



INVESTOR PRESENTATION

MARCH 2024

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 29, 2023. Willdan disclaims any obligation, and does not undertake, to update or revise any forward-looking statements.

Executive Summary

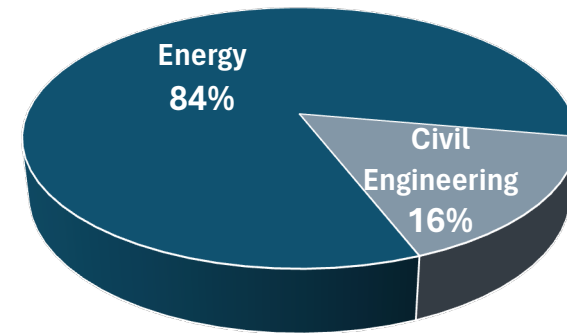
Record 2023

- Contract Revenue \$510M **up 19%**
- Net Revenue \$270M **up 19%**
- Adjusted EBITDA \$46M **up 96%**
- Cash flow from operations \$39M

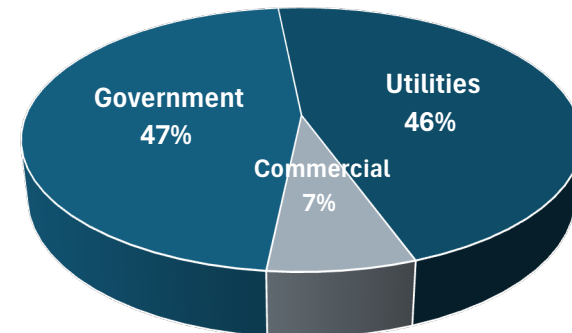
Electrification

- Clean energy and infrastructure
- Cities, buildings, and transportation

2023 Contract Revenue by Segment



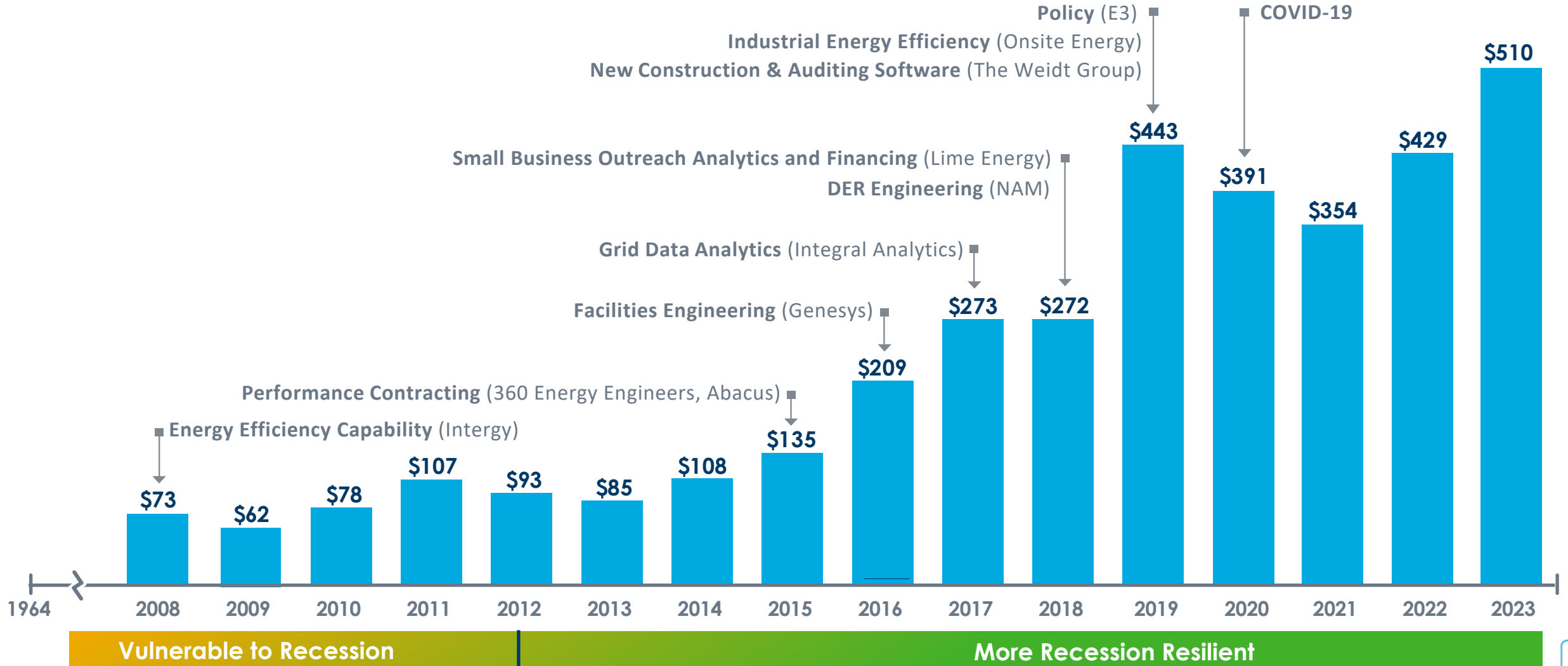
2023 Contract Revenue by Customer Type



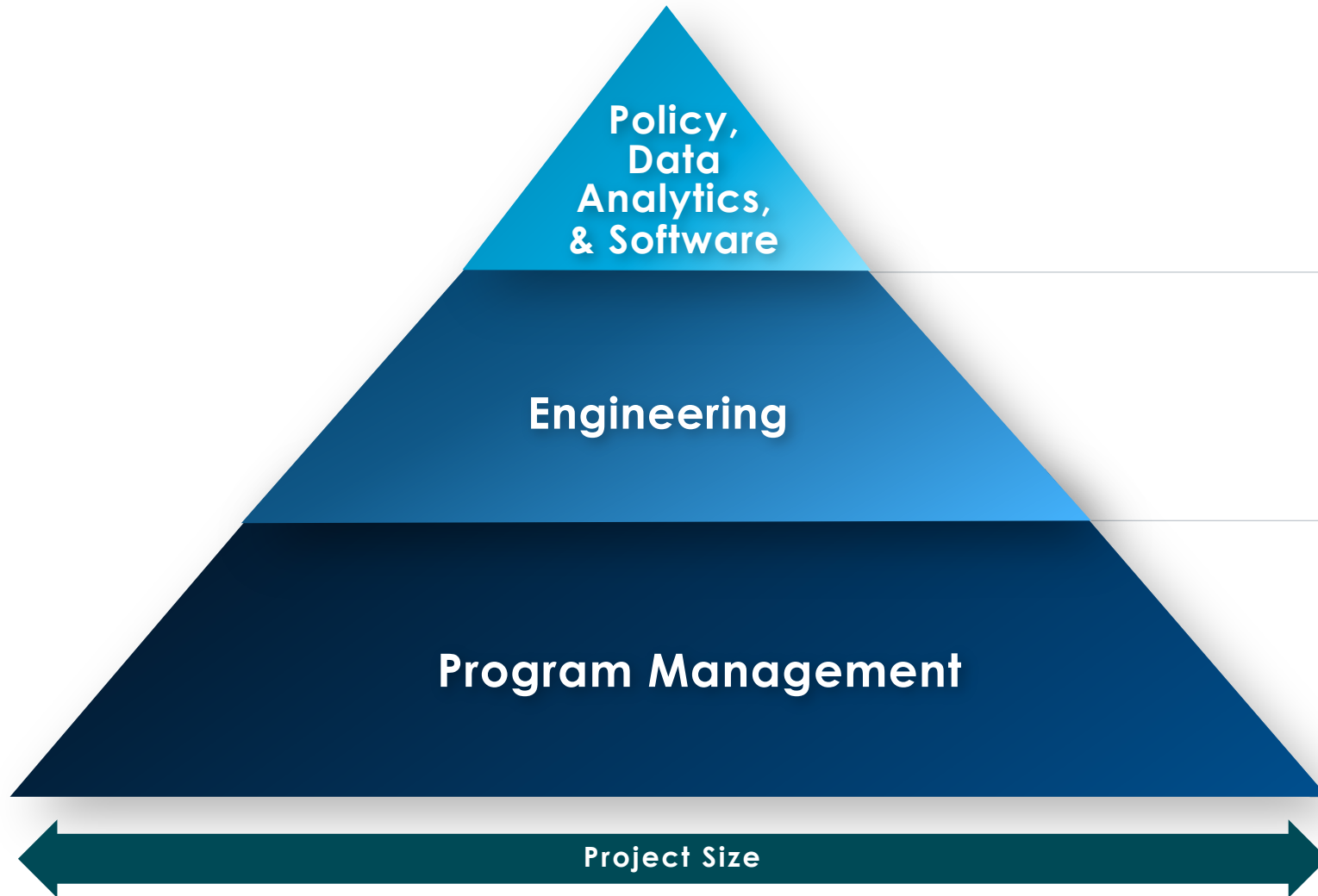
WILLDAN TRANSITIONS COMMUNITIES TO CLEAN ENERGY AND A SUSTAINABLE FUTURE

History of Expanding Our Capabilities

(\$ in millions)



Upfront Policy Work Informs Strategy



Trend	Comment
↑	Solid software sales
↑	16% organic growth in 2023
↑↑	Strong 2024 backlog

Making the Energy Transition More Affordable

WILLDAN

OTHERS

Tariffs / Utility Bills / Bonds / Incentives	FUNDING SOURCE	<i>Bank Debt</i>
State and Local Governments / Large Utilities	WORK FOR	<i>Developers</i>
Small Demand Side	TYPES OF PROJECTS	<i>Large Generation Side</i>
Generally < 5 Years	CUSTOMER PAYBACK	<i>Generally > 5 Years</i>

Notable Wins

Since November 1, 2023

Contract	Additional Details
\$46M Clark County School District	Phase 1 facilities energy upgrades
National Health Care Provider	Decarbonization strategies for building portfolio
\$30-50M New England Utility Program	Energy efficiency and program management
\$18M Puget Sound Energy	Small business program management
\$16M Consolidated Edison	Small/Medium business energy efficiency
Major Western Utility	Grid planning software and services
\$6M Yosemite Unified School District	EV charging and energy efficiency
Two Municipal Utilities	Grid planning software and services

SAMPLE PROJECTS

New York City Local Law 97 Implementation Action Plan *Decarbonization Plan*

- Created an Implementation Action Plan to decarbonize NYC government facilities
 - **40%** carbon emissions reduction by 2025
 - **50%** by 2030
- Modeled and evaluated **4,000+ NYC buildings** remotely by using B3 Benchmarking and NEO

***Opportunity:** Opens door to implement these NYC projects and to build action plans for other cities*

LADWP Small Business Program *California Energy Efficiency*

- Implementing an energy efficiency program for the **largest municipal utility** in the nation
- **100%** union labor, direct install
- Delivered **628.6 million kWh** to small businesses and low-income communities since 2008

***Opportunity:** Expands relationships within City of Los Angeles and LAUSD; complements work with SCE and SoCalGas*

SAMPLE PROJECTS

CON EDISON

New York Energy Efficiency

- Implementing commercial and multifamily programs for **one of the largest investor-owned utilities** in the nation
- Delivered **1.3 billion kWh** and **27.8 million therms** in savings to **58,000+ customers** since 2009
- Piloted Willdan's Clean Energy Academy, non-wires, and non-pipes offers

▶ **Opportunity:** *Testing ground for new measures and innovative approaches; strong relationship with key East Coast utility*

PUEBLO COUNTY SCHOOL DISTRICT 70

Infrastructure & Energy

- Implementing a Districtwide Facilities Master Plan
- Design-build upgrades: **19 schools** and **4 district buildings**
- Helped secure a BEST grant (**\$3.8 million**) and voter-approved bond (**\$75 million**) to fund projects

▶ **Opportunity:** *Helped win K-12 work in Clark County School District, 6th largest district in nation*

Fragmented Marketplace

Policy, Data Analytics, & Software



CADMUS

McKinsey
& Company

Engineering



CLEARResult®



Program Management











NORESCO



SIEMENS

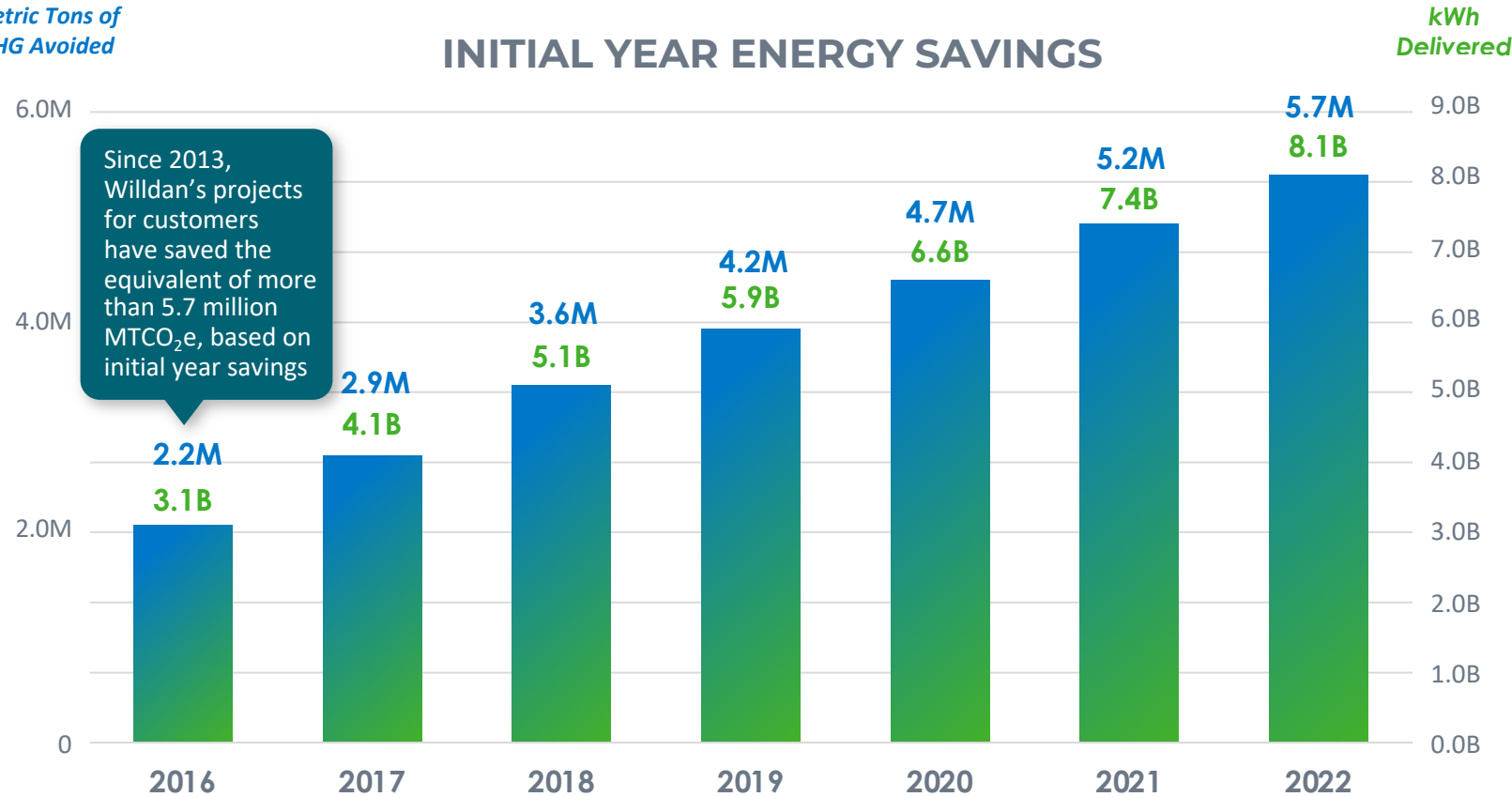
Competitive Advantage - Software

FUNCTIONALITY / MARKET	SOFTWARE
Building Energy Consumption Analysis	 BENCHMARKING
	
Load Forecasting for Power Distribution	
	
	
Planning, Forecasting, & Data Intelligence	Avoided Cost Model
	PATHWAYS Model
	
Financial	
Energy Efficiency	

Sustainability: Helping Customer Achieve Their Goals

Metric Tons of GHG Avoided

INITIAL YEAR ENERGY SAVINGS



RECENT WILLDAN SUSTAINABILITY EVENTS

- ✓ Joined the UN Global Compact
- ✓ Carbon-neutral by 2024



1.3 million
cars taken off the road in one year



1.1 million
fewer homes' electricity use for one year

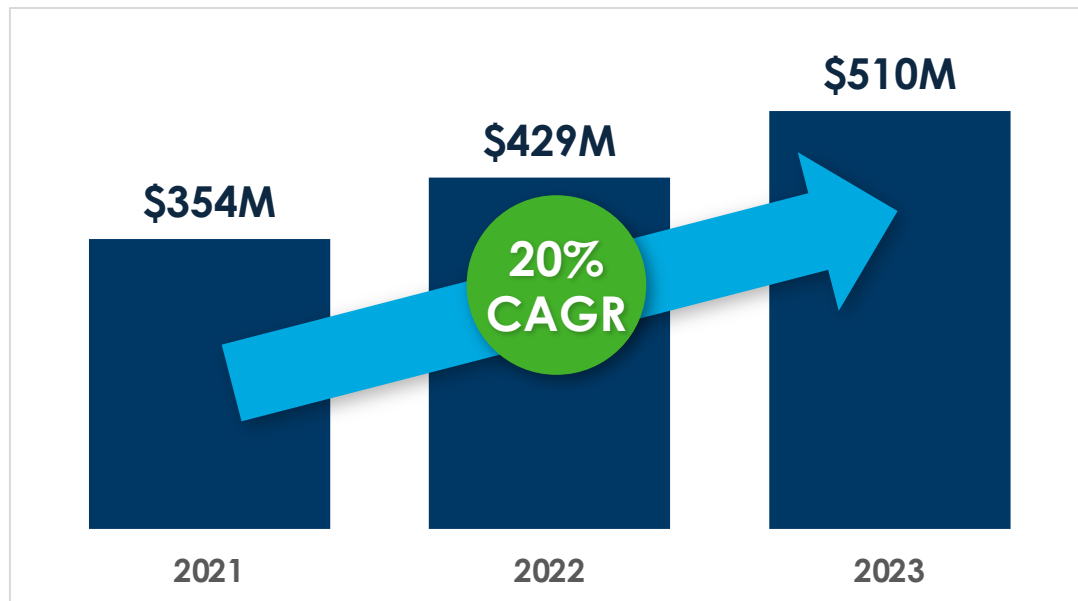


6.8 million
more acres of U.S. forests in one year

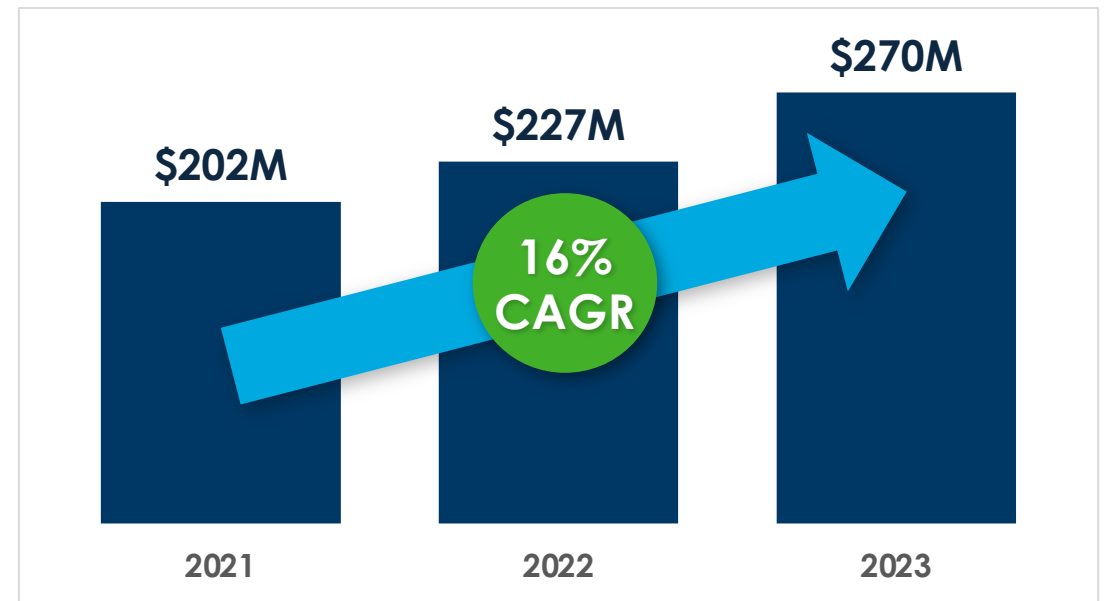
Three-Year Performance

(\$ in millions)

Contract Revenue



Net Revenue

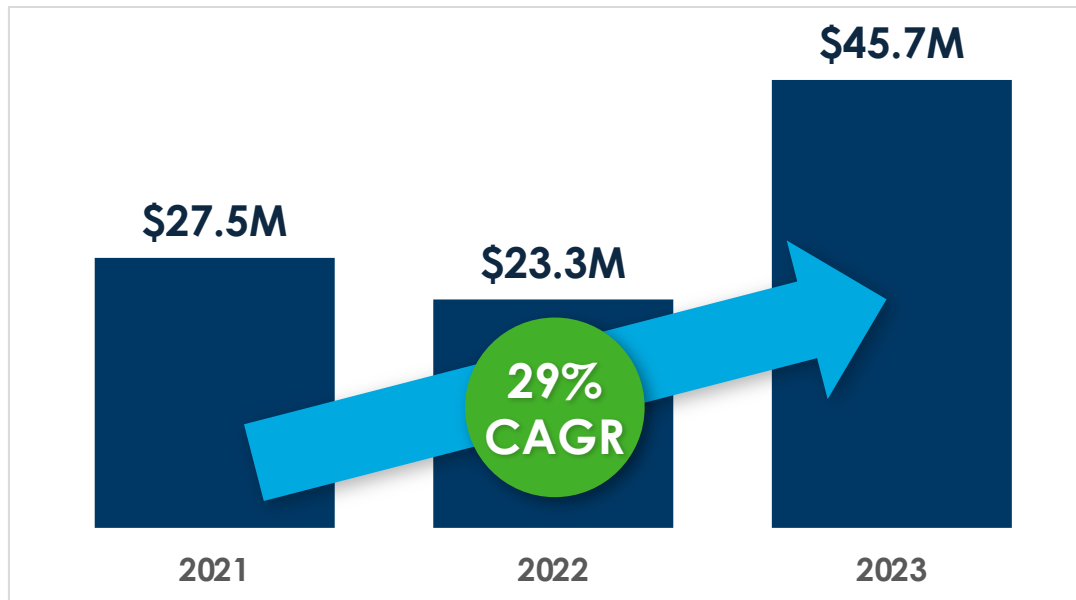


Record Contract and Net Revenue in 2023

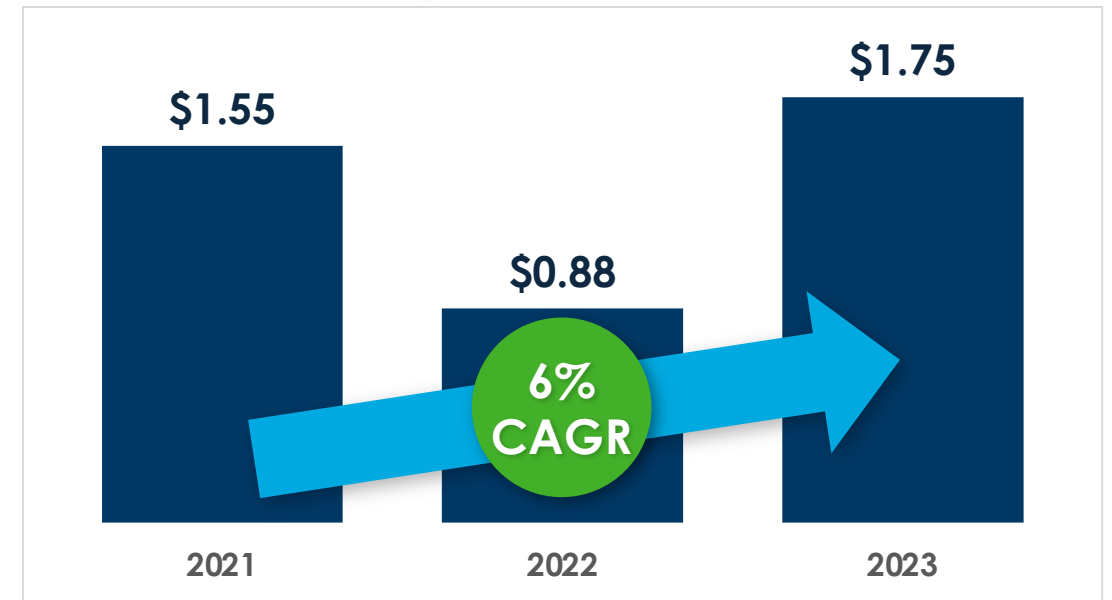
Three-Year Performance

(\$ in millions, except EPS)

Adjusted EBITDA



Adjusted EPS



Improved profitability across all service areas and restructured CA IOU contracts

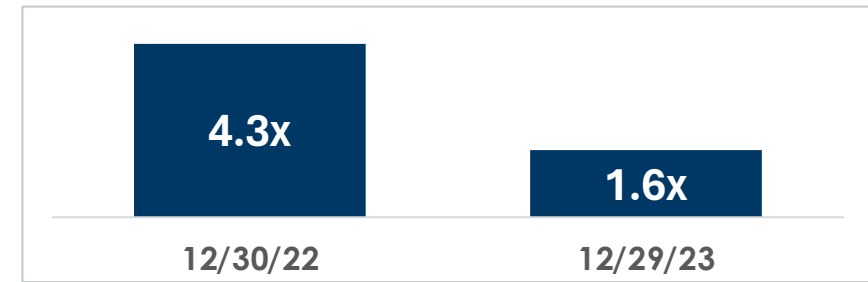
Cash Flow & Balance Sheet

(\$ in millions)

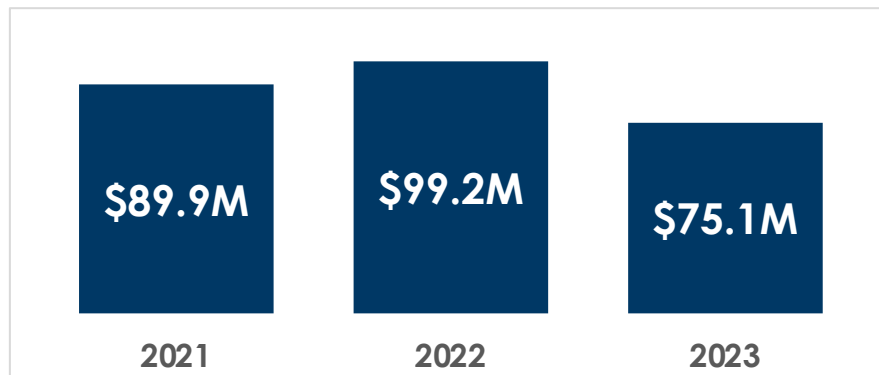
FREE CASH FLOW

	FY21	FY22	FY23
Cash Flow From Operations	\$9.8	\$9.4	\$39.2
Less: Capital Expenditures	8.5	9.6	9.9
Free Cash Flow	\$1.3	\$(0.2)	\$29.3

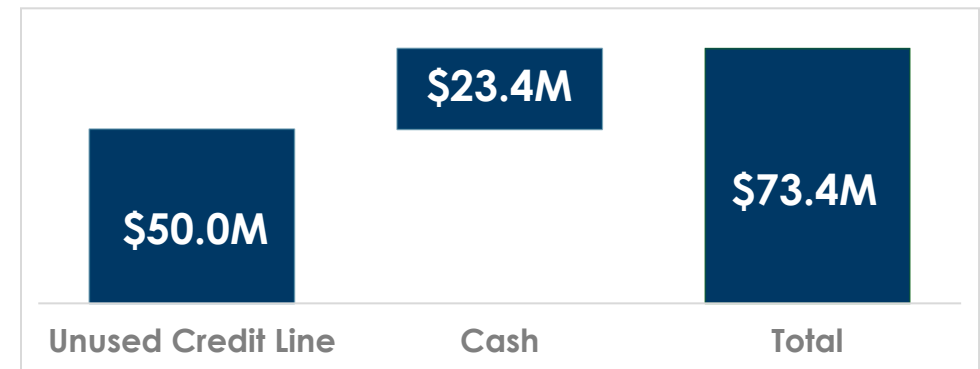
NET DEBT / ADJUSTED EBITDA RATIO



NET DEBT



TOTAL LIQUIDITY



Capital spending priorities unchanged: Cap-ex, debt servicing, and acquisitions

2024 Guidance

(\$ in millions, except for EPS)

- Contract Revenue between **\$525-540 million**
- Net Revenue between **\$270-280 million**
- Adjusted EBITDA between **\$48-50 million**
- Adjusted Diluted EPS between **\$1.80-1.87**
- Guidance assumes
 - Full-year effective tax rate of **25%**
 - **14.2** million average diluted common shares



Appendix

Reconciliation of Contract to Net Revenue

	Q4 - 2022	Q4 - 2023		FY2022	FY2023
CONSOLIDATED					
Contract Revenue	\$113.3	\$155.7		\$429.1	\$510.1
Subcontractor services & other direct costs	48.7	74.9		202.6	240.4
Net Revenue	64.6	80.8		226.6	269.7
ENERGY SEGMENT					
Contract Revenue	\$95.3	\$134.6		\$357.5	\$427.0
Subcontractor services & other direct costs	48.0	74.0		199.5	236.6
Net Revenue	47.3	60.6		158.0	190.4
ENGINEERING & CONSULTING SEGMENT					
Contract Revenue	\$18.0	\$21.0		\$71.6	\$83.1
Subcontractor services & other direct costs	0.7	0.8		3.1	3.8
Net Revenue	17.3	20.2		68.5	79.3

Reconciliation GAAP Net Income to Adjusted EPS

<i>(\$ in millions, except per share amounts) Note: totals may not foot due to rounding</i>	Q4 - 2022	Q4 - 2023		FY2022	FY2023
Net Income (Loss)	\$(0.4)	\$8.0		\$(8.4)	\$10.9
<i>Stock-based Compensation, net of tax</i>	1.5	1.0		7.2	4.3
<i>Intangible Amortization, net of tax</i>	2.3	1.8		9.6	8.2
<i>Interest Accretion, net of tax</i>	1.3	-		2.7	-
<i>Refinancing Costs, net of tax</i>	-	-		-	0.4
<i>Tax Benefit Distribution, net of tax</i>	-	-		0.4	-
Adjusted Net Income	\$4.7	\$10.8		\$11.5	\$23.8
Diluted Weighted Average Shares Outstanding	13.138	13.731		13.013	13.606
Diluted Earnings (Loss) Per Share	\$(0.03)	\$0.58		\$(0.65)	\$0.80
Adjusted Diluted EPS	\$0.36	\$0.80		\$0.88	\$1.75

Reconciliation GAAP Income to Adjusted EBITDA

<i>(\$ in millions)</i> <i>Note: totals may not foot due to rounding</i>	Q4 - 2022	Q4 - 2023		FY2022	FY2023
Net Income (Loss)	\$ (0.4)	\$ 8.0		\$ (8.4)	\$ 10.9
Interest Expense	2.1	2.3		5.3	9.4
Income Tax Expense (Benefit)	2.6	2.0		(3.0)	3.7
Stock-based Compensation	1.7	1.3		8.4	5.3
Interest Accretion	1.5	-		3.2	-
Depreciation and Amortization	4.2	3.9		17.5	16.4
(Gain) Loss on Sale of Equipment	-	-		(0.1)	(0.1)
Tax Benefit Distribution	-	-		0.4	-
Adjusted EBITDA	\$11.8	\$17.5		\$23.3	\$45.6
Adjusted EBITDA Margin <i>(as % of Net Revenue)</i>	18.2%	21.6%		10.3%	16.9%

Definition of Terms



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

ADJUSTED EBITDA – 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

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

NET WORKING CAPITAL – Current Assets less Current Liabilities



INVESTOR RELATIONS

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