

Employing an Acquisition Strategy Similar to Private Equity Firms with Key Distinctions:

- ➔ Open-ended investment time horizon allows for flexible holding periods
- ➔ Long-term partnership approach rather than short-term, transactional mentality
- ➔ Flexible deal structuring given ability to use mix of cash, debt, common, and preferred stock

Acquisitions via a holding company platform



Seeking to:

- 1) Expand existing business divisions through bolt-on acquisitions or acquisitions of related businesses
- 2) Establish new business divisions

Acquisition Criteria

(Targeting businesses that could be more valuable inside of our HoldCo structure)

- ✓ Businesses with **\$10-\$50M in revenue** and **>\$2M in EBITDA**
- ✓ Businesses with **growth potential and strong local operating management teams**
- ✓ **Existing assets, earnings, and cash flows** (no start-ups or venture capital-type situations)
- ✓ Preferred industries include:
 - Energy / Materials
 - Industrials / Manufacturing
 - Construction / Building Solutions / Housing / Building Materials
 - Transportation / Logistics
 - Staffing / Business Services
- ✓ Open to **publicly traded** or **privately held** businesses
 - Small public companies that would be more valuable inside our holding company structure
 - Market caps of \$5-\$75M

Benefits of our HoldCo Structure

- ✓ Free-up operating management teams to maximize operations and pursue growth opportunities
- ✓ Improve operating and financial performance
- ✓ Improve access to capital and lower cost of capital
- ✓ Support bolt-on acquisition diligence and execution
- ✓ Achieve cost synergies through reducing SG&A and/or public company costs
 - Share certain corporate functions to reduce corporate overhead

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