



Southwest Gas™
HOLDINGS

Acquisition of Riggs Distler

*Building Value in
Utility Services*

June 29, 2021



SAFE HARBOR STATEMENT

This presentation includes “forward-looking statements” as defined by the Securities and Exchange Commission (“SEC”). We make these forward-looking statements in reliance on the safe harbor protections provided under the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical fact, included in this presentation that address activities, events or developments that we expect, believe or anticipate will or may occur in the future are forward-looking statements. The ultimate occurrence of events and results referenced in these forward-looking statements is subject to known and unknown risks, uncertainties, and other factors that may cause the actual results or performance to differ from those projected in the forward-looking statement.

Among others, these statements relate to the anticipated acquisition of Riggs Distler, the anticipated timing for close of the transaction, the anticipated timing and impact to our earnings, accretion timing, our expectations regarding our ability to successfully and timely integrate Riggs Distler, expectations for the achievement of transaction benefits, and our expectations with respect to the impact of the Riggs Distler acquisition on our Centuri infrastructure business. No assurance can be given that the Riggs Distler acquisition will be completed on the terms described, or at all, or that we will achieve the anticipated benefits, or satisfy all closing conditions. Completion of the Riggs Distler acquisition is subject to numerous risks and conditions, many of which are beyond the control of the Company, including market conditions, general economic conditions, transaction approval by stockholders of Riggs Distler, Hart-Scott-Rodino regulatory clearance, and other factors, including those set forth under the heading “Risk Factors” in the Company’s Annual Report on Form 10-K for the year ended December 31, 2020, and those set forth in the Company’s other reports and information filed with the SEC, which are accessible on the SEC’s website at www.sec.gov.

New factors that could cause actual results to differ materially from those described in forward-looking statements emerge from time to time, and it is not possible for us to predict all such factors, or the extent to which any such factor or combination of factors may cause actual results to differ from those contained in any forward-looking statement. The statements in this presentation are made as of the date hereof, even if subsequently made available on our website or otherwise. We do not assume any obligation to update the forward-looking statements provided to reflect events that occur or circumstances that exist after the date on which they were made.

MANAGEMENT PARTICIPANTS



John Hester
President and CEO
Southwest Gas Holdings



Paul Daily
President and CEO
Centuri Group



Greg Peterson
SVP and CFO
Southwest Gas Holdings

AGENDA

- **Transaction Summary**: Acquisition of Riggs Distler & Company, Inc. (“Riggs Distler” or “RDC”)
- **Strategic Rationale**: Expansion of electric utility services platform
- **Riggs Distler Overview**: Premier union electric utility distribution services provider
- **Centuri Transformation**: Enhanced business mix and growth optionality
- **Financial Impact**: Accretive to earnings and long-term growth
- **Southwest Gas Holdings**: A compelling investment for shareholders

TRANSACTION SUMMARY

Southwest Gas Holdings to acquire Riggs Distler via Centuri, enhancing business mix and long-term growth trajectory

Transaction Overview

- All-cash acquisition for \$855 million
- Implied EV / 2022E EBITDA multiple of 8.4x, an attractive value compared to publicly traded peers
- Fully funded by new Centuri debt
- Maintains healthy balance sheet with ongoing commitment to investment-grade credit ratings
- Expected to provide earnings accretion in the first full year of operations
- Supports SWX dividend growth
- Expected to close in the 3rd quarter

Strategic Rationale

- **Strategic consistency:** Aligns with communicated strategy to expand Centuri into union electric utility distribution services
- **Proven capability:** Builds on demonstrated SWX ability to deliver long-term organic and inorganic growth
- **Utility focus:** Maintains SWX focus on operations deriving revenue from regulated utility cost-of-service customers
- **Diversification + expansion:** Results in a more comprehensive utility infrastructure services platform with growth in 5G-telecom and renewables
- **ESG enhancement:** Augments SWX ESG profile with renewable project experience and access to offshore wind services
- **Growth plan:** Targeting substantial revenue growth opportunity of \$600 million through 2024

Creating a larger, more diversified utility infrastructure company

SWX AND CENTURI: AN ALIGNED PARTNERSHIP

Leveraging common core competencies and expertise in utility infrastructure across our platforms with a focus on low-risk revenue from regulated cost-of-service customers...



Partner Companies With Shared Vision

- Regulated utility cost-of-service focus
- Appreciation of regulated utility model
- Common cultural focus on safety and quality
- Infrastructure spending / replacement theme
- Shared market knowledge and utility relationships
- Operating scale, best practices and talent base
- Shared procurement and cost efficiencies

Enhanced Outcomes for SWX Investors

- Increased EPS and dividend growth
- Additional cash flow to support investments
- Improved scale and diversification
- Access to electric utility growth markets
- Enhanced ESG related opportunities
- Broader scope of investment opportunities
- Increased future optionality

...achieving a greater scale, long-term growth and strategic optionality

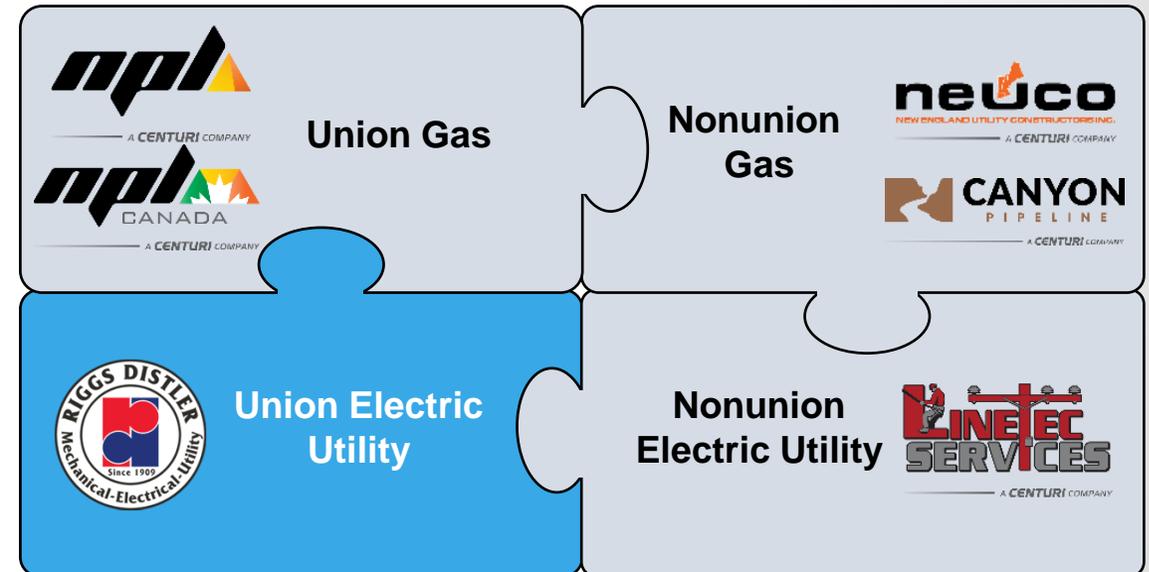
RDC: THE PERFECT FIT FOR CENTURI

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



...to create a premier diversified utility services company with balanced growth optionality

OVERVIEW OF RDC

100+ year old, go-to provider of turnkey solutions to utility customers across the Mid-Atlantic and Northeast

Key Highlights		Electric Utility	Natural Gas Distribution	5G	Renewables	Other
<p>\$560mm 2021E Revenue</p> <p>12% 2021E EBITDA Margin</p> <p>85%+ of revenue from multi-year MSAs¹</p> <p>No customer concentration with top customer accounting for only 12% of revenue¹</p> <p>Relationships with 140 labor unions and access to a base of 1,500+ highly skilled employees</p>		<ul style="list-style-type: none"> Performs outsourced maintenance, upgrade and installation services across transmission, distribution and substation infrastructure 	<ul style="list-style-type: none"> Provides maintenance, replacement and repair of natural gas distribution infrastructure 	<ul style="list-style-type: none"> Provides small cell densification services around existing utility infrastructure 	<ul style="list-style-type: none"> Supports all forms of renewable energy infrastructure builds 	<ul style="list-style-type: none"> Provides civil, mechanical, electrical and fabrication capabilities
	% of Total 2021E Gross Profit	 ~63%	 ~8%	 ~7%	 ~6%	 ~17%
	2021E Gross Margin	~19%	~13%	~20%	~13%	~13%
	Illustrative Services Offered	<ul style="list-style-type: none"> Overhead Distribution Underground Distribution Overhead Transmission (local not cross-country) Electrical Substation & Civil 	<ul style="list-style-type: none"> LDC Pipe Replacement Pressure Upgrade Work Gas Meter Rebuild and Relocation Regulator Station Construction Leak Repair 	<ul style="list-style-type: none"> Small Cell Equipment Installation One-Touch Make-Ready Capability Telecom and Electrical Pole Installation Mono and Lattice Tower Installation 	<ul style="list-style-type: none"> Mechanical Electrical Fabrication Civil 	<ul style="list-style-type: none"> Mechanical Electrical Fabrication Civil

RDC: ATTRACTIVE FOOTPRINT AND LONG-TENURED, BLUE-CHIP CLIENT BASE

Complementary to Centuri's ~24 year weighted average tenure for its top 20 customers

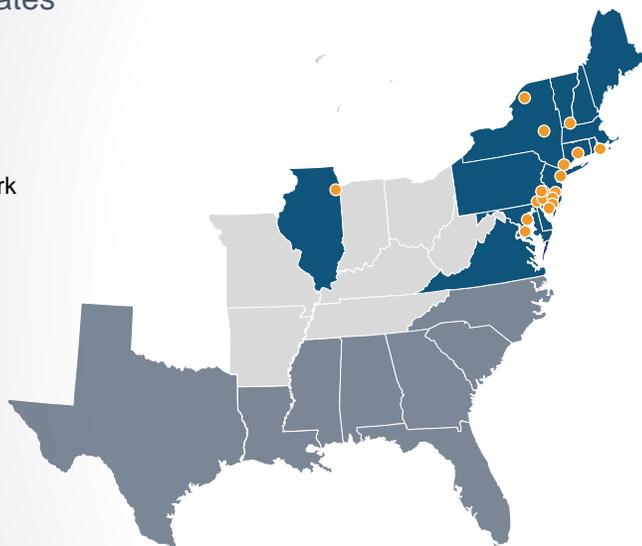
Unmatched Scale and Reach in Core Markets

- Strong existing regional footprint with significant opportunity for growth in adjacent states

● RDC Location

■ Current Market

■ RDC Storm Work Coverage¹



19
Company
Facilities

20
States
Served²

119
Customer
MSAs

200+
Annual
Customers

1,500+
Highly-Skilled
Employees

800+
Operating Equipment
Units

1,200+
Company
Vehicles

40,000+
Access Mats

High Quality Customer Base

- Diversified customer base; average tenure among RDC's top customers is ~25 years

Customer	MSAs	Tenure
PECO	✓	38 Years
atlantic city electric	✓	38 Years
EVERSOURCE	✓	25 Years
conEdison	✓	14 Years
BGE	✓	38 Years
nationalgrid	✓	25 Years
THE LINDE GROUP	✓	5 Years
AVANGRID	✓	12 Years

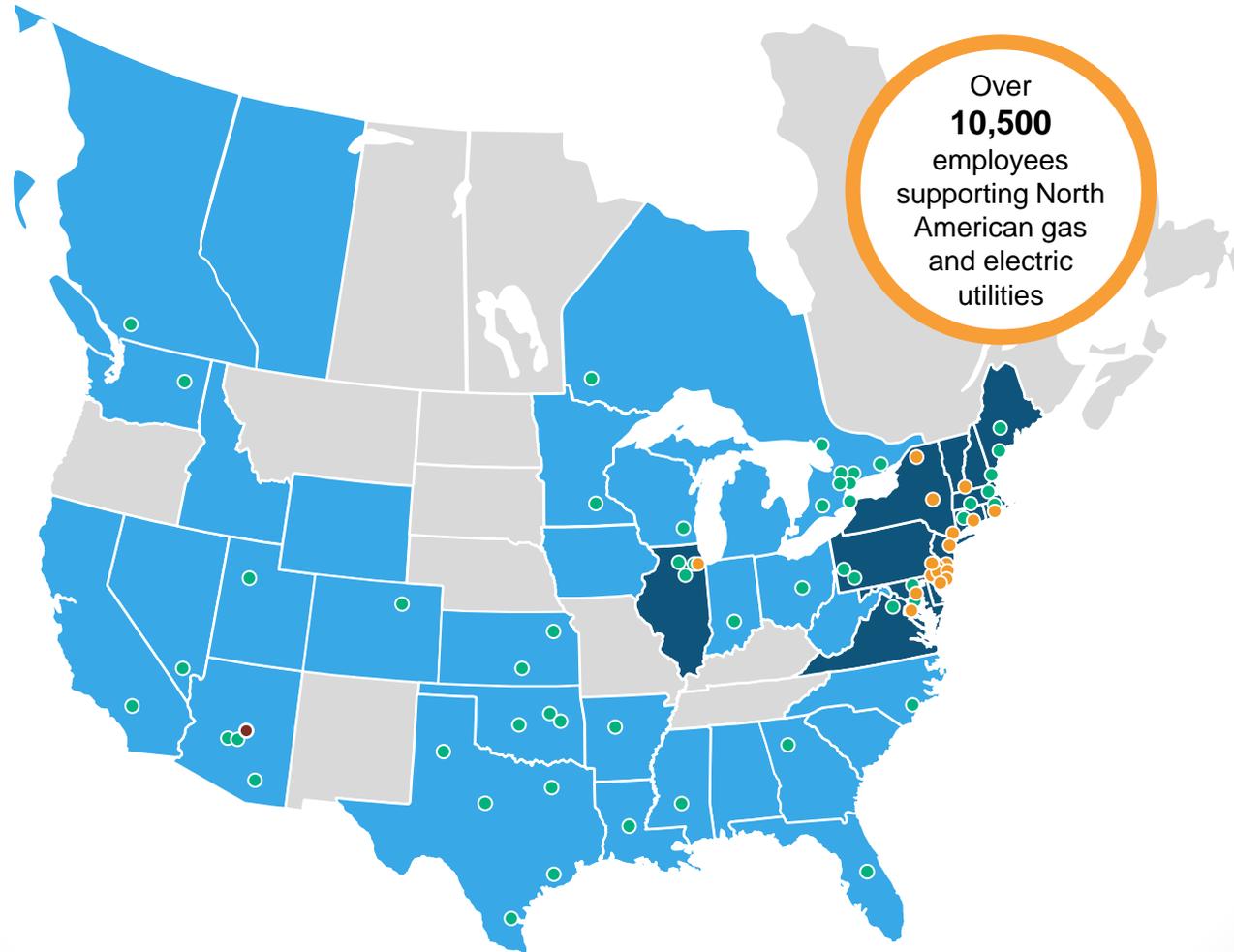
CENTURI IS A NORTH AMERICAN LEADER

United States

- Alabama
- Arizona
- Arkansas
- California
- Colorado
- Connecticut
- Delaware
- Florida
- Georgia
- Idaho
- Illinois
- Indiana
- Iowa
- Kansas
- Louisiana
- Maine
- Maryland
- Massachusetts
- Michigan
- Minnesota
- Mississippi
- Nevada
- New Hampshire
- New Jersey
- New York
- North Carolina
- Ohio
- Oklahoma
- Pennsylvania
- Rhode Island
- South Carolina
- Texas
- Utah
- Vermont
- Virginia
- Washington
- West Virginia
- Wisconsin
- Wyoming

Canada

- Alberta
- British Columbia
- Ontario



Location Key

- Centuri Corporate Headquarters
- Existing Centuri Location
- RDC Location

- Existing Centuri Footprint
- RDC Footprint

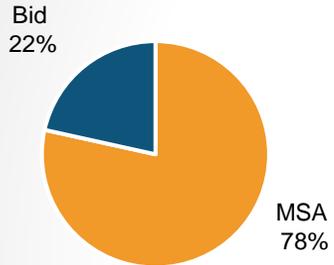
- 39 U.S. States
- 3 Canadian Provinces

RDC REINFORCES CENTURI'S BUSINESS PROFILE

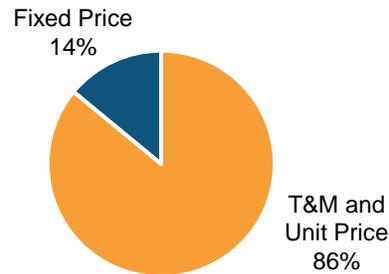
Centuri and RDC are focused on low-risk, recurring, MSA-driven utility distribution projects

Low Risk...

Revenue by Contract Structure¹



Revenue by Contract Type¹



...Plus Favorable Competitive Position...

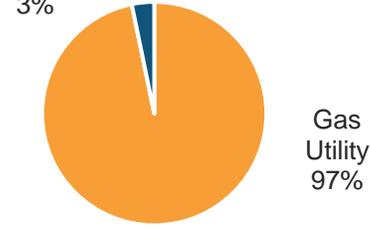
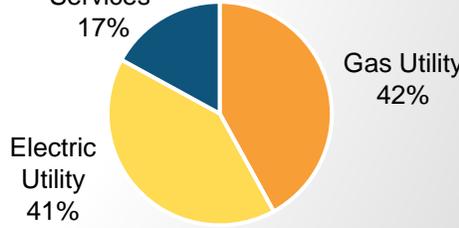
Double-breasted workforce					
Gas distribution services					
No cross-country pipeline projects					
Electric distribution services					
No cross-country electric transmission projects					
Access to high growth 5G and renewables markets					

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

...Drives Highest Growth and Least Volatility

Rank	10Y EBITDA CAGR ²	10Y EBITDA Volatility ³
1	Highest growth	Least volatile
2		
3		
4		
5		

CENTURI TRANSFORMATION – “THEN” VS. “NOW”

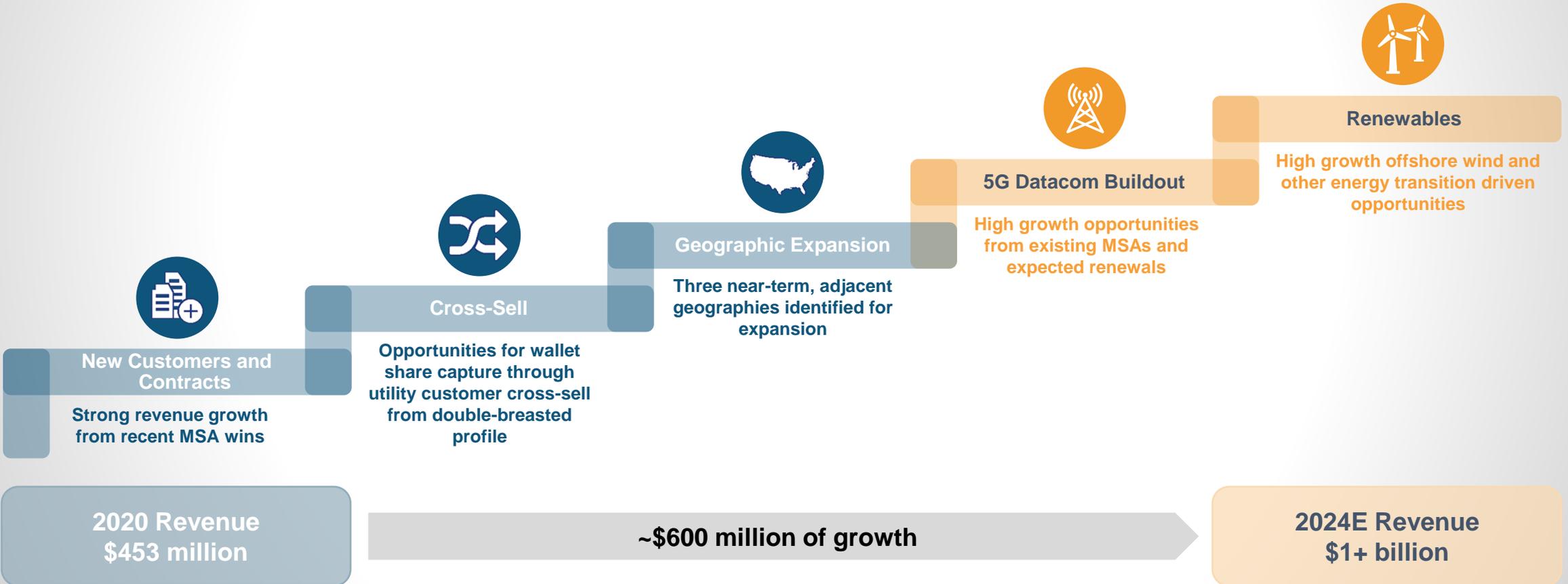
	2017 Centuri	Transformation	Pro Forma Centuri ¹
Business Units		<p>Addition of electric utility creates comprehensive "pure-play" utility distribution services platform</p>	
Revenue (\$mm)	\$1,246	2x+ increase in sales	\$2,500
EBITDA Margin	~8%	~340bps margin expansion	~11%
Projected Growth	Mid-Single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

REVENUE GROWTH POTENTIAL

RDC provides compelling, multi-pronged growth avenues, supported by its core union electric utility distribution platform, with access to attractive service adjacencies and outsized growth prospects in electrification, 5G and renewables

Core Growth

Transformational Growth



FULLY COMMITTED FINANCING PLAN AT CENTURI

- Centuri has arranged a fully committed \$1.3 billion financing package
 - Fully funds the \$855 million acquisition purchase price
 - Funds transaction / financing fees and working capital requirements
 - Refinances existing Centuri debt
 - Replaces existing revolving credit facilities
- Centuri balance sheet has adequate capacity to fully finance the acquisition
 - No required SWX equity or debt issuance
 - No guarantees by SWX or SWG
 - Continuing cash dividends to SWX
- Advantages of Centuri-level debt financing
 - Current market attractive for infrastructure services debt financing
 - Optimizes capital structure for earnings accretion
 - Single workstream facilitates timely closing

Maintains healthy SWX consolidated balance sheet and commitment to SWX/SWG investment-grade credit ratings

FINANCIAL IMPACTS OF TRANSACTION

- 2021 EPS Guidance impacted by:
 - Net operating results of acquisition
 - Transaction fees (legal, accounting, advisory, etc.)
 - Amortization of initial financing fees
 - Amortization of finite-lived intangibles (customer relationships, trade names, contracts/backlog, etc.)
- 2021 Utility Line-Item Guidance:
 - Transaction not expected to impact utility line-item guidance
- 2021 Centuri Line-Item Guidance:
 - Transaction will significantly modify infrastructure line items
- Long-term expectations:
 - Holding Company: no significant changes expected
 - Utility: no significant changes expected
 - Centuri: acquisition will modify expectations
- Business mix impact:
 - Centuri earnings mix is expected to move from upper-20% range, to low to mid 30% range by 2022
- Credit ratings impact:
 - We may experience credit ratings downgrades from the credit rating agencies based on higher unregulated business mix and higher debt levels

We will provide updated guidance following transaction close

ENHANCED ESG PROFILE FOR SWX

Riggs Distler Contributes To an Attractive SWX ESG Profile

SWX ESG Highlights

Tracking & Reducing Direct Carbon Emissions

SWG GHG Reduction Goal ¹

20%



Centuri GHG Reduction Goal

↓ 25% by 2030

Helping Customers Reduce Carbon Emissions

SWG CNG, RNG and Energy Efficiency Programs **decarbonizing** SWG network

Centuri pipeline replacement work helps customers dramatically reduce **methane emissions** through system modernization

Keeping Employees Safe



SWG and Centuri maintain world-class safety cultures and have excellent safety track records

Building Strong Communities

2020 Total Giving SWG and Centuri employees:

\$4,990,330

Diversity, Equity, and Inclusion

Women and Minorities among Corporate Officer Team

SWG	Centuri
42%	38%

Riggs Distler ESG Enhancements

Tracking & Reducing Direct Carbon Emissions

Adopting Centuri GHG Reduction Goal

↓ 25% by 2030

Renewables and Clean Power Services Enabling GHG Savings and Resiliency

A leading **experienced partner** to utilities in:

EV Charging Infrastructure	Fuel Cells	Battery Storage
Smart Meters	RNG	Microgrids

Offshore Wind Services

Positioned to support expected wave of U.S. off-shore wind projects **critical to decarbonizing** coastal population centers

100+ Years of Safety

Proven safety culture and excellent safety track record over 100+ year history

Community Diversity, Equity and Inclusion

Established community partner program and employee "Helping Hands" philanthropic initiative

SWX: A COMPELLING INVESTMENT FOR SHAREHOLDERS

- **Committed to creating long-term shareholder value:**
 - EPS growth from complementary utility-focused businesses
 - Dividend support and cash flow production
 - Healthy investment-grade balance sheet
 - Enhanced ESG profile
- **Centuri brings value to SWX shareholders over a range of future scenarios:**
 - Transaction integration and execution of growth plan
 - Enhanced diversification
 - Improved strategic optionality
- **Near-term focus areas:**
 - Transaction execution and financing
 - Successful onboarding of Riggs Distler
 - Delivering the growth
 - Ongoing shareholder engagement



Appendix



“NEXT” CENTURI AT A GLANCE

Key Highlights

\$2,500mm 2021E Revenue

11% 2021E EBITDA Margin

78% revenue from MSAs¹

86% revenue from T&M and unit price contracts¹

10,500+ employees²

Operations in 39 US States and 3 Canadian Provinces

Centuri Divisions



	Gas Distribution Services	Electric Distribution Services	Related Infrastructure Services
Description	Perform installation, replacement, repair and maintenance of gas infrastructure	Perform installation, replacement, repair and maintenance of electric distribution and transmission infrastructure	Full suite of civil, piping, mechanical, electrical and fabrication capabilities for utilities, renewables, 5G and other infrastructure
% of Total Gross Profit ¹	42%	41%	17%
Select Clients	     	     	     
Operating Companies	   	  	 

(1) LTM as of March 31, 2021

(2) Includes 1,500+ RDC employees and 9,000+ Centuri employees supporting North American gas and electric utilities as of May 2021

RDC PROVIDES ABILITY TO SERVE THE ENTIRE UTILITY AND INFRASTRUCTURE VALUE CHAIN NATIONALLY

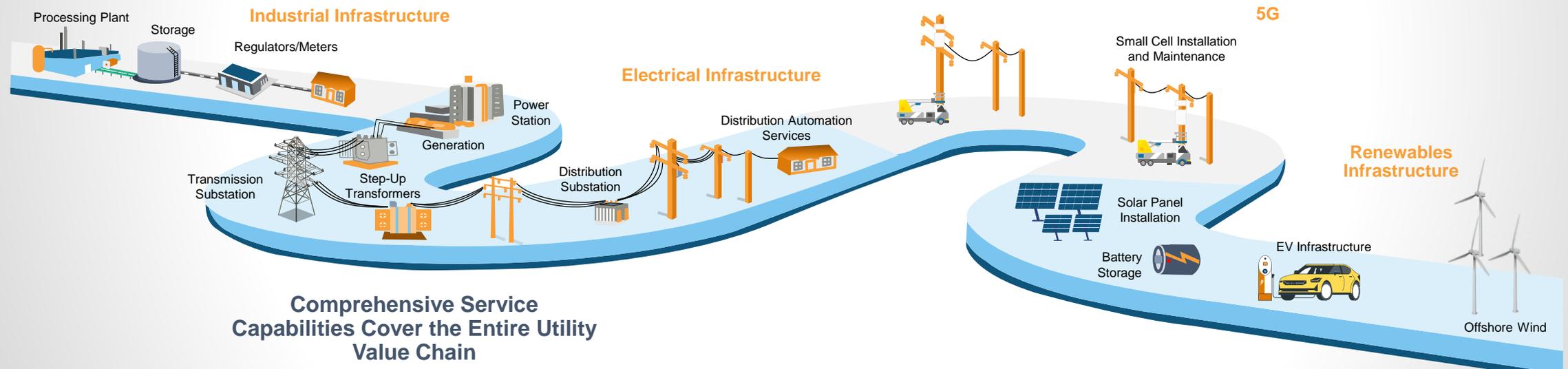
Turnkey capabilities equip Centuri to serve as a one-stop shop for customers, resulting in revenue opportunities across the utility and infrastructure landscape

Unique Ability to Serve All Customer Needs

- Platform supports distribution, substation, conventional and renewable generation, 5G and other infrastructure
- RDC 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

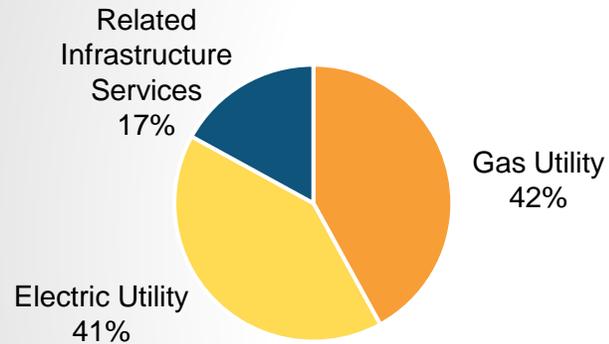


RDC SUPPORTS CENTURI'S LOW-RISK, DIVERSIFIED SERVICES PLATFORM

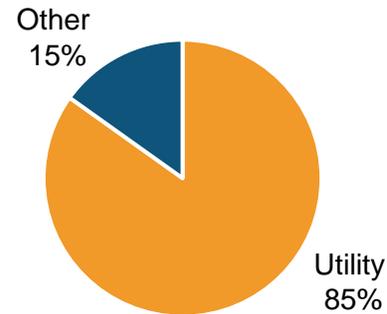
Scaled and well-diversified platform delivering a comprehensive set of complementary services with controlled risk

Pro Forma Revenue Composition¹

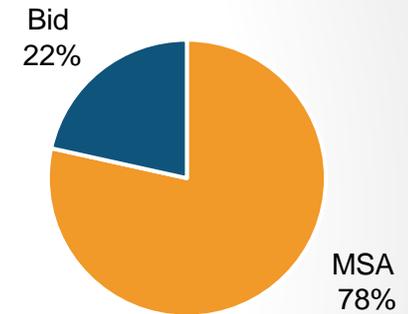
End Market²



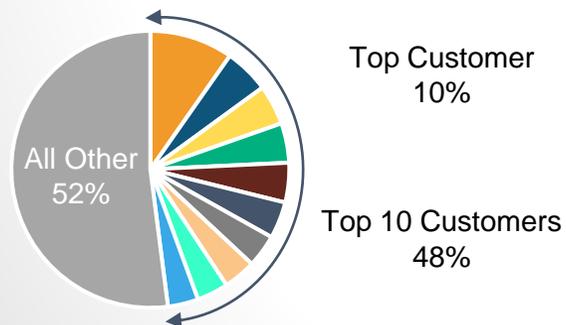
Customer Type



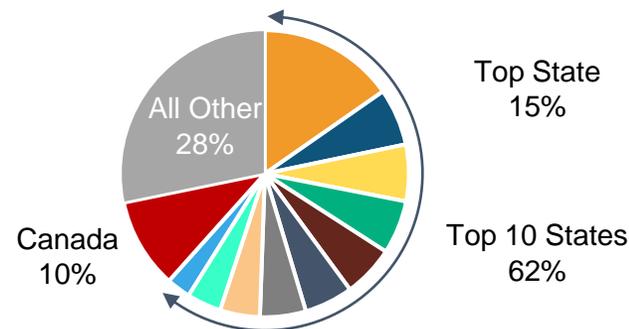
Contract Structure



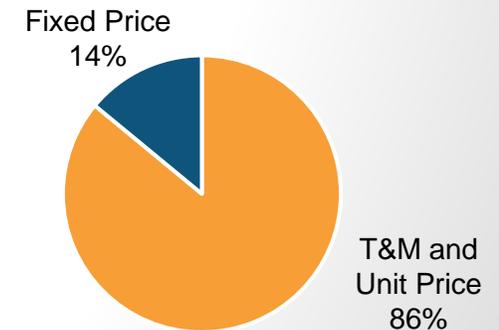
Customer



Geography



Contract Type

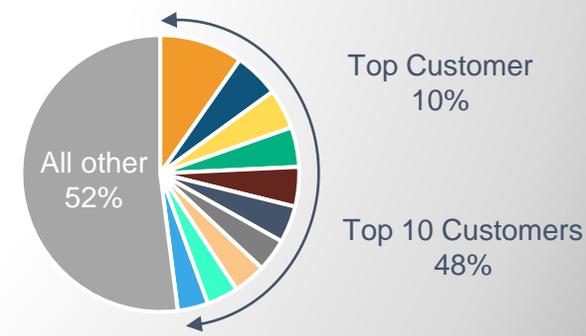


RDC EXPANDS CENTURI'S WELL-TENURED, BLUE-CHIP UTILITY CUSTOMER BASE

Gas	Electric	Combination
  		   <small>An Exelon Company</small>
 		  
		    <small>An Exelon Company</small>
 <small>A Division of ONE Gas</small>		 <small>An Exelon Company</small> 
		   
	 <small>A WGL Company</small>	   <small>An Exelon Company</small>   
 <small>A Division of ONE Gas</small>		

 Denotes new Centuri customers from RDC acquisition

Top Customers Key Stats
~25 Years Weighted Average Customer Tenure ¹
~5 Years Weighted Average Contract Length ¹



INDUSTRY OVERVIEW

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

Utility Distribution Outlook



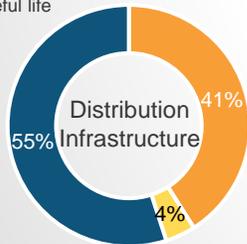
Electric Utility Distribution

- 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

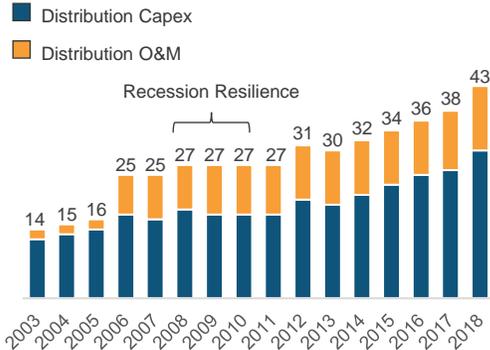
Aging Electric Infrastructure¹

Electrical Distribution infrastructure age relative to useful lifespan

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



Investments in Distribution Infrastructure² (\$ in billions)

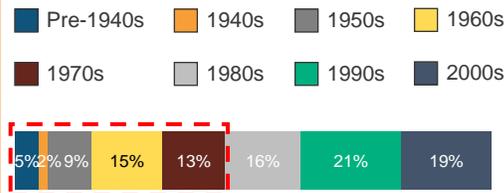


Utility Gas Distribution

- 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

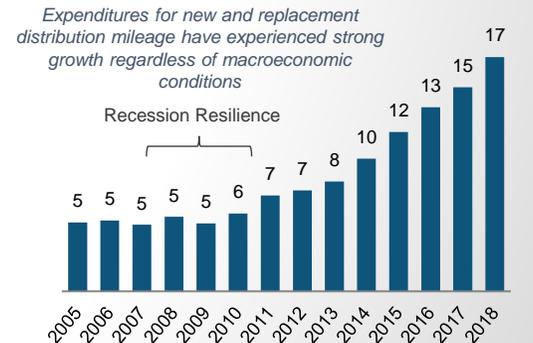
Crumbling Gas Infrastructure

Gas Distribution Pipelines Constructed³ (By decade)



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

Construction Spend on Distribution³ (\$ in billions)



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

INDUSTRY OVERVIEW (CONTINUED)

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

Wireless and Renewable Energy

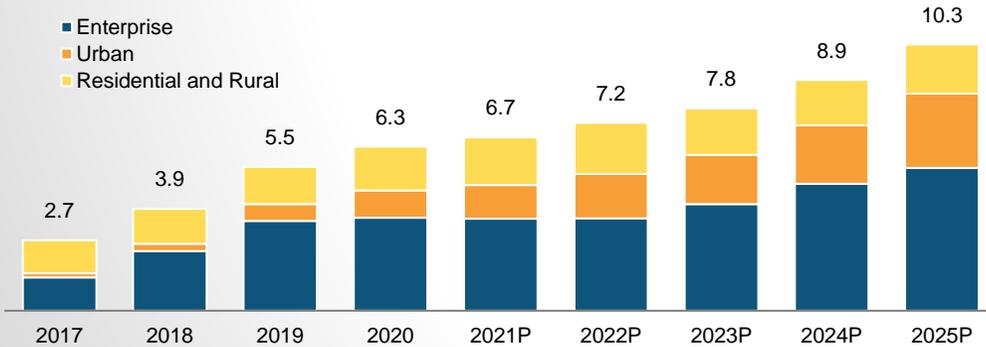


5G Datacom

- 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 Environment²

(Units in millions)

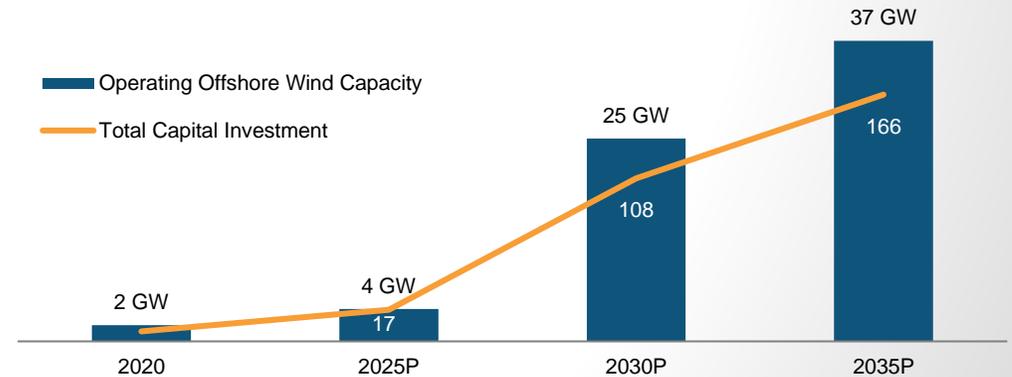


Energy Transition

- Renewable energy accounts for ~18% of U.S. energy mix and is projected to reach 31% by 2050¹ as utilities move away from fossil fuels
- Significant forthcoming buildout of renewable assets and supporting infrastructure

Accelerating U.S. Capacity and Investment³

(Units in gigawatts; \$ in billions)



CENTURI AND RDC: COMMON CULTURES AND SHARED VALUES



Leading the way for the next 100 years

Through sound investment, shared services and an unwavering commitment to the safety of our employees and the communities we serve, Centuri supports the performance of its operating companies across the U.S. and Canada

Guiding Principles

- 1 Safety:** The safety of our employees and the communities where we work is our first priority
- 2 Quality:** Ensure that projects are completed on time and endure for the communities they serve
- 3 Environment:** We challenge ourselves, and our partners, to reduce our carbon footprint
- 4 Community:** Promote supplier diversity, hire locally and foster charity
- 5 Economy:** Contribute to a sustained local economy
- 6 Employees:** Our commitment to safety is matched only by our commitment to continued personal and professional development of our diverse team



Over 100 years of industry leading results

Build reliable and innovative infrastructure to support and empower future generations

Core Values

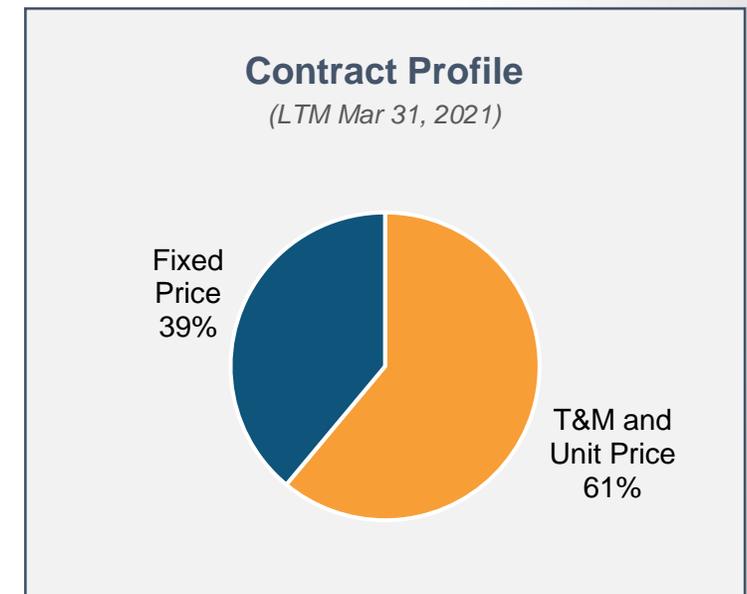
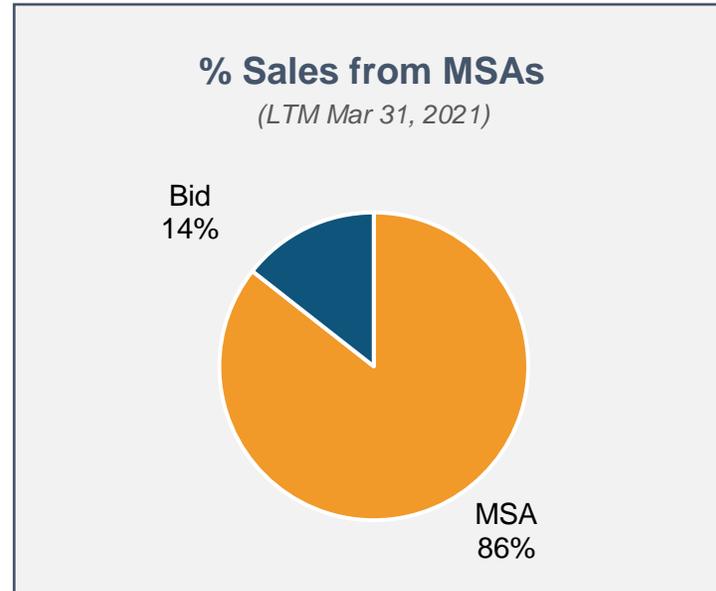
- Safe:** Operating with caution and care to ensure the wellbeing of persons and environments
- Reliable:** providing authentic, consistent and trustworthy connections for our employees, customers and communities
- Loyal:** Putting our people first by giving them the tools to succeed together as a team
- Connected:** Identifying opportunities and supporting organizations and programs that improve our community
- Ground Breaking:** Working together to challenge tradition and create innovative solutions

The addition of RDC to the Centuri family of companies advances the strategies of both organizations

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

Recurring MSA Revenue and Controlled Risk

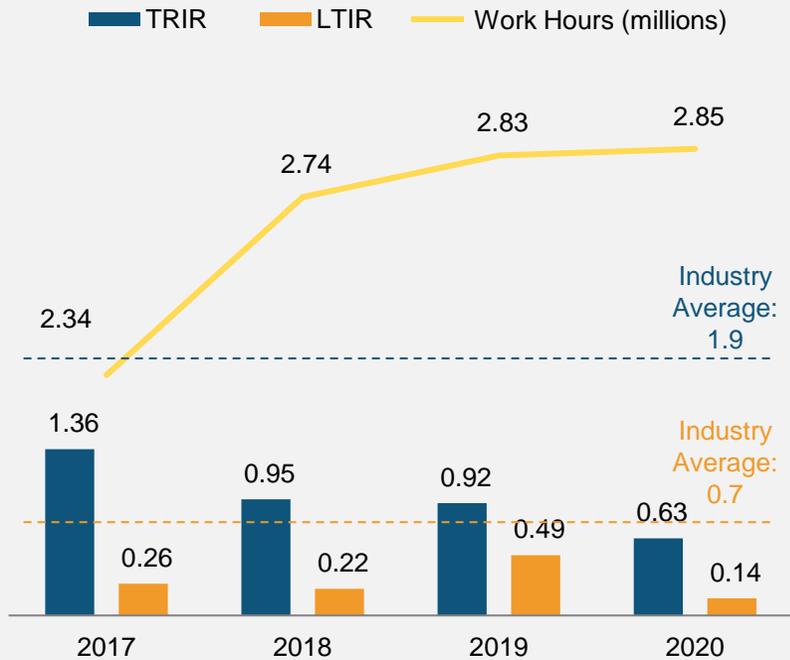
- RDC has 60 unique utility MSAs and 59 non-utility MSAs across multiple geographies
 - Annual volumes consistent given steady rate base driven nature of utility spending programs
 - Work is small-ticket, short in duration and driven by ongoing maintenance requirements, generally directly awarded on a T&M basis or at pre-set unit pricing
 - Majority of activities associated with recurring maintenance on critical distribution infrastructure



RDC: BEST-IN-CLASS SAFETY & OPERATIONAL CAPABILITIES

Proven Commitment to Safety

Safety wins RDC work, keeps the Company qualified, retains talent and bolsters the bottom line



Excellence in Execution



Ability to Generate Significant Operating Leverage

Breadth of capabilities across footprint enables RDC to support customers throughout their networks



Focus on Productivity and Maximizing Margins

Centralized Project Controls group (“PCG”) provides real-time visibility into cost and labor productivity



Industry’s Preeminent Workforce

1,500+ skilled employees, with back-office support from non-union corporate teams



Scalable Corporate Infrastructure

Consolidated reporting, customer data, project management and mobile field technology