

BUSINESS SERVICES MONTHLY

DECEMBER 2022

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

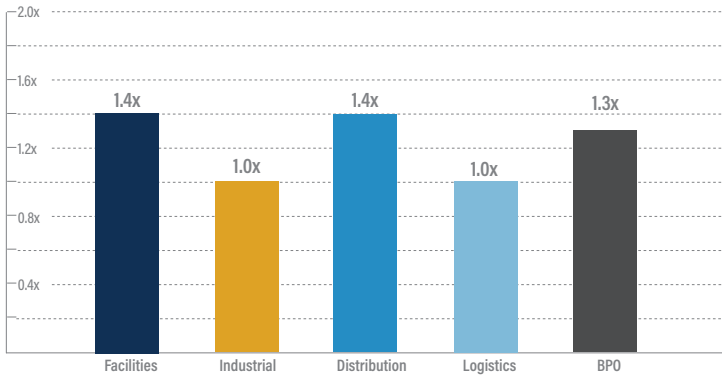
Business Process Outsourcing (BPO)

HEADLINE TRANSACTIONS

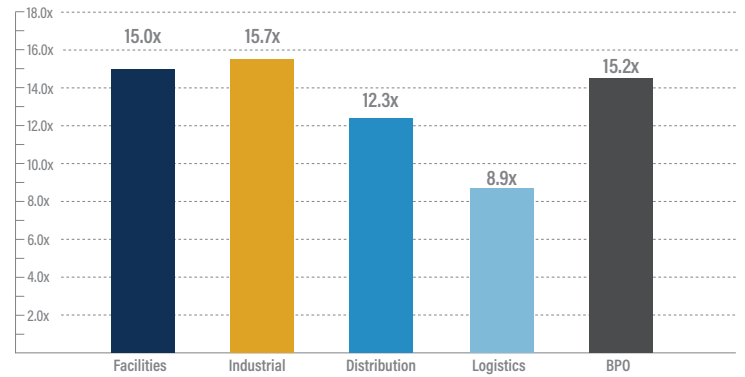
	TARGET	ACQUIROR	ACQUISITION SYNOPSIS
Facilities			<ul style="list-style-type: none"> Pye-Barker Fire & Safety ("Pye-Barker"), a portfolio company of Altas Partners, has acquired ComTronix, a Casper, Wyoming-based provider of commercial and residential security and safety services ComTronix provides a broad range of integrated security and safety solutions including 24/7 system monitoring, access control, intrusion detection, CCTV, business telephone systems, overhead paging and structured cabling in Wyoming The acquisition represents Pye-Barker's thirteenth add-on acquisition in 2022 and enhances Pye-Barker's leadership in the security and safety services sector
Industrial			<ul style="list-style-type: none"> MML Capital Partners ("MML"), a London, England-based private equity firm, has acquired OnPoint Industrial Services ("OnPoint"), an industrial safety and maintenance support provider OnPoint offers project planning, materials management, transportation, safety, logistics and other supplemental services to improve efficiency, streamline delivery and increase productivity for its clients MML plans to leverage its extensive industrial services experience to accelerate growth in the business by investing in new technology and expanding current capabilities
Distribution			<ul style="list-style-type: none"> Applied Industrial Technologies (NYSE:AIT), a Cleveland, Ohio-based distributor of industrial solutions, has acquired Automation, Inc. ("Automation"), a value-added distributor of industrial components Automation offers a broad range of automation products and services focused on applications with motion, vision, pneumatic and fluid power capabilities across the Midwest The acquisition will expand AIT's geographic presence in the Midwest and will enhance AIT's growing automation platform as they continue to capitalize on the ongoing staffing and labor constraints pervasive in the market in 2022
Logistics			<ul style="list-style-type: none"> Werner Enterprises (NasdaqGS:WERN), one of the largest transportation and logistics providers in the United States, has acquired ReedTMS Logistics ("ReedTMS"), a Tampa, Florida-based logistics and transportation brokerage provider, for ~\$112 million ReedTMS delivers logistic and transportation brokerage through two separate divisions – Reed Transportation and TMS Logistics – to provide both truckload, produce transportation and freight management services as well as private fleet, dry van, blanket wrapped and refrigerated trucking services, primarily for the food and beverage industry The acquisition will add 130 trucks and 775 trailers to Werner's existing fleet as well as an established brokerage business that generated ~\$370 million in the LTM September 2022 period
BPO			<ul style="list-style-type: none"> North American private equity firms Cornell Capital ("Cornell") and Torquest Partners ("Torquest") have jointly acquired S.i. Systems ("S.i."), a Canada-based IT staffing services provider S.i. utilizes its proprietary automated technology platform (MatchGuide™) and its roster of experienced staffing professionals to provide a full suite of staffing services for highly-skilled IT roles throughout North America, boasting a 99.45% success rate Cornell and Torquest plan to leverage their prior investment experience in the staffing industry to provide strategic guidance and resources to S.i.'s management team to expand into untapped markets

BUSINESS SERVICES GROWTH & VALUATION TRENDS

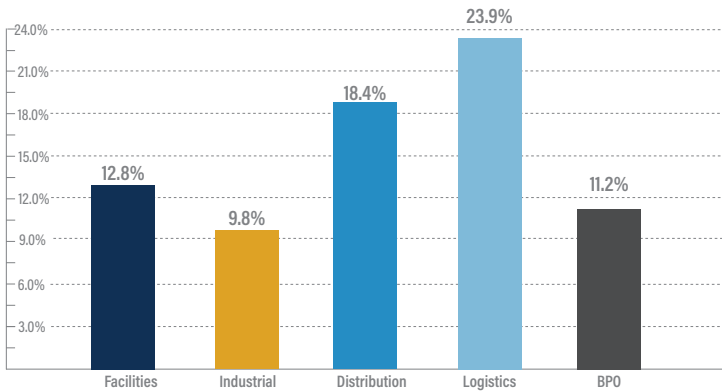
Enterprise Value / LTM Revenue



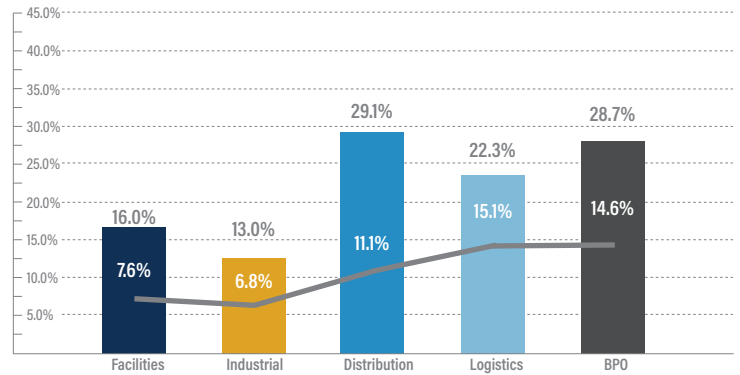
Enterprise Value / LTM EBITDA



LTM Revenue Growth

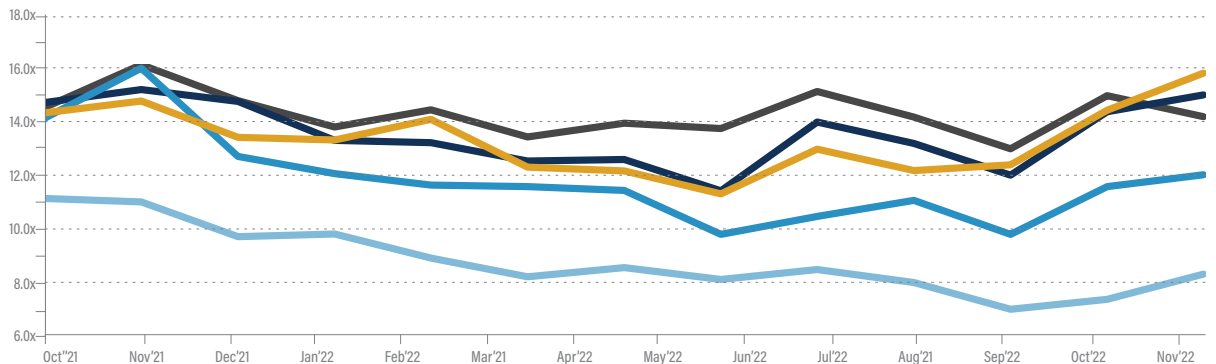


LTM Gross & EBITDA Margins*



*EBITDA Margins shown as the gray line.

EBITDA Multiples Trends



15.0x Facilities

15.7x Industrial

12.3x Distribution

8.9x Logistics

14.2x BPO

SELECTED BUSINESS SERVICES TRANSACTIONS

Target	Acquiror	Facilities Transactions
Apex Land Group, LLC	BrightView Holdings, Inc. (NYSE:BV)	Apex Land Group is a commercial landscaping company that provides irrigation, new construction and landscape management services

CJ Suppression, Inc.	Fortis Fire & Safety, Inc.	Corona, California-based CJ Suppression offers fire protection services to commercial and industrial facilities
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M.E. Flow, Inc.	Southern HVAC Corporation	M.E. Flow is a provider of commercial and residential HVAC and plumbing services across northern Virginia
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Target	Acquiror	Distribution Transactions
Curry Fluid Power	"SiteOne Landscape Supply, Inc. (NYSE:SITE)"	Curry Fluid Power is an East Freedom, Pennsylvania-based distributor of fluid power and industrial application products

American Iron & Alloys, LLC	The Lawton Standard	American Iron & Alloys provides distribution services for versa bar, bronze bar, custom metal, rough processing and specialty products
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Aztec Electrical Supply, Inc.	Sonepar Canada, Inc.	Aztec Electrical Supply is a Canada-based distributor and marketer of electrical, automation, lighting and sensing products
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Target	Acquiror	BPO Transactions
Raymond Search Group	NL Starfish Partners, Inc.	Raymond Search Group specializes in recruiting and executive search services for the industrial and facilities services industries

EvolveHR, LLC	Salo Doko	EvolveHR provides professional employer organization ("PEO") services including HR, payroll and benefits administration services
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LotusUSA, Inc.	Futuris Company (OTCPK:FTRS)	LotusUSA provides outsourced solutions for medical, staffing, process management, technology, engineering and application development services
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Target	Acquiror	Industrial Transactions
Aegion Energy Services, LLC	AIP, LLC; The Brock Group, Inc.	Aegion Energy Services offers a broad range of infrastructure maintenance and construction services

Matthews Design Group, LLC	DCCM, LLC	Matthews Design Group is a full-service provider of civil engineering, roadway, development, architecture and consulting services
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Eagle Environmental Consulting, Inc.	EIS Holdings, LLC	Eagle Environmental Consulting provides environmental consulting, assessments, remediation plans and compliance and permitting services
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Target	Acquiror	Logistics Transactions
Dotcom Distribution, Inc.	Ryder System, Inc. (NYSE:R)	Dotcom Distribution is an Edison, New Jersey-based provider of fulfillment and logistics services to retailers and manufactures

Fastmore Logistics, LLC	Echo Global Logistics, Inc.	Fastmore Logistics offers logistics services and GPS enabled shipment tracking solutions
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KSI Corp.	Alba Wheels Up International, LLC	KSI provides a broad range of transportation and logistics brokerage services throughout the United States
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TM Capital's Business Services Industry Contacts



Jarrad Zalkin
Managing Director
jzalkin@tmcapital.com
617.259.2207



David Felts
Managing Director
dfelts@tmcapital.com
404.995.6252



James Grien
Managing Director
jgrien@tmcapital.com
404.995.6235



Steven Hunter
Managing Director,
Sponsor Coverage
shunter@tmcapital.com
404.995.6232