

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

**Date of report (Date of earliest event reported): August 1, 2023**

**CONSTRUCTION PARTNERS, INC.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction  
of incorporation)

**001-38479**  
(Commission  
File Number)

**26-0758017**  
(I.R.S. Employer  
Identification Number)

**290 Healthwest Drive, Suite 2**  
**Dothan, Alabama 36303**  
(Address of principal executive offices) (ZIP Code)

**(334) 673-9763**  
(Registrant's telephone number, including area code)

**Not Applicable**  
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class                     | Trading symbol(s) | Name of each exchange<br>on which registered                 |
|---|-------------------|--|
| Class A common stock, \$0.001 par value | ROAD              | The Nasdaq Stock Market LLC<br>(Nasdaq Global Select Market) |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter). Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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**Item 2.02. Results of Operations and Financial Condition.**

On August 2, 2023, Construction Partners, Inc. (the “Company”) issued a press release announcing its financial results for the fiscal quarter ended June 30, 2023. A copy of the press release is furnished as Exhibit 99.1 hereto, and the information contained in Exhibit 99.1 is incorporated herein by reference.

The information furnished pursuant to this Item 2.02, including Exhibit 99.1, shall not be deemed to be “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and will not be incorporated by reference into any registration statement filed under the Securities Act of 1933, as amended (the “Securities Act”), unless specifically identified therein as being incorporated therein by reference.

**Item 7.01. Regulation FD Disclosure.**

On August 1, 2023, the Company issued a press release announcing its completion of an acquisition transaction and its establishment of a greenfield hot-mix asphalt plant. A copy of the press release is furnished as Exhibit 99.2 hereto, and the information contained in Exhibit 99.2 is incorporated herein by reference.

The information furnished pursuant to this Item 7.01, including Exhibit 99.2, shall not be deemed to be “filed” for the purposes of Section 18 of the Exchange Act and will not be incorporated by reference into any registration statement filed under the Securities Act unless specifically identified therein as being incorporated therein by reference.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

| <u>Exhibit No.</u> | <u>Description</u>  |
|--------------------|---|
| 99.1**             | <a href="#">Press release dated August 2, 2023</a>                          |
| 99.2**             | <a href="#">Press release dated August 1, 2023</a>                          |
| 104*               | Cover Page Interactive Data File (embedded within the Inline XBRL document) |

\* Filed herewith.

\*\* Furnished herewith.

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CONSTRUCTION PARTNERS, INC.

Date: August 2, 2023

By: /s/ Gregory A. Hoffman  
Gregory A. Hoffman  
Senior Vice President and Chief Financial Officer



## NEWS RELEASE

### Construction Partners, Inc. Announces Fiscal 2023 Third Quarter Results

*Record Quarterly Revenue Up 11%, Net Income Up 78%, & Adjusted EBITDA Up 50%*

*Compared to Q3 FY2022*

*Company Updates FY2023 Outlook - Narrows Revenue Range and*

*Raises Net Income & Adjusted EBITDA Ranges*

*Record Backlog of \$1.59 Billion*

DOTHAN, AL, August 2, 2023 – Construction Partners, Inc. (NASDAQ: ROAD) (“CPI” or the “Company”), a vertically integrated civil infrastructure company specializing in the construction and maintenance of roadways across six southeastern states, today reported financial and operating results for the fiscal quarter ended June 30, 2023.

Fred J. (Jule) Smith, III, the Company’s President and Chief Executive Officer, said, “We are pleased with our third quarter results, representing the single highest revenue quarter in the Company’s history, despite a wetter-than-normal April and June. In addition, project backlog increased to \$1.59 billion, a new record for CPI, and is reflective of continued strong demand momentum. Our team achieved margins 350 basis points higher than a year ago that led to significantly stronger net income, cash flow, and Adjusted EBITDA. Overall, our business is now experiencing operational performance typical for CPI, as we pursue healthy sources of recurring revenue and operate in a more stable cost environment. All of these factors continue to support our bullish outlook for near- and long-term profitable growth.”

Revenues were \$421.9 million in the third quarter of fiscal 2023, an increase of 11% compared to \$380.3 million in the same quarter last year. Excluding the impact of approximately \$10 million of additional revenue from higher state liquid asphalt price index reimbursements in the third quarter last year resulting from a large increase in asphalt prices during that quarter<sup>(1)</sup>, revenue growth was 14% for the third quarter of fiscal 2023.

General profit was \$64.1 million in the third quarter of fiscal 2023, an increase of 45% compared to \$44.3 million in the same quarter last year.

General and administrative expenses were \$32.2 million in the third quarter of fiscal 2023, compared to \$26.6 million in the same quarter last year.

Net income was \$21.7 million in the third quarter of fiscal 2023, an increase of 78% compared to \$12.2 million in the same quarter last year.

Net cash provided by operating activities in the third quarter was \$48.9 million, compared to \$13.0 million of net cash used in operating activities in the same quarter last year.

Adjusted EBITDA<sup>(1)</sup> in the third quarter of fiscal 2023 was \$56.4 million, an increase of 50% compared to \$37.6 million in the same quarter last year. Adjusted EBITDA margin<sup>(1)</sup> for the third quarter of fiscal 2023 was 13.4%, compared to 9.9% in the same quarter last year.

Project backlog was \$1.59 billion at June 30, 2023, compared to \$1.33 billion at June 30, 2022 and \$1.52 billion at March 31, 2023.

Smith continued, “The Infrastructure Investment and Jobs Act (IIJA) is fully implemented and is driving investment in all six of our states’ roads, bridges, and airports, while the continued migration to the Southeast supports a vibrant commercial economy in our markets. CPI is well-positioned to meet this demand with our more than 4,000 talented and dedicated employees. Based on our increased profitability in the quarter and accounting for a wetter-than-normal April and June, we are narrowing our revenue range and raising our net income and Adjusted EBITDA ranges for our FY2023 Outlook.”

<sup>(1)</sup> Adjusted EBITDA, Adjusted EBITDA margin and revenues adjusted for liquid asphalt index reimbursements are financial measures not presented in accordance with generally accepted accounting principles (“GAAP”). Please see “Reconciliation of Non-GAAP Financial Measures” at the end of this press release.

## **Fiscal Year 2023 Outlook**

The Company's outlook for fiscal year 2023 with regard to revenue, net income and Adjusted EBITDA is as follows:

- Revenue in the range of \$1.535 billion to \$1.555 billion
- Net income in the range of \$41 million to \$46 million
- Adjusted EBITDA<sup>(1)</sup> in the range of \$161 million to \$169 million

Ned N. Fleming, III, the Company's Executive Chairman, stated, "The CPI business model is demonstrating its efficiency as we return to historical norms in terms of passing through costs and converting backlog reflective of the changing macro-environment compared to our prior fiscal year. We founded the company on a strategy of pursuing recurring infrastructure repair and maintenance projects, generating sustainable and profitable growth, and that strategy is as vibrant now as at any point in our history. Generating record quarterly revenue and another record backlog while achieving an Adjusted EBITDA margin of 13.4% in the quarter compared to 9.9% in the same quarter last year demonstrates the strength of the CPI business model. Our team continues to do an outstanding job managing the business and executing on our proven strategy."

## **Conference Call**

The Company will conduct a conference call on August 2, 2023 at 9:00 a.m. Central Time to discuss financial and operating results for the quarter ended June 30, 2023. To access the call live by phone, dial (412) 902-0003 and ask for the Construction Partners call at least 10 minutes prior to the start time. A telephonic replay will be available through August 9, 2023 by calling (201) 612-7415 and using passcode ID: 13735456#. A webcast of the call will also be available live and for later replay on the Company's Investor Relations website at [www.constructionpartners.net](http://www.constructionpartners.net).

## **About Construction Partners, Inc.**

Construction Partners, Inc. is a vertically integrated civil infrastructure company operating across six southeastern states. Supported by its hot-mix asphalt plants, aggregate facilities and liquid asphalt terminal, the company focuses on the construction, repair and maintenance of surface infrastructure. Publicly funded projects make up the majority of its business and include local and state roadways, interstate highways, airport runways and bridges. The company also performs private sector projects that include paving and sitework for office and industrial parks, shopping centers, local businesses and residential developments. To learn more, visit [www.constructionpartners.net](http://www.constructionpartners.net).

## **Cautionary Note Regarding 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 21E of the Securities Exchange Act of 1934. These statements may be identified by the use of words such as "may," "will," "expect," "should," "anticipate," "intend," "project," "outlook," "believe" and "plan." The forward-looking statements contained in this press release include, without limitation, statements related to financial projections, future events, business strategy, future performance, future operations, backlog, financial position, estimated revenues and losses, projected costs, prospects, plans and objectives of management. 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: our 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 our operating strategy; competition for projects in our local markets; risks associated with our 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; our ability to obtain sufficient bonding capacity to undertake certain projects; our ability to accurately estimate the overall risks, requirements or costs when we bid on or negotiate contracts that are ultimately awarded to us; the cancellation of a significant number of contracts or our disqualification from bidding for new contracts; risks related to adverse weather conditions; our substantial indebtedness and the restrictions imposed on us by the terms thereof; our ability to maintain favorable relationships with third parties that supply us with equipment and essential supplies; our 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 our information technology systems and infrastructure; our ability to maintain effective internal control over financial reporting; and the risks, uncertainties and factors set forth under "Risk Factors" in the Company's most

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recent Annual Report on Form 10-K and its subsequently filed Quarterly Reports on Form 10-Q. 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.

**Contacts:**

Rick Black / Ken Dennard  
Dennard Lascar Investor Relations  
ROAD@DennardLascar.com  
(713) 529-6600

*- Financial Statements Follow -*

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**Construction Partners, Inc.**  
**Consolidated Statements of Income**  
(unaudited, in thousands, except share and per share data)

|  | For the Three Months Ended<br>June 30, |                  | For the Nine Months Ended June<br>30, |                  |
|--|--|------------------|---------------------------------------|------------------|
|  | 2023                                   | 2022             | 2023                                  | 2022             |
| Revenues   | \$ 421,893                             | \$ 380,272       | \$ 1,088,522                          | \$ 908,621       |
| Cost of revenues   | 357,821                                | 336,022          | 967,674                               | 818,910          |
| <b>Gross profit</b>  | <b>64,072</b>                          | <b>44,250</b>    | <b>120,848</b>                        | <b>89,711</b>    |
| General and administrative expenses                              | (32,231)                               | (26,584)         | (93,945)                              | (76,530)         |
| Gain on sale of property, plant and equipment                    | 1,499                                  | 333              | 4,825                                 | 1,788            |
| Gain on facility exchange  | —                                      | —                | 5,389                                 | —                |
| <b>Operating income</b>  | <b>33,340</b>                          | <b>17,999</b>    | <b>37,117</b>                         | <b>14,969</b>    |
| Interest expense, net  | (5,039)                                | (2,054)          | (13,801)                              | (4,177)          |
| Other income   | 493                                    | 178              | 925                                   | 337              |
| <b>Income before provision for income taxes</b>                  | <b>28,794</b>                          | <b>16,123</b>    | <b>24,241</b>                         | <b>11,129</b>    |
| Provision for income taxes                                       | 7,117                                  | 3,955            | 6,153                                 | 2,868            |
| <b>Net income</b>  | <b>21,677</b>                          | <b>12,168</b>    | <b>18,088</b>                         | <b>8,261</b>     |
| Other comprehensive income (loss), net of tax                    |  |                  |                                       |                  |
| Unrealized gain (loss) on interest rate swap contract, net       | 4,127                                  | 1,729            | (625)                                 | 8,754            |
| Unrealized loss on restricted investments, net                   | (129)                                  | (154)            | (12)                                  | (276)            |
| Other comprehensive income (loss)                                | 3,998                                  | 1,575            | (637)                                 | 8,478            |
| Comprehensive income   | <u>\$ 25,675</u>                       | <u>\$ 13,743</u> | <u>\$ 17,451</u>                      | <u>\$ 16,739</u> |
| <b>Net income per share attributable to common stockholders:</b> |  |                  |                                       |                  |
| Basic  | \$ 0.42                                | \$ 0.23          | \$ 0.35                               | \$ 0.16          |
| Diluted  | \$ 0.41                                | \$ 0.23          | \$ 0.35                               | \$ 0.16          |
| <b>Weighted average number of common shares outstanding:</b>     |  |                  |                                       |                  |
| Basic  | 51,827,448                             | 51,793,245       | 51,826,578                            | 51,760,384       |
| Diluted  | 52,293,846                             | 51,888,511       | 52,114,438                            | 51,928,427       |

**Construction Partners, Inc.**  
**Consolidated Balance Sheets**  
(in thousands, except share and per share data)

|  | <b>June 30,<br/>2023</b> | <b>September 30,<br/>2022</b> |
|--|--------------------------|-------------------------------|
|  | <b>(unaudited)</b>       |                               |
| <b>ASSETS</b>  |                          |                               |
| Current assets:  |                          |                               |
| Cash and cash equivalents  | \$ 54,878                | \$ 35,531                     |
| Restricted cash  | 71                       | 28                            |
| Contracts receivable including retainage, net  | 254,972                  | 265,207                       |
| Costs and estimated earnings in excess of billings on uncompleted contracts  | 33,449                   | 29,271                        |
| Inventories  | 88,233                   | 74,195                        |
| Prepaid expenses and other current assets  | 9,694                    | 12,957                        |
| Total current assets   | 441,297                  | 417,189                       |
| Property, plant and equipment, net   | 502,732                  | 481,412                       |
| Operating lease right-of-use assets  | 17,484                   | 13,985                        |
| Goodwill   | 157,289                  | 129,465                       |
| Intangible assets, net   | 21,169                   | 15,976                        |
| Investment in joint venture  | 87                       | 87                            |
| Restricted investments   | 13,353                   | 6,866                         |
| Other assets   | 30,428                   | 30,541                        |
| Total assets   | \$ 1,183,839             | \$ 1,095,521                  |
| <b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>  |                          |                               |
| Current liabilities:   |                          |                               |
| Accounts payable   | \$ 126,745               | \$ 130,468                    |
| Billings in excess of costs and estimated earnings on uncompleted contracts  | 68,748                   | 52,477                        |
| Current portion of operating lease liabilities   | 2,385                    | 2,209                         |
| Current maturities of long-term debt   | 14,000                   | 12,500                        |
| Accrued expenses and other current liabilities   | 28,935                   | 28,484                        |
| Total current liabilities  | 240,813                  | 226,138                       |
| Long-term liabilities:   |                          |                               |
| Long-term debt, net of current maturities and deferred debt issuance costs   | 405,416                  | 363,066                       |
| Operating lease liabilities, net of current portion  | 15,607                   | 12,059                        |
| Deferred income taxes, net   | 25,700                   | 26,713                        |
| Other long-term liabilities  | 15,203                   | 11,666                        |
| Total long-term liabilities  | 461,926                  | 413,504                       |
| Total liabilities  | 702,739                  | 639,642                       |
| Stockholders' equity:  |                          |                               |
| Preferred stock, par value \$0.001; 10,000,000 shares authorized and no shares issued and outstanding at June 30, 2023 and September 30, 2022  | —                        | —                             |
| Class A common stock, par value \$0.001; 400,000,000 shares authorized, 43,760,546 shares issued and 43,728,310 shares outstanding at June 30, 2023 and 41,195,730 shares issued and 41,193,024 shares outstanding at September 30, 2022 | 44                       | 41                            |
| Class B common stock, par value \$0.001; 100,000,000 shares authorized, 11,921,463 shares issued and 8,998,511 shares outstanding at June 30, 2023 and 14,275,867 shares issued and 11,352,915 shares outstanding at September 30, 2022  | 12                       | 15                            |
| Additional paid-in capital   | 264,480                  | 256,571                       |
| Treasury stock, at cost, 32,236 shares of Class A common stock at June 30, 2023 and 2,706 shares at September 30, 2022, par value \$0.001  | (178)                    | (39)                          |
| Treasury stock, at cost, 2,922,952 shares of Class B common stock at June 30, 2023 and September 30, 2022, par value \$0.001   | (15,603)                 | (15,603)                      |
| Accumulated other comprehensive income, net  | 16,983                   | 17,620                        |
| Retained earnings  | 215,362                  | 197,274                       |
| Total stockholders' equity   | 481,100                  | 455,879                       |
| Total liabilities and stockholders' equity   | \$ 1,183,839             | \$ 1,095,521                  |



**Construction Partners, Inc.**  
**Consolidated Statements of Cash Flows**  
(unaudited, in thousands)

|   | <b>For the Nine Months Ended June 30,</b> |                  |
|---|---|------------------|
|   | <b>2023</b>                               | <b>2022</b>      |
| <b>Cash flows from operating activities:</b>  |   |                  |
| Net income  | \$ 18,088                                 | \$ 8,261         |
| Adjustments to reconcile net income to net cash, cash equivalents and restricted cash provided by (used in) operating activities: |   |                  |
| Depreciation, depletion, accretion and amortization of long-lived assets  | 57,769                                    | 50,291           |
| Amortization of deferred debt issuance costs and debt discount  | 225                                       | 198              |
| Unrealized loss (gain) on derivative instruments  | 1,408                                     | (2,589)          |
| Provision for bad debt  | 450                                       | (1,077)          |
| Gain on sale of property, plant and equipment   | (4,825)                                   | (1,788)          |
| Gain on facility exchange   | (5,389)                                   | —                |
| Realized losses on restricted investments   | 10  | —                |
| Equity-based compensation expense   | 7,909                                     | 5,094            |
| Deferred income tax benefit   | (145)                                     | (193)            |
| Other non-cash adjustments  | (117)                                     | 97               |
| Changes in operating assets and liabilities, net of acquisition:  |   |                  |
| Contracts receivable including retainage  | 22,777                                    | (71,865)         |
| Costs and estimated earnings in excess of billings on uncompleted contracts   | (3,580)                                   | (9,487)          |
| Inventories   | (11,999)                                  | (21,726)         |
| Prepaid expenses and other current assets   | 3,214                                     | (2,327)          |
| Other assets  | (283)                                     | (2,893)          |
| Accounts payable  | (7,441)                                   | 30,025           |
| Billings in excess of costs and estimated earnings on uncompleted contracts   | 14,159                                    | 13,379           |
| Accrued expenses and other current liabilities  | (1,741)                                   | (6,946)          |
| Other long-term liabilities   | 4,053                                     | 3,825            |
| Net cash provided by (used in) operating activities, net of acquisitions  | <u>94,542</u>                             | <u>(9,721)</u>   |
| <b>Cash flows from investing activities:</b>  |   |                  |
| Purchases of property, plant and equipment  | (79,046)                                  | (52,236)         |
| Proceeds from sale of property, plant and equipment   | 12,640                                    | 4,184            |
| Proceeds from facility exchange   | 36,987                                    | —                |
| Proceeds from restricted investments  | 1,403                                     | —                |
| Business acquisitions, net of cash acquired   | (82,740)                                  | (102,893)        |
| Purchase of restricted investments  | (7,882)                                   | (7,662)          |
| Net cash used in investing activities   | <u>(118,638)</u>                          | <u>(158,607)</u> |
| <b>Cash flows from financing activities:</b>  |   |                  |
| Net proceeds from revolving credit facility   | 38,000                                    | 142,300          |
| Proceeds from issuance of long-term debt, net of debt issuance costs and discount   | 15,000                                    | —                |
| Repayments of long-term debt  | (9,375)                                   | (5,000)          |
| Purchase of treasury stock  | (139)                                     | (39)             |
| Net cash provided by financing activities   | <u>43,486</u>                             | <u>137,261</u>   |
| Net change in cash, cash equivalents and restricted cash  | <u>19,390</u>                             | <u>(31,067)</u>  |
| <b>Cash, cash equivalents and restricted cash:</b>  |   |                  |
| Cash, cash equivalents and restricted cash, beginning of period   | 35,559                                    | 57,251           |
| Cash, cash equivalents and restricted cash, end of period   | <u>\$ 54,949</u>                          | <u>\$ 26,184</u> |
| <b>Supplemental cash flow information:</b>  |   |                  |
| Cash paid for interest  | \$ 14,319                                 | \$ 5,727         |
| Cash paid for income taxes  | \$ 1,021                                  | \$ 1,372         |
| Operating lease right-of-use assets obtained in exchange for operating lease liabilities  | \$ 5,417                                  | \$ 6,209         |
| Cash paid for operating lease liabilities   | \$ 1,802                                  | \$ 1,783         |
| Non-cash items:   |   |                  |
| Property, plant and equipment included with accounts payable at period end  | \$ 2,078                                  | \$ 1,236         |
| Amounts payable to seller in business combination   | \$ —                                      | \$ 600           |

## Reconciliation of 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) equity-based compensation expense, (v) loss on the extinguishment of debt and (vi) certain management fees and expenses. Adjusted EBITDA Margin represents Adjusted EBITDA as a percentage of revenues for each period. Revenues adjusted for liquid asphalt index reimbursements represent revenues net of payments received as reimbursement for increases in the index price of liquid asphalt during the 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 these metrics 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 these metrics 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.

The following tables present a reconciliation of net income, the most directly comparable measure calculated in accordance with GAAP, to Adjusted EBITDA and the calculation of Adjusted EBITDA Margin for the periods presented:

**Construction Partners, Inc.**  
**Net Income to Adjusted EBITDA Reconciliation**  
**Fiscal Quarters Ended June 30, 2023 and 2022**  
**(unaudited, in thousands, except percentages)**

|   |    | <b>For the Three Months Ended June 30,</b> |                |
|---|----|--|----------------|
|   |    | <b>2023</b>                                | <b>2022</b>    |
| Net income  | \$ | 21,678                                     | 12,168         |
| Interest expense, net                               |    | 5,039                                      | 2,054          |
| Provision for income taxes                          |    | 7,117                                      | 3,955          |
| Depreciation, depletion, accretion and amortization |    | 19,536                                     | 17,244         |
| Equity-based compensation expense                   |    | 2,737                                      | 1,848          |
| Management fees and expenses <sup>(1)</sup>         |    | 383  | 370            |
| Adjusted EBITDA                                     | \$ | <u>56,489</u>                              | <u>37,639</u>  |
| Revenues  | \$ | <u>421,893</u>                             | <u>380,272</u> |
| Adjusted EBITDA Margin                              |    | <u>13.4%</u>                               | <u>9.9%</u>    |

<sup>(1)</sup> Reflects fees and reimbursement of certain out-of-pocket expenses under a management services agreement with an affiliate of SunTx Capital Partners, the Company's controlling stockholder.

**Construction Partners, Inc.**  
**Net Income to Adjusted EBITDA Reconciliation**  
**Fiscal Year 2023 Updated Outlook**  
**(unaudited, in thousands)**

|   | <b>For the Fiscal Year Ending September 30, 2023</b> |                   |
|---|--|-------------------|
|   | <b>Low</b>   | <b>High</b>       |
| Net income  | \$ 41,000  | \$ 46,000         |
| Interest expense, net                               | 18,000   | 18,400            |
| Provision for income taxes                          | 13,800   | 15,500            |
| Depreciation, depletion, accretion and amortization | 76,700   | 77,000            |
| Equity-based compensation expense                   | 9,800  | 10,400            |
| Management fees and expenses <sup>(1)</sup>         | 1,700  | 1,700             |
| Adjusted EBITDA                                     | <u>\$ 161,000</u>                                    | <u>\$ 169,000</u> |

<sup>(1)</sup> Reflects fees and reimbursement of certain out-of-pocket expenses under a management services agreement with an affiliate of SunTx Capital Partners, the Company's controlling stockholder.

The following table presents a reconciliation of revenues, the most directly comparable measure calculated in accordance with GAAP, to revenues adjusted for liquid asphalt index reimbursements for the periods presented:

**Construction Partners, Inc.**  
**Revenues Adjusted for Liquid Asphalt Index Reimbursements**  
**Fiscal Quarters Ended June 30, 2023 and 2022**  
**(unaudited, in thousands)**

|   | <b>For the Three Months Ended June 30,</b> |                   |
|---|--|-------------------|
|   | <b>2023</b>                                | <b>2022</b>       |
| Revenues  | \$ 421,893                                 | \$ 380,272        |
| Impact of liquid asphalt index reimbursements             | (1,599)                                    | (10,013)          |
| Revenues adjusted for liquid asphalt index reimbursements | <u>\$ 420,294</u>                          | <u>\$ 370,259</u> |



## NEWS RELEASE

### Construction Partners, Inc. Completes South Carolina Acquisition and Launches New Greenfield Market in Georgia

DOTHAN, AL, August 1, 2023 – Construction Partners, Inc. (NASDAQ: ROAD) (“CPI” or the “Company”), a vertically integrated civil infrastructure company specializing in the construction and maintenance of roadways across six southeastern states, today announced it has acquired a hot-mix asphalt plant in Myrtle Beach, South Carolina from C.R. Jackson, Inc. and established a new greenfield hot-mix asphalt plant and market in Waycross, Georgia.

Fred J. (Jule) Smith, III, the Company’s President and Chief Executive Officer, said, “Today’s acquisition in South Carolina will enhance our operations in the fast-growing and dynamic Myrtle Beach-Conway metro area. We entered this market a year ago with the acquisition of Southern Asphalt and have been very pleased with the economic growth and activity in the region. This transaction strengthens our presence in the market and provides more resources for our South Carolina coastal area operations.”

The Company also announced that it has begun operations at a newly completed greenfield hot-mix asphalt plant in Waycross, Georgia, creating a new local market adjoining several existing CPI markets in the fast-growing southeast region of the state. This market is adjacent to the second largest port in Georgia and is positioned on two highly trafficked freight highways and a Class I railroad hub, all of which are vital corridors for transporting goods across the state and beyond. The addition of this greenfield facility strengthens CPI’s position in a growing market and further supports the Company’s existing workforce.

Smith added, “As we grow relative market share throughout our southeastern footprint, we continually evaluate attractive opportunities to make wise investments that compound and grow shareholder value.”

#### About Construction Partners, Inc.

Construction Partners, Inc. is a vertically integrated civil infrastructure company operating across six southeastern states. Supported by its hot-mix asphalt plants, aggregate facilities and liquid asphalt terminals, the company focuses on the construction, repair and maintenance of surface infrastructure. Publicly funded projects make up the majority of its business and include local and state roadways, interstate highways, airport runways and bridges. The company also performs private sector projects that include paving and sitework for office and industrial parks, shopping centers, local businesses and residential developments. To learn more, visit [www.constructionpartners.net](http://www.constructionpartners.net).

#### Cautionary Note Regarding 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. The forward-looking statements contained in this press release include, without limitation, statements relating to the benefits of a new business location and the expected results of the new location. 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 that could cause actual results to differ materially from those expressed in the forward-looking statements are 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 SEC. 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.

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**Contact:**

Rick Black  
Dennard Lascar Investor Relations  
ROAD@DennardLascar.com  
(713) 529-6600