



Hill International

The Global Leader in Managing Construction Risk

May 11, 2021

2021 First Quarter Results Conference Call



HIL
LISTED
NYSE

Forward Looking Statements



Hill International

Certain statements contained herein may be considered "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, and it is the intent of Hill International, Inc. referred to throughout as "Hill" the "Company", "we", "us" and "our" that any such statements be protected by the safe harbor created thereby. Except for historical information, the matters set forth herein including, but not limited to, any statements of belief or intent, any statements concerning our plans, strategies, and objectives for future operations; and any statements regarding our intent to file late periodic reports or relisting on a national securities exchange, are forward-looking statements. These forward-looking statements are based on our current expectations, estimates and assumptions and are subject to certain risks and uncertainties. Although we believe that the expectations, estimates, and assumptions reflected in our forward-looking statements are reasonable, actual results could differ materially from those projected or assumed in any of our forward-looking statements. Important factors that could cause our actual results to differ materially from estimates or projections contained in our forward-looking statements are set forth in the Risk Factors section and elsewhere in the reports we have filed with the Securities and Exchange Commission, including the preparation of and the audit or review, as applicable, of filings may take longer than currently anticipated. We do not intend, and undertake no obligation, to update any forward-looking statement.

NON-GAAP MEASURES

The following measures below are not measures of financial performance under U.S. generally accepted accounting principles ("GAAP") and should be considered in addition to and not as a substitute for, or superior to, the related measure of performance prepared in accordance with GAAP.

Backlog

Backlog represents the Company's estimate of the amount of uncompleted projects under contract and awards in-hand that are expected to be recognized as CFR in future periods as a component of total revenue. Hill's backlog is based upon the binding nature of the underlying contract, commitment or letter of intent, and other factors, including the economic, financial and regulatory viability of the project and the likelihood of the contract being extended, renewed or canceled. The company has added additional controls on the booking rules to reflect more accurate actual backlog at any period. Although backlog reflects business that the Company considers to be firm, cancellations or scope adjustments may occur. It is an important indicator of future performance and is used by the Company in planning Hill's operational needs. Backlog is not a measure defined in GAAP and the Company's methodology for determining backlog may not be comparable to the methodology used by other companies in determining their backlog.

Adjusted Operating Profit (Loss)

Adjusted operating profit (loss) is operating profit (loss), adjusted to exclude non-cash items including unrealized foreign currency exchange losses (gains), share-based compensation and the write-off of leasehold improvements previously included in property and equipment on the Company's consolidated balance sheets. The Company believes that adjusted operating profit (loss) is useful to investors and other external users of Hill's financial statements as a measure of a company's core ongoing operations, without regard to non-cash activity.

EBITDA & Adjusted EBITDA

Earnings before interest, taxes, depreciation and amortization ("EBITDA"), in addition to operating profit, net income, and other GAAP measures, is a useful indicator of Hill's financial and operating performance and its ability to generate cash flow from operations that are available for taxes and capital expenditures. Investors should recognize that EBITDA might not be comparable to similarly titled measures of other companies. The Company believes that EBITDA is useful to investors and other external users of Hill's financial statements in evaluating its operating performance because EBITDA is widely used by investors to measure a company's operating performance without regard to items such as interest expense, taxes, and depreciation and amortization, which can vary substantially from company to company depending upon accounting methods and book value of assets, capital structure and the method by which assets were acquired.

Adjusted EBITDA is EBITDA, adjusted to exclude the impact of certain items, including non-recurring, one-time costs (as presented in the table below) and non-cash items such as unrealized foreign currency exchange losses (benefit) and share-based compensation expense.

Adjusted Net Income (Loss) Attributable to Hill

Adjusted net income (loss) attributable to Hill is net income (loss) attributable to Hill, adjusted to exclude non-cash items including unrealized foreign currency exchange losses (gains), share-based compensation and the write-off of leasehold improvements previously included in property and equipment on the Company's consolidated balance sheets. The Company believes that adjusted net income (loss) attributable to Hill is useful to investors and other external users of Hill's financial statements as a measure of a company's operating performance, without regard to non-cash activity.

Free Cash Flow

Free cash flow, a non-GAAP measure, includes net cash provided by (used in) continuing operations, less purchases of property and equipment. Free cash flow is a useful indicator that provides additional perspective on Hill's ability to generate cash that is available to the Company for taxes and other corporate purposes. Investors should recognize that free cash flow might not be comparable to similarly-titled measures of other companies. This measure should be considered in addition to, and not as a substitute for or superior to, any measure of performance prepared in accordance with GAAP.

Q1 2021 Overview

- CFR reflected COVID-driven project delays and suspensions; CFR expected to increase throughout 2021
- SG&A declined, losses narrowed from prior year period
- Strong new bookings, with an emphasis on infrastructure and facilities management
- New awards activity expected to accelerate in 2021
- Cash collections and cash flow expected to improve materially beginning in Q2 2021

CFR	SG&A	Operating Loss
\$72.4 M	\$27.7 M	\$(0.2) M
Net Loss	Adj. EBITDA*	Bookings
\$(2.7) M	\$0.7 M	\$91.5 M

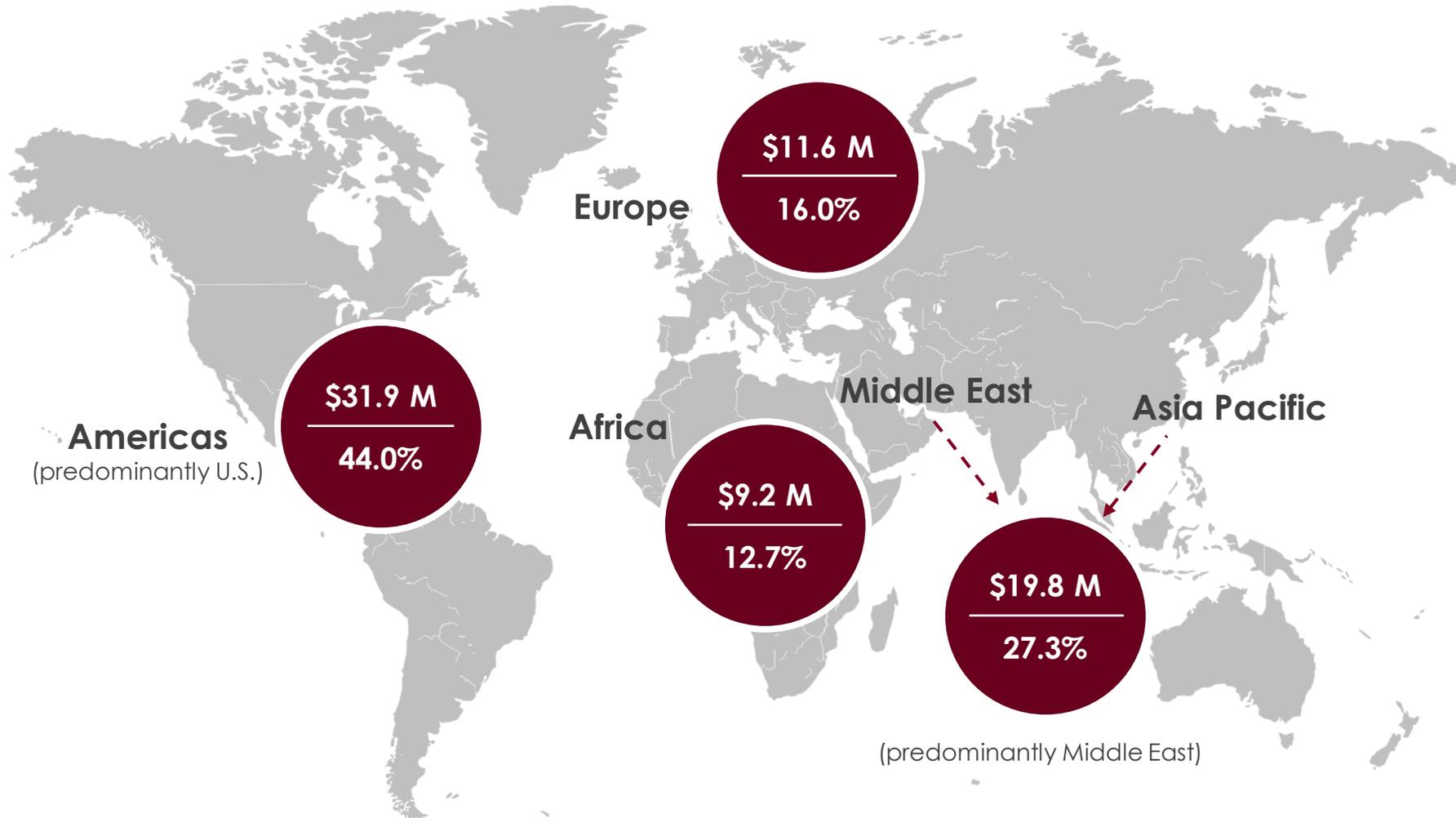
* non-GAAP measure

Q1 2021: U.S. Focus with a Global Reach

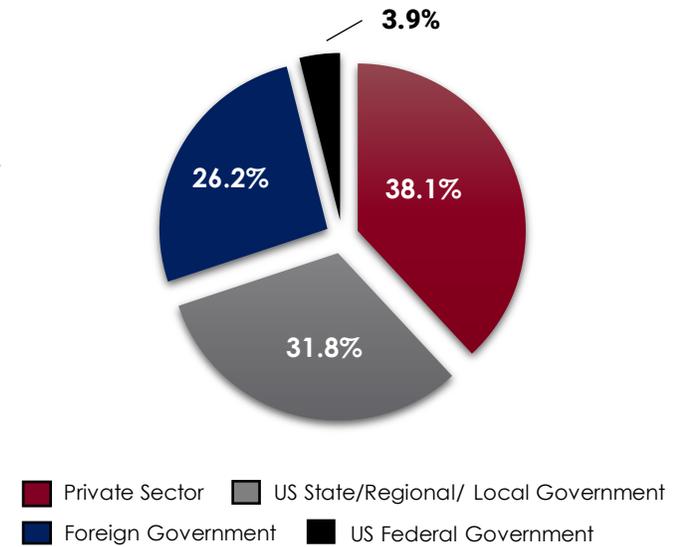
Total CFR = \$72.4 M



Hill International



Total Revenue by Client Type



2021 Wins



Hill International

Three Office Modernizations, Renovations, and Consolidations
USBC/John W. Bricker Building, Centers for Medicare & Medicaid Services, and Bean Federal Center



General Services Administration (GSA), Columbus, OH, Woodlawn, MD, Indianapolis, IN

Facilities Management (FM) Consultancy Services for More Than 2,000 Facilities

Tatweer Building Company (TBC), Saudi Ministry of Education, Riyadh, KSA



Eccles/1951 Renovation and Expansion

Federal Reserve Board (FRB)
Washington, DC



Northland Medical Campus

Essentia Health, Duluth, MN



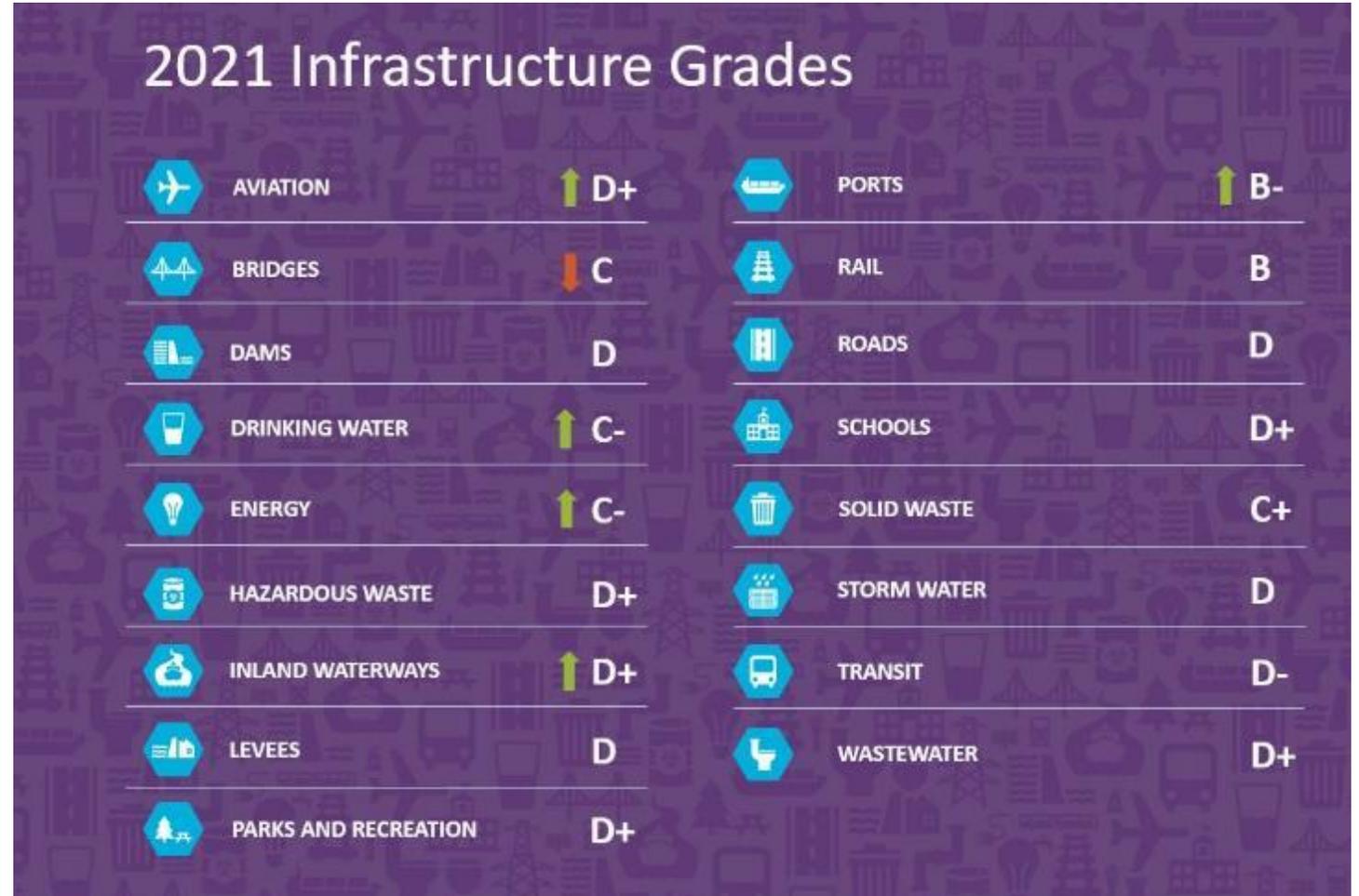
Two Fire Stations and Police Station

City of New Braunfels, Texas



America's Infrastructure Report Card

- America's cumulative infrastructure grade is a **C-** according to the American Society of Civil Engineers (ASCE)
- ASCE estimates \$2.59 trillion, 10-year investment gap to address infrastructure issues
- Hill is well-positioned to capture COVID-19 related global infrastructure investments
 - captured ~\$193 M infrastructure awards in 2020
 - ~44% of Q1 2021 new awards were infrastructure-related



Source: ASCE; <https://infrastructurereportcard.org/>

Strengthening Our Team



Michael B. Smith
President,
Americas Region

Gregory Heinz
Senior Vice President
and Western Region
Manager

Luis Lugo
Senior Vice President,
Business Development,
Americas

Eladio Castrodad
First Vice President for
Florida and Caribbean
Region

J.P. Villamizar
First Vice President for
Southern California
Operations and
LATAM Support

Industry Experience

**25
Years**

**25
Years**

**30
Years**

**23
Years**

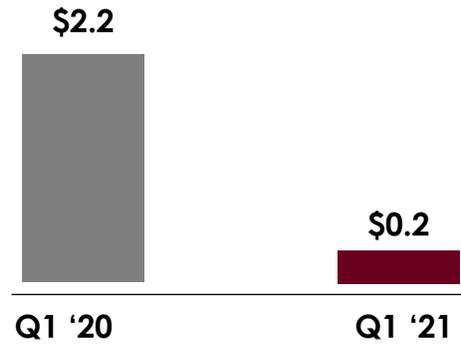
**25
Years**

Statement of Operations Summary (\$ in Thousands)

	Q1 2021	Q1 2020
Consulting fee revenue	\$ 72,409	\$ 77,150
Total revenue	\$ 87,086	\$ 93,308
Gross profit	\$ 27,231	\$ 28,260
Selling, general and administrative expenses	\$ 27,686	\$ 28,098
Operating loss	\$ (154)	\$(3,865)
Interest and related financing fees	\$ 1,347	\$ 1,299
Other income, net	\$ 2	\$ 345
Loss before income taxes	\$(1,499)	\$(4,819)
Income tax expense	\$1,076	\$1,603
Net loss attributable to Hill Int'l., Inc.	\$(2,691)	\$(6,581)

Financial Overview (\$ in MMs)

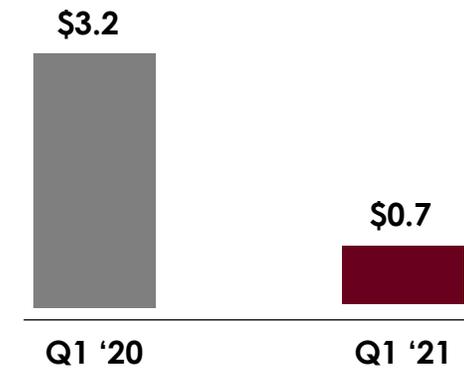
Adjusted Operating Profit *



Adjusted Net Loss*



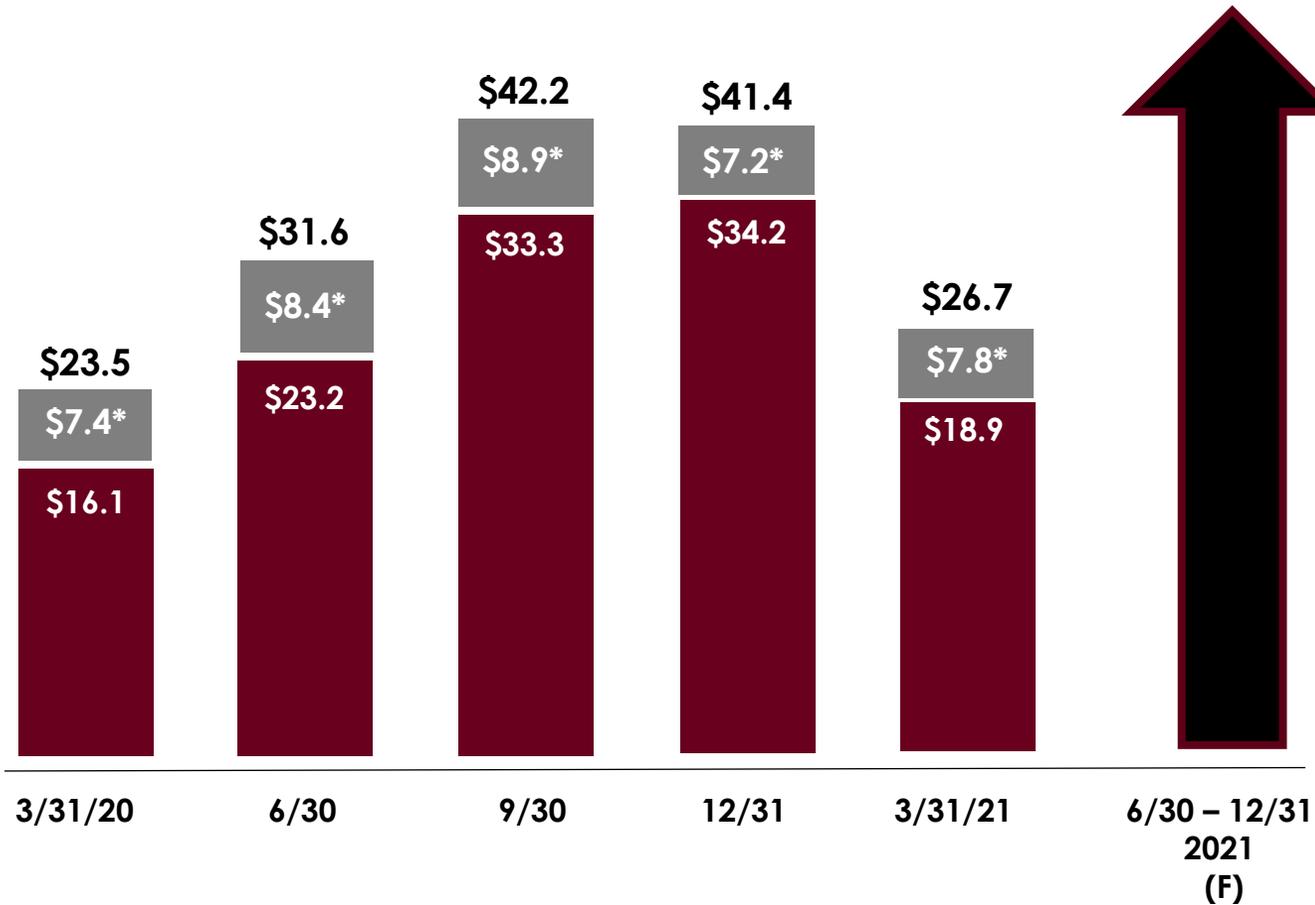
Adjusted EBITDA *



* Non-GAAP measure; see reconciliation on slide 16

Liquidity Metrics (\$ in MMs)

Total Cash

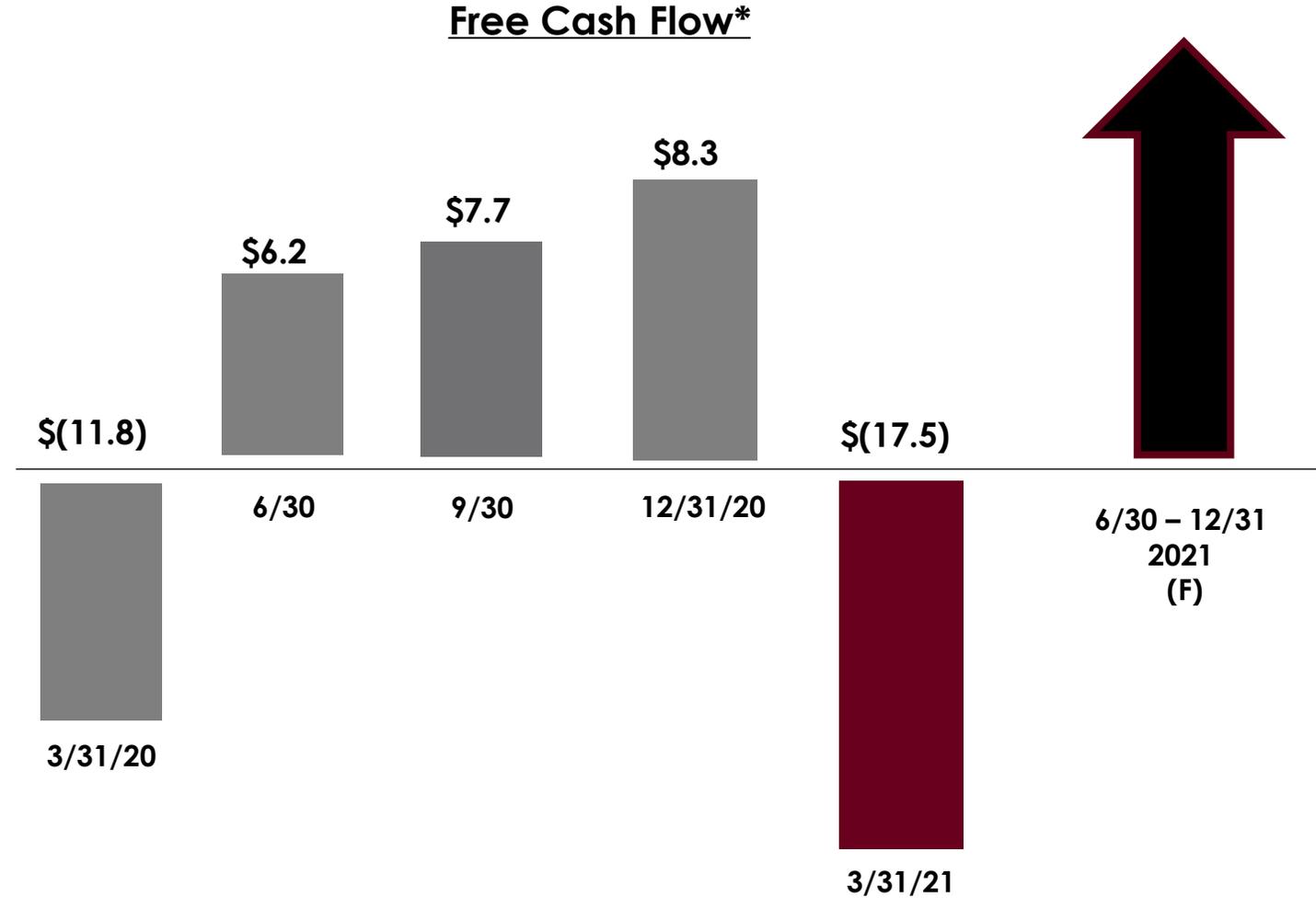


- Q1 2021 decline in cash reflected:
 - Timing of cash collections
 - Seasonality
- Significant improvement in cash position expected in Q2 2021
- Unrestricted cash at 12/31/2021 should exceed 12/31/20 unrestricted cash by ~\$ 5M

* Restricted Cash

Liquidity Metrics (\$ in MMs)

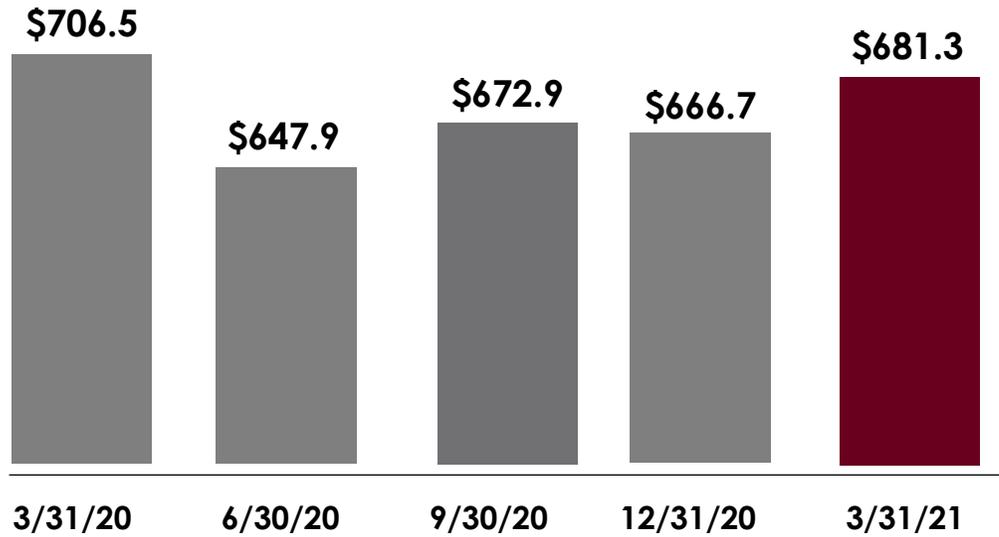
- Expect positive free cash flow beginning Q2 2021
- Cash flow positive for 2021



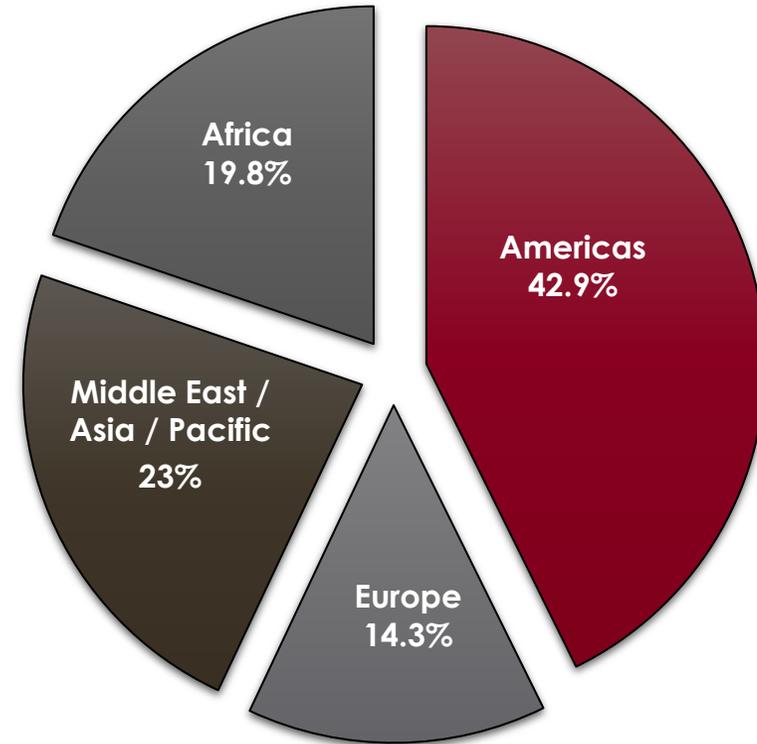
* Non-GAAP measure

Total Backlog (\$ in MMs)

Total Backlog



Backlog by Geography
3/31/21



2021 Outlook

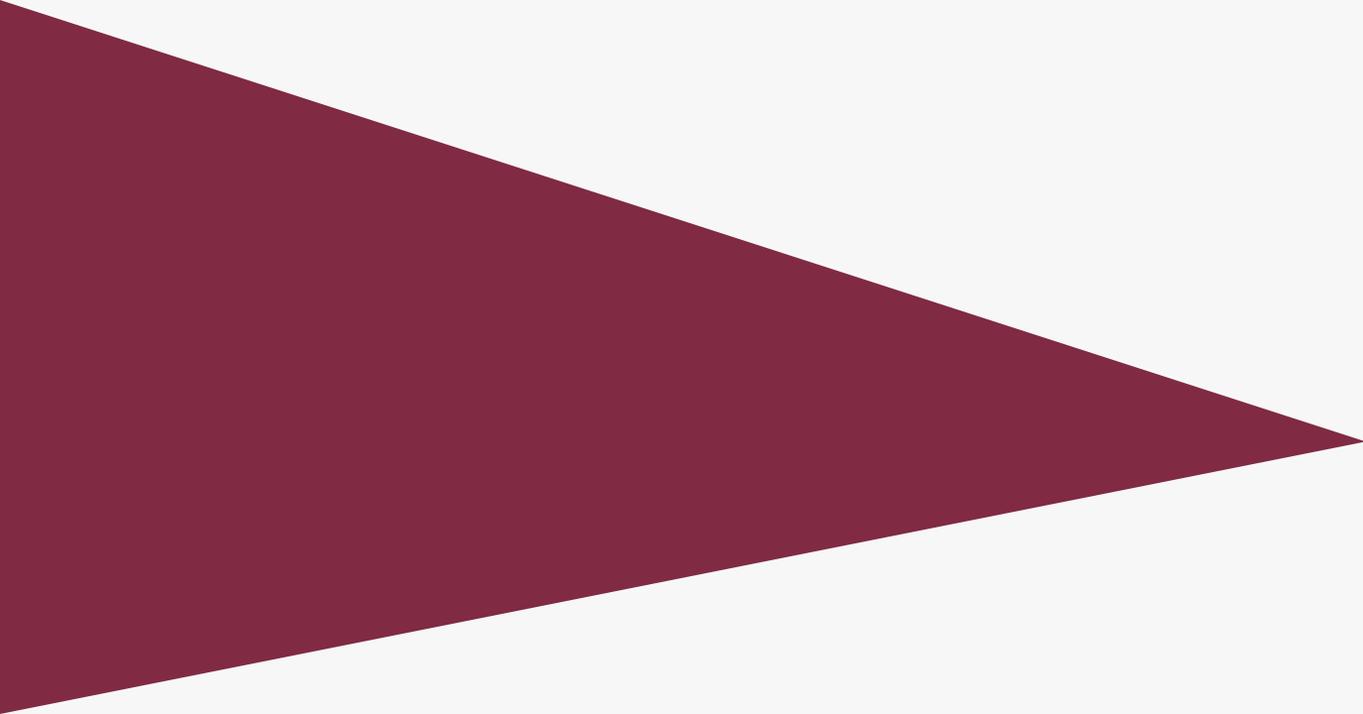
- Higher CFR to be driven by new awards, extensions to existing contracts
- Continuing focus on positive free cash flow and liquidity enhancement; will balance with working capital requirements associated with an anticipated resumption in growth during 2021

CFR

\$320 - \$330 M

Adjusted EBITDA

\$20 - \$22 M



Appendix

Reconciliation Tables

	Three Months Ended March 31,	
	2021	2020
Operating loss	\$ (154)	\$ (3,865)
<i>Adjustments to operating loss</i>		
Share-based compensation	449	399
Unrealized foreign currency exchange (benefit) loss	(134)	4,103
Write-off of leasehold improvement ⁽¹⁾	—	1,582
Adjusted operating profit	\$ 161	\$ 2,219
Net loss	(2,575)	(6,422)
Less: net earnings - noncontrolling interests	116	159
Net loss attributable to Hill International, Inc.	\$ (2,691)	\$ (6,581)
<i>Adjustments to net (loss) earnings attributable to Hill International, Inc.</i>		
Less: Interest and related financing fees, net	1,347	1,299
Income tax expense	1,076	1,603
Depreciation and amortization expense ⁽¹⁾	694	2,424
EBITDA	426	(1,255)
<i>Adjustments to EBITDA:</i>		
Share-based compensation	449	399
Unrealized foreign currency exchange (benefit) loss	(134)	4,103
Adjusted EBITDA	\$ 741	\$ 3,247
Net loss attributable to Hill International, Inc.	\$ (2,691)	\$ (6,581)
<i>Adjustments to net (loss) earnings attributable to Hill International, Inc.</i>		
Share-based compensation	449	399
Unrealized foreign currency exchange (benefit) loss	(134)	4,103
Write-off of leasehold improvement ⁽¹⁾	—	1,582
Adjusted net income	\$ (2,376)	\$ (497)

(1) The write-off of leasehold improvements that was incurred during the quarter ended March 31, 2020 as a result of the sublease of the Company's corporate headquarters as part of its cost reduction initiatives was included in depreciation and amortization expense and is reflected in SG&A in the Company's consolidated statements of operations.