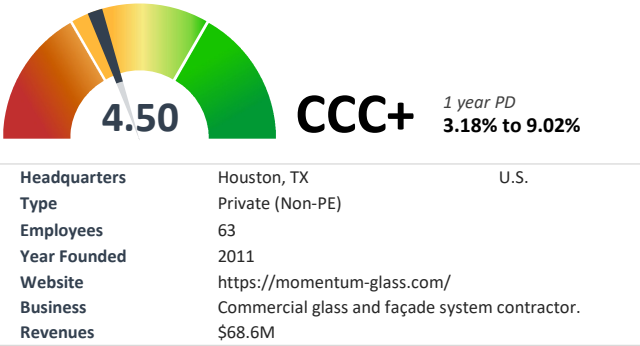


Momentum Exterior Systems, LLC (d/b/a Momentum Glass) - sub of HITT



Company Overview

- Company Overview:** Momentum Glass, specializes in designing, manufacturing, and installing advanced glazing systems, building enclosures, and interior glass solutions.
- Product:** Their range of products includes point-supported glass walls, composite and insulated wall panels, perforated screen walls, sunshades, louvers, and terra cotta façade systems (non-glass).
- Customers:** Serving a broad clientele across Texas and the Southeast, Momentum Glass caters to sectors such as commercial, healthcare, industrial, infrastructure, institutional, and residential markets.
- Ownership:** Founded in 2011 by Omar Maalouf, who serves as CEO, the company is owned by HITT Contracting, Inc., a national GC HQ'd in Falls Church, VA. The acquisition was completed on 12/2022, when HITT acquired them from Tulcan PE. HITT is privately held by the Hitt family.
- Debt Structure:** \$15mn in debt is long-term, almost entirely lease liabilities. \$20mn though is current debt. No terms/maturities/covenants provided, nor availability of an R/C-line stated.
- Basis for Assessment:** Company prepared, and uncommented b/s and i/s per FY-24.
- Other (pros/cons):** Momentum Glass has a healthy operating profitability and margin performance, supported by strong project execution capabilities and growing tech adoption. Yet, they operate with under an elevated leverage and working capital imbalances. Limited backlog visibility poses liquidity and continuity concerns. Single event risks include the loss of a major project or client dispute/liability, a refi-failure given comparatively high leverage, and loss of highly specialized experts.

Financial Snapshot

	Dec-22	Dec-23	Dec-24	Chg
\$ '000s	T12	T12	T12	%
Total Revenue	-	-	68,639	
Gross Profit	-	-	18,672	
Adjusted EBITDA	-	-	7,619	
Gross Profit Margin	#DIV/0!	#DIV/0!	27.2%	#DIV/0!
EBITDA Margin	#DIV/0!	#DIV/0!	11.1%	#DIV/0!
Net Income	-	-	4,547	
Depreciation & Amorti	-	-	1,932	

					Weight	Rating Range		
					50%	4.5	to	5.5

# of Benchmarks:		26	Industry Median	Company Metric	Percentile Rank	# of Industry Benchmarks		26
			\$69M	\$69M		Company Financials Date		Dec-24
Liquidity	Revenue					Industry Benchmarks - Primary: Construction and Engineering		
	Current Ratio	1.63	1.37	<div></div>	25%			
Leverage	Quick Ratio	1.45	1.36	<div></div>	47%			
	Net Debt / EBITDA	2.08	2.76	<div></div>	40%			
Profitability	Debt to Assets	32.4%	53.3%	<div></div>	26%			
	EBITDA Margin	7.2%	11.1%	<div></div>	72%			
	ROCE %	15.0%	14.9%	<div></div>	50%			

Business Risk

Industry Group Risk Profile				Engineering And Construction	20%	4.0	to	5.5
Industry Risk Assessment	KPI Rating	Contribution	Industry Group Description					
Cyclicality	Intermediate risk	<div></div>	Entities that derive a majority of their revenues from engineering and design, construction, and maintenance work.					
Competitive Risk	Moderately high risk	<div></div>						
Global Industry	Moderately high risk	<div></div>						
Market Segment Outlook	Stable	<div></div>						
Competitive Position Profile				Construction	50%	4.5	to	6.0
Competitive Position KPIs	KPI Rating	Contribution	Rating Guideline					
Cycle-Tested	2009-2019	<div></div>	Pre-COVID.					
Project Diversity	Above Average	<div></div>	2-3 segment focus					
Backlog	Satisfactory	<div></div>	1-2 years backlog					
Interest Environment	Above Average	<div></div>	Slightly rising interest rates					
Supplier Relationships	Above Average	<div></div>	Good relationships with several suppliers.					
Quality of Work	Above Average	<div></div>	Above-average quality work.					
Technological Innovation	Above Average	<div></div>						
Management, Governance, Sponsorship					30%	4.0	to	5.5