REFINITIV

DELTA REPORT

10-Q

CONCRETE PUMPING HOLDINGS

10-Q - JANUARY 31, 2024 COMPARED TO 10-Q - JULY 31, 2023

The following comparison report has been automatically generated

TOTAL DELTAS	1465
CHANGES	259
DELETIONS	699
ADDITIONS	507

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

FORM 10-Q

(Mark One)

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended July 31, 2023 January 31, 2024

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ____ to ____

Commission File Number: 001-38166

CONCRETE PUMPING HOLDINGS, INC.
(Exact name of Registrant as specified in its charter)

Delaware	83-1779605
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
500 E. 84th Avenue, Suite A-5 Thornton, Colorado	80229
(Address of principal executive offices)	(Zip Code)

(303) 289-7497
(Registrant's telephone number, including area code)

None
(Former name, former address and former fiscal year, if changed since last report)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.0001 per share	BBCP	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☒

Non-accelerated filer	☐	Smaller reporting company	☒
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. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of September 1, 2023 March 4, 2024, the registrant had 54,709,742 53,872,380 shares of common stock, par value $0.0001 per share, issued and outstanding.

CONCRETE PUMPING HOLDINGS, INC.

QUARTERLY REPORT ON FORM 10-Q

FORFor the quarter period ended JULY JANUARY 31, 2023 2024

PART I

ITEM 1. Financial Statements

Concrete Pumping Holdings, Inc.

Condensed Consolidated Balance Sheets

(Unaudited)

(in thousands except per share amounts)	As of July 31, 2023	As of October 31, 2022
Current assets:		
Cash and cash equivalents	$ 11,532	$ 7,482
Trade receivables, net of allowance for doubtful accounts of $887 and $941, respectively	67,201	62,882
Inventory, net	6,672	5,532
Income taxes receivable	-	485
Prepaid expenses and other current assets	12,496	5,175
Total current assets	97,901	81,556
Property, plant and equipment, net	427,084	419,377
Intangible assets, net	125,363	137,754
Goodwill	222,998	220,245
Right-of-use operating lease assets	25,487	24,833
Other non-current assets	13,295	2,026
Deferred financing costs	1,878	1,698
Total assets	$ 914,006	$ 887,489
Current liabilities:		
Revolving loan	$ 35,699	$ 52,133
Operating lease obligations, current portion	4,649	4,001
Finance lease obligations, current portion	114	109
Accounts payable	7,247	8,362
Accrued payroll and payroll expenses	15,190	13,341
Accrued expenses and other current liabilities	36,254	32,156
Income taxes payable	737	178
Warrant liability, current portion	391	-
Total current liabilities	100,281	110,280
Long term debt, net of discount for deferred financing costs	371,520	370,476
Operating lease obligations, non-current	21,177	20,984
Finance lease obligations, non-current	82	169
Deferred income taxes	79,360	74,223
Other liabilities, non-current	12,836	-
Warrant liability, non-current	-	7,030
Total liabilities	585,256	583,162
Commitments and contingencies (Note 13)		
Zero-dividend convertible perpetual preferred stock, $0.0001 par value, 2,450,980 shares issued and outstanding as of July 31, 2023 and October 31, 2022	25,000	25,000
Stockholders' equity		
Common stock, $0.0001 par value, 500,000,000 shares authorized, 54,806,913 and 56,226,191 issued and outstanding as of July 31, 2023 and October 31, 2022, respectively	6	6
Additional paid-in capital	382,533	379,395
Treasury stock	(14,288)	(4,609)

Accumulated other comprehensive loss	(663)	(9,228)
Accumulated deficit	(63,838)	(86,237)
Total stockholders' equity	303,750	279,327
Total liabilities and stockholders' equity	$ 914,006	$ 887,489

(in thousands, except per share amounts)	As of January 31, 2024	As of October 31, 2023
Current assets:		
Cash and cash equivalents	$ 14,688	$ 15,861
Receivables, net of allowance for doubtful accounts of $1,045 and $978, respectively	49,466	62,976
Inventory	6,230	6,732
Prepaid expenses and other current assets	9,244	8,701
Total current assets	79,628	94,270
Property, plant and equipment, net	432,671	427,648
Intangible assets, net	116,779	120,244
Goodwill	222,744	221,517
Right-of-use operating lease assets	28,772	24,815
Other non-current assets	12,489	14,250
Deferred financing costs	1,684	1,781
Total assets	$ 894,767	$ 904,525
Current liabilities:		
Revolving loan	$ 13,021	$ 18,954
Operating lease obligations, current portion	4,903	4,739
Finance lease obligations, current portion	39	125
Accounts payable	5,344	8,906
Accrued payroll and payroll expenses	9,785	14,524
Accrued expenses and other current liabilities	36,663	34,750
Income taxes payable	2,604	1,848
Warrant liability, current portion	-	130
Total current liabilities	72,359	83,976
Long term debt, net of discount for deferred financing costs	372,216	371,868
Operating lease obligations, non-current	24,255	20,458
Finance lease obligations, non-current	15	50
Deferred income taxes	79,432	80,791
Other liabilities, non-current	13,550	14,142
Total liabilities	561,827	571,285
Commitments and contingencies (Note 13)		
Zero-dividend convertible perpetual preferred stock, $0.0001 par value, 2,450,980 shares issued and outstanding as of January 31, 2024 and October 31, 2023	25,000	25,000
Stockholders' equity		

Common stock, $0.0001 par value, 500,000,000 shares authorized, 53,870,084 and 54,757,445 issued and outstanding as of January 31, 2024 and October 31, 2023, respectively	6	6
Additional paid-in capital	383,822	383,286
Treasury stock	(16,212)	(15,114)
Accumulated other comprehensive loss	(1,403)	(5,491)
Accumulated deficit	(58,273)	(54,447)
Total stockholders' equity	307,940	308,240
Total liabilities and stockholders' equity	$ 894,767	$ 904,525

The accompanying notes are an integral part of these condensed consolidated financial statements.

Concrete Pumping Holdings, Inc.

Condensed Consolidated Statements of Operations

(Unaudited)

(in thousands, except share and per share amounts)	Three Months Ended July 31, 2023	Three Months Ended July 31, 2022	Nine Months Ended July 31, 2023	Nine Months Ended July 31, 2022
Revenue	$ 120,671	$ 104,469	$ 322,037	$ 286,398
Cost of operations	71,187	62,535	192,625	171,400
Gross profit	49,484	41,934	129,412	114,998
General and administrative expenses	29,937	27,847	87,236	83,156
Income from operations	19,547	14,087	42,176	31,842
Other income (expense):				
Interest expense, net	(7,066)	(6,517)	(21,285)	(19,126)
Change in fair value of warrant liabilities	911	7,420	6,639	9,894
Other income, net	262	16	296	69
Total other income (expense)	(5,893)	919	(14,350)	(9,163)
Income before income taxes	13,654	15,006	27,826	22,679
Income tax expense	3,318	2,030	5,427	2,535
Net income	10,336	12,976	22,399	20,144
Less accretion of liquidation preference on preferred stock	(441)	(441)	(1,309)	(1,309)
Income available to common shareholders	$ 9,895	$ 12,535	$ 21,090	$ 18,835
Weighted average common shares outstanding				
Basic	53,198,637	54,012,404	53,377,157	53,859,874
Diluted	54,104,738	57,286,563	54,262,940	54,772,441
Net income per common share				

Basic	$	0.18	$	0.22	$	0.38	$	0.33
Diluted	$	0.18	$	0.22	$	0.38	$	0.33

	Three Months Ended January 31,	
(in thousands, except share and per share amounts)	2024	2023
Revenue	$ 97,711	$ 93,575
Cost of operations	64,397	57,121
Gross profit	33,314	36,454
General and administrative expenses	31,858	27,041
Income from operations	1,456	9,413
Other income (expense):		
Interest expense and amortization of deferred financing costs	(6,463)	(6,871)
Change in fair value of warrant liabilities	130	4,556
Other income (expense), net	40	21
Total other expense	(6,293)	(2,294)
Income (loss) before income taxes	(4,837)	7,119
Income tax expense (benefit)	(1,011)	644
Net income (loss)	(3,826)	6,475
Less accretion of liquidation preference on preferred stock	(440)	(441)
Income (loss) available to common shareholders	$ (4,266)	$ 6,034
Weighted average common shares outstanding		
Basic	53,314,654	53,601,707
Diluted	53,314,654	54,457,125
Net income (loss) per common share		
Basic	$ (0.08)	$ 0.11
Diluted	$ (0.08)	$ 0.11

The accompanying notes are an integral part of these condensed consolidated financial statements.

Concrete Pumping Holdings, Inc.

Condensed Consolidated Statements of Comprehensive Income

(Unaudited)

	Three Months Ended July 31,		Nine Months Ended July 31,		Three Months Ended January 31,	
(in thousands)	2023	2022	2023	2022	2024	2023

Net income	$ 10,336	$ 12,976	$ 22,399	$ 20,144		
Net income (loss)					$ (3,826)	$ 6,475
Other comprehensive income (loss):						
Other comprehensive income						
Foreign currency translation adjustment	1,835	(2,303)	8,565	(8,727)	4,088	5,052
Total comprehensive income	$ 12,171	$ 10,673	$ 30,964	$ 11,417	$ 262	$ 11,527

The accompanying notes are an integral part of these condensed consolidated financial statements.

Concrete Pumping Holdings, Inc.

Condensed Consolidated Statements of Changes in Stockholders' Equity

(Unaudited)

	Common Stock		Additional Paid-In Capital	Treasury Stock	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total
(in thousands, except share amounts)	**Shares**	**Amount**					
Balance, April 30, 2023	55,015,572	$ 6	$ 381,599	$ (12,894)	$ (2,498)	$ (74,174)	$ 292,039
Stock-based compensation expense	-	-	934	-	-	-	934
Forfeiture of restricted stock	(18,459)	-	-	-	-	-	-
Shares issued under stock-based program, net of treasury shares purchased for tax withholding	8,773	-	-	-	-	-	-
Treasury shares purchased under share repurchase program	(198,973)	-	-	(1,394)	-	-	(1,394)
Net income	-	-	-	-	-	10,336	10,336
Foreign currency translation adjustment	-	-	-	-	1,835	-	1,835
Balance, July 31, 2023	54,806,913	$ 6	$ 382,533	$ (14,288)	$ (663)	$ (63,838)	$ 303,750

	Common Stock		Additional Paid-In Capital	Treasury Stock	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total
(in thousands, except share amounts)	**Shares**	**Amount**					
Balance, October 31, 2022	56,226,191	$ 6	$ 379,395	$ (4,609)	$ (9,228)	$ (86,237)	$ 279,327
Stock-based compensation expense	-	-	1,140	-	-	-	1,140
Forfeiture/cancellation of restricted stock	(1,312)	-	-	-	-	-	-
Shares issued under stock-based program	25,264	-	-	-	-	-	-
Treasury shares purchased for tax withholding	(82,356)	-	-	(573)	-	-	(573)
Treasury shares purchased under share repurchase program	(760,457)	-	-	(4,923)	-	-	(4,923)
Net Income (loss)	-	-	-	-	-	6,475	6,475
Foreign currency translation adjustment	-	-	-	-	5,052	-	5,052
Balance, January 31, 2023	55,407,330	$ 6	$ 380,535	$ (10,105)	$ (4,176)	$ (79,762)	$ 286,498

(in thousands, except share amounts)	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Treasury Stock	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total
Balance, April 30, 2022	56,667,965	$ 6	$ 377,148	$ (1,473)	$ (2,753)	$ (107,745)	$ 265,183
Stock-based compensation expense	-	-	1,333	-	-	-	1,333
Forfeiture of restricted stock	(5,907)	-	-	-	-	-	-
Shares issued under stock-based program, net of treasury shares purchased for tax withholding	625	-	-	-	-	-	-
Treasury shares purchased under share repurchase program	(62,850)	-	-	(383)	-	-	(383)
Net income	-	-	-	-	-	12,976	12,976
Foreign currency translation adjustment	-	-	-	-	(2,303)	-	(2,303)
Balance, July 31, 2022	56,599,833	$ 6	$ 378,481	$ (1,856)	$ (5,056)	$ (94,769)	$ 276,806

(in thousands, except share amounts)	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Treasury Stock	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total
Balance, October 31, 2023	54,757,445	$ 6	$ 383,286	$ (15,114)	$ (5,491)	$ (54,447)	$ 308,240
Stock-based compensation expense	-	-	536	-	-	-	536
Forfeiture/cancellation of restricted stock	(750,585)	-	-	-	-	-	-
Shares issued under stock-based program	8,496	-	-	-	-	-	-
Treasury shares purchased for tax withholding	(109,178)	-	-	(850)	-	-	(850)
Treasury shares purchased under share repurchase program	(36,094)	-	-	(248)	-	-	(248)
Net Income (loss)	-	-	-	-	-	(3,826)	(3,826)
Foreign currency translation adjustment	-	-	-	-	4,088	-	4,088
Balance, January 31, 2024	53,870,084	$ 6	$ 383,822	$ (16,212)	$ (1,403)	$ (58,273)	$ 307,940

The accompanying notes are an integral part of these condensed consolidated financial statements.

(in thousands, except share amounts)	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Treasury Stock	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total
Balance, October 31, 2022	56,226,191	$ 6	$ 379,395	$ (4,609)	$ (9,228)	$ (86,237)	$ 279,327
Stock-based compensation expense	-	-	3,138	-	-	-	3,138
Forfeiture of restricted stock	(19,771)	-	-	-	-	-	-

(in thousands, except share amounts)	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Treasury Stock	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total
Shares issued under stock-based program, net of treasury shares purchased for tax withholding	(100,545)	-	-	(1,040)	-	-	(1,040)
Treasury shares purchased under share repurchase program	(1,298,962)	-	-	(8,639)	-	-	(8,639)
Net income	-	-	-	-	-	22,399	22,399
Foreign currency translation adjustment	-	-	-	-	8,565	-	8,565
Balance, July 31, 2023	54,806,913	$ 6	$ 382,533	$ (14,288)	$ (663)	$ (63,838)	$ 303,750

(in thousands, except share amounts)	Common Stock		Additional Paid-In Capital	Treasury Stock	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total
	Shares	Amount					
Balance, October 31, 2021	56,564,642	$ 6	$ 374,272	$ (461)	$ 3,671	$ (114,913)	$ 262,575
Stock-based compensation expense	-	-	4,164	-	-	-	4,164
Forfeiture of restricted stock	(47,548)	-	-	-	-	-	-
Shares issued under stock-based program, net of treasury shares purchased for tax withholding	145,589	-	45	(1,012)	-	-	(967)
Treasury shares purchased under share repurchase program	(62,850)	-	-	(383)	-	-	(383)
Net income	-	-	-	-	-	20,144	20,144
Foreign currency translation adjustment	-	-	-	-	(8,727)	-	(8,727)
Balance, July 31, 2022	56,599,833	$ 6	$ 378,481	$ (1,856)	$ (5,056)	$ (94,769)	$ 276,806

The accompanying notes are an integral part of these condensed consolidated financial statements.

Concrete Pumping Holdings, Inc.

Condensed Consolidated Statements of Cash Flows

(Unaudited)

(in thousands)	For the Nine Months Ended July 31, 2023	For the Nine Months Ended July 31, 2022	For the Three Months Ended January 31, 2024	For the Three Months Ended January 31, 2023
Net income	$ 22,399	$ 20,144		
Adjustments to reconcile net income to net cash provided by operating activities:				
Net income (loss)			$ (3,826)	$ 6,475
Adjustments to reconcile net income (loss) to net cash provided by operating activities:				
Non-cash operating lease expense	3,526	1,786	1,281	1,113
Foreign currency adjustments	(1,421)	-	(736)	(816)
Depreciation	29,541	25,547	10,202	9,654
Deferred income taxes	4,140	2,210	(1,825)	129
Amortization of deferred financing costs	1,414	1,374	445	479
Amortization of intangible assets	14,336	16,958	3,895	4,795
Stock-based compensation expense	3,138	4,164	536	1,140
Change in fair value of warrant liabilities	(6,639)	(9,894)	(130)	(4,556)
Net gain on the sale of property, plant and equipment	(1,472)	(1,460)	(305)	(578)
Provision for bad debt	(93)	239		
Other operating activities			46	(67)
Net changes in operating assets and liabilities:				

Trade receivables	(3,199)	(11,024)		
Receivables			13,894	10,482
Inventory	(970)	(265)	616	(957)
Prepaid expenses and other assets	(875)	(1,239)		
Other operating assets			(564)	(7,256)
Accounts payable	(2,050)	(2,311)	(3,865)	(3,997)
Accrued payroll, accrued expenses and other liabilities	4,457	7,498		
Other operating liabilities			635	1,876
Net cash provided by operating activities	66,232	53,727	20,299	17,916
Cash flows from investing activities:				
Purchases of property, plant and equipment	(43,166)	(80,967)	(17,766)	(17,120)
Proceeds from sale of property, plant and equipment	8,043	6,197	1,282	2,333
Purchases of intangible assets	(800)	(1,450)		
Net cash used in investing activities	(35,923)	(76,220)	(16,484)	(14,787)
Cash flows from financing activities:				
Proceeds on revolving loan	239,911	252,925	84,173	83,812
Payments on revolving loan	(256,345)	(236,856)	(90,107)	(84,980)
Payment of debt issuance costs	(550)	(290)		
Purchase of treasury stock	(9,679)	(1,394)	(1,098)	(5,495)
Other financing activities	(81)	(31)	1,449	(26)
Net cash provided by (used in) financing activities	(26,744)	14,354	(5,583)	(6,689)
Effect of foreign currency exchange rate changes on cash	485	1,286	595	127
Net increase (decrease) in cash and cash equivalents	4,050	(6,853)		
Net decrease in cash and cash equivalents			(1,173)	(3,433)
Cash and cash equivalents:				
Beginning of period	7,482	9,298	15,861	7,482
End of period	$ 11,532	$ 2,445	$ 14,688	$ 4,049

The accompanying notes are an integral part of these condensed consolidated financial statements.

Concrete Pumping Holdings, Inc.

Condensed Consolidated Statements of Cash Flows (Continued)

(Unaudited)

	Nine Months Ended July 31,	
(in thousands)	**2023**	**2022**
Supplemental cash flow information:		
Cash paid for interest	$ 14,155	$ 12,103
Cash paid for income taxes	258	409
Non-cash investing and financing activities:		
Equipment purchases included in accrued expenses and accounts payable	3,737	10,129
Operating lease right-of-use assets recorded upon adoption of ASC 842	-	18,625
Operating lease liabilities recorded upon adoption of ASC 842	-	18,593
Operating lease assets obtained in exchange for new operating lease liabilities	3,873	3,296

The accompanying notes are an integral part of these condensed consolidated financial statements.

Concrete Pumping Holdings, Inc.

Notes to the Condensed Consolidated Financial Statements (Unaudited)

Note 1. Organization and Description of Business

Organization

Concrete Pumping Holdings, Inc. (the “Company”) is a Delaware corporation headquartered in Denver, Thornton, Colorado. The Consolidated Financial Statements include the accounts of the Company and its wholly owned subsidiaries including Brundage-Bone Concrete Pumping, Inc. (“Brundage-Bone”), Capital Pumping (“Capital”), Camfaud Group Limited (“Camfaud”) and Eco-Pan, Inc. (“Eco-Pan”).

Nature of business

Brundage-Bone and Capital are concrete pumping service providers in the United States ("U.S.") and Camfaud is a concrete pumping service provider in the United Kingdom (“U.K.”). Their core business is the provision of concrete pumping services to general contractors and concrete finishing companies in the commercial, infrastructure and residential sectors. Most often equipment returns to a “home base” nightly and these service providers do not contract to purchase, mix, or deliver concrete. Brundage-Bone and Capital collectively have approximately 100 branch locations across approximately 20 21 states, with its corporate headquarters in Denver, Thornton, Colorado. Camfaud has approximately 30 branch locations throughout the U.K., with its corporate headquarters in Epping (near London), England.

Eco-Pan provides industrial cleanup and containment services, primarily to customers in the construction industry. Eco-Pan uses containment pans specifically designed to hold waste products from concrete and other industrial cleanup operations. Eco-Pan has 19 20 operating locations across the U.S. with its corporate headquarters in Denver, Thornton, Colorado. In addition, we have concrete waste management operations under our Eco-Pan brand name in the U.K. and currently operate from a shared Camfaud location.

Seasonality

The Company’s sales are historically seasonal, with lower revenue in the first quarter and higher revenue in the fourth quarter of each year. Such seasonality also causes the Company’s working capital cash flow requirements to vary from quarter to quarter and primarily depends on the variability of weather patterns with the Company generally having lower sales volume during the winter and spring months.

Note 2. Summary of Significant Accounting Policies

We describe our significant accounting policies in Note 2 of the notes to consolidated financial statements in our annual report on Form 10-K for the year ended October 31, 2022 2023 ("Annual Report"). During the nine three months ended July January 31, 2023 2024, there were no significant changes to those accounting policies.

Basis of presentation

Our condensed consolidated balance sheet as of October 31, 2022, 2023, which was derived from our audited consolidated financial statements and our unaudited interim consolidated financial statements provided herein have been prepared in accordance with the instructions for Form 10-Q. The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) and the rules and regulations of the Securities and Exchange Commission ("SEC"). Accordingly, they do not include all information and footnotes required by GAAP for complete financial statements. The enclosed statements reflect all normal and recurring adjustments which, in the opinion of management, are necessary to present a fair statement of the interim periods. The consolidated results of operations and cash flows for the firstnine three months of the year are not necessarily indicative of the consolidated results of operations and cash flows that might be expected for the entire year. These condensed financial statements and the accompanying notes should be read in conjunction with the audited consolidated financial statements and the notes thereto included in our Annual Report on Form 10-K for the year ended October 31, 2022. 2023.

Certain prior period amounts have been reclassified in order to conform to the current year presentation.

During the first quarter of fiscal year 2024, certain assets and associated revenues and expenses previously part of the Company's Other activities has now been aggregated into its U.S. Concrete Pumping segment in order to better align its placement with the manner in which the Company now allocates resources and measures performance. As a result, segment results for prior periods have been reclassified to conform to current period presentation. For further discussion, see Note 18.

Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Revenue recognition

The Company generates revenues primarily from (1) concrete pumping services in both the U.S. and U.K and (2) the Company's concrete waste services business, both of which are discussed below. In addition, the Company generates an immaterial amount of revenue from the sales of replacement parts to customers. The Company's delivery terms for replacement part sales are FOB shipping point. Revenue is disaggregated between two accounting standards: (1) ASC 606, *Revenue Recognition* ("ASC 606") and (2) ASC 842, *Leases* ("ASC 842").

Leases as Lessor

Our Eco-Pan business involves contracts with customers whereby we are a lessor for the rental component of the contract and therefore, such rental components of the contract are recorded as lease revenue. We account for such rental contracts as operating leases. We recognize revenue from pan rentals in the period earned, regardless of the timing of billing to customers. The lease component of the revenue is disaggregated by a base price that is based on the number of contractual days and a variable component that is based on days in excess of the number of contractual days.

The table below summarizes our revenues as presented in our unaudited consolidated statements of operations for the periods ended July January 31, 2023 2024 and 2022 2023 by revenue type type:

	Three Months Ended January 31,	
(in thousands)	2024	2023
Service revenue	$ 89,958	$ 86,365
Lease fixed revenue	4,549	4,054
Lease variable revenue	3,204	3,156
Total revenue	$ 97,711	$ 93,575

Receivables and contract assets and liabilities

Receivables are carried at the original invoice amount less an estimate made for doubtful receivables based on a review of all outstanding amounts. Generally, the Company does not require collateral for their accounts receivable; however, the Company may file statutory liens or take other appropriate legal action when necessary on construction projects in which collection problems arise. A receivable is typically considered to be past due if any portion of the receivable balance is outstanding for more than 30 days. The Company does not typically charge interest on past-due receivables.

Pursuant to CECL (defined below), Management determines the allowance for doubtful accounts by identifying troubled accounts and by applicable accounting standard: using historical experience applied to an aging of accounts, Management's understanding of the current economic circumstances within the Company's industry, reasonable and supportable forecasts and Management's judgment as to the likelihood of ultimate payment based upon available data. Receivables are written off when deemed uncollectible. Recoveries of receivables previously written off are recorded when received. Our estimate of doubtful accounts could change based on changing circumstances, including changes in the economy or in particular circumstances of individual customers. Accordingly, the Company may be required to increase or decrease the allowance for doubtful accounts.

	Three Months Ended July 31,		Nine Months Ended July 31,	
(in thousands)	2023	2022	2023	2022
Service revenue - ASC 606	112,340	98,288	299,521	269,425
Lease fixed revenue – ASC 842	5,237	3,748	13,453	10,119
Lease variable revenue - ASC 842	3,094	2,433	9,063	6,854
Total revenue	120,671	104,469	322,037	286,398

The Company does not have contract liabilities associated with contracts with customers. The Company's contract assets and impairment losses associated therewith are not significant. Contracts with customers do not result in amounts billed to customers in excess of recognizable revenue.

Newly adopted accounting pronouncements

Accounting Standards Update ("ASU") 2020-04, Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting ("ASU 2020-04") - In March 2020, the FASB issued ASU 2020-04, which provides optional guidance for a limited period of time to ease the potential burden in accounting for (or recognizing the effects of) reference rate reform on financial reporting for contracts, hedging relationships, and other transactions that reference the London Interbank Offered Rate ("LIBOR"). Specifically, to the extent the Company's debt agreements are modified to replace LIBOR with another interest rate index, ASU 2020-04 will permit the Company to account for the modification as a continuation of the existing contract without additional analysis. Companies may generally elect to apply the guidance for periods that include March 12, 2020 through December 31, 2022. Effective October 1, 2021, the Company transitioned all of its GBP borrowings from LIBOR to the Sterling Overnight Index Average

("SONIA") rate. Effective June 29, 2022, the Company transitioned all of its U.S. Dollar borrowings from LIBOR to the Secured Overnight Financing Rate ("SOFR"). See Note 9 for further discussion.

ASU 2016-02, Leases ("ASU 2016-02") - In February 2016, the FASB issued ASU 2016-02, which is codified in ASC 842, Leases (“ASC 842”) and supersedes current lease guidance in ASC 840, Leases. ASC 842 requires a lessee to recognize a right-of-use asset ("ROU") and a corresponding lease liability for substantially all leases. The lease liability will be equal to the present value of the remaining lease payments while the right-of-use asset will be similarly calculated and then adjusted for initial direct costs. In addition, ASC 842 expands the disclosure requirements to increase the transparency and comparability of the amount, timing and uncertainty of cash flows arising from leases. In July 2018, the FASB issued ASU 2018-11, Leases ASC 842: Targeted Improvements, which allows entities to initially apply the new leases standard at the adoption date and recognize a cumulative-effect adjustment to the opening balance of retained earnings in the period of adoption. The new standard is effective for emerging growth companies that have elected to use private company adoption dates for fiscal years beginning after December 15, 2021, and interim periods within fiscal years beginning after December 15, 2022. The Company adopted the guidance for the year ended October 31, 2022, with an effective date of adoption of November 1, 2021.

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Recently issued accounting pronouncements not yet effective

ASU 2016-13, Financial Instruments Credit Losses (Topic 326) (“ASU 2016-13”) - In June 2016, the FASB issued ASU No. 2016-13, which, along with subsequently issued related ASUs, requires financial assets (or groups of financial assets) measured at amortized cost basis to be presented at the net amount expected to be collected, among other provisions. provisions (known as the current expected credit loss (“CECL”) model). Under the new guidance, the Company recognizes an allowance for its estimate of expected credit losses over the entire contractual term of its receivables from the date of initial recognition of the financial instrument. Measurement of expected credit losses are based on relevant forecasts that affect collectability. The Company’s receivables are in scope for CECL. At the point that these receivables are recorded, they become subject to the CECL model and estimates of expected credit losses over their contractual life are recorded at inception based on historical information, current conditions, and reasonable and supportable forecasts. This ASU is effective for smaller reporting companies with fiscal years beginning after December 15, 2022, with early adoption permitted. The Company plans to adopt the guidance during the adopted CECL as of first November 1, 2023 quarter of the for fiscal year ending October 31, 2024. The adoption of CECL did not have a material impact on the condensed consolidated financial statements and related disclosures or the existing internal controls because the Company’s accounts receivable are of short duration and there is not a material difference between incurred losses and expected losses.

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Recently issued accounting pronouncements not yet effective

ASU 2023-07, Improvements to Reportable Segment Disclosures (“ASU 2023-07”) - In November 2023, the FASB issued ASU No.2023-07, which improves reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses. In addition, the amendments enhance interim disclosure requirements, clarify circumstances in which an entity can disclose multiple segment measures of this profit or loss, provide new segment disclosure requirements for entities with a single reportable segment, and contain other disclosure requirements. The purpose of the amendments is to enable investors to better understand an entity’s overall performance and assess potential future cash flows. This ASU should be applied on a modified retrospective basis to all is effective for public companies with annual periods presented. beginning after December 15, 2023, and interim periods within annual period beginning after December 15, 2024, with early adoption permitted. The Company is currently evaluating the effects adoption of this guidance will have on the its consolidated financial statements.

ASU 2023-09, Improvements to Income Tax Disclosures (“ASU 2023-09”) - In December 2023, the FASB issued ASU No.2023-09, which requires disaggregated information about a reporting entity’s effective tax rate reconciliation as well as information on income taxes paid. The standard is intended to benefit investors by providing more detailed income tax disclosures that would be useful in making capital allocation decisions. This ASU is effective for public companies with annual periods beginning after December 15, 2024, with early adoption permitted. The Company is currently evaluating the effects adoption of this guidance will have on its consolidated financial statements.

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Note 3. Business Combinations and Asset Acquisitions

The Company completed one asset acquisition during the second quarter of 2023 and five acquisitions during fiscal 2022. All acquisitions either added complementary assets in markets in which the Company already operates or expanded the Company's footprint into adjacent markets. With the exception of the Coastal Carolina Pumping, Inc. ("Coastal") acquisition during the fourth quarter of fiscal 2022, all other transactions qualified as asset acquisitions. Except for the acquisition of Pioneer in the first quarter of fiscal 2022 and Coastal in the fourth quarter of fiscal 2022, these acquisitions were not individually significant to our results of operations. The consideration for the acquisitions in fiscal 2022 consisted of cash and was allocated to the acquired long-lived tangible and intangible assets.

August 2022 (Fiscal 2022) Coastal Acquisition

In August 2022, the Company acquired the property, equipment and intangible assets of Coastal for total purchase consideration of $30.8 million, which was paid for using cash and the ABL Facility (defined below). This transaction expanded our operations in the Carolinas and Florida and qualified as a business combination under ASC 805. Accordingly, the Company recorded all assets acquired and liabilities assumed at their acquisition-date fair values. There was no goodwill recognized in this transaction.

The following table represents the final allocation of consideration to the assets acquired and liabilities assumed at their estimated acquisition-date fair values with any measurement-period adjustments included:

(in thousands)		
Consideration paid:	$	30,762
Net assets acquired:		

Intangible assets	$	2,500
Property and equipment		28,500
Liabilities assumed		(238)
Total net assets acquired	$	30,762

All assets were valued using level 3 inputs. The equipment was valued using a market approach while the intangible assets were valued using an income approach based on management's projections.

Identifiable intangible assets acquired consist of customer relationships of $1.7 million and non-compete agreements valued at $0.8 million. The customer relationships were valued using the multi-period excess earnings method. The non-compete agreements were valued using a direct valuation of economic damages approach. The Company determined the useful life of both the customer relationships and non-compete agreements to be 5 years.

Concurrent with closing of the asset purchase agreement, the Company signed five leases directly with the seller. The leases were entered into at market rates and the Company recognized an ROU asset and liability of $6.5 million related to these leases.

November 2021 (Fiscal 2022) Pioneer Acquisition

In November 2021, the Company acquired the assets, no cash, of Pioneer Concrete Pumping Services ("Pioneer") for total purchase consideration of $20.2 million, of which, $1.0 million was held back (the "Holdback") to allow for a post-closing joint inspection of Pioneer's fleet vehicles. The Holdback had not been paid out as of July 31, 2023. This transaction was treated as an asset acquisition. The Company allocated $19.1 million to the purchase of Pioneer's equipment. The remaining $1.1 million was allocated to a definite-lived assembled workforce intangible asset and a definite-lived customer relationships intangible asset. All assets were valued using level 3 inputs. The equipment was valued using a market approach while the intangible assets were valued using an income approach based on management's projections. The intangible assets will be amortized over 3 to 5 years.

Transaction Costs

Transaction costs include expenses for legal, accounting, and other professionals that were incurred in connection with an asset acquisition or business combination and could not be capitalized under ASC 805. There were no significant transaction costs incurred in each of the three and nine months ended July 31, 2023 and 2022.

Unaudited Pro Forma Financial Information

The following unaudited pro forma financial information presents the combined results of operations for the Company and gives effect to the Coastal business combination discussed above as if it had occurred on November 1, 2020. The pro forma financial information is presented for illustrative purposes only and is not necessarily indicative of the results of operations that would have been realized if the Coastal business combination had been completed on November 1, 2020, nor does it purport to project the results of operations of the combined company in future periods. The pro forma financial information does not give effect to any anticipated integration costs related to the acquired company.

The unaudited pro forma financial information is as follows:

	Three Months Ended July 31,	**Nine Months Ended July 31,**
(in thousands)	**2022**	**2022**
Revenue	$ 104,469	$ 286,398
Pro forma revenue adjustments by Business Combination		
Coastal	5,439	15,320
Total pro forma revenue	$ 109,908	$ 301,718
Net income	$ 12,976	$ 20,144
Pro forma net income adjustments by Business Combination		
Coastal	423	933
Total pro forma net income	$ 13,399	$ 21,077

Significant pro forma adjustments include:

- Tangible and intangible assets are assumed to be recorded at their estimated fair values as of November 1, 2021 and are depreciated or amortized over their estimated useful lives; and
- The Company incurred approximately $30.0 million on the ABL Facility (defined below) in connection with the acquisition of Coastal. Interest expense has been adjusted as of November 1, 2020.

Coastal's contribution to the Company's revenue for the three and nine months ended July 31, 2023 was $5.6 million and $15.0 million, respectively. Coastal's contribution to the Company's net income for the three and nine months ended July 31, 2023 was $1.0 million and $2.1 million, respectively.

Note 4. Fair Value Measurement

The carrying amounts of the Company's cash and cash equivalents, accounts receivable, accounts payable and current accrued liabilities approximate their fair value as recorded due to the short-term maturity of these instruments, which approximates fair value. The Company's outstanding obligations on its asset-backed loan ("ABL") credit facility are deemed to be at fair value as the interest rates on these debt obligations are variable and consistent with prevailing rates. There were no changes since October 31, 2022 2023 in the Company's valuation techniques used to measure fair value.

Long-term debt instruments

The Company's long-term debt instruments are recorded at their carrying values in the consolidated balance sheet, which may differ from their respective fair values. The fair values of the long-term debt instruments are derived from Level 2 inputs. The fair value amount of the long-term debt instruments as of July January 31, 2023 2024 and October 31, 2022 2023 is presented in the table below based on the prevailing interest rates and trading activity of the Senior Notes.

	As of July 31, 2023		As of October 31, 2022		As of January 31, 2024		October 31, 2023	
(in thousands)	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Senior Notes	$ 375,000	$ 359,063	$ 375,000	$ 339,375	$ 375,000	$ 369,375	$ 375,000	$ 353,438

Warrants

At July October 31, 2023 and October 31, 2022, there were 13,017,677 public warrants and no private warrants outstanding. Each warrant entitles its holder to purchase one share of Class A common stock at an exercise price of $11.50 per share. The warrants expire expired on December 6, 2023 or earlier upon redemption or liquidation. The Company and there were no amounts outstanding as of may January 31, 2024.call the outstanding public warrants for redemption at a price of $0.01 per warrant, if the last sale price of the Company's common stock equals or exceeds $18.00 per share for any 20 trading days within a 30-trading day period ending on the third business day before the Company sends the notice of redemption to the warrant holders.

The Company accounts for the public warrants issued in connection with its IPO in accordance with ASC 815, under which certain provisions in the public warrant agreements do not meet the criteria for equity classification and therefore these warrants must be recorded as liabilities. The fair value of each public warrant is based on the public trading price of the warrant (Level 2 fair value measurement). Gains and losses related to the warrants are reflected in the change in fair value of warrant liabilities in the consolidated statements of operations.

All other non-financial assets

The Company's non-financial assets, which primarily consist of property and equipment, goodwill and other intangible assets, are not required to be carried at fair value on a recurring basis and are reported at carrying value. However, on a periodic basis or whenever events or changes in circumstances indicate that their carrying value may not be fully recoverable (and at least annually for goodwill and indefinite lived intangibles), non-financial instruments are assessed for impairment and, if applicable, written down to and recorded at fair value.

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Note 5. 4. Prepaid Expenses and Other Current Assets

The significant components of prepaid expenses and other current assets as of July January 31, 2023 2024 and October 31, 2022 2023 are comprised of the following:

(in thousands)	As of July 31, 2023	As of October 31, 2022	As of January 31, 2024	As of October 31, 2023
Expected recoveries related to self-insured commercial liabilities	$ 6,032	$ -	$ 3,646	$ 3,802
Prepaid insurance	3,661	1,550	1,151	1,611
Prepaid licenses and deposits	933	751	1,312	810
Prepaid rent	628	402	643	629
Other current assets and prepaids	1,242	2,472	2,492	1,849
Total prepaid expenses and other current assets	$ 12,496	$ 5,175	$ 9,244	$ 8,701

Note 6. 5. Property, Plant and Equipment

The significant components of property, plant and equipment as of July January 31, 2023 2024 and October 31, 2022 2023 are comprised of the following:

(in thousands)	As of July 31, 2023	As of October 31, 2022	As of January 31, 2024	As of October 31, 2023
Land, building and improvements	$ 29,357	$ 28,528	$ 32,521	$ 29,338
Finance leases—land and buildings	828	828	229	828
Machinery and equipment	510,321	478,162	529,692	517,514
Transportation equipment	8,742	7,133	9,720	9,306
Furniture and office equipment	3,811	3,870	3,689	3,817
Property, plant and equipment, gross	553,059	518,521	575,851	560,803
Less accumulated depreciation	(125,975)	(99,144)	(143,180)	(133,155)
Property, plant and equipment, net	$ 427,084	$ 419,377	$ 432,671	$ 427,648

Depreciation expense for For the three and nine months ended July January 31, 2023 2024 and 2022 2023 is depreciation expense were as follows:

(in thousands)	Three Months Ended July 31, 2023	Three Months Ended July 31, 2022	Nine Months Ended July 31, 2023	Nine Months Ended July 31, 2022	Three Months Ended January 31, 2024	Three Months Ended January 31, 2023
Cost of operations	$ 9,396	$ 8,164	$ 27,718	$ 23,839	$ 9,613	$ 9,061
General and administrative expenses	622	540	1,823	1,708	589	593
Total depreciation expense	$ 10,018	$ 8,704	$ 29,541	$ 25,547	$ 10,202	$ 9,654

Note 7. 6. Goodwill and Intangible Assets

The Company has recognized goodwill and certain intangible assets in connection with prior business combinations.

There were no triggering events during the nine three months ended July January 31, 2023 2024. The Company will continue to evaluate its goodwill and intangible assets in future quarters.

The following table summarizes the composition of intangible assets as of July January 31, 2023 2024 and October 31, 2022 2023:

(in thousands)	As of July 31, 2023 — Weighted Average Remaining Life (in Years)	Gross Carrying Value	Impairment	Accumulated Amortization	Foreign Currency Translation Adjustment	Net Carrying Amount
Intangibles subject to amortization:						
Customer relationship	10.3	$ 196,310	$ -	$ (126,048)	$ 34	$ 70,296
Trade name	5.4	5,400	-	(2,515)	2	2,887
Assembled workforce	1.6	1,650	-	(835)	-	815
Noncompete agreements	4.1	1,200	-	(335)	-	865
Indefinite-lived intangible assets:						
Trade names (indefinite life)	-	55,500	(5,000)	-	-	50,500
Total intangibles		$ 260,060	$ (5,000)	$ (129,733)	$ 36	$ 125,363

As of October 31,	As of January 31,

	2022						2024				
(in thousands)	Weighted Average Remaining Life (in Years)	Gross Carrying Value	Impairment	Accumulated Amortization	Foreign Currency Translation Adjustment	Net Carrying Amount	Weighted Average Remaining Life (in Years)	Gross Carrying Value	Accumulated Impairment	Accumulated Amortization	Foreign Currency Translation Adjustment
Intangibles subject to amortization:											
Customer relationship	11.0	$ 193,710	$ -	$ (112,658)	$ 1,416	$ 82,468	9.8	$ 195,126	$ -	$ (133,859)	$ 1,135
Trade name	6.1	4,836	-	(2,127)	239	$ 2,948	4.8	5,097	-	(2,778)	273
Assembled workforce	2.1	1,450	-	(444)	-	$ 1,006	1.2	1,650	-	(1,110)	-
Noncompete agreements	4.6	1,000	-	(168)	-	$ 832	3.7	1,200	-	(455)	-
Indefinite-lived intangible assets:											
Trade names (indefinite life)	-	55,500	(5,000)	-	-	$ 50,500	-	55,500	(5,000)	-	-
Total intangibles		$ 256,496	$ (5,000)	$ (115,397)	$ 1,655	$ 137,754		$ 258,573	$ (5,000)	$ (138,202)	$ 1,408

	As of October 31, 2023					
(in thousands)	Weighted Average Remaining Life (in Years)	Gross Carrying Value	Accumulated Impairment	Accumulated Amortization	Foreign Currency Translation Adjustment	Net Carrying Amount
Intangibles subject to amortization:						
Customer relationship	10.1	$ 195,126	$ -	$ (130,295)	$ 832	$ 65,663
Trade name	5.1	5,097	-	(2,645)	146	2,598
Assembled workforce	1.4	1,650	-	(972)	-	678
Noncompete agreements	3.9	1,200	-	(395)	-	805
Indefinite-lived intangible assets:						
Trade names (indefinite life)	-	55,500	(5,000)	-	-	50,500
Total intangibles		$ 258,573	$ (5,000)	$ (134,307)	$ 978	$ 120,244

Amortization expense for the three months ended January 31, 2024 and 2023 was $3.9 million and $4.8 million, respectively.

The changes in the carrying value of goodwill by reportable segment for the nine three months ended July January 31, 2023 2024 are as follows:

Reportable Segment	As of October 31, 2022	Foreign Currency Translation	As of July 31, 2023
(in thousands)			
U.S. Concrete Pumping	$ 147,482	$ -	$ 147,482
U.K. Operations	23,630	2,753	26,383
U.S. Concrete Waste Management Services	49,133	-	49,133
Total	$ 220,245	$ 2,753	$ 222,998

(in thousands)	U.S. Concrete Pumping	U.K. Operations	U.S. Concrete Waste Management Services	Total
Balance at October 31, 2023	$ 147,482	$ 24,902	$ 49,133	$ 221,517
Foreign currency translation	-	1,227	-	1,227
Balance at January 31, 2024	$ 147,482	$ 26,129	$ 49,133	$ 222,744

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Note 8. 7. Other Non-Current Assets

The significant components of other non-current assets as of July January 31, 2023 2024and October 31, 2022 2023are comprised of the following:

(in thousands)	As of July 31, 2023	As of October 31, 2022	As of January 31, 2024	As of October 31, 2023
Expected recoveries related to self-insured commercial liabilities	$ 12,835	$ 1,400	$ 12,107	$ 13,822
Other non-current assets	460	626	382	428
Total other non-current assets	$ 13,295	$ 2,026	$ 12,489	$ 14,250

Note 9. 8. Long Term Debt and Revolving Lines of Credit

The table below is a summary of the composition of the Company's debt balances as of July January 31, 2023 2024 and October 31, 2022: 2023:

(in thousands)	Interest Rates	Maturities	As of July 31, 2023	As of October 31, 2022	Interest Rates	Maturities	January 31, 2024	October 31, 2023
Revolving loan - short term	Varies	January 2026	$ 35,699	$ 52,133				
Senior Notes - all long term	6.0000%	February 2026	375,000	375,000				
ABL Facility - short term					Varies	June 2028	$ 13,021	$ 18,954
Senior notes - all long term					6.0000%	February 2026	375,000	375,000
Total debt, gross			410,699	427,133			388,021	393,954
Less: Unamortized deferred financing costs offsetting long term debt			(3,480)	(4,524)			(2,784)	(3,132)
Less: Revolving loan - short term			(35,699)	(52,133)				
Less: Current Portion							(13,021)	(18,954)
Long term debt, net of unamortized deferred financing costs			$ 371,520	$ 370,476			$ 372,216	$ 371,868

On January 28, 2021, Brundage-Bone Concrete Pumping Holdings Inc., a Delaware corporation (the "Issuer") and a wholly-owned subsidiary of the Company (i) completed a private offering of $375.0 million in aggregate principal amount of its 6.000% senior secured second lien notes due 2026 (the "Senior Notes") issued pursuant to an indenture, among the Issuer, the Company, the other Guarantors (as defined below), Deutsche Bank Trust Company Americas, as trustee and as collateral agent (the "Indenture") and (ii) entered into an amended and restated ABL Facility (as subsequently amended, the "ABL Facility") by and among the Company, certain subsidiaries of the Company, Wells Fargo Bank, National Association, as agent, sole lead arranger and sole bookrunner, the other lenders party thereto, which provided up to $125.0 million of asset-based revolving loan commitments to the Company and the other borrowers under the ABL Facility. The proceeds from the Senior Notes along with certain borrowings are jointly and severally guaranteed on a senior secured basis by the Company, Concrete Pumping Intermediate Acquisition Corp. and each of the Issuer's domestic, wholly-owned subsidiaries that is a borrower or a guarantor under the ABL Facility were used to repay all outstanding indebtedness under (collectively, the Company's then existing Term Loan Agreement (see discussion below), dated December 6, 2018, and pay related fees and expenses.

On July 29, 2022, the ABL Facility was amended to, among other changes, increase the maximum revolver borrowings available to be drawn thereunder from $125.0 million to $160.0 million and increase the letter of credit sublimit from $7.5 million to $10.5 million "Guarantors"). The ABL Facility also provides for an uncommitted accordion feature under which the borrowers under the ABL Facility can, subject to specified conditions, increase the ABL Facility by up to an additional $75.0 million. The $35.0 million in incremental commitments was provided by JPMorgan Chase Bank, N.A.

On June 1, 2023, the ABL Facility was amended to, among other changes, (1) increase the maximum revolver borrowings available to be drawn thereunder from $160.0 million to $225.0 million, (2) increase the letter of credit sublimit from $10.5 million to $22.5 million and (3) extend the maturity of the ABL Facility to the earlier of (a) June 1, 2028 and or (b) the date that is 180 days prior to (i) the final stated maturity date of the Senior Notes or (ii) the date the Senior Notes become due and payable. The ABL Facility also provides for an uncommitted accordion feature under which the borrowers under the ABL Facility can, subject to specified conditions, increase the ABL Facility by up to an additional $75.0 million. The $65.0 million in incremental commitments were provided by JPMorgan Chase Bank, N.A. and PNC Bank, N.A. The amended ABL Facility was treated as a debt modification. The Company capitalized an additional $0.5 million of debt issuance costs related to the June 1, 2023, ABL Facility amendment. The preexisting unamortized deferred costs of $1.4 million and the additional costs of $0.5 million will be amortized from June 1, 2023 through June 1, 2028.

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Senior Notes

Summarized terms of the Senior Notes are as follows:

- Provides for an original aggregate principal amount of $375.0 million;
- The Senior Notes will mature and be due and payable in full on February 1, 2026;
- The Senior Notes bear interest at a rate of 6.000% per annum, payable on February 1st and August 1st of each year;
- The Senior Notes are jointly and severally guaranteed on a senior secured basis by the Company, Concrete Pumping Intermediate Acquisition Corp. and each of the Issuer's domestic, wholly-owned subsidiaries that is a borrower or a guarantor under the ABL Facility (collectively, the "Guarantors"). The Senior Notes and the guarantees are secured on a second-priority basis by all the assets of the Issuer and the Guarantors that secure the obligations under the ABL Facility, subject to certain exceptions. The Senior Notes and the guarantees will be the Issuer's and the Guarantors' senior secured obligations, will rank equally with all of the Issuer's and the Guarantors' existing and future senior indebtedness and will rank senior to all of the Issuer's and the Guarantors' existing and future subordinated indebtedness. The Senior Notes are structurally subordinated to all existing and future indebtedness and liabilities of the Company's subsidiaries that do not guarantee the Senior Notes; and
- The Indenture includes certain covenants that limit, among other things, the Issuer's ability and the ability of its restricted subsidiaries to: incur additional indebtedness and issue certain preferred stock; make certain investments, distributions and other restricted payments; create or incur certain liens; merge, consolidate or transfer all or substantially all assets; enter into certain transactions with affiliates; and sell or otherwise dispose of certain assets.

The outstanding principal amount of the Senior Notes as of July January 31, 2023 2024 was $375.0 million and as of that date, the Company was in compliance with all covenants under the Indenture.

ABL Facility

Summarized terms of the ABL Facility, as amended, are as follows:

- Borrowing availability in U.S. Dollars and GBP up to a maximum aggregate principal amount of $225.0 million and an uncommitted accordion feature under which the Company can increase the ABL Facility by up to an additional $75.0 million;
- Borrowing capacity available for standby letters of credit of up to $22.5 million and for swing loan borrowings of up to $22.5 million. Any issuance of letters of credit or making of a swing loan will reduce the amount available under the ABL Facility;
- All loans advanced will mature and be due and payable in full on the earlier of (a) June 1, 2028 and (b) the date that is 180 days prior to (i) the final stated maturity date of the Senior Notes or (ii) the date the Senior Notes become due and payable;
- Amounts borrowed may be repaid at any time, subject to the terms and conditions of the agreement;
- Through May 31, 2023, borrowings in GBP bore interest at the SONIA rate plus an applicable margin currently set at 2.0326%. After May 31, 2023, borrowings in GBP bear interest at the SONIA rate plus an applicable margin equal to 2.2826%. The applicable margins for SONIA are subject to a step down of 0.25% based on excess availability levels;
- Through June 29, 2022, borrowings in U.S. Dollars bore interest at either (1) an adjusted LIBOR rate plus an applicable margin of 2.25% or (2) a base rate plus an applicable margin of 1.25%. After June 29, 2022 and through May 31, 2023, borrowings in U.S. Dollars bore interest at (1) the SOFR rate plus an applicable margin currently set at 2.00% or (2) a base rate plus an applicable margin currently set at 1.00%. After May 31, 2023, borrowings in U.S. Dollars bear interest at (1) the SOFR rate plus an applicable margin currently set at 2.25% or (2) a base rate plus an applicable margin currently set at 1.25%. The applicable margins for U.S. Dollar loans are subject to a step down of 0.25% based on excess availability levels;
- U.S. ABL Facility obligations are secured by a first-priority perfected security interest in substantially all the assets of the Issuer, together with Brundage-Bone Concrete Pumping, Inc., Eco-Pan, Inc., Capital Pumping LP (collectively, the "US ABL Borrowers") and each of the Company's wholly-owned domestic subsidiaries (the "US ABL Guarantors"), subject to certain exceptions;
- U.K. ABL Facility obligations are secured by a first priority perfected security interest in substantially all assets of Camfaud Concrete Pumps Limited and Premier Concrete Pumping Limited, each of the Company's wholly-owned U.K. subsidiaries, and by each of the US ABL Borrowers and the US ABL Guarantors, subject to certain exceptions; and

- The ABL Facility also includes (i) a springing financial covenant (fixed charges coverage ratio) based on excess availability levels that the Company must comply with on a quarterly basis during required compliance periods and (ii) certain non-financial covenants.

The outstanding balance under the ABL Facility as of July January 31, 2023 2024 was $35.7 million $13.0 million and as of that date, the Company was in compliance with all debt covenants. Borrowings are generally in the form of short-term fixed rate loans that can be extended to mature on the earlier of (a) June 1, 2028 or (b) the date that is 180 days prior to (i) the final stated maturity date of the Senior Notes or (ii) the date the Senior Notes become due and payable. Amounts borrowed may be repaid at any time, subject to the terms and conditions of the agreement.

The Company utilizes the ABL Facility to support its working capital arrangement.

In addition, as of July January 31, 2023 2024 the Company had $1.1 million in credit line reserves and a letter of credit balance of $4.2 million $8.5 million.

As of July January 31, 2023 2024 we had $184.0 million $202.3 million of available borrowing capacity under the ABL Facility. Debt issuance costs related to revolving credit facilities are capitalized and reflected as an asset in deferred financing costs in the accompanying consolidated balance sheets. The Company had debt issuance costs related to the revolving credit facilities of $1.9 million $1.7 million as of July January 31, 2023 2024.

As of July January 31, 2023 2024 and October 31, 2022 2023, the weighted average interest rate for borrowings under the ABL Facility was 7.8% 7.1% and 4.4%, 7.9% respectively.

Note 10. 9. Accrued Payroll and Payroll Expenses

The following table summarizes accrued payroll and expenses as of July January 31, 2023 2024 and October 31, 2022 2023:

(in thousands)	As of July 31, 2023	As of October 31, 2022	As of January 31, 2024	As of October 31, 2023
Accrued vacation	$ 3,242	$ 2,705	$ 2,711	$ 2,982
Accrued payroll	4,068	2,763	3,089	3,960
Accrued bonus	5,441	4,835	2,116	5,368
Accrued employee-related taxes	2,125	2,760	1,778	1,892
Other accrued	314	278	91	322
Total accrued payroll and payroll expenses	$ 15,190	$ 13,341	$ 9,785	$ 14,524

Note 11. 10. Accrued Expenses and Other Current Liabilities

The following table summarizes accrued expenses and other current liabilities as of July January 31, 2023 2024 and October 31, 2022 2023:

(in thousands)	As of July 31, 2023	As of October 31, 2022	As of January 31, 2024	As of October 31, 2023
Accrued self-insured commercial liabilities	$ 11,876	$ 8,396	$ 10,587	$ 11,087
Accrued self-insured health liabilities	2,098	3,337	2,466	2,269
Accrued interest	11,677	5,996	11,364	5,775
Accrued equipment purchases	3,172	7,644	4,454	8,545
Accrued property, sales and use tax	1,820	1,671	2,906	1,791
Accrued professional fees	1,243	831	1,010	1,429
Other	4,368	4,281	3,876	3,854
Total accrued expenses and other liabilities	$ 36,254	$ 32,156	$ 36,663	$ 34,750

Note 11. Other Liabilities, Non-Current

The following table summarizes other non-current liabilities as of January 31, 2024 and October 31, 2023:

	As of January 31,	As of October 31,

(in thousands)		2024		2023
Self-insured commercial liability	$	12,332	$	14,140
Other		1,218		2
Total other non-current liabilities	$	13,550	$	14,142

Note 12. Income Taxes

The following table summarizes income (loss) before income taxes and income tax expense (benefit) for the three and ninemonths ended July January 31, 2023 2024and 2022 2023:

	Three Months Ended July 31,				Nine Months Ended July 31,			
(in thousands)	2023		2022		2023		2022	
Income before income taxes	$	13,654	$	15,006	$	27,826	$	22,679
Income tax expense	$	3,318	$	2,030	$	5,427	$	2,535

	Three Months Ended January 31,			
(in thousands)	2024		2023	
Income (loss) before income taxes	$	(4,837)	$	7,119
Income tax expense (benefit)	$	(1,011)	$	644

The effective tax rate for the three and ninemonths ended July January 31, 2023 2024and 2022 2023 was primarily impacted by the respective change in fair value of warrant liabilities, which is not recognized for tax purposes. liabilities.

As of July January 31, 2023 2024 and October 31, 2022 2023, the Company had deferred tax liabilities, net of deferred tax assets, of $79.4 million $79.4 million and $74.2 million $80.8 million, respectively. Included in deferred tax assets as of July January 31, 2023 2024 and October 31, 2022 2023 were net operating loss carryforwards of $21.9 million $15.7 million and $25.9 million $18.6 million, respectively. The Company has a valuation allowance of $0.1 million $0.2 million as of July January 31, 2023 2024 and October 31, 2022 2023, related to foreign and U.S. state tax credit carryforwards where realization is more uncertain at this time due to the limited carryforward periods that exist and state net operating losses that are expected to expire before they can be utilized.

Note 13. Commitments and Contingencies

Insurance

Commercial Self-Insured Losses

The Company retains a significant portion of the risk for workers' compensation, automobile, and general liability losses ("self-insured commercial liability"). Reserves have been recorded that reflect the undiscounted estimated liabilities including claims incurred but not reported. When a recognized liability is covered by third-party insurance, the Company records an insurance claim receivable to reflect the covered liability. Amounts estimated to be paid within one year have been included in Accrued expenses and other current liabilities, with the remainder included in Other liabilities, non-current on the Consolidated Balance Sheets. Insurance claims receivables that are expected to be received from third-party insurance within one year have been included in Prepaid expenses and other current assets, with the remainder included in Other non-current assets on the Consolidated Balance Sheets.

The following table summarizes as of July January 31, 2024 and October 31, 2023for (1) recorded liabilities, related to both asserted as well as unasserted insurance claims and (2) any related insurance claims receivables.

(in thousands)	Classification on the Condensed Consolidated Balance Sheets	As of July 31, 2023	**Classification on the Condensed Consolidated Balance Sheets**	**As of January 31, 2024**	**As of October 31, 2023**
Self-insured commercial liability, current	Accrued expenses and other current liabilities	$ 11,876	Accrued expenses and other current liabilities	$ 10,587	$ 11,087
Self-insured commercial liability, non-current	Other liabilities, non-current	12,835	Other liabilities, non-current	12,332	14,140
Total self-insured commercial liabilities	Total self-insured commercial liabilities	24,711	Total self-insured commercial liabilities	$ 22,919	$ 25,227
Expected recoveries related to self-insured commercial liabilities, current	Prepaid expenses and other current assets	6,032	Prepaid expenses and other current assets	$ 3,646	$ 3,802
Expected recoveries related to self-insured commercial liabilities, non-current	Other non-current assets	12,835	Other non-current assets	12,107	13,822
Total expected recoveries related to self-insured commercial liabilities	Total expected recoveries related to self-insured commercial liabilities	18,867	**Total expected recoveries related to self-insured commercial liabilities**	$ 15,754	$ 17,625
Total self-insured commercial liability, net of expected recoveries	Total self-insured commercial liability, net of expected recoveries	$ 5,844	Total self-insured commercial liability, net of expected recoveries	$ 7,165	$ 7,602

Medical Self-Insured Losses

The Company offers employee health benefits via a partially self-insured medical benefit plan. Participant claims exceeding certain limits are covered by a stop-loss insurance policy. The Company contracts with a third-party administrator for tasks including, but not limited to, processing claims and remitting benefits. As of July January 31, 2024 and October 31, 2023, the Company had accrued $2.1 million $1.4 million and $1.2 million, respectively, for estimated health claims incurred but not reported based on historical claims amounts and average lag time. These accruals are included in accrued expenses and other current liabilities in the accompanying consolidated balance sheets. The Company contracts with a third-party administrator to process claims, remit benefits, etc. The third-party administrator required the Company to maintain a bank account to facilitate the administration of claims.

Litigation

The Company is currently involved in certain legal proceedings and other disputes with third parties that have arisen in the ordinary course of business. Management believes that the outcomes of these matters will not have a material impact on the Company's financial statements and does not believe that any amounts need to be recorded for contingent liabilities in the Company's consolidated balance sheet.

Washington Department of Revenue Sales Tax Issue

Historically, the Company has not charged sales tax to its state of Washington customers that provide a reseller certificate, treating this as a wholesale transaction rather than as a retail sale. Effective April 1, 2020, the state of Washington Department of Revenue ("DOR") published a rule which amended Washington Administrative Code 458-20-211, otherwise known as Rule 211, by designating sales of stand-alone concrete pumping services as solely retail transactions. The Company believes the DOR improperly amended Rule 211 and is strongly defending this position. As such, for the period from April 1, 2020 through January 31, 2024, the Company did not charge sales tax where its customers provide a reseller certificate and petitioned for declaratory relief from the rule.

In February 2023, the Company received an adverse ruling from the Thurston County superior court regarding its position, which it has appealed. In February 2024, oral arguments were heard in the Court of Appeals in Tacoma and the Company received an unfavorable judgement during the same month. As of October 31, 2023, no liability had been recorded in connection with this contingency as a loss was not deemed probable at that time. However, as a result of the unfavorable judgment in February 2024, the Company has concluded the loss is now probable and therefore has recorded a loss of $3.5 million in the quarter ended January 31, 2024. The loss is included in general and administrative expenses in the Company's condensed consolidated financial statements. During the quarter ended January 31, 2024, the Company made a payment of $1.8 million to the DOR. Beginning with the second quarter of fiscal year 2024, the Company started assessing sales tax related to its customers in the state of Washington.

Letters of credit

The ABL Facility provides for up to $22.5 million $22.5 million of standby letters of credit. As of July January 31, 2023 2024, total outstanding letters of credit totaled $4.2 million $8.5 million, the vast majority of which had been committed to the Company's general liability insurance provider.

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Note 14. Stockholders' Equity

Share Repurchase Program

In March 2024, the board of directors of the Company approved a $15.0 million increase to the Company's share repurchase program. This authorization will expire on March 31, 2025 and is in addition to the repurchase authorization of up to $10.0 million to expire March 31, 2025 that was previously approved in January 2023. In January 2023, the board of directors of the Company approved a $10.0 million increase to the Company's share repurchase program. This authorization will program that was set to expire on March 31, 2024. On January 4, 2024, and the board of directors approved an extension of this authorization through March 31, 2025. This is in addition to the repurchase authorization of up to $10.0 million through June 15, 2023, that was previously approved in June 2022. The repurchase program permits shares to be repurchased in the open market, by block purchase, in privately negotiated transactions, in one or more transactions from time to time, or pursuant to any trading plan adopted in accordance with Rule 10b5-1 of the Securities Exchange Act of 1934, as amended, (the "Exchange Act"). Open market purchases will be conducted in accordance with the limitations set forth in Rule 10b-18 of the Exchange Act and other applicable legal and regulatory requirements. The repurchase program may be suspended, terminated, extended or otherwise modified by the Board without notice at any time for any reason, including, without limitation, market conditions, the cost of repurchasing shares, the availability of alternative investment opportunities, capital and liquidity objectives, and other factors deemed appropriate by the Company's management.

The following table summarizes the shares repurchased, total cost of shares repurchased and average price per share for the three and nine months ended July 31, 2023: ended:

	Three Months Ended July 31,	Nine Months Ended July 31,	Three Months Ended January 31,	
(in thousands, except price per share)	**2023**	**2023**	**2024**	**2023**
Shares repurchased	199	1,299	36	760
Total cost of shares repurchased	$ 1,394	$ 8,642	$ 248	$ 4,923
Average price per share	$ 7.01	$ 6.65	$ 6.88	$ 6.48

Note 15. Stock-Based Compensation

Pursuant to the Concrete Pumping Holdings, Inc. 2018 Omnibus Incentive Plan, the Company granted stock-based awards to certain employees in the U.S. and U.K.

The following table summarizes realized compensation expense related to stock options and restricted stock awards in the accompanying condensed consolidated statements of operations:

(in thousands)	Three Months Ended July 31, 2023	Three Months Ended July 31, 2022	Nine Months Ended July 31, 2023	Nine Months Ended July 31, 2022	Three Months Ended January 31, 2024	Three Months Ended January 31, 2023
Compensation expense – stock options	$ 116	$ 152	$ 371	$ 488	$ 60	$ 132
Compensation expense – restricted stock awards	818	1,181	2,767	3,676	476	1,008
Total	$ 934	$ 1,333	$ 3,138	$ 4,164	$ 536	$ 1,140

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Note 16. Earnings Per Share

The Company calculates earnings per share in accordance with ASC 260,*Earnings Per Share*. For purposes of calculating earnings per share ("EPS"), a company that has participating security holders (for example, holders of unvested restricted stock that have non-forfeitable dividend rights and the Company's Series A Preferred Stock) is required to utilize the two-class method for calculating EPS unless the treasury stock method results in lower EPS. The two-class method is an allocation of earnings/(loss) between the holders of common stock and a company's participating security holders. Under the two-class method, earnings/(loss) for the reporting period is calculated by taking the net income (loss) for the period, less both the dividends declared in the period on participating securities (whether or not paid) and the dividends accumulated for the period on cumulative preferred stock (whether or not earned) for the period. Our common shares outstanding are comprised of shareholder owned common stock and shares of unvested restricted stock held by participating security holders. Basic EPS is calculated by dividing income or loss attributable to common stockholders by the weighted average number of shares of common stock outstanding, excluding participating shares. Diluted earnings per share is based upon the weighted average number of shares as determined for basic earnings per share plus shares potentially issuable in conjunction with unvested restricted stock awards, incentive stock options, non-qualified stock options and shares of zero-dividend convertible perpetual preferred stock outstanding.

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The table below shows our basic and diluted EPS calculations for the three and ninemonths ended JulyJanuary 31, 2023 2024and 2022 2023:

(in thousands, except share and per share amounts)	Three Months Ended July 31, 2023	Three Months Ended July 31, 2022	Nine Months Ended July 31, 2023	Nine Months Ended July 31, 2022
Net income (numerator):				
Net income attributable to Concrete Pumping Holdings, Inc.	$ 10,336	$ 12,976	$ 22,399	$ 20,144
Less: Accretion of liquidation preference on preferred stock	(441)	(441)	(1,309)	(1,309)
Less: Undistributed earnings allocated to participating securities	(323)	(582)	(751)	(932)
Net income attributable to common stockholders (numerator for basic earnings per share)	$ 9,572	$ 11,953	$ 20,339	$ 17,903
Add back: Undistributed earnings allocated to participating securities	323	582	751	932
Add back: Accretion of liquidation preference on preferred stock	-	441	-	-
Less: Undistributed earnings reallocated to participating securities	(318)	(573)	(739)	(917)
Numerator for diluted earnings per share	$ 9,577	$ 12,403	$ 20,351	$ 17,918
Weighted average shares (denominator):				
Weighted average shares - basic	53,198,637	54,012,404	53,377,157	53,859,874
Weighted average shares - diluted	54,104,738	57,286,563	54,262,940	54,772,441
Basic earnings per share	$ 0.18	$ 0.22	$ 0.38	$ 0.33
Diluted earnings per share	$ 0.18	$ 0.22	$ 0.38	$ 0.33

(in thousands, except share and per share amounts)	Three Months Ended January 31, 2024	Three Months Ended January 31, 2023
Net income (loss) (numerator):		
Net income (loss) attributable to Concrete Pumping Holdings, Inc.	$ (3,826)	$ 6,475
Less: Accretion of liquidation preference on preferred stock	(440)	(441)
Less: Undistributed earnings allocated to participating securities	-	(235)
Net income (loss) attributable to common stockholders (numerator for basic earnings per share)	$ (4,266)	$ 5,799

Add back: Undistributed earning allocated to participating securities	-	235
Less: Undistributed earnings reallocated to participating securities	-	(232)
Numerator for diluted earnings (loss) per share	$ (4,266)	$ 5,802
Weighted average shares (denominator):		
Weighted average shares - basic	53,314,654	53,601,707
Weighted average shares - diluted	53,314,654	54,457,125
Basic earnings (loss) per share	$ (0.08)	$ 0.11
Diluted earnings (loss) per share	$ (0.08)	$ 0.11

For the three months ended January 31, 2024, 2.5 million shares of Series A Preferred Stock, 0.5 million of unvested restricted stock awards, 1.1 million of unexercised stock options and 0.2 million outstanding unexercised non-qualified stock options were excluded from the computation of diluted EPS because their effect would have been anti-dilutive.

For the nine three months ended July January 31, 2023and 2022, 13.0 million warrants to purchase shares of common stock at an exercise price of $11.50, and for the three months ended July 31, 2023 and nine months ended July 31, 2023 and 2022, 2.5 million 2.5 million shares of Series A Preferred Stock, and 2.0 million of unvested restricted stock awards were excluded from the computation of diluted EPS because their effect would have been anti-dilutive.

Note 17. Supplemental Cash Flow Information

The table below shows supplemental cash flow information for the three months ended January 31, 2024 and 2023:

	Three Months Ended January 31,	
(in thousands)	**2024**	**2023**
Supplemental cash flow information:		
Cash payments related to operating lease liabilities	$ 1,292	$ 1,404
Cash paid for interest	$ 489	$ 779
Cash paid (refunded) for income taxes	$ -	$ (306)
Non-cash investing and financing activities:		
Operating lease assets obtained in exchange for new operating lease liabilities	$ 5,324	$ 1,070

The table below shows property, plant and equipment acquired but nor yet paid for as of January 31, 2024 and 2023:

	As of January 31,	
(in thousands)	**2024**	**2023**
Beginning of period:		
PP&E acquired but not yet paid	$ 9,484	$ 8,882
End of period:		
PP&E acquired but not yet paid	$ 4,597	$ 3,762

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Note 18.Segment Reporting

The Company's revenues are derived from four three reportable segments: U.S. Concrete Pumping, U.K. Operations and U.S. Concrete Waste Management Services and Corporate. Services. Any differences between segment reporting and consolidated results are reflected in Intersegment or Other below. All Other non-segmented assets primarily include cash and cash equivalents and intercompany eliminations. The Company evaluates the performance of each segment based on revenue, and measures segment performance based upon EBITDA (earnings before interest, taxes, depreciation and amortization). Non-allocated interest expense and various other administrative costs are reflected in Corporate. Corporate assets primarily include cash and cash equivalents, prepaid expenses and other current

During the first quarter of fiscal year 2024, the Company moved certain assets and real property. associated revenues and expenses previously part of the Company's Other activities into the U.S. Concrete Pumping segment based on the way our chief operating decision maker ("CODM") allocates resources and measures performance. As a result, segment results for prior periods have been reclassified to conform to the current period presentation.

The table below shows changes from the recast of segment results for the three months ended January 31, 2023:

(in thousands)	Three Months Ended January 31, 2023	
	U.S. Concrete Pumping	Other
As Previously Reported		
Depreciation and amortization	$ 10,374	$ 213
Segment EBITDA	$ 15,063	$ 5,181
Recast Adjustment		
Depreciation and amortization	$ 213	$ (213)
Segment EBITDA	$ 625	$ (625)
Current Report As Adjusted		
Depreciation and amortization	$ 10,587	$ -
Segment EBITDA	$ 15,688	$ 4,556

The U.S. and U.K. regions each individually accounted for more than 10% of the Company's revenue for the periods presented.

The following provides operating information about the Company's Company's reportable segments and geographic locations for the periods presented. presented:

(in thousands)	Three Months Ended July 31, 2023	Three Months Ended July 31, 2022	Nine Months Ended July 31, 2023	Nine Months Ended July 31, 2022	Three Months Ended January 31, 2024	Three Months Ended January 31, 2023
Revenue						
U.S. Concrete Pumping	$ 87,323	$ 77,352	$ 232,896	$ 212,189	$ 66,683	$ 67,187
U.K. Operations	17,260	14,417	45,207	39,980	15,408	12,708
U.S. Concrete Waste Management Services	16,505	12,813	44,445	34,551		
Corporate	625	625	1,875	1,875		
Intersegment	(1,042)	(738)	(2,386)	(2,197)		
Total revenue	$ 120,671	$ 104,469	$ 322,037	$ 286,398		
U.S. Concrete Waste Management Services - Third parties					15,620	13,680
U.S. Concrete Waste Management Services - Intersegment					100	92
Intersegment eliminations					(100)	(92)
Reportable segment revenue					$ 97,711	$ 93,575
Income before income taxes						
EBITDA						
U.S. Concrete Pumping	$ 4,835	$ 3,773	$ 3,893	$ 4,030	$ 7,036	$ 15,688
U.K. Operations	2,161	594	3,280	480	3,176	2,380
U.S. Concrete Waste Management Services	5,338	2,806	12,783	7,037	5,380	5,815
Corporate	1,320	7,833	7,870	11,132		
Total income before income taxes	$ 13,654	$ 15,006	$ 27,826	$ 22,679		
Reportable segment EBITDA					15,592	23,883
Interest expense and amortization of deferred financing costs					(6,463)	(6,871)
Reportable depreciation and amortization					(14,097)	(14,449)
Other					131	4,556
Total income (loss) before income taxes					$ (4,837)	$ 7,119
Depreciation and amortization						
U.S. Concrete Pumping					$ 10,230	$ 10,587
U.K. Operations					1,808	1,827
U.S. Concrete Waste Management Services					2,059	2,035
Total depreciation and amortization					$ 14,097	$ 14,449
Interest expense and amortization of deferred financing costs						
U.S. Concrete Pumping					$ 5,754	$ 6,178

U.K. Operations	709	693
Total interest expense and amortization of deferred financing costs	$ 6,463	$ 6,871
Revenue by geography		
U.S.	$ 82,303	$ 80,867
U.K.	15,408	12,708
Total revenue	$ 97,711	$ 93,575
Total capital expenditures		
U.S. Concrete Pumping	$ 7,932	$ 6,641
U.K. Operations	4,227	7,169
U.S. Concrete Waste Management Services	3,047	3,291
Reportable segment capital expenditures	15,206	17,101
Other	2,560	19
Total capital expenditures	$ 17,766	$ 17,120

	Three Months Ended July 31,		Nine Months Ended July 31,	
(in thousands)	2023	2022	2023	2022
EBITDA				
U.S. Concrete Pumping	$ 21,670	$ 19,495	$ 54,520	$ 50,524
U.K. Operations	4,769	3,197	10,957	8,619
U.S. Concrete Waste Management Services	7,452	4,976	18,997	13,398
Corporate	1,536	8,045	8,514	11,769
Total EBITDA	$ 35,427	$ 35,713	$ 92,988	$ 84,310
Consolidated EBITDA reconciliation				
Net income	$ 10,336	$ 12,976	$ 22,399	$ 20,144
Interest expense, net	7,066	6,517	21,285	19,126
Income tax expense	3,318	2,030	5,427	2,535
Depreciation and amortization	14,707	14,190	43,877	42,505
Total EBITDA	$ 35,427	$ 35,713	$ 92,988	$ 84,310

	Three Months Ended July 31,		Nine Months Ended July 31,	
(in thousands)	2023	2022	2023	2022
Depreciation and amortization				
U.S. Concrete Pumping	$ 10,498	$ 9,927	$ 31,464	$ 29,615
U.K. Operations	1,879	1,881	5,555	5,892
U.S. Concrete Waste Management Services	2,114	2,170	6,214	6,361
Corporate	216	212	644	637
Total depreciation and amortization	$ 14,707	$ 14,190	$ 43,877	$ 42,505
Interest expense, net				
U.S. Concrete Pumping	$ (6,337)	$ (5,795)	$ (19,163)	$ (16,879)
U.K. Operations	(729)	(722)	(2,122)	(2,247)
Total interest expense, net	$ (7,066)	$ (6,517)	$ (21,285)	$ (19,126)

Total

The Company does not disclose total assets by segment as such information is not provided to the CODM. The total assets by geographic location is provided to the CODM and is presented below. Total assets and property, plant and equipment, net by geographic location for the periods presented are as follows:

(in thousands)	As of July 31, 2023	As of October 31, 2022
Total assets		
U.S. Concrete Pumping	$ 718,635	$ 693,048
U.K. Operations	120,451	103,255
U.S. Concrete Waste Management Services	169,096	157,370
Corporate	29,437	27,834
Intersegment	(123,613)	(94,018)
Total assets	$ 914,006	$ 887,489

(in thousands)	As of January 31, 2024	As of October 31, 2023
Total Assets		
U.S.	$ 768,777	$ 785,402
U.K.	125,990	119,123
Total Assets	$ 894,767	$ 904,525
Property, plant and equipment, net		
U.S.	$ 371,425	$ 371,689
U.K.	61,246	55,959
Property, plant and equipment, net	$ 432,671	$ 427,648

The U.S. and U.K. were the only regions that accounted for more than 10% of the Company's revenue for the periods presented. Revenue for the periods presented and long-lived assets as of July 31, 2023 and October 31, 2022 are as follows:

	Three Months Ended July 31,		Nine Months Ended July 31,	
(in thousands)	2023	2022	2023	2022
Revenue by geography				
U.S.	$ 103,411	$ 90,052	$ 276,830	$ 246,418
U.K.	17,260	14,417	45,207	39,980
Total revenue	$ 120,671	$ 104,469	$ 322,037	$ 286,398

(in thousands)	As of July 31, 2023	As of October 31, 2022
Property, plant and equipment, net		
U.S.	$ 368,935	$ 366,814
U.K.	58,149	52,563
Total property, plant and equipment, net	$ 427,084	$ 419,377

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

You should read the following management's discussion and analysis together with Concrete Pumping Holdings, Inc.'s (the "Company", "we", "us" or "our") condensed consolidated financial statements and related notes included elsewhere in this Quarterly Report. All references to "Notes" in this Item 2 of Part I refer to the notes to condensed consolidated financial statements included in Item 1 of Part I of this report. All references to "Annual Report" refers to our Form 10-K for the year ended October 31, 2022 October 31, 2023 filed with the SEC on January 31, 2023 January 16, 2024.

Cautionary Statement Concerning Forward-Looking Statements and Risk Factors Summary

Certain statements in this Quarterly Report on Form 10-Q ("Report") constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include, among other things, statements regarding our business, financial condition, results of operations, cash flows, strategies and prospects, and the potential impact of the COVID-19 pandemic on our business. These forward-looking statements may be identified by terminology such as "likely," "may," "will," "should," "expects," "plans," "anticipates," "believes," "estimates," "predicts," "potential," "continue," or "views" or the negative of such terms and other comparable terminology. Although we believe that the expectations reflected in the forward-looking statements contained in this Report are reasonable, we cannot guarantee future results.

The forward-looking statements contained in this Report are based on our current expectations and beliefs concerning future developments and their potential effects. These statements involve known and unknown risks, uncertainties (some of which are beyond our control) and other factors that may cause the actual results, performance or achievements of the Company to be materially different from those expressed or implied by the forward-looking statements. These risks and uncertainties include, but are not limited to, the items in the following:

- the adverse impact of recent inflationary pressures, including significant increases in fuel costs, global economic conditions and events related to these conditions including the ongoing war in Ukraine and the COVID-19 pandemic;
- general economic and business conditions, which may affect demand for commercial, infrastructure, and residential construction and adverse effects of major endemics or pandemics on our business;
- our ability to successfully implement our operating strategy;
- our ability to successfully identify, manage and integrate acquisitions;
- the restatement of our financial statements for the quarter ended July 31, 2022 and our ability to establish and maintain effective internal control over controls necessary to provide reliable financial reporting, including our ability to remediate the existing material weakness in our internal controls; reports;
- governmental requirements and initiatives, including those related to mortgage lending, financing or deductions, funding for public or infrastructure construction, land usage, and environmental, health, and safety matters;
- seasonal and inclement weather conditions, which impede the installation of ready-mixed concrete;
- the cyclical nature of, and changes in, the real estate and construction markets, including pricing changes by our competitors;
- our ability to maintain favorable relationships with third parties who supply us with equipment and essential supplies;
- our ability to retain key personnel and maintain satisfactory labor relations;
- disruptions, uncertainties or volatility in the credit markets that may limit our, our suppliers' and our customers' access to capital;
- personal injury, property damage, results of litigation and other claims and insurance coverage issues;
- our substantial indebtedness and the restrictions imposed on us by the terms of our indebtedness;
- the effects of currency fluctuations on our results of operations and financial condition; and
- other factors as described in the section entitled "Risk Factors" in our Annual Report.

Our forward-looking statements speak only as of the date of this report or as of the date they are made, and we undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise. However, any further disclosures made on related subjects in subsequent reports on Forms 10-K, 10-Q and 8-K should be considered.

Business Overview

The Company is a Delaware corporation headquartered in Denver, Thornton, Colorado. The unaudited condensed consolidated financial statements included herein include the accounts of Concrete Pumping Holdings, Inc. and its wholly owned subsidiaries including Brundage-Bone Concrete Pumping, Inc. ("Brundage-Bone"), Capital Pumping, LP ("Capital"), and Camfaud Group Limited ("Camfaud"), and Eco-Pan, Inc. ("Eco-Pan").

As part of the Company's business growth and capital allocation strategy, the Company views strategic acquisitions as opportunities to enhance our value proposition through differentiation and competitiveness. Depending on the deal size and characteristics of the M&A opportunities available, we expect to allocate capital for opportunistic M&A utilizing cash on the balance sheet and the Company's revolving line of credit. In recent years, and as further described below, we have successfully executed on this strategy, including (1) our November 2021 acquisition of Pioneer Concrete Pumping Service, Inc. ("Pioneer") for the purchase consideration of $20.2 million, which provided us with complementary assets and operations in both Georgia and Texas and (2) our acquisition of Coastal Carolina Concrete Pumping, Inc. ("Coastal") in August 2022 for the purchase consideration of $30.8 million, which expanded our operations in the Carolinas and Florida. strategy.

U.S. Concrete Pumping

All branches operating within our U.S. Concrete Pumping segment are concrete pumping service providers in the United States ("U.S."). Our U.S. Concrete Pumping core business is the provision of concrete pumping services to general contractors and concrete finishing companies in the commercial, infrastructure and residential sectors. Equipment generally returns to a "home base" nightly and these branches do not contract to purchase, mix, or deliver concrete. This segment collectively has approximately 100 branch locations across approximately 20 21 states with their corporate headquarters in Denver, Thornton, Colorado.

In recent years, U.S. Concrete Pumping has grown through the acquisitions of Coastal in August 2022 and Pioneer in November 2021, as described above, in addition to its greenfield expansion into Metro Washington DC in fiscal 2022.

U.S. Concrete Waste Management Services

Our U.S. Concrete Waste Management Services segment consists of our U.S. based Eco-Pan business. Eco-Pan provides industrial cleanup and containment services, primarily to customers in the construction industry. Eco-Pan uses containment pans specifically designed to hold waste products from concrete and other industrial cleanup operations. Eco-Pan has 19 20 operating locations across the U.S. with its corporate headquarters in Denver, Thornton, Colorado.

U.K. Operations

Our U.K. Operations segment consists of our Camfaud, Premier and U.K. based Eco-Pan businesses. Camfaud is a concrete pumping service provider in the U.K. Our U.K. core business is primarily the provision of concrete pumping services to general contractors and concrete finishing companies in the commercial, infrastructure and residential sectors. Equipment generally returns to a "home base" nightly and does not contract to purchase, mix, or deliver concrete. Camfaud has approximately 30 branch locations throughout the U.K., with its corporate headquarters in Epping (near London), England. In addition, we have concrete waste management operations under our Eco-Pan brand name in the U.K. and currently operate from a shared Camfaud location.

Corporate

Our Corporate segment is primarily related to the intercompany leasing of real estate to certain of our U.S. Concrete Pumping branches.

Impacts of Macroeconomic Factors and COVID-19 Recovery

There have been no material changes to the "Impacts of Macroeconomic Factors and COVID-19 Recovery" previously disclosed in our Annual Report. For a detailed discussion of the risks that affect our business, please refer to the section entitled "Impacts of Macroeconomic Factors and COVID-19 Recovery" in the Annual Report.

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Results of Operations

During the first quarter of fiscal 2024, the Company's operations in the U.S. were negatively impacted by severe winter weather, including heavy rainfall, snow and freezing temperatures in the month of January that stalled many customer projects and resulted in a revenue decline in the U.S. Concrete Pumping segment. This was coupled with an increase in expenses during the first quarter primarily due to (1) a non-recurring charge of $3.5 million as a result of a recent adverse court ruling related to sales tax, and (2) higher labor, health insurance and rent costs. These factors are reflected in the description of our results of operations below.

Three Months Ended January 31, 2024 Compared to the Three Months Ended January 31, 2023

The tables included in the period-to-period comparisons below provide summaries of our revenues, revenue, gross profits profit and net income for our business segments for the three and nine months ended July 31, 2023 January 31, 2024 and 2022.

Three Months Ended July 31, 2023 Compared to the Three Months Ended July 31, 20222023.

<u>Revenue</u>

	Three Months Ended July 31,		Change	
(in thousands, unless otherwise stated)	2023	2022	$	%
<u>Revenue</u>				
U.S. Concrete Pumping	$ 87,323	$ 77,352	$ 9,971	12.9 %
U.K. Operations	17,260	14,417	2,843	19.7 %
U.S. Concrete Waste Management Services	16,505	12,813	3,692	28.8 %
Corporate	625	625	-	0.0 %
Intersegment	(1,042)	(738)	(304)	41.2 %
Total revenue	$ 120,671	$ 104,469	$ 16,202	15.5 %

(in thousands)	Three Months Ended January 31, 2024	Three Months Ended January 31, 2023	Change $	Change %
Revenue				
U.S. Concrete Pumping	$ 66,683	$ 67,187	$ (504)	-0.8 %
U.K. Operations	15,408	12,708	2,700	21.2 %
U.S. Concrete Waste Management Services - Third parties	15,620	13,680	1,940	14.2 %
U.S. Concrete Waste Management Services - Intersegment	100	92	8	8.7 %
Intersegment eliminations	(100)	(92)	(8)	8.7 %
Reportable segment revenue	$ 97,711	$ 93,575	$ 4,136	4.4 %

Total revenue. Total revenues were $120.7 million $97.7 million for the three months ended July 31, 2023 January 31, 2024 compared to $104.5 million $93.6 million for the three months ended July 31, 2022 January 31, 2023. Revenue by segment is further discussed below.

U.S. Concrete Pumping. Revenue for our U.S. Concrete Pumping segment increased decreased by 12.9% 0.8%, or $10.0 million, $0.5 million, from $77.4 million $67.2 million in the third quarter of fiscal 2022 to $87.3 million for the third first quarter of fiscal 2023 primarily driven from prior acquisitions and improved pricing.Revenue attributable to our acquisition of Coastal was $5.6 million $66.7 million for the third first quarter of fiscal 2023. 2024 primarily attributable to a decrease in volume driven by severe winter weather in the 2024 first quarter, specifically heavy rainfall and freezing temperatures in the month of January.

U.K. Operations. Revenue for our U.K. Operations segment increased by 19.7% 21.2%, or $2.8 million, $2.7 million, from $14.4 million $12.7 million in the third first quarter of fiscal 2022 2023 to $ 17.3 million $15.4 million for the third first quarter of fiscal 2023. 2024. Excluding the impact from foreign currency translation, revenue was up 17.5% 16% year-over-year. The increase in revenue was primarily attributable to improved pricing across the U.K. region. improvements.

U.S. Concrete Waste Management Services. Revenue Third party revenue for the U.S. Concrete Waste Management Services segment improved by 28.8% 14.2%, or $3.7 million, $1.9 million, from $12.8 million $13.7 million in the third first quarter of fiscal 2022 2023 to $16.5 million $15.6 million for the third first quarter of fiscal 2023. 2024. The increase in revenue was primarily due to driven by robust organic volume growth due to an increase in demand and pricing improvements. improvements against a backdrop of adverse winter weather.

Corporate. There was no change in revenue for our Corporate segment for the periods presented. Any year-over-year changes for our Corporate segment are primarily related to the intercompany leasing of real estate to certain of our U.S. Concrete Pumping branches. These revenues are eliminated in consolidation through the Intersegment line item.

Gross Profit and Gross Margin

(in thousands, unless otherwise stated)	Three Months Ended July 31, 2023	Three Months Ended July 31, 2022	Change $	Change %	Three Months Ended January 31, 2024	Three Months Ended January 31, 2023	Change $	Change %
Gross Profit and Gross Margin								
Gross Profit	49,484	41,934	7,550	18.0 %	$ 33,314	$ 36,454	$ (3,140)	-8.6 %
Gross Margin	41.0 %	40.1 %			34.1 %	39.0 %		

Gross margin. Our gross margin for the third first quarter of fiscal 2023 2024 was 41.0% 34.1% compared to 40.1% 39.0% in the third first quarter of fiscal 2022. 2023. The slight increase decrease in our gross margin was primarily related to lower revenue volumes and labor utilization driven by the strong revenue growth discussed above and the easing adverse impact severe of diesel fuel prices, partially offset by winter weather conditions, coupled with inflationary pressures primarily increases in labor inflation. insurance costs.

General and administrative expenses

General and administrative expenses ("G&A"). G&A expenses for the third first quarter of fiscal 2023 2024 were $29.9 million, $31.9 million, an increase of $2.1 million $4.9 million from $27.8 million $27.0 million in the third first quarter of fiscal 2022. 2023. G&A expenses as a percent of revenue were 24.8% 32.7% for the third first quarter of fiscal 2023 2024 compared to 26.6% 28.9% for the same period a year ago. The dollar increase in G&A expenses was largely due to (1) a non-recurring charge of $3.5 million related to sales tax litigation, as further described in Note 13 in Part I, Item 1 of this report for more information, (2) higher labor and health insurance costs of approximately $3.0 million $2.5 million as a result of additional headcount from recent acquisitions. in our U.S. Concrete Waste Management Services segment to support growth initiatives and wage inflation, and (3) higher rent of $0.5 million. These increases were partially offset by non-cash decreases in amortization expense of $0.9 million and $0.6 million in lower stock-based compensation expense.

Excluding amortization of intangible assets of $4.7 million, $3.9 million, depreciation expense of $0.6 million and $0.6 million, stock-based compensation expense of $0.9 million, $0.5 million and the non-recurring $3.5 million sales tax litigation-related charge, G&A expenses were $23.7 million $23.4 million for the third first quarter of fiscal 2024 (23.9% of revenue), up $6.4 million from $20.5 million for the first quarter of fiscal 2023 (19.6% of revenue), up $3.2 million from (21.9% $20.5 million for the third quarter of fiscal 2022 (19.6% of revenue). The increase was primarily due to the Washington charge and higher labor costs as discussed above.

Total other income (expense)

Interest expense net. and amortization of deferred financing costs. Interest expense net and amortization of deferred financing costs for the third first quarter of fiscal 2023 2024 was $7.1 million, up $0.5 million $6.5 million, down $0.4 million from $6.5 million $6.9 million in the third first quarter of fiscal 2022. 2023. The increase decrease was primarily attributable to a higher lower average ABL revolver draw during the fiscal 2023 third 2024 first quarter as compared to the same quarter a year ago.

Change in fair value of warrant liabilities. During the third first quarter of fiscal 2023 2024 the Company recognized a $0.9 million $0.1 million gain on the fair value remeasurement of our liability-classified warrants. During the third first quarter of fiscal 2022 2023 the Company recognized a $7.4 million $4.6 million gain on the fair value measurement of our liability-classified warrants. The continued decline in the fair value remeasurement of the public warrants for both periods presented the first quarter of fiscal 2023 is due to the Company's share price trading below the exercise price as the warrants get were closer to expiring in December 2023. On December 6, 2023, we announced the expiration of the Company's 13,017,677 warrants to acquire shares of its common stock, as such they are no longer recognized as a liability on the balance sheet as of January 31, 2024.

Income tax expense

Income tax expense. expense (benefit). For the third first fiscal quarter ended July 31, 2023 January 31, 2024 the Company recorded income tax expense benefit of $3.3 million $1.0 million on pretax income loss of $13.7 million. $4.8 million. For the same quarter a year ago, the Company recorded an income tax expense of $2.0 million $0.6 million on a pretax income of $15.0 million. $7.1 million. The comparability of effective tax rate for the three months ended July 31, 2023 rates between both periods was primarily impacted by the respective change in warrants fair value of warrant liabilities, which activity in the three months ended January 31, 2023, as it is not recognized for tax purposes.

Nine Months Ended July 31, 2023 Compared Adjusted EBITDA and Net Income/(Loss)

During the first quarter of fiscal year 2024, the Company moved certain assets and associated revenues and expenses, which was previously categorized in the Company's Other activities, into the U.S. Concrete Pumping segment in order to better align its placement with the manner in which the Company now allocates resources and measures performance. As a result, segment results for prior periods have been reclassified to conform to the Nine Months Ended July 31, 2022 current period presentation. For further discussion, see Note 18 in Part I, Item 1 of this report for more information. In addition, in order to appropriately distribute the use of corporate resources and better align measures with segment performance, beginning in the first quarter of fiscal year 2024, the Company is no longer adding back intercompany allocations to segment Adjusted EBITDA. The Company recast segment results for the quarter ended January 31, 2023 are below:

	Three Months Ended January 31, 2023			
(in thousands)	U.S. Concrete Pumping	U.K. Operations	U.S. Concrete Waste Management Services	Other
As Previously Reported				
Net income (loss)	$ (1,100)	$ (100)	$ 2,812	$ 4,862
Income tax expense (benefit)	(390)	(40)	968	105
Depreciation and amortization	10,374	1,827	2,035	213
EBITDA	15,063	2,380	5,815	5,180
Other Adjustments	(1,505)	812	737	-
Adjusted EBITDA	14,688	3,186	6,547	625
Recast Adjustment				
Net income (loss)	$ 307	$ -	$ -	$ (307)
Income tax expense (benefit)	105	-	-	(105)

Depreciation and amortization	213	-	-	(213)
EBITDA	625	-	-	(625)
Other Adjustments	1,511	(774)	(737)	-
Adjusted EBITDA	2,136	(774)	(737)	(625)
Current Report As Adjusted				
Net income (loss)	$ (793)	$ (100)	$ 2,812	$ 4,556
Income tax expense (benefit)	(284)	(40)	968	
Depreciation and amortization	10,587	1,827	2,035	
EBITDA	15,688	2,380	5,815	4,556
Other Adjustments	6	38	-	
Adjusted EBITDA	16,824	2,412	5,810	-

Revenue

(in thousands, unless otherwise stated)	Nine Months Ended July 31, 2023	Nine Months Ended July 31, 2022	Change $	Change %
Revenue				
U.S. Concrete Pumping	$ 232,896	$ 212,189	$ 20,707	9.8 %
U.K. Operations	45,207	39,980	5,227	13.1 %
U.S. Concrete Waste Management Services	44,445	34,551	9,894	28.6 %
Corporate	1,875	1,875	-	0.0 %
Intersegment	(2,386)	(2,197)	(189)	8.6 %
Total revenue	$ 322,037	$ 286,398	$ 35,639	12.4 %

(in thousands, except percentages)	Net Income (Loss) Three Months Ended January 31, 2024	Net Income (Loss) Three Months Ended January 31, 2023	Adjusted EBITDA Three Months Ended January 31, 2024	Adjusted EBITDA Three Months Ended January 31, 2023	Adjusted EBITDA Change $	Adjusted EBITDA Change %
U.S. Concrete Pumping	$ (6,845)	$ (793)	$ 10,706	$ 16,824	$ (6,118)	-36.4 %
U.K. Operations	484	(100)	3,202	2,412	790	32.8 %
U.S. Concrete Waste Management Services	2,405	2,812	5,373	5,810	(437)	-7.5 %
Other	130	4,556	-	-	-	0.0 %
Total	$ (3,826)	$ 6,475	$ 19,281	$ 25,046	$ (5,765)	-23.0 %

Total revenue. Total revenues were $322.0 million for the nine months ended July 31, 2023 compared to $286.4 million for the nine months ended July 31, 2022. Revenue by segment is further discussed below.

U.S. Concrete Pumping. Revenue for our U.S. Concrete Pumping segment increased by 9.8%, or $20.7 million, from $212.2 million in the nine months ended July 31, 2022 to $232.9 million primarily driven by revenue contributions from recent acquisitions, coupled with organic growth in certain of our markets, notably in the southeastern region of the U.S. Revenue attributable to our acquisition of Coastal was $15.0 million for the nine months ended July 31, 2023.

U.K. Operations. Revenue for our U.K. Operations segment increased by 13.1%, or $5.2 million, from $40.0 million in the nine months ended July 31, 2022 to $45.2 million. Excluding the impact from foreign currency translation, revenue was up 19.0% year-over-year. The increase in revenue was driven by a robust improvement in pricing across the U.K. region.

U.S. Concrete Waste Management Services. Revenue for the U.S. Concrete Waste Management Services segment improved by 28.6%, or $9.9 million, from $34.6 million in the nine months ended July 31, 2022 to $44.4 million. The increase in revenue was due to robust organic volume growth and pricing improvements.

Corporate. There was no change in revenue for our Corporate segment for the periods presented. Any year-over-year changes for our Corporate segment are primarily related to the intercompany leasing of real estate to certain of our U.S. Concrete Pumping branches. These revenues are eliminated in consolidation through the Intersegment line item.

Gross Profit and Gross Margin

(in thousands, unless otherwise stated)	Nine Months Ended July 31, 2023	2022	Change $	%
Gross Profit and Gross Margin				
Gross Profit	129,412	114,998	14,414	12.5 %
Gross Margin	40.2 %	40.2 %		

Gross margin. Our gross margin for the nine months ended July 31, 2023 and 2022 was 40.2%. The margin has remained consistent due to the easing of diesel fuel prices being completely offset by inflationary pressures primarily in labor inflation.

General and administrative expenses

General and administrative expenses ("G&A"). G&A expenses for the nine months ended July 31, 2023 were $87.2 million, an increase of $4.1 million from $83.2 million for the nine months ended July 31, 2022. The increase in G&A expenses was primarily due to (1) higher labor costs of approximately $6.2 million primarily due to additional headcount that joined the Company as a result of recent acquisitions, (2) higher rent, utilities and office expenses aggregating to $1.2 million primarily from recent acquisitions and (3) higher legal and accounting expenses, partially offset by $2.9 million in additional non-cash expense related to fluctuations in the GBP and lower amortization of intangible assets expense of $2.6 million. G&A expenses as a percent of revenue were 27.1% for fiscal 2023 compared to 29.0% for the same period a year ago.

Excluding amortization of intangible assets of $14.3 million, depreciation expense of $1.8 million and stock-based compensation expense of $3.1 million, G&A expenses were $68.0 million for the nine months ended July 31, 2023 (21.1% of revenue), up $7.7 million from $60.3 million for the nine months ended July 31, 2022 (21.0% of revenue). The increase was primarily due to the higher labor costs, legal and accounting costs, rent, utilities, and office expenses, which was partially offset by fluctuations in the GBP as discussed above.

Total other income (expense)

Interest expense, net. Interest expense, net for the nine months ended July 31, 2023 was $21.3 million, up $2.2 million from $19.1 million from the nine months ended July 31, 2022. The increase was primarily attributable to a higher average ABL revolver draw during the (nine months ended July 31, 2023) as compared to the same quarter a year ago.

Change in fair value of warrant liabilities. During the nine months ended July 31, 2023 the Company recognized a $6.6 million gain on the fair value remeasurement of our liability-classified warrants. During the nine months ended July 31, 2022 the Company recognized a $9.9 million gain on the fair value measurement of our liability-classified warrants. The continued decline in the fair value remeasurement of the public warrants for all periods presented is due to the Company's share price trading below the exercise price as the warrants get closer to expiring in December 2023.

Income tax expense

Income tax expense. For the nine months ended July 31, 2023, the Company recorded an income tax expense of $ 5.4 million on pretax income of $ 27.8 million. For the same period a year ago, the Company recorded an income tax expense of $ 2.5 million on pretax income of $ 22.7 million. The effective tax rate for the three and nine-month periods ended July 31, 2023 was primarily impacted by the respective change in fair value of warrant liabilities, which is not recognized for tax purposes.

Adjusted EBITDA(1) and Net Income

	Net Income		Adjusted EBITDA			
	Three Months Ended July 31,		Three Months Ended July 31,		Change	
(in thousands)	2023	2022	2023	2022	$	%
U.S. Concrete Pumping	$ 3,517	$ 2,812	$ 20,535	$ 19,776	$ 759	3.8 %
U.K. Operations	1,616	441	5,566	3,955	1,611	40.7 %
U.S. Concrete Waste Management Services	3,986	2,010	8,190	5,681	2,509	44.2 %
Corporate	1,217	7,713	625	625	-	0.0 %
Total	$ 10,336	$ 12,976	$ 34,916	$ 30,037	$ 4,879	16.2 %

	Net Income		Adjusted EBITDA			
	Nine Months Ended July 31,		Nine Months Ended July 31,		Change	
(in thousands)	2023	2022	2023	2022	$	%
U.S. Concrete Pumping	$ 2,867	$ 3,772	$ 52,363	$ 52,285	$ 78	0.1 %
U.K. Operations	2,449	358	13,349	11,017	2,332	21.2 %
U.S. Concrete Waste Management Services	9,526	5,205	21,208	15,233	5,975	39.2 %
Corporate	7,557	10,809	1,875	1,875	-	0.0 %
Total	$ 22,399	$ 20,144	$ 88,795	$ 80,410	$ 8,385	10.4 %

(1) See "Non-GAAP Measures (EBITDA and Adjusted EBITDA)" below. As of the first quarter of fiscal 2023, we have modified the method in which adjusted EBITDA is calculated by no longer including an add-back for director costs and public company expenses. The Company recast adjusted EBITDA for U.S. Concrete Pumping in the three and nine months ended July 31, 2022 by $0.6 million and $1.9 million, respectively, for these expenses to reflect this change. See "Non-GAAP Measures (EBITDA and Adjusted EBITDA)" below for more information.

U.S. Concrete Pumping. Net income loss for our U.S. Concrete Pumping segment was $3.5 million $6.8 million for the third first quarter of fiscal 2023, 2024, versus a net income loss of $2.8 million $0.8 million for the third first quarter of fiscal 2022. 2023. Adjusted EBITDA for our U.S. Concrete Pumping segment was $20.5 million $10.7 million for the third first quarter of fiscal 2023, versus $19.8 million 2024, down 36.4% from $16.8 million for the same period in fiscal 2022. 2023. The increases decreases in net income and Adjusted EBITDA were primarily attributable to recent acquisitions lower revenue volume and organic growth.

Net income for our U.S. Concrete Pumping segment was $2.9 million for labor utilization due to the nine months ended July 31, 2023, versus a net income of $3.8 million for adverse impact from severe winter weather in the nine months ended July 31, 2022. Adjusted EBITDA for our U.S. Concrete Pumping segment was $52.4 million for the nine months ended July 31, 2023, versus $52.3 million for the same period in fiscal 2022. first quarter, coupled with increased costs related to insurance.

U.K. Operations. Net income for our U.K. Operations segment was $1.6 million $0.5 million for the third first quarter of fiscal 2023, 2024, versus a net income loss of $0.4 million $0.1 million for the third first quarter of fiscal 2022. 2023. Adjusted EBITDA for our U.K. Operations segment was $5.6 million $3.2 million for the third first quarter of fiscal 2023, 2024, up 40.7% 32.8% from $4.0 million $2.4 million from the same period in fiscal 2022. 2023. The increases were primarily attributable to the year-over-year improvement in revenue.

Net income for our U.K. Operations segment was $2.4 million for the nine months ended July 31, 2023, compared to a net income of $0.4 million for the nine months ended July 31, 2022. Adjusted EBITDA for our U.K. Operations segment was $13.3 million for the nine months ended July 31, 2023, up 21.2% from $11.0 million from the same period revenue and reductions in fiscal 2022. The increases were primarily attributable to the year-over-year improvement in revenue. fuel, labor and repair costs.

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U.S. Concrete Waste Management Services. Net income for our U.S. Concrete Waste Management Services segment was $4.0 million $2.4 million for the third first quarter of fiscal 2023, 2024, versus net income of $2.0 million $2.8 million for the third first quarter of fiscal 2022. 2023. Adjusted EBITDA for our U.S. Concrete Waste Management Services segment was $8.2 million $5.4 million for the third first quarter of fiscal 2023, up 44.2% 2024, down 7.5% from $5.7 million $5.8 million from the same period in fiscal 2022. 2023. The increases decreases were primarily attributable to the year-over-year improvement adverse weather impact in the first quarter on revenue as discussed above.

Net income for our U.S. Concrete Waste Management Services segment was $9.5 million for the nine months ended July 31, 2023, up from net income of $5.2 million for the nine months ended July 31, 2022. Adjusted EBITDA for our U.S. Concrete Waste Management Services segment was $21.2 million for the nine months ended July 31, 2023, up 39.2% from $15.2 million for the same period in fiscal 2022. The increases were primarily attributable to the year-over-year robust organic growth in revenue as discussed above. volumes and labor utilization, coupled with insurance cost inflation.

Corporate. Other. Net income for our Corporate segment Other activities was $1.2 million $0.1 million for the third first quarter of fiscal 2023, 2024, compared to a net income of $7.7 million $4.6 million for the third first quarter of fiscal 2022. 2023. The change in net income is primarily related to the change in warrant liability, as discussed above.

Net income for our Corporate segment was $7.6 million for the nine months ended July 31, 2023, down from net income of $10.8 million for the nine months ended July 31, 2022. The decrease from the nine months ended July 31, 2023 compared to the same period in fiscal 2022 was primarily related to the changes in the warrant liability, as discussed above.

There was no change in Adjusted EBITDA for our Corporate segment Other activities for the periods presented. provided.

Liquidity and Capital Resources

Overview

Our capital structure is primarily a combination of (1) permanent financing, represented by stockholders' equity; (2) zero-dividend convertible perpetual preferred stock; (3) long-term financing represented by our Senior Notes and (4) short-term financing under our ABL Facility. Our primary sources of liquidity are cash generated from operations, available cash and cash equivalents and access to our revolving credit facility under our ABL Facility, which provides for aggregate borrowings of up to $225.0 million, subject to a borrowing base limitation. We use our liquidity and capital resources to: (1) finance working capital requirements; (2) service our indebtedness; (3) purchase property, plant and equipment; and (4) finance strategic acquisitions, such as the acquisition of Pioneer, Coastal and others. acquisitions. As of July 31, 2023 January 31, 2024, we had $11.5 million $14.7 million of cash and cash equivalents and $184.0 million $202.3 million of available borrowing capacity under the ABL Facility, providing total available liquidity of $195.5 million. $217.0 million.

We may from time to time seek to retire or pay down borrowings on the outstanding balance of our ABL Facility or Senior Notes using cash on hand. Such repayments, if any, will depend on prevailing market conditions, our liquidity requirements, contractual restrictions and other factors.

We believe our existing cash and cash equivalent balances, cash flow from operations and borrowing capacity under our ABL Facility will be sufficient to meet our working capital and capital expenditure needs for at least the next 12 months. Our future capital requirements may vary materially from those currently planned and will depend on many factors, including our rate of revenue growth, potential acquisitions and overall economic conditions. To the extent that current and anticipated future sources of liquidity are insufficient to fund our future business activities and requirements, we may be required to seek additional equity or debt financing. The sale of additional equity could result in dilution to our stockholders. The incurrence of debt financing would result in debt service obligations and the instruments governing such debt could provide for operating and financing covenants that would restrict our operations.

Material Cash Requirements

Our principal uses of cash historically have been to fund operating activities and working capital, purchases of property and equipment, strategic acquisitions, fund payments due under facility operating and finance leases, share repurchases and to meet debt service requirements.

Our working capital deficit surplus as of July 31, 2023 January 31, 2024 was $2.4 million. We generally operate with a working capital deficit due to our efficient use of cash in funding operations and because we have consistent access to capital markets. $7.3 million. We believe we have adequate coverage of our debt covenants.

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The amount of our future capital expenditures will depend on a number of factors including general economic conditions and growth prospects. In response to changing economic conditions, we believe we have the flexibility to modify our capital expenditures by adjusting them (either up or down) to match our actual performance. Our capital expenditures for the nine three months ended July 31, 2023 January 31, 2024 and 2022 2023 were approximately $43.2 million $17.8 million and $81.0 million, $17.1 million, respectively.

To service our debt, we require a significant amount of cash. Our ability to pay interest and principal on our indebtedness will depend upon our future operating performance and the availability of borrowings under the ABL Facility and/or other debt and equity financing alternatives available to us, which will be affected by prevailing economic conditions and conditions in the global credit and capital markets, as well as financial, business and other factors, some of which are beyond our control. Based on our current level of operations and given the current state of the capital markets, we believe our cash flow from operations, available cash and available borrowings under the ABL Facility will be adequate to service our debt and meet our future liquidity needs for the foreseeable future. See “Senior Notes and ABL Facility” discussion below for more information.

Future Contractual Obligations

For information regarding our future contractual obligations, see the MD&A discussion included in Item 7 of Part II of our Annual Report.

Senior Notes and ABL Facility

The table below is a summary of the composition of the Company’s debt balances as of July 31, 2023 January 31, 2024 and October 31, 2022 October 31, 2023:

(in thousands)	Interest Rates	Maturities	As of July 31, 2023	As of October 31, 2022	Interest Rates	Maturities	January 31, 2024	October 31, 2023
Revolving loan - short term	Varies	January 2026	$ 35,699	$ 52,133				
Senior Notes - all long term	6.0000%	February 2026	375,000	375,000				
ABL Facility - short term					Varies	June 2028	$ 13,021	$ 18,954
Senior notes - all long term					6.0000%	February 2026	375,000	375,000
Total debt, gross			410,699	427,133			388,021	393,954
Less: Unamortized deferred financing costs offsetting long term debt			(3,480)	(4,524)			(2,784)	(3,132)
Less: Revolving loan - short term			(35,699)	(52,133)				
Less: Current Portion							(13,021)	(18,954)
Long term debt, net of unamortized deferred financing costs			$ 371,520	$ 370,476			$ 372,216	$ 371,868

On June 1, 2023, the ABL Facility was amended to, among other changes, (1) increase the maximum revolver borrowings available to be drawn thereunder from $160.0 million to $225.0 million, (2) increase the letter of credit sublimit from $10.5 million to $22.5 million and (3) extend the maturity of the ABL Facility to the earlier of (a) June 1, 2028 and or (b) the date that is 180 days prior to (i) the final stated maturity date of the Senior Notes or (ii) the date the Senior Notes become due and payable. The ABL Facility also provides for an uncommitted accordion feature under which the borrowers under the ABL Facility can, subject to specified conditions, increase the ABL Facility by up to an additional $75.0 million. The $65.0 million in incremental commitments were provided by JPMorgan Chase Bank, N.A. and PNC Bank, N.A. The amended ABL Facility was treated as a debt modification. The Company capitalized an additional $0.5 million of debt issuance costs related to the June 1, 2023, ABL Facility amendment. The preexisting unamortized deferred costs of $1.4 million and the additional costs of $0.5 million will be amortized from June 1, 2023 through June 1, 2028.

The outstanding balance under the ABL Facility as of July 31, 2023 January 31, 2024 was $35.7 million $13.0 million and as of that date, the Company was in compliance with all debt covenants. In addition, as of July 31, 2023 January 31, 2024, the Company had $1.1 million in credit line reserves and a letter of credit balance of $4.2 million. $8.5 million. As of July 31, 2023 January 31, 2024, we had $184.0 million $202.3 million of available borrowing capacity under the ABL Facility. Debt issuance costs related to revolving credit facilities are capitalized and reflected as an asset in deferred financing costs in the accompanying consolidated condensed balance sheets. The Company had debt issuance costs related to the revolving credit facilities of $1.9 million $1.7 million as of July 31, 2023 January 31, 2024. See Note 98 for more information on the Senior Notes and ABL Facility.

Cash Flows

Cash generated from operating activities typically reflects net income, as adjusted for non-cash expense items such as depreciation, amortization and stock-based compensation, and changes in our operating assets and liabilities. Generally, we believe our business requires a relatively low level of working capital investment due to low inventory requirements and timely customer payments due to daily billings for most of our services.

Cash flow provided by operating activities. Net cash provided by operating activities generally reflects the cash effects of transactions and other events used in the determination of net income or loss.

Net cash provided by operating activities during the nine three months ended July 31, 2023 January 31, 2024 was $66.2 million $20.3 million. The Company had a net income loss of $22.4 million $3.8 million, which included non-cash expense items of $46.5 million $13.4 million. In addition, we had cash outflows related to an increase to our working capital of $2.6 million. $10.7 million. Working capital changes primarily include an increase a decrease in accrued payroll, accrued expenses and other current liabilities of $4.5 million, an increase in trade receivables of $3.2 million, $13.9 million, a decrease in inventory of $0.6 million, a decrease of $2.1 million to $3.9 million in accounts payable, an increase in inventory of $1.0 million and an increase in prepaid expenses and other operating assets of $0.9 million $0.6 million and a decrease in other operating liabilities of $0.6 million. The increase decrease in accrued payroll, accrued expenses and other current liabilities is primarily related to timing of the payment of accrued interest. The Company makes semi-annual interest payments in February and August each year. The increase in trade receivables is due to stronger revenue growth. seasonal collection of receivables during the first quarter of fiscal year 2024. The decrease in accounts payable is driven by the timing of vendor payments. The increase in other assets is primarily due to the increase in sales tax receivable.

Net cash provided by operating activities during the nine three months ended July 31, 2022 January 31, 2023 was $53.7 million. $17.9 million. The Company had net income of $20.1 million, $6.5 million, which included non-cash expense items of $40.9 million. $11.4 million. In addition, we had cash outflows related to an increase a decrease to our working capital of $7.3 million $0.1 million. Working capital changes primarily include an increase to trade receivables of $11.0 million, an increase to prepaid expenses and other current operating assets of $1.2 million an increase in accrued payroll, accrued expenses and other current liabilities of $7.5 million $7.3 million and a decrease of $2.3 million $4.0 million to accounts payable. The payable, offset by a decrease in receivables of $10.4 million, an increase to trade receivables is primarily due to timing in other operating liabilities of customer payments $1.9 million, and seasonality an increase in inventory of business volume increases during the second and third quarters of the fiscal year. $1.0 million. The increase to prepaid expenses and other current assets is primarily due to timing of prepaid insurance, which is generally prepaid during the first quarter of fiscal year 2022. 2023. The decrease to in accounts payable is driven by timing timing. The decrease in receivables is due to seasonal collection of vendor payments. The receivables during the first quarter of fiscal year 2023, while the increase in accrued payroll, accrued expenses and other current operating liabilities is primarily related to an increase in accrued interest. interest and partially offset by lease payments of $1.4 million. The Company makes semi-annual semiannual interest payments in February and August each year.

Cash flow used in investing activities. Net cash used in operating activities generally reflects the cash outflows for property, plant and equipment.

We used $35.9 million $16.5 million to fund investing activities during the nine three months ended July 31, 2023 January 31, 2024. The Company used $43.2 million $17.8 million for the purchase of property, plant and equipment, and $0.8 million for the purchase of intangible assets, which was partially offset by $8.0 million $1.3 million in proceeds from the sale of property, plant and equipment.

We used $76.2 million $14.8 million to fund investing activities during the nine three months ended July 31, 2022 January 31, 2023. The Company used $81.0 million $17.1 million for the purchase of property, plant and equipment, and $1.5 million for the purchase of intangible assets, which was partially offset by $2.3 million in proceeds from the sale of property, plant and equipment of $6.2 million. equipment.

Cash flow provided by (used in) financing activities.

Net cash used in financing activities was $26.7 million $5.6 million for the nine three months ended July 31, 2023 January 31, 2024. Financing Cash used in financing activities during this period included $9.7 million $5.9 million in net payments under the Company's ABL Facility and $1.1 million in purchase of treasury stock, which included $8.6 million $0.2 million purchased under the share repurchase program and $1.1$0.9 million in outflows from the purchase of shares into treasury stock in order to fund the employee tax obligations for certain vested stock awards.

Net cash provided by financing activities was $6.7 million for the three months ended January 31, 2023. Financing activities during this period primarily included $5.5 million in purchase of treasury stock, which included $4.9 million purchased under the share repurchase program and $0.6 million in outflows from the purchase of shares into treasury stock in order to fund the employee tax obligations for certain vested stock awards. In addition, cash used in financing activities included $16.4 million $1.2 million in net proceeds under the Company's ABL Facility. Facility

Net cash provided by financing activities was $14.4 million for the nine months ended July 31, 2022. Financing activities during this period primarily included $16.1 million in net borrowings under the Company's ABL Facility that were partially offset by $1.4 million in outflows from the purchase of shares into treasury stock in order to fund the employee tax obligations for certain vested stock awards.

Accounting and Other Reporting Matters

Non-GAAP Measures (EBITDA and Adjusted EBITDA)

We calculate EBITDA by taking GAAP net income and adding back interest expense, income taxes, depreciation and amortization. Adjusted EBITDA is calculated by taking EBITDA and adding back transaction expenses, loss on debt extinguishment, stock-based compensation, changes in the fair value of warrant liabilities, other income, net, goodwill and intangibles impairment and other adjustments. Transaction expenses represent expenses for legal, accounting, and other professionals that were engaged in the completion of various acquisitions. Transaction expenses can be volatile as they are primarily driven by the size of a specific acquisition. As such, we exclude these amounts from Adjusted EBITDA for comparability across periods. Other adjustments include the adjustments for warrant liabilities revaluation, non-recurring expenses and non-cash currency gains/losses. As of

During the first quarter of fiscal 2023, we have modified year 2024, the method Company moved certain assets and associated revenues and expenses that was previously categorized in the Company's Other activities, into the U.S. Concrete Pumping segment in order to better align its placement with the manner in which adjusted EBITDA the Company now allocates resources and measures performance. As a result, segment results for prior periods have been reclassified to conform to the current period presentation. For further discussion, see Note 18 in Part I, Item 1 of this report for more information. In addition, in order to appropriately distribute the use of corporate resources and better align measures with segment performance, beginning in the first quarter of fiscal year 2024, the Company is calculated by no longer including an add-back adding back intercompany allocations to segment Adjusted EBITDA. As a result, segment results for director costs prior periods have been reclassified to conform to our current period presentation. See the section "Adjusted EBITDA and public company expenses. Adjusted EBITDA in the three and nine months ended July 31, 2022 is recast by $0.6 million and $1.9 million, respectively, Net Income/(Loss)" above for these expenses to reflect this change. more information.

We believe these non-GAAP measures of financial results provide useful supplemental information to management and investors regarding certain financial and business trends related to our financial condition and results of operations, and as a supplemental tool for investors to use in evaluating our ongoing operating results and trends and in comparing our financial measures with competitors who also present similar non-GAAP financial measures. In addition, these measures (1) are used in quarterly and annual financial reports and presentations prepared for management, and our board of directors and investors, and (2) help management to determine incentive compensation. EBITDA and Adjusted EBITDA have limitations and should not be considered in isolation or as a substitute for performance measures calculated under GAAP. These non-GAAP measures exclude certain cash expenses that we are obligated to make. In addition, other companies in our industry may calculate EBITDA and Adjusted EBITDA differently or may not calculate it at all, which limits the usefulness of EBITDA and Adjusted EBITDA as comparative measures.

	Three Months Ended July 31,		Nine Months Ended July 31,	
(in thousands)	2023	2022	2023	2022
Consolidated				
Net income	$ 10,336	$ 12,976	$ 22,399	$ 20,144
Interest expense, net	7,066	6,517	21,285	19,126
Income tax expense	3,318	2,030	5,427	2,535
Depreciation and amortization	14,707	14,190	43,877	42,505
EBITDA	35,427	35,713	92,988	84,310
Transaction expenses	5	20	32	59
Stock-based compensation	934	1,333	3,138	4,164
Change in fair value of warrant liabilities	(911)	(7,420)	(6,639)	(9,894)
Other income, net	(262)	(16)	(296)	(69)
Other adjustments(1)	(277)	407	(428)	1,840
Adjusted EBITDA	$ 34,916	$ 30,037	$ 88,795	$ 80,410

(in thousands)	Three Months Ended July 31, 2023	Three Months Ended July 31, 2022	Nine Months Ended July 31, 2023	Nine Months Ended July 31, 2022	Three Months Ended January 31, 2024	Three Months Ended January 31, 2023
U.S. Concrete Pumping						
Net income	$ 3,517	$ 2,812	$ 2,867	$ 3,772		
Interest expense, net	6,337	5,795	19,163	16,879		
Consolidated						
Net income (loss)					$ (3,826)	$ 6,475
Interest expense and amortization of deferred financing costs					6,463	6,871
Income tax expense	1,318	961	1,026	258	(1,011)	644
Depreciation and amortization	10,498	9,927	31,464	29,615	14,097	14,449
EBITDA	21,670	19,495	54,520	50,524	15,723	28,439
Transaction expenses	5	20	32	59		
Stock-based compensation	934	1,333	3,138	4,164	536	1,140
Other income, net	(257)	(6)	(273)	(43)		
Other adjustments(1)	(1,817)	(1,066)	(5,054)	(2,419)		
Change in fair value of warrant liabilities					(130)	(4,556)
Other expense (income), net					(39)	(21)
Other adjustments[1]					3,191	44
Adjusted EBITDA	$ 20,535	$ 19,776	$ 52,363	$ 52,285	$ 19,281	$ 25,046
U.S. Concrete Pumping						
Net income (loss)					$ (6,845)	$ (793)
Interest expense and amortization of deferred financing costs					5,754	6,178
Income tax expense (benefit)					(2,103)	(284)
Depreciation and amortization					10,230	10,587
EBITDA					7,036	15,688
Stock-based compensation					536	1,140
Other expense (income), net					(19)	(10)
Other adjustments[1]					3,153	6
Adjusted EBITDA					$ 10,706	$ 16,824

[1] Other adjustments include the adjustment for non-recurring expenses and non-cash currency gains/losses. For the three months ended January 31, 2024, other adjustments includes a $3.5 million non-recurring charge related to sales tax litigation. See Note 13 in Part I, Item 1 of this report for more information.

[1] Other adjustments include the adjustment for non-recurring expenses and non-cash currency gains/losses. For the three months ended January 31, 2024, other adjustments includes a $3.5 million non-recurring charge related to sales tax litigation. See Note 13 in Part I, Item 1 of this report for more information.

	2024	2023
U.K. Operations		
Net income (loss)	$ 484	$ (100)
Interest expense and amortization of deferred financing costs	709	693
Income tax expense (benefit)	176	(40)
Depreciation and amortization	1,808	1,827
EBITDA	3,177	2,380
Other expense (income), net	(13)	(6)
Other adjustments	38	38
Adjusted EBITDA	$ 3,202	$ 2,412
U.S. Concrete Waste Management Services		
Net income	$ 2,405	$ 2,812
Income tax expense	916	968
Depreciation and amortization	2,059	2,035

EBITDA	5,380	5,815
Other expense (income), net	(7)	(5)
Adjusted EBITDA	$ 5,373	$ 5,810
Other		
Net income (loss)	$ 130	$ 4,556
EBITDA	130	4,556
Change in fair value of warrant liabilities	(130)	(4,556)
Adjusted EBITDA	$ -	$ -

(1) Other adjustments include the adjustment for warrant liabilities revaluation, non-recurring expenses and non-cash currency gains/losses. As of the first quarter of fiscal 2023, we modified the method in which adjusted EBITDA is calculated by no longer including an add-back for director costs and public company expenses. The Company recast adjusted EBITDA for U.S. Concrete Pumping in the three and nine months ended July 31, 2022 by $0.6 million and $1.9 million, respectively, for these expenses to reflect this change.

	Three Months Ended July 31,		Nine Months Ended July 31,	
(in thousands)	2023	2022	2023	2022
U.K. Operations				
Net income	$ 1,616	$ 441	$ 2,449	$ 358
Interest expense, net	729	722	2,122	2,247
Income tax expense	545	153	831	122
Depreciation and amortization	1,879	1,881	5,555	5,892
EBITDA	4,769	3,197	10,957	8,619
Other income, net	(6)	(5)	(23)	(11)
Other adjustments	803	763	2,415	2,409
Adjusted EBITDA	$ 5,566	$ 3,955	$ 13,349	$ 11,017

	Three Months Ended July 31,		Nine Months Ended July 31,	
(in thousands)	2023	2022	2023	2022
U.S. Concrete Waste Management Services				
Net income	$ 3,986	$ 2,010	$ 9,526	$ 5,205
Income tax expense	1,352	796	3,257	1,832
Depreciation and amortization	2,114	2,170	6,214	6,361
EBITDA	7,452	4,976	18,997	13,398
Other expense (income), net	1	(5)	-	(15)
Other adjustments	737	710	2,211	1,850
Adjusted EBITDA	$ 8,190	$ 5,681	$ 21,208	$ 15,233

	Three Months Ended July 31,		Nine Months Ended July 31,	
(in thousands)	2023	2022	2023	2022
Corporate				
Net income	$ 1,217	$ 7,713	$ 7,557	$ 10,809
Income tax expense	103	120	313	323
Depreciation and amortization	216	212	644	637
EBITDA	1,536	8,045	8,514	11,769
Change in fair value of warrant liabilities	(911)	(7,420)	(6,639)	(9,894)
Adjusted EBITDA	$ 625	$ 625	$ 1,875	$ 1,875

Critical Accounting Policies and Estimates

Our critical accounting policies and estimates are disclosed in the “Critical Accounting Policies and Estimates” section of our Annual Report. No modifications have been made during the nine three months ended July 31, 2023 January 31, 2024 to these policies or estimates. estimates except for those noted in Note 2 to the condensed consolidated financial statements included within Item 1 of this report.

New Accounting Pronouncements

For information regarding recent accounting pronouncements, see Note 2 to the condensed consolidated financial statements included within Item 1 of this report for more information.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Not applicable.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

The Company maintains Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the design and operation of our disclosure controls and procedures that as of January 31, 2024 (as such term is defined in Rule 13a-15(e) under the Exchange Act). Our disclosure controls and procedures are designed to provide reasonable assurance that the information required to be disclosed in its our reports filed or submitted under the Exchange Act reports is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to management, of the Company, including its our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure. Because of inherent limitations, disclosure Any controls and procedures, no matter how well designed and operated, can provide only reasonable and not absolute, assurance that of achieving the objectives of disclosure controls and procedures are met. The Company's management, with the participation of its desired control objectives.

Based upon this evaluation, our Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the design and operation of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the period covered by this Report. Based on that evaluation, the Company's Chief Executive Officer Office and Chief Financial Officer concluded that, as of July 31, 2023 January 31, 2024, the Company's our disclosure controls and procedures were not effective due to at the material weaknesses described below.

Material Weaknesses in Internal Control Over Financial Reporting

A material weakness is a deficiency, or a combination of deficiencies, in internal controls over financial reporting, such that there is a reasonable possibility that a material misstatement of a company's annual or interim financial statements will not be prevented or detected on a timely basis.

Management previously identified and disclosed two material weaknesses in "Item 9A Controls and Procedures" of the Company's Annual Report. Specifically, material weaknesses were identified related to (1) the review of manual journal entries within the financial statement close process, which was identified in connection with the restatement of the Company's interim unaudited financial statements as of July 31, 2022 ("MW #1"); and (2) the areas of user access and segregation of duties related to information technology systems that support the financial reporting process specifically related to accounts payable and expenditures ("MW #2").

Additionally, these material weaknesses could result in a misstatement of the accounts or disclosures that would result in a material misstatement to the annual or interim consolidated financial statements that would not be prevented or detected.

Remediation Activities

As of July 31, 2023, management designed and implemented measures that it believes remediate the identified material weaknesses. Specifically, for MW #1, controls were designed and implemented and evidenced to ensure that journal entries are adequately reviewed and approved, and for MW #2, the Company has designed and implemented a review of user activity reports and control activities to ensure appropriate segregation of duties. Notwithstanding these measures, due to the nature of the remediation process, newly implemented controls must operate effectively for a sufficient period of time for a definitive conclusion, validated through testing, that the deficiencies have been fully remediated and, as such, management can give no assurance that the measures it has undertaken have fully remediated the material weaknesses that it has identified or that additional material weaknesses will not arise in the future. Consequently, management will continue to monitor the design and effectiveness of these controls through ongoing tests and will make any further changes that management determines to be appropriate. level.

Changes in Internal Control Over Financial Reporting

There have been no changes in our internal control over financial reporting that occurred during our third fiscal the quarter of fiscal 2023 ended January 31, 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Part II

Item 1. Legal Proceedings.

From time The information required with respect to time, we may have been this item can be found under “Commitments and may again become involved Contingencies—Litigation” in legal proceedings arising note 13 of the notes to the consolidated financial statements in the ordinary course of our business. We are not presently a party to any litigation that we believe to be material this quarterly report and we are not aware of any pending or threatened litigation against us that we believe could have a material adverse effect on our business, operating results, financial condition, or cash flows. is incorporated by reference into this Item 1.

Item 1A. Risk Factors.

There have been no material changes to the Risk Factors previously disclosed in our Annual Report. For a detailed discussion of the risks that affect our business, please refer to the section entitled “Risk Factors” in the Annual Report.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

Issuer Purchases of Equity Securities

During the third first quarter of 2023, 2024, under our share repurchase program, we repurchased an aggregate of 198,973 36,094 shares of our common stock for a total of $1.4 million $0.2 million at an average price of $ 7.01 $6.88 per share. The following table reflects issuer purchases of equity securities for the three months ended July 31, 2023 January 31, 2024:

ISSUER PURCHASES OF EQUITY SECURITIES

Period	Total Number of Shares Purchased (1)	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet be Purchased under the Plans or Programs (2,3)
May 1, 2023 - May 31, 2023	130,649	$ 7.01	130,649	$ 9,147,593
June 1, 2023 - June 30, 2023	68,324	7.00	68,324	8,669,446
July 1, 2023 - July 31, 2023	-	-	-	8,669,446
Total	198,973	$ 7.01	198,973	$ 8,669,446

Period	Total Number of Shares Purchased (1) (2)	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet be Purchased under the Plans or Programs (3,4)
November 1, 2023 - November 30, 2023	36,094	$ 6.88	36,094	$ 8,179,645
December 1, 2023 - December 31, 2023	109,178	7.79	-	8,179,645
January 1, 2024 - January 31, 2024	-	-	-	8,179,645
Total	145,272 [2]	$ 7.56	36,094	$ 8,179,645

(1) *In June 2022, our board of directors approved a share repurchase program, which was announced in June, 2022, June 7, 2022, authorizing us to repurchase up to $10.0 million of our common stock from time to time through June 15, 2023. In January 2023, the board of directors of the Company approved a $10.0 million increase to the Company's share repurchase program, which was announced in January 2023. January 23, 2023. This authorization was set to expire on March 31, 2024, but on January 4, 2024, the board of directors approved an extension of the authorization so that it will expire on March 31, 2025. In March 2024, the board of directors of the Company approved a $15.0 million increase to the Company's share repurchase program, which was announced March 7, 2024. This authorization will expire on March 31, 2024 March 31, 2025.*

(2) *Of the 145,272 shares included in this column, 36,094 were purchased under the purchase program and the remaining 109,178 shares reflect shares of common stock purchased into treasury stock in order to satisfy employee tax withholding obligations for the vesting of stock awards.*

(3) *Includes commission cost.*

(4) *Dollar value of shares that may yet be purchased under the repurchase program is as of the end of the period.*

(3) *Includes commission cost.*

Item 3. Defaults Upon Senior Securities.

None

Item 4. Mine Safety Disclosures.

Not Applicable.

Item 5. Other Information.

(a) None

(b) None

(c) The Company's Chief Executive Officer, Bruce Young, currently has 736,810 stock options that will expire in February 2025. To ensure those options do not expire unexercised, Mr. Young adopted a trading arrangement for the sale of securities of the Company's common stock (a "Rule 10b5-1 Trading Plan") that is intended to satisfy the affirmative defense conditions of Securities Exchange Act Rule 10b5-1(c). Mr. Young's Rule 10b5-1 Trading Plan was adopted on January 15, 2024, provides for the exercise and sale of 736,810 shares of common stock pursuant to the terms of the plan, and expires on February 5, 2025or upon the earlier exercise of all 736,810 stock options.

Item 6. Exhibits.

The documents set forth below are filed herewith or incorporated herein by reference to the location indicated.

Exhibit No.	Description
10.1 31.1	Third Amendment to Amended and Restated ABL Credit Agreement, dated June 1, 2023 (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K (File No. 001-38166) filed by Concrete Pumping Holdings, Inc. on June 5, 2023).
31.1	Certification of the Chief Executive Officer required by Rule 13a-14(a) or Rule15d-14(a).

31.2	Certification of the Chief Financial Officer required by Rule 13a-14(a) or Rule15d-14(a).
32.1	Certification of the Chief Executive Officer required by Rule 13a-14(b) or Rule15d-14(b) and 18 U.S.C. Section 1350.
32.2	Certification of the Chief Financial Officer required by Rule 13a-14(b) or Rule15d-14(b) and 18 U.S.C. Section 1350.
101.INS	Inline XBRL Instance Document (the Instance Document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document)
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

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 thereunto duly authorized.

CONCRETE PUMPING HOLDINGS, INC.

By: /s/ Iain Humphries

Name: Iain Humphries

Title: Chief Financial Officer and Secretary

(Authorized Signatory)

Dated: September 7, 2023 March 7, 2024

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Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Bruce Young, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended July 31, 2023January 31, 2024 of Concrete Pumping Holdings, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: September 7, 2023March 7, 2024

/s/ Bruce Young

Bruce Young, Chief Executive Officer and Director

(principal executive officer)

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER

PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Iain Humphries, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended July 31, 2023January 31, 2024 of Concrete Pumping Holdings, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: September 7, 2023 March 7, 2024

/s/ Iain Humphries

Iain Humphries, Chief Financial Officer and Director

(principal financial and accounting officer)

Exhibit 32.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, I the undersigned Chief Executive Officer of Concrete Pumping Holdings, Inc. (the "Company") hereby certify that to my knowledge, the Quarterly Report on Form 10-Q of the Company for the quarter ended July 31, 2023January 31, 2024 (the “Report”) accompanying this certification, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: September 7, 2023 March 7, 2024

/s/ Bruce Young

Bruce Young, Chief Executive Officer and Director

(principal executive officer)

Exhibit 32.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, I the undersigned Chief Financial Officer of Concrete Pumping Holdings, Inc. (the "Company") hereby certify that to my knowledge, the Quarterly Report on Form 10-Q of the Company for the quarter ended July 31, 2023 January 31, 2024 (the "Report") accompanying this certification, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: September 7, 2023 March 7, 2024

/s/ Iain Humphries

Iain Humphries, Chief Financial Officer and Director

(principal financial and accounting officer)

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