

Primoris to Acquire Future Infrastructure Holdings, LLC

Establishing a Leading Telecom
Services Platform

December 14, 2020



Forward Looking Statements

This presentation contains forward-looking statements within the meaning of the federal securities laws. These statements give the current expectations of the Company's management. Words such as "could," "will," "may," "assume," "forecast," "strategy," "guidance," "outlook," "target," "expect," "intend," "plan," "estimate," "anticipate," "believe," or "project" and similar expressions are used to identify forward-looking statements. Without limiting the generality of the foregoing, forward-looking statements contained in this presentation include the Company's expectations regarding the consummation of the transactions described herein.

Forward-looking statements can be affected by assumptions used or known or unknown risks or uncertainties. Consequently, no forward-looking statements can be guaranteed, and actual results may differ materially and adversely from those reflected in the forward-looking statements. Factors that could cause actual results to differ materially from those indicated in the forward-looking statements include, among other things, (a) the risk and uncertainties disclosed in the Company's Annual Report on Form 10-K and the Company's Quarterly Reports on Form 10-Q filed with the SEC from time to time and (b) the following risks inherent in the transactions (in addition to others described elsewhere in this document and in the subsequent filings with the SEC): (1) failure to obtain regulatory approval necessary to consummate the transactions or to obtain regulatory approvals on favorable terms and (2) delays in consummating the transactions or the failure to consummate the transactions.

Because the Company's forward-looking statements are based on estimates and assumptions that are subject to significant business, economic and competitive uncertainties, many of which are beyond the Company's control or are subject to change, actual results could be materially different and any or all of the Company's forward-looking statements may turn out to be wrong. Forward-looking statements speak only as of the date made and can be affected by assumptions the Company might make or by known or unknown risk and uncertainties. Many factors mentioned in this presentation and in the Company's annual and quarterly reports will be important in determining future results. Consequently, the Company cannot assure you that the Company's expectations or forecasts expressed in such forward-looking statements will be achieved.

Transaction Summary

Purchase Price and Financial Impact

- Primoris has signed a definitive agreement to acquire Future Infrastructure Holdings, LLC (“Future Infrastructure”, “Future” or “FIH”) for a total purchase price of \$620 million
 - LTM adjusted EBITDA of \$66 million plus estimated annual synergy benefit of at least \$10 million
 - \$80 million or more of total expected tax benefits on a net present value basis
 - Implied EV / LTM adjusted EBITDA multiple of 7.0x¹
- Expected to be accretive to earnings in the first year
- Pro forma for the transaction Primoris net leverage remains comfortably below 3.0x net debt to LTM adjusted EBITDA

Compelling Strategic Rationale

- Expansion into a large, higher growth market supported by dynamic growth opportunities
- Strengthens utility services capabilities while introducing potential cross-selling to blue chip customer base
- Accelerates portfolio transition towards higher growth, higher margin, and Master Service Agreement-oriented (“MSA”) services
- Builds on common cultures and shared values

Financing Overview

- All cash purchase price funded by:
 - \$100 million available on revolving line of credit
 - \$400 million new incremental term loan
 - \$120 million of cash on hand

Approvals and Timing

- Board of Directors of both companies unanimously voted to approve the transaction
- Closing is dependent upon the receipt of regulatory approvals and other customary closing conditions
- Transaction expected to be completed during Q1 2021 depending on the timing of regulatory clearance

Expanding in Telecom Services: A Clear Strategic Priority

Focus on Growth and Profitability

- Building a leading presence in telecom services opens a new avenue of growth and further expands our utility capabilities

Strong Portfolio Alignment

- Strong presence in telecom services creates strategic cross-selling opportunities for existing utility services portfolio (make-ready, engineering, traffic control, restoration, utility, networks)

Dynamic, Long-Term Growth Opportunities

- A large and higher growth market benefitting from significant multi-year fiber deployments to support last-mile broadband capacity, the internet of Things (“IoT”), 5G technology, rural stimulus and significant increase in data consumption

Responsive to Our Customers

- Customers increasingly prefer to work with large, sophisticated turnkey service providers as they consolidate their supply chain

Accelerates Market Capture and Positioning

- Significant investment and time required to organically build a telecom services platform favors a sizeable acquisition

Overview of the Future Infrastructure Business Lines

Telecom



Regulated Gas Utility



Other Services



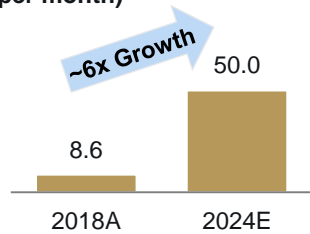
	\$204mm	\$87mm	\$50mm
Revenue			
% of Total	60%	26%	15%
Illustrative Services Offered	<ul style="list-style-type: none"> • Placement and splicing services • Inside plant (“ISP”) and outside plant (“OSP”) capabilities • Underground and aerial offerings • Directional boring and tunneling • Small cell installation, maintenance and upgrade 	<ul style="list-style-type: none"> • Regulatory-driven replacement of non-compliant gas infrastructure • Leak detection and repair services • Infrastructure maintenance, repair, upgrade, installation and surface Restoration 	<ul style="list-style-type: none"> • Specialty boring and pipeline installation services up to 48”, wireline service (bore guidance), tracking and logging of existing pipeline systems • Maintenance and repair of electrical conduits, duct banks, transformers and switchgear, upgrade, installation and maintenance of ITS and “smart” highways, utility relocation for roadway expansion

Robust Growth Outlook for Key FIH End Markets

Telecom Services

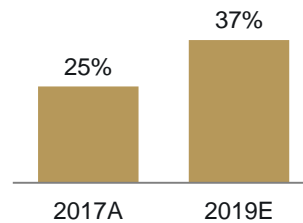
Data Traffic per Active Smartphone

(GB per month)



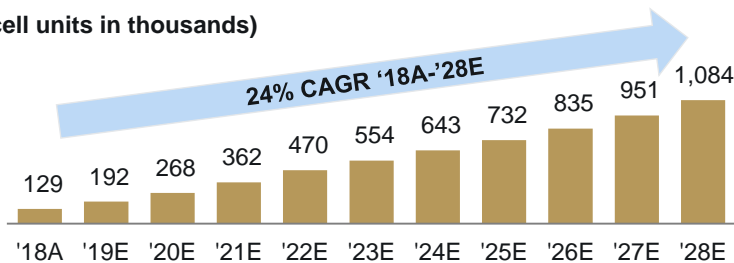
Growth in Unlimited Data Plans

(% of U.S. Subscribers)



U.S. Cumulative Distributed Antenna System ("DAS") / Small Cells Forecast

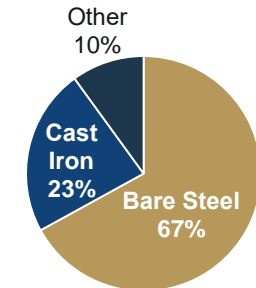
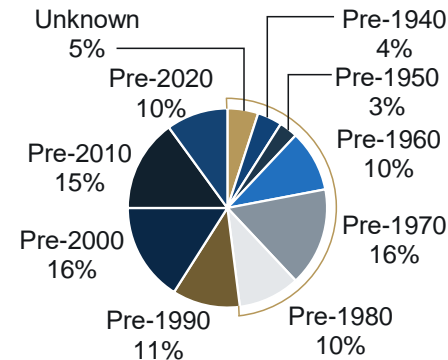
(small cell units in thousands)



- Significant investment in network infrastructure to keep pace with mobile data demand growth
- Significant opportunity in both fixed wireline and wireless segments
- ~\$30bn annual capital spend on existing U.S. telecom infrastructure despite limited 5G spend; ~2x higher than 2000 levels
- Significantly higher spend on annual maintenance given the greater network complexity of new networks

Regulated Gas Utility Services

Pipeline Replacement Candidates by Age and Material



Replacement candidates based on age alone

~100k miles of non-compliant pipeline

- Nearly half of current pipeline infrastructure was installed prior to 1980
- PHMSA has directed the replacement of iron, bare steel and copper pipelines
 - Nearly 100,000 miles of these pipelines remain in operation
 - Replacement cost ranges from \$1.0 million to \$5.0 million per mile
- Local gas distribution companies ("LDCs") incentivized by regulated rates of return on all safety / reliability spend
- Ongoing replacement cycle for critical gas infrastructure expected to last 15 – 20 years even with no new regulation

Future Infrastructure: The Right Acquisition for Primoris



Key Stats and Highlights

\$342mm LTM revenue

\$66mm LTM adjusted EBITDA

~19% adjusted EBITDA Margin

~70% free cash flow conversion¹

~70% recurring revenue²

~93% of revenue from repeat customers²

Limited customer concentration with **12%** of revenue from top customer²

Headquartered in DFW Area

Key Points of Strategic Transaction Rationale

Differentiated Market Leader

- Leading provider of non-discretionary maintenance, repair, upgrade and installation services to telecom, gas utility and other customers

Established Brand and Reputation

- Well-established brand, a strong reputation in the field and robust operational capabilities with a base of large blue-chip customers
- Unwavering commitment to safety

Expands and Improves Utility Services

- Provides opportunity for cost savings and cross-selling due to enhanced utility capabilities and customer relationships

Enhances Evolving Portfolio Mix

- Significant opportunity to elevate the Company's current offerings and continue business transition towards more MSA-oriented services

Accretive to Growth and Margin

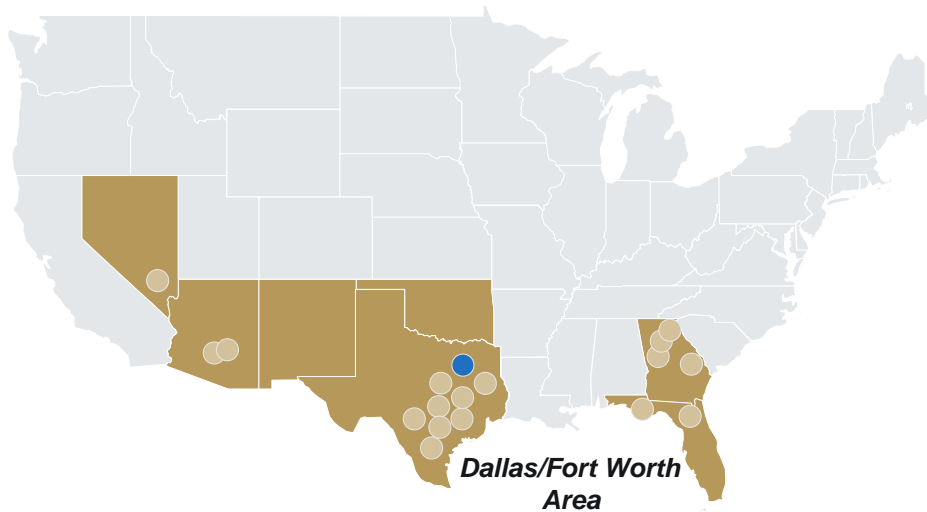
- Pro forma gross profit is nearly 50% utility services, emphasizing Primoris' commitment to a higher growth and higher margin portfolio

Note: Financial and operating metrics for FIH represent the last 12 months ended September 30, 2020 unless otherwise indicated. ¹ Defined as (adjusted EBITDA – capex) / adjusted EBITDA.
² As of 2019A and excludes recently-closed acquisition of Pride Utility.

Attractive Footprint and Long-Tenured, Blue Chip Client Base

Service Areas

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



● Service Areas ● Headquarters

High Quality Customer Base

- 100% contract renewal with top 20 customers since 1999

Customer	Length of Relationship
verizon	23 years
Atmos energy	8 years
zayo	23 years
Atlanta Gas Light	12 years
Charter COMMUNICATIONS	23 years
COMCAST	18 years
COX	18 years
extenet SYSTEMS	5 years
Uniti Fiber	7 years
Level(3)	23 years

Primoris and Future – Common Cultures and Shared Values



Vision

Be a leader in every market we serve and be a trusted service provider and partner to our clients

Mission

Built on a foundation of trust, we provide our clients with unmatched value, our employees with a safe work environment and entrepreneurial culture, our shareholders with results, and the communities we serve with innovation and excellence

Core Values

- 1 **Passion:** We are passionate about our success and the success of our customers
- 2 **Resilience:** We get stronger with every challenge
- 3 **Inspiration:** We seek to inspire an entrepreneurial spirit within the Company
- 4 **Motivation:** We believe in motivating our people to be the best they can be
- 5 **Openness:** We are open to all forms of diversity
- 6 **Reliability:** We always follow through on our commitments
- 7 **Integrity:** We act with integrity in everything we do
- 8 **Safety:** We believe that *“no business objective is so important that it will be pursued at the sacrifice of safety”*

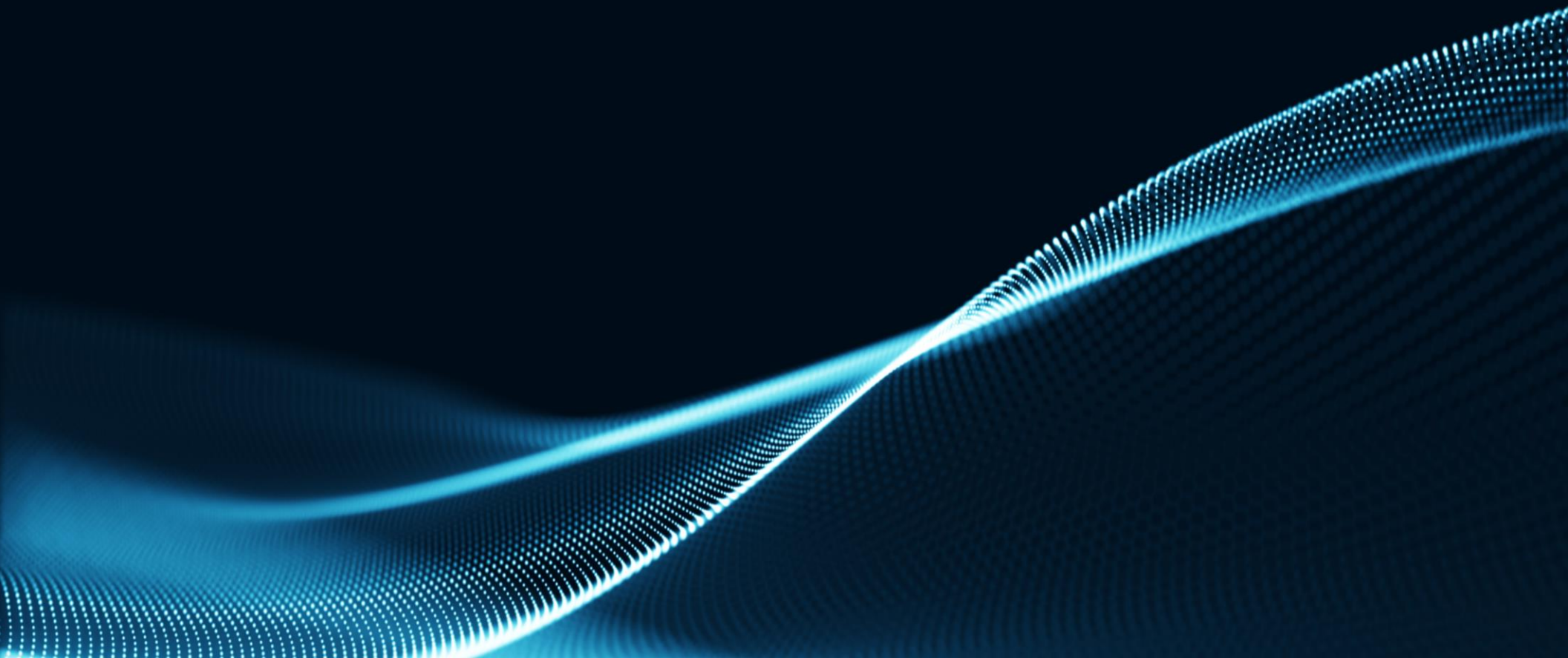
Culture-Driven Organization

Culture empowering all employees to take ownership and stewardship for their own safety and that of others around them

Core Values

- 1 **Passion**
- 2 **Quality**
- 3 **Reliability**
- 4 **Safety**

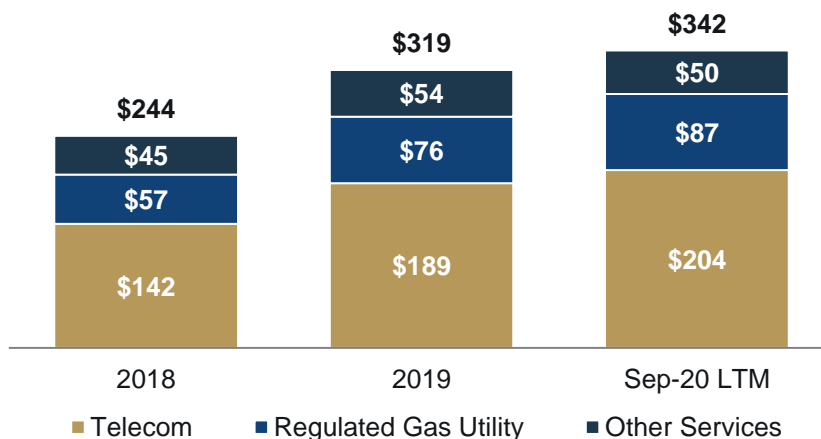
Financial Overview



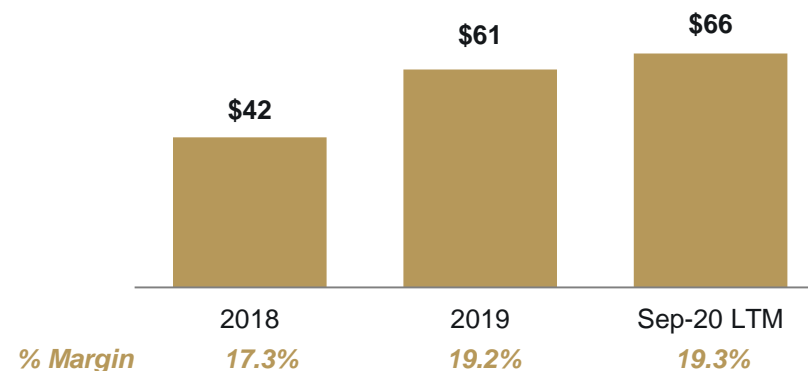
Overview of Future Infrastructure's Robust Financial Profile



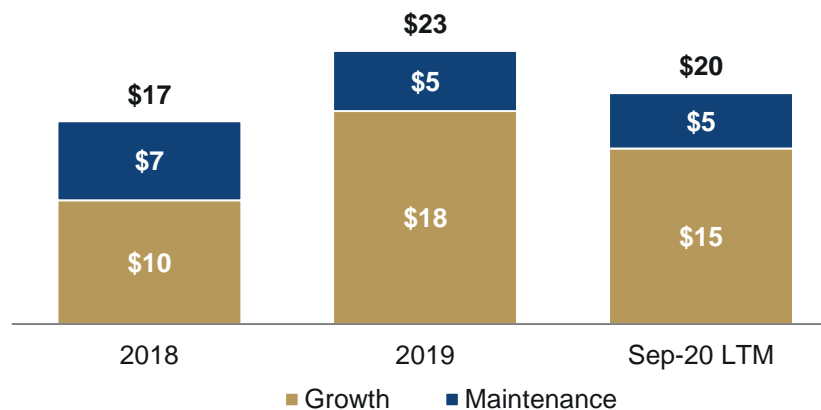
Total Revenue by Business Lines



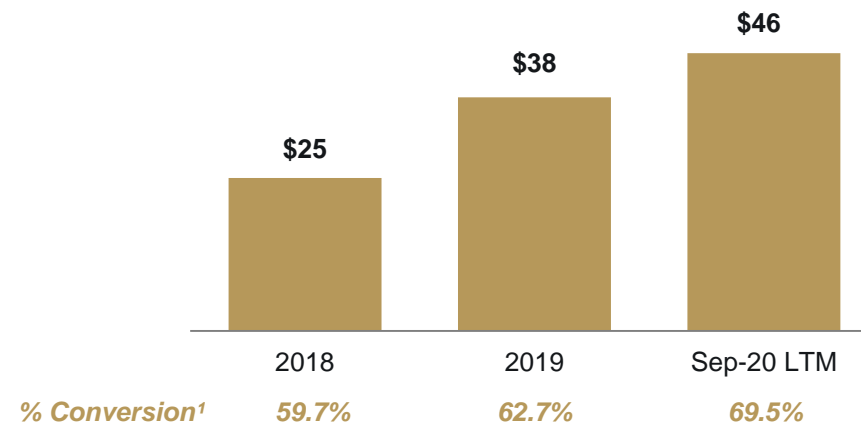
Total Adjusted EBITDA



Total Capex (Maintenance and Growth)

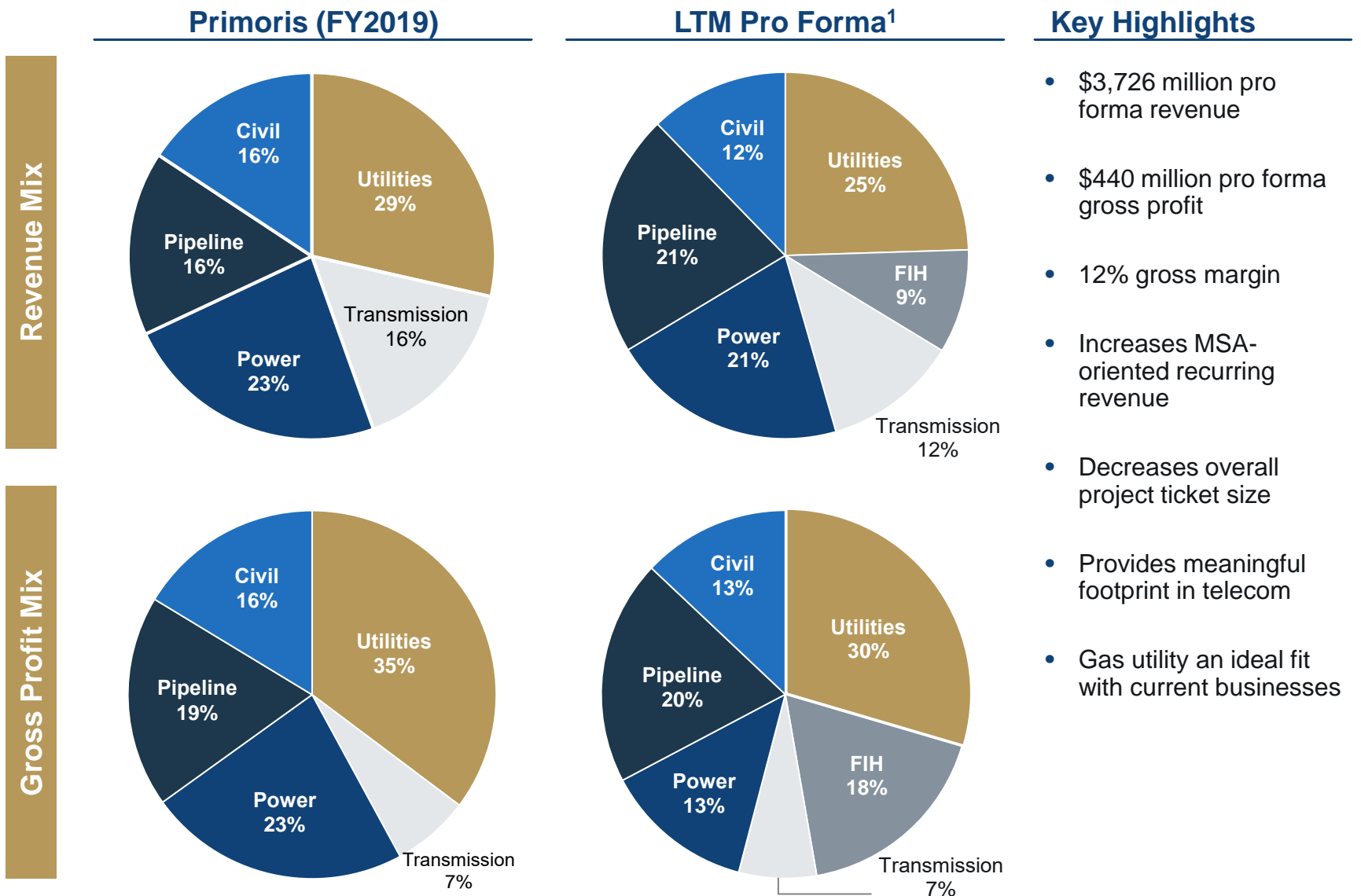


Total Adjusted EBITDA Less Capex



Financial metrics for FIH represent the last 12 months ended September 30, 2020; US\$ in millions
¹ Defined as (adjusted EBITDA – capex) / adjusted EBITDA.

Continuing the Primoris Portfolio Transformation



¹ Financial metrics represent the last 12 months ended September 30, 2020

Executing on our Strategy to Pursue Accretive M&A



Future Infrastructure “checks the box” for Primoris’ stated M&A criteria

Acquisition Rationale and Strategy

- Leadership position in new geography
- Enhances presence and capabilities in an existing geography
- Provides new customers or enhances existing customer relationships
- Delivers leadership position in adjacent or new markets
- Offers unique service or technology that Primoris can leverage to further differentiate its service offerings

Future Infrastructure

✓

✓

✓

✓

✓

Acquisition Terms and Attributes

- Disciplined valuation
- Utilizing cash / stock mix, where appropriate, to better align interests post-close
- Company leadership stays on to run the business
 - Non-compete agreements
 - Stock vests over a period of time

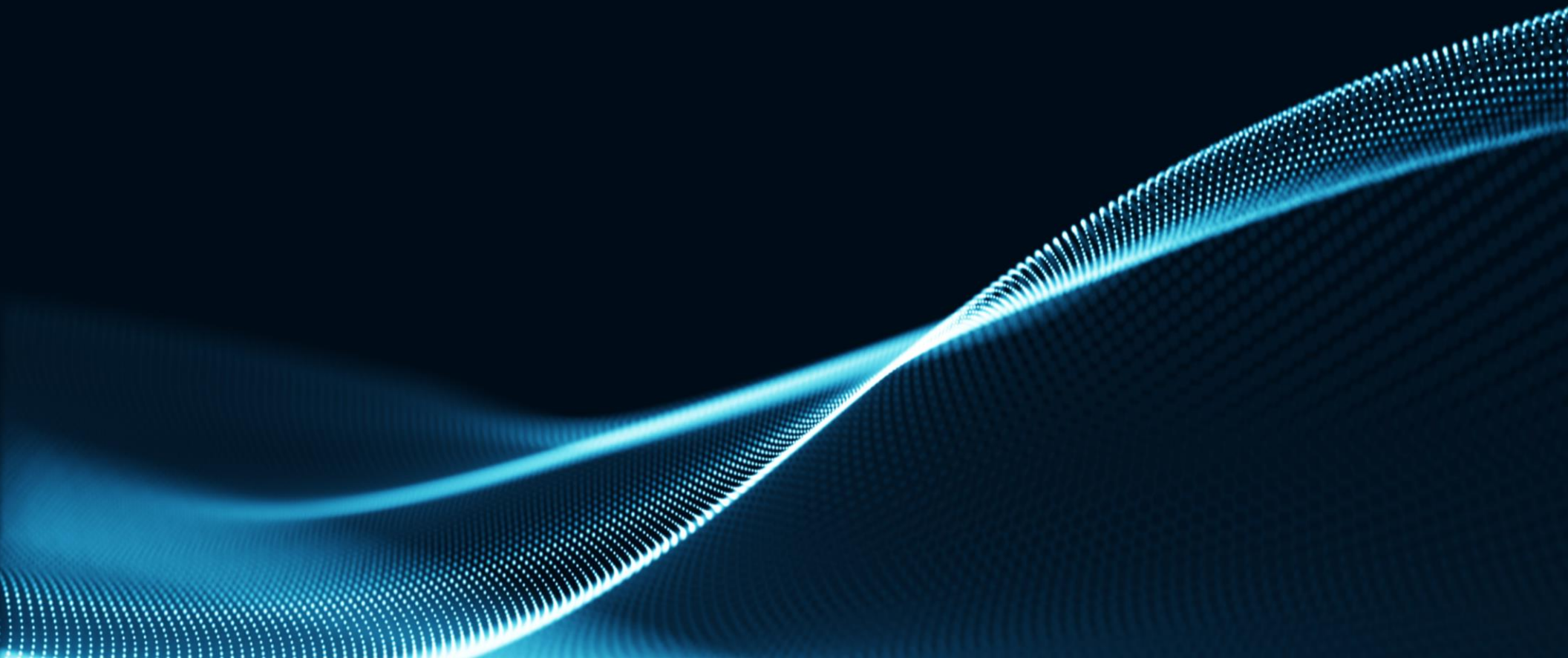
Future Infrastructure

✓

✓

**Key management team
members have agreed to
join Primoris**

Appendix



Advancing Our Strategy

Primoris is an Established Provider of Required Infrastructure Services...



Delivering on the Company's strategic goals

- ✓ Shift to MSA-driven revenue: ~40% of LTM¹ revenue
- ✓ Entered attractive electric T&D market in mid-2018
- ✓ Scaled SG&A efficiency: ~5.9% of LTM¹ revenue

Diligent focus on key objectives driving performance

- ✓ Expand core capabilities into larger addressable market
- ✓ Disciplined risk management strategy
- ✓ Long-term profitable growth
- ✓ Targeted expansion into new markets
- ✓ Diversification through controlled expansion

...Focused on Targeted Diversification of Services Offerings and Expanding Addressable Market



Future Infrastructure is a strong strategic fit

- ✓ Delivers on strategic blueprint
- ✓ Positions us in the higher-margin, higher-growth telecom market
- ✓ Expands recurring, small ticket, MSA revenue base
- ✓ Leverages value of brand, strong customer base and expertise

7.0x
Effective
EV / LTM Adjusted EBITDA²

Continued Transition to Higher Growth and Higher Margin Business

¹ Last twelve months ended September 30, 2020. ² Pro forma for estimated synergies of \$10 million (bottom of estimated range) and PV of tax benefits of \$85 million (middle of estimated range).

Strategic Growth With Enhanced Value



Future Infrastructure is aligned with Primoris' long term goals and accelerates our growth plans



Enhanced Value

Leadership in utilities

Diverse end market exposure

Diverse service offerings across end markets



Presence in highly attractive telecom market

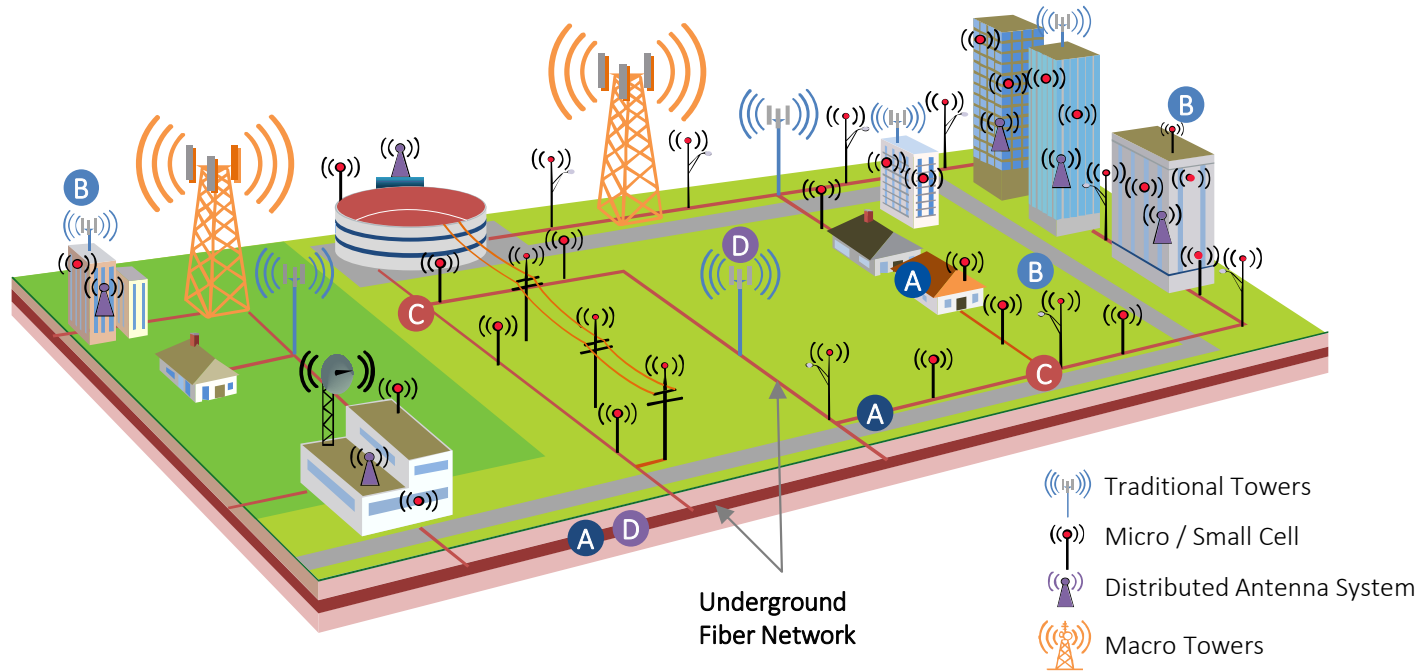


Primoris' transformation towards higher growth and margin businesses

Premier customer base and large multi-regional coverage


Continues to leverage value of brand, strong customer base and expertise

Overview of the Telecom Services Platform




A **OSP and ISP Placement**

- OSP placement and repair of fiber across geographies
- ISP installations of fiber network in facilities




B **Aerial and Residential Neighborhoods**

- Aerial fiber and cable deployments and repair




C **Small Cell**

- Installation, maintenance and upgrade of equipment
- Linking of small cell hardware to fiber network




D **Fiber and Coaxial Cable Splicing**

- Splicing of cables to connect new end-points to the network
- Repair and replacement of damaged / cables




E **Professional Services**

- Pre-installation design, engineering support and permitting
- Post-installation maintenance consulting

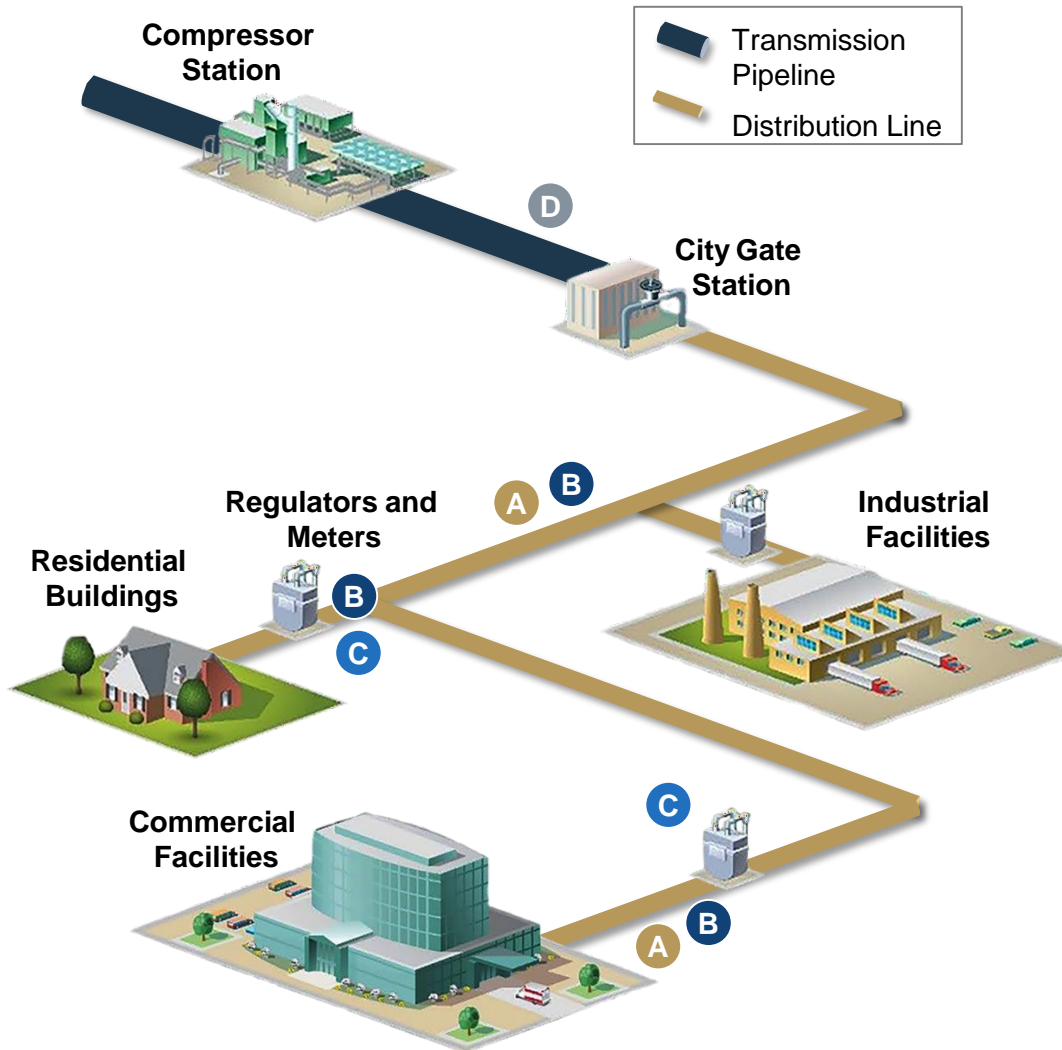


F **Emergency Restoration**

- 24/7 customer service and capabilities to quickly deploy field response crews



Regulated Gas Utility Services Offerings



A Line Replacement

- Regulatory-driven replacement and upgrade programs for non-compliant pipelines

B Leak Repair, Testing and Inspection

- Non-destructive testing of in-use gas service lines
- Extensive repair experience across all pipeline materials (i.e., plastic, steel and cast iron)

C Metering Equipment Capabilities

- Repair and maintenance of gas distribution metering and regulating equipment

D Specialty Boring

- Bore installation of pipe up to 48" diameter
- Utilize precision HDD guidance systems