

Bowman Acquires Utility Services and Sustainability Solutions Firm FCS Group

July 18, 2024

Bowman Consulting Group Ltd. (the “Company” or “Bowman”) (NASDAQ: BWMN), a national engineering services firm delivering infrastructure design solutions to customers who own, develop, and maintain the built environment, today announced the acquisition of Redmond, Washington based FCS Group (“FCS”). FCS is a professional services firm focused on addressing the financial, management and economic challenges facing public sector entities including utilities, state and local governments, regional agencies and public safety organizations. Led by current President and Principal John Ghilarducci, FCS specializes in utility rate and fee advisory services along with utility management, financial and economic planning and infrastructure funding consulting.

FCS consults for a variety of clients, including government agencies in urban and suburban areas, rural utility systems, municipal authorities in regions with seasonal or climate sensitivities and communities with special commercial and industrial needs. Given the firm’s particular expertise and experience in utility rate policy and practice, FCS client assignments often range from defining revenue requirements and building comprehensive financial assessment tools to developing long-term capital funding strategies and full cost-of-service rate analyses in support of infrastructure investment and programmatic initiatives for a variety of water-related, energy, solid waste and other services. With a staff of 35 technical, management and financial professionals throughout the western United States, including Washington, Oregon and Colorado, FCS has delivered high-quality, cost-effective consulting services in over 4,000 engagements to more than 650 public and quasi-public clients since its founding in 1988.

“FCS immediately expands our reach and our resume within the utility, government and sustainability markets,” said Gary Bowman, chairman and CEO of Bowman. “This acquisition, while not a typical engineering firm, presents a unique opportunity both to accelerate our penetration of the utility and renewables markets and to expand the breadth of services we can offer our existing portfolio of traditional utility and energy transition clients. FCS also brings to Bowman a substantial history of successful public sector engagements. I am confident that the combination of our combined utility services experiences and long-standing client relationships will deliver meaningful revenue synergies as we integrate our organizations. I am excited to have John and the entire FCS team become part of Bowman.”

Financed with a combination of cash, seller notes and equity, the acquisition falls within previously discussed target multiples and operating metric ranges. The Company anticipates the acquisition will initially contribute at an annualized net service billing run rate of approximately \$7.0 million and be immediately accretive. More detailed information on M&A activities, pipeline and guidance updates are provided in connection with scheduled quarterly and annual communications.

Link to original press release:

<https://investors.bowman.com/news/news-details/2024/Bowman-Acquires-Utility-Services-and-Sustainability-Solutions-Firm-FCS-Group/default.aspx>

