



Investor Presentation

November 2023

Nasdaq: UGRO

Safe harbor statement

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Except for historical information, all of the statements, expectations, and assumptions contained in this presentation are forward-looking statements. Forward-looking statements include, but are not limited to, statements that express our intentions, beliefs, expectations, strategies, predictions or any other statements relating to our future activities or other future events or conditions. These statements are based on current expectations, estimates and projections about our business based, in part, on assumptions made by management. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. Therefore, actual outcomes and results may, and are likely to, differ materially from what is expressed or forecasted in the forward-looking statements due to numerous factors discussed from time to time in documents which we file with the Securities and Exchange Commission. In addition, such statements could be affected by risks and uncertainties related to, among other things: our ability to effectively execute on our growth strategy; our ability to continue winning engineering and design contracts, our ability to deliver on those contracts; and our reliance on key personnel. Any forward-looking statements speak only as of the date on which they are made, and except as may be required under applicable securities laws, we do not undertake any obligation to update any forward-looking statements.



*A professional
services
consulting
company.*

Licensed Experts

- Architects
- Interior Designers
- Engineers
- Construction Management
- Horticulturists

Sectors Served

- Controlled Environment Agriculture (“CEA”)
- Light Industrial
- Healthcare
- Hospitality
- Laboratories
- Cold Storage

Global Footprint

- US: 6 offices
- Europe: 1 office

Key Takeaways

01

Diversified

Complete design-build and a la carte platform capabilities

Multi-Sector including Controlled Environment Agriculture (“CEA”), Light Industrial, Healthcare and More.

02

Deep Domain Expertise

Early stage A.E.C. (Architecture, Engineering, and Construction Management) Company

>1000 projects completed with experience in multiple sectors and deep domain expertise in CEA

03

Strong Financial Position

Entering Q4 2023:
\$4.8M Cash / **\$0** Bank Debt
Backlog of **\$84M**,
Primary Focus is Positive Adjusted EBITDA

Turnkey Approach Saves Time & Expense



TRADITIONAL Owner Contracted

The traditional owner contracted method requires the owner to find and collaborate with a reputable architect and in addition, source multiple other services and resources.

Owner's Representative



Topographical Survey



Geotechnical Survey



Acoustical



General Contractor



Water Treatment



Extraction



Odor Mitigation



Architect



Infusion



Benching



Lighting



Environmental Controls



Fertigation



Equipment System Procurement & Integration

DESIGN SERVICES

Architect Contracted

- Civil Design
- Mechanical
- Plumbing
- Fire Protection
- Landscaping
- Electrical
- Structural
- Odor Mitigation

CEA Only

- Cultivation Space Planning
- Integrated Cultivation Design

UGRO TURNKEY

Design-Build Contracted

The owner retains just a single point of contact that handles over 20 services.



Time & Cost Savings in Efficient Service Bundles



Speed to Launch



Design-Build Representative



Architect



General Contractor



Acoustical



Landscaping



Topographical Survey



Geotechnical Survey



Plumbing



Electrical



Mechanical



Civil



Structural



Fire Protection

CEA Only



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Infusion



Cultivation Space Planning



Lighting



Environmental Controls



Integrated Cultivation Design



Benching



Fertigation



Extraction



Odor Mitigation



Equipment System Procurement & Integration

CEA: CANNABIS

Professional Services and Design-Build How UGRO adds value to Cannabis Clients

DIFFERENTIATED VALUE

CEA Expertise

Risk Mitigation Throughout Process, Including Identified
Licensing Help and Feasibility

Decision Impact Around HVAC, Water, Regulations

Equipment Knowledge and Procurement Power

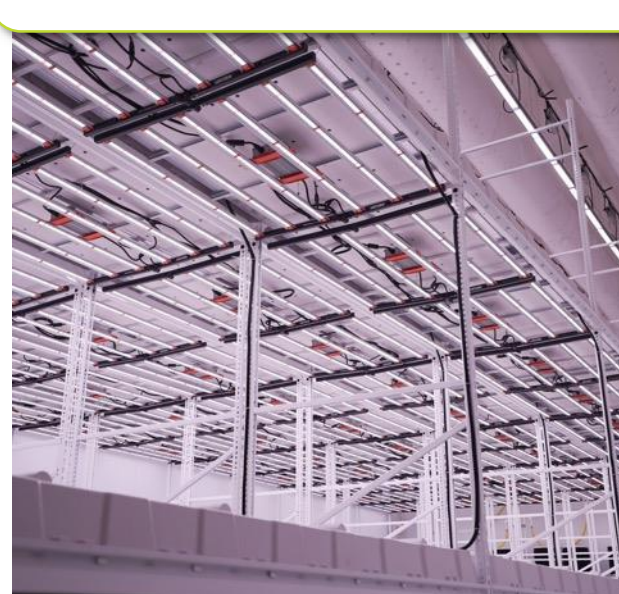
DIFFERENTIATED VALUE

Single Point of Responsibility Design-Build Platform

Speed to Market

Drives Vertical Integration (Cultivation + Retail)

Post Construction Support



HEALTHCARE / INDUSTRIAL

Professional Services and Design-Build How UGRO adds value to Commercial Clients

DIFFERENTIATED VALUE

Relationships & Sector Diversification

Same Trusted Advisory, Same Track Record of Execution, More Capabilities

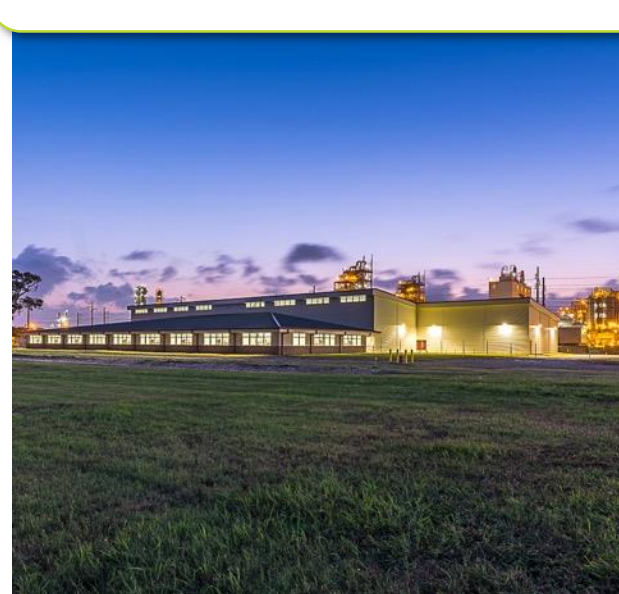
Expertise Capable of Flexing in as Needed

DIFFERENTIATED VALUE

Single Point of Responsibility Design-Build Platform

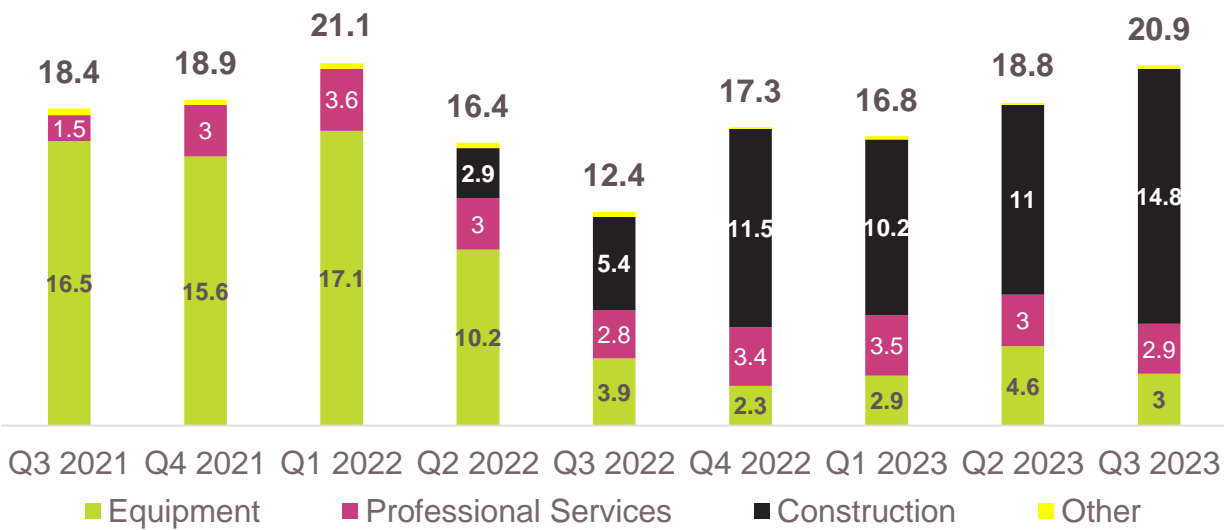
Local Representation and Decision Makers with National Strength Brought to Bear

Contacts Remain the Same Throughout Engagement

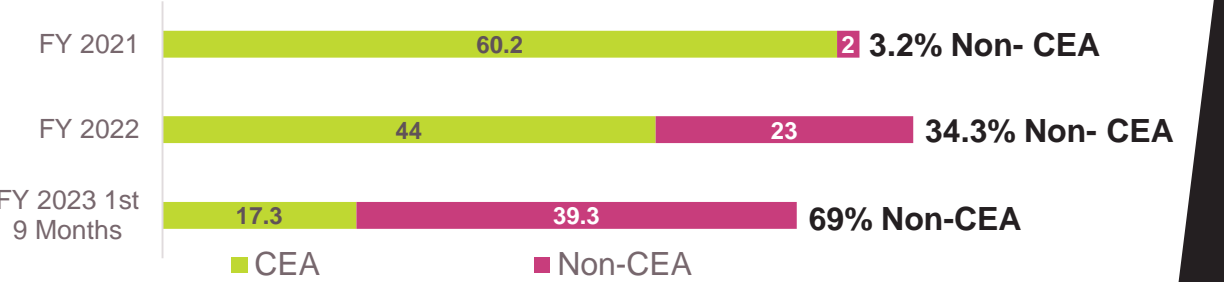


Recent Financials

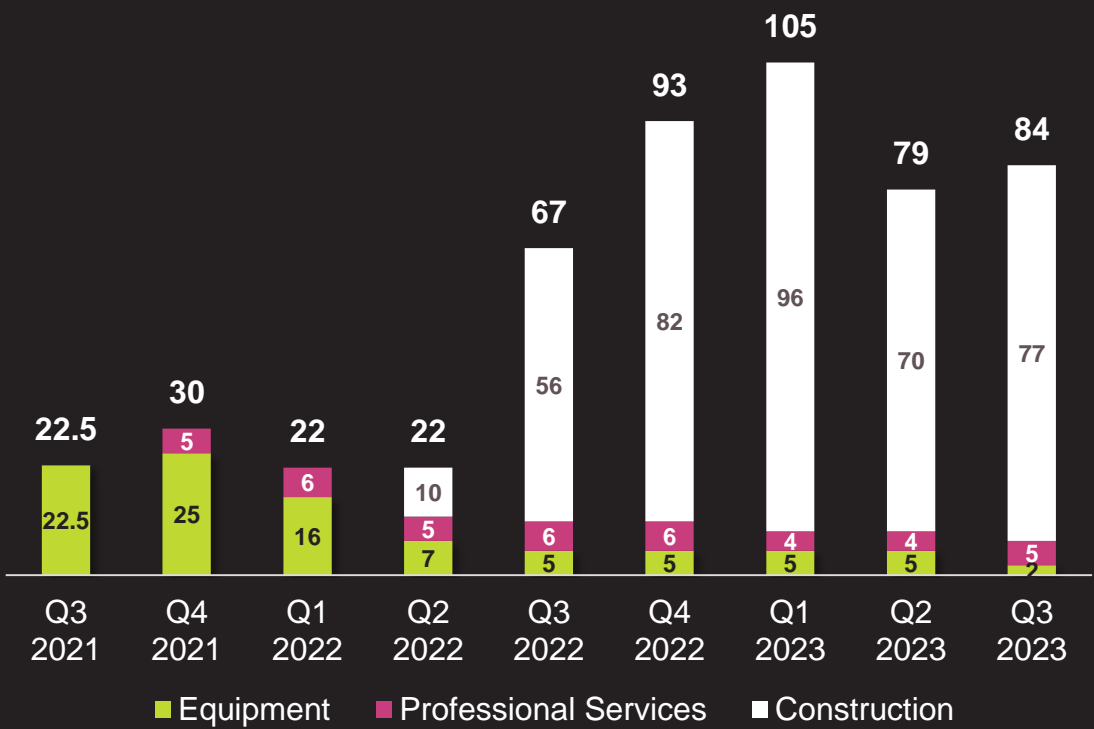
Solutions Revenue (\$MM) by Quarter



Revenue (\$MM) by Sector by Year



Solutions Backlog (\$MM) by Quarter



* During the second quarter of 2023, a cannabis cultivation project that was actively in production began to face some uncertainty with funding. The Company is in close contact with the client but felt it prudent to remove this active contract from reported backlog until the client's funding source is solidified. The drop in backlog is predominantly tied to this project.

Revenues and Backlog Have Remained Strong
Supported by Turnkey Offering and Sector Diversification

Strong capitalization provides flexibility

	Actual*
Cash and cash equivalents	\$4,770,430
Capitalization:	
Long Term Debt	
Total shareholders' equity (deficit)	\$24,162,197
Total Capitalization	\$58,639,324

*As of September 30, 2023

Clean capital structure

	Actual*
Outstanding Common Stock ¹	11,670,580
Outstanding Warrants ²	310,499
Outstanding Options ³	662,283

1: As of October 26, 2023

2: Includes all shares issuable upon exercise of warrants exercisable at a weighted average exercise price of \$12.34

3: Includes all shares issuable upon exercise of options at a weighted average exercise price of \$6.30

Analyst Coverage**

ROTH MKM Capital Partners (Brian Wright), Craig-Hallum Capital Group (Eric Des Lauriers), Small-Cap Consumer Research (Eric Beder), Maxim Capital (Anthony Vendetti), First Berlin (Ellis Acklin)

**urban-gro is followed by the analysts listed above. Please note that any opinions, estimates or forecasts regarding urban-gro's performance made by these analysts are theirs alone and do not represent opinions, forecasts or predictions of urban-gro or its management. urban-gro does not by its reference above or distribution imply its endorsement of or concurrence with such information, conclusions or recommendations.

Q3 2023 Highlights

Financial Position Entering Q4

Cash = **\$4.8M**
Bank Debt = **\$0**
Backlog = **\$84M**

Q4 2023 Guidance:

- Revenue approximately \$30 million
- Adjusted EBITDA breakeven to slightly positive
- YTD 2023 = \$56.5M, (\$6.8)

Diversified Go-to-Market Strategy Fully Executed

Non-CEA in Q3 YOY:

72% vs 49%

Multi-Sector Focus De-Risks Strategy:

Non-CEA business growth positions company to take advantage of CEA rebound

Focus on Adjusted EBITDA

Company scaled to meet demand

SG&A will not proportionately increase with revenues

Integration:

Driving efficiencies between acquisitions made and cross-selling to contracted clients.



INVESTOR RELATIONS CONTACT

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Thank you