

# ***Construction Partners***

*Summer 2025  
Investor Presentation*



# ***Forward-Looking Statements***

Certain statements contained herein that are not statements of historical or current fact constitute “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and 21E of the Securities Exchange Act of 1934. These statements may be identified by the use of words such as “seek” “continue,” “estimate,” “predict,” “potential,” “targeting,” “could,” “might,” “may,” “will,” “expect,” “should,” “anticipate,” “intend,” “project,” “outlook,” “believe,” “plan” and similar expressions or their negative. These forward-looking statements include, among others, statements regarding the Company’s expected revenue, net income, Adjusted EBITDA, and Adjusted EBITDA Margin for the fiscal year ending September 30, 2025, and the Company’s business strategy. These and other forward-looking statements are based on management’s current views and assumptions and involve risks and uncertainties that could significantly affect expected results. Important factors could cause actual results to differ materially from those expressed in the forward-looking statements, including, among others: the Company’s ability to successfully manage and integrate acquisitions; failure to realize the expected economic benefits of acquisitions, including future levels of revenues being lower than expected and costs being higher than expected; failure or inability to implement growth strategies in a timely manner; declines in public infrastructure construction and reductions in government funding, including the funding by transportation authorities and other state and local agencies; risks related to the Company’s operating strategy; competition for projects in our local markets; risks associated with the Company’s capital-intensive business; government requirements and initiatives, including those related to funding for public or infrastructure construction, land usage and environmental, health and safety matters; unfavorable economic conditions and restrictive financing markets; the Company’s ability to obtain sufficient bonding capacity to undertake certain projects; the Company’s ability to accurately estimate the overall risks, requirements or costs when it bids on or negotiate contracts that are ultimately awarded to the Company; the cancellation of a significant number of contracts or the Company’s disqualification from bidding for new contracts; risks related to adverse weather conditions; the Company’s substantial indebtedness and the restrictions imposed on the Company by the terms thereof; the Company’s ability to maintain favorable relationships with third parties that supply the Company with equipment and essential supplies; the Company’s ability to retain key personnel and maintain satisfactory labor relations; property damage, results of litigation and other claims and insurance coverage issues; risks related to the Company’s information technology systems and infrastructure; the Company’s ability to maintain effective internal control over financial reporting; and the other risks, uncertainties and factors set forth in the Company’s most recent Annual Report on Form 10-K, its subsequent Quarterly Reports on Form 10-Q, its Current Reports on Form 8-K and other reports the Company files with the Securities and Exchange Commission. Forward-looking statements speak only as of the date they are made. The Company assumes no obligation to update forward-looking statements to reflect actual results, subsequent events, or circumstances or other changes affecting such statements, except to the extent required by applicable law.

The Company’s independent registered public accounting firm has not audited, reviewed, compiled or performed any procedures with respect to the estimated or projected financial information for the year ending September 30, 2025 presented herein. The Company’s actual results may differ from these estimates as a result of the Company’s year-end closing procedures, review adjustments and other developments that may arise between now and the time the Company’s financial results for the year ended September 30, 2025 are finalized.

# At-A-Glance: Asphalt-Centered Infrastructure Company

**\$2.77-2.83bn**

FY25 Guidance  
Revenue

**\$410-430mm**

FY25 Guidance  
Adj. EBITDA<sup>(1)</sup>

**14.8-15.2%**

FY25 Guidance  
Adj. EBITDA Margin<sup>(1)</sup>

**~63%**

Revenue from Publicly-  
funded Projects

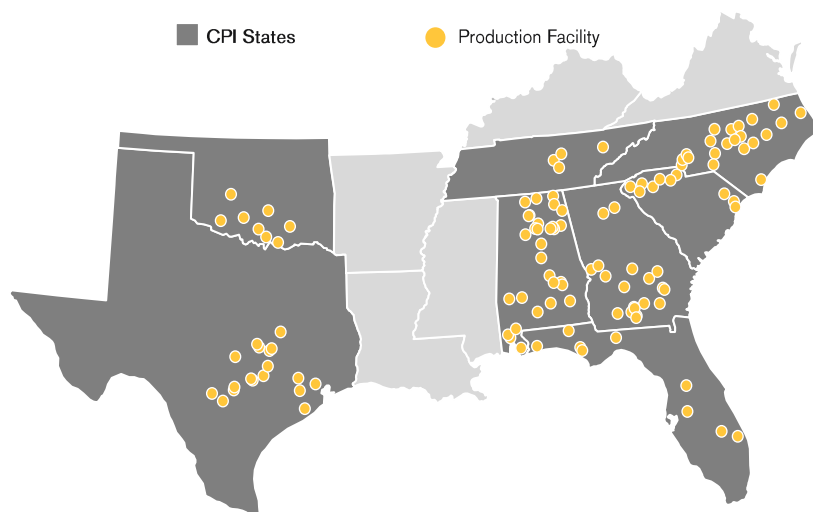
**6,400+**

Employees

**119**

Production Facilities

## Regionally Focused in High-Growth Sunbelt



## Combined Top 5 Customers



## Asphalt-Centered Infrastructure Company

- ~94% of all paved roads in the U.S. are surfaced with asphalt<sup>(2)</sup> & require maintenance, on average every ~10 years.
- Strategically positioned to win recurring, asphalt-driven projects let to contract by public and private customers

## Market Leader in the Attractive Sunbelt Region

- Meaningful population and business migration to Sunbelt region, driving public and private infrastructure demand
- Operate in states with fastest growing MSAs in the country

## Successful Record of Acquisitions and Site Expansions

- CPI has successfully completed and integrated 37 acquisitions since IPO in May 2018, increasing operations into eight states
- 8 acquisitions in FY24 & 5 acquisitions in FY25 to-date (including 3 platform companies and entering 2 new states, TX & OK)
- Transformative Acquisition of Lone Star Paving: value-enhancing acquisition to expand CPI's geographic footprint, consisting of 10 HMAs, 1 liquid terminal and 4 aggregate facilities as well as construction services

## Large Addressable Market with Historic Funding Levels

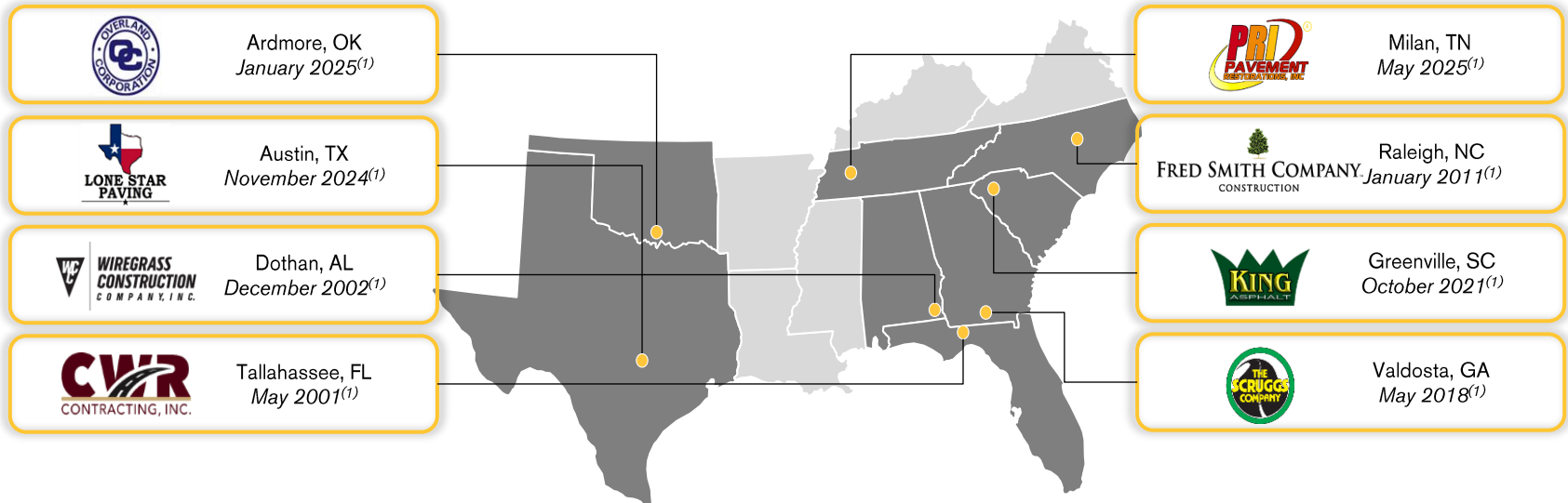
- Golden Age of Construction: Historic level of investment by federal and state governments to fix America's deteriorating infrastructure



(1) Adjusted EBITDA and Adjusted EBITDA Margin are non-GAAP financial measures. For a reconciliation of Adjusted EBITDA to Net Income, the most directly comparable GAAP financial measure, and the resulting calculation of Adjusted EBITDA Margin, see the Appendix.

(2) U.S. Department of Transportation - Federal Highway Administration

# A Family of Companies



## 99 HMA Plants



## 17 Aggregate Facilities



## 3 Liquid Asphalt Terminals



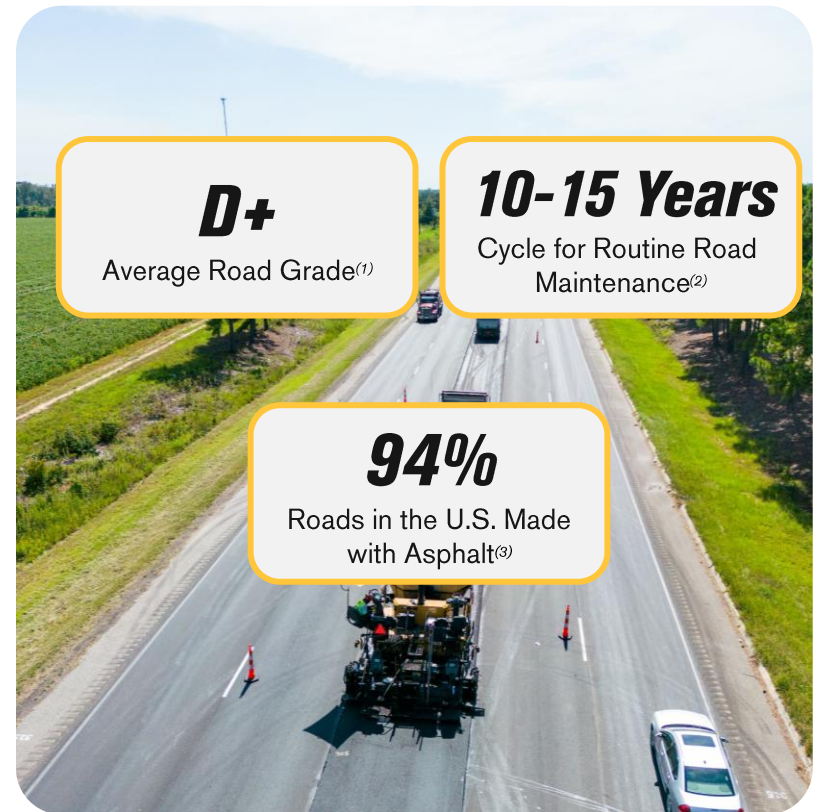
(1) Represents the date the company was acquired by Construction Partners.

# An Enduring Growth Story

***Supported by sustained demand and recurring funding sources***

***Founded in 2001 with a Simple, 3-Point Thesis:***

- 1** ...Sunbelt focus on asphalt-led infrastructure projects through local markets with recurring revenue sources
- 2** ...Offering services that meet an essential and growing societal need...
- 3** ...In a large, highly fragmented industry with a long runway of growth opportunities.



(1) American Society of Civil Engineers Road Grade, 2025 Infrastructure Report Card

(2) NCAT Report 13-06

(3) U.S. Department of Transportation - Federal Highway Administration

# ***Same Proven Strategy***



**Asphalt-Centered Infrastructure Company**



**Regionally Focused in Sunbelt**



**Local Markets & Workforce**



**Recurring Public & Private Revenue**



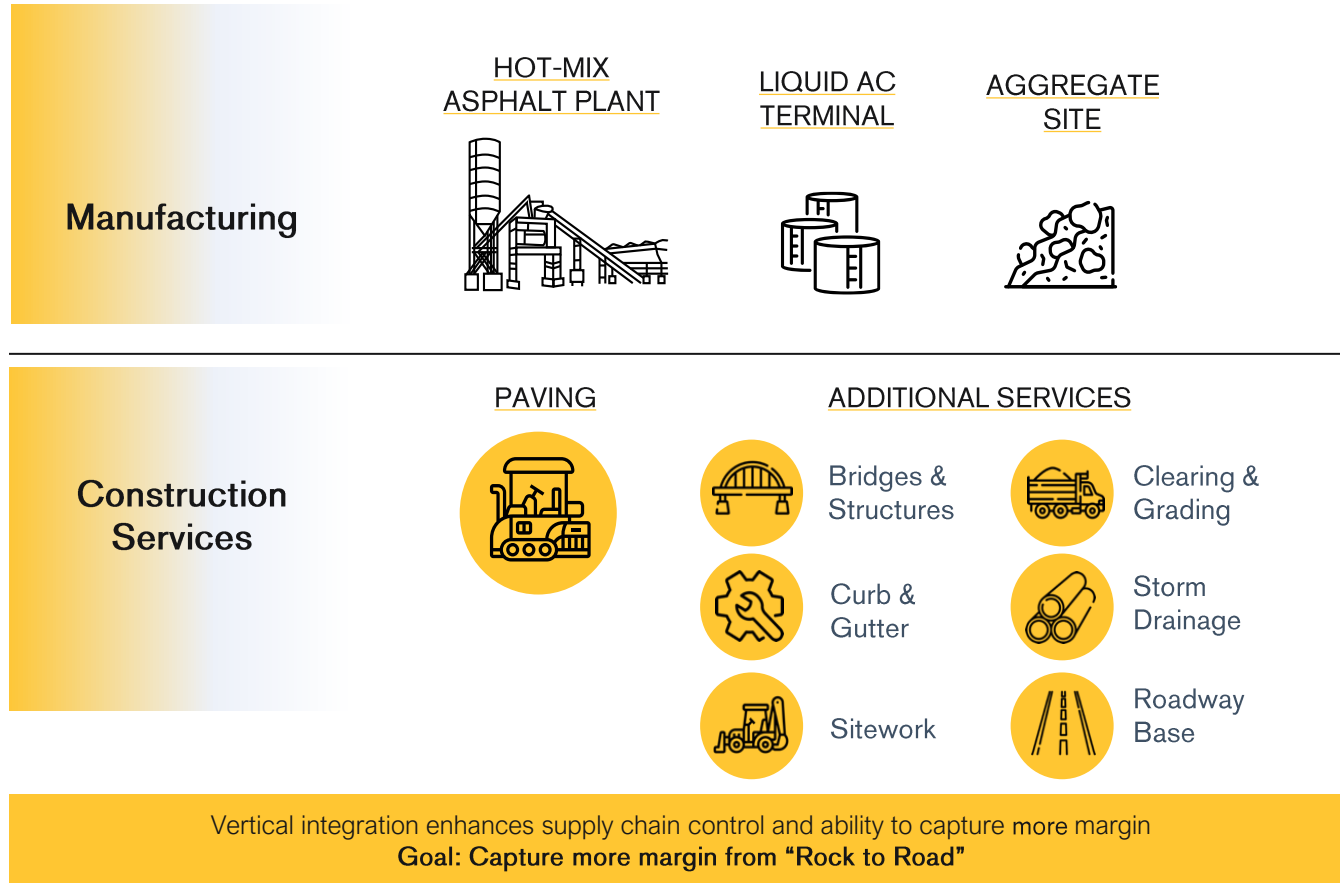
**Short Duration, Low-Risk Projects**



**Multiple Avenues for Growth in Fragmented Industry**

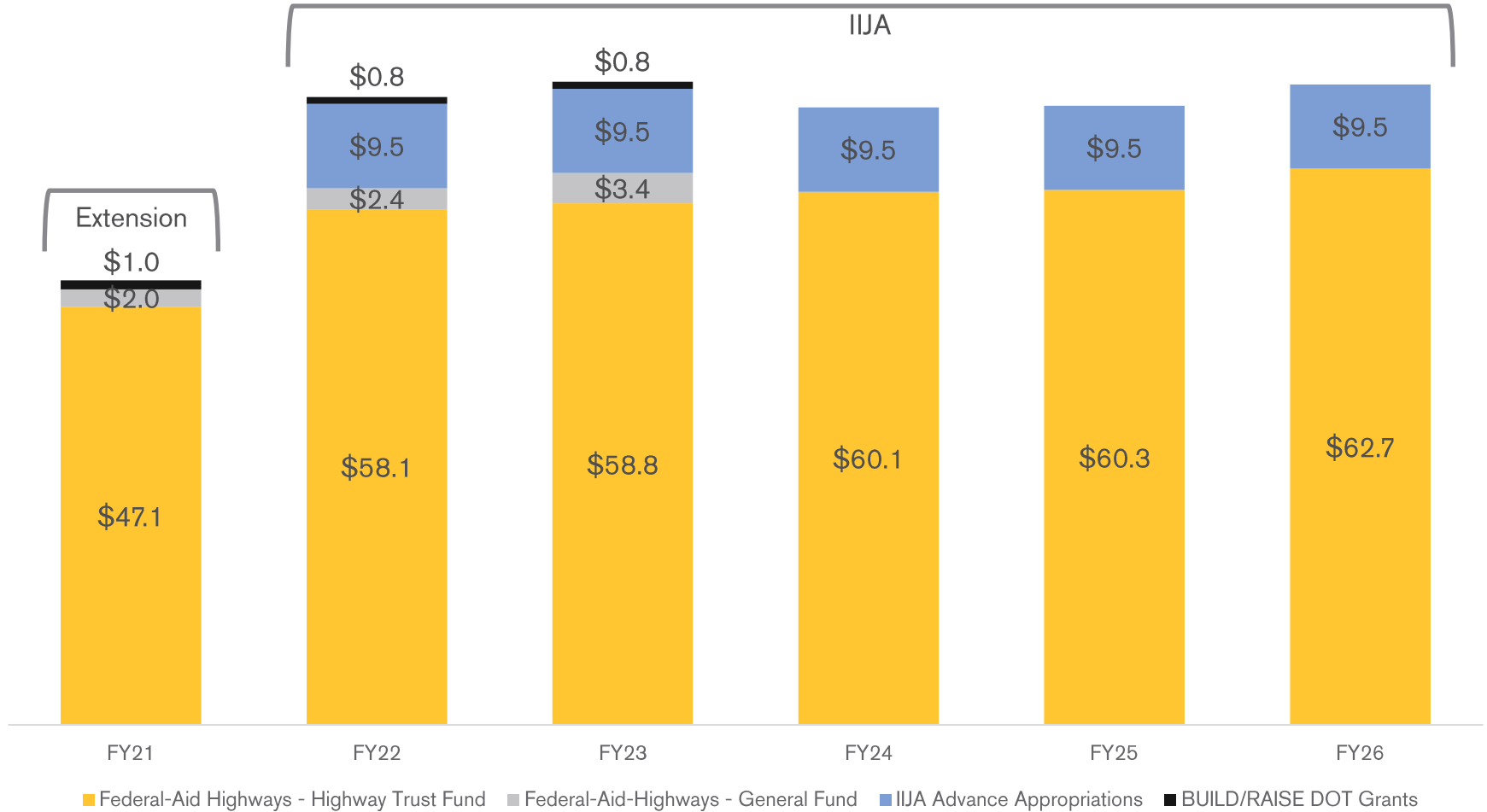


# Manufacturing Hot-Mix Asphalt & Construction Services



# Strong Infrastructure Funding

## Federal Aid Funding<sup>(1)</sup>



(1) Consolidated Appropriations Act, 2023 and Infrastructure Investment & Jobs Act (IIJA)

# Local Markets & Workforce

## **Favorable Local Market Dynamic**

- Local market knowledge and relationships provides competitive moat
- Hiring and retention advantage as a local operator building jobs where our employees live
- Flexibility to optimize utilization of crews & equipment within adjacent markets
- Strategically positioned to win routine, maintenance-related projects; no out-of-market mega projects



## **Leading to High Relative Market Share**



Local markets defined as ~50-mile radius around plants given temperature sensitivity of HMA



# Recurring Public & Private Revenue

## Public and Private Infrastructure



### Resurfacing

- Highways
- Airports
- Municipal Roads
- Residential Roads
- Parking Lots



### Capacity / Widening

- Highways
- Airports
- Municipal Roads
- Residential Roads



### Industrial Development

- Data Centers
- Distribution Centers
- Warehouses



### Commercial Development

- Residential
- Shopping Centers
- Office Parks
- Retail Businesses
- Industrial Sites

**6-9 Months**

Average Project Duration

**~\$4mm or less**

Average Project Size

## Top Customers



# Vertical Integration Driving Higher Margin Profile



Aggregate  
Production



Liquid  
Asphalt



Hot-Mix Asphalt  
Production



Paving  
Services



## Reduces Volatility

Maintains Control of Supply Chain



## Captures Value

Enhances Margins



## Boosts Flexibility

Optionality in Supplier Agreements

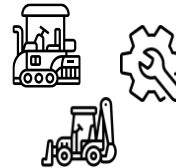
# ***Multiple Avenues for Growth in Fragmented Industry***

## **Organic**

*~3x Multiple of  
EBITDA*

Expansion of services  
or facilities in existing  
markets

- Paving crews
- Utilities crews
- Grading crews
- Facility upgrades

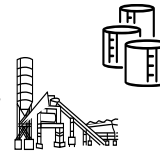


## **Greenfield**

*~4x Multiple of  
EBITDA*

Establishment of  
manufacturing facility  
to enter new market  
or increase vertical  
integration

- HMA plants
- AC terminals



## **Acquisitive**

*~5-6x Multiple of  
EBITDA*

Acquiring businesses  
within and  
complementary to our  
core business

- Platforms
- Bolt-ons
- Vertical integration



Continuing historical annual revenue growth rate of 15-20%



# Multiple Levers for Margin Expansion

## Building Better Markets

- Establish leading position in each local market by implementing best practices and delivering quality
- Maintain position as #1 or #2 player in each of our local markets
- Leverage technology to provide improved market intelligence
- AI capabilities

## Scale

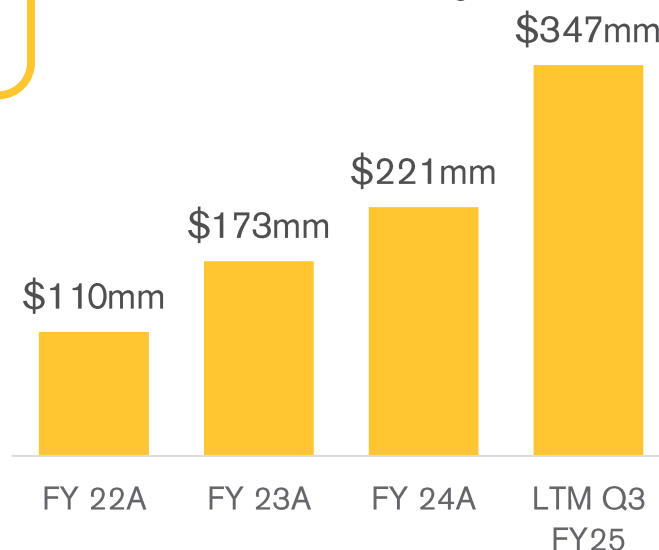
- Revenue and cost synergies as topline growth outpaces fixed costs
- Cost synergies and operational efficiencies as organization grows larger
- Increased purchasing power & cost savings

## Vertical Integration

- Strengthening control over supply chain helps reduce cost and improve margins

Utilize three levels of margin expansion to increase Adjusted EBITDA Margin<sup>(1)</sup> by 50bps annually

## Adjusted EBITDA and Adjusted EBITDA Margin<sup>(1)</sup>



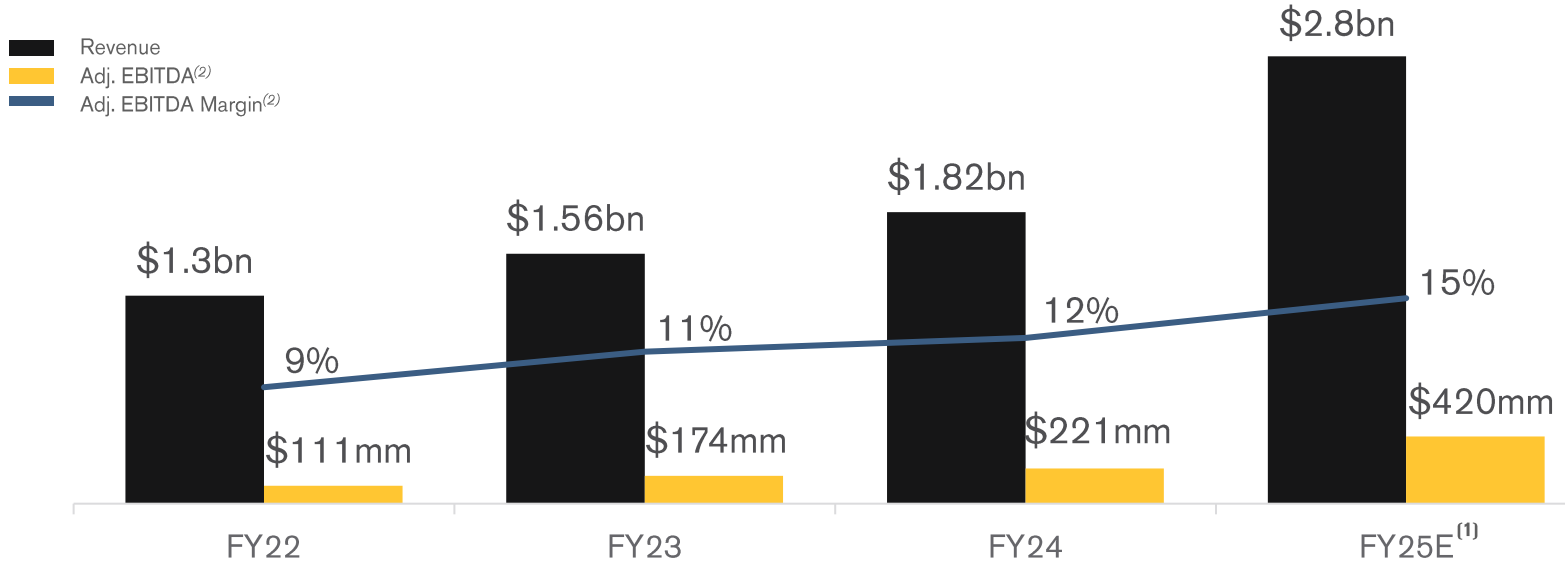
Adj. EBITDA Margin <sup>(1)</sup>	8.5%	11.0%	12.1%	14.2%
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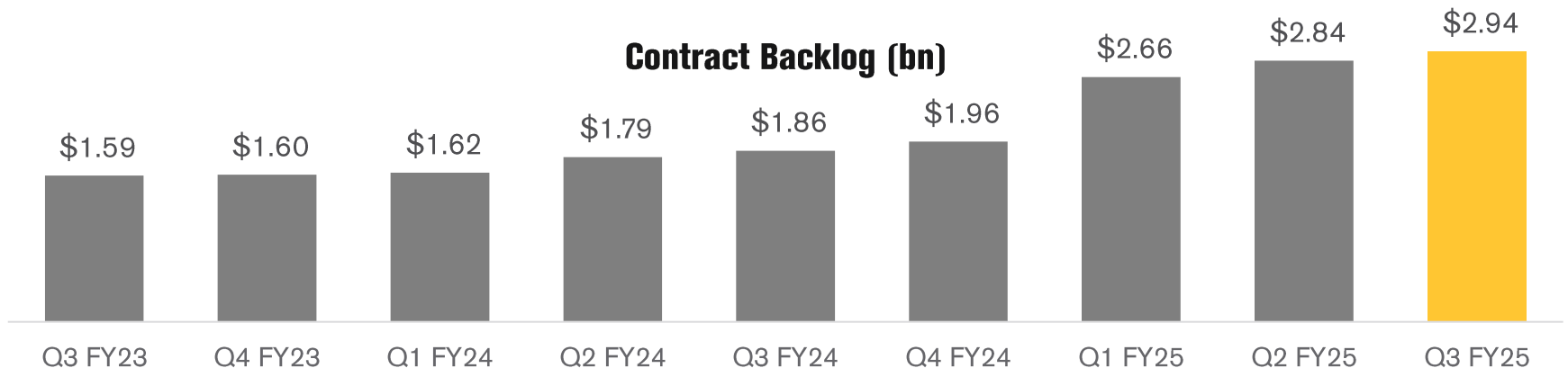
(1) Adjusted EBITDA and Adjusted EBITDA Margin are non-GAAP financial measures. For a reconciliation of Adjusted EBITDA to Net Income, the most directly comparable GAAP financial measure, and the resulting calculation of Adjusted EBITDA Margin, see the Appendix.

# Fiscal Year Returns

## Financial Performance



## Contract Backlog (bn)



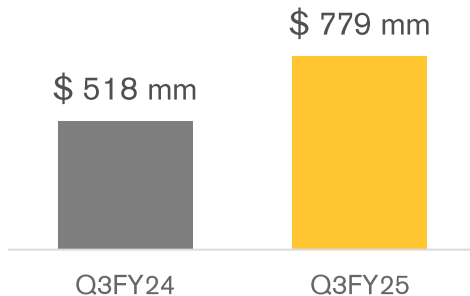
(1) FY25 represents midpoint of management guidance for fiscal year 2025.

(2) Adjusted EBITDA and Adjusted EBITDA Margin are non-GAAP financial measures. For a reconciliation of Adjusted EBITDA to Net Income, the most directly comparable GAAP financial measure, and the resulting calculation of Adjusted EBITDA Margin, see the Appendix.

# Q3 FY25 Results

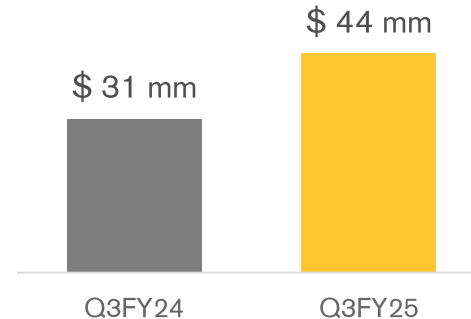
## Revenue<sup>(1)</sup>

+51% Growth



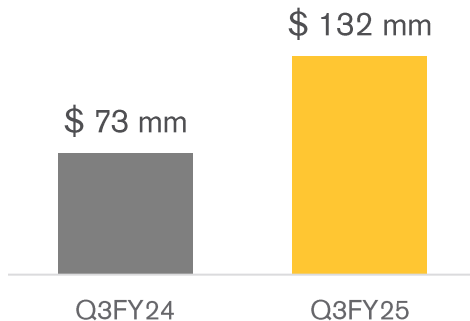
## Net Income<sup>(1)</sup>

+42% Growth



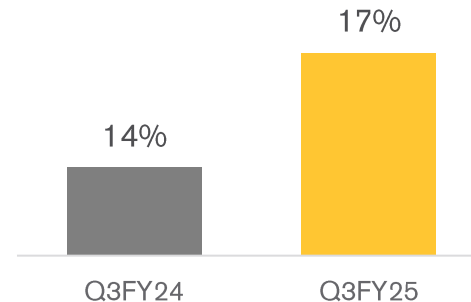
## Adj. EBITDA<sup>(1)(2)</sup>

+80% Growth



## Adj. EBITDA Margin<sup>(1)(2)</sup>

+20% Growth

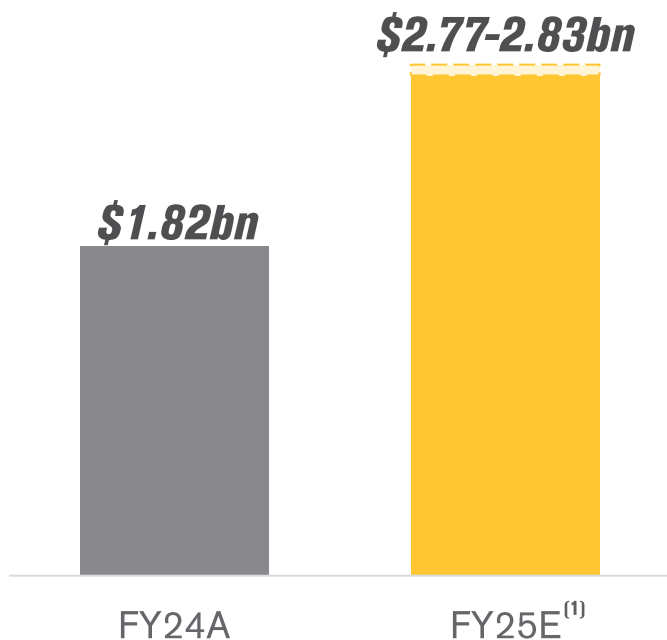


(1) FY25 represents ranges of management guidance for fiscal year 2025.

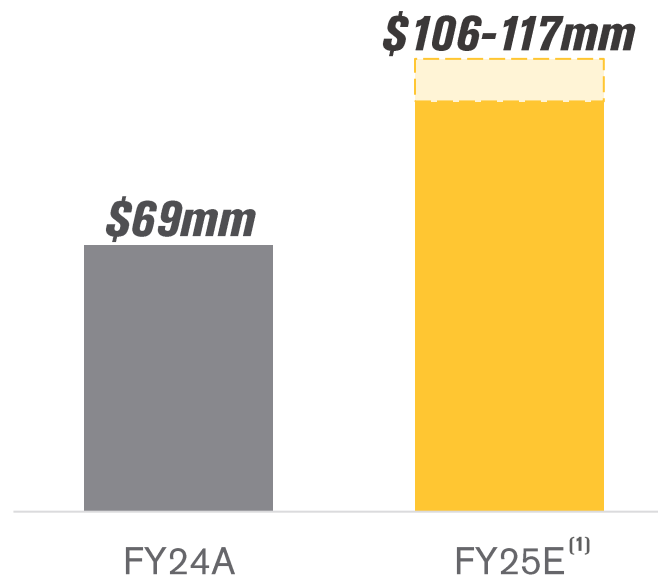
(2) Adjusted EBITDA and Adjusted EBITDA Margin are non-GAAP financial measures. For a reconciliation of Adjusted EBITDA to Net Income, the most directly comparable GAAP financial measure, and the resulting calculation of Adjusted EBITDA Margin, see the Appendix.

# FY25 Outlook

## Revenue



## Net Income

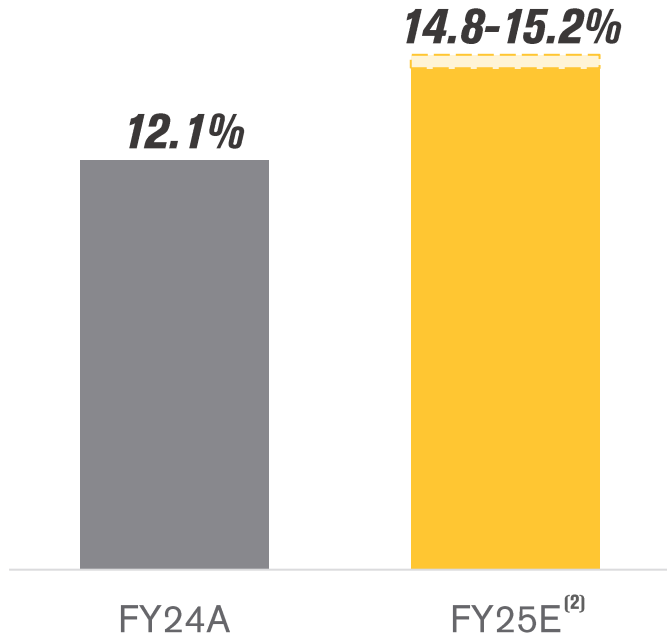


(1) FY25E represents ranges of management guidance for fiscal year 2025.

# FY25 Outlook

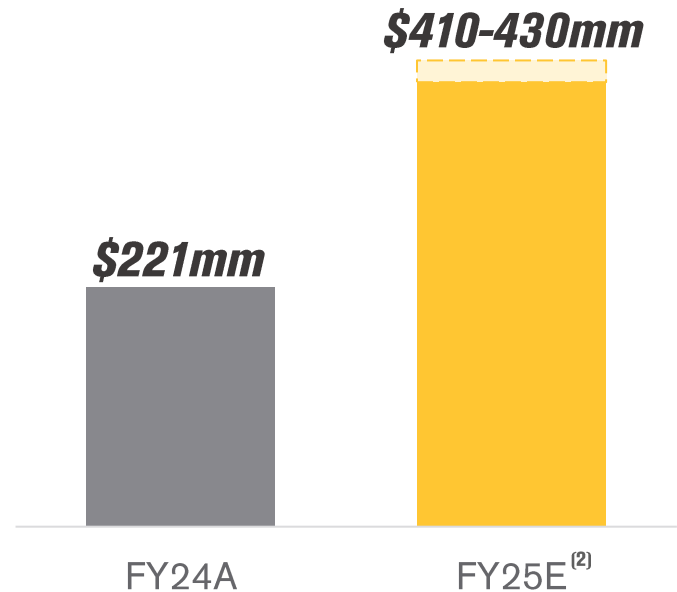
## Adjusted EBITDA Margin<sup>(1)</sup>

+27% | Midpoint Growth



## Adjusted EBITDA<sup>(1)</sup>

+96% | Midpoint Growth



(1) Adjusted EBITDA and Adjusted EBITDA Margin are non-GAAP financial measures. For a reconciliation of Adjusted EBITDA to Net Income, the most directly comparable GAAP financial measure, and the resulting calculation of Adjusted EBITDA Margin, see the appendix.

(2) FY25 represents ranges of management guidance for fiscal year 2025.

# A Family of Companies



# ***Appendix***



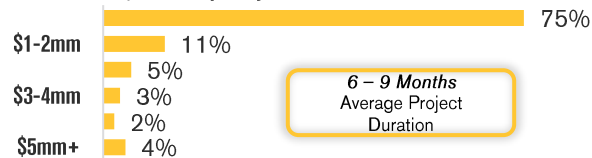
# Risk Management Framework

## Key Risk Management Principles

### Project Type

- Focus on short-duration, low-risk, repeatable paving projects
- Labor flexibility allows CPI to leverage the same crews for both private and public projects, with the ability to quickly pivot

Completed Project by Size - FY 21 - FY 23



### Self-Perform

- Self-perform approximately 80% of any given project, which reduces risk and ensures efficiency, safety and cost-certainty for our customers
- The prime contractor, responsible for performance of entire contract including subcontract work

### Contract Structure

- Fixed unit price contracts / lump sum based on approved quantities
- Total amount of work to be performed for a single price
- Receive automatic adjustments to additional quantities
- Monthly progress payments from the owner
- Final payment upon completion and final acceptance of the services and delivery

### Commodity Risk

- Ongoing monitoring of associated commodity costs at the time of bid and price contracts accordingly
- Built-in liquid asphalt escalator provisions in most public contracts, as well as some private contracts
- For most contracts, receive firm, job-specific pricing for raw materials, including aggregates

## Project Assessment Process

### Phase One

Review plans and specifications of the project

- Scope of work and related estimated materials
- Contract duration and schedule
- Significant risk factors of the project

### Phase Two

Estimate the cost and availability of labor, materials and equipment, subcontractors and the project team required to complete the contract in accordance with the plans, specifications and construction schedule

### Phase Three

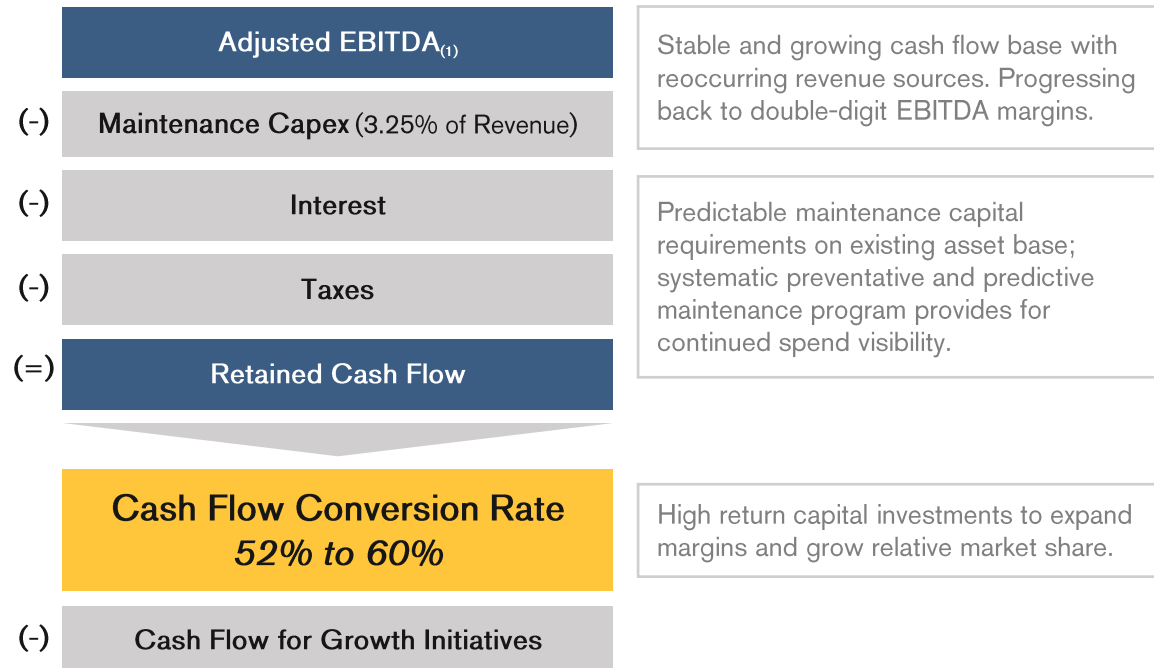
Conduct a detailed review of the estimate, which includes an analysis of assumptions regarding:

- Cost, means and methods of completing the project
- Staffing and productivity
- Risk



# Strong Cash Flow Conversion Model

## Investing in Growth



Expected record-high FY 25 operating cash flow highlights operational efficiency and organizational emphasis on cash flow generation



(1) Adj. EBITDA is used as this already has stock-based compensation, management fees, and other nonrecurring/noncash expenses added back

# ***Non-GAAP Financial Measures***

Adjusted EBITDA represents net income before, as applicable from time to time, (i) interest expense, net, (ii) provision (benefit) for income taxes, (iii) depreciation, depletion, accretion and amortization, (iv) share-based compensation expense, (v) loss on the extinguishment of debt and (vi) nonrecurring expenses related to transformative acquisitions, which management considers to include transactions of a size that would require clearance under federal antitrust laws. Adjusted EBITDA margin represents Adjusted EBITDA as a percentage of revenues for each period. These metrics are supplemental measures of our operating performance that are neither required by, nor presented in accordance with, GAAP. These measures have limitations as analytical tools and should not be considered in isolation or as an alternative to net income or any other performance measure derived in accordance with GAAP as an indicator of our operating performance. We present Adjusted EBITDA and Adjusted EBITDA margin because management uses these measures as key performance indicators, and we believe that securities analysts, investors and others use these measures to evaluate companies in our industry. Our calculation of Adjusted EBITDA and Adjusted EBITDA margin may not be comparable to similarly named measures reported by other companies. Potential differences may include differences in capital structures, tax positions and the age and book depreciation of intangible and tangible assets.



# Fiscal Year Q3 2025 Reconciliation

(Unaudited, in thousands, except percentages)

	For the Three Months Ended June 30,	
	2025	2024
Net income	\$ 44,047	\$ 30,908
Interest expense, net	25,239	4,673
Provision for income taxes	13,903	10,108
Depreciation, depletion, accretion and amortization	39,294	23,507
Share-based compensation expense	8,564	4,039
Transformative acquisition expenses	663	0
Adjusted EBITDA	\$ 131,710	\$ 73,235
Revenues	\$ 779,277	\$ 517,794
Adjusted EBITDA Margin	16.9%	14.1%



# Fiscal Year 2025 Outlook Reconciliation

(Unaudited, in thousands, except percentages)

	For the Fiscal Year Ending September 30, 2025	
	Low	High
Net income	\$ 106,000	\$ 117,000
Interest expense, net	86,000	86,000
Provision for income taxes	32,000	36,000
Depreciation, depletion, accretion and amortization	143,000	145,000
Share-based compensation expense	23,250	26,250
Transformative acquisition expenses	19,750	19,750
Adjusted EBITDA	\$ 410,000	\$ 430,000
Revenues	\$ 2,770,000	\$ 2,830,000
Adjusted EBITDA Margin	14.8%	15.2%



# ***LTM Q3 '25 Reconciliation***

(Unaudited, in thousands, except percentages)

**For the Last Twelve Months Ended June 30, 2025**

Net income	\$ 74,519
Interest expense, net	71,045
Provision for income taxes	24,620
Depreciation, depletion, accretion and amortization	133,193
Share-based compensation expense	22,601
Transformative acquisition expenses	20,802
Adjusted EBITDA	\$ 346,780
Revenues	\$ 2,450,670
Adjusted EBITDA Margin	14.2%



# Fiscal Years '22 – '24 Reconciliation

(Unaudited, in thousands, except percentages)

	For the Fiscal Year Ended September 30		
	2024	2023 <sup>(2)</sup>	2022
Net income	\$ 68,935	\$ 49,001	\$ 21,376
Interest expense, net	19,071	17,346	7,701
Provision for income taxes	23,161	16,403	6,915
Depreciation, depletion, accretion and amortization	92,920	79,100	65,730
Share-based compensation expense	15,031	10,759	8,000
Acquisition-related expenses <sup>(1)</sup>	1,455	0	0
Management fees and expenses <sup>(3)</sup>	0	0	1,451
Adjusted EBITDA	\$ 220,573	\$ 172,609	\$ 111,173
Revenues	\$ 1,823,889	\$ 1,563,548	\$ 1,301,674
Adjusted EBITDA Margin	12.1%	11.0%	8.5%

(1) Reflects expenses associated with the Lone Star Acquisition, which management views as a non-routine acquisition.

(2) In periods commencing prior to September 30, 2023, we historically included within the definition of Adjusted EBITDA an adjustment for management fees and expenses related to our management services agreement with an affiliate of SunTx Capital Partners, a member of our control group. Effective October 1, 2023, the term of the management services agreement was extended to October 1, 2028. As a result of the term extension, we no longer view the management fees and expenses paid under the management services agreement as a non-recurring expense. Accordingly, periods commencing subsequent to September 30, 2023 do not include an adjustment for management fees and expenses, and we have recast comparative Adjusted EBITDA and Adjusted EBITDA Margin for the fiscal year ended September 30, 2023 to conform to the current definition.

(3) Reflects fees and reimbursement of certain out-of-pocket expenses under a management services agreement with SunTx (see Note 17 - Related Parties to the consolidated financial statements included elsewhere in the FY23 10K).





**Rick Black**  
Investor Relations

***CONSTRUCTION **PARTNERS** INC.***

