

Diverse and Essential



Sidoti Virtual Microcap Conference 2020

June 30, 2020

Forward Looking Statements



We make forward-looking statements in this presentation within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements relate to expectations or forecasts for future events, including, without limitation, our earnings, adjusted EBITDA, revenues, expenses, backlog, capital expenditures or other future financial or business performance or strategies, results of operations or financial condition, and in particular statements regarding the timing of the recognition of backlog as revenue, the potential for recovery of cost overruns, and the ability of the Company to successfully remedy the issues that have led to write-downs in various business units. These statements may be preceded by, followed by or include the words “may,” “might,” “will,” “will likely result,” “should,” “estimate,” “plan,” “project,” “forecast,” “intend,” “expect,” “anticipate,” “believe,” “seek,” “continue,” “target” or similar expressions. These forward-looking statements are based on information available to us as of the date they were made and involve a number of risks and uncertainties which may cause them to turn out to be wrong. *Some of these risks and uncertainties may in the future be amplified by the COVID-19 outbreak and there may be additional risks that we consider immaterial or which are unknown.* Accordingly, forward-looking statements should not be relied upon as representing our views as of any subsequent date, and we do not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date they were made, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws. As a result of a number of known and unknown risks and uncertainties, our actual results or performance may be materially different from those expressed or implied by these forward-looking statements. Please refer to our most recent annual report on Form 10-K, as well as our subsequent filings on Form 10-Q and Form 8-K, which are available on the SEC’s website (www.sec.gov), for a full discussion of the risks and other factors that may impact any forward-looking statements in this press release.



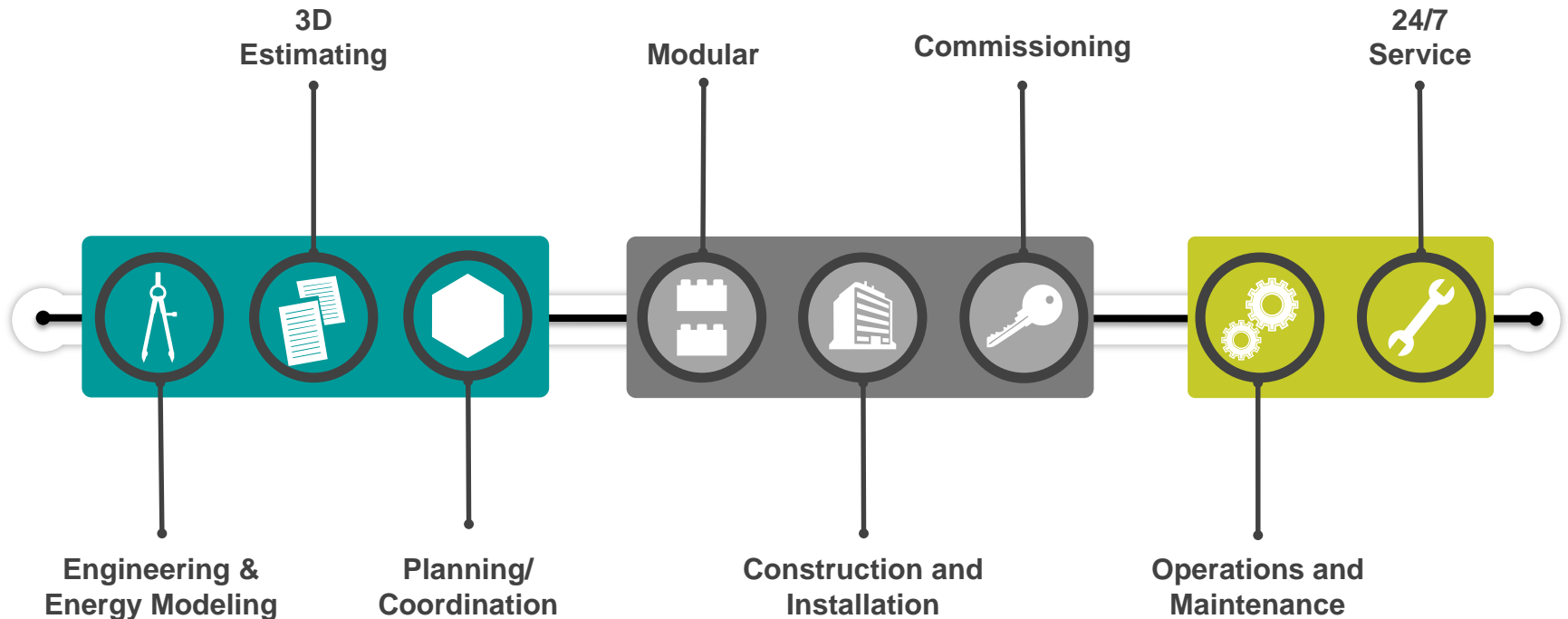
Business Overview



Complete Portfolio of MEP Services

Limbach is a preeminent national provider of technically-oriented design, engineering, installation, and maintenance services to sophisticated customers and facility owners who demand exceptional design creativity and construction quality.

Offering a single-source, innovative and sophisticated full-lifecycle solution for the design, installation, service, maintenance, repair, retrofit and energy efficiency optimization of MEP systems across multiple high-growth end-markets.





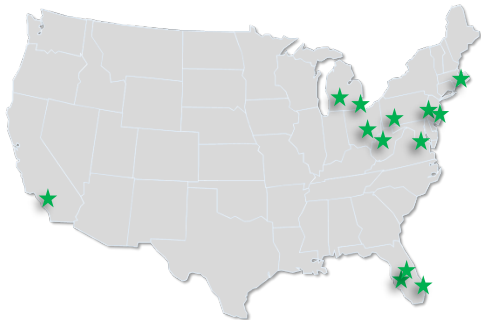
Well Diversified Business Model

Limbach's multifaceted diversification provides insulation against regional economic cycles, a changing regulatory and political environment favoring some industries over others, and the fortunes of any single customer or facility owner.

Within each vector, Limbach has a well-established presence and excellent brand value. Each vector also provides considerable opportunities for continued expansion, leveraging the Company's platform to gain market share and drive growth in revenue and profitability.



Geography



End - Markets



Service Offering

Design and Engineering



Construction and Installation



Service and Maintenance



Customer Base

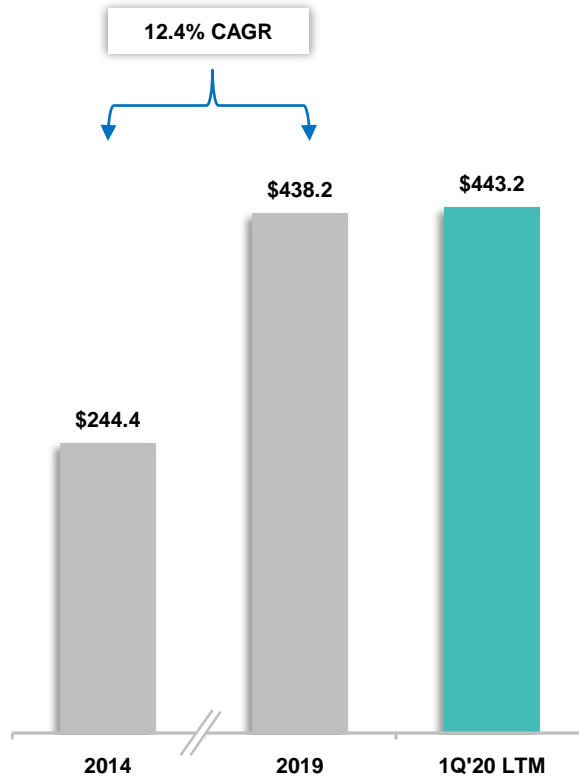




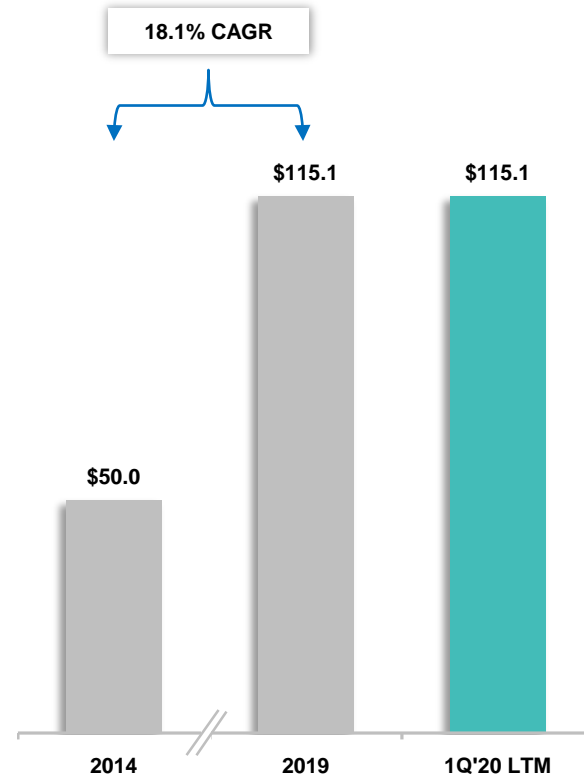
Complementary Operating Segments

Complete Solution Drives Full Lifecycle Relationships

Construction Segment Revenue¹



Service Segment Revenue¹



Dollars in millions. Amounts for 1Q'19 have been recast per the Company's SEC filing on Form 10-Q for the quarterly period ended March 31, 2020.

1. See the Company's SEC filings on forms 424(b)(4) dated December 15, 2016, 10-K for the fiscal year ended December 31, 2019, and 10-Q for the quarterly period ended March 31, 2020.



Five Year Outlook

Further Migration to Owner-Direct and High Value Services

Preventative Maintenance

Emergency and Spot

Small Projects and SPD

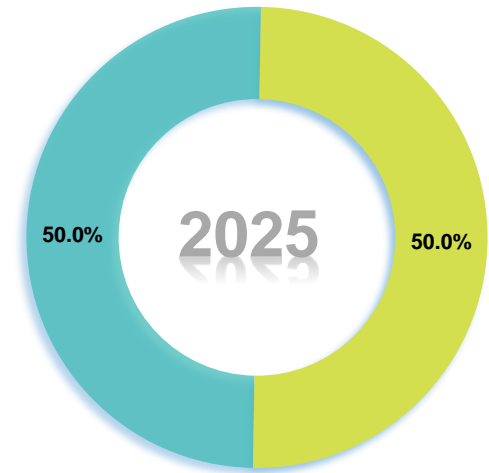
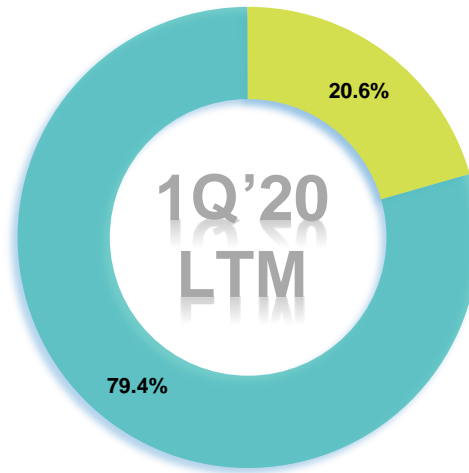
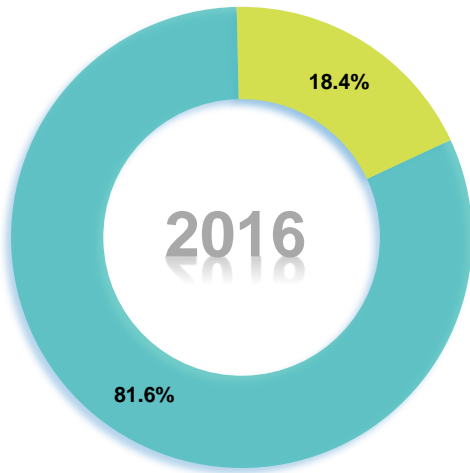
Building Control and Automation

■ Construction ■ Service

■ Construction ■ Service

■ GC /CM ■ Owner Direct and Service

Earned Revenue



Energy Management

Predictive Analytics

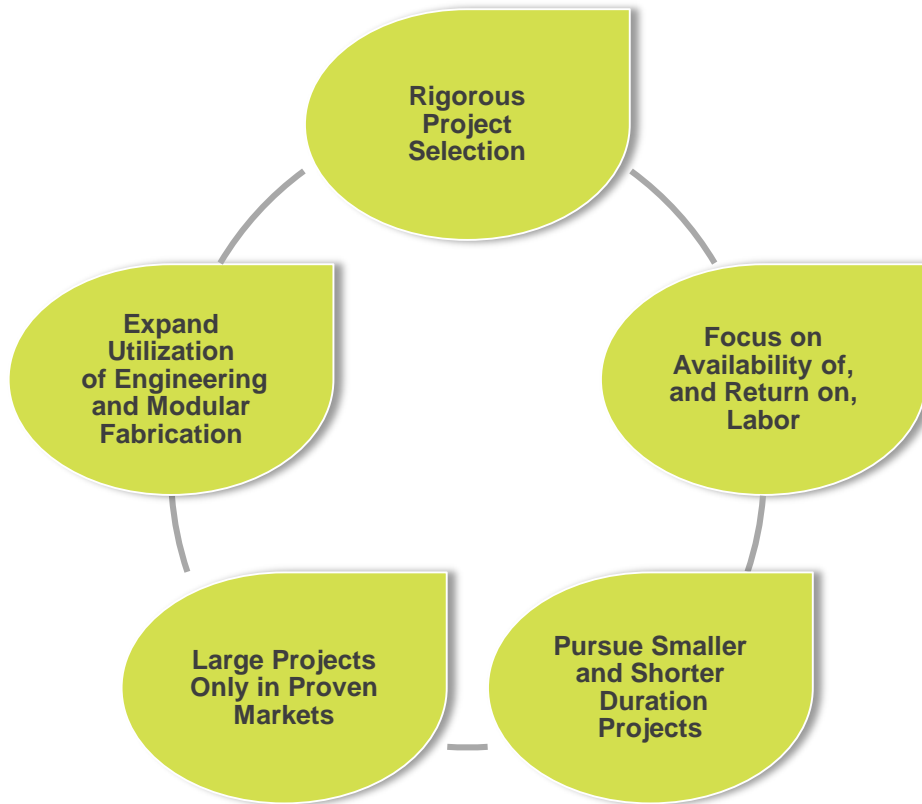
MEP Prime

Mechanical CM



Current Year Objectives

Three Key Initiatives to Drive Performance

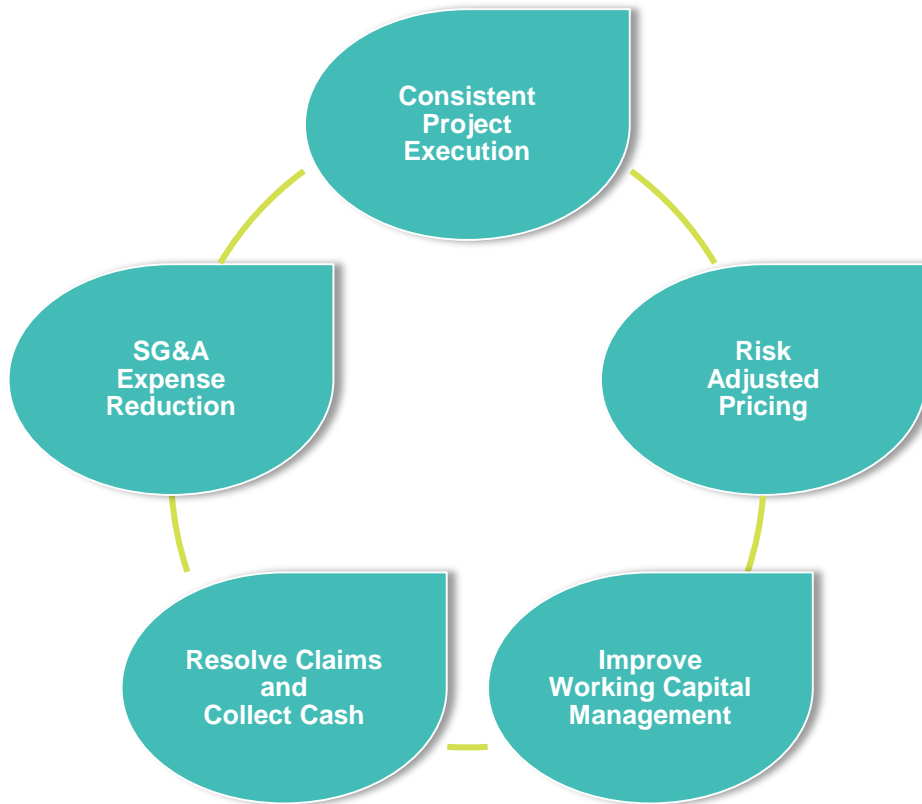


**Redefine the
Risk
Management
Paradigm**



Current Year Objectives

Three Key Initiatives to Drive Performance

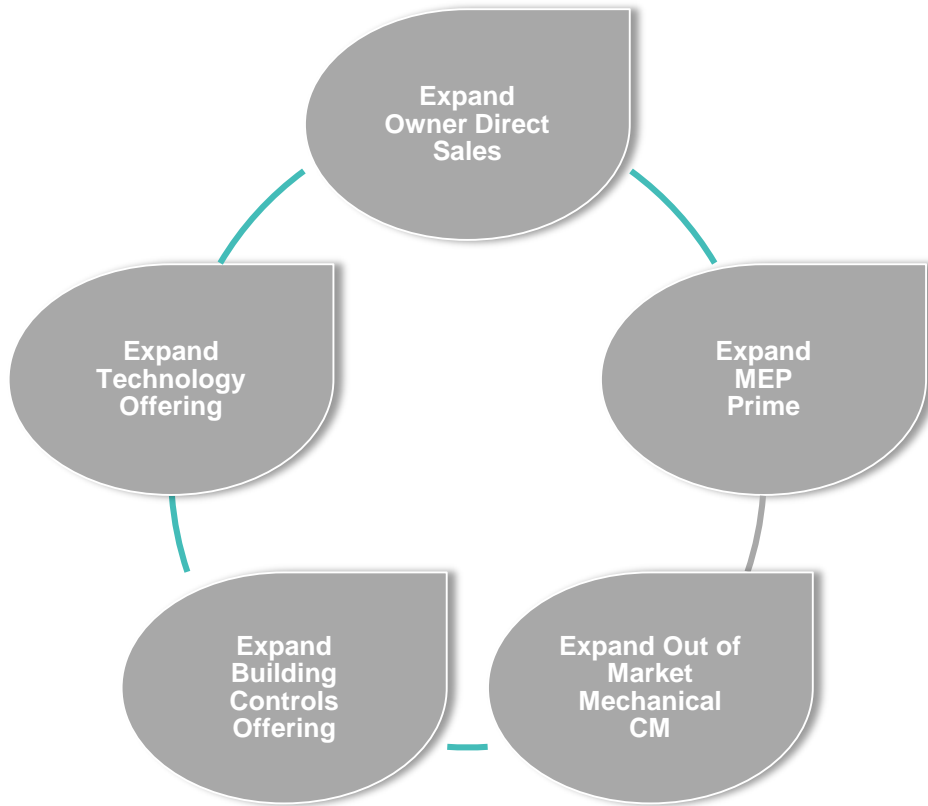


**Maximize
Profitability
and
Cash Flow**



Current Year Objectives

Three Key Initiatives to Drive Performance



**Expand the
Owner Direct
Offering**



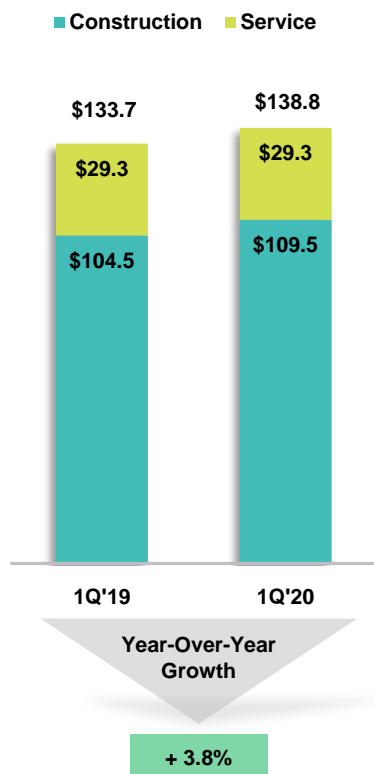
First Quarter 2020
Operating and Financial Update



First Quarter 2020 Financial Update

1Q'20 Performance

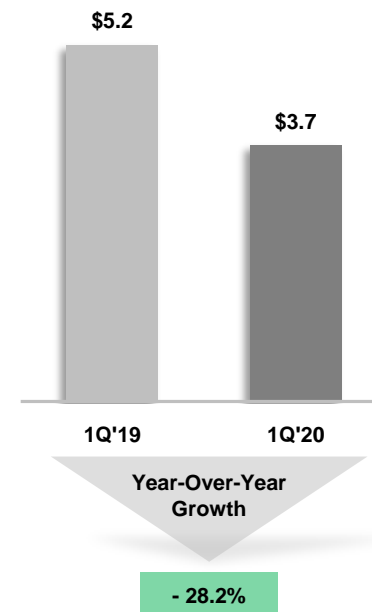
Earned Revenue¹



Gross Profit and Margin¹



Adjusted EBITDA²



Dollars in millions. Amounts for 1Q'19 have been recast per the Company's SEC filing on Form 10-Q for the quarterly period ended March 31, 2020

1. See the Company's SEC filing on Form 10-Q for the quarterly period ended March 31, 2020.

2. See p. 16 for Non-GAAP Reconciliation Table.



Key Operating Metrics Remain Positive

Underlying drivers Supportive of Evolving Business Model

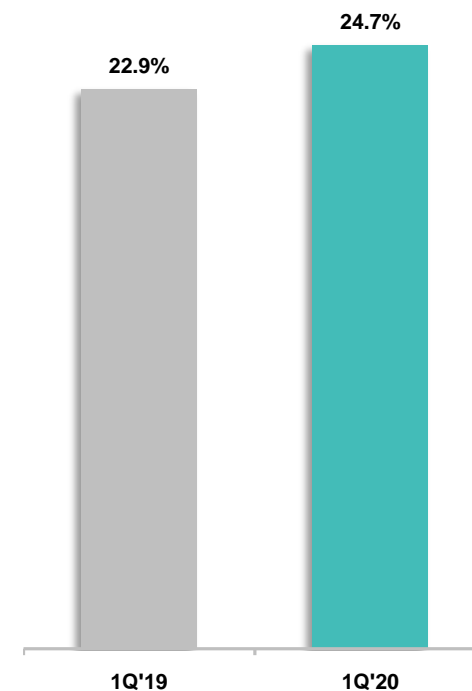
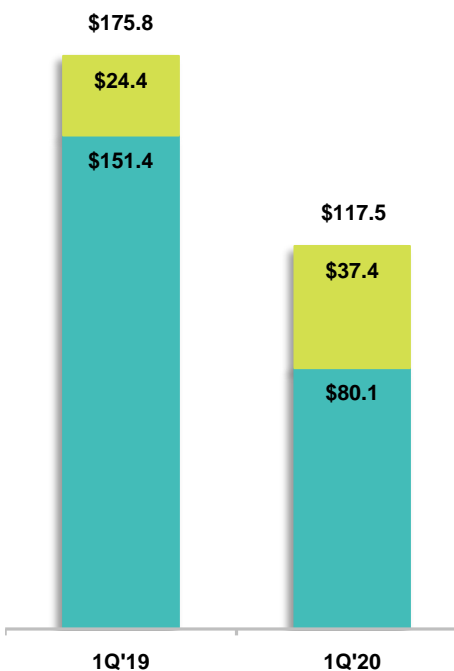
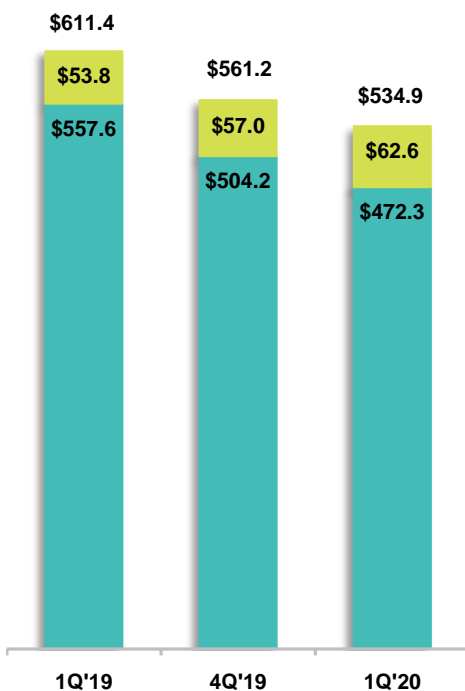
Segment Backlog¹

Year-to-Date Sales²

Service Gross Margin³

■ Service ■ Construction

■ Service ■ Construction



Dollars in millions.

1. Excludes high confidence, promised opportunities not booked into backlog until the execution of definitive documentation.

2. 1Q'19 includes the sale of two large projects in the New England region. Service segment data includes maintenance, project and T&M sales.

3. Gross margin presented on a trailing four quarter basis.



Liquidity and Debt Obligations

Continuing Improvement in Working Capital Management

	December 31, 2019	March 31, 2020 ¹	May 31, 2020 ¹
Cash and cash equivalents	\$8.3	\$10.7	\$16.7
Undrawn Revolver Availability²	10.7	10.5	10.5
Total Liquidity³	19.0	21.2	27.2
<u>Forward 12 Month Amortization:</u>			
Vehicle Lease Obligations	2.4	2.7	2.6
Term Loan^{4,5}	2.0	3.0	3.0

Dollars in millions.

1. Although Limbach has not filed its financial results on Form 10-Q for any periods subsequent to March 31, 2020, management is providing the following unaudited, supplemental balance sheet information as of May 31, 2020.
2. Equal to total revolving commitment of \$14.0 million less \$3.3 million, \$3.5 million and \$3.5 million in letters of credit at December 31, 2019, March 31, 2020, and May 31, 2020, respectively, less amounts drawn as of the balance sheet date (no amounts drawn at all balance sheet dates).
3. Equal to Cash plus Undrawn Revolver Availability.
4. Term loan and revolving credit facility mature in April 2022.
5. Amortization of \$1 million per quarter beginning in the third quarter of 2020.



Appendix



Non-GAAP Reconciliation Table

Reconciliation of Net (Loss) Income to Adjusted EBITDA¹

	Three Months Ended March 31,	
	2020	2019 (As Recast)
Net (loss) income	(\$52)	\$1,847
<u>Adjustments:</u>		
Depreciation and amortization	1,504	1,413
Change in fair value of warrants	(161)	--
Severance Expense	622	--
Interest expense	2,158	833
Non-cash stock based compensation expense	295	367
Income tax (benefit) provision	(634)	735
Adjusted EBITDA²	\$3,732	\$5,195

* Use of Non-GAAP Financial Measures

In assessing the performance of our business, management utilizes a variety of financial and performance measures. The key measure is Adjusted EBITDA. Adjusted EBITDA is a non-GAAP financial measure. We define Adjusted EBITDA as net income (loss) plus depreciation and amortization expense, interest expense, and taxes, as further adjusted to eliminate the impact of, when applicable, other non-cash items or expenses that are unusual or non-recurring or that we believe do not reflect our core operating results. We believe that Adjusted EBITDA is meaningful to our investors to enhance their understanding of our financial performance for the current period and our ability to generate cash flows from operations that are available for taxes, capital expenditures and debt service. We understand that Adjusted EBITDA is frequently used by securities analysts, investors and other interested parties as a measure of financial performance and to compare our performance with the performance of other companies that report Adjusted EBITDA. Our calculation of Adjusted EBITDA, however, may not be comparable to similarly titled measures reported by other companies. When assessing our operating performance, investors and others should not consider this data in isolation or as a substitute for net income (loss) calculated in accordance with GAAP. Further, the results presented by Adjusted EBITDA cannot be achieved without incurring the costs that the measure excludes.

1. Dollars in thousands.
2. Totals may not foot due to rounding.



Balance Sheet and Working Capital

Strong Liquidity and Manageable Fixed Charges

Key Balance Sheet Items¹

	December 31, 2019	March 31, 2020
Current Assets	\$195.4	\$199.4
Current Liabilities	\$156.9	\$159.6
Working Capital	\$38.5	\$39.8
Net Under / (Over) Billing²	\$3.7	(\$9.0)
Revolver³	—	—
Term Loans³	\$41.0	\$41.0
Capital Leases	\$6.6	\$6.2
Total Debt	\$47.6	\$47.2
Equity	\$46.9	\$47.1

Dollars in millions.

1. See the Company's Form 10-Q for the quarterly period ended March 31, 2020 and Form 10-K for the fiscal year ended December 31, 2019.

2. Refer to Note 5 within the Company's SEC filing on Form 10-Q for the period ended March 31, 2020 for the calculation of the Company's net billing position.

3. On April 12, 2019, the Company refinanced its credit facilities.