



INVESTOR RELATIONS PROFILE 2024

Energy Services of America

Presented at the
Annual Meeting of Shareholders
February 21, 2024

NASDAQ: ESOA



Forward Looking Statements

Certain statements contained in this presentation including, without limitation, the words "believes," "anticipates," "intends," "expects" or words of similar import, constitute "forward-looking statements" within the meaning of section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance, or achievements of the Company to be materially different from any future results, performance or achievements of the Company expressed or implied by such forward-looking statements. Such factors include, among others, general economic and business conditions, changes in business strategy or development plans, the effect of the COVID-19 pandemic, the integration of acquired business and other factors referenced in this presentation, risks and uncertainties related to the restatement of certain of our historical consolidated financial statements. Given these uncertainties, prospective investors are cautioned not to place undue reliance on such forward-looking statements. The Company disclaims any obligation to update any such factors or to publicly announce the results of any revisions to any of the forward-looking statements contained herein to reflect future events or developments.

Mission

Our mission is to provide a wide range of superior construction services to customers throughout the mid-Atlantic and Central United States with a focus on safety, quality, and production.

Vision

Our goal is to improve the everyday lives of the people in the communities we work while providing superior services to our customers, great jobs for our employees, and maximizing value for our shareholders.

Values

Safety
Quality
Production
Environment



Energy Services of America Corporation

www.energyservicesofamerica.com



Founded in 2006



Six subsidiary companies

- › CJ Hughes Construction Company Inc.
- › Nitro Construction Services Inc.
- › West Virginia Pipeline Inc.
- › SQP Construction Group, Inc.
- › Tri-State Paving & Sealcoating, Inc.
- › Ryan Construction Services, Inc.



\$304.1 million revenue and
\$20.8 million adjusted EBITDA⁽¹⁾ for the
fiscal year ended September 30, 2023



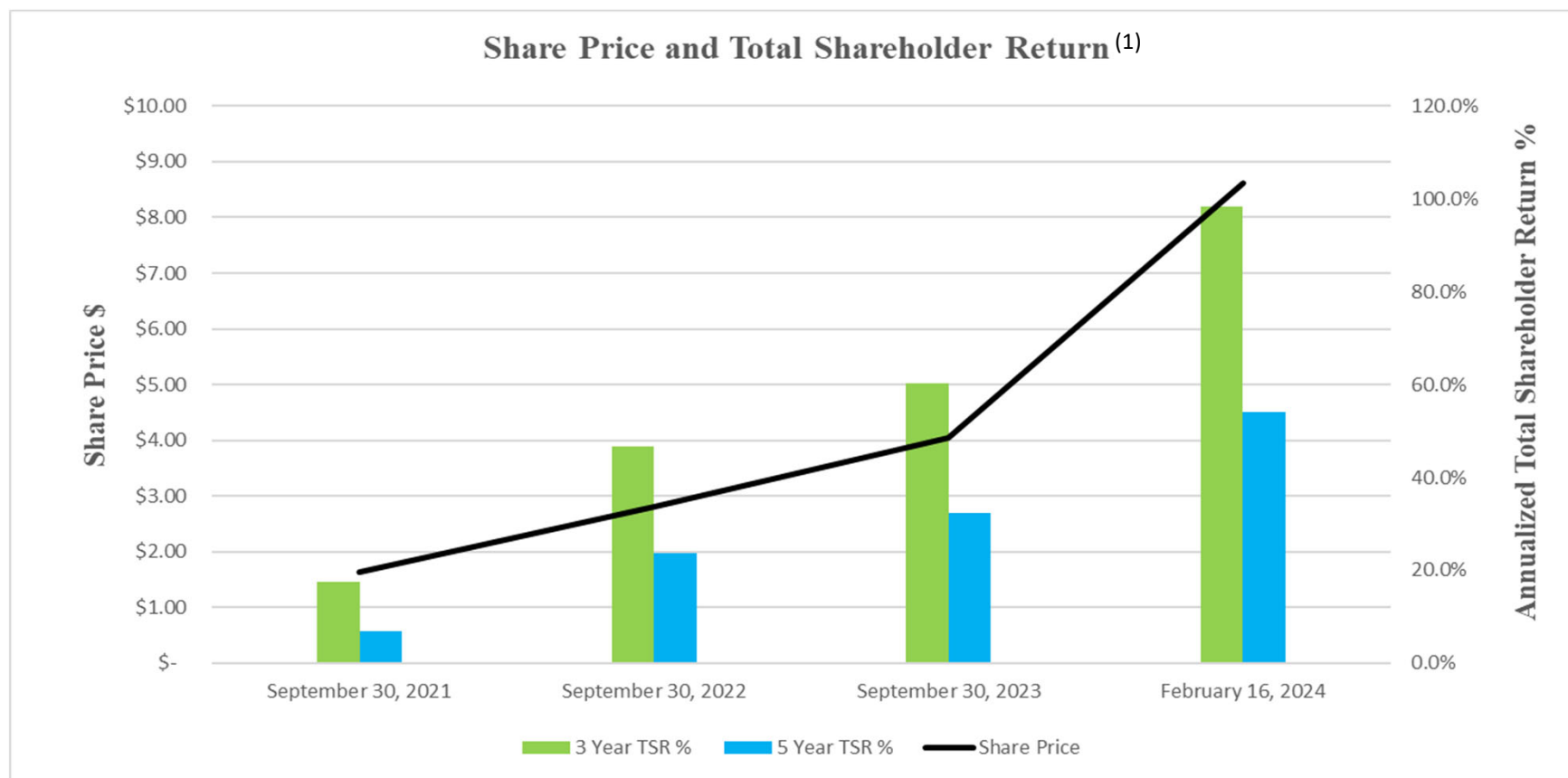
1,282 employees at September 30, 2023



Services the natural gas, petroleum,
chemical, automotive, water/wastewater,
broadband and power industries in addition
to commercial construction and solar
capabilities

(1) See slide 24 for Non-GAAP Financial Measure
Reconciliation

INCREASING SHAREHOLDER VALUE



(1) See slide 26

INVESTMENT HIGHLIGHTS

- Increasing shareholder value *
- Increased trading volume since joining NASDAQ in March 2022 **
- Increasing revenue and earnings per share ***
- Long-standing relationships with the leading customers in our markets
- Customer spending on infrastructure and manufacturing construction projects continues to be strong
- Successful integration of acquired companies and start-up operations have resulted in expanded services and geographical reach
- Over 200 years of combined construction experience between the Company's subsidiaries

* A 98.0% annualized total shareholder return for shares purchased February 16, 2021 and held to February 16, 2024

** Approximately 8,800 average daily volume for the one-year period prior to NASDAQ uplisting compared to 69,000 average daily volume since April 1, 2022
Average daily volume of 121,000 from October 1, 2023 to February 16, 2024.

*** Fiscal year 2023 revenue of \$304.1 mm and EPS of \$0.44 compared to \$197.6 mm and \$0.24, respectively, for fiscal year 2022. First quarter record \$90.2 mmm in revenue and EPS of \$0.12 for the three months ended December 31, 2023.

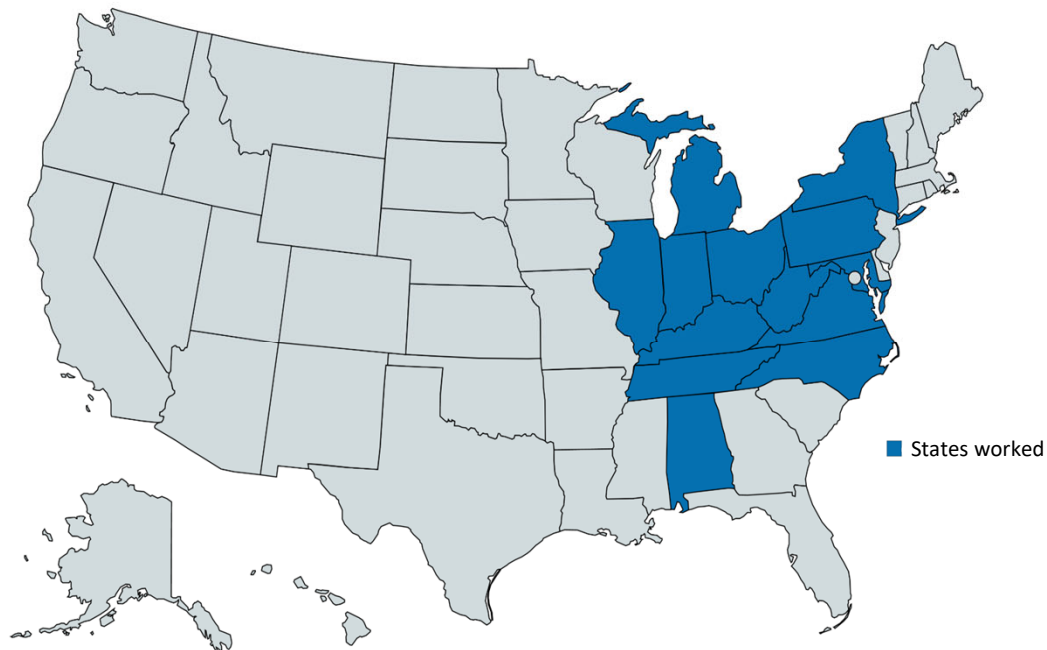
ENVIRONMENTAL HIGHLIGHTS

- Providing integrity maintenance and corrosion prevention services for the natural gas and petroleum industries
- Providing slip repair services to ensure pipeline integrity and land restoration
- Commitment to growing our solar capabilities
- Providing electrical and mechanical services to the electric vehicle (EV) battery plant industry
- Providing new installation, replacement, and repair services to the water and wastewater industries
- Initiating processes to track and reduce our carbon footprint

CUSTOMER PORTFOLIO

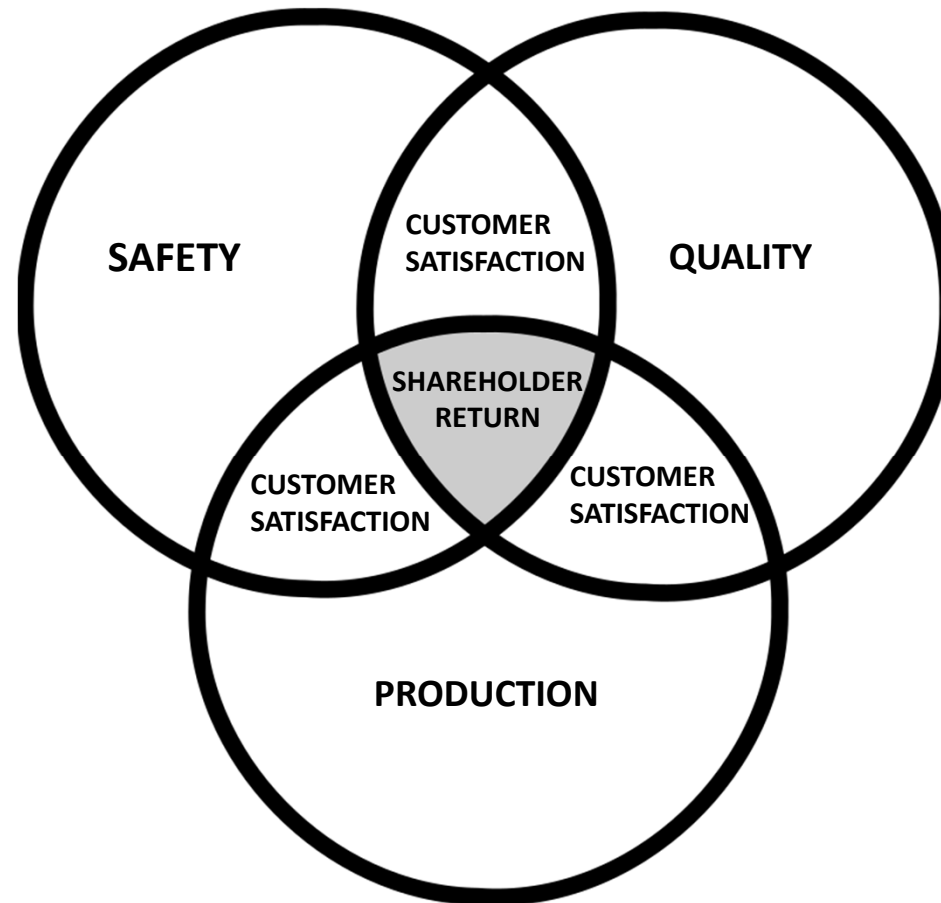


PRIMARY SERVICE AREA



- Water and natural gas distribution services operate primarily in West Virginia, Ohio, and Kentucky.
- Petroleum and natural gas transmission services are customer driven and range from the northeast to the central United States.
- Electrical, mechanical, and HVAC/R services operate primarily in West Virginia, Virginia, and Ohio, but we also service our existing customer's other facilities in Alabama and Tennessee. A newly formed subsidiary is headquartered in Michigan.
- Solar and general construction services operate primarily in West Virginia.
- Broadband drilling services are provided in West Virginia, Ohio, and Pennsylvania.
- Satellite offices are being established to better assist crews in our footprint but also aid in expansion efforts. Our most recent satellite offices are located in Battle Creek, MI and Lexington, KY.

CORPORATE GOALS



2024 KEYS TO FINANCIAL GROWTH



- Continue to grow newer subsidiaries added to diversify our capabilities and expand opportunities
 - West Virginia Pipeline, a gas and water distribution contractor working in southern West Virginia
 - SQP Construction Group, a general contractor working in West Virginia
 - Tri-State Paving & Sealcoating, a utility paving contractor working in West Virginia, Kentucky, and Tennessee
 - Ryan Construction Services, a broadband, corrosion services, and natural gas distribution contractor working in West Virginia and Pennsylvania
 - Revolt Energy, a solar installation contractor working in West Virginia. Subsidiary of Nitro Construction
 - Nitro Electric, an electrical contractor located in Battle Creek, Michigan. Subsidiary of Nitro Construction
- Increase infrastructure and manufacturing construction opportunities in the water, gas distribution, general construction, steel, power, automotive (EV battery), broadband and solar industries through geographical expansion, strengthening relationships with existing customers, and forging new relationships
- Explore strategic inorganic growth opportunities

CJ HUGHES CONSTRUCTION

CORPORATE OVERVIEW

www.cjhughes.com

Safety, Quality, and Production has been the CJ Hughes way since 1946.

- Primarily engaged in the construction, replacement and repair of natural gas pipelines, water, petroleum and storage facilities for utility companies and private natural gas companies
- Based in Huntington, West Virginia and licensed to service 13 states across the mid-Atlantic and Central United States
- Performs both distribution and transmission projects as well as station and facility work along with industrial and mechanical services



600+ employees



\$136.5 million revenue for the fiscal year ended September 30 , 2023





NITRO CONSTRUCTION SERVICES™



Industrial HVAC/R installation

NITRO CONSTRUCTION SERVICES CORPORATE OVERVIEW

www.nitroconstructionservices.com

Safety, Accountability, and Quality Assurance

- First started serving customers as Nitro Electric in 1959
- Primarily an electrical, mechanical, HVAC/R, and solar installation contractor that provides its services to the power, chemical and automotive industries along with commercial capabilities
- Based in Nitro, West Virginia and services customers across 5 states and has a wide profile of customers within this industry
- Provides a full range of electrical and mechanical services including substation and switchyard services, site preparation, equipment setting, pipe fabrication and installation, packaged buildings, and transformers in addition to commercial and industrial HVAC/R, fire protection systems, and solar installations



400+ employees



\$92.8 million revenue for fiscal year ended September 30 , 2023

WEST VIRGINIA PIPELINE CORPORATE OVERVIEW

www.westvirginiapipe.com

Excellence and Proficiency in the Pipeline Industry Since 1963

- Primarily engaged in the construction, replacement and repair of natural gas distribution and water pipelines for utility companies and private companies
- Located in Princeton, West Virginia
- Has shown revenue growth each fiscal year since being acquired by Energy Services



66 employees



\$10.1 million revenue for the fiscal year
ended September 30, 2023

V.P. Amy Belcher with one of the crews



SQP CONSTRUCTION GROUP CORPORATE OVERVIEW

www.sqpgc.com

Safety, Quality, and Performance

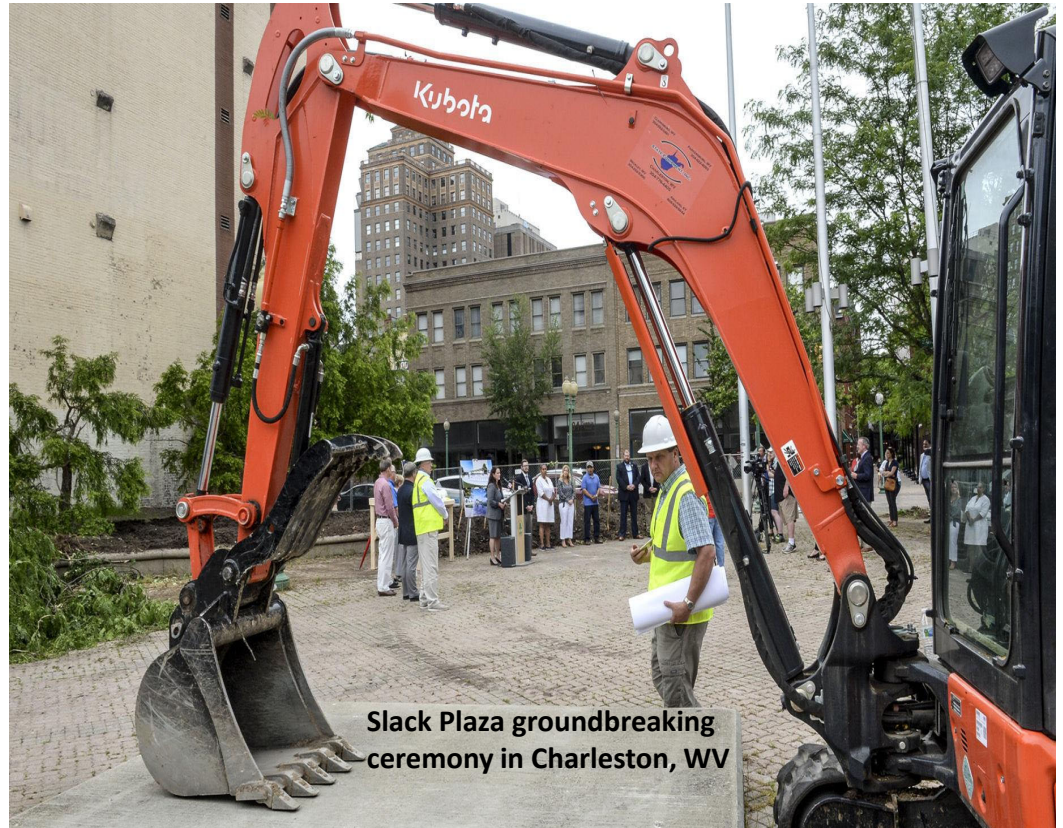
- General contractor with focus on commercial and industrial buildings and civil work for private/public companies and state and local governments
- Located in St. Albans, West Virginia and growing geographically within West Virginia



59 employees



\$43.1 million revenue for the fiscal year ended September 30, 2023



Slack Plaza groundbreaking ceremony in Charleston, WV



TRI-STATE PAVING & SEALCOATING CORPORATE OVERVIEW

www.tristatepavingwv.com

Reliable. Responsive. Results-Driven.

- Has been providing quality work for over 15 years
- Located in Hurricane, West Virginia and primarily serving utility companies in Charleston, West Virginia, Lexington, Kentucky, and Chattanooga, Tennessee



60 employees



\$13.5 million revenue for the fiscal year ended
September 30, 2023



RYAN CONSTRUCTION SERVICES

CORPORATE OVERVIEW

<http://www.ryan-cs.com>

- Located in Bridgeport, West Virginia and primarily serving natural gas distribution and broadband telecommunication customers in northern West Virginia and Pennsylvania.
- Ryan Construction offers pipeline construction, horizontal directional drilling, and corrosion prevention services.



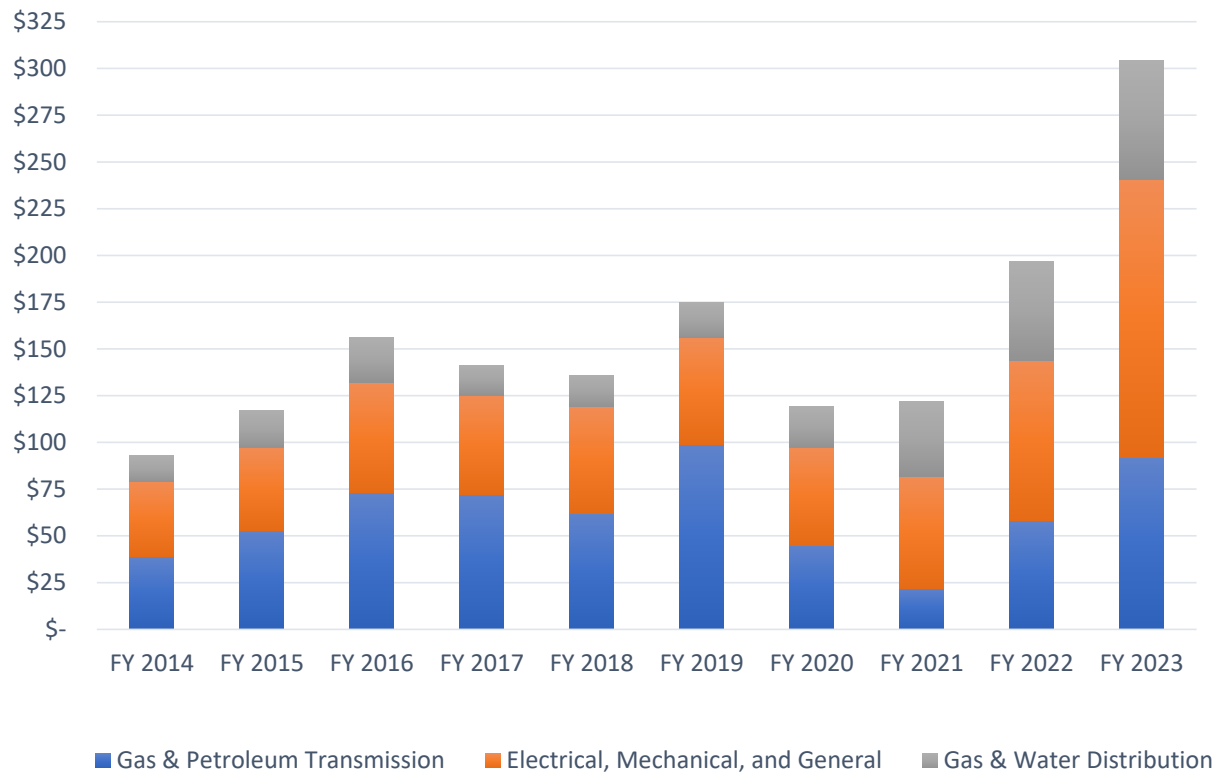
56 employees



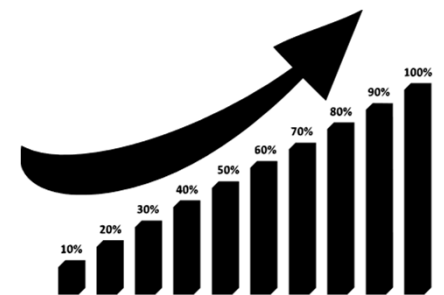
\$8.1 million revenue for the fiscal year ended September 30, 2023



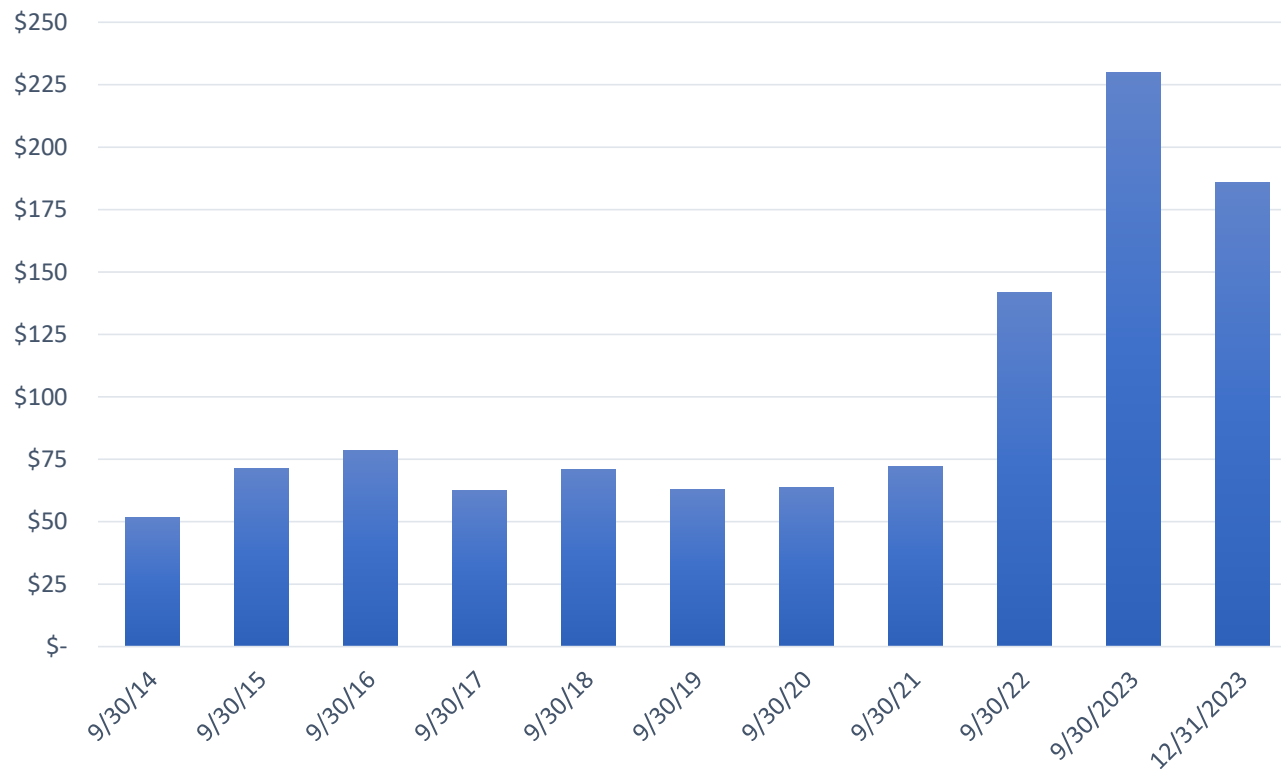
Revenue by End Market (\$ in millions)



Revenue reached an ESA record of \$304 million for the fiscal year ended September 30, 2023



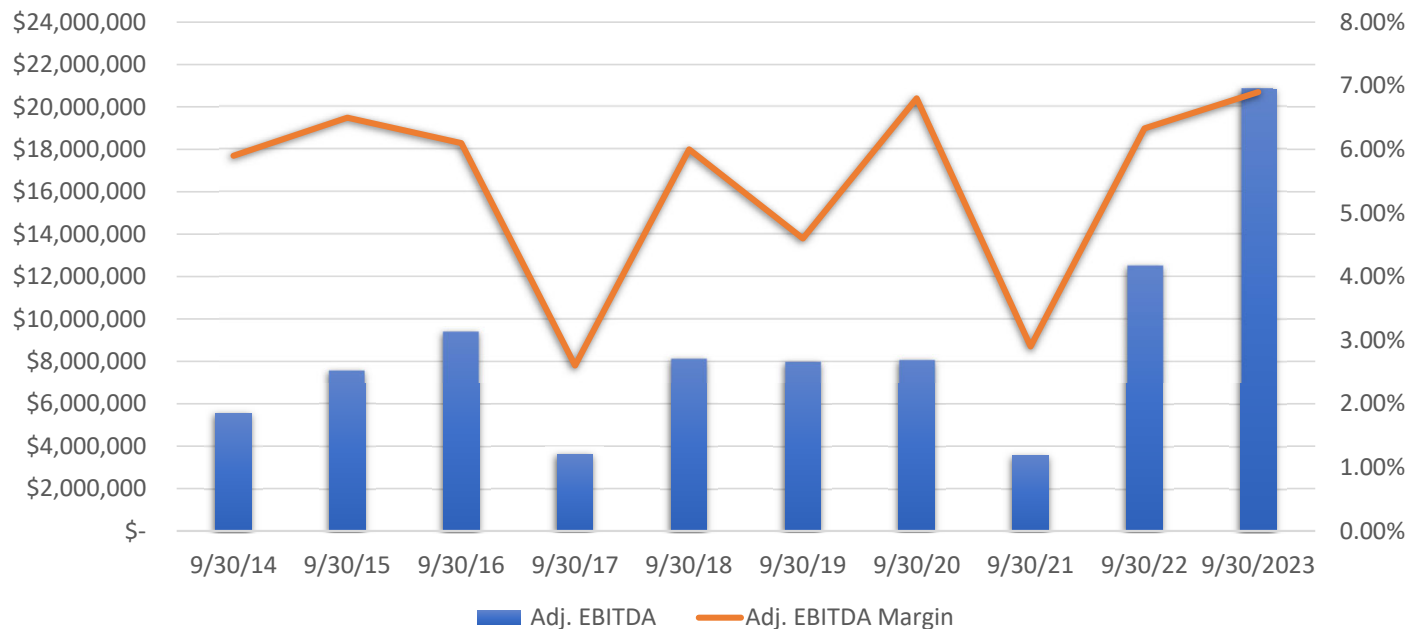
Backlog (\$ in millions)



The Company's backlog includes uncompleted lump sum and unit price projects under contract as well as twelve months of expected revenues from unit price, time & material, and costs plus blanket contracts.



Adjusted EBITDA and Adjusted EBITDA Margin



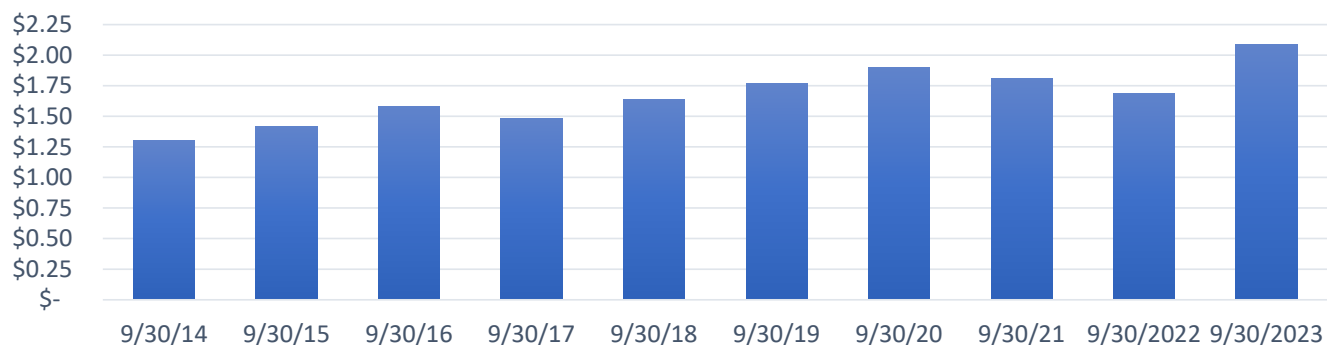
See slide 24 for Non-GAAP Financial Measure Reconciliation

We believe that Adjusted EBITDA considered along with net income (loss), is a relevant indicator of trends relating to the cash generating activity of our operations.

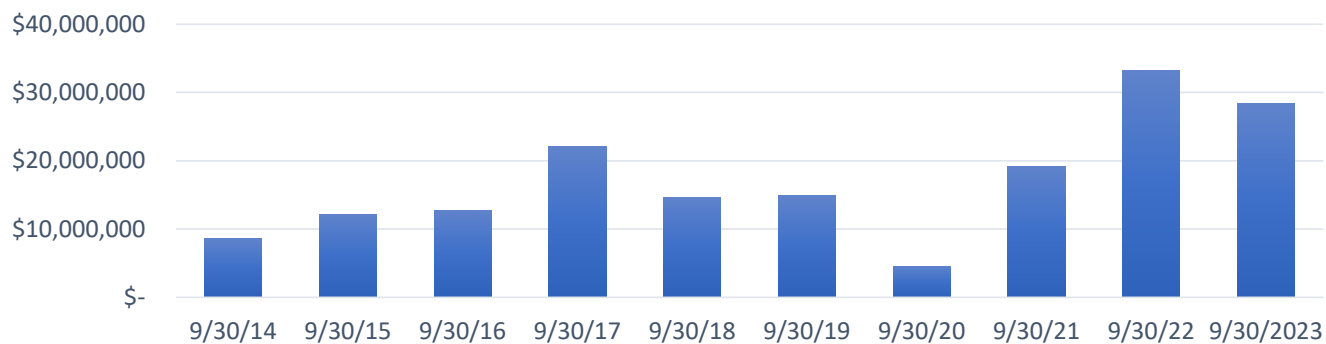
Adjusted EBITDA for the fiscal year ended September 30, 2023 reached an ESA record of 6.9%



Book Value Per Common Share



Debt Net of Cash



Outstanding shares: 16,567,185 at September 30, 2023

The Company has paid a total of \$2.9 million in special common dividends between fiscal years 2016, 2017, 2020, and 2023.

The Company paid \$1.2 million in preferred share dividends between beginning fiscal year 2013 to 2020.

The Company paid \$1.3 million for the redemption of preferred shares in October 2021.

A preferred share conversion resulted in the issuance of 2.6 million common shares in October 2021.

The Company has repurchased approximately 700,000 common shares over the years

The debt net of cash increase since September 30, 2020, is primarily related to \$18.0 million in financing for companies acquired and \$9.8 million in PPP loans in which final loan forgiveness has not been determined.

Appendix

ENERGY SERVICES' LEADERSHIP

Douglas Reynolds, President and CEO, Energy Services of America
Charles Crimmel, CFO

Chuck Austin, President, CJ Hughes Construction
Matt Hill, Vice President
Kelly Nissenbaum, Vice President
Ralph Long, General Manager

Lane Ferguson, President, Nitro Construction Services
Gabe Holstein, Vice President

Michael Bolton, President, West Virginia Pipeline
Amy Belcher, Vice President

Don Gatewood, President, SQP Construction

David Corns, President, Tri-State Paving & Sealcoating

Troy Taylor, President, Ryan Construction Services



DIRECTORS

Marshall Reynolds, Chairman

Douglas Reynolds, President and CEO

Mark Prince, Audit Committee Chairman

Jack Reynolds

Joseph Williams

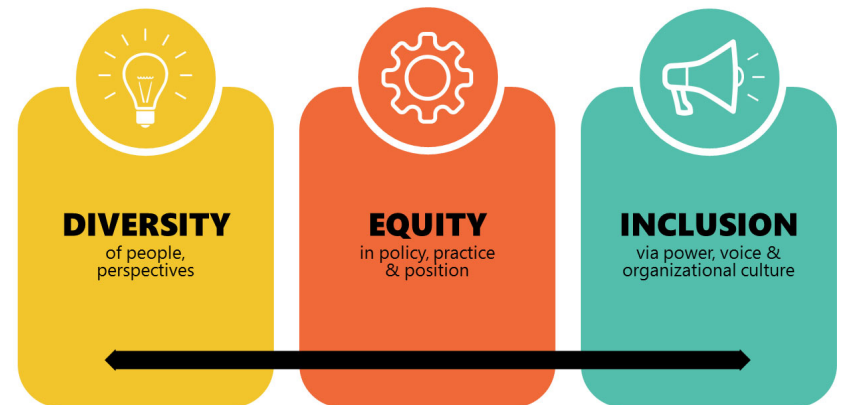
Samuel Kapourales

Frank Lucente

Amy Abraham

Patrick Farrell

Energy Services is compliant with NASDAQ's Board Diversity Rule



Use of Non-GAAP Financial Measures

In addition to the financial measures prepared in accordance with U.S. generally accepted accounting principles (GAAP), this presentation contains certain non-GAAP financial measures. The reconciliations of these non-GAAP financial measures to the most directly comparable GAAP measures and other information relating to these measures are included herein. We include these measurements to enhance the understanding of our operating performance. Non-GAAP financial measures have limitations as analytical tools and should not be considered in isolation or as a substitute for our financial results prepared in accordance with GAAP.

Reconciliation of Adjusted EBITDA and Adjusted EBITDA Margin

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Net income (loss) available to common shareholders	\$ 3,261,947	\$ 1,831,530	\$ 2,932,423	\$ (696,756)	\$ 2,200,023	\$ 1,683,910	\$ 2,124,017	\$ (1,171,756)	\$ 3,750,315	\$ 7,401,420
Add: Income tax (benefit) expense	(2,287,478)	1,570,992	2,898,205	(80,368)	910,034	968,571	1,143,186	(29,129)	2,262,646	2,975,250
Add: Dividends on preferred stock	386,250	309,000	309,000	309,000	309,000	309,000	309,000	284,238	-	-
Add: Interest expense	841,975	761,079	875,254	833,424	916,675	1,064,222	486,246	702,993	987,689	2,406,643
Less: Non-operating income (expense)	(47,085)	(192,730)	(110,202)	16,847	(414,660)	(203,291)	(392,796)	(909,556)	(508,040)	253,124
Add: Depreciation expense	3,384,504	3,291,386	2,503,471	3,235,362	4,209,056	4,157,849	4,395,362	4,661,789	6,013,494	7,807,185
Adjusted EBITDA	<u>\$ 5,540,113</u>	<u>\$ 7,571,257</u>	<u>\$ 9,408,151</u>	<u>\$ 3,617,509</u>	<u>\$ 8,130,128</u>	<u>\$ 7,980,261</u>	<u>\$ 8,065,015</u>	<u>\$ 3,538,579</u>	<u>\$ 12,506,104</u>	<u>\$ 20,843,622</u>
Revenue	\$ 93,273,139	\$ 116,800,046	\$ 155,481,145	\$ 140,495,726	\$ 135,482,771	\$ 174,541,155	\$ 119,194,440	\$ 122,465,826	\$ 197,590,000	\$ 304,104,492
Adjusted EBITDA Margin	<u>5.9%</u>	<u>6.5%</u>	<u>6.1%</u>	<u>2.6%</u>	<u>6.0%</u>	<u>4.6%</u>	<u>6.8%</u>	<u>2.9%</u>	<u>6.3%</u>	<u>6.9%</u>

Reconciliation of Book Value per Common Share

	Reconciliation of Book Value per Common Share									
	9/30/2014	9/30/2015	9/30/2016	9/30/2017	9/30/2018	9/30/2019	9/30/2020	9/30/2021	9/30/2022	9/30/2023
Total shareholders' equity	\$18,455,106	\$20,286,636	\$22,523,692	\$21,130,819	\$23,281,047	\$24,664,357	\$25,824,029	\$24,652,273	\$28,240,544	\$34,588,989
Common shares outstanding	14,239,836	14,239,836	14,239,836	14,239,836	14,194,517	13,924,789	13,621,406	13,621,406	16,667,185	16,567,185
Book value per share	<u>\$ 1.30</u>	<u>\$ 1.42</u>	<u>\$ 1.58</u>	<u>\$ 1.48</u>	<u>\$ 1.64</u>	<u>\$ 1.77</u>	<u>\$ 1.90</u>	<u>\$ 1.81</u>	<u>\$ 1.69</u>	<u>\$ 2.09</u>

Annualized Shareholder Return (TSR) %

	years	Current price	purchase price	dividends	TSR	Annualized
2/16/2024	3	8.62	2.02	0.16	334.7%	98.0%
2/16/2024	5	8.62	1.08	0.16	713.0%	54.1%
9/30/2023	3	4.05	1.03	0.10	302.9%	60.3%
9/30/2023	5	4.05	1.10	0.10	277.3%	32.3%
9/30/2022	3	2.80	0.69	0.05	313.0%	46.7%
9/30/2022	5	2.80	0.97	0.05	194.6%	23.6%
9/30/2021	3	1.63	1.06	0.05	58.5%	17.4%
9/30/2021	5	1.63	1.29	0.05	30.2%	6.8%

TSR

$((\text{current price} - \text{purchase price}) + \text{dividends}) / \text{purchase price}$

Annualized TSR

$(1 * (1 + \text{current price} - \text{purchase price} + \text{dividends}))^{(1/\text{years})} - 1$