



# INVESTOR PRESENTATION

Q2 | JULY 2021 | NASDAQ: MYRG

**MYR**  
GROUP

# SAFE HARBOR STATEMENT

## FORWARD-LOOKING STATEMENTS

Various statements in this announcement, including those that express a belief, expectation, or intention, as well as those that are not statements of historical fact, are forward-looking statements. The forward-looking statements may include projections and estimates concerning the timing and success of specific projects and our future production, revenue, income, capital spending, segment improvements and investments. Forward-looking statements are generally accompanied by words such as “anticipate,” “believe,” “estimate,” “expect,” “intend,” “likely,” “may,” “objective,” “outlook,” “plan,” “project,” “possible,” “potential,” “should,” “unlikely” or other words that convey the uncertainty of future events or outcomes. The forward-looking statements in this announcement speak only as of the date of this announcement. We disclaim any obligation to update these statements (unless required by securities laws), and we caution you not to rely on them unduly. We have based these forward-looking statements on our current expectations and assumptions about future events. While our management considers these expectations and assumptions to be reasonable, they are inherently subject to significant business, economic, competitive, regulatory and other risks, contingencies and uncertainties, most of which are difficult to predict and many of which are beyond our control. No forward-looking statement can be guaranteed, and actual results may differ materially from those projected. Forward-looking statements in this announcement should be evaluated together with the many uncertainties that affect MYR Group’s business, particularly those mentioned in the risk factors and cautionary statements in Item 1A of MYR Group’s most recent Annual Report on Form 10-K, and in any risk factors or cautionary statements contained in MYR Group’s Quarterly Reports on Form 10-Q or Current Reports on Form 8-K.



NOTE: Images used throughout this presentation may have been taken before COVID.

# A MARKET LEADER

DELIVERING ELECTRICAL CONSTRUCTION SERVICES FOR MORE THAN A CENTURY

MYR Group Inc. subsidiaries deliver some of the largest and most notable electrical infrastructure and commercial and industrial projects throughout the United States and Western Canada.



**63** OFFICE LOCATIONS IN U.S. AND WESTERN CANADA



REPORTABLE SEGMENTS  
TRANSMISSION & DISTRIBUTION  
COMMERCIAL & INDUSTRIAL



GROWING REVENUE  
STRONG BACKLOG  
STABLE BALANCESHEET



EXTENSIVE,  
CENTRALIZED FLEET



NASDAQ: MYRG  
STOCK TICKER SYMBOL



HEADQUARTERS 12150 E. 112<sup>TH</sup> AVE., HENDERSON, CO 80640



HEALTHY ORGANIC &  
ACQUISITIVE GROWTH



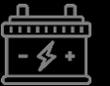
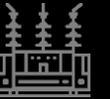
7,200+ EMPLOYEES AND  
EXECUTIVE TEAM WITH  
32+ YEARS OF INDUSTRY EXP.



LONG-STANDING CLIENT  
RELATIONSHIPS

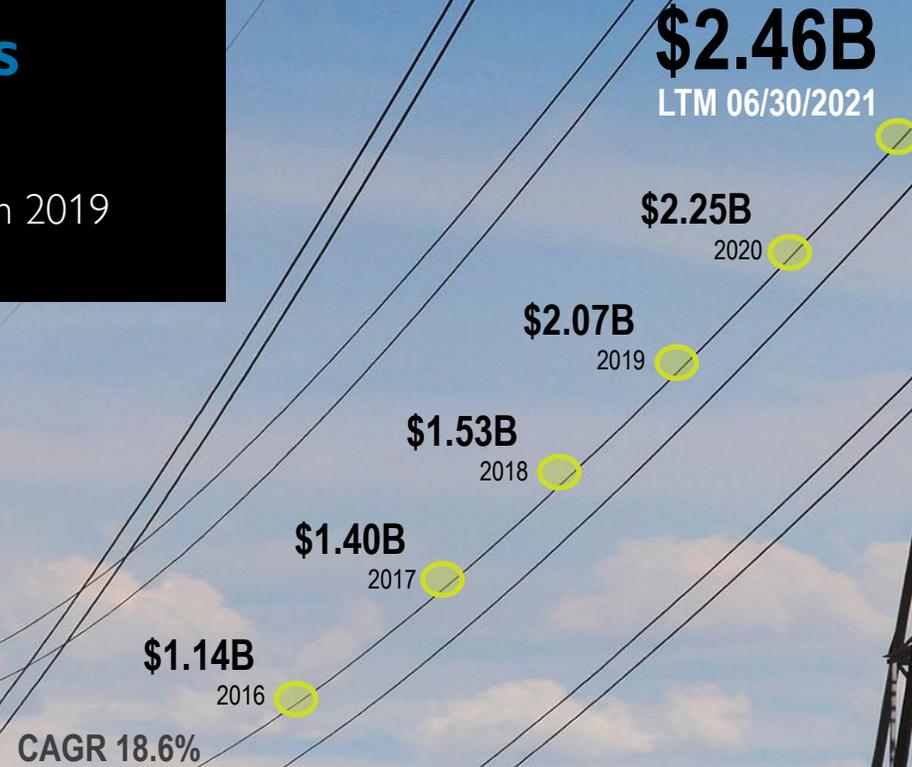


SUPERIOR SAFETY PERFORMANCE



# RANKED AMONG TOP 5 U.S. SPECIALTY ELECTRICAL CONTRACTORS 25 YEARS IN A ROW

Achieved record revenue in 2020, up 8.5% from 2019



## DEPTH & BREADTH OF EXPERTISE

### ENHANCES OUR STRONG BACKLOG

As a leading specialty electrical contractor, we have experience tackling electrical projects of various sizes and complexities. We cross sell our expertise, collaborate, and utilize resources throughout the organization to provide clients with customized solutions. We are proud to be a contractor of choice, and value the long-standing relationships we hold with our clients. Expanding our presence in key growth markets; building our portfolio; growing our footprint; and investing in our extensive fleet, technology, and training programs remains a key initiative to ensure we provide optimal value to our clients.



## BEING GOOD STEWARDS

As stewards of the environment, we understand that our collective actions contribute to the greater good and overall sustainability. We are aware that the critical nature of our work could impact the sensitive ecosystems surrounding our projects, and therefore take great pride in working with our clients to establish proactive environmental plans and protocols for our projects.



## CLEAN ENERGY TRANSFORMATION PARTNERS

With increased investments in infrastructure, technology, and efficiency across the renewable energy space we are broadening our capabilities and resources, and leveraging our expertise and industry knowledge to elevate our position as a strong partner delivering sustainable solutions that positively impact the clean energy horizon.

## EMPOWERING OUR PEOPLE

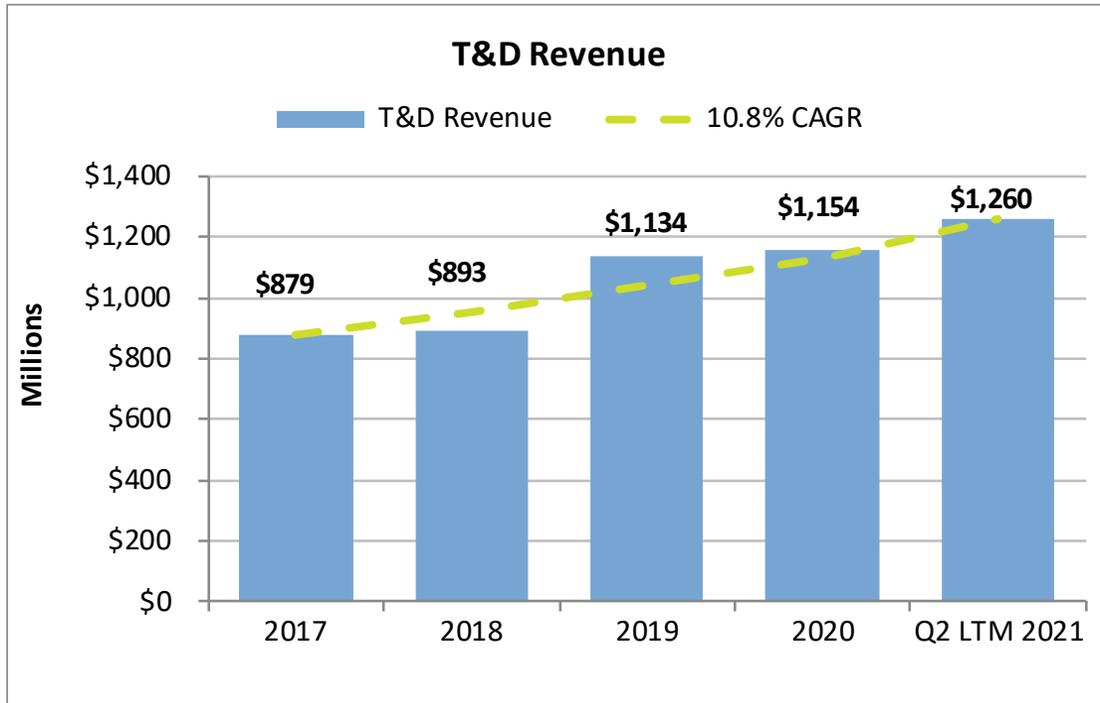
We take a people first focus to encourage collaboration, safe practices, and long-term employment. We invest in our employees by providing trainings, leadership opportunities, cutting-edge tools and resources, and continuously improving safety protocols. Keeping safety at the center of our core values, we achieve industry-leading safety performance results.



# OUTLOOK

- Enacted measures to maintain safe operations during the COVID-19 pandemic, adjusting operations to continue performing work as an essential business
- T&D work activity primarily consists of small to medium-sized projects, with some larger transmission, HVDC, and utility scale solar projects; and we continue to execute routine maintenance work under long-term MSAs. Drivers for T&D spending remain intact
- C&I project awards have slowed somewhat due to supply chain disruptions though budgeting and bidding activity remains strong, specifically in the core markets we serve
- Strong start to the year with record LTM 06/30/21 revenues, profit, earnings per share, net income, and EBITDA
- Stimulus packages and infrastructure bills could promote increased spending and both MYR Group business segments are well-positioned to benefit from this
- Strong balance sheet with \$362.7M in availability under our \$375.0M credit facility, funded debt to LTM EBITDA leverage of 0.06x and management has continued to focus with heightened scrutiny on controlling costs and capital expenditures in these uncertain times





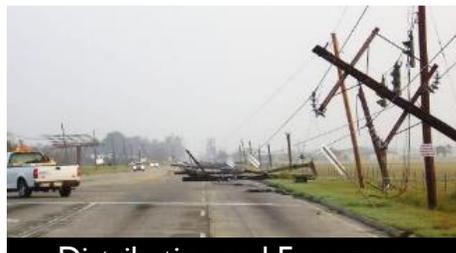
# TRANSMISSION & DISTRIBUTION

## T&D BUSINESS SEGMENT UPDATE

- LTM 06/30/21 T&D record revenue of \$1,260 Million
- Recent years growth is 100% organic and primarily due to an increase in revenue on small to medium-sized transmission and distribution projects.
- ~ 50% of T&D business is Master Service Agreement work



Transmission Up to 765kV



Distribution and Emergency Storm Restoration



Substation Up to 765kV



Renewables



Foundations & Caissons and Directional Boring

# T&D MARKET DRIVERS

## STRONG LONG-TERM OUTLOOK

- There may be delays on some spending due to COVID-19 which could impact previously reported projections, however the impacts have been minimal and market drivers remain favorable for the long-term.
- The proposed \$2 trillion infrastructure plan (The American Jobs Plan) proposes to invest \$100B in the power grid and \$46B in clean energy manufacturing. (March 2021)
- With added goals to bring the U.S. to 100% clean electricity by 2035, this transition will require significant investments in T&D infrastructure.

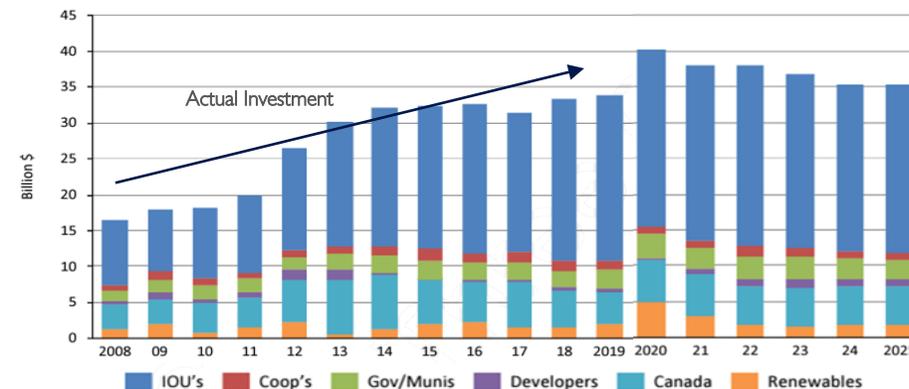
### UTILITIES CONTINUE TO INCREASE SPEND ON ELECTRIC TRANSMISSION

Annual spending by major U.S. electric utilities on the electric transmission system has increased from \$9.1B (2019 dollars) in 2000 to \$40.0B in 2019. Investment includes new transmission infrastructure and the operation & maintenance of existing systems. (EIA, March 2021)

### KEY SPEND DRIVERS

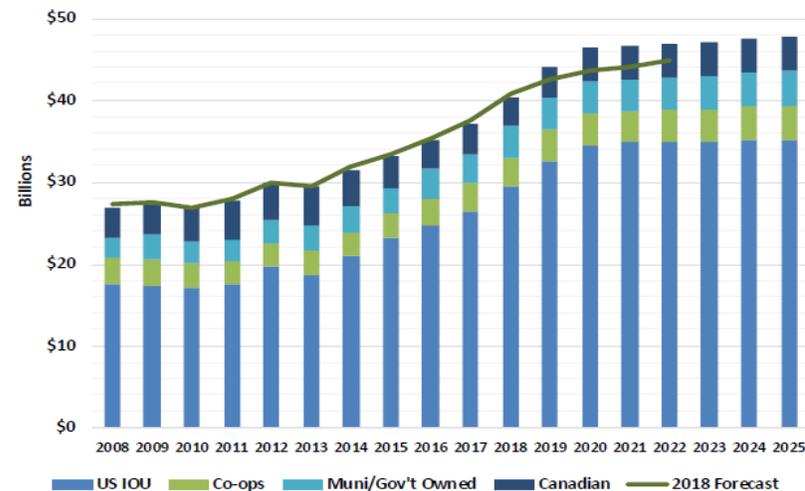


U.S. and Canadian Electric Utilities Transmission Market Forecast



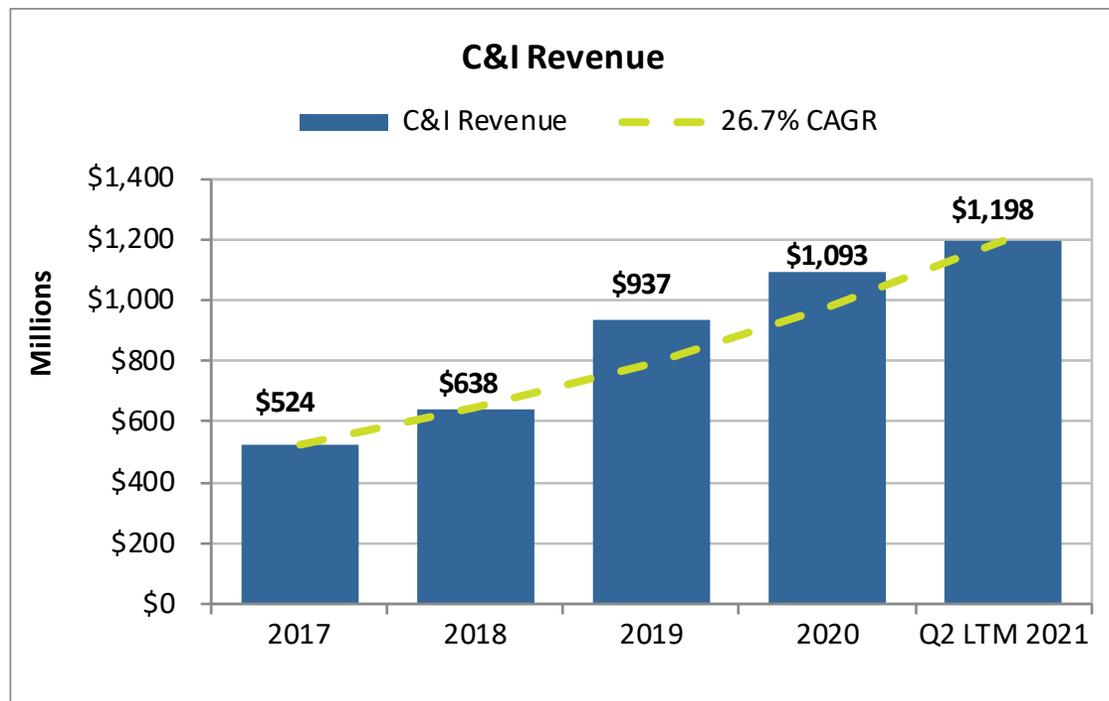
Source: The C Three Group, North American Electric Transmission Market Forecast, August 2020

U.S. and Canadian Electric Distribution Actual and Forecasted Capital Expenditures



“Capital expenditures came in at \$40.4 billion in 2018, a 9.3% increase from 2017. U.S. investor-owned utilities project planned spend from 2019 through at least 2023 is robust.”

Source: The C Three Group, North American Electric Distribution Market Forecast, September 2019



# COMMERCIAL & INDUSTRIAL

## C&I BUSINESS SEGMENT UPDATE

- LTM 06/30/21 C&I record revenue of \$1,198 Million
- Growth primarily due to increases in volume across all project sizes and incremental revenues from the acquisitions of CSI and the Huen Companies in July of 2019 and 2018, respectively



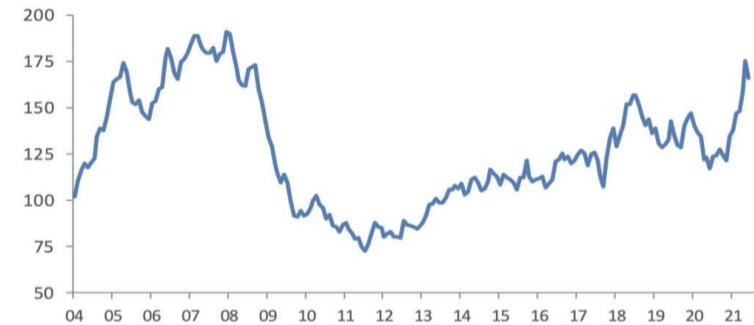
# C&I OUTLOOK

## ACTIVE MARKET

- The primary markets we serve may be somewhat less vulnerable to economic slowing.
- The proposed \$2 trillion infrastructure plan (The American Jobs Plan) proposes to invest billions in highways, airports, transit systems and several other areas which could accelerate C&I project activity.
- The Dodge Momentum Index fell slightly to 165.8 (2000=100) in June following six months of consecutive gains. The Index remains near a 13-year high and well above last year. *(July 8, 2021)*
- The American Institute of Architects reported a 57.1 reading in their June Architecture Billings Index, following closely to May's reading of 58.7, which marked the highest ever reported. With billings growth near the highest levels ever seen, nonresidential building activity is expected to take a sharp upturn. *(July 2021)*

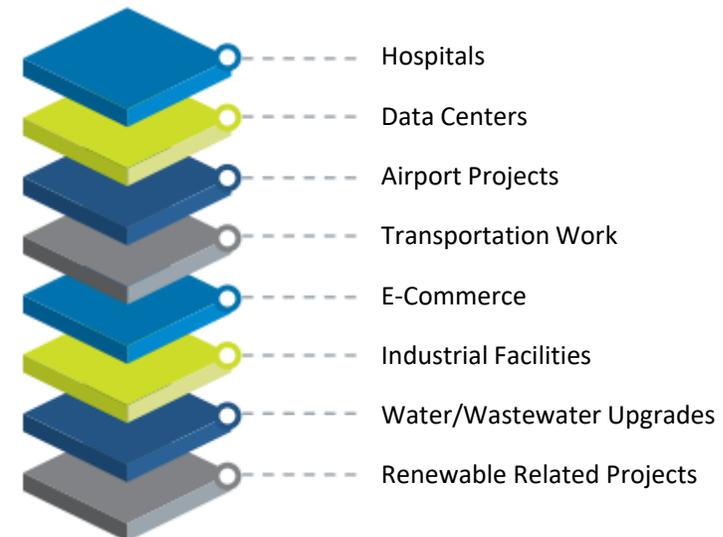
## DODGE MOMENTUM INDEX

(2000=100, Seasonally Adjusted)



Source: The Dodge Momentum Index, July 8, 2021

C&I's strong \$931.6M backlog as of June 30, 2021 is driven by:



# MARKET OPPORTUNITIES

## GROWING RENEWABLE GENERATION MIX

- The generation mix across the U.S. is changing as traditional baseload generation resources retire and renewable generation provides an increasingly large percentage of demand
- The \$2 trillion infrastructure proposals (if approved), are likely to accelerate the growth of utility-scale wind, solar, and storage (DOE, March 2021)
- Further adoption of renewables may drive stronger investments in energy storage systems with the latest reports indicating the U.S. will install 100GW of new storage by 2030. (Energy Storage Association, Aug. 2020)

### RENEWABLE ENERGY DRIVERS

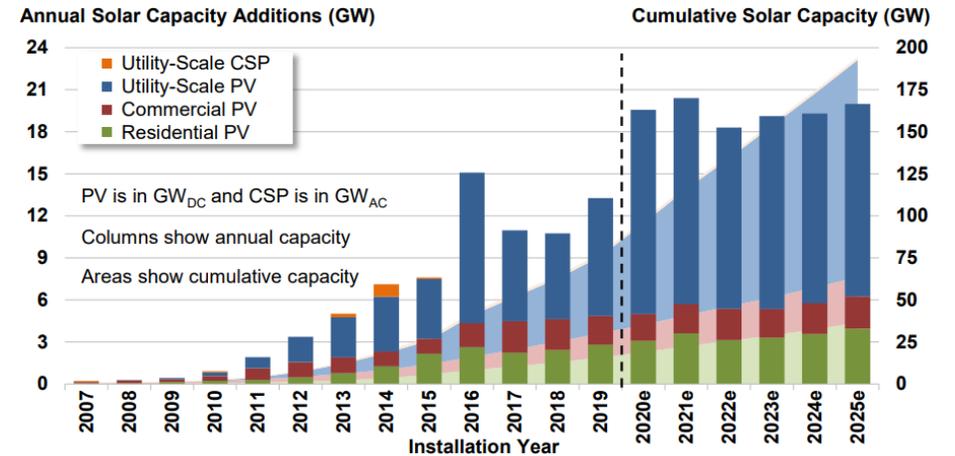
- Federal Tax Credits
- Renewable Portfolio Standards
- Carbon Policy
- State Tax Incentives
- Clean Power Portfolios



## UTILITY-SCALE SOLAR

There was a historic 6.3 GWdc of utility-scale projects installed in Q4 2020, bringing the annual total just shy of 14 GWdc. As of Q1 2021, the contracted pipeline of utility-scale solar sits at 77 GW, with most of those projects slated for completion before 2024.

SOURCE: Solar Energy Industries Association (SEIA), July 2021



SOURCE: Wood Mackenzie and SEIA (2010-2019), IREC, Berkeley Lab (November 2020)



# POSITIONED FOR GROWTH

STRONG MARKET COUPLED WITH OUR COMPETITIVE EDGE



U.S./Canada

Long-term growth both organically and via acquisition



T&D

Transmission market outlook strong next 5+ years (higher ratio of small-medium/large projects)



C&I

Strength in C&I sector (Airport, Healthcare, Data Center, Highway/Transportation)



Renewables

Clean energy initiatives driving increased construction spend

SUCCESS

- Proven execution of corporate strategy
- Strong financial position
- Centralization of operations to allow for greater efficiency and cross-collaboration
- Strong presence in key markets with expanding geographic footprint
- Future driven mindset to deploy new systems and technologies
- Broadening our capabilities to support the development of clean energy infrastructure
- Experienced leadership team
- Reputation for excellence with customers

**STRATEGIC IMPERATIVES** Ensures we are focused on the right work and programs

## FINANCIAL STRENGTH

Deliver positive financial results on a consistent basis while positioning the company for growth

## ORGANIZATIONAL EXCELLENCE

Sustain a culture that aids in attracting, retaining, and developing the best people in the industry

## OPERATIONAL EXCELLENCE

Continue investments in people, equipment, health, safety, the environment, technology, innovative programs, process improvement, and sustainability

## CUSTOMER SATISFACTION

Strive to always be the first choice for our clients and remain one of the most reliable, efficient, and high-value providers

# CORNERSTONES OF OUR SUSTAINABILITY PRACTICES

Reducing our environmental impact, protecting the safety and wellbeing of our people, and supporting the communities where we live and operate remain a top priority as we continue to provide critical electrical infrastructure services that help power a clean energy future.

[>>View our 2020 Sustainability Report](#)



## ENVIRONMENTAL

- We strive for sustainability on all our projects and achieve this by reducing waste and diligently implementing measures that minimize our impact
- Adhere to all environmental compliance requirements on projects
- Implement environmentally-friendly measures and company programs that reduce our carbon footprint such as:
  - Employed telematics system on most of our fleet assets
  - Waste recycling and reduction both in the office and our field operations
  - LED lighting and occupancy sensors
  - Efficient paper consumption measures and eliminating use of disposable kitchen products
- Enrolling in programs that power our facilities with certified clean energy



## SOCIAL

- Safety is a core value and our commitment results in achieving some of the best statistics in the industry
- Prioritize the training and development of our employees; conducted 80,000+ hours of training in 2020
- We promote diversity and inclusion at all levels of the organization and provide opportunities for diverse vendors and suppliers
- Provide employees with a network of wellness and benefits programs including tuition reimbursement
- Our employees and companies volunteer time, contribute funds, and partner with industry organizations to support meaningful charitable causes and our local communities
- Active member and partner to numerous industry organizations

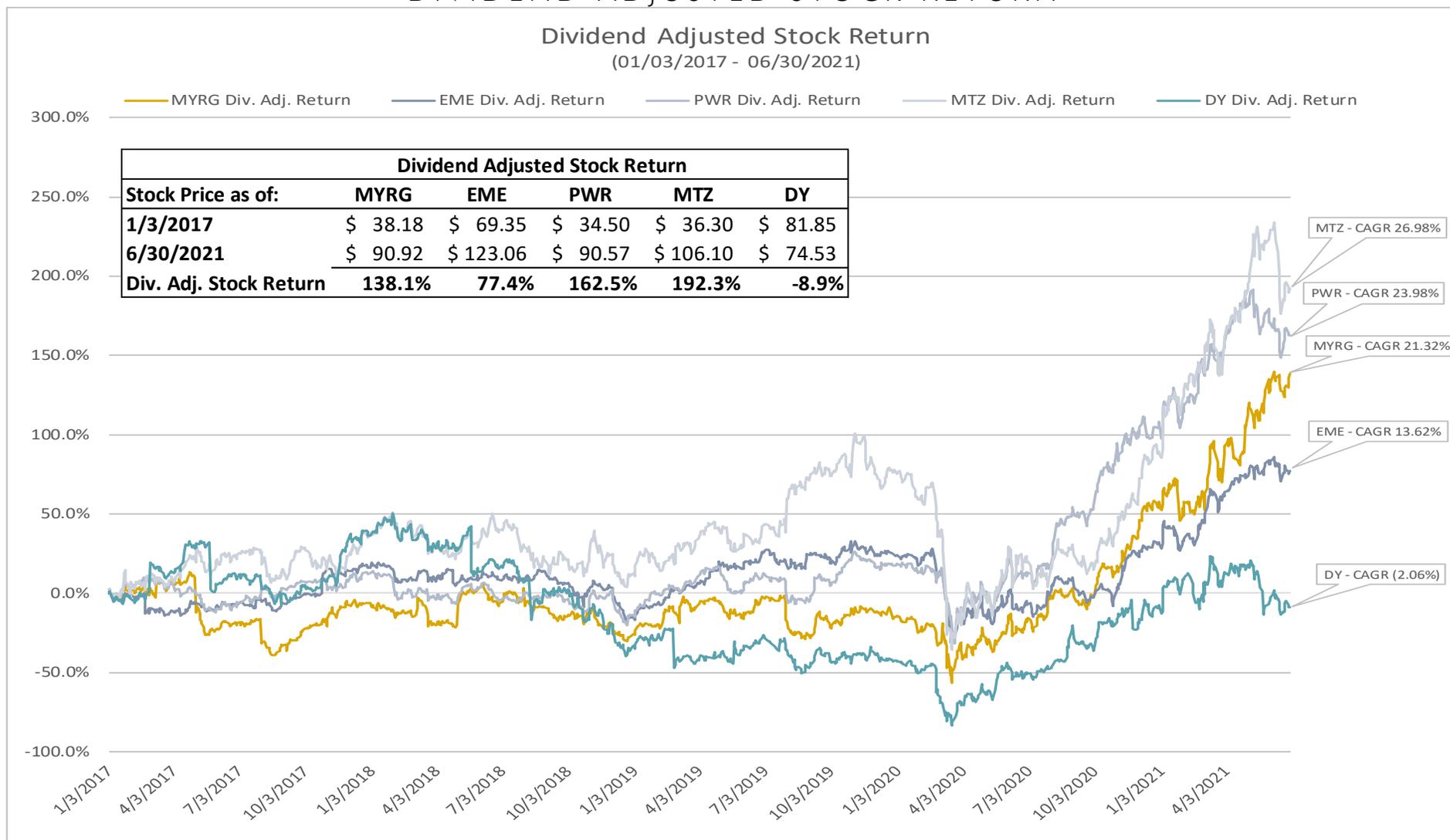


## GOVERNANCE

- Independent Chairman of the Board
- Audit; Compensation; Nominating, Environmental, Social, & Corporate Governance committees comprised solely of independent directors
- 3 of 9 Board members are diverse
- Conduct annual Board evaluations
- Implemented majority voting standard for directors in uncontested elections
- No "Poison Pill" in place
- Effective executive compensation best practices
- Majority of CEO compensation is performance based

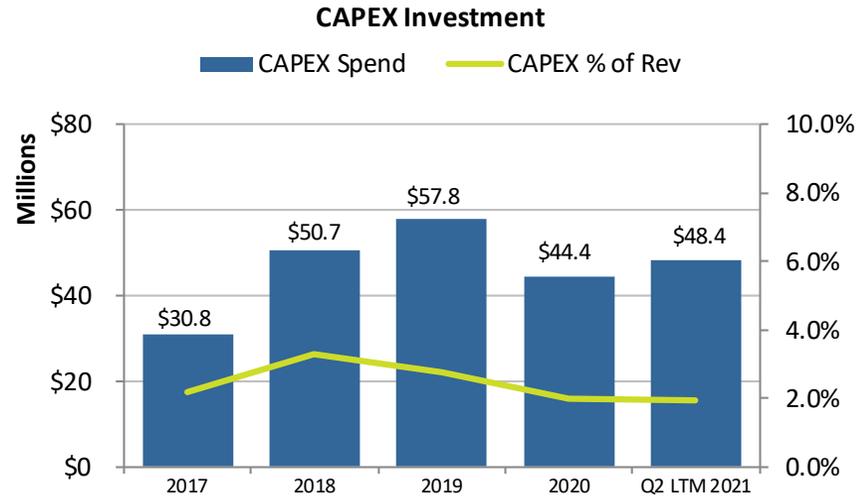
# DELIVERING STRONG RETURNS

## DIVIDEND ADJUSTED STOCK RETURN

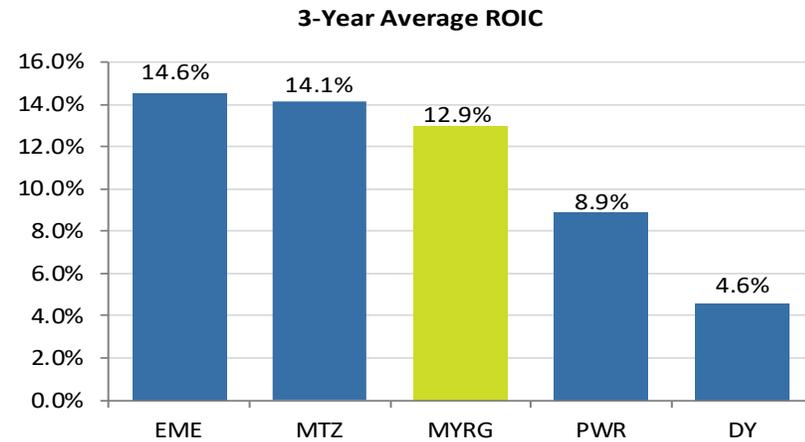


# BALANCE SHEET STRENGTH

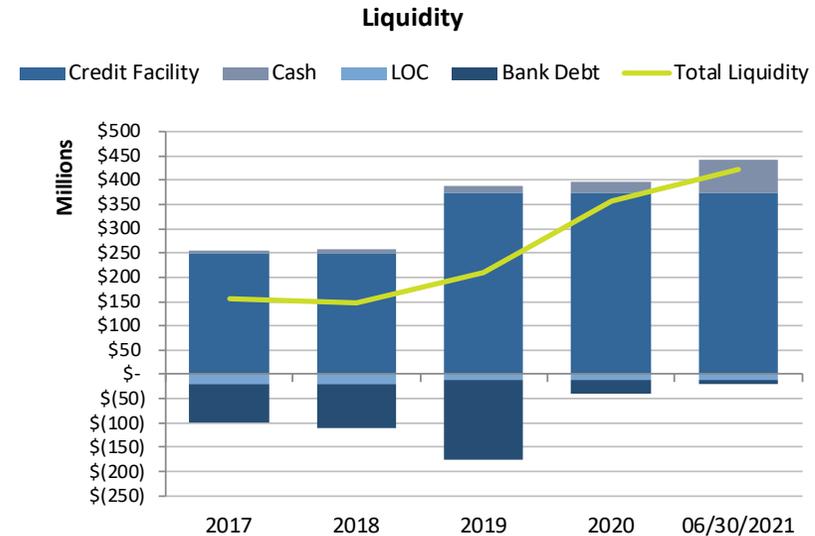
WELL-POSITIONED TO SUPPORT ADDITIONAL GROWTH



- Little off-balance-sheet leverage
- Limited goodwill
- Low debt leverage
- Strong liquidity position – Renewed credit facility in Q3 2019, increasing the revolver to \$375 million
- Substantial bonding capacity
- Investment in specialty equipment contributed to top-line organic growth and supports future organic growth clients

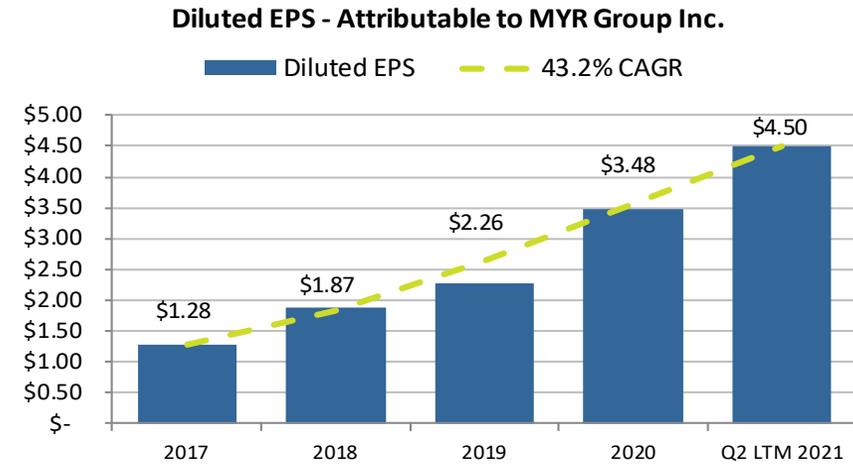
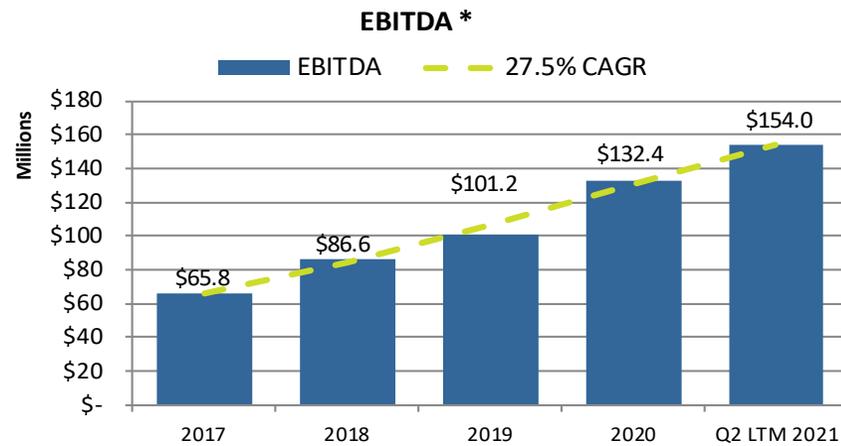
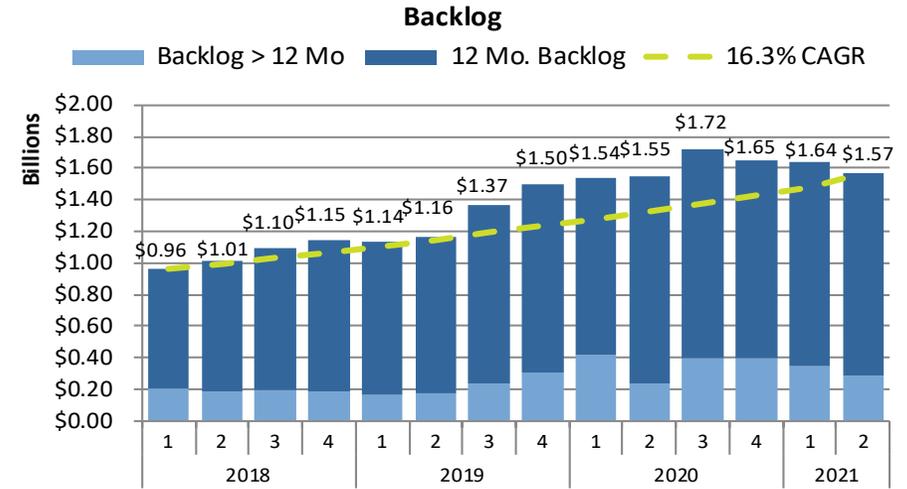
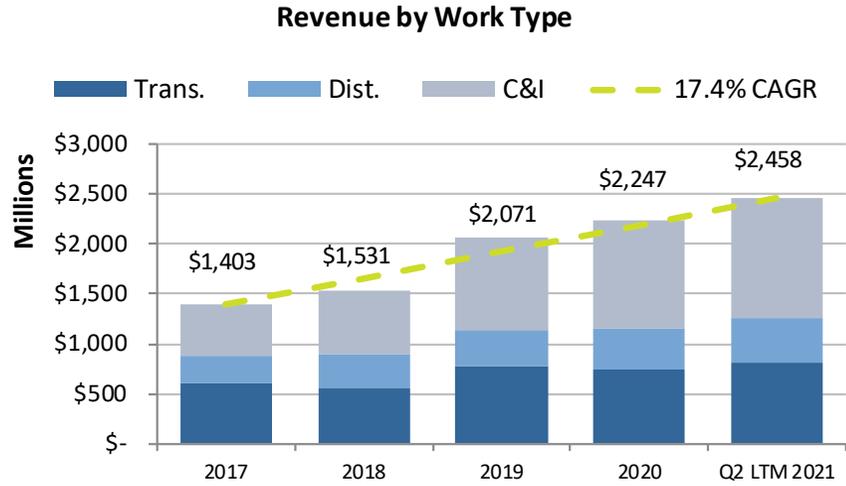


Source: S&P Capital IQ  
 3-year period for PWR, MTZ, and EME is March 2019 – March 2021  
 MYRG period is June 2019 – June 2021  
 DY period is May 2019 – May 2021



# FINANCIAL PERFORMANCE

DEMONSTRATES STRONG, LONG-TERM EXECUTION



\* For reconciliation of EBITDA to net income, see page 21

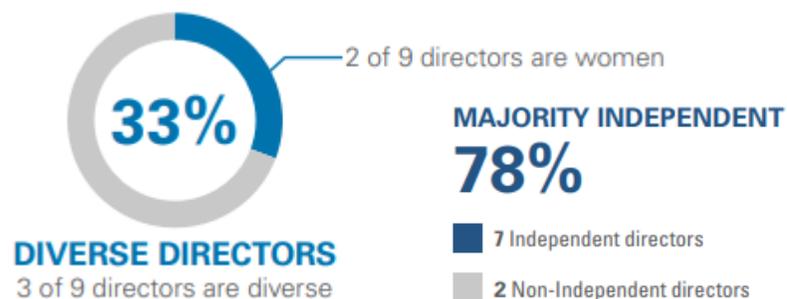


# EXPERIENCED LEADERS

## EXECUTIVES & BOARD OF DIRECTORS

MYR Group Inc. has a strong team of experienced leaders that make up our executive team and Board of Directors. We believe diversity of our leadership is a critical component of creating long-term value for our shareholders. We select individuals that bring extensive experience and unique perspectives to both our Company and our Board.

**6** of **9** directors have **significant energy/utility experience**



### AVERAGE TENURE

**6.9 YEARS**



EXECUTIVE TEAM  
AVERAGES  
**24 YEARS**  
WITH MYR GROUP  
**32 YEARS**  
IN OUR INDUSTRY

## EXECUTIVE LEADERSHIP

**Rick Swartz**  
**Chief Executive Officer**  
38 years with MYRG  
38 years in the industry



**Betty Johnson**  
**Chief Financial Officer**  
21 years with MYRG  
32 years in the industry



**Tod Cooper**  
**Chief Operating Officer, T&D**  
30 years with MYRG  
32 years in the industry



**Jeff Waneka**  
**Chief Operating Officer, C&I**  
29 years with MYRG  
36 years in the industry



**William Fry**  
**Chief Legal Officer**  
2 years with MYRG  
23 years in the industry





## ORGANIC GROWTH

Expand in new and existing markets that align with core capabilities

- Strategic expansion of geographic footprint into new markets
- Invest in additional fleet and labor resources to expand capacity
- Leverage extensive bid knowledge and long-term customer relationships



## STRATEGIC ACQUISITIONS

Evaluate opportunities to expand and hone business expertise

- Identify and evaluate strategic opportunities that achieve long-term growth objectives and leverage our core capabilities
- Focus on acquisitions that meet clear, long-term return thresholds and are compatible with MYR Group's values and culture
- Focus on integration of processes, people, technology, and equipment



## PRUDENT CAPITAL RETURNS

Authorized \$50 million share repurchase program

- Effective November 2, 2020; will expire November 2, 2021, or when the authorized funds are exhausted, whichever is earlier
- As of June 30, 2021, no shares have been repurchased under the program

# CREATING SHAREHOLDER VALUE

# REPRESENTATIVE CUSTOMER SAMPLE

MYR Group subsidiaries maintain strong, long-standing relationships with a diverse customer base throughout both our T&D and C&I business segments.



# EBITDA RECONCILIATION

DEMONSTRATES STRONG, LONG-TERM EXECUTION

(\$ In Millions, Except Per Share Amounts)\*

	FY				LTM
	2017	2018	2019	2020	6/30/2021
Net Income	\$ 21.2	\$ 31.3	\$ 36.2	\$ 58.8	\$ 76.6
Interest Expense, net	2.6	3.6	6.2	4.6	\$ 2.9
Income Tax Expense	3.5	11.8	14.2	22.6	\$ 28.5
Depreciation and Amortization	38.6	39.9	44.5	46.4	\$ 46.0
EBITDA	<u>\$ 65.8</u>	<u>\$ 86.6</u>	<u>\$ 101.2</u>	<u>\$ 132.4</u>	<u>\$ 154.0</u>
Diluted Weighted Average Shares Outstanding	16.5	16.6	16.7	16.9	17.0
EBITDA per Diluted Share	\$ 3.99	\$ 5.22	\$ 6.06	\$ 7.84	\$ 9.05
Revenue	\$ 1,403.3	\$ 1,531.2	\$ 2,071.2	\$ 2,247.4	\$ 2,457.9

EBITDA is a non-GAAP financial measure that is defined as Earnings Before Income Taxes, Depreciation and Amortization.

**Note:**

LTM diluted weighted average shares outstanding were determined by adding the average shares reported for the last four quarters and dividing by four.

EBITDA is not recognized under GAAP and does not purport to be an alternative to net income as a measure of operating performance or to net cash flows provided by operating activities as a measure of liquidity. EBITDA is a component of the debt to EBITDA covenant that we must report to our bank on a quarterly basis. In addition, management considers EBITDA a useful measure because it eliminates differences which are caused by different capital structures as well as different tax rates and depreciation schedules when comparing our measures to our peers' measures.

## S&P Capital IQ Disclaimer of Liability Notice

This may contain information obtained from third parties, including ratings from credit ratings agencies such as Standard & Poor's. Reproduction and distribution of third-party content in any form is prohibited except with the prior written permission of the related third party. Third party content providers do not guarantee the accuracy, completeness, timeliness or availability of any information, including ratings, and are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, or for the results obtained from the use of such content.

THIRD PARTY CONTENT PROVIDERS GIVE NO EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE. THIRD PARTY CONTENT PROVIDERS SHALL NOT BE LIABLE FOR ANY DIRECT, INDIRECT, INCIDENTAL, EXEMPLARY, COMPENSATORY, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES, COSTS, EXPENSES, LEGAL FEES, OR LOSSES (INCLUDING LOST INCOME OR PROFITS AND OPPORTUNITY COSTS OR LOSSES CAUSED BY NEGLIGENCE) IN CONNECTION WITH ANY USE OF THEIR CONTENT, INCLUDING RATINGS.

Credit ratings are statements of opinions and are not statements of fact or recommendations to purchase, hold or sell securities. They do not address the suitability of securities or the suitability of securities for investment purposes and should not be relied on as investment advice.

# DEFINITIONS

## FINANCIAL RATIOS

$$\begin{aligned} & \text{Net Income (LTM) [A] + [Net Interest Expense * (1-Effective Tax Rate)]} \\ \div & \text{ [Book Value (Total Stockholders' Equity [B]) + Net Funded Debt] @ beginning of LTM} \\ = & \text{ Return on Invested Capital} \end{aligned}$$

$$\begin{aligned} & \text{EBITDA (Earnings before Interest, Taxes, Depreciation, \& Amortization)} \\ \div & \text{ Revenue} \\ = & \text{ EBITDA Margin} \end{aligned}$$

[A] Net Income excludes noncontrolling interest and discontinued operations

[B] Total Stockholders' Equity excludes minority interests and discontinued operations

Three year averages are derived from calculating the return metric for each twelve month period and then averaging the three period metrics



### BETTY JOHNSON

MYR GROUP CONTACT

MYR Group Inc., Chief Financial Officer

847.290.1891 | Bjohnson@myrgroup.com



### DAVID GUITERREZ

INVESTOR CONTACT

Dresner Corporate Services

312.780.7204 | DGutierrez@dresnerco.com