



ANGELES AND CLEARLAKE BACKED ACS TO BE ACQUIRED BY US LBM

Founded in 2018 by Angeles and Clearlake, ACS American Construction Source is a leading specialty LBM distribution platform focused on custom home builders and the renovation market

Los Angeles, CA and Springfield, MO – May 25, 2021 – Angeles Equity Partners, LLC (together with certain of its affiliates, “Angeles”) and Clearlake Capital Group, L.P. (together with certain of its affiliates, “Clearlake”) today announced they have signed a definitive agreement to sell American Construction Source (“ACS” or the “Company”) to US LBM. ACS is a leading lumber and building materials (“LBM”) distribution platform serving custom home builders, repair and remodel contractors, and do-it-yourself homeowners across the United States. Financial terms of the transaction were not disclosed.

Angeles and Clearlake formed ACS in 2018 in partnership with Chief Executive Officer James Drexinger through the acquisition of three leading regional LBM distributors, creating a scaled platform with a national distribution footprint. Since its inception, ACS has successfully acquired and integrated nine businesses. ACS now operates a building materials distribution network of more than 70 locations across the nation, focusing on some of the highest growth regional markets in the United States.

“We are exceptionally proud of James Drexinger and the entire ACS team for their impressive execution of the Angeles and Clearlake investment thesis over the last three years. Jim has been a valuable advisor to our firm since its inception and we’re delighted to have worked with him again. We believe the ACS platform advantages built on a foundation of local customer relationships and personalized service position the Company well for continued growth,” said Tim Meyer, Angeles Co-Founder and Managing Partner, and Sam Heischuber, Principal at Angeles. “We have significant experience in this sector, and committed substantial operational and M&A resources to realize our investment thesis in ACS. The operational results we were able to achieve are, in our view, a testament to our value creation model.”

“The strategic transformation we have executed at ACS in partnership with James Drexinger and Angeles is an exciting success story for our *O.P.S.*[®] playbook,” said José E. Feliciano, Co-Founder and Managing Partner at Clearlake, and James Pade, Partner and Managing Director at Clearlake. “Several years ago, Angeles and Clearlake identified the LBM space as a highly fragmented market ripe for disciplined consolidation with a focus on higher value niches. We believed we could build a differentiated platform that would benefit from a commercial strategy geared towards custom home builders, as well as an emphasis on key growth markets, and a focus on the residential renovation market. US LBM is a perfect home for ACS, and we look forward to the Company’s future successes.”

“ACS joining US LBM is an outstanding outcome based on the alignment of our shared strategy to preserve longstanding local lumberyard brands and operations while delivering a great customer experience. We are thrilled to have had the opportunity to partner with Angeles and Clearlake, and are grateful to our customers, suppliers, leadership team, salespeople, and associates for their support,” said James Drexinger, CEO of ACS. “Together we have built a significant industry platform while simultaneously honoring the 100+ year heritage of the local brands and family legacies we have acquired. None of this would have been possible without the value-added sponsorship of Angeles and Clearlake, whose deep building products, distribution, and operating expertise accelerated our growth trajectory.”

Moelis & Company LLC and Jefferies LLC served as financial advisors to ACS on the transaction, and Simpson Thacher & Bartlett LLP and Sidley Austin LLP served as legal advisors to ACS.



ABOUT ANGELES EQUITY PARTNERS

Angeles Equity Partners, LLC is a private equity firm that invests in companies across a wide range of sectors and specifically targets businesses which it believes can directly benefit from the firm's strategic, operational, and M&A capabilities. The Angeles skill set drives the firm's investment philosophy and, in its view, can help businesses reach their full potential. Learn more online at www.angelesequity.com.

ABOUT CLEARLAKE

Clearlake Capital Group, L.P. is a leading investment firm founded in 2006 operating integrated businesses across private equity, credit and other related strategies. With a sector-focused approach, the firm seeks to partner with experienced management teams by providing patient, long-term capital to dynamic businesses that can benefit from Clearlake's operational improvement approach, *O.P.S.*® The firm's core target sectors are industrials, consumer and technology. Clearlake currently has approximately \$35 billion of assets under management, and its senior investment principals have led or co-led over 300 investments. The firm has offices in Santa Monica and Dallas. More information is available at www.clearlake.com and on Twitter @ClearlakeCap.

ABOUT AMERICAN CONSTRUCTION SOURCE

American Construction Source is an LBM distributor with 70+ locations in 9 states serving the needs of custom home builders, repair & remodel contractors, and DIY consumers. ACS provides lumber and building materials businesses the resources, leverage, and focus to make their ideas happen. Recognizing the value and heritage of deep, local customer relationships as a strong foundation for growth, ACS's best practices are designed to leverage shared strengths, drive operational excellence, and motivate performance to create a leading building products distributor with a national footprint and a great customer experience. ACS is backed by Angeles Equity Partners and Clearlake Capital Group, L.P. Learn more online at www.acs-lbm.com.

ABOUT US LBM

US LBM is a leading distributor of specialty building materials in the United States. Offering a comprehensive portfolio of specialty products, including windows, doors, millwork, wallboard, roofing, siding, engineered components and cabinetry, US LBM combines the scale and operational advantages of a national platform with a local go-to-market strategy through its national network of locations across the country. For more information, please visit www.uslbm.com.

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