

BUSINESS SERVICES MONTHLY

MARCH 2021

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

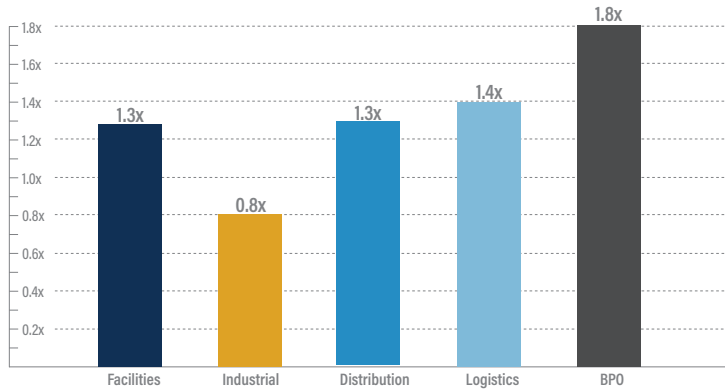
Business Process Outsourcing (BPO)

HEADLINE TRANSACTIONS

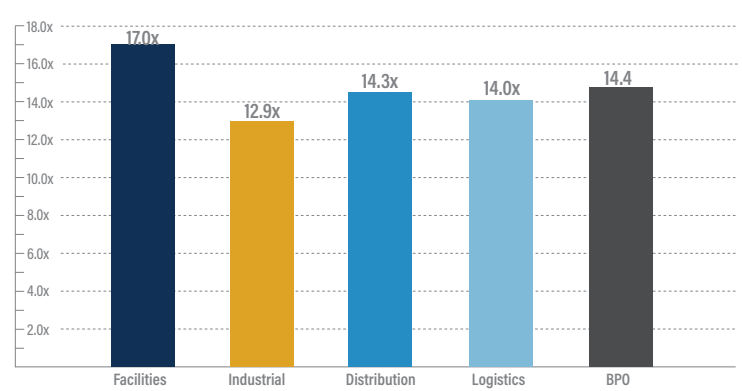
	TARGET	ACQUIROR	ACQUISITION SYNOPSIS
Facilities			<ul style="list-style-type: none"> Rosewood Private Investments' Superior Environmental Solutions acquired Hydro Technology, a Dundee, Michigan-based industrial facility and environmental cleaning services provider Hydro Technology offers industrial & environmental cleaning, water blasting, vacuum and emergency response services for industrial facilities in the Midwest Hydro Technology represents Superior Environmental Solutions' second strategic acquisition since Rosewood acquired the business in 2017 and expands its geographic footprint with an incremental fifteen branch locations throughout the Midwest and Southeast United States
Industrial			<ul style="list-style-type: none"> PMC Capital Partners, a Sun Valley, California-based private equity firm, acquired UniversalPegasus, an engineering and construction management services company, from Huntington Ingalls Industries (NYSE:HI) UniversalPegasus offers project management, engineering and design services for the oil, gas and power industries with strategic locations in Houston, Texas and Calgary, Canada In recent years, UniversalPegasus has expanded its engineering and project management capabilities to become a leading project delivery company, poised for continued financial growth following record-level revenues achieved in 2020
Distribution			<ul style="list-style-type: none"> SunSource, a portfolio company of private equity firm Clayton, Dubilier & Rice, has announced the acquisition of Carotek, a Matthews, North Carolina-based distributor of mechanical and industrial engineering products Carotek distributes a broad range of mechanical integration products including flow control, pumps, mixers, seals, piping and tubing to municipalities, engineers and contractors Following the acquisition, Carotek now operates within SunSource's Fluid Process Group and adds its extensive geographic penetration in the Mid-Atlantic and Southeast United States to SunSource's national platform
Logistics			<ul style="list-style-type: none"> Seaboard Transportation, a Canadian logistics company focused on bulk truckloads, has agreed to acquire Moncton, Canada-based Armour Transportation Systems, a truckload and rail transportation logistics services provider Armour Transportation offers temperature controlled-truckloads, intermodal transportation, parcel delivery and warehousing services for various equipment, minerals and steel loads throughout Canada Seaboard Transportation will benefit from the acquisition through meaningful cost synergies and the addition of Armour Transportation's 24 terminals and 4,000+ pieces of equipment
BPO			<ul style="list-style-type: none"> TPG Growth, a San Francisco, California-based private equity firm, acquired People 2.0, an Exton, Pennsylvania-based business process outsourcing company focused on staffing and recruitment services People 2.0 offers a broad range of employer of record (EOR), agent of record (AOR) and statement of work administrative services including onboarding, payroll, various administrative and compliance solution services for staffing agencies, compliance services companies and managed service providers globally TPG plans to pursue numerous organic growth initiatives to expand its geographic reach while continuing to execute on its proven acquisition model - People 2.0 has completed four acquisitions since mid-2019

BUSINESS SERVICES GROWTH & VALUATION TRENDS

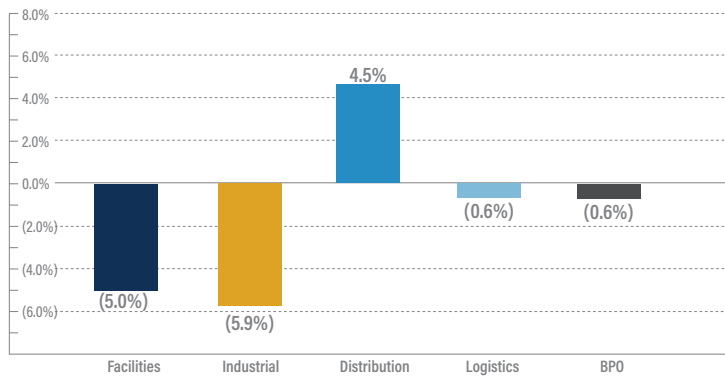
Enterprise Value / LTM Revenue



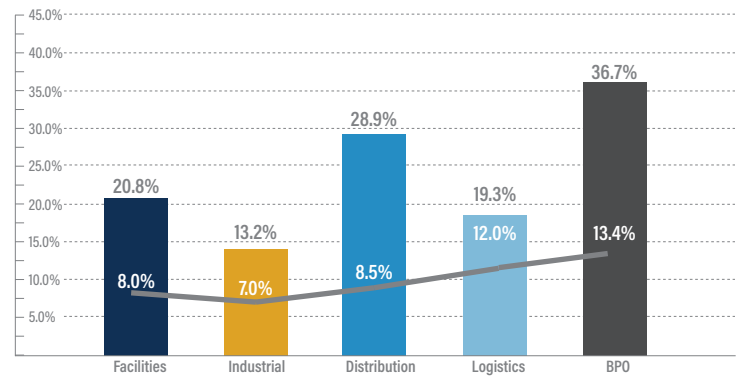
Enterprise Value / LTM EBITDA



LTM Revenue Growth

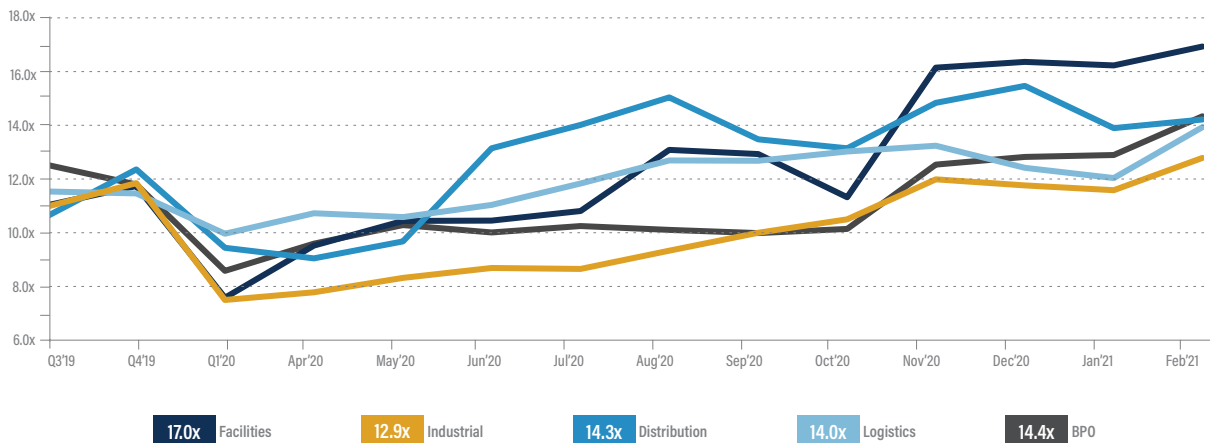


LTM Gross & EBITDA Margins*



*EBITDA Margins shown as the gray line.

EBITDA Multiples Trends



17.0x Facilities

12.9x Industrial

14.3x Distribution

14.0x Logistics

14.4x BPO

SELECTED BUSINESS SERVICES TRANSACTIONS

Target	Acquiror	Facilities Transactions
NuSource Financial, Inc.	Mosaic Capital Partners LLC	NuSource Financial provides ATMs and related security equipment services to bank locations throughout the United States

Texas Chiller Systems LLC	Orion Group Partners	Texas Chiller Systems offers HVAC, plumbing, electrical and building automation services for commercial facilities in Texas
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Ascensores Eleva	Zardoya Otis	Ascensores offers lifting device installation and maintenance services for industrial facilities in Spain
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Target	Acquiror	Distribution Transactions
Rubin Industrial Co., Inc.	B2B Industrial Packaging LLC	Rubin Industrial offers industrial packaging, safety and facility maintenance supplies for commercial businesses in the Midwest

Industrial Rack and Shelving, Inc.	Bruynzeel Storage Systems	Industrial Rack and Shelving distributes various shelves, lockers and cabinets for a broad range of sectors in the United States
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CleanAll Supply, Inc.	AramSCO, Inc.	CleanAll Supply provides janitorial supplies and equipment for commercial facilities in the Southeast
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Target	Acquiror	BPO Transactions
UP Professional Solutions LLC	PTS Advance	UP Professional Solutions offers employment sourcing services for administrative, construction, engineering and supply chain management roles throughout the United States

Foxpayroll, Inc.	Execupay, Inc.	Foxpayroll provides payroll and HR services for small and medium sized businesses in the United States
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JAGwire Group LLC	Surety Systems, Inc.	Jagwire Group offers staffing and permanent placement services for IT businesses in the Midwest
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Target	Acquiror	Industrial Transactions
Enercon Services, Inc.	AE Industrial Partners	Enercon Services provides architectural engineering and environmental services for the energy, manufacturing and oil & gas industries internationally

Gibbs & Cox, Inc.	Leidos Holdings, Inc.	Gibbs & Cox offers engineering & design services for ships and ports in marine and government applications throughout the United States
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Beezley Management LLC	CBRE Group, Inc.	Beezley provides project & construction-related advisory and management services for a broad range of projects on the West Coast
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Target	Acquiror	Logistics Transactions
ASL Distribution Services	Consolidated Fastfrate, Inc.	ASL Distribution offers transportation and warehousing logistics services for retailers and OEM manufacturers throughout North America

LSO, Inc.	WeDo Logistics	Lone Start Overnight provides parcel delivery solutions including express and ground transportation services in the South
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International Truckload Services, Inc.	Titanium Transportation Group, Inc.	International Truckload Services provides truckload and logistics services for a broad range of sectors throughout Canada
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