

Project Roadrunner – Paving and Concrete Company

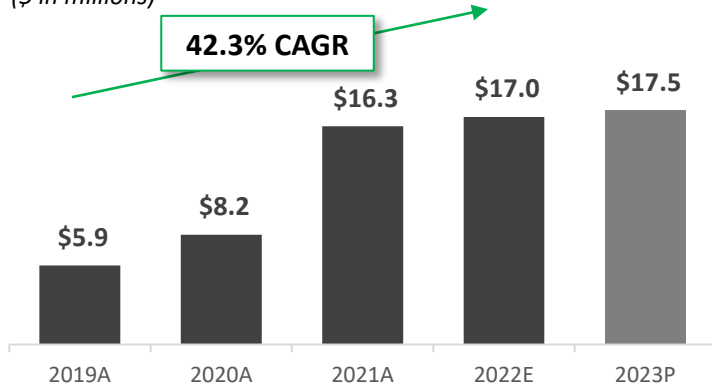
SC&H's special situations team has been retained to assist Project Roadrunner ("Roadrunner" or the "Company") explore strategic options including a sale of the business. Roadrunner is a commercial paving, concrete and utilities construction company that offers high quality services to commercial properties and municipalities in the Mid-Atlantic. Services include asphalt paving, grading, milling, sealing, concrete, infrastructure construction, and repair and maintenance. The Company's clientele includes local and federal organizations, municipalities, commercial property owners and managers, REITs, developers, hospitals, and hotels. Over the past three years the Company has invested in the equipment and personnel required to secure large state and county road construction contracts, resulting in a three-year revenue CAGR of 42.3%. The Company operates out of an affiliate-owned 7-acre site that is located near an interstate highway, port facilities, and many of its key customers. The successful buyer of the business may lease, purchase, or exclude the real estate.

Transaction Rationale

The owner is seeking an investor or buyer with the wherewithal to provide the working capital and bonding requirements needed to execute on larger contracts and continue driving growth. The Company has the equipment and personnel in place to execute on \$40 million+ of revenue and has the proven ability to compete with larger competitors and win significant contracts. This is an opportunity for an existing commercial paving/concrete services operation to increase capacity and take advantage of Roadrunner's experienced workforce, long term customer relationships, equipment, and excellent reputation in the industry. In addition, any ancillary heavy construction operation could immediately expand into the road construction, paving, concrete, and infrastructure services space through an acquisition of Roadrunner.

Historical & Projected Revenue

(\$ in millions)



Representative Customers



Investment Highlights

- ✓ **Premier Commercial Paving Contractor** – Roadrunner is a leading provider of asphalt paving, grading and milling, concrete, and utilities and drainage to municipal, and commercial customers in the Mid Atlantic
- ✓ **Open contracts and existing backlog** – the Company currently has 21 active contracts with an aggregate remaining value of \$14.5 million and is prepared to continue bidding on large state and local highway and infrastructure projects as they become available
- ✓ **Highly trained workforce** – experienced management team with up to 150 trained employees in place depending on the time of year. The Company has invested in CPR, MOT, and E&S certifications for team members to prioritize safety and offer comprehensive services to clients
- ✓ **Valuable equipment** – robust fleet of late model trucks and new paving and traffic control equipment capable of completing a variety of construction projects and meet the requirements to bid on large state and local highway construction contracts
- ✓ **Established relationships across end-markets** – the Company serves numerous government agencies, municipalities, and commercial clients that provide repeat business
- ✓ **Timely opportunity with favorable economic policy** – the 2021 Infrastructure Investment and Jobs Act earmarks \$550 billion in federal funding for road and bridge repairs as well as other infrastructure initiatives across the country



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Non-Disclosure Agreement

SC&H GROUP has agreed to make certain disclosures to you concerning PROJECT ROADRUNNER ("the CLIENT"), which we currently represent, and requires the following nondisclosure agreement to be executed to protect the interest of the CLIENT and its affiliates.

The undersigned ("You") have an interest in refinancing, investing in, or acquiring certain assets and business of the CLIENT (the "Transaction"). In order to enable You to appraise the Transaction, SC&H GROUP will provide You with an information package which contains the name and location of the CLIENT and highly confidential financial and corporate historical details (the "Evaluation Material"). You agree to grant access to the Evaluation Material only to those of your directors, officers, employees, agents, accountants, attorneys, affiliates, advisors, funding sources, investors, and representatives (collectively, "Representatives") whose duties in connection with evaluating your interest in the Transaction require such information and who are instructed by You to maintain such information in complete confidence in accordance with the terms of this Agreement. "Evaluation Material" shall not include information that: (i) is or becomes generally available to the public other than as a result of a disclosure by You in violation of this Agreement, (ii) was within your possession prior to its being furnished to it pursuant hereto, provided that the source of such information was not known by You to be bound by a confidentiality agreement with or other contractual, legal, or fiduciary obligation of confidentiality to the CLIENT or any other party with respect to such information, or (iii) is or becomes available to You on a non-confidential basis from a source other than the CLIENT, provided that such source is not known by You to be bound by a confidentiality agreement with or other contractual, legal, or fiduciary obligation of confidentiality to the CLIENT or any other party with respect to such information, or (iv) is independently developed by You or your Representatives without violating any of your obligations hereunder. You agree to take full responsibility for compliance by such Representatives with the confidentiality requirements contained herein.

You further agree that, if for any reason You do not complete the Transaction with the CLIENT You: **1**) will not at any time hereafter disclose the Evaluation Material provided to anyone whomsoever for any reason (except for disclosures to your Representatives and as may be required by law, rule or regulation, any governmental agency or other regulatory authority or in connection with any legal proceedings) and that You will instruct any Representative to whom such Evaluation Material has been disclosed to maintain such information in complete confidence (except for disclosures permitted pursuant to clause 1 above), and **2**) You will promptly return or destroy (at your option) all written or printed Evaluation Material (and copies thereof) to SC&H GROUP and delete any digital copies (except as and to the extent retention of such information is required by applicable law, regulation or order, or unless Recipient's internal policies and procedures require such retention, provided that any retained Evaluation Material shall remain subject to the terms set forth in this Agreement notwithstanding its termination). At no time is the Evaluation Material to be used for any reason other than your evaluation of THE CLIENT for the purpose of assessing a value to assist You in preparing an offer for the Transaction.

This Agreement and the obligations of the parties hereunder shall terminate eighteen (18) months from the date hereof.

Prior to the parties execution of a term sheet or other agreement in respect of the Transaction, all communications regarding the Transaction or request for additional information will be submitted or directed to Hank Waida of SC&H GROUP and You agree not to make any sale related contact with the CLIENT's employees or customers, or its lender for any reason without prior permission from SC&H GROUP.

AGREED AND ACCEPTED:

Company: _____

By: _____

Printed Name: _____

Title: _____

Date: _____

Address: _____

Phone Number: _____

Email Address: _____

By: *Hank Waida*

Principal
SC&H Group

Date: 2/27/2023

The above company is, or is not publicly-traded. (check one)