

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

FORM 10-K/A
(Amendment No. 1)

(Mark One)

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

For the fiscal year ended October 31, 2020
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
(State or Other Jurisdiction of Incorporation or Organization)

83-1779605
(I.R.S. Employer Identification No.)

500 E. 84th Avenue, Suite A-5
Thornton, Colorado
(Address of Principal Executive Offices)

80229
(Zip Code)

(303) 289-7497
(Registrant's Telephone Number, Including Area Code)

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

Title of each class
Common Stock, par value \$0.0001 per share

Trading Symbol(s)
BBCP

Name of each exchange on which registered
Nasdaq Stock Market LLC

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

None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

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 (Section 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. (Check one):

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 has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

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

The aggregate market value of the common equity held by non-affiliates of the registrant was \$75,239,575 based upon the market price of \$2.84 per share on April 30, 2020. As of June 10, 2021, 56,698,060 shares of common stock, par value \$0.0001 per share, were issued and outstanding.

Documents Incorporated by Reference: Portions of the registrant's definitive proxy statement relating to the registrant's 2021 Annual Meeting of Stockholders to be filed hereafter are incorporated by reference into Part III of this Annual Report on Form 10-K, as amended by Amendment No. 1 on Form 10-K/A.



Explanatory Note

Concrete Pumping Holdings, Inc. (the “Company”) is filing this amended Form 10-K/A (“Form 10-K/A”) to amend our Annual Report on Form 10-K for the year ended October 31, 2020, originally filed with the Securities and Exchange Commission (the “SEC”) on January 12, 2021 (the “Original Report”), to restate our consolidated financial statements and related footnote disclosures as of October 31, 2019 and for the Successor period (defined below) from December 6, 2018 through October 31, 2019. As further described below, our consolidated financial statements and related footnote disclosures as of October 31, 2020 and for the fiscal year then ended have also been revised for immaterial error corrections to reflect the Company’s Warrants (as defined below) as liabilities. This Form 10-K/A also amends certain other Items in the Original Report, as listed in “Items Amended in this Form 10-K/A” below.

Restatement Background

On April 12, 2021, the SEC released a public statement (the “SEC Statement”) informing market participants that warrants issued by special purpose acquisition companies (“SPACs”) may require classification as a liability measured at fair value, with changes in fair value each period reported in earnings. The SEC Statement discussed certain features of warrants issued in SPAC transactions that may be common across many entities. The SEC Statement indicated that when one or more of such features is included in a warrant, the warrant should be classified as a liability at fair value, with changes in fair value each period reported in earnings.

The Company previously classified its publicly traded warrants (the “public warrants”) and private placement warrants (the “private warrants”) (collectively the “Warrants”), which were issued in August of 2017, as equity. Following consideration of the guidance in the SEC Statement, the Company concluded that its Warrants should have been classified as liabilities and measured at fair value, with changes in fair value each period reported in earnings. As a result, the Audit Committee of the Board of Directors of the Company (the “Audit Committee”), after considering the recommendations of management, concluded that the Company’s (1) previously issued audited consolidated financial statements as of October 31, 2019 and for the Successor period from December 6, 2018 through October 31, 2019 and (2) previously issued unaudited consolidated interim financial statements for the periods ended July 31, 2019, April 30, 2019, and January 31, 2019 (collectively, the “Non-Reliance Periods”) should not be relied upon due to required corrections related to the accounting for warrants described in the SEC Statement. In addition, while the impact from applying liability treatment to the Warrants was not material to (1) the previously issued audited consolidated financial statements as of and for the fiscal year ended October 31, 2020 or (2) the previously issued unaudited consolidated interim financial statements for periods ended July 31, 2020, April 30, 2020, and January 31, 2020, the Company has revised the financial statements for these periods within the Form 10-K/A to reflect the Warrants as liabilities.

Impact of Restatement

As a result of this restatement, the Warrants are now reflected as liabilities measured at fair value on the Company’s consolidated balance sheets, and the change in the fair value of such liability in each period is recognized as a gain or loss in the Company’s consolidated statements of operations and comprehensive income (loss).

The impact of these adjustments on net income for the year ended October 31, 2020 and the Successor period (defined below) from December 6, 2018 through October 31, 2019 were a loss of \$0.3 million and \$6.5 million, respectively. The adjustments increased total liabilities at October 31, 2020 and 2019 by \$7.0 million and \$6.8 million, respectively, with corresponding decreases to total equity. The restatements or revisions had no impact on the Company’s net revenue, operating income, liquidity, cash and cash equivalents, or cash flows from operating, investing and financing activities. See Note 2 to the Consolidated Financial Statements included in Part II, Item 8 of this Amendment for additional information on the restatement and the related financial statement effects.

Internal Control Considerations

In connection with the restatement, management has re-evaluated the effectiveness of the Company’s disclosure controls and procedures and has re-evaluated the effectiveness of the Company’s internal control over financial reporting as of October 31, 2020 based on the framework in “Internal Control-Integrated Framework (2013 framework)” issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Management has concluded that the Company’s internal control over financial reporting and disclosure controls and procedures were not effective as of October 31, 2020 and 2019. For a discussion of management’s consideration of our disclosure controls and procedures, internal controls over financial reporting, and the material weakness identified, see Part II, Item 9A, “Controls and Procedures” of this Form 10-K/A.

Items Amended in this Form 10-K/A

The following sections in the Original Report are revised in this Form 10-K/A to reflect the restatement:

- Part I - Item 1A - Risk Factors
- Part II - Item 7 - Management's Discussion and Analysis
- Part II - Item 8 - Financial Statements and Supplemental Data
- Part II - Item 9A - Controls and Procedures

Our chief executive officer and chief financial officer have also provided new certifications as required by Sections 302 and 906 of the Sarbanes-Oxley Act of 2002. The certifications are included in this Form 10-K/A as Exhibits 31.1, 31.2, 32.1 and 32.2.

For the convenience of the reader, this Form 10-K/A sets forth the information in the Original Report in its entirety, as such information is modified and superseded where necessary to reflect the restatement and related revisions. Except as provided above, this Amendment does not reflect events occurring after the filing of the Original Report and does not amend or otherwise update any information in the Original Report. Accordingly, this Form 10-K/A should be read in conjunction with our filings with the SEC subsequent to the date on which we filed the Original Report with the SEC.

Concrete Pumping Holdings, Inc.

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Cautionary Statement Concerning Forward-Looking Statements and Risk Factors Summary

Certain statements in this Annual Report on Form 10-K/A (the "Annual 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 operation, 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" or "continue," 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 Annual Report are reasonable, we cannot guarantee future results. 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.

The forward-looking statements contained in this Annual 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 list, which summarizes some of the principal risks relating to the Company and its business:

- the adverse effects of the COVID-19 pandemic on our business, the economy and the markets we serve;
- the length and severity of, and the pace of recovery following, the novel coronavirus ("COVID-19") pandemic;
- general economic and business conditions, which may affect demand for commercial, infrastructure, and residential construction;
- our ability to successfully implement our operating strategy;
- our ability to successfully identify, manage and integrate acquisitions;
- 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;
- other factors as described below in the section entitled "Risk Factors."

PART I

Item 1. Business

Concrete Pumping Holdings, Inc. is a Delaware corporation headquartered in Thornton, Colorado. We refer to Concrete Pumping Holdings, Inc. as the “Company,” “CPH,” “us,” “we” or “our” in this Annual Report, and these designations include our subsidiaries unless we state otherwise. On December 6, 2018 (the “Closing Date”), the Company, formerly known as Concrete Pumping Holdings Acquisition Corp., consummated a business combination transaction (the “Business Combination”) pursuant to which it acquired (i) the private operating company formerly called Concrete Pumping Holdings, Inc. and (ii) the former special purpose acquisition company called Industrea Acquisition Corp (“Industrea”). In connection with the closing of the Business Combination, the Company changed its name to Concrete Pumping Holdings, Inc.

Our principal executive offices are located at 500 E. 84th Ave., Suite A-5, Thornton, Colorado, 80229. We maintain a website at <https://www.concretepumpingholdings.com/>. The information contained on, or that may be accessed through, our website is not part of, and is not incorporated into, this Annual Report.

Overview

CPH is a leading provider of concrete pumping services and concrete waste management services in the United States (“U.S.”) and the United Kingdom (“U.K.”) based on fleet size, primarily operating under what we believe are the only established, national concrete pumping brands in both geographies – Brundage-Bone Concrete Pumping, Inc. (“Brundage-Bone”) for concrete pumping in the U.S., Camfaud Group Limited (“Camfaud”) in the U.K., and Eco-Pan, Inc. (“Eco-Pan”) for waste management services in both the U.S. and U.K. The Brundage-Bone business was founded in 1983 in Denver, Colorado. Since then, Brundage-Bone has expanded across the U.S. through more than 45 acquisitions. Eco-Pan was founded in 1999 and was acquired by CPH in 2014. In November 2016, we entered the U.K. market through the acquisition of Camfaud and in May 2019, we acquired Capital Pumping LP and its affiliates (“Capital”), a concrete pumping provider based in Texas. The Capital acquisition provided us with complementary assets and operations and significantly expanded our footprint and business in Texas.

Concrete pumping is a highly specialized method of concrete placement that requires skilled operators to position a truck-mounted, fully-articulating boom for precise delivery of ready-mix concrete from mixer trucks to placing crews on a construction job site. In addition, proper concrete washout handling has become an increasing area of focus for our Company given rising awareness of environmental factors. We believe that our large fleet of specialized pumping equipment, washout pans and trucks, and highly-trained operators enable us to be the trusted provider of concrete placement and waste management solutions to our customers. We deliver and facilitate substantial labor cost savings, shortened concrete placement times, enhanced worksite safety, and efficient concrete washout containment, and thereby help improve the overall quality of construction projects. As of October 31, 2020, we operated a fleet of approximately 1,200 units of equipment, with approximately 1,300 employees and approximately 140 locations globally.

With over 35 years of experience, we believe we are the only nationally-scaled provider of concrete pumping services in the U.S. and the U.K., with the most comprehensive and reliable fleet and highly-skilled operators to provide quality service. We are especially equipped to support large and technically complex construction projects, which generally command higher price points than smaller projects. In addition, we have actively focused our business on commercial and infrastructure construction projects, while continuing to pursue profitable residential opportunities. Our fleet is capable of handling multiple large projects concurrently, and can be deployed on short-notice across the U.S. and the U.K., thereby allowing us to efficiently allocate resources depending on market conditions to more profitable markets. Our highly complementary Eco-Pan business provides customers with a one-stop solution for their concrete washout needs. We plan to continue establishing additional Eco-Pan locations across the U.S. and the U.K., and further penetrate our existing concrete pumping customer base by cross-selling our Eco-Pan services.

As of October 31, 2020, we estimate our share of the concrete pumping market to be approximately 13% in the U.S. and approximately 34% in the U.K., based on fleet size. In the U.S. and U.K. markets, we serve a large and diverse customer base and as of October 31, 2020, our top ten customers represented less than 10% of our total revenue and had an average tenure of more than 20 years.

Segments

We operate through the following four reportable segments:

U.S. Concrete Pumping: Our U.S. concrete pumping services segment represented 75% of our total revenue for the year ended October 31, 2020 and services from this segment are primarily provided under our Brundage-Bone and Capital Pumping brands, which as of October 31, 2020 operated a total fleet of approximately 750 equipment units from a diversified footprint of approximately 90 locations across 22 states. We provide operated concrete pumping services, for which customers are billed on a negotiated time and volume basis based on the duration of the job and yards of concrete pumped. Additional charges (such as a fuel surcharge and travel costs) are frequently added based on specific project requirements. Typically, we send a single operator with each concrete pump. We do not take ownership of the concrete and thus have minimal inventory or product liability risk. We typically do not engage in fixed-bid work or have surety bonding requirements and operate a daily fee-based revenue model regardless of overall construction project completion.

U.S. Concrete Waste Management Services: Our U.S. concrete waste management services segment represented 12% of our total revenue for the year ended October 31, 2020. Through our Eco-Pan business, we are a leading provider of concrete waste management services in the U.S. Eco-Pan provides a full-service, cost-effective, regulation-compliant solution to manage environmental issues caused by concrete washout. Eco-Pan is a route-based solution that operates approximately 80 trucks and over 6,800 custom metal pans for construction sites from 16 locations in the U.S. as of October 31, 2020. We charge a round-trip delivery fee and a weekly or monthly rental rate for the pans, which provide a turnkey solution to the customer compared to the alternatives of bagging the waste concrete, pouring it into an on-site lined pit, or disposing of it into trash dumpsters and arranging for a pick-up. Eco-Pan delivers watertight pans to job sites to collect concrete washwater, and subsequently delivers it to recycling centers. Disposal fees charged by the recycling centers are passed on to the customer. To the extent that the pans are held at the job site for an extended number of days or irregular waste is found in the pan, we charge incremental fees. Our trucks are designed to allow for the pick-up and re-delivery of multiple pans, leading to significant incremental efficiencies as route densities increase.

U.K. Operations: Our U.K. operations represented 13% of our total revenue for the year ended October 31, 2020 and consisted of concrete pumping and concrete waste management services. Our concrete pumping services are primarily provided through either our Camfaud brand (operated pumping services) or our Premier Concrete Pumping brand (rental of pumping equipment on a long-term basis without an operator). Mobile equipment is charged to customers under a minimum hire rate, which is typically five to eight hours. Our concrete pumping business in the U.K. is comprised of a fleet of approximately 360 equipment units that are serviced from 30 locations as of October 31, 2020. In addition, during the third quarter of fiscal 2019 we started concrete waste management operations under our Eco-Pan brand name in the U.K. and the results of these operations are included in this segment. Our Eco-Pan business in the U.K. is operated from a shared Camfaud location as of October 31, 2020. In addition, we bill our customers for our Eco-Pan services in the same manner as our U.S. Eco-Pan services.

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

Competitive Environment

The concrete pumping industry is highly fragmented in both the U.S. and the U.K. In the U.S., we believe there are approximately 1,000 industry participants, the majority of which operate with an average of five to ten pumps each, a limited number having a multi-regional presence (average of 50-60 pumps) and no other company having a national presence. We believe many industry participants are undercapitalized, utilize aged equipment and operate only smaller and significantly fewer boom pumps. In a typical geographic market, we compete with only one or two other concrete pumping companies that can perform the larger and more complex projects that we typically target.

In the concrete waste management industry, we compete with local operators who may have a small number of washout pans but are not capable of offering services across the U.S. We believe we are the only operator of scale with a national footprint in this industry and estimate that there is only one competitor on a national level. While the technology underlying the washout pans is less sophisticated than that for a concrete pump, we believe having the route density that Eco-Pan has achieved is a differentiator in terms of profitability. Our U.K. operations is the pioneer of the concrete waste management service in the U.K. and as such, we are not aware of any equivalent competitor in the U.K.

Equipment

Our fleet is operated by approximately 800 experienced employees as of October 31, 2020, each of whom is required to complete rigorous training and safety programs. In addition, we have approximately 100 skilled mechanics who perform in-house equipment servicing. As of October 31, 2020, we owned 100% of our fleet consisting of approximately 770 boom pumps, ranging in size from 17 to 65 meters, 80 placing booms, 20 telebelts, 240 stationary pumps, and 80 waste management trucks. As of October 31, 2020, the average age of our fleet was approximately 9 years old and most of our equipment had useful lives of 20 to 25 years.

Customers

We serve a base of more than 14,000 customers (often with several projects per customer) across the U.S. and the U.K. and have an approximate 92% customer retention rate based on our top 500 customers and 100% customer retention rate of our top 100 customers as of October 31, 2020. In addition, as of October 31, 2020, our top ten customers represented less than 10% of our total revenue and had an average tenure of more than 20 years. Our customer composition is largely dependent on geographic location and general economic and construction market trends within individual operating markets. We actively monitor regional trends and target customers in fast-growing markets through our extensive geographic footprint and knowledge of the local construction markets in each region in which we operate.

Our customer base consists of general contractors or concrete contractors that span across the commercial, infrastructure and residential end markets. We also sell replacement parts to regional operators that lack the capital and scale to independently maintain a sufficiently stocked replacement parts inventory. Our contractual arrangements with customers are typically on a project-to-project purchase order basis.

Suppliers

We primarily purchase pumping equipment, replacement parts, and fuel for our day-to-day operations. Concrete pumping equipment is primarily sourced from three suppliers – Schwing, Putzmeister, and Alliance. There are a number of other suppliers as well and we are not solely dependent upon any single one. We believe we are the concrete pumping industry’s largest consumer of concrete pumping supplies and, as such, have significant leverage with respect to making purchases. We typically purchase fuel in bulk at favorable prices and utilize onsite fuel storage facilities.

Employees

As of October 31, 2020, we had approximately 1,300 employees across the U.S. and the U.K., of which approximately 900 are highly-skilled equipment operators and mechanics, approximately 90 are managers, approximately 50 are in sales, and approximately 60 are dispatchers. The remaining employees include administrative support, corporate functions, and laborers. Our employees have an average tenure of over five years for pump operators. Additionally, our regional managers have, on average, approximately 30 years of experience in the concrete pumping industry. We maintain a highly sophisticated, industry recognized training program, which ensures all operators can meet the requirements of any project. Operators are trained in concrete pumping as well as in basic mechanical repair, while shop managers are trained in inspection and maintenance of all critical truck systems.

Approximately 120 employees in CPH’s workforce are unionized across California, Oregon and Washington. These individuals are represented by the International Union of Operating Engineers (“IUOE”) under three separate collective bargaining agreements. We have historically maintained favorable relations with the IUOE and have not experienced any significant disputes, disagreements, strikes or work stoppages.

Safety

To our knowledge, we are the only concrete pumping company in the U.S. and the U.K. with a comprehensive, active safety program, including an in-house corporate safety department and a designated safety trainer at each branch. As part of our safety management program, we actively track key safety performance indicators at each branch location to monitor safety performance and take corrective action when needed. Over the last two years, our Total Recordable Incident Rate (“TRIR”) has remained significantly better than industry averages.

Legal Proceedings

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.

Environmental Matters

We are subject to various federal, state and local and environmental laws and regulations, including those governing the discharge of pollutants into air or water, the management, storage and disposal of, or exposure to, hazardous substances and wastes, the responsibility to investigate and clean up contamination, and occupational health and safety. Fines and penalties may be imposed for non-compliance with applicable environmental, health and safety requirements and the failure to have or to comply with the terms and conditions of required permits. We are not aware of any material instances of non-compliance with respect to environmental regulations.

Available Information

We make our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, available free of charge on our website as soon as reasonably practicable after we file or furnish the materials electronically with the Securities and Exchange Commission ("SEC"). To obtain any of this information, go to our investor relations website, www.ir.concretepumpingholdings.com, and select "SEC Filings". Our investor relations website includes our Code of Business Conduct and Ethics and charters for the Audit, Compensation, Corporate Governance/Nominating Committees. These materials may also be obtained, free of charge, at www.ir.concretepumpingholdings.com (select "Governance").

Item 1A. Risk Factors

Risks Related to the Company's Business and Operations

The COVID-19 pandemic, including the efforts to mitigate its impact, has had and may continue to have a material adverse effect on our business, liquidity, results of operations, financial condition and price of our securities.

The COVID-19 pandemic, including the efforts to combat it, has had and may continue to have a widespread effect on our business. In response to the COVID-19 pandemic, many countries and localities across the world have implemented a variety of regulations in order to slow and limit the transmission of the virus.

The COVID-19 pandemic has resulted in a decrease in the availability of, and an increase in the cost of, contractors and subcontractors, including as a result of infections, recommended self-quarantining or governmental mandates to direct production activities to support public health efforts. Our ability to provide construction services depend on our customers' ability to find and maintain skilled contractors, subcontractors and employees. If our customers are unable to keep skilled subcontractors, contractors and employees due to COVID-19 or other issues, our services may be postponed or cancelled, which could materially affect our financial performance.

In addition, construction activities and land development are subject to extensive government regulations. Such regulations relate to zoning, design and business standards, as well as land use, health, safety and the environment. Due to the COVID-19 pandemic, construction-related activity has been halted in several locations in which we operate, in part, due to new government regulations implemented in response to this pandemic. To date, we have experienced declines in demand for our services due to shelter-in-place orders and mandates to halt all residential and commercial construction. Such regulations can delay construction and negatively impact our cash position in light of continuing obligations to serve our outstanding debt obligations.

Furthermore, the extent to which the COVID-19 pandemic will impact our business and results of operations is highly uncertain and will be affected by a number of factors, including: the duration and extent of the pandemic; the duration and extent of imposed or recommended containment and mitigation measures; the extent, duration and effective execution of government stabilization and recovery efforts; the impact of the pandemic on economic activity, including on construction projects and our customers' demand for our services; our ability to effectively operate, including as a result of travel restrictions and mandatory business and facility closures; the ability of our customers to pay us for services rendered; any further closures of our and our customers' offices and facilities; and any additional project delays or shutdowns. Customers may also slow down decision-making, delay planned work or seek to terminate existing agreements. Any of these events could have a material adverse effect on our business, financial condition, results of operations, and/or stock price.

Our business is cyclical in nature and a slowdown in the economic recovery or a decrease in general economic activity could have a material adverse effect on our revenues and operating results.

Substantially all of our customer base comes from the commercial, infrastructure and residential construction markets. A worsening of economic conditions or a decrease in construction expenditures and/or investments could cause weakness in our end markets, cause declines in construction and industrial activity, and adversely affect our revenue and operating results.

The following factors, among others, may cause weakness in our end markets, either temporarily or long-term:

- the depth and duration of an economic downturn and lack of availability of credit;
- uncertainty regarding general or regional economic conditions;
- reductions in corporate spending for plants and facilities or government spending for infrastructure projects;
- the cyclical nature of our customers' businesses, particularly those operating in the commercial, infrastructure and residential construction sectors;
- an increase in the cost of construction materials;
- a decrease in investment in certain of our key geographic markets;
- changes in interest rates and lending standards;
- an overcapacity in the businesses that drive the need for construction;
- adverse weather conditions, which may temporarily affect a particular region or regions;
- reduced construction activity in our end markets;
- terrorism or hostilities involving the U.S. or the U.K.;
- change in structural construction designs of buildings (e.g., wood versus concrete);
- risks of political or economic instability (e.g., negative impact on our U.K. business as a result of Brexit); and
- oversupply of equipment or new entrants into the market resulting in pricing uncertainty.

A downturn in any of our end markets in one or more of our geographic markets caused by these or other factors could have a material adverse effect on our business, financial conditions, results of operations and cash flows.

Our business is seasonal and subject to adverse weather.

Since our business is primarily conducted outdoors, erratic weather patterns, seasonal changes and other weather-related conditions affect our business. Adverse weather conditions, including hurricanes and tropical storms, cold weather, snow, and heavy or sustained rainfall, reduce construction activity, restrict the demand for our products and services, and impede our ability to deliver and pump concrete efficiently or at all. In addition, during periods of extended adverse weather or other operational delays, we may elect to continue to pay certain hourly employees to maintain our workforce, which may adversely impact our results of operations. In addition, severe drought conditions can restrict available water supplies and restrict production. Consequently, these events could adversely affect our business, financial condition, results of operations, liquidity and cash flows.

Our revenue and operating results have varied historically from period to period and any unexpected periods of decline could result in an overall decline in our available cash flows.

Our revenue and operating results have varied historically from period to period and may continue to do so. We have identified below certain of the factors that may cause our revenue and operating results to vary:

- seasonal weather patterns in the construction industry on which we rely, with activity tending to be lowest in the winter and spring;
- the timing of expenditure for maintaining existing equipment, new equipment and the disposal of used equipment;
- changes in demand for our services or the prices we charge due to changes in economic conditions, competition or other factors;
- changes in the interest rates applicable to our variable rate debt, and the overall level of our debt;
- fluctuations in fuel costs;
- general economic conditions in the markets where we operate;
- the cyclical nature of our customers' businesses;
- price changes in response to competitive factors;
- other cost fluctuations, such as costs for employee-related compensation and benefits;
- labor shortages, work stoppages or other labor difficulties and labor issues in trades on which our business may be dependent in particular regions;
- potential enactment of new legislation affecting our operations or labor relations;
- timing of acquisitions and new branch openings and related costs;
- possible unrecorded liabilities of acquired companies and difficulties associated with integrating acquired companies into our existing operations;
- changes in the exchange rate between the U.S. dollar and Great Britain pound sterling;
- potential increased demand from our customers to develop and provide new technological services in our business to meet changing customer preferences;
- our ability to control costs and maintain quality;
- our effectiveness in integrating new locations and acquisitions; and
- possible write-offs or exceptional charges due to changes in applicable accounting standards, reorganizations or restructurings, obsolete or damaged equipment or the refinancing of our existing debt.

Accordingly, our operating results in any particular quarter may not be indicative of the results that can be expected for any other quarter or for the entire year. Furthermore, negative trends in the concrete pumping and waste management industries or in our geographic markets could have material adverse effects on our business, financial condition, results of operations, liquidity and cash flows.

Our business is highly competitive and competition may increase, which could have a material adverse effect on our business.

The concrete pumping industry is highly competitive and fragmented. Many of the markets in which we operate are served by several competitors, ranging from larger regional companies to small, independent businesses with a limited fleet and geographic scope of operations. Some of our principal competitors may have more flexible capital structures or may have greater name recognition in one or more of our geographic markets. We generally compete on the basis of, among other things, quality and breadth of service, expertise, reliability, price and the size, quality and availability of our fleet of pumping equipment, which is significantly affected by the level of our capital expenditures. If we are required to reduce or delay capital expenditures for any reason, including due to restrictions contained in, or debt service payments required by, our credit facilities or otherwise, the ability to replace our fleet or the age of our fleet may put us at a disadvantage to our competitors and adversely impact our ability to generate revenue. In addition, our industry may be subject to competitive price decreases in the future, particularly during cyclical downturns in our end markets, which can adversely affect revenue, profitability and cash flow. We may encounter increased competition from existing competitors or new market entrants in the future, which could have a material adverse effect on our business, financial condition, results of operations and cash flows.

We are dependent on our relationships with key suppliers to obtain equipment for our business.

We depend on a small group of key manufacturers of concrete pumping equipment to sell equipment to us. We have historically relied primarily on three suppliers and we cannot provide assurance that our favorable working relationships with our suppliers will continue in the future or that they will continue to provide high-quality products, service and support. Any deterioration in the quality of such products, service or support could result in additional maintenance costs and operational issues.

In addition, the concrete industry has historically been subject to periods of supply shortages, particularly in a strong economy. We cannot predict the impact on our suppliers of changes in the economic environment and other developments in their respective businesses. Insolvency, financial difficulties, strategic changes or other factors may result in our suppliers not being able to fulfill the terms of their agreements with us, whether satisfactorily or at all. Further, such factors may render suppliers unwilling to extend contracts that provide favorable terms to us or may force them to seek to renegotiate existing contracts with us. Termination of our relationship with any of our key suppliers, or interruption of our access to concrete pumping equipment, pipe or other supplies, could have a material adverse effect on our business, financial condition, results of operations and cash flows.

As the average fleet age increases, our offerings may not be as attractive to potential customers and our operating costs may increase, impacting our results of operations.

As our equipment ages, the cost of maintaining such equipment, if not replaced within a certain period of time or amount of use, will likely increase. We estimate that our fleet assets generally will have a useful life of up to 25 years depending on the size of the machine, hours in service, yardage pumped, and, in certain instances, other circumstances unique to an asset. We manage our fleet of equipment according to the wear and tear that a specific machine or type of equipment is expected to experience over its useful life. As of October 31, 2020, the average age of our equipment was approximately nine years. If the average age of our equipment increases, whether as a result of our inability to access sufficient capital to maintain or replace equipment in a timely manner or otherwise, our investment in the maintenance, parts and repair for individual pieces of equipment may exceed the book value or replacement value of that equipment. We cannot provide assurance that costs of maintenance will not materially increase in the future. Any material increase in such costs could have a material adverse effect on our business, financial condition and results of operations. Additionally, as our equipment ages, it may become less attractive to potential customers, thus decreasing our ability to effectively compete for new business.

The costs of new equipment we use in our fleet may increase, requiring us to spend more for replacement equipment or preventing us from procuring equipment on a timely basis.

The cost of new equipment for use in our concrete pumping fleet could increase due to increased material costs to our suppliers or other factors beyond our control. Such increases could materially adversely impact our financial condition, results of operations and cash flows in future periods. Furthermore, changes in technology or customer demand could cause certain of our existing equipment to become obsolete and require us to purchase new equipment at increased costs.

We sell used equipment on a regular basis. Our fleet is subject to residual value risk upon disposition and may not sell at the prices or in the quantities we expect.

We continuously evaluate our fleet of equipment as we seek to optimize our vehicle size and capabilities for our end markets in multiple locations. We therefore seek to sell used equipment on a regular basis. The market value of any given piece of equipment could be less than its depreciated value at the time it is sold. The market value of used equipment depends on several factors, including:

- the market price for comparable new equipment;
- the time of year that it is sold;
- the supply of similar used equipment on the market;
- the existence and capacities of different sales outlets;
- the age of the equipment, and the amount of usage of such equipment relative to its age, at the time it is sold;
- worldwide and domestic demand for used equipment;
- the effect of advances and changes in technology in new equipment models;
- changing perception of residual value of used equipment by the Company's suppliers; and
- general economic conditions.

We include in income from operations the difference between the sales price and the net book value of an item of equipment sold. Changes in our assumptions regarding depreciation could change our depreciation expense, as well as the gain or loss realized upon disposal of equipment. Sales of our used concrete pumping equipment at prices that fall significantly below our expectations or in lesser quantities than we anticipate could have a negative impact on our financial condition, results of operations and cash flows.

If we determine that our goodwill has become impaired, we may incur impairment charges, which would negatively impact our operating results.

Goodwill represents the excess of cost over the fair value of net assets acquired in business combinations.

We assess potential impairment of our goodwill at least annually. Impairment may result from significant changes in the manner of use of the acquired assets, negative industry or economic trends or significant underperformance relative to historical or projected operating results. An impairment of our goodwill may have a material adverse effect on our results of operations.

During the fiscal year ended October 31, 2020, the COVID-19 pandemic drove a sustained decline in our stock price and a deterioration in general economic conditions, resulting in us recording goodwill and intangibles impairment charges totaling \$57.9 million in the second quarter of fiscal 2020. At October 31, 2020, we had remaining recorded goodwill of \$223.2 million related to multiple acquisitions.

If we are unable to collect on contracts with customers, our operating results would be adversely affected.

We have billing arrangements with a majority of our customers that provide for payment on agreed terms after our services are provided. If we are unable to manage credit risk issues adequately, or if a large number of customers should have financial difficulties at the same time, our credit losses could increase significantly above their low historical levels and our operating results would be adversely affected. Further, delinquencies and credit losses increased during the last recession and generally can be expected to increase during economic slowdowns or recessions.

Fluctuations in fuel costs or reduced supplies of fuel could harm our business.

Fuel costs represent a significant portion of our operating expenses and we are dependent upon fuel to transport and operate our equipment. We could be adversely affected by limitations on fuel supplies or increases in fuel prices that result in higher costs of transporting equipment to and from job sites and higher costs to operate our concrete pumps and other equipment. Although we are able to pass through the impact of fuel price charges to most of our customers, there is often a lag before such pass-through arrangements are reflected in our operating results and there may be a limit to how much of any fuel price increases we can pass onto our customers. Any such limits may adversely affect our results of operations.

We depend on access to our branch facilities to service our customers and maintain and store our equipment, and natural disasters and other developments could materially adversely affect our business, financial condition and results of operations.

We depend on our primary branch facilities in the U.S. and U.K., respectively, to store, service and maintain our fleet. These facilities contain most of the specialized equipment we require to service our fleet, in addition to the extensive secure storage areas needed for a significant number of large vehicles. If any of our facilities were to sustain significant damage or become unavailable to us for any reason, including natural disasters, our operations could be disrupted, which could in turn adversely affect our relationships with our customers and our results of operations and cash flow. Any limitation on our access to facilities as a result of any breach of, or dispute under, our leases could also disrupt and adversely affect our operations. In addition, if natural disasters such as forest fires were to cause significant disruptions to the construction projects where we focus our business, our operations could be disrupted, which could in turn materially adversely affect our business, financial condition and results of operations.

Due to the material portion of our business conducted in currency other than U.S. dollars, we have significant foreign currency risk.

Our consolidated financial statements are presented in accordance with GAAP, and we report, and will continue to report, our results in U.S. dollars. Some of our operations are conducted by subsidiaries in the United Kingdom and the results of operations and the financial position of these subsidiaries are recorded in the relevant foreign currencies and then translated into U.S. dollars. Any change in the value of the pound sterling against the U.S. dollar during a given financial reporting period would result in a foreign currency loss or gain on the translation of U.S. dollar denominated revenues and costs. The exchange rates between the pound sterling against the U.S. dollar have fluctuated significantly in recent years and may fluctuate significantly in the future. Consequently, our reported earnings could fluctuate materially as a result of foreign exchange translation gains or losses and may not be comparable from period to period.

Potential acquisitions and expansions into new markets may result in significant transaction expense and expose us to risks associated with entering new markets and integrating new or acquired operations.

We may encounter risks associated with entering new markets in which we have limited or no experience. New operations require significant capital expenditures and may initially have a negative impact on our short-term cash flow, net income and results of operations, or may never become profitable.

In addition, our industry is highly fragmented, and we expect to consider acquisition opportunities when we believe they would enhance our business and financial performance. However, acquisitions may impose significant strains on our management, operating systems and financial resources, and could experience unanticipated integration issues. The pursuit and integration of acquisitions may require substantial attention from our senior management, which will limit the amount of time they have available to devote to our existing operations. Our ability to realize the expected benefits from any future acquisitions depends in large part on our ability to integrate and consolidate the new operations with our existing operations in a timely and effective manner. Future acquisitions could also result in the incurrence of substantial amounts of indebtedness and contingent liabilities (including environmental, employee benefits and safety and health liabilities), accumulation of goodwill that may become impaired, and an increase in amortization expenses related to intangible assets. Any significant diversion of management's attention from our existing operations, the loss of key employees or customers of any acquired business, any major difficulties encountered in the opening of start-up locations or the integration of acquired operations or any associated increases in indebtedness, liabilities or expenses could have a material adverse effect on our business, financial condition or results of operations.

We may not realize the anticipated synergies, cost savings or profits from acquisitions.

We have completed a number of acquisitions in recent years that we believe present revenue, profit and cost-saving synergy opportunities. However, the integration of recent or future acquisitions may not result in the realization of the full benefits of the revenue, profit and cost synergies that we expected at the time or currently expect within the anticipated time frame or at all. Moreover, we may incur substantial expenses or unforeseen liabilities in connection with the integration of acquired businesses. While we anticipate that certain expenses will be incurred, such expenses are difficult to estimate accurately and may exceed our estimates. Accordingly, the expected benefits of any acquisition may be offset by costs or delays incurred in integrating the businesses. Failure of recent or future acquisitions to meet our expectations and be integrated successfully could have a material adverse effect on our financial condition and results of operations.

Disruptions in our information technology systems due to cyber security threats or other factors could limit our ability to effectively monitor and control our operations and adversely affect our operating results, and unauthorized access to customer information on our systems could adversely affect our relationships with our customers or result in liability.

Our information technology systems, including our enterprise resource planning system, facilitate our ability to monitor and control our assets and operations and adjust to changing market conditions and customer needs. Any disruptions in these systems or the failure of these systems to operate as expected could, depending on the magnitude of the problem, adversely affect our operating results by limiting our capacity to effectively monitor and control our assets and operations and adjust to changing market conditions in a timely manner. Many of our business records at most of our branches are still maintained manually, and loss of those records as a result of facility damage, personnel changes or otherwise could also cause such disruptions. In addition, because our systems sometimes contain information about individuals and businesses, our failure to appropriately safeguard the security of the data it holds, whether as a result of our own error or the malfeasance or errors of others, could harm our reputation or give rise to legal liabilities, leading to lower revenue, increased costs and other material adverse effects on our results of operations.

We have taken steps intended to mitigate these risks, including business continuity planning, disaster recovery planning and business impact analysis. However, a significant disruption or cyber intrusion could adversely affect our results of operations, financial condition and liquidity. Furthermore, instability in the financial markets as a result of terrorism, sustained or significant cyber-attacks, or war could also materially adversely affect our ability to raise capital.

Legal and Regulatory Risks

We are exposed to liability claims on a continuing basis, which may exceed the level of our insurance or not be covered at all, and this could have a material adverse effect on our operating performance.

Our business exposes us to claims for personal injury, death or property damage resulting from the use of the equipment we operate, rent, sell, service or repair and from injuries caused in motor vehicle or other accidents in which our personnel are involved. Our business also exposes us to workers' compensation claims and other employment-related claims. We carry comprehensive insurance, subject to deductibles, at levels we believe are sufficient to cover existing and future claims; however, future claims may exceed the level of our insurance, and our insurance may not continue to be available on economically reasonable terms, or at all. Certain types of claims, such as claims for punitive damages, are not covered by our insurance. In addition, we are self-insured for the deductibles on our policies and have established reserves for incurred but not reported claims. If actual claims exceed our reserves, our financial condition, results of operations and cash flows would be adversely affected. Whether or not we are covered by insurance, certain claims may generate negative publicity, which may lead to lower revenues, as well as additional similar claims being filed.

Our business is subject to significant operating risks and hazards that could result in personal injury or damage or destruction to property, which could result in losses or liabilities to the Company.

Construction sites are potentially dangerous workplaces and often put our employees and others in close proximity with mechanized equipment and moving vehicles. Our equipment has been involved in workplace incidents and incidents involving mobile operators of our equipment in transit in the past and may also be involved in such incidents in the future.

Our profitability and relationships with our customers is dependent on our safety record. If serious accidents or fatalities occur, regardless of whether we were at fault, or our safety record were to deteriorate, we may be ineligible to bid on certain work, be exposed to possible litigation, and existing service arrangements could be terminated, which could have a material adverse impact on our financial position, results of operations, cash flows and liquidity. Adverse experience with hazards and claims could have a negative effect on our reputation with our existing or potential new customers and our prospects for future work.

In any concrete construction environment, our workers are subject to the usual hazards associated with providing construction and related services on construction sites, including environmental hazards, industrial accidents, hurricanes, adverse weather conditions and flooding. Operating hazards can cause personal injury or death, damage to or destruction of property, plant and equipment, environmental damage, performance delays, monetary losses or legal liability.

We have operations throughout the United States and the United Kingdom, which subjects us to multiple federal, state, and local laws and regulations. Moreover, we operate at times as a government contractor or subcontractor which subjects us to additional laws, regulations, and contract provisions. Changes in law, regulations, government contract provisions, or other legal requirements, or our material failure to comply with any of them, can increase our costs and have other negative impacts on our business.

Each of our sites exposes us to a host of different local laws and regulations. These requirements address multiple aspects of our operations, such as worker safety, consumer rights, privacy, employee benefits, antitrust, emissions regulations and may also impact other areas of our business, such as pricing. In addition, government contracts and subcontracts are subject to a wide range of requirements not applicable in the purely commercial context, such as extensive auditing and disclosure requirements; anti-money laundering, anti-bribery and anti-gratuity rules; political campaign contribution and lobbying limitations; and small and/or disadvantaged business preferences. Even when a government contractor has reasonable policies and practices in place to address these risks and requirements, it is still possible for problems to arise. Moreover, government contracts or subcontracts are generally riskier than commercial contracts, because, when problems arise, the adverse consequences can be severe, including civil false claims (which can involve penalties and treble damages), suspension and debarment, and even criminal prosecution. Moreover, the requirements of laws, regulations, and government contract provisions are often different in different jurisdictions. Changes in these requirements, or any material failure by us to comply with them, can increase our costs, negatively affect our reputation, reduce our business, require significant management time and attention and generally otherwise impact our operations in adverse ways.

We are subject to numerous environmental and safety regulations. If we are required to incur compliance or remediation costs that are not currently anticipated, our liquidity and operating results could be materially and adversely affected.

Our facilities and operations are subject to comprehensive and frequently changing federal, state and local laws and regulations relating to environmental protection and health and safety. These laws and regulations govern, among other things, occupational safety, employee relations, the discharge of substances into the air, water and land, the handling, storage, transport, use and disposal of hazardous materials and wastes and the cleanup of properties affected by pollutants. If we violate environmental or safety laws or regulations, we may be required to implement corrective actions and could be subject to civil or criminal fines or penalties or other sanctions. We cannot assure you that we will not have to make significant capital or operating expenditures in the future in order to comply with applicable laws and regulations or that we will comply with applicable environmental laws at all times. Such violations or liability could have a material adverse effect on our business, financial condition and results of operations.

Environmental laws also impose obligations and liability for the investigation and cleanup of properties affected by hazardous substance or fuel spills or releases. These liabilities are often joint and several and may be imposed on the parties generating or disposing of such substances or on the owner or operator of affected property, often without regard to whether the owner or operator knew of, or was responsible for, the presence of hazardous substances. We may also have liability for past contaminated properties historically owned or operated by companies that we have acquired or merged with, even though we never owned or operated such properties. Accordingly, we may become liable, either contractually or by operation of law, for investigation, remediation, monitoring and other costs even if the contaminated property is not presently owned or operated by us, or if the contamination was caused by third parties during or prior to our ownership or operation of the property. Contamination and exposure to hazardous substances can also result in claims for damages, including personal injury, property damage, and natural resources damage claims.

Most of our properties currently have above or below ground storage tanks for fuel and other petroleum products and oil-water separators (or equivalent wastewater collection/treatment systems). Given the nature of our operations (which involve the use of diesel and other petroleum products, solvents and other hazardous substances) for fueling and maintaining our equipment and vehicles, and the historical operations at some of our properties, we may incur material costs associated with soil or groundwater contamination. Future events, such as changes in existing laws or policies or their enforcement, or the discovery of currently unknown contamination, may give rise to remediation liabilities or other claims or costs that may be material.

The JOBS Act permits “emerging growth companies” like us to take advantage of certain exemptions from various reporting requirements applicable to other public companies that are not emerging growth companies.

We qualify as an “emerging growth company” as defined in Section 2(a)(19) of the Securities Act, as modified by the Jumpstart Our Business Startups Act of 2012, which we refer to as the “JOBS Act.” As such, we take advantage of certain exemptions from various reporting requirements applicable to other public companies that are not emerging growth companies for as long as we continue to be an emerging growth company, including (i) the exemption from the auditor attestation requirements with respect to internal control over financial reporting under Section 404 of the Sarbanes-Oxley Act, (ii) the exemptions from say-on-pay, say-on-frequency and say-on-golden parachute voting requirements and (iii) reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements. As a result, our stockholders may not have access to certain information they deem important. We had revenues during the fiscal year ended October 31, 2020 of \$304.3 million. We will remain an emerging growth company until the earliest of (i) the last day of the fiscal year (a) following August 1, 2022, the fifth anniversary of the Industrea IPO, (b) in which we have total annual gross revenue of at least \$1.07 billion or (c) in which we are deemed to be a large accelerated filer, which means the market value of our common stock that is held by non-affiliates exceeds \$700 million as of the last business day of our prior second fiscal quarter, and (ii) the date on which we have issued more than \$1.0 billion in non-convertible debt securities during the prior three-year period.

In addition, Section 107 of the JOBS Act also provides that an emerging growth company can take advantage of the exemption from complying with new or revised accounting standards provided in Section 7(a)(2)(B) of the Securities Act as long as we are an emerging growth company. An emerging growth company can therefore delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. The JOBS Act provides that a company can elect to opt out of the extended transition period and comply with the requirements that apply to non-emerging growth companies, but any such election to opt out is irrevocable. We have elected not to opt out of such extended transition period, which means that when a standard is issued or revised and it has different application dates for public or private companies, we, as an emerging growth company, can adopt the new or revised standard at the time private companies adopt the new or revised standard. This may make comparison of our financial statements with another public company which is neither an emerging growth company nor an emerging growth company which has opted out of using the extended transition period difficult or impossible because of the potential differences in accounting standards used.

We cannot predict if investors will find our securities less attractive because we will rely on these exemptions. If some investors find our securities less attractive as a result, there may be a less active trading market for securities and our stock price may be more volatile.

The restatement of certain of our financial statements has subjected us to increased costs and may subject us to additional risks and uncertainties, including the increased possibility of legal proceedings.

On June 7, 2021, our management and the Audit Committee of our board of directors determined that our previously issued audited and unaudited consolidated financial statements for the Non-Reliance Periods should no longer be relied upon. The errors identified are non-cash and related to the classification of our outstanding Warrants. Accordingly, we are restating the annual, quarterly and year-to-date audited and unaudited consolidated financial statements for the Non-Reliance Periods as of October 31, 2019 and we are revising the audited and unaudited consolidated financial statements for the annual, quarterly and year-to-date financials as of October 31, 2020 to reflect the Warrants as liabilities.

As a result of our restatement, we incurred increased accounting and legal costs and may become subject to additional risks and uncertainties, including, among others, the increased possibility of legal proceedings and reviews by regulatory bodies. The costs of defending against such legal proceedings or administrative actions could be significant. In addition, we could face monetary judgments, penalties or other sanctions that could have a material adverse effect on our business, financial condition results of operations and could negatively impact our stock price.

Our failure to maintain an effective system of internal control over financial reporting has resulted in the need for us to restate previously issued financial statements. As a result, current and potential stockholders may lose confidence in our financial reporting, which could harm our business and value of our stock.

The accuracy of our financial reporting is dependent on the effectiveness of our internal controls. As a result of a material weakness in our internal control over financial reporting, we could suffer harm to our reputation, investors may lose confidence in our financial reporting and our stock price may decline. Section 404 of the Sarbanes-Oxley Act requires any company subject to the reporting requirements of the U.S. securities laws to do a comprehensive evaluation of its and its consolidated subsidiaries' internal control over financial reporting. To comply with this statute, we are currently required to document, test and report on our internal control over financial reporting. In addition, starting in our 2022 fiscal year (and possibly earlier), our independent auditors will be required to issue an opinion on our audit of our internal control over financial reporting. The rules governing the standards that must be met for management to assess our internal control over financial reporting are complex and require significant documentation, testing and possible remediation to meet the detailed standards under the rules. During the course of our testing, our management has identified (as further described below), and may identify in the future, material weaknesses or deficiencies which may not be remedied in time to meet the deadline imposed by the Sarbanes-Oxley Act.

Our management has determined that, as of October 31, 2020 and 2019, we did not maintain effective internal control over financial reporting based on criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in Internal Control-Integrated Framework (2013) as a result of an identified material weakness in our internal control over financial reporting. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis. We believe our failure to maintain effective systems of internal controls over financial reporting has resulted in our need to restate the previously issued audited and unaudited consolidated financial statements for the "Non-Reliance Periods".

We may be adversely affected by recent developments relating to Brexit.

On January 31, 2020, the U.K. withdrew from the European Union ("EU"), which is commonly referred to as Brexit. On December 24, 2020, the U.K. and EU reached an agreement which contains new rules for how the U.K. and EU will live, work and trade together. While almost all of the work performed by our UK Operations segment is performed domestically in the U.K., the effects of and the perceptions as to the impact from the withdrawal of the U.K. from the EU has and may continue to adversely affect business activity and economic and market conditions in the U.K., the Eurozone, and globally and could contribute to instability in global financial and foreign exchange markets, including volatility in the value of the pound sterling and the euro. In addition, Brexit could lead to additional political, legal and economic instability in the EU. Specifically, we have not identified any additional risk factors under Brexit than those discussed herein. Additionally, we have not identified any trends or potential changes to critical accounting estimates as a result of Brexit. We will continue to assess risk factors and accounting and reporting considerations. Any of these effects of Brexit, and others we cannot anticipate, could adversely affect the value of our assets in the U.K., as well as our business, financial condition, results of operations and cash flows.

Unanticipated changes in effective tax rates or adverse outcomes resulting from examination of our income or other tax returns could adversely affect our financial condition and results of operations.

We are subject to income taxes in the U.S. and U.K., and our domestic tax liabilities will be subject to the allocation of expenses in differing jurisdictions. Our future effective tax rates could be subject to volatility or adversely affected by a number of factors, including:

- expected timing and amount of the release of any tax valuation allowances;
- tax effects of stock-based compensation;
- costs related to intercompany restructurings;
- changes in tax laws, regulations or interpretations thereof; and
- lower than anticipated future earnings in jurisdictions where we have lower statutory tax rates and higher than anticipated future earnings in jurisdictions where we have higher statutory tax rates

In addition, we may be subject to audits of our income, sales and other transaction taxes by U.S. federal and state authorities or by U.K. authorities. Outcomes from these audits could have an adverse effect on our financial condition and results of operations.

Changes in laws or, regulations or rules, or a failure to comply with any laws, regulations or rules, may adversely affect our business, investments and results of operations.

We are subject to laws, regulations and rules enacted by national, regional and local governments and Nasdaq. In particular, we are required to comply with certain SEC, Nasdaq and other legal or regulatory requirements in the U.S. and U.K. Compliance with, and monitoring of, applicable laws, regulations and rules may be difficult, time consuming and costly. Those laws, regulations or rules and their interpretation and application may also change from time to time and those changes could have a material adverse effect on our business, investments and results of operations. In addition, a failure to comply with applicable laws, regulations or rules, as interpreted and applied, could have a material adverse effect on our business and results of operations.

Employee Related Risks

Our business depends on favorable relations with our employees. Any deterioration of these relations, including those with our union-represented employees, issues with our collective bargaining agreements, labor shortages or increases in labor costs could disrupt our ability to serve our customers, lead to higher labor costs or the payment of withdrawal liability in connection with multiemployer plans, adversely affecting our business, financial condition and results of operations.

As of October 31, 2020, approximately 12% of our employees in the United States (but none of our employees in the United Kingdom) were represented by unions or covered by collective bargaining agreements. The states in which our employees are represented by unions or covered by collective bargaining agreements are California, Washington and Oregon. There can be no assurance that our non-unionized employees will not become members of a union or become covered by a collective bargaining agreement, including through an acquisition of a business whose employees are subject to such an agreement. Any significant deterioration in employee relations, shortages of labor or increases in labor costs at any of our locations could have a material adverse effect on our business, financial condition or results of operations. A slowdown or work stoppage that lasts for a significant period of time could cause lost revenues and increased costs and could adversely affect our ability to meet our customers' needs.

Furthermore, our labor costs could increase as a result of the settlement of actual or threatened labor disputes. In addition, our collective bargaining agreement with our union in California is effective through June 30, 2022 and will continue on a year-to-year basis after unless parties provide advance written notice to change, amend, modify, or terminate the Agreement. No such notices have been given or received. Our collective bargaining agreement with our union in Oregon expires in 2024. Our collective bargaining agreement with our union in Washington expires in 2037. We cannot assure you that renegotiation of these agreements will be successful or will not result in adverse economic terms or work stoppages or slowdowns.

Under our collective bargaining agreements, we are, and have previously been, obligated to contribute to several multiemployer pension plans on behalf of our unionized employees. A multiemployer pension plan is a defined benefit pension plan that provides pension benefits to the union-represented workers of various generally unrelated companies. Under the Employment Retirement Income Security Act of 1974 ("ERISA"), an employer that has an obligation to contribute to an underfunded multiemployer plan, as well as any other entities that are treated as a single employer with such employer under applicable tax and ERISA rules, may become jointly and severally liable, generally upon complete or partial withdrawal from a multiemployer plan, for its proportionate share of the plan's unfunded benefit obligations. These liabilities are known as "withdrawal liabilities." Certain of the multiemployer plans to which we are obligated to contribute have been significantly underfunded in the past. If any of the multiemployer plans were to become significantly underfunded again, and go into an "endangered status," the trustees of the plan would be required to adopt and maintain a rehabilitation plan and we may be required to pay a surcharge on top of our regular contributions to the plan.

We currently have no intention of withdrawing, in either a complete or partial withdrawal, from any of the multiemployer plans to which we currently contribute, and we have not been assessed any withdrawal liability in the past when we have ceased participating in certain multiemployer plans to which we previously contributed. In addition, we believe that the "construction industry" multiemployer plan exception may apply if we did withdraw from any of our current multiemployer plans. The "construction industry" exception generally delays the imposition of withdrawal liability in connection with an employer's withdrawal from a "construction industry" multiemployer plan unless and until (among other things) that employer continues or resumes covered operations in the relevant geographic market without continuing or resuming (as applicable) contributions to the multiemployer plan. If this exception applies, withdrawal liability may be delayed or even inapplicable if we cease participation in any multiemployer plan(s). However, there can be no assurance that we will not withdraw from one or more multiemployer plans in the future, that the "construction industry exception" would apply if we did withdraw, or that we will not incur withdrawal liability if we do withdraw. Accordingly, we may be required to pay material amounts of withdrawal liability if one or more of those plans is underfunded at the time of withdrawal and withdrawal liability applies in connection with our withdrawal. In addition, we may incur material liabilities if any multiemployer plan(s) in which we participate requires us to increase our contribution levels to alleviate existing underfunding and/or becomes insolvent, terminates or liquidates.

Labor relations matters at construction sites where we provide services may result in increases in our operating costs, disruptions in our business and decreases in our earnings.

Labor relations matters at construction sites where we provide services may result in work stoppages, which would in turn affect our ability to provide services at such locations. If any such work stoppages were to occur at work sites where we provide services, we could experience a significant disruption of our operations, which could materially and adversely affect our business, financial condition, results of operations, liquidity, and cash flows. Also, labor relations matters affecting our suppliers could adversely impact our business from time to time.

Turnover of members of our management, staff and pump operators and our ability to attract and retain key personnel may affect our ability to efficiently manage our business and execute our strategy.

Our business depends on the quality of, and our ability to attract and retain, our senior management and staff, and competition in our industry and the business world for top management talent is generally significant. Although we believe we generally have competitive pay packages, we can provide no assurance that our efforts to attract and retain senior management staff will be successful. In addition, the loss of services of certain members of our senior management could adversely affect our business until suitable replacements can be found.

We depend upon the quality of our staff personnel, including sales and customer service personnel who routinely interact with and fulfill the needs of our customers, and on our ability to attract and retain and motivate skilled operators and fleet maintenance personnel and other associated personnel to operate our equipment in order to provide our concrete pumping services to our customers. There is significant competition for qualified personnel in a number of our markets where we face competition from the oil and gas industry for qualified drivers and operators. There is a limited number of persons with the requisite skills to serve in these positions, and such positions require a significant investment by us in initial training of operators of our equipment. We cannot provide assurance that we will be able to locate, employ, or retain such qualified personnel on terms acceptable to us or at all. Our costs of operations and selling, general and administrative expenses have increased in certain markets and may increase in the future if we are required to increase wages and salaries to attract qualified personnel, and there is no assurance that we can increase our prices to offset any such cost increases. There is also no assurance that we can effectively limit staff turnover as competitors or other employers seek to hire our personnel. A significant increase in such turnover could negatively affect our business, financial condition, results of operations and cash flows.

Risks Related to our Indebtedness

Our financing agreements could limit our financial and operating flexibility.

Our credit facilities impose, and any future financing agreements could impose, operating and financial restrictions on our activities, including restricting our ability to incur additional indebtedness, pay dividends or make other payments, make loans and investments, sell assets, incur certain liens, enter into transactions with affiliates and consolidate, merge or sell assets. These covenants could limit the ability of the respective restricted entities to fund future working capital and capital expenditures, engage in future acquisitions or development activities, or otherwise realize the value of their assets and opportunities fully because of the need to dedicate a portion of cash flow from operations to payments on debt. In addition, such covenants limit the flexibility of the respective restricted entities in planning for, or reacting to, changes in the industries in which they operate.

We have a significant amount of indebtedness, which could adversely affect our cash flow and our ability to operate our business and to fulfill our obligations under our indebtedness.

We have a significant amount of indebtedness. As of October 31, 2020, we had \$382.9 million of indebtedness outstanding in addition to \$52.6 million of availability under our ABL Credit Agreement.

Our substantial level of indebtedness increases the possibility that we may not generate enough cash flow from operations to pay, when due, the principal of, interest on or other amounts due in respect of, these obligations. Other risks relating to our long-term indebtedness include:

- increased vulnerability to general adverse economic and industry conditions;
- higher interest expense if interest rates increase on our floating rate borrowings and our hedging strategies do not effectively mitigate the effects of these increases;
- need to divert a significant portion of our cash flow from operations to payments on our indebtedness, thereby reducing the availability of cash to fund working capital, capital expenditures, acquisitions, investments and other general corporate purposes;
- limited ability to obtain additional financing, on terms we find acceptable, if needed, for working capital, capital expenditures, acquisitions and other investments, which may adversely affect our ability to implement our business strategy;
- limited flexibility in planning for, or reacting to, changes in our businesses and the markets in which we operate or to take advantage of market opportunities; and
- a competitive disadvantage compared to our competitors that have less debt.

In addition, it is possible that we may need to incur additional indebtedness in the future in the ordinary course of business. The terms of our Term Loan Agreement and the ABL Credit Agreement allow us to incur additional debt subject to certain limitations. If new debt is added to current debt levels, the risks described above could intensify. In addition, our inability to maintain certain leverage ratios could result in acceleration of a portion of our debt obligations and could cause us to be in default if we are unable to repay the accelerated obligations.

Changes in interest rates may adversely affect our earnings and/or cash flows.

Our indebtedness under our Term Loan Agreement and our ABL Credit Agreement bears interest at variable interest rates that use the London Inter-Bank Offered Rate (“LIBOR”) as a benchmark rate. On July 27, 2017, the United Kingdom’s Financial Conduct Authority (“FCA”), which regulates LIBOR, announced that it intends to stop persuading or compelling banks to submit LIBOR quotations after 2021 (the “FCA Announcement”). The FCA announcement indicates that the continuation of LIBOR on the current basis cannot and will not be assured after 2021, and LIBOR may cease to exist or otherwise be unsuitable for use as a benchmark. Recent proposals for LIBOR reforms may result in the establishment of new methods of calculating LIBOR or the establishment of one or more alternative benchmark rates. Although our revolving credit facility provides for successor base rates, the successor base rates may be related to LIBOR, and the consequences of any potential cessation, modification or other reform of LIBOR cannot be predicted at this time. If LIBOR ceases to exist, we may need to amend our revolving credit facility and Term Loan, and we cannot predict what alternative interest rate(s) will be negotiated with our counterparties. As a result, our interest expense may increase, our ability to refinance some or all of our existing indebtedness may be effected and our available cash flow may be adversely affected.

Our business could be hurt if we are unable to obtain capital as required, resulting in a decrease in our revenue and cash flows.

We require capital for, among other purposes, purchasing equipment to replace existing equipment that has reached the end of its useful life and for growth resulting from expansion into new markets, completing acquisitions and refinancing existing debt. If the cash that we generate from our business, together with cash that we may borrow under our credit facilities, is not sufficient to fund our capital requirements, we will require additional debt or equity financing. If such additional financing is not available to fund our capital requirements, we could suffer a decrease in our revenue and cash flows that would have a material adverse effect on our business. Furthermore, our ability to incur additional debt is and will be contingent upon, among other things, the covenants contained in our credit facilities. In addition, our credit facilities place restrictions on our and our restricted subsidiaries' ability to pay dividends and make other restricted payments (subject to certain exceptions). We cannot be certain that any additional financing that we require will be available or, if available, will be available on terms that are satisfactory to us. If we are unable to obtain sufficient additional capital in the future, our business could be materially adversely affected.

We may not be able to generate sufficient cash to service all of our indebtedness and may be forced to take other actions to satisfy our obligations under applicable debt instruments, which may not be successful.

Our ability to make scheduled payments on or to refinance our indebtedness obligations, including our credit facilities, depends on our financial condition and operating performance, which are subject to prevailing economic and competitive conditions and certain financial, business and other factors beyond our control. We may not be able to maintain a level of cash flows from operating activities sufficient to permit us to pay the principal, premium, if any, and interest on our indebtedness.

If our cash flows and capital resources are insufficient to fund debt service obligations, we may be forced to reduce or delay investments and capital expenditures, sell assets, seek additional capital or restructure or refinance indebtedness. Our ability to restructure or refinance our indebtedness will depend on the condition of the capital markets and our financial condition at such time. Any refinancing of indebtedness could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict business operations. The terms of existing or future debt instruments may restrict us from adopting some of these alternatives. In addition, any failure to make payments of interest and principal on outstanding indebtedness on a timely basis would likely result in a reduction of our credit rating, which could harm our ability to incur additional indebtedness.

Risks Related to our Securities

There can be no assurance that we will be able to comply with Nasdaq's continued listing standards.

If Nasdaq delists our securities from trading on its exchange for failure to meet the continued listing standards, we and our security holders could face significant material adverse consequences including:

- a limited availability of market quotations for our securities;
- a determination that our common stock is a "penny stock" which will require brokers trading in our common stock to adhere to more stringent rules, possibly resulting in a reduced level of trading activity in the secondary trading market for our common stock;
- a decreased ability to issue additional securities or obtain additional financing in the future.

Shares of our common stock have been thinly traded in the past.

Although a trading market for our common stock exists, the trading volume has not been significant and there can be no assurance that an active trading market for our common stock will develop or, if developed, be sustained in the future. As a result of the thin trading market or "float" for our stock, the market price for our common stock may fluctuate significantly more than the stock market as a whole. Without a large float, our common stock is less liquid than the stock of companies with broader public ownership and, as a result, the trading prices of our common stock may be more volatile. In the absence of an active public trading market, an investor may be unable to liquidate his or her investment in our common stock. Trading of a relatively small volume of our common stock may have a greater impact on the trading price for our stock than would be the case if our public float were larger. We cannot predict the prices at which our common stock will trade in the future.

In addition, the price of our securities can vary due to general economic conditions and forecasts, our general business condition and the release of our financial reports. Additionally, if our securities become delisted from Nasdaq for any reason, and are quoted on the OTC Markets, the liquidity and price of our securities may be more limited than if we were quoted or listed on Nasdaq or another national securities exchange. You may be unable to sell your securities unless a market can be established or sustained.

If securities or industry analysts do not publish or cease publishing research or reports about us, our business, or our industry, or if they change their recommendations regarding our common stock adversely, then the price and trading volume of our common stock could decline.

The trading market for our common stock will be influenced by the research and reports that industry or securities analysts may publish about us, our business, our industry, or our competitors. If any of the analysts who may cover the Company change their recommendation regarding our stock adversely, or provide more favorable relative recommendations about our peers, the price of our common stock would likely decline. If any analyst who covers the Company were to cease coverage of the Company or fail to regularly publish reports on us, we could lose visibility in the financial markets, which could cause our stock price or trading volume to decline.

Future sales, or the perception of future sales, by us or our existing stockholders in the public market could cause the market price for our common stock to decline.

The sale of a substantial number of shares of our common stock in the public market, or the perception that such sales could occur, could harm the prevailing market price of shares of our common stock. These sales, or the possibility that these sales may occur, also might make it more difficult for us to sell equity securities in the future at a time and at a price that we deem appropriate.

CFLH Holdings, LLC owns 15,477,138 shares, or 27% of outstanding shares of common stock and BBCP Investors, LLC owns 11,896,411 shares, or 21% of our outstanding shares of our common stock. These shares are registered for resale and are not subject to any contractual restrictions on transfer. The sale of some or all of these shares by these investors could put downward pressure on the market price of our common stock.

In addition, the shares of our common stock reserved for future issuance under our Omnibus Incentive Plan will become eligible for sale in the public market once those shares are issued, subject to provisions relating to various vesting agreements, lock-up agreements and Rule 144, as applicable. Following an amendment to our 2018 Omnibus Incentive Plan on October 29, 2020, a total of 4.8 million shares of common stock were reserved for issuance under our 2018 Omnibus Incentive Plan, of which 0.5 million shares of common stock remain available for future issuance as of October 31, 2020. In the future, we may also issue our securities in connection with investments or acquisitions. The amount of shares of our common stock issued in connection with an investment or acquisition could constitute a material portion of our then-outstanding shares of our common stock. Any issuance of additional securities in connection with investments or acquisitions may result in additional dilution to holders of our common stock.

Our quarterly operating results may fluctuate significantly and could fall below the expectations of securities analysts and investors due to seasonality, adverse weather and other factors, some of which are beyond our control, resulting in a decline in our stock price.

Our quarterly operating results may fluctuate significantly because of several factors, including:

- labor availability and costs for hourly and management personnel;
- profitability of our products, especially in new markets and due to seasonal fluctuations;
- seasonal weather patterns in the construction industry on which we rely, with activity tending to be lowest in the winter and spring;
- changes in interest rates;
- impairment of long-lived assets;
- macroeconomic conditions, both nationally and locally;
- negative publicity relating to products we serve;
- changes in consumer preferences and competitive conditions;
- expansion to new markets; and
- fluctuations in commodity prices.

We may amend the terms of the warrants in a manner that may be adverse to holders with the approval by the holders of at least 65% of the then-outstanding warrants. As a result, the exercise price of our warrants could be increased, the exercise period could be shortened and the number of shares of common stock purchasable upon exercise of a warrant could be decreased without a warrant holder's approval.

Our warrants were issued in registered form under a warrant agreement between Continental Stock Transfer & Trust Company, as warrant agent, and us. The warrant agreement provides that the terms of the warrants may be amended without the consent of any holder to cure any ambiguity or correct any defective provision but requires the approval by the holders of at least 65% of the then-outstanding public warrants to make any change that adversely affects the interests of the registered holders. Accordingly, we may amend the terms of the warrants in a manner adverse to a holder if holders of at least 65% of the then-outstanding public warrants approve of such amendment. Although our ability to amend the terms of the warrants with the consent of at least 65% of the then-outstanding public warrants is unlimited, examples of such amendments could be amendments to, among other things, increase the exercise price of the warrants, shorten the exercise period or decrease the number of shares of common stock purchasable upon exercise of a warrant or automatically at our option.

Our warrants are exercisable for common stock, which would increase the number of shares eligible for future resale in the public market and result in dilution to our stockholders.

As of October 31, 2020, there were 13,017,777 public warrants and no private placement warrants outstanding, respectively. The public warrants have an exercise price of \$11.50 per share. To the extent such warrants are exercised, additional shares of common stock will be issued, which will result in dilution to the holders of common stock and increase the number of shares eligible for resale in the public market. Sales of substantial numbers of such shares in the public market could adversely affect the market price of our common stock.

We are a holding company with no business operations of our own and we depend on cash flow from our wholly owned subsidiaries to meet our obligations.

We are a holding company with no business operations of its own or material assets other than the stock of our subsidiaries, all of which are wholly-owned. All of our operations are conducted by our subsidiaries and as a holding company, we require dividends and other payments from our subsidiaries to meet cash requirements. The terms of any credit facility may restrict our subsidiaries from paying dividends and otherwise transferring cash or other assets to us. If there is an insolvency, liquidation or other reorganization of any of our subsidiaries, our stockholders likely will have no right to proceed against their assets. Creditors of those subsidiaries will be entitled to payment in full from the sale or other disposal of the assets of those subsidiaries before we, as an equity holder, would be entitled to receive any distribution from that sale or disposal. If our subsidiaries are unable to pay dividends or make other payments to us when needed, we will be unable to satisfy our obligations.

Anti-takeover provisions contained in the Company's Charter and Bylaws, as well as provisions of Delaware law, could impair a takeover attempt.

The Charter of the Company contains provisions that may discourage unsolicited takeover proposals that stockholders may consider to be in their best interests. We are also subject to anti-takeover provisions under Delaware law, which could delay or prevent a change of control. Together, these provisions may make more difficult the removal of management and may discourage transactions that otherwise could involve payment of a premium over prevailing market prices for our securities. These provisions include:

- a staggered board of directors providing for three classes of directors, which limits the ability of a stockholder or group to gain control of our Board;
- no cumulative voting in the election of directors, which limits the ability of minority stockholders to elect director candidates;
- the right of our Board to elect a director to fill a vacancy created by the expansion of our Board or the resignation, death or removal of a director in certain circumstances, which prevents stockholders from being able to fill vacancies on our Board;
- a prohibition on stockholder action by written consent, which forces stockholder action to be taken at an annual or special meeting of our stockholders;
- a prohibition on stockholders calling a special meeting and the requirement that a meeting of stockholders may only be called by members of our Board, which may delay the ability of our stockholders to force consideration of a proposal or to take action, including the removal of directors; and
- advance notice procedures that stockholders must comply with in order to nominate candidates to our Board or to propose matters to be acted upon at a meeting of stockholders, which may discourage or deter a potential acquirer from conducting a solicitation of proxies to elect the acquirer's own slate of directors or otherwise attempting to obtain control of us.

The Charter of the Company designates the Court of Chancery of the State of Delaware as the sole and exclusive forum for certain types of actions and proceedings that may be initiated by our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers or employees.

The Charter provides that, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware will be the sole and exclusive forum for any stockholder (including a beneficial owner) to bring (i) any derivative action or proceeding brought on behalf of the Company, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director, officer or other employee of the Company to the Company or our stockholders, (iii) any action asserting a claim against the Company, our directors, officers or employees arising pursuant to any provision of the DGCL, the Charter or the Bylaws, or (iv) any action asserting a claim against the Company, our directors, officers or employees governed by the internal affairs doctrine, except for, as to each of (i) through (iv) above, any claim (A) as to which the Court of Chancery determines that there is an indispensable party not subject to the jurisdiction of the Court of Chancery (and the indispensable party does not consent to the personal jurisdiction of the Court of Chancery within ten days following such determination), (B) which is vested in the exclusive jurisdiction of a court or forum other than the Court of Chancery, or (C) arising under the Securities Act or for which the Court of Chancery does not have subject matter jurisdiction including, without limitation, any claim arising under the Exchange Act, as to which the federal district court for the District of Delaware shall be the sole and exclusive forum.

Any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock will be deemed to have notice of, and consented to, the provisions of the Charter described in the preceding paragraph. However, stockholders will not be deemed to have waived our compliance with the federal securities laws and the rules and regulations thereunder. This choice of forum provision may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers or other employees, which may discourage such lawsuits against us and such persons. Alternatively, a court may determine that the choice of forum provision is unenforceable. If a court were to find these provisions of the Charter inapplicable to, or unenforceable in respect of, one or more of the specified types of actions or proceedings, we may incur additional costs associated with resolving such matters in other jurisdictions, which could adversely affect our business, financial condition or results of operations.

Item 1B. Unresolved Staff Comments.

None.

Item 2. Properties

Our corporate office is located at 500 E. 84th Avenue, Suite A-5, Thornton, CO 80229, where we lease approximately 13,415 square feet of office space in the building. We operate from a base of approximately 90 locations in 22 states in the U.S. and 30 locations in the U.K. as of October 31, 2020. We own 16 of our locations in the U.S. and lease the remaining locations and all of our locations in the U.K. are leased. Certain facilities are shared between Brundage-Bone and Eco-Pan and certain locations operate at construction sites without a formal lease. We believe that our properties are suitable for our current operating needs.

Item 3. Legal Proceedings

From time to time, we have been and may again become involved in legal proceedings arising in the ordinary course of our business. We are not presently a party to any litigation that we believe to be material and we are not aware of any pending or threatened litigation against us that we believe could have a material adverse effect of our business, operating result, financial condition or cash flows.

Item 4. Mine Safety Disclosures

Not applicable.

PART II

Item 5. Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Market Information

Our common stock is currently listed on Nasdaq under the symbol “BBCP” and our public warrants are quoted on the OTC Pink marketplace operated by OTC Markets Group, Inc. under the symbol “BBCPW.” As of October 31, 2020, there were 40 holders of record of shares of our common stock and 1 holder of record of our public warrants. Because many of our shares of common stock are held by brokers and other institutions on behalf of stockholders, we are unable to estimate the total number of stockholders represented by the record holders of our common stock.

Dividend Policy

The Company has not paid any cash dividends on its common stock to date. It is the present intention of the Company to retain any earnings for use in its business operations and, accordingly, the Company does not anticipate the Board declaring any dividends in the foreseeable future.

Item 6. Selected Financial Data

We are a smaller reporting company as defined in Rule 12b-2 of the Exchange Act; therefore, pursuant to Item 301(c) of Regulation S-K, we are not required to provide the information required by this Item.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our Consolidated Financial Statements and related notes included elsewhere in this Annual Report. In addition to historical information, the following discussion contains forward-looking statements, such as statements regarding the Company's expectation for future performance, liquidity and capital resources that involve risks, uncertainties and assumptions that could cause actual results to differ materially from the Company's expectations. The Company's actual results may differ materially from those contained in or implied by any forward-looking statements. Factors that could cause such differences include those identified below and those described in "Cautionary Note Regarding Forward-Looking Statements," and in Item 1A "Risk Factors" of this Annual Report on Form 10-K/A. The Company assumes no obligation to update any of these forward-looking statements.

Restatement of Previously Issued Consolidated Financial Statements

The following discussion and analysis should be read in conjunction with the audited consolidated financial statements and notes thereto as of October 31, 2020 (Successor) and 2019 (Successor), and for the year ended October 31, 2020 (Successor), for the period from December 6, 2018 through October 31, 2019 (Successor) and for the period from November 1, 2018 through December 5, 2018 (Predecessor), included elsewhere in this Annual Report on Form 10-K/A. This Management's Discussion and Analysis of Financial Condition and Results of Operations has been amended and restated (or revised) to give effect to the restatement of the Company's consolidated financial statements, as more fully described in Note 2 to the consolidated financial statements. For further detail regarding the restatement, see Explanatory Note and Item 9A. Controls and Procedures herein.

Business Overview

The Company is a Delaware corporation headquartered in Thornton, Colorado. The audited 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 ("Capital"), and Camfaud Group Limited ("Camfaud"), and Eco-Pan, Inc. ("Eco-Pan").

On December 6, 2018, the Company, formerly known as Concrete Pumping Holdings Acquisition Corp., consummated a business combination transaction (the "Business Combination") pursuant to which it acquired (i) the private operating company formerly called Concrete Pumping Holdings, Inc. ("CPH") and (ii) the former special purpose acquisition company called Industrea Acquisition Corp ("Industrea"). In connection with the closing of the Business Combination, the Company changed its name to Concrete Pumping Holdings, Inc. The financial results described herein for the dates and periods prior to the Business Combination relate to the operations of CPH prior to the consummation of the Business Combination.

U.S. Concrete Pumping

In May 2019, the Company, through its wholly-owned subsidiary Brundage-Bone, acquired Capital Pumping, LP and its affiliates, a concrete pumping provider based in Texas for a purchase price of \$129.2 million. The closing of this acquisition provided the Company with complementary assets and operations and significantly expanded its footprint and business in Texas.

Brundage-Bone and Capital are concrete pumping service providers in the United States ("U.S."). Their 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 neither company contracts to purchase, mix, or deliver concrete. Brundage-Bone and Capital collectively have approximately 90 branch locations across 22 states with their corporate headquarters in Thornton (near Denver), Colorado.

U.S. Concrete Waste Management Services

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 16 operating locations across the United States with its corporate headquarters in Thornton, Colorado.

U.K. Operations

Camfaud is a concrete pumping service provider in the United Kingdom ("U.K."). Their 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 30 branch locations throughout the U.K., with its corporate headquarters in Epping (near London), England. In addition, during the third quarter of fiscal 2019, we started 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 COVID-19

In March 2020, the World Health Organization declared the outbreak of COVID-19 to be a global pandemic and recommended containment and mitigation measures worldwide. The COVID-19 pandemic has rapidly changed market and economic conditions globally and may continue to create significant uncertainty in the macroeconomic environment. Such macroeconomic volatility, in addition to other unforeseen effects of this pandemic, has impacted our business, results of operations and overall financial performance. The Company actively monitors and responds to developments relating to ongoing COVID-19 pandemic. As part of its actions, the Company has made adjustments to its operations and executed certain cost reduction initiatives.

As a result of the pandemic, we have implemented certain short-term cost reductions, including headcount reductions, modified work schedules reducing hours where needed, and furloughs in limited locations. The Company had previously suspended any remaining uncommitted 2020 capital expenditure investments, but that was lifted as its overall liquidity and operations improved. In the final month of the second quarter of fiscal 2020, our operations in the Seattle and U.K. markets were negatively impacted due to COVID-19-imposed construction site shutdowns. These restrictions were, for the most part, lifted during the third quarter ended July 31, 2020. While the Company believes these disruptions will be temporary, it is difficult to predict how long they will last and the impact they will have on the Company in future periods.

In addition, the COVID-19 pandemic drove a sustained decline in the Company's stock price and a deterioration in general economic conditions in the fiscal 2020 second quarter, which qualified as a triggering event necessitating the evaluation of its goodwill and long-lived assets for indicators of impairment. As a result of the evaluation, the Company conducted a quantitative interim impairment test as of April 30, 2020. There were no triggering events during the remainder of fiscal 2020. Refer to Notes 2 and 8 of the financial statements for further discussion. The Company will continue to evaluate its goodwill and intangible assets in future quarters. Additional impairments may be recorded in the future based on events and circumstances, including those related to COVID-19 discussed above.

Despite recent news regarding vaccines, both the outbreak and the containment and mitigation measures have had and are likely to continue to have a serious adverse impact on the global economy, the severity and duration of which are uncertain. It is likely that government stabilization efforts will only partially mitigate the consequences to the economy. The extent to which the COVID-19 pandemic will impact the Company's business, financial condition, and results of operations in the future is highly uncertain and will be affected by a number of factors. These include the duration and extent of the pandemic; the duration and extent of imposed or recommended containment and mitigation measures; the extent, duration, and effective execution of government stabilization and recovery efforts, including those from the successful distribution of an effective vaccine; the impact of the pandemic on economic activity, including on construction projects and the Company's customers' demand for its services; the Company's ability to effectively operate, including as a result of travel restrictions and mandatory business and facility closures; the ability of the Company's customers to pay for services rendered; any further closures of the Company's and the Company's customers' offices and facilities; and any additional project delays or shutdowns. Customers have and may continue to slow down decision-making, delay planned work or seek to terminate existing agreements. Any of these events may have a material adverse effect on the Company's business, financial condition, and/or results of operations, including further impairment to our goodwill and intangible assets. The Company will continue to evaluate the effect of COVID-19 on its business.

Results of Operations

To reflect the application of different bases of accounting as a result of the Business Combination, the tables provided below separate the Company's results via a black line into two distinct periods as follows: (1) up to and including the Business Combination closing date (labeled "Predecessor") and (2) the period after that date (labeled "Successor"). The periods after December 5, 2018 are the "Successor" periods while the periods before December 6, 2018 are the "Predecessor" periods.

The historical financial information of Industrea prior to the Business Combination (a special purpose acquisition company, or “SPAC”) has not been reflected in the Predecessor financial statements as these historical amounts have been determined to be not useful information to a user of the financial statements. SPACs deposit the proceeds from their initial public offerings into a segregated trust account until a business combination occurs, where such funds are then used to pay consideration for the acquiree and/or to pay stockholders who elect to redeem their shares of common stock in connection with the business combination. The operations of a SPAC, until the closing of a business combination, other than income from the trust account investments and transaction expenses, are nominal. Accordingly, no other activity in the Company was reported for periods prior to December 6, 2018 besides CPH’s operations as Predecessor.

As Industrea’s historical financial information is excluded from the Predecessor financial information, the business, and thus financial results, of the Successor and Predecessor entities, are expected to be largely consistent, excluding the impact on certain financial statement line items that were impacted by the Business Combination. Management believes reviewing our operating results for the twelve-months ended October 31, 2019 by combining the results of the Predecessor and Successor periods (“S/P Combined”) is more useful in discussing our overall operating performance when compared to the same period in the current year. Accordingly, in addition to presenting our results of operations as reported in our consolidated financial statements in accordance with GAAP, the tables below present the non-GAAP combined results for the year.

	Successor		Predecessor	S/P Combined (non-GAAP)
	Year Ended October 31, 2020	December 6, 2018 through October 31, 2019 (As Restated)	November 1, 2018 through December 5, 2018	Year Ended October 31, 2019 (As Restated)
<i>(dollars in thousands)</i>				
Revenue	\$ 304,301	\$ 258,565	\$ 24,396	\$ 282,961
Cost of operations	166,998	143,512	14,027	157,539
Gross profit	137,303	115,053	10,369	125,422
Gross margin	45.1%	44.5%	42.5%	44.3%
General and administrative expenses	111,087	91,914	4,936	96,850
Goodwill and intangibles impairment	57,944	-	-	-
Transaction costs	-	1,521	14,167	15,688
Income (loss) from operations	(31,728)	21,618	(8,734)	12,884
Other income (expense):				
Interest expense, net	(34,408)	(34,880)	(1,644)	(36,524)
Loss on extinguishment of debt	-	-	(16,395)	(16,395)
Change in fair value of warrant liabilities	(261)	(6,491)	-	(6,491)
Other income, net	169	47	6	53
Total other expense	(34,500)	(41,324)	(18,033)	(59,357)
Loss before income taxes	(66,228)	(19,706)	(26,767)	(46,473)
Income tax benefit	(4,977)	(3,303)	(4,192)	(7,495)
Net loss	(61,251)	(16,403)	(22,575)	(38,978)
Less accretion of liquidation preference on preferred stock	(1,930)	(1,623)	(126)	(1,749)
Net loss available to common shareholders	\$ (63,181)	\$ (18,026)	\$ (22,701)	\$ (40,727)

Twelve Months Ended October 31, 2020 and October 31, 2019

For the twelve-months ended October 31, 2020, our net loss was \$61.3 million, an increase of \$22.3 million compared to net loss of \$39.0 million in the same period a year ago. The higher net loss was primarily attributable to goodwill and intangible impairment charges totaling \$57.9 million resulting from the significant decline in the Company's stock price during the second quarter driven by the COVID-19 pandemic. Despite the impact from COVID-19, we had a 7.5% improvement in revenue year-over-year, driven mostly by (1) the additional assets we obtained from the acquisition of Capital, which supported the operations in our Texas market, (2) modest organic growth in most of our U.S. Concrete Pumping markets and (3) strong revenue growth of 18.0% from our U.S. Concrete Waste Management Services segment. Our improved revenue was slightly offset by a 20.4% year-over-year decline in revenue from our U.K. Operations segment which has been heavily impacted from construction site shutdowns due to COVID-19. Net income for the twelve-months ended October 31, 2020, when compared to the S/P combined period a year ago, was also impacted by (1) lower transaction costs of \$15.7 million, most of which were related to the Business Combination, (2) lower loss on extinguishment of debt of \$16.4 million, all of which were the result of the Business Combination, (3) \$14.2 million in higher general and administrative expenses primarily due to reporting a full year with Capital and increased stock based compensation expense and (4) \$6.2 million of lower expense related to the change in fair value of the warrant liabilities.

Total Assets

<i>(in thousands)</i>	October 31, 2020	October 31, 2019
Total Assets		
U.S. Concrete Pumping	\$ 570,536	\$ 637,384
U.K. Operations	109,726	138,435
U.S. Concrete Waste Management Services	140,209	137,646
Corporate	25,517	24,223
Intersegment	(72,230)	(66,323)
	<u>\$ 773,758</u>	<u>\$ 871,365</u>

Total assets decreased from \$871.4 million as of October 31, 2019 to \$773.8 million as of October 31, 2020. The decrease is primarily attributable to the goodwill and intangibles impairment charges of \$57.9 million that were recorded during the second quarter of fiscal 2020. The remainder is predominately attributable to depreciation and amortization of long lived assets.

Revenue

<i>(in thousands)</i>	Successor		Predecessor	S/P Combined (non-GAAP)	Change	
	Year Ended October 31, 2020	December 6, 2018 through October 31, 2019	November 1, 2018 through December 5, 2018	Year Ended October 31, 2019		%
Revenue						
U.S. Concrete Pumping	\$ 229,740	\$ 187,031	\$ 16,659	\$ 203,690	\$ 26,050	12.8%
U.K. Operations	39,145	44,021	5,143	49,164	(10,019)	-20.4%
U.S. Concrete Waste Management Services	35,890	27,779	2,628	30,407	5,483	18.0%
Corporate	2,500	2,258	242	2,500	-	0.0%
Intersegment	(2,974)	(2,524)	(276)	(2,800)	(174)	6.2%
	<u>\$ 304,301</u>	<u>\$ 258,565</u>	<u>\$ 24,396</u>	<u>\$ 282,961</u>	<u>\$ 21,340</u>	<u>7.5%</u>

U.S. Concrete Pumping

Revenue for our U.S. Concrete Pumping segment increased by 12.8%, or \$26.1 million, from \$203.7 million in the S/P combined twelve-months ended October 31, 2019 to \$229.7 million for fiscal 2020. The incremental benefit of the acquisition of Capital, which added additional pumping capacity to Texas, drove \$22.9 million of the increase in revenue. The remaining increase was the result of modest organic growth in many of our markets.

U.K. Operations

Revenue for our U.K. Operations segment decreased by 20.4%, or \$10.0 million, from \$49.2 million in the S/P combined twelve-months ended October 31, 2019 to \$39.1 million for fiscal 2020. The decline in revenue was attributable to the impact of COVID-19, which resulted in job site lockdowns on our U.K. business operations in the month of April and negatively impacted operations throughout the remainder of fiscal 2020.

U.S. Concrete Waste Management Services

Revenue for the U.S. Concrete Waste Management Services segment improved by 18.0%, or \$5.5 million, from \$30.4 million in the S/P combined twelve-months ended October 31, 2019 to \$35.9 million for fiscal 2020. The increase in revenue was primarily due to robust organic growth, pricing improvements, new product offerings (such as our new roll off service, which allows for 100 to 120 concrete truck mixer wash outs), and continuing momentum in the newer branch locations established over the last year.

Corporate

There was limited movement in revenue for our Corporate segment for the periods presented. Any year-over-year changes for our Corporate segment was 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 included above.

Gross Margin

Gross margin for the twelve-months ended October 31, 2020 increased 80 basis points from 44.3% in the S/P combined twelve-months ended October 31, 2019 to 45.1%. The increase in gross margin for the twelve-months ended October 31, 2020 was primarily due to the post-acquisition contribution from Capital and more favorable fuel pricing.

General and Administrative Expenses

G&A expenses for the twelve-months ended October 31, 2020 were \$111.1 million, an increase of \$14.2 million from \$96.9 million in the S/P combined twelve-months ended October 31, 2019. The overall increase was largely due to (1) a \$7.8 million increase in stock-based compensation expense, which was required following a revaluation and acceleration of expense after most outstanding awards were modified at the end of fiscal 2020 and (2) a \$2.0 million charge for a settlement reached at the end of fiscal 2020 between the Company and our previous shareholders as a result of carrying back certain net operating loss carryforwards and remitting them to the prior shareholders. The remaining increase in G&A expenses is mostly attributable to having a full year of Capital's results in G&A expenses.

G&A expenses as a percent of revenue ("G&A rate") were 36.5% for fiscal 2020 compared to 34.2% for the same period a year ago. Excluding non-cash costs for depreciation expense, amortization of intangibles and stock-based compensation expense, our G&A rate increased slightly from 20.7% in the S/P combined twelve-months ended October 31, 2019 to 21.2% in fiscal 2020.

Transaction Costs & Debt Extinguishment Costs

Transaction costs include expenses for legal, accounting, and other professionals that were engaged in connection with an acquisition. There were no transaction costs or debt extinguishment costs during fiscal 2020. Transaction costs amounted to \$1.5 million for the Successor period from December 6, 2018 through October 31, 2019, which were associated with the Capital Acquisition.

During the period from November 1, 2018 through December 5, 2018, the Predecessor incurred transaction costs of \$14.2 and debt extinguishment costs of \$16.4 million. All costs in this period were related to the Business Combination.

Interest Expense, Net

Interest expense, net for the Successor year ended October 31, 2020 was \$34.4 million, down \$2.1 million from the same S/P combined period from a year ago as a result of lower average debt balances and lower variable interest rates.

Goodwill and Intangibles Impairment

During the second quarter of fiscal year 2020, as a result of the COVID-19 impact on the Company's market capitalization, with the assistance of a third party valuation specialist, we performed an interim impairment test over our indefinite-lived trade name intangible assets and goodwill as of April 30, 2020. The analysis resulted in \$57.9 million in impairments, including a \$5.0 million impairment of our Brundage-Bone Concrete Pumping trade-name, a \$38.5 million goodwill impairment for our U.S. Concrete Pumping reporting unit and a \$14.4 million impairment to our U.K. Operations reporting unit. There were no additional impairments recorded for the remainder of fiscal 2020.

Change in Fair Value of Warrant Liabilities

During the years ended October 31, 2020 and 2019 we recognized a \$0.3 million loss and a \$6.5 million loss, respectively, on the fair value remeasurement of our liability-classified warrants. On April 1, 2019, the Company commenced an offer to each holder of its public and private warrants to receive 0.2105 shares of common stock in exchange for each outstanding public warrant tendered and 0.1538 shares of common stock in exchange for each private warrant tendered pursuant to the offer (the "Offer" or "Warrant Exchange"). On April 26, 2019, a total of 9,982,123 public warrants and 11,100,000 private warrants were tendered for exchange pursuant to the Offer. On April 29, 2019, 2,101,213 shares of common stock were issued in exchange for the tendered public warrants and 1,707,175 shares of common stock were issued in exchange for the tendered private warrants. As all private warrants were exchanged and 13.0 million public warrants remained outstanding following the Warrant Exchange, any remaining changes in fair value of warrants subsequent to April 29, 2019 is due to changes in fair value of the remaining public warrants.

Income Tax (Benefit) Provision

For the twelve-months ended October 31, 2020, the Company recorded an income tax benefit of \$5.0 million on a pretax loss of \$66.0 million. Our income tax provision was mostly impacted by the following factors during fiscal 2020:

- (1) Of the \$57.9 million of impairments recorded for goodwill and intangibles by the Company during the second quarter of fiscal 2020, only \$11.2 million was deductible for tax purposes (\$2.7 million tax benefit to the Company) as the remaining impairment was related to nondeductible goodwill;
- (2) We recorded a tax benefit of \$1.4 million in the Successor year ended October 31, 2020 related to write-up in the carrying value of certain net operating losses ("NOL") carryforwards as it was determined that those NOLs would be carried back to prior years pursuant to the provisions included in the CARES Act;
- (3) As a result of the increase in the deferred statutory U.K. corporate tax rate from 17% to 19% in fiscal 2020, we recorded \$0.9 million of tax expense
- (4) We recorded nondeductible expenses related to a settlement with the Predecessor shareholders that resulted in a \$0.4 million permanent tax difference; and

For the S/P Combined twelve months ended October 31, 2019, the Company recorded an income tax benefit of \$7.5 million on a pretax loss of \$40.0 million, resulting in an effective tax rate of 16.1%. Our income tax benefit was negatively impacted by \$0.3 million in deferred taxes on undistributed foreign earnings and nondeductible (1) transaction expenses totaling \$1.4 million and (2) \$6.5 million of losses from the change in fair value of warrant liabilities.

Adjusted EBITDA¹

	Net Income (Loss)		Adjusted EBITDA			
	Year Ended October 31, 2020	S/P Combined Year Ended October 31, 2019 (As Restated)	Year Ended October 31, 2020	S/P Combined Year Ended October 31, 2019	\$ Change	% Change
<i>(in thousands)</i>						
U.S. Concrete Pumping	\$ (50,140)	\$ (36,283)	\$ 74,886	\$ 62,821	\$ 12,065	19.2%
U.K. Operations	(16,620)	1,281	12,228	15,694	(3,466)	-22.1%
U.S. Concrete Waste Management Services	4,404	489	17,686	14,177	3,509	24.8%
Corporate	1,105	(4,465)	2,501	2,802	(301)	-10.7%
	<u>\$ (61,251)</u>	<u>\$ (38,978)</u>	<u>\$ 107,301</u>	<u>\$ 95,494</u>	<u>\$ 11,807</u>	<u>12.4%</u>

¹ Please see "Non-GAAP Measures (EBITDA and Adjusted EBITDA)" below for reconciliation of Net Income (Loss) to EBITDA to Adjusted EBITDA.

U.S. Concrete Pumping

Adjusted EBITDA for our U.S. Concrete Pumping segment was \$74.9 million for the twelve-months ended October 31, 2020, up 19.2% from \$62.8 million for the S/P combined twelve-months ended October 31, 2019. The significant year-over-year increase was due primarily to (1) the acquisition of Capital, (2) modest organic revenue growth in many of our remaining markets and (3) improved gross margins as a result of more favorable fuel pricing.

U.K. Operations

Adjusted EBITDA for our U.K. Operations segment was \$12.2 million for the twelve-months ended October 31, 2020, down 22.1% from \$15.7 million for the S/P combined twelve-months ended October 31, 2019. The decrease was primarily attributable to the year-over-year decline in revenue due to the negative impact on construction activity resulting from COVID-19 imposed operating conditions.

U.S. Concrete Waste Management Services

Adjusted EBITDA for our U.S. Concrete Waste Management Services segment was \$17.7 million for the Successor year ended October 31, 2020, up 24.8% from \$14.2 million for the S/P combined twelve-months ended October 31, 2019. The increase was primarily attributable to the year-over-year change in revenue discussed previously.

Corporate

There was limited movement in Adjusted EBITDA for our Corporate segment for the periods presented. Any year-over-year changes for our Corporate segment was primarily related to the allocation of overhead costs.

Liquidity and Capital Resources

Overview

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 Capital. Our primary sources of liquidity are cash generated from operations, available cash and cash equivalents and access to our revolving credit facility under our Asset-Based Lending Credit Agreement (the “ABL Credit Agreement”), which provides for aggregate borrowings of up to \$60.0 million, subject to a borrowing base limitation. As of October 31, 2020, we had \$6.7 million of cash and cash equivalents and \$52.6 million of available borrowing capacity under the ABL Credit Agreement, providing total available liquidity of \$59.3 million.

Capital Resources

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 Term Loan Agreement (defined below) and (4) short-term financing under our ABL Credit Agreement. We may from time to time seek to retire or pay down borrowings on the outstanding balance of our ABL Credit Agreement or Term Loan Agreement using cash on hand. Such repayments, if any, will depend on prevailing market conditions, our liquidity requirements, contractual restrictions and other factors.

After consideration of any potential impacts from COVID-19 on our operations, we believe our existing cash and cash equivalent balances, cash flow from operations, and borrowing capacity under our ABL Credit Agreement 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 agreements in place governing such debt could provide for operating and financing covenants that could restrict our operations.

Term Loan Agreement and ABL Credit Agreement

As part of the Business Combination, the Company entered into (i) a Term Loan Agreement, dated December 6, 2018, among the Company, certain subsidiaries of the Company, Credit Suisse AG, Cayman Islands Branch as administrative agent and Credit Suisse Loan Funding LLC, Jefferies Finance LLC and Stifel Nicolaus & Company Incorporated LLC as joint lead arrangers and joint bookrunners, and the other Lenders party thereto (as amended, the “Term Loan Agreement”) and (ii) a Credit Agreement, dated December 6, 2018, 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 and the other parties thereto (“ABL Credit Agreement”). Summarized terms of those debt agreements are included below.

Term Loan Agreement

Summarized terms of the Term Loan Agreement are as follows:

- Provides for an original aggregate principal amount of \$357.0 million. This amount was increased in May 2019 by \$60.0 million in connection with the acquisition of Capital;
- The initial term loans advanced will mature and be due and payable in full seven years after the issuance, with principal amortization payments in an annual amount equal to 5.00% of the original principal amount;
- Borrowings under the Term Loan Agreement, will bear interest at either (1) an adjusted LIBOR rate or (2) an alternate base rate, plus an applicable margin of 6.00% or 5.00%, respectively;
- The Term Loan Agreement is secured by (i) a first priority perfected lien on substantially all of the assets of the Company and certain of its subsidiaries that are loan parties thereunder to the extent not constituting ABL Credit Agreement priority collateral and (ii) a second priority perfected lien on substantially all ABL Credit Agreement priority collateral, in each case subject to customary exceptions and limitations;
- The Term Loan Agreement includes certain non-financial covenants.

The outstanding balance under the Term Loan Agreement as of October 31, 2020 was \$381.2 million and the Company was in compliance with all debt covenants. The Company’s interest on borrowings under the Term Loan Agreement bear interest using the London Inter-bank Offered Rate (LIBOR) as the base rate plus an applicable margin in line with the summarized terms of the Term Loan Agreement as described above.

Summarized terms of the ABL Credit Agreement are as follows:

- Borrowing availability in U.S. Dollars and GBP up to a maximum of \$60.0 million;
- Borrowing capacity available for standby letters of credit of up to \$7.5 million and for swing loan borrowings of up to \$7.5 million. Any issuance of letters of credit or making of a swingline loan will reduce the amount available under the ABL Facility;
- All loans advanced will mature and be due and payable in full five years after the issuance;
- Amounts borrowed may be repaid at any time, subject to the terms and conditions of the agreement;
- Interest on borrowings in U.S. Dollars and GBP under the ABL Credit Agreement, will bear interest at either (1) an adjusted LIBOR rate or (2) a base rate, in each case plus an applicable margin currently set at 2.25% and 1.25%, respectively. The ABL Credit Agreement is subject to two step-downs of 0.25% and 0.50% based on excess availability levels;
- U.S. ABL Credit Agreement obligations are secured by (i) a perfected first priority security interest in substantially all personal property of the Company and certain of its subsidiaries that are loan parties thereunder consisting of all accounts receivable, inventory, cash, intercompany notes, books and records, chattel paper, deposit, securities and operating accounts and all other working capital assets and all documents, instruments and general intangibles related to the foregoing (the "U.S. ABL Priority Collateral") and (ii) a perfected second priority security interest in substantially all Term Loan Agreement priority collateral, in each case subject to customary exceptions and limitations;
- U.K. ABL Credit Agreement obligations are secured by (i) a perfected first-priority security interest in (A) the U.S. ABL Priority Collateral, (B) all of the stock (or other ownership interests) in, and held by, the U.K. borrower subsidiaries of the Company, and (C) all of the current and future assets and property of the U.K. subsidiaries of the Company that are loan parties thereunder, including a first-ranking floating charge over all current and future assets and property of each U.K. subsidiary of the Company that is a loan party thereunder; and (ii) a perfected, second-priority security interest in substantially all Term Loan Agreement priority collateral, in each case subject to customary exceptions and limitations; and
- The ABL Credit Agreement also includes (i) a springing financial covenant (fixed charge 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 Credit Agreement as of October 31, 2020 was \$1.7 million and the Company was in compliance with all debt covenants thereunder.

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 customers paying the Company as invoices are submitted daily for many of our services.

Successor

Net cash provided by (used in) 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 twelve-months ended October 31, 2020 was \$79.0 million. The Company had a net loss of \$61.3 million that included significant non-cash charges, net totaling \$133.9 million as follows: (1) Goodwill and intangibles impairment of \$57.9 million, (2) depreciation of \$28.3 million, (3) amortization of intangible assets of \$33.4 million, (4) amortization of deferred financing costs of \$4.1 million (5) stock-based compensation expense of \$11.5 million, (6) change in fair value of warrant liabilities of \$0.3 million and (7) gain on sale of \$1.5 million. In addition, we had cash inflows related to the following activity: (1) a decrease of \$1.6 million in trade receivables, (2) a decrease of prepaid expenses and other current assets of \$1.7 million, and (3) an increase of \$5.8 million in accrued payroll, accrued expenses and other current liabilities. These amounts were partially offset by outflows related to the following activity: (1) a decrease of \$1.0 million in income taxes payable, (2) a decrease of \$0.8 million in accounts payable, and (3) a \$0.5 million payment of contingent consideration in connection with the acquisition of Camfaud in excess of amounts established in purchase accounting.

We used \$35.9 million to fund investing activities during the twelve-months ended October 31, 2020. The Company used \$39.3 million for the purchase of property, plant and equipment, which was partially offset by \$3.5 million in proceeds from the sale of property, plant and equipment.

Net cash used in financing activities was \$43.9 million for the twelve-months ended October 31, 2020. Financing activities during this period included \$21.7 million in net payments under the Company's ABL Credit Agreement, \$20.9 in payments on the Company's Term Loan Agreement, and the payment of the contingent consideration in connection with the acquisition of Camfaud of \$1.2 million.

Net cash provided by operating activities during the period from December 6, 2018 through October 31, 2019 (the "Successor Period") was \$22.8 million. The Company had a net loss of \$16.4 million that included significant non-cash charges totaling \$66.5 million as follows: (1) depreciation of \$20.3 million, (2) amortization of intangible assets of \$32.4 million, (3) change in fair value of warrant liabilities of \$6.5 million, (4) amortization of deferred financing costs of \$3.7 million and (5) stock-based compensation expense of \$3.6 million. These amounts were partially offset by net cash outflows related to the following activity: (1) an increase of \$5.9 million in trade receivables, (2) a \$0.5 million increase in inventory, (3) a \$1.0 million increase in prepaid expenses and other current assets, (4) an increase of \$2.4 million in our net deferred income taxes, (5) a decrease in income taxes payable of \$1.4 million, (6) a \$7.3 million decrease in accounts payable, and (7) a decrease of \$8.3 million in accrued payroll, accrued expenses and other current liabilities.

We used \$374.9 million to fund investing activities during the Successor Period. The Company paid \$449.2 million to fund the Business Combination, \$129.2 million to fund the acquisition of Capital and \$2.3 million to fund other business combinations. Additionally, \$35.7 million was used to purchase machinery, equipment and other vehicles to service our business. These cash outflows were partially offset by \$238.5 million in cash withdrawn from Industrea trust account in addition to proceeds from the sale of property, plant and equipment of \$3.1 million.

Net cash used in financing activities was \$361.6 million for the Successor Period. Financing activities during the Successor Period included cash inflows from \$402.1 million in net borrowings from our new Term Loan Agreement, \$23.3 million in net borrowings under the Company's new ABL Credit Agreement, \$174.3 million from the issuance of common shares, \$1.4 million in proceeds from the exercise of stock options and an additional \$25.0 million from the issuance of preferred stock. All of these cash inflows were used to fund business combinations and other operational activity such as equipment purchases. These cash inflows were offset by payments for redemptions of common stock totaling \$231.4 million, \$24.9 million for the payment of debt issuance costs (which are inclusive of any original issuance discounts) that were associated with the Term Loan Agreement and new ABL Credit Agreement, and \$8.1 million in payments for underwriting fees.

Predecessor

Net cash provided by operating activities during the period from November 1, 2018 through December 5, 2018 (the "Predecessor Period") was \$7.9 million. The Company had a net loss of \$22.6 million that included significant non-cash charges totaling \$18.5 million as follows: (1) depreciation of \$2.1 million, (2) prepayment penalty on early extinguishment of debt of \$13.0 million, and (3) write off deferred debt issuance costs of \$3.4 million. The Company had cash outflows due to (1) an increase of \$0.3 million in inventory, (2) a \$1.3 million increase in prepaid expenses and other current assets, (3) an increase of \$4.4 million in our net deferred income taxes, and (4) a \$0.7 million decrease in accounts payable. The amounts were more than offset by cash inflows from an increase of \$17.3 million in accrued payroll, accrued expenses and other current liabilities.

We used \$0.1 million to fund investing activities during the Predecessor Period. We used \$0.5 million to fund purchases of machinery, equipment and other vehicles to service our business. This was offset by \$0.4 million in proceeds received from the sale of property, plant and equipment.

We used \$15.4 million to fund financing activities during the Predecessor Period and this activity was driven by \$15.4 million of net borrowings under the Revolver to operate our business and fund acquisitions.

Off-Balance Sheet Arrangements

We do not currently have any off-balance sheet arrangements that have had or are reasonably likely to have a material current or future effect on our financial condition, revenue or expenses, results of operations, liquidity, capital expenditures, or capital resources. From time to time, we enter into non-cancellable operating leases that are not reflected on our balance sheet. At October 31, 2020, we had \$1.2 million of undrawn letters of credit outstanding.

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, other income, net, and other adjustments. We believe these non-GAAP measures of financial results provide useful information to management and investors regarding certain financial and business trends related to our financial condition and results of operations, and provide a 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 prepared for management and our board of directors 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. 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 severance expenses, director fees, expenses related to being a newly publicly-traded company and other non-recurring costs, which includes the \$2.0 million charge recorded during fiscal 2020 related to a settlement with the Company's prior shareholders.

	Successor		Predecessor	S/P Combined (non-GAAP)
	Year Ended October 31, 2020	December 6, 2018 through October 31, 2019 (As Restated)	November 1, 2018 through December 5, 2018	Year Ended October 31, 2019 (As Restated)
<i>(in thousands)</i>				
Consolidated				
Net loss	\$ (61,251)	\$ (16,403)	\$ (22,575)	\$ (38,978)
Interest expense, net	34,408	34,880	1,644	36,524
Income tax benefit	(4,977)	(3,303)	(4,192)	(7,495)
Depreciation and amortization	61,655	52,652	2,713	55,365
EBITDA	29,835	67,826	(22,410)	45,416
Transaction expenses	-	1,521	14,167	15,688
Loss on debt extinguishment	-	-	16,395	16,395
Stock-based compensation	11,455	3,619	-	3,619
Change in fair value of warrant liabilities	261	6,491	-	6,491
Other income, net	(169)	(47)	(6)	(53)
Goodwill and intangibles impairment	57,944	-	-	-
Other adjustments	7,975	6,496	1,442	7,938
Adjusted EBITDA	<u>\$ 107,301</u>	<u>\$ 85,906</u>	<u>\$ 9,588</u>	<u>\$ 95,494</u>

	Successor		Predecessor	S/P Combined (non-GAAP)
	Year Ended October 31, 2020	December 6, 2018 through October 31, 2019	November 1, 2018 through December 5, 2018	Year Ended October 31, 2019
<i>(in thousands)</i>				
U.S. Concrete Pumping				
Net loss	\$ (50,140)	\$ (11,031)	\$ (25,252)	\$ (36,283)
Interest expense, net	31,452	32,173	1,154	33,327
Income tax benefit	(5,955)	(6,658)	(2,102)	(8,760)
Depreciation and amortization	41,717	32,245	1,635	33,880
EBITDA	17,074	46,729	(24,565)	22,164
Transaction expenses	-	1,521	14,167	15,688
Loss on debt extinguishment	-	-	16,395	16,395
Stock-based compensation	11,455	3,619	-	3,619
Other income, net	(37)	(45)	(6)	(51)
Goodwill and intangibles impairment	43,500	-	-	-
Other adjustments	2,894	4,245	761	5,006
Adjusted EBITDA	\$ 74,886	\$ 56,069	\$ 6,752	\$ 62,821

	Successor		Predecessor	S/P Combined (non-GAAP)
	Year Ended October 31, 2020	December 6, 2018 through October 31, 2019	November 1, 2018 through December 5, 2018	Year Ended October 31, 2019
<i>(in thousands)</i>				
U.K. Operations				
Net income (loss)	\$ (16,620)	\$ 1,123	\$ 158	\$ 1,281
Interest expense, net	2,955	2,705	490	3,195
Income tax expense	80	538	49	587
Depreciation and amortization	8,422	8,807	890	9,697
EBITDA	(5,163)	13,173	1,587	14,760
Transaction expenses	-	-	-	-
Loss on debt extinguishment	-	-	-	-
Stock-based compensation	-	-	-	-
Other income, net	(132)	-	-	-
Goodwill and intangibles impairment	14,444	-	-	-
Other adjustments	3,079	861	73	934
Adjusted EBITDA	\$ 12,228	\$ 14,034	\$ 1,660	\$ 15,694

	Successor		Predecessor	S/P Combined (non-GAAP)
	Year Ended October 31, 2020	December 6, 2018 through October 31, 2019	November 1, 2018 through December 5, 2018	Year Ended October 31, 2019
<i>(in thousands)</i>				
U.S. Concrete Waste Management Services				
Net income (loss)	\$ 4,404	\$ (1,520)	\$ 2,009	\$ 489
Interest expense, net	-	2	-	2
Income tax expense (benefit)	593	2,485	(1,784)	701
Depreciation and amortization	10,687	10,871	163	11,034
EBITDA	15,684	11,838	388	12,226
Transaction expenses	-	-	-	-
Loss on debt extinguishment	-	-	-	-
Stock-based compensation	-	-	-	-
Other income, net	-	(2)	-	(2)
Goodwill and intangibles impairment	-	-	-	-
Other adjustments	2,002	1,342	611	1,953
Adjusted EBITDA	\$ 17,686	\$ 13,178	\$ 999	\$ 14,177

	Successor		Predecessor	S/P Combined (non-GAAP)
	Year Ended October 31, 2020	December 6, 2018 through October 31, 2019 (As Restated)	November 1, 2018 through December 5, 2018	Year Ended October 31, 2019 (As Restated)
<i>(in thousands)</i>				
Corporate				
Net income (loss)	\$ 1,105	\$ (4,975)	\$ 510	\$ (4,465)
Interest expense, net	1	-	-	-
Income tax expense (benefit)	305	332	(355)	(23)
Depreciation and amortization	829	729	25	754
EBITDA	2,240	(3,914)	180	(3,734)
Transaction expenses	-	-	-	-
Loss on debt extinguishment	-	-	-	-
Stock-based compensation	-	-	-	-
Change in fair value of warrant liabilities	261	6,491	-	6,491
Other income, net	-	-	-	-
Goodwill and intangibles impairment	-	-	-	-
Other adjustments	-	48	(3)	45
Adjusted EBITDA	\$ 2,501	\$ 2,625	\$ 177	\$ 2,802

Jobs Act

On April 5, 2012, the JOBS Act was signed into law. The JOBS Act contains provisions that, among other things, relax certain reporting requirements for qualifying public companies. As we are an emerging growth company, we have qualified for and have previously elected to delay the adoption of new or revised accounting standards, and as a result, we may not comply with new or revised accounting standards on the relevant dates on which adoption of such standards is required for non-emerging growth companies. As a result, our financial statements may not be comparable to companies that comply with new or revised accounting pronouncements as of public company effective dates. If we were to subsequently elect instead to comply with these public company effective dates, such election would be irrevocable pursuant to Section 107 of the JOBS Act.

Critical Accounting Policies and Estimates

In presenting our financial statements in conformity with U.S. GAAP, we are required to make estimates and assumptions that affect the amounts reported therein. Several of the estimates and assumptions we are required to make relate to matters that are inherently uncertain as they pertain to future events. However, events that are outside of our control cannot be predicted and, as such, they cannot be contemplated in evaluating such estimates and assumptions. If there is a significant unfavorable change to current conditions, it could result in a material impact to our consolidated and combined results of operations, financial position and liquidity. We believe that the estimates and assumptions we used when preparing our financial statements were the most appropriate at that time. Presented below are those accounting policies that we believe require subjective and complex judgments that could potentially affect reported results. However, the majority of our business activities are in environments where we are paid a fee for a service performed, and therefore the results of the majority of our recurring operations are recorded in our financial statements using accounting policies that are not particularly subjective, nor complex.

Listed below are those estimates that we believe are critical and require the use of complex judgment in their application.

Goodwill and Intangible Assets

In accordance with Accounting Standards Codification ("ASC") Topic 350, Intangibles—Goodwill and Other ("ASC 350"), the Company evaluates goodwill for possible impairment annually, generally as of August 31st, or more frequently if events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. The Company uses a two-step process to assess the realizability of goodwill. The first step is a qualitative assessment that analyzes current economic indicators associated with a particular reporting unit. For example, the Company analyzes changes in economic, market and industry conditions, business strategy, cost factors, and financial performance, among others, to determine if there are indicators of a significant decline in the fair value of a particular reporting unit. If the qualitative assessment indicates a stable or improved fair value, no further testing is required. If a qualitative assessment indicates it is more likely than not that the fair value of a reporting unit is less than its carrying amount, the Company will proceed to the quantitative second step where the fair value of a reporting unit is calculated based on weighted income and market-based approaches. If the fair value of a reporting unit is lower than its carrying value, an impairment to goodwill is recorded, not to exceed the carrying amount of goodwill in the reporting unit.

Fair value determinations require considerable judgment and are sensitive to changes in underlying assumptions, estimates and market factors. Estimating fair value of individual reporting units and indefinite-lived intangible assets requires us to make assumptions and estimates regarding our future plans, as well as industry and economic conditions including those relating to the duration and severity of COVID-19. These assumptions and estimates include projected revenue, trade name royalty rates, discount rate, tax amortization benefit and other market factors outside of our control. The Company elects to perform a qualitative assessment for the other quarterly reporting periods throughout the fiscal year.

During the second quarter of fiscal year 2020, the Company identified a triggering event from the recent decline in its stock price and deterioration in general economic conditions resulting from the COVID-19 pandemic. As a result, the Company performed an interim step one goodwill impairment analysis in accordance with ASU 2017-04, Intangibles — Goodwill and Other (ASC 350): Simplifying the Test for Goodwill Impairment ("ASU 2017-04") and recorded a goodwill and intangibles impairment charge of \$57.9 million. No such impairment was required during the remainder of fiscal 2020.

When we perform any goodwill impairment test, the estimated fair value of our reporting units are determined using an income approach that utilizes a discounted cash flow (“DCF”) model and a market approach that utilizes the guideline public company method (“GPC”), both of which are weighted for each reporting unit and are discussed below in further detail. In accordance with ASC Topic 820, Fair Value Measurement (“ASC 820”), we evaluated the methods for reasonableness and reliability and assigned weightings accordingly. A mathematical weighting is not prescribed by ASC 820, rather it requires judgement. As such, each of the valuation methods were weighted by accounting for the relative merits of each method and considered, among other things, the reliability of the valuation methods and the inputs used in the methods. In addition, in order to assess the reasonableness of the fair value of our reporting units as calculated under both approaches, we also compare the Company’s total fair value to its market capitalization and calculate an implied control premium (the excess sum of the reporting unit’s fair value over its market capitalization). We evaluate the implied control premium by comparing it to control premiums of recent comparable market transactions, as applicable.

Under the income approach, the DCF model is based on expected future after-tax operating cash flows of the reporting unit, discounted to a present value using a risk-adjusted discount rate. Estimates of future cash flows require management to make significant assumptions concerning (i) future operating performance, including future sales, long-term growth rates, operating margins, variations in the amount and timing of cash flows and the probability of achieving the estimated cash flows, (ii) the probability of regulatory approvals, and (iii) future economic conditions, including the extent and duration of the COVID-19 pandemic, all of which may differ from actual future cash flows. These assumptions are based on significant inputs not observable in the market and thus represent Level 3 measurements within the fair value hierarchy. The discount rate, which is intended to reflect the risks inherent in future cash flow projections, used in the DCF model, is based on estimates of the weighted average cost of capital (“WACC”) of market participants relative to our reporting unit. Financial and credit market volatility can directly impact certain inputs and assumptions used to develop the WACC. Any changes in these assumptions may affect our fair value estimate and the result of an impairment test. The discount rates and other inputs and assumptions are consistent with those that a market participant would use.

The GPC method provides an estimate of value using multiples derived from the stock prices of publicly traded companies. This method requires a selection of comparable publicly-traded companies on major exchanges and involves a certain degree of judgment, as no two companies are entirely alike. These companies should be engaged in the same or a similar line of business as the reporting units be evaluated. Once comparable companies are selected, the application of the GPC method includes (i) analysis of the guideline public companies’ financial and operating performance, growth, intangible asset’s value, size, leverage, and risk relative to the respective reporting unit, (ii) calculation of valuation multiples for the selected guideline companies, and (iii) application of the valuation multiples to each reporting unit’s selected operating metrics to arrive at an indication of value. Market multiples for the selected guideline public companies are developed by dividing the business enterprise value of each guideline public company by a measure of its financial performance (e.g., earnings). The business enterprise value is calculated taking the market value of equity (share price times fully-diluted shares outstanding) plus total interest bearing debt net of cash, preferred stock and minority interest. The market value of equity is based upon the stock price of equity as of the valuation date, and the debt figures are taken from the most recently available financial statements as of the valuation date. In selecting appropriate multiples to apply to each reporting unit, we perform a comparative analysis between the reporting units and the guideline public companies. In making a selection, we consider the revenue growth, profitability and the size of the reporting unit compared to the guideline public companies, and the overall EBITDA multiples implied from the transaction price. In addition, we consider a control premium for purposes of estimating the fair value of our reporting units as we believe that a market participant buyer would be required to pay a premium for control of our business. The control premium utilized is based on control premiums observed in recent comparable market transactions.

The impairment charges were primarily due to COVID-19, which negatively impacted our market capitalization, drove an increase in the discount rate that is utilized in our DCF models, and negatively impacted near-term cash flow expectations.

Income Taxes

We are subject to income taxes in the U.S., U.K. and other jurisdictions. Significant judgment is required in determining our provision for income tax, including evaluating uncertainties in the application of accounting principles and complex tax laws.

Income taxes include federal, state and foreign taxes currently payable and deferred taxes arising from temporary differences between income for financial reporting and income tax purposes. Deferred tax assets and liabilities are determined based on the differences between the financial statement balances and the tax bases of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the year that includes the enactment date. Valuation allowances are established when necessary to reduce deferred tax assets to amounts expected to be realized.

Stock-Based Compensation.

ASC Topic 718, *Compensation—Stock Compensation* (“ASC 718”) requires that share-based compensation expense be measured and recognized at an amount equal to the fair value of share-based payments granted under compensation arrangements. The fair value of each restricted stock award or stock option awards (with an exercise price of \$0.01) that only contains a time-based vesting condition is equal to the market value of our common stock on the date of grant. A substantial portion of the Company's stock awards contain a market condition. For those awards, we estimate the fair value using a Monte Carlo simulation model whereby the fair value of the awards is fixed at grant date and amortized over the longer of the remaining performance or service period. The Monte Carlo Simulation valuation model incorporates the following assumptions: expected stock price volatility, the expected life of the awards, a risk-free interest rate and expected dividend yield. Significant judgment is required in determining the expected volatility of our common stock. Due to the limited history of trading of the Company's common stock, the Company determined expected volatility based on a peer group of publicly traded companies.

The Company accounts for forfeitures as they occur.

Recently Issued Accounting Standards

For a detailed description of recently adopted and new accounting pronouncements refer to Note 2 to the Company's audited financial statements included elsewhere in this Annual Report.

Item 7A. Quantitative and Qualitative Disclosures about Market Risk

We are a smaller reporting company as defined in Rule 12b-2 of the Exchange Act; therefore, pursuant to Item 305(e) of Regulation S-K, we are not required to provide the information required by this Item.

Item 8. Consolidated Financial Statements

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Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
Concrete Pumping Holdings, Inc.
Thornton, Colorado

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of Concrete Pumping Holdings, Inc. (the "Company") as of October 31, 2020 (Successor) and 2019 (Successor), the related consolidated statements of operations, comprehensive loss, changes in stockholders' equity and cash flows for the year ended October 31, 2020 (Successor), for the period from December 6, 2018 through October 31, 2019 (Successor) and for the period from November 1, 2018 through December 5, 2018 (Predecessor), and the related notes (collectively referred to as the "financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at October 31, 2020 (Successor) and 2019 (Successor), and the results of its operations and its cash flows for the year ended October 31, 2020 (Successor), for the period from December 6, 2018 to October 31, 2019 (Successor) and for the period from November 1, 2018 to December 5, 2018 (Predecessor), in conformity with accounting principles generally accepted in the United States of America.

Restatement of the 2019 Financial Statements

As discussed in Note 2 to the consolidated financial statements, the 2019 financial statements have been restated to correct a misstatement.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company was not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ BDO USA, LLP

We have served as the Company's auditor since 2018.

Dallas, Texas

January 12, 2021, except as to the effect of the restatement described in Note 2, which is dated June 11, 2021

Concrete Pumping Holdings, Inc.
Consolidated Balance Sheets

<i>(in thousands except per share amounts)</i>	October 31, 2020	(As Restated) October 31, 2019
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 6,736	\$ 7,473
Trade receivables, net	44,343	45,957
Inventory	4,630	5,254
Income taxes receivable	1,602	697
Prepaid expenses and other current assets	2,694	3,378
Total current assets	60,005	62,759
Property, plant and equipment, net	304,254	307,415
Intangible assets, net	183,839	222,293
Goodwill	223,154	276,088
Other non-current assets	1,753	1,813
Deferred financing costs, net	753	997
Total assets	\$ 773,758	\$ 871,365
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Revolving loan	\$ 1,741	\$ 23,555
Term loans, current portion	20,888	20,888
Current portion of capital lease obligations	97	91
Accounts payable	6,587	7,408
Accrued payroll and payroll expenses	13,065	9,177
Accrued expenses and other current liabilities	18,879	28,106
Income taxes payable	1,055	1,153
Deferred consideration	-	1,708
Total current liabilities	62,312	92,086
Long term debt, net of discount for deferred financing costs	343,906	360,938
Capital lease obligations, less current portion	380	477
Deferred income taxes	68,019	69,049
Warrant liability	7,031	6,770
Total liabilities	481,648	529,320
Zero-dividend convertible perpetual preferred stock, \$0.0001 par value, 2,450,980 shares issued and outstanding as of October 31, 2020 and October 31, 2019	25,000	25,000
Stockholders' equity		
Common stock, \$0.0001 par value, 500,000,000 shares authorized, 56,463,992 and 58,253,220 issued and outstanding as of October 31, 2020 and October 31, 2019, respectively	6	6
Additional paid-in capital	367,681	356,227
Treasury stock	(131)	-
Accumulated other comprehensive loss	(606)	(599)
Accumulated deficit	(99,840)	(38,589)
Total stockholders' equity	267,110	317,045
Total liabilities and stockholders' equity	\$ 773,758	\$ 871,365

See accompanying notes to consolidated financial statements.

Concrete Pumping Holdings, Inc.
Consolidated Statements of Operations

	Successor		Predecessor
	Year Ended October 31, 2020	December 6, 2018 through October 31, 2019 (As Restated)	November 1, 2018 through December 5, 2018
<i>(in thousands, except share and per share amounts)</i>			
Revenue	\$ 304,301	\$ 258,565	\$ 24,396
Cost of operations	166,998	143,512	14,027
Gross profit	137,303	115,053	10,369
General and administrative expenses	111,087	91,914	4,936
Goodwill and intangibles impairment	57,944	-	-
Transaction costs	-	1,521	14,167
Income (loss) from operations	(31,728)	21,618	(8,734)
Other income (expense):			
Interest expense, net	(34,408)	(34,880)	(1,644)
Loss on extinguishment of debt	-	-	(16,395)
Change in fair value of warrant liabilities	(261)	(6,491)	-
Other income, net	169	47	6
Total other expense	(34,500)	(41,324)	(18,033)
Loss before income taxes	(66,228)	(19,706)	(26,767)
Income tax benefit	(4,977)	(3,303)	(4,192)
Net loss	(61,251)	(16,403)	(22,575)
Less accretion of liquidation preference on preferred stock	(1,930)	(1,623)	(126)
Loss available to common shareholders	\$ (63,181)	\$ (18,026)	\$ (22,701)
Weighted average common shares outstanding			
Basic	52,752,884	41,445,508	7,576,289
Diluted	52,752,884	41,445,508	7,576,289
Net loss per common share			
Basic	\$ (1.20)	\$ (0.43)	\$ (3.00)
Diluted	\$ (1.20)	\$ (0.43)	\$ (3.00)

See accompanying notes to consolidated financial statements.

Concrete Pumping Holdings, Inc.
Consolidated Statements of Comprehensive Loss

<i>(in thousands)</i>	Successor		Predecessor
	Year Ended October 31, 2020	(As Restated) December 6, 2018 through October 31, 2019	November 1, 2018 through December 5, 2018
Net loss	\$ (61,251)	\$ (16,403)	\$ (22,575)
Other comprehensive loss:			
Foreign currency translation adjustment	(7)	(599)	(674)
Total comprehensive loss	\$ (61,258)	\$ (17,002)	\$ (23,249)

See accompanying notes to consolidated financial statements.

Concrete Pumping Holdings, Inc.
Consolidated Statements of Changes in Stockholders' Equity

(PREDECESSOR)
October 31, 2018 through December 5, 2018

<i>(in thousands)</i>	Common Stock	Additional Paid-In Capital	Accumulated Other Comprehensive Income (loss)	Retained Earnings (Accumulated Deficit)	Total
Balance at October 31, 2018	\$ 8	\$ 18,724	\$ 584	\$ 26,704	\$ 46,020
Net loss	-	-	-	(22,575)	(22,575)
Stock-based compensation	-	27	-	-	27
Foreign currency translation adjustment	-	-	(674)	-	(674)
Balance at December 5, 2018	\$ 8	\$ 18,751	\$ (90)	\$ 4,129	\$ 22,798

(SUCCESSOR)
December 6, 2018 through October 31, 2020

<i>(in thousands)</i>	Common Stock		Additional Paid-In Capital	Treasury Stock	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total
	Class A	Class B					
Balance at December 6, 2018 (as previously reported)	\$ -	\$ 1	\$ 12,433	\$ -	\$ -	\$ (7,434)	\$ 5,000
Restatement adjustment (Note 2)	-	-	(15,344)	-	-	(11,175)	(26,519)
Redemption of Class A common stock	-	-	(12,433)	-	-	(3,577)	(16,010)
Issuance of Class A common stock	1	-	96,900	-	-	-	96,901
Rollover of Class A common stock as a result of the Business Combination	1	-	164,908	-	-	-	164,909
Conversion of Class B common stock	1	(1)	-	-	-	-	-
Net loss (as restated)	-	-	-	-	-	(16,403)	(16,403)
Foreign currency translation adjustment	-	-	-	-	(599)	-	(599)
Shares issued to acquire business	-	-	1,150	-	-	-	1,150
Stock-based compensation expense	-	-	3,619	-	-	-	3,619
Shares issued upon exercise of stock options and warrants	-	-	1,370	-	-	-	1,370
Shares issued upon awards of restricted stock	1	-	(1)	-	-	-	-
Issuance of shares in exchange for warrants	-	-	26,240	-	-	-	26,240
Shares issued upon public offering Class A common stock	2	-	77,385	-	-	-	77,387
Balance at October 31, 2019 (as restated)	\$ 6	\$ -	\$ 356,227	\$ -	\$ (599)	\$ (38,589)	\$ 317,045
Stock-based compensation expense	-	-	11,454	-	-	-	11,454
Shares issued upon exercise of stock options, net of shares used for tax withholding	-	-	-	(131)	-	-	(131)
Net loss	-	-	-	-	-	(61,251)	(61,251)
Foreign currency translation adjustment	-	-	-	-	(7)	-	(7)
Balance at October 31, 2020	\$ 6	\$ -	\$ 367,681	\$ (131)	\$ (606)	\$ (99,840)	\$ 267,110

See accompanying notes to consolidated financial statements.

Concrete Pumping Holdings, Inc.
Consolidated Statements of Cash Flows

	Successor		Predecessor
	Year Ended October 31, 2020	December 6, 2018 through October 31, 2019 (As Restated)	November 1, 2018 through December 5, 2018
<i>(in thousands)</i>			
Net loss	\$ (61,251)	\$ (16,403)	\$ (22,575)
Adjustments to reconcile net loss to net cash provided by operating activities:			
Goodwill and intangibles impairment	57,944	-	-
Depreciation	28,264	20,279	2,060
Deferred income taxes	(1,029)	(2,446)	(4,355)
Amortization of deferred financing costs	4,100	3,664	152
Write off deferred debt issuance costs	-	-	3,390
Amortization of debt premium	-	-	(11)
Amortization of intangible assets	33,392	32,366	653
Stock-based compensation expense	11,454	3,619	27
Change in fair value of warrant liabilities	261	6,491	
Prepayment penalty on early extinguishment of debt	-	-	13,004
Net gain on the sale of property, plant and equipment	(1,508)	(611)	(166)
(Payment) / accretion of contingent consideration in excess of amounts established in purchase accounting	(526)	207	-
Net changes in operating assets and liabilities (net of acquisitions):			
Trade receivables, net	1,597	(5,861)	485
Inventory	624	(466)	(294)
Prepaid expenses and other current assets	1,651	(1,001)	(1,283)
Income taxes payable, net	(998)	(1,428)	203
Accounts payable	(796)	(7,303)	(654)
Accrued payroll, accrued expenses and other current liabilities	5,791	(8,330)	17,280
Net cash provided by operating activities	78,970	22,777	7,916
Cash flows from investing activities:			
Purchases of property, plant and equipment	(39,339)	(35,736)	(503)
Proceeds from sale of property, plant and equipment	3,486	3,073	364
Cash withdrawn from Industrea Trust Account	-	238,474	-
Acquisition of net assets, net of cash acquired - CPH acquisition	-	(449,434)	-
Acquisition of net assets, net of cash acquired - Capital acquisition	-	(129,218)	-
Acquisition of net assets, net of cash acquired - Other Business Combinations	-	(2,257)	-
Net cash used in investing activities	(35,853)	(375,100)	(139)

See accompanying notes to consolidated financial statements.

Concrete Pumping Holdings, Inc.
Consolidated Statements of Cash Flows (Continued)

	Successor		Predecessor
	Year Ended October 31, 2020	December 6, 2018 through October 31, 2019 (As Restated)	November 1, 2018 through December 5, 2018
<i>(in thousands)</i>			
Cash flows from financing activities:			
Proceeds on long term debt	-	417,000	-
Payments on long term debt	(20,888)	(14,906)	-
Proceeds on revolving loan	285,861	222,213	4,693
Payments on revolving loan	(307,518)	(198,863)	(20,056)
Payment of debt issuance costs	-	(231,415)	-
Redemption of common shares	-	(24,929)	-
Payments on capital lease obligations	(91)	(78)	(7)
Purchase of treasury stock	(131)	-	-
Issuance of preferred shares	-	25,000	-
Payment of underwriting fees	-	(8,050)	-
Issuance of common shares - Dec 2018	-	96,900	-
Issuance of common shares - May 2019	-	77,387	-
Payment of contingent consideration established in purchase accounting	(1,161)	-	-
Proceeds on exercise of rollover incentive options	-	1,370	-
Net cash provided by (used in) financing activities	(43,928)	361,629	(15,370)
Effect of foreign currency exchange rate on cash	74	(1,837)	(70)
Net increase (decrease) in cash and cash equivalents	(737)	7,469	(7,663)
Cash and cash equivalents:			
Beginning of period	7,473	4	8,621
End of period	<u>\$ 6,736</u>	<u>\$ 7,473</u>	<u>\$ 958</u>

See accompanying notes to consolidated financial statements.

Concrete Pumping Holdings, Inc.
Consolidated Statements of Cash Flows (Continued)

	Successor		Predecessor
	Year Ended October 31, 2020	December 6, 2018 through October 31, 2019 (As Restated)	November 1, 2018 through December 5, 2018
<i>(in thousands)</i>			
Supplemental cash flow information:			
Cash paid for interest	\$ 33,100	\$ 29,472	\$ 201
Cash paid for income taxes, net of refunds	\$ 3,352	\$ 1,984	\$ -
Non-cash investing and financing activities:			
Fair value of rollover equity for Business Combination	\$ -	\$ 164,909	\$ -
Equipment purchases included in accrued expenses and accounts payable	\$ 4,149	\$ 16,417	\$ -
Shares issued to acquire a business	\$ -	\$ 1,150	\$ -
Holdbacks related to the acquisition of a business	\$ -	\$ 181	\$ -

See accompanying notes to consolidated financial statements.

Note 1. Organization and Description of Business

Organization

Concrete Pumping Holdings, Inc. (the “Company” or “Successor”) is a Delaware corporation headquartered in Denver, Colorado. The Consolidated Financial Statements include the accounts of Concrete Pumping Holdings, Inc. 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”).

On December 6, 2018 (the “Closing Date”), the Company, formerly known as Concrete Pumping Holdings Acquisition Corp., consummated a business combination transaction (the “Business Combination”) pursuant to which it acquired (i) the private operating company formerly called Concrete Pumping Holdings, Inc. (“CPH”) and (ii) the former special purpose acquisition company called Industrea Acquisition Corp (“Industrea”). In connection with the closing of the Business Combination, the Company changed its name to Concrete Pumping Holdings, Inc. The financial results described herein for the dates and periods prior to the Business Combination relate to the operations of CPH prior to the consummation of the Business Combination. See Note 4 – Business Combinations for further discussion.

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 neither company contracts to purchase, mix, or deliver concrete. Brundage-Bone and Capital collectively have approximately 90 branch locations across 22 states, with its corporate headquarters in Thornton (near Denver), Colorado. Camfaud has 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 16 operating locations across the U.S. with its corporate headquarters in Thornton, Colorado.

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.

Impacts of COVID-19

In March 2020, the World Health Organization declared the outbreak of COVID-19 to be a global pandemic and recommended containment and mitigation measures worldwide. The COVID-19 pandemic has rapidly changed market and economic conditions globally and may continue to create significant uncertainty in the macroeconomic environment. Such macroeconomic volatility, in addition to other unforeseen effects of this pandemic, has impacted our business, results of operations and overall financial performance. The Company has made adjustments to its operations and executed certain cost reduction initiatives as a result of the COVID-19 pandemic.

In the final month of the second quarter of fiscal 2020, our operations in the Seattle and U.K. markets were negatively impacted due to COVID-19-imposed construction site shutdowns. These restrictions were, for the most part, lifted during the third quarter ended July 31, 2020. As a result of the pandemic, the Company has implemented certain short-term cost reductions, including headcount reductions, modified work schedules reducing hours where needed, and furloughs in limited locations. The Company had previously suspended any remaining uncommitted 2020 capital expenditure investments, but that was lifted as its overall liquidity and operations have improved. While the Company believes these disruptions will be temporary, it is difficult to predict how long they will last and the impact they will have on the Company in future periods.

In addition, the COVID-19 pandemic drove a sustained decline in the Company's stock price and a deterioration in general economic conditions in the fiscal 2020 second quarter, which qualified as a triggering event necessitating the evaluation of its goodwill and long-lived assets for indicators of impairment. As a result of the evaluation, the Company conducted a quantitative interim impairment test as of April 30, 2020. There were no triggering events during the remainder of fiscal 2020. Refer to Notes 2 and 8 for further discussion. The Company will continue to evaluate its goodwill and intangible assets in future quarters. Additional impairments may be recorded in the future based on events and circumstances, including those related to COVID-19 discussed above.

Despite recent news regarding vaccines, both the outbreak and the containment and mitigation measures have had and are likely to continue to have a serious adverse impact on the global economy, the severity and duration of which are uncertain. It is likely that government stabilization efforts will only partially mitigate the consequences to the economy. The extent to which the COVID-19 pandemic will impact the Company's business, financial condition, and results of operations in the future is highly uncertain and will be affected by a number of factors. These include the duration and extent of the pandemic; the duration and extent of imposed or recommended containment and mitigation measures; the extent, duration, and effective execution of government stabilization and recovery efforts, including those from the successful distribution of an effective vaccine; the impact of the pandemic on economic activity, including on construction projects and the Company's customers' demand for its services; the Company's ability to effectively operate, including as a result of travel restrictions and mandatory business and facility closures; the ability of the Company's customers to pay for services rendered; any further closures of the Company's and the Company's customers' offices and facilities; and any additional project delays or shutdowns. Customers may also slow down decision-making, delay planned work or seek to terminate existing agreements. Any of these events may have a material adverse effect on the Company's business, financial condition, and/or results of operations, including further impairment to our goodwill and intangible assets. The Company will continue to evaluate the effect of COVID-19 on its business.

Note 2. Summary of Significant Accounting Policies

Basis of presentation

The accompanying Consolidated Financial Statements have been prepared in accordance with generally accepted accounting principles in the United States of America ("GAAP") and the rules and regulations of the Securities and Exchange Commission ("SEC"). The enclosed statements reflect all normal and recurring adjustments which, in the opinion of management, are necessary to present fairly the financial position, results of operations and cash flows of the Company at October 31, 2020 and for all periods presented. All intercompany balances and transactions have been eliminated in consolidation. As discussed below, the Successor consolidated financial statements as of and for the period from December 6, 2018 to October 31, 2019 have been restated and the consolidated financial statements as of and for the year ended October 31, 2020 have been revised to reflect warrants as liabilities rather than equity.

As a result of the Business Combination, the Company is the acquirer for accounting purposes and CPH is the acquiree and accounting predecessor. The Company's financial statement presentation distinguishes the Company's financial performance into two distinct periods, the period up to the Closing Date (labeled "Predecessor") and the period including and after that date (labeled "Successor").

The Business Combination was accounted for using the acquisition method of accounting, and the Successor financial statements reflect a new basis of accounting that is based on the fair value of the net assets acquired.

Determining the fair value of certain assets and liabilities assumed is judgmental in nature and often involves the use of significant estimates and assumptions. See Note 4 – Business Combinations for a discussion of the estimated fair values of assets and liabilities recorded in connection with the Company's acquisition of CPH.

As a result of the application of the acquisition method of accounting as of the Closing Date of the Business Combination, the accompanying Consolidated Financial Statements include a black line division which indicates that the Predecessor and Successor reporting entities shown are presented on a different basis and are therefore, not comparable.

The historical financial information of Industrea prior to the Business Combination (a special purpose acquisition company, or “SPAC”) has not been reflected in the Predecessor financial statements as these historical amounts have been determined to be not useful information to a user of the financial statements. SPACs deposit the proceeds from their initial public offerings into a segregated trust account until a business combination occurs, where such funds are then used to pay consideration for the acquiree and/or to pay stockholders who elect to redeem their shares of common stock in connection with the business combination. The operations of a SPAC, until the closing of a business combination, other than income from the trust account investments and transaction expenses, are nominal. Accordingly, no other activity in the Company was reported for periods prior to December 6, 2018 besides CPH’s operations as Predecessor.

Principles of consolidation

The Successor Consolidated Financial Statements include all amounts of the Company and its subsidiaries. The Predecessor Consolidated Financial Statements include all amounts of CPH and its subsidiaries. All intercompany balances and transactions have been eliminated.

Restatement and Revision of Previously Issued Consolidated Financial Statements

On April 12, 2021, the SEC released a public statement (the “SEC Statement”) informing market participants that warrants issued by special purpose acquisition companies (“SPACs”) may require classification as a liability measured at fair value, with changes in fair value each period reported in earnings. The SEC Statement discussed certain features of warrants issued in SPAC transactions that may be common across many entities. The SEC Statement indicated that when one or more of such features is included in a warrant, the warrant should be classified as a liability at fair value, with changes in fair value each period reported in earnings. The Company previously classified its publicly traded warrants (the “public warrants”) and private placement warrants (the “private warrants”) (collectively the “Warrants”), which were issued in August of 2017, as equity. Following consideration of the guidance in the SEC Statement, the Company concluded that its Warrants should have been classified as liabilities and measured at fair value, with changes in fair value each period reported in earnings. As such, the Company has restated its (1) consolidated financial statements as of October 31, 2019 and for the Successor period from December 6, 2018 through October 31, 2019 and (2) unaudited consolidated interim financial statements for the periods ended July 31, 2019, April 30, 2019, and January 31, 2019. Also, while not material and therefore not being restated, the Company is revising its (1) consolidated financial statements as of and for the fiscal year ended October 31, 2020 and (2) the unaudited consolidated interim financial statements for the periods ended July 31, 2020, April 30, 2020, and January 31, 2020 to correct the accounting for its Warrants. The restatements/revisions had no impact on the Company’s net revenue, operating income, liquidity, cash and cash equivalents, or cash flows from operating, investing and financing activities.

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The following table sets forth the consolidated balance sheets, including the balances as reported, adjustments and the as-restated or revised balances as of October 31, 2020 and 2019 and for the interim balance sheet dates within those years:

<i>(in thousands)</i>	Interim Unaudited Periods				Interim Unaudited Periods			
	January 31, 2019	April 30, 2019	July 31, 2019	October 31, 2019	January 31, 2020	April 30, 2020	July 31, 2020	October 31, 2020
Warrant liability (as previously reported)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restatement/revision adjustment	29,040	17,574	13,018	6,769	7,160	3,905	6,639	7,031
Warrant liability (as restated/revised)	\$ 29,040	\$ 17,574	\$ 13,018	\$ 6,769	\$ 7,160	\$ 3,905	\$ 6,639	\$ 7,031
Total liabilities (as previously reported)	\$ 463,835	\$ 484,176	\$ 524,622	\$ 522,550	\$ 514,636	\$ 516,566	\$ 491,752	\$ 474,617
Restatement/revision adjustment	29,040	17,574	13,018	6,769	7,160	3,905	6,639	7,031
Total liabilities (as restated/revised)	\$ 492,875	\$ 501,750	\$ 537,640	\$ 529,319	\$ 521,796	\$ 520,471	\$ 498,391	\$ 481,648
Additional paid-in capital (as previously reported)	\$ 261,808	\$ 269,846	\$ 348,856	\$ 350,489	\$ 351,956	\$ 353,339	\$ 354,696	\$ 361,943
Restatement/revision adjustment	(15,345)	5,738	5,738	5,738	5,738	5,738	5,738	5,738
Additional paid-in capital (as restated/revised)	\$ 246,463	\$ 275,584	\$ 354,594	\$ 356,227	\$ 357,694	\$ 359,077	\$ 360,434	\$ 367,681
Accumulated deficit (as previously reported)	\$ (14,641)	\$ (29,444)	\$ (26,682)	\$ (26,081)	\$ (28,827)	\$ (87,795)	\$ (84,814)	\$ (87,071)
Restatement/revision adjustment	(13,695)	(23,311)	(18,755)	(12,508)	(12,897)	(9,643)	(12,376)	(12,769)
Accumulated deficit (as restated/revised)	\$ (28,336)	\$ (52,755)	\$ (45,437)	\$ (38,589)	\$ (41,724)	\$ (97,438)	\$ (97,190)	\$ (99,840)
Total stockholders' equity (as previously reported)	\$ 246,613	\$ 238,500	\$ 315,739	\$ 323,815	\$ 324,376	\$ 262,606	\$ 270,765	\$ 274,141
Restatement/revision adjustment	(29,040)	(17,574)	(13,018)	(6,769)	(7,160)	(3,905)	(6,639)	(7,031)
Total stockholders' equity (as restated/revised)	\$ 217,573	\$ 220,926	\$ 302,721	\$ 317,045	\$ 317,216	\$ 258,701	\$ 264,126	\$ 267,110

The following table sets forth the consolidated statements of operations, including the balances as reported, adjustments and the as-revised balances for the fiscal year ended October 31, 2020 and for the interim periods within that fiscal year:

<i>(in thousands, except share and per share amounts)</i>	Fiscal Year Ended October 31, 2020	Interim Unaudited Periods				
		Three Months Ended			YTD Period Ended	
		January 31, 2020	April 30, 2020	July 31, 2020	April 30, 2020	July 31, 2020
Change in fair value of warrant liabilities (as previously reported)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Revision adjustment	(261)	(391)	3,254	(2,734)	2,864	130
Change in fair value of warrant liabilities	\$ (261)	\$ (391)	\$ 3,254	\$ (2,734)	\$ 2,864	\$ 130
Total other income (expense) (as previously reported)	\$ (34,239)	\$ (9,434)	\$ (8,731)	\$ (8,328)	\$ (18,165)	\$ (26,632)
Revision adjustment	(261)	(391)	3,254	(2,734)	2,864	130
Total other income (expense)	\$ (34,500)	\$ (9,825)	\$ (5,477)	\$ (11,062)	\$ (15,301)	\$ (26,502)
Income (loss) before income taxes (as previously reported)	\$ (65,967)	\$ (3,893)	\$ (61,189)	\$ 2,519	\$ (65,082)	\$ (62,562)
Revision adjustment	(261)	(391)	3,254	(2,734)	2,864	130
Income (loss) before income taxes	\$ (66,228)	\$ (4,284)	\$ (57,935)	\$ (215)	\$ (62,218)	\$ (62,432)
Net income (loss) (as previously reported)	\$ (60,990)	\$ (2,746)	\$ (58,968)	\$ 2,981	\$ (61,714)	\$ (58,733)
Revision adjustment	(261)	(391)	3,254	(2,734)	2,864	130
Net income (loss)	\$ (61,251)	\$ (3,137)	\$ (55,714)	\$ 247	\$ (58,850)	\$ (58,603)
Net income (loss) per common share:						
Basic (as previously reported)	\$ (1.19)	\$ (0.06)	\$ (1.13)	\$ 0.05	\$ (1.19)	\$ (1.14)
Revision adjustment	(0.01)	(0.01)	0.07	(0.05)	0.06	0.00
Basic	\$ (1.20)	\$ (0.07)	\$ (1.06)	\$ (0.00)	\$ (1.13)	\$ (1.14)
Diluted (as previously reported)	\$ (1.19)	\$ (0.06)	\$ (1.13)	\$ 0.04	\$ (1.19)	\$ (1.14)
Revision adjustment	(0.01)	(0.01)	0.07	(0.04)	0.06	0.00
Diluted	\$ (1.20)	\$ (0.07)	\$ (1.06)	\$ (0.00)	\$ (1.13)	\$ (1.14)

The following table sets forth the consolidated statements of operations, including the balances as reported, adjustments and the as-restated balances for the Successor period from December 6, 2018 through October 31, 2019 and for the interim periods within that period:

<i>(in thousands, except share and per share amounts)</i>	Successor Period December 6, 2018 through October 31, 2019	December 6, 2018 through January 31, 2019	Interim Unaudited Periods			
			Three Months Ended		December 6, 2018 through	
			April 30, 2019	July 31, 2019	April 30, 2019	July 31, 2019
Change in fair value of warrant liabilities (as previously reported)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restatement adjustment	(6,491)	(2,522)	(14,774)	4,556	(17,296)	(12,740)
Change in fair value of warrant liabilities (as restated)	\$ (6,491)	\$ (2,522)	\$ (14,774)	\$ 4,556	\$ (17,296)	\$ (12,740)
Total other income (expense) (as previously reported)	\$ (34,833)	\$ (5,581)	\$ (9,298)	\$ (9,815)	\$ (14,879)	\$ (24,694)
Restatement adjustment	(6,491)	(2,522)	(14,774)	4,556	(17,296)	(12,740)
Total other income (expense) (as restated)	\$ (41,324)	\$ (8,103)	\$ (24,072)	\$ (5,259)	\$ (32,175)	\$ (37,434)
Income (loss) before income taxes (as previously reported)	\$ (13,215)	\$ (6,395)	\$ (8,073)	\$ 840	\$ (14,468)	\$ (13,628)
Restatement adjustment	(6,491)	(2,522)	(14,774)	4,556	(17,296)	(12,740)
Income (loss) before income taxes (as restated)	\$ (19,706)	\$ (8,917)	\$ (22,847)	\$ 5,396	\$ (31,764)	\$ (26,368)
Net income (loss) (as previously reported)	\$ (9,912)	\$ (3,630)	\$ (9,645)	\$ 2,762	\$ (13,275)	\$ (10,513)
Restatement adjustment	(6,491)	(2,522)	(14,774)	4,556	(17,296)	(12,740)
Net income (loss) (as restated)	\$ (16,403)	\$ (6,152)	\$ (24,419)	\$ 7,318	\$ (30,571)	\$ (23,253)
Net income (loss) per common share:						
Basic (as previously reported)	\$ (0.28)	\$ (0.14)	\$ (0.35)	\$ 0.05	\$ (0.48)	\$ (0.31)
Restatement adjustment	(0.15)	(0.08)	(0.50)	0.09	(0.60)	(0.35)
Basic (as restated)	\$ (0.43)	\$ (0.22)	\$ (0.85)	\$ 0.14	\$ (1.08)	\$ (0.66)
Diluted (as previously reported)	\$ (0.28)	\$ (0.14)	\$ (0.35)	\$ 0.05	\$ (0.48)	\$ (0.31)
Restatement adjustment	(0.15)	(0.08)	(0.50)	0.08	(0.60)	(0.35)
Diluted (as restated)	\$ (0.43)	\$ (0.22)	\$ (0.85)	\$ 0.13	\$ (1.08)	\$ (0.66)

Comprehensive income (loss) for the fiscal year ended October 31, 2020, the Successor period from December 6, 2018 through October 31, 2019 and the interim periods within those periods was restated or revised to reflect the restatement or revision adjustment to net income (loss) in the tables above.

The table below sets forth the consolidated statements of cash flows, including the balances as reported, adjustments and the as-restated or as-revised balances for the fiscal year ended October 31, 2020, the Successor period from December 6, 2018 through October 31, 2019, and previously issued unaudited year-to-date interim periods within those years. The adjustment had no impact on cash flows from investing or operating activities.

	Interim Unaudited Periods				Interim Unaudited Periods			
	Year to Date Successor Period from December 6, 2018 through				Three Months Ended	Six Months Ended	Nine Months Ended	Fiscal Year Ended
	January 31, 2019	April 30, 2019	July 31, 2019	October 31, 2019	January 31, 2020	April 30, 2020	July 31, 2020	October 31, 2020
<i>(in thousands)</i>								
Net income (loss) (as previously reported)	\$ (3,630)	\$ (13,275)	\$ (10,513)	\$ (9,912)	\$ (2,746)	\$ (61,714)	\$ (58,733)	\$ (60,990)
Restatement/revision adjustment	(2,522)	(17,296)	(12,740)	(6,491)	(391)	2,864	130	(261)
Net income (loss) (as restated/revised)	\$ (6,152)	\$ (30,571)	\$ (23,253)	\$ (16,403)	\$ (3,137)	\$ (58,850)	\$ (58,603)	\$ (61,251)
Increase (decrease) in fair value of warrant liabilities (as previously reported)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restatement/revision adjustment	2,522	17,296	12,740	6,491	391	(2,864)	(130)	261
Increase (decrease) in fair value of warrant liabilities (as restated/revised)	\$ 2,522	\$ 17,296	\$ 12,740	\$ 6,491	\$ 391	\$ (2,864)	\$ (130)	\$ 261
Net cash provided by operating activities (as previously reported)	\$ (12,949)	\$ (4,090)	\$ 1,425	\$ 22,777	\$ 1,814	\$ 26,987	\$ 53,484	\$ 78,970
Restatement/revision adjustment	-	-	-	-	-	-	-	-
Net cash provided by operating activities (as restated/revised)	\$ (12,949)	\$ (4,090)	\$ 1,425	\$ 22,777	\$ 1,814	\$ 26,987	\$ 53,484	\$ 78,970

Use of estimates

The preparation of financial statements in conformity with U.S. 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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

Significant estimates include accrued sales and use taxes, the liability for incurred but unreported claims under various partially self-insured policies, allowance for doubtful accounts, goodwill impairment analysis, valuation of share-based compensation and accounting for business combinations. Actual results may differ from those estimates, and such differences may be material to the Company's consolidated financial statements.

Trade receivables

Trade 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 trade 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 charge interest on past-due trade receivables.

Management determines the allowance for doubtful accounts by identifying troubled accounts and by using historical experience applied to an aging of accounts. The allowance for doubtful accounts was \$0.6 million and \$0.6 million as of October 31, 2020 and 2019, respectively. Trade receivables are written off when deemed uncollectible. Recoveries of trade receivables previously written off are recorded when received.

Inventory

Inventory consists primarily of replacement parts for concrete pumping equipment. Inventories are stated at the lower of cost (first-in, first-out method) or net realizable value. The Company evaluates inventory and records an allowance for obsolete and slow-moving inventory to account for cost adjustments to market. Based on management's analysis, no allowance for obsolete and slow-moving inventory was required as of October 31, 2020 and 2019.

Fair Value Measurements

The FASB's standard on fair value measurements establishes a fair value hierarchy that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. This standard establishes three levels of inputs that may be used to measure fair value:

Level 1 – Quoted prices in active markets for identical assets or liabilities.

Level 2 – Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities.

Level 3 – Unobservable inputs to the valuation methodology that are significant to the measurement of fair value of assets or liabilities

Deferred financing costs

Deferred financing costs representing third-party, non-lender debt issuance costs are deferred and amortized using the effective interest rate method over the term of the related long-term-debt agreement, and the straight-line method for the revolving credit agreement.

Debt issuance costs, including any original issue discounts, related to term loans are reflected as a direct deduction from the carrying amount of the long-term debt liability that is included in long term debt, net of discount for deferred financing costs in the accompanying consolidated balance sheet. Debt issuance costs related to revolving credit facilities are capitalized and reflected in deferred financing in the accompanying consolidated balance sheet.

Goodwill

In accordance with Accounting Standards Codification ("ASC") Topic 350, Intangibles–Goodwill and Other ("ASC 350"), the Company evaluates goodwill for possible impairment annually or more frequently if events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. The Company uses a two-step process to assess the realizability of goodwill. The first step is a qualitative assessment that analyzes current economic indicators associated with a particular reporting unit. For example, the Company analyzes changes in economic, market and industry conditions, business strategy, cost factors, and financial performance, among others, to determine if there are indicators of a significant decline in the fair value of a particular reporting unit. If the qualitative assessment indicates a stable or improved fair value, no further testing is required. If a qualitative assessment indicates it is more likely than not that the fair value of a reporting unit is less than its carrying amount, the Company will proceed to the quantitative second step where the fair value of a reporting unit is calculated based on weighted income and market-based approaches. If the fair value of a reporting unit is lower than its carrying value, an impairment to goodwill is recorded, not to exceed the carrying amount of goodwill in the reporting unit.

During the second quarter of fiscal year 2020, the Company identified a triggering event from the recent decline in its stock price resulting from the COVID-19 pandemic ("COVID-19"). As a result, the Company performed an interim step one goodwill impairment analysis in accordance with ASU 2017-04, Intangibles — Goodwill and Other (ASC 350): Simplifying the Test for Goodwill Impairment ("ASU 2017-04"). Refer to Note 8 for further discussion.

Property, plant and equipment

Property, plant and equipment are recorded at cost. Expenditures for additions and betterments are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred; however, maintenance and repairs that improve or extend the life of existing assets are capitalized. The carrying amount of assets disposed of and the related accumulated depreciation are eliminated from the accounts in the year of disposal. Gains or losses from property and equipment disposals are recognized in the year of disposal. Property, plant and equipment is depreciated using the straight-line method over the following estimated useful lives:

	In Years
Buildings and improvements	15 to 40
Capital lease assets—buildings	40
Furniture and office equipment	2 to 7
Machinery and equipment	3 to 25
Transportation equipment	3 to 7

Capital lease assets are being amortized over the estimated useful life of the asset (see Note 13).

Intangible Assets

Intangible assets are recorded at cost or their estimated fair value (when acquired through a business combination) less accumulated amortization (if finite-lived).

Intangible assets with finite lives, except for customer relationships, are amortized on a straight-line basis over their estimated useful lives. Customer relationships are amortized on an accelerated basis over their estimated useful lives. Intangible assets with indefinite lives are not amortized but are subject to annual reviews for impairment. As noted above, the Company identified a triggering event during the second quarter of fiscal 2020 from the recent decline in its stock price and elected to perform an interim impairment test on its indefinite-lived trade names. Refer to Note 8 for further discussion.

Impairment of long-lived assets

ASC 360, Property, Plant and Equipment ("ASC 360") requires other long-lived assets to be evaluated for impairment when indicators of impairment are present. If indicators are present, assets are grouped to the lowest level for which identifiable cash flows are largely independent of other asset groups and cash flows are estimated for each asset group over the remaining estimated life of each asset group. If the undiscounted cash flows estimated to be generated by those assets are less than the asset's carrying amount, impairment is recognized in the amount of the excess of the carrying value over the fair value. No indicators of impairment were identified as of October 31, 2020.

Derivatives

The Company has public warrants outstanding and had private warrants outstanding through April 29, 2019, the date of the warrant exchange (see discussion in Note 14). Due to certain provisions in the warrant agreement, coupled with the Company's capital structure, which includes preferred stock with voting rights, the public and private warrants do not meet the criteria to be classified in stockholders' equity and instead meet the definition of a liability-classified derivative under ASC Topic 815, Derivatives and Hedging ("ASC 815"). As such, the Company recognizes these warrants within long-term liabilities on the consolidated balance sheet at fair value, with subsequent changes in fair value recognized in the consolidated statements of operations at each reporting date.

Revenue recognition

The Company generates revenues primarily from concrete pumping services in both the U.S. and U.K. Additionally, revenues are generated from the Company's waste management business which consists of service fees charged to customers for the delivery of our pans and containers and the disposal of the concrete waste material.

The Company recognizes revenue from these businesses when all of the following criteria are met: (a) persuasive evidence of an arrangement exists, (b) the service has been performed or delivery has occurred, (c) the price is fixed or determinable, and (d) collectability is reasonably assured. The Company's delivery terms for replacement part sales are FOB shipping point.

The Company imposes and collects sales taxes concurrent with our revenue-producing transactions with customers and remits those taxes to the various governmental authorities as prescribed by the taxing jurisdictions in which we operate. We present such taxes in our consolidated statements of operations on a net basis.

Stock-based compensation

The Company follows ASC 718, *Compensation—Stock Compensation (ASC 718)*, which requires the measurement and recognition of compensation expense, based on estimated fair values, for all share-based awards made to employees and directors. The Company expenses the grant date fair value of the award in the consolidated statements of operations over the requisite service periods on a straight-line basis. The Company accounts for forfeitures as they occur in accordance with the adoption of ASU No. 2016-09, *Compensation—Stock Compensation (ASC 718): Improvements to Employee Share-Based Payment Accounting*.

Income taxes

The Company complies with ASC 740, *Income Taxes*, which requires an asset and liability approach to financial reporting for income taxes.

The Company computes deferred income tax assets and liabilities annually for differences between the financial statements and tax basis of assets and liabilities that will result in taxable or deductible amounts in the future based on enacted tax laws and rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized. In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred tax liabilities, projected future taxable income, carryback opportunities, and tax planning strategies in making the assessment. Income tax expense includes both the current income taxes payable or refundable and the change during the period in the deferred tax assets and liabilities. The tax benefit from an uncertain tax position is only recognized in the consolidated balance sheet if the tax position is more likely than not to be sustained upon an examination.

Camfaud files income tax returns in the U.K. Camfaud's national statutes are generally open for one year following the statutory filing period.

Foreign currency translation

The functional currency of Camfaud is the Pound Sterling (GBP). The assets and liabilities of the Company's foreign subsidiaries are translated into U.S. Dollars using the period end exchange rates for the periods presented, and the consolidated statements of operations are translated at the average exchange rate for the periods presented. The resulting translation adjustments are recorded as a component of comprehensive income on the consolidated statements of comprehensive income and accumulated in other comprehensive income. The functional currency of our other subsidiaries is the United States Dollar.

Earnings per share

The Company calculates earnings per share in accordance with ASC 260, *Earnings per Share*. The two-class method of computing earnings per share is required for entities that have participating securities. The two-class method is an earnings allocation formula that determines earnings per share for participating securities according to dividends declared (or accumulated) and participation rights in undistributed earnings. The Company has two classes of stock: (1) Common Stock and (2) Participating Preferred Stock ("Preferred Stock").

Basic earnings (loss) per common share is calculated by dividing net income (loss) attributable to common shareholders by the weighted average number of shares of Common Stock outstanding each period. Diluted earnings (loss) per common share is based on the weighted average number of shares outstanding during the period plus the common stock equivalents which would arise from the exercise of stock options outstanding using the treasury stock method and the average market price per share during the period. Common stock equivalents are not included in the diluted earnings (loss) per share calculation when their effect is antidilutive.

An anti-dilutive impact is an increase in earnings per share or a reduction in net loss per share resulting from the conversion, exercise, or contingent issuance of certain securities.

Business combinations

The Company applies the principles provided in ASC 805, *Business Combinations*, when a business is acquired. Tangible and intangible assets acquired and liabilities assumed are recorded at fair value and goodwill is recognized for any differences between the fair value of consideration transferred and the fair value of net assets acquired. Transaction costs for business combinations are expensed as incurred in accordance with ASC 805.

Concentrations

As of October 31, 2020 there were three significant vendors that the Company relied upon to purchase concrete pumping boom equipment. However, should the need arise, there are alternate vendors who can provide concrete pumping boom equipment.

Cash balances held at financial institutions may, at times, be in excess of federally insured limits. The Company places its temporary cash balances in high-credit quality financial institutions.

The Company's customer base is dispersed across the U.S. and U.K. The Company performs ongoing evaluations of its customers' financial condition and requires no collateral to support credit sales. During the Predecessor and Successor periods described above, no customer represented 10 percent or more of sales or trade receivables.

Note 3. New Accounting Pronouncements

The Company has opted to take advantage of the extended transition period available to emerging growth companies pursuant to the Jumpstart Our Business Startups Act of 2012 (the "JOBS Act") for new accounting standards.

Newly adopted accounting pronouncements

In January 2017, the FASB issued ASU No. 2017-01, Business Combinations (ASC 805): Clarifying the Definition of a Business ("ASU 2017-01"), which provides guidance to assist entities with evaluating whether transactions should be accounted for as acquisitions (or disposals) of assets or businesses. ASU 2017-01 requires entities to use a screen test to determine when an integrated set of assets and activities is not a business or if the integrated set of assets and activities needs to be further evaluated against the framework. The new standard will be applied prospectively to any transactions occurring within the period of adoption and is effective for entities other than public business entities for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019. The Company adopted this ASU in the first quarter of 2020. As there have been no new business combinations, this ASU has not had an effect on the Company's consolidated financial statements. The Company will apply this ASU as new business combinations occur.

In August 2016, the FASB issued ASU No. 2016-15, Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments ("ASU 2016-15") related to how certain cash receipts and payments are presented and classified in the statement of cash flows. These cash flow issues include debt prepayment or extinguishment costs, settlement of zero-coupon debt, contingent consideration payments made after a business combination, proceeds from the settlement of insurance claims, distributions received from equity method investees, beneficial interests in securitization transactions, and separately identifiable cash flows. ASU 2016-15 is effective for emerging growth companies in annual reporting periods beginning after December 15, 2018, and interim reporting periods within annual reporting periods beginning after December 15, 2019. The Company early adopted this ASU in the first quarter of 2020 on a retrospective basis and the adoption did not have a material impact on the consolidated financial statements.

Recently issued accounting pronouncements not yet effective

In May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers (ASC 606)* ("ASU 2014-09"), which is a comprehensive new revenue recognition model.

Under ASU 2014-09 and the related clarifying ASUs, a company will recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods and services. Following the issuance of ASU 2020-05 that deferred the effective date for certain companies, ASU 2014-09 is effective for emerging growth companies that have elected to use private company adoption dates in annual reporting periods beginning after December 15, 2019 and interim reporting periods within annual reporting periods beginning after December 15, 2020 and is to be adopted using either a full retrospective or modified retrospective transition method. The Company expects to adopt the guidance under the modified retrospective approach during the fourth quarter of the fiscal year ending October 31, 2021. The Company is currently evaluating the impact of the adoption of the new standard but does not expect a significant impact on the consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02, Leases (“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 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 plans to adopt the new standard effective for the year ending October 31, 2022. The Company is currently evaluating the impact of the pending adoption of the new standard on the consolidated financial statements.

In June 2016, the FASB issued ASU No. 2016-13, Financial Instruments—Credit Losses (Topic 326). This ASU, 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. This ASU is effective for emerging growth companies that have elected to use private company adoption dates with annual and interim periods beginning after December 15, 2022, with early adoption permitted. The Company plans to adopt the new standard effective for the year ending October 31, 2022. The amendments of this ASU should be applied on a modified retrospective basis to all periods presented. The Company is currently evaluating the effects adoption of this guidance will have on the consolidated financial statements.

In March 2020, the FASB issued ASU 2020-04, Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting (“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. The Company is evaluating the anticipated impact of this standard on its condensed consolidated financial statements as well as timing of adoption.

Note 4. Business Combinations

May 2019 Acquisition of Capital Pumping

On May 15, 2019, the Company acquired Capital Pumping, LP and its affiliates (“Capital”), a concrete pumping provider based in Texas for a purchase price of \$129.2 million, which was paid using proceeds from the Company’s public offering of common stock and additional borrowings on its term loan facility. This acquisition qualified as a business combination under ASC 805. Accordingly, the Company recorded all assets acquired and liabilities assumed at their acquisition-date fair values, with any excess recognized as goodwill. Goodwill recorded from the transaction represents expected synergies from combining operations and the assembled workforce.

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:

Consideration paid:	\$	129,218
Net assets acquired:		
Current assets	\$	748
Intangible assets		45,500
Property and equipment		56,467
Liabilities assumed		(63)
Total net assets acquired		<u>102,652</u>
Goodwill	\$	<u>26,566</u>

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Identifiable intangible assets acquired consist of customer relationships of \$40.0 million and a trade name valued at \$5.5 million. The customer relationships were valued using the multi-period excess earnings method. The Company determined the useful life of the customer relationships to be 15 years. The trade name was valued using the relief-from-royalty method and the Company determined the trade name associated with Capital to be indefinite.

December 2018 Acquisition of CPH

On December 6, 2018, the Company consummated the Business Combination. This acquisition qualified as a business combination under ASC 805. Accordingly, the Company recorded all assets acquired and liabilities assumed at their acquisition-date fair values, with any excess recognized as goodwill. Goodwill recorded from the transaction represents the value provided by the Company's leading market share in a highly-fragmented industry.

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 (see paragraph below for any measurement-period adjustments included):

Consideration paid:	
Cash	\$ 445,386
Fair value of rollover equity	164,908
Net working capital adjustment	4,050
Total consideration paid	\$ 614,344
Net assets acquired:	
Current assets	\$ 49,112
Intangible assets	208,063
Property and equipment	219,467
Liabilities assumed	(110,245)
Total net assets acquired	366,397
Goodwill	\$ 247,947

Note: Cash in table above is net of \$1.0 million in cash acquired

Identifiable intangible assets acquired consist of customer relationships of \$152.7 million and trade names of \$55.4 million. The customer relationships were valued using the multi-period excess earnings method. The Company determined the useful life of the customer relationships to be 15 years. The trade names were valued using the relief-from-royalty method. The Company determined the useful life of the trade name associated with Camfaud to be 10 years. The Company determined the trade names associated with Brundage-Bone and Eco-Pan to be indefinite.

During the Successor period from December 6, 2018 through October 31, 2019, the Company recorded an out of period adjustment related to the reduction of sales tax accrual of \$3.4 million that resulted in changes to goodwill and liabilities assumed in the transaction. The impact of the adjustment was not considered material to the Company's previously issued financial statements.

CPH incurred transaction costs of \$14.2 million and debt extinguishment costs of \$16.4 million independently prior to the Business Combination.

Additional costs consisting of stock option and other compensation related expenses were recorded in connection with the Business Combination. These costs were solely contingent upon the completion of the business combination and did not include any future service requirements. As such, these costs will be presented "on the line" and are not reflected in either Predecessor or Successor financial statements. "On the line" describes those expenses triggered by the consummation of a business combination that were incurred by the acquiree, i.e. CPH, that are not recognized in the Statement of Operations of either the Predecessor or Successor as they are not directly attributable to either period but instead were contingent on the Business Combination.

In conjunction with the Business Combination, there were \$15.6 million of transaction bonuses and, as a result of a change in control provision for stock-based awards, certain unvested stock-based awards immediately vested, resulting in the recognition of compensation expense of approximately \$0.6 million. These expenses were not reflected in either the Predecessor or Successor consolidated statements of operations and comprehensive loss periods.

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 CPH and Capital business combinations discussed above as if they had occurred on November 1, 2018. The unaudited 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 CPH and Capital business combinations had been completed on November 1, 2018, nor does it purport to project the results of operations of the combined company in future periods. The unaudited 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:

<i>(in thousands)</i>	Year Ended October 31, 2020	Year Ended October 31, 2019
Revenue	\$ 304,301	\$ 24,396
Pro forma revenue adjustments by Business Combination		
Capital	-	26,829
CPH	-	258,565
Total pro forma revenue	<u>\$ 304,301</u>	<u>\$ 309,790</u>

<i>(in thousands)</i>	Year Ended October 31, 2020	(As Restated) Year Ended October 31, 2019
Net loss	\$ (61,251)	\$ (22,575)
Pro forma net income (loss) adjustments by Business Combination		
Capital	-	2,868
CPH	-	(16,403)
Total pro forma net loss	<u>\$ (61,251)</u>	<u>\$ (36,110)</u>

Note 5. 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 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. The Company believes the carrying values of its capital lease obligations represent 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 at October 31, 2020 and 2019 is presented in the table below based on the prevailing interest rates and trading activity of the Notes.

<i>(in thousands)</i>	October 31, 2020		October 31, 2019	
	<u>Carrying Value</u>	<u>Fair Value</u>	<u>Carrying Value</u>	<u>Fair Value</u>
Term loans	\$ 381,205	\$ 365,003	\$ 402,094	\$ 394,052
Capital lease obligations	477	477	568	568

Deferred consideration

In connection with the acquisition of Camfaud in November 2016, former Camfaud shareholders were eligible to receive earnout payments ("deferred consideration") of up to \$3.1 million if certain Earnings before interest, taxes, depreciation, and amortization ("EBITDA") targets were met. In accordance with ASC 805, the Company reviewed the deferred consideration on a quarterly basis in order to determine its fair value. Changes in the fair value of the liability are recorded within general and administrative expenses in the consolidated statements of operations in the period in which the change was made. The Company estimated the fair value of the deferred consideration based on its probability assessment of Camfaud's EBITDA achievements during the 3 year earnout period. In developing these estimates, the Company considered its revenue and EBITDA projections, its historical results, and general macro-economic environment and industry trends. This fair value measurement was based on significant revenue and EBITDA inputs not observed in the market, which represents a Level 3 measurement. The fair value of the deferred consideration was \$1.7 million at October 31, 2019, which also represented the date at which the 3-year earnout period ended. The deferred consideration was fully paid out during the fiscal 2020 first quarter. In accordance with US GAAP, the related cash outflows are reflected in the statement of cash flows with \$1.2 million being included in financing activities, reflecting the payment of contingent consideration that was originally established in purchase accounting, and the remaining \$0.5 million being included in operating activities, reflecting the payment amount that is in excess of the contingent consideration that was originally established in purchase accounting.

Warrants

At both October 31, 2020 and 2019, there were 13,017,777 public warrants and no private warrants outstanding. As discussed in Note 14, on April 29, 2019, all 11,100,000 private warrants were exchanged for 1,707,175 shares of common stock. 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 on December 6, 2022, or earlier upon redemption or liquidation. The Company may 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 and private warrants issued in connection with its IPO in accordance with ASC 815, under which certain provisions in the public and private 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 1 fair value measurement). The fair value of each private warrant was determined using a Black-Scholes model and therefore is considered to be a Level 3 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.

Note 6. Prepaid Expenses and Other Current Assets

The significant components of prepaid expenses and other current assets at October 31, 2020 and 2019 are comprised of the following:

<i>(in thousands)</i>	October 31, 2020	October 31, 2019
Prepaid insurance	\$ 1,399	\$ 1,416
Prepaid licenses and deposits	429	528
Prepaid rent	149	485
Other prepaids	717	949
Total prepaid expenses and other current assets	\$ 2,694	\$ 3,378

Note 7. Property, Plant and Equipment

The significant components of property, plant and equipment at October 31, 2020 and 2019 are comprised of the following:

<i>(in thousands)</i>	October 31, 2020	October 31, 2019
Land, building and improvements	\$ 26,728	\$ 26,085
Capital leases—land and buildings	828	828
Machinery and equipment	318,029	295,741
Transportation equipment	2,338	2,223
Furniture and office equipment	1,230	1,209
Property, plant and equipment, gross	349,153	326,086
Less accumulated depreciation	(44,899)	(18,671)
Property, plant and equipment, net	\$ 304,254	\$ 307,415

Depreciation expense for the Successor year ended October 31, 2020 was \$28.3 million. Depreciation expense for the Successor period from December 6, 2018 to October 31, 2019 was \$20.3 million. Depreciation expense for the Predecessor from November 1, 2018 to December 5, 2018 was \$2.1 million. Depreciation expense related to revenue producing machinery and equipment is recorded in cost of operations and an immaterial amount of depreciation expense related to the Company's capital leases and furniture and fixtures is included in general and administrative expenses.

Note 8. Goodwill and Intangible Assets

The Company recognized goodwill and certain intangible assets in connection with business combinations (see Note 4 - Business Combinations).

During the second quarter of fiscal 2020, the Company identified a triggering event resulting from a sustained decline in its stock price and deterioration in general economic conditions resulting from COVID-19. As a result, the Company, with the assistance of a third party valuation specialist, performed an interim impairment test on its indefinite-lived trade name intangible assets and goodwill as of April 30, 2020.

The valuation methodology used to value the trade-names was based on the relief-from-royalty method which is an income based measure that derives the value from total revenue growth projected and what percentage is attributable to the trade name. As a result of the analysis, the Company identified that the fair value of its Brundage-Bone Concrete Pumping trade name was approximately 11.8% below its carrying value and as such, recorded a non-cash impairment charge of \$5.0 million in intangibles impairment in its consolidated statements of operations for the year ended October 31, 2020. The impaired trade name has a remaining value of \$37.3 million as of October 31, 2020. In addition, the Company concluded that the fair values of its Eco-Pan and Capital Pumping trade names exceeded their carrying values by approximately 7.8% and 109.1%, respectively, and their remaining values are \$7.7 million and \$5.5 million as of October 31, 2020, respectively.

The goodwill impairment test was performed on the Company's U.S. Concrete Pumping, U.S. Concrete Waste Management Services, and U.K. Operations reporting units. The valuation methodologies used to value the reporting units included the discounted cash flow method (income approach) and the guideline public company method (market approach). As a result of the goodwill impairment analysis, the Company identified that the fair values of its U.S. Concrete Pumping and U.K. Operations reporting units were approximately 6.9% and 14.8% below their carrying values, respectively. As such, the Company recorded non-cash impairment charges of \$38.5 million and \$14.4 million to its U.S. Concrete Pumping and U.K. Operations reporting units, respectively, in goodwill impairment in its consolidated statements of operations for the year ended October 31, 2020. In addition, the Company concluded that the fair value of its U.S. Concrete Waste Management Services reporting unit exceeded its carrying value by approximately 4.5% and, as such, no impairment charge was recorded.

The factors leading to the impairment of the Company's goodwill and intangibles were primarily due to (1) lower anticipated future net revenues and earnings in its estimate of future cash flows resulting from COVID-19 and (2) a higher discount rate applied to future cash flows as a result of uncertainties of the overall economic impact from COVID-19. There is inherent uncertainty associated with key assumptions used by the Company in its impairment analyses including the duration of the economic downturn associated with COVID-19 and the recovery period.

A qualitative impairment assessment was done on the annual assessment date and no impairment was identified for the remainder of fiscal 2020. The Company will continue to evaluate its goodwill and intangible assets in future quarters. Additional impairments may be recorded based on events and circumstances, including those related to COVID-19 discussed in Note 1.

The following table summarizes the composition of intangible assets at October 31, 2020 and at October 31, 2019:

	October 31, 2020					October 31, 2019				
	Gross Carrying Value	Impairments	Accumulated Amortization	Foreign Currency Translation Adjustment	Net Carrying Amount	Gross Carrying Value	Accumulated Amortization	Foreign Currency Translation Adjustment	Net Carrying Amount	
<i>(in thousands)</i>										
Customer relationship	\$ 193,585	\$ -	\$ (64,676)	\$ (106)	\$ 128,803	\$ 193,594	\$ (31,861)	\$ (62)	\$ 161,671	
Trade name	5,432	-	(1,020)	(14)	4,398	5,434	(483)	(7)	4,944	
Trade name (indefinite life)	55,500	(5,000)	-	-	50,500	55,500	-	-	55,500	
Noncompete agreements	200	-	(62)	-	138	200	(22)	-	178	
Total intangibles	<u>\$ 254,717</u>	<u>\$ (5,000)</u>	<u>\$ (65,758)</u>	<u>\$ (120)</u>	<u>\$ 183,839</u>	<u>\$ 254,728</u>	<u>\$ (32,366)</u>	<u>\$ (69)</u>	<u>\$ 222,293</u>	

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Amortization expense for the Successor year ended October 31, 2020 was \$33.4 million. Amortization expense for the Successor period from December 6, 2018 to October 31, 2019 was \$32.4 million. Amortization expense for the Predecessor from November 1, 2018 to December 5, 2018 was \$0.7 million. The estimated aggregate amortization expense for intangible assets over the next five fiscal years ending October 31 and thereafter is as follows:

(in thousands)

2021	\$ 26,852
2022	21,606
2023	17,173
2024	13,792
2025	11,159
Thereafter	42,758
Total	\$ 133,340

The changes in the carrying value of goodwill by reportable segment for the twelve months ended October 31, 2020 are as follows:

(in thousands)

	U.S. Concrete Pumping	U.K. Operations	U.S. Concrete Waste Management Services	Corporate	Total
Balance at October 31, 2018 (Predecessor)	\$ 49,374	\$ 18,368	\$ 6,914	\$ -	\$ 74,656
Foreign currency translation	-	(12)	-	-	(12)
Balance at December 5, 2018 (Predecessor)	\$ 49,374	\$ 18,356	\$ 6,914	\$ -	\$ 74,644
Balance at December 6, 2018 (Successor)	\$ -	\$ -	\$ -	\$ -	\$ -
Acquired goodwill	185,782	40,554	49,133	-	275,469
Foreign currency translation	-	619	-	-	619
Balance at October 31, 2019 (Successor)	\$ 185,782	\$ 41,173	\$ 49,133	\$ -	\$ 276,088
Measurement-period adjustments	200	-	-	-	200
Impairments	(38,500)	(14,444)	-	-	(52,944)
Foreign currency translation	-	(190)	-	-	(190)
Balance at October 31, 2020 (Successor)	<u>\$ 147,482</u>	<u>\$ 26,539</u>	<u>\$ 49,133</u>	<u>\$ -</u>	<u>\$ 223,154</u>

Note 9. Long-Term Debt and Revolving Lines of CreditSuccessor

As part of the Business Combination, the Predecessor's Revolver, U.K. Revolver, Senior secured notes, and Seller notes (see Predecessor section below for a discussion of these agreements) were all extinguished and the Company entered into (i) a term loan agreement, dated December 6, 2018, among the Company, certain subsidiaries of the Company, Credit Suisse AG, Cayman Islands Branch as administrative agent and Credit Suisse Loan Funding LLC, Jefferies Finance LLC and Stifel Nicolaus & Company Incorporated LLC as joint lead arrangers and joint bookrunners, and the other Lenders party thereto and (the "Term Loan Agreement") (ii) a Credit Agreement, dated December 6, 2018, 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, and the other parties thereto ("ABL Credit Agreement"). In addition, in order to finance the acquisition of Capital, the Company added \$60.0 million of incremental term loans under the Term Loan Agreement in May 2019. Summarized terms of these facilities are included below.

Term Loan Agreement

Summarized terms of the Term Loan Agreement are as follows:

- Provides for an original aggregate principal amount of \$357.0 million. This amount was increased in May 2019 by \$60.0 million in connection with the acquisition of Capital;
- The initial term loans advanced will mature and be due and payable in full seven years after the Closing Date, with principal amortization payments in an annual amount equal to 5.00% of the original principal amount;
- Borrowings under the Term Loan Agreement, will bear interest at either (1) an adjusted LIBOR rate or (2) an alternate base rate, plus an applicable margin of 6.00% or 5.00%, respectively;
- The Term Loan Agreement is secured by (i) a first priority perfected lien in substantially all of the assets of the Company and certain of its subsidiaries that are loan parties thereunder to the extent not constituting ABL Credit Agreement priority collateral and (ii) a second priority perfected lien on substantially all ABL Credit Agreement priority collateral, in each case subject to customary exceptions and limitations;
- The Term Loan Agreement includes certain non-financial covenants.

The outstanding balance under the Term Loan Agreement as of October 31, 2020 was \$381.2 million and as of that date, the Company was in compliance with all debt covenants. The Company's interest on borrowings under the Term Loan Agreement bear interest using the London Inter-bank Offered Rate (LIBOR) as the base rate plus an applicable margin in line with the summarized terms of the Term Loan Agreement as described above.

Future maturities of the term loans for fiscal years ending October 31 and thereafter is as follows:

<i>(in thousands)</i>		
2021	\$	20,888
2022		20,888
2023		20,888
2024		20,888
2025		20,888
Thereafter		276,765
Total	\$	<u>381,205</u>

ABL Credit Agreement

Summarized terms of the ABL Credit Agreement are as follows:

- Borrowing availability in U.S. Dollars and GBP up to a maximum of \$60.0 million;
- Borrowing capacity available for standby letters of credit of up to \$7.5 million and for swing loan borrowings of up to \$7.5 million. Any issuance of letters of credit or making of a swingline loan will reduce the amount available under the ABL Facility;
- All loans advanced will mature and be due and payable in full five years after the Closing Date;
- Amounts borrowed may be repaid at any time, subject to the terms and conditions of the agreement;
- Borrowings in U.S. Dollars and GBP under the ABL Credit Agreement bear interest at either (1) an adjusted LIBOR rate or (2) a base rate, in each case plus an applicable margin currently set at 2.25% and 1.25%, respectively. The ABL Credit Agreement is subject to two step-downs of 0.25% and 0.50% based on excess availability levels;
- U.S. ABL Credit Agreement obligations are secured by (i) a perfected first priority security interest in substantially all personal property of the Company and certain of its subsidiaries that are loan parties thereunder consisting of all accounts receivable, inventory, cash, intercompany notes, books and records, chattel paper, deposit, securities and operating accounts and all other working capital assets and all documents, instruments and general intangibles related to the foregoing (the "U.S. ABL Priority Collateral") and (ii) a perfected second priority security interest in substantially all Term Loan Agreement priority collateral, in each case subject to customary exceptions and limitations;
- U.K. ABL Credit Agreement obligations are secured by (i) a perfected first-priority security interest in (A) the U.S. ABL Priority Collateral, (B) all of the stock (or other ownership interests) in, and held by, the U.K. borrower subsidiaries of the Company, and (C) all of the current and future assets and property of the U.K. subsidiaries of the Company that are loan parties thereunder, including a first-ranking floating charge over all current and future assets and property of each U.K. subsidiary of the Company that is a loan party thereunder; and (ii) a perfected, second-priority security interest in substantially all Term Loan Agreement priority collateral, in each case subject to customary exceptions and limitations; and
- The ABL Credit Agreement 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 Credit Agreement as of October 31, 2020 was \$1.7 million and as of that date, the Company was in compliance with all debt covenants.

Predecessor

In connection with the Business Combination, the Company repaid its existing credit facilities and the Seller Notes discussed below in full and replaced them with the Term Loan Agreement and the ABL Credit Agreement discussed previously. The Company also incurred an aggregate of \$ 16.4 million of costs related to the extinguishment of its existing debts, including the write-off of unamortized borrowing costs and an early extinguishment fee paid to its lenders. The amount has been reflected as debt extinguishment costs in the Predecessor's consolidated statements of operations for the period ended December 5, 2018.

Revolving line of credit

The Predecessor had a revolving loan agreement (the "Revolver"). Summarized terms of the Revolver were as follows:

- Maximum borrowing capacity of \$65.0 million with a maturity date of September 8, 2022;
- Borrowings bear interest at the LIBOR rate plus an applicable margin that resets quarterly and is (a) 2.00%, (b) 2.25% or (c) 2.50% if the quarterly average excess availability is (a) at least 66.67%, (b) less than 66.67% and at least 33.33% and (c) less than 33.33%, respectively;
- Interest is due monthly and the outstanding principal balance was due upon maturity;
- On October 2, 2017, \$35.0 million of the Revolver balance was transferred to a 3-month line of credit with a separate LIBOR interest rate; and
- Required Predecessor to maintain a maximum ratio of total fixed charges.

U.K. Revolver

The Predecessor had a revolving loan agreement (the “U.K. Revolver”) associated with the acquisition of Camfaud in November 2016. The U.K. Revolver had a maximum borrowing capacity of approximately \$28.0 million and bore interest at LIBOR plus 2.00%. The U.K. Revolver required the Predecessor maintain a maximum ratio of total fixed charges.

Senior secured notes

In August 2014, the Predecessor issued \$140.0 million in senior secured notes through a high-yield bond offering under SEC Rule 144A (“Senior Notes”). In November 2016, the Predecessor issued additional senior secured notes of \$40.0 million as an incremental borrowing with the same terms and form as the original Senior Notes.

Summarized terms of the Senior Notes were as follows:

- Maturity date on September 1, 2021. Principal due upon maturity.
- Interest rate of 10.375% per annum, payments due every March 1 and September 1 commencing March 1, 2015
- The Senior Notes were secured by substantially all of the assets of the Company and contain various non-financial covenants.

Seller notes

In connection with the acquisitions of the Camfaud and Reilly in November 2016 and July 2017, respectively, the Predecessor entered into separate loan agreements with the former owners of the Camfaud and Reilly for \$6.2 million and \$1.9 million, respectively (collectively, the “Seller Notes”). The Seller Note with respect to Camfaud bore interest at 5.0% per annum and all principal plus accrued interest was due upon the earlier of: (1) 6 months after the U.K. Revolver is repaid in full, (2) 42 months after the acquisition date (May 2020) or (3) the date on which the Predecessor suffers an insolvency event. The Seller Note with respect to Reilly bore interest at 6.0% per annum and all principal plus accrued interest are due three years after the acquisition date (July 2020). The Seller Notes were unsecured.

The table below is a summary of the composition of the Company's long-term debt balances at October 31, 2020 and 2019.

<i>(in thousands)</i>	October 31, 2020	October 31, 2019
Short term portion of term loan	\$ 20,888	\$ 20,888
Long term portion of term loan	360,317	381,206
Total term loan	381,205	402,094
Less unamortized deferred financing costs	(16,411)	(20,268)
Total debt	<u>\$ 364,794</u>	<u>\$ 381,826</u>

Note 10. Accrued Payroll and Payroll Expenses

The following table summarizes accrued payroll and expenses at October 31, 2020 and 2019:

<i>(in thousands)</i>	October 31, 2020	October 31, 2019
Accrued vacation	\$ 1,667	\$ 1,433
Accrued payroll	1,507	3,205
Accrued bonus	4,752	3,177
Other accrued	5,139	1,362
Total accrued payroll and payroll expenses	<u>\$ 13,065</u>	<u>\$ 9,177</u>

Note 11. Accrued Expenses and Other Current Liabilities

The following table summarizes accrued expenses and other current liabilities at October 31, 2020 and 2019:

<i>(in thousands)</i>	October 31, 2020	October 31, 2019
Accrued insurance	\$ 7,806	\$ 6,105
Accrued interest	146	3,049
Accrued equipment purchases	4,149	15,343
Accrued sales and use tax	311	311
Accrued property taxes	882	915
Accrued professional fees	1,213	1,729
Accrued due to related party (refer to Note 12)	1,765	-
Other	2,607	654
Total accrued expenses and other liabilities	<u>\$ 18,879</u>	<u>\$ 28,106</u>

Note 12. Income Taxes

The sources of income before income taxes for the fiscal year ended October 31, 2020, the Successor period from December 6, 2018 through October 31, 2019, and the predecessor period from November 1, 2018 through December 5, 2018 are as follows:

	Successor		Predecessor November 1, 2018 through December 5, 2018
	Year Ended October 31, 2020	(As Restated) December 6, 2018 through October 31, 2019	
<i>(in thousands)</i>			
United States	\$ (49,688)	\$ (21,366)	\$ (26,974)
Foreign	(16,540)	1,660	207
Total	<u>\$ (66,228)</u>	<u>\$ (19,706)</u>	<u>\$ (26,767)</u>

The components of the provision for income taxes for the fiscal year ended October 31, 2020, the Successor period from December 6, 2018 through October 31, 2019, and the predecessor period from November 1, 2018 through December 5, 2018 are as follows:

	Successor		Predecessor November 1, 2018 through December 5, 2018
	Year Ended October 31, 2020	December 6, 2018 through October 31, 2019	
<i>(in thousands)</i>			
Current tax provision (benefit):			
Federal	\$ (4,299)	\$ -	\$ -
Foreign	(9)	1,108	134
State and local	361	409	31
Total current tax provision (benefit)	<u>(3,947)</u>	<u>1,517</u>	<u>165</u>
Deferred tax provision (benefit):			
Federal	\$ 759	\$ (3,317)	\$ (3,474)
Foreign	126	(571)	(86)
State and local	(1,914)	(932)	(797)
Total deferred tax benefit	<u>(1,029)</u>	<u>(4,820)</u>	<u>(4,357)</u>
Net benefit for income taxes	<u>\$ (4,977)</u>	<u>\$ (3,303)</u>	<u>\$ (4,192)</u>

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For the fiscal year ended October 31, 2020, the Successor period from December 6, 2018 through October 31, 2019, and the Predecessor period from November 1, 2018 through December 5, 2018, the income tax provision differs from the expected tax provision computed by applying the U.S. federal statutory rate to income before taxes as a result of the following:

	(As Restated)		Predecessor November 1, 2018 through December 5, 2018
	Successor Year Ended October 31, 2020	December 6, 2018 through October 31, 2019	
<i>(in thousands)</i>			
Income tax benefit per federal statutory rate of 21% for each period	\$ (13,967)	\$ (4,140)	\$ (5,622)
State income taxes, net of federal deduction	(150)	(468)	(635)
Foreign rate differential	108	(48)	(6)
Meals and entertainment	127	187	24
Transaction costs	-	18	1,414
Change in deferred tax rate	(1,654)	(95)	30
Stock-based compensation	105	-	6
Equity contribution	-	127	-
Nontaxable interest income net of foreign income inclusions	717	(257)	(62)
Deferred tax on undistributed foreign earnings	(255)	236	68
Impact of tax reform in the U.K. (see discussion below)	859	-	-
Deferred finance costs	-	-	586
Goodwill impairment	9,812	-	-
Impact of US tax reform from CARES Act	(1,381)	-	-
Settlement with related party	420	-	-
Change in fair value of warrant liabilities	55	1,363	-
Other	227	(226)	5
Income tax benefit	<u>\$ (4,977)</u>	<u>\$ (3,303)</u>	<u>\$ (4,192)</u>

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The tax effects of the temporary differences giving rise to the Company's net deferred tax liabilities for fiscal years ending October 31, 2020 and October 31, 2019 are summarized as follows:

<i>(in thousands)</i>	Year Ended October 31, 2020	December 6, 2018 through October 31, 2019
Deferred tax assets:		
Accrued insurance reserve	\$ 1,637	\$ 1,334
Accrued sales and use tax	75	77
Accrued bonuses and vacation	1,521	353
Accrued payroll tax	676	-
Foreign tax credit carryforward	80	80
State tax credit carryforward	70	-
Interest expense carryforward	4,089	9,181
Stock-based compensation	3,127	893
Prepaid expenses	-	4
Other	335	435
Net operating loss carryforward	10,308	17,385
Total deferred tax assets	\$ 21,918	\$ 29,742
Valuation allowance	(63)	(63)
Net deferred tax assets	\$ 21,855	\$ 29,679
Deferred tax liabilities:		
Intangible assets	(27,504)	(36,593)
Property and equipment	(61,761)	(61,608)
Prepaid expenses	(128)	-
Unremitted foreign earnings	(481)	(527)
Total net deferred tax liabilities	(89,874)	(98,728)
Net deferred tax liabilities	\$ (68,019)	\$ (69,049)

As of October 31, 2020, the Company has the following tax carryforwards:

<i>(in millions)</i>	Balance as of October 31, 2020	Year that Carryforwards Begin to Expire
Federal net operating loss carryforwards	\$ 42.6	N/A – Carried forward indefinitely
State net operating loss carryforwards	30.4	2023
Foreign tax carryforwards	0.1	2026
State credit carryforwards	0.1	2023
Interest expense carryforwards	15.8	N/A – Carried forward indefinitely
Total tax carryforwards	<u>\$ 89.0</u>	

The Company has provided U.S. deferred taxes on cumulative earnings of all of its non-U.S. affiliates.

In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred tax liabilities, projected future taxable income, carryback opportunities, and tax planning strategies in making the assessment. The Company believes it is more likely than not that it will realize the benefits of these deductible differences, net of the valuation allowance provided. The valuation allowance provided by the Company relates to foreign tax credit carryforwards.

The following table summarizes the changes in the Company's unrecognized tax benefits during the year ended October 31, 2020 and 2019, and the Predecessor period ended December 5, 2018. The Company expects no material changes to unrecognized tax positions within the next twelve months. If recognized, none of these benefits would favorably impact the Company's income tax expense, before consideration of any related valuation allowance:

	Successor		Predecessor
	Year Ended October 31, 2020	December 6, 2018 through October 31, 2019	November 1, 2018 through December 5, 2018
<i>(in thousands)</i>			
Balance, beginning of year	\$ 1,726	\$ -	\$ -
Increase in current year position	-	1,726	-
Increase in prior year position	-	-	-
Decrease in prior year position	(154)	-	-
Lapse in statute of limitations	-	-	-
Balance, end of year	\$ 1,572	\$ 1,726	\$ -

As of October 31, 2020 and 2019, and December 5, 2018, the company has recognized no interest or penalties.

On March 17, 2020, the House of Commons in the U.K. passed a Budget Resolution under the Provisional Collection of Taxes Act of 1968 (the "Budget Resolution"). The Budget Resolution substantively enacted an increase in the U.K. corporate tax rate for tax periods after March 31, 2020 from 17% to 19%. As a result of the Budget Resolution, the Company recorded tax expense of \$0.9 million related to the remeasurement of deferred tax assets and liabilities to reflect the increase in the U.K. corporate tax rate.

On March 27, 2020, President Trump signed the Coronavirus Aid, Relief, and Economic Security "CARES" Act into law. The CARES Act included several significant business tax provisions that, among other things, eliminated the taxable income limit for certain net operating losses ("NOL") and allowed businesses to carry back NOL's arising in 2018, 2019 and 2020 to the five prior years, accelerated refunds of previously generated corporate alternative minimum tax credits, generally loosened the business interest limitation under IRC section 163(j) from 30 percent to 50 percent among other technical corrections included in the Tax Cuts and Jobs Act tax provisions.

During fiscal years 2016 and 2017, the Company paid federal income taxes totaling \$4.3 million (at a federal income tax rate of 34%). As the Company generated NOL carryforwards during fiscal 2018 and 2019, the CARES Act allowed the Company to carry back those NOL's to the fiscal 2016 and 2017 tax returns. During fiscal 2020, the Company carried back all NOL's that were generated in fiscal year 2018 to the 2016 and part of the 2017 tax returns and also carried back a portion of the NOL's accumulated during fiscal 2019 to the remaining income from the 2017 tax return. These carrybacks resulted in a revaluation of the NOL carryforwards from the 21% federal rate in effect prior to the CARES Act to 34%, which was the federal income tax rate for 2016 and 2017. On March 31, 2020, the Company received a demand letter alleging that the Company is required to remit to the Predecessor's shareholders certain tax refunds from carrying back certain NOL's made available as a result of the passage of the CARES Act. In October 2020, the Company reached a settlement with the Predecessor's shareholders, resulting in the Company agreeing to pay \$2.0 million of the \$4.3 million in refunds to the Predecessor's shareholders. This \$2.0 million charge was recorded in general and administrative expenses in the accompanying consolidated statements of operations. Following the \$1.4 million revaluation in the carrying value of the NOL's as a result of the carryback benefit at a higher tax rate, the net financial impact to the Company is a \$0.6 million loss. The corresponding due to related party is included in accrued expenses and other current liabilities in the accompanying consolidated balance sheets. This is expected to be settled as the income tax refunds from the IRS are received.

Note 13. Commitments and Contingencies*Operating Leases*

The Company leases facilities, equipment and vehicles under non-cancelable operating leases with various expiration dates through April 2029. Monthly lease payments range from \$100 to \$19,564. Total rental expense for the Successor year ended October 31, 2020 was \$6.6 million. Total rental expense for Successor period from December 6, 2018 through October 31, 2019 and the Predecessor period from November 1, 2018 through December 5, 2018 was \$4.4 million and \$0.7 million, respectively, which also includes the Company's month-to-month leases.

The following is a summary of future minimum lease payments for the years ended October 31:

<i>(in thousands)</i>	Future Payments
2021	\$ 2,139
2022	1,868
2023	1,370
2024	743
2025	265
Thereafter	835
Total	\$ 7,220

Capital Leases

The Company has a limited number of capital leases related to land and buildings. The capital lease obligation recorded as of October 31, 2020 was \$0.5 million while the net book value of the leased assets as of October 31, 2019 was \$0.6 million.

The following is a summary of future minimum lease payments together with the present value of those payments for the years ended October 31:

<i>(in thousands)</i>	Future Payments
2021	\$ 107
2022	115
2023	118
2024	120
2025	61
Thereafter	-
Total minimum lease payments	521
Less the amount representing interest	(43)
Present value of minimum lease payments	\$ 478

Insurance

As of October 31, 2020, and October 31, 2019, the Company was partially insured for automobile, general and worker's compensation liability with the following deductibles (per occurrence):

	Deductible
General liability	\$ 250,000
General liability (in the case of accident and driver has completed NationsBuilders Insurance Services driver training)	\$ 125,000
Automobile	\$ 100,000
Workers' compensation	\$ 250,000

The Company has accrued \$5.4 million and \$5.0 million, as of October 31, 2020 and October 31, 2019, respectively, for claims incurred but not reported and estimated losses reported, which is included in accrued expenses and other current liabilities in the accompanying consolidated balance sheets.

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. As of October 31, 2020 and October 31, 2019, the Company had accrued \$2.4 million and \$1.1 million, respectively, for 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 requires the Company to maintain a bank account to facilitate the administration of claims. The account balance was \$0.3 million, as of October 31, 2020 and October 31, 2019, respectively, and is included in cash and cash equivalents in the accompanying consolidated balance sheets.

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.

Letters of credit

The ABL Credit Agreement provides for up to \$7.5 million of standby letters of credit. As of October 31, 2020, total outstanding letters of credit totaled \$1.2 million, the vast majority of which had been committed to the Company's general liability insurance provider.

Note 14. Stockholders' Equity

In conjunction with the Business Combination, all common and preferred shares that were in existence for the Predecessor were settled and no longer outstanding subsequent to December 5, 2018. On December 6, 2018, in connection with the closing of the Business Combination, we redeemed a total of 22,337,322 shares of our Class A common stock pursuant to the terms of our certificate of incorporation, resulting in a total cash payment from the Company's trust account to redeeming stockholders of \$231.4 million.

The Company's amended and restated certificate of incorporation authorizes the issuance of 500,000,000 shares of common stock, par value \$0.0001, and 10,000,000 shares of preferred stock, par value \$0.0001. Immediately following the Business Combination, there were:

- 28,847,707 shares of common stock issued and outstanding;
- 34,100,000 warrants outstanding, each exercisable for one share of common stock at an exercise price of \$1.50 per share; and
- 2,450,980 shares of zero-dividend convertible perpetual preferred stock ("Series A Preferred Stock") outstanding, as further discussed below

On May 14, 2019, in order to finance a portion of the purchase price for the acquisition of Capital, the Company completed a public offering of 8,098,166 of its common stock at a price of \$4.50 per share, receiving net proceeds of approximately \$77.4 million, after deducting underwriting discounts, commissions, and other offering expenses. In connection with the offering, certain of the Company's directors, officers and significant stockholders, and certain other related investors purchased an aggregate of 3,980,166 shares of its common stock from the underwriters at the public offering price of \$4.50, representing approximately 25% of the total shares issued (without giving effect to the underwriters' option to purchase additional shares).

As discussed below, on April 29, 2019, 2,101,213 shares of common stock were issued in exchange for the Company's public warrants and 707,175 shares of common stock were issued in exchange for the Company's private warrants. After the completion of the warrant exchange and as of October 31, 2020, there were 13,017,777 public warrants and no private warrants outstanding.

The Company's Series A Preferred Stock does not pay dividends and is convertible (effective June 6, 2019) into shares of the Company's common stock at a 1:1 ratio (subject to customary adjustments). The Company has the right to elect to redeem all or a portion of the Series A Preferred Stock at its election after December 6, 2022 for cash at a redemption price equal to the amount of the principal investment plus an additional cumulative amount that will accrue at an annual rate of 7.0% thereon. In addition, if the volume weighted average price of shares of the Company's common stock equals or exceeds \$13.00 for 30 consecutive days, then the Company will have the right to require the holder of the Series A Preferred Stock to convert its Series A Preferred Stock into Company common stock, at a ratio of 1:1 (subject to customary adjustments).

Conditionally redeemable preferred shares (including preferred shares that feature redemption rights that are either within the control of the holder or subject to redemption upon the occurrence of uncertain events not solely within the Company's control) are classified as temporary equity. The preferred stock contains a redemption feature contingent upon a change in control which is not solely within the control of the Company, and as such, the preferred stock is presented outside of permanent equity.

Warrant Exchange

On April 1, 2019, the Company commenced an offer to each holder of its publicly traded warrants (the "public warrants") and private placement warrants that were issued in connection with Industrea's initial public offering on April 17, 2017 (the "private warrants") to receive 0.2105 shares of common stock in exchange for each outstanding public warrant tendered and 0.1538 shares of common stock in exchange for each private warrant tendered pursuant to the offer (the "Offer" or "Warrant Exchange").

On April 26, 2019, a total of 9,982,123 public warrants and 11,100,000 private warrants were tendered for exchange pursuant to the Offer. On April 29, 2019, 2,101,213 shares of common stock were issued in exchange for the tendered public warrants and 1,707,175 shares of common stock were issued in exchange for the tendered private warrants. A negligible amount of cash was paid for fractional shares. Total fair value of common stock issued in exchange for the warrants totaling \$26.2 million was recognized in additional paid in capital. As of October 31, 2020, 13,017,777 public warrants and no private warrants were outstanding.

Note 15. Stock-Based Compensation

Successor

The Company rolled forward certain vested options from the Predecessor (see discussion below) to 2,783,479 equivalent vested options in the Successor. No incremental compensation costs were recognized on conversion as the fair value of the options issued were equivalent to the fair value of the vested options of the Predecessor. Exercise prices for those options range from \$0.87 to \$6.09.

During 2019, 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. All awards in the U.S. are restricted stock awards while awards granted to employees in the U.K. are stock options with exercise prices of \$0.01. Regardless of where the awards were granted, the awards vested pursuant to one of the following four conditions:

- (1) Time-based only – Awards vest in equal installments over a five-year period.
- (2) \$13 market-based and time-based vesting – Awards will vest as to first condition once the Company's stock reaches a closing price of \$13.00 for 30 consecutive days. Once the first vesting condition is achieved, the stock award will then vest 1/3 annually over a three-year period.
- (3) \$16 market-based and time-based vesting – Awards will vest as to first condition once the Company's stock reaches a closing price of \$16.00 for 30 consecutive days. Once the first vesting condition is achieved, the stock award will then vest 1/3 annually over a three-year period.
- (4) \$19 market-based and time-based vesting – Awards will vest as to first condition once the Company's stock reaches a closing price of \$19.00 for 30 consecutive days. Once the first vesting condition is achieved, the stock award will then vest 1/3 annually over a three-year period.

On October 29, 2020 almost all of the then-outstanding stock awards were modified as follows:

- (1) 113 awards for 113 employees accepted a modification to their restricted stock awards (if U.S. employees) or stock options (if U.K. employees) with market-based vesting conditions as follows:
 - o The price vesting targets of \$13.00 per share, \$16.00 per share or \$19.00 per share were reduced to \$6.00 per share, \$8.00 per share or \$10.00 per share, respectively
 - o The market-based awards were exchanged on a 2-for-1 exchange ratio. In total 3,816,450 market-based awards were exchanged for 1,908,165 market-based awards
- (2) 18 awards for 18 employees had their restricted stock awards (if U.S. employees) or stock options (if U.K. employees) with market-based vesting conditions (the same \$13/\$16/\$19 price targets outlined above) modified as follows:
 - o Each individual's total award was split into the following: (a) 46% of time vesting shares that vested on December 6, 2020, (b) 15% of time vesting shares which will vest ratably 1/3 each year on December 6, 2021, 2022 and 2023, and (c) the remaining 39% will initially vest based on reduced price vesting targets of \$6.00 per share, \$8.00 per share or \$10.00 per share. Once the first vesting condition is achieved, the stock award will then vest 1/3 annually over a three-year period.
 - o In the aggregate, 1,381,426 stock awards were modified as follows:
 - (a) 635,455 shares vested on December 6, 2020,
 - (b) 207,215 shares will vest ratably 1/3 each year on December 6, 2021, 2022 and 2023, and
 - (c) 538,756 shares will vest based on reduced price vesting targets of \$6.00 per share, \$8.00 per share or \$10.00 per share

As a result of the modifications, and in accordance with ASC 718, the Company updated the fair value of each modified award to be equal to the following:

- Unrecognized stock-based compensation expense as of October 29, 2020 immediately before the modification plus
- The greater of \$0 or the difference between fair value of new award immediately after modification less the fair value of old award immediately before modification

The fair values for the above awards were calculated using a Monte Carlo simulation model and the updated fair value of the stock award is expensed over the new service period for the new award. As a result of the modifications, the Company recorded \$5.9 million of compensation expense on day 1 of the modification as the requisite service period is zero. Outside of the unrecognized compensation expense for all other awards, no incremental costs are expected to be incurred in the future.

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Included in the table below is a summary of the awards outstanding at October 31, 2020, following the modification, including the location, type of award, shares outstanding, unrecognized compensation expense, and the date that expense will be recognized through. In addition, while the table below provides a date through which expense will be recognized on a straight-line basis, if at such time the market-based stock awards vest earlier than the Monte Carlo simulation derived service period, expense recognition will be accelerated.

(in thousands, except shares outstanding and fair value amounts)

Location	Type of Award	Shares Outstanding at October 31, 2020	Fair Value	Unrecognized Compensation Expense at October 31, 2020	Date Expense will be Recognized Through (Straight-Line Basis)
U.S.	Time Based Only	895,902	\$ 6.67	\$ 4,633	12/6/2023
U.S.	Time Based Only	707,133	\$ 5.18	-	10/29/2020
U.S.	\$6 Market/Time- Based	558,956	\$ 3.86	3,455	1/22/2025
U.S.	\$8 Market/Time- Based	558,956	\$ 3.46	3,054	5/1/2025
U.S.	\$10 Market/Time- Based	558,969	\$ 3.15	2,697	7/9/2025
U.S.	\$6 Market/Time- Based	150,697	\$ 6.19	-	10/29/2020
U.S.	\$8 Market/Time- Based	150,697	\$ 5.47	-	10/29/2020
U.S.	\$10 Market/Time- Based	150,706	\$ 4.83	-	10/29/2020
U.S.	\$13 Market/Time- Based	1,925	\$ 3.86	9	5/4/2024
U.S.	\$16 Market/Time- Based	1,925	\$ 3.46	7	8/27/2024
U.S.	\$19 Market/Time- Based	1,925	\$ 3.15	6	11/19/2024
U.K.	Time Based Only	123,350	\$ 6.66	637	12/6/2023
U.K.	Time Based Only	135,537	\$ 5.17	-	10/29/2020
U.K.	\$6 Market/Time- Based	77,091	\$ 3.85	476	1/22/2025
U.K.	\$8 Market/Time- Based	77,091	\$ 3.45	420	5/1/2025
U.K.	\$10 Market/Time- Based	77,102	\$ 3.14	371	7/9/2025
U.K.	\$6 Market/Time- Based	28,885	\$ 6.18	-	10/29/2020
U.K.	\$8 Market/Time- Based	28,885	\$ 5.46	-	10/29/2020
U.K.	\$10 Market/Time- Based	28,886	\$ 4.82	-	10/29/2020
Total		4,314,618		\$ 15,765	

Stock Options

The following tables summarize stock option activity for the year ended October 31, 2020:

	Options	Weighted average exercise price
Outstanding stock options, October 31, 2019	2,069,398	\$ 1.33
Granted	7,250	\$ 0.01
Forfeited	(25,888)	\$ 0.01
Exercised	(27,660)	\$ 0.01
Expired	(500)	\$ 0.01
Modified	(231,284)	\$ 0.01
Outstanding stock options, October 31, 2020	<u>1,791,316</u>	<u>\$ 1.54</u>

The total intrinsic value of stock options exercised for the Successor year ended October 31, 2020 was \$0.1 million.

The following table summarizes information about stock options outstanding at October 31, 2020:

Exercise price	Options Outstanding				Options Exercisable			
	Number of options	Weighted average exercise price	Weighted average remaining contractual life (yrs)	Aggregate Intrinsic Value	Number of options	Weighted average exercise price	Weighted average remaining contractual life (yrs)	Aggregate Intrinsic Value
\$0.01	580,861	\$ 0.01	8.4	\$ 1,870	4,034	\$ 0.01	8.4	\$ 13
\$0.87	886,382	\$ 0.87	4.3	2,092	886,382	\$ 0.87	4.3	2,092
\$6.09	324,073	\$ 6.09	5.4	-	324,073	\$ 6.09	5.4	-
Total	<u>1,791,316</u>	<u>\$ 1.54</u>	<u>-</u>	<u>\$ 3,962</u>	<u>1,214,489</u>	<u>\$ 2.26</u>	<u>4.6</u>	<u>\$ 2,105</u>

As of October 31, 2020, there was \$1.9 million of total unrecognized compensation cost related to stock options that is expected to be recognized as an expense by the Company in the future.

The Company recognized \$0.0 million in tax benefits related to exercised stock options for the Successor year ended October 31, 2020.

Restricted Stock Awards

The following table is a summary of Restricted Stock Awards activity for year ended October 31, 2020:

	Units	Weighted average grant-date fair value
Unvested as of December 6, 2018	-	\$ -
Granted	5,885,809	\$ 4.42
Vested	-	\$ -
Forfeited	(130,350)	\$ 4.58
Unvested as of October 31, 2019	<u>5,755,459</u>	<u>\$ 4.44</u>
Granted	-	\$ -
Vested	(229,011)	\$ 6.61
Forfeited	(111,656)	\$ 4.49
Modified	<u>(1,677,001)</u>	<u>\$ 3.89</u>
Unvested as of October 31, 2020	<u>3,737,791</u>	<u>\$ 5.39</u>

As of October 31, 2020, there was \$13.5 million of unrecognized compensation expense related to non-vested restricted stock awards that is expected to be recognized as an expense by the Company in the future.

Predecessor

The Predecessor accounted for share-based awards in accordance with ASC Topic 718 *Compensation—Stock Compensation* (“ASC 718”), which requires the fair value of stock-based compensation awards to be amortized as an expense over the vesting period. Stock-based compensation awards are valued at fair value on the date of grant. As a result of the Business Combination, the acceleration clause within the original award agreements was triggered and all unvested awards immediately vested, resulting in an amount of \$0.6 million of stock-based compensation expense presented “on the line” (see Note 4 - Business Combinations). Stock-based compensation for the Predecessor period from November 1, 2018 to December 5, 2018 totaled \$0.1 million and has been included in general and administrative expenses on the accompanying consolidated statements of operations.

Note 16. Earnings Per Share

The Company calculates earnings per share in accordance with ASC 260, *Earnings Per Share*. For purposes of calculating earnings (loss) 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. To calculate diluted EPS, basic EPS is further adjusted to include the effect of potentially dilutive stock options outstanding and Series A Preferred Stock outstanding as of the beginning of the period.

Successor

At October 31, 2020 (Successor), the Company had outstanding (1) 13,017,777 million warrants to purchase shares of common stock at an exercise price of \$11.50, (2) 5.6 million outstanding unvested restricted stock awards, (3) 1.2 million outstanding vested incentive stock options, (4) 0.6 million outstanding unvested non-qualified stock options, and (5) 2.5 million shares of Series A Preferred Stock, all of which could potentially be dilutive. For all periods presented, the weighted-average dilutive impact, if any, of these shares was excluded from the calculation of diluted earnings (loss) per common share because their inclusion would have been anti-dilutive. As a result, dilutive earnings (loss) per share is equal to basic earnings (loss) per share.

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The table below shows our basic and diluted EPS calculations for the fiscal year ended October 31, 2020 and the Successor period from December 6, 2018 through October 31, 2019:

	(As Restated)	
	Year Ended October 31, 2020	December 6, 2018 through October 31, 2019
Successor		
<i>(in thousands, except share and per share amounts)</i>		
Net loss attributable to Concrete Pumping Holdings, Inc.	\$ (61,251)	\$ (16,403)
Less: Preferred stock - cumulative dividends	(1,930)	(1,623)
Less: Undistributed earnings allocated to participating securities	-	-
Net loss attributable to common stockholders (numerator for basic earnings per share)	<u>\$ (63,181)</u>	<u>\$ (18,026)</u>
Add back: Preferred stock - cumulative dividends	-	-
Add back: Undistributed earnings allocated to participating securities	-	-
Less: Undistributed earnings reallocated to participating securities	-	-
Numerator for diluted loss per share	<u>\$ (63,181)</u>	<u>\$ (18,026)</u>
Weighted average shares (denominator):		
Weighted average shares - basic	52,752,884	41,445,508
Weighted average shares - diluted	52,752,884	41,445,508
Basic loss per share	\$ (1.20)	\$ (0.43)
Diluted loss per share	\$ (1.20)	\$ (0.43)

Predecessor

Under the terms and conditions of the Company's Participating Preferred Stock Agreement, the holders of the preferred stock had the right to receive dividends or dividend equivalents should the Company declare dividends on its common stock on a one-for-one per-share basis. Under the two-class method, undistributed earnings were calculated by the earnings for the period less the cumulative preferred stock dividends earned for the period. The undistributed earnings were then allocated on a pro-rata basis to the common and preferred stockholders on a one-for-one per-share basis. The weighted-average number of common and preferred shares outstanding during the period was then used to calculate basic EPS for each class of shares. As a result, the undistributed earnings available to common shareholders was calculated by earnings (loss) for the period less the cumulative preferred stock dividends earned for the period less undistributed earnings allocated to the holders of the preferred stock.

In periods in which the Company had a net loss or undistributed net loss, basic loss per share was calculated by dividing the loss attributable to common stockholders by the weighted-average number of common shares outstanding during the period. The two-class method was not used, because the holders of the preferred stock did not participate in losses.

The table below shows our basic and diluted EPS calculations for the Predecessor period from November 1, 2018 through December 5, 2018:

	Predecessor November 1, 2018 through December 5, 2018
<i>(in thousands, except share and per share amounts)</i>	
Net loss (numerator):	
Net loss income attributable to Concrete Pumping Holdings, Inc.	\$ (22,575)
Less: Accretion of liquidation preference on preferred stock	(126)
Less: Undistributed earnings allocated to preferred shares	-
Net (loss) available to common shareholders	<u>\$ (22,701)</u>
Weighted average shares (denominator):	
Weighted average shares - basic	7,576,289
Weighted average shares - diluted	7,576,289
Antidilutive stock options	932,746
Basic loss per share	\$ (3.00)
Diluted loss per share	\$ (3.00)

Note 17. Employee Benefits Plan

Retirement plans

The Company offers a 401(k) plan, which covers substantially all employees in the U.S., with the exception of certain union employees. Participating employees may elect to contribute, on a tax-deferred basis, a portion of their compensation, in accordance with Section 401(k) of the Internal Revenue Code. The Company generally provides some form of a matching contribution for most employees in the U.S. Retirement plan contributions for the Successor year ended October 31, 2020 and Successor period from December 6, 2018 through October 31, 2019 were \$1.0 million, \$0.8 million, respectively. For the Predecessor period from November 1, 2018 through December 5, 2018 retirement plan contributions were \$0.1 million.

Camfaud operates a Small Self-Administered Scheme (SSAS), which is the equivalent of a U.S. defined contribution pension plan. The assets of the plan are held separately from those of Camfaud in an independently administered fund. Contributions by Camfaud to the SSAS amounted to \$0.3 million and \$0.2 million for the Successor year ended October 31, 2020 and the Successor period from December 6, 2018 through October 31, 2019, respectively. For the Predecessor period from November 1, 2018 through December 5, 2018 contributions amounted to \$0.1 million.

Multiemployer plans

Our U.S. Concrete Pumping segment contributes to a number of multiemployer defined benefit pension plans under the terms of collective-bargaining agreements (CBAs) that cover its union-represented employees. The risks of participating in these multiemployer plans are different from single-employer plans in the following aspects: (a) Assets contributed to the multiemployer plan by one employer may be used to provide benefits to employees of other participating employers; (b) If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers; and (c) If we choose to stop participating in some of its multiemployer plans, we may be required to pay those plans an amount based on the underfunded status of the plan, referred to as a withdrawal liability. We have no intention of stopping our participation in any multiemployer plan.

The following is a summary of our contributions to each multiemployer pension plan for the years ended October 31, 2020 and 2019:

	Successor	Successor and Predecessor
	Year Ended October 31, 2020	Year Ended October 31, 2019
<i>(in thousands)</i>		
California	\$ 685	\$ 581
Oregon	301	288
Washington	273	242
Total contributions	<u>\$ 1,259</u>	<u>\$ 1,111</u>

No plan was determined to be individually significant. There have been no significant changes that affect the comparability of the contributions. The Company reviews the funded status of each multiemployer defined benefit pension plan at each reporting period to monitor the certified zone status for each of the multiemployer defined benefit pension plans. The zone status for the multiemployer defined benefit pension plan for Oregon was Green (greater than 80 percent funded) and for California and Washington, it was Yellow (less than 80 percent funded but greater than 65 percent funded). The funding status for the Oregon and Washington multiemployer defined benefit pension plans is at January 1, 2019 and for the California multiemployer defined benefit pension plan is at July 1, 2019.

Government regulations impose certain requirements relative to multiemployer plans. In the event of plan termination or employer withdrawal, an employer may be liable for a portion of the plan's unfunded vested benefits. We have not received information from the plans' administrators to determine its share of unfunded vested benefits. We do not anticipate withdrawal from the plans, nor are we aware of any expected plan terminations.

If the construction industry exception applies, then it would delay the imposition of a withdrawal liability. The "construction industry" exception generally delays the imposition of withdrawal liability in connection with an employer's withdrawal from a "construction industry" multiemployer plan unless and until that employer resumes covered operations in the relevant geographic region without a corresponding resumption of contributions to the multiemployer plan. The Company has no intention of withdrawing, in either a complete or partial withdrawal, from any of the multiemployer plans to which the Company currently contributes; however, it has been assessed a withdrawal liability in the past.

Note 18. Segment Reporting

The Company conducts business through the following reportable segments based on geography and the nature of services sold:

- U.S. Concrete Pumping – Consists of concrete pumping services sold to customers in the U.S. Business in this segment is primarily performed under the Brundage-Bone and Capital Pumping trade names.
- U.K. Operations – Consists of concrete pumping services and leasing of concrete pumping equipment to customers in the U.K. Business in this segment is primarily performed under the Camfaud Concrete Pumps and Premier Concrete Pumping trade names. In addition to concrete pumping, we recently started operations of waste management services in the U.K. under the Eco-Pan trade name and the results of this business are included in this segment. This represents the Company’s foreign operations.
- U.S. Concrete Waste Management Services – Consists of pans and containers rented to customers in the U.S. and the disposal of the concrete waste material services sold to customers in the U.S. Business in this segment is performed under the Eco-Pan trade name.
- Corporate - Is primarily related to the intercompany leasing of real estate to certain of the U.S Concrete Pumping branches.

Any differences between segment reporting and consolidated results are reflected in Intersegment below.

The accounting policies of the reportable segments are the same as those described in Note2. The Company’s Chief Operating Decision Maker (“CODM”) 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 assets, and real property. The following provides operating information about the Company’s reportable segments for the periods presented:

	(As Restated)		Predecessor November 1, 2018 through December 5, 2018
	Year Ended October 31, 2020	December 6, 2018 through October 31, 2019	
<i>(in thousands)</i>			
Revenue			
U.S. Concrete Pumping	\$ 229,740	\$ 187,031	\$ 16,659
U.K. Operations	39,145	44,021	5,143
U.S. Concrete Waste Management Services	35,890	27,779	2,628
Corporate	2,500	2,258	242
Intersegment	(2,974)	(2,524)	(276)
	<u>\$ 304,301</u>	<u>\$ 258,565</u>	<u>\$ 24,396</u>
Income (loss) before income taxes			
U.S. Concrete Pumping	\$ (56,095)	\$ (17,689)	\$ (27,354)
U.K. Operations	(16,540)	1,661	207
U.S. Concrete Waste Management Services	4,997	965	225
Corporate	1,410	(4,643)	155
	<u>\$ (66,228)</u>	<u>\$ (19,706)</u>	<u>\$ (26,767)</u>

	(As Restated)		Predecessor November 1, 2018 through December 5, 2018
	Successor		
	Year Ended October 31, 2020	December 6, 2018 through October 31, 2019	
<i>(in thousands)</i>			
EBITDA			
U.S. Concrete Pumping	\$ 17,074 ¹	\$ 46,729	\$ (24,565)
U.K. Operations	(5,163) ¹	13,173	1,587
U.S. Concrete Waste Management Services	15,684	11,838	388
Corporate	2,240	(3,914)	180
	<u>\$ 29,835</u>	<u>\$ 67,826</u>	<u>\$ (22,410)</u>
Consolidated EBITDA reconciliation			
Net loss	\$ (61,251)	\$ (16,403)	\$ (22,575)
Interest expense, net	34,408	34,880	1,644
Income tax benefit	(4,977)	(3,303)	(4,192)
Depreciation and amortization	61,655	52,652	2,713
EBITDA	<u>\$ 29,835</u>	<u>\$ 67,826</u>	<u>\$ (22,410)</u>

¹ The U.S. Concrete Pumping segment's EBITDA for the year ended October 31, 2020 includes the impact of \$43.5 million in goodwill and intangibles impairment while the U.K. Concrete Pumping segment's EBITDA for the year ended October 31, 2020 includes the impact of \$14.4 million in goodwill and intangibles impairment.

	Successor		Predecessor November 1, 2018 through December 5, 2018
	Year Ended October 31, 2020	December 6, 2018 through October 31, 2019	
	<i>(in thousands)</i>		
Depreciation and amortization			
U.S. Concrete Pumping	\$ 41,717	\$ 32,245	\$ 1,635
U.K. Operations	8,422	8,807	890
U.S. Concrete Waste Management Services	10,687	10,871	163
Corporate	829	729	25
	<u>\$ 61,655</u>	<u>\$ 52,652</u>	<u>\$ 2,713</u>
Interest expense, net			
U.S. Concrete Pumping	\$ (31,452)	\$ (32,173)	\$ (1,154)
U.K. Operations	(2,955)	(2,705)	(490)
U.S. Concrete Waste Management Services	-	(2)	-
Corporate	(1)	-	-
	<u>\$ (34,408)</u>	<u>\$ (34,880)</u>	<u>\$ (1,644)</u>
Transaction costs including transaction-related debt extinguishment			
U.S. Concrete Pumping	\$ -	\$ 1,521	\$ -
Corporate	-	-	30,562
	<u>\$ -</u>	<u>\$ 1,521</u>	<u>\$ 30,562</u>

Total assets by segment for the periods presented are as follows:

<i>(in thousands)</i>	October 31, 2020	October 31, 2019
Total Assets		
U.S. Concrete Pumping	\$ 570,536	\$ 637,384
U.K. Operations	109,726	138,435
U.S. Concrete Waste Management Services	140,209	137,646
Corporate	25,517	24,223
Intersegment	(72,230)	(66,323)
	<u>\$ 773,758</u>	<u>\$ 871,365</u>

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. There was no single customer that accounted for more than 10% of revenue for the periods presented. Revenue for the periods presented and long lived assets as of October 31, 2020 and 2019 are as follows:

<i>(in thousands)</i>	Successor		Predecessor
	Year Ended October 31, 2020	December 6, 2018 through October 31, 2019	November 1, 2018 through December 5, 2018
Revenues			
U.S.	\$ 265,156	\$ 214,544	\$ 19,253
U.K.	39,145	44,021	5,143
	<u>\$ 304,301</u>	<u>\$ 258,565</u>	<u>\$ 24,396</u>

<i>(in thousands)</i>	October 31, 2020	October 31, 2019
Long Lived Assets		
U.S.	\$ 260,693	\$ 263,363
U.K.	43,561	44,052
	<u>\$ 304,254</u>	<u>\$ 307,415</u>

Note 19. Related-Party Transactions

Successor

As discussed in Note 12, in October 2020, the Company reached a settlement with the Predecessor's shareholders, resulting in the Company recording a \$2.0 million charge related to the settlement agreement reached between the Company and the Predecessor shareholders that is included in general and administrative expenses in the accompanying consolidated statements of operations. The corresponding due to related party is included in accrued expenses and other current liabilities in the accompanying consolidated balance sheets and is expected to be settled as the income tax refunds from the IRS are received.

Predecessor

The Predecessor had a Management Services Agreement, as amended from time to time, with PGP Advisors, LLC ("PGP"), the Predecessor's largest shareholder, to provide advisory, consulting and other professional services. Under the terms of the agreement the annual fee for these services was \$4.0 million from September of 2017 through August of 2019, and \$2.0 million annually thereafter. For the period from November 1, 2018 through December 5, 2018, the Predecessor incurred no fees related to this agreement and other agreed upon expenses. These expenses were included in general and administrative expenses on the accompanying consolidated statements of operations. In conjunction with the Business Combination, this agreement was terminated.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

Conclusion Regarding the Effectiveness of Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we evaluated the effectiveness of the design and operation of our disclosure controls and procedures (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 our reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act is accumulated and communicated to management, including our certifying officers, or persons performing similar functions, as appropriate, to allow timely decisions regarding required disclosure.

Based upon this evaluation and the above criteria, our management concluded in the Annual Report on Form 10-K for the year ended October 31, 2020, originally filed with the SEC on January 12, 2021, that the Company's disclosure controls and procedures were effective as of October 31, 2020. Subsequent to performing this evaluation, our management, including our Chief Executive Officer and Chief Financial Officer, concluded that we did not maintain effective disclosure controls and procedures as of October 31, 2020 and 2019, and as of July 31, 2020 and 2019, April 30, 2020 and 2019, and January 31, 2020 and 2019, due to a material weakness in our internal control over financial reporting, described below, related to errors in our accounting for the warrants issued in connection with our IPO and a simultaneous private placement.

Notwithstanding the identified material weakness, management has concluded that our audited consolidated financial statements, as-restated or revised, included in this Annual Report on Form 10-K/A are fairly stated in all material respects and the Company's financial position, results of operations and cash flows for the periods disclosed are in conformity with U.S. generally accepted accounting principles (U.S. GAAP).

Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting as of October 31, 2020, based on the criteria established in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. We filed the Original Report on January 12, 2021. At that time, our Chief Executive Officer and our Chief Financial Officer had performed an evaluation and concluded that our internal control over financial reporting was effective as of October 31, 2020. Subsequent to performing this evaluation, our management, including our Chief Executive Officer and Chief Financial Officer, concluded that we did not maintain effective internal control over financial reporting as of October 31, 2020 and 2019, due to a material weakness in our internal control over financial reporting, described below, related to errors in our accounting for the warrants issued in connection with our IPO and a simultaneous private placement.

Our internal control over financial reporting did not identify an error in the classification of the warrants issued in connection with our IPO and a simultaneous private placement, which we determined to be a material weakness. This error in classification and subsequent accounting was brought to our attention when the SEC issued the SEC Statement on April 12, 2021. In response to this material weakness, specifically related to the assessment of complex accounting issues reached in prior periods that continue to impact the Company, we will implement a new control to assess complex accounting issues reached in the past that continue to impact the Company to ensure those conclusions reached are still appropriate. Our plans include increased communication among our personnel and third-party professionals with whom we consult regarding the application of complex accounting transactions. Our remediation plan can only be accomplished over time and will be continually reviewed to determine that it is achieving its objectives. We can offer no assurance that these initiatives will ultimately have the intended effects.

Attestation Report of the Independent Registered Public Accounting Firm

This Annual Report on Form 10-K/A does not include an attestation report of our independent registered public accounting firm on our internal control over financial reporting because Section 103 of the JOBS Act provides that an emerging growth company is not required to provide an auditor's report on internal control over financial reporting for as long as we qualify as an emerging growth company.

Remediation of Prior Material Weakness

Management identified and disclosed a material weakness in internal control in the Company's fiscal 2020 second quarter Form 10-Q. Specifically, during completion of the Company's goodwill and intangibles impairment analysis as of April 30, 2020, the Management review control related to certain inputs into the valuation analysis did not operate effectively, resulting in a material reduction to the goodwill impairment originally recorded. The error was identified and corrected prior to release of the Company's fiscal 2020 second quarter Form 10-Q.

As of October 31, 2020, management concluded that the above material weakness in our internal controls over financial reporting related to our goodwill and intangibles impairment analysis as of April 30, 2020, was fully remediated as controls were put in place and evidenced to ensure that review of inputs included in valuation analyses provided to valuation specialists is reviewed for accuracy and completeness.

Changes in Internal Control Over Financial Reporting

Other than changes described under Remediation of Prior Material Weaknesses above, there was no change in our internal control over financial reporting identified in connection with the evaluation required by Rule 13a-15(d) and 15d-15(d) of the Exchange Act that occurred during the three months ended October 31, 2020 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information

None.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

Information not disclosed below that is required with respect to directors, executive officers, filings under Section 16(a) of the Securities and Exchange Act of 1934, as amended (the “Exchange Act”) and corporate governance is incorporated herein by reference, when filed, from our proxy statement (the “Proxy Statement”) for the Annual Meeting of Shareholders to be filed with the Securities and Exchange Commission pursuant to Regulation 14A under the Exchange Act no later than 120 days after the end of the fiscal year ended October 31, 2019.

We have adopted a Code of Business Conduct and Ethics (“Code of Ethics”) that applies to our directors, officers and employees. We have posted our Code of Ethics on our website (<https://ir.concretepumpingholdings.com/governance-docs>) and will post on such website any amendments to, or waivers from, a provision of its Code of Ethics applying to an executive officer or director when required by applicable SEC and Nasdaq rules and regulations.

Item 11. Executive Compensation

Information required to be set forth hereunder has been omitted and will be incorporated by reference, when filed, from our Proxy Statement.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

Information required to be set forth hereunder has been omitted and will be incorporated by reference, when filed, from our Proxy Statement.

Item 13. Certain Relationships and Related Transactions, and Director Independence

Information required to be set forth hereunder has been omitted and will be incorporated by reference, when filed, from our Proxy Statement.

Item 14. Principal Accountant Fees and Services

Information required to be set forth hereunder has been omitted and will be incorporated by reference, when filed, from our Proxy Statement.

PART IV**Item 15. Exhibits, Financial Statement Schedules***(1) Financial Statements and Schedules*

The audited consolidated financial statements of Concrete Pumping Holdings, Inc. and its subsidiaries, as required to be filed, are included under Item 8 of this Annual Report. Other schedules have been omitted as they are not applicable or the required information is set forth in the consolidated financial statements or notes thereto.

(2) Exhibits

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

Exhibit No.	Description
2.1	<u>Agreement and Plan of Merger, dated as of September 7, 2018, by and among Concrete Pumping Holdings, Inc. (f/k/a Concrete Pumping Holdings Acquisition Corp.), Industrea Acquisition Corp., Concrete Pumping Intermediate Acquisition Corp., Concrete Pumping Merger Sub Inc., Industrea Acquisition Merger Sub Inc., Concrete Pumping Holdings, Inc. and PGP Investors, LLC, as the Holder Representative (incorporated by reference to Exhibit 2.1 to the Current Report on Form 8-K (File No. 001-38166) filed by Industrea Acquisition Corp. on September 7, 2018).</u>
2.2	<u>Amendment No. 1 to Agreement and Plan of Merger, dated as of October 30, 2018, by and among Concrete Pumping Holdings, Inc. (f/k/a Concrete Pumping Holdings Acquisition Corp.), Industrea Acquisition Corp., Concrete Pumping Intermediate Acquisition Corp., Concrete Pumping Merger Sub Inc., Industrea Acquisition Merger Sub Inc., Concrete Pumping Holdings, Inc., and PGP Investors, LLC, as the Holder Representative (incorporated by reference to Exhibit 2.2 to the Current Report on Form 8-K (File No. 001-38166) filed by Concrete Pumping Holdings, Inc. on December 10, 2018).</u>
2.3	<u>Amendment No. 2 to Agreement and Plan of Merger, dated as of November 16, 2018, by and among Concrete Pumping Holdings, Inc. (f/k/a Concrete Pumping Holdings Acquisition Corp.), Industrea Acquisition Corp., Concrete Pumping Intermediate Acquisition Corp., Concrete Pumping Merger Sub Inc., Industrea Acquisition Merger Sub Inc., Concrete Pumping Holdings, Inc., and PGP Investors, LLC, as the Holder Representative (incorporated by reference to Exhibit 2.3 to the Current Report on Form 8-K (File No. 001-38166) filed by Concrete Pumping Holdings, Inc. on December 10, 2018).</u>
2.4	<u>Interest Purchase Agreement, dated as of March 18, 2019, by and between the Company, Brundage-Bone Concrete Pumping, Inc., CPH Acquisition, LLC, ASC Equipment, LP, Capital Pumping, LP, MC Services, LLC, Capital Rentals, LLC, Central Texas Concrete Services, LLC, A. Keith Crawford and Melinda Crawford (incorporated by reference to Exhibit 2.1 to the Current Report on Form 8-K (File No. 001-38166) filed by Concrete Pumping Holdings, Inc. on March 18, 2019).</u>
2.5	<u>First Amendment to Interest Purchase Agreement, dated as of May 14, 2019, by and between Concrete Pumping Holdings, Inc., Brundage-Bone Concrete Pumping, Inc., CPH Acquisition, LLC, ASC Equipment, LP, Capital Pumping, LP, MC Services, LLC, Capital Rentals, LLC, Central Texas Concrete Services, LLC, A. Keith Crawford and Melinda Crawford (incorporated by reference to Exhibit 2.2 to the Current Report on Form 8-K (File No. 001-38166) filed by Concrete Pumping Holdings, Inc. on May 15, 2019).</u>
3.1	<u>Amended and Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K (File No. 001-38166) filed by Concrete Pumping Holdings, Inc. on December 10, 2018).</u>
3.2	<u>Amended and Restated Bylaws (incorporated by reference to Exhibit 3.2 to the Current Report on Form 8-K (File No. 001-38166) filed by Concrete Pumping Holdings, Inc. on December 10, 2018).</u>
3.3	<u>Certificate of Designations (incorporated by reference to Exhibit 3.3 to the Current Report on Form 8-K (File No. 001-38166) filed by Concrete Pumping Holdings, Inc. on December 10, 2018).</u>
4.1	<u>Specimen Common Stock Certificate (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K (File No. 001-38166) filed by Concrete Pumping Holdings, Inc. on December 10, 2018).</u>
4.2	<u>Specimen Warrant Certificate (incorporated by reference to Exhibit 4.2 to the Current Report on Form 8-K (File No. 001-38166) filed by Concrete Pumping Holdings, Inc. on December 10, 2018).</u>
4.3	<u>Warrant Agreement, dated July 26, 2017, between Industrea Acquisition Corp. and Continental Stock Transfer & Trust Company, as warrant agent (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K (File No. 001-38166) filed by Industrea Acquisition Corp. on August 1, 2017).</u>
4.4	<u>Assignment and Assumption Agreement, by and among Concrete Pumping Holdings, Inc. (f/k/a Concrete Pumping Holdings Acquisition Corp.), Industrea Acquisition Corp. and Continental Stock Transfer & Trust Company (incorporated by reference to Exhibit 4.4 to the Current Report on Form 8-K (File No. 001-38166) filed by Concrete Pumping Holdings, Inc. on December 10, 2018).</u>

- 4.5 [Description of Capital Stock. \(incorporated by reference to Exhibit 4.5 to the Annual Report on Form 10-K \(File No. 001-38166\), filed Concrete Pumping Holdings, Inc. on January 14, 2020\)](#)
- 10.1 [Non-Management Rollover Agreement, dated September 7, 2018, by and among Concrete Pumping Holdings, Inc. \(f/k/a Concrete Pumping Holdings Acquisition Corp.\), Industrea Acquisition Corp. and the Rollover Holders party thereto \(incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K \(File No. 001-38166\), filed by Industrea Acquisition Corp. on September 7, 2018\).](#)
- 10.2 [Management Rollover Agreement, dated September 7, 2018, by and among Concrete Pumping Holdings, Inc. \(f/k/a Concrete Pumping Holdings Acquisition Corp.\), Industrea Acquisition Corp. and the Rollover Holders party thereto \(incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K \(File No. 001-38166\), filed by Industrea Acquisition Corp. on September 7, 2018\).](#)
- 10.3 [U.K. Share Purchase Agreement, dated September 7, 2018, by and among Lux Concrete Holdings II S.á r.l., Concrete Pumping Holdings, Inc. \(f/k/a Concrete Pumping Holdings Acquisition Corp.\) and the Vendors party thereto \(incorporated by reference to Exhibit 10.3 to the Current Report on Form 8-K \(File No. 001-38166\), filed by Industrea Acquisition Corp. on September 7, 2018\).](#)
- 10.4 [Argand Subscription Agreement, dated September 7, 2018, by and among Industrea Acquisition Corp., Concrete Pumping Holdings, Inc. \(f/k/a Concrete Pumping Holdings Acquisition Corp.\) and Argand Partners Fund, LP \(incorporated by reference to Exhibit 10.4 to the Current Report on Form 8-K \(File No. 001-38166\), filed by Industrea Acquisition Corp. on September 7, 2018\).](#)
- 10.5 [Form of Common Stock Subscription Agreement \(incorporated by reference to Exhibit 10.5 to the Current Report on Form 8-K \(File No. 001-38166\), filed by Industrea Acquisition Corp. on September 7, 2018\).](#)
- 10.6 [Preferred Stock Subscription Agreement, dated September 7, 2018, by and among Concrete Pumping Holdings, Inc. \(f/k/a Concrete Pumping Holdings Acquisition Corp.\), Industrea Acquisition Corp. and Nuveen Alternatives Advisors, LLC \(incorporated by reference to Exhibit 10.6 to the Current Report on Form 8-K \(File No. 001-38166\), filed by Industrea Acquisition Corp. on September 7, 2018\).](#)
- 10.7 [Expense Reimbursement Letter, dated September 7, 2018, by and among Argand Partners Fund, LP, CFLL Sponsor Holdings, LLC \(f/k/a Industrea Alexandria LLC\), Industrea Acquisition Corp., Concrete Pumping Holdings, Inc. and BBCP Investors, LLC \(incorporated by reference to Exhibit 10.9 to the Current Report on Form 8-K \(File No. 001-38166\), filed by Industrea Acquisition Corp. on September 7, 2018\).](#)
- 10.8 [Term Loan Agreement, dated as of December 6, 2018, among Concrete Pumping Holdings, Inc. \(f/k/a Concrete Pumping Holdings Acquisition Corp.\), Concrete Pumping Intermediate Acquisition Corp., Brundage-Bone Concrete Pumping Holdings, Inc. \(f/k/a Concrete Pumping Merger Sub, Inc.\), as borrower, the financial institutions party thereto, Credit Suisse AG, Cayman Islands Branch, as administrative agent, and Credit Suisse Loan Funding LLC, Jefferies Finance LLC and Stifel Nicolaus & Company Incorporated LLC, as joint lead arrangers and joint bookrunners \(incorporated by reference to Exhibit 10.29 to the Current Report on Form 8-K \(File No. 001-38166\) filed by Concrete Pumping Holdings, Inc. on December 10, 2018\).](#)
- 10.9 [Amended and Restated Amendment No. 1 to Term Loan, dated as of May 10, 2019, by and between Concrete Pumping Holdings, Inc., Concrete Pumping Intermediate Acquisition Corp., Brundage-Bone Concrete Pumping Holdings Inc., Credit Suisse AG, Cayman Islands Branch, and each lender party thereto \(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 May 15, 2019\).](#)
- 10.10 [Credit Agreement, dated as of December 6, 2018, by and among Concrete Pumping Holdings, Inc. \(f/k/a Concrete Pumping Holdings Acquisition Corp.\), Wells Fargo Bank, National Association, as agent, sole lead arranger and sole bookrunner, the lenders party thereto, Wells Fargo Capital Finance \(U.K.\) Limited, as U.K. security agent, Concrete Pumping Intermediate Acquisition Corp., Brundage-Bone Concrete Pumping Holdings, Inc. \(f/k/a Concrete Pumping Merger Sub, Inc.\), Brundage-Bone Concrete Pumping, Inc. and Eco-Pan, Inc., as U.S. Borrowers, and Camfaud Concrete Pumps Limited and Premier Concrete Pumping Limited, as the U.K. borrowers \(incorporated by reference to Exhibit 10.30 to the Current Report on Form 8-K \(File No. 001-38166\) filed by Concrete Pumping Holdings, Inc. on December 10, 2018\).](#)
- 10.11 [U.S. Guaranty and Security Agreement, dated as of December 6, 2018, by each to the U.S. ABL Borrowers and U.S. ABL Guarantors in favor of Wells Fargo Bank, National Association, as agent \(incorporated by reference to Exhibit 10.31 to the Current Report on Form 8-K \(File No. 001-38166\) filed by Concrete Pumping Holdings, Inc. on December 10, 2018\).](#)
- 10.12 [Guarantee and Debenture, dated as of December 6, 2018, by each to the U.K. ABL Borrowers and U.K. ABL Guarantors in favor of Wells Fargo Capital Finance \(U.K.\) Limited, as U.K. security agent \(incorporated by reference to Exhibit 10.32 to the Current Report on Form 8-K \(File No. 001-38166\) filed by Concrete Pumping Holdings, Inc. on December 10, 2018\).](#)
- 10.13 [Pledge and Security Agreement, dated as of December 6, 2018, by Concrete Merger Sub Inc., as term loan borrower, and the guarantors in respect to the obligations under Term Loan Agreement, dated as of December 6, 2018, party thereto in favor of Credit Suisse AG, Cayman Islands Branch, as administrative agent \(incorporated by reference to Exhibit 10.33 to the Current Report on Form 8-K \(File No. 001-38166\) filed by Concrete Pumping Holdings, Inc. on December 10, 2018\).](#)

- 10.14 [Guaranty Agreement, dated as of December 6, 2018, by the guarantors in respect to the obligations under Term Loan Agreement, dated as of December 6, 2018, party thereto in favor of Credit Suisse AG, Cayman Islands Branch as administrative agent \(incorporated by reference to Exhibit 10.34 to the Current Report on Form 8-K \(File No. 001-38166\) filed by Concrete Pumping Holdings, Inc. on December 10, 2018\).](#)
- 10.15 [Stockholders Agreement, dated December 6, 2018, by and among Concrete Pumping Holdings, Inc. \(f/k/a Concrete Pumping Holdings Acquisition Corp.\) and the Investors party thereto \(incorporated by reference to Exhibit 10.35 to the Current Report on Form 8-K \(File No. 001-38166\) filed by Concrete Pumping Holdings, Inc. on December 10, 2018\).](#)
- 10.16 [First Amendment to Stockholders Agreement, dated April 1, 2019, among Concrete Pumping Holdings, Inc. and the signatories thereto \(incorporated by reference to Exhibit 10.23 to the Registration Statement on Form S-1 \(File No. 333-230673\) filed by Concrete Pumping Holdings, Inc. on April 1, 2019\).](#)
- 10.17 [Letter Agreement, dated as of December 6, 2018, by and between Concrete Pumping Holdings, Inc. \(f/k/a Concrete Pumping Holdings Acquisition Corp.\) and Nuveen Alternative Advisors, LLC, on behalf of one or more funds and accounts \(incorporated by reference to Exhibit 10.36 to the Current Report on Form 8-K \(File No. 001-38166\) filed by Concrete Pumping Holdings, Inc. on December 10, 2018\).](#)
- 10.18 [Form of Indemnification Agreement \(incorporated by reference to Exhibit 10.37 to the Current Report on Form 8-K \(File No. 001-38166\) filed by Concrete Pumping Holdings, Inc. on December 10, 2018\).](#)
- 10.19* [Concrete Pumping Holdings, Inc. 2018 Omnibus Incentive Plan, as amended October 29, 2020 \(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 November 2, 2020\).](#)
- 10.20* [Employment Agreement by and between Brundage-Bone Concrete Pumping, Inc. and Bruce Young, dated July 11, 2014 \(incorporated by reference to Exhibit 10.4 to the Registration Statement on Form S-4 \(File No. 333-227259\) filed by Concrete Pumping Holdings, Inc. on October 22, 2018\).](#)
- 10.21* [Employment Agreement by and between Brundage-Bone Concrete Pumping, Inc. and Iain Humphries, dated August 4, 2017 \(incorporated by reference to Exhibit 10.6 to the Registration Statement on Form S-4 \(File No. 333-227259\) filed by Concrete Pumping Holdings, Inc. on October 22, 2018\).](#)
- 10.22 [Settlement Agreement and Release, dated as of October 30, 2020, by and between \(i\) Concrete Pumping Holdings, Inc. and Brundage-Bone Concrete Pumping Holdings, and \(ii\) PGP Investors, LLC \(incorporated by reference to Exhibit 10.1 to the Quarterly Report on Form 8-K \(File No. 001-38166\), filed by Concrete Pumping Holdings, Inc. on October 30, 2020\).](#)
- 10.23 [Form of first amended stock award agreement for executives](#)
- 10.24 [Form of second amended stock award agreement for executives](#)
- 16.1 [Letter from WithumSmith+Brown, PC to the SEC, dated March 1, 2019. \(incorporated by reference to Exhibit 16.1 to the Current Report on Form 8-K \(File No. 001-38166\) filed by Concrete Pumping Holdings, Inc. on March 4, 2019\).](#)
- 21.1 [Subsidiaries of Concrete Pumping Holdings, Inc.](#)
- 23.1 [Consent of BDO USA, LLP.](#)
- 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
- 101.CAL Inline XBRL Taxonomy Extension Calculation Linkbase
- 101.DEF Inline XBRL Taxonomy Extension Definition Linkbase
- 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)

Item 16. Form 10-K/A Summary

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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

Dated: June 11, 2021

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Bruce Young and Iain Humphries, and each of them, his or her true and lawful attorneys-in-fact and agents, with full power to act separately and full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments to this Annual Report on Form 10-K/A, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorney-in-facts and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as they or he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or either of them or his or their substitute or substitutes may lawfully do or cause to be done by virtue hereof.

This Power of Attorney shall not revoke any powers of attorney previously executed by the undersigned. This Power of Attorney shall not be revoked by any subsequent power of attorney that the undersigned may execute, unless such subsequent power of attorney specifically provides that it revokes this Power of Attorney by referring to the date of the undersigned's execution of this Power of Attorney. For the avoidance of doubt, whenever two or more powers of attorney granting the powers specified herein are valid, the agents appointed on each shall act separately unless otherwise specified.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of Concrete Pumping Holdings, Inc. and in the capacities indicated, on June 11, 2021.

<u>/s/ Bruce Young</u> Bruce Young	Chief Executive Officer and Director (principal executive officer)	June 11, 2021
<u>/s/ Iain Humphries</u> Iain Humphries	Chief Financial Officer and Director (principal financial and accounting officer)	June 11, 2021
<u>/s/ Howard D. Morgan</u> Howard D. Morgan	Chairman of the Board	June 11, 2021
<u>/s/ Brian Hodges</u> Brian Hodges	Vice Chairman of the Board	June 11, 2021
<u>/s/ Raymond Cheesman</u> Raymond Cheesman	Director	June 11, 2021
<u>/s/ Heather L. Faust</u> Heather L. Faust	Director	June 11, 2021

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<u>/s/ David G. Hall</u> David G. Hall	Director	June 11, 2021
<u>/s/ Tom Armstrong</u> Tom Armstrong	Director	June 11, 2021
<u>/s/ Stephen Alarcon</u> Stephen Alarcon	Director	June 11, 2021
<u>/s/ Ryan Beres</u> Ryan Beres	Director	June 11, 2021
<u>/s/ John Piecuch</u> John Piecuch	Director	June 11, 2021
<u>/s/ M. Brent Stevens</u> M. Brent Stevens	Director	June 11, 2021

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Concrete Pumping Holdings, Inc.
Thornton, Colorado

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3 (Nos. 333-229402 and 333-230105) and Form S-8 (No. 333-230753) of Concrete Pumping Holdings, Inc. of our report dated January 12, 2021, (except as to the effect of the restatement described in Note 2, which is dated June 11, 2021), relating to the consolidated financial statements, which appear in this Form 10-K/A.

/s/ BDO USA, LLP
Dallas, Texas
June 11, 2021

**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 Annual Report on Form 10-K/A for the year ended October 31, 2020 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: June 11, 2021

/s/ Bruce Young
Bruce Young, Chief Executive Officer and Director
(principal executive officer)

**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 Annual Report on Form 10-K/A for the year ended October 31, 2020 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: June 11, 2021

/s/ Iain Humphries
Iain Humphries, Chief Financial Officer and
Director
(principal financial and accounting officer)

**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, the undersigned Chief Executive Officer of Concrete Pumping Holdings, Inc. (the "Company") hereby certifies that to my knowledge, the Annual Report on Form 10-K/A of the Company for the year ended October 31, 2020 (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 information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: June 11, 2021

/s/ Bruce Young
Bruce Young, Chief Executive Officer and Director
(principal executive officer)

**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, the undersigned Chief Financial Officer of Concrete Pumping Holdings, Inc. (the "Company") hereby certifies that to my knowledge, the Annual Report on Form 10-K/A of the Company for the year ended October 31, 2020 (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 information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: June 11, 2021

/s/ Iain Humphries
Iain Humphries, Chief Financial Officer and
Director
(principal financial and accounting officer)