

Southwest Gas Simplifies Corporate Structure to Maximize Stockholder Value

December 15, 2022



Safe Harbor Statement

Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such statements include, without limitation, statements regarding Southwest Gas Holdings, Inc. (the “Company”) and the Company’s expectations or intentions regarding the future. These forward-looking statements can often be identified by the use of words such as “will”, “predict”, “continue”, “forecast”, “expect”, “believe”, “anticipate”, “outlook”, “could”, “target”, “project”, “intend”, “plan”, “seek”, “estimate”, “should”, “may” and “assume”, as well as variations of such words and similar expressions referring to the future, and include (without limitation) statements regarding expectations of a sale of MountainWest, spin-off of Centuri, the tax-free nature of the spin-off of Centuri, Southwest Gas’ future dividends, and Southwest Gas Corporation’s future return on equity. 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, the timing and impact of executing (or not executing) on strategic alternatives, including whether we will spin-off Centuri and/or sell MountainWest, the timing and amount of rate relief, changes in rate design, customer growth rates, the effects of regulation/deregulation, tax reform and related regulatory decisions, the impacts of construction activity at Centuri, the potential for, and the impact of, a credit rating downgrade, the costs to integrate MountainWest, future earnings trends, inflation, interest rates, sufficiency of labor markets and similar resources, seasonal patterns, current and future litigation, and the impacts of stock market volatility. Factors that could cause actual results to differ also include (without limitation) those discussed under the heading “Risk Factors” and “Quantitative and Qualitative Disclosure about Market Risk” in Southwest Gas Holdings, Inc.’s most recent Annual Report on Form 10-K and in the Company’s and Southwest Gas Corporation’s current and periodic reports, including our Quarterly Reports on Form 10-Q, filed from time to time with the U.S. Securities and Exchange Commission. The statements in this presentation are made as of the date of this presentation, even if subsequently made available by the Company on its website or otherwise. The Company does not assume any obligation to update the forward-looking statements, whether written or oral, that may be made from time to time, whether as a result of new information, future developments, or otherwise.

Speakers and Agenda



KAREN HALLER

PRESIDENT AND CEO
SOUTHWEST GAS HOLDINGS



ROB STEFANI

SVP / CHIEF FINANCIAL OFFICER
SOUTHWEST GAS HOLDINGS



TOM MORAN

VP / GENERAL COUNSEL / CORPORATE SECRETARY
SOUTHWEST GAS HOLDINGS

Agenda

1. Strategic Update
2. Sale of MountainWest
3. Spin Off of Centuri
4. SWX: Premier, Fully Regulated Natural Gas Utility



Strategic Update



MountainWest

Sale of MountainWest to Williams

- Williams to acquire MountainWest in all-cash transaction for \$1.5 billion in total enterprise value, subject to certain adjustments



Southwest Gas[™]
HOLDINGS



CENTURI

Maximizing Value through the Spin Off of Centuri: positions both SWX and Centuri to deliver long-term stockholder value

- **Centuri Standalone Value Proposition:** A world-class utility infrastructure services platform positioned as a leader in infrastructure modernization and energy transition

SWX to become a premier, fully regulated natural gas utility with a strong balance sheet and a commitment to maintain investment grade credit ratings

Sale of MountainWest to Williams



Structure

- ✓ 100% sale of MountainWest Pipelines Holding Company (“MountainWest”) to Williams for \$1.5 billion in total enterprise value¹, subject to certain adjustments
- ✓ Expected net cash proceeds from the sale are ~\$1.1 billion

Timing

- ✓ Expected to close in 2023, following receipt of regulatory approvals and the expiration or termination of any applicable waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976

Use of Proceeds

- ✓ Net proceeds will be used to repay the ~\$1.1 billion term loan associated with the MountainWest acquisition

1. Represents an estimated loss of \$350 - \$425 million for Southwest Gas, net of tax

Spin Off of Centuri



Structure

- ✓ Expected to be tax free to Southwest Gas and its stockholders for U.S. federal income tax purposes
- ✓ Upon completion of the spin-off, SWX stockholders will maintain their current shares of SWX stock and receive a pro-rata distribution of shares of “Centuri NewCo” stock
- ✓ Assess pro forma capital structure through Rating Evaluation Services / Rating Assessment Service process

Timing

- ✓ Target completion in ~12 months, subject to, among other things:
 - Finalizing the transaction structure
 - Arizona Corporation Commission Approval
 - Receipt of a favorable Internal Revenue Service private letter ruling relating to the tax-free nature of the transaction
 - Effectiveness of a registration statement with the SEC
 - Final approval by the Southwest Gas Board

Creating Two Growth-Oriented Industry Leaders



Fully Regulated Natural Gas Leader

HQ: Las Vegas, NV

- 2,200+ employees
- 2.2 million utility customers across AZ, NV & CA
- Authorized rate base of \$4.2 billion
- 5-7% five-year rate base CAGR (2022-2026)
- Fully decoupled rate construct across jurisdictions

- ✓ Significant population growth and strong demand across service territories driving rate base growth
- ✓ Positioned to offer strong, consistent risk-adjusted total returns, including a competitive dividend
- ✓ Improved capital allocation opportunities and strategic flexibility to lead energy transition (RNG, Hydrogen and sustainable solutions)



Utility Infrastructure Services

HQ: Phoenix, AZ

- ~11,500 employees
- Located in 45+ states/provinces in the U.S. and Canada
- Increased revenue over 70% in the last five years

- ✓ Attractive long-tenured, blue-chip customer base with significant growth opportunities in infrastructure modernization and energy transition
- ✓ Positioned for growth in 5G datacom buildout, offshore wind, and other renewable energy transition programs
- ✓ Highly recurring revenue and growing cash flow with proven long-term track record of profitable growth

Separation to Unlock Value for Stockholders



Southwest Gas
HOLDINGS



CENTURI

Unlock Value

- ✓ Unlocking value for stockholders and enhancing transparency through more direct comparability to industry peers

Attractive Financial Profiles

- ✓ Compelling financial profiles that more accurately reflect the strengths and opportunities of each business, resulting in more efficient financing while providing a more targeted investment opportunity for stockholders

Capital and Strategic Flexibility

- ✓ Improving capital allocation efficiency and strategic flexibility based on the specific business initiatives and objectives of each business

Growth Opportunities

- ✓ Realizing Centuri's significant growth potential without any broader business mix limitation considerations
- ✓ Positioning Southwest Gas to continue to pursue sustainable energy solutions to meet the expectations of customers and communities

Centuri is Well-Positioned with Experienced Leadership, Scale and a Proven Business Model

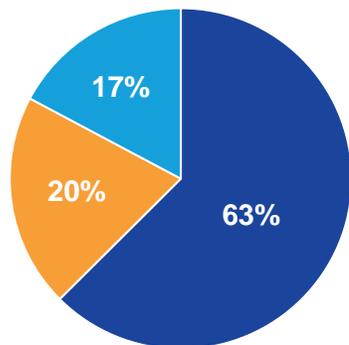
Strategic Focus	<ul style="list-style-type: none">✓ Utility-focused infrastructure services company with high-quality businesses located throughout North America
Positioned for Continued Growth	<ul style="list-style-type: none">✓ Strong tailwinds across utility end markets support long-term growth✓ Expansion into new high-growth markets such as 5G, electrification and renewables
Comprehensive Utility Business Model	<ul style="list-style-type: none">✓ Full-service offering to customers across the utility and infrastructure landscape✓ Comprehensive capabilities cover the entire utility value chain
Attractive Business Mix	<ul style="list-style-type: none">✓ Increasing exposure to electrification and energy transition✓ Well-positioned to continue to enhance electric distribution capabilities
High-Quality MSAs	<ul style="list-style-type: none">✓ Long-tenured blue-chip utility customer base✓ Highly recurring revenue underpinned by long-term MSAs and low-risk contracts
Capital Structure	<ul style="list-style-type: none">✓ Commitment to optimizing capital structure✓ Fully prepayable capital structure provides flexibility
Experienced Leadership Team	<ul style="list-style-type: none">✓ Strong and highly engaged management team averaging 20+ years of experience in the utility infrastructure services market

SWX: Simplified Business Mix

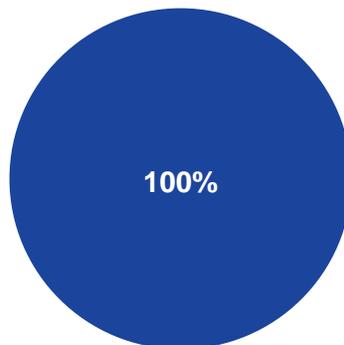
Re-setting SWX Business Mix

FY 2021 Assets by Segment²

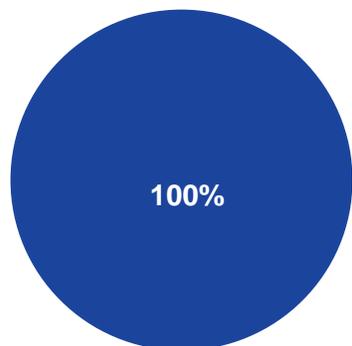
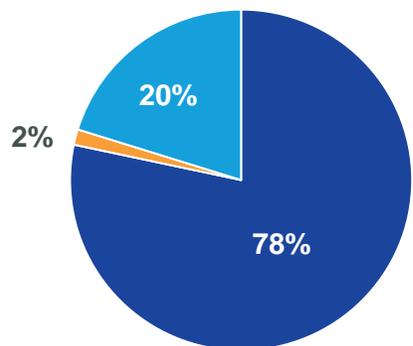
Current SWX



Illustrative SWX Pro Forma¹



LTM Net Income Contribution^{3,4}



■ Southwest Gas Corp.
 ■ Centuri
 ■ MountainWest

Enhanced visibility and investor alignment

De-risked business mix and asset portfolio

Fully regulated and stable cash flows

Efficiently deploy capital with investment grade balance sheet

100% of earnings from regulated gas operations

Clear strategic focus on optimizing utility operations and capital plan

Continued commitment to safety & reliability

Optimizing Value for SWX Stockholders



Premier, fully regulated natural gas utility positioned for accelerated value creation

- Predictable, low-risk earnings growth
- Stable rate base growth driven by strong regional demand dynamics
- Diversified, fully regulated business profile supported by constructive regulatory mechanisms
- Culture of safety, service, and reliability
- Positioned for the energy transition including through RNG and hydrogen opportunities



Scaled pure-play utility services platform in attractive end markets with a high-quality business model

- Blue-chip customer base of long tenured utilities
- Proven long-term track record of significant, profitable revenue growth
- Highly recurring revenue underpinned by multi-year MSAs and low-risk contracts
- Positioned for continued long-term growth with tailwinds across utility end markets and expansion into high growth and renewable energy markets



Williams to acquire MountainWest for \$1.5 billion in total enterprise value, subject to certain adjustments

- Net proceeds will be used to repay existing debt
- Expected to close upon Hart-Scott-Rodino antitrust review approval and other customary closing conditions