

A BUYOUT SEARCH FUND

RETICLE PARTNERS FACT SHEET

Reticle Partners Reticle Partners is a buyout search fund looking to purchase and run an existing company in the Pittsburgh region. The fund is backed by numerous investors such as 3 Rivers Capital Partners, LLC, the Pennsylvania Growth Fund, and high net worth individuals.

RP's Entrepreneurs Reticle Partners consists of experienced and dedicated professional business managers focused on entrepreneurial endeavors. The founding principals are Ned Collins and David Harel. Both are former military officers. The two partners jointly bring over 20 years of management experience in several different types of industries and markets.

Search Criteria Reticle Partners seeks an industrial services or manufacturing company with \$5M to \$10M in sales, and with the potential for organic growth.

Market and Industry

- Ability to grow sales organically
- An established distribution channel that does not rely on the seller, not a relationship business
- Not a cyclical or seasonal business
- Multiple suppliers and multiple customers
- No reliance on federal or state authority; non-regulated clients and customers
- Competitive environment

Managerial Complexity

- Understandable operations
- Qualified and independent retained management
- Up to two locations, one preferred
- Key employees, including the seller, will be retained for at least six months

Financial

- Sales between \$5 – \$10 mm
- Adjusted EBITDA margin is over 15%
- Historical positive (adjusted to normal management) cash flow
- Not breaking any debt covenants
- Not under chapter 7 or 11
- Seller is willing to participate in the financing

Not Interested

- Crops or livestock
- Construction contracting
- Publishing
- Professional services
- Textiles
- Real estate
- Single location restaurants or bars
- Liquor distribution related businesses

Panel of Advisors

To aid the search and acquisition process, Reticle Partners formed a Panel of Advisors that successfully bought, grew, and exited micro-cap industrial companies. The panel includes:

- Eric Close, CEO Red Zone Robotics
- Chris Farls, CEO Workhorse Rail
- Chuck Kennedy, Katz School of Business University of Pittsburgh