



Primoris 2024 Investor Day

April 3, 2024

New York Stock Exchange

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Non-GAAP Measures

This presentation contains reference to certain financial measures that are not recognized under generally accepted accounting principles in the United States ("GAAP"). Primoris uses earnings before interest, income taxes, depreciation and amortization ("EBITDA"), Adjusted EBITDA, Adjusted Net Income, and Adjusted EPS as important supplemental measures of the Company's operating performance. The Company believes these measures enable investors, analysts, and management to evaluate Primoris' performance excluding the effects of certain items that management believes impact the comparability of operating results between reporting periods. In addition, management believes these measures are useful in comparing the Company's operating results with those of its competitors. The non-GAAP measures presented in this presentation are not intended to be considered in isolation or as a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP. In addition, Primoris' method of calculating these measures may be different from methods used by other companies, and, accordingly, may not be comparable to similarly titled measures as calculated by other companies that do not use the same methodology as Primoris. Please see our earnings press releases that can be found in the Investor Relations section of our website for the reconciliation tables of the following non-GAAP financial measures for Primoris' current and historical results: EBITDA, Adjusted EBITDA, Adjusted Net Income and Adjusted EPS.

Investor Day 2024 Agenda

10:00 AM – 10:05 AM

Welcome and Opening Remarks

Blake Holcomb, VP, Investor Relations

10:05 AM – 10:20 AM

Strategic Priorities: Building on a Solid Foundation

Tom McCormick, CEO

10:20 AM – 10:35 AM

Capitalizing on Utility Megatrends

Colt Moedl, President - Utilities

10:35 AM – 10:50 AM

Maximizing Our Solar Potential

Stephen Jones, President - Renewables

10:50 AM – 11:05 AM

Supporting the Energy Transition

Jeremy Kinch, President - Energy

11:05 AM – 11:20 AM

Creating Value through Disciplined Capital Allocation

Ken Dodgen, CFO

11:20 AM – 12:00 PM

Q&A Panel Discussion

Strategic Priorities: Building on a Solid Foundation



Tom McCormick
President and Chief Executive Officer

Key Messages

1

Industry leader in utility, energy, and renewables infrastructure solutions

2

Core services levered to **large and growing end markets** driven by **long-term secular macrotrends** with multi-year growth runway

3

Significant opportunity for implementing **operational excellence** and best practices to further accelerate profit margin growth potential

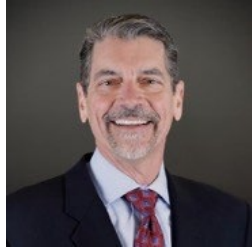
4

Capitalizing on our scale and financial position to continue **compounding value** through **selective M&A**

Driven and Experienced Management Team



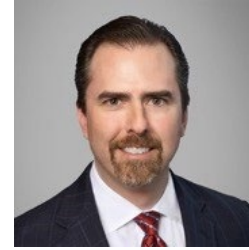
Tom McCormick
President & Chief
Executive Officer
Joined: 2016



Ken Dodgen
Chief Financial
Officer
2017



John Perisich
Chief Legal and
Administrative Officer
1995



Travis Stricker
Chief Accounting
Officer
2017



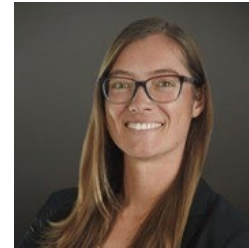
Colt Moedl
President - Utilities
2023



Stephen Jones
President - Renewables
2019



Jeremy Kinch
President - Energy
2018



Rhonda Anderson
Chief Human
Resources Officer
2021

AN INDUSTRY- LEADING TEAM WITH A TRACK RECORD OF DRIVING GROWTH AND TRANSFORMATION

- Extensive public market experience
- Each with average 20+ years of industry experience
- Strong track record of executing consistently against operational and financial targets

Since Last Investor Day in 2017

Key milestones, recognition, and achievements



Acquisitions of Willbros, Future Infrastructure, and PLH Group to bolster Utilities segment

\$2 billion

Surpassed \$2 billion in Market Capitalization

MSCI
ESG RATINGS



CCC B BB BBB A AA AAA

Improved
MSCI ESG Rating
from BB to A



Ranked top five Specialty Contractors by
Engineering News-Record (ENR)

NYSE

Relisted on
New York Stock
Exchange in 2023



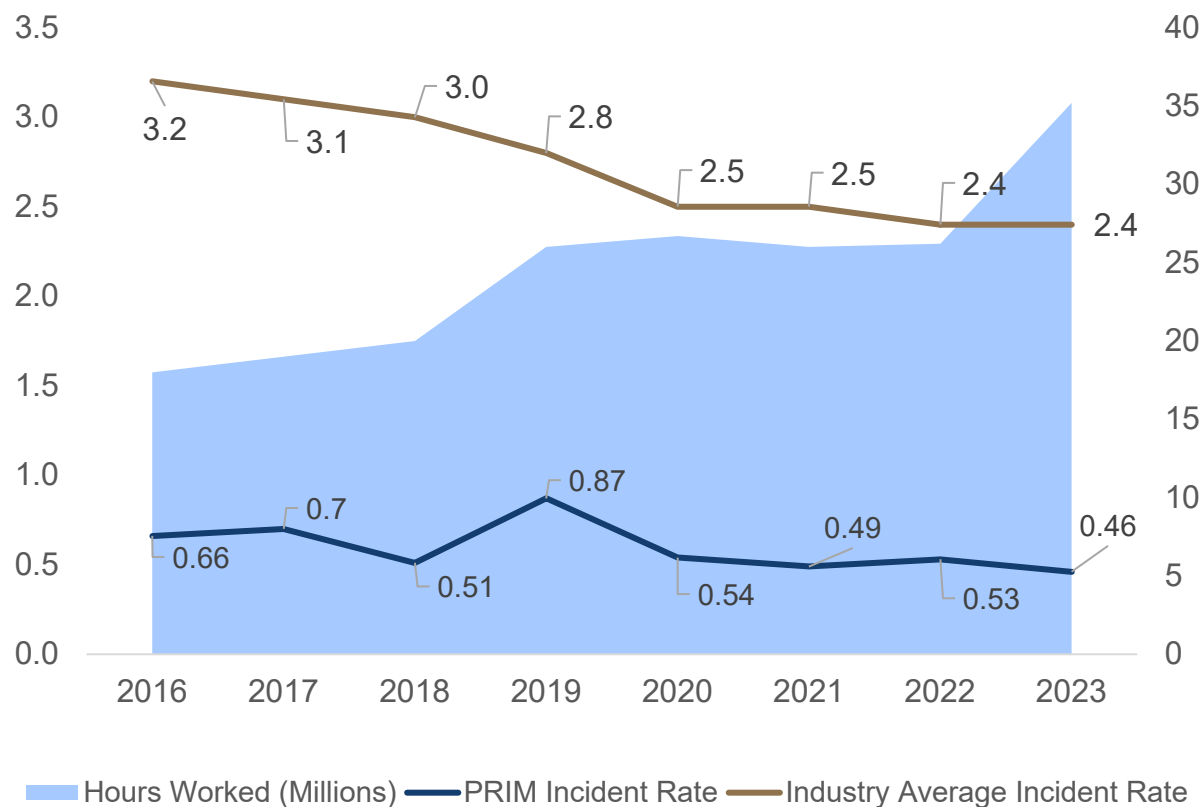
Safety Performance



- Lowered Total Recordable Incident Rate (“TRIR”) to 0.46, or ~80% below the industry average
- Over 260 dedicated Health, Safety, and Environmental professionals and over 100 professional certifications
- **VIVA “Lives Depend on Me”** campaign has been successful in recognizing and preventing workplace injuries



Primoris Historical Performance vs. Industry Average



As reported by Bureau of Labor Statistics, NAICS 23

Excellence in Safety is Critical to the Well-being of Our People and Development of Long-term Relationships with Clients

The Next Chapter for Primoris

2011-2017

“Gaining Scale”

*IPO in 2008;
gaining scale was a primary focus
in the years that followed*

2018-2023

“Enter High Growth Markets”

*Established a presence in
Renewables, Power Delivery,
and Communications*

2024-2026

“Value Creation through Execution”

*Value creation through
consistent execution,
focused capital allocation,
and purposeful growth*



Primoris Has Been Transformed to a Utility, Energy, and Renewables Infrastructure Leader

Period of Transformation

Revenue

\$5,715

16%
CAGR

51%

\$1,997

100%

2016

2023

Higher Growth
End Markets

49%

12-month Backlog

\$4,780

15%
CAGR

45%

\$1,807

100%

2016

2023

Higher Growth
End Markets

55%

Foundational
End Markets

Pipeline, Industrial, Heavy Civil, Gas Operations

Higher Growth
End Markets

Renewables, Power Delivery, and Communications

Transformed to High Growth Markets

Revenue and backlog shifted from primarily pipeline, heavy civil, and industrial to higher growth utilities and renewables

Transformed Leadership

Brought on new, strong leaders with extensive experience across our lines of business

Transformed Culture

Consistent executions and continuous safety improvement

Transformed Commercial Focus

Reoriented our focus to optimize for profitable growth and cash flow

Well-positioned in Markets with Strong Tailwinds



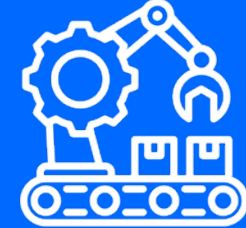
Energy Transition

Transition to low-carbon economy driving rapid adoption of utility-scale renewable energy sources



Electrification and Modernization

Growing electrical demand and an aging grid driving long-term electrical utility demand growth



Reshoring and Reindustrialization

Growth of domestic industrial capacity driving significant demand for new infrastructure

Key enablers include emerging technologies, legislative priorities, and economic growth

Primoris Strategy Statement

**Grow gross profit
at 9% to 12% compound
annual rate through 2026...**

Prioritizing profitability over
revenue growth

**...by investing in growth engines
while sustaining foundational
business performance...**

Allocating capital to the high
return markets of Renewables
and Power Delivery

Capturing strong results from
foundational businesses to
support reinvestment in growth
markets

**...with consistent execution,
focused capital allocation, and
purposeful customer growth**

Improving consistency in execution

Focusing human and financial
capital to optimize portfolio returns

Selectively pursuing customers who
value mutually beneficial
arrangements

Primoris Strategy Roadmap to 2026 Goals



**Deliver
Consistent
Performance
in Foundational
Businesses**

*Our foundational
businesses with
solid margins and
cash flow profiles*

**Drive
Operational
Improvements
to Support
Margins and
Cash Flow**

*Operational excellence
and efficient operations to
drive greater earnings in
growth businesses*

**Direct
Capital to
High Growth
Opportunities**

*Strict capital allocation
criteria to deploy
capital to the highest
returns and best use*

Accelerating Our Strategy Through Disciplined Acquisitions

Legacy Primoris Inorganic Growth

Acquisitions have historically served as a point of entry to high growth markets

Wealth of knowledge and lessons learned from extensive track record

Go Forward M&A Strategy

Evaluate and score targets on key financial metrics including:

- Margin and cash flow accretion
- Cost synergies
- Rate of return hurdles

Focus on supporting growth businesses with bolt-on acquisitions that expand capabilities, geographies, or share of customer wallet

Targets assume no contribution from future acquisitions

Strengthening Customer Centricity



Target and
prioritize
customers that
value our
partnership



Understand the
clients needs
and objectives



Bid selectively
and deliver on
commitments
with discipline



Allocate people
and resources
to expanding
opportunities
with these
clients



Execute with
safety, quality,
and productivity

Building **Long-term, Collaborative,** and
Mutually Beneficial Customer Relationships

Investment Case in Primoris

1 OPPORTUNITY TO EXPAND GROSS MARGINS in high growth markets

2 IMPROVING CASH FLOW PROFILE and leverage ratio

3 FOCUSED ALLOCATION of resources toward highest returns in service portfolio

4 ATTRACTIVE VALUATION compared to companies with comparable end markets



Focused on Margin Expansion, Improving Cash Flow, and Allocation of Resources toward most Accretive Service Lines

Key Takeaways

1

Industry leader
in utility, energy,
and renewables
infrastructure solutions

2

Core markets levered to
**large and growing
end markets** driven
by **long-term secular
macrotrends** with
multi-year growth runway

3

Significant opportunity
for implementing
operational excellence
and best practices to further
accelerate growth potential

4

Capitalizing on our
scale and financial
position to continue
**compounding
value** through
selective M&A

Capitalizing on Utility Megatrends



Colt Moedl
President – Utilities

Key Messages

1

Positioned portfolio to benefit from investment trends in Power Delivery and Communications

2

Added **talent and expertise** to execute **safe, quality and productive** performance

3

Improving mix of high demand and **high margin project work**

4

Aligned commercial and sales efforts toward **partner-centric** customers and projects that support our margin and **cash flow** objectives

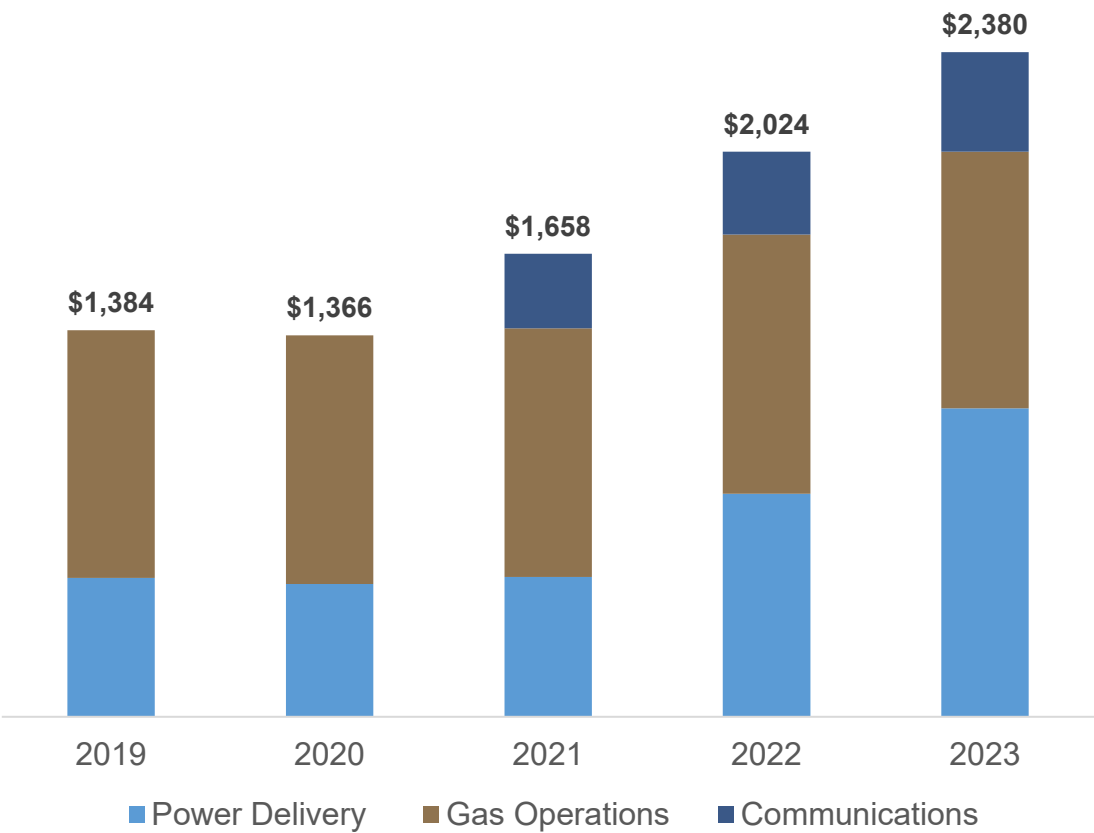
5

Open to **bolt-on** acquisitions that increase **craft labor, expand geography** or adds **strategic customer** relationships

Evolution of Primoris Utilities End Markets

- Entered Power Delivery market in 2018 through Willbros acquisition
- Increased Master Service Agreement (“MSA”) exposure which has contributed to reduced earnings volatility
- Entered Communications market in 2021 with Future Infrastructure acquisition
- PLH acquisition in 2022 grew our Power Delivery craft labor, equipment and customer base
- Proactive capital allocation and commercial strategy has helped to offset gas utility business recent peak in 2020

Primoris Utilities Revenue by End Market



Utilities Segment Positioned to Benefit from U.S. Electrification and Broadband Expansion Megatrends

Positioning Utilities Segment to Capitalize on Megatrends

- ✓ Reorganized segment from geographic focus to business line and customer organization focus
- ✓ Added talent and expertise with extensive experience in transmission, distribution, and major projects
- ✓ Reallocated resources toward higher margin and cash flow generative accounts
- ✓ Developed major project teams to pursue balancing our mix of project work while growing MSA revenue
- ✓ Focused commercial and sales efforts on customers that value our partnership and services



Colt Moedl, President - Utilities
19 years experience in Power Delivery



**James Pratt, SVP
Power Delivery**
27 years experience



**Dennis MacAleese,
SVP Gas Operations**
29 years experience



**Scott Comley, SVP
Communications**
14 years experience

Vice Presidents - Major Projects added to each business line

Vice Presidents - Business Development added to each business line

■ New management team member or promotion in 2023

Utilities Business Lines



Power Delivery



Gas Distribution



Communications

Electrification Megatrends in the U.S.



Power



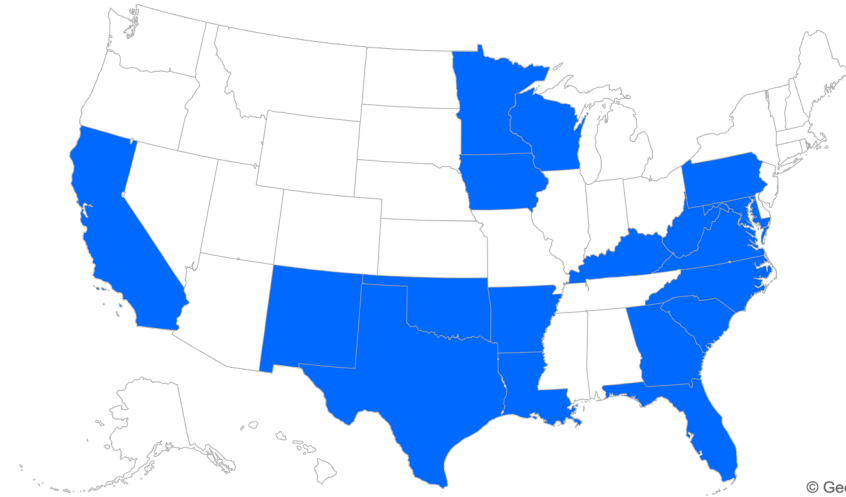
Gas



Comms

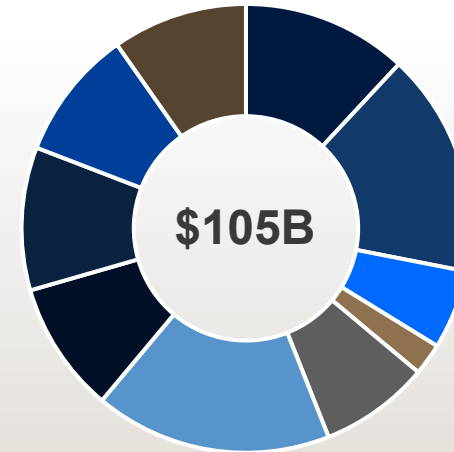
- Generation capacity to grow more than 300 GW (up 37%) by 2030 and 500 GW (up 53%) by 2035
- Retirement of aging plants and load growth driving capacity
- Load growth driven by:
 - Data centers to support emerging technologies
 - Reshoring / Reindustrialization of the supply chain to the U.S.
 - Growing residential electrical demand
- Generation capacity will need to be connected to the grid
- More high voltage transmission lines needed to transmit higher loads
- Grid hardening in areas potentially impacted by extreme weather events

Power Delivery Primary Service Markets 2023



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Top 10 Customers T&D Spending '24-'26



New Generation Sources and Grid Reliability Initiatives to Drive Demand for Power Delivery Services and Solutions

Organizational Catalyst – Major Projects Team



Power



Gas



Comms



OBJECTIVE

Major Engineering, Procurement and Construction (“EPC”) greenfield substation project that would span a year in duration

New customer build to support needs of manufacturing facility

Successful execution could lead to awards for additional substations



APPROACH

Assembled elite team with years of large project experience

Derived detailed execution plan to ensure all processes and scopes were identified

Continuous communication and alignment with client

Utilization of well-vetted subcontractors



OUTCOME

Successful completion of the project to satisfaction of the customer

Achieved target completion time and margin

Advantaged position for bidding and executing next major project for customer

Builds track record for attracting project scopes with similar customers

Organization Transformation – Commercial & Sales



The Reorganization

Drivers of Change

- Customer feedback
- Internal processes efficiency

Actions Taken

- Realigned commercial teams
- Increased internal reporting
- Offered bundled solutions

Outcome

- Improved customer satisfaction
- Improved productivity
- Prevented market share losses
- Gained share in growing market

Gas Operations



Market Trends

Aging infrastructure in need of **integrity** and **replacement work**

Primoris Opportunity

Complements Power Delivery with **skilled** union & non-union labor

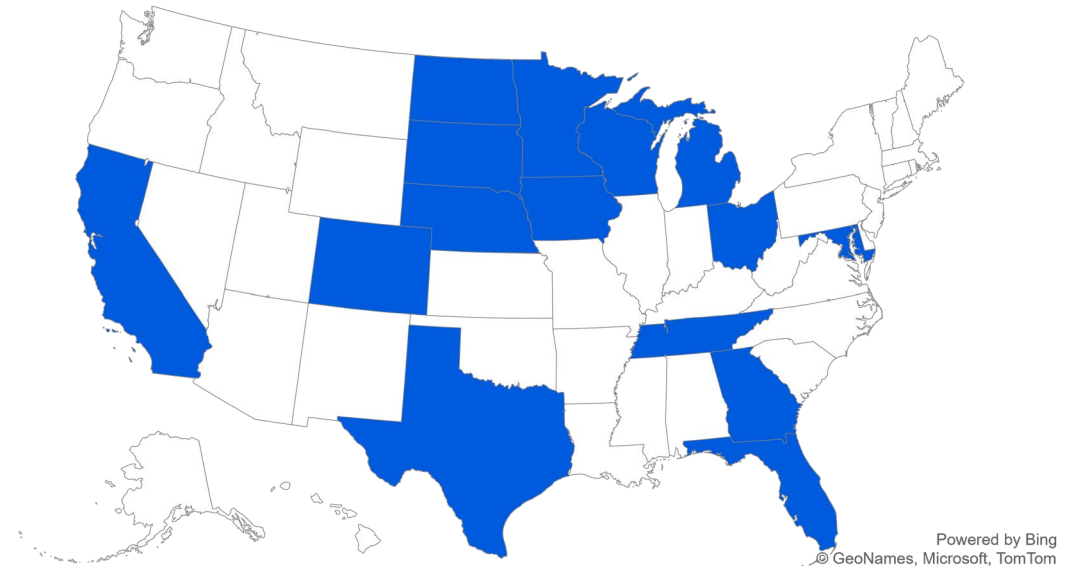
Well-established business and **customer relationships**

Continue **lower risk MSA** work while **adding project work**

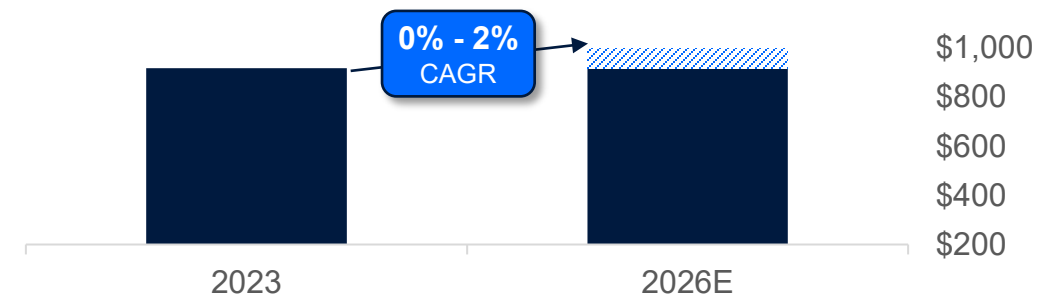
Targets & Objectives

Steady, efficient and **consistent execution** with **solid margins**

Gas Operations Primary Service Markets 2023



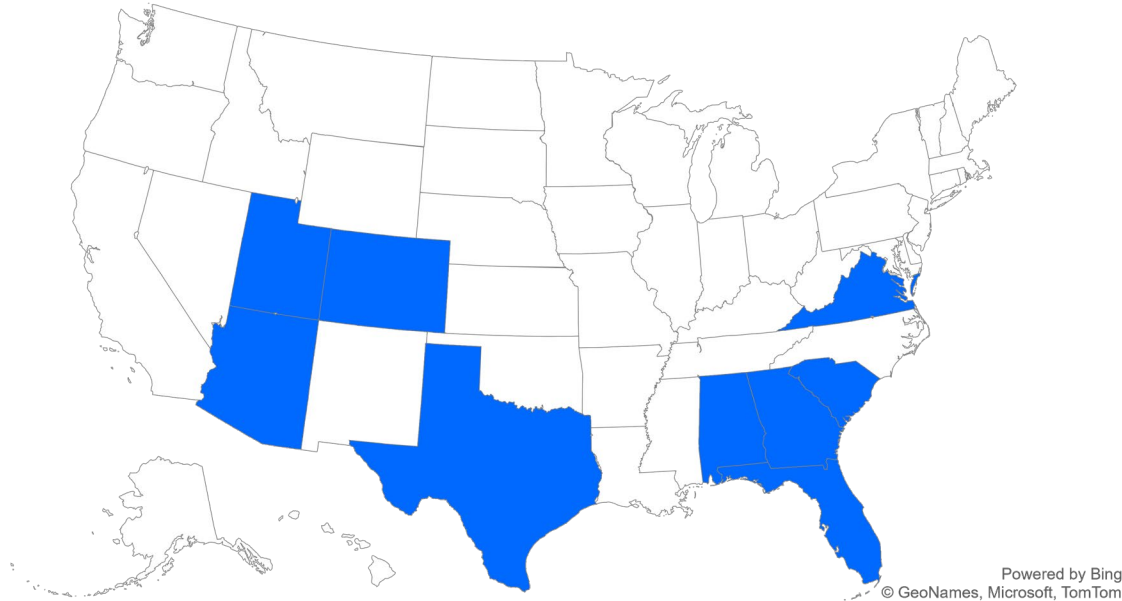
Gas Ops. Revenue Growth Outlook (\$M)



Broadband Expansion on the Horizon



Communications Primary Service Markets 2023



Market Trends

Federal stimulus improving **economics for installation** in underserved areas

Hyper-scalers **building** and **connecting large data centers** in major cities

Primoris Opportunity

Valued customer relationships pulling us to new regions to establish networks

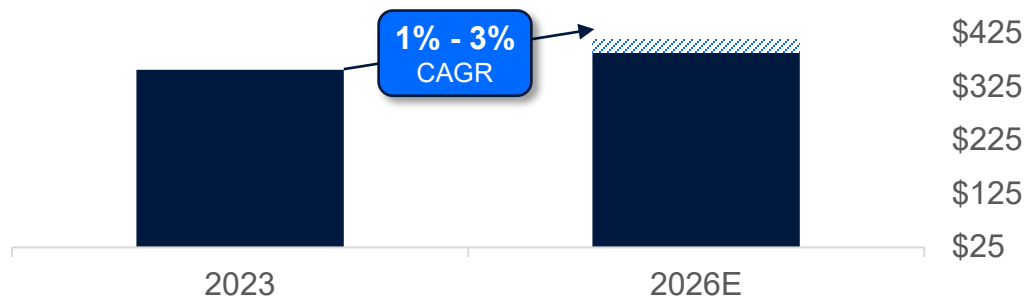
Opportunity to **increase share** of customer wallet along with **market growth**

Geographic expansion with low investment due to expansive footprint

Targets & Objectives

Maintain margins & improve cash conversion

Communications Revenue Growth Outlook (\$M)



Utilities Segment Objectives and Initiatives

Segment Objectives

- Allocate capital to high growth, high return opportunities
- Improve segment gross margins to 10% to 12%

Key Initiatives



Accelerate Revenue Growth

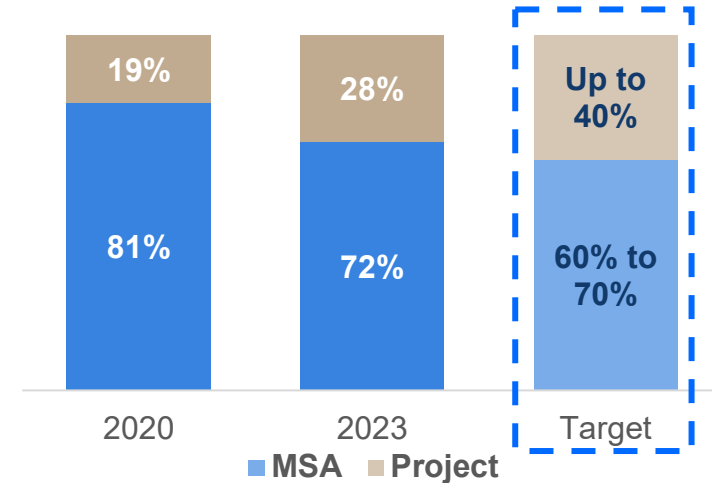
- Power Delivery customer driven tailwinds
- Reinvest cash flow from Gas Operations
- Grow broadband Communications



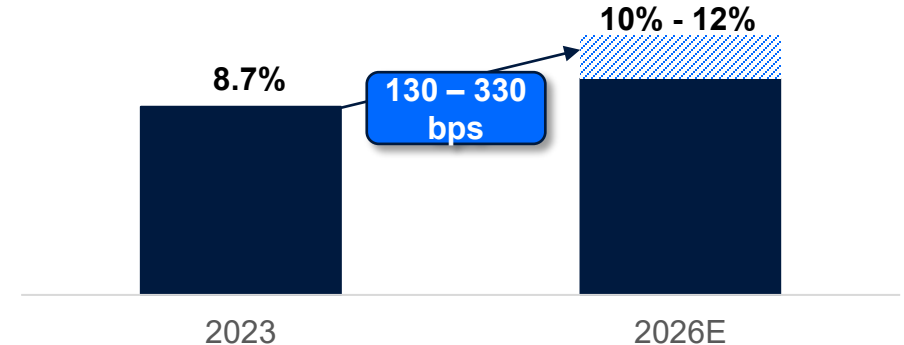
Drive and Sustain Margin Improvement

- Allocate craft labor and resources to strategically important customers
- Implement MSA rate increases in 2024, followed by renewals in 2025
- Increase mix of major project revenue through \$2B funnel of opportunities including ~\$150 million awarded
 - Grow project work to up to 40% of total Power Delivery revenue

Power Delivery Revenue Mix - MSA/Project



Utility Segment Gross Margin Target



Power Delivery poised to outperform other Utilities businesses with favorable growth tailwinds

Key Takeaways

1

Positioned portfolio to benefit from investment trends in Power Delivery and Communications

2

Added **talent and expertise** to execute **safe, quality and productive** performance

3

Improving mix of high demand and **high margin project work**

4

Aligned commercial and sales efforts toward **partner-centric** customers and projects that support our margin and **cash flow** objectives

5

Open to **bolt-on** acquisitions that increase **craft labor, expand geography** or add **strategic customer** relationships

Maximizing Our Solar Potential



Stephen Jones
President – Renewables

Key Messages

1

Opportunity to continue significant success in **organic growth** in **utility-scale solar** EPC

2

Best-in-class business model driven by **high-functioning teams** and **strong customer partnerships**

3

Substantial **revenue growth opportunity** through **selling adjacent services** for future projects and existing installed base

4

Cross-selling presents opportunity to improve margin profile by increasing the percentage of self-performed work

5

Robust **\$8.0 billion** project sales funnel and backlog of **\$2.4 billion** to support future growth

Renewables Overview

Over 50 projects completed or under construction for a total of ~10.9 GW

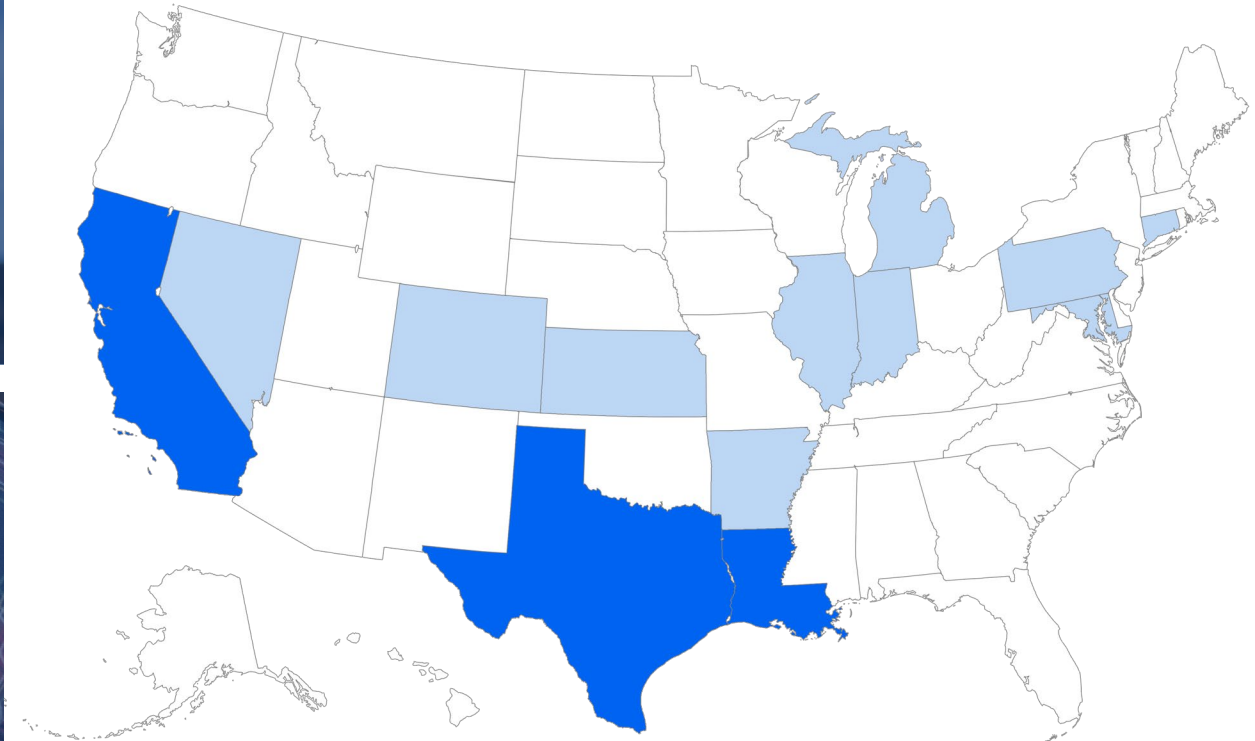
- Average project size over 280 MWdc

Growing opportunities in Southwest, Midwest, and the Northeast

Diverse range of customers with no single customer representing more than 25% of 2023 revenue

Activity in thirteen states with highest concentration of projects in Texas, California, and Louisiana

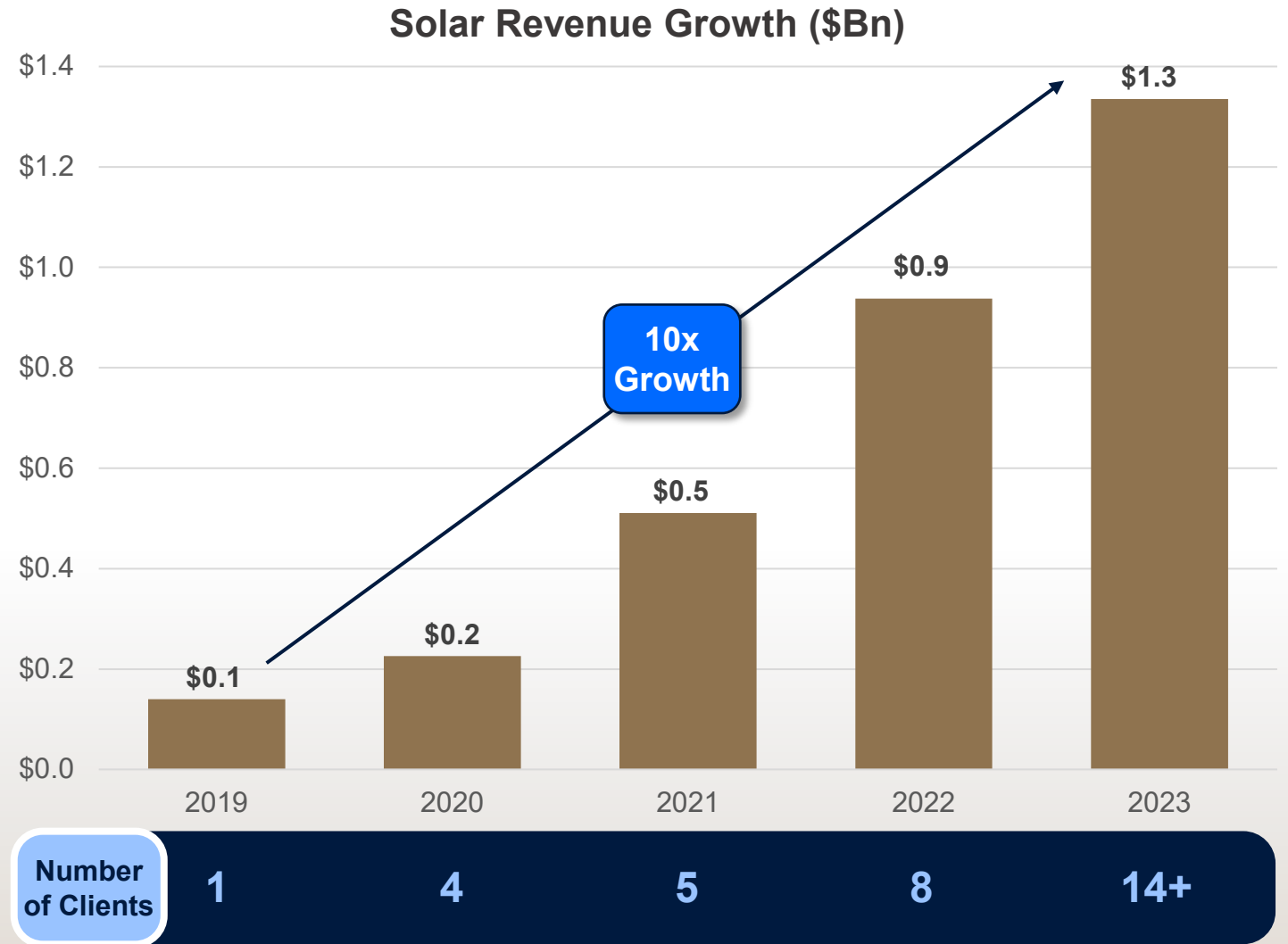
Primoris Solar Projects



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The Primoris Solar Success Story

- Primoris renewables has grown revenue nearly 10x since 2019
- Utility scale market a little over 2x during the same period
- We have grown from a single customer to more than 14 at year end 2023
- Our leadership, teams, customer relationships, and processes have been the key to our success



Success Starts with Building a Great Team

- Senior leadership brings extensive expertise in renewable energy construction with a strong focus on EPC projects in solar, battery storage, and wind
- Attracting and retaining talent by a track record of safety, winning work and successful project outcomes
- Upskilling our self-perform workforce through training and standardized processes
- The market and project pipelines demand team growth and development
- Developing and promoting leaders to grow adjacent revenue streams inside of renewables

ATTRACT

DEVELOP

RETAIN

GROW



Driving Growth through Strong Customer Partnerships

We listen to our customers' needs and form a partnership around serving those needs

- Most of our client relationships are **10+** years old
- Our reputation and **execution track record** gains wallet share and allows us to be selective in new customer additions
- **>80%** of the project work awarded is negotiated based on trust
- **Robust pipeline of projects** allows for the flexibility to navigate supply chain disruptions and project delays
- **Large well-capitalized IPP's / developers** are less sensitive to market disruptions and short-term changes in interest rates
- **Clients' positive experience** with our project teams keeping utilization high with back-to-back projects, thus lowering our cost



**Over \$2.4
Billion**
in backlog as of
year end 2023

**Approximately
\$8.0 Billion**
of targeted projects
in current
sales funnel

How Our Unique Approach Creates Value for All Stakeholders

ACTION

INTENDED OUTCOME

Self-perform 90% of any given scope of work



We ensure safety, quality, productivity, manage risk, and maintain standards

Vigorously qualify our clients, focus on the relationship and repeat business



Build a partnership that is right-fit and collaborative for mutual benefit of both

We perform preliminary design with in-house engineering team



Match up our design, price and schedule to lower price creep and claims

Enterprise supply chain approach for all equipment and materials. Validate lead times and availability prior to contract execution



Confirms price to customers is accurate and prevents cost and schedule overruns, thus reducing risk

New project teams mirror a veteran team on a project prior to project deployment



Mitigates risk exposure to poor project management, quality, productivity and disruption to client relationship

Expanding Our Customer Offering

Strong customer relationships drive growth opportunities within existing installed base

- **Utility / Distributed Scale Solar**
 - Currently represents >90% of Renewables revenue
- **Battery Energy Storage Solutions (BESS)**
 - Over 1.7 GWh of projects completed or under construction
- **Power Delivery (Utilities Segment)**
 - High voltage substations, transmission and distribution lines
- **Operations & Maintenance and Asset Management**
 - Operate client assets, long-term O&M, warranty service, repowering and wind services



Delivering More Turnkey Solutions to Customers and Self-performing More of Each Project to Drive Higher Margins

Case Study – Cross-Selling Services Project



OPPORTUNITY

Customers developing more projects with need for high voltage substations and transmission

Historically our non-solar construction was subcontracted to third parties



STRATEGY

Engaging our internal businesses to build these scopes

Package full-service solution to customer

More control over project risk, schedule, execution and start-up



RESULT

One single contract for entire EPC scope

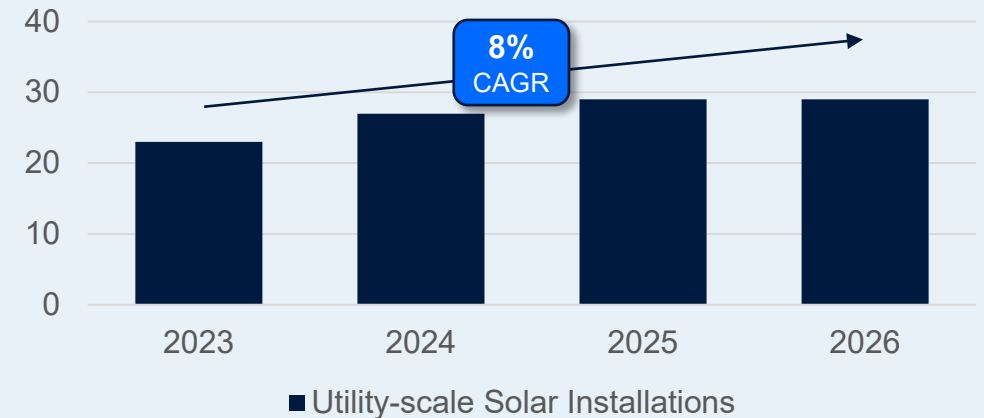
Exposes customer to other parts of Primoris for work other than just renewables

Margin remains “in house” rather than to subcontractor

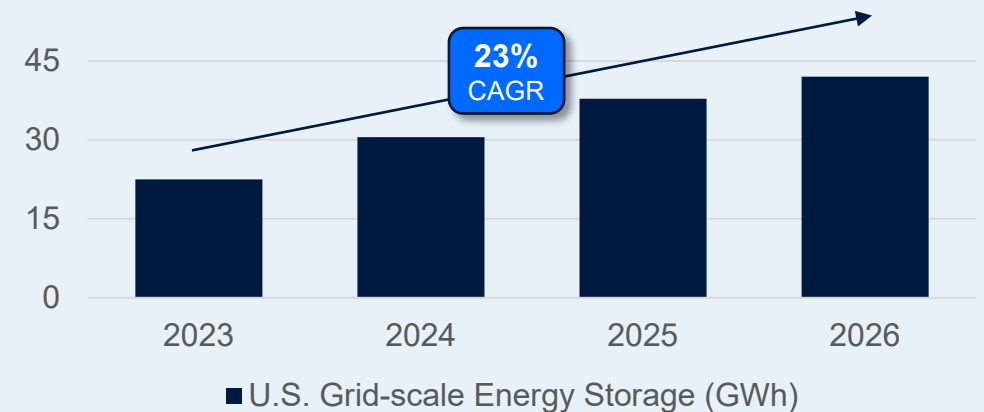
Maximizing Our Solar Potential

- **Targeting growth of \$300M to \$400M** per year over the next three years with consistent margins
- **EPC project team growth of 3 to 5 teams per year** expected to achieve growth targets. Stay disciplined in **promoting and building teams** with quality people
- **Our EPC Supply Chain team is best-in-class.** Maintain our diligence to prevent supply chain issues, avoid delays and expediting costs
- **Monitor legislative and regulatory environment** to ensure we continue to maximize value for our customers' projects
- We will **continue our focus on Solar**, our highest rate of return on capital, while developing into other adjacencies

U.S. Utility-Scale Solar Installations (GWdc)



US Grid-scale Energy Storage (GWh)



Source: Wood Mackenzie, 12/2023

Key Takeaways

1

Opportunity to continue significant success in **organic growth** in **utility-scale solar EPC**

2

Best-in-class business model driven by **high-functioning teams** and **strong customer partnerships**

3

Substantial **revenue growth opportunity through selling adjacent services** for future projects and existing installed base

4

Cross-selling presents opportunity to improve margin profile by increasing the percentage of self-performed work

5

Robust **\$8.0 billion** project sales funnel and backlog of **\$2.4 billion** to support future growth

Supporting the Energy Transition



Jeremy Kinch
President – Energy

Key Messages

1

Scope and timing of the **energy transition** in North America will require continued **investment** in **traditional power generation** sources

2

Supply chain **reshoring** and **reindustrialization** expected to drive increased demand for manufacturing and safe, reliable energy

3

Foundational businesses showing signs of **improving project activity** with opportunity to **grow profit margins and cash flow**

4

Extensive **track record** of successful construction and upgrade projects of **traditional and emerging** facilities

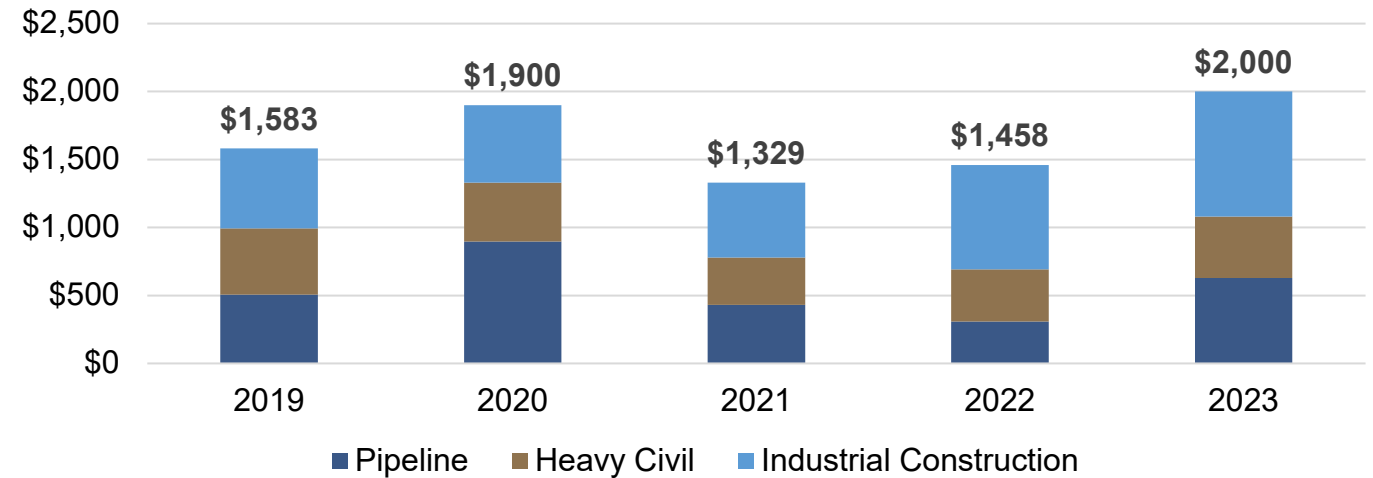
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Well-positioned with **apprenticeship programs** for union and non-union labor to meet federal legislation incentive requirements

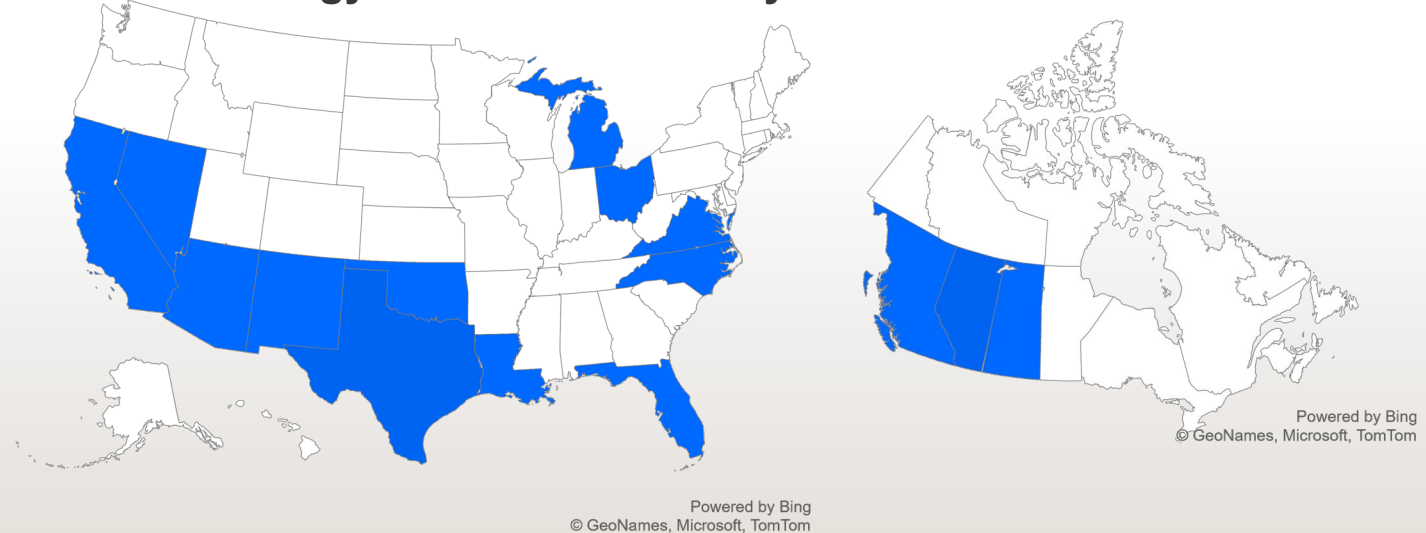
Energy Business Overview

- Operations consist of three main business lines: Industrial construction, Heavy civil and Pipeline
- Industrial construction has seen strong growth off the 2021 low and project funnel of opportunities is a multi-decade high
- Heavy civil has remained consistent operating in Texas and Louisiana, strong backlog
- Pipeline market conditions drove volatility in '21 and '22 but began to see improvement in '23

Energy Businesses Revenue by End Market



Energy Businesses Primary Service Markets 2023



The Energy Transition and Industrial Reshoring to Drive Demand for Energy Business

Energy Transition in the U.S.

- U.S. has an ambitious goal to reduce emissions while meeting increasing demand for energy
- The transition will take time and require a lot of capital and construction expertise
- Renewables will lead the way but coal retirements and upgrades to natural gas facilities will be a key component
- Emerging markets including carbon capture and hydrogen are a growth opportunity catalyst

Natural gas to remain 34% to 37% of U.S. generation through 2050, **41%** in 2023

Estimated **\$20 Billion** of CO₂ transport & storage and fossil fuel power generation with carbon capture by 2030

Estimated **\$2.4 Trillion** of capital spent on U.S. energy transition projects through 2035

U.S. industrial consumption could increase as much as **30%** by 2050

U.S. likely to remain a **net exporter** of petroleum products and natural gas through 2050

Enabling the Energy Transition

- Increasing number of opportunities that support North America's transition to more efficient lower carbon sources of energy
- Growing demand for energy and government incentives are helping to accelerate decisions to invest in these projects
- Energy transition involves a wave of new manufacturing activity in North America that will depend on chemical and materials for support
- Extensive track record and expertise in natural gas power generation, pipeline, hydrogen, refinery and chemical plant construction and upgrades
- We are well positioned with apprenticeship programs for union and non-union labor to meet incentive requirements

~\$27 Billion
in addressable
market
opportunities
over next
24 months

Natural gas
an attractive
baseload
generation
alternative
to coal

Several key
customers have
**net zero
targets**

Federal, state
and local
**incentives
driving
investment**

Case Study – Natural Gas Repowering



ISSUE

Community in need of more generation capacity to meet growing demand

Outdated power plant beyond useful life and efficiency standards

More expensive imported power required to meet demand and ensure reliability



SOLUTION

Replace aged, unreliable, inefficient, and high-maintenance equipment with new technology

Include battery storage to reduce short-term cycling of the facility and help meet community emission standards

Primoris' expertise in engineering and construction fit the needs of the client



RESULT

Client meets emissions goals, lowers maintenance costs, and reduces need to import higher cost power

Primoris builds on its track record for future upgrades that will be needed

Industrial Reshoring in the U.S.

- Global pandemic and geopolitical risks have led to industry and government supply chain rethinking
- Federal legislation providing tax incentives and subsidies to make economics more attractive
- Reshoring of manufacturing necessitates more power generation and grid investment, site preparation, chemical and materials production
- Other benefits from intellectual property protection, quality, skilled labor and automation driving improved competitive dynamics

**Shorter lead times
and more flexible
and responsive
supply chain**

**Over \$1 trillion in
immediate appropriations
from IIJA, IRA and
CHIPS legislation**

**Improved visibility
of labor, warehousing
and logistics costs**

**Insulation from
U.S. tax and duties
policies on imports**

Supporting Industrial Reshoring

- Reshoring themes are likely to benefit quality contractors with available labor and Power Delivery capabilities
- Geographically well-positioned in areas with access to export hubs, skilled labor, land and “business friendly” state and local regulatory environments
- Long track record of execution in power, petrochemicals, site preparation and other industrial applications for general or subcontracting opportunities

Multiple industries including **technology, health care and materials**

Early stages of reshoring trend suggests **multiple years of investment**

Earnings call reshoring mentions up 170% above 3-year average the past 12-months¹

69% of U.S. manufacturers surveyed have begun reshoring efforts¹

¹S&P Global, October 2023, Medius, January 2024

Case Study – Industrial Reshoring



PROBLEM

Construct the only manufacturing facility of graphite-based active anode material (AAM) in the U.S.

Critical material used in lithium-ion batteries for electric vehicles and other clean energy technologies

Growing demand for batteries in automotive applications



SOLUTION

Developed detailed execution plan with client

Able to execute prevailing wages and certified payroll

Brought multiple capabilities including structural steel, piping and equipment installation

Safety record was a key selling point in the discussions with the client



BENEFITS

Key industry brought to the U.S. and is now operational

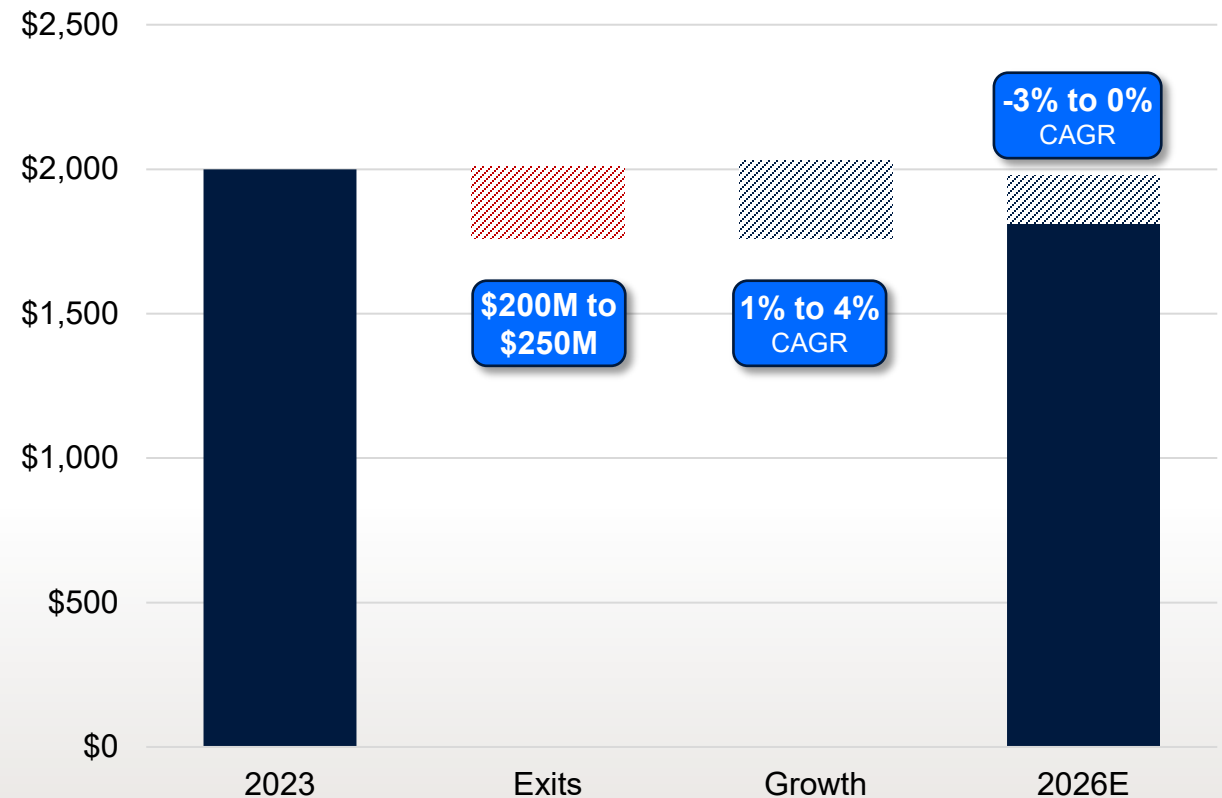
Only vertically integrated, large scale AAM outside of China

Opens the door to additional phases of project and similar projects

Energy Business Objectives

- Capitalize on opportunities to enable the energy transition and accelerate reshoring of manufacturing
- Be selective on projects, exercise discipline in bidding and deliver solid execution to prevent cost overruns
- Mandate to expand margin and generate cash flow
 - Including through the wind-down or divestiture of subscale service lines
- Continuing businesses grow at 1% to 4% compound annual rate
- Certain divestitures lower topline growth expectations while improving margin profile

Energy Business Revenue Outlook



Key Takeaways

1

Scope and timing of the **energy transition** in North America will require continued **investment** in **traditional power generation** sources

2

Supply chain **reshoring** and **reindustrialization** expected to drive increased demand for manufacturing and safe, reliable energy

3

Foundational businesses showing signs of **improving project activity** with opportunity to **grow profit margins and cash flow**

4

Extensive **track record** of successful construction and upgrade projects of **traditional and emerging** facilities

5

Well-positioned with **apprenticeship programs** for union and non-union labor to meet federal legislation incentive requirements

Creating Value through Disciplined Capital Allocation



Ken Dodgen
Chief Financial Officer

Key Messages

1

Positioned for **profitable growth** and improved **cash flow generation**

2

Focused on **building our market-leading positions** within the high growth Renewables and Power Delivery markets

3

Reinforcing our **balance sheet strength** to unlock future capital for **growth investments** and **returning capital to shareholders**

4

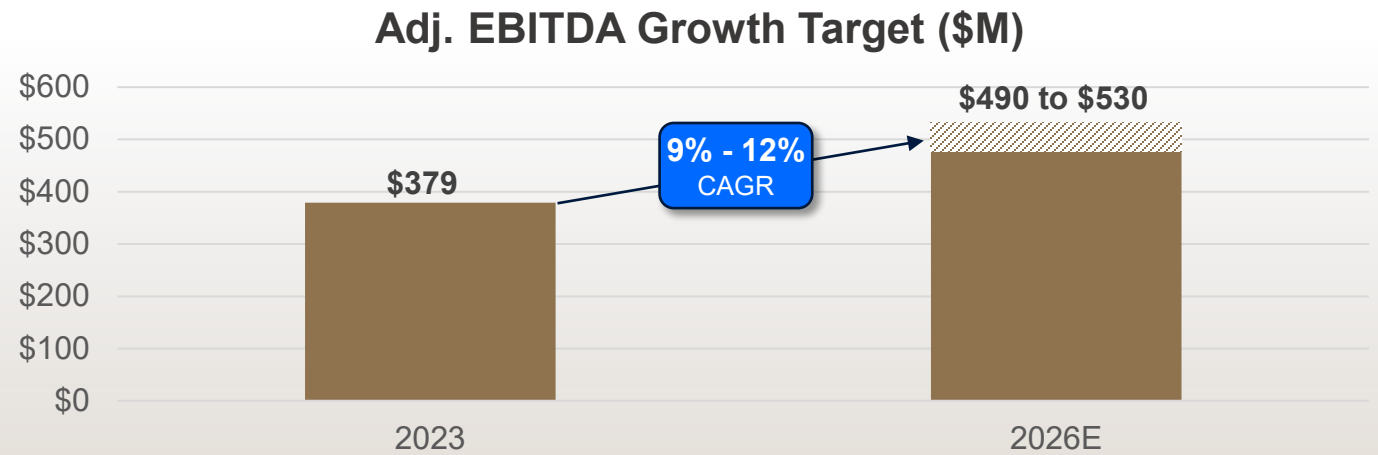
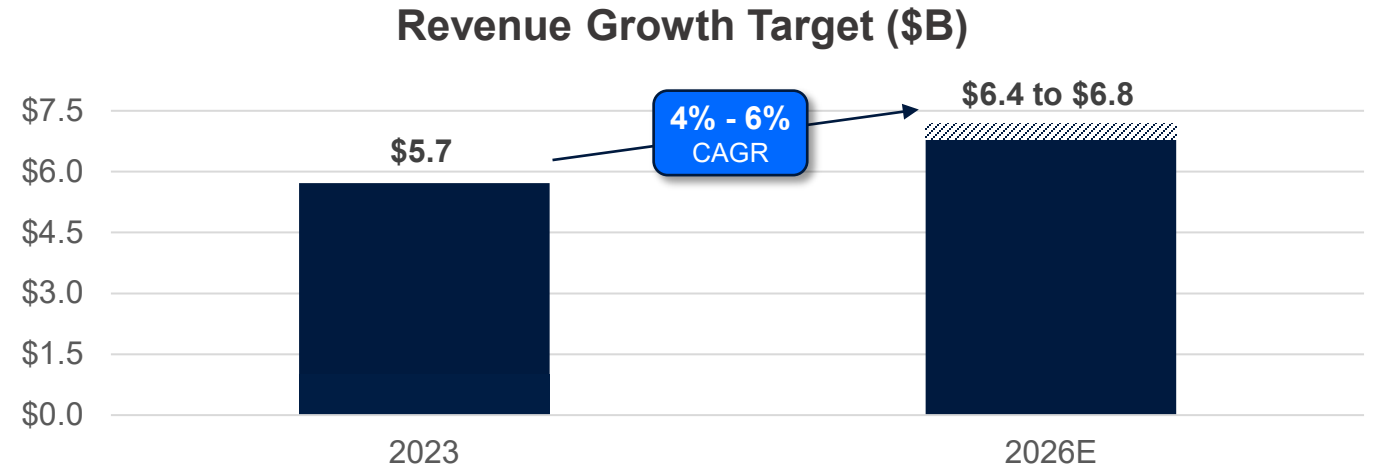
Exercising discipline in accretive M&A that meets our strict investment criteria and supports our high growth markets

5

Delivering on our financial and strategic objectives to **drive value for shareholders**

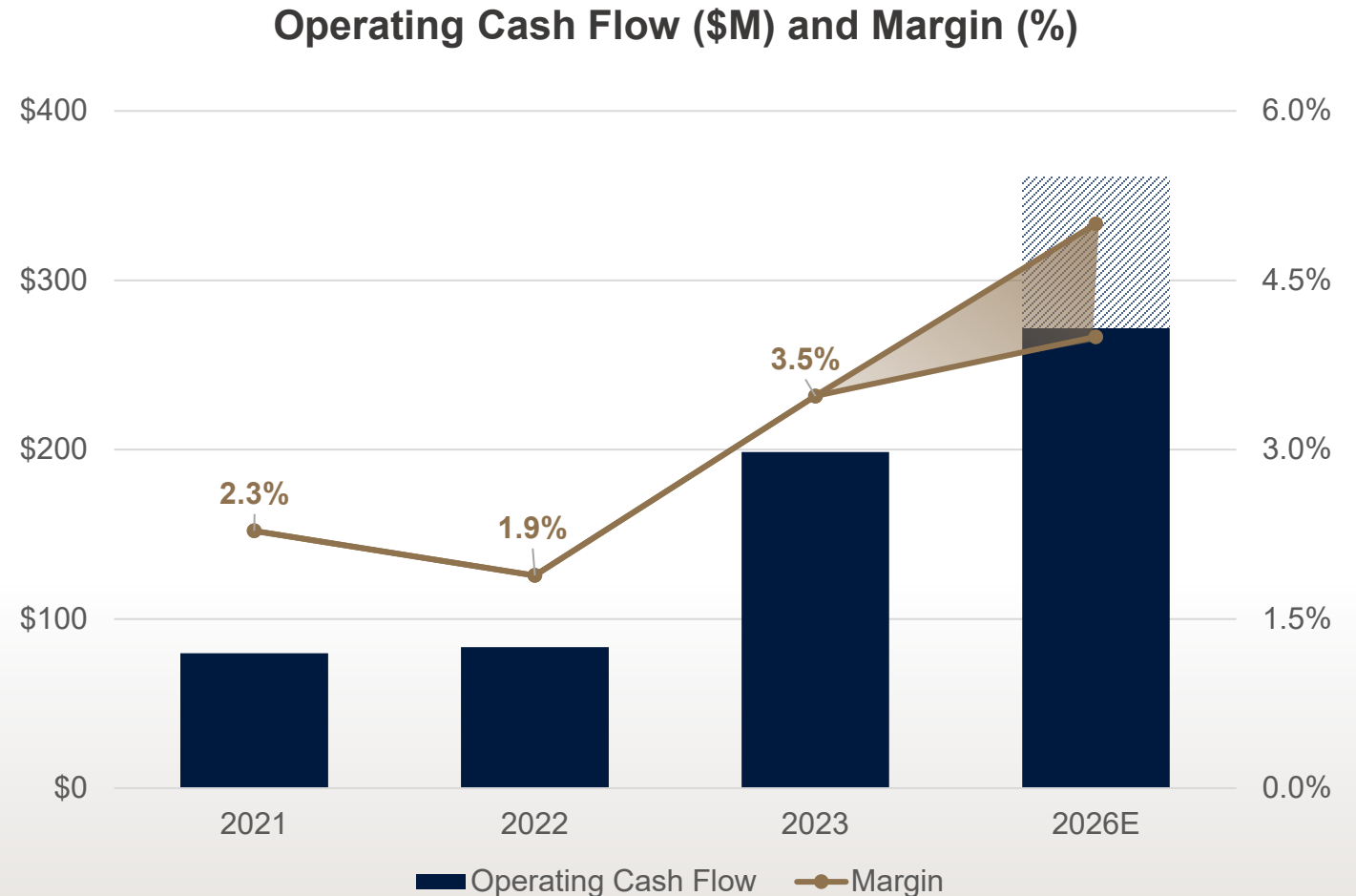
Positioned for Profitable Organic Growth

- Strategy has positioned Primoris to capitalize on growth trends in key markets
- Revenue compound annual growth rate in the 4.0% to 6.0% range
 - Led by Renewables and Power Delivery
- Adjusted EBITDA compound annual growth rate in the 9% to 12% range
 - Investment in higher growth markets
 - Disciplined bidding and project execution
 - Divest non-core and/or subscale service offerings



Cash Flow Generation

- Deliver operating cash flow margin of **4% to 5%** by 2026
 - Favorable revenue mix
 - Contract terms
 - Internal billing and collection efforts
- Net capital expenditures expected to range from \$60 to \$75 million annually through 2026



Operating cash flow margin = Cash flow from operations / Revenue

Capital Allocation Priorities

Capital allocation focused on four primary areas to drive shareholder value:

Investing in the Business

Support organic growth by disproportionately allocating capital toward our most attractive markets of Renewables and Power Delivery

Balance Sheet Flexibility

Deploy cash flow to pay down debt, reduce leverage ratio and optimize capital structure for future value creation

Inorganic Growth

Pursue tuck-in acquisitions that meet investment criteria, support growth markets, expand geographic footprint or enter emerging service lines

Return of Capital

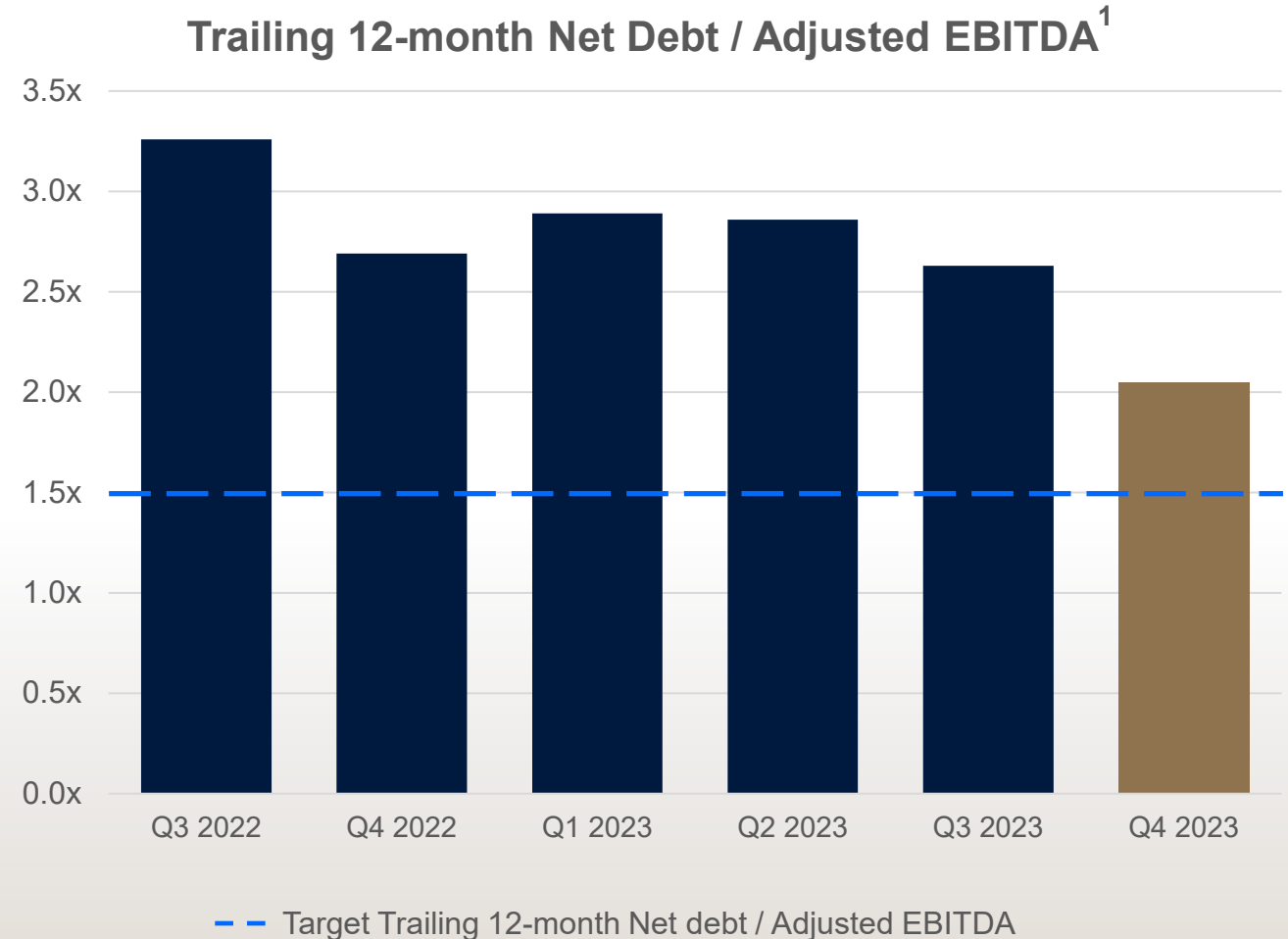
Distribute excess capital to shareholders through dividends and share purchases



Managing Leverage

Achieving leverage ratio target will enable future investments

- Target trailing twelve-month Net debt / Adjusted EBITDA multiple of 1.5x
- Working capital needs, seasonality or tuck-in acquisitions expected drivers of above target quarters
- Continue to monitor changes in interest rates to modify capital structure and lower interest expense
- At current debt balance and interest rates, debt reduction remains an accretive use of excess cash flow after organic growth investments



¹ Trailing 12-month Net Debt / Adjusted EBITDA per Credit Agreement calculation

Acquisition Drivers and Criteria

Acquisitions will continue to play a role in the growth of Primoris

STRATEGIC FIT

- ✓ Aligns with one or more strategic initiatives
- ✓ Attractive customer base
- ✓ Positive market outlook
- ✓ Fits with current operational capabilities and expertise

Financial Metrics		Current Targets
Accretive to Revenue Growth		>7%
Accretive to Operating Income Margins		>5%
Cost Synergies		Year 1
Internal Rate of Return		> 12%
Targets assume no contribution from future M&A		
Deal flow remains robust, but prospects have failed to pass our rigorous investment criteria		
Tuck-in acquisitions remain most likely in the near-term based on:		
		1. More attractive transaction multiples
		2. Better strategic fit for Primoris

Summary of Target Financial Metrics 2024 to 2026

REVENUE GROWTH

4% TO 6%

UTILITIES
2% TO 4%

ENERGY
8% TO 10%

GROSS PROFIT GROWTH

9% TO 12%

ADJUSTED EBITDA GROWTH OF **9% TO 12%**

TARGET OPERATING CASH FLOW MARGIN OF

4% TO 5%
BY 2026

NET DEBT /
ADJUSTED
EBITDA TARGET
OF
1.5x

Narrowing the Valuation Gap

Primoris trades at a discount to companies with similar end markets, presenting an opportunity for share price appreciation through successful execution of our strategy

3Y CAGR (%)	Primoris	Peer Median
Revenue	27.8%	22.8%
Operating Income	22.0%	4.0%
Adj. EPS	2.7%	4.4%
Adj. EBITDA	12.9%	7.0%
Operating Cash Flow	57.8%	-6.9%
2024 EV / EBITDA Multiple	7.6x	13.1x

3Y Average (% of Revenue)	Primoris	Peer Median
SG&A	6.2%	7.4%
Adj. EBITDA	7.2%	9.0%
Operating Cash Flow	2.5%	6.2%
EBIT	4.6%	3.9%
2024 EV / EBITDA Multiple	7.5x	13.1x

As reported by Company filings and S&P Capital IQ through year end 2023. Peer median includes MTZ, PWR, MYRG. Net debt as of 12/31/2023 and 2024 consensus EBITDA and share price as of March 26, 2024

Investment Case in Primoris

1 OPPORTUNITY TO EXPAND GROSS MARGINS in high growth markets

2 IMPROVING CASH FLOW PROFILE and leverage ratio

3 FOCUSED ALLOCATION of resources toward highest returns in service portfolio

4 ATTRACTIVE VALUATION compared to companies with comparable end markets



Focused on Margins Expansion, Improving Cash Flow, and Allocation of Resources toward Most Accretive Service Lines

Q&A PANEL DISCUSSION

