

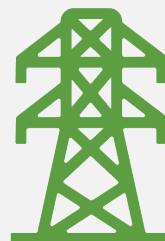
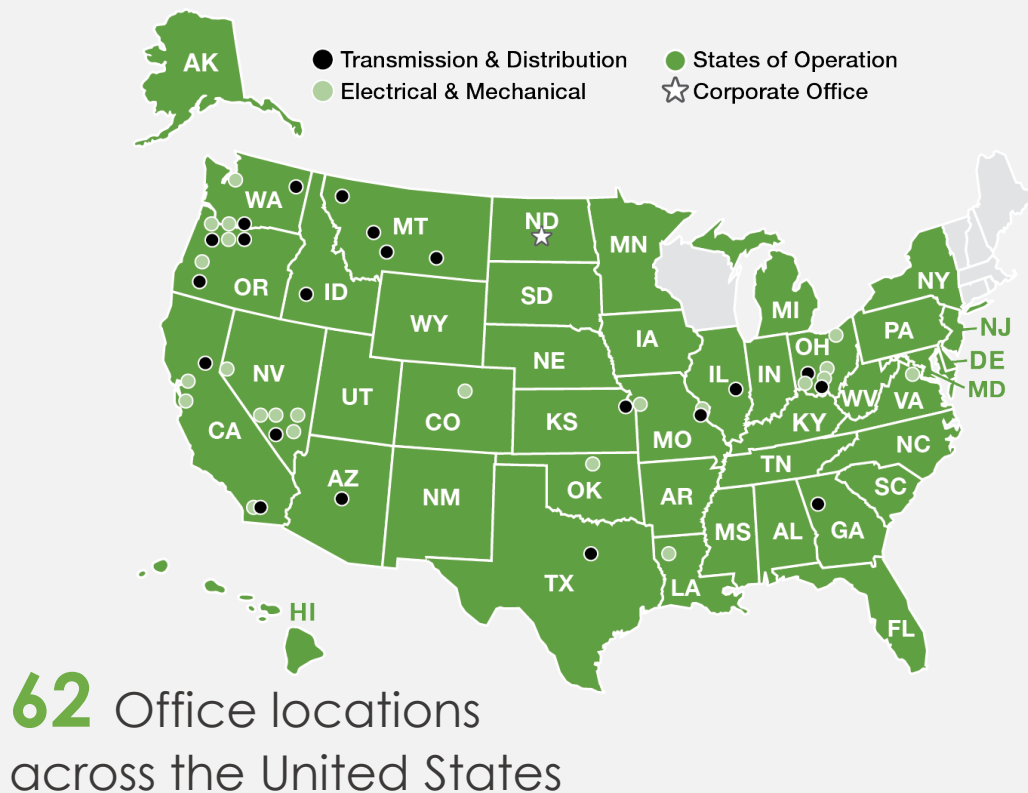
CONSTRUCTION SERVICES PRIMER

Data provided as of 12/31/2021



WHO IS CONSTRUCTION SERVICES?

MDU Construction Services Group, Inc. provides a full spectrum of construction solutions through its electrical and mechanical and transmission and distribution specialty contracting services. These services are provided to utility, manufacturing, transportation, commercial, industrial, institutional, renewable, and governmental customers.



6
Transmission & Distribution Construction Companies
7,500+
Skilled Employees at Peak

10
Electrical & Mechanical Construction Companies
43
States of Operation



MDU Construction Services Group is providing market leading services across the country

- #4 Out of 50 companies on the 2021 EC&M top electrical contractors list
- #10 Top specialty contractor in the nation, according to Engineering News Record

CONSTRUCTION SERVICES STRATEGY

Go & Grow

Prioritizing organic growth, supplementing with M&A

- Focusing on geographic expansion in areas where we can provide similar or complementary services
- Building a diverse portfolio of brands that share our culture of safety and excellence
- Completed over 25 acquisitions since 1997

Cost and Margins

Continuously seeking strong margin projects while managing risk

- Secure selective large projects, leveraging relationships with national customers

Our People and their Safety

Attracting, developing, rewarding, and retaining a superior workforce

- We provide industry-leading safe and healthy work environments and continuously improve operational performance
- Our ability to attract and retain specialized labor is a key differentiating factor for construction services

MARKET LEADER

Leading local presence in Transmission & Distribution and Electrical & Mechanical specialty contracting

- Local brands showcasing national strength across Transmission & Distribution and Electrical & Mechanical contracting
- Trusted brand and reputation; working on high-value projects for the government and the largest U.S. companies across utilities, manufacturing, industrials, transportation, e-commerce, and data infrastructure
- Continued growth through organic expansion as well as mergers and acquisitions

High-Value Projects



Local Brands, National Strength



SAFETY, COMMUNITY, EMPLOYEES & EXCELLENCE

The well-being of our employees, customers and communities is at the core of everything we do



Safety First

- Provide an industry-leading safe and healthy work environment

Employee Satisfaction

- Attract, develop, appropriately train, reward and retain a superior workforce

Customer Satisfaction

- Dedicate ourselves to understanding and fulfilling our customers' needs, becoming the preferred provider for the services we provide

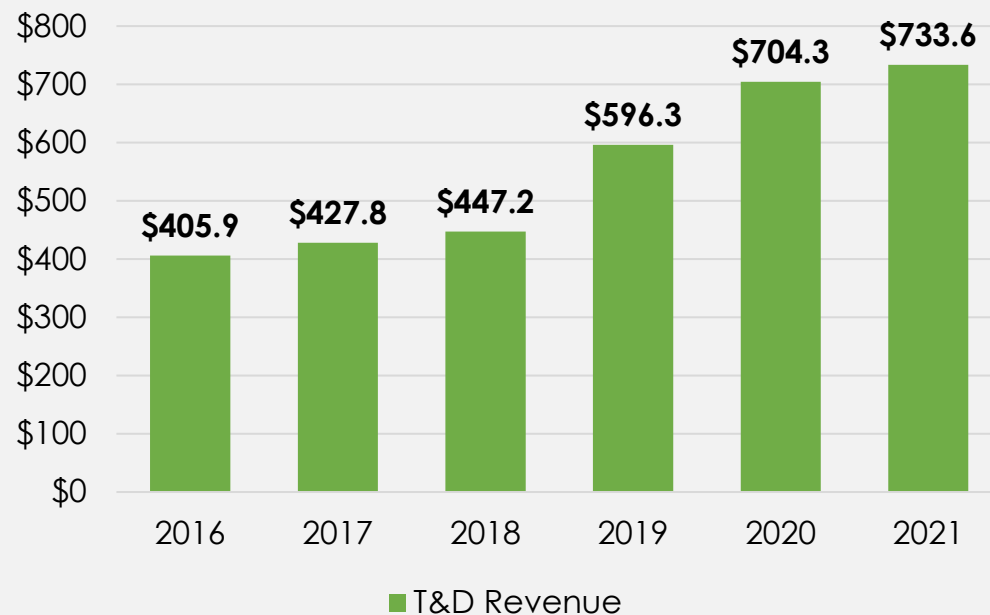
Financial Success

- Enhance total shareholder value by improving earnings and returns on invested capital while delivering the best construction value for our customers

TRANSMISSION & DISTRIBUTION

T&D Revenue

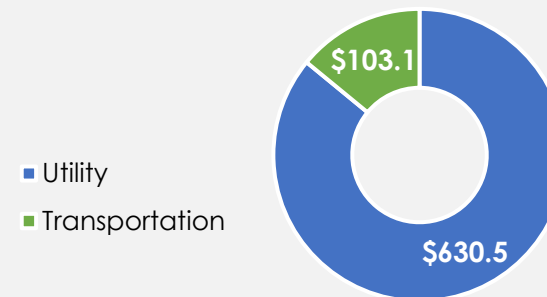
(\$ in millions)



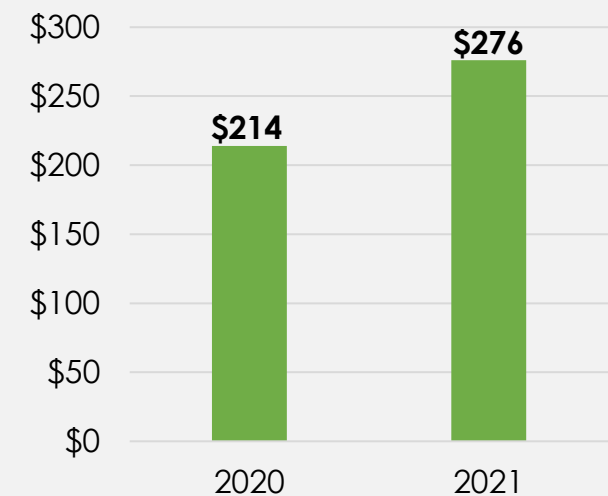
*Revenue as presented includes intrasegment revenue

T&D crews have a long history of providing a full spectrum of construction services from transmission, distribution, and substation work, to the manufacturing, selling, and renting of overhead and underground line-stringing equipment and tools for the power line and communication industries.

2021 Revenue by Business Line

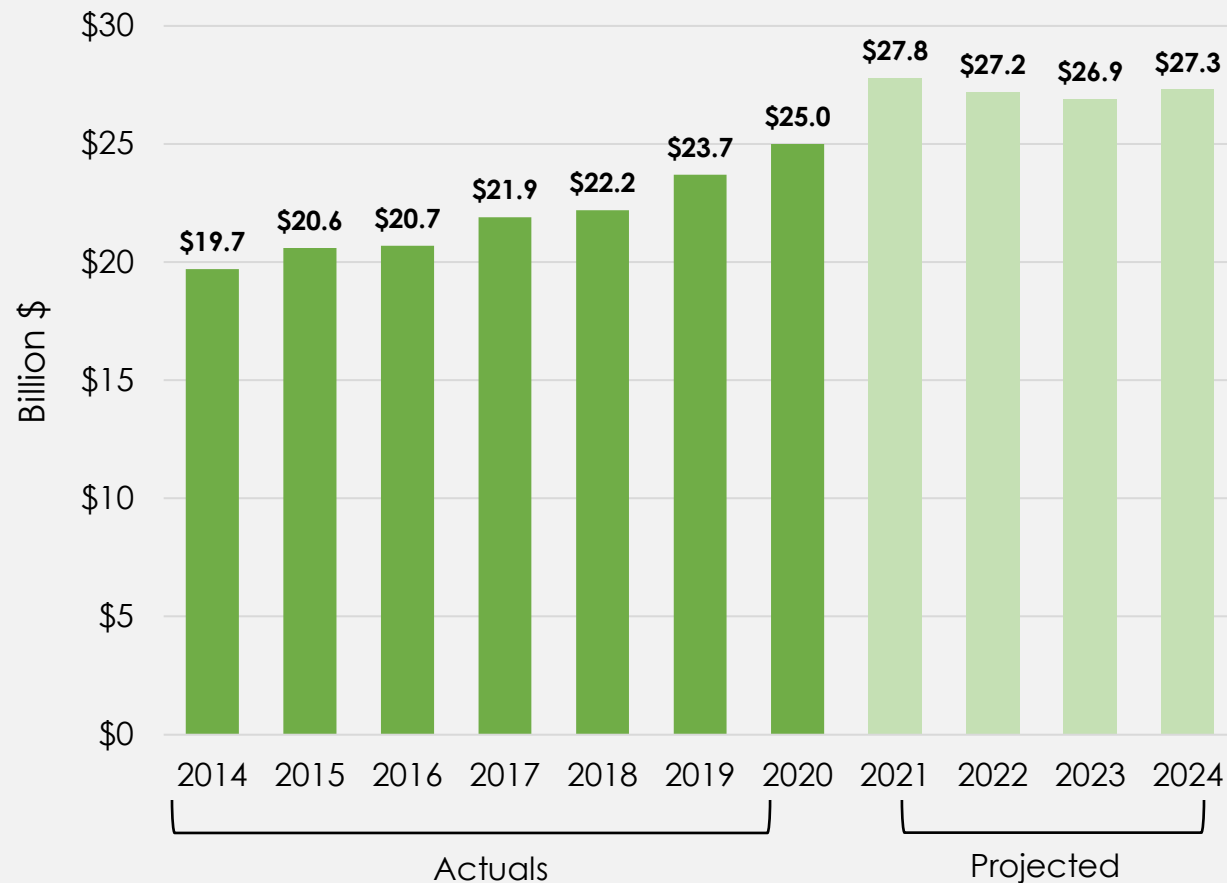


Backlog (\$ in Millions)



TRANSMISSION & DISTRIBUTION OUTLOOK

Actual & Projected Transmission Investment ¹



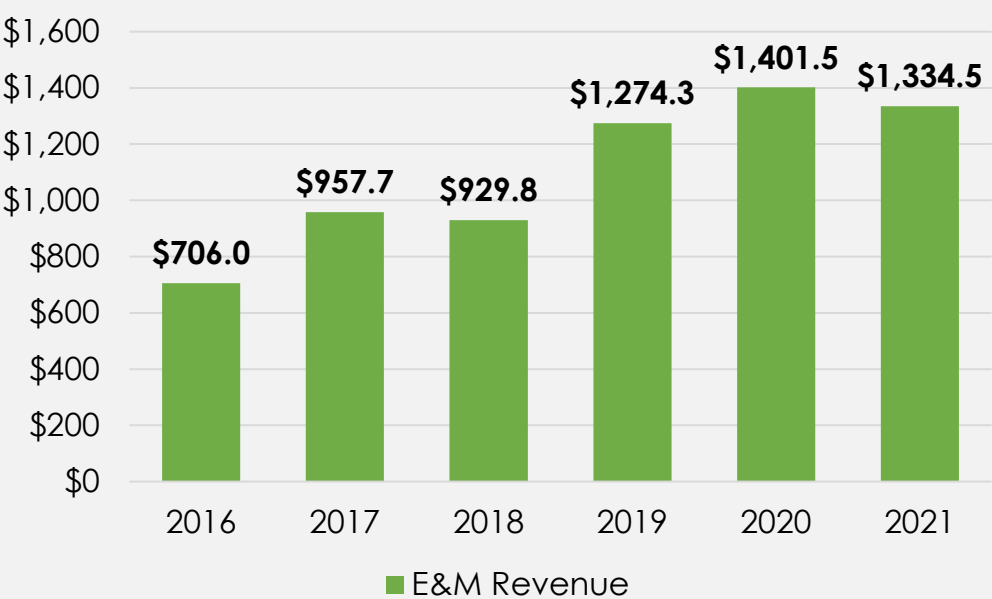
The Infrastructure, Investment & Jobs Act (IIJA) proposes to invest \$65 billion for upgrades to the country's electric and grid infrastructure, the most significant investment in American history.

1. Edison Electric Institute Business Analytics Group, December 2021

ELECTRICAL & MECHANICAL CONSTRUCTION

E&M Revenue

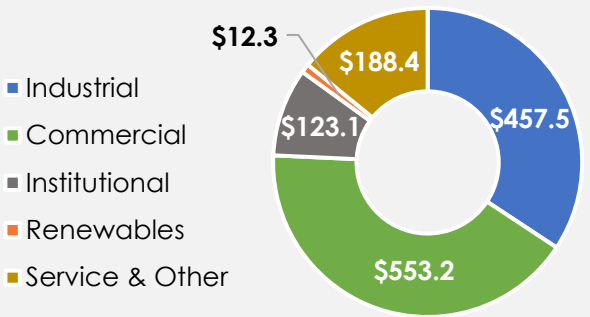
(\$ in millions)



*Revenue as presented includes intrasegment revenue

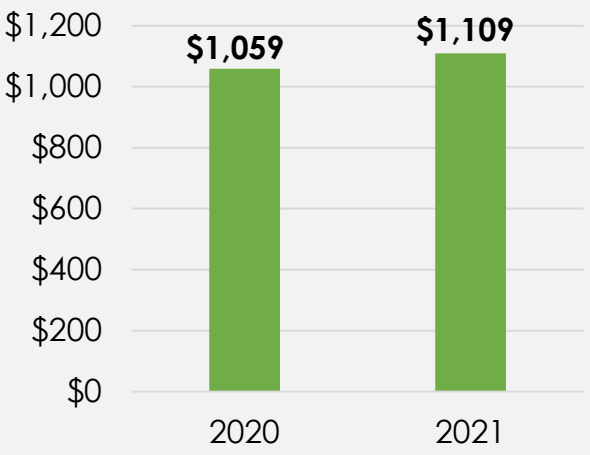
E&M companies have deep experience in a wide variety of work across the country and are leading manufacturers of electrical control systems. E&M teams have installed more than 1,000 renewable projects. These companies also provide turnkey solutions, including emergency services and maintenance.

2021 Revenue by Business Line



Backlog

(\$ in Millions)



E&M CONSTRUCTION OUTLOOK

Dodge Construction & Analytics believes total construction spending will increase 6% to \$946 billion, with commercial construction seeing the largest increase in sales for 2022, up 12% to \$143 billion.

Dodge 2022 Construction Outlook Forecast (\$ Billions)				
Category	2021	YOY % change	2022	YOY % change
Total Construction	\$893	12	\$946	6
Institutional	\$136	5	\$145	6
Commercial	\$128	15	\$143	12
Educational	\$62	0	\$67.5	9
Warehouse	\$46.7	36	\$52.8	13
Office	\$45.3	4	\$49.7	10
Health Care	\$30.1	8	\$32.9	9
Manufacturing	\$22.7	46	\$22.6	0
Retail	\$13.6	10	\$15.5	14
Hotels	\$7.1	-18	\$8.8	24
Data Center	\$7.6	17	\$7.7	2
Source: Dodge Data & Analytics				

The Infrastructure, Investment & Jobs Act (IIJA) proposes billions of dollars in investment for transportation systems, our nation's airports, electrical vehicle infrastructure and multiple other industries where Construction Services excels.

EXPERIENCED IN RENEWABLES

Dedicated to providing renewable, environmentally friendly and energy-efficient solutions that meet the nation's rising demand for sustainable energy

New Growth Platforms

- Rapidly growing services across electric vehicle charging, wind generation and energy storage
- Industry leader in comprehensive turnkey services

Planning and Cost Analysis

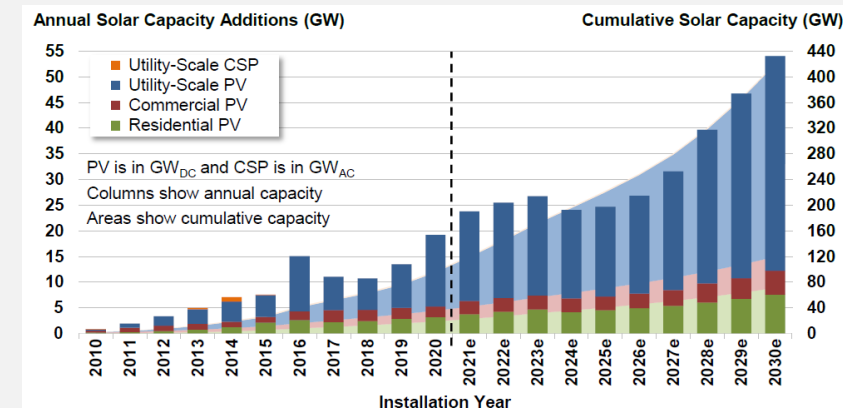
Engineering and Design

Procurement and Construction

Installation and Maintenance

Focus on Solar

- Increasing focus on solar projects with 600+ megawatts of solar PV systems installed
- Significant growth in solar demand: expected to be 17% of 2035 global energy consumption¹
- Well-positioned to succeed amidst an accelerated renewable energy transition and favorable governmental policy trend



Source: Wood/Mackenzie/SEIA Solar Market Insight Reports, Berkeley Lab









Lancaster, California

1. Source: [Avenston Energy Forecast](#).

MULTIPLE HIGH-GROWTH OPPORTUNITIES

Infrastructure spending gap creates multiple levers for long-term growth

2020-2029 Infrastructure Systems ¹		Funding Gap
	Surface Transportation	\$1,205
	Electricity	\$197
	Airports	\$111
	Rail	\$10
Total		\$1,523

2018-2023 Cloud and Colocation CapEx Spending ²	2023 CapEx Spend	2018-2023 CAGR
	Physical Infrastructure	~\$29 8.5%
	Land and Building	~\$11 12.7%
Total		~\$40 9.6%

- >\$1.5 trillion spending gap in U.S. infrastructure drives the large opportunity for MDU Construction Services
- Focusing on high-growth, essential markets: energy infrastructure, hospitality, healthcare, manufacturing, transportation, and industrial
- Steadily increasing market share
- Continuous process and operational excellence improvements

1. ASCE's 2021 Infrastructure Report Card. Dollars in billions, based on 2019 dollars.

2. Omdia Cloud and Colocation Data Center Capex Market Tracker. Dollars in billions.

SUPPLEMENTAL GROWTH VIA M&A

Over 25 acquisitions completed since inception of Construction Services Group in 1997

- Expanding into new geographies and services by acquiring complementary brands that enhance our portfolio
- Fostering deep relationships with acquisition targets to position us for M&A opportunities

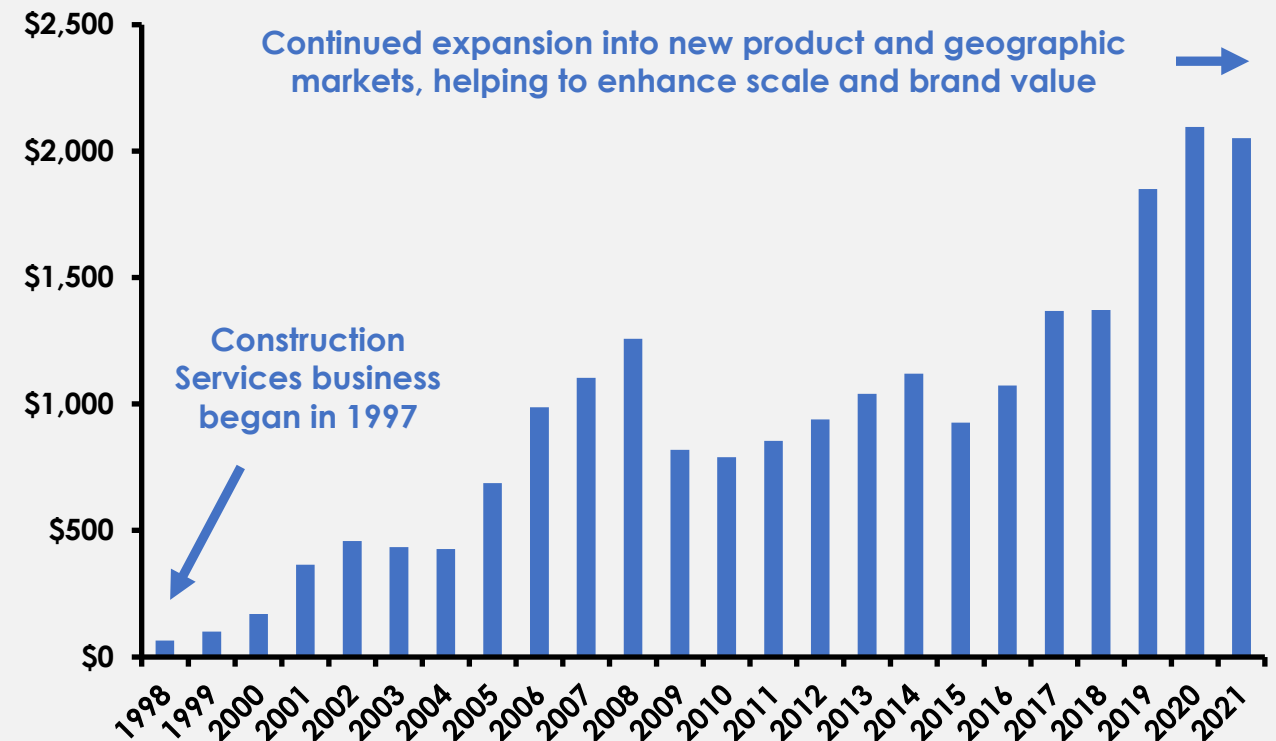
CSG Acquisition Example:

- Expands the geographic footprint to Mid-Atlantic region
- Northern Virginia is one of the world's largest data center markets
- 6th largest metro area in the U.S.
- 2nd highest total commercial construction starts

PERLECTRIC

Segment Revenue

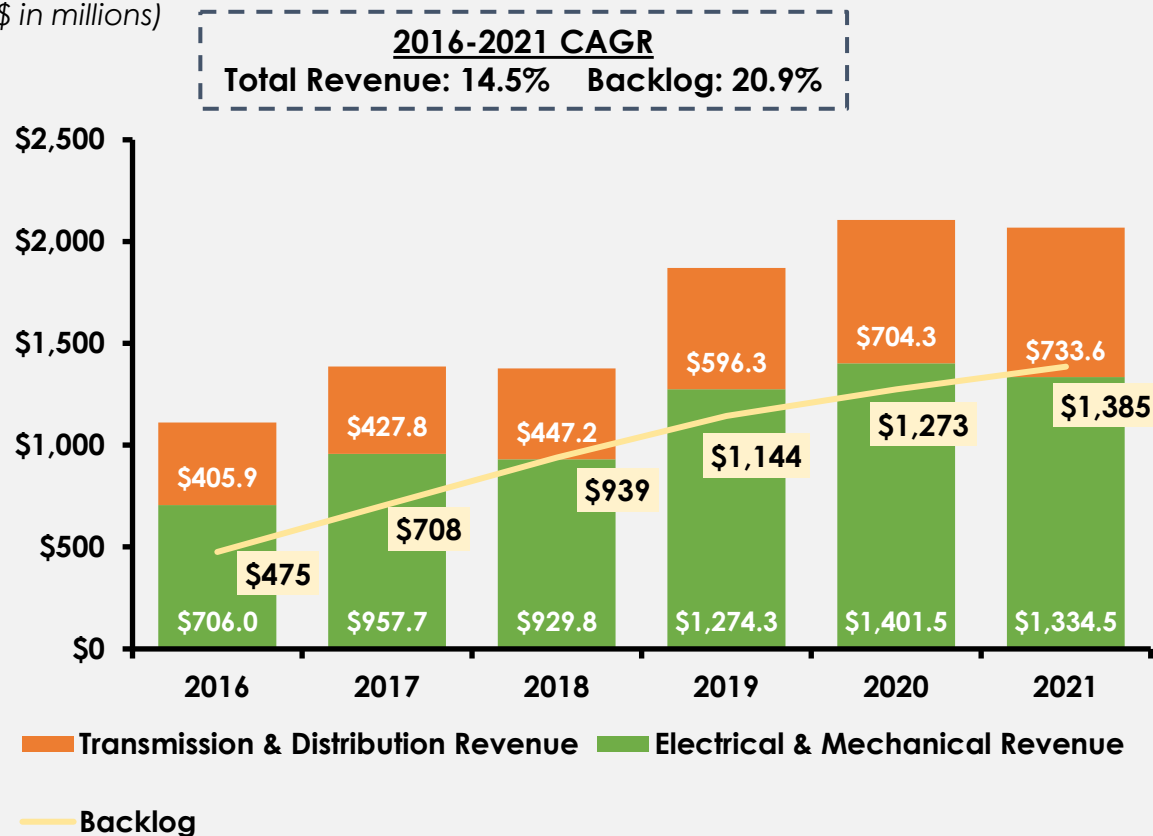
(\$ in millions)



REVENUE AND BACKLOG

Segment Revenue and Backlog

(\$ in millions)



Revenue

- High-teens compound annual growth rate since 2016
- Healthy backlog balance and bid activity
- Focusing on high-growth areas such as technology, hospitality, and industrial services, aiming to reduce cyclical and drive long-term sustainable growth
- Utilities and general contractors represent the largest customer base

Backlog

- Backlog has grown at a robust ~21% CAGR since 2016
- ~80% of backlog is converted within 12 months
- New contract awards drive backlog growth

Revenue as presented includes intrasegment revenue. Backlog and revenue figures as of December 31st in each period.

EBITDA

Significant EBITDA growth as a result of our disciplined growth strategy

Segment EBITDA

(\$ in millions)



- Robust EBITDA growth since 2016
- EBITDA driven by organic growth and margin expansion
 - Supported by contribution from acquisitions
- Focused on expanding margins through high-growth, high-margin projects, and continued cost control
- Expect margin expansion in 2022 to drive further EBITDA growth

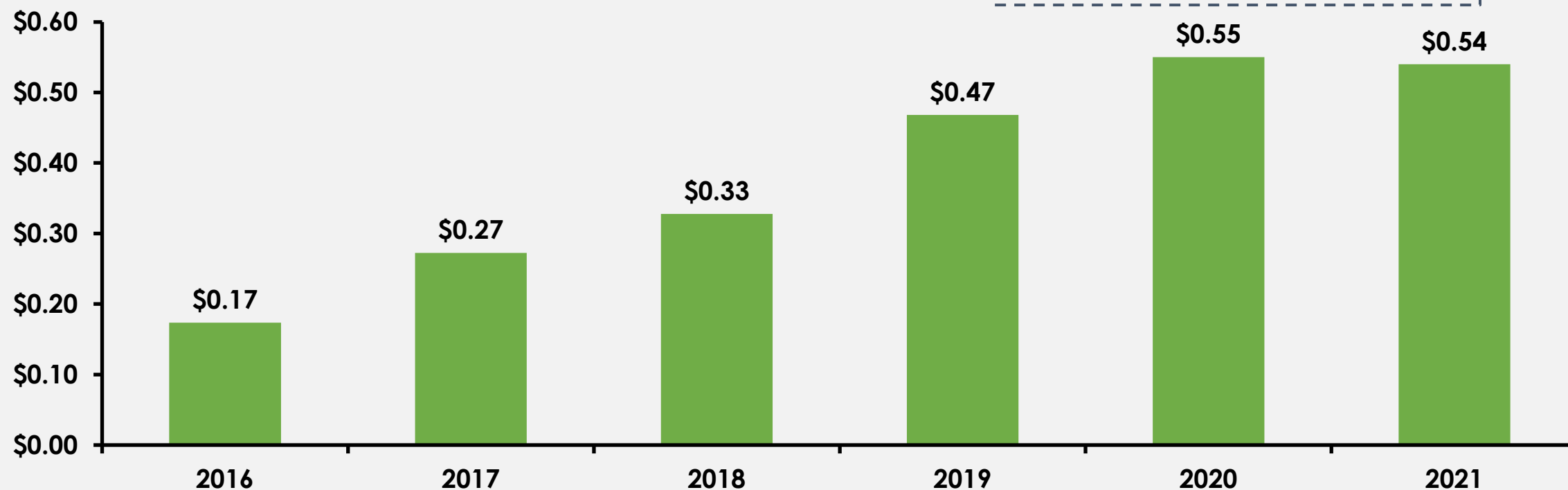
EBITDA is considered a non-GAAP financial measure.

EARNINGS PER SHARE

Strong double-digit EPS growth since 2016

Segment EPS

(\$ per share)





APPENDIX



RECONCILIATION OF EBITDA

(\$ in millions)

	For the year ended December 31					
	2016	2017	2018	2019	2020	2021
Income from Continuing Ops.	\$33.9	\$53.3	\$64.3	\$93.0	\$109.7	\$109.4
Adjustments:						
Interest Expense	\$4.1	\$3.7	\$3.6	\$5.3	\$4.1	\$3.5
Income Taxes	\$17.8	\$25.6	\$20.0	\$30.0	\$35.8	\$35.4
Depreciation, Depletion & Amort.	\$15.3	\$15.7	\$15.7	\$17.0	\$23.5	\$20.3
EBITDA¹	\$71.1	\$98.3	\$103.6	\$145.3	\$173.1	\$168.6

1. Note: EBITDA is considered a non-GAAP financial measure.