UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
Form 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2025
OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission File Number	*Exact name of registrant as specified in its charter and principal office address and telephone number*	*State of Incorporation*	*I.R.S. Employer Identification No.*
001-37976	Southwest Gas Holdings, Inc. 8360 S. Durango Drive Las Vegas, Nevada 89113 (702) 876-7237	Delaware	81-3881866
1-7850	Southwest Gas Corporation 8360 S. Durango Drive Las Vegas, Nevada 89113 (702) 876-7237	California	88-0085720

Securities registered pursuant to Section 12(b) of the Act:

Southwest Gas Holdings, Inc.:

Title of each class	Trading Symbol	Name of each exchange on which registered
Southwest Gas Holdings, Inc. Common Stock, $1 Par Value	SWX	New York Stock Exchange

Southwest Gas Corporation:

None.

Indicate by check mark whether each registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that each registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether each registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that each registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether each registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “non-accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Southwest Gas Holdings, Inc.:

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
Emerging growth company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Southwest Gas Corporation:

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☐
Emerging growth company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether each registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer’s classes of common stock as of the latest practicable date.

Southwest Gas Holdings, Inc. Common Stock, $1 Par Value, 71,979,296 shares as of July 25, 2025.

All of the outstanding shares of common stock ($1 par value) of Southwest Gas Corporation were held by Southwest Gas Holdings, Inc. as of July 25, 2025.

SOUTHWEST GAS CORPORATION MEETS THE CONDITIONS SET FORTH IN GENERAL INSTRUCTION (H)(1)(a) and (b) OF FORM 10-Q AND IS THEREFORE FILING THIS REPORT WITH THE REDUCED DISCLOSURE FORMAT AS PERMITTED BY GENERAL INSTRUCTION H(2).

FILING FORMAT

This quarterly report on Form 10-Q is a combined report being filed by two separate registrants: Southwest Gas Holdings, Inc. and Southwest Gas Corporation. Except where the content clearly indicates otherwise, any reference in the report to “we,” “us” or “our” is to the holding company or the consolidated entity of Southwest Gas Holdings, Inc. and all of its consolidated subsidiaries, including Southwest Gas Corporation, which is a distinct registrant that is a wholly owned subsidiary of Southwest Gas Holdings, Inc. Information contained herein relating to any individual company is filed by such company on its own behalf. Each company makes representations only as to itself and makes no other representation whatsoever as to any other company.

Part I—Financial information in this Quarterly Report on Form 10-Q includes separate financial statements (i.e., balance sheets, statements of income, statements of comprehensive income, statements of cash flows, and statements of equity) for Southwest Gas Holdings, Inc. and Southwest Gas Corporation, in that order. The Notes to the Condensed Consolidated Financial Statements are presented on a combined basis for both entities. All Items other than Part I – Item 1 are combined for the reporting companies.

GLOSSARY OF KEY TERMS

The following is a glossary of frequently used abbreviations or acronyms that are found throughout this report.

Abbreviation or Acronym	Definition	Abbreviation or Acronym	Definition
ACC	Arizona Corporation Commission	IPO	Initial public offering
AFUDC	Allowance for Funds Used During Construction	IRRAM	Infrastructure reliability and replacement adjustment mechanism
AOCI	Accumulated Other Comprehensive Income (Loss)	IRS	Internal Revenue Service
ARA	Annual Rate Adjustment	MD&A	Management’s Discussion and Analysis
ASU	Accounting Standards Update	MSA	Master services agreement
ATM Program	At-the-market equity offering program	OBBBA	One Big Beautiful Bill Act
Bcf	Billion cubic feet	PBOP	Postretirement benefits other than pensions
Board	Board of Directors of Southwest Gas Holdings, Inc.	PGA	Purchased gas adjustment
CEO	Chief Executive Officer	PNC	PNC Bank, National Association
Centuri, or Utility Infrastructure Services	Centuri Group Inc, for periods prior to April 22, 2024, or subsequently, Centuri Holdings, Inc.	PTY	Post-Test Year
Centuri IPO	Centuri Initial Public Offering	PUCN	Public Utilities Commission of Nevada
CODM	Chief operating decision maker	QRP	Qualified Retirement Plan
COLI	Company-owned life insurance	Reform Act	Private Securities Litigation Reform Act of 1995
Company	Southwest Gas Holdings, Inc. (together with its subsidiaries)	Riggs Distler	Riggs Distler & Company, Inc.
COYL	Customer-Owned Yard Line	SEC	U.S. Securities and Exchange Commission
CPUC	California Public Utilities Commission	Securitization Facility	Accounts Receivable Securitization Facility
DCA	Delivery Charge Adjustment	SERP	Supplemental executive retirement plan
DEAA	Deferred Energy Accounting Adjustment	SIM	System Integrity Mechanism
Drum	Drum Parent, Inc.	Southwest Gas, or Natural Gas Distribution	Southwest Gas Corporation and its subsidiaries
EADIT	Excess accumulated deferred income taxes	Southwest Gas Holdings	Southwest Gas Holdings, Inc. (standalone)
EPS	Earnings per share	SOFR	Secured Overnight Financing Rate
FASB	Financial Accounting Standards Board	SPE	Special Purpose Entity
FERC	Federal Energy Regulatory Commission	Tax Assets Agreement	Unutilized Tax Assets Settlement Agreement
GAAP	Accounting principles generally accepted in the United States	Tax Assets	Unutilized tax assets
GCBA	Gas Cost Balancing Account	TEAM	Tax Expense Adjustor Mechanism
GRA	General Revenues Adjustment	U.S.	United States
Great Basin	Great Basin Gas Transmission Company	UGCE	Unrecovered Gas Cost Expense
IDRB	Industrial Development Revenue Bonds		

Forward-Looking Statements

This quarterly report contains statements which constitute “forward-looking statements” within the meaning of the Reform Act, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements other than statements of historical fact included or incorporated by reference in this quarterly report are forward-looking statements, including, without limitation, statements regarding the Company’s plans, objectives, goals, intentions, projections, strategies, future events or performance, negotiations, and underlying assumptions. The words “may,” “if,” “will,” “should,” “could,” “expect,” “plan,” “anticipate,” “believe,” “estimate,” “predict,” “project,” “continue,” “forecast,” “intend,” “endeavor,” “promote,” “seek,” “pursue,” and similar words and expressions are generally used and intended to identify forward-looking statements. For example, statements regarding separating from Centuri following the completed Centuri IPO, by means of sales into the market or through an exchange of Centuri shares for Company shares, or a combination thereof, and any references as to the timing of any separation of Centuri, those regarding operating margin patterns, customer growth, the composition of our customer base, price volatility, utility optimization initiatives, the level of expense or cost containment, seasonal patterns, the ability to pay debt, the Company’s COLI strategy, the magnitude of future acquisition or divestiture impacts related thereto, replacement market and new construction market, impacts from pandemics, including on our employees, customers, business, financial position, earnings, bad debt expense, work deployment and related uncertainties, expected impacts of valuation adjustments associated with any redeemable noncontrolling interests, the profitability of storm work, mix of work, or absorption of fixed costs by larger infrastructure services customers (including Southwest Gas), the impacts of U.S. tax reform including the OBBBA and disposition in any regulatory proceeding and bonus depreciation tax deductions, the impact of any Pipeline and Hazardous Materials Safety Administration rulemaking or proposed rulemaking, the amounts and timing for completion of estimated future construction expenditures, forecasted operating cash flows and results of operations, net earnings impacts or recovery of costs from gas infrastructure replacements, programs and mechanisms, or other mechanisms, funding sources of cash requirements, amounts generally expected to be reflected in future period revenues from regulatory rate proceedings including amounts requested or settled from recent and ongoing general rate cases or other regulatory proceedings, rates and surcharges, PGA administration, recovery and timing, and other rate adjustments, sufficiency of working capital and current credit facilities or the ability to cure negative working capital balances, bank lending practices, the Company’s views regarding its liquidity position, ability to raise funds and receive external financing capacity and the intent and ability to issue various financing instruments and stock under our ATM Program or otherwise, future dividends or increases and the Board’s current payout strategy, pension and postretirement benefits, assumptions used and the expectations regarding the treasury futures overlay, certain impacts of tax acts, the effect of any other rate changes or regulatory proceedings, contract or construction change order negotiations, impacts of ASUs, statements regarding future gas prices, gas purchase contracts and pipeline imbalance charges or claims related thereto, recoverability of regulatory assets, the impact of certain legal proceedings or claims, statements related to the Great Basin 2028 expansion project, and the timing and results of future rate hearings, including any ongoing or future general rate cases and other proceedings, and statements regarding pending approvals, including proposed regulatory mechanisms, or references to impacts believed to be timing-related, are forward-looking statements. All forward-looking statements are intended to be subject to the safe harbor protection provided by the Reform Act.

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, customer growth rates, conditions in the housing market, inflation, interest rates and related government actions, including the impact of tariffs, sufficiency of labor markets and ability to timely hire qualified employees or similar resources, acquisition and divestiture decisions including prices paid or received, adjustments, indemnifications, or commitments related thereto, and their impacts to impairments, write-downs, or losses or expenses generally, the impacts of pandemics including that which may result from a restriction by government officials or otherwise, including impacts on employment in our territories, the health impacts to our customers and employees, the ability to collect on outstanding customer accounts receivable in any or all jurisdictions, the ability to obtain regulatory recovery of related costs, the ability of the infrastructure services business to conduct work and the impact of a delay or termination of work, and decisions of Centuri customers (including Southwest Gas) as to whether to pursue capital projects due to economic impacts resulting from a pandemic or otherwise, the ability to recover or requirement to return, as applicable, and timing thereof related to costs associated with the PGA mechanisms or other regulatory assets or programs, the effects of regulation/deregulation, governmental or regulatory policy regarding pipeline safety, greenhouse gas emissions, natural gas, potential prohibitions on the use of natural gas by customers or potential customers, including related to electric generation or natural gas appliances, or regarding alternative energy, the regulatory support for ongoing infrastructure programs or expansions, the timing and amount of rate relief, the impact of other regulatory proceedings, the timing and methods determined by regulators to refund amounts to customers resulting from U.S. tax reform, changes in rate design, impacts of other tax regulations, impacts to rate base or otherwise from deferred tax balances, including from IRS gas industry guidelines and the safe harbor method related to tax repairs or otherwise, variability in volume of gas or transportation service sold to customers, changes in gas procurement practices, changes in capital requirements and funding, the impact of credit rating actions and conditions in the capital markets on financing costs, changes in federal policies that affect U.S. relations with other countries, including with respect to taxes, trade policies, and tariffs, changes in construction expenditures and financing, resources/efforts dedicated to construction activities and all other business activities, levels of or changes in operations and maintenance expenses, or other costs, including fuel costs and other costs impacted by inflation, including from tariffs or otherwise, benefit plan costs and actuarial estimates, other estimates, and changes thereto, the results of any cost containment efforts, geopolitical influences on the business or its costs, effects of pension or other postretirement benefit expense forecasts or plan modifications, accounting changes and regulatory treatment related thereto, currently unresolved and future liability claims and disputes, changes in pipeline capacity for the transportation of gas and related costs, results of Centuri bid work, the impact of weather, delays, or customer budgetary plans on Centuri's operations, projections about acquired businesses' earnings, or those that may be planned, future acquisition-related costs, differences between the actual experience and projections in costs to integrate or stand-up portions of newly acquired business operations, impacts of changes in the value of any redeemable noncontrolling interests if at other than fair value, Centuri utility infrastructure expenses, differences between actual and originally expected outcomes of Centuri bid or other fixed-price construction agreements, outcomes from contract and change order negotiations, ability to successfully procure new work and impacts from work awarded or failing to be awarded from significant customers (collectively, including from Southwest Gas) or related to significant projects, the mix of work awarded, the result of productivity inefficiencies from regulatory requirements or efficiencies in performing storm-related or other types of work, the frequency or amount of work associated with storms, customer supply chain challenges, or otherwise, delays or challenges in commissioning individual projects, acquisitions and management's plans related thereto, the ability of management to successfully finance, close, and assimilate any acquired businesses, the timing and ability of management to successfully consummate the Centuri separation following the completed Centuri IPO, the impact on our results, financial position, or cash flows resulting from the market price of stock related to Centuri or the Company, in association with a Centuri separation transaction, including any income tax determinations related thereto, the impact on our stock price or our credit ratings due to undertaking or failing to undertake acquisition or divestiture activities or other strategic endeavors, the impact on our stock price, costs, actions or disruptions or continuation thereof related to significant stockholders and their activism, competition, our ability to raise capital in external financings, our ability to continue to remain within the ratios and other limits subject to our debt covenants, and ongoing evaluations in regard to goodwill, other intangible assets, regulatory approvals for the Great Basin 2028 expansion project along with negotiation and execution of binding transportation agreements and capital construction costs, and utility optimization initiatives. In addition, the Company can provide no assurance that its discussions regarding certain trends or plans relating to its financing and operating expenses will continue, proceed as planned, or cease to continue, or fail to be alleviated, in future periods. For additional information on the risks associated with the Company's business, see **Item 1A. Risk Factors** and **Item 7A. Quantitative and Qualitative Disclosures About Market Risk** in the Annual Report on Form 10-K for the year ended December 31, 2024.

All forward-looking statements in this quarterly report are made as of the date hereof, based on information available to the Company and Southwest Gas as of the date hereof, and the Company and Southwest Gas assume no obligation to update or revise any of its forward-looking statements, even if experience or future changes show that the indicated results or events will not be realized. **We caution you not to unduly rely on any forward-looking statement(s)**.

PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

SOUTHWEST GAS HOLDINGS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(Thousands of dollars, except par value)
(Unaudited)

	June 30, 2025	December 31, 2024
ASSETS		
Regulated operations plant:		
Gas plant	$ 11,132,152	$ 10,844,895
Less: accumulated depreciation	(2,984,121)	(2,914,457)
Construction work in progress	201,170	178,647
Net regulated operations plant	8,349,201	8,109,085
Other property and investments, net	1,169,351	1,191,148
Current assets:		
Cash and cash equivalents	355,627	363,789
Accounts receivable, net of allowances	705,312	722,622
Accrued utility revenue	50,500	96,600
Income taxes receivable, net	6,215	2,414
Deferred purchased gas costs	—	13,937
Materials, supplies, and gas inventories	90,776	93,755
Prepaid and other current assets	216,651	171,358
Total current assets	1,425,081	1,464,475
Noncurrent assets:		
Goodwill	786,504	781,201
Deferred income taxes	—	3,176
Deferred charges and other assets	483,808	474,751
Total noncurrent assets	1,270,312	1,259,128
Total assets	$ 12,213,945	$ 12,023,836
CAPITALIZATION AND LIABILITIES		
Capitalization:		
Common stock, $1 par (authorized - 120,000,000 shares; issued and outstanding - 71,978,168 and 71,782,756 shares)	$ 73,608	$ 73,413
Additional paid-in capital	2,872,681	2,721,343
Accumulated other comprehensive loss, net	(41,355)	(49,218)
Retained earnings	769,723	758,649
Total equity attributable to Southwest Gas Holdings, Inc. stockholders	3,674,657	3,504,187
Noncontrolling interest	441,148	177,235
Total equity	4,115,805	3,681,422
Redeemable noncontrolling interest	7,699	7,660
Long-term debt, less current maturities	4,396,867	4,348,340
Total capitalization	8,520,371	8,037,422
Current liabilities:		
Current maturities of long-term debt	28,101	30,018
Short-term debt	260,000	680,000
Accounts payable	254,570	331,807
Customer deposits	67,117	63,876
Income taxes payable, net	3,895	1,482
Accrued general taxes	50,727	59,353
Accrued interest	40,156	40,405
Deferred purchased gas costs	349,031	242,259
Other current liabilities	360,908	382,897
Total current liabilities	1,414,505	1,832,097
Deferred income taxes and other credits:		
Deferred income taxes and investment tax credits, net	927,486	808,782
Accumulated removal costs	486,000	472,000
Other deferred credits and other long-term liabilities	865,583	873,535
Total deferred income taxes and other credits	2,279,069	2,154,317
Total capitalization and liabilities	$ 12,213,945	$ 12,023,836

The accompanying notes are an integral part of these statements.

SOUTHWEST GAS HOLDINGS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(In thousands, except per share amounts)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Operating revenues:				
Regulated operations revenues	$ 396,318	$ 510,093	$ 1,142,734	$ 1,563,026
Utility infrastructure services revenues	724,052	672,075	1,274,133	1,200,098
Total operating revenues	1,120,370	1,182,168	2,416,867	2,763,124
Operating expenses:				
Net cost of gas sold	102,134	242,479	386,713	872,476
Operations and maintenance	138,696	134,623	269,947	269,769
Depreciation and amortization	103,163	96,072	231,076	215,214
Taxes other than income taxes	23,250	21,228	47,011	44,131
Utility infrastructure services expenses	657,671	604,545	1,186,242	1,120,188
Total operating expenses	1,024,914	1,098,947	2,120,989	2,521,778
Operating income	95,456	83,221	295,878	241,346
Other income and (expenses):				
Net interest deductions	(71,612)	(73,769)	(143,893)	(145,374)
Other income	18,421	14,939	27,136	33,060
Total other income and (expenses)	(53,191)	(58,830)	(116,757)	(112,314)
Income before income taxes	42,265	24,391	179,121	129,032
Income tax expense	52,594	4,181	80,263	21,260
Net income (loss)	(10,329)	20,210	98,858	107,772
Net income (loss) attributable to noncontrolling interests	2,554	1,877	(2,129)	1,702
Net income (loss) attributable to Southwest Gas Holdings, Inc.	$ (12,883)	$ 18,333	$ 100,987	$ 106,070
Earnings (loss) per share attributable to Southwest Gas Holdings, Inc.:				
Basic	$ (0.18)	$ 0.26	$ 1.40	$ 1.48
Diluted	$ (0.18)	$ 0.25	$ 1.40	$ 1.47
Weighted average shares:				
Basic	72,088	71,839	72,050	71,784
Diluted	72,088	72,015	72,195	71,949

The accompanying notes are an integral part of these statements.

SOUTHWEST GAS HOLDINGS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Thousands of dollars)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net income (loss)	$ (10,329)	$ 20,210	$ 98,858	$ 107,772
Other comprehensive income, net of tax				
Defined benefit pension plans:				
Amortization of prior service cost, net of tax of $11, $11, $22 and $22, respectively	33	33	66	66
Amortization of net actuarial loss, net of tax of $226, $458, $452 and $917, respectively	717	1,452	1,435	2,903
Regulatory adjustment, net of tax of ($152), ($348), ($304) and ($696), respectively	(483)	(1,099)	(966)	(2,199)
Net defined benefit pension plans, net of tax	267	386	535	770
Foreign currency translation adjustments, net of tax	6,711	(1,152)	6,815	(3,971)
Total other comprehensive income (loss), net of tax	6,978	(766)	7,350	(3,201)
Comprehensive income (loss)	(3,351)	19,444	106,208	104,571
Comprehensive income (loss) attributable to noncontrolling interests	3,619	1,708	(1,044)	1,533
Comprehensive income (loss) attributable to Southwest Gas Holdings, Inc.	$ (6,970)	$ 17,736	$ 107,252	$ 103,038

The accompanying notes are an integral part of these statements.

SOUTHWEST GAS HOLDINGS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Thousands of dollars)
(Unaudited)

	Six Months Ended June 30,	
	2025	2024
CASH FLOW FROM OPERATING ACTIVITIES:		
Net income	$ 98,858	$ 107,772
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	231,076	215,214
Deferred income taxes	94,033	37,541
Gains on sale of property and equipment	(2,188)	(1,995)
Changes in undistributed stock compensation	11,003	6,794
Equity AFUDC	(2,911)	(3,674)
Changes in current assets and liabilities:		
Accounts receivable, net of allowances	17,082	61,648
Accrued utility revenue	46,100	46,600
Deferred purchased gas costs	120,709	634,430
Accounts payable	(67,223)	(82,012)
Accrued taxes	(25,778)	(585)
Other current assets and liabilities	(70,993)	(134,039)
Changes in deferred charges and other assets	(13,147)	(4,961)
Changes in other liabilities and deferred credits	(19,010)	(32,448)
Net cash provided by operating activities	417,611	850,285
CASH FLOW FROM INVESTING ACTIVITIES:		
Construction expenditures and property additions	(407,619)	(444,502)
Proceeds from the sale of property	5,306	21,377
Changes in customer advances	3,953	(4,943)
Other	2,345	2,181
Net cash used in investing activities	(396,015)	(425,887)
CASH FLOW FROM FINANCING ACTIVITIES:		
Issuance of common stock, net	4,515	4,804
Redemption of redeemable noncontrolling interest	—	(92,839)
Dividends paid	(89,139)	(88,825)
Issuance of long-term debt, net	113,932	237,554
Retirement of long-term debt	(75,125)	(346,047)
Change in short-term portion of credit facility	(95,000)	32,500
Repayment of short-term debt	(325,000)	—
Withholding remittance - share-based compensation	(3,544)	(2,452)
Proceeds from the sale of Centuri stock, net	448,662	—
Proceeds from Centuri IPO, net	—	330,343
Other, including principal payments on finance leases	(9,309)	(6,094)
Net cash provided by (used in) financing activities	(30,008)	68,944
Effects of currency translation on cash and cash equivalents	250	(239)
Change in cash and cash equivalents	(8,162)	493,103
Cash and cash equivalents at beginning of period	363,789	106,536
Cash and cash equivalents at end of period	$ 355,627	$ 599,639
SUPPLEMENTAL INFORMATION:		
Interest paid, net of amounts capitalized	$ 137,866	$ 139,373
Income taxes paid, net	$ 13,069	$ 5,769

The accompanying notes are an integral part of these statements.

SOUTHWEST GAS HOLDINGS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF EQUITY
(In thousands, except per share amounts)
(Unaudited)

	Common stock shares							
	Number of Shares	Stated Value	Additional Paid-in Capital	AOCI	Retained Earnings	Southwest Gas Holdings, Inc. Equity	Noncontrolling Interest	Total Equity
Balance, December 31, 2024	71,783	$ 73,413	$ 2,721,343	$ (49,218)	$ 758,649	$ 3,504,187	$ 177,235	$ 3,681,422
Net income	—	—	—	—	113,870	113,870	—	113,870
Common stock issuances	128	128	5,415	—	—	5,543	—	5,543
Dividends declared ($0.62 per share)	—	—	—	—	(45,066)	(45,066)	—	(45,066)
Net loss attributable to noncontrolling interest holders	—	—	—	—	—	—	(4,696)	(4,696)
Foreign currency exchange translation adjustment	—	—	—	84	—	84	20	104
Net actuarial gain arising during period, less amortization of unamortized benefit plan cost, net of tax	—	—	—	268	—	268	—	268
Balance, March 31, 2025	71,911	73,541	2,726,758	(48,866)	827,453	3,578,886	172,559	3,751,445
Net loss	—	—	—	—	(12,883)	(12,883)	—	(12,883)
Common stock issuances	67	67	7,016	—	—	7,083	—	7,083
Dividends declared ($0.62 per share)	—	—	—	—	(44,847)	(44,847)	—	(44,847)
Centuri stock sales[(1)]	—	—	138,907	1,598	—	140,505	264,996	405,501
Net income attributable to noncontrolling interest holders	—	—	—	—	—	—	2,528	2,528
Foreign currency exchange translation adjustment	—	—	—	5,646	—	5,646	1,065	6,711
Net actuarial gain arising during period, less amortization of unamortized benefit plan cost, net of tax	—	—	—	267	—	267	—	267
Balance, June 30, 2025	71,978	$ 73,608	$ 2,872,681	$ (41,355)	$ 769,723	$ 3,674,657	$ 441,148	$ 4,115,805

[(1)]Includes the impact of the contributed Tax Assets - see Note 7 - Centuri Separation**.**

	Common stock shares							
	Number of Shares	Stated Value	Additional Paid-in Capital	AOCI	Retained Earnings	Southwest Gas Holdings, Inc. Equity	Noncontrolling Interest	Total Equity
Balance, December 31, 2023	71,564	$ 73,194	$ 2,541,790	$ (43,787)	$ 738,839	$ 3,310,036	$ —	$ 3,310,036
Net income	—	—	—	—	87,737	87,737	—	87,737
Common stock issuances	101	101	1,508	—	—	1,609	—	1,609
Dividends declared ($0.62 per share)	—	—	—	—	(44,699)	(44,699)	—	(44,699)
Promissory notes in association with redeemable noncontrolling interest	—	—	4,187	—	—	4,187	—	4,187
Foreign currency exchange translation adjustment	—	—	—	(2,819)	—	(2,819)	—	(2,819)
Net actuarial gain arising during period, less amortization of unamortized benefit plan cost, net of tax	—	—	—	384	—	384	—	384
Redemption value adjustments	—	—	—	—	(194)	(194)	—	(194)
Balance, March 31, 2024	71,665	73,295	2,547,485	(46,222)	781,683	3,356,241	—	3,356,241
Net income	—	—	—	—	18,333	18,333	—	18,333
Common stock issuances	44	44	7,902	—	—	7,946	—	7,946
Dividends declared ($0.62 per share)	—	—	—	—	(44,649)	(44,649)	—	(44,649)
Centuri IPO	—	—	154,287	1,204	—	155,491	172,501	327,992
Net income attributable to noncontrolling interest holders	—	—	—	—	—	—	1,867	1,867
Foreign currency exchange translation adjustment	—	—	—	(983)	—	(983)	(169)	(1,152)
Net actuarial gain arising during period, less amortization of unamortized benefit plan cost, net of tax	—	—	—	386	—	386	—	386
Balance, June 30, 2024	71,709	$ 73,339	$ 2,709,674	$ (45,615)	$ 755,367	$ 3,492,765	$ 174,199	$ 3,666,964

The accompanying notes are an integral part of these statements.

SOUTHWEST GAS CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(Thousands of dollars)
(Unaudited)

	June 30, 2025	December 31, 2024
ASSETS		
Regulated operations plant:		
Gas plant	$ 11,132,152	$ 10,844,895
Less: accumulated depreciation	(2,984,121)	(2,914,457)
Construction work in progress	201,170	178,647
Net regulated operations plant	8,349,201	8,109,085
Other property and investments, net	163,312	159,678
Current assets:		
Cash and cash equivalents	323,037	311,073
Accounts receivable, net of allowance	134,636	202,947
Accrued utility revenue	50,500	96,600
Income taxes receivable, net	363	—
Deferred purchased gas costs	—	13,937
Materials, supplies, and gas inventories	90,776	93,755
Prepaid and other current assets	166,534	140,873
Total current assets	765,846	859,185
Noncurrent assets:		
Goodwill	11,155	11,155
Deferred charges and other assets	398,919	394,852
Total noncurrent assets	410,074	406,007
Total assets	$ 9,688,433	$ 9,533,955
CAPITALIZATION AND LIABILITIES		
Capitalization:		
Common stock	$ 49,112	$ 49,112
Additional paid-in capital	2,169,367	2,165,002
Accumulated other comprehensive loss, net	(37,866)	(38,401)
Retained earnings	1,227,760	1,096,149
Total equity	3,408,373	3,271,862
Long-term debt, less current maturities	3,506,237	3,504,477
Total capitalization	6,914,610	6,776,339
Current liabilities:		
Accounts payable	113,040	190,612
Customer deposits	67,116	63,876
Accrued general taxes	50,727	59,353
Accrued interest	35,184	35,460
Deferred purchased gas costs	349,031	242,259
Payable to parent	318	370
Other current liabilities	110,681	177,226
Total current liabilities	726,097	769,156
Deferred income taxes and other credits:		
Deferred income taxes and investment tax credits, net	871,647	819,973
Accumulated removal costs	486,000	472,000
Other deferred credits and other long-term liabilities	690,079	696,487
Total deferred income taxes and other credits	2,047,726	1,988,460
Total capitalization and liabilities	$ 9,688,433	$ 9,533,955

The accompanying notes are an integral part of these statements.

SOUTHWEST GAS CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Thousands of dollars)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Regulated operations revenues	$ 396,318	$ 510,093	$ 1,142,734	$ 1,563,026
Operating expenses:				
Net cost of gas sold	102,134	242,479	386,713	872,476
Operations and maintenance	136,652	129,627	266,059	260,493
Depreciation and amortization	68,940	61,687	162,630	146,510
Taxes other than income taxes	23,250	21,228	47,011	44,131
Total operating expenses	330,976	455,021	862,413	1,323,610
Operating income	65,342	55,072	280,321	239,416
Other income and (expenses):				
Net interest deductions	(44,737)	(39,839)	(89,368)	(76,283)
Other income	17,806	14,211	27,108	32,311
Total other (expenses)	(26,931)	(25,628)	(62,260)	(43,972)
Income before income taxes	38,411	29,444	218,061	195,444
Income tax expense	4,734	1,850	41,442	32,025
Net income	$ 33,677	$ 27,594	$ 176,619	$ 163,419

The accompanying notes are an integral part of these statements.

SOUTHWEST GAS CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Thousands of dollars)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net income	$ 33,677	$ 27,594	$ 176,619	$ 163,419
Other comprehensive income, net of tax				
Defined benefit pension plans:				
Amortization of prior service cost, net of tax of $11, $11, $22 and $22, respectively	33	33	66	66
Amortization of net actuarial loss, net of tax of $226, $458, $452 and $917, respectively	717	1,452	1,435	2,903
Regulatory adjustment, net of tax of ($152), ($348), ($304) and ($696), respectively	(483)	(1,099)	(966)	(2,199)
Net defined benefit pension plans, net of tax	267	386	535	770
Total other comprehensive income, net of tax	267	386	535	770
Comprehensive income	$ 33,944	$ 27,980	$ 177,154	$ 164,189

The accompanying notes are an integral part of these statements.

SOUTHWEST GAS CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Thousands of dollars)
(Unaudited)

	Six Months Ended June 30,	
	2025	2024
CASH FLOW FROM OPERATING ACTIVITIES:		
Net income	$ 176,619	$ 163,419
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	162,630	146,510
Deferred income taxes	51,504	47,770
Gain on sale of property	(1,604)	—
Changes in undistributed stock compensation	6,578	5,331
Equity AFUDC	(2,911)	(3,674)
Changes in current assets and liabilities:		
Accounts receivable, net of allowance	68,311	100,350
Accrued utility revenue	46,100	46,600
Deferred purchased gas costs	120,709	634,430
Accounts payable	(69,232)	(80,757)
Accrued taxes	(9,056)	5,711
Other current assets and liabilities	(44,524)	(62,943)
Changes in deferred charges and other assets	(26,378)	(18,578)
Changes in other liabilities and deferred credits	(19,459)	(32,475)
Net cash provided by operating activities	459,287	951,694
CASH FLOW FROM INVESTING ACTIVITIES:		
Construction expenditures and property additions	(362,457)	(391,347)
Proceeds from the sale of property	5,306	21,377
Changes in customer advances	3,953	(4,943)
Other	290	206
Net cash used in investing activities	(352,908)	(374,707)
CASH FLOW FROM FINANCING ACTIVITIES:		
Dividends paid	(89,209)	(81,400)
Withholding remittance - share-based compensation	(2,613)	(1,801)
Other, including principal payments on finance leases	(2,593)	(46)
Net cash used in financing activities	(94,415)	(83,247)
Change in cash and cash equivalents	11,964	493,740
Cash and cash equivalents at beginning of period	311,073	71,154
Cash and cash equivalents at end of period	$ 323,037	$ 564,894
SUPPLEMENTAL INFORMATION:		
Interest paid, net of amounts capitalized	$ 87,245	$ 73,859
Income taxes paid, net	$ 53	$ —

The accompanying notes are an integral part of these statements.

SOUTHWEST GAS CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF EQUITY
(Thousands of dollars)
(Unaudited)

	Common stock shares					
	Number of Shares	Stated Value	Additional Paid-in Capital	AOCI	Retained Earnings	Total Southwest Gas Corporation Equity
Balance, December 31, 2024	47,482	$ 49,112	$ 2,165,002	$ (38,401)	$ 1,096,149	$ 3,271,862
Net income	—	—	—	—	142,942	142,942
Share-based compensation	—	—	2,116	—	(316)	1,800
Net actuarial gain arising during period, less amortization of unamortized benefit plan cost, net of tax	—	—	—	268	—	268
Balance, March 31, 2025	47,482	49,112	2,167,118	(38,133)	1,238,775	3,416,872
Net income	—	—	—	—	33,677	33,677
Dividends declared to Southwest Gas Holdings, Inc.	—	—	—	—	(44,609)	(44,609)
Share-based compensation	—	—	2,249	—	(83)	2,166
Net actuarial gain arising during period, less amortization of unamortized benefit plan cost, net of tax	—	—	—	267	—	267
Balance, June 30, 2025	47,482	$ 49,112	$ 2,169,367	$ (37,866)	$ 1,227,760	$ 3,408,373

	Common stock shares					
	Number of Shares	Stated Value	Additional Paid-in Capital	AOCI	Retained Earnings	Total Southwest Gas Corporation Equity
Balance, December 31, 2023	47,482	$ 49,112	$ 2,156,577	(40,548)	$ 1,018,474	$ 3,183,615
Net income	—	—	—	—	135,825	135,825
Dividends declared to Southwest Gas Holdings, Inc.	—	—	—	—	(41,699)	(41,699)
Share-based compensation	—	—	(259)	—	(327)	(586)
Net actuarial gain arising during period, less amortization of unamortized benefit plan cost, net of tax	—	—	—	384	—	384
Balance, March 31, 2024	47,482	49,112	2,156,318	(40,164)	1,112,273	3,277,539
Net income	—	—	—	—	27,594	27,594
Dividends declared to Southwest Gas Holdings, Inc.	—	—	—	—	(52,101)	(52,101)
Share-based compensation	—	—	4,217	—	(100)	4,117
Net actuarial gain arising during period, less amortization of unamortized benefit plan cost, net of tax	—	—	—	386	—	386
Balance, June 30, 2024	47,482	$ 49,112	$ 2,160,535	$ (39,778)	$ 1,087,666	$ 3,257,535

The accompanying notes are an integral part of these statements.

Note 1 – Background and Organization

Nature of Operations. The Company, a Delaware corporation, is a holding company owning all of the shares of common stock of Southwest Gas; and until April 22, 2024, all of the shares of common stock of Centuri. The Company's common stock trades under the ticker symbol "SWX."

Southwest Gas is engaged in the business of purchasing, distributing, and transporting natural gas for customers in portions of Arizona, Nevada, and California. Public utility rates, practices, facilities, and service territories of Southwest Gas are subject to regulatory oversight. The timing and amount of rate relief can materially impact results of operations. Natural gas purchases and the timing of related recoveries can materially impact liquidity. While mechanisms exist in all states in which Southwest Gas operates, which decouple authorized operating cost recovery and profitability from the volume of natural gas sold, thereby also incentivizing energy conservation, results for the natural gas distribution segment are higher during winter periods due to the seasonality incorporated in its regulatory rate structures.

Centuri is a strategic utility infrastructure services company dedicated to partnering with North America's gas and electric providers to build and maintain the energy network that powers millions of homes across the U.S. and Canada. Centuri derives revenue primarily from installation, replacement, repair, and maintenance of energy networks. Centuri operates through a family of complementary companies in the U.S. and Canada. Utility infrastructure services activity is seasonal in many of Centuri's operating areas. Peak periods are the summer and fall months in colder climate areas, such as the northeastern and midwestern U.S. and in Canada. In warmer climate areas, such as the southwestern and southeastern U.S., utility infrastructure services activity continues year round.

As part of a simplification strategy, the Company previously communicated that it would pursue a separation of Centuri. In April 2024, the Company and Centuri announced the completion of an IPO of Centuri Holdings, Inc. common stock. Following the Centuri IPO, the Company owned approximately 81% of Centuri. In May 2025, and again in June 2025, the Company and Centuri completed secondary public offerings of Centuri common stock owned by the Company. The Company also completed a private placement of Centuri stock as part of the May 2025 transaction. At June 30, 2025, the Company owned 53.3% of Centuri. In July 2025, the Company closed on an additional private placement offering. Following this additional private placement, the Company owns 52.1% of Centuri. Centuri continues to be consolidated as part of these financial statements, and will continue to be consolidated until such time as the conditions for consolidation are no longer met. See also **Note 7 - Centuri Separation**.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation. The condensed consolidated financial statements of the Company and Southwest Gas included herein have been prepared pursuant to the rules and regulations of the SEC. The year-end 2024 condensed consolidated balance sheet data was derived from audited financial statements. Certain information and footnote disclosures normally included in financial statements prepared in accordance with U.S. GAAP have been condensed or omitted pursuant to such rules and regulations.

The preparation of the condensed consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, as of the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. In the opinion of management, all adjustments, consisting of normal recurring items and estimates necessary for a fair statement of results for the interim periods, have been made.

Centuri and the Company do not always have the same basis of presentation, which could result in differences between the amounts presented in the Company's financial information related to Centuri, and amounts included in Centuri's separate publicly filed financial information.

Certain items in the prior period financial statements have been reclassified to conform to the current year presentation. Such reclassifications did not affect revenue, operating income, net income, or cash flows.

These condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto of Southwest Gas and the Company included in our 2024 Annual Report on Form 10-K for the fiscal year ended December 31, 2024.

Other Property and Investments. Other property and investments on Southwest Gas' and the Company's Condensed Consolidated Balance Sheets includes:

(Thousands of dollars)	June 30, 2025	December 31, 2024
Net cash surrender value of COLI policies	$ 158,874	$ 155,199
Other property	4,438	4,479
Total Southwest Gas Corporation	163,312	159,678
Non-regulated property, equipment, and intangibles	1,764,398	1,730,712
Non-regulated accumulated provision for depreciation and amortization	(796,033)	(740,569)
Other property and investments	37,674	41,327
Total Southwest Gas Holdings, Inc.	$ 1,169,351	$ 1,191,148

Cash Flow Supplemental Information. Cash flows from investing and financing activities exclude the impacts of certain items that while reflected on the balance sheets had no impact on cash flows. For instance, capital expenditures that were not yet paid, thereby remaining in Accounts payable or Other current liabilities have been excluded from cash flows, amounts related to which declined by approximately $5.8 million and $4.0 million for the Company and Southwest Gas, respectively, during the six months ended June 30, 2025; and declined approximately $8.5 million for the Company and increased by approximately $2.2 million for Southwest during the six months ended June 30, 2024.

Prepaid and other current assets. Prepaid and other current assets for the Company and Southwest Gas include, among other things, $57.1 million and $32.4 million related to a regulatory asset associated with the Arizona decoupling mechanism as of June 30, 2025 and December 31, 2024, respectively.

Goodwill. Goodwill is assessed as of October 1 each year for impairment, or more frequently, if circumstances indicate an impairment to the carrying value of goodwill may have occurred. The Company's reporting units for goodwill are its operating segments, which are also its reportable segments. Since December 31, 2024, management qualitatively assessed whether events during the first six months of 2025 indicated it was more likely than not that the fair value of our reporting units was less than their carrying value, which if the case, could be an indication of a goodwill impairment. Through management's assessments, no impairment was deemed to have occurred in the continuing segments of the Company. Goodwill in the Natural Gas Distribution and Utility Infrastructure Services segments is included in the respective Condensed Consolidated Balance Sheets as follows:

(Thousands of dollars)	Natural Gas Distribution	Utility Infrastructure Services	Total Company
December 31, 2024	$ 11,155	$ 770,046	$ 781,201
Foreign currency translation adjustment	—	5,303	5,303
June 30, 2025	$ 11,155	$ 775,349	$ 786,504

Other Current Liabilities. Management recognizes in its balance sheets various liabilities that are expected to be settled through future cash payment within the next twelve months, including amounts payable under regulatory mechanisms, customary accrued expenses for employee compensation and benefits, declared but unpaid dividends, and miscellaneous other accrued liabilities. Other current liabilities for the Company include $44.6 million and $44.5 million of dividends declared as of June 30, 2025 and December 31, 2024, respectively.

Other Income (Deductions). The following table provides the composition of significant items included in Other income (deductions) in Southwest Gas' and the Company's Condensed Consolidated Statements of Income:

	Three Months Ended June 30,		Six Months Ended June 30,	
(Thousands of dollars)	2025	2024	2025	2024
Southwest Gas Corporation:				
Change in COLI policies	$ 5,500	$ 1,000	$ 3,800	$ 4,600
Interest income	5,817	9,137	11,627	18,913
Equity AFUDC	1,558	1,835	2,911	3,674
Other components of net periodic benefit cost	4,368	4,130	8,737	8,261
Miscellaneous income and (expense)	563	(1,891)	33	(3,137)
Southwest Gas Corporation - total other income (deductions)	17,806	14,211	27,108	32,311
Centuri and Southwest Gas Holdings, Inc.:				
Foreign transaction loss	(24)	(103)	(29)	(1)
Equity in earnings (loss) of unconsolidated investments	77	(44)	149	(157)
Miscellaneous income and (expense)	302	855	(245)	898
Corporate and administrative	260	20	153	9
Southwest Gas Holdings, Inc. - total other income (deductions)	$ 18,421	$ 14,939	$ 27,136	$ 33,060

Interest income primarily relates to Southwest Gas' regulatory asset balances, including its deferred purchased gas cost mechanisms. Interest income is earned on asset balances and interest expense is incurred on liability balances. Corporate and administrative costs are those incurred directly by the parent entity, Southwest Gas Holdings. Refer also to **Note 3 – Components of Net Periodic Benefit Cost** for details regarding Other components of net periodic benefit cost.

Redeemable Noncontrolling Interest. Certain members of Riggs Distler management continue to hold a 0.80% interest in Drum, the parent of Riggs Distler, as of June 30, 2025, which is redeemable, subject to certain rights based on the passage of time or upon the occurrence of certain triggering events.

The following depicts changes to the balance of the redeemable noncontrolling interest in Drum:

(Thousands of dollars)	Drum
Balance, December 31, 2024	$ 7,660
Net income attributable to redeemable noncontrolling interest	39
Balance, June 30, 2025	$ 7,699

EPS. Basic EPS in each period of this report were calculated by dividing net income attributable to the Company by the weighted-average number of shares during those periods. Diluted EPS includes additional weighted-average common stock equivalents (performance stock units and restricted stock units). Unless otherwise noted, the term EPS refers to Basic EPS. A reconciliation of the denominator used in Basic and Diluted EPS calculations is shown in the following table:

	Three Months Ended June 30,		Six Months Ended June 30,	
(In thousands)	2025	2024	2025	2024
Weighted average basic shares	72,088	71,839	72,050	71,784
Effect of dilutive securities:				
Restricted stock units (1)(2)	—	176	145	165
Weighted average diluted shares	72,088	72,015	72,195	71,949

(1) The number of securities included 144,000 performance stock units during the three months ended June 30, 2024. During the six months ended June 30, 2025 and June 30, 2024, respectively, the number of securities included 124,000 and 140,000 performance stock units, the total of which was derived by assuming that target performance will be achieved during the relevant performance period.
(2) The number of anti-dilutive restricted stock units excluded from the calculation of diluted shares during the three months ended June 30, 2025 is 161,000.

Income Taxes. The Company's effective tax rate was 124.4% for the three months ended June 30, 2025, compared to 17.1% for the corresponding period in 2024, primarily due to pre-tax income differences, the amortization of excess deferred income taxes, nondeductible Centuri IPO costs, and the sale of Centuri shares, which includes the establishment of the outside basis difference deferred tax liability and state income tax deferred tax assets. The Company's effective tax rate was 44.8% for the six months ended June 30, 2025, compared to 16.5% for the corresponding period in 2024, primarily due to pre-tax income differences, amortization of excess deferred income taxes, and the sale of Centuri shares, which includes the establishment of the outside basis difference deferred tax liability and state income tax deferred tax assets (See **Note 7 - Centuri Separation**).

Southwest Gas' effective tax rate was 12.3% for the three months ended June 30, 2025, compared to 6.3% for the corresponding period in 2024, primarily due to pre-tax income differences and the amortization of excess deferred income taxes. Southwest's effective tax rate was 19.0% for the six months ended June 30, 2025, compared to 16.4% in the corresponding period in 2024 primarily due to the amortization of excess accumulated deferred income taxes and the impacts of COLI.

On July 4, 2025, the OBBBA was signed into law, which makes permanent many of the tax provisions enacted in 2017 as part of the Tax Cuts and Jobs Act that were set to expire at the end of 2025. In addition, the OBBBA makes changes to certain U.S. corporate tax provisions, but many are generally not effective until 2026. The Company is currently evaluating the impact of the new legislation but does not expect it to have a material impact on the results of operations.

Recent Accounting Standards Updates.

Recently issued accounting pronouncements that will be effective in 2025 and thereafter:

In December 2023, the FASB issued ASU 2023-09 "Income Taxes (Topic 740): Improvements to Income Tax Disclosures." The update, among other amendments, provides for enhanced disclosures primarily related to changes in the effective income tax rate reconciliation and information regarding income taxes paid. The update is effective for annual periods beginning after December 15, 2024. Management is evaluating the impacts this update might have on the Company's and Southwest Gas' disclosures.

In November 2024, the FASB issued ASU 2024-03 "Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses." The update requires disclosure of disaggregated information about certain income statement expense line items in the notes to the financial statements. The update is effective for fiscal years beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027; early adoption is permitted. The update should be applied prospectively; however, retrospective application is also permitted. Management is evaluating the impacts this update might have on the Company's and Southwest Gas' disclosures.

Note 3 – Components of Net Periodic Benefit Cost

The components of Southwest Gas' net periodic benefit cost for its QRP, SERP, and PBOP for the three and six months ended June 30, 2025 and 2024 are presented in the following tables.

	Three Months Ended June 30,					
	2025			2024		
(Thousands of dollars)	QRP	SERP	PBOP	QRP	SERP	PBOP
Service cost	$ 6,099	$ 58	$ 292	$ 7,063	$ 61	$ 322
Interest cost	16,397	596	857	15,097	542	795
Expected return on plan assets	(22,581)	—	(624)	(21,953)	—	(565)
Amortization of prior service costs	—	—	44	—	—	44
Amortization of net actuarial loss (gain)	752	270	(79)	1,577	333	—
Net periodic benefit cost	$ 667	$ 924	$ 490	$ 1,784	$ 936	$ 596

	Six Months Ended June 30,					
	2025			2024		
(Thousands of dollars)	QRP	SERP	PBOP	QRP	SERP	PBOP
Service cost	$ 12,197	$ 116	$ 584	$ 14,126	$ 122	$ 644
Interest cost	32,794	1,192	1,713	30,194	1,084	1,589
Expected return on plan assets	(45,163)	—	(1,248)	(43,906)	—	(1,130)
Amortization of prior service costs	—	—	88	—	—	88
Amortization of net actuarial loss (gain)	1,504	540	(157)	3,154	666	—
Net periodic benefit cost	$ 1,332	$ 1,848	$ 980	$ 3,568	$ 1,872	$ 1,191

Note 4 – Revenue

The following information about the Company’s revenues is presented by segment. Southwest Gas encompasses the natural gas distribution segment and Centuri encompasses the utility infrastructure services segment.

Natural Gas Distribution Segment:

Southwest Gas’ operating revenues, but not its profits, are directly impacted by variability between comparative periods in the cost of natural gas procured for customers as such costs are incorporated in customer rates. When incorporated (for customers other than those taking transportation-only service), such costs are passed along to customers, generally dollar-for-dollar without markup. Southwest Gas’ revenues overall, reflected on the Condensed Consolidated Statements of Income of both the

Company and Southwest Gas, include revenue from contracts with customers, which is shown below, disaggregated by customer type, in addition to other categories of revenue:

	Three Months Ended June 30,		Six Months Ended June 30,	
(Thousands of dollars)	2025	2024	2025	2024
Residential	$ 238,844	$ 310,552	$ 800,483	$ 1,094,789
Small commercial	72,024	110,640	202,389	317,085
Large commercial	17,921	29,310	39,636	67,326
Industrial/other	10,669	15,471	24,141	36,294
Transportation	29,403	26,673	58,969	55,360
Revenue from contracts with customers	368,861	492,646	1,125,618	1,570,854
Alternative revenue program revenues (deferrals)	24,870	13,070	12,504	(16,363)
Other revenues (1)	2,587	4,377	4,612	8,535
Total Regulated operations revenues	$ 396,318	$ 510,093	$ 1,142,734	$ 1,563,026

(1) Amounts include late fees and other miscellaneous revenues, and may also include the impact of certain regulatory mechanisms.

Utility Infrastructure Services Segment:

During 2024, Utility infrastructure services segment management, in connection with Centuri's planned separation, changed its service type revenue classification to align with changes in its organization structure, and as a result, prior year "other" revenue has been recast into gas infrastructure services to reflect these changes, with no impact to revenue overall. The following tables display Centuri's revenue, reflected as Utility infrastructure services revenues on the Condensed Consolidated Statements of Income of the Company, representing revenue from contracts with customers, disaggregated by service and contract types:

	Three Months Ended June 30,		Six Months Ended June 30,	
(Thousands of dollars)	2025	2024*	2025	2024*
Service Types:				
Gas infrastructure services	$ 391,945	$ 387,352	$ 629,423	$ 654,909
Electric power infrastructure services	332,107	284,723	644,710	545,189
Total Utility infrastructure services revenues	$ 724,052	$ 672,075	$ 1,274,133	$ 1,200,098

*The three months ended June 30, 2024 were previously presented as: Gas infrastructure services of $381,676, Electric power infrastructure services of $284,723, and Other of $5,676. The six months ended June 30, 2024 were previously presented as: Gas infrastructure services of $642,902, Electric power infrastructure services of $545,189, and Other of $12,007.

	Three Months Ended June 30,		Six Months Ended June 30,	
(Thousands of dollars)	2025	2024	2025	2024
Contract Types:				
Master services agreement	$ 593,813	$ 559,459	$ 1,013,062	$ 1,002,701
Bid contract	130,239	112,616	261,071	197,397
Total Utility infrastructure services revenues	$ 724,052	$ 672,075	$ 1,274,133	$ 1,200,098
Unit price contracts	$ 420,474	$ 398,441	$ 705,702	$ 706,290
Fixed price contracts	140,498	134,566	270,311	244,848
Time and materials contracts	163,080	139,068	298,120	248,960
Total Utility infrastructure services revenues	$ 724,052	$ 672,075	$ 1,274,133	$ 1,200,098

The following table provides information about contracts receivable and revenue earned on contracts in progress in excess of billings (contract assets), both of which are included within Accounts receivable, net of allowances, as well as amounts billed in excess of revenue earned on contracts (contract liabilities) at Centuri, which are included in Other current liabilities as of June 30, 2025 and December 31, 2024 on the Company's Condensed Consolidated Balance Sheets:

(Thousands of dollars)	June 30, 2025	December 31, 2024
Contracts receivable, net	$ 256,141	$ 281,441
Revenue earned on contracts in progress in excess of billings	314,477	238,169
Amounts billed in excess of revenue earned on contracts	32,817	24,975

Revenue earned on contracts in progress in excess of billings that are not expected to be recognized within a year from the financial statement date are not included in the table above, and were $27.8 million as of June 30, 2025, and $23.9 million as of December 31, 2024. These non-current balances were included in Deferred charges and other assets on the Company's Condensed Consolidated Balance Sheets.

These contract assets primarily relate to Centuri's right to consideration for work completed but not billed and/or approved for billing at the reporting date, and are transferred to contracts receivable when the rights become unconditional. The increase in contract assets (current and non-current) of $80.3 million from December 31, 2024 was due to incremental work performed for which milestones had not yet been met to trigger billing.

As of June 30, 2025, Centuri had recorded $42.3 million in net recovery claims with customers. Net recovery claims occur when there is a dispute regarding a change in the scope of work and associated price for work already performed. Centuri records estimated claims as variable consideration based on the most likely amount it expects to receive, and to the extent it is probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is resolved.

The amounts billed in excess of revenue earned primarily relate to the advance consideration received from customers for which work has not yet been completed. The increase in the contract liability balance from December 31, 2024 to June 30, 2025 of $7.8 million was due to amounts received for services not yet performed, net of $17.6 million in revenue recognized that was included in the balance as of December 31, 2024.

For contracts where payment is expected to be collected less than one year from when services are performed (as determined at contract inception), Centuri uses the practical expedient and does not consider/compute an interest component based on the time value of money. Further, because of the short duration of these contracts, the Company has not disclosed the transaction price for the remaining performance obligations as of the end of each reporting period or when the Company expects to recognize the revenue.

As of June 30, 2025, Centuri had 43 fixed price contracts with an original duration of more than one year. The aggregate amount of the transaction price allocated to the unsatisfied performance obligations of these contracts as of June 30, 2025 was $202.8 million. Centuri expects to recognize the remaining performance obligations over approximately the next 2.5 years; however, the timing of that recognition is largely within the control of the customer, including when the necessary equipment and materials required to complete the work are provided by the customer.

Utility infrastructure services contracts receivable consists of the following:

(Thousands of dollars)	June 30, 2025	December 31, 2024
Billed on completed contracts and contracts in progress	$ 253,881	$ 281,416
Other receivables	2,651	2,727
Contracts receivable, gross	256,532	284,143
Allowance for doubtful accounts	(391)	(2,702)
Contracts receivable, net	$ 256,141	$ 281,441

In September 2024, Centuri entered into a three-year Securitization Facility for an aggregate amount of up to $125 million with PNC, to enhance Centuri's financial flexibility by providing additional liquidity. Under the Securitization Facility, certain designated subsidiaries of Centuri have sold and/or contributed, and will continue to sell and/or contribute, their trade accounts receivable and contract assets generated in the ordinary course of business to an indirect wholly owned bankruptcy-remote SPE of Centuri created specifically for this purpose.

The total outstanding balance of accounts receivable that have been sold and derecognized was $125 million as of both June 30, 2025 and December 31, 2024, respectively. Centuri had no unused capacity on the Securitization Facility as of June 30, 2025. Additionally, the SPE owned unsold accounts receivable and contract assets of $25.2 million and $104.3 million, respectively, as of June 30, 2025, and $45.2 million and $78.3 million, respectively, as of December 31, 2024, which were not sold to PNC. These balances are primarily included in Accounts receivable, net of allowances in the Company's Condensed Consolidated Balance Sheet, with certain non-current balances included in Deferred charges and other assets. During the three and six months ended June 30, 2025, Centuri incurred $1.7 million and $3.5 million, respectively, in yield fees on the Securitization Facility, which were recorded in Net interest deductions on the Company's Condensed Consolidated Statements of Income.

Note 5 – Debt

Long-Term Debt

Long-term debt is recognized in the Company's and Southwest Gas' Condensed Consolidated Balance Sheets generally at the carrying value of the obligations outstanding. Details surrounding the fair value and individual carrying values of instruments are provided in the table that follows.

	June 30, 2025		December 31, 2024	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
(Thousands of dollars)				
Southwest Gas Corporation:				
Southwest Gas long-term debt	$ 3,532,500	$ 3,191,328	$ 3,532,500	$ 3,121,449
Unamortized discount and debt issuance costs	(26,263)		(28,023)	
Southwest Gas Corporation total long-term debt (no current maturities)	3,506,237		3,504,477	
Southwest Gas Holdings, Inc.:				
Centuri long-term debt	928,591	929,465	885,702	886,173
Unamortized discount and debt issuance costs	(9,860)		(11,821)	
Less: current maturities	(28,101)		(30,018)	
Southwest Gas Holdings, Inc. total long-term debt, less current maturities	$ 4,396,867		$ 4,348,340	

Southwest Gas has a $400 million revolving credit facility that is scheduled to expire in August 2029. In June 2025, Southwest Gas amended this revolving credit agreement, which among other things, added a swingline loan sub-facility in an aggregate principal amount at any time outstanding not to exceed $30 million and added a one-week interest period option with an interest rate equal to Daily Simple SOFR plus 0.03839% plus the applicable margin. At June 30, 2025, the applicable margin is 1.125% for loans bearing interest with reference to SOFR and 0.125% for loans bearing interest with reference to the alternative base rate. At June 30, 2025, no borrowings were outstanding on the long-term portion (including under the commercial paper program), nor under the short-term portion of the facility.

In July 2025, Centuri amended its second amended and restated credit agreement, which among other things, updated the change in control provision to permit Southwest Gas Holdings to dispose of its ownership in Centuri below 51% without triggering an event of default, refinanced and replaced in full the existing term loan facility with an $800 million term loan facility with a maturity date of July 9, 2032, $93.6 million of which is comprised of new term loans used to refinance existing indebtedness and $706.4 million of which was used to refinance existing term loans. In addition, the senior secured revolving credit facility increased from $400 million to $450 million, and extended the maturity date of the senior secured revolving credit facility from August 27, 2026 to July 9, 2030. The amendment also decreased the interest rate margin applicable to term loans by 0.25% to 2.25% for SOFR Loans and 1.25% for Base Rate Loans.

Short-Term Debt

In June 2025, Southwest Gas Holdings entered into a new $300 million revolving credit agreement that matures in August 2029, replacing Southwest Gas Holdings' existing $300 million credit facility that was set to expire in December 2026. At June 30, 2025, the applicable margin is 1.25% for loans bearing interest to SOFR and 0.25% for loans bearing interest with reference to the alternative base. Southwest Gas Holdings has a one-week interest period option with an interest rate equal to Daily Simple SOFR plus 0.03839% plus the applicable margin. Southwest Gas Holdings is also required to pay a commitment fee on the unfunded portion of the commitments which ranges from 0.075% to 0.200%. The revolving credit agreement also contains a swingline loan sub-facility in an aggregate principal amount at any time outstanding not to exceed $30 million. At June 30, 2025, there was $35.0 million outstanding under this credit facility.

In August 2024, Southwest Gas Holdings entered into a $550 million term loan that had been set to mature in July 2025. In June 2025, Southwest Gas Holdings entered into a second amended and restated term loan credit agreement, extending the maturity date of this agreement to June 2026 and excluding Centuri and its subsidiaries from certain material representations, covenants, and events of default. Prior to the execution of the amendment, Southwest Gas Holdings prepaid a portion of the indebtedness, decreasing the balance from $550 million to $225 million, utilizing proceeds received from the Centuri separation transactions. See **Note 7 - Centuri Separation**.

The weighted average interest rate of all short-term borrowings is 5.56% and 5.63% at June 30, 2025 and December 31, 2024, respectively.

Note 6 – Segment Information

The Company has two reportable segments: the natural gas distribution segment (Southwest Gas) and the utility infrastructure services segment (Centuri). Our reportable segments are based on the nature of their activities.

In order to reconcile to net income as disclosed in the Condensed Consolidated Statements of Income, an Other column is included below associated with certain unallocated expenses that represent the corporate and administrative activities associated with Southwest Gas Holdings, such as costs related to the Centuri separation and net interest deductions.

Approximately 99% of the total Company's long-lived assets are in the U.S. with the remainder in Canada.

Segment information is presented in a similar manner to how the CODM, the Company's CEO and President, reviews operating results in assessing performance and allocating resources. The CODM evaluates the performance of the reportable segments based on each segment's net income (loss). The CODM considers budget-to-actual variances when making decisions about allocating capital and personnel to the segments. The CODM also uses net income (loss) to assess the return on assets of each segment including margin earned and in the compensation of certain employees. The CODM reviews capital expenditures by reportable segment rather than by any individual or total asset amount.

Centuri accounts for services provided to Southwest Gas at contractual prices. Accounts receivable for these services, which are not eliminated during consolidation, are presented in the table below:

(Thousands of dollars)	June 30, 2025	December 31, 2024
Accounts receivable for Centuri services (1)	$ 5,877	$ 9,648

(1) The primary change in this balance relates to certain accounts receivable balances sold by Centuri as part of its Securitization Facility described in **Note 4 – Revenue**.

The following table presents the amount of revenues by geographic area:

	Three Months Ended June 30,		Six Months Ended June 30,	
(Thousands of dollars)	2025	2024	2025	2024
Revenues (1)				
United States	$ 1,065,261	$ 1,135,502	$ 2,321,973	$ 2,675,478
Canada	55,109	46,666	94,894	87,646
Total	$ 1,120,370	$ 1,182,168	$ 2,416,867	$ 2,763,124

(1) Revenues are attributed to countries based on the location of customers.

The financial information pertaining to the natural gas distribution and utility infrastructure services segments are as follows:

	Three Months Ended June 30, 2025			
(Thousands of dollars)	Natural Gas Operations	Utility Infrastructure Services	Other	Total
Revenue from contracts with customers	$ 368,861	$ 697,952	$ —	$ 1,066,813
Alternative revenue program and other revenues	27,457	—	—	27,457
Intersegment sales	—	26,100	—	26,100
Total segment revenue	396,318	724,052	—	1,120,370
Less:				
Net cost of gas sold	102,134	—	—	102,134
Operations and maintenance	136,652	—	2,044	138,696
Utility infrastructure services expense	—	657,671	—	657,671
Other segment items (1)	119,121	52,115	8,368	179,604
Income (loss) before income taxes	38,411	14,266	(10,412)	42,265
Income tax expense	4,734	5,941	41,919	52,594
Net income (loss)	33,677	8,325	(52,331)	(10,329)
Net income attributable to noncontrolling interests	—	2,554	—	2,554
Net income (loss) attributable to Southwest Gas Holdings, Inc.	$ 33,677	$ 5,771	$ (52,331)	$ (12,883)

(1) Other segment items for each reportable segment includes:
- Natural Gas Distribution: Depreciation and amortization, Taxes other than income taxes, Net interest deductions, and Other income (deductions).
- Utility Infrastructure Services: Depreciation and amortization, Net interest deductions, and Other income (deductions).

Other segment disclosures	Three Months Ended June 30, 2025			
(Thousands of dollars)	Natural Gas Operations	Utility Infrastructure Services	Other	Total
Interest income	$ 5,817	$ —	$ —	$ 5,817
Interest expense	$ 44,737	$ 18,247	$ 8,628	$ 71,612
Depreciation and amortization	$ 68,940	$ 34,223	$ —	$ 103,163
Segment assets	$ 9,688,433	$ 2,513,389	$ 12,123	$ 12,213,945
Capital expenditures	$ 199,323	$ 20,800	$ —	$ 220,123

	Three Months Ended June 30, 2024			
(Thousands of dollars)	Natural Gas Distribution	Utility Infrastructure Services	Other	Total
Revenue from contracts with customers	$ 492,646	$ 643,394	$ —	$ 1,136,040
Alternative revenue program and other revenues	17,447	—	—	17,447
Intersegment sales	—	28,681	—	28,681
Total segment revenue	510,093	672,075	—	1,182,168
Less:				
Net cost of gas sold	242,479	—	—	242,479
Operations and maintenance	129,627	—	4,996	134,623
Utility infrastructure services expense	—	604,545	—	604,545
Other segment items (1)	108,543	56,306	11,281	176,130
Income (loss) before income taxes	29,444	11,224	(16,277)	24,391

Income tax expense (benefit)	1,850	4,293	(1,962)	4,181
Net income (loss)	27,594	6,931	(14,315)	20,210
Net income attributable to noncontrolling interests	—	1,877	—	1,877
Net income (loss) attributable to Southwest Gas Holdings, Inc.	$ 27,594	$ 5,054	$ (14,315)	$ 18,333

(1) Other segment items for each reportable segment includes:

- Natural Gas Distribution: Depreciation and amortization, Taxes other than income taxes, Net interest deductions, and Other income (deductions).
- Utility Infrastructure Services: Depreciation and amortization, Net interest deductions, and Other income (deductions).

Other segment disclosures

	Three Months Ended June 30, 2024			
(Thousands of dollars)	Natural Gas Distribution	Utility Infrastructure Services	Other	Total
Interest income	$ 9,137	$ —	$ —	$ 9,137
Interest expense	$ 39,839	$ 22,629	$ 11,301	$ 73,769
Depreciation and amortization	$ 61,687	$ 34,385	$ —	$ 96,072
Segment assets	$ 9,360,652	$ 2,611,428	$ 13,264	$ 11,985,344
Capital expenditures	$ 200,648	$ 22,656	$ —	$ 223,304

	Six Months Ended June 30, 2025			
(Thousands of dollars)	Natural Gas Operations	Utility Infrastructure Services	Other	Total
Revenue from contracts with customers	$ 1,125,618	$ 1,226,924	$ —	$ 2,352,542
Alternative revenue program and other revenues	17,116	—	—	17,116
Intersegment sales	—	47,209	—	47,209
Total segment revenue	1,142,734	1,274,133	—	2,416,867
Less:				
Net cost of gas sold	386,713	—	—	386,713
Operations and maintenance	266,059	—	3,888	269,947
Utility infrastructure services expense	—	1,186,242	—	1,186,242
Other segment items (1)	271,901	104,681	18,262	394,844
Income (loss) before income taxes	218,061	(16,790)	(22,150)	179,121
Income tax expense (benefit)	41,442	(464)	39,285	80,263
Net income (loss)	176,619	(16,326)	(61,435)	98,858
Net loss attributable to noncontrolling interests	—	(2,129)	—	(2,129)
Net income (loss) attributable to Southwest Gas Holdings, Inc.	$ 176,619	$ (14,197)	$ (61,435)	$ 100,987

(1) Other segment items for each reportable segment includes:

- Natural Gas Distribution: Depreciation and amortization, Taxes other than income taxes, Net interest deductions, and Other income (deductions).
- Utility Infrastructure Services: Depreciation and amortization, Net interest deductions, and Other income (deductions).

Other segment disclosures	Six Months Ended June 30, 2025			
(Thousands of dollars)	Natural Gas Operations	Utility Infrastructure Services	Other	Total
Interest income	$ 11,627	$ —	$ —	$ 11,627
Interest expense	$ 89,368	$ 36,109	$ 18,416	$ 143,893
Depreciation and amortization	$ 162,630	$ 68,446	$ —	$ 231,076
Segment assets	$ 9,688,433	$ 2,513,389	$ 12,123	$ 12,213,945
Capital expenditures	$ 362,457	$ 45,162	$ —	$ 407,619

(Thousands of dollars)	Six Months Ended June 30, 2024 Natural Gas Distribution	Utility Infrastructure Services	Other	Total
Revenue from contracts with customers	$ 1,570,854	$ 1,148,139	$ —	$ 2,718,993
Alternative revenue program and other revenues (deferrals)	(7,828)	—	—	(7,828)
Intersegment sales	—	51,959	—	51,959
Total segment revenue	1,563,026	1,200,098	—	2,763,124
Less:				
Net cost of gas sold	872,476	—	—	872,476
Operations and maintenance	260,493	—	9,276	269,769
Utility infrastructure services expense	—	1,120,188	—	1,120,188
Other segment items (1)	234,613	114,692	22,354	371,659
Income (loss) before income taxes	195,444	(34,782)	(31,630)	129,032
Income tax expense (benefit)	32,025	(5,308)	(5,457)	21,260
Net income (loss)	163,419	(29,474)	(26,173)	107,772
Net income attributable to noncontrolling interests	—	1,702	—	1,702
Net income (loss) attributable to Southwest Gas Holdings, Inc.	$ 163,419	$ (31,176)	$ (26,173)	$ 106,070

(1) Other segment items for each reportable segment includes:
- Natural Gas Distribution: Depreciation and amortization, Taxes other than income taxes, Net interest deductions, and Other income (deductions).
- Utility Infrastructure Services: Depreciation and amortization, Net interest deductions, and Other income (deductions).

Other segment disclosures

(Thousands of dollars)	Six Months Ended June 30, 2024 Natural Gas Distribution	Utility Infrastructure Services	Other	Total
Interest income	$ 18,913	$ —	$ —	$ 18,913
Interest expense	$ 76,283	$ 46,728	$ 22,363	$ 145,374
Depreciation and amortization	$ 146,510	$ 68,704	$ —	$ 215,214
Segment assets	$ 9,360,652	$ 2,611,428	$ 13,264	$ 11,985,344
Capital expenditures	$ 391,347	$ 53,155	$ —	$ 444,502

Note 7 - Centuri Separation

In April 2024, the Company and Centuri announced the completion of the Centuri IPO. After completion of the Centuri IPO, the Company owned approximately 81% of all ownership interests in Centuri.

In May 2025, the Company and Centuri completed a secondary public offering of 9,000,000 shares of Centuri's common stock owned by the Company at a price of $17.50 per share. The Company granted the underwriters a 30-day option to purchase up to an additional 1,350,000 shares of its common stock, which was exercised. In addition, the Company announced the concurrent private placement of an additional 2,857,142 shares at a price equal to the public offering price, with Icahn Partners LP and Icahn Partners Master Fund LP, investment entities associated with Carl C. Icahn. The net proceeds to the Company from the secondary public offering and concurrent private placement, after deducting underwriting discounts and commissions of $6.6 million and other fees, were approximately $224.6 million. Centuri did not receive any of the proceeds from the sale of the secondary offering or private placement. The Company used the proceeds for the repayment of outstanding indebtedness (see **Note 5 – Debt**).

In June 2025, the Company and Centuri completed an additional secondary public offering of 9,750,000 shares of Centuri's common stock owned by the Company at a price of $20.75 per share. The Company granted the underwriters a 30-day option to purchase up to an additional 1,462,500 shares of its common stock, which was exercised. The net proceeds to the Company from the public offering, after deducting underwriting discounts and commissions of $8.6 million and other fees, were approximately $224.1 million. Centuri did not receive any of the proceeds from the sale. The Company used the proceeds for the repayment of outstanding indebtedness (see **Note 5 – Debt**). After completion of the offering, the Company owned approximately 53.3% of all ownership interests in Centuri. In addition, the Company closed the concurrent private placement of an additional 1,060,240 shares at a price equal to the Centuri public offering price, with Icahn Partners LP and Icahn Partners Master Fund LP, investment entities associated with Carl C. Icahn, in July 2025. The net proceeds to the Company from the concurrent private placement were approximately $22.0 million. Centuri did not receive any of the proceeds from the sale of the private placement; the Company used the proceeds for the repayment of outstanding indebtedness. After completion of the private placement, the Company owns 52.1% of all ownership interests in Centuri and continues to consolidate the financial results of Centuri. The Company intends to fully dispose of its ownership in Centuri in one or more disposition transactions, including by way of sales of its shares of Centuri common stock, one or more exchange offers for Company shares, or any combination thereof.

The difference between the fair value of proceeds from the offerings/private placements and the carrying value of the noncontrolling interest is reflected as an increase in Additional paid-in capital of the Company.

The following reflects the effects of changes in the Company's ownership interest in Centuri on the Company's equity:

(Thousands of dollars)	Six Months Ended June 30, 2025
Net income attributable to Southwest Gas Holdings, Inc.	$ 100,987
Increase in Additional paid-in capital as a result of Centuri stock sales	138,907
Change from net income attributable to Southwest Gas Holdings, Inc. and Centuri stock sales	$ 239,894

During the second quarter 2025, following the sale of Centuri common stock, the Company was no longer eligible to include Centuri in its consolidated federal and certain state income tax returns (tax deconsolidation) and the Company's tax-free spin protection plan expired. As such, the Company could no longer assert the ability to complete a tax-free disposition of its investment in Centuri. This event required the Company to recognize a previously unrecorded deferred tax liability related to the outside basis of its investment in Centuri. Recognizing this liability resulted in a charge of approximately $52.4 million to income tax expense.

In addition, the Company recorded approximately $7.0 million in deferred tax assets reflecting state income tax assets, which are now expected to be utilized in connection with the disposition of Centuri shares. The combined effect of these items resulted in a net charge to income tax expense of approximately $45.4 million.

On February 24, 2025, the Company entered into a Tax Assets Agreement with Centuri. The Tax Assets Agreement addresses the Company's arrangements with Centuri with respect to certain Tax Assets that each company will retain following any deconsolidation for U.S. federal and relevant state income tax laws. Under the terms of the Tax Assets Agreement, it is anticipated that the Company will contribute certain Tax Assets to Centuri, which will be treated as a deemed capital contribution. This amount is currently estimated to be approximately $30.2 million and will be finalized upon the filing of the 2024 and 2025 final consolidated or combined federal and state income tax returns.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Southwest Gas Holdings is a holding company that owns all of the shares of common stock of Southwest Gas; and until the Centuri IPO in April 22, 2024, all of the shares of common stock of Centuri. Consistent with the Company's earlier determination to simplify the Company's portfolio of businesses, the Company determined it would pursue a separation of Centuri. In April 2024, the Company and Centuri announced the completion of the Centuri IPO. The Company completed subsequent sales of Centuri stock in May, June, and July 2025. Following these sales, the Company owned 53.3% at June 30, 2025 and 52.1% at July 8, 2025 of Centuri. The Company intends to fully dispose of its ownership in Centuri in one or more disposition transactions, including by way of sales of its shares of Centuri common stock, one or more exchange offers for Company shares, or any combination thereof.

Our business includes Southwest Gas, which is engaged in the business of purchasing, distributing, and transporting natural gas for customers in portions of Arizona, Nevada, and California. Southwest Gas is the largest regulated distributor of natural gas in Arizona and Nevada, and also distributes and transports natural gas for customers in portions of California. Additionally, through its subsidiaries, Southwest Gas operates two regulated interstate pipelines serving portions of Nevada and California. Southwest Gas makes investments in infrastructure to support customer demand associated with population growth and economic development activity, and the safe and reliable operation of its system through adherence to integrity management programs.

As of June 30, 2025, Southwest Gas had approximately 2,272,000 residential, commercial, industrial, and other natural gas customers, of which 1,220,000 customers were located in Arizona, 845,000 in Nevada, and 207,000 in California. Over the past twelve months, first-time meter sets were approximately 40,000, of which 23,000 were added in Arizona, 16,000 in Nevada, and 1,000 in California; compared to 40,000 during the twelve months ended June 30, 2024, of which 22,000 were located in Arizona, 16,000 in Nevada, and 2,000 in California. Residential and small commercial customers represented over 99% of the total customer base. During the twelve months ended June 30, 2025, 53% of operating margin (Regulated operations revenues less the net cost of gas sold) was earned in Arizona, 35% in Nevada, and 12% in California. During this same period, Southwest Gas earned 85% of its operating margin from residential and small commercial customers, 4% from other sales customers, and 11% from transportation customers. These patterns are expected to remain materially consistent for the foreseeable future.

Southwest Gas recognizes operating revenues from the distribution and transportation of natural gas (and related services) to customers. Operating margin is a financial measure defined by management as Regulated operations revenues less the net cost of gas sold. However, operating margin is not specifically defined in U.S. GAAP. Thus, operating margin is considered a non-GAAP measure. Management uses this financial measure because Regulated operations revenues include the net cost of gas sold, which is a tracked cost that is passed through to customers without markup under PGA mechanisms. Fluctuations in the net cost of gas sold impact revenues on a dollar-for-dollar basis, but do not impact operating margin or operating income. Therefore, management believes operating margin provides investors and other interested parties with useful and relevant information to analyze Southwest Gas' financial performance in a rate-regulated environment. The principal factors affecting changes in operating margin are general rate relief (including impacts of infrastructure trackers) and customer growth. Public utility commission decisions on the amount and timing of relief may impact our earnings. Refer to the Summary Operating Results table below for a reconciliation of gross margin to operating margin, and refer to *Rates and Regulatory Proceedings,* in this MD&A, for details of various rate proceedings.

The demand for natural gas is seasonal, with greater demand in the colder winter months and decreased demand in the warmer summer months. All of Southwest Gas' service territories have decoupled rate structures (alternative revenue programs), which are designed to eliminate the direct link between volumetric sales and revenue, thereby mitigating the impacts of weather variability and conservation on operating margin, allowing Southwest Gas to pursue energy efficiency initiatives. Nearly all of our customers, and resulting revenue and margin, are included as part of mechanisms that reduce the impact of weather and volume variability on our earnings.

Centuri is a strategic infrastructure services company that partners with regulated utilities to build and maintain the energy network that fuels millions of homes and businesses across the U.S. and Canada. With a commitment to serve as long-term partners to customers and communities, Centuri's employees enable regulated utilities to safely and reliably deliver natural gas and electricity, as well as achieve their goals for environmental sustainability. Centuri operates through a family of complementary companies working together across different geographies to establish solid customer relationships and a strong reputation for a wide range of capabilities.

Utility infrastructure services activity can be impacted by changes in infrastructure replacement programs and capital budgets of utilities, weather, and local and federal regulation (including tax rates and incentives). Utilities continue to implement or modify system integrity management programs to enhance safety pursuant to federal and state mandates. These programs have resulted in multi-year utility system replacement projects throughout the U.S. Likewise, there has been similar attention placed on electric grid modernization through national infrastructure legislation and related initiatives. Generally, Centuri revenues are lowest during the first quarter of the year due to less favorable winter weather conditions. Revenues typically improve as more favorable weather conditions occur during the summer and fall months. In cases of severe weather, such as following a regional storm, Centuri may be engaged to perform restoration activities related to above-ground utility infrastructure, and related results impacts are not solely within the control of management. In addition, in certain circumstances, such as with large bid contracts (especially those of a longer duration), or unit-price contracts with revenue caps, results may be impacted by differences between costs incurred and those anticipated when the work was originally bid. Work awarded, or failing to be awarded, by individual large customers can impact operating results.

All of our businesses may be impacted by economic conditions that impact businesses generally, such as inflationary impacts on goods and services consumed in the business, rising or sustained high interest rates, labor markets and costs (including in regard to contracted or professional services), and the availability of those resources. Certain of these impacts may be more predominant in certain of our operations, such as with regard to fuel costs for work equipment and skilled/trade labor costs at Centuri.

This MD&A of Financial Condition and Results of Operations should be read in conjunction with the unaudited condensed consolidated financial statements and notes thereto included in this Quarterly Report on Form 10-Q and the audited financial statements and notes thereto, as well as the MD&A, included in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2024, in addition to the Risk Factors included in these documents as may be updated from time to time.

Executive Summary

The items discussed in this Executive Summary are intended to provide an overview of the results of the Company's, Southwest Gas', and Centuri's operations and are covered in greater detail in later sections of this MD&A.

Summary Operating Results

	Period Ended June 30,			
	Three Months		Six Months	
(In thousands, except per share amounts)	2025	2024	2025	2024
Contribution to net income				
Natural gas distribution	$ 33,677	$ 27,594	$ 176,619	$ 163,419
Utility infrastructure services	5,771	5,054	(14,197)	(31,176)
Corporate and administrative [1]	(52,331)	(14,315)	(61,435)	(26,173)
Net income	$ (12,883)	$ 18,333	$ 100,987	$ 106,070
Weighted average common shares	72,088	71,839	72,050	71,784
Basic earnings per share				
Consolidated	$ (0.18)	$ 0.26	$ 1.40	$ 1.48
Natural Gas Distribution				
Reconciliation of Gross Margin to Operating Margin (Non-GAAP measure)				
Utility Gross Margin	$ 140,480	$ 122,777	$ 427,864	$ 379,585
Plus:				
Operations and maintenance (excluding Admin. & General) expense	84,764	83,150	165,527	164,455
Depreciation and amortization expense	68,940	61,687	162,630	146,510
Operating margin	$ 294,184	$ 267,614	$ 756,021	$ 690,550

[1] In connection with the sale of shares of Centuri stock during the second quarter, federal and certain state income tax deconsolidation occurred which resulted in an additional $45.4 million income tax expense during the three- and six-months ended June 30, 2025.

2nd Quarter 2025 overview and other recent developments

Southwest Gas Holdings highlights include the following:
- Completed secondary public offerings and private placement resulting in net proceeds of $448.7 million, and in July 2025, completed an additional private placement resulting in proceeds of $22.0 million; collective net proceeds used to repay outstanding indebtedness
- Finished the second quarter of 2025 with approximately $356 million of cash on a consolidated basis; the Company no longer expects to issue equity in 2025
- Corporate and administrative expenses include $8.6 million in interest expense related to borrowings, $45.4 million in income tax expense related to Centuri common stock sales, and approximately $1.2 million in Centuri separation costs
- Replaced existing revolving credit facility, extending the maturity date to 2029

Natural gas distribution highlights include the following:
- Year-to-date gross margin of $427.9 million and operating margin of $756 million
- 40,000 first-time meters sets occurred over the past 12 months, resulting in a 1.8% growth rate
- Finished the quarter with over $323 million in cash (given collection of previously deferred purchased gas costs)
- $362.5 million capital investment year-to-date
- SB 417 signed into law allowing Southwest Gas to apply for alternative ratemaking in Nevada

- Great Basin successfully closed its 2028 expansion project binding open season with a potential incremental capacity of up to ~1.76 Bcf per day

Utility infrastructure services highlights include the following:

- Revenues of $724.1 million in the second quarter of 2025 reflect an increase of $52 million, or 8%, compared to the second quarter of 2024

Results of Natural Gas Distribution

Southwest Gas’ revenues and cost of gas sold, but not its profits, are affected by changes in the cost of natural gas included in customer rates from one period to another. Regulatory commissions have established mechanisms that allow Southwest Gas to adjust customer billing rates to reflect fluctuations in natural gas prices. When there is a difference between the current cost of gas and the amount recovered through rates, that difference is deferred. These deferred amounts are either refunded to or recovered from customers during periods approved by the regulatory commissions.

Quarterly Analysis

	Three Months Ended June 30,	
(Thousands of dollars)	2025	2024
Regulated operations revenues	$ 396,318	$ 510,093
Net cost of gas sold	102,134	242,479
Operating margin	294,184	267,614
Operations and maintenance expense	136,652	129,627
Depreciation and amortization	68,940	61,687
Taxes other than income taxes	23,250	21,228
Operating income	65,342	55,072
Other income	17,806	14,211
Net interest deductions	44,737	39,839
Income before income taxes	38,411	29,444
Income tax expense	4,734	1,850
Contribution to consolidated results	$ 33,677	$ 27,594

Results from natural gas distribution operations improved $6.1 million between the second quarters of 2025 and 2024. The increase was primarily due to an increase in Operating margin and Other income partially offset by increases in Operations and maintenance expense, Depreciation and amortization, and Net interest deductions.

Operating margin increased $26.6 million quarter over quarter primarily driven by combined rate relief across all our territories adding approximately $23.7 million of incremental margin. An additional $2.5 million was attributable to customer growth reflective of approximately 40,000 first-time meter sets added during the last twelve months.

Operations and maintenance expense increased $7.0 million, or 5%, between quarters. The increase was primarily attributable to increases in employee-related labor and benefit costs, including incentive compensation costs ($5 million), as well as external contractor and professional services expenses in various areas of the business. These increases were partially offset by reductions in leak survey and line locating expenses.

Depreciation and amortization expense increased $7.3 million, or 12%, between quarters, reflecting a $733.0 million, or 7%, increase in average gas plant in service since the corresponding second quarter of 2024, in addition to $1.2 million in higher amortization related to regulatory account balances. The increase in plant was attributable to pipeline capacity reinforcement work, franchise requirements, scheduled pipe replacement activities, and new infrastructure.

Other income (which is net of other deductions) increased $3.6 million between quarters. The increase was primarily driven by a $4.5 million increase in values associated with COLI policies and a $1.6 million gain on the sale of certain miscellaneous assets. Partially offsetting the overall increase was a $3.3 million decrease in interest income. This decrease primarily reflects a reduction in carrying charges associated with regulatory account balances, notably, deferred purchased gas cost balances. As of June 30, 2025 these balances reflected a net liability position in each of Southwest Gas’ service territories. In contrast, the prior-year quarter reflected a net asset balance in our Arizona and California jurisdictions, contributing to higher interest income in that period. Interest is earned when balances are assets and interest expense is incurred when balances are liabilities.

Net interest deductions increased approximately $4.9 million in the second quarter of 2025, as compared to the prior-year quarter, primarily due to amounts incurred on the over-collected PGA balance.

Results of Natural Gas Distribution

Six-Month Analysis

(Thousands of dollars)	Six Months Ended June 30, 2025	Six Months Ended June 30, 2024
Regulated operations revenues	$ 1,142,734	$ 1,563,026
Net cost of gas sold	386,713	872,476
Operating margin	756,021	690,550
Operations and maintenance expense	266,059	260,493
Depreciation and amortization	162,630	146,510
Taxes other than income taxes	47,011	44,131
Operating income	280,321	239,416
Other income	27,108	32,311
Net interest deductions	89,368	76,283
Income before income taxes	218,061	195,444
Income tax expense	41,442	32,025
Contribution to consolidated results	$ 176,619	$ 163,419

Results from natural gas distribution operations improved approximately $13.2 million between the first six months of 2025 and 2024. The improvement was primarily due to an increase in Operating margin, partially offset by increases in Operations and maintenance expense, Depreciation and amortization, and Net interest deductions, and a decrease in Other income.

Operating margin increased $65.5 million period over period primarily attributable to combined rate relief across all our service territories which added approximately $51.1 million of incremental margin. Approximately $7.6 million of incremental margin was attributable to customer growth, including approximately 40,000 first-time meter sets during the last twelve months. The combined impacts of increases in recovery/return associated with regulatory account balances ($5.9 million) and the variable interest expense adjustment mechanism in Nevada ($4.3 million) (for which amortization is recognized in interest expense), also resulted in incremental margin between comparable periods. Partially offsetting these impacts were changes in other miscellaneous revenue and revenue from customers outside of the decoupling mechanisms.

Operations and maintenance expense increased $5.6 million, or 2%, between periods. The increase was primarily attributable to increases in employee-related labor and benefit costs, including incentive compensation costs ($4 million), higher insurance costs ($2.3 million), and external contractor and professional services expenses. These increases, along with others, were partially offset by a reduction in leak survey and line locating activities.

Depreciation and amortization expense increased approximately $16.1 million, or 11%, between periods, reflecting a $736.0 million, or 7%, increase in average gas plant in service since the corresponding period of 2024, in addition to $5.9 million in higher amortization related to regulatory account balances noted above. The increase in plant was attributable to pipeline capacity reinforcement work, franchise requirements, scheduled pipe replacement activities, and new infrastructure.

Other income (which is net of other deductions) decreased approximately $5.2 million primarily related to a decline in interest income of $7.3 million associated with a reduction in carrying charges on regulatory account balances, notably, deferred purchased gas cost balances. As of June 30, 2025 these balances reflected a net liability position in each of Southwest Gas' service territories. In contrast, the prior-year quarter reflected a net asset balance in our Arizona and California jurisdictions, contributing to higher interest income in that period. Partially offsetting the decrease was a gain on the sale of certain miscellaneous assets ($1.6 million).

Net interest deductions increased $13.1 million in the first six months of 2025, as compared to the prior-year period, primarily due to increased interest on amounts incurred on the over-collected PGA balance, as well as the impacts of surcharges/surcredits and deferral activity related to a regulatory mechanism associated with Southwest Gas' industrial development revenue bonds.

Results of Utility Infrastructure Services

Quarterly Analysis

	Three Months Ended June 30,	
(Thousands of dollars)	2025	2024
Utility infrastructure services revenues	$ 724,052	$ 672,075
Operating expenses:		
Utility infrastructure services expenses	657,671	604,545
Depreciation and amortization	34,223	34,385
Operating income	32,158	33,145
Other income (deductions)	355	708
Net interest deductions	18,247	22,629
Income before income taxes	14,266	11,224
Income tax benefit	5,941	4,293
Net income	8,325	6,931
Net income attributable to noncontrolling interests	2,554	1,877
Contribution to consolidated results	$ 5,771	$ 5,054

Utility infrastructure services revenues increased $52.0 million, or 8%, in the second quarter of 2025 when compared to the prior-year quarter, driven primarily by increased electric utility infrastructure services revenues of $47.4 million and increased gas utility infrastructure services revenues of $4.6 million. The increase in electric utility infrastructure services revenues was primarily due to an increase in net volumes under existing customer MSAs and incremental bid work, offset by a decrease in emergency restoration services revenue of approximately $19.4 million and a planned decrease in offshore wind revenues of $12.7 million. The increase in gas utility infrastructure services revenues was primarily due to an increase in net volumes under existing customer MSAs, net of a decrease in bid revenue associated with timing of projects as certain bids were completed prior to the current year quarter and new projects in the current year's quarter were in the earlier stages of ramping up.

Utility infrastructure services expenses increased $53.1 million, or 9%, in the second quarter of 2025 when compared to the prior-year quarter due primarily to a higher volume of infrastructure services provided. Operating margin in the second quarter of 2025 decreased as profitability was negatively affected by a $9.1 million increase in general and administration costs, which are included in total Utility infrastructure services expenses. The current quarter included $2.9 million in non-recurring costs, including costs incurred as part of the Centuri separation, with no such costs in the prior-year quarter. Incentive compensation primarily drove the remainder of the increase as general and administrative stock compensation increased $1.8 million from the prior-year quarter due to the timing of new grants, and the second quarter of 2024 included reversals of portions of incentive compensation due to the timing of terminations. Centuri also incurred incremental costs to operate as a standalone public company.

Gains on sale on equipment in the second quarter of 2025 and 2024 (reflected as an offset to Utility infrastructure services expenses) were approximately $0.2 million and $1.1 million, respectively.

The decrease in net interest deductions of $4.4 million between quarters was primarily due to a reduction in the average debt balance and a decrease in interest rates on outstanding variable-rate borrowings.

Income tax expense increased $1.6 million between quarters primarily due to an increase in pre-tax income in the second quarter of 2025.

Results of Utility Infrastructure Services

Six-Month Analysis

	Six Months Ended June 30,	
(Thousands of dollars)	2025	2024
Utility infrastructure services revenues	$ 1,274,133	$ 1,200,098
Operating expenses:		
Utility infrastructure services expenses	1,186,242	1,120,188
Depreciation and amortization	68,446	68,704
Operating income	19,445	11,206
Other income (deductions)	(126)	740
Net interest deductions	36,109	46,728
Loss before income taxes	(16,790)	(34,782)
Income tax benefit	(464)	(5,308)
Net loss	(16,326)	(29,474)
Net income (loss) attributable to noncontrolling interests	(2,129)	1,702
Contribution to consolidated results	$ (14,197)	$ (31,176)

Utility infrastructure services revenues increased $74.0 million, or 6%, in the first six months of 2025 when compared to the corresponding period in the prior-year, driven primarily by an increase in electric utility infrastructure services revenues of $99.5 million, partially offset by a decrease in gas utility infrastructure services revenues of $25.5 million. The increase in electric utility infrastructure services revenues was primarily due to an increase in volumes under MSAs and incremental bid work, partially offset by a decrease in emergency restoration services revenues of approximately $10.5 million and a planned decrease in offshore wind revenues of $35.1 million. The decrease in gas utility infrastructure services revenues was primarily due to a reduction in net volumes under existing customer MSAs in the first quarter caused in large part by adverse weather conditions and certain budgetary constraints, as well as bid project delays that impacted the second quarter of 2025.

Utility infrastructure services expenses increased $66.1 million, or 6%, between periods. The overall increase was primarily due to the higher volume of infrastructure services provided under MSAs. Operating margin increased in the current quarter due to more efficient utilization of fixed costs on higher revenue and higher margin on bid projects.

General and administrative costs included in total utility infrastructure services expenses increased approximately $7.7 million between comparative periods. The current year period included $4.6 million in separation-related costs and other non-recurring professional fees compared to $2.0 million in similar non-recurring costs in the prior-year period. Additionally, stock-based compensation and other incentive compensation drove an increase in payroll costs, partially offset by $5.4 million in severance within general and administrative costs in the prior-year period. Gains on sale of equipment (reflected as an offset to Utility infrastructure services expenses) were approximately $0.6 million and $2.0 million in the first six months of 2025 and 2024, respectively.

The decrease in net interest deductions of $10.6 million between periods was primarily due to a reduction in the average debt balance and a decrease in interest rates on outstanding variable-rate borrowings.

Income tax benefit decreased by $4.8 million between periods primarily due to reduced pre-tax income during the six-months ended June 30, 2025.

Rates and Regulatory Proceedings

Southwest Gas is subject to the regulation of the ACC, the PUCN, and the CPUC, and two of Southwest Gas' subsidiaries are subject to regulation by the FERC.

Arizona Jurisdiction

Arizona General Rate Case. Southwest Gas filed its 2024 Arizona rate case application in February 2024, proposing an increase in revenue of approximately $126 million and a return on common equity of 10.15%, relative to a 50% target equity ratio, and a proposed twelve-month post-test year adjustment for non-revenue producing plant to reflect the continued significant capital investments in the state and to update rates to more closely align with Southwest Gas' current level of operations and maintenance expense. The ACC's final decision in March 2025 authorized an overall annual rate increase of approximately $80.2 million, and a return on common equity of 9.84% relative to a 48.5% equity ratio. Southwest Gas' proposals for the continuation of full revenue decoupling under the DCA mechanism and a property tax tracking mechanism were approved, but the proposed UGCE mechanism to address timelier recovery of the purchased gas cost portion of uncollectible customer accounts following write-off was ultimately withdrawn in favor of the historical regulatory treatment for uncollectible accounts and related expense. The legacy COYL program was discontinued; however, an application was filed requesting recovery of the associated outstanding revenue requirement of approximately $5.2 million for work through March 2025. Recovery of the outstanding COYL revenue requirement is requested over three years. Rates associated with the ACC's decision became effective in March 2025, commensurate with the timing of the rate case order.

Initially included as part of the rate case application, Southwest Gas proposed the establishment of the SIM, a capital tracker designed to support required code and regulatory-related infrastructure replacements in Arizona, which was subsequently bifurcated from the rate case application. A settlement agreement supporting implementation of the SIM was reached with the majority of the parties, including a SIM surcharge effective April 1 each year subject to refund, to recover the revenue requirement associated with eligible plant placed in service by December 31 of the prior calendar year. The settlement considered by the ACC included a surcharge cap of $0.02 per therm, which represented approximately $150 million of annual SIM-related investment. Ultimately, the approved settlement included an amendment, limiting the annual SIM investment to $50 million. Other key provisions of the settlement remain unchanged.

Delivery Charge Adjustment. The DCA, or Arizona decoupling mechanism, as noted above, includes a filing each April, which along with other reporting requirements, contemplates a rate to return/recover the over- or under-collected margin tracker (decoupling mechanism) balance. The most recent filing was made in April 2025 to request a rate to address the under-collected balance of $40.7 million existing as of March 31, 2025. Consideration of the most recent request is anticipated in the third or fourth quarter of 2025. The existing rate, which became effective August 1, 2024, will remain in place until a decision is made regarding the most recent request.

Tax Reform. A TEAM was approved in Southwest Gas' 2019 general rate case to timely recognize tax rate changes resulting from federal or state tax legislation following the TEAM implementation. In addition, the TEAM tracks and returns/recovers the revenue requirement impact of changes in amortization of EADIT, including that which resulted from 2017 U.S. federal tax reform, compared to the amount authorized in the most recently concluded general rate case. Following the inaugural surcredit rate establishment under the TEAM mechanism in December 2022, Southwest Gas filed subsequent TEAM rate applications, including a recent filing, which proposed to update the TEAM surcharge to recover approximately $5.2 million resulting from changes related to the amortization of EADIT. The proposed surcharge rate was approved and became effective June 1, 2025.

PGA Modification. On January 27, 2025, Southwest Gas filed a request to increase the GCBA adjustment to allow for a greater credit rate to be implemented more quickly in order to facilitate the return of the existing over-collected balance. Typical adjustments authorized by previous decisions limit the increase in the GCBA rate to $0.01 per month. The ACC approved Southwest Gas' recent request to implement a credit rate of $0.08138 per therm effective April 1, 2025, which is expected to be in place for approximately one year and will terminate when the GCBA balance is reduced to less than $10 million.

Nevada Jurisdiction

Nevada General Rate Case. Southwest Gas filed its most recent general rate case in September 2023, updated with a certification filing primarily for plant placed in service, and incremental annual leak survey costs, through November 2023. Those updates resulted in an updated overall request of approximately $74 million. The PUCN issued a decision approving an annual increase in revenues of $59 million, approving the earlier proposed settlement, and authorizing a return on common equity of 9.5%, including the use of a hypothetical capital structure of 50% debt and 50% equity. Included in the settled items were: a continuation of full revenue decoupling; authority to continue tracking incremental annual leak survey costs in a regulatory asset; and refreshed depreciation rates somewhat lower than those proposed. New rates became effective in April 2024.

General Revenues Adjustment. The GRA, or Nevada decoupling mechanism, was affirmed as part of Southwest Gas' most recently concluded general rate case and adjustments are included in the ARA filings intended to update rates to recover/return amounts associated with various regulatory mechanisms, including the GRA. Recovery of rates and adjustments thereto as part of the ARA primarily impact cash flows, but not net income overall. Rates for the GRA and other regulatory mechanisms relating to the November 2024 ARA filing, associated with balances as of September 30, 2024, became effective July 1, 2025.

Line Locate Activity Expenses Application. Southwest Gas filed an application with the PUCN for authority to establish regulatory accounting treatment for line locate activity expenses, allowing Southwest Gas to track the actual level of line locate costs in operation and maintenance expense and to record, in a regulatory asset or liability account, the difference between amounts incurred and the level established in the most recent general rate case. In July 2025, the PUCN approved regulatory accounting treatment of the line locate activity expenses, effective January 1, 2025. The proposal did not include carrying charges on the regulatory account balance in order to focus solely on stemming the financial attrition suffered in between rate cases related to this work. Amounts deferred in the regulatory asset will be considered in the next general rate case, where authority to continue regulatory accounting treatment must be requested.

DEAA Modification. Southwest Gas filed an application with the PUCN for approval to adjust the DEAA rates in excess of the maximum allowable adjustment of 2.5 cents per therm contemplated by the Nevada Revised Statutes given the significant over-collected balances of the PGA in both southern and northern Nevada. A stipulation was reached with the parties and approved by the PUCN providing for the implementation of a DEAA credit of $0.20000 per therm applicable to southern Nevada customers and a credit of $0.25000 per therm applicable to northern Nevada customers effective July 1, 2025. The next quarterly adjustment (effective October 1) is to be calculated consistent with the statutory cap range. The projected PGA balance for southern Nevada at November 30, 2025 is anticipated to be an over-collection of approximately $206 million and in northern Nevada the balance is anticipated to be an over-collection of approximately $41 million at November 30, 2025. These amounts represent reductions from the existing June 30, 2025 over-collected balances of $229.4 million and $53.5 million for southern and northern Nevada, respectively. This modification is expected to impact near-term liquidity at Southwest Gas when compared to earlier projections over 2025-2026 while modestly reducing interest expense on a net basis.

California Jurisdiction

California General Rate Case. Southwest Gas filed its most recent general rate case in September 2024 related to a future test year (2026), originally proposing a statewide revenue increase of approximately $49 million. Southwest Gas later updated its request to $43.7 million through supplemental testimony, requesting a revised revenue increase of $36.6 million for the southern California rate jurisdiction, a decrease of $2.8 million for the northern California rate jurisdiction, and an increase of $9.8 million for the South Lake Tahoe rate jurisdiction. The request is based on a capital structure consisting of 50% long-term debt and 50% common equity with a requested return on common equity of 11.35%, a modest increase compared to the 11.16% currently authorized. A continuation of Southwest Gas' 2.75% PTY margin attrition adjustment for attrition years 2027 – 2030 is included, as well as continued use of the automatic trigger mechanism in lieu of annual cost of capital filings. Southwest Gas' filing also includes a risk-based decision-making framework, proposing the continuation of the targeted pipe replacement program, the meter protection program, and COYL Program, along with the addition of a new annual leak survey program, collectively, under the IRRAM umbrella. Authority to establish a damage prevention cost balancing account to record and recover (or return) certain costs associated with damage prevention expenses, specifically those related to line locating activities, was also requested. Consolidation of Southwest Gas' northern California and South Lake Tahoe rate jurisdictions into a single rate-making jurisdiction was also proposed. The Public Advocate's Office (Cal Advocates) filed direct testimony April 4, 2025 recommending a statewide revenue increase of approximately $26 million based on a capital structure consisting of 48% common equity and 52% long-term debt, as well as support for the continuation of the 2.75% PTY margin attrition adjustment as well as the automatic trigger mechanism. Cal Advocates also supported Southwest Gas' proposed infrastructure investments under the IRRAM, though the level of overall investment was slightly lower than the amount proposed by Southwest Gas. As a result of constructive settlement discussions, Southwest Gas and Cal Advocates successfully reached a partial settlement and have agreed to litigate the outstanding issues, limited to capital structure, return on equity and the resultant overall rate of return. The limited-issue hearing was held on July 29, 2025 with a final decision anticipated in the fourth quarter of 2025, and new rates expected to be effective in January 2026.

Attrition Filing. Following the 2021 implementation of rates approved as part of the previous general rate case, the continuation of annual PTY margin attrition increases of 2.75% began in January 2022. The most recent annual margin attrition increase was also inclusive of adjustments related to the amortization of EADIT. The cumulative impact resulted in an annual increase of $7.3 million effective January 2025 for Southwest Gas' combined southern California, northern California, and South Lake Tahoe rate jurisdictions. The PTY increase of $3.6 million associated with the North Lake Tahoe Lateral revenue requirement became effective February 1, 2025.

FERC Jurisdiction

General Rate Case. Great Basin, a wholly owned subsidiary of Southwest Gas, filed a notice of a change in rates (pursuant to applicable regulations) on March 6, 2024, requesting that rates for its natural gas service subject to the filing be made effective April 6, 2024. The FERC, however, suspended the case for a five-month period, which allowed rates to go into effect, subject to refund, on September 6, 2024. The filing included a request to continue a term-differentiated rate structure, which was adopted as part of Great Basin's previous general rate case, to provide an overall annual revenue increase of approximately $13 million, and a return on equity of 11.95% and a capital structure of 50% long-term debt and 50% common equity. A primary driver of the increase was approximately $99 million of capital investments, much of which was placed in service by the end of the August 31, 2024 test year. An all-party settlement was reached recommending approval of a $9.6 million revenue increase based on a 9.76% pretax rate of return. Rate base increased to approximately $191 million, a 41% increase over the previously authorized $135.5 million. The settlement was filed with the FERC for final consideration in December 2024, and a Letter

Order was issued in March 2025, approving the uncontested settlement. Since no party requested reconsideration, the Letter Order became effective April 2, 2025 and refund amounts in excess of the base tariff rates established in the settlement were issued timely.

2028 Expansion Project. In response to inquiries related to available capacity and changing market needs, Great Basin posted notice of a Binding Open Season for a 2028 system expansion. The Binding Open Season, initially scheduled from January 28, 2025 through April 30, 2025 to determine the level of interest of existing and potential shippers for new or additional firm transportation service, was extended through June 2025 to allow for consideration of alternative in-service date requests as part of the bids, and resulted in a potential incremental capacity of up to ~1.76 Bcf of demand per day.

PGA Filings

The rate schedules in all of Southwest Gas' service territories contain provisions that permit adjustment to rates as the cost of purchased gas changes. These deferred energy provisions and purchased gas adjustment clauses are collectively referred to as "PGA" clauses. Differences between gas costs recovered from customers and amounts paid for gas by Southwest Gas result in over- or under-collections. Balances are recovered from, or refunded to, customers on an ongoing basis with interest. As of June 30, 2025, over-collections in each of Southwest Gas' service territories resulted in a liability of approximately $349 million. The over-collected balances in the table below reflect the impacts related to specific recovery rates under existing mechanisms, which have exceeded the cost of recent gas supply purchases by Southwest Gas.

Filings to change rates in accordance with PGA clauses are subject to audit by state regulatory commission staffs. The operation of the mechanism in California is typically the most responsive to changes in gas supply costs, and maximum rate adjustments for the earlier build-up (positive or negative) apply to Nevada and Arizona; however, refer to the *PGA Modification* discussion above related to Arizona and the *DEAA Modification* in Nevada. PGA changes impact cash flows but have no direct impact on operating margin. However, gas cost deferrals and recoveries can impact comparisons between periods of individual consolidated income statement components. These include Regulated operations revenues, Net cost of gas sold, Net interest deductions, and Other income (deductions).

The following table presents Southwest Gas' outstanding PGA balances receivable/(payable):

(Thousands of dollars)	June 30, 2025	December 31, 2024	June 30, 2024
Arizona	$ (64,332)	$ (46,980)	$ 31,510
Nevada	(282,944)	(195,279)	(121,323)
California	(1,755)	13,937	8,267
	$ (349,031)	$ (228,322)	$ (81,546)

Capital Resources and Liquidity

Historically, cash on hand and cash flows from operations have provided a substantial portion of cash used in investing activities (primarily for construction expenditures and property additions). In recent years, Southwest Gas has undertaken substantial pipe replacement activities to fortify system integrity and reliability, including on an accelerated basis in association with certain gas infrastructure replacement programs. This activity has necessitated the issuance of both debt and equity securities to supplement cash flows from operations, before cash reserves built up at the utility in more recent periods, including from collections under the PGA mechanisms. Southwest Gas Holdings and Southwest Gas' capitalization strategy is to maintain an appropriate balance of equity and debt to preserve investment-grade credit ratings, which help minimize interest costs. Investment-grade credit ratings have been maintained by Southwest Gas Holdings and Southwest Gas. There have been no changes to Southwest Gas Holdings' or Southwest Gas' ratings by Standard & Poor's Ratings Services, Moody's Investors Service, or Fitch Ratings from those included in the Annual Report on Form 10-K for the year ended December 31, 2024, except that Fitch Ratings adjusted its Issuer ratings outlook for Southwest Gas Holdings' from Negative to Stable.

Cash Flows

Southwest Gas Holdings, Inc.:

Operating Cash Flows. Cash flows provided by consolidated operating activities decreased $432.7 million in the first six months of 2025 as compared to the same period of 2024. The decrease was primarily driven by the substantial reduction of collection of previously deferred purchased gas costs for Southwest Gas. Recovery rates were in place to collect the earlier build-up of PGA balances, which are collectively now in a liability position. The remaining difference reflects the impacts of changes in other components of working capital overall.

Investing Cash Flows. Cash flows used in investing activities decreased $29.9 million in the first six months of 2025 as compared to the same period of 2024. The decrease was driven by reduced outflows for construction expenditures and property additions in the first six months of 2025 compared to the same period of 2024, partially offset by a reduction in proceeds received from the sale of other property as compared to 2024.

Financing Cash Flows. Cash flows from consolidated financing activities decreased $99.0 million in the first six months of 2025 as compared to the same period of 2024. The decrease included a prepayment on Southwest Gas Holdings' term loan of $325.0 million and an approximately $95.0 million (net of borrowings) paydown on its revolving credit facility utilizing proceeds from the completion of the Company's secondary public offerings and private placement sales of the Company's Centuri stock of $448.7 million. Additionally, in 2024, net financing activities included Centuri's redemption of the remaining redeemable noncontrolling interest in Linetec for $92.0 million, as well as proceeds received from the Centuri IPO in 2024 of $330.3 million. The remaining difference was primarily due to lower borrowing activity in 2025 and increased repayments under Centuri's revolving credit and term loan facility.

Corporate and administrative expenses/outflows for Southwest Gas Holdings in the first six months of 2025 overall primarily include interest paid on outstanding borrowings.

The capital requirements and resources of the Company generally are determined independently for the individual business segments. Each business segment is generally responsible for securing its own debt financing sources. However, the holding company may raise funds through equity issuances or other external financing sources in support of each business segment.

Southwest Gas Corporation:

Operating Cash Flows. Cash flows provided by operating activities decreased approximately $492.4 million in the first six months of 2025 as compared to the same period of 2024 primarily attributable to the substantial reduction in collection of deferred purchased gas costs (as discussed above), in addition to reflecting cash flows from other working capital changes overall.

Investing Cash Flows. Cash used in investing activities decreased $21.8 million in the first six months of 2025 as compared to the same period of 2024. Outflows for capital expenditures decreased by $28.9 million between periods, partially offset by greater inflows from the sale of property in 2024 compared to 2025. See also *Natural Gas Distribution Segment Construction Expenditures, Debt Maturities, and Financing* below.

Financing Cash Flows. Net cash used in financing activities increased $11.2 million in the first six months of 2025 as compared to the same period of 2024, primarily due to an increase in dividends paid between periods.

Natural Gas Distribution Segment Construction Expenditures, Debt Maturities, and Financing

During the six-month period ended June 30, 2025, construction expenditures for the natural gas distribution segment were $362.5 million. These expenditures are associated with new construction and other general plant additions, in addition to the replacement of existing transmission and distribution pipeline facilities to fortify system integrity and reliability.

Management estimates natural gas segment construction expenditures during the three-year period ending December 31, 2027 will be approximately $2.6 billion. Of this amount, approximately $880.2 million is expected to be incurred during calendar year 2025. Southwest Gas plans to continue to request regulatory support to undertake projects, or to accelerate projects as necessary for the improvement of system flexibility and reliability, or to expand, where relevant, to unserved or underserved areas. Southwest Gas may expand existing, or initiate new, programs. Significant replacement activities are expected to continue well beyond the next few years. See also *Rates and Regulatory Proceedings*. During that same three-year period, cash flows from operating activities of Southwest Gas are expected to provide approximately 74% of the funding for gas operations of Southwest Gas and total construction expenditures and dividend requirements. Any additional cash requirements, including construction-related, and any paydown or refinancing of debt, are expected to be provided by existing credit facilities, parent equity contributions, and/or other external financing sources. The timing, types, and amounts of additional external financings will be dependent on a number of factors, including the cost of gas purchases, conditions in capital markets, timing and amount of rate relief, timing and amount of surcharge collections from, or amounts returned to, customers related to regulatory mechanisms and programs, maturities of long-term debt instruments, as well as growth levels in Southwest Gas' service areas and earnings. External financings may include the issuance of debt securities, bank and other short-term borrowings, and other forms of financing. Southwest Gas has $75.0 million of long-term debt maturing in 2026, but no debt maturities in 2025.

Dividend Policy

Dividends are payable on the Company's common stock at the discretion of the Board. In setting the dividend rate, the Board considers, among other factors, current and expected future earnings levels, our ongoing capital expenditure plans, expected external funding needs, our payout ratio, and our ability to maintain investment-grade credit ratings and liquidity. The Company has paid dividends on its common stock since 1956. In February 2025, the Board determined to maintain the quarterly dividend at $0.62 per share, effective with the June 2025 payment. Although no assurances can be provided on our future dividend payments, the Board currently intends to reevaluate the dividend upon the completion of the Centuri separation, and it is anticipated that we will pay a dividend at a level consistent with industry peers.

Liquidity

Several factors (some of which are out of the control of the Company) that could significantly affect liquidity in the future include: activities from the planned separation of Centuri, variability of natural gas prices, changes in ratemaking policies of regulatory commissions, regulatory lag, customer growth in the natural gas distribution segment, the ability to access and obtain capital from external sources, interest rates, income tax laws and changes thereto, pension funding requirements, inflation, and the level of earnings. Natural gas prices and related gas cost recovery rates, as well as plant investment, have historically had the most significant impact on liquidity.

On an interim basis, Southwest Gas defers over- or under-collections of gas costs to PGA balancing accounts. In addition, Southwest Gas uses this mechanism to either refund amounts over-collected or recoup amounts under-collected as compared to the price paid for natural gas during the period since the last PGA rate change went into effect. At June 30, 2025, the PGA balance was an over-collection of $349.0 million and Southwest Gas' substantial cash balance of $323.0 million will be used to provide refunds to customers over future periods along with its credit facilities. See **PGA Filings** for more information.

Southwest Gas Holdings entered into a new $300 million revolving credit agreement that matures in August 2029, replacing Southwest Gas Holdings' existing $300 million credit facility that was set to expire in December 2026. This facility is intended for short-term financing needs. At June 30, 2025, $35.0 million was outstanding under this facility.

In August 2024, Southwest Gas Holdings entered into a $550 million term loan that had been set to mature in July 2025. In June 2025, Southwest Gas Holdings entered into a second amended and restated term loan credit agreement, extending the maturity date to June 2026. In addition, prior to the execution of the amendment, Southwest Gas Holdings prepaid a portion of the indebtedness, decreasing the balance from $550 million to $225 million at June 30, 2025.

Southwest Gas has a revolving credit facility with a borrowing capacity of $400 million, which is set to expire in August 2029. Southwest Gas designates $150 million of capacity under the facility for long-term borrowing needs and the remaining $250 million for working capital purposes. In June 2025, Southwest Gas amended this revolving credit agreement, which among other things, added a swingline loan sub-facility in an aggregate principal amount at any time outstanding not to exceed $30 million. There was no activity on either the long-term or short-term portions of the existing facility during the six-month period ending June 30, 2025. Additionally, at June 30, 2025, no borrowings were outstanding on either the long-term or short-term portions of the existing facility. The credit facility can be used as necessary to meet liquidity requirements, including temporarily financing under-collected PGA balances, or meeting the refund needs of over-collected balances. The credit facility in place has generally been adequate for Southwest Gas' working capital needs outside of funds raised through operations and other types of external financing. Any additional cash requirements could include utilization of the credit facility, equity contributions from the Company, and/or other external financing sources.

Southwest Gas has a $50 million commercial paper program. Any issuance under the commercial paper program is supported by Southwest Gas' revolving credit facility and, therefore, does not represent additional borrowing capacity. Any borrowing under the commercial paper program is designated as long-term debt. Interest rates for the commercial paper program are calculated at the current commercial paper rate during the borrowing term. At June 30, 2025, there were no borrowings outstanding under this program.

Centuri had a $1.545 billion secured revolving credit and term loan multi-currency facility. The capacity of the line of credit was $400 million, with related amounts borrowed and repaid being generally available to be re-borrowed; the term loan facility had a limit of $1.145 billion. The term loan facility was set to expire on August 27, 2028 and the revolving credit facility was set to expire on August 27, 2026. In July 2025, Centuri amended its second amended and restated credit agreement, which among other things, updated the change in control provision to permit Southwest Gas Holdings to dispose of its ownership in Centuri below 51% without triggering an event of default, refinanced and replaced in full the existing term loan facility with an $800 million term loan facility with a maturity date of July 9, 2032, $93.6 million of which is comprised of new term loans used to refinance existing indebtedness and $706.4 million of which was used to refinance existing term loans. In addition, the senior secured revolving credit facility increased from $400 million to $450 million, and extended the maturity date of the senior secured revolving credit facility from August 27, 2026 to July 9, 2030. This multi-currency facility allows the borrower to request loan advances in either Canadian or U.S. dollars. The obligations under the credit agreement are secured by present and future ownership interests in substantially all direct and indirect subsidiaries of Centuri, substantially all of the tangible and intangible personal property of each borrower, certain of their direct and indirect subsidiaries, and all products, profits, and proceeds of the foregoing. Centuri assets securing the facility at June 30, 2025 totaled $2.4 billion. The maximum amount outstanding on the combined facility during the first six months of 2025 was $878.6 million. As of June 30, 2025, $172.2 million was outstanding on the revolving credit facility, in addition to $706.4 million that was outstanding on the term loan portion of the facility. Also at June 30, 2025, there was approximately $171.4 million, net of letters of credit, available for borrowing under the line of credit.

In April 2024, Centuri successfully completed the Centuri IPO. In May 2025, and again in June 2025, the Company and Centuri completed secondary public offerings of Centuri common stock owned by the Company. The Company also completed a private placement of Centuri stock owned by the Company as part of the May 2025 transaction. As of June 30, 2025, the Company owned approximately 53.3% of the outstanding shares of Centuri common stock. In July 2025, the Company closed on an additional private placement offering, resulting in the Company owning 52.1% of Centuri. The Company intends to fully dispose of its ownership in Centuri in one or more disposition transactions, including by way of sales of its shares of Centuri common stock, one or more exchange offers for Company shares, or any combination thereof.

Critical Accounting Policies and Estimates

As of June 30, 2025, there have been no significant changes with regard to the critical accounting policies and estimates disclosed in the MD&A in the Companies' Annual Report on Form 10-K for the year ended December 31, 2024.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

See **Item 7A. Quantitative and Qualitative Disclosures about Market Risk** in the 2024 Annual Report on Form 10-K filed with the SEC. No material changes have occurred related to the disclosures about market risk since December 31, 2024.

ITEM 4. CONTROLS AND PROCEDURES

Management of Southwest Gas Holdings, Inc. and Southwest Gas has established disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) that are designed to provide reasonable assurance that information required to be disclosed in their respective reports filed or submitted under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms and to provide reasonable assurance that such information is accumulated and communicated to management of each company, including each respective Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosures. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and benefits of controls must be considered relative to their costs. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or management override of the control. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and may not be detected.

Based on the most recent evaluation, as of June 30, 2025, management of Southwest Gas Holdings, Inc. and Southwest Gas, including the Chief Executive Officer and Chief Financial Officer, believes the Company's and Southwest Gas' disclosure controls and procedures are effective at attaining the level of reasonable assurance noted above.

There have been no changes in the Company's or Southwest Gas' internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) during the second quarter of 2025 that have materially affected, or are likely to materially affect the Company's internal control over financial reporting.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

The Company and Southwest Gas are named as defendants in various legal proceedings. The ultimate dispositions of these proceedings are not presently determinable; however, it is the opinion of management that none of these legal proceedings individually or in the aggregate will have a material adverse impact on the Company's or Southwest Gas' financial position or results of operations.

ITEM 1A. As of June 30, 2025, there have been no material changes to the risk factors previously disclosed in response to "Part I - Item1A. 'Risk Factors'" in our Annual Report on Form 10-K for the year ended December 31, 2024.

ITEM 2 through 3. None.

ITEM 4. MINE SAFETY DISCLOSURES Not applicable.

ITEM 5. OTHER INFORMATION

ITEM 5(a) and 5(b). None.

ITEM 5(c). During the fiscal quarter ended June 30, 2025, none of our directors or Section 16 officers adopted or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as those terms are defined in Regulation S-K, Item 408.

ITEM 6. EXHIBITS

The following documents are filed, or furnished, as applicable, as part of this report on Form 10-Q:

Exhibit 10.1	Common Stock Purchase Agreement, dated as of May 19, 2025, by and among Southwest Gas Holdings, Inc., Icahn Partners LP and Icahn Partners Master Fund LP. Incorporated by reference to Exhibit 10.2 to Form 8-K dated May 22, 2025. File No. 001-37976.
Exhibit 10.2	Common Stock Purchase Agreement, dated as of June 13, 2025, by and among Southwest Gas Holdings, Inc., Icahn Partners LP and Icahn Partners Master Fund LP. Incorporated by reference to Exhibit 10.2 to Form 8-K dated June 18, 2025. File No. 001-37976.
Exhibit 10.3	Second Amended and Restated Term Loan Credit Agreement, dated as of June 27, 2025, by and among Southwest Gas Holdings, Inc., the lenders party thereto, JPMorgan Chase Bank, N.A., as Administrative Agent, JPMorgan Chase Bank, N.A., BofA Securities, Inc., Wells Fargo Securities, LLC and U.S. Bank National Association as Joint Lead Arrangers and Joint Bookrunners, Bank of America, N.A. as Syndication Agent, and Wells Fargo Bank, N.A. and U.S. Bank National Association as Co-Documentation Agents. Incorporated by reference to Exhibit 10.1 to Form 8-K dated July 2, 2025. File No. 001-37976.
Exhibit 10.4	Revolving Credit Agreement, dated as of June 27, 2025, by and among Southwest Gas Holdings, Inc., the lenders party thereto, JPMorgan Chase Bank, N.A. as Administrative Agent and Swingline Lender, Bank of America, N.A. and Wells Fargo Bank, National Association as Co-Syndication Agents, U.S. Bank National Association, MUFG Bank, Ltd., The Toronto-Dominion Bank, New York Branch, Keybank National Association and Mizuho Bank, Ltd. as Co-Documentation Agents, and JPMorgan Chase Bank, N.A., BofA Securities, Inc. and Wells Fargo Securities, LLC as Joint Lead Arrangers and Joint Bookrunners. Incorporated by reference to Exhibit 10.2 to Form 8-K dated July 2, 2025. File No. 001-37976.
Exhibit 10.5	First Amendment to Credit Agreement, dated as of June 27, 2025, to the Revolving Credit Agreement, dated as of August 1, 2024, by and among Southwest Gas Corporation, the lenders party thereto, and Bank of America, N.A., as Administrative Agent and Swingline Lender. Incorporated by reference to Exhibit 10.1 to Form 8-K dated July 2, 2025. File No. 001-37976 and 001-07850.
Exhibit 31.01#	Section 302 Certifications–Southwest Gas Holdings, Inc.
Exhibit 31.02#	Section 302 Certifications–Southwest Gas Corporation
Exhibit 32.01#	Section 906 Certifications–Southwest Gas Holdings, Inc.
Exhibit 32.02#	Section 906 Certifications–Southwest Gas Corporation
Exhibit 101#	The following materials from the Quarterly Report on Form 10-Q of Southwest Gas Holdings, Inc. and Southwest Gas Corporation for the quarter ended June 30, 2025, were formatted in Inline XBRL (Extensible Business Reporting Language): (1) Southwest Gas Holdings, Inc. and Subsidiaries Condensed Consolidated Balance Sheets, (ii) Southwest Gas Holdings, Inc. and Subsidiaries Condensed Consolidated Statements of Income, (iii) Southwest Gas Holdings, Inc. and Subsidiaries Condensed Consolidated Statements of Comprehensive Income, (iv) Southwest Gas Holdings, Inc. and Subsidiaries Condensed Consolidated Statements of Cash Flows, (v) Southwest Gas Holdings, Inc. and Subsidiaries Condensed Consolidated Statements of Equity, (vi) Southwest Gas Corporation and Subsidiaries Condensed Consolidated Balance Sheets, (vii) Southwest Gas Corporation and Subsidiaries Condensed Consolidated Statements of Income, (viii) Southwest Gas Corporation and Subsidiaries Condensed Consolidated Statements of Comprehensive Income, (ix) Southwest Gas Corporation and Subsidiaries Condensed Consolidated Statements of Cash Flows, (x) Southwest Gas Corporation and Subsidiaries Condensed Consolidated Statements of Equity. The instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
104#	Cover Page Interactive Data File (embedded within the Inline XBRL document).

Filed herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Southwest Gas Holdings, Inc.
(Registrant)

Dated: August 6, 2025

/s/ FABIO A. PINEDA
Fabio A. Pineda
Vice President/Controller and Chief Accounting Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Southwest Gas Corporation
(Registrant)

Dated: August 6, 2025

/s/ FABIO A. PINEDA
Fabio A. Pineda
Vice President/Controller and Chief Accounting Officer

Exhibit 31.01

Certification of Southwest Gas Holdings, Inc.

I, Karen S. Haller, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Southwest Gas Holdings, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: August 6, 2025

/s/ KAREN S. HALLER
Karen S. Haller
President and Chief Executive Officer
Southwest Gas Holdings, Inc.

Certification of Southwest Gas Holdings, Inc.

I, Robert J. Stefani, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Southwest Gas Holdings, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: August 6, 2025

/s/ ROBERT J. STEFANI

Robert J. Stefani
Senior Vice President/Chief Financial Officer
Southwest Gas Holdings, Inc.

Exhibit 31.02

Certification of Southwest Gas Corporation

I, Karen S. Haller, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Southwest Gas Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: August 6, 2025

/s/ KAREN S. HALLER

Karen S. Haller
Chief Executive Officer
Southwest Gas Corporation

Certification of Southwest Gas Corporation

I, Robert J. Stefani, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Southwest Gas Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: August 6, 2025

/s/ ROBERT J. STEFANI

Robert J. Stefani
Senior Vice President/Chief Financial Officer
Southwest Gas Corporation

Exhibit 32.01

SOUTHWEST GAS HOLDINGS, INC.

CERTIFICATION

In connection with the periodic report of Southwest Gas Holdings, Inc. (the “Company”) on Form 10-Q for the period ended June 30, 2025 as filed with the Securities and Exchange Commission (the “Report”), I, Karen S. Haller, the President and Chief Executive Officer of the Company, hereby certify as of the date hereof, solely for purposes of Title 18, Chapter 63, Section 1350 of the United States Code, that to the best of my knowledge:

(1) the Report fully complies with the requirements of section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company at the dates and for the periods indicated.

This Certification has not been, and shall not be deemed, “filed” with the Securities and Exchange Commission.

Dated: August 6, 2025

/s/ Karen S. Haller

Karen S. Haller
President and Chief Executive Officer

SOUTHWEST GAS HOLDINGS, INC.

CERTIFICATION

In connection with the periodic report of Southwest Gas Holdings, Inc. (the “Company”) on Form 10-Q for the period ended June 30, 2025 as filed with the Securities and Exchange Commission (the “Report”), I, Robert J. Stefani, Senior Vice President/Chief Financial Officer of the Company, hereby certify as of the date hereof, solely for purposes of Title 18, Chapter 63, Section 1350 of the United States Code, that to the best of my knowledge:

(1) the Report fully complies with the requirements of section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company at the dates and for the periods indicated.

This Certification has not been, and shall not be deemed, “filed” with the Securities and Exchange Commission.

Dated: August 6, 2025

/s/ Robert J. Stefani

Robert J. Stefani
Senior Vice President/Chief Financial Officer

Exhibit 32.02

SOUTHWEST GAS CORPORATION

CERTIFICATION

In connection with the periodic report of Southwest Gas Corporation on Form 10-Q for the period ended June 30, 2025 as filed with the Securities and Exchange Commission (the "Report"), I, Karen S. Haller, the Chief Executive Officer of Southwest Gas Corporation, hereby certify as of the date hereof, solely for purposes of Title 18, Chapter 63, Section 1350 of the United States Code, that to the best of my knowledge:

(1) the Report fully complies with the requirements of section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Southwest Gas Corporation at the dates and for the periods indicated.

This Certification has not been, and shall not be deemed, "filed" with the Securities and Exchange Commission.

Dated: August 6, 2025

/s/ Karen S. Haller

Karen S. Haller
Chief Executive Officer

SOUTHWEST GAS CORPORATION

CERTIFICATION

In connection with the periodic report of Southwest Gas Corporation on Form 10-Q for the period ended June 30, 2025 as filed with the Securities and Exchange Commission (the "Report"), I, Robert J. Stefani, Senior Vice President/Chief Financial Officer of Southwest Gas Corporation, hereby certify as of the date hereof, solely for purposes of Title 18, Chapter 63, Section 1350 of the United States Code, that to the best of my knowledge:

(1) the Report fully complies with the requirements of section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Southwest Gas Corporation at the dates and for the periods indicated.

This Certification has not been, and shall not be deemed, "filed" with the Securities and Exchange Commission.

Dated: August 6, 2025

/s/ Robert J. Stefani

Robert J. Stefani
Senior Vice President/Chief Financial Officer