

Risk Factors Comparison 2025-02-28 to 2024-03-01 Form: 10-K

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Our business is subject to a variety of risks and uncertainties, including, but not limited to, the risks and uncertainties described below. You should read the following risk factors carefully in connection with evaluating our business and the forward-looking information contained in this Annual Report on Form 10-K. If any of the risks described below, or elsewhere in this Annual Report on Form 10-K were to occur, our financial condition and results of operations could suffer and the trading price of our common stock could decline. Additionally, if other risks not presently known to us, or that we do not currently believe to be significant, occur or become significant, our financial condition and results of operations could suffer and the trading price of our common stock could decline. Risks Related to Financial Performance or General Economic Conditions Economic downturns, uncertain economic conditions, and capital market fluctuations may affect our customers' spending on the services we provide. Macroeconomic conditions, including inflation, slower growth or recessionary conditions, changes to fiscal and monetary policy, availability of credit, and interest rates could materially adversely affect demand for our services and the availability and cost of the materials and equipment we need to deliver our services. During periods of elevated and prolonged economic uncertainty our customers may delay, reduce or eliminate their spending on the services we provide. In addition, volatility in the debt or equity markets may impact our customers' access to capital and result in the reduction or elimination of spending on the services we provide. Our vendors, suppliers and subcontractors may also be adversely affected by these conditions. These conditions, which can develop rapidly, could adversely affect our revenues, results of operations, and liquidity. **Trade restrictions could be imposed on goods, materials or component parts used in our business that we import from other countries, which could have a material adverse effect on our results of operations. Our industry could be impacted by the imposition, or the threat of the imposition of, tariffs placed on products imported from foreign countries that we use in our business, including steel, aluminum, fuel and motor vehicles or their component parts, fiber cable and other components that we utilize to build networks, or any resulting impacts from escalating trade hostilities with the countries from where we import products. There is an ongoing risk of new or additional tariffs being placed on goods, materials or components used in our business that could dramatically increase our costs, require us to increase prices to our customers or, if we are unable to do so, result in lower gross margins. Any escalation of trade tensions, including new or increased tariffs or a "trade war," could have a significant adverse effect on U. S. or world trade, as well as on our results of operations.** We derive a significant portion of our revenues from a small number of customers, and the loss of one or more of these customers could adversely affect our revenues, results of operations, and liquidity. Our customer base is highly concentrated, with our top five customers during fiscal **2025, fiscal 2024, and fiscal 2023**, ~~and fiscal 2022~~ accounting for approximately **55.4 %, 57.7 %, and 66.7 %, and 66.2 %**, of our total contract revenues, respectively. Our industry is highly competitive and the revenue we expect from an existing customer in any market could fail to be realized if competitors who offer comparable services to our customers do so on more favorable terms or have a better relationship with a customer. Additionally, the continued consolidation of the telecommunications industry could result in the loss of a customer if, as a result of a merger or acquisition involving one or more of our customers, the surviving entity chooses to use one of our competitors for the services we currently provide. The capital and operating expenditure budgets and seasonal spending patterns of our customers affect demand for our services **and the addition of new customers with differing behaviors may adversely impact our business**. Generally, our customers have no obligation to assign specific amounts of work to us. Customers decide to engage us to provide services based on, among other things, the amount of capital they have available and their spending priorities. Our customers' capital budgets may change for reasons over which we have no control. These changes may occur quickly and without advance notice. Any fluctuation in the capital or operating expenditure budgets and priorities of our customers could adversely affect our revenues, results of operations, and liquidity. **Further, if we continue to broaden our customer base, we may become subject to different customer requirements or characteristics, including less advantageous contractual requirements, customers with financial or operational instability or increased contract terminations or project cancellations. Our failure or inability to anticipate or adapt to a changing customer base and shifting business models could have an adverse effect on our competitive position business or results of operations.** Pandemics and public health emergencies could materially disrupt our business and negatively impact our operating results, cash flows and financial condition. Pandemics and public health emergencies **, like the COVID-19 pandemic,** may impact our operating results, cash flows and financial condition in ways that are uncertain, unpredictable and outside of our control. The extent of the impact of such an event depends on the severity and duration of the public health emergency ~~or pandemic~~ **or pandemic**, as well as the nature and duration of federal, state and local laws, orders, rules, emergency temporary standards, regulations and mandates, together with protocols and contractual requirements implemented by our customers, that may be enacted or newly enforced in response. Additionally, our ability to perform our work during such an event may be dependent on the governmental or societal responses to these circumstances in the markets in which we operate. A pandemic or public health emergency is likely to heighten and exacerbate the risks described herein. ~~We experienced many of these risks in connection with the COVID-19 pandemic.~~ Seasonality and adverse weather conditions affect demand for our services. Our contract revenues and results of operations exhibit seasonality and are impacted by adverse weather changes as we perform a significant portion of our work outdoors. Consequently, adverse weather, which is more likely to occur with greater frequency, severity, and duration during the winter, as well as reduced daylight hours, impact our operations during the fiscal quarters ending in January and April. Additionally, extreme weather conditions such as major or extended winter storms, droughts and tornados,

wildfires, and natural disasters, such as floods, hurricanes, tropical storms, whether as a result of climate change or otherwise, could also impact the demand for our services, or impact our ability to perform our services. Also, several holidays fall within the fiscal quarter ending in January, which decreases the number of available workdays in this fiscal quarter. Because of ~~these factors~~ **these factors**, we are most likely to experience reduced revenue and profitability or losses during the fiscal quarters ending in January and April compared to the fiscal quarters ending in July and October. We derive a significant portion of our revenues from multi- year master service agreements and other long- term contracts which our customers may cancel at any time or may reschedule or modify previously assigned work. The majority of our long- term contracts are cancellable by our customers with little or no advance notice and for any, or no, reason. Our customers may also have the right to cancel or remove assigned work without canceling the contract or to reschedule or modify previously assigned work . **We may also experience difficulty in managing and timely executing on long- term contracts due to the complex nature of the projects and changes in customer needs and priorities may adversely impact of the profitability of these contracts** . In addition, these contracts typically include a fixed term that is subject to renewal or rebid on a periodic basis. We may be unsuccessful in securing contracts when their fixed terms expire. Our projected revenues assume that definitive work orders have been, or will be, issued by our customer, and that the work will be completed. The potential loss of work under master service agreements and other long- term contracts, or the rescheduling or modification of previously assigned work by a customer, could adversely affect our results of operations, cash flows, and liquidity, as well as any projections we provide. Our contracts contain provisions that may require us to pay damages or incur costs if we fail to meet our contractual obligations. If we do not meet our contractual obligations our customers may look to us to pay damages or pursue other remedies, including, in some instances, the payment of liquidated damages. Additionally, if we fail to meet our contractual obligations, or if our customer anticipates that we cannot meet our contractual obligations, our customers may, in certain circumstances, seek reimbursement from us to cover the incremental cost of having a third party complete or remediate our work. Our results of operations could be adversely affected if we are required to pay damages or incur costs as a result of a failure to meet our contractual obligations. Our backlog is subject to reduction or cancellation, and revenues may be realized in different periods than initially reflected in our backlog. Our backlog includes the estimated uncompleted portion of services to be performed under master services agreements and other contractual agreements with our customers. These estimates are based on, among other things, contract terms and projections regarding the timing of the services to be provided. In the case of master service agreements, backlog is calculated using as an input the amount of work performed in the preceding 12 month period, when applicable. Backlog for newly initiated master service agreements and other long and short- term contracts is estimated using the anticipated scope of the contract and information received from the customer in the procurement process. Generally, our customers are not contractually committed to procure specific volumes of services. Contract revenue estimates reflected in our backlog can be subject to change due to a number of factors, including contract cancellations or changes in the amount of work we expect to be performed **under a contract** . In addition, contract revenues reflected in our backlog may be realized in different periods from those previously anticipated due to these factors as well as project accelerations or delays due to various reasons, including, but not limited to, changes in customer spending priorities, project cancellations, regulatory interruptions, scheduling changes, commercial issues, such as permitting, engineering revisions, job site conditions and adverse weather. The amount or timing of our backlog can also be impacted by the merger or acquisition activity of our customers. Our estimates of our customers' requirements during a future period may prove to be inaccurate. As a result, our backlog as of any particular date is an uncertain estimate of the amount of, and timing of, future revenues and earnings. We have a significant amount of accounts receivable and contract assets, which could become uncollectible. We extend credit to our customers because we perform work under contracts prior to being able to bill for that work. Deteriorating conditions in the industries we serve, bankruptcies, or financial difficulties of a customer or within the telecommunications sector generally may impair the financial condition of one or more of our customers and hinder their ability to pay us on a timely basis or at all. In addition, although in some instances we may have the right to file liens for certain projects, we may not be successful in enforcing those liens. The failure or delay in payment by one or more of our customers could reduce our cash flows and adversely affect our liquidity and results of operations. Our profitability is based on delivering services within the estimated costs established when we price our contracts. A significant portion of our services are provided under contracts that have discrete pricing for individual tasks. Due to the fixed price nature of the tasks, our profitability could decline if our actual cost to complete each task exceeds our original estimates, as pricing under these contracts is determined based on estimated costs established when we enter into the contracts. A variety of factors could negatively impact the actual cost we incur in performing our work, such as changes made by our customers to the scope and extent of the services that we are to provide under a contract, delays resulting from weather and any pandemic or public health emergency, conditions at work sites differing materially from those anticipated at the time we bid on the contract, higher than expected costs of materials , **including as a result of increased tariffs**, and labor, delays in obtaining necessary permits, under absorbed costs, and lower than anticipated productivity. An increase in costs due to any of these factors, or for other reasons, could adversely affect our results of operations. Regulatory changes and requirements associated with government funding that is associated with certain capital spending initiatives of our customers may affect their spending on the services we provide. Our customers operate in regulated industries and are subject to laws and regulations that can change frequently. Additionally, where our customers utilize governmental funding sources in connection with the work they contract us to perform, such work may be subject to new or enhanced regulatory requirements and compliance obligations. The application of new or enhanced regulatory requirements or obligations, or changes to the enforcement or interpretation of existing laws or regulations, may delay or constrain our ability to perform our work, increase our costs to perform our work without a corresponding increase in payment from our customers, and could cause our customers to reduce or delay spending on the services we provide, which could adversely affect our revenues, results of operations, and liquidity. **Considerable uncertainty exists regarding how future budget and program decisions will unfold and future funding for certain government programs in which we or our**

customers participate may be reduced, delayed or cancelled. The incoming administration announced a planned advisory commission to reform federal government processes and reduce expenditures. Pressures on and uncertainty surrounding the U. S. federal government's budget, and potential changes in budgetary priorities, could adversely affect the funding for infrastructure programs upon which we rely. Additionally, changes related to taxation, trade, economic and monetary policies, heightened diplomatic tensions or political and civil unrest, among other potential impacts, could adversely impact the global economy and our operating results. Technological change may affect our customers' spending on the services we provide. We generate a significant majority of our revenues from customers in the telecommunications industry. This industry has been and continues to be impacted by rapid technological change. These changes may affect our customers' spending on the services we provide. Further, technological change in the telecommunications industry not directly related to the services we provide may affect the ability of one or more of our customers to compete effectively, which could result in a reduction or elimination of their use of our services. Any reduction, elimination or delay of spending by one of our customers on the services we provide could adversely affect our revenues, results of operations, and liquidity. Our business is dependent on keeping pace with technological developments impacting our services and those of our customers. Our success is dependent on our and our customers' ability to acquire, develop, adopt and leverage new and existing technologies, including artificial intelligence ("AI"). New technologies can materially impact our business in a number of ways, including affecting the costs, speed and efficiency with which we can provide our services to our customers and our ability to differentiate ourselves from our competitor's offerings. Our customers may also experience decreased demand for their products or services if they fail to develop new products and technologies to meet consumer demand. Our failure to effectively anticipate or adapt to new technologies and changes in our customer's expectations and behavior could materially impact our competitive position with our customers and, as a result, our future success and growth. Our business is labor-intensive, and we may be unable to attract, retain and ensure the productivity of qualified employees or to pass increased labor and training costs to our customers. We are highly dependent upon our ability to employ, train, retain, and ensure the productivity of the skilled personnel needed to operate our business. Given the highly specialized work we perform, many of our employees receive training in, and possess, specialized technical skills that are necessary to operate our business and maintain productivity and profitability. We cannot be certain that we will be able to maintain and ensure the productivity of the skilled labor force necessary to operate our business. Our ability to do so depends on a number of factors, such as the general rate of employment, fluctuations in economic and industry conditions, changes in U. S. immigration policies, regulatory changes, competition for employees possessing the skills we need, and the general health and welfare of our employees. Additionally, factors such as corporate culture, organizational changes, remote working opportunities and our the level of compensation required programs may impact our ability to hire effectively attract, train and retain qualified employees and manage our workforce. In addition, the uncertainty of contract awards and project delays can also present difficulties in appropriately sizing our skilled labor force. Furthermore, due to the fixed price nature of the tasks in our contracts, we may be unable to pass increases in labor and training costs on to our customers. If we are unable to attract or retain qualified employees or incur additional labor and training costs, we may be unable to maintain or improve our competitive position and our results of operations could be adversely affected. We may be unable to secure or retain qualified subcontractors to fulfill our obligations, or our subcontractors may fail to satisfy their obligations to us, either of which may adversely affect our relationships with our customers or cause us to incur additional costs. We contract with subcontractors to manage fluctuations in work volumes and reduce the amounts that we would otherwise expend on fixed assets and working capital. If we are unable to secure qualified subcontractors who can provide adequate labor resources at a reasonable cost, we may be delayed or unable to complete our work under a contract on a timely basis. In addition, we subcontractors may have not meet performance expectations, fail to meet regulatory or contractual requirements, or experience financial instability that could result in disputes with these subcontractors arising from or litigation and adversely impact, among other things, the quality and timeliness of the work they have performed. We may incur additional costs to correct such shortfalls in the work performed by subcontractors. Any of these factors could negatively impact the quality of our service, our ability to perform under certain customer contracts, and our relationships with our customers, which could adversely affect our results of operations. Changes in fuel prices may increase our costs, and we may not be able to pass along increased fuel costs to our customers. Fuel prices fluctuate based on events outside of our control, including as the result of global economic conditions, market volatility, import and export restrictions, sanctions or trade regulations and the imposition of tariffs. Most of our services are provided under contracts that have discrete pricing for individual tasks and do not allow us to adjust our pricing for higher fuel costs during a contract term. In addition, we may be unable to secure prices that reflect rising costs when renewing or bidding contracts. To the extent we enter into hedge transactions in conjunction with our anticipated fuel purchases, declines in fuel prices below the levels established in the hedges we have in place may require us to make payments to our hedge counterparties. As a result, changes in fuel prices may adversely affect our results of operations. Increases in healthcare costs could adversely affect our financial results. The costs of providing employee medical benefits have steadily increased over a number of years due to, among other things, rising healthcare costs and legislative requirements. Because of the complex nature of healthcare laws, as well as periodic healthcare reform legislation adopted by Congress, state legislatures, and municipalities, we cannot predict with certainty the future effect of these laws on our healthcare costs. Continued increases in healthcare costs or additional costs created by future health care reform laws adopted by Congress, state legislatures, or municipalities could adversely affect our results of operations and financial position. Fluctuations in our effective tax rate and tax liabilities may cause volatility in our financial results. We determine and provide for income taxes based on the tax laws of each of the jurisdictions in which we operate. Changes in the mix and level of earnings among jurisdictions could materially impact our effective tax rate in any given financial statement period. Our effective tax rate may also be affected by changes in tax laws and regulations at the federal, state, and local level, or by new interpretations of existing tax laws and regulations. We are also

subject to audits by various taxing authorities. An adverse outcome from an audit could unfavorably impact our effective tax rate and increase our tax liabilities. We may incur impairment charges on goodwill or other intangible assets. We assess goodwill and other indefinite-lived intangible assets for impairment annually in order to determine whether their carrying value exceeds their fair value. Reporting units are tested more frequently if an event occurs or circumstances change between annual tests that indicate their fair value may be below their carrying value. If we determine the fair value of the goodwill or other indefinite-lived intangible assets is less than their carrying value as a result of an annual or interim test, an impairment loss is recognized. Our goodwill resides in multiple reporting units. The profitability of individual reporting units may suffer periodically due to downturns in customer demand, increased costs of providing our services, and the level of overall economic activity. Our customers may reduce capital expenditures and defer or cancel pending projects due to changes in technology, a slowing or uncertain economy, merger or acquisition activity, a decision to allocate resources to other areas of their business, or other reasons. The profitability of reporting units may also suffer if actual costs of providing our services exceed our estimated costs established when we enter into contracts. Additionally, adverse conditions in the economy and future volatility in the equity and credit markets could impact the valuation of our reporting units. The cyclical nature of our business, the high level of competition existing within our industry, and the concentration of our revenues from a small number of customers may also cause results to vary. The factors identified above may affect individual reporting units disproportionately, relative to the Company as a whole. As a result, the performance of one or more of the reporting units could decline, resulting in an impairment of goodwill or intangible assets. In addition, adverse changes to the key valuation assumptions contributing to the fair value of our reporting units could result in an impairment of goodwill or intangible assets. A write-down of goodwill or intangible assets as a result of an impairment could adversely affect our results of operations. The market price of our common stock has been, and may continue to be, highly volatile. During fiscal ~~2024~~ **2025**, our common stock fluctuated from a low of \$ ~~80-111~~ **30-70** per share to a high of \$ ~~116-202~~ **13-82** per share. We may continue to experience significant volatility in the market price of our common stock due to numerous factors, including, but not limited to: • events impacting us, or our competitors, with respect to significant contracts, acquisitions or dispositions, fluctuations in operating results, or change to capital structure; • announcements by our customers regarding their capital spending and start-up, deferral or cancellation of projects, or their mergers and acquisitions activities; • the commercialization of new technologies impacting the services that we provide to our customers; • regulatory and compliance obligations associated with government funding provided to our customers in connection with the work we perform, other regulatory actions, and changes in tax laws; • changes in recommendations or earnings estimates by securities analysts; and • the impact of economic conditions on the credit and stock markets and on our customers' demand for our services. In addition, other factors, such as market disruptions, industry outlook, general economic conditions, widespread public health epidemics and political events, could decrease the market price of our common stock and, as a result, investors could lose some or all of their investments. Risks Related to the Operation of Our Business Our operations involve activities that are ~~often~~ **inherently dangerous and are performed at times in complex or sensitive environments**. If our activities result in, or if it is alleged that our activities have resulted in, damage or destruction to the ~~real or personal~~ **real or personal** property of others, or in injury or death to others, we could be exposed to significant financial losses ~~and~~ **and**, reputational harm ~~and~~ **and**, as well as civil and criminal liabilities. Our operations involve dangerous activities such as underground drilling and the use of mechanized equipment. These activities and their effects could result in, or be alleged to have resulted in, damage to the real and personal property of others, and cause personal injury or death to third parties or our employees. In many instances, our activities are performed in close proximity to other utilities which, if damaged, may result in the occurrence of catastrophic events. Additionally, we may perform our activities in environmentally sensitive locations or in locations that may be susceptible to catastrophic events, including wildfires. If our activities cause or contribute to, or are alleged to have caused or contributed to, a catastrophic event, we could be exposed to severe financial losses and reputational harm. We procure insurance coverage to cover many of these risks; however, there can be no assurance that ~~these coverages~~ **coverage** will continue to be available to us on commercially reasonable terms, or at all, or that ~~they are~~ **our coverage will be** adequate in scope or amount to address financial losses from these risks. As a result, we could incur significant costs to defend any such allegations, defend and indemnify our customers, repair and replace assets, or to compensate third parties; reputational harm could result in the loss of future revenue-generating opportunities; or we may be subject to civil and, in certain situations, criminal liabilities. Changes in the cost or availability of materials may adversely affect our revenues and results of operations. For a majority of the contract services we perform, customers provide the necessary materials. Under other contracts, we supply part, or all, of the necessary materials. If we, or our customers, are unable to procure the materials necessary to the contract services we perform, or if those materials are only available at prices that make our work unprofitable, our revenues and results of operations could be adversely affected. A failure, outage, or cybersecurity breach of our technology systems or those of third-party providers may adversely affect our operations and financial results. We are dependent on technology to operate our business, to engage with our customers and other third parties, and to increase the efficiency and effectiveness of the services we offer our customers. We use both our own information technology systems and the information technology systems and expertise of third-party service providers to manage our operations, process data for our financial reporting, and perform other business processes. We also use information technology systems to record, transmit, store, and protect sensitive data, including the sensitive data of our employees and customers. A ~~cyber-security~~ **cybersecurity or ransomware** attack, computer viruses, security breaches, or vandalism on these information technology systems **, which we have experienced in the past,** may result in our inability to access and utilize these systems, create or contribute to significant financial losses, and may negatively impact our reputation. The systems of our customers that we utilize to transmit and receive information could also fail or be subject to a cybersecurity attack. Any of these occurrences could disrupt our business or the delivery of services to our customers, result in potential liabilities, the termination of contracts, divert the attention of management from effectively operating our business, cause significant reputational damage, or otherwise have an adverse effect on our financial results. We may also need to expend

significant additional resources to protect against cybersecurity threats or to address actual breaches or to redress problems caused by cybersecurity breaches. ~~We have experienced cybersecurity threats to our information technology infrastructure and attacks attempting to breach our systems and other similar incidents. In 2017, we determined that certain of our computer systems containing Company financial information were subject to unauthorized access. Law enforcement authorities were notified and new security enhancements and protocols were implemented. Although these prior cybersecurity incidents have not had a material impact on our results of operations, financial position, or liquidity, there is no assurance that future threats would not cause harm to our business and our reputation, and adversely affect our results of operations, financial position, and liquidity.~~ A failure in our information technology systems could negatively impact our business. We rely on information technology systems to record and process transactions, manage our business, and maintain the financial accuracy of our records. Our information technology systems may be adversely impacted by various factors, including power outages, software and hardware failures, connectivity outages, catastrophic events, and human error. Interruptions to our information systems could disrupt our business, delay our financial reporting, and could result in the loss of revenue, and cause us to incur additional expense. We are in the process of implementing an Enterprise Resource Planning (ERP) system to upgrade and standardize our information technology systems. This implementation is expected to occur in phases over the next several years. Any delays or failures to achieve our implementation goals may adversely impact our financial results. In addition, the failure to complete the implementation on a timely basis, or to adequately address the necessary readiness and training needs of our personnel, could lead to business disruption, negatively affect our customer relationships, and restrict our ability to execute our business strategy, which could adversely affect our business. The loss or long-term incapacitation of one or more of our executive officers or other key employees could adversely affect our business. We depend on the continued and ongoing services of our executive officers and other key employees, including the senior management of our subsidiaries. In many instances, these employees have significant experience and expertise in our industry. These key employees often possess and maintain key relationships with our customers and subcontractors that would be difficult to replace. Competition for senior management personnel is intense and we cannot be certain that any of our executive officers or other key management personnel will remain employed by us or that they will otherwise be able to provide service to us for any length of time. Additionally, we may not have adequate succession planning in place **or the hiring, promotion or transition of an executive or key employee into a new role may not be successful and we may be unable** to ensure that our key employees can be replaced if they are no longer employed by us. We do not carry "key-person" life or disability insurance on any of our employees. The loss or long-term incapacitation of any one of our executive officers or other key employees could negatively affect our customer relationships or the ability to execute our business strategy, which could adversely affect our business. The preparation of our financial statements requires management to make certain estimates and assumptions that may differ from actual results. In preparing our consolidated financial statements in conformity with accounting principles generally accepted in the United States of America, a number of estimates and assumptions are made by management that affect the amounts reported in the financial statements. These estimates and assumptions must be made because certain information that is used in the preparation of our financial statements is either dependent on future events or cannot be calculated precisely from available data at the time that these estimates are made and, accordingly, requires the use of management's judgment. Estimates and assumptions are primarily used in our assessment of the recognition of revenue under the cost-to-cost method of progress, job-specific costs, accrued insurance claims, the allowance for ~~doubtful accounts~~ **credit losses**, accruals for contingencies, stock-based compensation expense for performance-based stock awards, the fair value of reporting units for the goodwill impairment analysis, the assessment of impairment of intangibles and other long-lived assets, the purchase price allocations of businesses acquired, and income taxes. When made, we believe such estimates and assumptions are fair when considered in conjunction with our consolidated financial position and results of operations taken as a whole. However, actual results could differ from those estimates and assumptions, and such differences may be material to our financial statements. Risks Related to Laws and Regulations Our failure to comply with occupational health and workplace safety requirements could result in significant liabilities or enforcement actions and adversely impact our ability to perform services for our customers. Our operations are subject to strict laws and regulations governing workplace safety. Our workers frequently operate heavy machinery, work on and in the vicinity of electrical and gas lines, perform their work at heights, and engage in other potentially dangerous activities which could subject them and others to injury or death. If, in the course of our operations, it is determined we have violated safety regulations, our operations may be disrupted and we may be subject to penalties, fines or, in extreme cases, criminal sanctions. In addition, if our safety performance were to deteriorate, customers could decide to cancel our contracts or not award us future business. These factors could adversely affect our results of operations and financial position. Our failure to comply with worker eligibility and immigration laws **or changes to such laws** could result in significant liabilities and harm our reputation with our customers, as well as cause disruption to our operations. If we fail to comply with these laws, **which continue to evolve and are subject to additional executive and legislative actions or legal enforcement**, our operations may be disrupted, and we may be subject to fines or, in extreme cases, criminal sanctions. In addition, many of our customer contracts specifically require compliance with worker eligibility and immigration laws and in some cases our customers audit compliance with these laws. Further, several of our customers require that we ensure our subcontractors comply with these laws with respect to the workers that perform services for them. A failure to comply with these laws **or to quickly adapt to regulatory changes** could damage our reputation and may result in the cancellation of our contracts by our customers, or a decision by our customers not to award us future business. These factors could adversely affect our results of operations and financial position. Our failure to comply with various laws and regulations related to the construction and operation of utilities, contractor licensing and the operation of our fleet of commercial motor vehicles could result in significant liabilities. We are subject to a number of state and federal laws and regulations, including those related to the construction and operation of utilities, contractor licensing and the operation of our fleet of commercial motor vehicles. If we are not in compliance with these laws and regulations, we may be unable to perform

services for our customers and may also be subject to fines, penalties, and the suspension or revocation of our licenses. Our failure to comply with these laws and regulations may affect our ability to operate and could require us to incur significant costs that adversely affect our results of operations. Our failure to comply with environmental laws could result in significant liabilities. A significant portion of the work we perform is associated with the underground networks of our customers and we often operate in close proximity to pipelines, sewer lines, or underground storage tanks that may contain hazardous substances. We could be subject to liabilities in the event that we fail to comply with environmental laws or regulations or if we cause or are responsible for the release of hazardous substances or other environmental damages. These liabilities could result in significant costs including remediation costs, fines, third- party claims for property damage, or personal injury, and, in extreme cases, criminal sanctions. These costs, as well as any direct impact to ongoing operations, could adversely affect our results of operations and cash flows. In addition, new laws and regulations, altered enforcement of existing laws and regulations, the discovery of previously unknown contamination or leaks, or the imposition of new remediation requirements could require us to incur significant costs or create new or increased liabilities that could adversely affect our results of operations and financial position. We retain the risk of loss for the occurrence of certain liabilities. We retain the risk of loss, up to certain limits in our insurance program, for matters related to automobile liability, general liability (including damages associated with underground facility locating services), environmental liability, workers' compensation, and employee group health. We are effectively self-insured for the majority of claims because most claims against us fall below the deductibles or retention levels of our insurance policies. Additionally, within our aggregate coverage limits and above our base layer of third- party insurance coverage, we have retained the risk of loss at certain levels of exposure and any claims that reach these retained levels of exposure are self-insured. We estimate and develop our reserve accruals for these claims, including losses incurred but not reported, based on facts, circumstances, and historical evidence. However, the estimate for accrued insurance claims remains subject to uncertainty as our ultimate losses may depend on factors not known at the time such estimates are made. These factors include the estimated development of claims, the payment pattern of claims incurred, changes in the medical condition of claimants, and other factors such as inflation, tort reform or other legislative changes, unfavorable jury decisions, and court interpretations. Should the cost of actual claims exceed what we have anticipated, our recorded reserves may not be sufficient, and we could incur additional charges that could adversely affect our results of operations and financial position. See Item 7, Management' s Discussion and Analysis of Financial Condition and Results of Operations – Critical Accounting Policies – Accrued Insurance Claims, and Note 11, Accrued Insurance Claims, in the Notes to the Consolidated Financial Statements in this Annual Report on Form 10- K. We may be subject to litigation, indemnity claims, and other disputes, which could result in significant liabilities and adversely impact our financial results. From time to time, we are subject to lawsuits, arbitration proceedings, and other claims brought or threatened against us by various parties, including our customers. These actions and proceedings may involve claims for, among other things, compensation for personal injury, workers' compensation, wage and hour violations, employment discrimination, harassment, retaliation, and other employment- related damages, breach of contract, property damage, multiemployer pension plan withdrawal liabilities, liquidated damages, consequential damages, punitive damages, statutory damages, and civil penalties, other losses, or injunctive or declaratory relief. In addition, we may also be subject to class action lawsuits, including those alleging violations of the Fair Labor Standards Act, state and municipal wage and hour laws, and misclassification of independent contractors. We also indemnify our customers for claims arising out of or related to the services we provide and our actions or omissions under our contracts. In some instances, we may be allocated risk through our contract terms for the actions or omissions of our customers, subcontractors, or other third parties. Due to the inherent uncertainties of litigation and other dispute resolution proceedings, we cannot accurately predict the ultimate outcome of these matters. The outcome of litigation, particularly class action lawsuits, is difficult to assess or quantify. Class action lawsuits may seek recovery of very large or indeterminate amounts. Accordingly, the magnitude of the potential loss may remain unknown for substantial periods of time. These proceedings could result in substantial costs and may require us to devote substantial resources to our defense. The ultimate resolution of any litigation or proceeding through settlement, mediation, or a judgment could have a material impact on our reputation and adversely affect our results of operations and financial position. See Item 3. Legal Proceedings, and Note ~~21~~ **22**, Commitments and Contingencies, in the Notes to the Consolidated Financial Statements in this Annual Report on Form 10- K. We may be subject to warranty claims, which could result in significant liabilities and adversely impact our financial results. We typically warrant the services we provide by guaranteeing the work performed against defects in workmanship and materials or where our services are not provided in a manner consistent with applicable requirements. When these claims occur, we may be required to repair or replace our work without receiving any additional compensation and we may be liable to our customers for significant monetary claims. Our performance of warranty services requires us to allocate resources that otherwise might be engaged in the provision of services that generate revenue. In addition, our customers often have the right to repair or replace warranted items using the services of another provider and to charge the cost of the repair or replacement to us. Costs incurred for warranty claims, or reductions to revenue- generating activities arising from the allocation of resources to resolve warranty claims, could adversely affect our results of operations and financial position. Our subsidiaries may participate in multiemployer pension plans from time to time under which we could incur significant liabilities. Pursuant to collective bargaining agreements, our subsidiaries may participate in various multiemployer pension plans from time to time that provide defined pension benefits to covered employees. Where applicable, we make periodic contributions to these plans to allow them to meet their pension benefit obligations to participants. Assets contributed by an employer to a multiemployer plan are not segregated into a separate account and are not restricted to providing benefits only to employees of that contributing employer. Under the Employee Retirement Income Security Act (“ ERISA ”), absent an applicable exemption, a contributing employer to an underfunded multiemployer plan is liable upon withdrawal from the plan for its proportionate share of the plan' s unfunded vested liability. Such underfunding may increase in the event other employers become insolvent or withdraw from the applicable plan or upon the inability or failure of withdrawing employers to pay their withdrawal liability. In addition, if any of the plans in which we

participate become significantly underfunded, as defined by the Pension Protection Act of 2006, we may be required to make additional cash contributions in the form of higher contribution rates or surcharges. This **has occurred and** could occur **again in the future** because of a shrinking contribution base as a result of insolvency or withdrawal of other companies that currently contribute to these plans, inability or failure of withdrawing companies to pay their withdrawal liability, lower than expected returns on plan assets, or other funding deficiencies. Requirements to pay increased contributions or a withdrawal liability could adversely affect our results of operations, financial position, and cash flows. **During the fourth quarter of fiscal 2016, one of the Company's subsidiaries ceased operations. This subsidiary contributed to a multiemployer pension plan, the Pension, Hospitalization and Benefit Plan of the Electrical Industry- Pension Trust Fund (the " Plan "). In October 2016, the Plan demanded payment for a claimed withdrawal liability of approximately \$ 13. 0 million. In December 2016, the subsidiary submitted a formal request to the Plan seeking review of the Plan's withdrawal liability determination. The subsidiary disputes the claim that it is required to make payment of a withdrawal liability as demanded by the Plan as it believes that a statutory exemption under the Employee Retirement Income Security Act (" ERISA ") applies to its activities. The Plan has taken the position that the work at issue does not qualify for that statutory exemption. The subsidiary has submitted this dispute to arbitration, as required by ERISA. In that proceeding, the arbitrator has issued an order indicating that the statutory exemption is not available to the Company's subsidiary, and the Company's subsidiary is appealing the arbitrator's ruling on various grounds. There can be no assurance that the Company's subsidiary will be successful in its appeal of the arbitrator's ruling regarding this statutory exemption. As required by ERISA, this subsidiary began making payments of a withdrawal liability to the Plan in the amount of approximately \$ 0. 1 million per month in November 2016. The aggregate amount of these payments has been recorded as an asset. If the subsidiary prevails in disputing the withdrawal liability, all such payments are expected to be refunded. Given the early stage of this action, it is not possible to estimate a range of loss that could result from either an adverse judgment or a settlement of this matter.** Anti- takeover provisions of Florida law and provisions in our articles of incorporation and by- laws could make it more difficult to effect an acquisition of our Company or a change in our control. We are subject to certain anti- takeover provisions of the Florida Business Corporation Act. These anti- takeover provisions could discourage or prevent a change in control. In addition, certain provisions of our articles of incorporation and by- laws could delay or prevent an acquisition or change in control and the replacement of our incumbent directors and management. For example, our board of directors is divided into three classes. At any annual meeting of our shareholders, our shareholders have the right to elect only approximately one- third of the directors on our board of directors. In addition, our articles of incorporation authorize our board of directors, without further shareholder approval, to issue up to 1, 000, 000 shares of preferred stock on such terms and with such rights as our board of directors may determine. The issuance of preferred stock could dilute the voting power of the holders of common stock, including by the grant of voting control to others. Our by- laws also restrict the right of shareholders to call a special meeting of shareholders. As a result, our shareholders may be unable to take advantage of opportunities to dispose of their stock in the Company at higher prices that may otherwise be available in connection with takeover attempts or under a merger or other proposal. We may face challenges **related to in setting and meeting** our corporate social responsibility and sustainability **policies** goals. ~~We have begun to assess and develop corporate social responsibility and sustainability goals for our company.~~ Our customers, shareholders, and other constituents may not be satisfied with the corporate social responsibility and sustainability **goals policies** that we may set. ~~Any targets or goals we do set will be subject to risks and uncertainties, many of which may be outside of our- or control, and it is possible that we may fail to achieve any goals and targets we do set. These risks and uncertainties include, but are not limited to: our ability to execute our operational strategies and achieve our goals; the availability of new technologies and equipment that operates on these-- the practices technologies on a cost- effective basis; overlapping and programs we choose contradictory requirements and scoring and evaluating our goals; the inability to implement effectively impose requirements on our suppliers and subcontractors; and the actions of competitors and competitive pressures.~~ A failure to set appropriate corporate social responsibility and sustainability goals for our company, or our failure to meet these goals could adversely affect public perception of our business or customer or shareholder support. **Risks Related to Our Ability to Grow Our Business** We may not have access in the future to sufficient capital on favorable terms or at all. We may require additional capital to pursue acquisitions, fund capital expenditures, for working capital needs, or to respond to changing business conditions. Our existing debt agreements include restrictions on our ability to incur additional debt at certain levels. In addition, if we seek to incur more debt, we may be required to agree to additional covenants that further limit our operational and financial flexibility. If we pursue additional debt or equity financings, we cannot be certain that such funding will be available on terms acceptable to us, or at all. Our inability to access additional capital could adversely affect our liquidity and may limit our growth and ability to execute our business strategy. Our debt obligations impose restrictions that may limit our operating and financial flexibility, and a failure to comply with these obligations could result in the acceleration of our debt. The Company and certain of its subsidiaries are party to **an that certain** amended and restated credit agreement, **that dated as of October 19, 2018, with the various lenders party thereto and Bank of America, N. A., as administrative agent (as amended on April 1, 2021 and May 9, 2023, the " Credit Agreement ")** which includes a revolving facility with a maximum revolver commitment of \$ 650. 0 million and a term loan facility in the principal amount of \$ ~~350-450~~ . 0 million, **which matures on January 15, 2029 (the " Credit Agreement ")**. The Credit Agreement includes a \$ 200. 0 million sublimit for the issuance of letters of credit and a \$ 50. 0 million sublimit for swingline loans. ~~The maturity of the Credit Agreement is April 1, 2026.~~ As of January ~~27-25, 2024-2025~~, we had \$ ~~315-450~~ . 0 million outstanding under the term loan facility and \$ 47. 5 million of outstanding letters of credit issued under our Credit Agreement. We had no outstanding borrowings under our revolving facility as of January ~~27-25, 2024-2025~~. ~~This The~~ Credit Agreement contains covenants that restrict or limit our ability to, among other things: make certain payments, including the payment of dividends, redeem or repurchase our capital stock, incur additional indebtedness and issue preferred stock, make investments or create liens, enter into sale and leaseback transactions, merge or consolidate with another entity, sell certain assets, and enter into

transactions with affiliates. Our Credit Agreement also requires us to comply with certain financial covenants, including a consolidated net leverage ratio and a consolidated interest coverage ratio. These covenants in our Credit Agreement may prevent us from engaging in transactions that benefit us and may limit our flexibility in the execution of our business strategy. Additionally, on April 1, 2021, we issued \$ 500. 0 million aggregate principal amount of 4. 50 % senior notes due 2029 (the “ 2029 Notes ”). The 2029 Notes are guaranteed on a senior unsecured basis, jointly and severally, by all of our domestic subsidiaries that guarantee the Credit Agreement. The indenture governing the 2029 Notes includes cross- acceleration and cross- default provisions with our Credit Agreement. If our financial results fall below anticipated levels, we may be unable to comply with these covenants and a default under our Credit Agreement could result in the acceleration of our obligations under both our Credit Agreement and the indenture governing the 2029 Notes, which could adversely affect our liquidity and our ability to execute our business strategy. The specialty contracting services industry in which we operate is highly competitive. We compete with other specialty contractors, including numerous local and regional providers, as well as several large corporations that may have financial, technical, and marketing resources exceeding ours. Relatively few barriers to entry exist in the markets in which we operate. ~~Any, which means that any~~ organization ~~may could~~ become a competitor if it has adequate financial resources and access to technical expertise, the ability to engage subcontractors, and the necessary equipment and materials. Additionally, our competitors may develop expertise ~~obtain~~, ~~experience, and~~ ~~resources~~ **or adopt new technologies that allow them** to provide services that are equal or superior to our services in price, quality, or availability, and we may be unable to ~~effectively maintain or enhance our competitive~~ ~~compete position against them~~. Furthermore, ~~if our customers generally require competitive bidding of our contracts upon the expiration of their terms.~~ **if our customers** ~~generally require competitive bidding of our contracts upon the expiration of their terms.~~ **when they come up for competitive bidding at the end of their terms**. Our revenues and results of operations could be adversely affected if our customers shift a significant portion of our work to a competitor, if we are unsuccessful in bidding or retaining projects, or if our ability to win projects requires us to provide our services at reduced margins. We face competition from the in- house service organizations of our customers. We face competition from the in- house service organizations of our customers whose personnel perform **many of** the services that we provide. We can offer no assurance that our existing or prospective customers will continue to outsource ~~the~~ specialty contracting services **we provide** in the future. Our revenues and results of operations could be adversely affected if our existing or prospective customers reduce the specialty contracting services that are outsourced to us. Our failure to perform sufficient due diligence prior to completing acquisitions could result in significant liabilities. The growth of our business through acquisitions may expose us to risks, including the failure to identify significant issues and risks of an acquired business. A failure to identify or appropriately quantify a liability **or possible risk** in our due diligence process could result in the assumption of unanticipated liabilities arising from the prior operations of an acquired business, some of which may not be adequately reserved and may not be covered by indemnification obligations. The assumption of unknown liabilities due to a failure of our due diligence could adversely affect our results of operations and financial position. Our failure to successfully integrate acquisitions could adversely affect our financial results. As part of our growth strategy, we may acquire companies that we expect to expand, complement, or diversify our business. The success of this strategy depends on our ability to realize the anticipated benefits from the acquired businesses, such as the expansion of our existing operations and the elimination of redundant costs. To realize these benefits, we must successfully integrate the operations of the acquired businesses with our existing operations. Integrating acquired businesses involves a number of operational challenges and risks, including diversion of management’ s attention from our existing business; unanticipated issues in integrating information, communications, and other systems and consolidating corporate and administrative infrastructures; failure to manage successfully and coordinate the growth of the combined company; and failure to retain management and other key employees. These factors could result in increased costs, decreases in the amount of expected revenues and diversion of management’ s time and energy, which could adversely affect our results of operations and financial position. Additionally, any impairment of goodwill or other intangible assets as a result of our failure to successfully integrate acquisitions could adversely affect our results of operations and financial position.