Furniture Installation & Logistics Company – Hawaii

ACT Client #201802

Available for Acquisition

Company Overview

ACT Capital Advisors is pleased to offer a premier provider of Value-Add Furniture Logistics services for acquisition. The Company − headquartered in Hawaii − provides high-complexity Installation, Warehousing/Distribution, and Logistics services to O&I/Commercial, Hospitality, Military & Government and high-end Residential clients. The Company has a 40+ year operating history, bolstering its position within the geographically and culturally insulated Hawaiian Island and Pacific Rim markets.

Investment Highlights

Full-Service Installation with Ancillary Warehousing and Delivery Capability: The Company consolidates warehousing, delivery, and installation into a single operation. The Company's ability to offer its customers an end-to-end solution affords the Company significant competitive and economic advantages when bidding projects.

Newly-Expanded Warehouse in Prime Location (+50.0% Capacity): The Company's warehouse is advantageously located less than 3.0 miles from both the Honolulu Airport and Honolulu Harbor, offering easy access to downtown Honolulu and Waikiki. In November 2019, the Company executed a lease expansion for an additional 21,000 sq. ft. of warehouse space in the same complex as its existing facilities − expected to contribute ~$2.0 million to revenues by 2024 − sooner with an expanded sales effort.

Prestigious Repeat & Well-Diversified Customer Base: The Company is the preferred service provider to sophisticated clients in O&I/Commercial, Hospitality, Military & Government and high-end Residential markets. The Company has completed installations for many of the Islands' most prominent commercial projects, luxury hotels, and high-end residential communities.

Insular Market Dynamics Protect Positioning: During its 40-year operating history the Company has built and maintained high-trust relationships with its customers and community. The Company's track record for on-time, on-budget project completion within the Island market speaks volumes, and the Company benefits from repeat business and word-of-mouth referrals.

Geographic Barriers to Entry: The Company benefits from certain idiosyncratic geographic constraints related to operating on the Hawaiian Islands. New entrants face significant challenges such as finding available warehouse space, tapping into a tight labor market, and winning bids over proven operators − all while staying profitable.
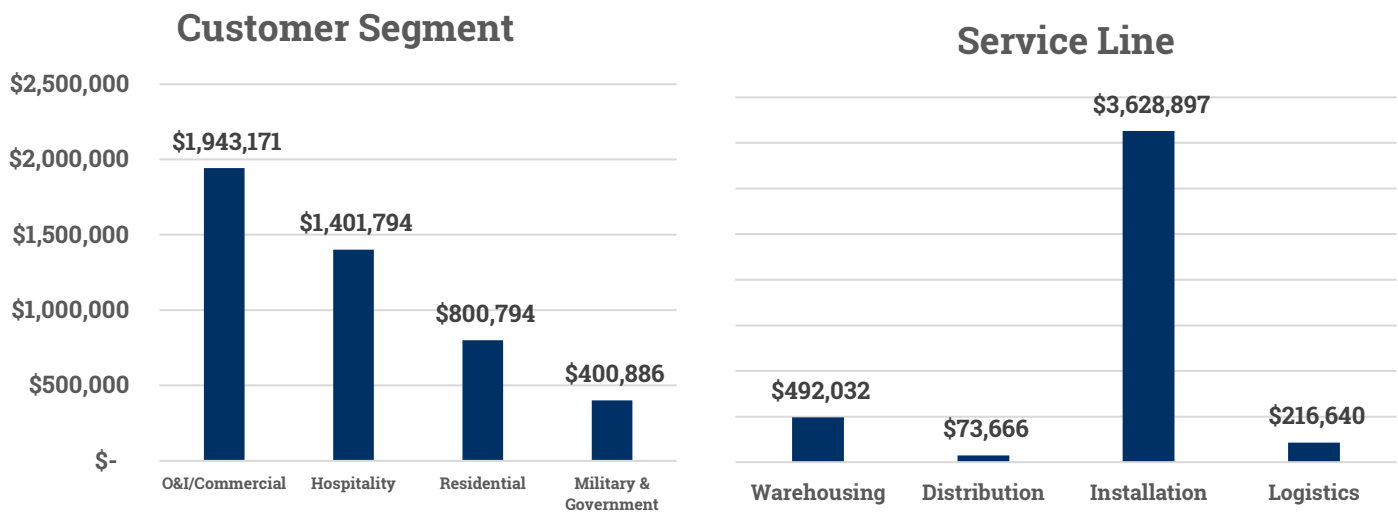
Historically Strong Balance Sheet: The Company is highly liquid and well-positioned to navigate ongoing uncertainty related to COVID-19. As of Q12021 (6/30) the Company is highly liquid and has minimal long-term debt. Though the Company has never used any significant debt to fund operations, it currently maintains untapped lines of credit through two separate banking institutions. The Company has the capacity to access additional long-term debt if necessary.

Financial Information (Historical & Pro-Forma)

FYE 3/31	2011-2016	2017	2018	2019	2020	2021E	2022E
Revenue	$4.1MM	$4.4MM	$3.5MM	$4.9MM	$4.4MM	$5.3MM	$5.6MM
Gross Profit *(Margin)*	$2.6MM *(64.8%)*	$2.9MM *(65.7%)*	$2.2MM *(61.4%)*	$2.8MM *(58.0%)*	$2.8MM *(63.9%)*	$3.3MM *(62.0%)*	$3.5MM *(62.0%)*
Adj. EBITDA	$1.1MM	$1.1MM	$0.3MM	$0.8MM	$0.7MM	$1.0MM	$1.0MM

Revenue Mix Analysis (FYE March 31, 2020)

Customer Segment

- O&I/Commercial: $1,943,171
- Hospitality: $1,401,794
- Residential: $800,794
- Military & Government: $400,886

Service Line

- Warehousing: $492,032
- Distribution: $73,666
- Installation: $3,628,897
- Logistics: $216,640

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 Michael Seeley, ACT Associate:

Email: mseeley@actcapitaladvisors.com
Direct: 206.486.3407