



Stifel Cross Sector Insight Conference

June 4, 2024

We build and service the infrastructure that enables our economy to run, our people to move, and our country to grow.

DISCLOSURE: Forward-Looking Statements

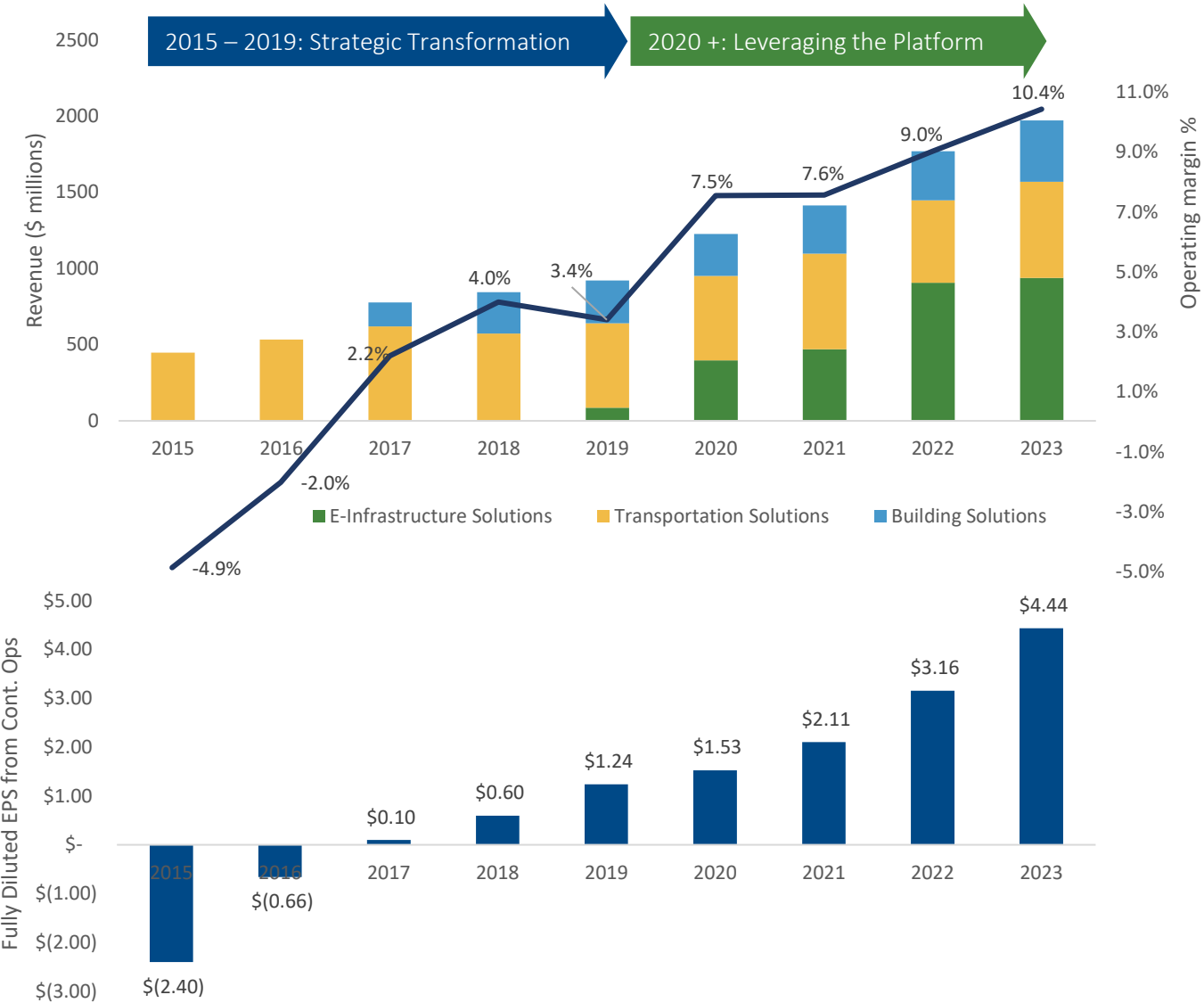
This presentation contains, and the officers and directors of the Company may from time to time make, statements that are considered forward-looking statements within the meaning of the Securities Act of 1933 and the Securities Exchange Act of 1934. These forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond our control, which may include statements about: our business strategy; our financial strategy; our industry outlook; our guidance; our expected margin growth; and our plans, objectives, expectations, forecasts, outlook and intentions. All of these types of statements, other than statements of historical fact included in this presentation, are forward-looking statements. In some cases, forward-looking statements can be identified by terminology such as "may," "will," "could," "should," "expect," "plan," "project," "intend," "anticipate," "believe," "estimate," "predict," "potential," "pursue," "target," "guidance," "continue," the negative of such terms or other comparable terminology. The forward-looking statements contained in this presentation are largely based on our expectations, which reflect estimates and assumptions made by our management. These estimates and assumptions reflect our best judgment based on currently known market conditions and other factors. Although we believe such estimates and assumptions to be reasonable, they are inherently uncertain and involve a number of risks and uncertainties that are beyond our control. In addition, management's assumptions about future events may prove to be inaccurate. Management cautions all readers that the forward-looking statements contained in this presentation are not guarantees of future performance, and we cannot assure any reader that such statements will be realized or the forward-looking events and circumstances will occur. Actual results may differ materially from those anticipated or implied in the forward-looking statements due to factors listed in the "Risk Factors" section in our filings with the U.S. Securities and Exchange Commission and elsewhere in those filings. Additional factors or risks that we currently deem immaterial, that are not presently known to us or that arise in the future could also cause our actual results to differ materially from our expected results. Given these uncertainties, investors are cautioned that many of the assumptions upon which our forward-looking statements are based are likely to change after the date the forward-looking statements are made. The forward-looking statements speak only as of the date made, and we undertake no obligation to publicly update or revise any forward-looking statements for any reason, whether as a result of new information, future events or developments, changed circumstances, or otherwise, notwithstanding any changes in our assumptions, changes in business plans, actual experience or other changes. These cautionary statements qualify all forward-looking statements attributable to us or persons acting on our behalf.

This presentation may contain the financial measures: adjusted net income, EBITDA, adjusted EBITDA, and adjusted EPS, which are not calculated in accordance with U.S. GAAP. If presented, a reconciliation of the non-GAAP financial measures to the most directly comparable GAAP financial measure will be provided in the Appendix to this presentation.

Sterling at a Glance



Transformation Built the Foundation for Success



**Revenue CAGR
2019-2023: +21%**

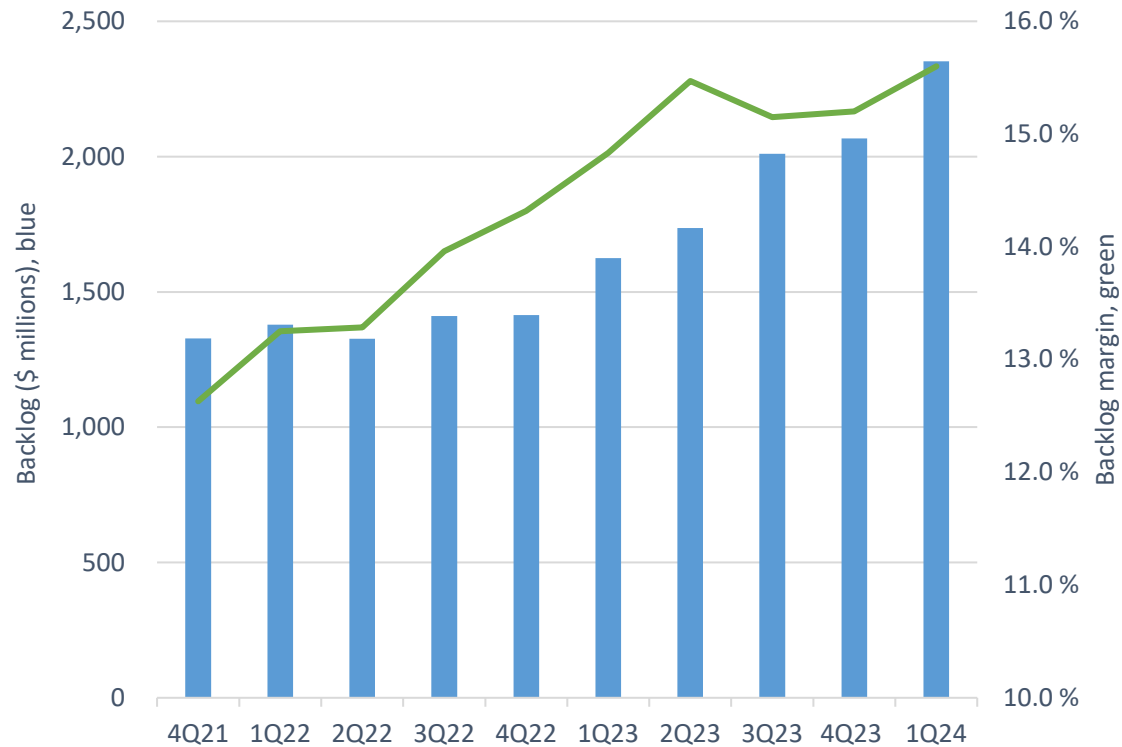
**EPS CAGR
2019-2023: +38%**



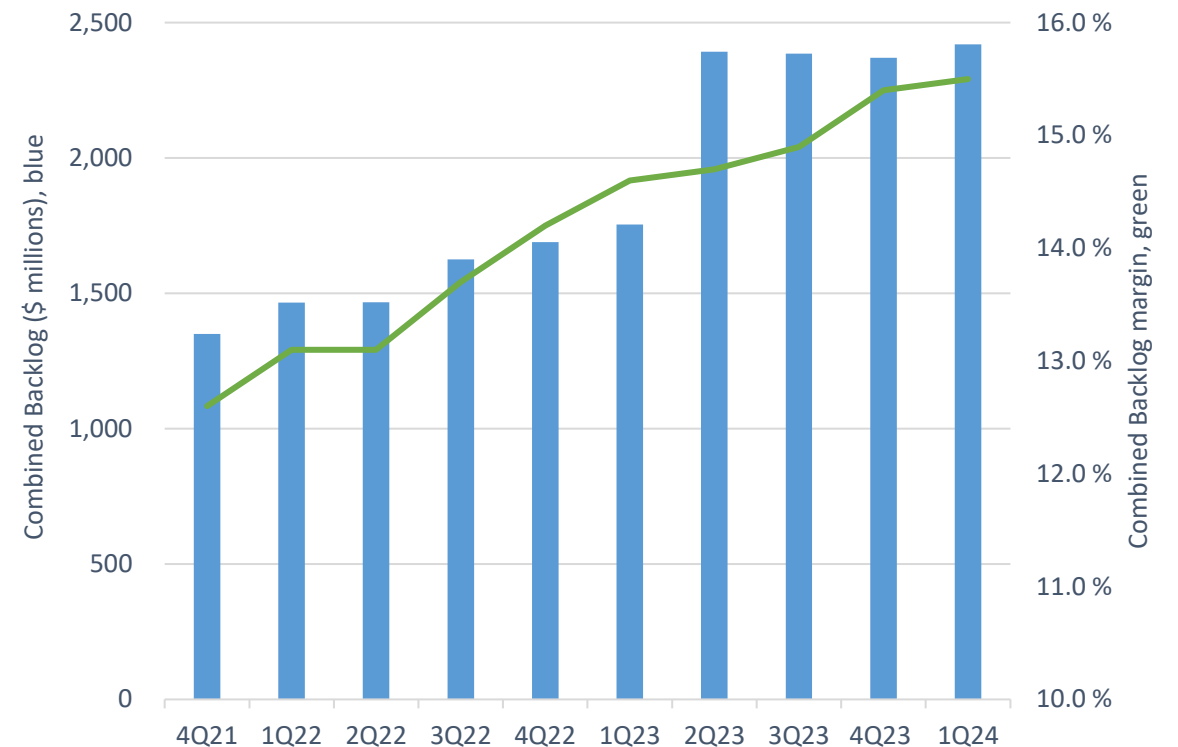
Backlog^(1,2) Trends

Support Continued Margin Expansion

Ending Total Backlog



Ending Combined Backlog



E-Infrastructure Solutions

Largest, highest-margin segment



E-Infrastructure Solutions data center project

What We Do: Leading provider of large-scale specialty site infrastructure improvement contracting services, including site selection and preparation, in the Southeastern, Northeastern and Mid-Atlantic U.S.

2023 Financial Metrics

- + Revenue: \$937 million
- + Operating Margin: 15.0%

Markets

- + Data Centers
- + Next Generation Manufacturing
- + E-Commerce Distribution Centers
- + Warehousing

Key Customers

- + Hyundai/SK
- + Meta
- + Amazon
- + Walmart

Drivers

- + Strong demand for data centers
- + Megaprojects for EV, batteries, solar, semiconductors, other.
- + Reshoring of manufacturing capacity
- + E-Commerce distribution center and small warehouses showing early signs of activity
- + 1Q24 backlog up 31.5% relative to the prior-year period.

Transportation Solutions

Improved bid discipline and reduced risk



Transportation Solutions Wildlife Crossing Bridge project

What We Do: Infrastructure and rehabilitation projects for highways, roads, bridges, airports, ports, light rail and storm drainage systems in the Rocky Mountain states and Texas.

2023 Financial Metrics

- + Revenue: \$631 million
- + Operating Margin: 6.6%

Markets

- + Low-bid Heavy Highway
- + Alternative FD
- + Aviation
- + Rail

Primary Geographies

- + Arizona
- + Colorado
- + Hawaii
- + Nevada
- + Texas
- + Utah

Drivers

- + Strong state and local funding
- + Infrastructure Bill allocates \$643B for transportation programs (\$284B incremental), \$25B for airports over 5 years
- + Over \$185B in IIJA funding for 7,000+ transportation projects announced in 2022
- + 1Q24 backlog up 64% relative to the prior year period.

Building Solutions

Low Risk, Low CAPEX, Fast cash cycles



Building Solutions Dallas area large subdivision project for leading builder

What We Do: Residential and Commercial concrete slabs in the Dallas/ Fort Worth, Houston, and Phoenix markets. Plumbing capabilities (rough in, top outs, fixtures in DFW)

2023 Financial Metrics

- + Revenue: \$404 million
- + Operating margin: 11.4%

Markets

- + Dallas/ Fort Worth
- + Houston
- + Phoenix

Customers

Leading National Home Builders, including but not limited to

- + Pulte
- + D.R. Horton
- + Lennar
- + HistoryMaker

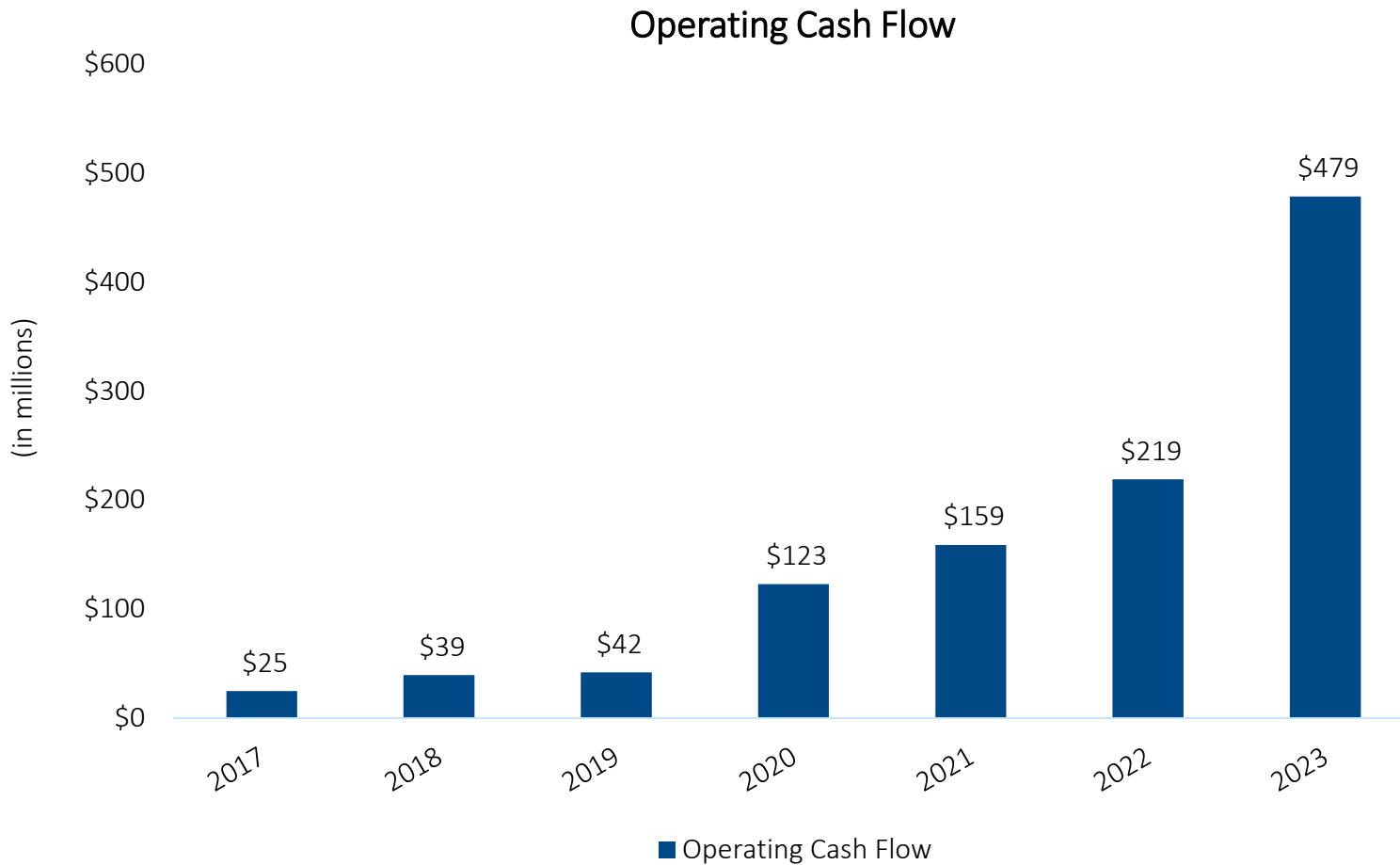
Drivers

- + Demand for single-family homes in the Dallas, Houston, and Phoenix markets
- + Share gain in the Houston and Phoenix markets
- + Plumbing demand and cross-selling capabilities
- + Favorable mix shift

Financial Overview

Cash Flow

Strong cash flow profile provides flexibility and supports growth investments



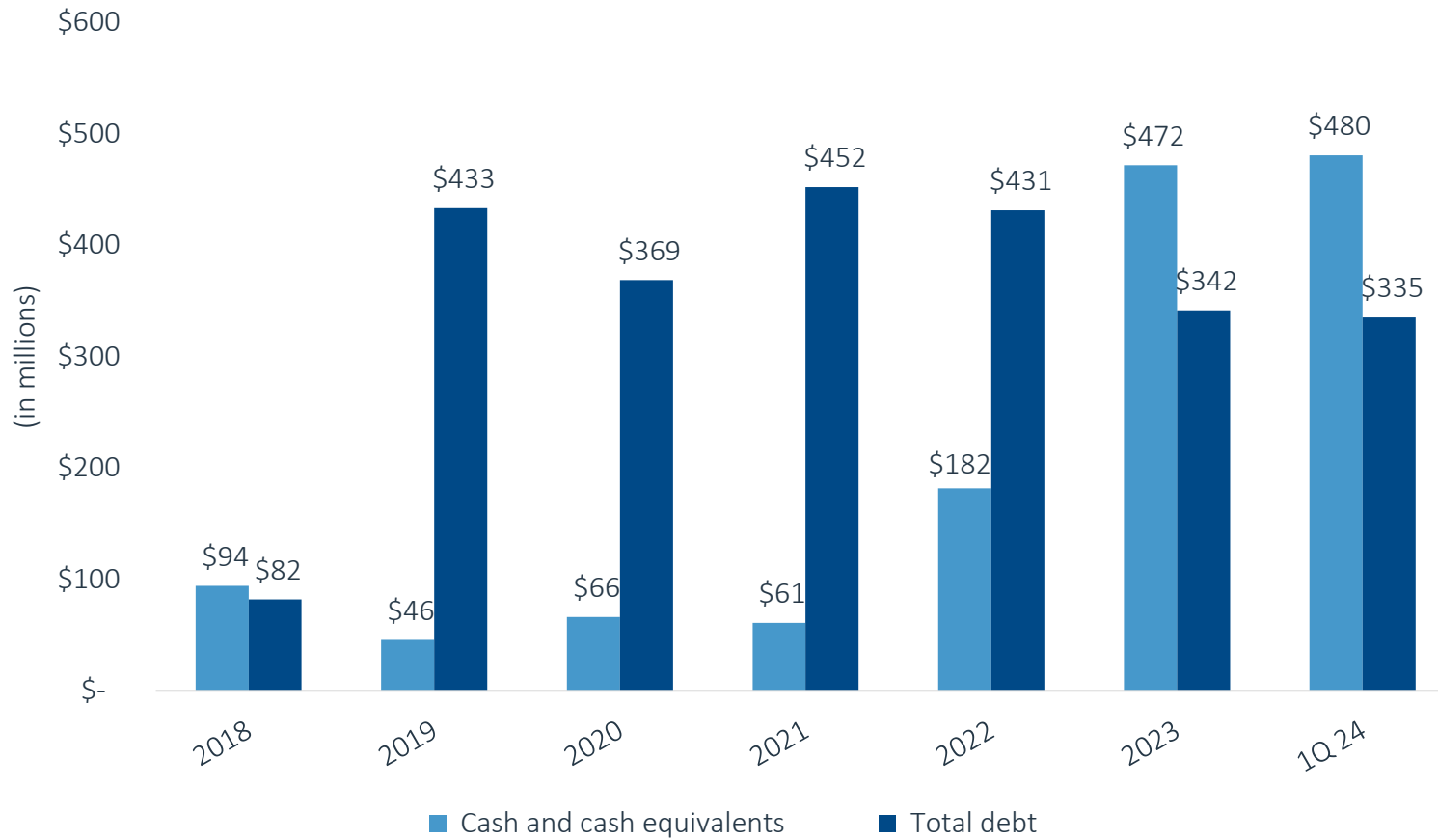
Considerations:

- In recent quarters, cash flow has benefited from the timing of cash payments on large projects in E-Infrastructure and Transportation Solutions.
- Over the long-term, we expect that operating cash flow will approximate operating income.

Balance Sheet

Significant firepower to support future growth

Total Debt and Cash Positions⁽¹⁾



Considerations:

- We expect to pursue strategic uses of our liquidity, including acquisitions, investing in capital equipment and managing leverage.
- Sterling is comfortable with a forward-looking debt/EBITDA coverage ratio of +/- 2.5X.
- 5-Year Credit Facility as of March 31, 2024:
 - \$337M Term Loan Borrowings
 - \$75M Revolving Credit Facility (Undrawn)
- Net cash position as of March 31, 2024:
 - \$145 million, or \$4.66 per diluted share.

Capital Allocation Priorities

Support organic growth in existing and new markets

- + Capital expenditures support multi-year growth, weighted toward E-Infrastructure Solutions

Strategic M&A – “Bolt on” and/ or 4th Leg Opportunities

- + “Bolt-ons”: Continue to evaluate small-to-mid sized acquisition opportunities that compliment our current service offerings and customer base.
- + 4th Leg opportunities: Adjacent market opportunities with exposure to strong, multi-year infrastructure investment trends and/or a recurring revenue element
- + Seeking margin-accretive deals with attractive end market exposures at a reasonable price.

Share Repurchase Program

- + \$200 million authorization
- + Taking an opportunistic approach to repurchase



Full Year 2024 Guidance

Revenue of \$2.125 to \$2.215 billion

Net Income of \$160 to \$170 million

EPS of \$5.00 to \$5.30

EBITDA⁽¹⁾ of \$285 to \$300 million

“We believe we are tracking toward the high end of our guidance, which would represent 12% revenue growth, 23% net income growth and 16% EBITDA growth”

- Joe Cutillo, STRL 1Q24 Conference Call

Summary

Successful strategic transformation

Strong, multi-year, secular growth drivers

Continued opportunity for margin expansion

Robust balance sheet, FCF

Strong historical stock performance

Appendix



2024 Modeling Considerations⁽¹⁾

Revenue	\$2,125 to \$2,215
Gross Margin	~17.5%
G&A Expense as % of Revenue (Excluding Intangible Amortization)	~5%
Intangible Amortization	\$17
Other Operating Expense Net	\$17 to \$19
JV Non-Controlling Interest Expense	~\$10
Effective Income Tax Rate	~25%
Net Income	\$160 to \$170
Diluted EPS	\$5.00 to \$5.30
Expected Dilutive Shares Outstanding	32.0
EBITDA ⁽²⁾	\$285 to \$300

(1) In millions except for EPS and percentages.

(2) See EBITDA guidance reconciliation on page 20.

2024 Modeling Considerations Continued*

Non-Cash Items	FY 2024 Expectations	FY 2023
Depreciation	\$48 to \$49	\$42.2
Intangible Amortization	\$17	\$15.2
Debt Issuance Cost Amortization	\$1 to \$2	\$2.0
Stock-based Compensation	\$14 to \$16	\$12.6
Deferred Taxes	\$15 to \$17	\$14.7

Other Cash Flow Items	FY 2024 Expectations	FY 2023
Interest expense, net of interest income	\$3 to \$4	\$15.2
CAPEX, net of disposals	\$55 to \$60	\$50.6

Quarterly Consolidated and Segment Results

(\$ in millions)	Q1 2024	Q1 2023
Revenues	\$ 440.4	\$ 403.6
Gross Profit	76.9	61.7
G&A Expense	(27.3)	(23.3)
Intangible Amortization	(4.3)	(3.7)
Acquisition Related Costs	—	(0.2)
Other Operating Expense, Net	(3.1)	(1.9)
Operating Income	42.1	32.6
Interest, Net	(0.8)	(5.6)
Income Tax Expense	(7.6)	(7.0)
Less: Net Income Attributable to NCI	(2.7)	(0.4)
Net income	\$ 31.0	\$ 19.6
Diluted EPS	\$ 1.00	\$ 0.64
EBITDA ⁽¹⁾	\$ 55.7	\$ 45.9

(\$ in millions)	Q1 2024	Q1 2023
E-Infrastructure Solutions		
Revenue	\$ 184.5	\$ 205.8
Operating Income	\$ 27.2	\$ 24.3
Operating Margin	14.7 %	11.8 %
Transportation Solutions		
Revenue	\$ 149.0	\$ 111.1
Operating Income	\$ 8.1	\$ 5.3
Operating Margin	5.5 %	4.8 %
Building Solutions		
Revenue	\$ 106.9	\$ 86.6
Operating Income	\$ 14.8	\$ 8.7
Operating Margin	13.8 %	10.0 %



STERLING INFRASTRUCTURE, INC. & SUBSIDIARIES
EBITDA RECONCILIATION
(In thousands)
(Unaudited)

	Three Months Ended March 31,	
	2024	2023
Net income attributable to Sterling common stockholders	\$ 31,048	\$ 19,649
Depreciation and amortization	16,258	13,692
Interest expense, net of interest income	762	5,554
Income tax expense	7,604	7,033
EBITDA ⁽¹⁾	<u>55,672</u>	<u>45,928</u>
Acquisition related costs	36	190
Adjusted EBITDA ⁽²⁾	<u>\$ 55,708</u>	<u>\$ 46,118</u>

(1) The Company defines EBITDA as GAAP net income attributable to Sterling common stockholders adjusted for depreciation and amortization, net interest expense and taxes.

(2) The Company defines adjusted EBITDA as EBITDA excluding the impact of acquisition related costs.



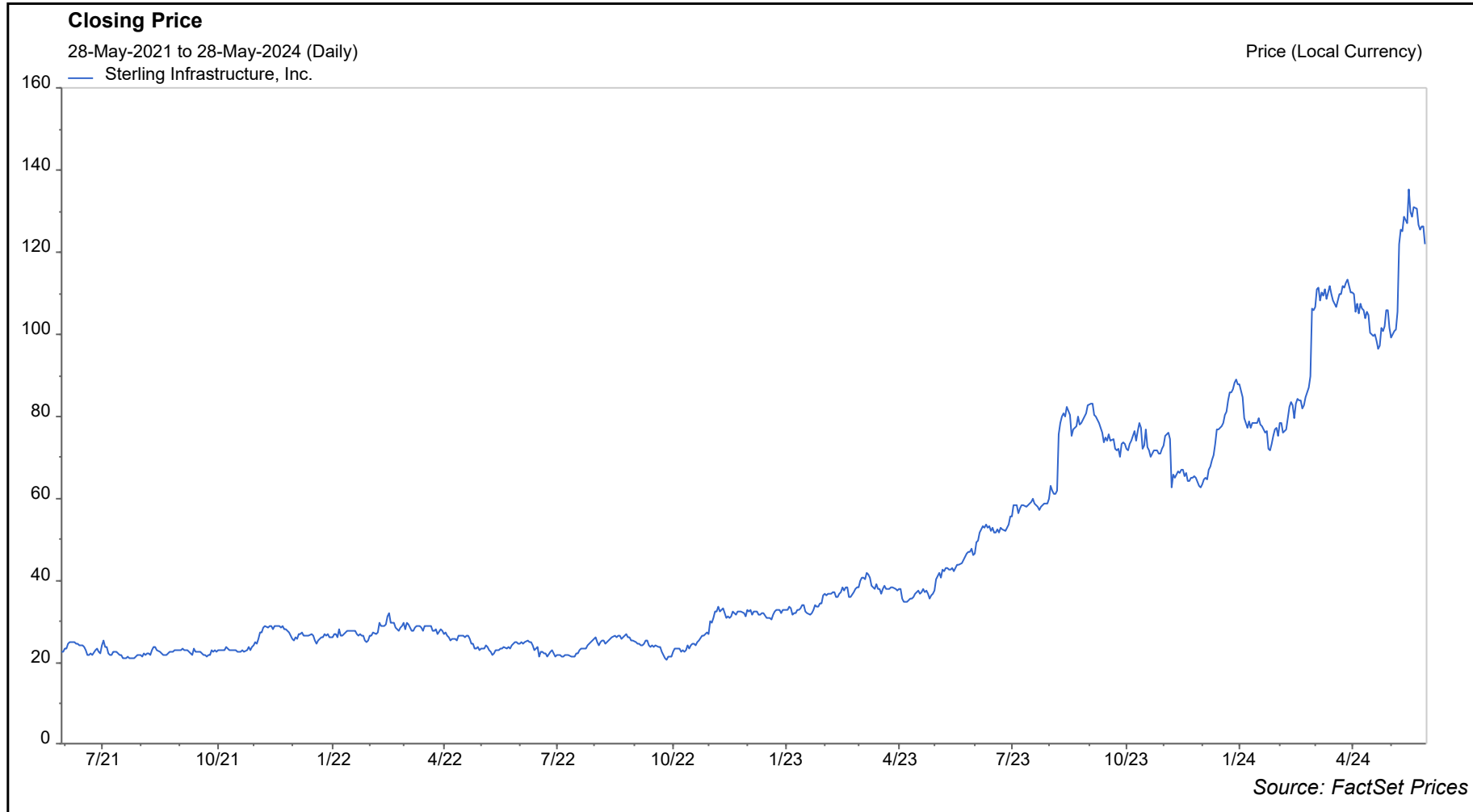
STERLING INFRASTRUCTURE, INC. & SUBSIDIARIES

EBITDA GUIDANCE RECONCILIATION

(In millions)
(Unaudited)

	Full Year 2024 Guidance	
	Low	High
Net income attributable to Sterling common stockholders	\$ 160	\$ 170
Depreciation and amortization	65	66
Interest expense, net of interest income	3	4
Income tax expense	57	60
EBITDA ⁽¹⁾	<u>\$ 285</u>	<u>\$ 300</u>

STRL 3-Year Stock Price Performance



Sustainability

From strategy to operations, we are committed to sustainability by operating responsibly to safeguard and improve society's quality of life.

Protecting Our Environment

- + Sound governance
- + Environmentally responsible construction services and solutions for today and tomorrow

Taking Care of Our People

- + Sterling's safety rating consistently ranks 10X better than the industry average
- + Employee Wellness programs through extensive benefit offerings
- + Training & Development programs, including the new focused training through Sterling Academy
- + Caring for our communities and supporting organizations across our footprint and beyond

Governance

- + Committed to conducting business ethically and with integrity and full transparency
- + Committed to strong and effective governance practices that promote and protect the interests of our shareholders





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