

Company Overview

ACT Capital Advisors is pleased to offer a Traffic Control Services and Road Safety Company for acquisition. In business for nearly 20 years and headquartered in the Western United States, the Company has established an exceptional reputation as the prime provider of choice for traffic management services. The Company is the go-to partner for federal, state, municipal, and private infrastructure projects throughout a multi-state region. The Company prides itself on its full suite of services including traffic control, sign installation, roadside staffing, traffic control plan design, equipment rental, and personnel (flaggers, traffic control supervisors, and uniformed police officers) providing enhanced safety for everyone on the road.

Investment Highlights

Comprehensive Capabilities: The Company is a regional leader in delivering traffic control services and equipment across a multi-state region. The Company's broad and diversified project experience is a key differentiator from its close competitors.

Recession Resistant: The Company weathered the COVID-19 economic slowdown with record revenue growth. Almost \$600 billion of planned state and federal transportation infrastructure spending over the next ten years is expected to provide consistent work opportunities and financial performance well into the future.

Expansion-Ready: The Company is well positioned for geographic and service line growth. The Company's dominant market position in two robust construction markets provides a strong base to extend its market reach.

Consistent Revenue Growth and Steady Margins: The Company has seen consistent growth in both revenues and profits over the past six years with a revenue CAGR of approximately 27.1% between 2017 and 2022E. In the same timeframe, gross profit margins remained steady at approximately 40.9% and the EBITDA margins increased from 10.6% to 18.1%.

Technology Leader: The Company leverages technology to improve efficiencies of its office and field employees. Deployed crews utilize iPads and automated tools linked to its Foundation Software™ package to provide real-time dispatch, project management, job cost analysis, timecards, change order management, and payroll services.

Experienced and Influential Management Team: The Company's management team is comprised of an experienced group of tenured supervisory and operational personnel. The Company leverages its position as the only subcontractor on key state transportation committees to influence transportation project-related policies and specifications.

By the Numbers



\$560 Billion

in federal transportation infrastructure spending in the next five years



.65

EMR Safety Rating



\$13.4 Million

in work-in-progress and backlog



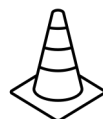
27.1%

CAGR since 2017



100+

Employees and growing



\$17 Billion

in state highway spending over the next ten years

Financial Information (Historical & Pro-Forma)

FYE 12/31	2020	2021	2022 YTD	2022E	2023E	2024E	2025E
Revenue	\$6.24MM	\$8.26MM	\$5.18MM	\$12.00MM	\$13.50MM	\$14.50MM	\$15.50MM
Gross Profit <i>Margin</i>	\$2.86MM (45.7%)	\$3.37MM (40.8%)	\$2.03MM (39.2%)	\$5.07MM (42.2%)	\$5.70MM (42.2%)	\$6.12MM (42.2%)	\$6.54MM (42.2%)
Adj. EBITDA <i>Margin</i>	\$1.30MM (20.8%)	\$1.26MM (15.2%)	\$.94MM (18.2%)	\$1.68MM (14.0%)	\$1.88MM (14.0%)	\$2.02MM (14.0%)	\$2.16MM (14.0%)

Contact Information & Next Steps

Interested parties should execute the attached Non-Disclosure Agreement (“NDA”) and return to ACT Capital Advisors with a written request to receive the Confidential Information Memorandum (“CIM”).

NDA’s and CIM requests should be submitted to Jack Welch, ACT Associate.

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