

2023 Siebert West Coast Utility Conference Presentation

March 15, 2023



Safe Harbor Statement

Forward-Looking Statements

Unless context otherwise requires, in this presentation, references to “we”, “us” and “our” are to Southwest Gas Holdings, Inc. (NYSE: SWX) (“Southwest Gas” or the “Company” or “SWX”) together with its consolidated subsidiaries, which include, among others, Southwest Gas Corporation (“Southwest”, “SWG” or “Natural Gas Distribution” segment), MountainWest Pipelines Holding Company (“MountainWest”, “MW” or “Pipelines and Storage” segment) formerly known as Dominion Energy Questar Pipelines, LLC, Centuri Group, Inc. (“Centuri” or “Utility Infrastructure Services” segment) and Great Basin Gas Transmission Company (“Great Basin” or “GBGTC”). The following are subsidiaries of Centuri: NPL Construction Co. (“NPL”), NPL Canada Ltd. (“NPL Canada”), New England Utility Constructors, Inc. (“Neuco”), Linetec Services, LLC (“Linetec”), Riggs Distler & Company, Inc. (“Riggs Distler”), Canyon Pipeline Construction, Inc. (“Canyon”), National Powerline LLC (“National Powerline”) and W.S. Nicholls Construction Inc. (“WSN Construction”).

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 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, our expectations for our utility infrastructure services, natural gas operations, and pipeline and storage segments, estimated future capital expenditures, projected rate base growth, O&M per customer expectations, our 2023 financial guidance and expected value drivers, SWX and SWG financing plan, including forms of financing and amounts to be raised, and expectations with respect to future dividends, expectations with respect to a spin-off of Centuri, and the future performance of the Company, Southwest Gas Corporation and Centuri. A number of important factors affecting the business and financial results 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 various strategic alternatives, including whether we will spin Centuri, 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, future earnings trends, inflation, increasing interest rates, sufficiency of labor markets and similar resources, seasonal patterns, current and future litigation, the costs and effect of stockholder activism, and the impacts of stock market volatility. In addition, the Company can provide no assurance that its discussions about future operating margin, operating income, COLI earnings, interest expense, and capital expenditures of the natural gas distribution segment will occur. Likewise, the Company can provide no assurance regarding utility infrastructure services segment revenues, EBITDA, EBITDA margin or growth rates, that projects expected to be undertaken with results as stated will occur, nor that interest expense patterns will transpire as expected, nor assurance regarding potential transactions or their impacts, including management's plans or expectations related thereto, including with regard to Centuri. 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.

Forward-looking statements are based on assumptions which we believe are reasonable, based on current expectations and projections about future events and industry conditions and trends affecting our business. However, whether actual results and developments will conform to our expectations and predictions are subject to a number of risks and uncertainties that, among other things, could cause actual results to differ materially from those contained in the forward-looking statements, including without limitation, those discussed under the heading “Risk Factors”, “Management's Discussion and Analysis of Financial Condition and Results of Operations,” and “Quantitative and Qualitative Disclosure about Market Risk” in the Company'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 SEC, and other reports that we file with the SEC from time to time.

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.

Non-GAAP Measures

Non-GAAP Measures. This presentation contains financial measures that have not been calculated in accordance with accounting principles generally accepted in the U.S. ("GAAP"). These non-GAAP measures include (i) Southwest Gas adjusted earnings per share, (ii) Southwest Gas adjusted net income, (iii) Corporate and Administrative adjusted earnings per share, (iv) Corporate and Administrative adjusted net income, (v) natural gas distribution segment adjusted earnings per share, (vi) natural gas distribution segment adjusted net income, (vii) utility infrastructure services segment adjusted net income, (viii) utility infrastructure services segment EBITDA, (ix) utility infrastructure services segment adjusted EBITDA, (x) pipeline and storage segment adjusted earnings per share, (xi) pipeline and storage segment adjusted net income, (xii) pipeline and storage segment EBITDA, and (xiii) pipeline and storage segment adjusted EBITDA. Management uses these non-GAAP measures internally to evaluate performance and in making financial and operational decisions. Management believes that its presentation of these measures provides investors greater transparency with respect to its results of operations and that these measures are useful for a period-to-period comparison of results. Management also believes that providing these non-GAAP financial measures helps investors evaluate the Company's operating performance, profitability, and business trends in a way that is consistent with how management evaluates such performance.

Speakers and Agenda



ROB STEFANI

SVP/CFO
SOUTHWEST GAS HOLDINGS



JUSTIN BROWN

PRESIDENT
SOUTHWEST GAS CORPORATION

Presentation Agenda

Strategic Update

Financial Update

Business Updates

Guidance and Outlook

Strategic Update

Credit Ratings Analysis and Constructive Gas Rate Cases

Pro Forma Credit Ratings Analysis Complete at SWX Informing Capital Markets Plan in 2023

- Southwest Gas Holdings recently issued ~4.1 million shares generating approximately ~\$239 million of net equity proceeds (including the greenshoe). In total, for the 2024 through 2025 period, expect less than \$100 million in equity issuance needs at SWX
- In 2023 we plan to issue \$300 million of debt at Southwest Gas Corporation to repay term loans/revolver and general corporate purposes. Anticipate up to \$550 million of new debt at Southwest Gas Holdings to repay existing term loans at Southwest Gas Corporation and support utility operations
- Expect solid investment grade ratings for SWX assuming the execution of 2023 capital markets plan and assuming a spin of Centuri in 1Q2024. Company targeting FFO / debt ratio of ~14% by 2025
- Ratings analysis included ~\$300 million of planned de-leveraging of Centuri at the time of the spin. Do not plan to issue SWX equity to fund the de-leveraging at Centuri. Will continue to assess different spin-off structures (including retained stake, IPO then spin, or sponsored spin) pending capital markets conditions

Constructive Gas Rate Case Outcomes in Arizona and Nevada

- Southwest Gas Corporation awarded a \$54 million revenue increase in Arizona, which became effective in customer rates February 1, 2023
 - Rate case allowed ROE of 9.3% and 50% equity layer
- Nevada general rate case settlement finalized with rate relief effective April 2022
 - Rate case allowed ROE of 9.4% and 50% equity layer

Strategic Update

Maximizing Value Through Simplification of Corporate Structure

Closed Sale of MountainWest, Restoring Balance Sheet Flexibility

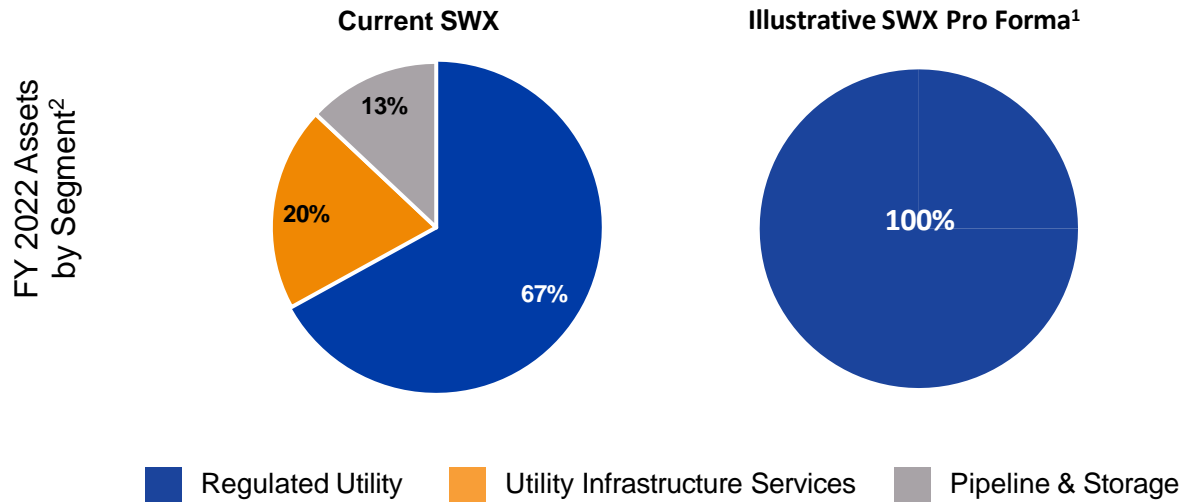
- Closed sale on February 14th in \$1.5 billion transaction
- Enables ~\$1.5 billion of consolidated debt reduction with repayment of ~\$1.1 billion of SWX acquisition related term loan and assumption by Williams of \$0.4 billion of MountainWest debt

Spin of Centuri Group, Inc. to be Completed during 4Q2023 or 1Q2024, Creating Two Industry Leaders Poised for Long-Term Value Creation

- Southwest Gas Holdings to become fully regulated natural gas utility business and maintain an investment grade balance sheet
- Centuri to become world-class utility infrastructure services platform
- Arizona Corporation Commission (“ACC”) filing in process; Form 10 underway, IRS Private Letter Ruling expected to be filed 1Q2023 to confirm tax free nature of spin structure

SWX: Transformation to Fully Regulated Utility with Significant Population Growth & Strong Demand Across Service Territories

Re-setting SWX Business Mix



Enhanced visibility and investor alignment

De-risked business mix and asset portfolio

Fully regulated and stable cash flows

100% of earnings from Utility operations

Clear strategic focus on optimizing Utility operations

¹ Illustrative Pro Forma based on sale of MountainWest and spin of Centuri

² Excludes assets from Other segment. May not add due to rounding

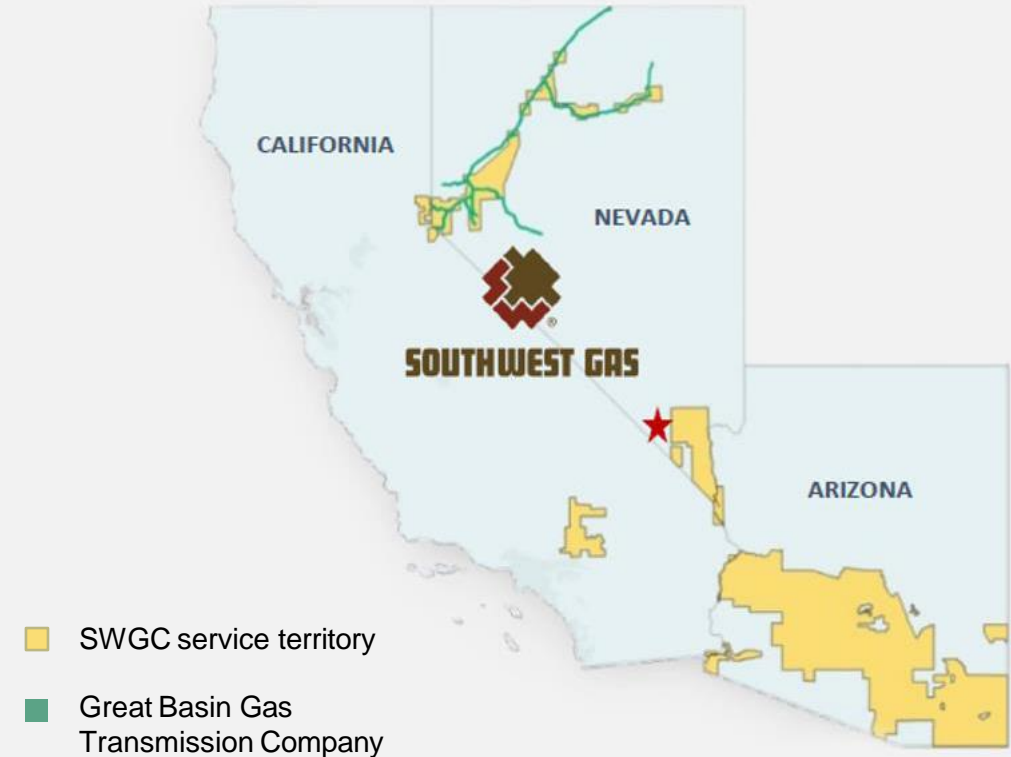
Standalone SWG: Premier, Fully Regulated Natural Gas Utility



- Founded in 1931
- Headquartered in Las Vegas, Nevada
- Fully regulated natural gas operations
- Serves more than 2 million customers in NV, CA, AZ
 - Largest natural gas utility in AZ and NV
 - Fully decoupled rate design in all three states
- Over 41,000 first-time meter sets installed in 2022
- Authorized rate base of \$4.9 billion¹
- FERC-regulated Great Basin Gas Transmission Company
 - 900 miles of transmission pipeline assets
 - 1 BCF capacity LNG storage facility

Premier Gas Utility in Western United States

- ✓ Diversified, fully regulated business mix
- ✓ Favorable demand dynamics across diversified footprint
- ✓ 5-7% three-year rate base CAGR
- ✓ Ability to efficiently deploy capital with strong investment grade balance sheet
- ✓ Significant financial flexibility and access to the public markets



¹ Includes Arizona authorized rate base effective February 1, 2023

Standalone Centuri: Strategic Utility Infrastructure Services Leader with Diversified Platform to Enhance Avenues of Future Growth

Strategic Focus	✓ 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	✓ Strong and highly engaged management team averaging 20+ years of experience in the utility infrastructure services market

2022 Highlights



Southwest Gas
HOLDINGS

Financial

- Adjusted net income of ~\$197 million resulting in adjusted earnings per share of \$3.00
- Maintained dividend at \$2.48 per share
- Upsized revolver \$100 million in December

Operations

- New CEO and CFO onboarded
- Published 2022 Sustainability Report

Strategic Transactions

- Completed Strategic Review
 - Closed sale of MountainWest for \$1.5 billion (enterprise value)
 - Proceeding with spin of Centuri



SOUTHWEST GAS

Financial

- GAAP net income of ~\$154.4 million
- Record operating margin of ~\$1.15 billion

Operations

- Continued strong customer growth across footprint
- Over 41,000 first-time meter sets installed
- Industry leader in reducing facility damages per 1,000 line-locate tickets
- 98% emergency response time (within 60 minutes)
- Award winning customer satisfaction

Regulatory

- Constructive Arizona rate case outcome
 - \$54 million revenue increase, with rates effective February 2023
- Constructive Nevada rate case settlement
 - \$14 million revenue increase, with rates effective April 2022



CENTURI

Financial

- Record revenues of ~\$2.8 billion
 - Increase of ~\$600 million (or 28%) over 2021
 - 13th consecutive year of increases
 - Annual organic growth of 11.9%¹
- \$94 million in clean energy offshore wind projects for 2022 and projecting ~\$250 million in 2023
- Secured \$24+ million annualized incremental revenue increase on existing customer contracts, offsetting certain inflationary cost increases
- Implemented \$21 million of annualized cost savings
- Adjusted EBITDA of \$228 million

Operations

- Published 2022 Sustainability Report
- Integrated Riggs Distler
- Emergency restoration services in 2022 provided \$70 million of revenue compared to \$65 million in 2021

MountainWest

Financial

- Adjusted EBITDA \$172.6 million
- Adjusted net income \$80.3 million

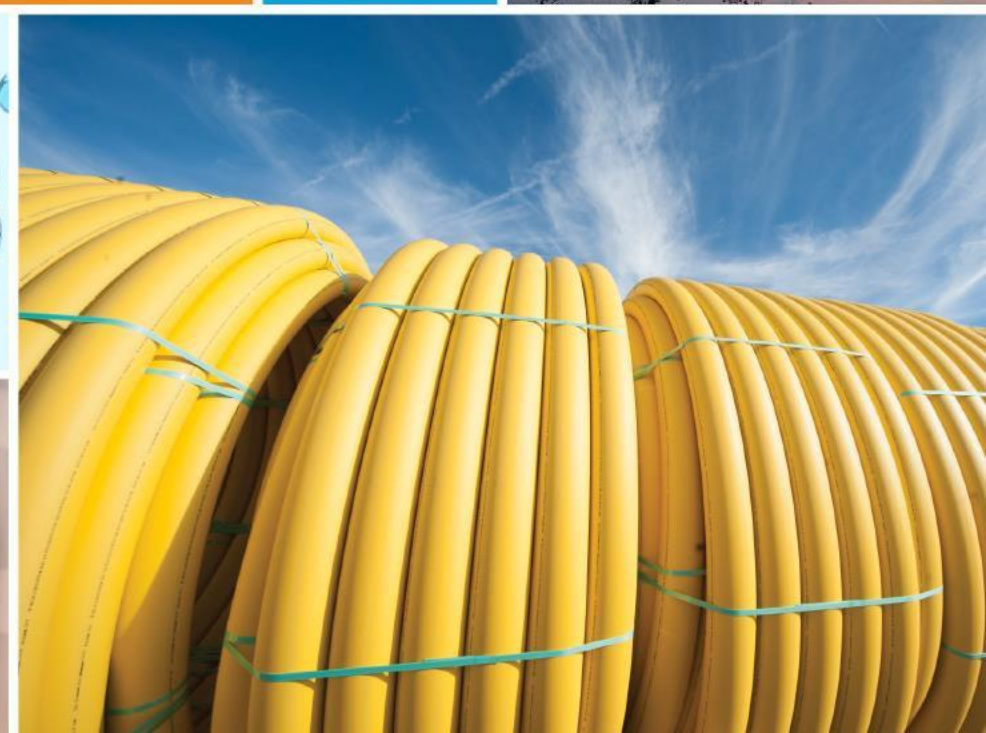
MW Sale to Williams

- Closed February 14, 2023
- Proceeds from the sale have been used toward consolidated debt reduction

Note: See appendix for Non-GAAP reconciliations

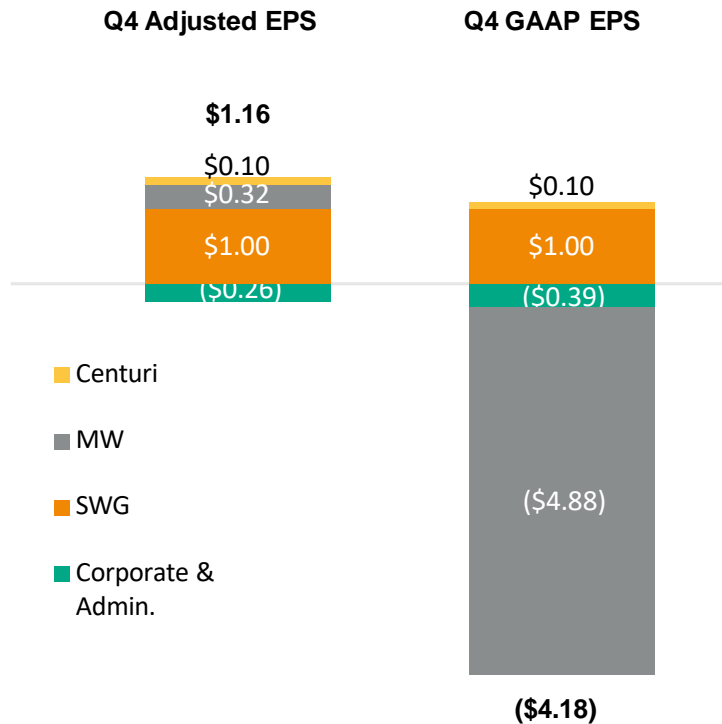
¹ Revenue growth from acquired companies is included in organic growth to the extent it exceeds the full year revenue achieved during the year of acquisition

Financial Update

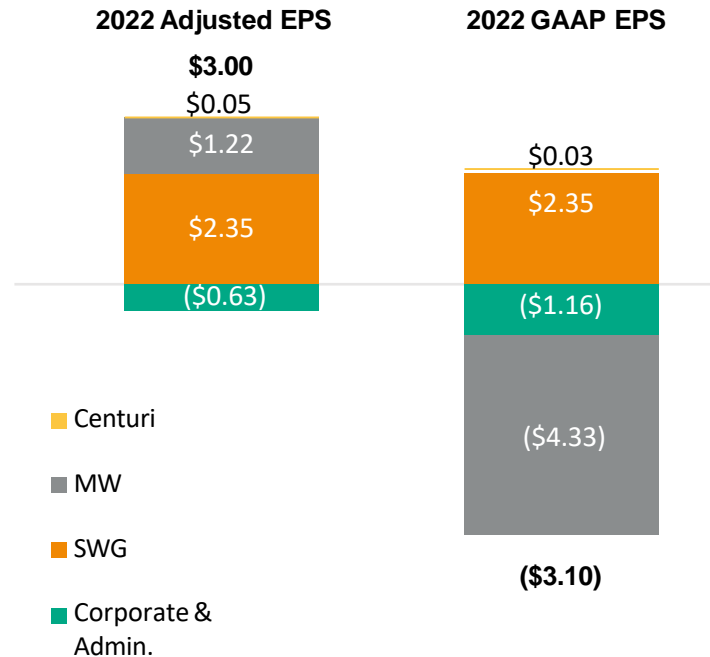


2022 Financial Results

Q4 2022 EPS Results¹



Full Year 2022 EPS Results¹



- SWX's fourth quarter and full year 2022 EPS results were significantly impacted by the goodwill impairment loss associated with the sale of MountainWest
- Additional strategic transaction evaluation related expenses (advisory and legal fees) further impacted SWX's GAAP results

Full Year 2022 Adjustment Detail

Southwest

- No adjustments in 2022

Centuri

- Strategic review costs

MountainWest

- Full year of MountainWest adjusted net income of \$80.3 million included in SWX results
- GAAP earnings include goodwill impairment loss (non-recurring) associated with the sale of MountainWest of approximately \$449.6 million pre-tax and \$344.1 million after-tax

Corporate and Administrative

- MountainWest associated sale costs, proxy contest, stockholders' litigation, strategic review, and CEO separation

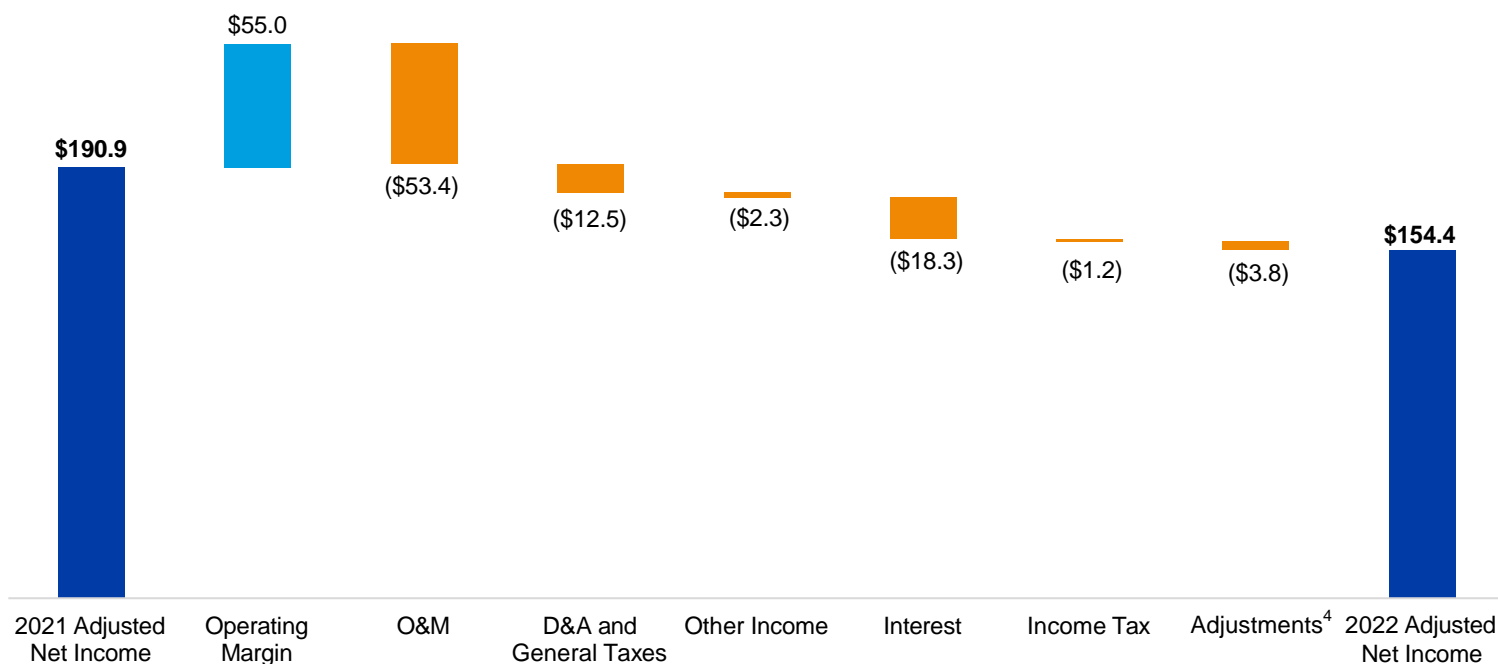
Southwest Adjusted Net Income

YEAR ENDED DECEMBER 31, 2022

NATURAL GAS DISTRIBUTION SEGMENT



Adjusted¹ Net Income (\$ in millions)



Notes:

¹ Refer to appendix for a reconciliation of this non-GAAP measure to its most directly comparable GAAP measure. ² VSP (Vintage Steel Pipe) and COYL (Customer-Owned Yard Line). ³ The increase in average gas plant was attributable to pipeline capacity reinforcement work, franchise requirements, scheduled pipe replacement activities, and new infrastructure, as well as the implementation of the new customer information system, which was placed in production in the second quarter of 2021. ⁴ Includes 2021 \$3.8 million after-tax legal reserve adjustment, \$5.0 million pre-tax

Year over year adjusted net income drivers include:

(parenthesis indicate unfavorable adjusted net income drivers)

↑ favorable impact to adj. net income ↓ unfavorable impact adj. to net income

↑ Operating Margin

- \$22 million – Approved VSP and COYL revenues²
- \$17 million – Customer growth and first-time meter sets
- \$14 million – Combined rate relief
- \$4 million – Late fees, not enforceable the year prior
- (\$4 million) – Lower recoveries associated with reg. acct. balances

↓ O&M

- General inflationary impacts
- (\$13 million) – Labor and employee-related costs
- (\$8 million) – Pipeline reliability and service cost
- (\$7 million) – Uncollectible accounts
- (\$6 million) – Temporary/contractor services
- (\$5 million) – Legal and claim related costs
- (\$4 million) – Increased cost of fuel used in operations

↓ D&A and General Taxes

- 6% Increase in avg. gas plant for 2022³
- \$4 million – Reduction in amortization of regulatory acct. balances
- (\$3 million) – Increased property taxes

↓ Other Income

- \$24 million – Increased employee pension and postretirement benefits and Interest income
- (\$26 million) – COLI, software project reserve, and property impairment

↓ Interest

- (\$18 million) – Interest associated with Senior notes issued in 2021 and 2022

↓ Income Tax

- Changes in CA and AZ state apportionment percentages

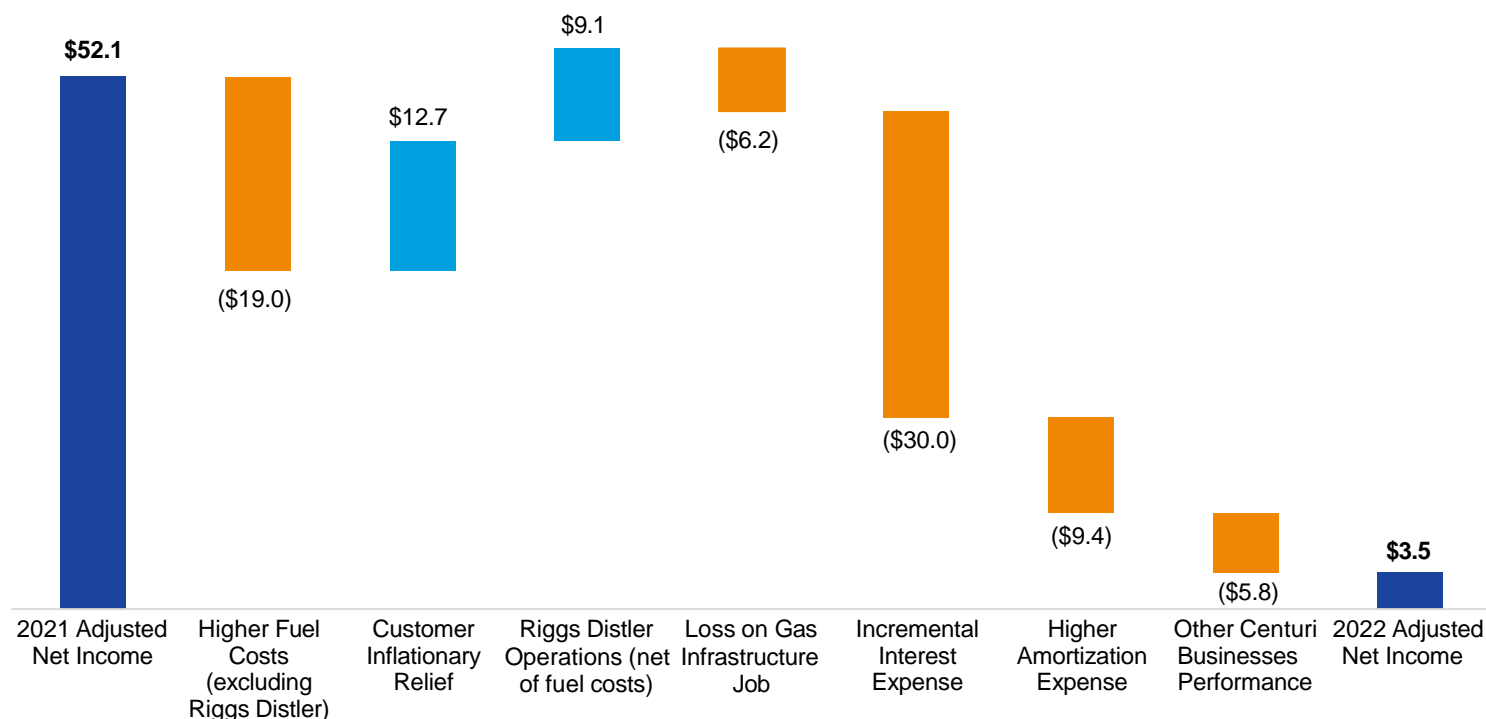
Centuri Adjusted Net Income

YEAR ENDED DECEMBER 31, 2022

UTILITY INFRASTRUCTURE SERVICES SEGMENT



Adjusted¹ Net Income (\$ in millions)



Notes:

¹ Refer to appendix for a reconciliation of this non-GAAP measure to its most directly comparable GAAP measure

Year over year adjusted net income drivers include:

(parenthesis indicates unfavorable to adjusted net income)

↑ favorable impact to adj. net income ↓ unfavorable impact adj. to net income

↑ Revenues

- \$602 million – Revenue increase primarily result of the inclusion of Riggs Distler and negotiated price relief with certain customers

↓ Infrastructure Services Expenses

- (\$574 million) – Increased expenses resulting from inclusion of Riggs Distler, fuel costs, project-related travel, and the loss on a gas infrastructure bid project

↓ D&A

- D&A increase primarily attributable to Riggs Distler
- Remaining increase due to equipment purchased to support growing volume of work

↓ Interest

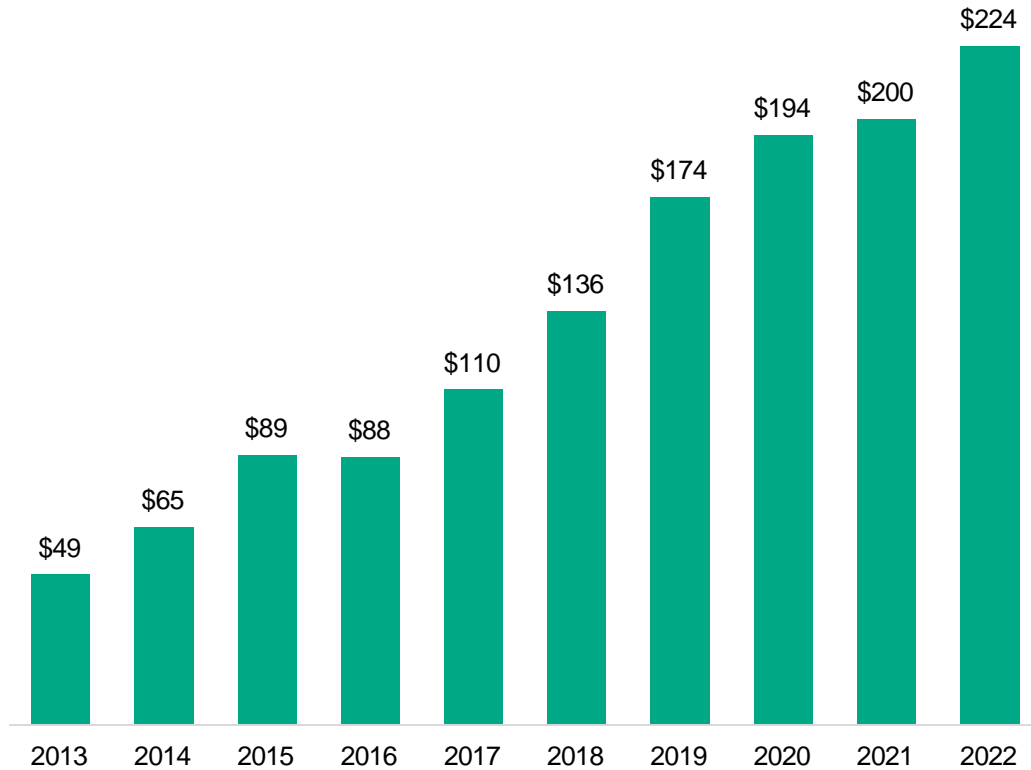
- Incremental outstanding borrowings, revolving credit, and Riggs Distler term loan
- Higher interest rates on variable loans were also a factor

Business Updates



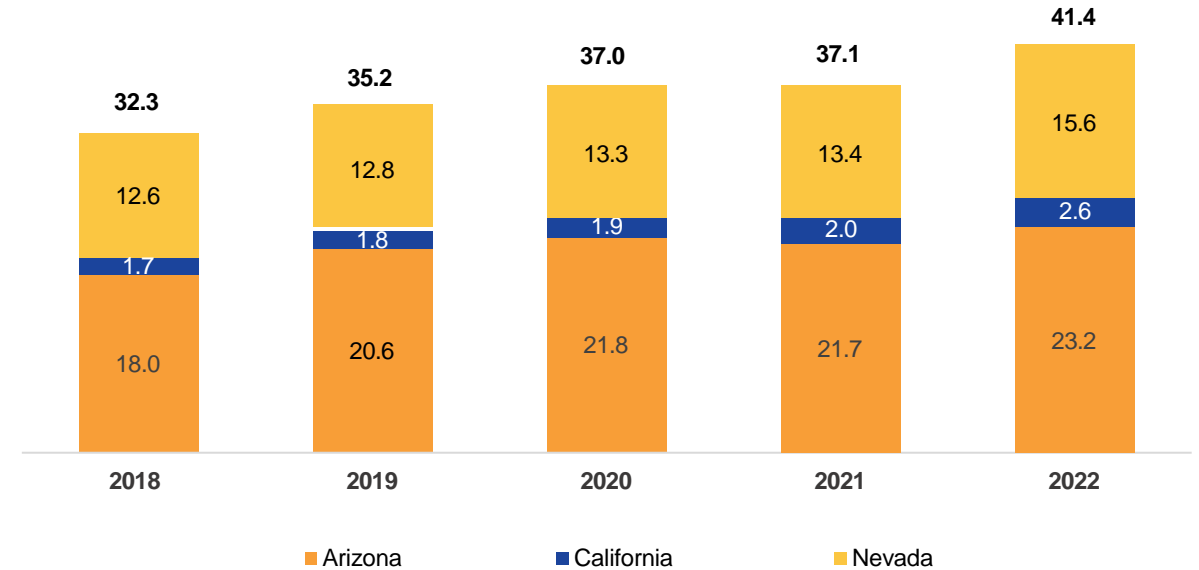
Strong Economic Growth & Demand Dynamics

New Business Capital Spend (\$ in millions)



¹ S&P Global Capital IQ, 19 January 2023

First-Time Meter Sets by Region (in thousands)



First-Time Meter Sets exceeded expectations with over 41,000 installed in 2022

SWG is seeing positive economic indicators across our service territory

- From 2023 to 2028, projected population growth of 3.75% in Arizona and 3.95% in Nevada¹
- Between 2018 to 2022:
 - 29% increase in FTMS in Arizona
 - 54% increase in FTMS in California
 - 23% increase in FTMS in Nevada

Value Creation

Regulatory Update – Constructive Rate Case Outcomes

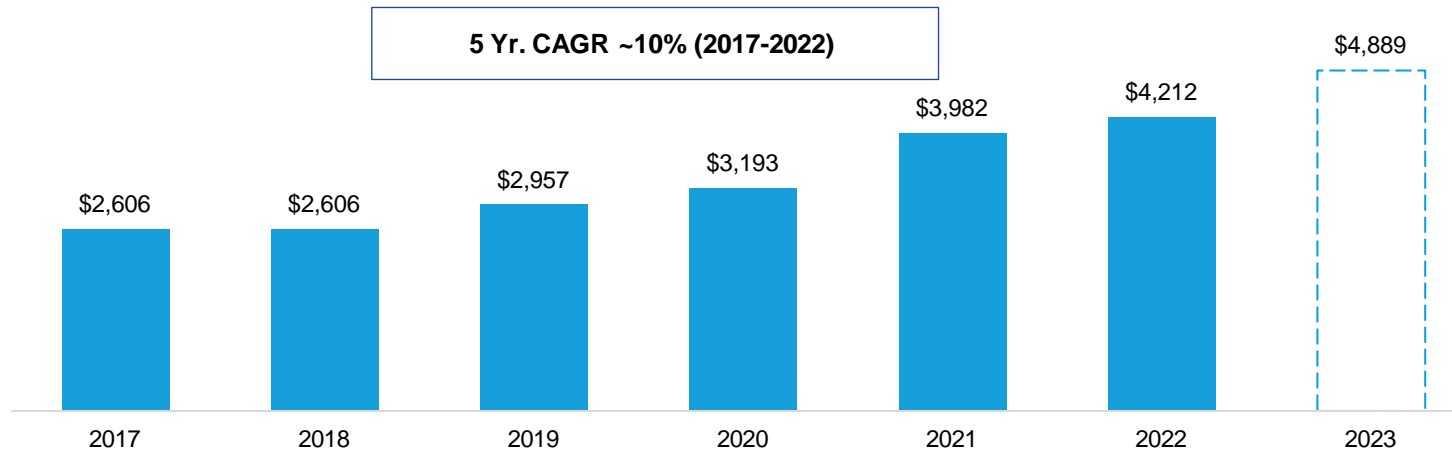
Arizona General Rate Case

- Prehearing stipulations on key issues: ROE, equity layer
- Rates effective February 2023
- \$54 million revenue increase, largest revenue increase in company history
- Authorized rate base of \$2.6 billion, increase of ~\$700 million
- Inclusive of 12 months of post-test year plant
- Authorized ROE of 9.3%
- Authorized equity layer 50%
- Continuation of revenue decoupling and COYL program

Nevada General Rate Case

- All party settlement
- Rates effective April 2022
- \$14 million revenue increase, including ~\$7.3 million reduction in O&M costs
- Authorized rate base of \$1.7 billion, increase of \$250 million
- Authorized ROE of 9.4%
- Authorized equity layer 50%
- Enhanced revenue decoupling

Authorized Rate Base (\$ in millions)



Note:
* Authorized rate base increased to \$4,889 with Arizona rate case effective February 1, 2023

Natural Distribution Segment

**\$2 Billion
Capital
Investment**

**Estimated
2023 – 2025**

Plan Highlights

- ✓ 46% in Safety & Integrity Management
- ✓ 36% in New Business & Reliability

Sustainable Energy Investments

Renewable Natural Gas (RNG) Projects¹

RNG projects repurpose methane from waste supporting emissions reductions



Southwest Gas, RTC & U.S. Gain Partnership

- Leveraging RNG for the agency's public transit fleet

Tres Rios Renewable Natural Gas Project

- Facilitating the delivery of renewable energy as a byproduct of treated wastewater from the Pima County Wastewater Reclamation Facility

Sunoma Renewable Natural Gas Project

- Transforming methane emissions from Paloma Dairy into a sustainable energy source

SoCal Biomethane RNG

- Facilitating the delivery of pipeline quality gas to southern California from Victor Valley Wastewater Reclamation Authority

Butterfield RNG

- Facilitating the delivery of pipeline quality gas from the Butterfield Dairy in Buckeye, Arizona

Great Basin Cheyenne Trails Interconnection

- Providing interstate transportation service for captured methane produced by renewable resources

Fort Irwin Expansion Project

Fort Irwin's remote desert location provides an opportunity to enhance energy reliability, resilience, and security



- On-site generation capacity capable of maintaining critical loads during an electric outage
- Approximately 22 miles dedicated natural gas pipeline
- Estimated pipeline cost of \$39 million
- Filed an application with the CPUC in Nov 2022 seeking authority to expand its service territory to accommodate the project

California Hydrogen Demonstration Project

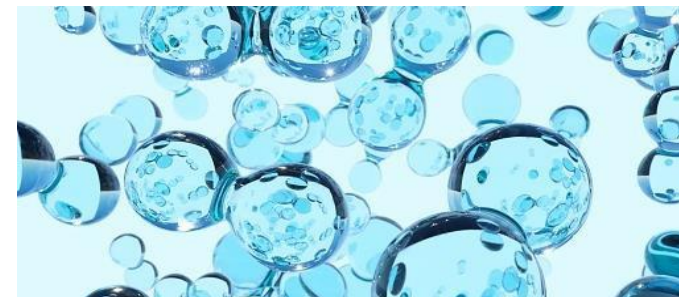
Filed for approval of a hydrogen-blending demonstration project with the California Public Utilities Commission on September 8, 2022

Project Objective:

- Establish critical knowledge targeting hydrogen-blending in extreme cold and high-elevations

Project Detail:

- Project will test a blend of 5% to 20% hydrogen with natural gas in plastic and steel pipe
- 18-month period of testing



¹ All bullets are a part of the natural gas distribution segment, other than the Great Basin Cheyenne Trails Interconnection

Safety & Operational Excellence

The safety of our customers and those who work on Southwest's behalf and live in the communities we serve is our number one priority

2022 Highlights

- Empowering employees to see something, say something, and do something with the recent launch of the following apps:
 - Achieving Continuous Excellence (ACE) – Enables employees to report near-misses, safety concerns and improvement opportunities
 - Introducing, Damage Prevention Alert (DPA) – Enables all employees to report unsafe practices in excavation activity
- Reduced excavation damages by 18% since 2019
- Bi-monthly Safety Calls expanded to all Company employees
- Welcomed more than 5,000 Graham County customers to the Southwest family

Industry Leading Customer Satisfaction

J.D. POWER

#1 in the West Large Segment by J.D. Power in the 2020-2022 Gas Utility Residential Customer Satisfaction Study & #1 in the West Segment in the 2020-2022 Gas Utility Business Customer Satisfaction Study

Damages per 1,000 Tickets

- 0.92 for 2022. Consistent and continuous improvements in reducing facility damage from previous years
- SWG is an industry leader in reducing facility damages per 1,000 line-locate tickets
 - ~4% increase in line-locate tickets since 2021

Emergency Response Times

- Arrival on scene
 - Four consecutive years of 98% within 60 minutes
 - 76% within 30 minutes, an all time high for the utility

Summary of Rate Case Activity

Jurisdiction	Filing	Test Year	Date Effective	Requested ROE	Authorized ROE	Authorized Equity Ratio	Requested Rate Relief	Authorized Rate Relief	Rate Base	Outcome Commentary
Arizona	Dec 2021	Aug 2021	Feb 2023	9.9%	9.3%	50%	\$76M	\$54M	\$2.6B	<ul style="list-style-type: none"> Included 12 months of post-test year plant Continued decoupling mechanism Largest revenue increase in company history
California	Aug 2019	Dec 2021	Apr 2021	10.5%	10%	52%	\$13M	\$6.4M	\$0.4B	<ul style="list-style-type: none"> Annual attrition adjustments of 2.75% in 2022-2025 North Lake Tahoe Lateral attrition adjustment
Nevada	Aug 2021	May 2021	Apr 2022	9.9%	9.4%	50%	\$27M	\$14M	\$1.7B	<ul style="list-style-type: none"> All party settlement 100% of revenue increase related to capital with a ~\$7.3 million reduction in authorized O&M costs Enhanced decoupling mechanism
Nevada (future rate case filing)	Expected 3Q 2023		Expected 2Q 2024							
FERC	May 2019	Nov 2019	Dec 2019	10.5%	11.8%	51%	\$7M	(\$1M)	\$0.1B	<ul style="list-style-type: none"> Stipulation, amounts estimated by SWG

Purchased Gas Adjustment Balance and Recovery Mechanisms by State

State	2021 Receivable Balance (\$ in millions)	2022 Receivable Balance (\$ in millions)	Recovery Mechanism	Gas Cost Rate Update Frequency	Mechanism Description
Gas Cost Balancing Mechanism (GCBA)					
AZ	\$214.4	\$292.5	1 Year Treasury Rate	Monthly ¹	<ul style="list-style-type: none"> PGA rate cannot be more than \$0.15 per therm different than any PGA rate in effect during the preceding 12 months The GCBA is capped at \$0.10 per therm, per month
Deferred Energy Account Adjustment (DEAA)					
NV	\$68.6	\$150.3	Weighted Average Cost of Capital	Quarterly ¹	<ul style="list-style-type: none"> If absolute value of 191 balance < 5% of 12 month purchased gas cost, DEAA = \$0.00 per therm Otherwise change in DEAA change can not exceed (+/-) \$0.025 per therm
CA	\$8.2	\$7.3	Commercial Paper	Monthly ²	
Total	\$291.2	\$450.1			

2021 SWG PGA Rec Balance



2022 SWG PGA Rec Balance



¹ Using a 12-month rolling average, to account for changes in the cost of gas the Company purchased on behalf of its customers, with no profit to the Company

² The gas cost rate is adjusted monthly based on a one-month forecast cost of gas plus the difference in the prior month's over or under recovery of the PGA balance

Utility Optimization Plan

Utility Optimization Plan

Plan Overview

- 1 Capitalization policy review
- 2 New business policy review
- 3 AZ general rate case
- 4 Regulatory approvals supporting transactions, as necessary
- 5 Legislative initiatives
- 6 Budget and cost management
- 7 Enhanced regulatory mechanisms

Southwest initiated a multi-step utility evaluation process focused on optimizing utility performance and delivering value to all stakeholders

Key Focus Areas

- Safe, reliable, sustainable, and affordable service
- Support customer growth
- O&M discipline
- CapEx optimization
- Optimization of rate case process
- Delivery of sustainable energy options for our customers

Projected Outcomes

- Constructive regulatory outcomes
- Meet and exceed customer and regulator expectations
- Attractive rate base growth of 5% - 7%
- ROE improvement
- Financial stability and improved credit profile
- Earnings and dividend growth

Centuri Standalone Value Proposition

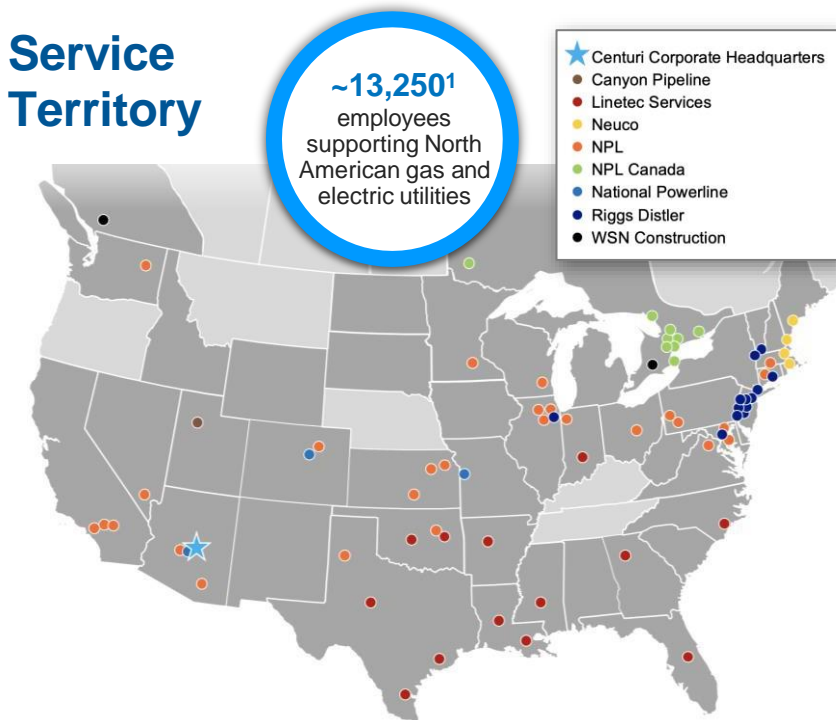


Centuri Overview: Strategic Utility Infrastructure Services Leader

High-Quality Utility Customer Base



Service Territory



¹ Peak employee headcount based on December 31, 2022 payroll inclusive of active and inactive employees

Top 20 Customers

UTILITY INFRASTRUCTURE SERVICES SEGMENT

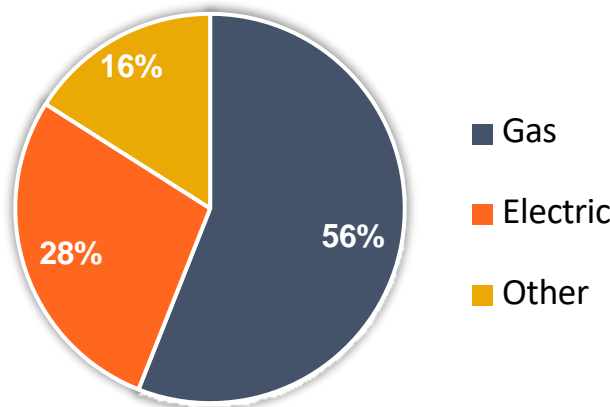
#	Revenue as % of Total	Revenue (\$ in Millions)	Relationship Length (Yrs)	Total Contract Length (Yrs)
1	9.3%	\$256	26	9
2	9.0%	\$249	44	5
3	4.9%	\$135	37	4
4	4.8%	\$132	5	5
5	4.6%	\$128	15	5
6	4.2%	\$117	45	3
7	3.8%	\$106	21	5
8	3.6%	\$99	8	3
9	3.5%	\$97	27	12
10	3.4%	\$94	3	2
11	3.3%	\$90	15	3
12	2.9%	\$80	10	5
13	2.7%	\$74	42	10
14	2.4%	\$65	26	4
15	2.2%	\$61	33	5
16	2.1%	\$59	18	5
17	1.8%	\$51	15	2
18	1.7%	\$47	5	5
19	1.7%	\$46	5	4
20	1.5%	\$41	27	6
Total Top 20 Revenue		\$2,027	Avg 24	Avg 5.4

¹ Trailing Twelve Months Ended December 31, 2022

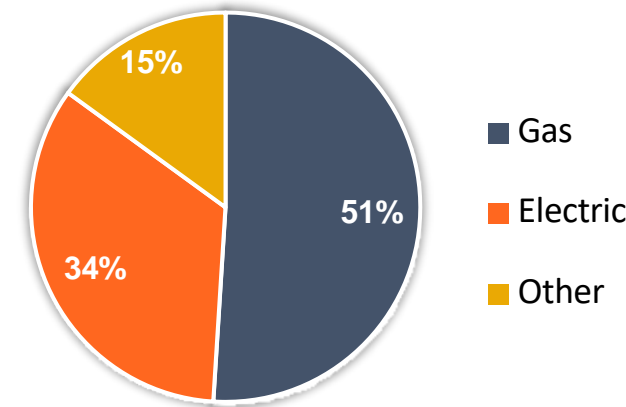
Centuri Overview: Long-Term Utility Customer Contracts Bolster Cash Flow Quality and Growth Potential

Diverse Infrastructure Service Offerings¹

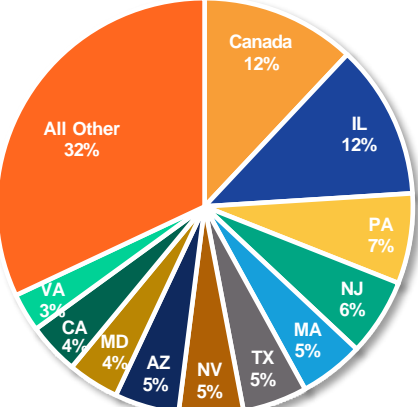
Revenues by Service Type



Gross Profit by Service Type



Revenues by Geography



Attractive and Low Risk Contract Mix¹

Contract Pricing Type



Contract Structure Type

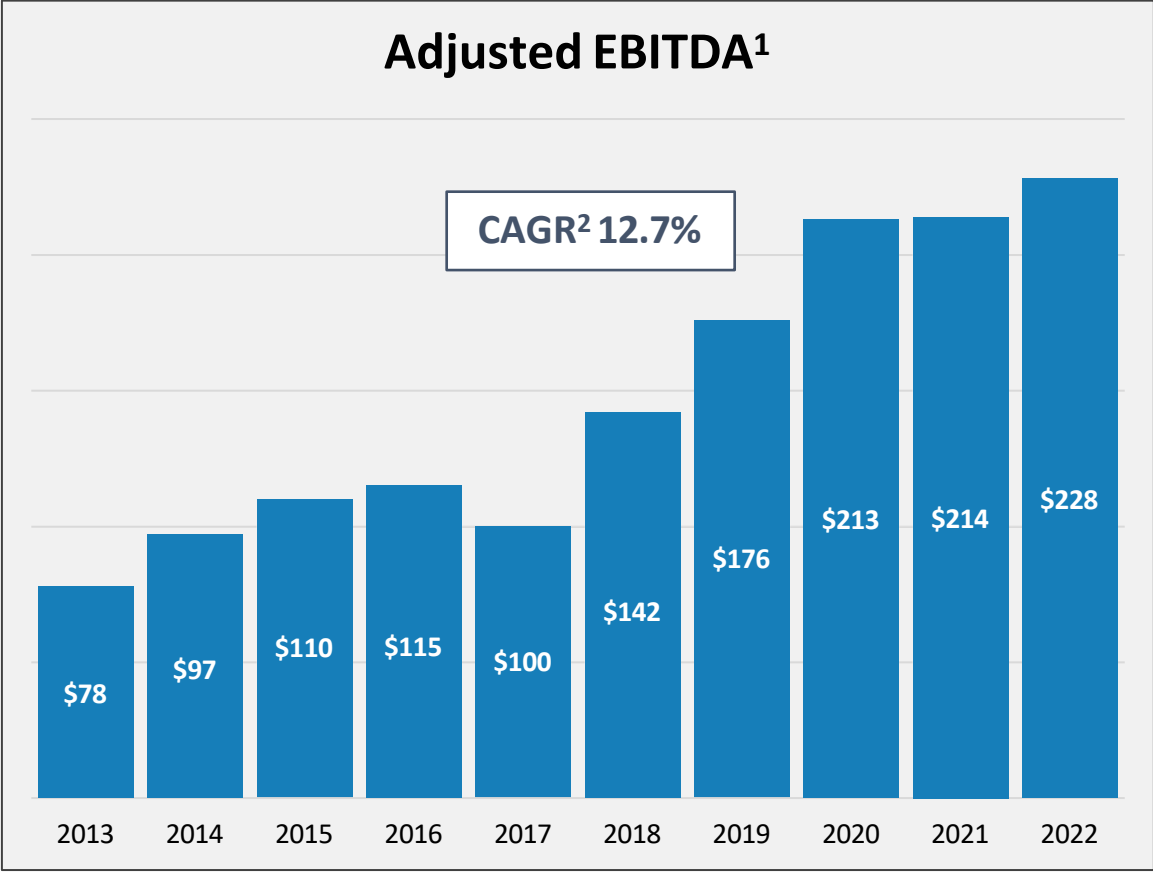
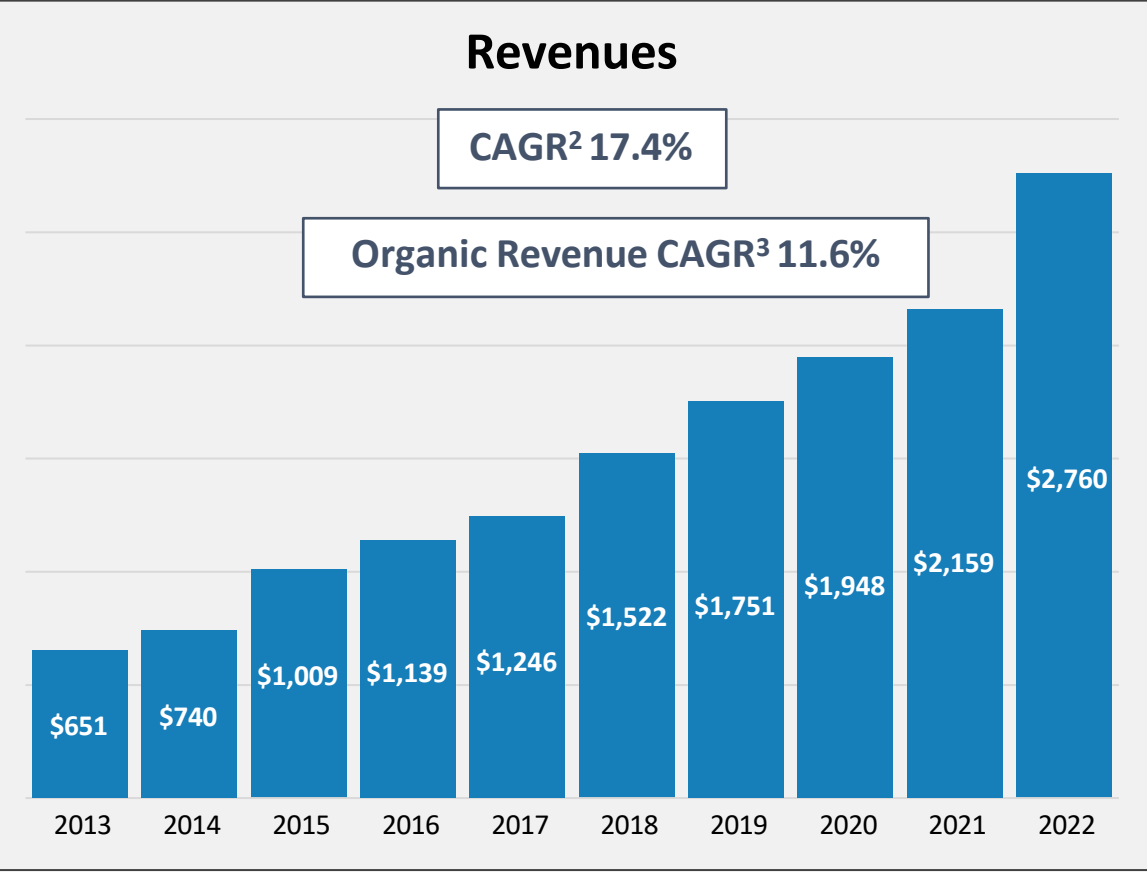


¹ Revenues by service type, gross profit by service type, revenues by geography, contract pricing type and contract structure type represent percent of December 2022 TTM revenues

Proven Performance Track Record



(\$ in millions)



¹ Adjusted EBITDA excludes strategic review costs, one-time acquisition costs, the nonrecurring write-off of deferred financing fees related to Centuri's amended and restated credit facility, and non-cash stock-based compensation expense

² Compound annual growth from 2013 to 2022.

³ Revenue growth from acquired companies is included in organic growth to the extent it exceeds the full year revenue achieved during the year of acquisition.

Centuri Well Positioned for Success as it Expands into High Growth Markets

UTILITY INFRASTRUCTURE SERVICES SEGMENT

Achieving Growth

New Awards & Value-Enhanced Contracts

- \$100 million anticipated gas contract award in Indiana
- Secured \$24+ million annualized incremental revenue increases on existing customer contracts during 2022 to offset certain inflationary cost increases

Strong Sector Outlook

- Multi-year strong outlook for gas and electric T&D market growth, significant multi-year opportunities in 5G and offshore wind related infrastructure

Clean Energy Projects Expansion

- \$94 million revenue recorded for sustainable wind energy projects during 2022 and projecting ~\$250 million in 2023
- Contracted to provide onshore assembly, fabrication, and port logistics for offshore wind projects in Mid-Atlantic and Northeastern United States
- Total of all wind contracts signed to date equal to approximately \$525 million
 - Southfork and Revolution projects are underway in Rhode Island
 - Two additional contracts have been signed – Ocean Wind in Maryland and a ~\$170 million project in New York



Restoration Services

- Established restoration services offering, which provides crew response from existing Centuri operating companies + network of vetted third-party contractors
- Key customer contracts have been signed to launch this formal offering
- Crews responded across the southeast United States and into Canada after both Hurricane Fiona and Hurricane Ian left countless communities without power



1,466

Employees
deployed

\$70M

Revenue earned
during 2022

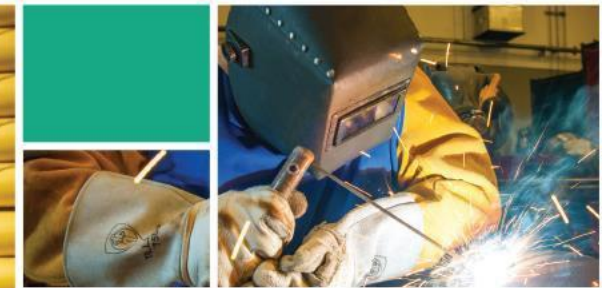
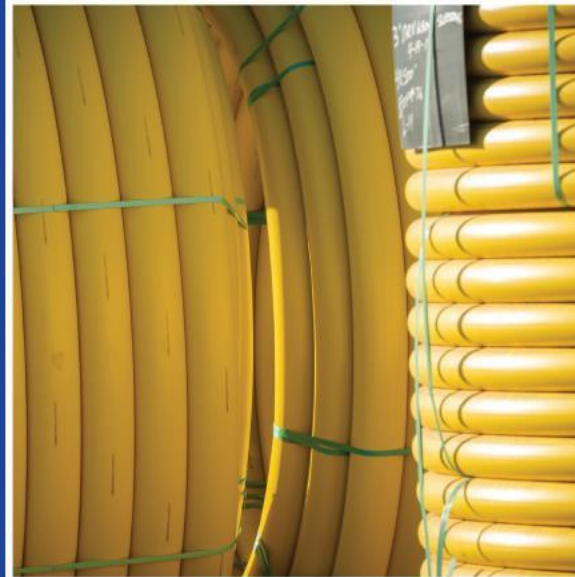
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Safety
incidents

Guidance and Outlook



Southwest GasTM
HOLDINGS



2023 Company Guidance



2023 Capex:
\$665 - \$685 million

2023 Net Income¹:
\$205 - \$215 million

3-year Rate Base CAGR²:
5% - 7%

3-year Total Capex²:
\$2.0 billion



2023 Revenue:
\$2.8 - \$3.0 billion

2023 Adjusted EBITDA³
Margin:
9.5% - 11.0%

2023 – 2026 Adjusted
EBITDA³ CAGR:
9% - 11.0%

¹ Assumes \$3 - \$5 million COLI earnings

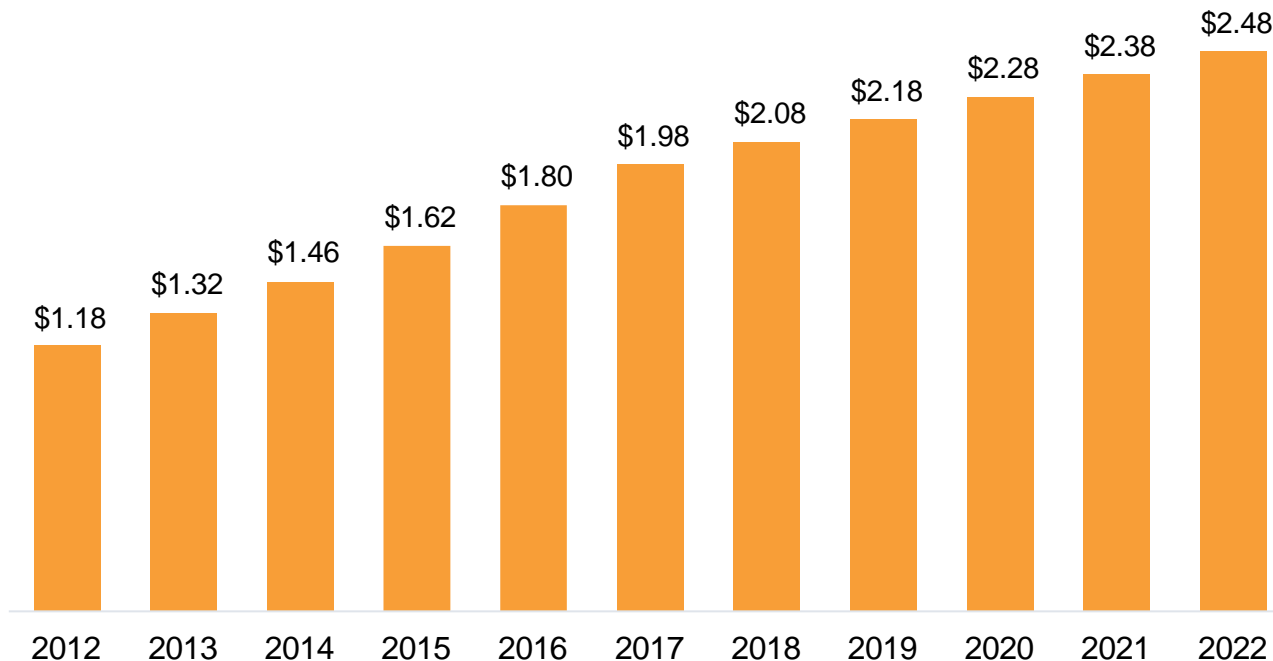
² CAGR 2023 – 2025

³ Adjusted EBITDA excludes costs of strategic review, one-time acquisition costs and non-cash stock-based compensation expense

Maintaining a Competitive Dividend

Upon completion of the spin of Centuri, Southwest Gas Holdings plans to target a dividend payout ratio in line with gas utility peers

SWX Annual Dividend Per Share



Southwest Gas is committed to paying a competitive dividend

Southwest Gas has paid a dividend every year since 1956

Upon completion of the spin of Centuri, Southwest Gas Holdings plans to target a dividend payout ratio in line with gas utility peers¹

Until the planned spin has been completed, Southwest Gas Holding expects to continue to pay its regular quarterly dividend¹

¹ All future dividends will be subject to approval by the Board of Directors both before and following the completion of the spin-off

Closing Remarks



Enhancing SWX credit profile through the sale of MountainWest and strengthening capital and strategic flexibility through spin of Centuri



Capital markets plan provides balance sheet flexibility and supports investment grade credit ratings



Positive regulatory developments and strong organic rate base growth



Optimizing the utility to deliver value through financial discipline, operational excellence, and constructive regulatory relationships



Providing safe, reliable, sustainable and affordable energy solutions for new and existing customers, with a dedicated focus on service



Capital expenditure plan supported by increased economic development and customer growth throughout our service areas



Well positioned to continue delivering sustainable energy options for our customers



Transitioning to a standalone world-class utility infrastructure services platform with strong leadership in infrastructure modernization and energy transition






Planning to de-lever the business organically in 2023 through EBITDA growth

Appendix



Commitment to Investment Grade Ratings at SWX and SWG

	Credit Ratings & Outlook						Net Debt (\$ in billions) ²		
	Moody's		Standard & Poor's		Fitch				
	Ratings	Outlook	Ratings	Outlook	Ratings	Outlook	Total Debt	Cash	Net Debt
 Southwest Gas HOLDINGS	Baa2	Stable	BBB-	Positive	BBB	Rating Watch Negative	\$0.2 ¹	→ \$0.0	→ \$0.2
 SOUTHWEST GAS	Baa1	Stable	BBB	Positive	A	Negative	\$3.5	→ \$0.1	→ \$3.4
 CENTURI	Ba2	Under Review For Downgrade	B+	Credit Watch Developing			\$1.2	→ \$0.1	→ \$1.1

Notes:

¹ Proceeds from MW sale were used toward debt reduction

² Does not reflect planned capital markets activity in 2023

Constructive Regulatory Mechanisms

Mitigation of Regulatory Lag		Constructive Support of Investment in Safety and Reliability	Sustainable Investments
Arizona	<ul style="list-style-type: none"> Full revenue decoupling General Rate Case (GRC) <ul style="list-style-type: none"> Up to 12-month post test year plant adjustments Flexibility in filing GRC as needed – no limitations Capital Tracker Programs: <ul style="list-style-type: none"> COYL Property tax tracker Income tax expense adjustor mechanism 	<ul style="list-style-type: none"> Infrastructure replacement mechanisms (COYL) Pre-approval and accounting deferral for \$80M LNG facility Approval to acquire natural gas system from Graham County 	<ul style="list-style-type: none"> Balanced Energy Solutions Act – 2020 G65 Tariff to facilitate the development of biogas and renewable natural gas projects in the State G55 Tariff to facilitate the development of compressed natural gas projects in the State Portfolio of EE programs (Homes, Custom Commercial, Low Income)
California	<ul style="list-style-type: none"> General Rate Case <ul style="list-style-type: none"> Future Test Year – 5-year rate case schedule Annual Attrition adjustments Full Revenue Decoupling Capital Tracker Programs: <ul style="list-style-type: none"> MHP Replacement Program – est. at \$5.2M annually for 3-4 years Risk Based Capital Programs – \$119M over 5 years for Meter Protection (\$19M), Pipe Replacement (\$90M), and School COYLs (\$10M) North Lake Tahoe Lateral – Attrition Adjustment Pension Tracker 	<ul style="list-style-type: none"> MHP Replacement Program – est. at \$5.2M annually for 3-4 years Use of memorandum accounts Pre-approval process for certain projects (Customer Information System) Risk informed decision making programs <ul style="list-style-type: none"> \$119 million over 5 years for meter protection Pipe replacement School COYLs 	<ul style="list-style-type: none"> Gas Cost Incentive Mechanism – including RNG Purchases SB 1440 and Commission Order in 2022 – procurement goals for gas utility RNG purchases RNG Interconnection Tariffs – VVWRA Project Submitted an application to the California Public Utilities Commission seeking authorization to establish live hydrogen blending projects Portfolio of EE programs (Residential, Commercial, New Homes, Solar Thermal, Weatherization)
Nevada	<ul style="list-style-type: none"> Full Revenue Decoupling General Rate Case (GRC) <ul style="list-style-type: none"> Flexibility in the Frequency of GRC Filings 210 Day Adjudication Certification Up to 6 Months Beyond Test Year (Plant and/or Expenses) Expected Change in Circumstances Up to 12 Months Beyond the Test Year (Plant and/or Expenses) Capital Tracker Programs: <ul style="list-style-type: none"> Gas Infrastructure Replacement (GIR) Mechanism (COYL, VSP, EVPP) GIR Rate Adjusted Annually 	<ul style="list-style-type: none"> GIR Mechanism Regulations <ul style="list-style-type: none"> COYL, EVPP, VSP, MHP SB 151 (2015) – Expansion of Infrastructure to Unserved or Underserved Areas of the State: <ul style="list-style-type: none"> Mesquite - \$30M expansion Spring Creek - \$62M expansion 	<ul style="list-style-type: none"> SB 154 (2019) – Renewable Natural Gas (RNG) <ul style="list-style-type: none"> Established Goals to Incorporate RNG into Gas Supply Portfolio Allows for Various Investments in RNG, such as, the Company's Investment in RNG Facilities, Interconnection with RNG facilities, and/or the Purchase of RNG from an RNG Facility Biogas and Renewable Natural Gas Tariff to facilitate the development of biogas and renewable natural gas projects in the State Compressed Natural Gas Tariff to facilitate the development of compressed natural gas projects in the state Move2Zero carbon offset Tariff NV Long Term Gas Planning Docket

Building a Sustainable Energy Future for Everyone



New Mission Statement

“At Southwest Gas our sustainability **mission** is to provide access to safe, affordable, reliable and sustainable energy to meet the goals of all stakeholders”



New Sustainability Vision Statement

“Our **vision** is to achieve a reliable and sustainable energy future for everyone”

Renewed Focus In 2022 – Hired a dedicated sustainability officer at Southwest and implemented a new ESG working group across opcos to execute our goals more effectively

2022 Additional Frameworks

Enhanced reporting, guidelines and governance around our ESG practices



Awards & Recognition

- SWG named to Forbes' list of Best-in-State Employers for 2022
- Recognized by the American Gas Association for de-escalation training
- SWG received the Western Regional Minority Supplier Development's "Warrior" and "Impact" awards and the Arizona Hispanic Chamber of Commerce's Million Dollar Circle of Excellence for Southwest Gas' supplier diversity program



ESG Performance Highlights

Environment

- Invested in RD&D focused on clean energy technologies
- The utility further invested in GoVACD and ZEVAC systems, state-of-the-art technologies designed to mitigate the release of natural gas from maintenance and repair operations
- Testing new methane emissions-capture technologies
- Introduced Move2Zero Offset Program in Nevada
- Took an active role in 2022 in (SHINe) – Partnering in a potential southwest hydrogen hub
- Submitted an application to the California Public Utilities Commission seeking authorization to establish live hydrogen blending projects
- R&D investment/partnership with local universities to perform clean hydrogen creation and testing of pipeline and downstream appliance results from hydrogen injection blending
- Installed advanced telematics in fleet vehicles to improve efficiencies and reduce emissions

Social

- In 2022, SWG philanthropic giving totaled \$3.8 million with employee contributing \$2.3 million and the Southwest Gas Foundation contributing \$1.5 million to 397 nonprofits and charitable organizations
- 1% of net utility income to go to Southwest Gas Foundation to enrich the quality of life in the communities we serve
- Delivered gas bill assistance to nearly 2,000 customers in 2022
- Continued support to Employee Resources Groups

Governance

- Increased female representation on board to 55%
- 27% of directors are minority group members
- 64% of directors have less than three years tenure on the board

Affordability for Customers

Natural gas is often the least expensive utility bill



\$55

Natural Gas



\$60

Internet



\$114
**Mobile
Phone**



\$114
**Streaming
Services**



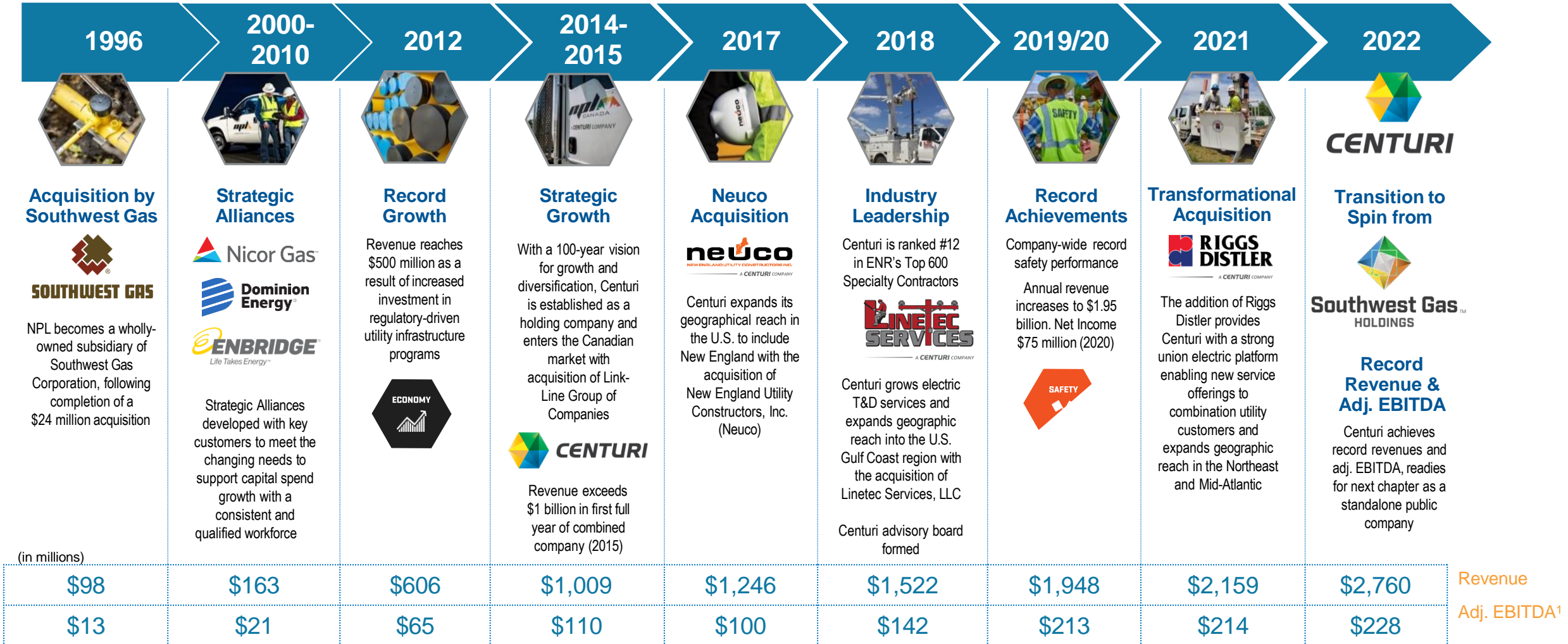
\$122
Electric

Sources:

- **Natural Gas** – 2022 Southwest average monthly single-family residential bill
- **Internet** – Statista, 2022
- **Mobile Phone** – Statista, 2022
- **Streaming Services** – Statista, 2022
- **Electric** – U.S. Energy Information Administration (www.eia.gov); [Electricity data](#)

A Timeline of Successful Business Growth Toward Spin

Over 25 years, SWX has developed Centuri into a utility infrastructure services leader with record revenues and adjusted EBITDA¹ in 2022



Notes: ¹ See appendix for EBITDA reconciliation

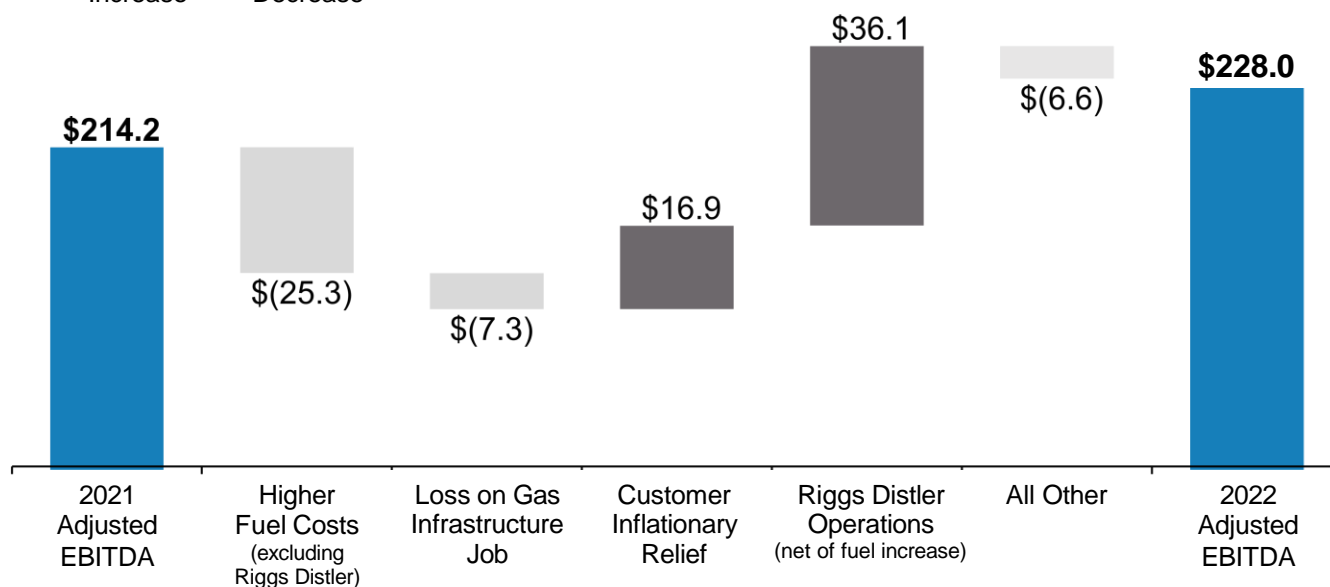
Centuri Year End 2022 Financial Results

UTILITY INFRASTRUCTURE SERVICES SEGMENT

Centuri Adjusted EBITDA¹ Contribution from 2021 to 2022

(\$ in millions)

■ Increase ■ Decrease



Record revenue offset by increased operating expenses driven by continuing inflationary pressures

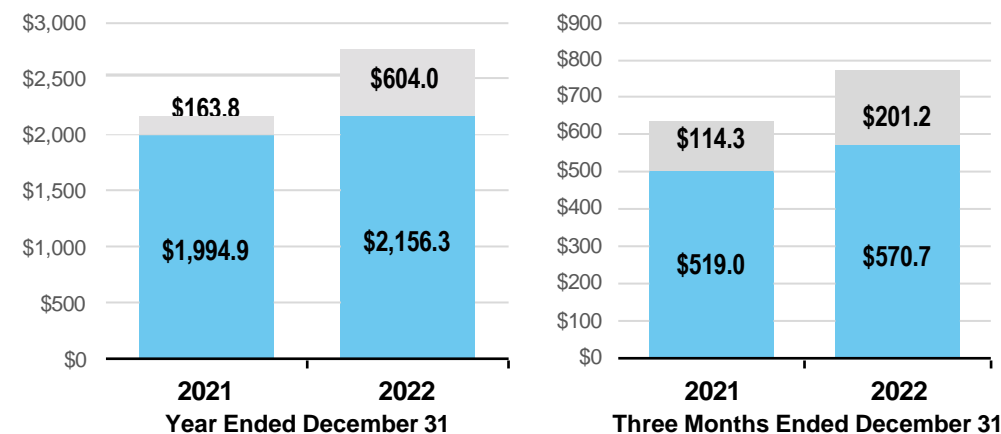
Notes: See appendix for Adjusted EBITDA reconciliation

¹ Adjusted EBITDA excludes strategic review costs, one-time acquisition costs, the nonrecurring write-off of deferred financing fees related to Centuri's amended and restated credit facility, and non-cash stock-based compensation expense

Revenue

(\$ in millions)

■ Legacy Centuri ■ Incremental Riggs Distler



Commentary:

- Revenues impacted by:
 - Changed work mix and reduced volume during 2022 due to customer supply chain challenges in procuring materials and equipment
- Expenses/costs incurred from:
 - Riggs Distler
 - Inflationary pressures on fuel and subcontractor expenses
 - Higher project-related travel and equipment rental costs

Year End 2022 Financial Results

CONSOLIDATED

Results of Consolidated Operations <i>(in millions, except per share items)</i>	Three months ended December 31,		Twelve months ended December 31,	
	2022	2021	2022	2021
Natural gas distribution income	\$ 67.1	\$ 84.6	\$ 154.4	\$ 187.1
Utility infrastructure services income	6.5	7.6	2.1	40.4
Pipeline and storage (loss)	(328.1)	-	(283.7)	-
Corporate and administrative income (loss)	(26.0)	(22.2)	(76.0)	(26.8)
Net income (loss)	(280.6)	69.9	(203.3)	200.8
Adjustments ⁽¹⁾	358.6	20.8	399.9	36.2
Adjusted net income	78.0	90.7	196.6	237.0
Basic earnings (loss) per share	\$ (4.18)	\$ 1.15	\$ (3.10)	\$ 3.39
Diluted earnings (loss) per share	\$ (4.18)	\$ 1.15	\$ (3.10)	\$ 3.39
Basic adjusted earnings per share	\$ 1.16	\$ 1.49	\$ 3.00	\$ 4.00
Diluted adjusted earnings per share	\$ 1.16	\$ 1.49	\$ 3.00	\$ 4.00
Weighted average common shares	67.200	60.795	65.558	59.259
Weighted average diluted shares	67.200	60.795	65.558	59.259

Notes:

(1) The three months ended December 31, 2022 include the goodwill impairment and loss on reclassification as held for sale; nonrecurring stand-up costs associated with integrating MW; and proxy contest, shareholders litigation, and strategic review costs (collectively, net of tax). Incrementally, adjustments for the twelve months ended December 31, 2022 further include MW transaction costs, net of tax, and. The adjustments for the three and twelve months ended December 31, 2021 include legal reserve; Riggs Distler transaction costs; MW transaction costs; and proxy contest, stockholder litigation, settlement agreement, and strategic review costs all net of tax.

Summary of Operating Results

NATURAL GAS DISTRIBUTION SEGMENT

Results of Natural Gas Distribution <i>(in thousands of dollars)</i>	Three months ended December 31,		Twelve months ended December 31,	
	2022	2021	2022	2021
Regulated operations revenues	\$ 576,644	\$ 451,214	\$ 1,935,069	\$ 1,521,790
Net cost of gas sold	245,000	134,680	789,216	430,907
Operating margin	331,644	316,534	1,145,853	1,090,883
Operations and maintenance expense	122,944	109,570	491,928	438,550
Depreciation and amortization	70,609	65,710	263,043	253,398
Taxes other than income taxes	20,754	20,209	83,197	80,343
Operating income	117,337	121,045	307,685	318,592
Other income	(6,444)	343	(6,884)	(4,559)
Net interest deductions	31,220	26,297	115,880	97,560
Income before income taxes	79,673	95,091	184,921	216,473
Income tax expense	12,623	10,540	30,541	29,338
Segment net income	<u>\$ 67,050</u>	<u>\$ 84,551</u>	<u>\$ 154,380</u>	<u>\$ 187,135</u>

Summary of Operating Results

UTILITY INFRASTRUCTURE SERVICES SEGMENT

Results of Utility Infrastructure Services

(Thousands of dollars)

	Three months ended December 31,		Twelve months ended December 31,	
	2022	2021	2022	2021
Revenues	\$ 771,894	\$ 633,213	\$ 2,760,327	\$ 2,158,661
Cost of sales ⁽¹⁾	697,949	579,500	2,545,715	1,950,893
Gross profit	73,945	53,713	214,612	207,768
General and administrative expenses ⁽²⁾	34,212	24,690	109,196	104,901
Amortization of intangible assets	6,664	7,414	29,759	17,316
Operating income	33,069	21,609	75,657	85,551
Other (deductions) income	(144)	140	(888)	1,067
Net interest deductions	21,034	11,488	61,371	20,999
Income before income taxes	11,891	10,261	13,398	65,619
Income tax expense	2,377	1,404	5,727	18,776
Net income	9,514	8,857	7,671	46,843
Net income attributable to noncontrolling interests	3,049	1,234	5,606	6,423
Contribution to consolidated net income attributable to Centuri	<u>\$ 6,465</u>	<u>\$ 7,623</u>	<u>\$ 2,065</u>	<u>\$ 40,420</u>
Adjusted contribution to consolidated net income attributable to Centuri ⁽³⁾	<u>\$ 6,656</u>	<u>\$ 7,623</u>	<u>\$ 3,464</u>	<u>\$ 52,083</u>

(1) Cost of sales during the three months ended December 31, 2022 and 2021 includes depreciation expense of \$31,176 and \$29,087, respectively. Cost of sales during the years ended December 31, 2022 and 2021 includes depreciation expense of \$120,793 and \$95,952, respectively

(2) General and administrative expenses during the three months ended December 31, 2022 and 2021 includes depreciation expense of \$1,227 and \$1,160, respectively. General and administrative expenses during the years ended December 31, 2022 and 2021 includes depreciation expense of \$4,801 and \$4,375, respectively

(3) Excludes the impact of acquisition costs and strategic review costs net of the impact of income tax adjustments

Summary of Operating Results

PIPELINE AND STORAGE SEGMENT

	Three months ended December 31, 2022	Twelve months ended December 31, 2022
Results of Pipeline and Storage		
<i>(in thousands of dollars)</i>		
Pipeline and storage operating revenues	\$ 72,354	\$ 264,613
Net cost of gas sold	6,290	9,843
Operations and maintenance expense	26,012	100,263
Depreciation and amortization	13,190	52,059
Taxes other than income taxes	1,851	10,186
Goodwill impairment and loss on HFS	449,606	449,606
Operating (loss)	(424,595)	(357,344)
Other income	437	2,128
Net interest deductions	4,736	18,185
Income before income taxes	(428,894)	(373,401)
Income tax expense	(100,835)	(89,668)
Segment net (loss)	\$ (328,059)	\$ (283,733)

Non-GAAP Measures

Adjusted SWX income and adjusted EPS for the three months ended December 31, 2022, include the goodwill impairment and loss on reclassification as held for sale; nonrecurring stand-up costs associated with integrating MW; and proxy contest, shareholders litigation, and strategic review costs. Incrementally, adjusted SWX income and adjusted EPS for the twelve months ended December 31, 2022, further include MW transaction costs. The adjustments for the three and twelve months ended December 31, 2021, include legal reserve; Riggs Distler transaction costs; MW transaction costs; and proxy contest, stockholder litigation, settlement agreement, and strategic review costs.

Adjusted Corporate and Administrative income and adjusted EPS for the three months ended December 31, 2022, include the goodwill impairment and loss on reclassification as held for sale; and proxy contest, stockholder litigation, settlement agreement, and strategic review costs. Incrementally, adjusted Corporate and Administrative income and adjusted EPS for the twelve months ended December 31, 2022, further include MW transaction costs. The adjustments for the three and twelve months ended December 31, 2021, include MW transaction and related costs; and proxy contest, stockholder litigation, settlement agreement, and strategic review costs.

We do not provide a reconciliation of forward-looking Non-GAAP Measures to the corresponding forward-looking GAAP measure due to our inability to project special charges and certain expenses.

SWX Adjusted Net Income and Adjusted EPS

(in thousands)

	Three months ended December 31,		Twelve months ended December 31,	
	2022	2021	2022	2021
SWX net income (loss)	\$ (280,584)	\$ 69,943	\$ (203,290)	\$ 200,779
Legal reserve	-	-	-	5,000
Riggs Distler transaction costs	-	-	-	14,000
Nonrecurring stand-up cost associated with integrating MW	7,295	-	26,196	-
Loss on HFS at MW and goodwill impairment	455,425	-	455,425	-
MW transaction costs	-	22,801	700	22,801
Proxy contest, stockholder litigation, settlement agreement, and strategic review	5,919	4,501	40,210	4,501
Income tax effect of adjustments	(110,069)	(6,552)	(122,641)	(10,089)
SWX adjusted net income	\$ 77,986	\$ 90,693	\$ 196,600	\$ 236,992
Weighted average common shares	67,200	60,795	65,558	59,259
SWX adjusted EPS	\$ 1.16	\$ 1.49	\$ 3.00	\$ 4.00

Corporate & Admin. Adjusted Net Income and Adjusted EPS

(in thousands)

	Three months ended December 31,		Twelve months ended December 31,	
	2022	2021	2022	2021
Corporate and Admin. net (loss)	\$ (26,040)	\$ (22,231)	\$ (76,002)	\$ (26,776)
Loss on reclassification as held for sale	5,819	-	5,819	-
MW transaction and related costs	-	22,801	700	22,801
Proxy contest, stockholder litigation, settlement agreement, and strategic review	5,676	4,501	38,357	4,501
Income tax effect of adjustments	(2,759)	(6,552)	(10,392)	(6,552)
Corporate and Admin. adjusted net (loss)	\$ (17,304)	\$ (1,481)	\$ (41,518)	\$ (6,026)
Weighted average common shares	67,200	60,795	65,558	59,259
Corporate and Admin. adjusted EPS	\$ (0.26)	\$ (0.02)	\$ (0.63)	\$ (0.10)

Non-GAAP Measures (continued)

There were no adjustments to 2022 SWG income. However, adjusted SWG income and adjusted EPS for the twelve months ended December 31, 2021, include a legal reserve.

Adjusted Centuri income and adjusted EPS for the three and twelve months ended December 31, 2022 include strategic review costs. The adjustments for the three and twelve months ended December 31, 2021 include acquisition costs.

We do not provide a reconciliation of forward-looking Non-GAAP Measures to the corresponding forward-looking GAAP measure due to our inability to project special charges and certain expenses.

	Three months ended December 31,		Twelve months ended December 31,	
	2022	2021	2022	2021
SWG Adjusted Net Income and Adjusted EPS (in thousands)				
SWG net income	\$ 67,050	\$ 84,551	\$ 154,380	\$ 187,135
Legal reserves	-	-	-	5,000
Income tax effect of adjustments	-	-	-	(1,200)
SWG adjusted net income	\$ 67,050	\$ 84,551	\$ 154,380	\$ 190,935
Weighted average common shares	67,200	60,795	65,558	59,259
SWG adjusted EPS	\$ 1.00	\$ 1.39	\$ 2.35	\$ 3.22
	Three months ended December 31,		Twelve months ended December 31,	
	2022	2021	2022	2021
Centuri Adjusted Net Income and Adjusted EPS (in thousands)				
Centuri net income	\$ 6,465	\$ 7,623	\$ 2,065	\$ 40,420
Adjustments:				
Acquisition costs	-	-	-	14,000
Strategic review costs	243	-	1,853	-
Income tax impact of adjustments	(52)	-	(454)	(2,337)
Centuri adjusted net income	\$ 6,656	\$ 7,623	\$ 3,464	\$ 52,083
Weighted average common shares	67,200	60,795	65,558	59,259
Centuri adjusted EPS	\$ 0.10	\$ 0.13	\$ 0.05	\$ 0.88

Non-GAAP Measures (continued)

Management believes that Centuri EBITDA, used in connection with net income, provides useful information to investors as they evaluate Centuri performance. EBITDA is defined as earnings before interest, taxes, depreciation and amortization. Centuri adjusted EBITDA is adjusted for certain other items as described herein. Adjusted Centuri EBITDA for the twelve months ended December 31, 2022 include pre-tax strategic review costs and non-cash share-based compensation. The adjustments for the twelve months ended December 31, 2021 include write-off of deferred financing fees, acquisition costs, and non-cash share-based compensation.

Adjusted MW income and adjusted EPS for the three and twelve months ended December 31, 2022 include the goodwill impairment and loss on reclassification as held for sale, nonrecurring stand-up cost and the income tax effect of adjustments.

Management believes that MountainWest EBITDA, used in connection with net income, provides useful information to investors as they evaluate MW performance. EBITDA is defined as earnings before interest, taxes, depreciation and amortization. MW adjusted EBITDA is adjusted for certain other items. Adjusted MW EBITDA for the twelve months ended December 31, 2022 include pre-tax goodwill impairment and loss on reclassification and nonrecurring stand-up costs.

We do not provide a reconciliation of forward-looking Non-GAAP Measures to the corresponding forward-looking GAAP measure due to our inability to project special charges and certain expenses.

Centuri EBITDA and Adjusted EBITDA

(in thousands)

	Three months ended December 31,	
	2022	2021
Centuri net income		
Net interest deductions		
Income tax expense		
Depreciation and amortization		
Centuri EBITDA		
Write-off of deferred financing fees		
Acquisition costs		
Strategic review costs		
Non-cash share-based compensation		
Centuri adjusted EBITDA		

Three months ended December 31,		Twelve months ended December 31,	
2022	2021	2022	2021
\$		\$	
2,065	40,420	61,371	20,999
5,727	18,776	155,353	117,643
\$ 224,516	\$ 197,838	\$ -	673
-	13,978	1,853	-
1,652	1,732	\$ 228,021	\$ 214,221

MW Adjusted Net Income and Adjusted EPS

(in thousands)

	Three months ended December 31,	
	2022	2021
MW net (loss)	\$ (458,422)	\$ -
Nonrecurring stand-up cost	7,295	-
Goodwill impairment and loss on reclassification	599,199	-
Income tax effect of adjustments	(126,488)	-
MW adjusted net income	\$ 21,584	\$ -
Weighted average common shares	67,200	60,795
MW adjusted EPS	\$ 0.32	\$ -

Three months ended December 31,		Twelve months ended December 31,	
2022	2021	2022	2021
\$		\$	
(458,422)	-	(414,096)	-
7,295	-	26,196	-
599,199	-	599,199	-
(126,488)	-	(131,025)	-
\$ 21,584	\$ -	\$ 80,274	\$ -
67,200	60,795	65,558	59,259
\$ 0.32	\$ -	\$ 1.22	\$ -

MW EBITDA and Adjusted EBITDA

(in thousands)

	Three months ended December 31,	
	2022	2021
MW net (loss)		
Net interest deductions		
Income tax expense		
Depreciation and amortization		
MW EBITDA		
Non recurring stand-up costs		
Goodwill impairment and loss on reclassification		
MW adjusted EBITDA		

Three months ended December 31,		Twelve months ended December 31,	
2022	2021	2022	2021
\$		\$	
(414,096)	-	18,185	-
(108,898)	-	52,059	-
\$ (452,750)	\$ -	\$ 26,196	\$ -
599,199	-	\$ 172,645	\$ -