

# BUSINESS SERVICES MONTHLY

MARCH 2020

*Our business services team brings a uniquely tech-enabled focus to mission critical, high value outsourced services companies providing facilities, industrial and distribution services, logistics and business process outsourcing.*

Facilities












Industrial

Distribution

Logistics

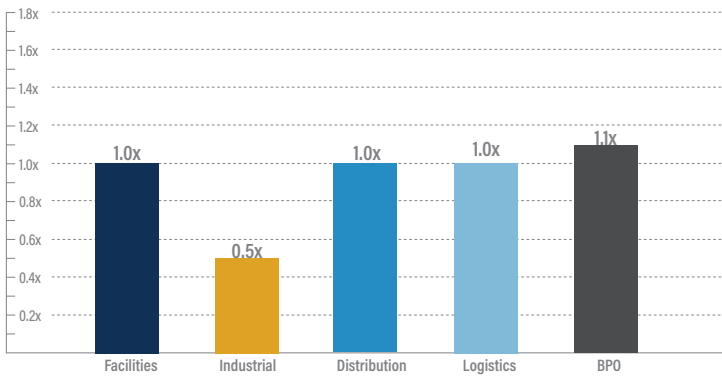
Business Process Outsourcing (BPO)

## HEADLINE TRANSACTIONS

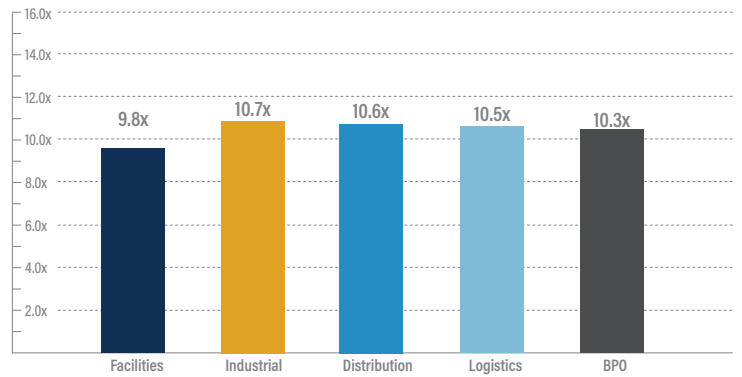
|              | TARGET  | ACQUIROR   | ACQUISITION SYNOPSISIS  |
|--------------|---|--|---|
| Facilities   |  | <br> | <ul style="list-style-type: none"> <li>Ohio-based Valicor Environmental Services, one of North America's largest providers of non-hazardous wastewater treatment services, agreed to acquire Denver, CO-based Affiliated Wastewater Environmental Services (AWES), expanding its leading network of wastewater processing facilities into the Denver market</li> <li>AWES operates as a comprehensive wastewater services provider capable of pumping, hauling and disposing of oil and metal-bearing wastewater for industrial and commercial clients in the greater Denver region</li> <li>Valicor, a portfolio company of Pritzker Private Capital, provides a comprehensive portfolio of transportation and processing services for diverse wastewater streams that result from the manufacture of industrial and consumer goods</li> </ul> |
| Industrial   |  |   | <ul style="list-style-type: none"> <li>The Kaefer Group, based in Germany, acquired Wood Group Industrial Services, a United Kingdom-based provider of civil and industrial engineering and construction services, for \$118 million</li> <li>Wood Group operates through sixteen locations across the United Kingdom and Ireland, providing value-added services for industrial operations including scaffolding assembly, protective coating application and asbestos removal</li> <li>Kaefer provides industrial and construction services in the fields of insulation, HVAC, interior outfitting and maintenance for large-scale new build and renovation projects globally</li> </ul>  |
| Distribution |  |   | <ul style="list-style-type: none"> <li>Providence, RI-based Nautic Partners agreed to acquire California-based Harrington Industrial Plastics, a leading distributor of specialized, corrosion-resistant fluid control components for industrial valves, filters, pumps and tanks</li> <li>Harrington's products are utilized in a wide range of end markets by its international customer base, including OEMs, contractors and other industrial equipment service providers</li> <li>Nautic is a leading middle-market private equity firm focused on investing in the healthcare, industrials and business services categories, and completing over 135 transactions throughout its thirty three year history</li> </ul>   |
| Logistics    |  |   | <ul style="list-style-type: none"> <li>A.P. Moller - Maersk, based in Copenhagen, Denmark, acquired Performance Team, a California-based provider of managed logistics and transportation services, for \$525 million</li> <li>Performance Team offers a full suite of e-commerce, retail, wholesale and omnichannel distribution and transportation services, including pick and pack, put-to-store, garment-on-hanger and retail compliance, to clients in the United States and globally</li> <li>A.P. Moller - Maersk is a global leader in third party logistics management solutions, providing shipping, transportation and inventory management services to clients in 130 countries</li> </ul>   |
| BPO          |  |   | <ul style="list-style-type: none"> <li>Winnipeg, Canada-based 24-7 Intouch agreed to acquire Knoah Solutions, a Nevada-based provider of outsourced customer and technical support, as part of a continued strategic effort to expand its international footprint</li> <li>Knoah Solutions offers agent-supported email response and real-time chat services, outsourced sales support and lead generation and other consumer-facing outsourced business services to clients in a range of industries globally</li> <li>24-7 Intouch is a global leader in providing blue-chip customers a comprehensive, multi-channel suite of outsourced back office and CRM solutions</li> </ul>  |

# BUSINESS SERVICES GROWTH & VALUATION TRENDS

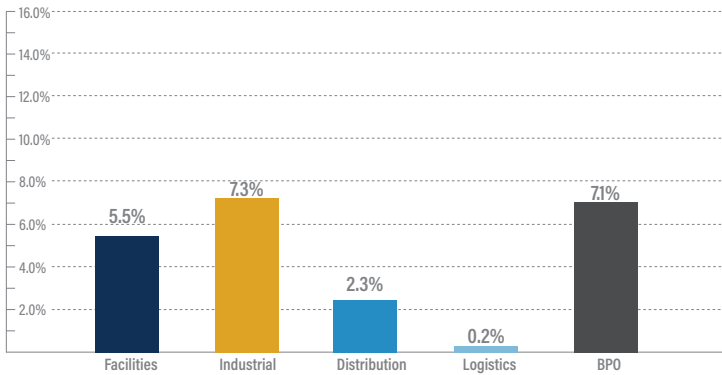
Enterprise Value / LTM Revenue



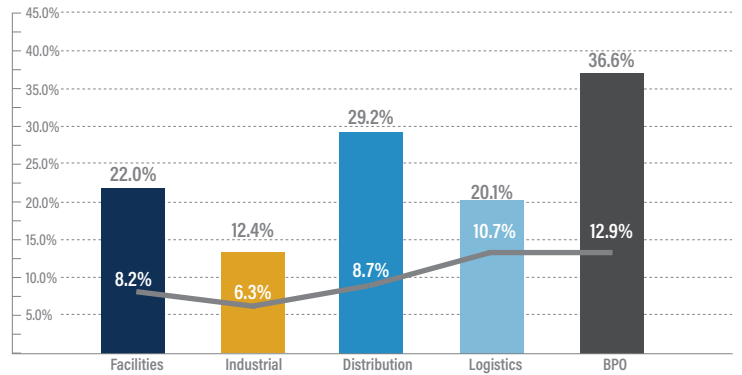
Enterprise Value / LTM EBITDA



LTM Revenue Growth

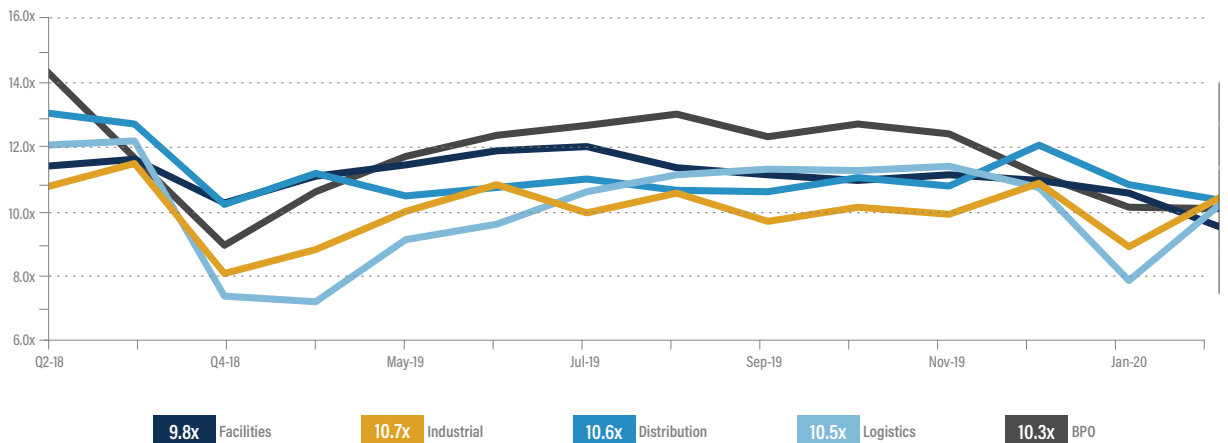


LTM Gross & EBITDA Margins\*



\*EBITDA Margins shown as the gray line.

EBITDA Multiples Over Time



9.8x Facilities

10.7x Industrial

10.6x Distribution

10.5x Logistics

10.3x BPO

# SELECTED BUSINESS SERVICES TRANSACTIONS

| Target                         | Acquiror             | Facilities Transactions   |
|--------------------------------|----------------------|---|
| Safe and Vault Company Limited | Burton Safes Limited | Leeds, United Kingdom-based Safe and Vault Company offers a range of safe security services to financial and commercial clients in the United Kingdom |

|  |                         |  |
|--|-------------------------|--|
| Bell Brothers Plumbing Heating and Air, Inc. | Service Champions, Inc. | Bell Brothers, based in Mather, CA, provides HVAC, plumbing, insulation and window installation and repair services to commercial clients in Northern California |
|--|-------------------------|--|

|                             |                |   |
|-----------------------------|----------------|---|
| Sigma Fire & Security, Inc. | Vimpex Limited | Markham, Canada-based Sigma Fire & Security provides fire safety and security services to industrial, commercial and institutional customers in Ontario |
|-----------------------------|----------------|---|

| Target                 | Acquiror        | Distribution Transactions  |
|------------------------|-----------------|--|
| Charity & Taylor, Ltd. | Aage Hempel A/S | Great Yarmouth, United Kingdom-based Charity & Taylor distributes marine electronic equipment to yacht and commercial ship manufacturers in the United Kingdom |

|                     |                               |   |
|---------------------|-------------------------------|---|
| All Packaging, Inc. | B2B Industrial Packaging, LLC | South Chicago Heights, IL-based All Packaging supplies and distributes packaging equipment to manufacturing and logistics businesses in the Midwest |
|---------------------|-------------------------------|---|

|                                  |                            |   |
|----------------------------------|----------------------------|---|
| 3G Truck and Trailer Parts, Ltd. | Universal Components, Ltd. | 3G Truck and Trailer Parts, based in Rotherham, United Kingdom, is a wholesale distributor of commercial vehicle spare parts and components |
|----------------------------------|----------------------------|---|

| Target              | Acquiror            | BPO Transactions  |
|---------------------|---------------------|---|
| JPD Financial, Inc. | JPD Financial, Inc. | JPD Financial, based in San Jose, CA, provides transactional audit, value-added tax recovery and master data cleansing services to businesses in a range of industries globally |

|               |               |  |
|---------------|---------------|--|
| Afinida, Inc. | Afinida, Inc. | Escondido, CA-based Afinida offers payroll processing and payroll tax compliance services to businesses in the United States |
|---------------|---------------|--|

|                                 |                                 |   |
|---------------------------------|---------------------------------|---|
| ComputerSearch Payroll Services | ComputerSearch Payroll Services | Amherst, NY-based ComputerSearch Payroll Services provides payroll processing, time management and other human capital management services to businesses in the Northeast |
|---------------------------------|---------------------------------|---|

| Target               | Acquiror  | Industrial Transactions  |
|----------------------|-----------|--|
| Haley and Ward, Inc. | CES, Inc. | Haley and Ward, based in Maynard, MA, offers civil and environmental engineering services to industrial and municipal clients in New England |

|  |                                |   |
|--|--------------------------------|---|
| Associated Engineers & Surveyors, Inc. | The Mannik & Smith Group, Inc. | Associated Engineers & Surveyors, based in Adrian, MI, provides land surveying and other civil engineering services to industrial and municipal clients |
|--|--------------------------------|---|

|  |                           |  |
|--|---------------------------|--|
| Cumberland Design & Building Company, Inc. | R. S. Mowery & Sons, Inc. | Carlisle, PA-based Cumberland Design & Building offers construction and engineering services to commercial clients in Pennsylvania |
|--|---------------------------|--|

| Target              | Acquiror    | Logistics Transactions   |
|---------------------|-------------|--|
| Aditro Logistics AB | Posti Group | Bromma, Sweden-based Aditro Logistics offers outsourced logistics services for e-commerce, retail, electronics and media businesses in Northern Europe |

|                        |                   |   |
|------------------------|-------------------|---|
| Sellers Logistics, LLC | TA Services, Inc. | Birmingham, AL-based Sellers Logistics provides third-party logistics services including warehousing, transportation and inventory management to clients in the Southeast |
|------------------------|-------------------|---|

|                            |              |   |
|----------------------------|--------------|---|
| Penner International, Inc. | C.A.T., Inc. | Based in Steinbach, Canada, Penner International provides transborder shipping services in North America, including truckload transportation and managed supply chain solutions |
|----------------------------|--------------|---|

## TM Capital's Business Services Industry Contacts



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