

BUSINESS SERVICES MONTHLY

APRIL 2024

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

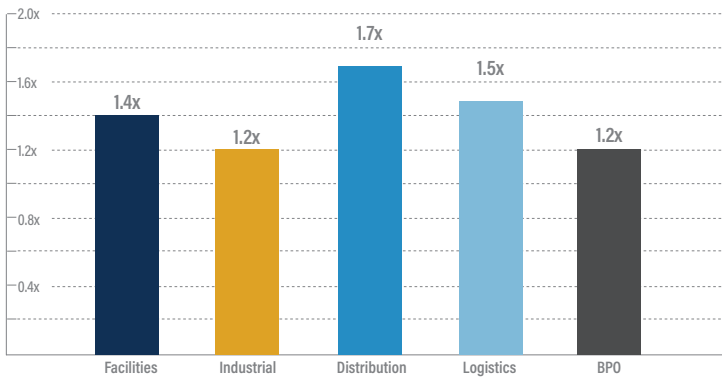
Business Process Outsourcing (BPO)

HEADLINE TRANSACTIONS

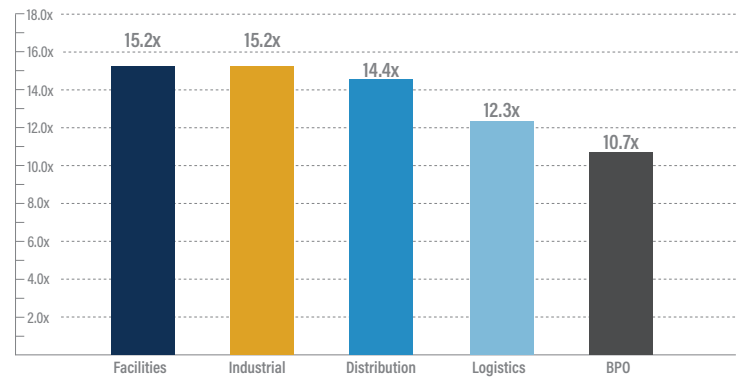
	TARGET	ACQUIROR	ACQUISITION SYNOPSISIS
Facilities	 <p>HORIZON SERVICES COOLING · HEATING · PLUMBING</p>	 <p>4M HEALTHCARE O2 O2 Investment Partners, LLC</p>	<ul style="list-style-type: none"> 4M Building Solutions, a portfolio company of O2 Investment Partners, has acquired Horizon Services, a Connecticut-based provider of commercial cleaning and maintenance services Horizon Services provides specialized cleaning services to educational, municipal and industrial facilities, managing 175 sites across Connecticut, Massachusetts and Rhode Island This acquisition extends 4M's operational reach into the Northeast, merging Horizon's robust regional presence and established customer base with 4M's comprehensive resources and innovative capabilities
Industrial	 <p>PROSTAR ENERGY SOLUTIONS A CRETE UNITED COMPANY</p>	 <p>CRETE UNITED ELEVATING ENERGY EFFICIENCY Ridgemont EQUITY PARTNERS</p>	<ul style="list-style-type: none"> Crete United, a portfolio company of Ridgemont Equity Partners, has acquired ProStar Energy Solutions, a Texas-based provider of energy management solutions ProStar Energy Solutions offers advanced energy efficiency services, including patented IoT- and AI-powered controls, HVAC optimization and energy procurement tailored for high-energy-use facilities like data centers Crete United plans to integrate ProStar's innovative IoT and AI-driven Catalyst technology into its service offerings, significantly enhancing energy and operational efficiencies in HVAC systems throughout its national network
Distribution	 <p>A-OX Welding Supply</p>  <p>AB+ WELDING SUPPLY</p>	 <p>MERITUS GAS PARTNERS</p>  <p>AEA</p>	<ul style="list-style-type: none"> Merit Gas Partners, a portfolio company of AEA Investors, has acquired A-OX Welding Supply and A&B Welding Supply, two South Dakota-based distributors of industrial gases and supplies A-OX and A&B provide industrial, specialty and medical gases along with welding and safety supplies across eight locations in North Dakota, South Dakota and Iowa This partnership marks Meritus' nineteenth acquisition since its inception in 2020, broadening its reach into the Upper Midwest, and advancing its goal to establish the industry's first national independent gas distribution network
Logistics	 <p>WOW LOGISTICS</p>	 <p>I SQUARED</p>	<ul style="list-style-type: none"> I Squared Capital, a global infrastructure-focused private equity firm, has acquired WOW Logistics, a Wisconsin-based provider of integrated supply chain solutions WOW Logistics offers a comprehensive suite of temperature-controlled warehousing and transportation services, operating 25 facilities across Wisconsin, Minnesota and Illinois This partnership allows WOW Logistics to modernize and expand its facilities and fleet, further enhancing its operational resilience and energy efficiency
BPO	 <p>alight (Payroll and Professional Services Business)</p>	 <p>H. I. G. CAPITAL</p>	<ul style="list-style-type: none"> H.I.G. Capital, a Miami-based private equity firm, has agreed to acquire the Payroll and Professional Services Business of Alight ("Alight Payroll") for approximately \$1.2 billion Alight Payroll provides technology-enabled payroll, human capital management and professional services to over 1,500 multinational clients With this acquisition, H.I.G. Capital plans to establish Alight Payroll as a standalone global leader in payroll processing and substantially invest in enhancing the company's technology and service capabilities

BUSINESS SERVICES GROWTH & VALUATION TRENDS

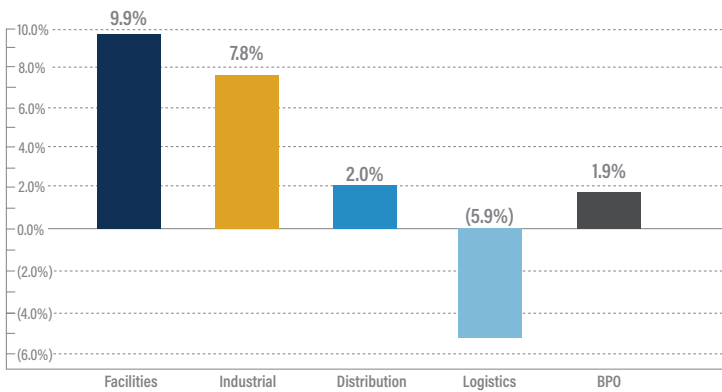
Enterprise Value / LTM Revenue



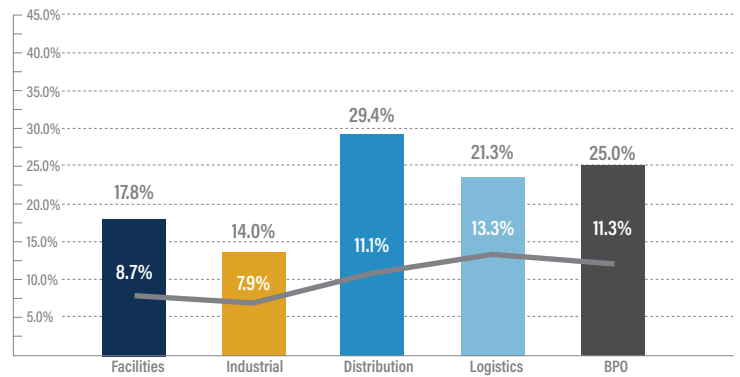
Enterprise Value / LTM EBITDA



LTM Revenue Growth

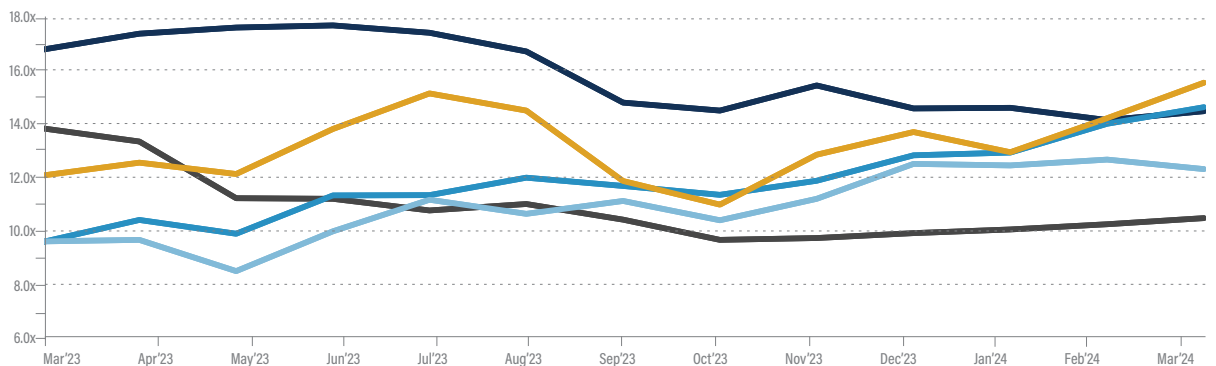


LTM Gross & EBITDA Margins*



*EBITDA Margins shown as the gray line.

EBITDA Multiples Trends



14.4x Facilities 15.2x Industrial 14.4x Distribution 12.3x Logistics 10.7x BPO

SELECTED BUSINESS SERVICES TRANSACTIONS

Target	Acquiror	Facilities Transactions
C2H Air and Electric	Firstcall Mechanical Group (SkyKnight Capital)	C2H Air and Electric provides HVAC and electrical installation and repair services

Troy Alarm	Rapid Fire Safety & Security (Concentric Equity Partners)	Troy Alarm provides electronic security and fire alarm system services
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Absolute Fire Protection	Pye Barker Life & Safety (Altas Partners)	Absolute Fire Protection provides fire protection, life safety and security products and services
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Target	Acquiror	Distribution Transactions
Meyer Laboratory	TruArc Partners	Meyer Laboratory distributes chemical products and systems for hard surface cleaning

Pro-Seal	DXP Enterprises (NasdaqGS:DXPE)	Pro-Seal distributes fluid sealing and pumping systems
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Brawner Paper Company	Imperial Dade (Advent International)	Brawner Paper Company distributes paper and janitorial supplies
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Target	Acquiror	BPO Transactions
O.R. Colan Associates	Carousel Capital	O.R. Colan Associates provides right-of-way negotiation and relocation services

Payroll Inc. (TSE:4489)	TA Associates	Payroll Inc. provides payroll outsourcing services
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HR Collaborative	Kinexus Group	HR Collaborative provides onsite/remote HR, consulting and recruiting services
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Target	Acquiror	Industrial Transactions
W-S Companies	Groome Industrial Service Group (Argosy Capital)	W-S Companies provides maintenance and cleaning services

SITE	Hillcore Group	SITE provides integrated environmental, infrastructure and access services
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DE Corp.	Gannett Fleming (Oceansound Partners)	DE Corp. provides civil engineering services
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Target	Acquiror	Logistics Transactions
Summit Eleven	Zipline Logistics (Frontenac)	Summit Eleven provides third party logistics and transportation services

Quality Air Forwarding	Magnate Worldwide (Littlejohn & Co.)	Quality Air Forwarding provides air and ground transportation services
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Blue Tide Group	BlackSea Technologies (Razor's Edge Management)	Blue Tide Group provides highly specialized maritime logistics services
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TM Capital's Business Services Industry Contacts



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