



Investor Presentation

NASDAQ Ticker: WLDN

August 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

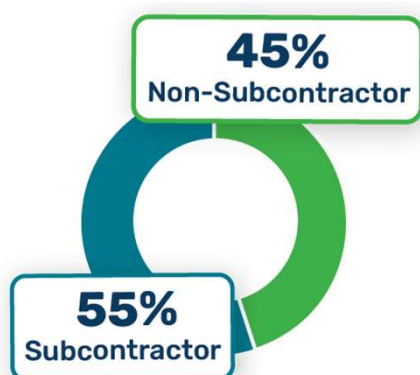
ELECTRIC GRID SOLUTIONS COMPANY

Selected FY19 Stats

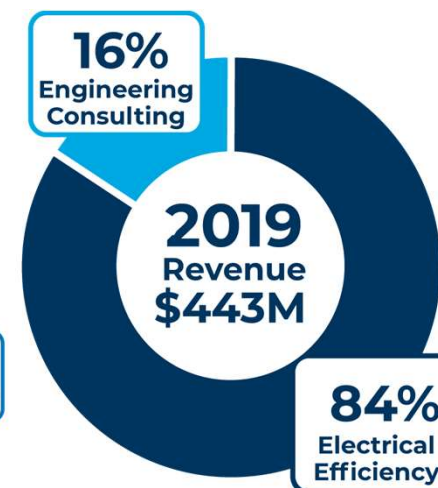
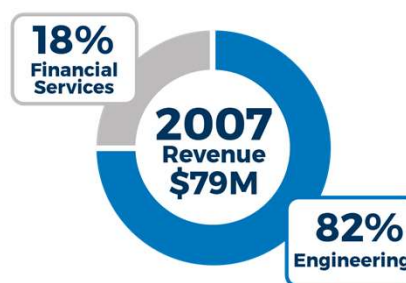
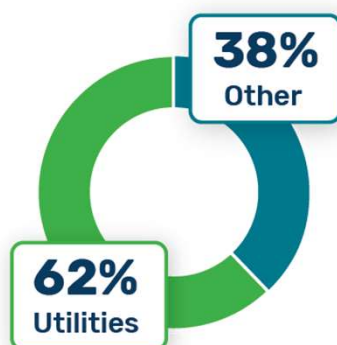
- \$443M Revenue
- Diluted EPS = \$0.41
- Adjusted Diluted EPS = \$2.27 ^(a)



Subcontractors as a % of Revenue

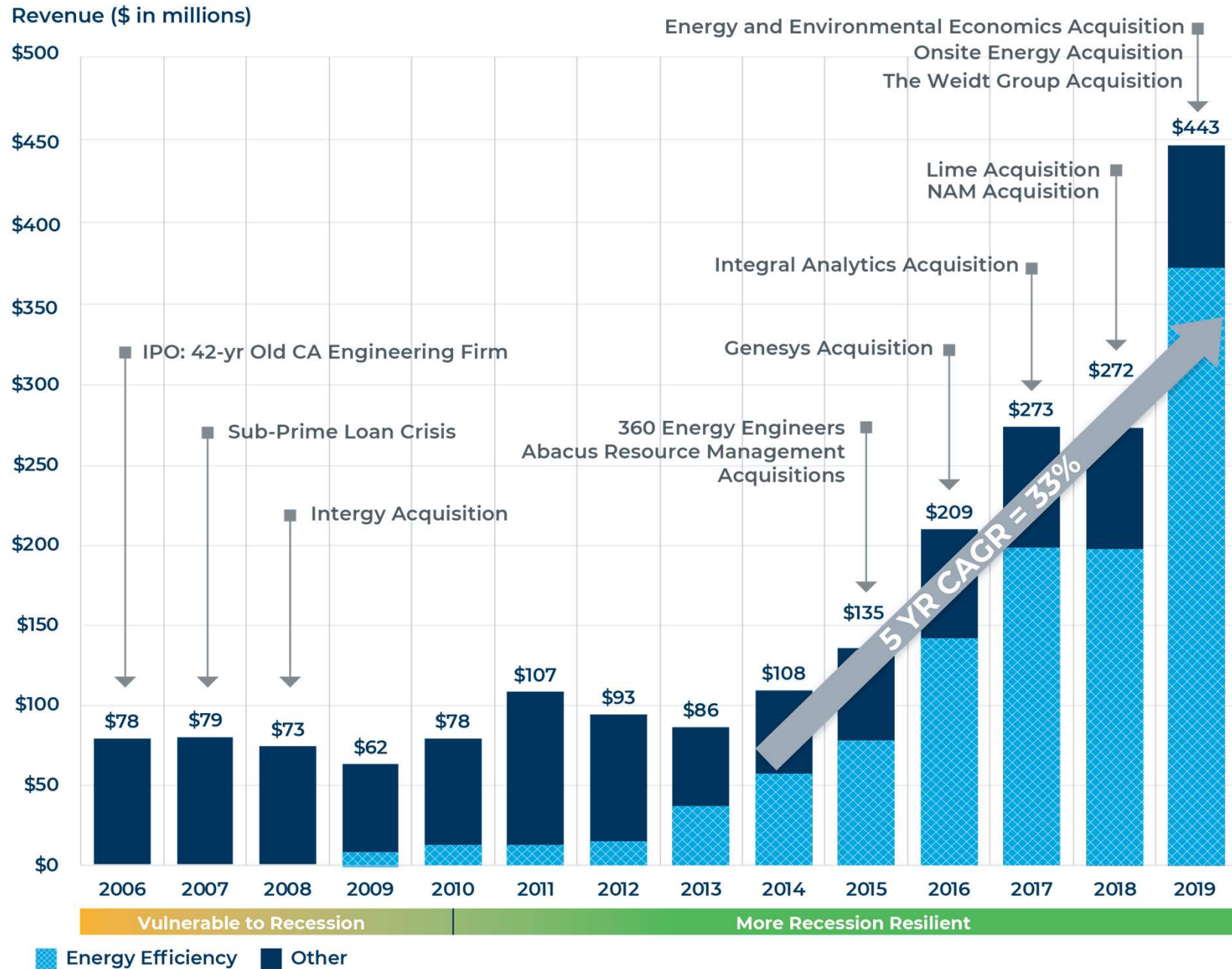


Utilities as % Net Revenue

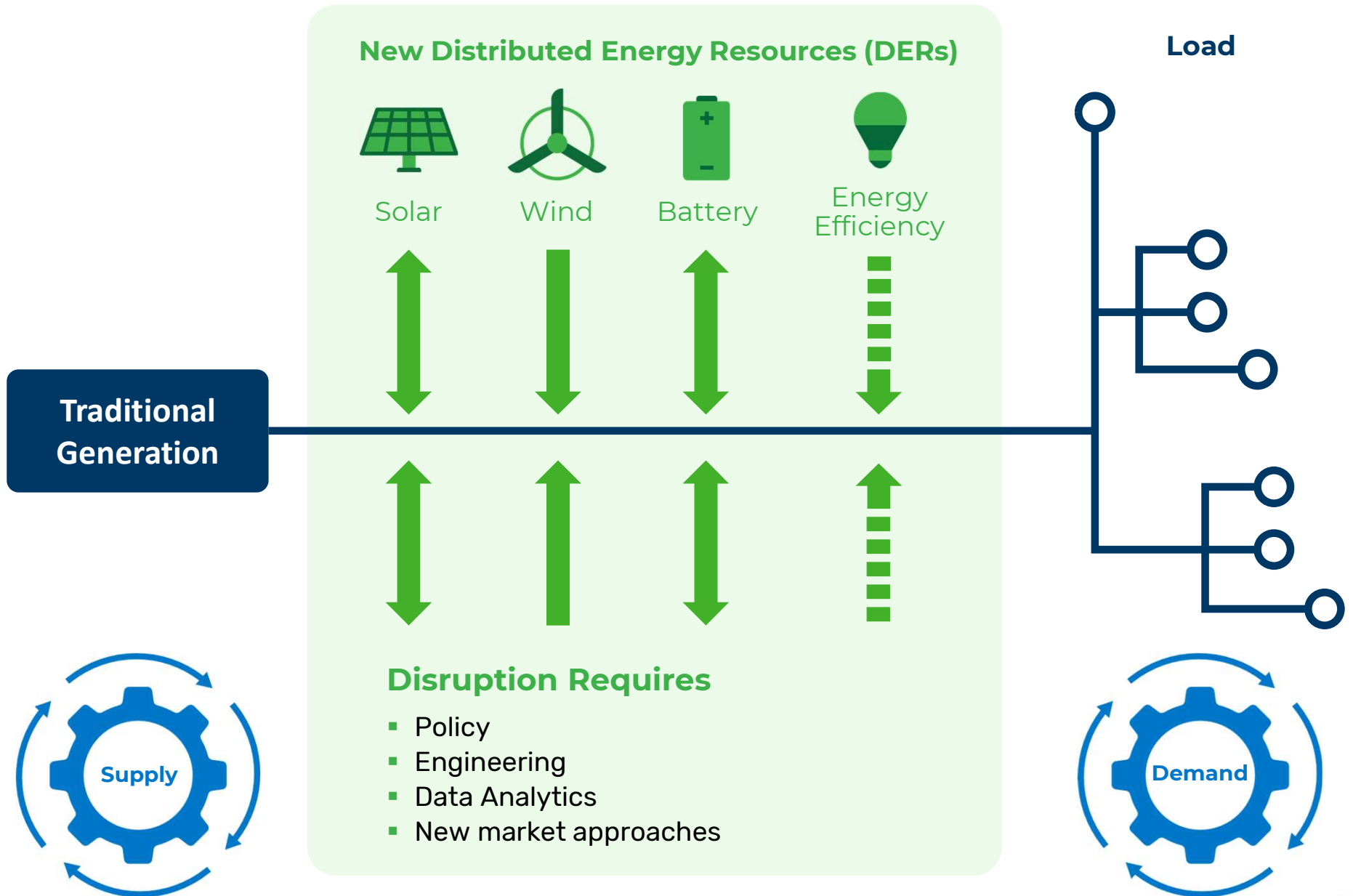


(a) Adjusted Diluted EPS is defined as net income plus stock-based compensation, intangible amortization and transaction costs, net of tax, all divided by the diluted weighted-average shares outstanding and is a non-GAAP financial measure. See Willdan Group, Inc. Investor Report at Willdan.com for reconciliation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

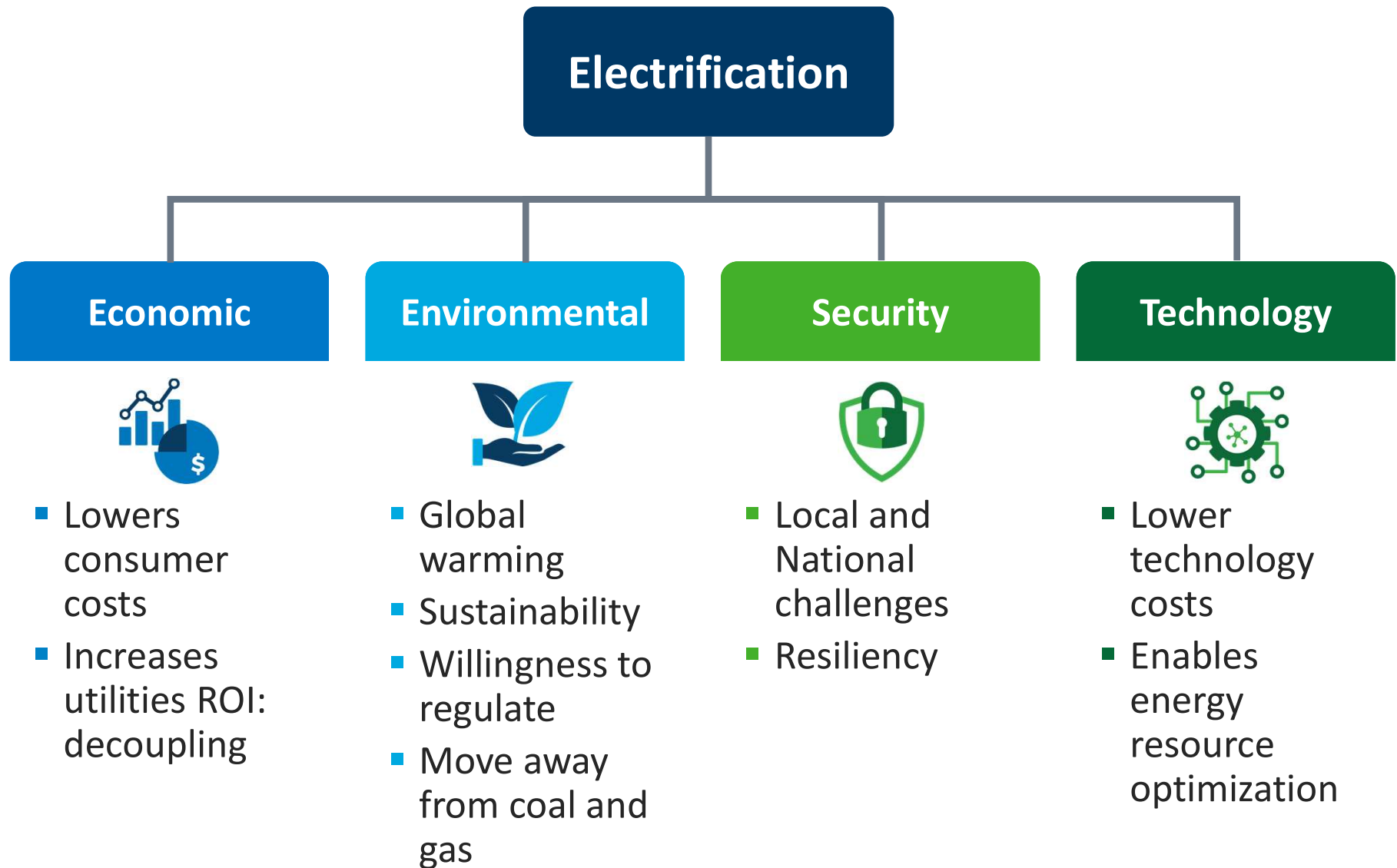
Willdan History



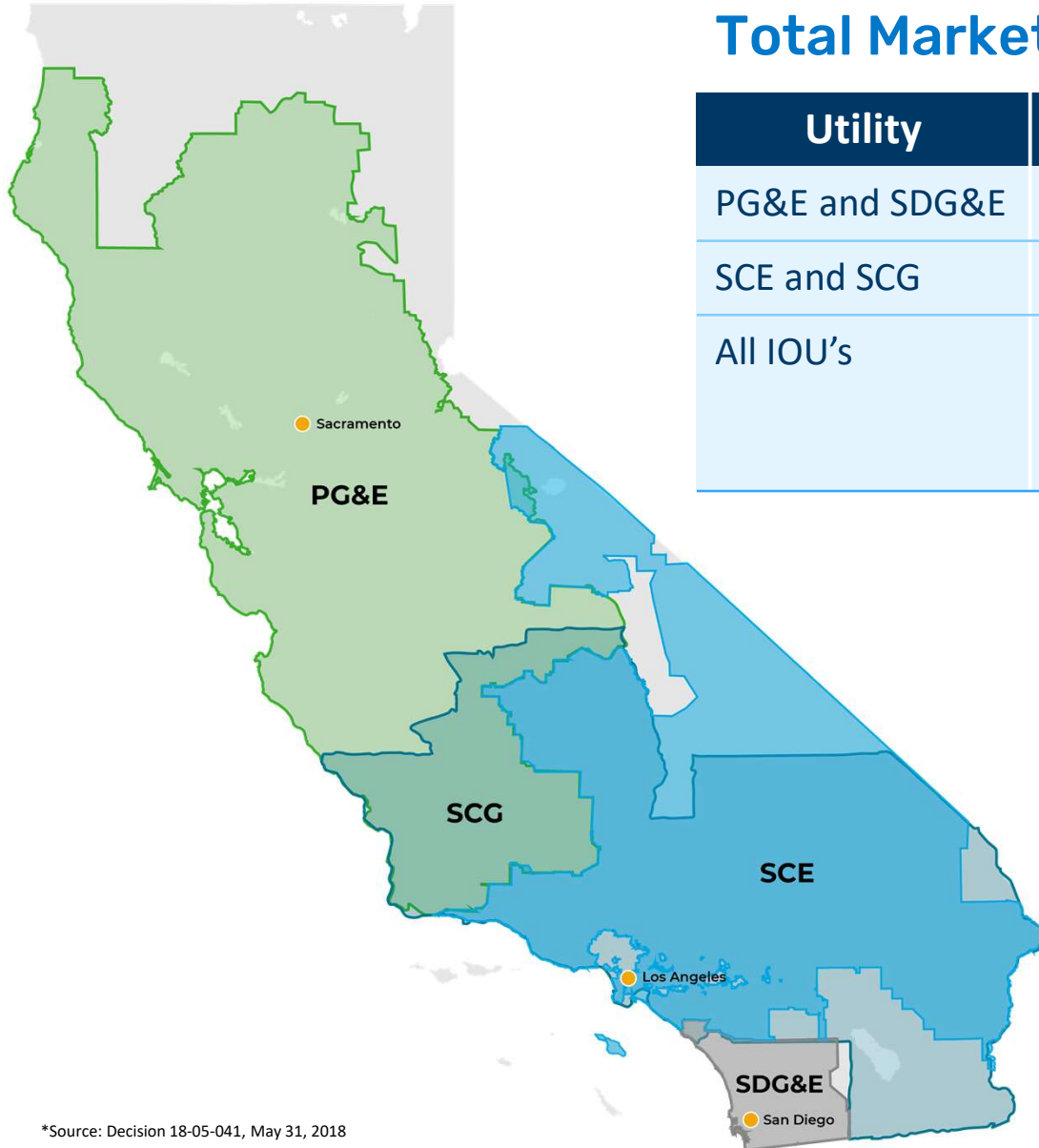
What Willdan Does



Deep-Rooted Growth Drivers



CA IOU Opportunity



Total Market \approx \$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

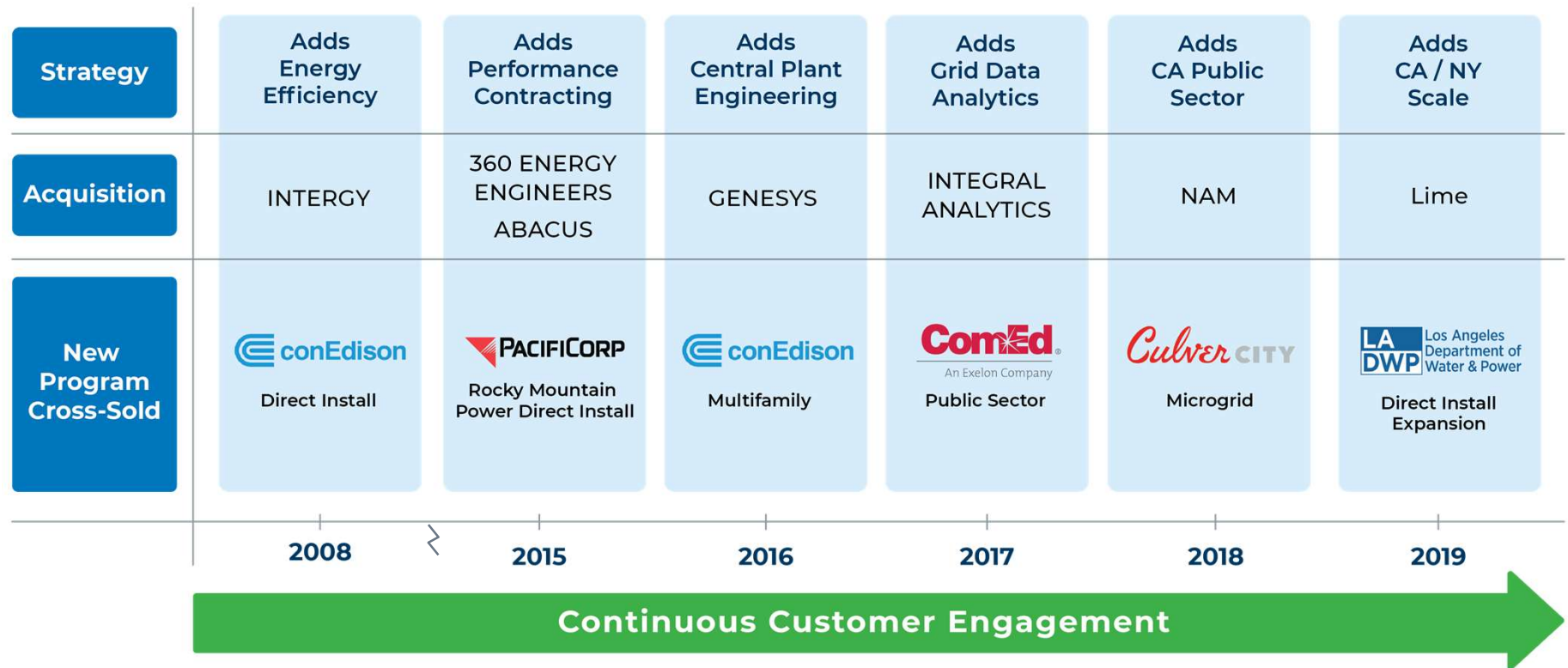
*Source: Decision 18-05-041, May 31, 2018

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.

Acquisitions Catalyze Strategic Growth



Energy and Environmental Economics (E3)

- Founded 1989; acquired October 2019
- Revenue \approx \$16M/year at time of acquisition
- E3 serves both public and private sectors with:



Energy Policy
Consulting



Market Analysis



Data Analysis

- Local Law 97

Expertise

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

COVID-19: Back to Work With Precautionary Measures

Health and Safety

- Prioritizing health and safety of our employees and customers
- Majority of employees working remotely
- New sanitary procedures and restricting in-person work-related meetings

Business Continuity

- All contracts except LADWP small business are restarted
- LADWP small business program remains on lockdown; shifting focus to LAUSD energy efficiencies
- No contracts have been cancelled; new programs continue to advance

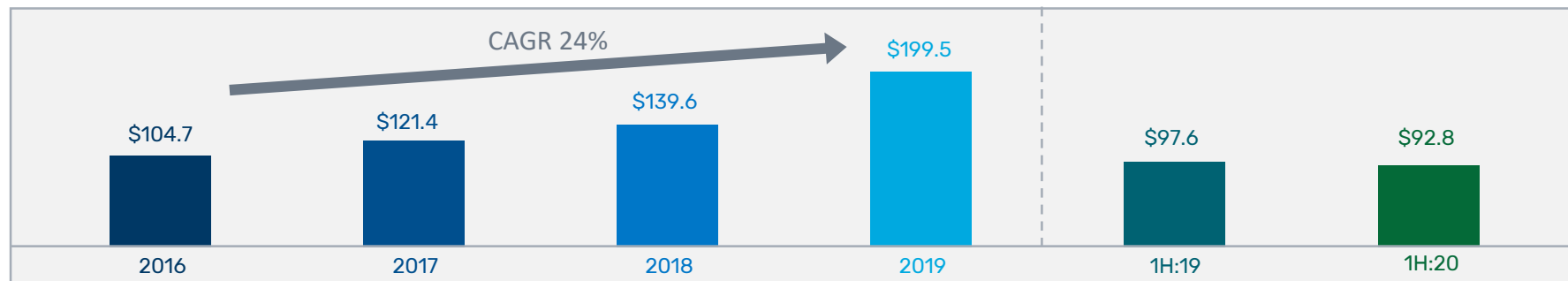
Cost and Expense Reduction

- Implemented comprehensive cost reductions across the organization
- Majority of furloughed employees returned to work
- Freeze remains on all non-essential spending and travel

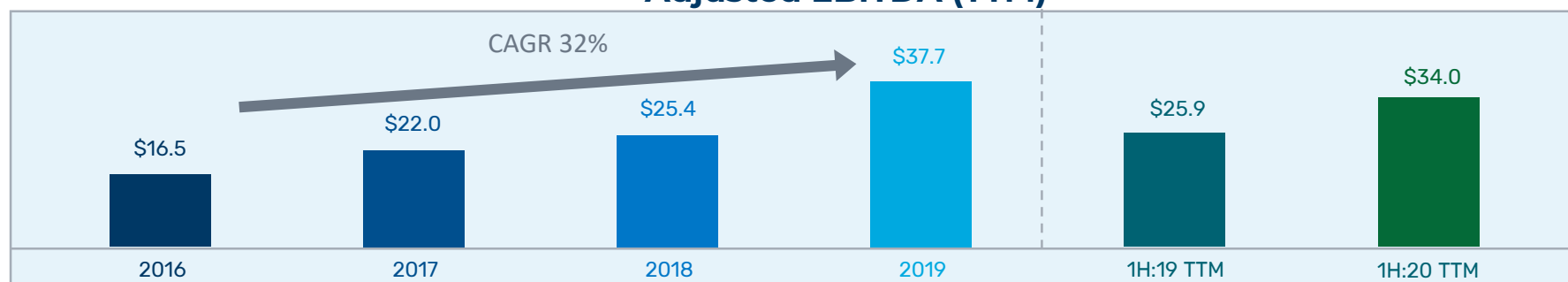
Selected Financial Metrics

(\$ in millions except Adj. Diluted EPS)

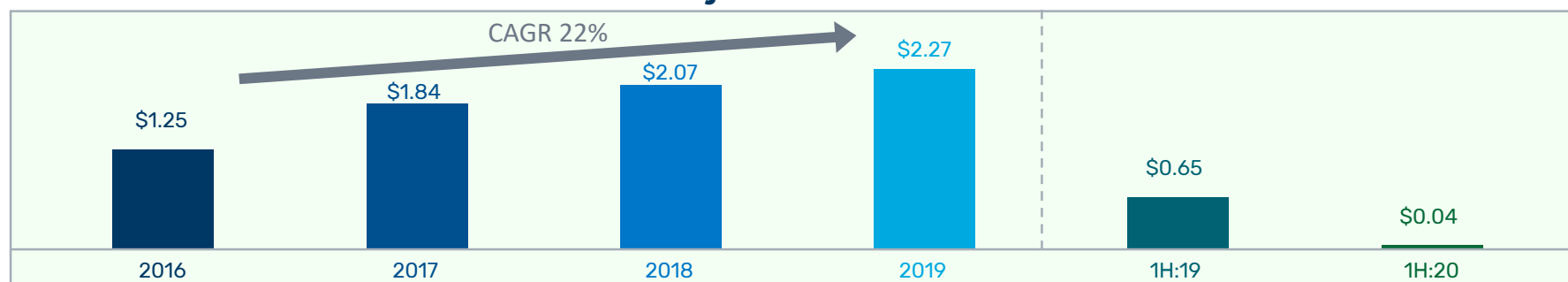
Net Revenue ^(a)



Adjusted EBITDA (TTM) ^(b)



Adjusted Diluted EPS ^(c)



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

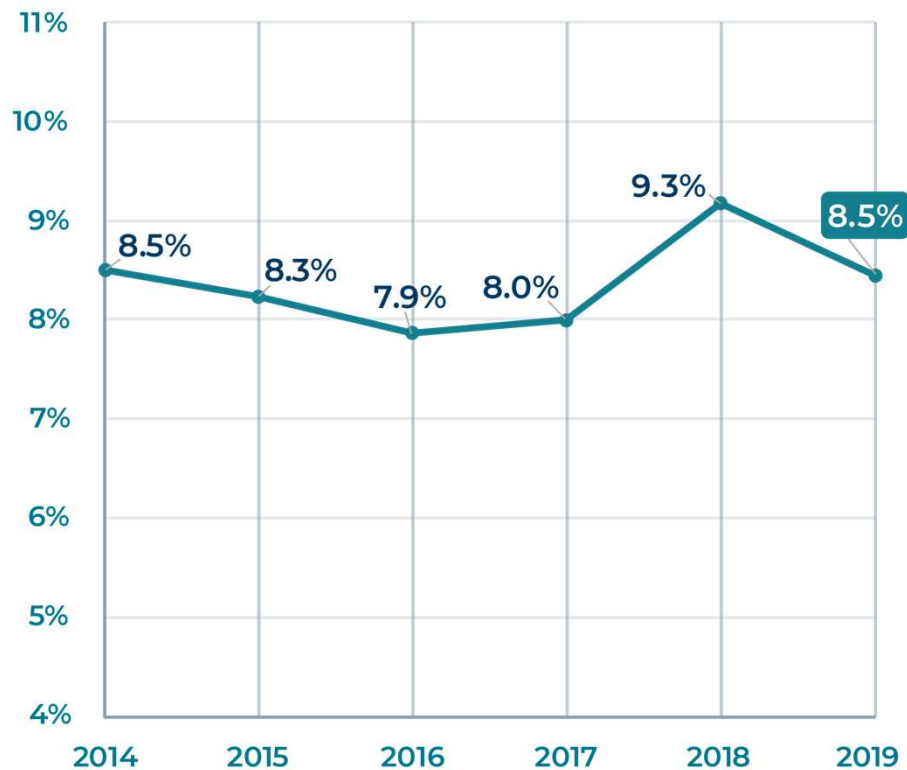
(b) Adjusted EBITDA is defined as net income plus interest expense, interest accretion, income tax expense (benefit), stock-based compensation, depreciation and amortization, transaction costs and gain (loss) on sale of equipment and is a non-GAAP financial measure. See Willdan Group, Inc. Investor Report at Willdan.com for reconciliation to Adjusted EBITDA from Net income, which is the corresponding GAAP financial measure.

(c) See slide number 2 for definition of Adjusted Diluted EPS.

Adjusted EBITDA Margin

(\$ in millions)

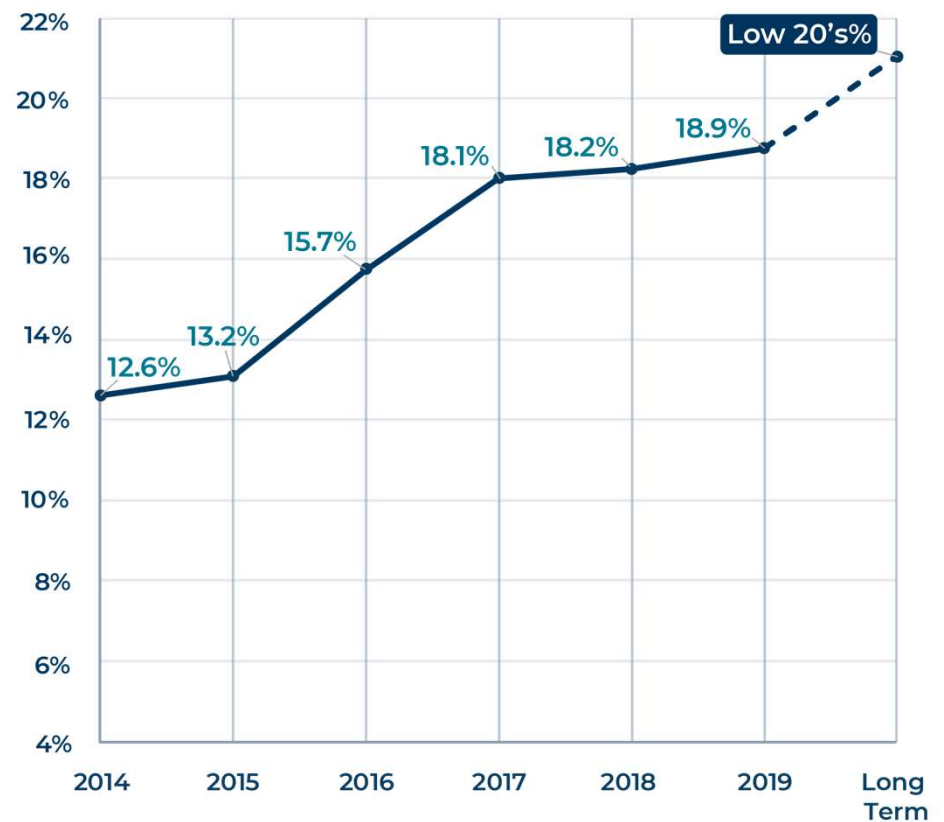
Adjusted EBITDA^(a) as % of Contract Revenue



Subs and ODC's as a % of Revenue

33%	37%	50%	56%	49%	55%
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Adjusted EBITDA as % of Net Revenue ^(a)



(a) See Slide 11 for definition of Adjusted EBITDA and Net Revenue.

Balance Sheet and Liquidity

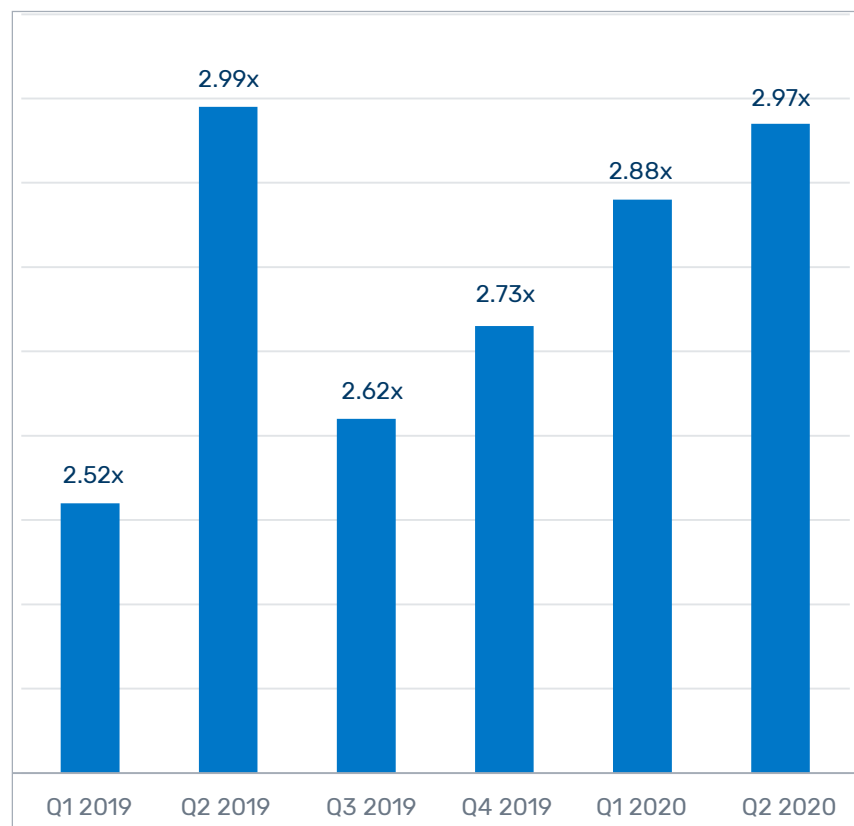
(\$ in millions)

Leverage Ratio Per Credit Agreement ^(a)

	Q1:19	Q2:19	Q3:19	Q4:19	Q1:20	Q2:20
Credit Agreement Debt	\$87.8	\$94.2	\$106.8	\$126.9	\$116.7	\$104.0
Adjusted EBITDA (TTM)	\$34.9	\$31.4	\$40.7	\$46.5	\$40.5	\$35.1
Debt / Adjusted EBITDA TTM	2.52x	2.99x	2.62x	2.73x	2.88x	2.97x

Free Cash Flow

	2016	2017	2018	2019	1H:19	1H:20
CF from Operations	\$21.6	\$11.1	\$7.6	\$11.6	\$12.5	\$29.2
Equip/Lease hold Improvement	(\$1.7)	(\$2.2)	(\$2.1)	(\$6.6)	(\$3.6)	(\$2.9)
FREE CASH FLOW	\$19.9	\$8.9	\$5.5	\$5.0	\$8.9	\$26.3



- Record \$29.2M of CFO in 1H:20
- Amended credit agreement increased debt covenant flexibility
- No borrowed amounts outstanding on \$50M Revolving Credit Facility
- Expect 2H:20 increase in working capital supporting expected growth

(a) Debt and Adjusted EBITDA and related Leverage ratio calculation as defined by Willdan's Third Amendment to the Amended and Restate Credit Agreement which, among other things, amends or suspends certain covenants contained in the Credit Agreement from March 5, 2020 until the earlier of July 2, 2021 and the last day of the fiscal quarter which WLDN delivers an irrevocable election to terminate the covenant relief granted by the Third Amendment (Covenant Relief Period).

Summary Commentary

ELECTRIC GRID SOLUTIONS COMPANY

- Generated \$29.2M in cash flow from operations in 1H:20
- Back to work as all contracts except LADWP small business have resumed
- CA IOU Energy Efficiency opportunity on schedule
- Utilities and municipalities actively conducting procurement
- Expected net borrower in 2H:20 to fund working capital supporting growth and easing of Covid-19 restrictions
- FY20 interest expense of ≈\$6.0M