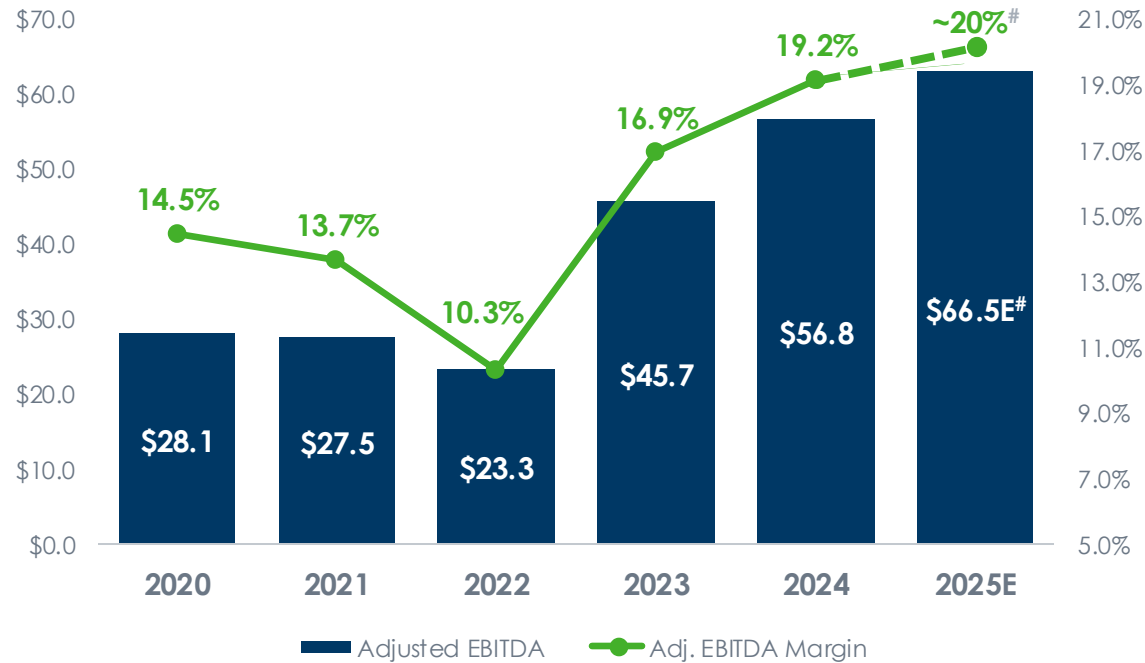
Reconciliation GAAP Net Income to Adjusted EBITDA

<i>(\$ in millions)</i> <i>Note: totals may not foot due to rounding</i>	FY2023	FY2024	Q2'24	Q2'25	1H'24	1H'25
Net Income	\$10.9	\$22.6	\$4.6	\$15.4	\$7.5	\$20.1
Interest Expense	9.4	7.8	2.0	2.2	4.1	4.0
Income Tax Expense (Benefit)	3.7	4.1	0.7	(5.3)	1.7	(4.7)
Stock-based Compensation	5.3	7.4	1.9	3.2	3.3	5.6
Depreciation and Amortization	16.4	14.7	3.6	5.5	7.2	9.9
Interest Accretion	-	0.2	-	0.9	-	-
Transaction Costs	-	-	-	-	-	0.2
(Gain) Loss on Sale of Equipment	(0.1)	-	(0.0)	(0.0)	(0.0)	(0.0)
Adjusted EBITDA	\$45.7	\$56.8	\$12.8	\$21.9	\$23.9	\$36.4
<i>Adjusted EBITDA Margin</i> <i>(as % of Net Revenue)</i>	16.9%	19.2%	17.7%	23.1%	16.9%	20.2%

Adj. EBITDA & Margin Trends and Revenue/Employee

Adj. EBITDA Growth and Margin Improvement

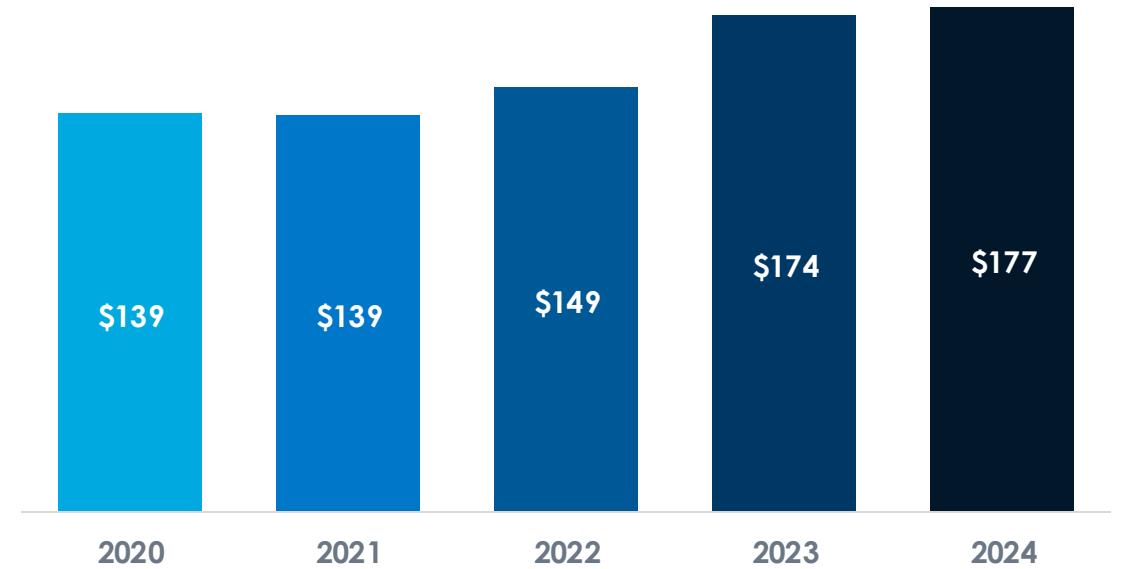
(\$ in millions)



[#]Adj. EBITDA and Adj. EBITDA margin are based on the mid-point of 2025 Financial Targets.

Net Revenue Per Employee*

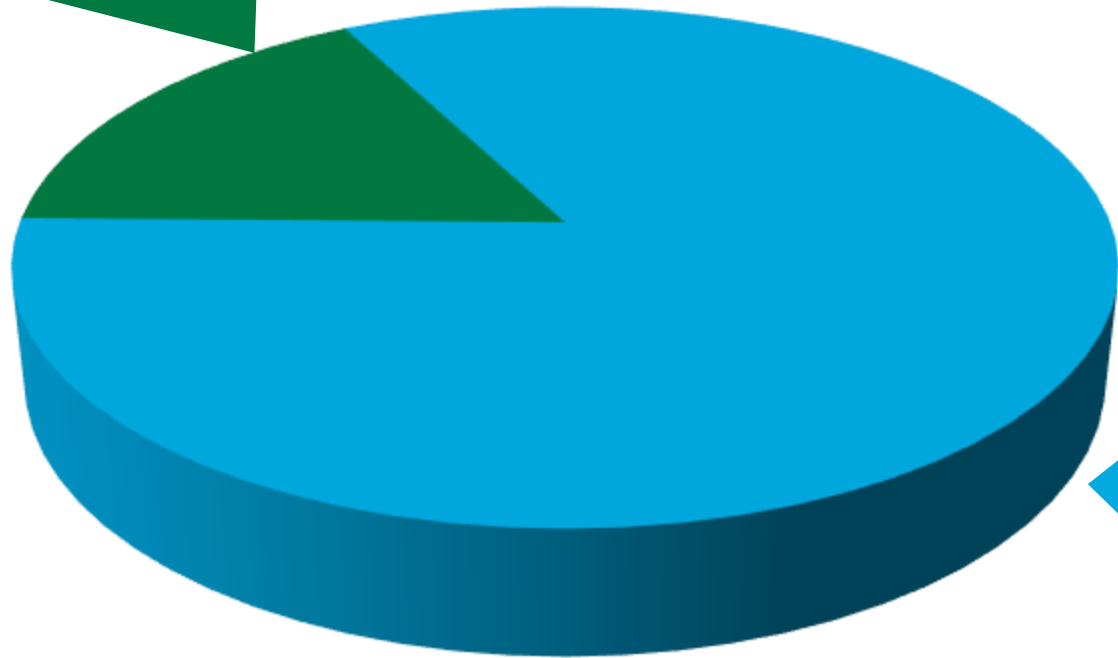
(\$ in thousands)



* Net Revenue per employee based on average headcount over the period.

Revenue by Segment, Offices & Employees

Engineering & Consulting
15%



Energy
85%

55
Offices

25
*(states plus
Canada, D.C. &
Puerto Rico)*

1,745
Employees *(as of 07/04/25)*

Definition of Terms

➤ **NET REVENUE** – Contract Revenue less Subcontractor Services and Other Direct Costs

➤ **ADJUSTED EBITDA** – Net Income plus Interest Expense, Income Tax Expense (Benefit), Stock-Based Compensation, Interest Accretion, Depreciation and Amortization, Gain (Loss) On Sale of Equipment, and Tax Benefit Distribution

➤ **ADJUSTED EBITDA MARGIN** – Adjusted EBITDA divided by Net Revenue

➤ **ADJUSTED DILUTED EPS** – 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