

THIRD QUARTER 2022 RESULTS

November 3, 2022

NV5

Beyond engineering

DISCLAIMER

This presentation contains forward-looking statements about the Company's future business and financial performance. These are based on management's current expectations and are subject to risks and uncertainties. Factors that could cause actual results to differ materially from these statements are included in today's presentation slides and in our reports on file with the SEC. During this call, GAAP and non-GAAP financial measures will be discussed. A reconciliation between the two is available in today's earnings release and on the Company's website at www.nv5.com. Please note that unless otherwise stated all references to third quarter 2022 comparisons are being made against the third quarter of 2021.

In this presentation, NV5 has included certain non-GAAP financial measures as defined in Regulation G promulgated under the Securities Exchange Act of 1934, as amended. The non-GAAP financial measures included in this presentation are: (i) adjusted earnings per share and (ii) adjusted EBITDA. NV5 provides non-GAAP financial measures to supplement GAAP measures, as they provide additional insight into NV5's financial results. However, non-GAAP measures have limitations as analytical tools and should not be considered in isolation and are not in accordance, or a substitute for GAAP. In addition, other companies may define non-GAAP measures differently, which limits the ability of investors to compare non-GAAP measures of NV5 to those used by peer companies. A reconciliation of non-GAAP and GAAP measures is included in the appendix to this presentation.

PRESENTERS



Dickerson Wright
Chairman & CEO



Edward Codispoti
Chief Financial Officer

BUSINESS OVERVIEW

Dickerson Wright
Chairman & CEO



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Q3 HIGHLIGHTS

Record third quarter delivering double digit growth Q3'22 vs. Q3'21 in
Gross Revenues, Net Income, Cashflows & Earnings Per Share

Q3 Highlights

\$204M
Gross Revenues

+10%
Q3'22 vs. Q3'21

\$16M
Net Income

+28%
Q3'22 vs. Q3'21

\$26M
Cash Flows from
Operations

+65%
Q3'22 vs. Q3'21

\$1.05
GAAP Diluted EPS

+27%
Q3'22 vs. Q3'21

\$1.50
Adjusted EPS

+20%
Q3'22 vs. Q3'21

Operations Momentum

- Record Geospatial Performance in Q3
- Building Technology, Clean Energy & Energy Efficiency Double-Digit Growth
- Multiple Significant Contracts Signed in Q3
- Record Backlog Entering Q4 & 2023
- Over \$40M in YTD Cross-Selling

M&A Activity



- Completed Acquisition of KMK Technologies in September
 - Strengthens Building Technology Solutions
 - History of High-Profile Projects, Particularly in Hospitality & Convention Centers
- Multiple Potential Targets in Due Diligence

CORE BUSINESS UPDATE

Q3 Highlights & Opportunities

✓ Utility Services

- LNG conversion for utilities: 23% organic growth YTD
- Fire hardening & undergrounding of electrical distribution: 10% org. growth YTD
- Contract awards from Utilities Growth Initiative
- \$60M+ LNG Utility Award

✓ Environmental Health Sciences

- Real estate transactions return to typical historical levels
- Scalable business to maintain margins

✓ Clean Energy & Buildings

- Double-digit growth, Q3'22 vs. Q3'21
 - *MEP & technology design*
 - *Clean energy*
 - *Subscription-based energy efficiency*
 - *International engineering design & energy efficiency*
- Demand for electric vehicle charging station design is growing rapidly

✓ Testing Inspection & Consulting

- Hurricane Ian driving high demand in Florida for:
 - *Forensics Insurance Inspections*
 - *Environmental Compliance*
 - *Health & Safety Consulting*

A Record Year Continues for
Utilities, Infrastructure & Buildings



GEOSPATIAL UPDATE

Q3 Highlights & Opportunities

Record Q3'22 bookings of \$99 million

✓ Federal & State Government Sector

- 36% growth in Q3'22 vs. Q3'21
- Government bookings were 2.3x in Q3'22 vs Q3'21
- Offshore geospatial has driven 256% revenue growth since the acquisition of Geodynamics in March 2021

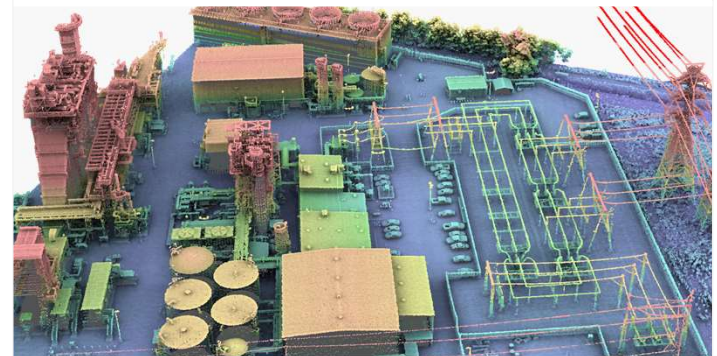
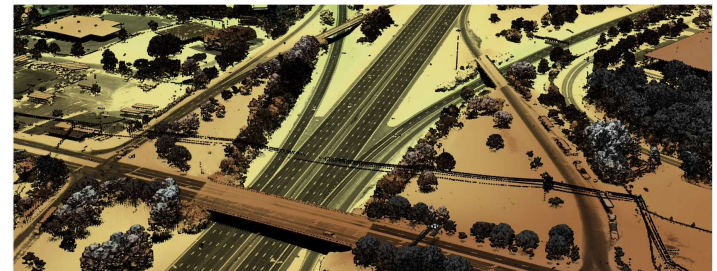
✓ Utility & Commercial Sector

- First offshore wind projects completed in Q3'22 as part of the Offshore Wind Growth Initiative
- Integration of newly-acquired Geo1
- Expansion of key Southern California utility client

Resurgence of federal geospatial business leads the way to

29% organic growth & 34% total growth

in Geospatial Q3'22 vs. Q3'21



SUSTAINABLE GROWTH & EARNINGS

Reliable Investment: *Driven by the NV5 Business Model*

Non-Discretionary Infrastructure Services

- *Majority Public Sector Clientele*
- *Nation's Aging Electrical Grid & Infrastructure*
- *Demand for Infrastructure Reliability*
- *Performance Sheltered from Economic Conditions*

Cash Position & Capital Structure

- *Strong Cash Position*
- *Minimal Debt: 0.28x Net Leverage*
- *Increasing Cashflows from Operations*

Consistent Delivery of Growth & Earnings

- *Historic Growth & Margin Exceeding Industry Average*
- *Sustainable Growth & Profitability Driven by the NV5 Business Model*

Four Pillars Driving Growth & Margins That Exceed the Industry Average

High-Growth
Segment
Focus

1

High-Margin
Technology
Offerings

2

Mergers
&
Acquisitions

3

Scale
&
Synergy

4

KEY WINS & BACKLOG

Recent Key Wins



Infrastructure

New York City - \$22 million

Contract awards to support park infrastructure and educational facility improvements throughout New York City. Services that NV5 will provide under these agreements include engineering design, inspection services, and landscape architecture



Geospatial

USGS & University of California - \$13 million

Two contracts by the University of California (UCSD) and the U.S. Geological Survey (USGS) to support wildfire studies and mitigation efforts in California. UCSD \$6 million contract covering 13,269 square miles. USGS \$7 million contract covering 16,851 square miles



Utility Services

Southwest Utility - \$8 million

The agreement expands NV5's relationship with the utility service provider to include engineering design of underground transmission and distribution assets, electrical substations, and overhead power lines to support safety and reliability



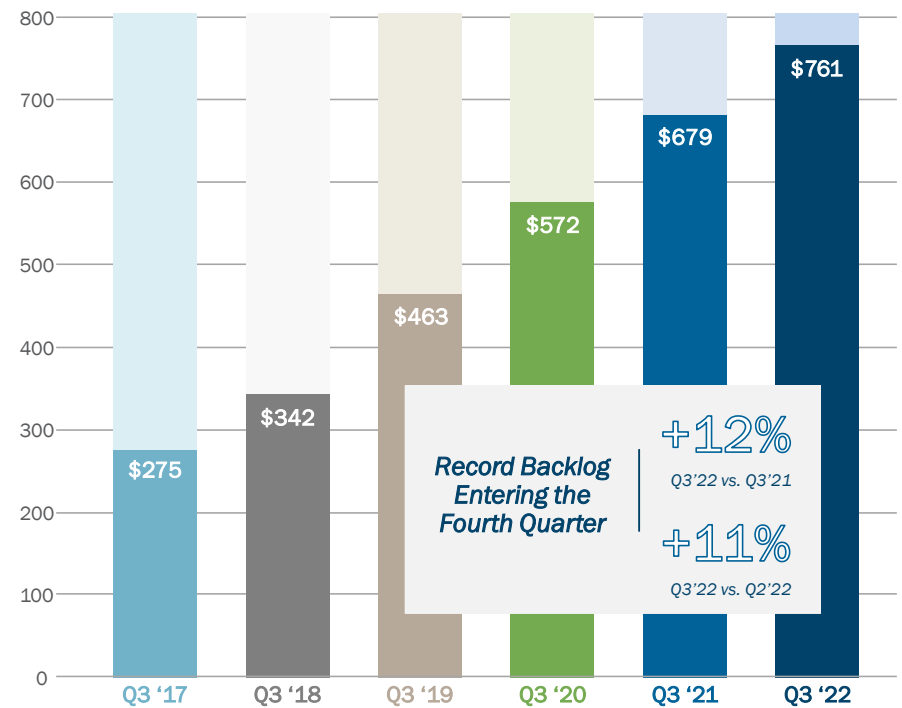
Infrastructure

New York & North Carolina DOTs - \$8 million

Under the scope of these contracts, NV5 will deliver engineering design, surveying, and inspection services on roads, bridges, and other transportation infrastructure assets for the state Departments of Transportation in New York and North Carolina

Backlog

(\$ in Millions)



Backlog includes those contracts for which work authorizations or awards have been received, and estimated recurring revenue from one of the Company's service lines that has a high volume of small contracts and a quick-burn estimate.

CROSS-SELLING UPDATE

Selling Across Verticals to Drive Margin Improvement & In-House Revenue

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Exceeded FY 2022 Target by End of Q3

YTD Q3 Achievement:
\$40.8M^{1 2}

FY'22 Target:
\$36.0M¹

*“Since inception of the NV5 Cross-Selling Program in 2016,
\$174M of awards have been brought in-house”*



1. Full Contract Value, Including Awards Over Multiple Years
2. Includes New Wins and Historical Data

FINANCIAL OVERVIEW

Ed Codispoti
CFO

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THIRD QUARTER 2022 RESULTS

	NV5 Consolidated Third Quarter		
	2022	2021	Growth (YoY)
Gross Revenues	\$204.1M	\$185.6M	10%
Net Income	\$16.1M	\$12.6M	28%
Adjusted EBITDA ¹	\$36.0M	\$34.7M	4%
GAAP Diluted EPS	\$1.05	\$0.83	27%
Adjusted EPS ²	\$1.50	\$1.25	20%
Cash Flows From Operations	\$26.1M	\$15.8M	65%

1. Adjusted EBITDA excludes stock compensation and acquisition-related costs.

2. Adjusted to eliminate amortization expense of intangible assets from acquisitions and acquisition related costs, net of tax benefits. Diluted weighted average shares were 15,301,545 in the third quarter of 2022 compared to 15,069,660 in the third quarter of 2021.

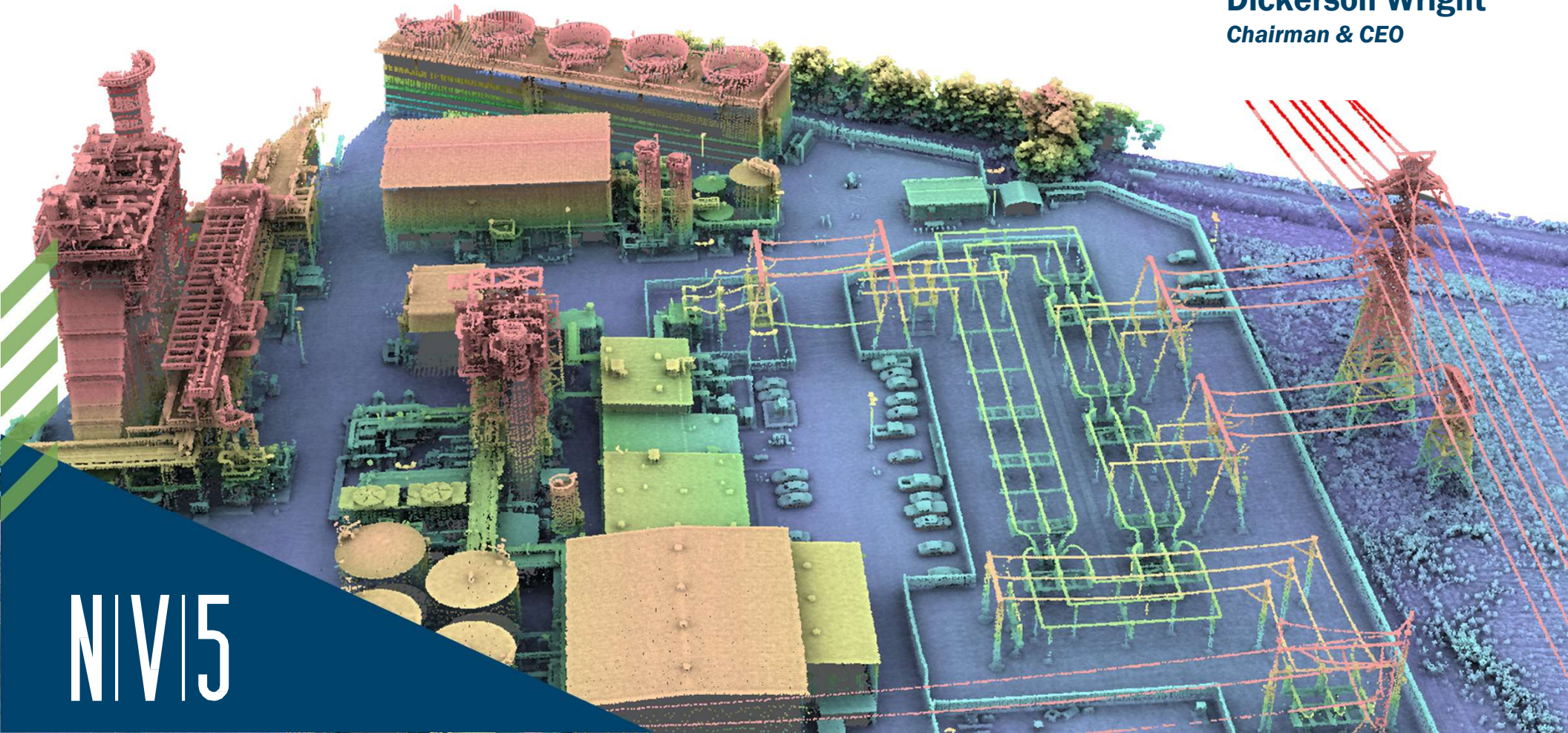
CASH POSITION & NET LEVERAGE

Cash & Leverage		
	<u>10/1/22</u>	<u>1/1/22</u>
<u>Cash on Hand</u>	\$54.2 <i>Million</i>	\$48.0 <i>Million</i>
<u>Debt</u>	\$84.2 <i>Million</i>	\$135.2 <i>Million</i>
<u>Net Leverage</u>	0.28x	0.65x
<u>Capacity Under Credit Facility</u>	\$346.3 <i>Million</i>	\$301.3 <i>Million</i>

- ✓ Strong Balance Sheet to Support Growth
- ✓ Cashflows to Support Most M&A Activity & Growth Initiatives
- ✓ Minimal Leverage or Dependence on External Funding
- ✓ \$10M Debt Reduction Payment on Credit Facility in Third Quarter

GROWTH POSITIONING

Dickerson Wright
Chairman & CEO



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DRIVERS FOR THE 4TH QUARTER & 2023

Drivers of Q4 & 2023 Growth & Profitability

- ✓ **Tailwinds** from Robust Infrastructure Spending
- ✓ **Utility Services & Offshore Wind** Growth Initiatives Accelerating
- ✓ **Geospatial** Growth in Federal, State & Local, Utilities, and Offshore Wind
- ✓ **International** Growth & Expansion of Offshoring
- ✓ **Energy Efficiency & Clean Energy** Opex & Capex Growth
- ✓ **M&A Pipeline** Strong with Multiple Targets in Due Diligence
- ✓ **Record Backlog & Strong Pipeline** Entering the Fourth Quarter & 2023

Reliable Investment

- Mandated, Non-Discretionary Services
- Cash Position & Capital Structure
- Consistent Delivery of Growth & Earnings
- Growth & Profitability Driven by the NV5 Business Model

Reaffirm 2022 Full-Year Guidance

\$795M - \$815M

2022 GROSS REVENUES GUIDANCE

\$3.90 - \$4.29

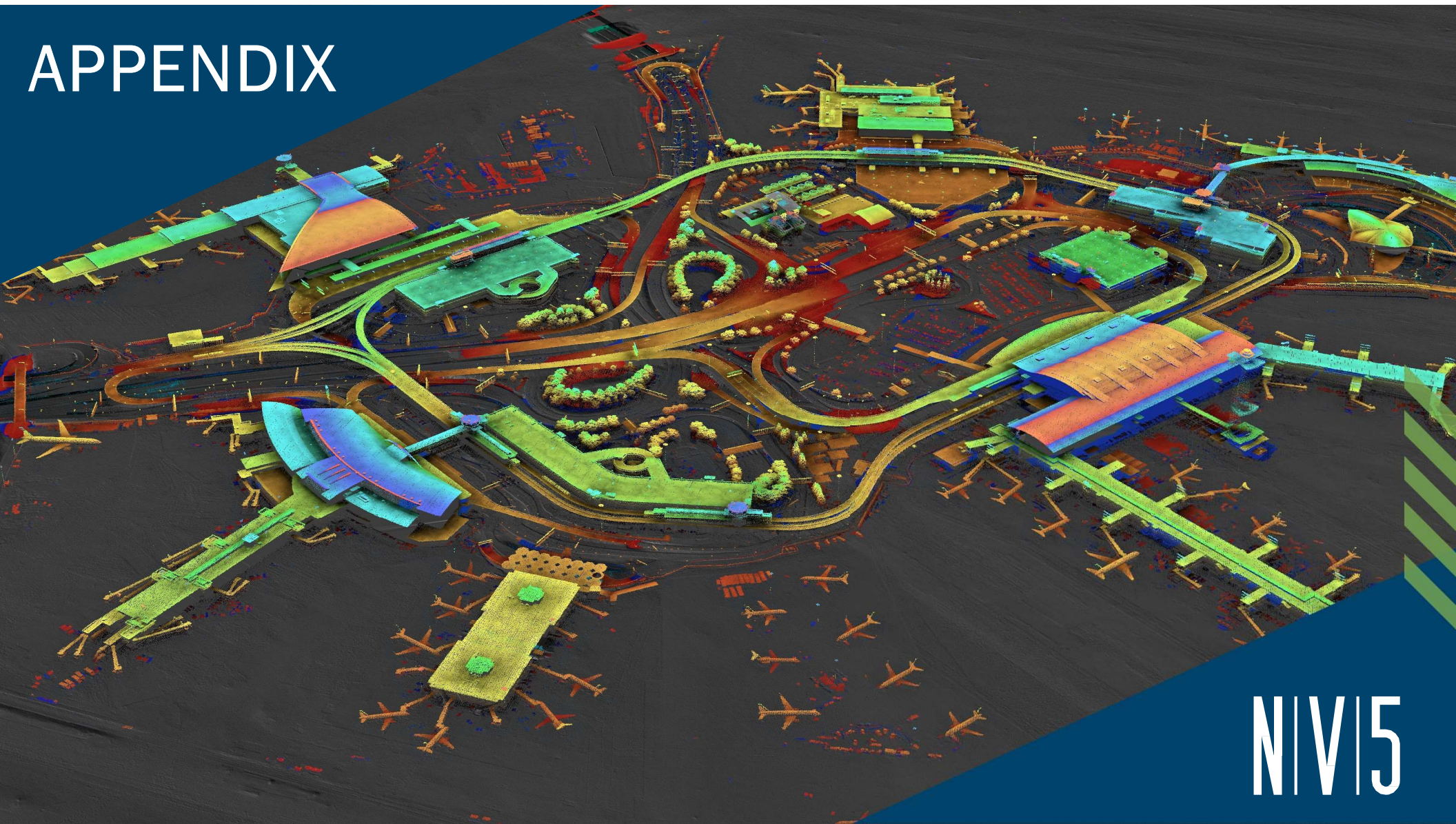
2022 GAAP EPS GUIDANCE*

\$5.43 - \$5.82

2022 ADJUSTED EPS GUIDANCE*

* Adjusted to eliminate amortization expense of intangible assets from acquisitions and acquisition-related costs, net of tax benefits.

APPENDIX



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APPENDIX

RECONCILIATION OF GAAP EPS TO ADJUSTED EPS

	Three Months Ended	
	October 1, 2022	October 2, 2021
Net Income - per diluted share	\$1.05	\$0.83
Per diluted share adjustments:		
Add: Amortization expense of intangible assets and acquisition-related costs	0.59	0.57
Income tax expense	(0.14)	(0.15)
Adjusted EPS	\$1.50	\$1.25

RECONCILIATION OF GAAP NET INCOME TO ADJUSTED EBITDA

in thousands

	Three Months Ended	
	October 1, 2022	October 2, 2021
Net Income	\$ 16,063	\$ 12,573
Add: Interest expense	1,003	1,475
Income tax expense	1,257	4,902
Depreciation and amortization	11,033	11,461
Share-based compensation	5,634	4,297
Acquisition-related costs*	1,043	(23)
Adjusted EBITDA	\$ 36,033	\$ 34,685

* Acquisition-related costs include contingent consideration fair value adjustments.