

Company Overview: Our client holds a prominent position within the power generation industry, specializing in the production of large Mobile Power Modules ranging from 500kVA to 2 Megawatts. The company manufactures UL 142 and 142-A fuel tanks and offers UL-listed Electrical Buss Controls, addressing a diverse spectrum of power generation requirements.

Operating as a fabrication, manufacturing, and spec-buildout firm headquartered in South Carolina, they cater to a broad clientele primarily situated within the manufacturing sector. Their versatile business model allows them to tackle a wide array of projects, spanning from specialized, large-scale automotive components to heavy-duty warehousing storage fixtures.

Employing cutting-edge technologies, including 3-D modeling software, automated welding robotics, and high-stress-capable machinery tailored for lifting and maneuvering "MEGA-FAB" components, positions them as a formidable resource for supply chains seeking intricate, precision-built components or structures for immediate utilization in their operations. With established relationships with existing clients and a growing market demand for their products, they have exhibited remarkable growth and demonstrated significant potential for expansion in recent years.

Strong Growth Potential: Over the past year, our client has achieved impressive growth, evidenced by a surge in purchase orders from a Fortune 500 company. The company's current purchase orders for the year amount to \$15.7 million. However, the company's growth potential is constrained by capital limitations, as it is required to contribute 50% of the cost for each product due to industry norms.

Income Statement	2018	2019	2020	2021	2022	Q2 2023
Revenue	\$ 2,062,881	\$ 2,016,547	\$ 3,337,325	\$ 3,978,526	\$ 2,248,654	\$ 1,260,433
COGS	\$ 845,179	\$ 606,114	\$ 1,524,344	\$ 1,681,167	\$ 624,207	\$ 252,448
<i>COGS % of Revenue</i>	40.97%	30.06%	45.68%	42.26%	27.76%	20.03%
Gross Profit	\$ 1,217,702	\$ 1,410,433	\$ 1,812,981	\$ 2,297,359	\$ 1,624,447	\$ 1,007,985
Net Gain			\$ 190,000	\$ -	\$ -	
Total Income	\$ 1,264,286	\$ 1,410,433	\$ 1,892,981	\$ 2,487,359	\$ 1,624,447	\$ 1,007,985
<i>Total Income % of Revenue</i>	61.29%	69.94%	56.72%	62.52%	72.24%	79.97%
Total Expenses	\$ 2,080,679	\$ 1,221,274	\$ 1,543,843	\$ 2,165,802	\$ 2,238,378	\$ 691,067
<i>Total Expenses % of Revenue</i>	100.86%	60.56%	46.26%	54.44%	99.54%	54.83%
Net Operating Income	\$ (816,393)	\$ 189,159	\$ 349,138	\$ 321,557	\$ (613,931)	\$ 316,918

Adjusted EBITDA	2018	2019	2020	2021	2022	Q2 2023
EBITDA Calculation:						
Operating Income	\$ (816,393)	\$ 189,159	\$ 349,138	\$ 321,557	\$ (613,931)	\$ 316,918
Compensation of Officers Adjustment	\$ (25,000)	\$ (60,000)	\$ (60,000)	\$ (60,000)	\$ (100,000)	\$ -
Bad Debts	\$ 99,612	\$ -	\$ -	\$ 232,829	\$ 4,853	\$ -
Interest	\$ 123,769	\$ 191,416	\$ 210,176	\$ 235,738	\$ 115,911	\$ 21,991
Depreciation	\$ 835,627	\$ 165,795	\$ 119,439	\$ 159,468	\$ 50,882	\$ -
UF Fees	\$ 60,064	\$ 57,360	\$ 71,976	\$ 102,396	\$ 400,871	\$ -
UF Charge Back	\$ -	\$ -	\$ -	\$ 210,743	\$ 377,544	\$ -
SBA Fee	\$ -	\$ -	\$ 3,500	\$ -	\$ -	\$ -
Amortization	\$ -	\$ -	\$ -	\$ 4,670	\$ 9,248	\$ -
Adjusted EBITDA	\$ 277,679	\$ 543,730	\$ 694,229	\$ 1,207,401	\$ 245,378	\$ 338,909

EBITDA Ratio's	2018	2019	2020	2021	2022	Q2 2023
Revenue Growth	-	-2%	65%	19%	-43%	-
EBITDA Margin	13%	27%	21%	30%	11%	27%

Real Estate Overview

- **Main Building - 25,000 sq/ft**
 - Built in 1960's
 - 8" Concrete Slab
 - (1) 12'x12' & (2) 8'x8' roll-up doors
- **Smaller Building - 15,000 sq/ft**
 - Built in 1990's
 - 24' center ceiling height
 - (1) 16'x22' & (3) 12'x12' roll-up doors
- **Cross-access to loading dock/ staging yard**
- **Both structures are climate controlled**
- **Substantial Expansion Opportunity**
- **Associated Land- 15.01 Acres**
- **Property Features:**
 - Municipal Water Tower
 - Septic

Achieved 4 UL listings related to Power Generation

- UL-142 (Above Ground Fuel tanks)
- UL-142 A (Sub-Base Generator Tanks)
- UL-Canada S-653
- UL-508 Electrical

Certifications

- AWS Certified Facility (American Weld Society)
- ISO-9001-2015 Certified
- UC-301 Bonded Importer and Exporter

Additional Achievements

- Successfully built many UL Listed fuel tanks for CAT, Google, Amazon, Power Secure, Cummins, Rolls Royce.
 - Large scale metal fabrication all related to Power Generation.
 - Our client has progressively worked toward becoming a complete solution packager for large power units.
 - Excels in Fuel Systems, Large Power Module, Electrical Integration.
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