



STERLING ACQUIRES PETILLO, AN INDUSTRY LEADING SPECIALTY SITE DEVELOPMENT COMPANY

January 6, 2022

*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 statements that are considered forward-looking statements within the meaning of the federal securities laws. 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 projections or expectations relating to synergies and other benefits from the transaction; our business strategy; our financial strategy; our industry outlook; and our plans, objectives, expectations, forecasts, outlook and intentions. All of these types of statements, other than statements of historical fact included in this press release, 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,” “continue,” the negative of such terms or other comparable terminology. The forward-looking statements contained in this press release 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. 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 press release 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. 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, including the possibility that the anticipated benefits from the transaction cannot be fully realized or may take longer to realize than expected, the possibility that the costs or difficulties of integration of the Petillo business will be greater than expected and our ability to hire and retain the Petillo employees. Actual results may differ materially from those anticipated or implied in the forward-looking statements due to such factors as well as the other factors included 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.

Continuing Our Strategic Vision

Focused & Moving Forward

- Executing our strategic vision:
 - ✓ Solidify the Base
 - ✓ Grow High-Margin Products
 - ✓ Expansion into Adjacent Markets
- Continuing our key objectives:
 - ✓ Bottom-line Growth
 - ✓ Risk Reduction
 - ✓ Exceed Peer Performance

Strategic Acquisition - Benefits

- Positions Sterling to be an industry leader on e-infrastructure site development
- Geographic expansion in a high growth sector in which we generate our highest margins
- Expands our geographic presence in many of the leading markets with Petillo in the North East/Mid Atlantic supplementing Plateau's established footprint in the Southeast
- Provides a vertical integration for our specialty infrastructure services adding capacity, assets, capabilities, customers and people
- Petillo transaction is expected to be immediately accretive to Net Income and EPS
- Post acquisition leverage remains comfortably within our target range with ample liquidity

Petillo Overview

Transaction Summary



Leading specialty site development solution provider in the Northeast and Mid-Atlantic regions focused on e-infrastructure projects

Revenue	~\$212 million
'17-'21E Rev CAGR	~29%
Operating Margin	~14%
Field Employees	300+

Service Profile

Site Excavation

Water Management & Distribution

Erosion Control & Retaining Walls

Utilities Contractor

Environmental Remediation

Concrete Installation & Repair



Investment Highlights

Expansion of geographic footprint to cover blue-chip customers in all major East Coast markets

Positions Sterling to be an industry leader of e-infrastructure specialty site development services

Strong cultural alignment with an abundance of entrepreneurial spirit

Enables cross-selling of broader capabilities and adjacent service offerings across geographies

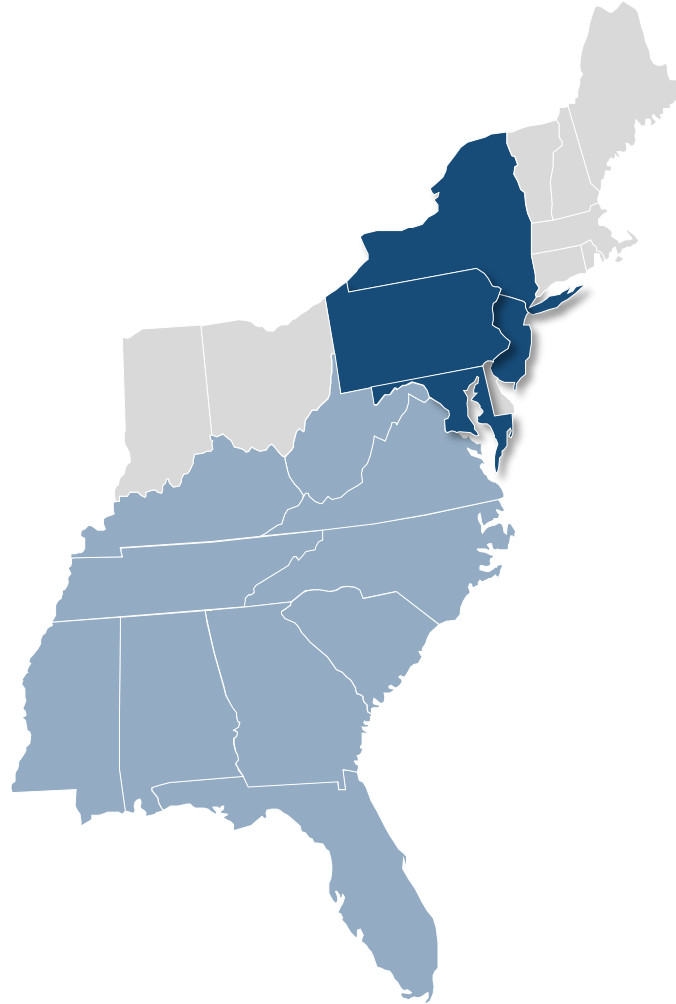
Expanding our E-Infrastructure Solutions

3-Year Strategy:

Solidify the Base, Grow High-Margin Products, Expansion into Adjacent Markets

Our acquisition standards have always been centered on specific strategic, financial and cultural considerations including a shift toward higher-margin, lower-risk work, with increased emphasis on e-infrastructure solutions, building solutions and transportation solutions.

AND this transaction aligns with our strategy



Expanding our geographic footprint into:

New Jersey
Maryland
New York
Pennsylvania

STRL's 2021 Footprint:

Alabama
Florida
Georgia
Kentucky
Mississippi
North Carolina
South Carolina
Tennessee
Virginia
West Virginia

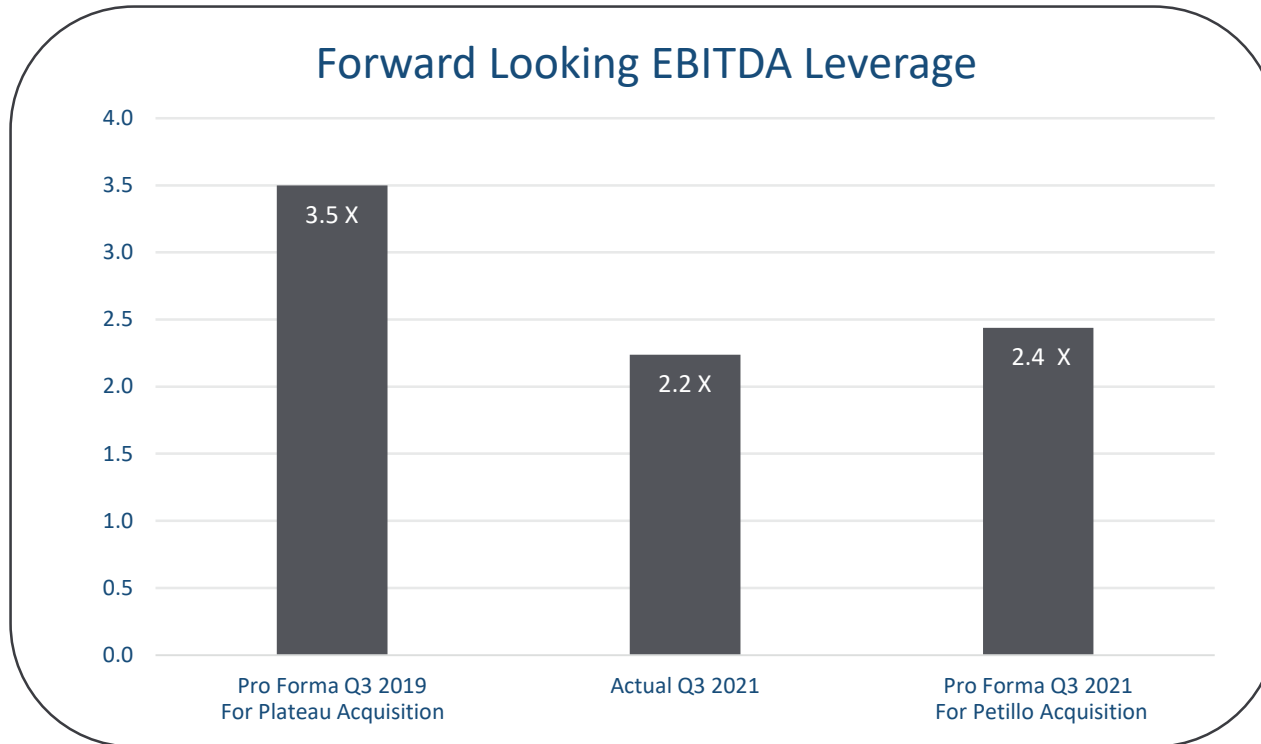
Growing Roster of Top End-Customers:



Highly Attractive Financial Profile at an Accretive Price

(\$ in millions)	Nine Months Ended September 30, 2021			Twelve Months Ended December 31, 2020		
	Sterling Historical	Petillo Historical	Combined Pro Forma	Sterling Historical	Petillo Historical	Combined Pro Forma
Revenues	\$ 1,180.4	\$ 143.3	\$ 1,323.7	\$ 1,427.4	\$ 222.7	\$ 1,650.1
Gross Margin	13.4%	16.5%	13.8%	13.4%	18.7%	14.1%
Income from Operations Margin	6.8%	13.9%	7.7%	6.6%	15.7%	7.4%
Net Income	\$ 51.7	\$ 23.7	\$ 59.8	\$ 42.3	\$ 33.3	\$ 59.1
EBITDA ⁽¹⁾	\$ 110.9	\$ 27.1	\$ 136.9	\$ 127.1	\$ 45.1	\$ 169.2
EBITDA Margin	9.4%	18.9%	10.3%	8.9%	20.3%	10.3%

Leverage Remains within Target Range



Cash Price	\$175,000
Sterling Common Stock	20,000
Base Purchase Price	<u>\$195,000</u>

Additional New Term Loan	\$140,000
Available Balance Sheet Cash	35,000
Cash Price	<u>\$175,000</u>

- The terms, conditions and duration of the Additional New Term Loan are materially consistent with those of or existing Term Loan Facility.

Post-acquisition pro forma leverage increases modestly from 2.2x to 2.4x forward looking EBITDA, remaining comfortably within our target range and providing ample liquidity.

Sterling's Evolution Continues

Diversified, customer-centric, market-focused portfolio of specialty infrastructure services.

- ✓ Platform for strong growth of higher-margin lower-risk work
- ✓ Execution on strategic plan of solidifying the base, growing high-margin products, and expanding into adjacent markets
- ✓ Geographically positioned in the strongest markets
- ✓ Serving the nation's leading customers in each of our sectors
- ✓ Specialty site development provider able to handle the largest and most complex site development projects

Contact Us

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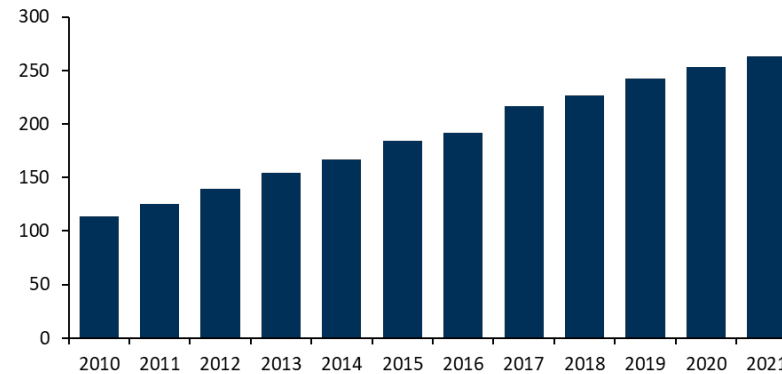
Appendix



Data Centers Market Growth

Total U.S.
Market

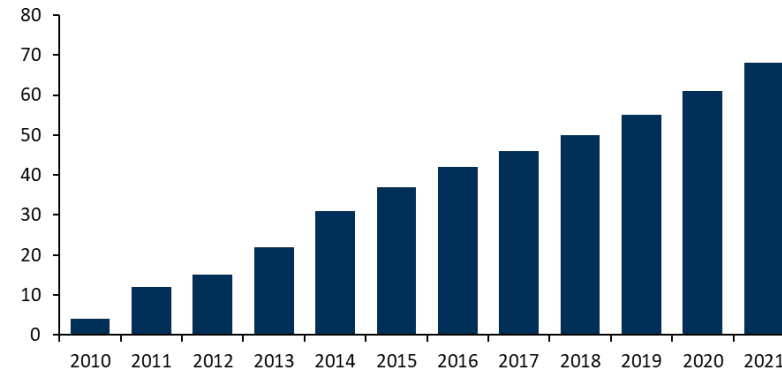
Total Data Centers



Total Data Centers Under Construction



Sterling
Markets¹



Buildings Under Construction

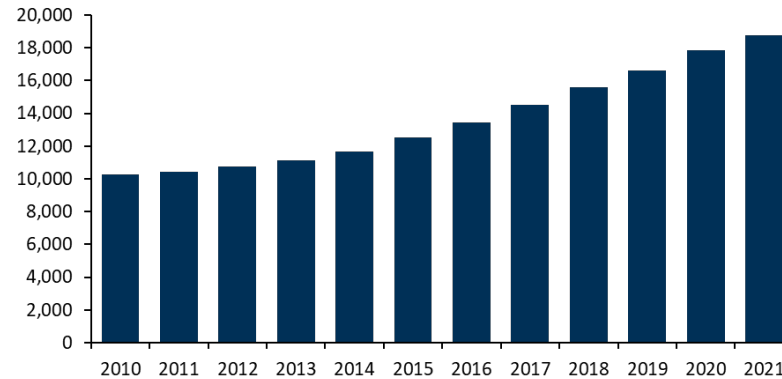


Buildings Under Construction Under Construction Sq. Ft. (in thousands)

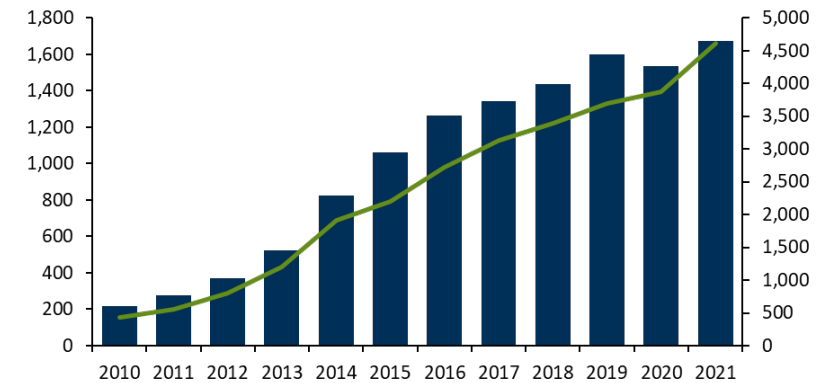
Warehouses Market Growth

Total U.S.
Market

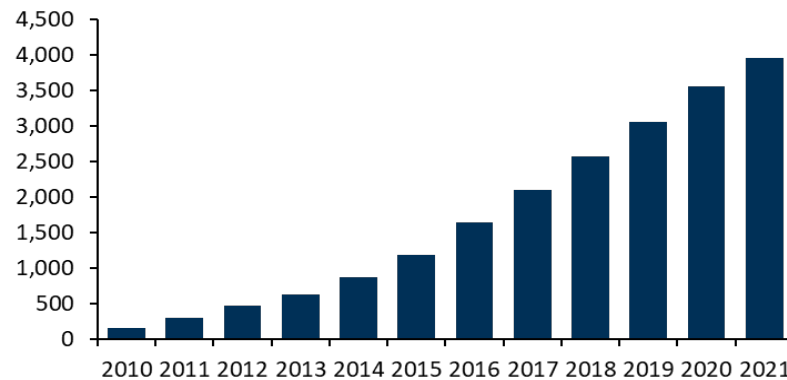
Total Distribution Warehouses



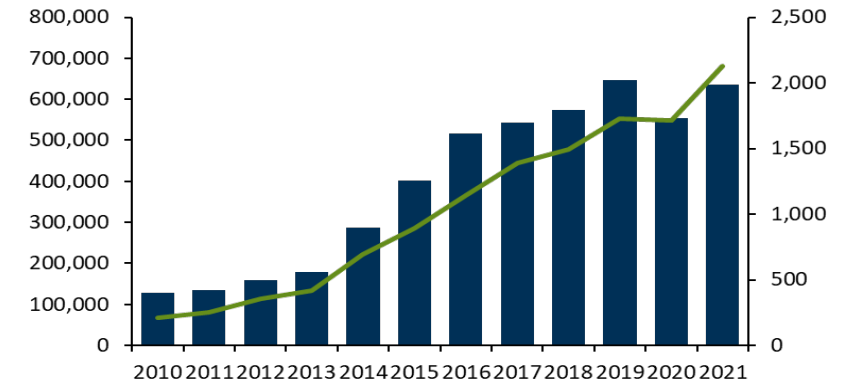
Total Distribution Warehouses Under Construction



Sterling
Markets¹



Buildings Under Construction



Buildings Under Construction Under Construction Sq. Ft. (in thousands)

EBITDA Reconciliation

(\$ in millions)	Nine Months Ended September 30, 2021			Twelve Months Ended December 31, 2020		
	Sterling Historical	Petillo Historical	Combined Pro Forma	Sterling Historical	Petillo Historical	Combined Pro Forma
Net income	\$ 51.7	\$ 23.7	\$ 59.8	\$ 42.3	\$ 33.3	\$ 59.1
Depreciation and amortization	25.3	8.2	36.6	32.8	10.1	47.0
Net interest expense	15.6	-	19.1	29.2	-	33.8
Income tax expense	20.3	1.9	23.4	22.5	1.7	29.0
(Gain) loss on extinguishment of debt	(2.0)	(6.7)	(2.0)	0.3	-	0.3
EBITDA ⁽¹⁾	<u>\$ 110.9</u>	<u>\$ 27.1</u>	<u>\$ 136.9</u>	<u>\$ 127.1</u>	<u>\$ 45.1</u>	<u>\$ 169.2</u>



THANK YOU

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