

 Harris Williams

Testing, Inspection, Certification & Compliance

QUARTERLY SECTOR REVIEW | Q1 2022

Select TICC M&A Transactions

Announced December 9, 2021



DiSorbo Environmental acquired by Trinity Consultants

- › Disorbo Consulting is a Texas-focused environmental consulting firm that offers a wide array of services to industrial clients.
- › Trinity Consultants, a portfolio company of Oak Hill Capital, is an international provider of environmental consulting and IT solutions.

Announced November 20, 2021



Premium Inspection & Testing Group acquired by Acuren

- › Premium Inspection & Testing Group offers conventional and advanced non-destructive testing (NDT), rope access, infrared inspection, and calibration services to customers throughout the US Gulf Coast and Midwest.
- › Acuren, a portfolio company of American Securities, is an industry leader in NDT, inspection, engineering, and rope access integrated services.

Announced November 15, 2021



Valley Tank Testing acquired by D&H United Fueling Solutions

- › Valley Tank Testing provides a complete suite of underground and aboveground storage tank testing and inspection services from across the Southern U.S.
- › D&H United Fueling Solutions, a portfolio company of KLH Capital, is a leading fuel systems service provider offering installation, distribution, maintenance, and inspection services to the retail fueling industry primarily in the Southwest.

Announced November 4, 2021



Horizon Water and Environment acquired by Montrose Environmental Group

- › Horizon Water and Environment is an environmental consulting firm specializing in planning, watershed science, and environmental compliance for water and national resource projects in California.
- › Horizon will help support Montrose's consulting presence and expansion on the West Coast.

Announced October 14, 2021



TRC acquired by Warburg Pincus

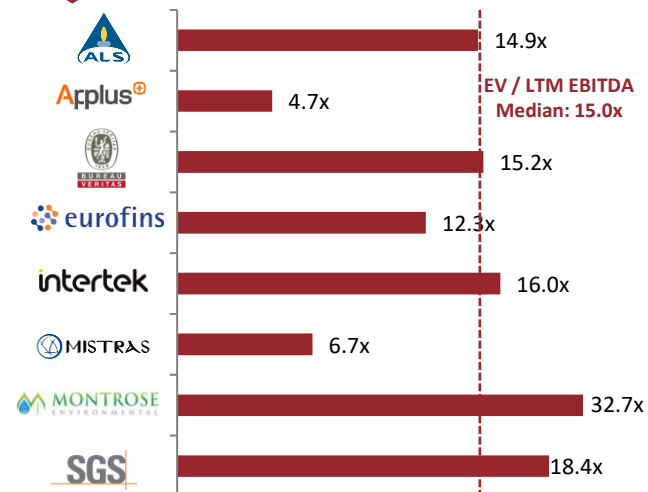
- › TRC is a consulting, engineering, and construction firm that provides environmentally focused and digitally powered solutions to customers in the Power & Utility, Transportation, Government, Commercial, and Industrial end markets.
- › Warburg Pincus, a leading global growth investor, has acquired TRC from New Mountain Capital. Harris Williams served as an advisor on the transaction.

TICC Public Company Valuations¹

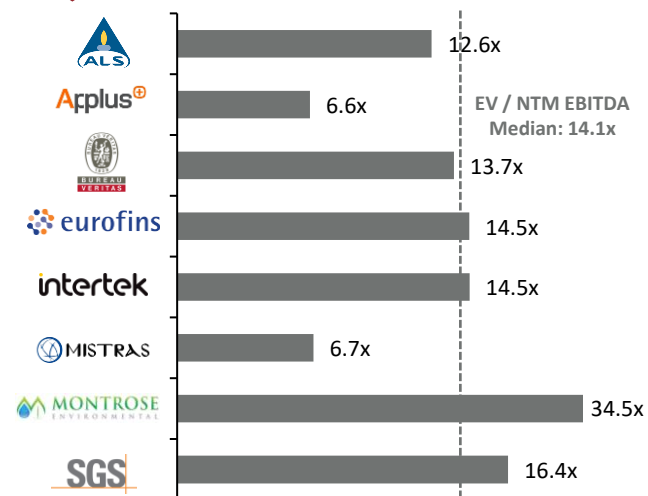
Five Year Trading EV / LTM EBITDA Multiple



EV / LTM EBITDA Multiple

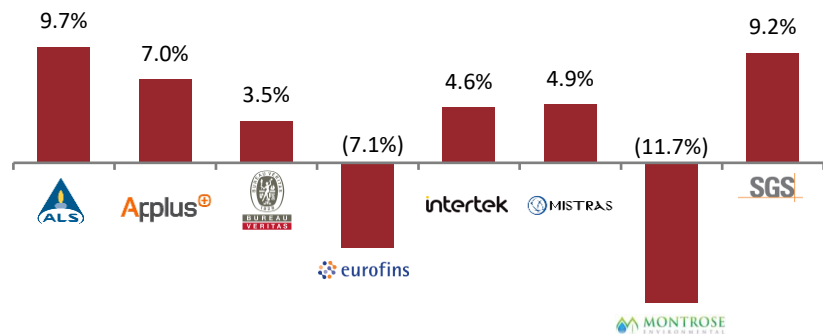


EV / NTM EBITDA Multiple

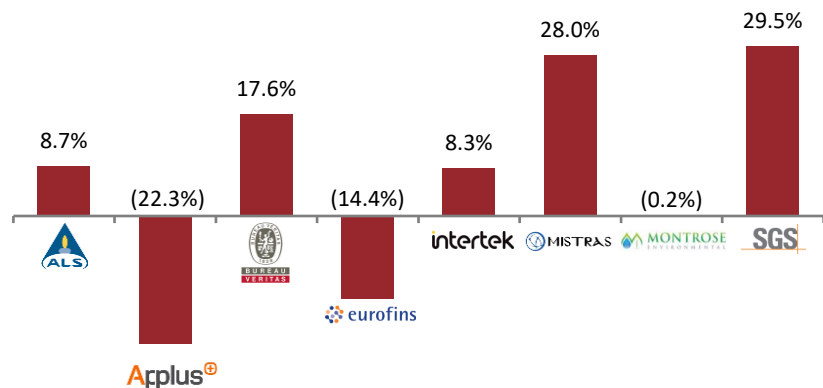


TICC Public Company Benchmarking¹

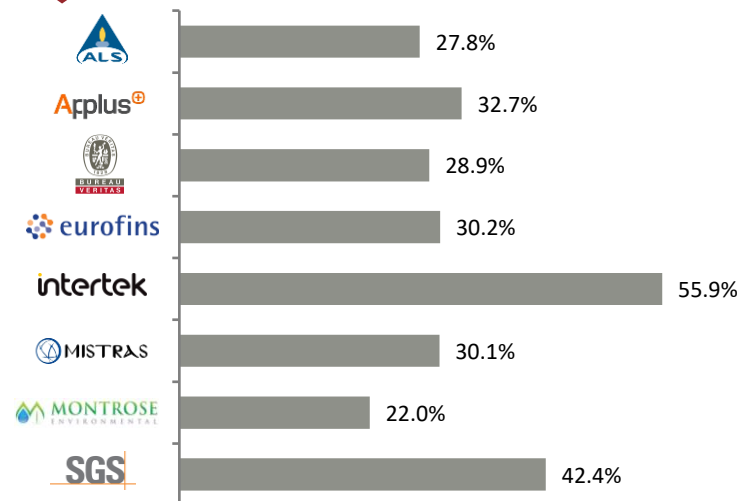
NTM Revenue Growth Forecast



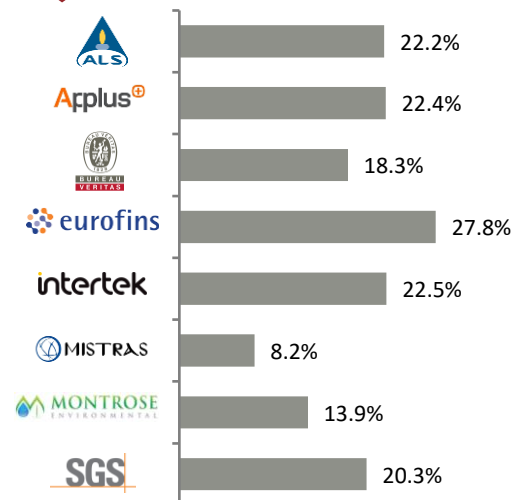
NTM EBITDA Growth Forecast



LTM Gross Margin



LTM EBITDA Margin



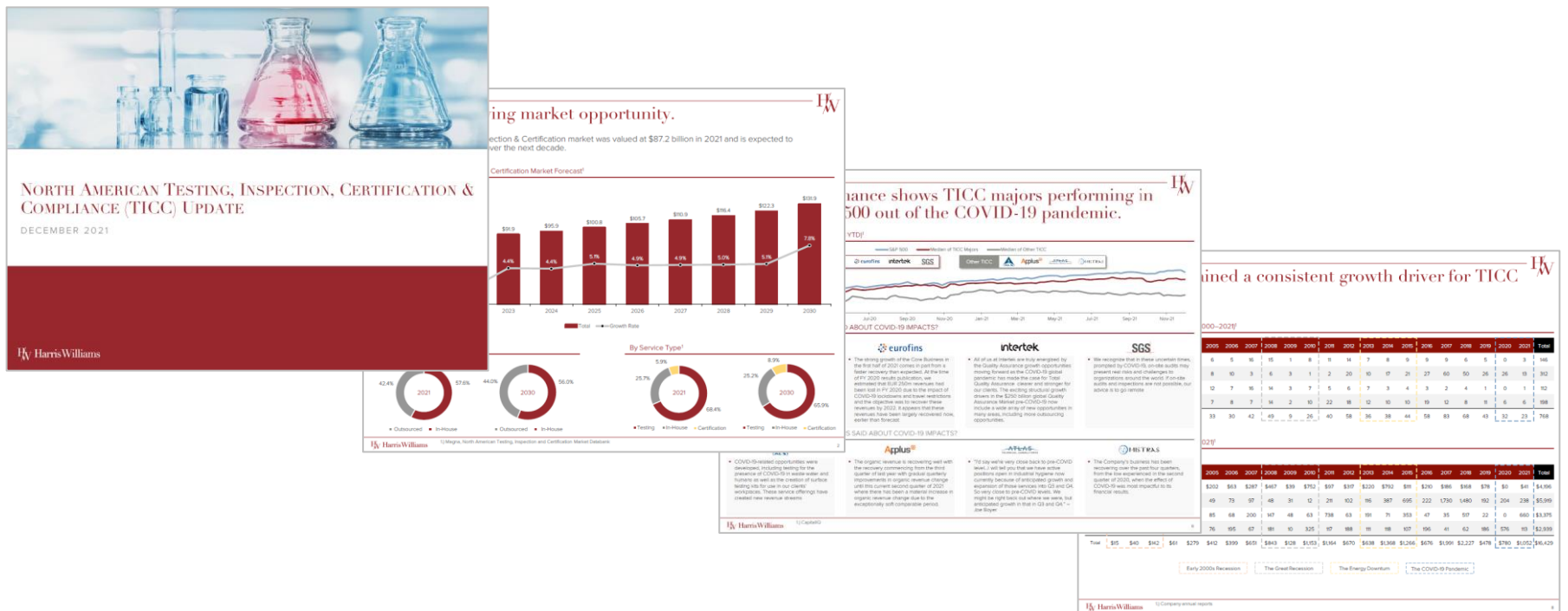
Recent Publication: North American Testing, Inspection, Certification & Compliance (TICC) Update

Companies in the TICC sector provide a wide range of essential services, from auditing and inspection, to testing, verification, quality assurance and certification. The TICC sector is supported by strong secular tailwinds that will drive long-term growth across end markets.

Key trends and value drivers in today's market include increasing end-user demand, aging infrastructure, mandated testing and inspection, a shift to larger service providers, and high market fragmentation.

All these demand drivers are heightened by new and evolving government regulations and industry standards, which often increase the need for TICC services.

In this new report, Harris Williams provides an overview of the North American TICC sector, a view of the current market landscape and its ongoing evolution, and key considerations for financial investors and strategic buyers. Click [here](#) to view the report.



Harris Williams TICC Overview

Harris Williams TICC Sector Focus Area

BUILDINGS & INFRASTRUCTURE

- › Design Review
- › Commercial, Residential, and Civil Inspection
- › Project and Construction Management
- › Construction Materials Testing
- › Structural Integrity Analysis

CONSUMER

- › Product Failure Analysis
- › Environmental Impact Testing
- › Consumer Products Testing
- › Trade Certification and Auditing
- › Expert Witness Services

ENERGY

- › Oil, Fuel, Liquids, and Chain of Custody Testing
- › Energy Infrastructure Inspection and Testing
- › Integrity Management
- › Corrosion Monitoring
- › Production Analytics and Measurement

ENVIRONMENTAL

- › Stormwater Management
- › Emissions Monitoring and Testing
- › Soil, Water, and Air Testing
- › Environmental Consulting
- › Industrial Hygiene

FOOD & AGRICULTURE

- › Pesticide, Soil, and Seed/Crop Testing
- › FDA Audit and Compliance
- › Chemical and Nutritional Testing
- › Food Production Assessments
- › Food Contaminant Testing

LIFE SCIENCES

- › Pharmaceuticals Testing
- › Medical Device Testing
- › Ecological Toxicology
- › Residue and Analytical Chemistry
- › Soil, Plant, and Animal Metabolism

POWER & UTILITIES

- › T&D Inspection and Testing
- › Electrical Inspection and Testing
- › Renewables Testing and Inspection
- › In-Plant Inspection
- › Reliability Services

TRANSPORTATION & AEROSPACE

- › Supplier and Supply Chain Audits
- › Third-Party Assessments
- › Performance Management Services
- › Aerospace and Automotive Parts Testing
- › Manufacturing Inspection



















HARRIS WILLIAMS TICC CONTACTS

Brian Lucas
Managing Director
blucas@harriswilliams.com
Office: 804-932-1323

Luke Semple
Managing Director
lsemple@harriswilliams.com
Office: 804-915-0158

Erik Szyndlar
Managing Director
eszyndlar@harriswilliams.com
Office: 415-217-3418

Select Recent Harris Williams TICC Transactions

 <p>has received an investment from</p> 	 <p>has been acquired by</p> 	 <p>has been acquired by</p> 	 <p>has been acquired by</p> 	 <p>has been acquired by</p> 	 <p>has been acquired by</p> 	 <p>has been acquired by</p> 	 <p>has received significant growth investment from</p> 	 <p>has been acquired by</p> 
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Our Firm

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Aerospace, Defense & Government Services

Business Services

Energy, Power & Infrastructure

Specialty Distribution

Transportation & Logistics

Building Products & Materials

Consumer

Healthcare & Life Sciences

Industrials

Technology

Consistent Recognition for Quality



Harris Williams Office Locations

UNITED STATES

BOSTON

One International Place
Suite 2620
Boston, Massachusetts 02110
Phone: +1 (617) 482-7501

Cleveland

1900 East 9th Street
25th Floor
Cleveland, Ohio 44114
Phone: +1 (216) 689-2400

MINNEAPOLIS

222 South 9th Street
Suite 3350
Minneapolis, Minnesota 55402
Phone: +1 (612) 359-2700

RICHMOND (HEADQUARTERS)

1001 Haxall Point
9th Floor
Richmond, Virginia 23219
Phone: +1 (804) 648-0072

SAN FRANCISCO

One Market Plaza, Steuart Tower
11th Floor
San Francisco, California 94105
Phone: +1 (415) 288-4260

WASHINGTON, D.C.

800 17th St. NW
2nd Floor
Washington, D.C. 20006
Phone: +1 (202) 207-2300

EUROPE

FRANKFURT

Bockenheimer Landstrasse 33-35
60325 Frankfurt, Germany
Phone: +49 069 3650638 00

LONDON

25 Savile Row
London W1S 2ER, England
Phone: +44 (0) 20 7518 8900

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