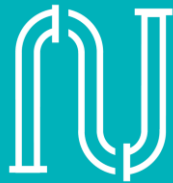




**MECHANICAL**



**ELECTRICAL**



**PLUMBING**



**CONTROLS**



**FIRE  
PROTECTION**



**SERVICE**

## Fiscal Year 2019 Earnings Presentation

May 13, 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. 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](http://www.sec.gov)), for a full discussion of the risks and other factors that may impact any forward-looking statements in this press release.

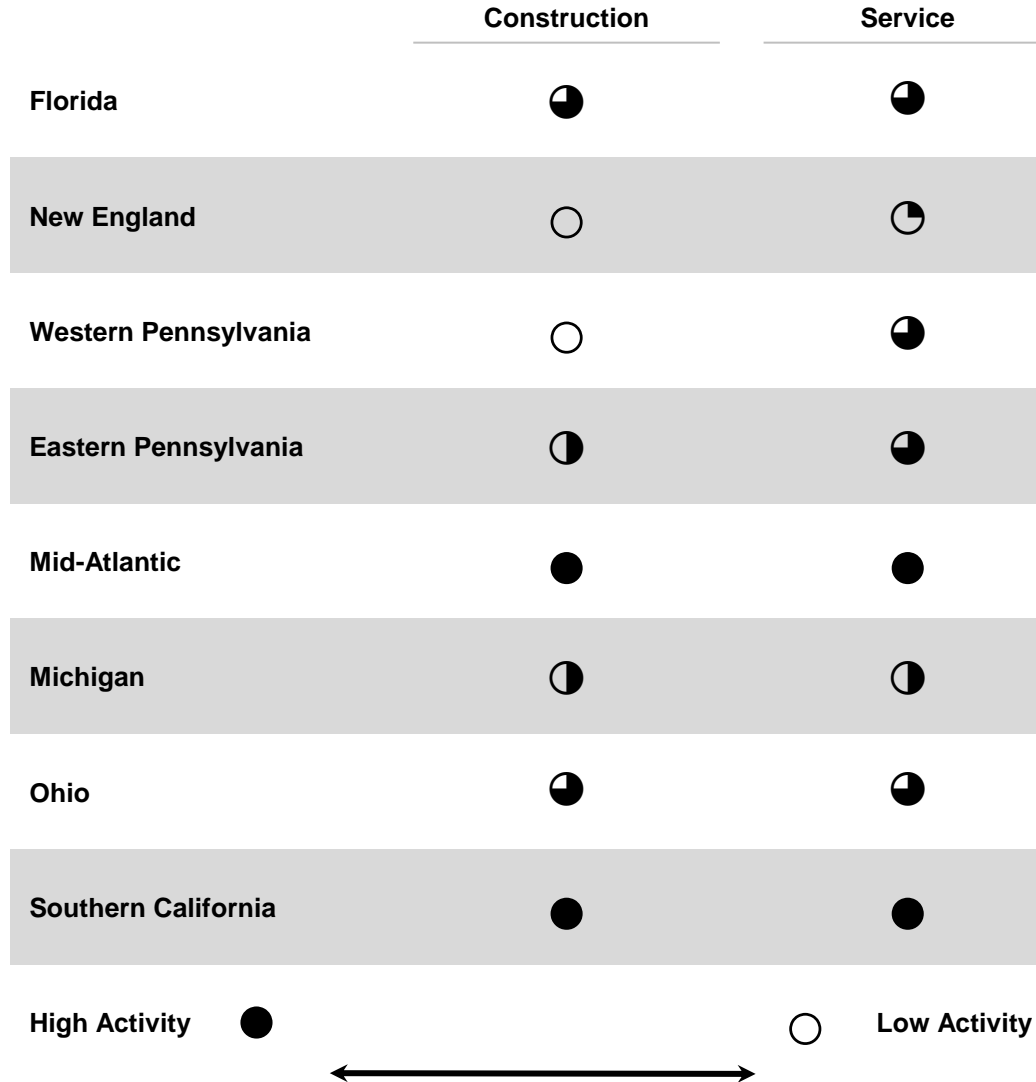


**COVID-19**  
Impact on Operations



# COVID-19

## Aggressive Response to Evolving Circumstances






# COVID-19

## Liquidity and Debt Obligations

	<u>September 30, 2019</u>	<u>December 31, 2019</u>	<u>April 30, 2020<sup>1</sup></u>
<b>Cash</b>	\$0.8	\$8.3	\$13.0
<b>Undrawn Revolver Availability<sup>2</sup></b>	9.8	10.7	10.5
<b>Total Liquidity<sup>3</sup></b>	10.6	19.0	23.5
<b><u>Forward 12 Month Amortization:</u></b>			
<b>Vehicle Lease Obligations</b>	2.9	2.4	2.6
<b>Term Loan<sup>4,5</sup></b>	1.0	2.0	3.0

Dollars in millions.

1. Although Limbach is not currently reporting its financial results for any periods subsequent to December 31, 2019, management is providing the following unaudited, supplemental balance sheet information as of April 30, 2020.
2. Equal to total revolving commitment of \$14.0 million less \$4.2 million, \$3.3 million and \$3.5 million in letters of credit at September 30, 2019, December 31, 2019 and April 30, 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.



**Fiscal Year 2019**  
Operating and Financial Update



# Branch Operating Performance<sup>1</sup>

## SoCal Challenges Overshadow Strong Performance Elsewhere

	Fiscal Year 2019 vs. 2018	
	Earned Revenue	Gross Profit
Florida	↑	↑
New England	↑	↑
Western Pennsylvania	↑	↓
Eastern Pennsylvania	↑	↑
Mid-Atlantic <sup>2</sup>	↔	↑
Michigan <sup>3</sup>	↔	↑
Ohio <sup>3</sup>	↔	↑
Southern California	↔	↓

1. See the Company's SEC filing on Form 10-K for the fiscal year ended December 31, 2019, pp. 34-35.

2. Year-over-year earned revenue trend in Mid-Atlantic was planned following the 2018 business unit restructuring.

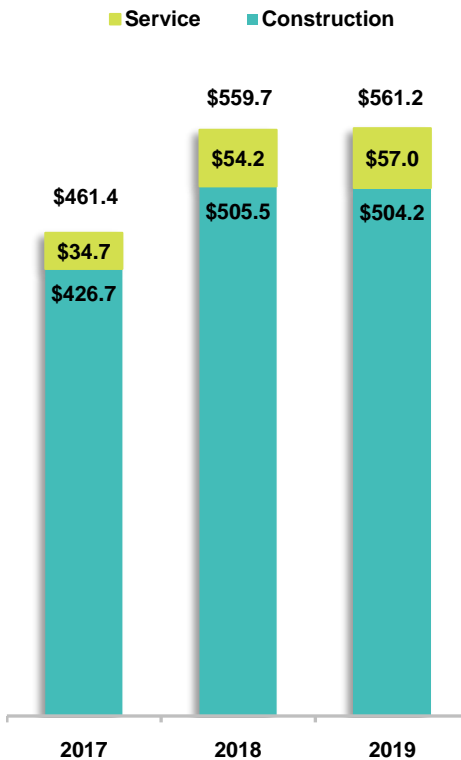
3. Year-over-year earned revenue trends in Michigan and Ohio result from completion of significant projects in prior year periods.



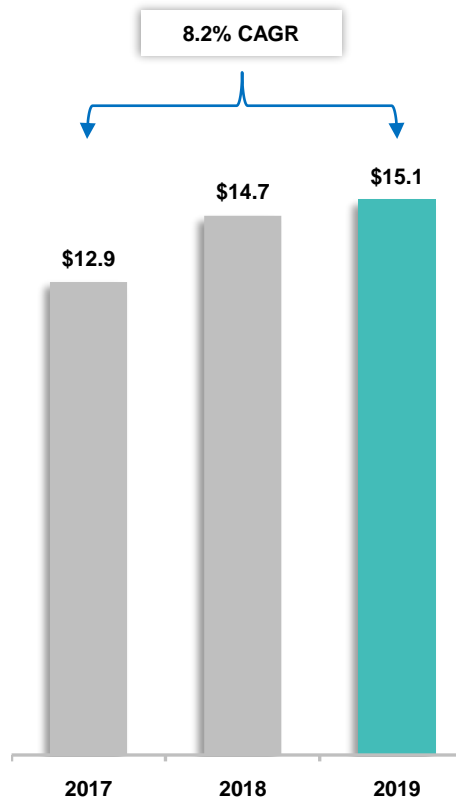
# Key Operating Metrics Remain Positive

## Underlying drivers Supportive of Evolving Business Model

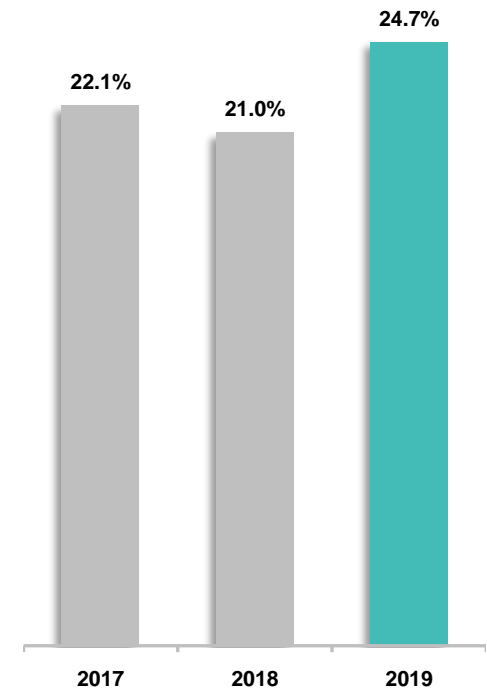
### Segment Backlog<sup>1,2</sup>



### Preventative Maintenance Base<sup>3</sup>



### Service Gross Margin<sup>1</sup>



Dollars in millions.

1. See the Company's SEC filing on Form 10-K for the fiscal year ended December 31, 2019.

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

3. Per management.





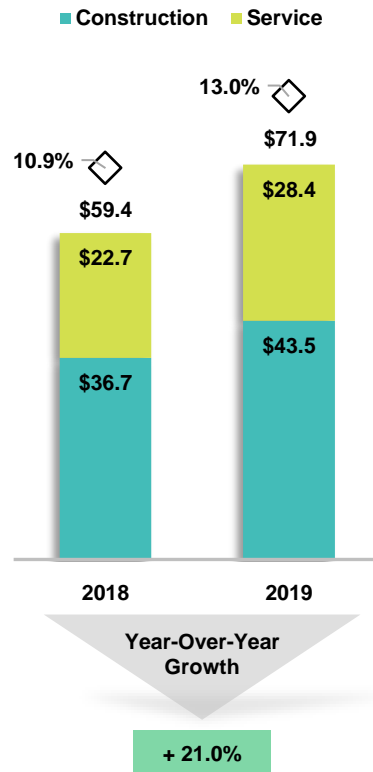
# FY 2019 Financial Update

## Full Year Performance

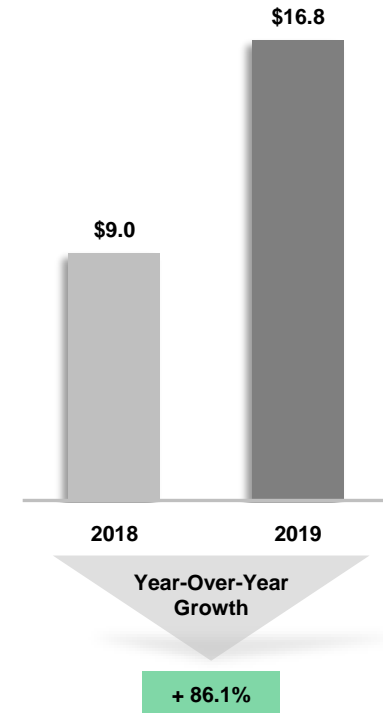
### Earned Revenue<sup>1</sup>



### Gross Profit and Margin<sup>1</sup>



### Adjusted EBITDA<sup>2</sup>



Dollars in millions.

1. See the Company's SEC filing on Form 10-K for the fiscal year ended December 31, 2019.

2. See p. 12 for Non-GAAP Reconciliation Table.



# FY 2019 Financial Update

## Key Balance Sheet and Working Capital Items

### Key Balance Sheet Items<sup>1</sup>

	January 1, 2019	December 31, 2019
<b>Current Assets</b>	\$206.2	\$195.4
<b>Current Liabilities</b>	\$185.8	\$156.9
<b>Working Capital</b>	\$20.4	\$38.5
<b>Net Under / (Over) Billing<sup>2</sup></b>	(\$13.0)	\$3.7
<b>Revolver<sup>3</sup></b>	—	—
<b>Term Loans<sup>3</sup></b>	\$22.1	\$41.0
<b>Capital Leases</b>	\$5.3	\$6.6
<b>Total Debt</b>	\$27.3	\$47.6
<b>Equity</b>	\$46.9	\$46.8

Dollars in millions.

1. See the Company's Form 10-K for the fiscal year ended December 31, 2019. Effective December 31, 2019, the Company adopted ASC Topics 606 and 842 for the annual period beginning January 1, 2019 using a modified retrospective approach.
2. Refer to Note 5 within the Company's SEC filing on Form 10-K for the calculation of the Company's net billing position.
3. On April 12, 2019, the Company refinanced its credit facilities.



# Appendix



# Non-GAAP Reconciliation Table

## Reconciliation of Net Loss to Adjusted EBITDA<sup>1</sup>

	Fiscal Year ended December 31	
	2019	2018
<b>Net income (loss)</b>	<b>(\$1.8)</b>	<b>(\$1.8)</b>
<u>Adjustments:</u>		
Depreciation and amortization	6.3	5.7
Impairment of goodwill	4.4	--
Change in fair value of warrants	(0.6)	--
Gain on embedded derivative	(0.4)	--
CFO transition costs	0.6	--
Interest expense	6.3	3.3
Loss on debt modification	--	0.3
Loss on debt extinguishment	0.5	--
Non-cash stock based compensation expense	1.8	2.2
Income tax benefit	(0.3)	(0.6)
<b>Adjusted EBITDA<sup>2</sup></b>	<b>\$16.8</b>	<b>\$9.0</b>

### \* 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 millions.
2. Totals may not foot due to rounding.