



ACT

CAPITAL

ADVISORS

**Midwest Commercial &
Industrial Roofing Contractor**

ACT Client #212003

Available for Acquisition

Company Overview

ACT Capital Advisors is pleased to offer a well-established Midwest Commercial & Industrial Roofing Contractor for acquisition. The Company has been in business for over 50 years and is a recognized leader in delivering high-quality, on-time roofing design and installation services for some of the region's largest and most recognizable commercial/industrial businesses and municipalities. The Company has a deep management team comprised of individuals steeped in the Company's cultural tradition and operational processes. The Company's owner is approaching retirement age and seeks to realize the value he has created over the past five decades. Real estate is available as part of the transaction.

Investment Highlights

Established Regional Presence: The Company was established in 1966 in the Midwest. In business for over 55 years, the Company has grown from its rural upbringing to become one of the most recognized and accomplished roofing contractors in the region, having performed work for some of the area's largest businesses and municipalities.

Full-Service Commercial & Industrial Roofing: The Company provides comprehensive roof design, installation, maintenance, and repair services across a broad variety of roofing styles. The Company handles all aspects of the project lifecycle from initial site planning and inspection through design and installation. The Company has implemented a pre-scheduled maintenance program that helps clients control service costs and extend the life of their roofing assets.

Deep, Tenured Management Team: The Company has a strong management team in place that will ensure operational continuity post-closing. The Company's three operational managers have 84 combined years in the roofing industry and an average tenure with the Company of almost 16 years. The Company's financial manager has been in his position since 1983.

Strong Backlog: The Company's current backlog spans 21 projects with contract values totaling \$6.8 million. There is not significant client or revenue concentration, with 19 individual clients and only two projects exceeding \$1.0 million in contract value.

Diverse Customer Base: The Company services a highly diverse array of clients spanning sectors that include Financial Services, Food & Beverage, Government & Municipalities, Healthcare, Industrials, and Manufacturing. Since 2018, the Company has performed approximately 90 jobs per year.

Impeccable Safety Record: The Company is an industry leader in safety, with an Experience Modification Rating (EMR) score of 0.78. The Company has received numerous safety awards from various industry organizations including the ABC Safety, Training, and Evaluation Process Diamond Award, the ABC No Lost Time / Safety Award of Excellence, the Midwest Roofing Contractors Association Safety Program Award, and the AGC Safety Award for Accident Prevention.

Owned Real Estate with Expansion Capacity: The Company, through an affiliated entity, owns two adjacent real estate parcels that are available to be included in the Transaction. The combined properties total 3.52 acres and house the Company's office, shop, and warehouse facilities. In 2020, the Company acquired 1.16 acres (of the combined 3.52 acres) to accommodate planned facility expansion.

Green Roofing Expertise: The Company's team is expert at delivering environmentally-friendly Green Roofing services, including layered systems, modular pre-grown systems, and reflective Energy Star compliant systems.

Client Sample

The Company services a range of clients spanning sectors that include Financial Services, Food & Beverage, Government & Municipalities, Healthcare, Industrials, and Manufacturing.



Financial Information (Historical & Pro-Forma)

FYE	2018	2019	2020	2021 (7/31)	2021E	2022E
Revenue	\$16.0MM	\$16.5MM	\$15.7MM	\$10.3MM	\$16.9MM	\$18.2MM
Gross Profit <i>Margin</i>	\$4.4MM 27.5%	\$4.8MM 29.4%	\$4.1MM 26.3%	\$4.2MM 40.8%	\$5.2MM 31.0%	\$5.6MM 30.8%
Adj. EBITDA <i>Margin</i>	\$2.2MM 14.0%	\$2.3MM 13.8%	\$2.1MM ¹ 13.3%	\$1.8MM 17.6%	\$2.5MM 14.7%	\$2.7MM 14.8%

Notes

1. Adjusted EBITDA for FY2020 includes a negative adjustment of (\$698,500) related to PPP loan forgiveness.

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 Vice President.

Email: mseeley@actcapitaladvisors.com

Direct: 206.486.3407