

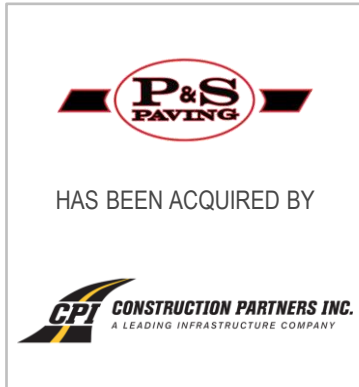
TM Capital's Paving Services Spotlight

Winter 2026



Recent TM Capital Transaction

P&S Paving acquired by Construction Partners Inc.



TM Capital recently advised P&S Paving, Inc. ("P&S") in its sale to Construction Partners, Inc. (NASDAQ: ROAD) ("CPI"). Founded in 1993 and headquartered in Daytona Beach, Florida, P&S is a roadway and infrastructure services platform providing asphalt paving and production, milling and resurfacing, site preparation, excavation and grading, underground utilities and concrete crushing throughout northeast and central Florida. P&S will be integrated with CPI's subsidiary, C.W. Roberts Contracting, Incorporated, which operates throughout the State of Florida.

CPI's acquisition of P&S represents a landmark transaction in the regional paving and infrastructure services market, bringing together two complementary leaders at a time of accelerating statewide investment in roadwork and materials production. P&S' entrenched position on the Space Coast of Florida – including its premier asphalt plant, portable production capabilities and strong regional brand – provides CPI with transformative, accretive growth levers as it expands across Florida. The combination creates a uniquely scaled, strategically positioned platform poised to capitalize on substantial infrastructure demand across one of the country's fastest-growing markets.

WHAT ATTRACTED BUYERS:

- Established scale and market position in Florida's high-growth paving market supporting accelerated, multi-market expansion
- Differentiated portable asphalt plant capabilities enabling high-margin, flexible production and geographic expansion
- Balanced mix of public bid and private commercial work providing stability and margin resilience
- Deep, experienced leadership team committed to remaining in place to drive the next phase of growth
- Exceptionally maintained fleet and in-house maintenance capabilities ensuring reliability and cost efficiency
- Robust operating infrastructure enabling consistent outperformance of bid margins

TESTIMONIAL

"The sale of P&S Paving marked a defining moment in our Company's history, and TM Capital was instrumental in making it a success. Their integrity, leadership and strategic guidance were evident from the onset of the engagement. TM Capital approached every stage of the process with professionalism, transparency and a deep understanding of both our business and our goals. Their disciplined execution, clear communication and commitment to achieving the best outcome for all stakeholders set them apart. The team's ability to navigate complex negotiations while maintaining respect and balance among all parties exemplified the highest standards of advisory excellence. Thanks to TM Capital's expertise and steadfast dedication, P&S Paving achieved an exceptional transaction result that reflects the strength of our Company's legacy and positions us for continued success in the industry."

Tim Phillips, Co-Founder of P&S Paving

Buyer Landscape

Multiple, Highly Active Buyer Profiles



The current M&A landscape for paving services businesses is highly active – business owners are afforded three compelling paths to evaluate



Be The Platform

- Sell a majority / minority stake to private equity to achieve partial liquidity while retaining a meaningful rollover and potential for significant “second bite at the apple” returns
- Maintain leadership in strategy and execution with access to growth capital

REPRESENTATIVE PE FUNDS WITH INDICATED INTEREST

Baltimore, MD \$525m Fund Traditional PE	New York, NY \$800m Fund Traditional PE	New York, NY \$1,000m Fund Traditional PE
Austin, TX \$380m Fund Traditional PE	Chicago, IL \$1,500m Fund Family Office	Coral Gables, FL \$150m Fund Traditional PE
Boca Raton, FL \$800m Fund Traditional PE	Boca Raton, FL \$350m Fund Traditional PE	Birmingham, MI \$300m Fund Traditional PE

Join Forces with a Mid-Sized Private Equity-Backed Business

- Sell a majority stake while reinvesting a portion to share in the value creation of the combined enterprise
- Maintain local leadership while benefiting from cross-selling opportunities and the expanded capabilities of the broader organization

REPRESENTATIVE ACTIVE PE-BACKED PLATFORMS

 Kelso	 Arcapita	 Bow River
 Soundcore	 Saw Mill	 AEA & BCI
 Sterling	 Tenex	 Huron

Partner with a Large-Scale National Strategic

- Sell majority and generally requires the least amount of reinvestment (potentially no reinvestment requirement with a 100% sale)
- Provides access to best-in-class systems, processes & sales organizations across a broad geographic footprint

REPRESENTATIVE ACTIVE STRATEGIC ACQUIRERS

M&A Landscape

Recent M&A Activity Driven by both Financial Sponsors and Strategics



Private Equity – New Platform Acquisitions

- 1 Sep-25

ARCAPITA
has acquired
- 2 Sep-25

AEA BCI
has acquired

PAVE AMERICA
- 3 Jul-25

TRINITY HUNT PARTNERS
has acquired
- 4 May-25

THE STERLING GROUP
has acquired

Pavement PRESERVATION GROUP
- 5 Aug-24

BOW RIVER CAPITAL
has acquired
- 6 Jul-22

SOUNDCORE CAPITAL PARTNERS
has acquired

Jan-25

has merged with

As of January 2025, Rose Paving and Atlantic Southern Paving have merged to create a new platform backed by Harbor Beach Capital

Private Equity – Add-On Acquisitions

Has completed 3+ add-on acquisitions since 2023

Has completed 7+ add-on acquisitions since 2022

Has completed 6+ add-on acquisitions since 2023

Has completed 4+ add-on acquisitions since 2021

Strategic Acquisitions

Has completed 25+ add-on acquisitions since 2018

Has completed 4+ add-on acquisitions since 2018

Has completed 10+ add-on acquisitions since 2018

Has completed 11+ add-on acquisitions since 2018



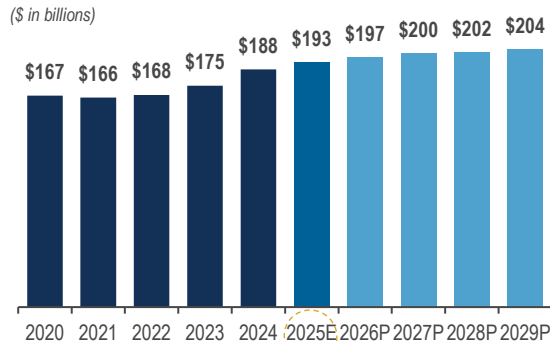
Market Drivers

U.S. Transportation Construction Market Snapshot

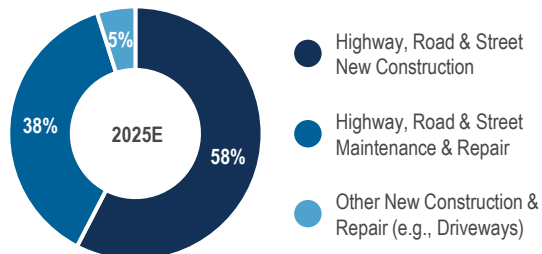
Road & Highway Construction Market... (1)

- **Predictable spend** drives consistent growth in the sizable U.S. road and highway construction market
- Market expected to reach **\$204 billion by 2029P**
- New construction for highways, roads and streets represents ~58% of the 2025E market (maintenance & repair represents 38%)

U.S. Road & Highway Construction Market Size



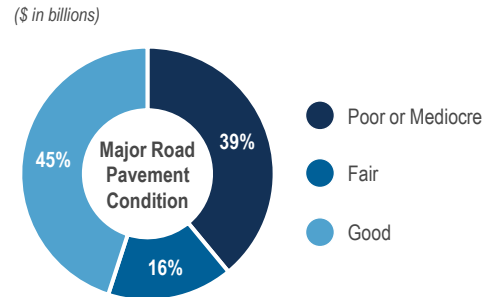
2025E Market Size by Segment



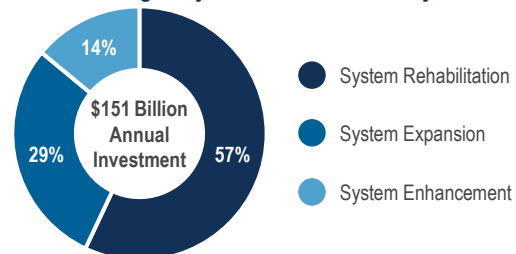
... With Years of Underinvestment... (2)

- The American Society of Civil Engineers (“ASCE”) **graded the nation’s infrastructure as a C**
- ASCE estimates that nation’s **roadway system needs from 2024 to 2033 total \$2.2 trillion**
- To maintain the current level of highway infrastructure quality, **\$151.1 billion in average annual investments will be needed through 2038**

U.S. Pavement Condition Grade (2023)



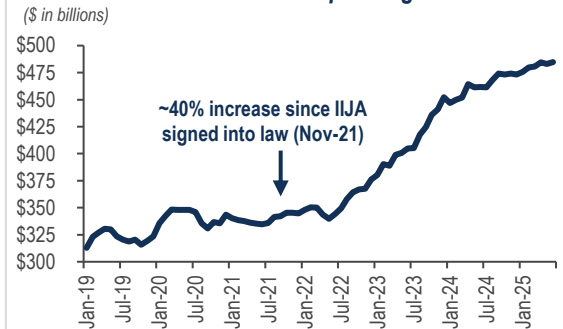
Annual Investment Required to Maintain Highway Infrastructure Quality



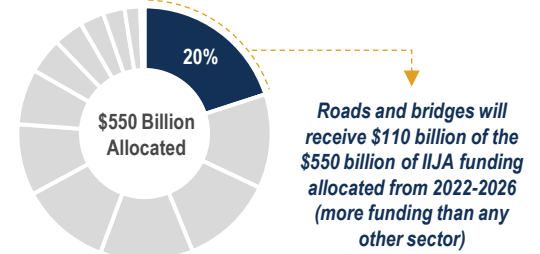
... Is Benefiting from Increased Spending (3)

- Since the passing of the Infrastructure Investment & Jobs Act (“IIJA”), the **annual rate of infrastructure construction spending has increased ~40%**
- IIJA authorized \$1.2 trillion in infrastructure spending over the following five-to-ten years; of \$550 billion of new federal spending allocated from 2022-2026, **\$110 billion has been allocated to go to roads and bridges**

Annual Rate of Infrastructure Construction Spending



IIJA Funding (2022-2026)



(1) IBISWorld
 (2) ASCE 2025 Infrastructure Report Card; U.S. DOT 2024 “Status of Nation’s Highways, Bridges and Transit”
 (3) U.S. Census Bureau; White House

Key Considerations

Relevant Attractive Target Characteristics




Major Valuation Drivers



Geographic Focus
Addressable market, population demographics, funding availability, competitive landscape, customer density, infrastructure trends




Mix of Public vs. Commercial Work
Public vs. private mix, bid pipeline, project diversification, customer diversification, contract visibility, job type diversity



Scale & Operational Infrastructure
Production capacity, # of crews, fleet size, ERP system, standardized procedures, compliance programs, safety record



Growth Opportunities
Geographic expansion, capacity expansion, cross-sell opportunities, commercial penetration, M&A opportunities



Leadership Team
Industry tenure, track record, customer relationships, middle-management depth, training programs, performance culture



Financial Profile
Revenue growth, backlog / pipeline, recurring / re-occurring revenue, margin profile, cash generation, working capital efficiency, capex requirements

Additional Valuation Considerations




Suite of Capabilities
Milling, paving, sealcoating, striping, site prep, concrete work, logistics and trucking, portable plant capabilities, RAP / recycling



Material Production / Sourcing Capabilities
Asphalt quality, QC processes, plant capacity, plant uptime, DOT compliance, mix consistency, warranty performance



Fleet & In-House Maintenance
Fleet age, uptime rates, preventive maintenance schedule, in-house mechanics, repair turnaround time, capital efficiency



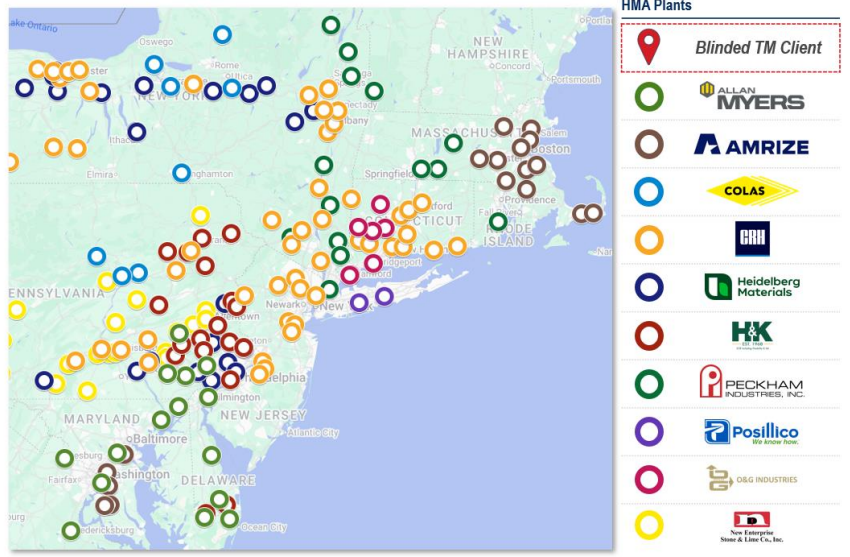
Customer Service & Reputation
Mobilization speed, schedule adherence, project turnaround time, change-order management, complex-condition execution

TM Capital Deep Research Capabilities

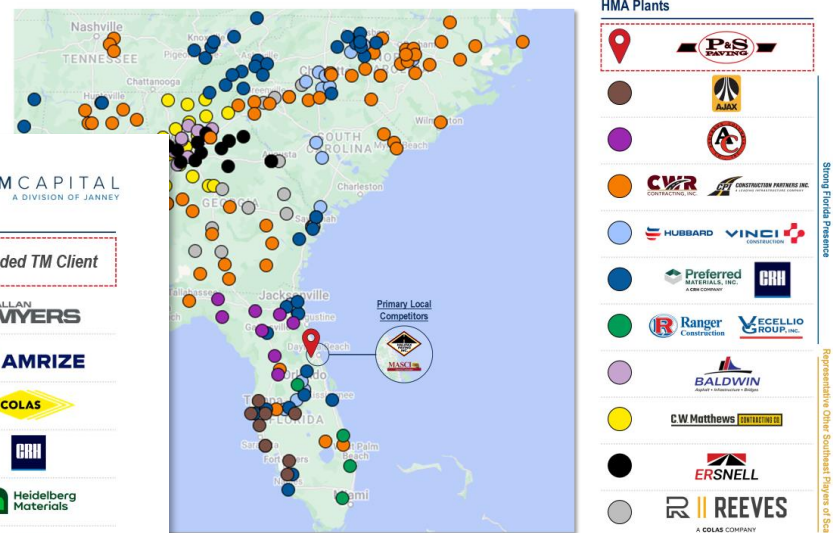
Representative Market Maps for DOT-Focused Paving Companies

TM brings a comprehensive understanding of the U.S. paving market – and will frequently engage in competitive market mapping exercises for current and prospective clients to highlight the most relevant strategic buyers. In the examples below, TM mapped out regional asphalt plant locations in the Southeast and Mid-Atlantic / Northeast regions to illustrate the competitive dynamics and the most likely buyers based on activity and proximity.

Mid-Atlantic / Northeast Competitive Landscape



Southeast Competitive Landscape – Paving Contractors / Aggregates



Strong Florida Presence

Representative Other Southeastern Regions of Sales

TM Capital Credentials

Relevant Recent Paving Transactions



P&S Paving Acquired by Construction Partners Inc.

COMPANY OVERVIEW:

- Founder-owned roadway and infrastructure services platform providing asphalt paving and production, milling and resurfacing, site preparation, excavation and grading, underground utilities and concrete crushing across central and northern Florida



[Click for link to transaction details](#)

PROCESS DYNAMICS:

- Market-leading position in Florida's high-growth paving market attracted strong interest from private equity and strategic buyers



Pavement Maintenance Group Acquired by Renovo Capital

COMPANY OVERVIEW:

- PMG provides comprehensive solutions for the aftermarket repair, maintenance and enhancement of pavement and other specialty surfaces, manufacturing and distributing sealcoat, crack sealant, pavement markings and traffic management products as well as related equipment, tools and accessories via a unique "one stop shop" model



[Click for link to transaction details](#)

PROCESS DYNAMICS:

- Positioned the Company as the premier provider of aftermarket solutions for the repair, maintenance and upkeep of paved and specialty surfaces, going to market through two complementary, symbiotic business divisions: SealMaster Distribution and PMG Products



TM Capital Credentials

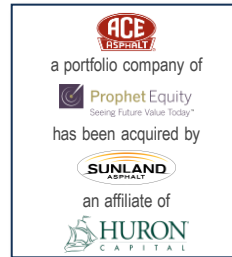
Relevant Recent Paving Transactions



Ace Asphalt Acquired by Sunland Asphalt (Huron Capital)

COMPANY OVERVIEW:

- Ace is a leading exterior facility services platform focused on providing parking lot maintenance and repair and comprehensive site development services for paved and concrete services in the rapidly-growing Southwest region



[Click for link to transaction details](#)

PROCESS DYNAMICS:

- Showcased diversity of customer base and end markets, including commercial, industrial and the public sector
- Managed competitive risk from interested strategic parties while generating significant interest from a range of strategic and financial buyers



+iconUSA Acquired by Shikun & Binui

COMPANY OVERVIEW:

- Diversified heavy civil and industrial construction services platform operating in the Eastern United States serving the attractive ports & waterways, energy, transportation, entertainment, industrial and rail markets



[Click for link to transaction details](#)

PROCESS DYNAMICS:

- Business with historical track record of lower margins as a result of overexposure to low bid DOT work (in difficult states)
- Double breasted platform – union operations in PA and MD markets



TM Capital Credentials

Deep Experience with Private / Founder-Owned Businesses



Nuanced Appreciation of Management-Owner Objectives



Engineer the Best Outcome, Not Just the Best Price



Highly Discreet Process Designed to Assure Confidentiality







































Clear Communication and Coordination with All Parties



Experience with Varied Shareholder Dynamics & Corporate Structures

Recent Privately Owned Transactions

 <p>HAS BEEN ACQUIRED BY</p> 	 <p>HAS BEEN RECAPITALIZED BY</p> 	 <p>HAS BEEN ACQUIRED BY</p> 	 <p>HAS BEEN ACQUIRED BY</p> 	 <p>HAS BEEN ACQUIRED BY</p> 	 <p>HAS BEEN ACQUIRED BY</p> 
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TM Capital Credentials

We Know How to Drive Buyer Engagement



Our goal is to generate options for clients; and we generate extraordinary levels of engagement from both financial and strategic investors / buyers

Representative Strategic Acquirers of TM Clients

Representative Private Equity Acquirers of TM Clients

To learn more about TM Capital or to discuss our work with clients in this sector, please contact any of TM's paving services team members listed below:



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ABOUT TM CAPITAL, A DIVISION OF CAPSTONE PARTNERS

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ABOUT CAPSTONE PARTNERS

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