

BUSINESS SERVICES MONTHLY

MAY 2023

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

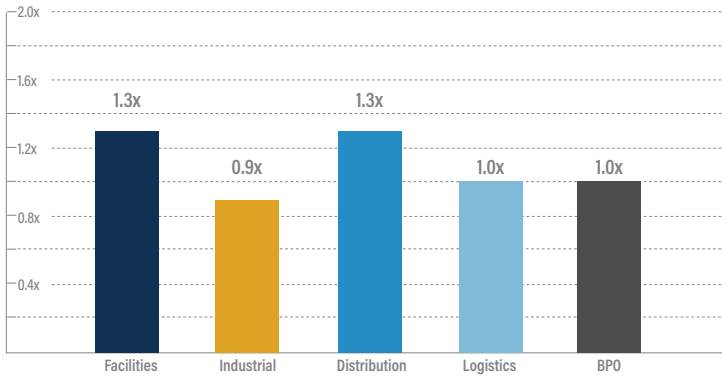
Business Process Outsourcing (BPO)

HEADLINE TRANSACTIONS

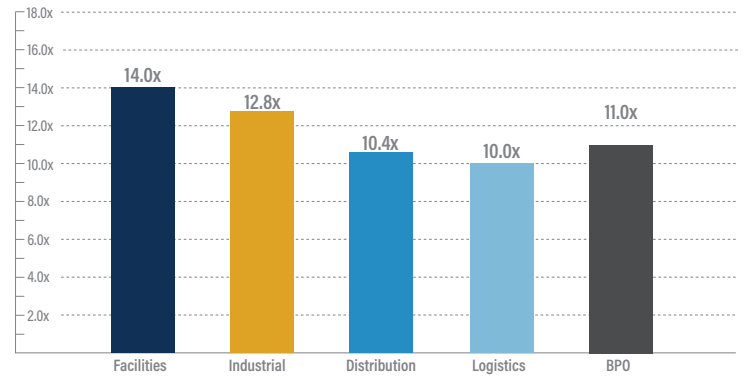
	TARGET	ACQUIROR	ACQUISITION SYNOPSIS
Facilities			<ul style="list-style-type: none"> M.C. Dean, a Tysons, VA-based provider of secure cyber-physical facility solutions, has acquired International Energy Conservation Systems ("IEC"), an integrator of building automation systems headquartered in Atlanta, GA IEC provides design, integration and maintenance services for direct digital control ("DDC") systems and automation technologies in government, commercial, industrial and institutional facilities M.C. Dean plans to integrate IEC into its automation systems business unit and leverage a recently signed original equipment manufacturing ("OEM") partnership agreement with Distech Controls to further expand solution paths and penetrate additional project categories
Industrial			<ul style="list-style-type: none"> American Track Services ("ATS"), a portfolio company of DFW Capital Partners, has acquired Universal Rail Systems ("URS"), a Sherwood Park, Canada-based railway service provider, from Torquest Partners URS provides a broad range of railway related services and solutions including construction, line switching, inspection, signaling, maintenance and materials to the 49,000+ kilometers of rail across Canada Following the acquisition of URS, the combined ATS business is rebranding as "North American Rail Solutions", aiming to leverage its extensive services offering and market presence throughout North America to accelerate growth In 2021, TM Capital served as exclusive financial advisor to The Railroad Associates Corporation in its sale to ATS
Distribution			<ul style="list-style-type: none"> Audax Private Equity ("Audax"), a Boston, MA-based middle market private investment company, has acquired Krayden, a value added stocking distributor, from Quad-C Management Krayden offers a broad range of adhesives, sealants and coatings, providing mission-critical solutions for OEMs in the aerospace and defense, electronics and industrial sectors Under Quad-C's ownership, Krayden completed two add-on acquisitions, expanding Krayden's Asian supplier network into Singapore; Audax plans to accelerate growth in the Krayden platform by expanding its product capabilities and market penetration through both organic and inorganic initiatives
Logistics			<ul style="list-style-type: none"> Boasso Global ("Boasso"), a portfolio company of KKR, has acquired Linden Bulk Transportation ("Linden"), the bulk tank transportation division of Odyssey Logistics & Technology Corporation, a portfolio company of The Jordan Company Linden is one of the largest bulk transportation providers in the northeastern U.S., offering a full suite of intermodal, trucking and logistics services with facilities strategically located in New Jersey, Pennsylvania, Texas, Louisiana and Illinois Boasso has continued to expand its platform through strategic add-on acquisitions, including its recent merger with Quala in February 2023, and plans to leverage Linden's established bulk logistics capabilities and network to grow its global market leadership
BPO			<ul style="list-style-type: none"> BroadStreet Partners ("BroadStreet"), an insurance brokerage holding company owned by Ontario Teachers' Pension Plan, has placed a significant investment in Westland Insurance Group ("Westland"), a Canada-based insurance broker Westland provides personalized insurance solutions to individuals and customized insurance offerings to businesses, operating through its network of 200+ locations and 2,200+ employees throughout Canada BroadStreet plans to leverage its extensive market knowledge and leadership to provide the necessary financial and consulting resources to further expand Westland's coverage across Canada

BUSINESS SERVICES GROWTH & VALUATION TRENDS

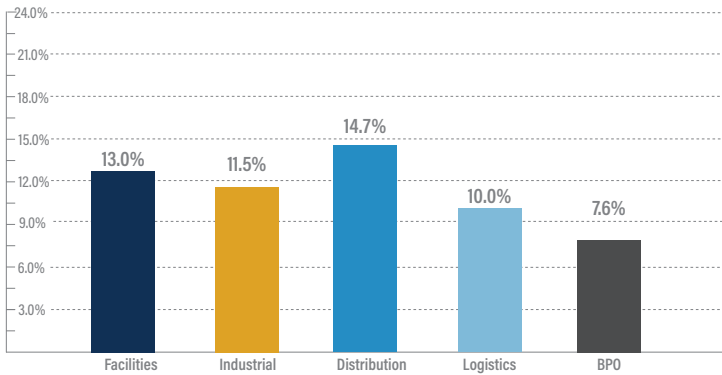
Enterprise Value / LTM Revenue



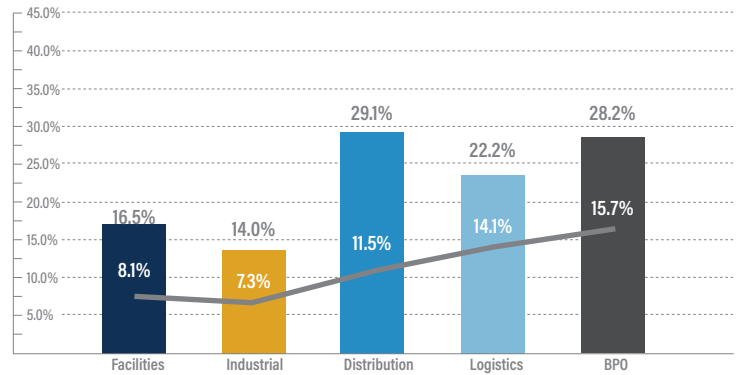
Enterprise Value / LTM EBITDA



LTM Revenue Growth

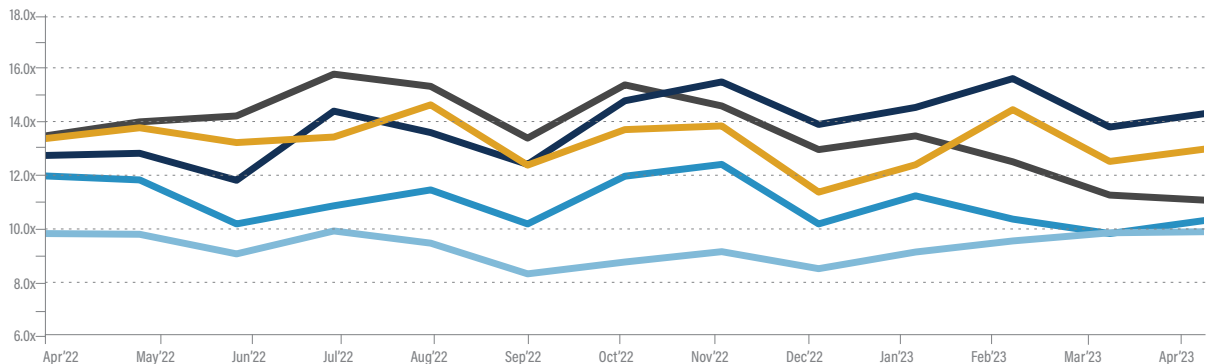


LTM Gross & EBITDA Margins*



*EBITDA Margins shown as the gray line.

EBITDA Multiples Trends



14.0x Facilities 12.8x Industrial 10.4x Distribution 10.0x Logistics 11.0x BPO

SELECTED BUSINESS SERVICES TRANSACTIONS

Target	Acquiror	Facilities Transactions
Security Source, Inc.	Pavion	Security Source provides security systems services and hardware installation and distribution solutions to the United States and Puerto Rico

Roofed Right America, LLC	Great Range Capital	Roofed Right is a commercial roofing contractor that offers re-roofing, maintenance and repair services
---------------------------	---------------------	---

The Hartline Company	Pye-Barker Fire & Safety	Hartline provides fire-prevention and security solutions in central Florida
----------------------	--------------------------	---

Target	Acquiror	Distribution Transactions
Huber Supply Co, Inc.	ProSource, LLC	Huber distributes electrical, plumbing and HVAC equipment to the commercial and industrial end markets

The Packaging Wholesalers	BOX Partners, LLC	The Packaging Wholesalers offers distribution services for packaging supplies and custom cartons
---------------------------	-------------------	--

Pantheon Surface Prep Sales and Rentals	AramSCO, Inc.	Pantheon is an Englewood, CO-based distributor of coatings, polishing supplies and surface preparation equipment
---	---------------	--

Target	Acquiror	BPO Transactions
Enrollease, Inc.	Employee Navigator, LLC	Enrollease manages Ease, an administration and HR management tool for small- and medium sized businesses

Pinnacle Solutions, Inc.	Akima, LLC	Pinnacle Solutions provides simulation and training solutions to the Department of Defense and independent contractors
--------------------------	------------	--

PeopleShare, Inc.	PROMAN Staffing Solutions, LLC	PeopleShare is a provider of staffing agency services to light industrial, financial and administrative businesses
-------------------	--------------------------------	--

Target	Acquiror	Industrial Transactions
Jackson Comfort Systems, Inc.	Sila Services, LLC	Jackson Comfort Systems provides HVAC and plumbing services to residential and commercial customers

Tower Engineering Professionals, Inc.	H.I.G. Capital Partners	Tower Engineering designs, engineers, constructs and services telecommunication and water towers throughout North America
---------------------------------------	-------------------------	---

Cameron Engineering & Associates	IMEG	Cameron Engineering provides consulting, engineering and planning services to a broad range of project types and end market categories
----------------------------------	------	--

Target	Acquiror	Logistics Transactions
Locher Evers International, Inc.	EFL Global, LLC	Locher Evers International provides logistics strategies via air, ocean, rail and road shipping and warehousing services

Siemens Transportation Group	TFI International, Inc.	Siemens Transportation is a Saskatoon, Canada-based provider of truckload logistics services
------------------------------	-------------------------	--

Lew Thompson & Son Trucking, Inc.	Convent Logisitics Group, Inc.	Lew Thompson offers poultry feed and live haul logistics solutions to the agriculture and livestock industries
-----------------------------------	--------------------------------	--

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