

# Bowman

Q1 2025 EARNINGS | MAY 7, 2025 | NASDAQ: BWMN



TRANSPORTATION



POWER & UTILITIES



ENERGY



BUILDING INFRASTRUCTURE



WATER RESOURCES

## Presenters:

**Gary Bowman**

Chairman & CEO

**Bruce Labovitz**

Chief Financial Officer



# Safe Harbor Statement



Please note that many of the comments made today are considered forward-looking statements under federal securities laws.

As described in our filings with the SEC, these statements are subject to numerous risks and uncertainties that could cause future results to differ from those expressed, and we are not obligated to publicly update or revise these forward-looking statements. In addition, on today's call, we will discuss certain non-GAAP financial information such as Adjusted EBITDA, Adjusted EPS and Net Service Billing.

You can find this information, together with the reconciliations to the most directly comparable GAAP information, in our fourth quarter earnings press release and our 8-K filed with the SEC and on our website at [bowman.com](https://www.bowman.com).

# First Quarter 2025 Overview



**UP**ENGINEERING  
a Bowman company

## Highlights & Insights

- 19% YoY Growth in Gross Contract Revenue
- 17% YoY Growth in Net Service Billing
- 20% YoY Growth in Adjusted EBITDA
- 30% YoY Growth in Backlog
- 6% YoY Growth in Organic Net Service Billing
- 83% of Adj. EBITDA Converted to FCF
- Reduced Shares Outstanding
- Continued Revenue Diversification



# Financial Highlights

## Q1 2025 Compared To Q1 2024

(Dollars in millions, except per share data)

### For the Three Months Ended March 31

	2025	2024	Change
Gross Contract Revenue	\$112.9	\$94.9	+ 19%
Net Service Billing <sup>1</sup>	\$100.1	\$85.7	+ 17%
Gross Margin	51.4%	50.6%	+ 80 bps
SG&A % of GCR	44.7%	47.1%	- 240 bps

### For the Three Months Ended March 31

	2025	2024	Change
Net Income (Loss)	\$(1.7)	\$(1.6)	n/a
Adjusted EBITDA <sup>1</sup>	\$14.5	\$12.1	+ 20%
Adjusted EBITDA Margin, Net <sup>1</sup>	14.5%	14.2%	+ 30 bps
Adjusted EPS <sup>1</sup> (basic)	\$0.07	\$0.22	n/a

<sup>1</sup> Non-GAAP financial metrics — See Non-GAAP tables in the corresponding press release for reconciliations

# Q1 2025 Gross Revenue Composition

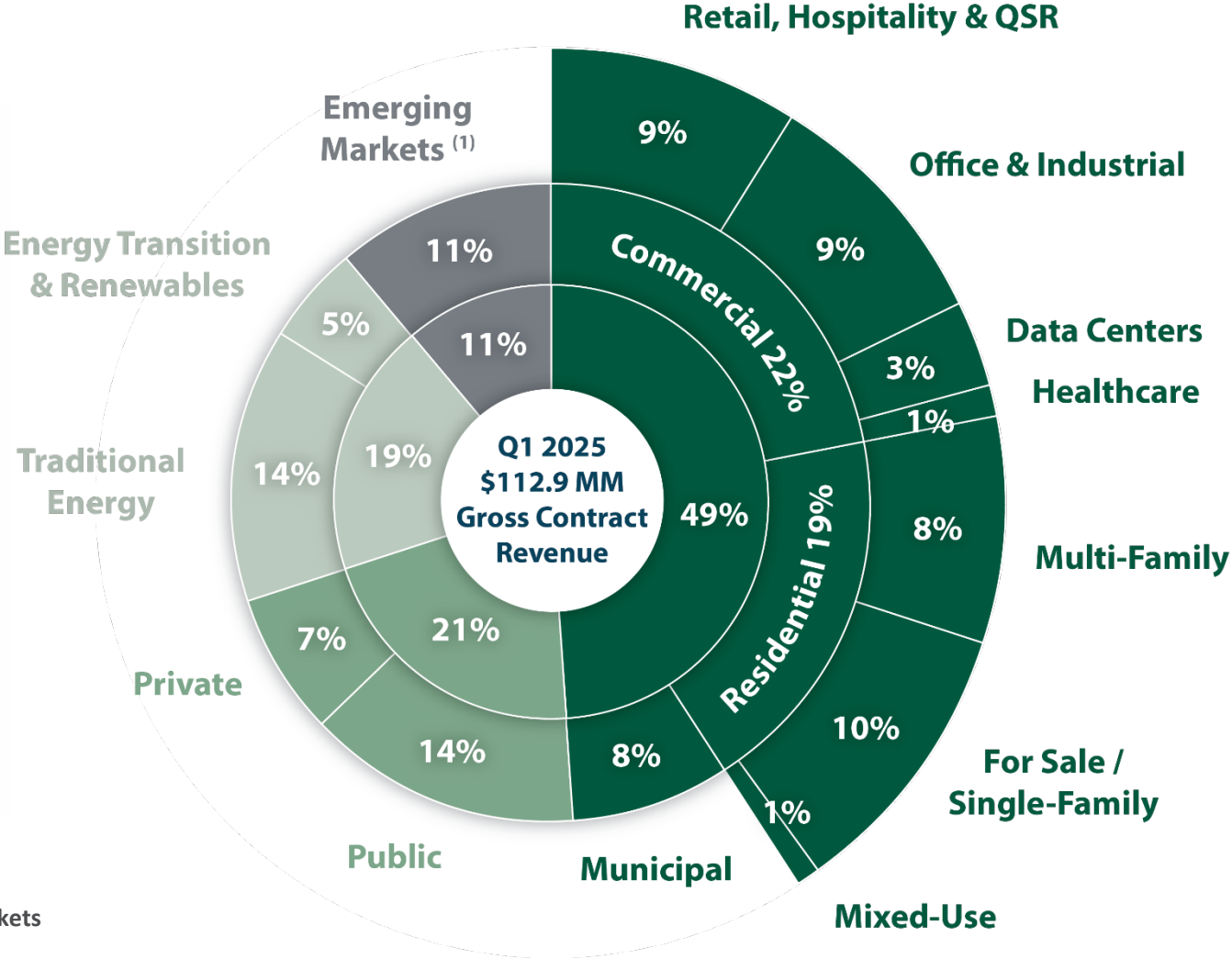
## Growth Across Diversified Markets

**19%** Gross Revenue Growth

**7%** Growth of Organic Gross Revenue

**17%** Net Revenue Growth

**6%** Growth of Organic in Net Revenue



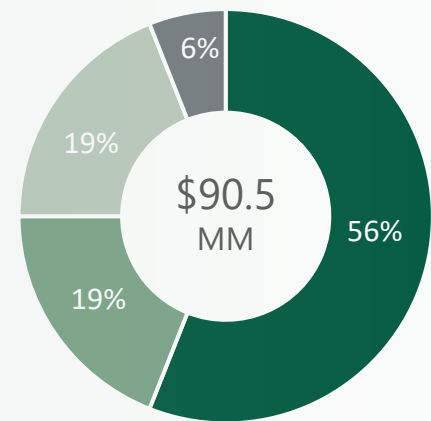
■ Building Infrastructure ■ Transportation ■ Power, Utilities & Energy ■ Emerging Markets

(1) Emerging Markets includes Mining, Water, Environmental and Mapping

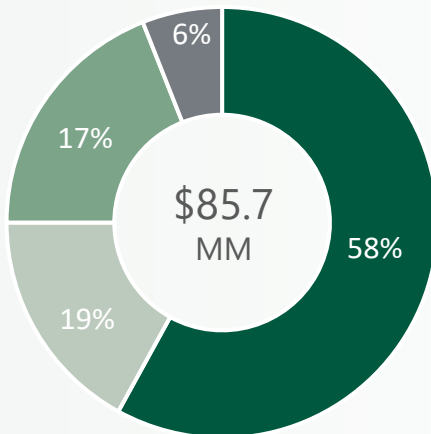
# Growth of Organic Net Revenue by Vertical

Organic Net Revenue by Market

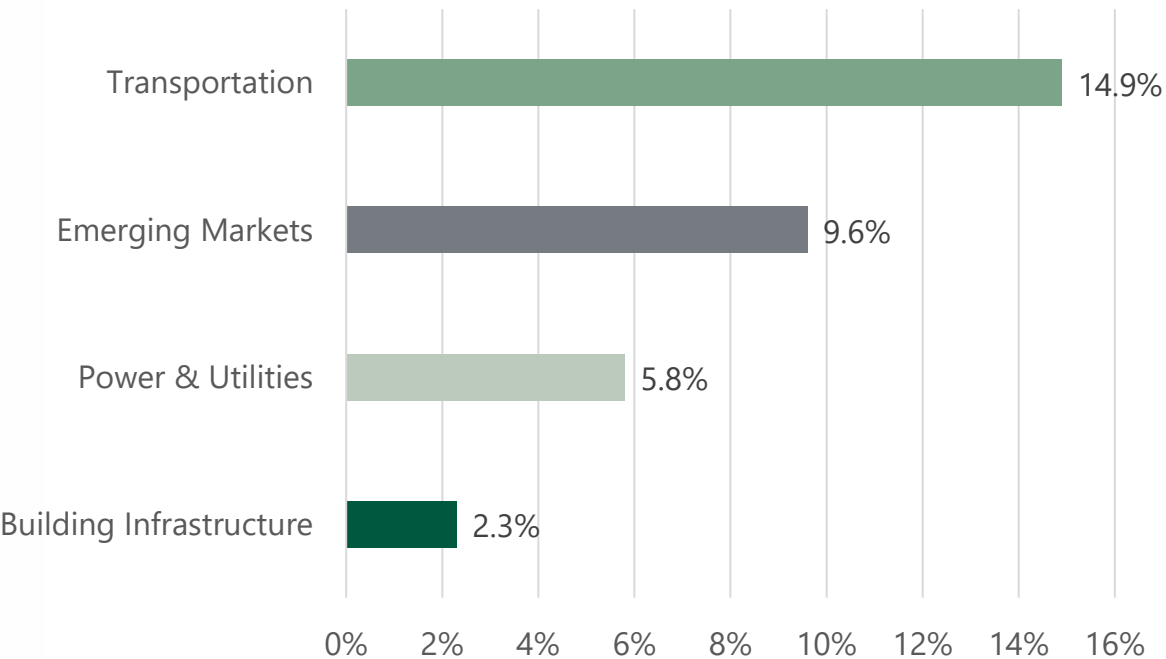
Q1 2025



Q1 2024



6% Growth of Organic Net Revenue – Q1 2025



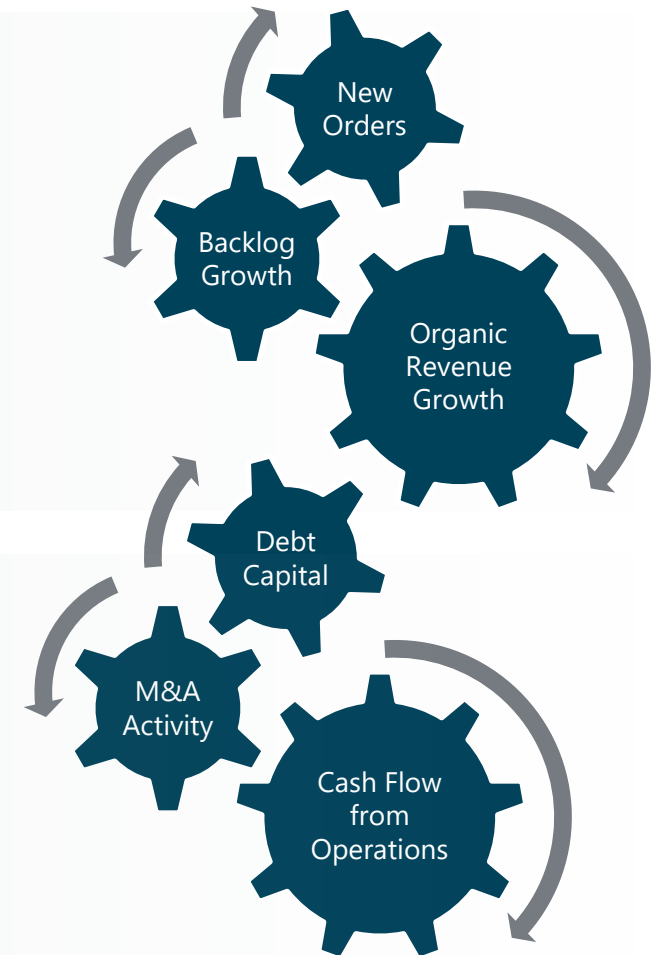
# Balance Sheet, Tax, and Capitalization

## Cash, Leverage and Liquidity

- \$140 Million Facility Revolver
- \$10.7 Million Cash on Hand
- \$97 Million Net Debt
- Net Leverage Ratios of 1.6x T4Q\_AE & 1.3x Forward Midpoint\_AE
- \$12 Million Cash from Operating Activities / \$10.5 Million Free Cash Flow
- 83% Cash Conversion and 73% Free Cash Flow Conversion

## Buybacks and Capital Allocation

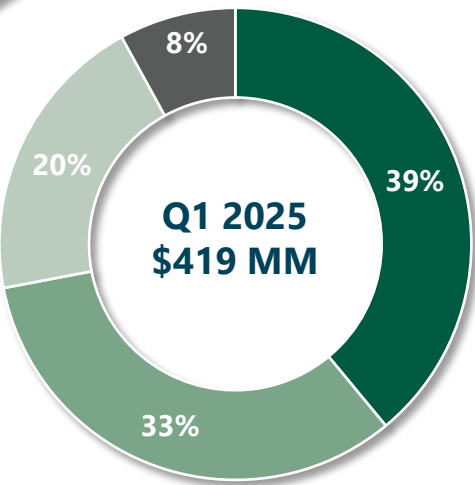
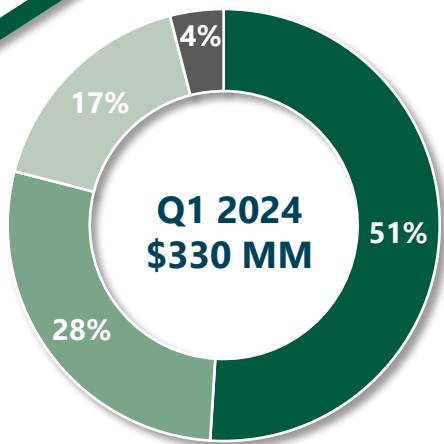
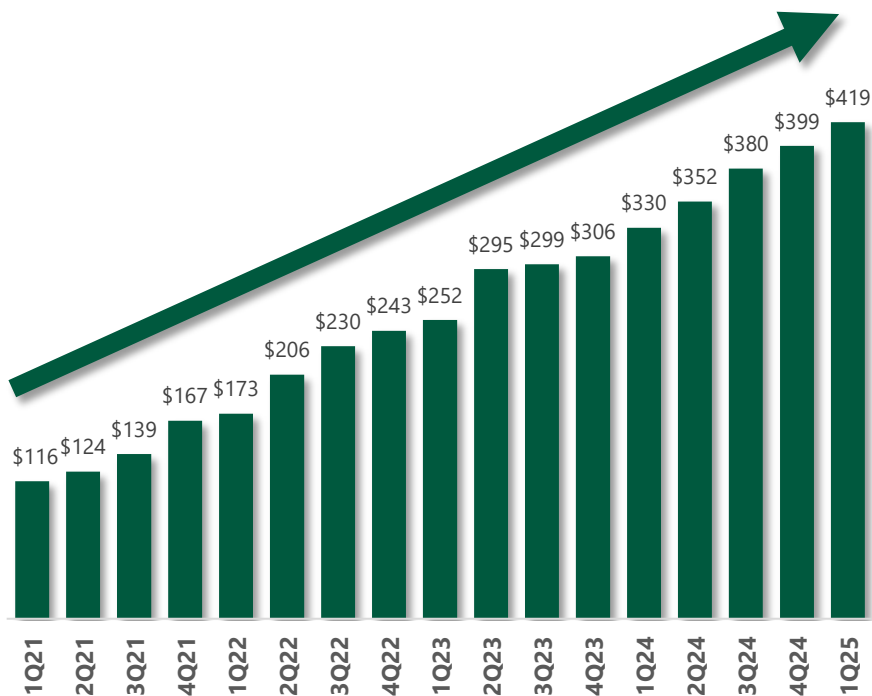
- Purchased \$6.7 Million of Common Stock in Q1
- 17.3 Million Shares Outstanding on 03/31/25
- Continued buyback into Q2 of \$5.3 million as of 05/02/25
- 17.2 Million Shares Outstanding on 05/02/25
- Commitment to innovation investments and organic growth



# Increasing Gross Backlog Provides Forward Visibility

## Gross Backlog Growth Story <sup>(1)</sup>

(in Millions)



## Gross Backlog Mix

- Building Infrastructure
- Transportation
- Power & Utilities
- Emerging Markets <sup>(2)</sup>

**Note:** Backlog represents the total dollar amount of revenues we expect to record in the future from the performance of work under contracts we have been awarded. There is no assurance that backlog will be realized as revenues in the amounts reported or, if realized, will result in profits.

(1) Gross backlog growth is defined as the difference between the backlog balance at the end of a specific period and the backlog balance at the beginning of the same period  
(2) Emerging Markets includes Water, Mining and Natural Resources markets



# Capital Allocation Priorities & Strategy



## M&A Adjacencies

Focus on complementary enterprises that provide revenue synergy

Commit to being a fully financial & operational integration

Maximize utilization through commitment to work-sharing



## Fund Innovation & Organic Growth

Invest in disruptive innovation to accelerate production and expand margin

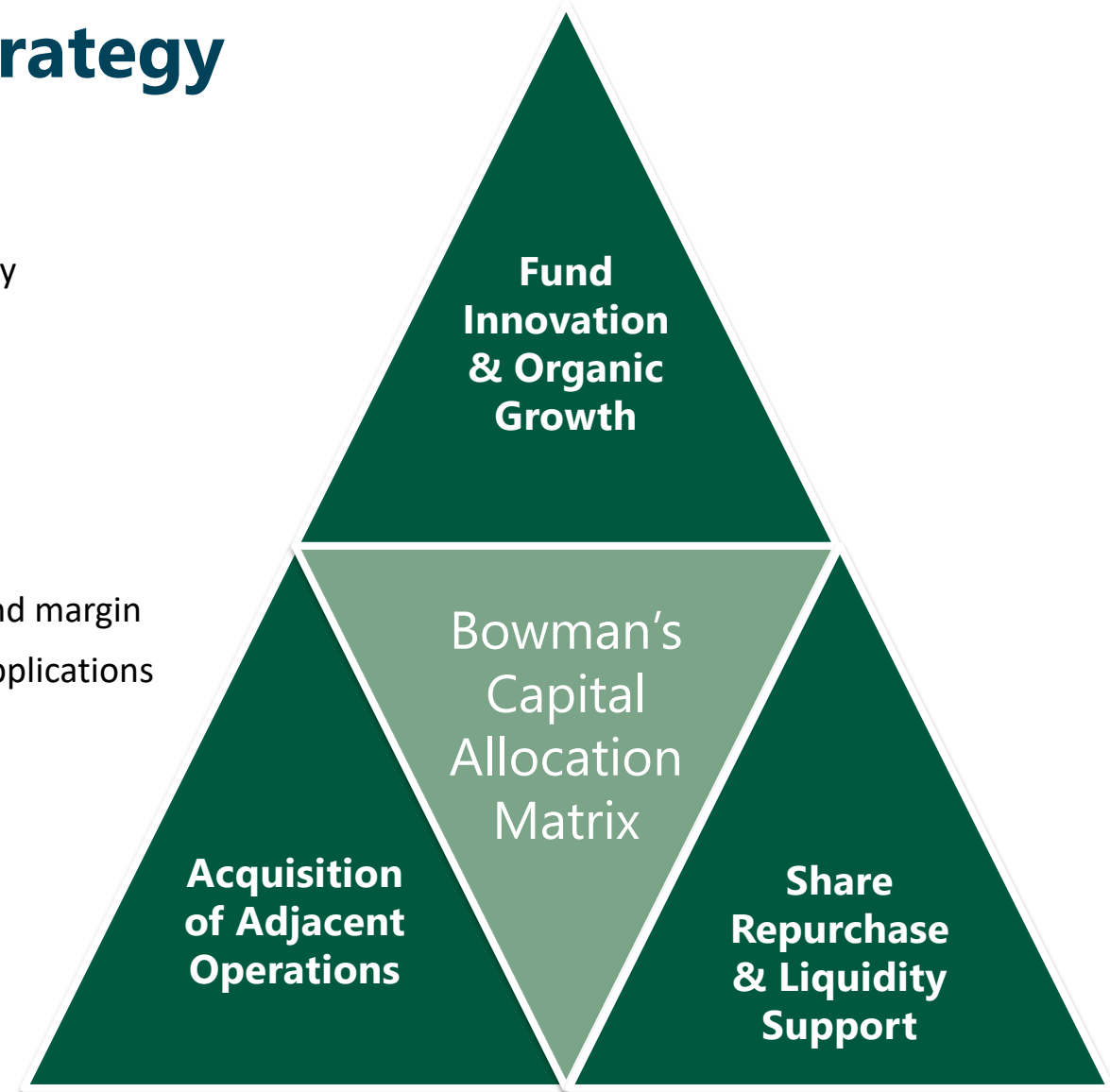
Utilize generative design technologies; digital twin systems; GIS applications to advance customer experience and engagement longevity



## Share Repurchase Program






Allocate capital to support shareholders when the market is unusually volatile

Make anti-dilutive investment when our equity is excessively undervalued



# End Market Highlights

## Q1 2025 – % Gross Revenue | YoY % Change

<div>21%   +29.9%</div> <div>  </div> <div>TRANSPORTATION INFRASTRUCTURE</div> <ul style="list-style-type: none"> <li>• Inroads with FDOT and RIDOT and other DOTs</li> <li>• Pennsylvania Turnpike Commission – Allegheny Tunnel Transportation Improvement Project</li> <li>• Mobile mapping for interstate highways</li> <li>• Canadian Railway Assignment in Illinois</li> </ul>	<div>19%   +16.1%</div> <div>   </div> <div>POWER, UTILITIES &amp; ENERGY SERVICES</div> <ul style="list-style-type: none"> <li>• Undergrounding (Pike, Florida Power &amp; Light, Tampa Electric)</li> <li>• Expanded gas pipeline services in Nevada</li> <li>• Expanding engagement with SDG&amp;E</li> <li>• Renewable Energy Solutions Provider               <ul style="list-style-type: none"> <li>• Solar</li> <li>• Battery Storage</li> <li>• EV Charging Stations</li> </ul> </li> <li>• Pattern Energy - Wind Energy Project Engineering and Design</li> </ul>	<div>11%   +117.9%</div> <div>  </div> <div>BUILDING INFRASTRUCTURE</div> <ul style="list-style-type: none"> <li>• Office &amp; Industrial</li> <li>• Data Centers</li> <li>• Municipal</li> <li>• Fulfillment Centers</li> <li>• Quick Service Restaurants</li> <li>• Residential</li> <li>• Build-for-Rent</li> <li>• Other</li> </ul>	<div>50%   +5.9%</div> <div>  </div> <div>MAPPING, MINING &amp; WATER RESOURCES</div> <ul style="list-style-type: none"> <li>• Civil Engineering and Mine Infrastructure Services</li> <li>• Copper and Aggregates</li> <li>• Geospatial Capabilities for Industrial Minerals, Cement and Aggregates</li> <li>• Water, Wastewater, Water Reclamation Services Pilot</li> <li>• Aerial Orthoimagery &amp; Lidar</li> </ul>
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# Key Value Drivers



- **Superior Cash Efficiency** – We convert Adj. EBITDA to free cash flow more efficiently through an asset-light model



- **Execution Control** – Self-performing work leads to more predictable margins, fewer project delays & stronger client satisfaction



- **Scalable Business Model** – Built to scale without large capital investments creates long runway for profitable growth



- **Insulated from Global Supply Shocks** – Domestic focus provides stability, consistency & insulation from global events



- **High-Margin Revenue Structure** – No pass-throughs – our revenue is a true indicator of performance over volume



- **Aligned with National Policy Tailwinds** – U.S. policy favors domestic infrastructure, energy & industrial investment



- **Focused, Not Fragmented** – Pure U.S. domestic infrastructure investment with no construction exposure

# FY 2025 Guidance

Issued	Net Revenue	Adjusted EBITDA
November 2024	\$422 - \$437 MM	\$68 - \$75 MM
March 2025	\$428 - \$440 MM	\$70 - \$76 MM
May 2025	\$428 - \$440 MM	\$70 - \$76 MM

Guidance Includes Acquisitions Completed to Date Only



A photograph of two workers, a man and a woman, seen from behind. They are wearing white hard hats and bright yellow safety vests. The man's vest has the word "Bowman" printed on it in green. They are standing in a field of solar panels, with the man pointing towards the horizon. In the background, several wind turbines are visible against a clear blue sky. The overall scene is bright and sunny, suggesting a clear day.

# Bowman

N A S D A Q : B W M N

B O W M A N   C O N S U L T I N G   G R O U P   L T D .





# APPENDIX



# Reconciliation of GAAP to Non-GAAP

## Gross Revenue to Net Service Billing Reconciliation

(Dollars in thousands)

For the Three Months Ended March 31

	2025	2024
Gross Contract Revenue	\$112,931	\$94,907
Less: Sub-Consultants & Other Direct Expenses	\$12,878	\$9,218
Net Service Billing	\$100,053	\$85,689

# Reconciliation of GAAP to Non-GAAP

## Adjusted EBITDA Reconciliation

(Dollars in thousands)

For the Three Months Ended March 31

	2025	2024
<b>Net (Loss) Income (GAAP)</b>	<b>\$(1,744)</b>	<b>\$(1,558)</b>
+Interest Expense	2,113	2,131
+Depreciation & Amortization	6,521	5,995
+Tax (Benefit) Expense	769	(3,453)
<b>EBITDA</b>	<b>\$7,659</b>	<b>\$3,115</b>
+Non-Cash Stock Compensation	6,642	7,861
+Settlements & Other Non-Core Expenses	143	399
+Acquisition Expenses	61	753
<b>Adjusted EBITDA</b>	<b>\$14,505</b>	<b>\$12,128</b>
<b>Adjusted EBITDA Margin, Net</b>	<b>14.5%</b>	<b>14.2%</b>



# Reconciliation of GAAP to Non-GAAP

## EPS To Adjusted EPS Reconciliation

(Dollars in thousands)

For the Three Months Ended March 31

	2025	2024
<b>Net (Loss) Income (GAAP)</b>	<b>\$(1,744)</b>	<b>\$(1,558)</b>
+Tax Expense (Benefit) (GAAP)	769	(3,453)
<b>Income (Loss) Before Tax Expense (GAAP)</b>	<b>\$(975)</b>	<b>\$(5,011)</b>
+Acquisition Related Expenses	594	1,350
+Amortization Of Intangibles	2,617	3,339
+Non-Cash Stock Comp Related To Pre-IPO	493	1,557
+Other Non-Core Expenses	143	399
<b>Adjusted Income Before Tax Expense</b>	<b>\$2,872</b>	<b>\$1,634</b>
Adjusted Income Tax (Benefit) Expense	1,676	(1,660)
<b>Adjusted Net Income</b>	<b>\$1,196</b>	<b>\$3,294</b>
Adjusted Earnings Allocated To Non-Vested Shares	61	310
Adjusted Net Income Attributable To Common Shareholders	\$1,135	\$2,984

# Non-GAAP Adjusted EPS – Dilutive

For the Three Months Ended March 31

	2025	2024
<b>(Loss) Earnings per share (GAAP)</b>	<b>\$(0.11)</b>	<b>\$(0.11)</b>
Pre-tax basic per share adjustments	\$0.28	\$0.22
<b>Adjusted EPS before tax expense</b>	<b>\$0.17</b>	<b>\$0.11</b>
Tax expense (benefit) per share adjustment	\$0.10	\$(0.11)
<b>Adjusted EPS - adjusted net income</b>	<b>\$0.07</b>	<b>\$0.22</b>
Adjusted EPS allocated to non-vested shares	\$ -	\$0.02
<b>Adjusted EPS attributable to common shares</b>	<b>\$0.07</b>	<b>\$0.20</b>

# Non-GAAP Adjusted EPS - Basic

For the Three Months Ended March 31

	2025	2024
<b>Earnings (loss) per share (GAAP)</b>	<b>\$(0.11)</b>	<b>\$(0.11)</b>
Pre-tax basic per share adjustments	\$0.29	\$0.23
<b>Adjusted EPS before tax expense</b>	<b>\$0.18</b>	<b>\$0.12</b>
Tax expense (benefit) per share adjustment	\$0.11	\$(0.12)
<b>Adjusted EPS - adjusted net income</b>	<b>\$0.07</b>	<b>\$0.24</b>
Adjusted EPS allocated to non-vested shares	\$ -	\$0.02
<b>Adjusted EPS attributable to common shares</b>	<b>\$0.07</b>	<b>\$0.22</b>

# Reconciliation of GAAP to Non-GAAP

## EPS To Adjusted EPS Reconciliation

(Dollars in thousands)

For the Three Months Ended March 31

	2025	2024
<b>(Loss) Earnings Per Share (GAAP)</b>		
Basic	\$(0.11)	\$(0.11)
Diluted	\$(0.11)	\$(0.11)
<b>Adjusted Earnings Per Share (Non-GAAP)</b>		
Basic	\$0.07	\$0.22
Diluted	\$0.07	\$0.20
<b>Weighted Average Shares Outstanding</b>		
Basic	16,356,331	13,827,728
Diluted	16,638,334	14,561,032