

LIMBACH HOLDINGS, INC.
Condensed Consolidated Statements of Operations (Unaudited)

(in thousands, except share and per share data)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Revenue	\$ 184,583	\$ 133,920	\$ 459,932	\$ 375,131
Cost of revenue	139,898	97,806	338,702	274,421
Gross profit	44,685	36,114	121,230	100,710
Operating expenses:				
Selling, general and administrative	28,330	23,748	81,480	69,800
Acquisition-related retention expense and contingent consideration	610	610	1,832	2,344
Amortization of intangibles	2,400	868	6,020	2,956
Total operating expenses	31,340	25,226	89,332	75,100
Operating income	13,345	10,888	31,898	25,610
Other (expenses) income:				
Interest expense	(1,223)	(468)	(2,312)	(1,375)
Interest income	88	626	792	1,734
Gain on disposition of property and equipment	367	99	1,107	656
Loss on change in fair value of interest rate swap	(22)	(267)	(175)	(130)
Total other income	(790)	(10)	(588)	885
Income before income taxes	12,555	10,878	31,310	26,495
Income tax expense	3,767	3,394	4,546	5,462
Net income	<u>\$ 8,788</u>	<u>\$ 7,484</u>	<u>\$ 26,764</u>	<u>\$ 21,033</u>
<u>Earnings Per Share ("EPS")</u>				
Earnings per common share:				
Basic	\$ 0.76	\$ 0.66	\$ 2.32	\$ 1.87
Diluted	\$ 0.73	\$ 0.62	\$ 2.21	\$ 1.75
Weighted average number of shares outstanding:				
Basic	11,626,578	11,272,798	11,557,649	11,233,847
Diluted	12,107,480	12,027,021	12,090,829	11,998,750

LIMBACH HOLDINGS, INC.
Condensed Consolidated Balance Sheets (Unaudited)

<i>(in thousands, except share and per share data)</i>	September 30, 2025	December 31, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 9,818	\$ 44,930
Restricted cash	65	65
Accounts receivable (net of allowance for credit losses of \$410 and \$387 as of September 30, 2025 and December 31, 2024, respectively)	142,466	119,659
Contract assets	52,672	47,549
Income tax receivable	44	—
Other current assets	11,754	8,131
Total current assets	216,819	220,334
Property and equipment, net	45,938	30,126
Intangible assets, net	51,495	41,228
Goodwill	69,745	33,034
Operating lease right-of-use assets	20,758	21,539
Deferred tax asset	4,057	5,531
Other assets	305	337
Total assets	\$ 409,117	\$ 352,129
LIABILITIES		
Current liabilities:		
Current portion of long-term debt	\$ 5,255	\$ 3,314
Current operating lease liabilities	4,284	4,093
Accounts payable, including retainage	65,912	60,814
Contract liabilities	37,272	44,519
Accrued income taxes	—	1,470
Accrued expenses and other current liabilities	38,507	36,827
Total current liabilities	151,230	151,037
Long-term debt	56,275	23,554
Long-term operating lease liabilities	16,938	17,766
Other long-term liabilities	3,112	6,281
Total liabilities	227,555	198,638
STOCKHOLDERS' EQUITY		
Common stock, \$0.0001 par value; 100,000,000 shares authorized, issued 11,806,466 and 11,452,753, respectively, and 11,626,814 and 11,273,101 outstanding, respectively	1	1
Additional paid-in capital	95,536	94,229
Treasury stock, at cost (179,652 shares at both period ends)	(2,000)	(2,000)
Retained earnings	88,025	61,261
Total stockholders' equity	181,562	153,491
Total liabilities and stockholders' equity	\$ 409,117	\$ 352,129

LIMBACH HOLDINGS, INC.

Condensed Consolidated Statements of Cash Flows (Unaudited)

(in thousands)	Nine Months Ended September 30,	
	2025	2024
Cash flows from operating activities:		
Net income	\$ 26,764	\$ 21,033
Adjustments to reconcile net income to cash provided by operating activities:		
Depreciation and amortization	13,058	8,261
Provision for credit losses	352	159
Non-cash stock-based compensation expense	5,216	4,323
Non-cash operating lease expense	3,021	3,092
Amortization of debt issuance costs	37	32
Deferred income tax provision	1,474	(439)
Gain on sale of property and equipment	(1,107)	(656)
Change in fair value of contingent consideration	1,512	2,344
Loss on change in fair value of interest rate swap	175	130
Changes in operating assets and liabilities:		
Accounts receivable	(4,743)	4,283
Contract assets	(1,041)	(1,115)
Other current assets	(3,565)	(395)
Accounts payable, including retainage	(2,972)	(18,418)
Prepaid income taxes	(44)	—
Accrued taxes payable	(1,470)	1,311
Contract liabilities	(13,753)	10
Operating lease liabilities	(2,964)	(2,895)
Accrued expenses and other current liabilities	(1,375)	(1,446)
Payment of contingent consideration liability in excess of acquisition-date fair value	(711)	(2,175)
Other long-term liabilities	(293)	55
Net cash provided by operating activities	17,571	17,494
Cash flows from investing activities:		
Pioneer Power Transaction, net of cash acquired	(65,651)	—
Kent Island Transaction, net of cash acquired	—	(12,716)
Consolidated Mechanical Transaction, measurement period adjustment	(3)	—
Proceeds from sale of property and equipment	1,305	1,171
Advances from joint ventures	—	7
Purchase of property and equipment	(3,556)	(6,187)
Net cash used in investing activities	(67,905)	(17,725)
Cash flows from financing activities:		
Payments on Wintrust Revolving Loan	(17,347)	—
Proceeds from Wintrust Revolving Loan	41,848	—
Payments of debt issuance costs	(168)	—
Payment of contingent consideration liability up to acquisition-date fair value	(2,289)	(1,325)
Payments on finance leases	(3,052)	(2,296)

Proceeds from the sale of shares to cover employee taxes	6,344	—
Taxes paid related to net-share settlement of equity awards	(10,684)	(5,187)
Proceeds from contributions to Employee Stock Purchase Plan	570	369
Net cash provided by (used in) financing activities	15,222	(8,439)
Decrease in cash, cash equivalents and restricted cash	(35,112)	(8,670)
Cash, cash equivalents and restricted cash, beginning of period	44,995	59,898
Cash, cash equivalents and restricted cash, end of period	<u>\$ 9,883</u>	<u>\$ 51,228</u>
Supplemental disclosures of cash flow information		
Noncash investing and financing transactions:		
Kent Island Transaction, measurement period adjustment	\$ (94)	\$ —
Earnout liability associated with the Kent Island Transaction	—	4,381
Right of use assets obtained in exchange for new operating lease liabilities	2,317	4,776
Right of use assets obtained in exchange for new finance lease liabilities	13,475	3,095
Right of use assets disposed or adjusted modifying finance lease liabilities	—	988
Interest paid	2,327	1,413
Cash paid for income taxes	\$ 4,663	\$ 4,700

LIMBACH HOLDINGS, INC.
Condensed Consolidated Segment Operating Results (Unaudited)

(in thousands, except for percentages)	Three Months Ended September 30,				Increase/(Decrease)				
	2025		2024		\$	%			
Statement of Operations Data:									
Revenue:									
ODR	\$	141,382	76.6 %	\$	93,007	69.4 %	\$	48,375	52.0 %
GCR		43,201	23.4 %		40,913	30.6 %		2,288	5.6 %
Total revenue		184,583	100.0 %		133,920	100.0 %		50,663	37.8 %
Gross profit:									
ODR ⁽¹⁾		35,679	25.2 %		29,647	31.9 %		6,032	20.3 %
GCR ⁽²⁾		9,006	20.8 %		6,467	15.8 %		2,539	39.3 %
Total gross profit		44,685	24.2 %		36,114	27.0 %		8,571	23.7 %
Selling, general and administrative ⁽³⁾		28,330	15.3 %		23,748	17.7 %		4,582	19.3 %
Acquisition-related retention expense and contingent consideration		610	0.3 %		610	0.5 %		—	— %
Amortization of intangibles		2,400	1.3 %		868	0.6 %		1,532	176.5 %
Total operating income	\$	13,345	7.2 %	\$	10,888	8.1 %	\$	2,457	22.6 %

(1) As a percentage of ODR revenue.

(2) As a percentage of GCR revenue.

(3) Included within selling, general and administrative expenses was \$1.9 million and \$1.6 million of non-cash stock-based compensation expense for the three months ended September 30, 2025 and 2024, respectively.

LIMBACH HOLDINGS, INC.
Condensed Consolidated Segment Operating Results (Unaudited)

(in thousands, except for percentages)	Nine Months Ended September 30,				Increase/(Decrease)				
	2025		2024		\$	%			
Statement of Operations Data:									
Revenue:									
ODR	\$	340,723	74.1 %	\$	250,017	66.6 %	\$	90,706	36.3 %
GCR		119,209	25.9 %		125,114	33.4 %		(5,905)	(4.7)%
Total revenue		459,932	100.0 %		375,131	100.0 %		84,801	22.6 %
Gross profit:									
ODR ⁽¹⁾		93,429	27.4 %		77,170	30.9 %		16,259	21.1 %
GCR ⁽²⁾		27,801	23.3 %		23,540	18.8 %		4,261	18.1 %
Total gross profit		121,230	26.4 %		100,710	26.8 %		20,520	20.4 %
Selling, general and administrative ⁽³⁾		81,480	17.7 %		69,800	18.6 %		11,680	16.7 %
Acquisition-related retention expense and contingent consideration		1,832	0.4 %		2,344	0.6 %		(512)	(21.8)%
Amortization of intangibles		6,020	1.3 %		2,956	0.8 %		3,064	103.7 %
Total operating income	\$	31,898	6.9 %	\$	25,610	6.8 %	\$	6,288	24.6 %

(1) As a percentage of ODR revenue.

(2) As a percentage of GCR revenue.

(3) Included within selling, general and administrative expenses was \$5.2 million and \$4.3 million of non-cash stock-based compensation expense for the nine months ended September 30, 2025 and 2024, respectively.

Non-GAAP Financial Measures

In assessing the performance of our business, management utilizes a variety of financial and performance measures. The key measures are Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income and Adjusted Diluted Earnings per Share, which are non-GAAP financial measures.

Adjusted EBITDA and Adjusted EBITDA Margin

We define Adjusted EBITDA as net income 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 that we believe do not reflect our core operating results. We define Adjusted EBITDA Margin as Adjusted EBITDA divided by total revenue. Our board of directors and executive management team focus on Adjusted EBITDA and Adjusted EBITDA Margin as two of our key performance and compensation measures. Adjusted EBITDA and Adjusted EBITDA Margin assists us in comparing our performance over various reporting periods on a consistent basis because it removes from our operating results the impact of certain items that do not necessarily reflect our core operations. We believe that Adjusted EBITDA and Adjusted EBITDA Margin are 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.

Adjusted Net Income and Adjusted Diluted Earnings per Share

We define Adjusted Net Income as net income, adjusted to exclude certain items that do not reflect our core operating performance, such as amortization of intangible assets, stock-based compensation, restructuring charges, the change in fair value of contingent consideration, acquisition and other transaction costs and the net tax effect of reconciling items, as further adjusted to eliminate the impact of, when applicable, other non-cash or expenses that are unusual or non-recurring. We define Adjusted Diluted Earnings per Share as Adjusted Net Income divided by the weighted average diluted shares outstanding. We believe Adjusted Net Income and Adjusted Diluted Earnings per Share are useful to investors as we use these metrics to assist with strategic decision making, forecasting future results, and evaluating current performance.

We understand that these non-GAAP financial measures are 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, Adjusted EBITDA Margin, Adjusted Net Income and Adjusted Diluted Earnings per Share. Our calculations of these non-GAAP measures, 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 calculated in accordance with GAAP. Further, the results presented by Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income and Adjusted Diluted Earnings per Share cannot be achieved without incurring the costs that the measure excludes. A reconciliation of net income to Adjusted EBITDA and net income to Adjusted Net Income, the most comparable GAAP measures, are provided below.

We refer to our estimated revenue on uncompleted contracts, including the amount of revenue on contracts for which work has not begun, less the revenue we have recognized under such contracts, as “backlog.” Backlog includes unexercised contract options.

Reconciliation of Net Income to Adjusted EBITDA (unaudited)

<i>(in thousands)</i>	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Net income	\$ 8,788	\$ 7,484	\$ 26,764	\$ 21,033
Adjustments:				
Depreciation and amortization	5,063	2,741	13,058	8,261
Interest expense	1,223	468	2,312	1,375
Interest income	(88)	(626)	(792)	(1,734)
Stock-based compensation expense	1,980	1,603	5,634	4,323
Change in fair value of interest rate swap	22	267	175	130
Income tax provision	3,767	3,394	4,546	5,462
Acquisition and other transaction costs	137	826	659	877
Acquisition-related retention expense and contingent consideration	610	610	1,832	2,344
Restructuring costs ⁽¹⁾	263	565	397	827
Adjusted EBITDA	<u>\$ 21,765</u>	<u>\$ 17,332</u>	<u>\$ 54,585</u>	<u>\$ 42,898</u>
Revenue	\$ 184,583	\$ 133,920	\$ 459,932	\$ 375,131
Adjusted EBITDA Margin	11.8 %	12.9 %	11.9 %	11.4 %

⁽¹⁾ For the three and nine months ended September 30, 2025 and 2024, the majority of the restructuring costs related to our Southern California and Eastern Pennsylvania branches.

Reconciliation to Adjusted Net Income and Adjusted Diluted Earnings Per Share (unaudited)

<i>(in thousands, except share and per share amounts)</i>	Three Months Ended September 30,				Nine Months Ended September 30,			
	2025		2024		2025		2024	
Net income and diluted earnings per share	\$ 8,788	\$ 0.73	\$ 7,484	\$ 0.62	\$ 26,764	\$ 2.21	\$ 21,033	\$ 1.75
Pre-tax Adjustments:								
Amortization of acquisition-related intangible assets	2,400	0.20	868	0.07	6,020	0.50	2,956	0.25
Stock-based compensation expense	1,980	0.16	1,603	0.13	5,634	0.47	4,323	0.36
Change in fair value of interest rate swap	22	—	267	0.02	175	0.01	130	0.01
Restructuring costs ⁽¹⁾	263	0.02	565	0.05	397	0.03	827	0.07
Acquisition-related retention expense and contingent consideration	610	0.05	610	0.05	1,832	0.14	2,344	0.21
Acquisition and other transaction costs	137	0.01	826	0.07	659	0.06	877	0.07
Tax effect of reconciling items ⁽²⁾	(1,461)	(0.12)	(1,280)	(0.10)	(3,974)	(0.32)	(3,093)	(0.26)
Adjusted net income and adjusted diluted earnings per share	<u>\$ 12,739</u>	<u>\$ 1.05</u>	<u>\$ 10,943</u>	<u>\$ 0.91</u>	<u>\$ 37,507</u>	<u>\$ 3.10</u>	<u>\$ 29,397</u>	<u>\$ 2.46</u>
Weighted average number of shares outstanding: Diluted	12,107,480		12,027,021		12,090,829		11,998,750	

(1) For the three and nine months ended September 30, 2025 and 2024, the majority of the restructuring costs related to our Southern California and Eastern Pennsylvania branches.

(2) The tax effect of reconciling items was calculated using a statutory tax rate of 27%.

Supplemental Revenue Disclosures

Organic and acquisition-related revenue are not defined under GAAP and may not be comparable to similarly-titled measures used by other companies and should not be considered a substitute for revenue as determined in accordance with GAAP. Management believes these non-GAAP measures provide useful information to investors by highlighting the underlying growth trends of the Company's existing operations, separate from the effects of recent acquisitions. Organic revenue growth reflects the change in revenue from the Company's continuing operations excluding the impact of acquisitions, while acquisition-related revenue represents the incremental contribution from businesses acquired during the twelve month period following the date of acquisition. These measures are intended to enhance investors' understanding of the Company's performance and trends over time, and should be considered in conjunction with, but not as a substitute for, GAAP revenue.

The following are reconciliations of reported revenue to organic / acquisition-related revenue for the three and nine months ended September 30, 2025, compared to revenue for the three and nine months ended September 30, 2024:

<i>(in thousands except for percentages)</i>	ODR	%	GCR	%	Total Revenue	%
Revenue: Three months ended September 30, 2024	\$ 93,007		\$ 40,913		\$ 133,920	
Components of revenue change:						
Organic revenue growth (decline)	11,316	12.2 %	(7,991)	(19.5)%	3,325	2.5 %
Acquisition-related revenue ⁽¹⁾	37,059	39.8 %	10,279	25.1 %	47,338	35.3 %
Revenue: Three months ended September 30, 2025	<u>\$ 141,382</u>	<u>52.0 %</u>	<u>\$ 43,201</u>	<u>5.6 %</u>	<u>\$ 184,583</u>	<u>37.8 %</u>

<i>(in thousands except for percentages)</i>	ODR	%	GCR	%	Total Revenue	%
Revenue: Nine months ended September 30, 2024	\$ 250,017		\$ 125,114		\$ 375,131	
Components of revenue change:						
Organic revenue growth (decline)	35,944	14.4 %	(27,271)	(21.8)%	8,673	2.3 %
Acquisition-related revenue ⁽¹⁾	54,762	21.9 %	21,366	17.1 %	76,128	20.3 %
Revenue: Nine months ended September 30, 2025	<u>\$ 340,723</u>	<u>36.3 %</u>	<u>\$ 119,209</u>	<u>(4.7)%</u>	<u>\$ 459,932</u>	<u>22.6 %</u>

(1) Acquisition-related revenue reflects revenue attributable to the Pioneer Power, Consolidated Mechanical and Kent Island acquisitions. The Company has provided an estimate of Kent Island's revenue for the three and nine months ended September 30, 2025 as the acquired operations were integrated into an existing branch of the Company for which separate financial results are not maintained.