

## The Acquisition

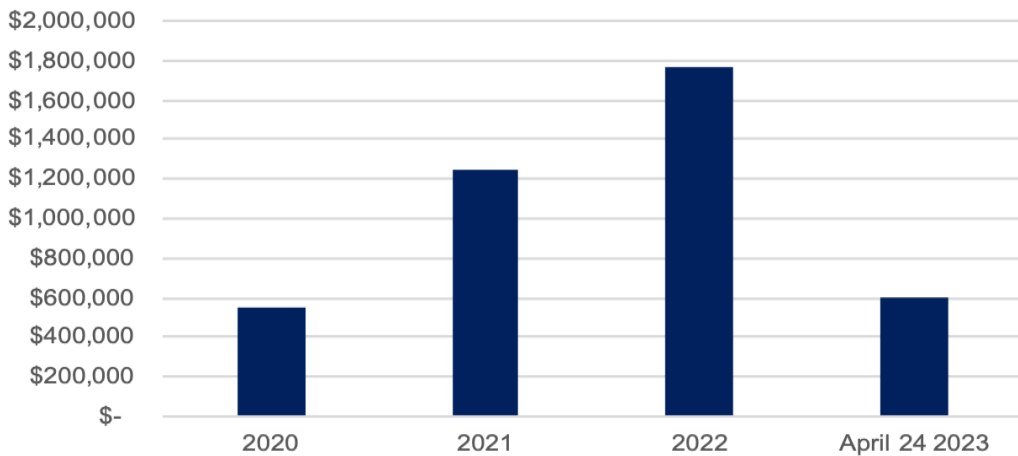
- Established in 1990, the owner has two companies that are offered together. These companies work in conjunction to provide fabrication & installation of commercial fencing and railing. Company 'A' is the oldest and is a subcontractor in the multi-family industry and started working in the industry in 2010. Markets serviced is primarily the southeastern US with a heavy concentration in Nashville, TN; Charleston, SC; Charlotte, NC; Greenville, SC; Atlanta, GA; and Myrtle Beach, SC. Company 'A' has been bidding more than 20 million annually for the past three years; 2022 was \$35 million. Company 'B' was established in 2004 to provide metal fabrication products to Company 'A', now supplying company 'A' along with many other related installation companies in the industry. Company 'A' makes up approx. 46% of company 'B''s sales and gross revenue the balance of sourcing and providing material to other fencing and manufacturing related businesses throughout the southeastern US. Future growth potential for both companies is strong since with a robust multi-family construction market in the southeast not showing signs of softening. Company 'B' has expanded to other markets with excellent margins and a vast potential to increase revenue dramatically
- Company 'A' generated \$3,913,330 in Revenue for 2022.
- Company 'B' generated \$2,319,019 in Revenue for 2022.
- Combined Adjusted EBITDA of \$1,765,000 for 2022. 28.3% Margins for 2022.

Revenue (Installation)	2021	2022	April 24 2023
Interest Income Money Market	\$ -	\$ -	\$ 6,473
Returns & Allowances	\$ 1	\$ 1	\$ -
Sales Aluminum	\$ 1,676,425	\$ 2,236,431	\$ 802,144
Sales Chain Link	\$ 117,789	\$ 117,125	\$ 3,287
Sales Gate Operator	\$ 27,435	\$ 25,300	\$ 2,748
Sales Misc.	\$ (7,625)	\$ 658	\$ 105
Sales Out of State	\$ 532,335	\$ 1,280,299	\$ 614,842
Sales Service	\$ 101,782	\$ 12,065	\$ -
Sales Vinyl	\$ 28,196	\$ 53,321	\$ 7,500
Sales Wood	\$ 165,013	\$ 210,605	\$ 23,122
Unapplied Cash Payment Income	\$ 22,475	\$ (22,475)	\$ -
<b>Total Income</b>	<b>\$ 2,663,826</b>	<b>\$ 3,913,330</b>	<b>\$ 1,460,221</b>

Revenue (Fabrication)	2021	2022	April 24 2023
Aluminum Sales	\$ 1,774,250	\$ 2,256,920	\$ 727,835
Packaging	\$ 725	\$ 6,481	\$ -
Sales of Product	\$ 6,570	\$ 5,670	\$ -
Scrap Aluminum	\$ 39,528	\$ 31,908	\$ 17,602
Service Income	\$ 18,757	\$ 12,110	\$ 12,452
Shipping Income	\$ 13,185	\$ 5,930	\$ 8,865
<b>Total Income</b>	<b>\$ 1,853,015</b>	<b>\$ 2,319,019</b>	<b>\$ 766,753</b>

<b>Adjusted EBITDA</b>	<b>2020</b>		<b>2021</b>		<b>2022</b>		<b>April 24 2023</b>	
<b>EBITDA Calculation:</b>								
Operating Income	\$	150,763	\$	663,080	\$	1,050,167	\$	446,995
Rents	\$	135,255	\$	269,496	\$	285,965	\$	108,959
Interest	\$	53,759	\$	48,480	\$	31,071	\$	9,779
Depreciation	\$	12,166	\$	18,474	\$	231,697	\$	-
Section (179)	\$	156,289	\$	190,245	\$	52,717	\$	-
CC	\$	3,814	\$	3,712	\$	4,061	\$	-
Automobile	\$	30,000	\$	36,000	\$	43,000	\$	33,000
Entertainment	\$	14,651	\$	16,573	\$	18,000	\$	18,000
Meals	\$	4,142	\$	4,177	\$	11,125	\$	-
Owner Comp	\$	114,400	\$	117,400	\$	129,000	\$	-
Owner Benefit	\$	26,000	\$	26,000	\$	26,000	\$	-
Rent Correction	\$	(150,000)	\$	(150,000)	\$	(150,000)	\$	(50,000)
Airplane Expense	\$	-	\$	-	\$	32,304	\$	34,892
<b>Adjusted EBITDA</b>	<b>\$</b>	<b>551,239</b>	<b>\$</b>	<b>1,243,637</b>	<b>\$</b>	<b>1,765,107</b>	<b>\$</b>	<b>601,625</b>

### Adjusted EBITDA



### The Company Expanded

Located in a 60,000 sq ft facility with an option for expansion, the offeree owns the facility. The metal fabrication company possesses its own exclusive automation equipment along with powder coating operations within its premises, which contributes to its exceptional efficiency. Most materials used in their operation are purchased by container from several Southeast Asia and South American suppliers. The Installation company relies on subcontracted crews for most of its installations. A project manager with over 20 years of experience supervises the projects.

### Highlights

- Industry leader in fabrication and installation of commercial fencing & railing.
- Combined team of 21 employees.
- \$6,232,349 in combined Revenue for 2022.
- \$1,765,000 in combined Adjusted EBITDA for 2022.
- Combined Revenue growth of 38.60% in 2022 | Combined Adjusted EBITDA growth of 41.93% in 2022 | Combined Adjusted EBITDA margin of 28.30% in 2022.