

# CENTURI & RIGGS DISTLER PRESENTATION

JULY 2021



**CENTURI**



# DISCLOSURE



This document contains statements which constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 (“Reform Act”). All statements other than statements of historical fact included or incorporated by reference in this document are forward-looking statements, including, without limitation, statements regarding the Company’s plans, objectives, goals, intentions, projections, strategies, future events or performance, and underlying assumptions. The words “may,” “if,” “will,” “should,” “could,” “expect,” “plan,” “anticipate,” “believe,” “estimate,” “predict,” “project,” “continue,” “forecast,” “intend,” “promote,” “seek,” and similar words and expressions are generally used and intended to identify forward-looking statements. For example, statements regarding operating margin patterns, customer growth, the composition of our customer base, seasonal patterns, payment of debt, interest savings, replacement market and new construction market, forecasted operating cash flows and results of operations, sufficiency of working capital and current credit facility, the Company’s views regarding its liquidity position, projected financial performance and contract renewals are forward-looking statements. All forward-looking statements are intended to be subject to the safe harbor protection provided by the Reform Act.

A number of important factors affecting the business and financial results of the Company could cause actual results to differ materially from those stated in the forward-looking statements. These factors include, but are not limited to, customer growth rates, conditions in the construction market, the effects of regulation/deregulation, changes in capital requirements and funding, the impact of conditions in the capital markets on financing costs, changes in construction expenditures and financing, changes in operations and maintenance expenses, accounting changes, future liability claims, results of bid work, impacts of structural and management changes, construction expenses, differences between actual and originally expected outcomes of Centuri construction agreements, competition, and our ability to raise capital in external financings. In addition, the Company can provide no assurance that its discussions regarding certain trends relating to its financing and operating expenses will continue in future periods.

All forward-looking statements in this document are made as of the date hereof, based on information available to the Company as of the date hereof, and the Company assumes no obligation to update or revise any of its forward-looking statements even if experience or future changes show that the indicated results or events will not be realized. **We caution you not to unduly rely on any forward-looking statement(s).**

All financial figures and calculations reference Company provided documents and may not match the audited financials due to adjustments and the exclusion of certain subsidiaries.

We use certain information in this presentation that has been obtained from third parties, including Riggs Distler & Company, Inc. While we believe this information to be accurate, we have not independently verified all such information.

This presentation shall not be deemed an offer to sell, or a solicitation of an offer to purchase, any securities of Southwest Gas Holdings, Inc. or its subsidiaries.

Certain non-GAAP measures are used in this presentation, including EBITDA. For definitions of such non-GAAP measures and reconciliations to the most comparable GAAP measure, see the Appendix to this presentation

# EXECUTIVE SUMMARY



- » Centuri Group, Inc. (“Centuri” or the “Company”) is a comprehensive utility services enterprise dedicated to delivering a diverse array of solutions to North America’s gas and electric providers
  - The Company generated LTM 3/31/21 revenue and compliance EBITDA of \$1,979 million and \$233 million, respectively
  
- » On June 28<sup>th</sup>, 2021, Centuri entered into a definitive agreement to acquire Riggs Distler & Company, Inc. (“Riggs”) for a total enterprise value of \$855 million
  - Riggs, a union electric utility services contractor primarily focused in the Northeastern U.S., generated LTM 3/31/21 revenue and adjusted EBITDA of \$458 million and \$58 million, respectively
  - On a run-rate basis, Riggs generated \$75 million of adjusted EBITDA (including 14 incremental Master Service Agreements (“MSAs”) awarded with two utility providers (who are existing customers), which are expected to contribute an incremental ~\$17 million of EBITDA by year-end 2022)
  
- » The acquisition enhances Centuri’s scale, geographic footprint, service offerings and financial profile, while retaining its MSA-driven utility services profile with long-term contracts and multi-decade average customer tenure with high quality counterparties
  - Pro forma for the acquisition, the combined company generated LTM 3/31/21 revenue and run-rate adjusted EBITDA of \$2,437 million and \$308 million<sup>1</sup>, respectively; note that Centuri has not modeled any cost synergies for the acquisition due to minimal overlap in the businesses today
  
- » The acquisition is expected to close in August or September, subject to regulatory approvals



**CENTURI**

# CENTURI OVERVIEW



**THINK AHEAD »**

# CENTURI OWNED BY INVESTMENT-GRADE RATED SWX



- » SWX is a holding company that owns all of the shares of common stock of Centuri and Southwest Gas Corporation (“Southwest Gas”)
- » Centuri represents SWX’s “utility infrastructure services” segment, which comprised ~59% and ~32% of SWX revenue and net income, respectively, in 2020



# COMPANY HISTORY



1967	1987	1996	2000	2014	2017	2018	2020	2021
<b>NPL Founded</b>	<b>Phoenix Move</b>	<b>Southwest Gas</b>	<b>Strategic Alliances</b>	<b>Strategic Growth</b>	<b>Neuco Acquisition</b>	<b>Industry Leadership</b>	<b>Record Achievements</b>	<b>Riggs Acquisition</b>
<p>NPL was founded in Gonvick, Minnesota as Northern Gas Line Constructors</p> <p>Over fifty years later NPL is still serving its very first customer, now known as Minnesota Energy Resources (MERC)</p>	<p>With a focus on national growth, NPL relocates its corporate headquarters to Phoenix, Arizona</p>	<p>NPL becomes a wholly-owned subsidiary of Southwest Gas Corporation, following completion of a \$24 million acquisition</p>	<p>Strategic Alliances developed to meet the long term needs of key customers</p>	<p>With a 100-year vision for growth and diversification, Centuri Construction Group is established as a holding company and enters the Canadian market with the acquisition of Link-Line Group of Companies</p> <p>Revenue exceeds \$1 billion in first full year of combined company (2015)</p>	<p>Centuri expands its geographical reach in the U.S. to include New England with the acquisition of New England Utility Constructors, Inc. (Neuco)</p>	<p>Centuri is ranked #12 in ENR's Top 600 Specialty Contractors</p> <p>Centuri grows electric T&amp;D services and expands geographic reach into the U.S. Gulf Coast region with the acquisition of Linetec Services, LLC</p>	<p>Company-wide record safety performance</p> <p>Annual revenue increases to \$1.95 billion</p> <p>Electric Utility segment exceeds 20% of revenue</p>	<p>Riggs acquisition expands Centuri union electric utility distribution services and adds significant access to renewables and 5G Datacom</p>

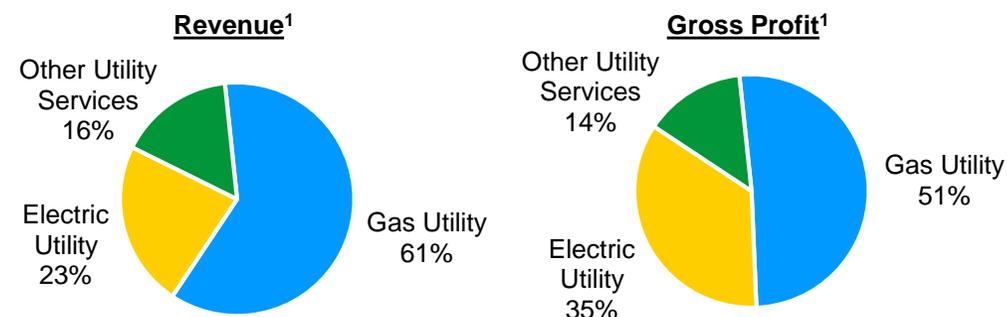
# CENTURI AT A GLANCE



## Overview

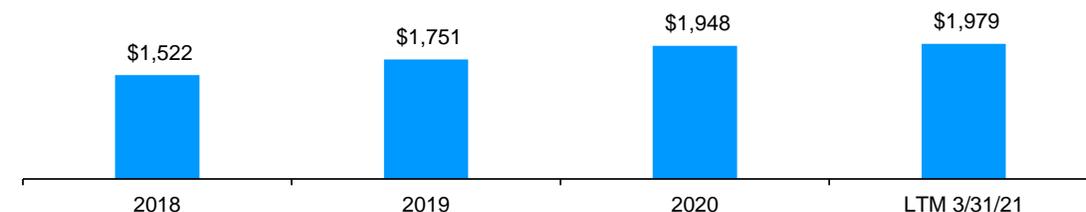
- » Comprehensive utility services enterprise dedicated to delivering a diverse array of solutions, including replacement and installation work, to North America's gas and electric providers
- » Headquartered in Phoenix, Arizona with more than 9,000 employees serving primarily utility customers across the U.S. & Canada
- » 50+ year operating history with significant growth trajectory, particularly with recent expansion into electric utilities
- » 77% of revenue from multi-year MSAs<sup>1</sup> that drive stable, recurring revenue
  - Heavily weighted toward unit price and time and materials contracts, with limited fixed-price lump-sum bids
- » Strong blue-chip customer base with primarily investment grade credit-rated, investor-owned utilities and municipalities
- » Operates in two key segments across the U.S. and Canada:
  - **Gas Utility:** provides installation, replacement and maintenance of gas distribution, local transmission, station and storage facilities
  - **Electric Utility:** provides transmission line, distribution line, substation and storm restoration electric services

## Work Type Breakdown



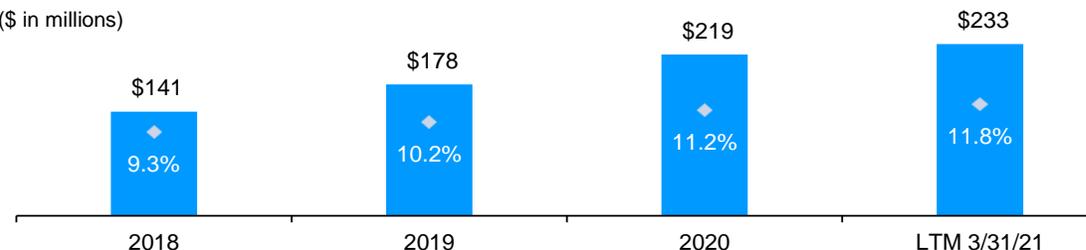
## Historical Revenue

(\$ in millions)



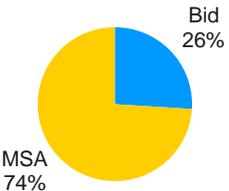
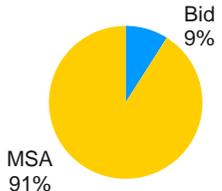
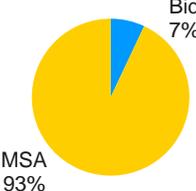
## Historical Compliance EBITDA & Margin

(\$ in millions)



# COMPANY OVERVIEW



	Gas Utility		
Business	 A CENTURI COMPANY	 NEW ENGLAND UTILITY CONSTRUCTORS INC. A CENTURI COMPANY	 A CENTURI COMPANY
Headquarters	Phoenix, Arizona	Lawrence, Massachusetts	Salt Lake City, Utah
Year Founded	1967	1972	2016
Primary Services	<ul style="list-style-type: none"> <li>» Distribution and urban pipeline construction</li> <li>» Pipeline integrity management</li> <li>» Station and facility construction</li> </ul>	<ul style="list-style-type: none"> <li>» Distribution and urban pipeline construction</li> <li>» Trenchless technology</li> </ul>	<ul style="list-style-type: none"> <li>» Urban pipeline construction</li> <li>» Pipeline integrity management</li> </ul>
Key End Market	<ul style="list-style-type: none"> <li>» Regulated gas utilities</li> <li>» Regulated combo utilities</li> </ul>	<ul style="list-style-type: none"> <li>» Regulated gas utilities</li> <li>» Regulated combo utilities</li> </ul>	<ul style="list-style-type: none"> <li>» Regulated gas utilities</li> <li>» Regulated combo utilities</li> </ul>
Geography	» Throughout the U.S.	» Massachusetts, New Hampshire, Maine	» Utah, Nevada, Arizona
Select Customers	     	  	 
Contract Type <sup>1</sup>			
Employees	~4,500	~300	~225
Union Workforce	Yes	No	No

# COMPANY OVERVIEW (CONT'D)

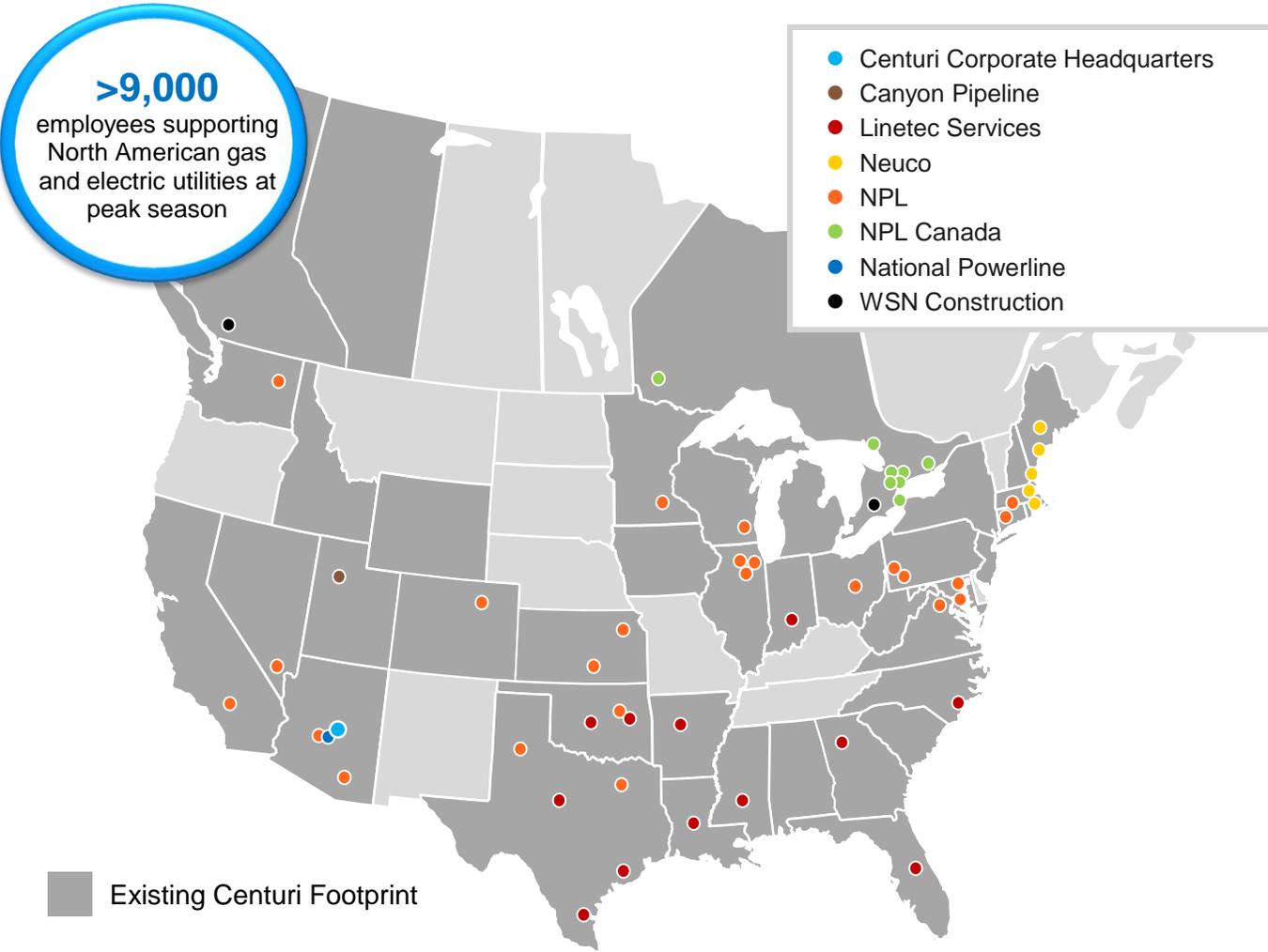


	Electric Utility	Canada Group
<b>Business</b>		
<b>Headquarters</b>	Alexandria, Louisiana	Phoenix, Arizona
<b>Year Founded</b>	2014	2019
<b>Primary Services</b>	<ul style="list-style-type: none"> <li>» Utility pole wire maintenance</li> <li>» Transmission and distribution line construction</li> <li>» Emergency electrical services restoration</li> </ul>	<ul style="list-style-type: none"> <li>» Distribution and urban pipeline construction</li> <li>» Pipeline integrity management</li> <li>» Telecommunication &amp; electric underground construction &amp; fabrication</li> <li>» Fabrication, gas pipeline, civil and industrial</li> <li>» Airport fueling systems</li> </ul>
<b>Key End Market</b>	» Large investor-owned utilities (electric and combo) and municipalities	» Primarily regulated gas utilities
<b>Geography</b>	» Throughout the Southeast, Southwest and Gulf Coast	» Alberta, British Columbia and Ontario
<b>Select Customers</b>		
<b>Contract Type<sup>1</sup></b>		
<b>Employees</b>	~1,500	~750
<b>Union Workforce</b>	No (Linetec) / Yes (National Powerline)	Yes

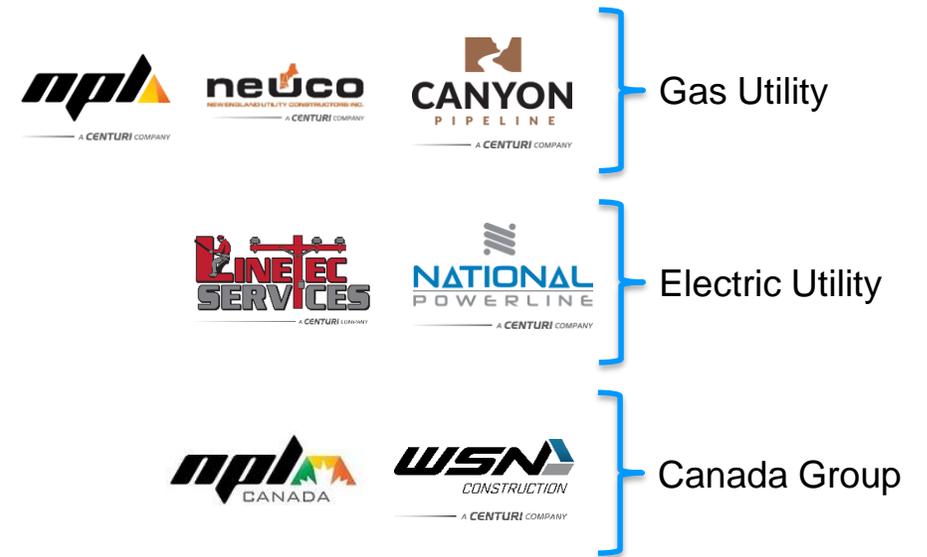
# BROAD EXISTING GEOGRAPHIC FOOTPRINT



## Centuri's Significant North American Presence Across Key Business Units



- » Operations in 55 primary locations across 40 states and provinces in the U.S. and Canada
  - 37 U.S. States
  - 3 Canadian Provinces
- » Over 1,000 active crews and over 9,000 employees at peak season that are geographically dispersed by business unit

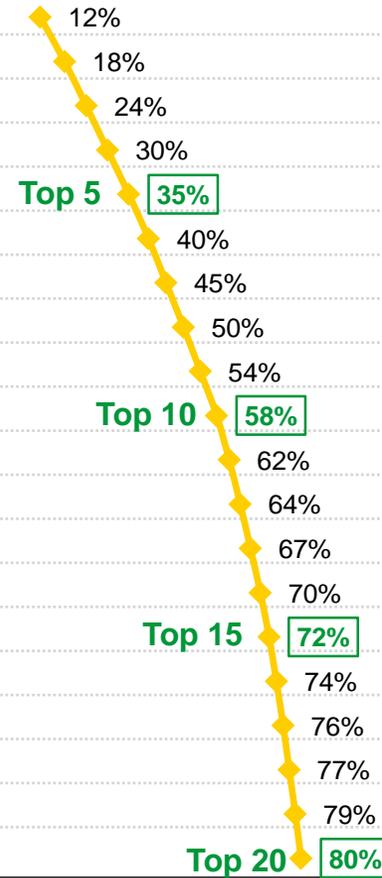


# DIVERSE, BLUE-CHIP CUSTOMERS



Top 20 Customers<sup>1</sup>

Customer #	Credit Rating	Revenue as % of Total	Revenue (\$ in Millions)	Relationship Length (Yrs)	Contract Length (Yrs)
1	A2/A	12%	\$233	43	5
2	Baa1/A-	6%	126	36	4
3	Baa1/A- <sup>2</sup>	6%	112	25	7
4	A2/A	6%	111	19	5
5	Baa2/BBB+	6%	111	7	3
6	A2/A-	5%	103	17	5
7	A3/BBB+	5%	92	14	6
8	A3/A-	5%	91	26	12
9	Baa2/A-	4%	88	4	3
10	Baa2/BBB+	4%	85	44	3
11	Baa2/BBB+	3%	65	13	8
12	A3/A	3%	57	26	10
13	Baa2/A-	3%	53	21	5
14	Baa2/BBB+	3%	52	4	4
15	A3/BBB+	2%	45	32	8
16	A2/A- <sup>2</sup>	2%	37	53	7
17	A2/A-	2%	36	5	3
18	Baa1/BBB+	2%	31	5	2
19	A2/A-	2%	31	29	5
20	Baa1/A-	2%	29	25	7
<b>Total – Average</b>			<b>\$1,588</b>	<b>22</b>	<b>6</b>



<sup>1</sup> As of LTM 3/31/21

<sup>2</sup> Denotes Parent Company Rating; Opco customer unrated

Source: Centuri management

# DIVERSE REVENUE STREAMS UNDERPINNED BY STABLE MSA AGREEMENTS

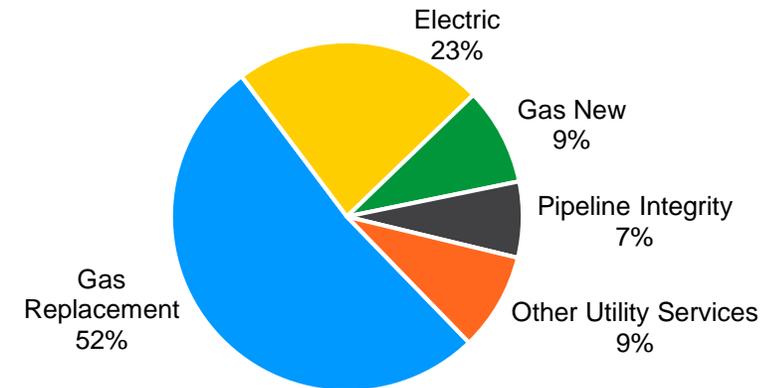


## Contract Overview

- » Centuri has two types of agreements with its customers: master service agreements (“MSAs”) and bid contracts
  - Under MSAs, customers issue work authorizations that describe the location, timing, and other details regarding a job; each work authorization is generally a single performance obligation
  - Generally bid contracts are performed for existing utility customers
  - **~77% of Centuri’s revenue<sup>1</sup> is contracted under multi-year MSA agreements with extension options, providing recurring revenue and earnings stability**
  
- » MSA and bid contracts are structured as either fixed price, unit price, or time and materials
  - Fixed price: set amount received for entire project scope
  - Unit price: pre-set price for discrete units of work in contract
  - Time and materials: pre-determined per-hour rates for employees and other direct costs
  - **~92% of Centuri’s revenue<sup>1</sup> is generated from time and materials or unit price contracts, driving margin stability and minimizing risk**

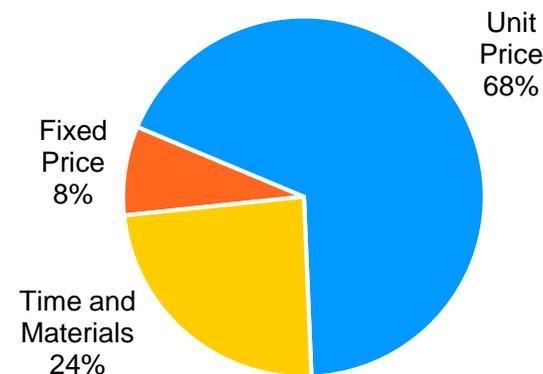
## Diverse Service Offerings...

Work Type<sup>1</sup>

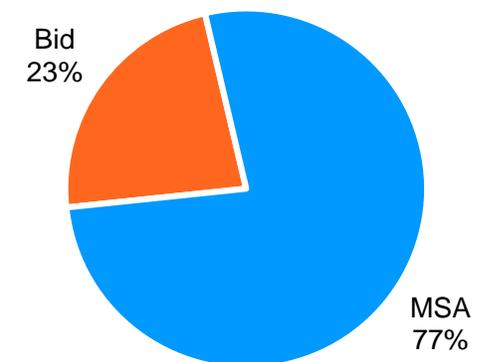


## ...Anchored by Strong Contractual Agreements

Contract Pricing Type<sup>1</sup>



Contract Structure Type<sup>1</sup>



# PROVEN BUSINESS STRATEGY AND TRACK RECORD OF SUCCESSFUL ACQUISITION INTEGRATIONS



- » Acquisition strategy has allowed Centuri to diversify its utility services platform and expand its geographic footprint
- » Disciplined and targeted approach to evaluating opportunities, including strategic fit and synergy opportunities
- » SWX has been supportive of Centuri's acquisition strategy, providing meaningful contributions in connection with acquisition financing
  - SWX commitment to cover the remaining 20% equity buyout of Linetec from 2022-2024; redeemable non-controlling interest fair value of \$205 million recorded at 3/31/21

## Acquisition History

Business	Purchase Price	Key Features & Achievements
<p><b>2014</b></p>  <p>f/k/a Link-Line Group of Companies</p>	<p>\$205 million<sup>1</sup></p>	<ul style="list-style-type: none"> <li>» Expansion into Canadian market</li> <li>» Added Canada's 3 largest gas utilities as customers</li> </ul>
<p><b>2017</b></p> 	<p>\$100 million</p>	<ul style="list-style-type: none"> <li>» Expansion into New England</li> <li>» Entry into non-union gas market</li> <li>» Cumulative net cash returned through 2020 equals ~80% of purchase price</li> </ul>
<p><b>2018</b></p> 	<p>\$379 million<sup>2</sup></p>	<ul style="list-style-type: none"> <li>» Expansion into Southeastern U.S.</li> <li>» Entry into non-union electric market</li> <li>» Significant equity contribution from SWX</li> <li>» Doubled size of business in first 25 months of ownership</li> </ul>
<p><b>2021</b></p> 	<p>\$855 million</p>	<ul style="list-style-type: none"> <li>» Expansion into Northeast and Mid-Atlantic</li> <li>» Expansion within union electric market</li> <li>» Expansion into 5G Datacom and renewables end markets</li> <li>» Enhanced ESG profile</li> </ul>

<sup>1</sup> \$191 million of cash paid at close along with seller retained equity

<sup>2</sup> \$303 million funded at close for 80% equity stake; remaining 20% to be purchased from 2022-2024



**CENTURI**

# RIGGS DISTLER OVERVIEW



**THINK AHEAD »**

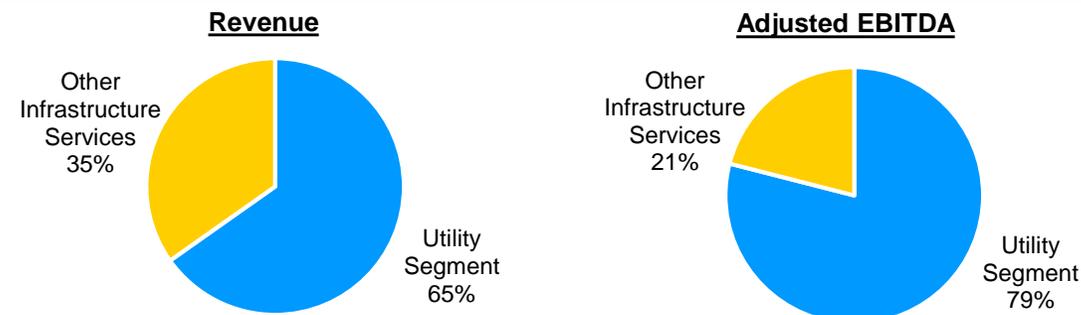
# RIGGS AT A GLANCE



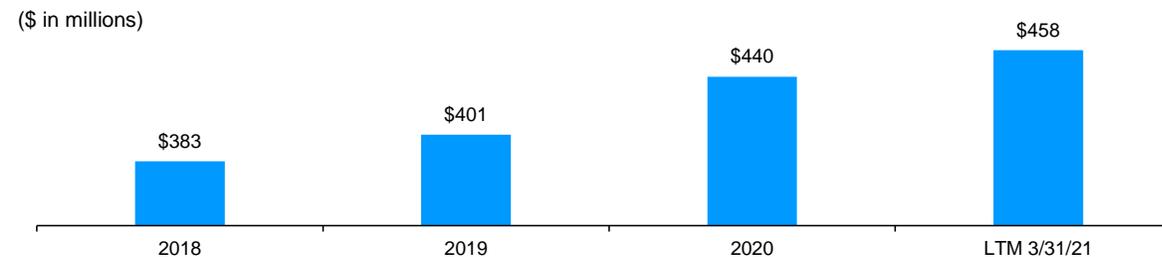
## Overview

- » Leading utility services contractor (electric & gas) in the Mid-Atlantic and Northeast U.S.
- » Headquartered in Cherry Hill, NJ with ~1,500+ employees
- » 110+ year operating history with significant recent growth due to 16 newly awarded incremental MSAs (including 14 with two existing utility customers)
- » 86% of revenue derived from multi-year MSAs<sup>2</sup>
  - Approximately 120 MSAs including key client relationships with Exelon, Avangrid, National Grid and PSE&G
  - Long-standing relationships with top customers, with no customer representing more than 13% of revenue<sup>1</sup>
- » Operates in two reportable segments:
  - **Utility Segment:** provides overhead and underground electric distribution services, overhead electric transmission, substation, gas distribution and 5G Datacom services
  - **Other Infrastructure Services Segment:** provides mechanical, electrical and heavy civil services to a variety of customers including heavy industrial, renewable, utility & generation and government

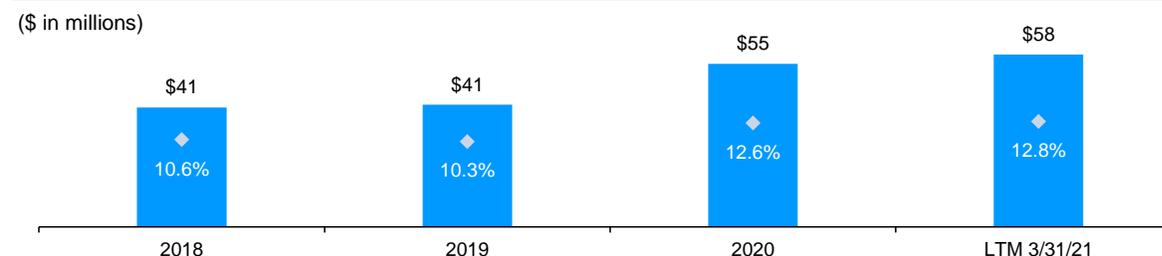
## Segment Breakdown<sup>1</sup>



## Historical Revenue



## Historical Adjusted EBITDA & Margin



<sup>1</sup> As of FY2020

<sup>2</sup> As of LTM 3/31/21

Source: Riggs provided financials; Riggs audited financial statements

# MARKET LEADER IN NORTHEAST & MID-ATLANTIC



## Riggs By the Numbers

**20**

States Served

**200+**

Annual Customers

**~120**

Customer MSAs

**19**

Company Facilities

**1,200+**

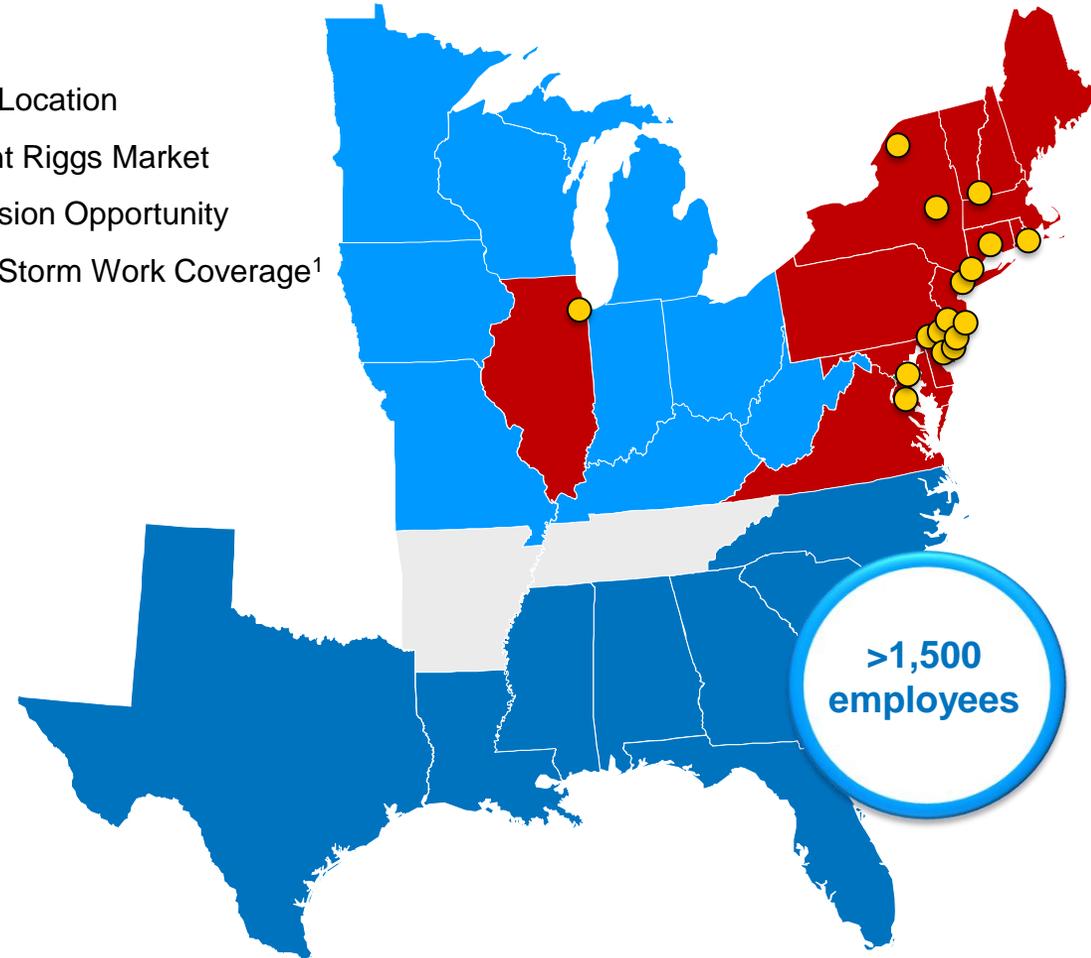
Company Vehicles

**800+**

Operating Equipment Units

## Geographic Footprint

- Riggs Location
- Current Riggs Market
- Expansion Opportunity
- Riggs Storm Work Coverage<sup>1</sup>



# ABILITY TO SERVE THE ENTIRE UTILITY AND INFRASTRUCTURE VALUE CHAIN



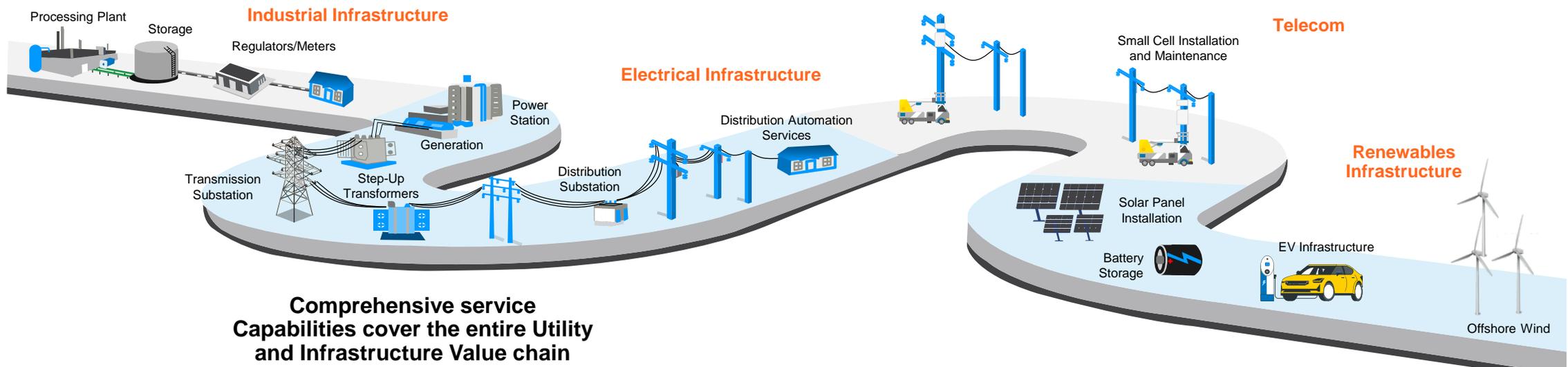
*Turnkey capabilities equip Riggs to serve as a one-stop shop for customers, resulting in revenue opportunities across the utility and infrastructure landscape*

## Unique Ability to Serve All Customer Needs

- » Platform supports transmission, distribution, substation, conventional and renewable generation, 5G datacom and other infrastructure services
- » Riggs primarily self-performs all work, which eliminates the need for subcontractors, optimizes scheduling, reduces costs and improves quality
- » Skilled union workforce and extensive footprint enable rapid response for normal-course and emergent work

## Why it Matters to Customers

- » Consolidate spend with a single, trusted provider
- » Single provider streamlines project delivery and reduces costs by eliminating layers of markup and duplicative indirect costs
- » Self-performing work ensures consistent execution, quality and accountability



Keeping Critical Infrastructure Operating at Peak Performance



# LONG-STANDING RELATIONSHIPS WITH BLUE-CHIP CUSTOMERS



- » Average relationships with top utility customers of over 30 years
- » Complementary to Centuri's 22-year average tenure for top 20 customers
- » Extensive relationship and long-term contracts with major investor-owned utilities in the Mid-Atlantic and Northeast U.S.
- » Largest customer accounts for 13% of revenue, with no other single customer accounting for > 10% of revenue<sup>1</sup>
- » Many customer relationships have multiple discrete MSAs, which are highly sticky contracts

**No overlap between Riggs' top 10 customers and Centuri's top 20 customers**

Customer	Credit Rating	MSAs	Utility	Other	Current Services	% of Revenue <sup>1</sup>
1	A2/BBB+	6	✓		OHD, UGD, Substation, Gas, Civil, Electrical	13%
2	Baa1/A-	5	✓		OHD, UGD, OHT, Matting, Substation	9%
3	Baa1/A-	4	✓		OHD, OHT, Matting, Gas	6%
4	Baa2/A-	2	✓		Gas	6%
5	A3/A	5	✓	✓	OHD, UGD, OHT, Matting, Gas, Civil, Electrical	5%
6	A2/A	-		✓	Electrical, Mechanical, Civil	4%
7	Baa2/BBB+	3	✓		OHD, OHT, Matting	5%
8	Baa1/A-	3	✓		OHD, OHT, Substation	3%
9	A3/A- <sup>2</sup>	-		✓	Electrical	3%
10	A3/A-	5		✓	Mechanical, Electrical, Civil	3%
<b>Total</b>						<b>57%</b>

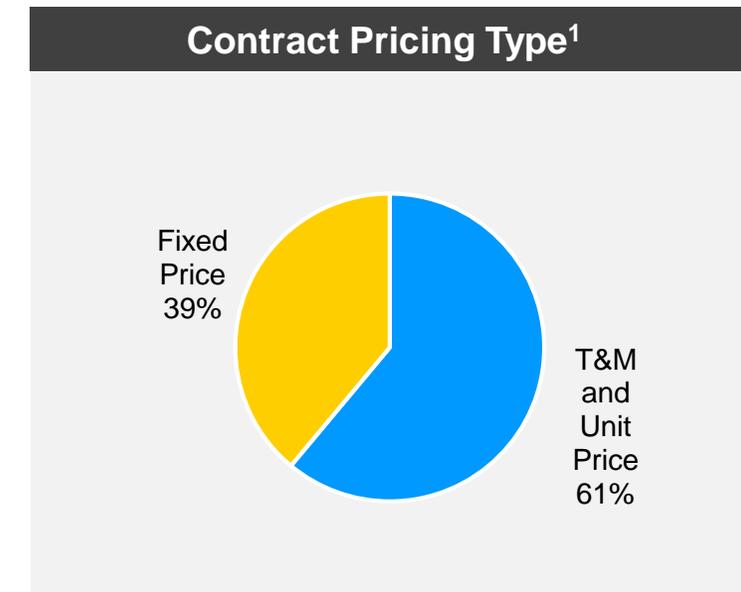
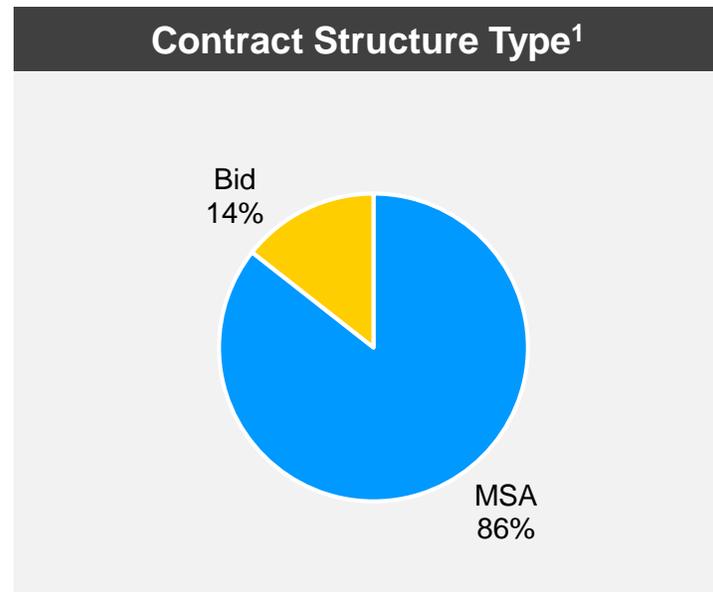
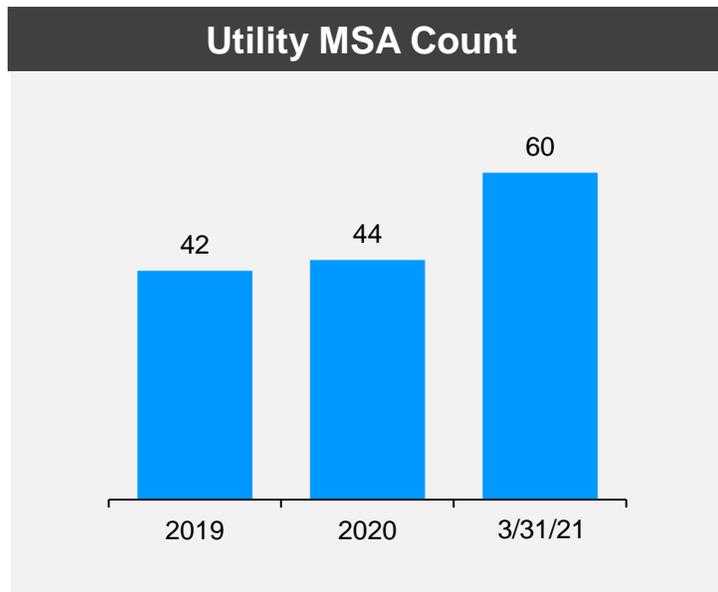
<sup>1</sup> As of FY2020

<sup>2</sup> Denotes Parent Company Rating; Opco customer unrated  
Source: Riggs provided financials and information

# HIGHLY RECURRING REVENUE UNDERPINNED BY LONG-TERM MSAs AND STABLE CONTRACTS



- » Riggs has 60 unique utility MSAs and 59 non-utility MSAs across multiple geographies
  - Annual volumes consistent given steady rate base driven nature of utility spending programs
  - Work across both segments is predominantly small ticket, short in duration and driven by ongoing maintenance requirements
  - The percentage of revenue generated from MSAs is expected to increase through 2022 onwards driven by ramp up of newly won MSAs and expected utility revenue synergies
- » While Riggs maintains a component of fixed price work it is able to maintain stability and predictability of cash flows by:
  - Performing primarily recurring maintenance oriented work under short-term and small-dollar jobs
  - Predominantly working with established customers; ~80% of fixed price done under MSA contracts and over 60% with utility customers



# CENTURI INTENDS TO RETAIN KEY MEMBERS OF RIGGS MANAGEMENT



- » Post acquisition, the Riggs management team will continue to manage the Riggs business as a standalone operating company
- » Similar to the Neuco and Linetec acquisitions, Centuri intends to retain key members of management via multi-year employment agreements, signing bonuses and earn-up incentive programs
- » Riggs' management team averages approximately 23 years of industry experience, with CEO Steve Zemaitatis, Jr. having a 20+ year tenure with Riggs

Executives	Riggs Tenure	Industry Tenure
Steve Zemaitatis, Jr. <i>President &amp; CEO</i>	22 years	22 years
Albert Fosbenner <i>CFO</i>	2 years	25 years
Craig Zemaitatis <i>VP Overhead Distribution</i>	15 years	16 years
Manfred Konrath <i>VP Underground Distribution</i>	37 years	37 years
Scott Zemaitatis <i>VP Transmission</i>	17 years	19 years
Scott Donadio <i>VP Gas Distribution</i>	4 years	22 years
Chris Johnston <i>VP Electrical &amp; Substation</i>	3 years	24 years

Executives	Riggs Tenure	Industry Tenure
Kenneth Mckay <i>VP General Counsel</i>	5 years	15 years
William Fischer <i>VP Heavy Industrial</i>	5 years	20 years
Craig Belfato <i>VP Mechanical</i>	2 years	20 years
Paul Creedon <i>VP Civil</i>	5 years	25 years
Jason McKay <i>Chief Information Officer</i>	4 years	21 years
Richard Neill <i>Senior Director of EHS</i>	3 years	28 years
Joseph Mason <i>Corporate Fleet Manager</i>	9 years	24 years
<b>Average</b>	<b>~10 years</b>	<b>~23 years</b>



**CENTURI**

# ACQUISITION RATIONALE



**THINK AHEAD »**

# RIGGS IS THE PERFECT FIT FOR CENTURI...

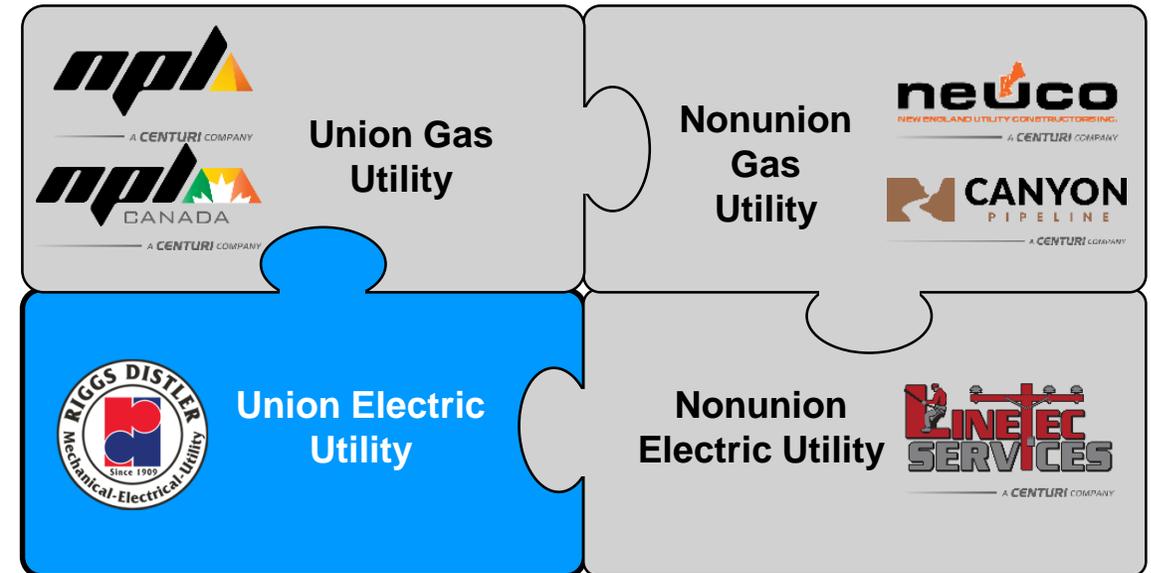


*Combining our existing industry-leading utility services platform with a scaled, union electric utility distribution focused provider*

## A Balanced Service Provider

- » Enhances electric utility distribution service capabilities, with ability to cater to union and nonunion markets
- » Access to attractive service adjacencies with outsized growth prospects in electrification, 5G and renewables
- » Complementary footprint with scale in a new attractive geography
- » Strong cultural alignment with shared focus on safety
- » World-class management teams bringing together expanded relationships and best practices
- » Retains low-risk, recurring, MSA-driven utility distribution services profile

## A Perfect Complementary Fit



# ...COMPLEMENTS CENTURI'S EXISTING BUSINESS...



	Centuri	+ Riggs																				
Business Overview	<ul style="list-style-type: none"> <li>» Utility services enterprise dedicated to delivering a diverse and comprehensive array of solutions to North America's gas and electric providers</li> </ul>	<ul style="list-style-type: none"> <li>» Utility infrastructure services contractor with a primary focus on union electric and secondary work in gas distribution and power generation, including renewables and industrial services</li> </ul>																				
Geographic Footprint	<ul style="list-style-type: none"> <li>» 55 primary locations across 37 states and 3 provinces in the U.S. and Canada, respectively</li> </ul>	<ul style="list-style-type: none"> <li>» 19 company facilities serving 20 states with a focused presence in the Northeast and Mid-Atlantic</li> </ul>																				
Financial Summary (LTM 3/31/21)	<ul style="list-style-type: none"> <li>» Revenue: \$1,979 million</li> <li>» Compliance EBITDA: \$233 million (~12% margin)</li> </ul>	<ul style="list-style-type: none"> <li>» Revenue: \$458 million</li> <li>» Adj. EBITDA: \$58 million (~13% margin)</li> </ul>																				
Utility Service Revenue Mix <sup>1</sup>	<table border="1"> <caption>Centuri Utility Service Revenue Mix</caption> <thead> <tr> <th>Category</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Gas Utility</td> <td>61%</td> </tr> <tr> <td>Electric Utility</td> <td>23%</td> </tr> <tr> <td>Other Utility Services</td> <td>16%</td> </tr> </tbody> </table>	Category	Percentage	Gas Utility	61%	Electric Utility	23%	Other Utility Services	16%	<table border="1"> <caption>Riggs Utility Service Revenue Mix</caption> <thead> <tr> <th>Category</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Electric Utility</td> <td>50%</td> </tr> <tr> <td>Other Utility Services</td> <td>23%</td> </tr> <tr> <td>Industrial</td> <td>12%</td> </tr> <tr> <td>Gas Utility</td> <td>11%</td> </tr> <tr> <td>5G Datacom</td> <td>4%</td> </tr> </tbody> </table>	Category	Percentage	Electric Utility	50%	Other Utility Services	23%	Industrial	12%	Gas Utility	11%	5G Datacom	4%
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MSA Revenue Contribution <sup>2</sup>	<b>75%+</b>	<b>85%+</b>																				

<sup>1</sup> Riggs utility service revenue mix as of FY2020 and Centuri as of LTM 3/31/21

<sup>2</sup> As of LTM 3/31/21

Source: Centuri management & Riggs historical financials

# ...ENHANCES SCALE & DIVERSIFICATION...



	2017 Centuri	Transformation	2021E Pro Forma Centuri <sup>1</sup>
<b>Business Units</b>		<p><i>Addition of electric utility creates comprehensive "pure-play" utility distribution services platform</i></p>	
<b>Revenue</b> (\$ in millions)	\$1,246	<i>2x+ increase in revenue</i>	\$2,500
<b>Adjusted EBITDA Margin</b>	~8%	<i>~340 bps margin expansion</i>	~11%
<b>Projected Growth</b>	Mid-Single Digit <sup>2</sup>	<i>Attractive growth profile</i>	Double Digit <sup>3</sup>
<b>MSA as % of Revenue</b>	71%	<i>Growing MSA orientation</i>	78% <sup>4</sup>
<b>Gross Margin by End Market <sup>4</sup></b>		<p><i>Increased access to electric utility distribution</i></p>	

<sup>1</sup> Reflects 2021 estimated figures unless otherwise noted

<sup>2</sup> 2017-2019 CAGR

<sup>3</sup> 2021-2023 CAGR

<sup>4</sup> Pro forma is LTM 3/31/21

Source: Centuri management

# ...ADDS ESG OPPORTUNITIES...



- » Provides real ESG market messaging opportunity for SWX and Centuri with renewable projects Riggs has accomplished so far
- » Riggs has experience building several of the renewable opportunities Centuri has been assessing
  - Solar Projects
  - Anaerobic Digester Facilities
  - Battery Storage
  - EV Charging
  - Fuel Cells
  - Microgrid
- » Increases pipeline replacement capabilities which dramatically reduce methane emissions through system modernization and leak repair
- » Participation in Offshore Wind (“OSW”) projects when finally realized
- » Riggs resume improves overall SWX ESG narrative

<p><b>Tracking &amp; Reducing Direct Carbon Emissions</b></p> <p><i>Adopting Centuri GHG Reduction Goal</i></p> <p>CO<sub>2</sub> ↓ <b>25% by 2030</b></p>	<p><b>Renewables and Clean Power Services Enabling GHG Savings and Resiliency</b></p> <p>A leading <b>experienced partner</b> to utilities in:</p> <table border="1"> <tr> <td><i>EV Charging Infrastructure</i></td> <td><i>Fuel Cells</i></td> <td><i>Battery Storage</i></td> </tr> <tr> <td><i>Smart Meters</i></td> <td><i>RNG</i></td> <td><i>Microgrids</i></td> </tr> </table>	<i>EV Charging Infrastructure</i>	<i>Fuel Cells</i>	<i>Battery Storage</i>	<i>Smart Meters</i>	<i>RNG</i>	<i>Microgrids</i>	<p><b>Offshore Wind Services</b></p> <p>Positioned to support expected wave of U.S. off-shore wind projects <b>critical to decarbonizing</b> coastal population centers</p>	<p><b>100+ Years of Safety</b></p> <p>Proven safety culture and excellent safety track record over 100+ year history</p>	<p><b>Community</b> <b>Diversity, Equity and Inclusion</b></p> <p>Established community partner program and employee “Helping Hands” philanthropic initiative</p>
<i>EV Charging Infrastructure</i>	<i>Fuel Cells</i>	<i>Battery Storage</i>								
<i>Smart Meters</i>	<i>RNG</i>	<i>Microgrids</i>								

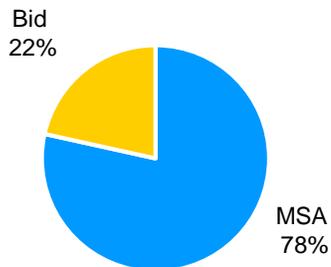
# ...AND REINFORCES CENTURI'S BUSINESS PROFILE



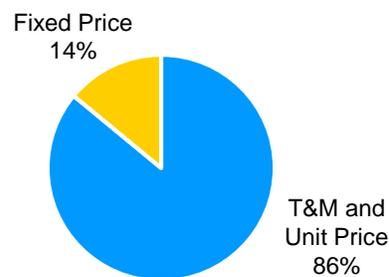
Centuri + Riggs creates a premier diversified utility services company with balanced growth optionality

## Low Risk...

Revenue by Contract Structure <sup>1</sup>



Revenue by Contract Type <sup>1</sup>



## ...Plus Favorable Competitive Position...

	CENTURI	QUANTA	MasTec	PSC Primoris	MYR GROUP
Double-breasted workforce	✓	✓	✓	✓	✓
Gas distribution services	✓	✓	✓	✓	✗
No cross-country pipeline projects	✓	✗	✗	✗	✓
Electric distribution services	✓	✓	✓	✓	✓
No cross-country electric transmission projects	✓	✗	✗	✗	✗
Enhanced ESG profile / Access to high-growth 5G	✓	✓	✓	✓	✓

  Denotes significantly increased capabilities from Riggs acquisition
   Denotes new capability from Riggs acquisition

## ...Drives Highest Growth and Least Volatility

Rank	10Y EBITDA CAGR <sup>2</sup>	10Y EBITDA Volatility <sup>3</sup>
1	<b>Highest growth</b> CENTURI	<b>Least volatile</b> CENTURI
2	MasTec	PSC Primoris
3	MYR	MasTec
4	PSC Primoris	QUANTA
5	QUANTA	MYR

<sup>1</sup> Pro forma Centuri and Riggs; LTM as of 3/31/21

<sup>2</sup> Compound Annual Growth Rate (CAGR) rankings based on change from 12/31/2010 to 12/31/2020

<sup>3</sup> Volatility rankings based on Standard Error of the Regression (SER) statistics for 10 years ended 12/31/2020



**CENTURI**

# KEY CREDIT HIGHLIGHTS



**THINK AHEAD »**

# KEY CREDIT HIGHLIGHTS



- 1 Leading Utility Services Company
- 2 Consistent Free Cash Flow Generation
- 3 Commitment to a Conservative Credit Profile
- 4 Recurring and Stable Revenue from MSAs
- 5 Blue Chip Customer Base with Longstanding Relationships
- 6 Favorable Industry Tailwinds
- 7 Highly Experienced Management Team



# ENHANCED SCALE & DIVERSIFICATION...



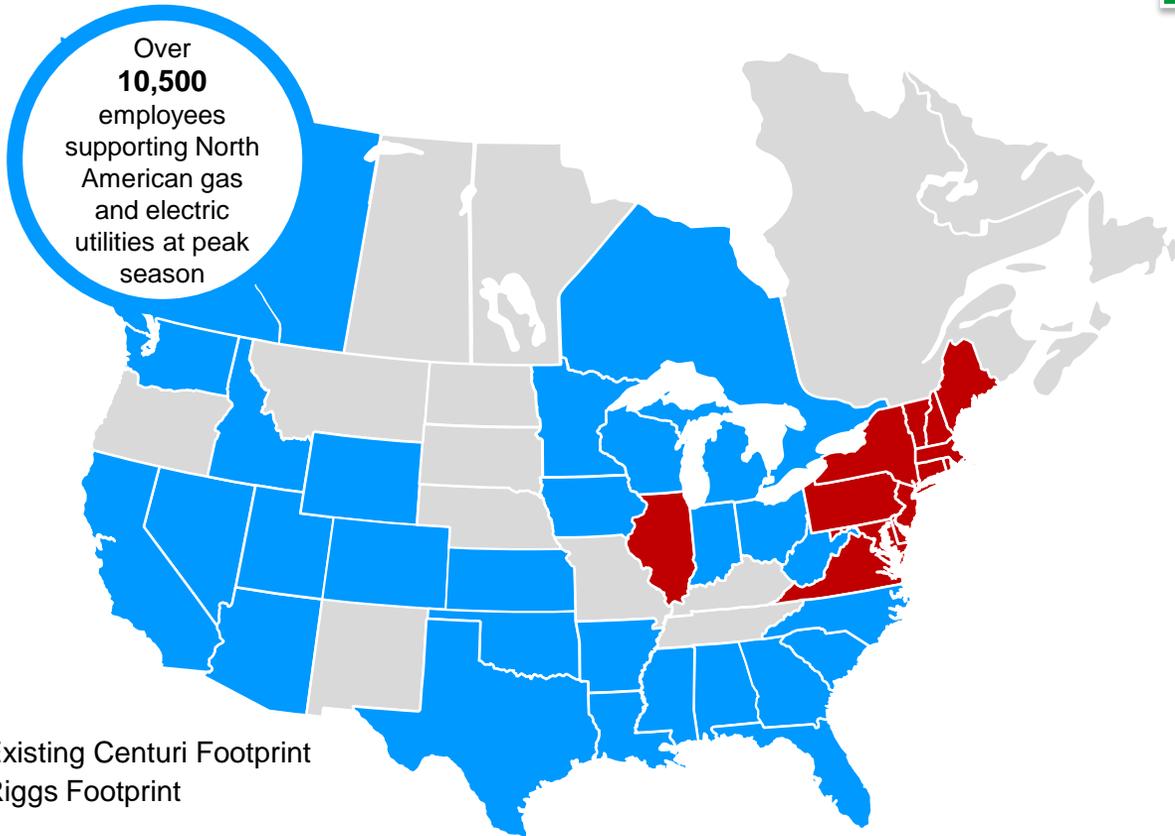
\$2,437 million of Revenue<sup>1</sup>

\$308 million of Adjusted EBITDA<sup>1</sup>

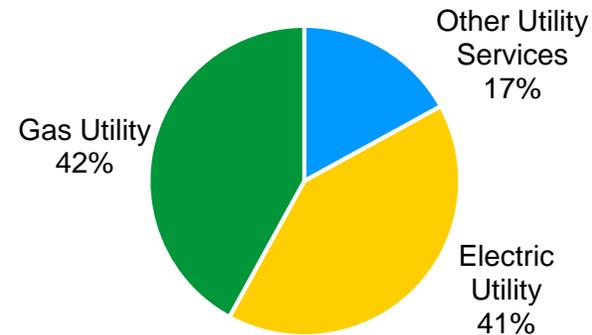
Solidified North American Leader



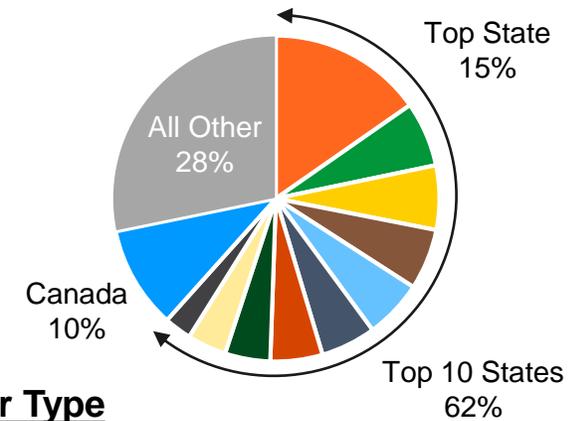
Diverse Earnings Composition<sup>2</sup>



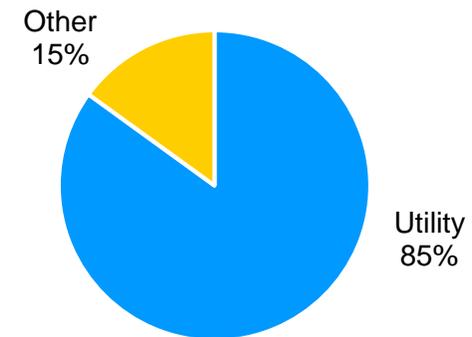
### End Market



### Geography



### Customer Type

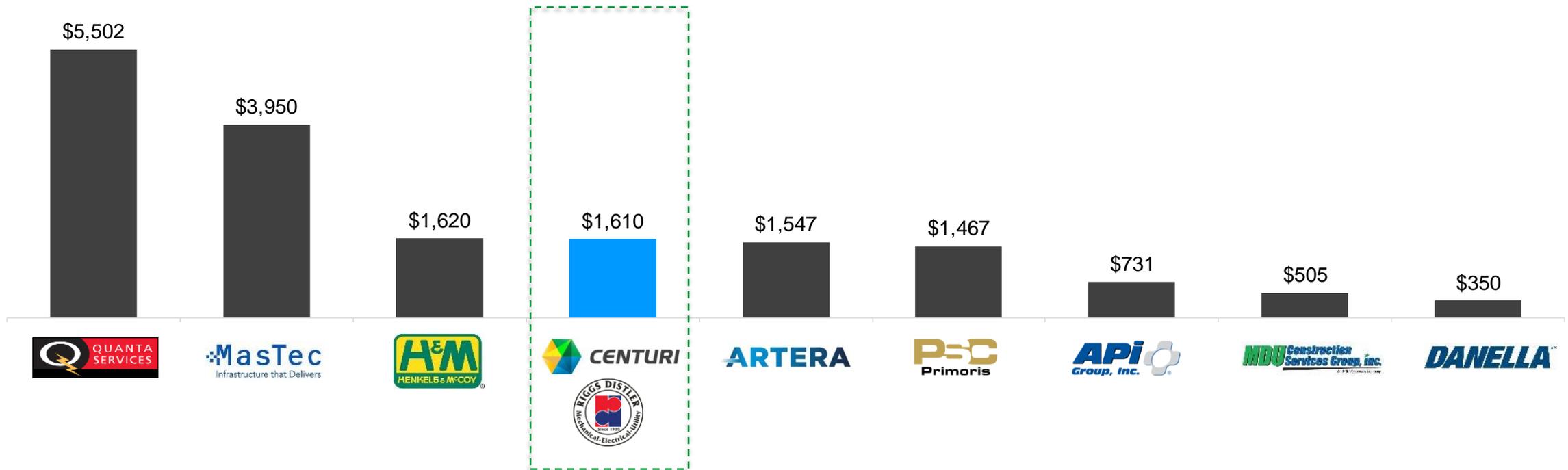


# ...CREATES TOP PLAYER IN UTILITY SERVICES SECTOR



## Top 10 Utility Services Firms<sup>1</sup>

(\$ in millions)



**Fourth largest utility services provider by total revenue**

# CONSISTENT FREE CASH FLOW GENERATION



- » \$400+ million of Free Cash Flow generation since 2018
- » Key cash flow drivers:
  - Stable, recurring revenue supported by majority MSA contract structure
  - Modest maintenance CapEx requirements, averaging ~2% of revenue over the last 3 years



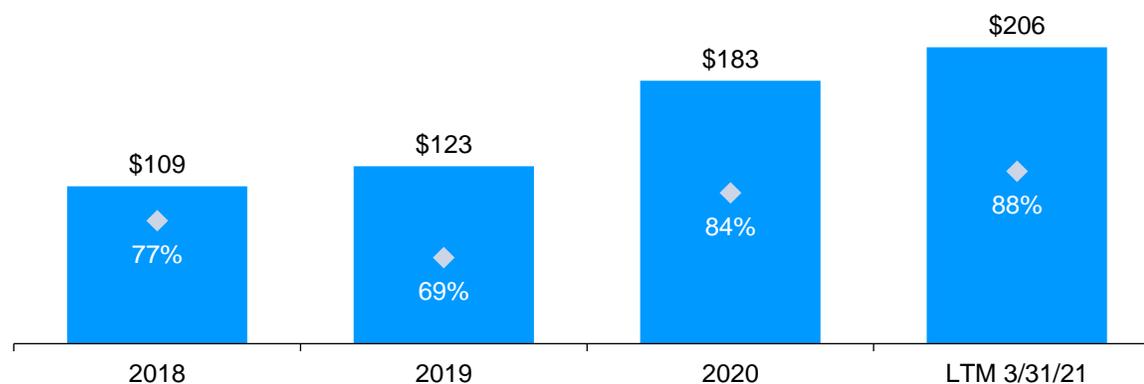
- » \$100+ million in Free Cash Flow generation since 2018
- » Key cash flow drivers:
  - Accelerated growth from recent MSA contract wins
  - Modest maintenance CapEx requirements, averaging ~2% of revenue over the last 3 years

*Allows Centuri to delever quickly and predictably following debt-financed acquisitions*

## Free Cash Flow and Free Cash Flow Conversion <sup>1</sup>

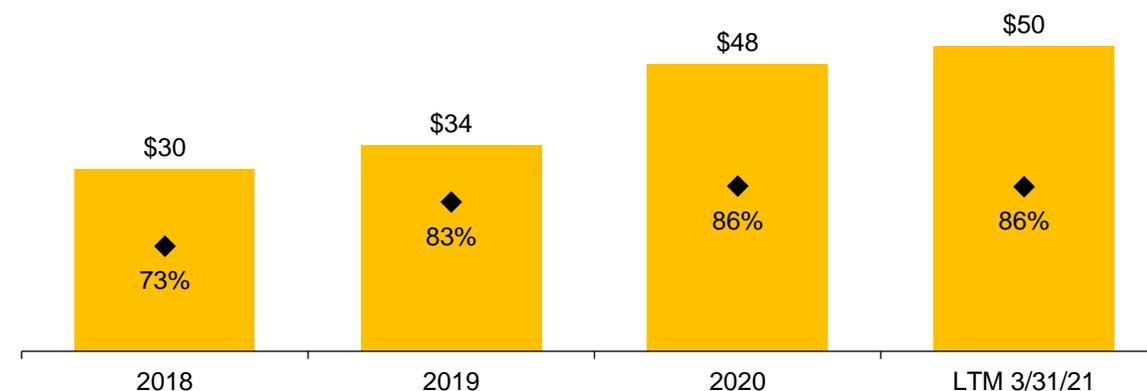
(\$ in millions)

■ Free Cash Flow    ◆ Free Cash Flow Conversion



(\$ in millions)

■ Free Cash Flow    ◆ Free Cash Flow Conversion



# COMMITMENT TO CONSERVATIVE CREDIT PROFILE WITH PROVEN DE-LEVERAGING



- » Centuri has a demonstrated history of prudence and discipline when managing its balance sheet, despite being acquisitive
- » Significant cash flow generation has allowed Centuri to consistently and quickly delever below its total leverage target of 3.0x following acquisitions
- » Meaningful balance sheet support provided by parent equity contributions from SWX
  - SWX contributed \$235 million in connection with the acquisition of an 80% stake in Linetec in 2018
  - SWX commitment to cover the remaining 20% equity buyout of Linetec from 2022-2024; redeemable non-controlling interest fair value of \$205 million as of 3/31/21

## Net Leverage<sup>1</sup> Over Time



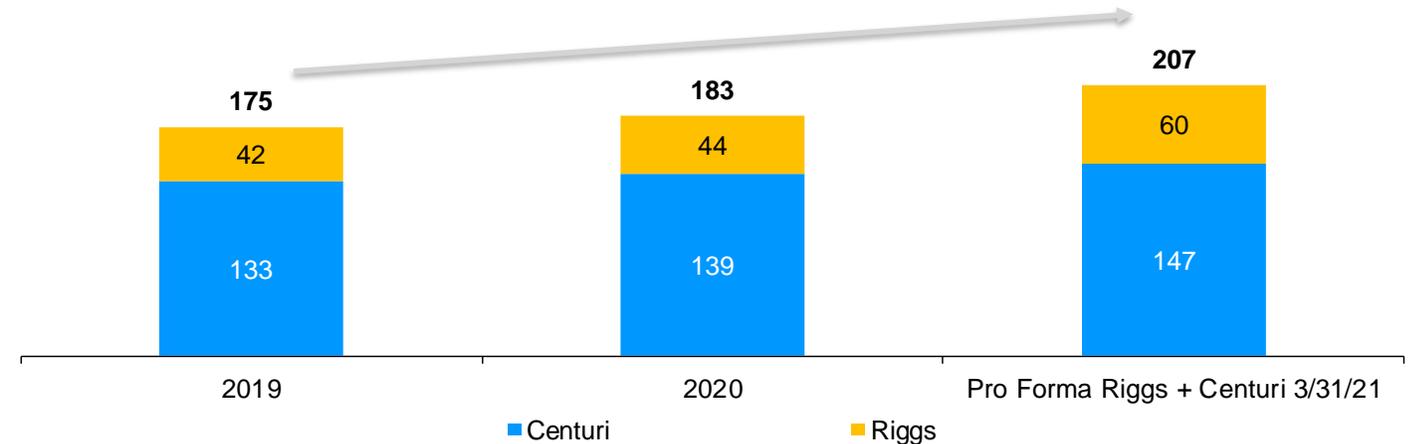
**Peak leverage occurs in Q2 and Q3 due to working capital needs while trough occurs at year end**

# HIGHLY VISIBLE, RECURRING REVENUE FROM CUSTOMER CONTRACTS



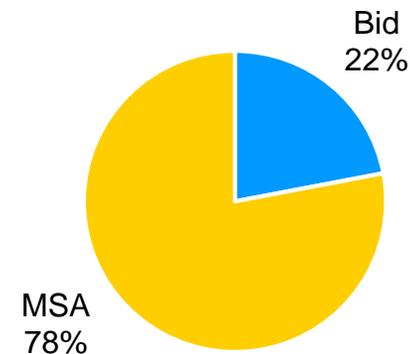
- ✓ *Sticky, multi-year MSAs with high renewal rates ensure consistent volume and create a stable revenue base*
- ✓ *~3-5% built-in price escalators in MSAs to drive continued growth across existing contract base*
- ✓ *Growing MSA count, heavily weighted toward unit price and time and materials contracts that drive stable margins*
- ✓ *No material contract losses*

## Growing Utility MSA Count<sup>1</sup>

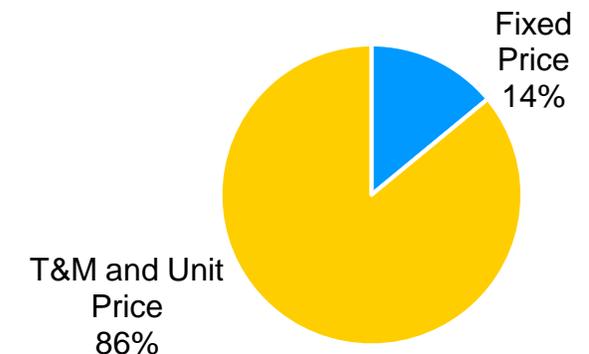


## Favorable Contract Mix

### Contract Type<sup>1</sup>



### Contract Structure<sup>1</sup>



# WELL-TENURED, BLUE-CHIP UTILITY CUSTOMER BASE



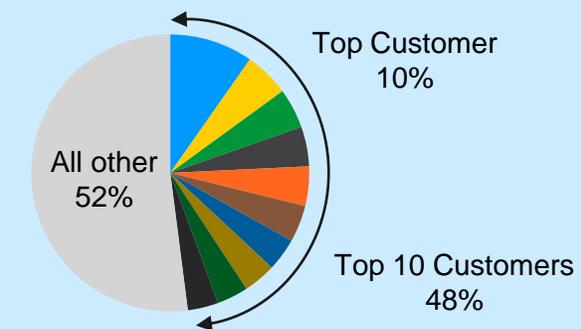
## Key Blue Chip Customers

Gas	Electric	Combination

## Key Statistics

**~25 Years Weighted Average Customer Tenure<sup>1</sup>**

**~5 Years Weighted Average Contract Length<sup>1</sup>**



Denotes new Centuri customers from Riggs acquisition

<sup>1</sup> Based on top 20 customers as of LTM 3/31/21  
Source: Centuri management

# FAVORABLE INDUSTRY TAILWINDS: AGING UTILITY INFRASTRUCTURE



*Strong tailwinds across utility distribution end markets support long-term growth*

## Utility Distribution Outlook



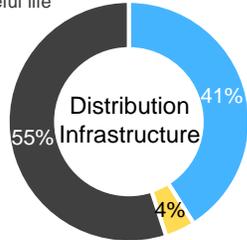
### Electric Utility Distribution

- » Aging infrastructure will demand significant replacements and upgrades to maintain system performance
- » Investment required to integrate renewable and distributed energy resources
- » Increasing need for additional electricity generation to meet demand

#### Aging Electric Infrastructure<sup>1</sup>

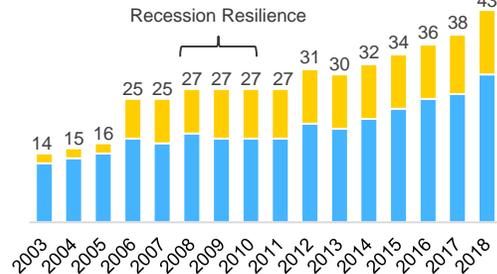
*Electrical Distribution infrastructure age relative to useful lifespan*

- Near end of useful life
- At end of useful life
- Within useful life



*Investments in Distribution Infrastructure<sup>2</sup> (\$ in billions)*

- Distribution Capex
- Distribution O&M

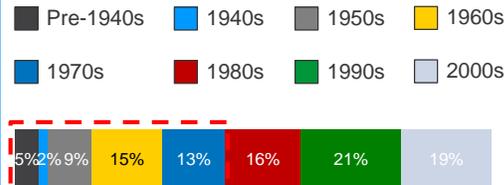


### Gas Utility Distribution

- » Aging natural gas distribution infrastructure has caused meaningful public health and safety risks, driving utilities to a multi-decade replacement cycle
- » This replacement cycle currently underway is regulatory-driven and has already been allocated funding

#### Crumbling Gas Infrastructure

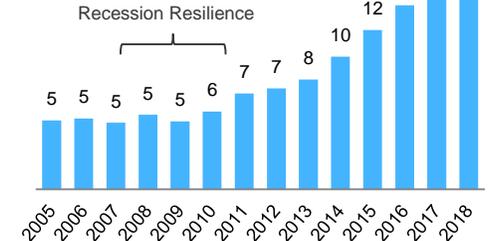
*Gas Distribution Pipelines Constructed<sup>3</sup> (By decade)*



*Nearly 45% of gas distribution infrastructure is near or at the end of its useful life of 40 years*

*Construction Spend on Distribution<sup>3</sup> (\$ in billions)*

*Expenditures for new and replacement distribution mileage have experienced strong growth regardless of macroeconomic conditions*



<sup>1</sup> Department of Energy  
<sup>2</sup> Federal Energy Regulatory Commission  
<sup>3</sup> American Gas Association; expenses include spending on distribution

# FAVORABLE INDUSTRY TAILWINDS: NEW HIGH-GROWTH INFRASTRUCTURE END MARKETS



*Strong tailwinds across related infrastructure end markets support long-term growth*

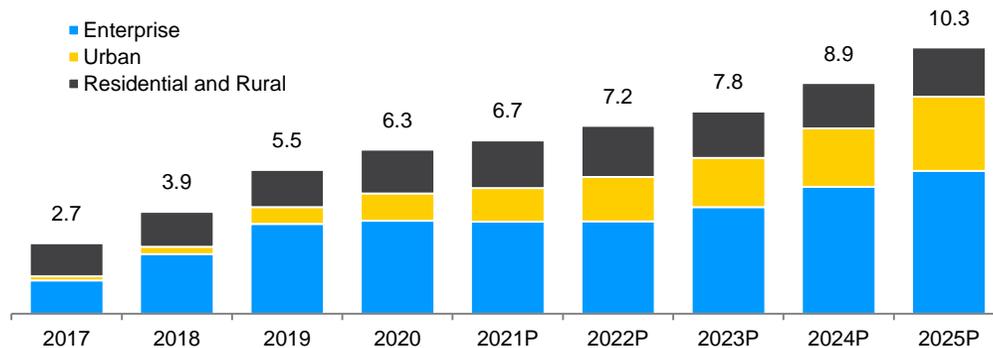
## Wireless and Renewable Energy

### 5G Datacom

- » Small cell wireless density requires significant buildout, and existing utility infrastructure will be a key component to densification
- » Utility infrastructure will require make-ready work to realign existing pole attachments to support 5G equipment

#### Global Small Cell New Deployments by Environment<sup>2</sup>

(Units in millions)

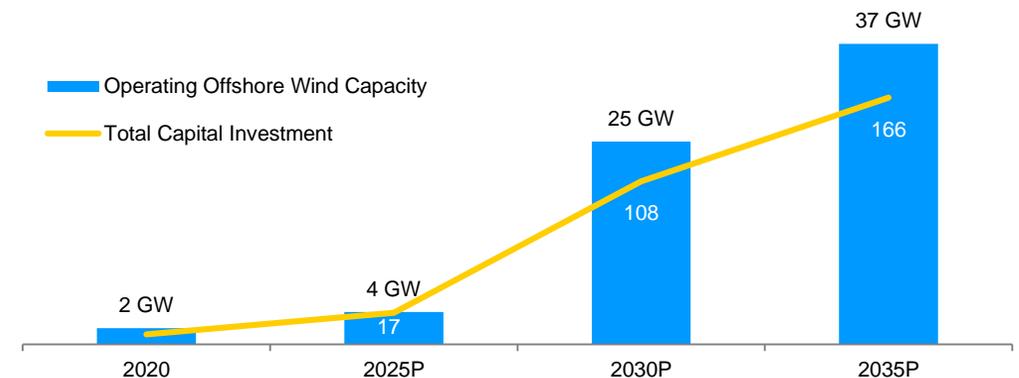


### Energy Transition

- » Renewable energy accounts for ~18% of U.S. energy mix and is projected to reach 31% by 2050<sup>1</sup> as utilities move away from fossil fuels
- » Significant forthcoming buildout of renewable assets and supporting infrastructure

#### Accelerating U.S. Capacity and Investment<sup>3</sup>

(Units in gigawatts; \$ in billions)



# HIGHLY EXPERIENCED MANAGEMENT TEAM



## Executive Leadership



**Paul Daily**  
President & Chief Executive Officer

- » **35+ years** of experience across senior leadership of infrastructure engineering and construction companies
- » Joined Centuri in 2016 as CEO



**Kevin Neill**  
Executive Vice President, Chief Financial Officer & Treasurer

- » **30+ years** of experience across financial reporting, accounting, investor relations and M&A
- » Joined Centuri in 2012 as CFO of NPL Construction



**Richard Delaney**  
Executive Vice President, Chief Operating Officer

- » **34+ years** of experience across operations and management experience leadership
- » Joined Centuri in 2002 as President & COO of NPL Canada



**Rob Lyons**  
President, Centuri Power Group

- » **40+ years** of experience across operations and senior leadership of utility services companies
- » Joined Centuri in 2018 as EVP of Electrical Transmission and Distribution



**Michael Cicchella, Jr.**  
Executive Vice President, Chief Administrative Officer

- » **20+ years** of experience in utility services companies managing M&A, IT, Safety, Fleet, Supply Chain and HR
- » Joined Centuri in 2016 as SVP & CAO



**James Connell, Jr.**  
Executive Vice President, Chief Customer Officer

- » **25+ years** of experience across various executive leadership roles driving customer and market development
- » Joined Centuri in 2006 as Director of Supply Chain & Asset Mgmt. for NPL Construction



**Steve Adams**  
Senior Vice President, Centuri Power Group

- » **35+ years** of experience of operational leadership across the electric T&D industry (including President of PAR Electric, a >\$1.6B business)
- » Joined Centuri in 2019



## Prior Companies



**CENTURI**

# HISTORICAL FINANCIAL SUMMARY



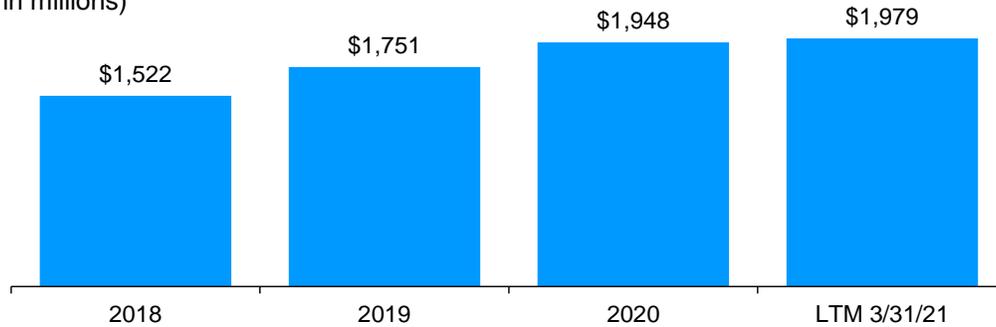
**THINK AHEAD »**

# CENTURI HISTORICAL FINANCIAL PERFORMANCE



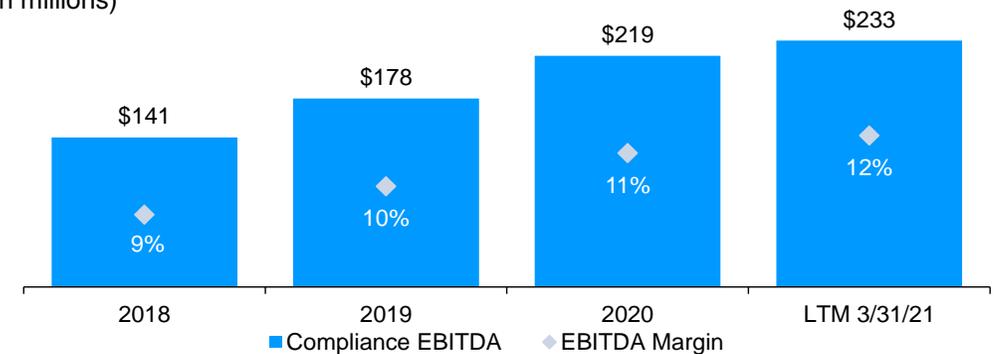
## Revenue

(\$ in millions)



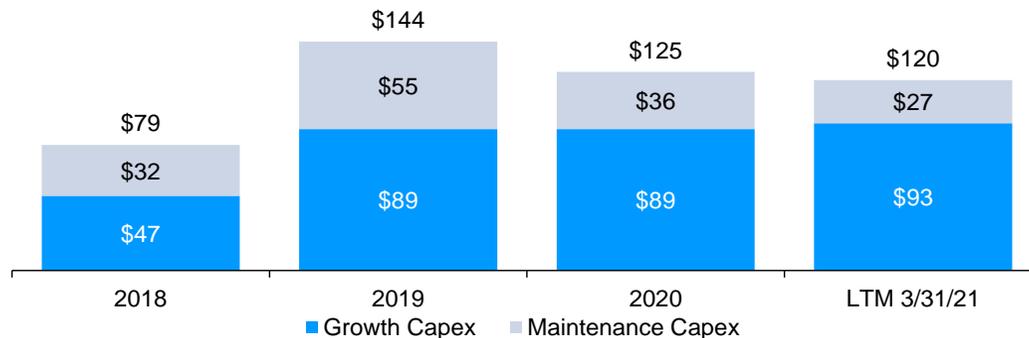
## Compliance EBITDA and Margin

(\$ in millions)



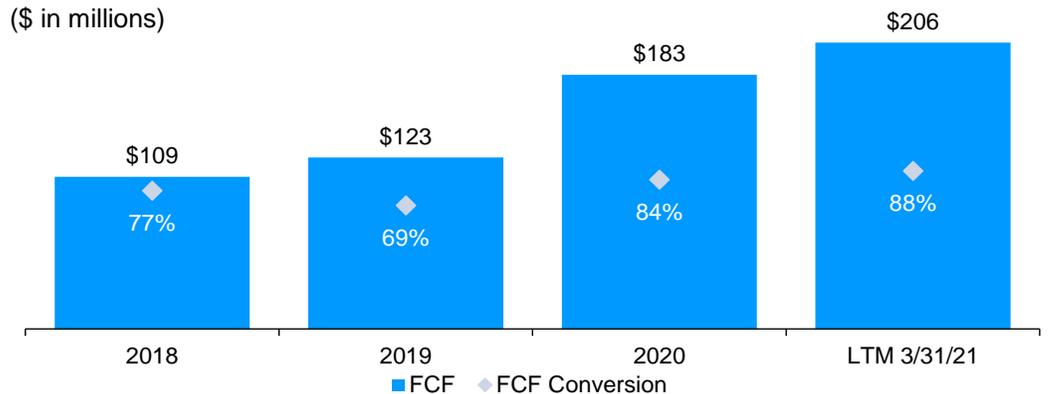
## Capital Expenditures<sup>1</sup>

(\$ in millions)



## FCF and FCF Conversion<sup>1</sup>

(\$ in millions)

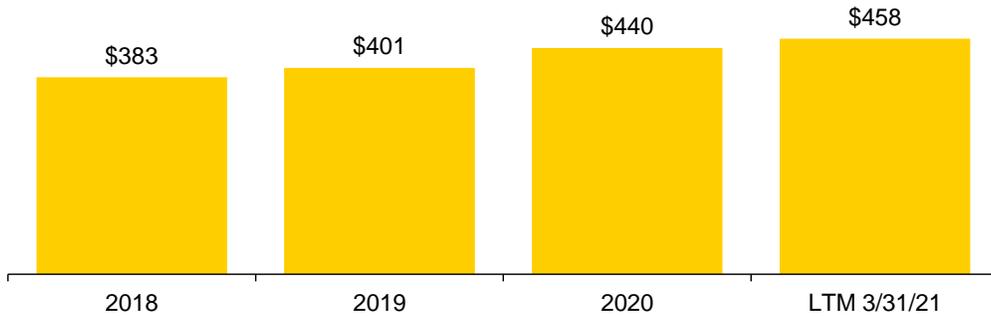


# RIGGS HISTORICAL FINANCIAL PERFORMANCE



## Revenue

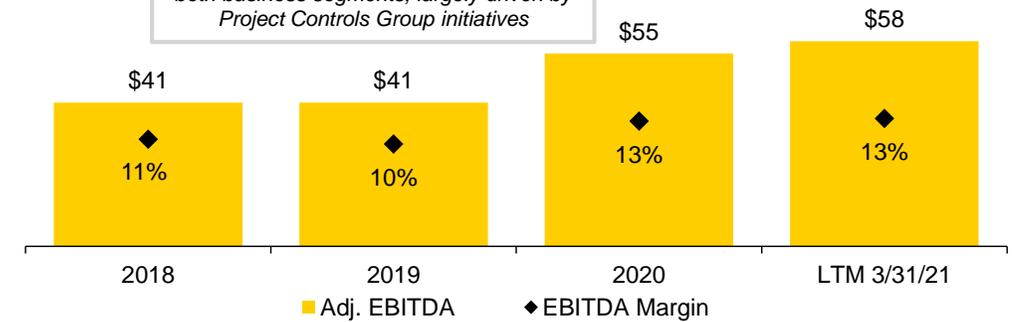
(\$ in millions)



## Adjusted EBITDA and Margin

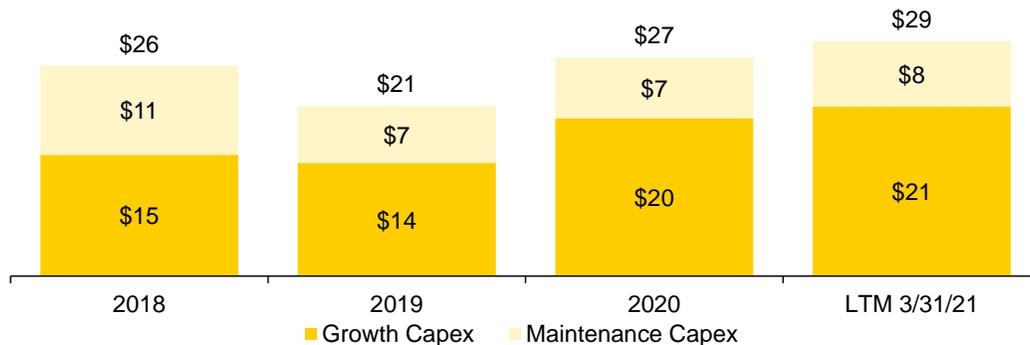
(\$ in millions)

>300 bps of margin expansion from 2019-2020 due to improved performance across both business segments, largely driven by Project Controls Group initiatives



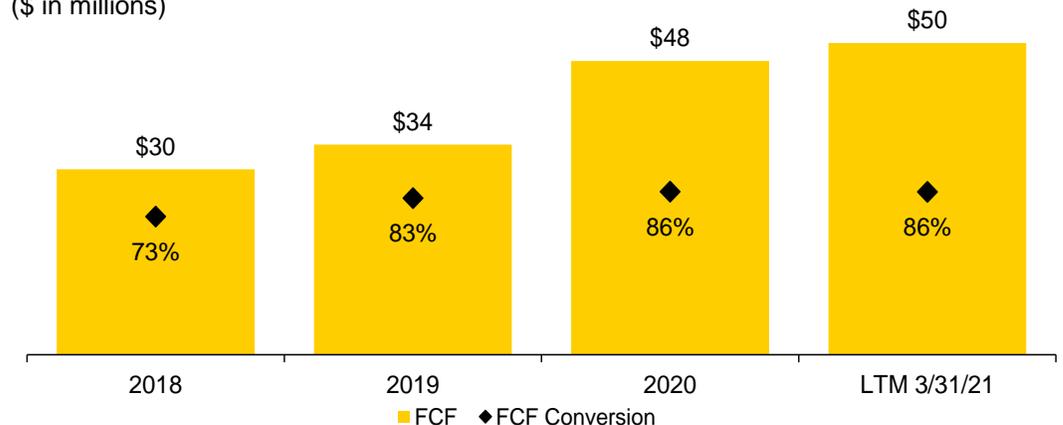
## Capital Expenditures<sup>1,2</sup>

(\$ in millions)



## FCF and FCF Conversion<sup>1</sup>

(\$ in millions)



<sup>1</sup> Free Cash flow defined as Adjusted EBITDA – Maintenance Capex; Conversion defined as (FCF / Adjusted EBITDA)

<sup>2</sup> Total Capex excludes nonrecurring Capex during 2018 and 2019; includes cash purchase of PP&E + non-cash purchase of PP&E under capital lease obligations

# RECENT PERFORMANCE UPDATE



## Centuri Financial Summary

(\$ in Millions)	Actual Performance			
	FYE 2020	YTD 3/31/20	YTD 3/31/21	LTM 3/31/21
<b>Revenue</b>	<b>\$1,948</b>	<b>\$333</b>	<b>\$364</b>	<b>\$1,979</b>
<i>% Y/Y Growth</i>	-	-	9.1%	-
<b>Gross Profit</b>	<b>\$214</b>	<b>\$7</b>	<b>\$23</b>	<b>\$230</b>
<i>% Margin</i>	11.0%	2.0%	6.3%	11.6%
<b>Compliance EBITDA</b>	<b>\$219</b>	<b>\$14</b>	<b>\$28</b>	<b>\$233</b>
<i>% Margin</i>	11.2%	4.2%	7.8%	11.8%

Source: Centuri Financial Statements; Compliance Certificates

## Riggs Financial Summary

(\$ in Millions)	Actual Performance			
	FYE 2020	YTD 3/31/20	YTD 3/31/21	LTM 3/31/21
<b>Revenue</b>	<b>\$440</b>	<b>\$102</b>	<b>\$120</b>	<b>\$458</b>
<i>% Y/Y Growth</i>	-	-	17.5%	-
<b>Gross Profit</b>	<b>\$66</b>	<b>\$14</b>	<b>\$18</b>	<b>\$70</b>
<i>% Margin</i>	15.0%	13.4%	14.9%	15.3%
<b>Adjusted EBITDA</b>	<b>\$55</b>	<b>\$11</b>	<b>\$14</b>	<b>\$58</b>
<i>% Margin</i>	12.6%	10.5%	11.5%	12.8%

Source: Riggs Financial Statements

## Centuri Commentary

- » FY 2020 and Q1 2021 performance exceeded Centuri's original budget across revenue, gross profit, and compliance EBITDA, largely attributable to weather events in the Southeast driving an increase in higher margin services, including emergency restoration services performed following tornados and ice storms in Texas
- » In addition to the impact of weather, revenue and compliance EBITDA growth y/y reflects a higher volume of electric and gas infrastructure work under blanket and bid contracts
- » Gross profit and compliance EBITDA margins during the first quarter of the year reflect the typical business seasonality, which is lowest in Q1
- » LTM 3/31/21 includes \$91 million of storm support revenue which typically generates a higher profit margin than core customer work, storm revenue varies from period to period given the unpredictable nature of weather-related events

## Riggs Commentary

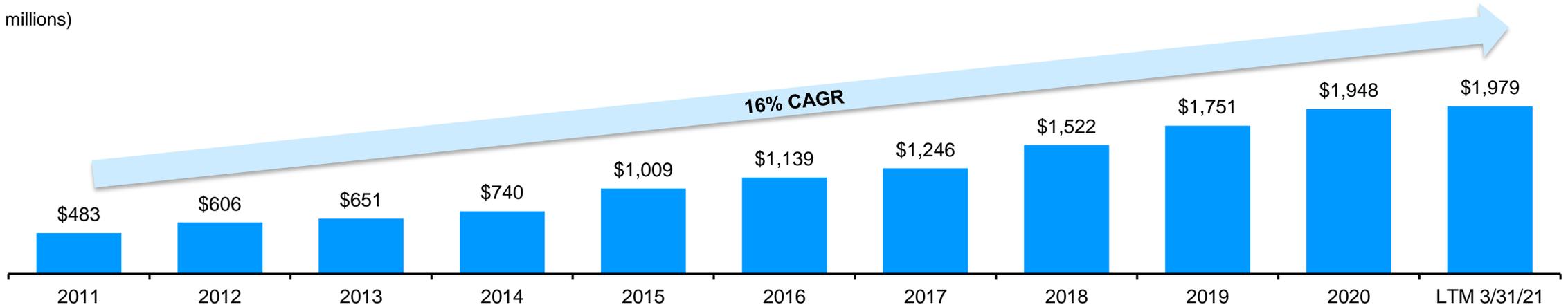
- » The y/y increase in year-to-date performance is largely attributable to base business growth and price escalators, ramping of new utility MSAs, and accelerated growth across 5G Datacom
- » Gross profit and adjusted EBITDA margin expansion is driven by strong margin performance on overhead transmission projects and transition to additional unit price contract structures in certain business units

# CENTURI HAS DEMONSTRATED STABLE, LONG-TERM PERFORMANCE



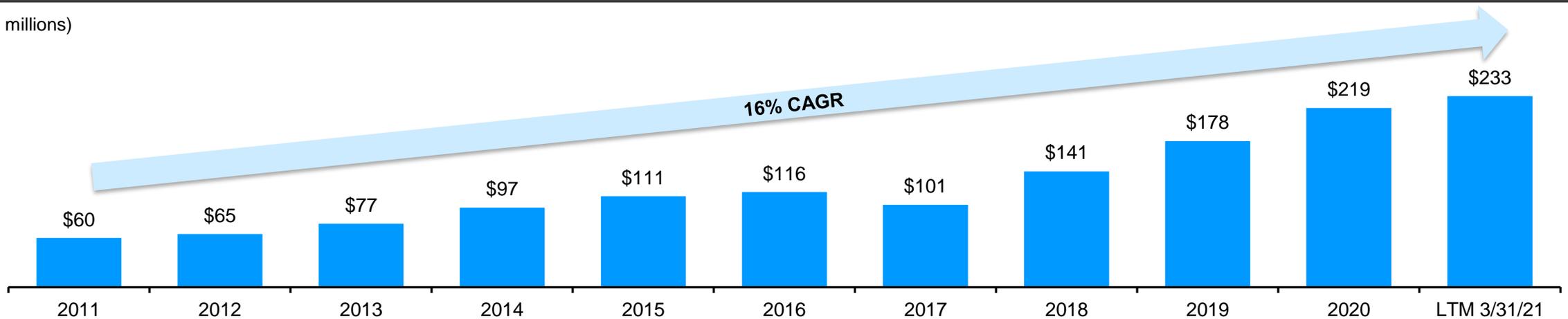
## Revenue

(\$ in millions)



## Compliance EBITDA

(\$ in millions)



# CONSERVATIVE FINANCIAL POLICIES



## Operating Philosophy

- » Lower risk contract profile, focusing on recurring services MSA contracts with blue-chip utility operators; contract pricing structures heavily weighted towards unit price and time & materials vs. lump-sum fixed price

## Leverage

- » Target total leverage profile of <math><3.0x</math>
- » Will increase leverage for key strategic M&A opportunities up to 4.0x
- » Goal of quickly delevering to <math><3.0x</math> total leverage within ~2 years; strong ability and willingness to deleverage

## Liquidity

- » Estimated liquidity at close of >\$300 million
- » Target liquidity of \$200 million for ongoing business needs

## Capital Deployment

- » Continued dividends to SWX based on 50% of trailing 3-year average of U.S. generated Net Income
- » SWX commitment to cover the remaining 20% equity buyout of Linetec from 2022-2024

## Capital Structure

- » Fully pre-payable capital structure to support deleveraging
- » Long-term funding at attractive rates while preserving operating, strategic and financial flexibility



**CENTURI**

# APPENDIX



**THINK AHEAD »**

# CENTURI COMPLIANCE EBITDA RECONCILIATION



Centuri Compliance EBITDA Reconciliation											
(\$ in millions)	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	LTM 3/31/21
Centuri Standalone Audited Net Income	\$20.3	\$16.0	\$20.7	\$24.3	\$14.6	\$20.5	\$23.7	\$26.9	\$26.7	\$53.6	\$63.9
Goodwill Amortization, Net of Taxes and NCI <sup>1</sup>	-	-	-	-	13.2	13.1	14.8	17.5	28.4	27.9	28.1
<b>Centuri Net Income Segment of SWX</b>	<b>\$20.3</b>	<b>\$16.0</b>	<b>\$20.7</b>	<b>\$24.3</b>	<b>\$27.8</b>	<b>\$33.6</b>	<b>\$38.5</b>	<b>\$44.4</b>	<b>\$55.1</b>	<b>\$81.5</b>	<b>\$92.0</b>
Income Tax Provision	13.7	10.3	12.6	14.8	18.5	19.9	2.4	18.4	21.4	31.1	34.5
Interest Expense	0.8	1.1	1.1	3.8	7.8	6.7	8.0	14.2	14.1	9.3	8.0
Depreciation & Amortization Expense	25.2	37.4	43.0	48.9	56.7	55.7	49.0	57.4	87.6	96.7	98.5
Acquisition Related Transaction Costs	-	-	-	5.1	-	-	2.6	6.9	-	-	-
<b>Compliance EBITDA</b>	<b>\$60.0</b>	<b>\$64.8</b>	<b>\$77.4</b>	<b>\$96.9</b>	<b>\$110.8</b>	<b>\$115.9</b>	<b>\$100.5</b>	<b>\$141.3</b>	<b>\$178.2</b>	<b>\$218.6</b>	<b>\$233.0</b>
Pro Forma Impact from Acquisitions	-	-	-	11.1	-	-	12.8	40.2	-	-	-
<b>Pro Forma Compliance EBITDA</b>	<b>\$60.0</b>	<b>\$64.8</b>	<b>\$77.4</b>	<b>\$108.0</b>	<b>\$110.8</b>	<b>\$115.9</b>	<b>\$113.3</b>	<b>\$181.5</b>	<b>\$178.2</b>	<b>\$218.6</b>	<b>\$233.0</b>

<sup>1</sup> Effective January 1, 2015, Centuri adopted the private company method of accounting for goodwill which requires amortization expense, which is reversed from the Southwest Gas Holdings consolidated financial statements

# RIGGS ADJUSTED EBITDA RECONCILIATION



Riggs Distler Adjusted EBITDA Reconciliation				
(\$ in millions)	FY 2018	FY 2019	FY 2020	LTM 3/31/21
Net Income	\$10.2	(\$0.4)	\$19.0	\$22.0
Interest Expense	2.6	3.6	2.1	2.1
Income Taxes	(6.8)	5.5	-	0.0
Depreciation & Amortization	18.3	25.4	28.9	29.2
<b>Reported EBITDA</b>	<b>\$24.3</b>	<b>\$34.1</b>	<b>\$50.0</b>	<b>\$53.3</b>
Management Adjustments				
Management fees <sup>1</sup>	5.0	2.5	-	0.0
Transaction costs and non-recurring professional fees	1.9	1.0	0.4	0.4
One-time project losses <sup>4</sup>	3.5	3.3	-	0.0
Out-of-period contract adjustments	-	1.2	0.6	0.5
One-time recruiting fees	-	0.1	0.1	0.1
Non-recurring severance	-	-	0.1	0.2
Board of Director fees	-	0.2	0.2	0.2
Stock based compensation	-	0.9	1.3	1.1
COVID-19 non-operating expenses <sup>3</sup>	-	-	0.7	0.6
Total Management Adjustments	\$10.4	\$9.1	\$3.4	\$3.2
<b>Management Adjusted EBITDA</b>	<b>\$34.7</b>	<b>\$43.3</b>	<b>\$53.4</b>	<b>\$56.5</b>
Diligence Adjustments				
Reversal of out-of-period contract adjustments <sup>4</sup>	-	(1.2)	(0.6)	(0.5)
Stock based compensation (FY18)	0.6	-	-	0.0
Non-operating (income)/expense	0.0	(0.0)	(0.5)	(0.1)
Bank charges	(0.4)	(0.3)	(0.2)	(0.2)
Rental fees	0.6	-	-	0.0
Out-of-period normalization	-	(0.0)	-	(0.1)
Total Diligence Adjustments	\$0.8	(\$1.5)	(\$1.3)	(\$1.0)
<b>Diligence Adjusted EBITDA</b>	<b>\$35.5</b>	<b>\$41.8</b>	<b>\$52.1</b>	<b>\$55.5</b>
Pro Forma Adjustments				
Pre-acquisition EBITDA <sup>5</sup>	8.8	1.7	3.2	2.9
Run-rate cost infrastructure <sup>6</sup>	(3.8)	(2.1)	-	-
Total Pro Forma Adjustments	\$5.1	(\$0.4)	\$3.2	\$2.9
<b>Pro Forma Adjusted EBITDA</b>	<b>\$40.5</b>	<b>\$41.4</b>	<b>\$55.4</b>	<b>\$58.5</b>
Utility Customer #1 MSA ramp				12.8
Utility Customer #2 MSA ramp				3.8
<b>Total Run-Rate Adjustments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$16.6</b>
<b>Run-Rate Adjusted EBITDA</b>	<b>\$40.5</b>	<b>\$41.4</b>	<b>\$55.4</b>	<b>\$75.1</b>

<sup>1</sup> Internal charges between Riggs and a former sister company for back-office support

<sup>2</sup> Unrecoverable project write-offs including those inherited from acquisitions

<sup>3</sup> Reconciliations exclude illustrative COVID add-backs related to operational disruptions (\$1.286 million for LTM period); includes non-operating adjustments such as sanitation charges

<sup>4</sup> Diligence uncovered that out-of-period contracts were a part of normal course of business

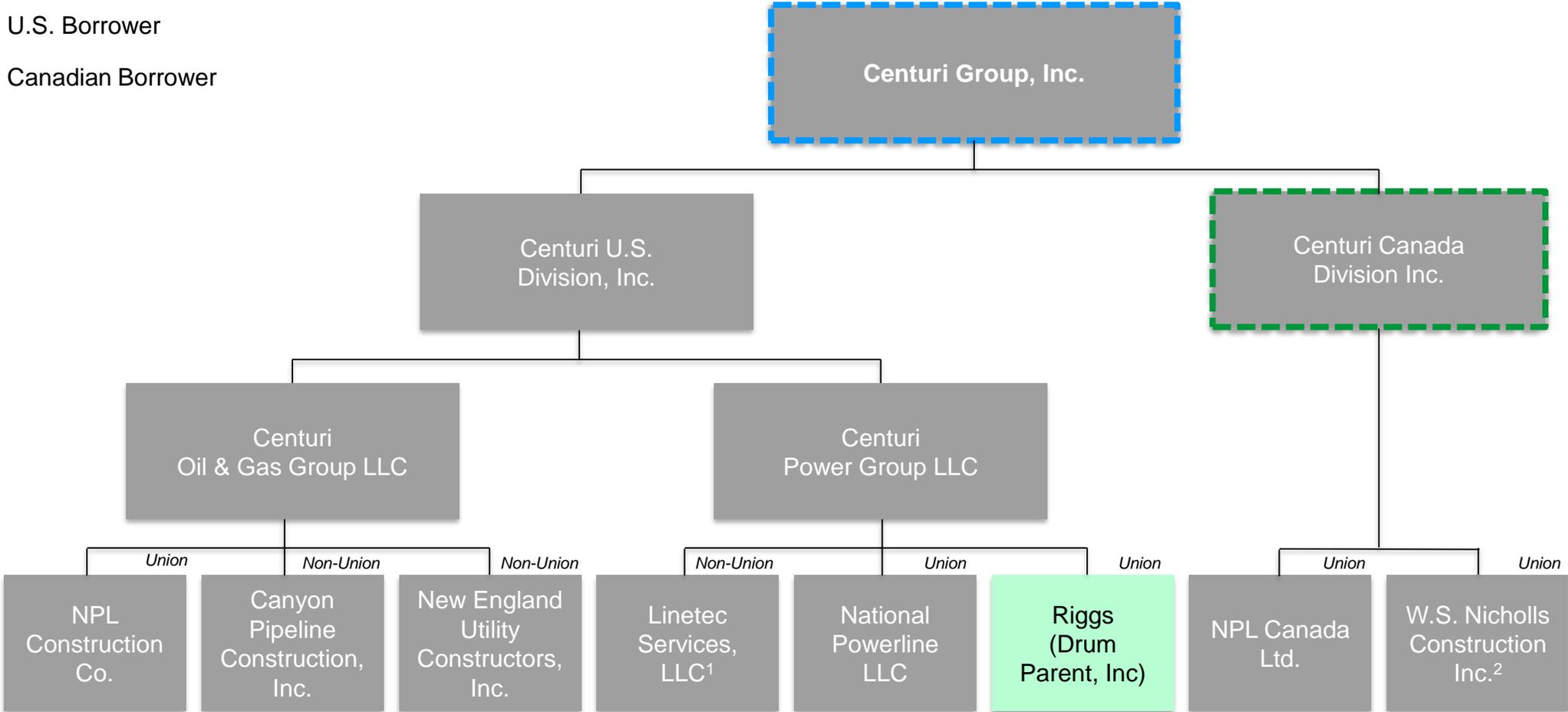
<sup>5</sup> Represents EBITDA from acquired businesses from FY18-20 where the businesses were not yet owned by Riggs (HT Sweeney, KT Power, Shelby Mechanical and New York Drilling)

<sup>6</sup> FY18-19 burdens of newly hired management which were added back under management fees

# PRO FORMA LEGAL STRUCTURE



-  U.S. Borrower
-  Canadian Borrower



<sup>1</sup> 80% owned by Centuri as of June 2021; remaining 20% equity to be purchased by 2024

<sup>2</sup> Owns a 50% equity interest in W.S. Nicholls Western Construction Ltd.

Source: Centuri management



# THANK YOU

THINK AHEAD »

