

 Harris Williams

Testing, Inspection, Certification & Compliance

QUARTERLY SECTOR REVIEW | Q2 2022

Select TICC M&A Transactions

Announced February 23, 2022

CERAMI



Cerami & Associates acquired by Trinity Consultants

- › Cerami & Associates delivers engineering services in noise and vibration control, audiovisual design, construction monitoring, and acoustical virtual reality for every building type.
- › Trinity Consultants, a portfolio company of Oak Hill Capital, is a Texas-based provider of regulatory-driven environmental, health & safety, and engineering consulting services.

Announced February 16, 2022



Eurofins Scientific acquired by Barrow-Agee Laboratories

- › Barrow-Agee is a provider of microbiological and analytical testing services with a core expertise in food safety, pesticide residue analysis, heavy metals, inorganic analysis, and animal feed test.
- › Eurofins Scientific, a global leader in food, pharmaceutical, and environmental product testing, acquired Barrow-Agee from Align Capital Partners.

Announced January 25, 2022



TEMASEK

Element Materials Technology acquired by Temasek

- › Element Materials Technology is one of the world's leading global providers of testing, inspection, and certification services for diverse products, materials, and technologies in advanced industrial supply chains.
- › Temasek, a global investor headquartered in Singapore, acquired Element Materials Technology from Bridgeport.

Announced January 20, 2022



RMA Group merges with Western Technologies and Enviro-Drill (collectively, "Western Technologies")

- › Western Technologies is an engineering services firm that specializes in geotechnical engineering, environmental consulting, construction materials testing, non-destructive testing, and special inspection services.
- › RMA Group, a portfolio company of OceanSound Partners, is a leading provider of technology-enabled laboratory testing, inspection, and quality management services for critical public and private infrastructure assets.

Announced January 11, 2022



Pace acquired by Leonard Green & Partners

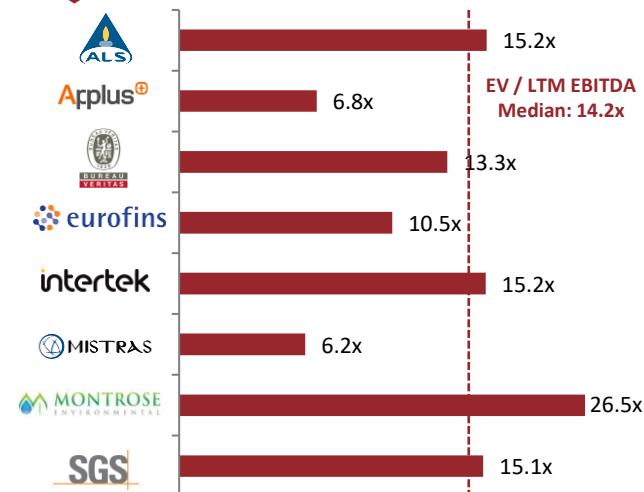
- › Pace is a leading provider of analytical testing and related outsourced scientific solutions to the life sciences industry.
- › Leonard Green & Partners, a leading private equity firm headquartered in Los Angeles, acquired Pace from Aurora Capital Partners.

TICC Public Company Valuations¹

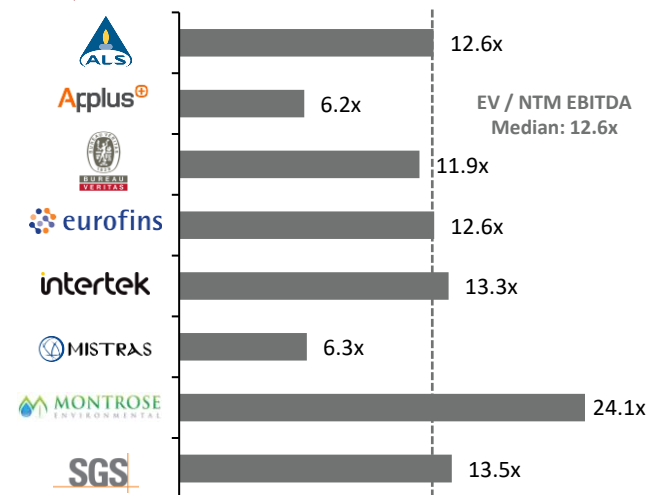
Five-Year Trading EV / LTM EBITDA Multiple



EV / LTM EBITDA Multiple

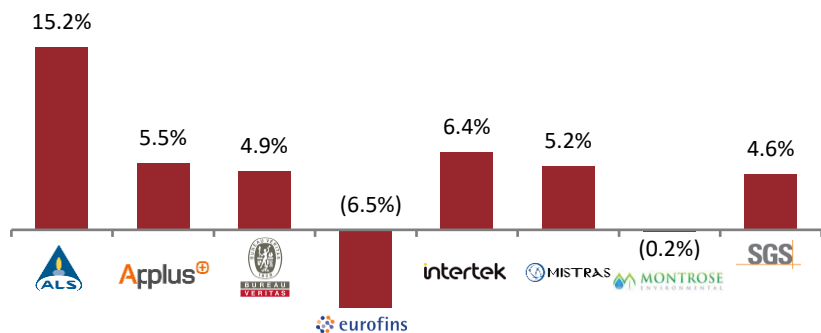


EV / NTM EBITDA Multiple

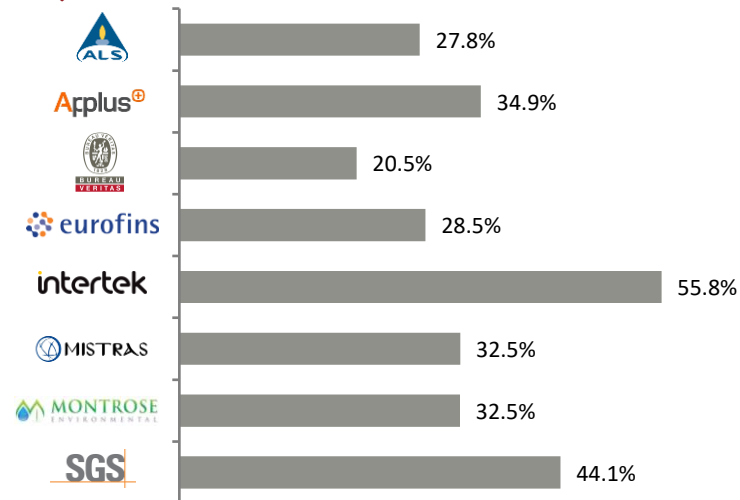


TICC Public Company Benchmarking¹

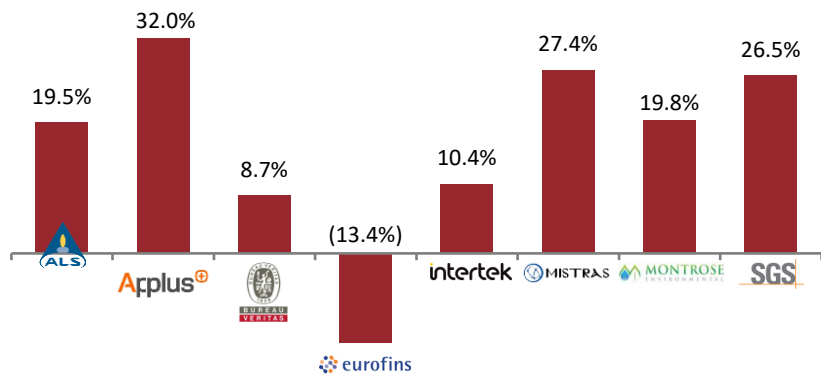
NTM Revenue Growth Forecast



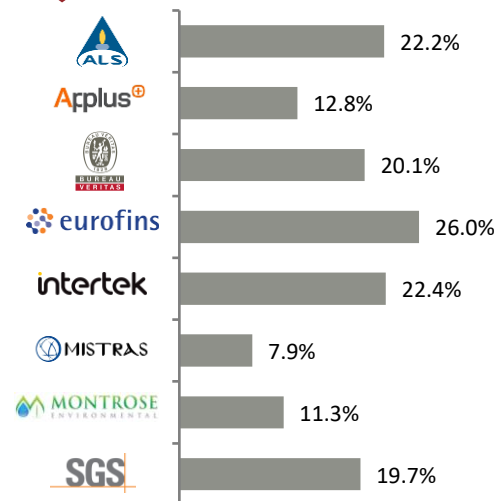
LTM Gross Margin



NTM EBITDA Growth Forecast



LTM EBITDA Margin



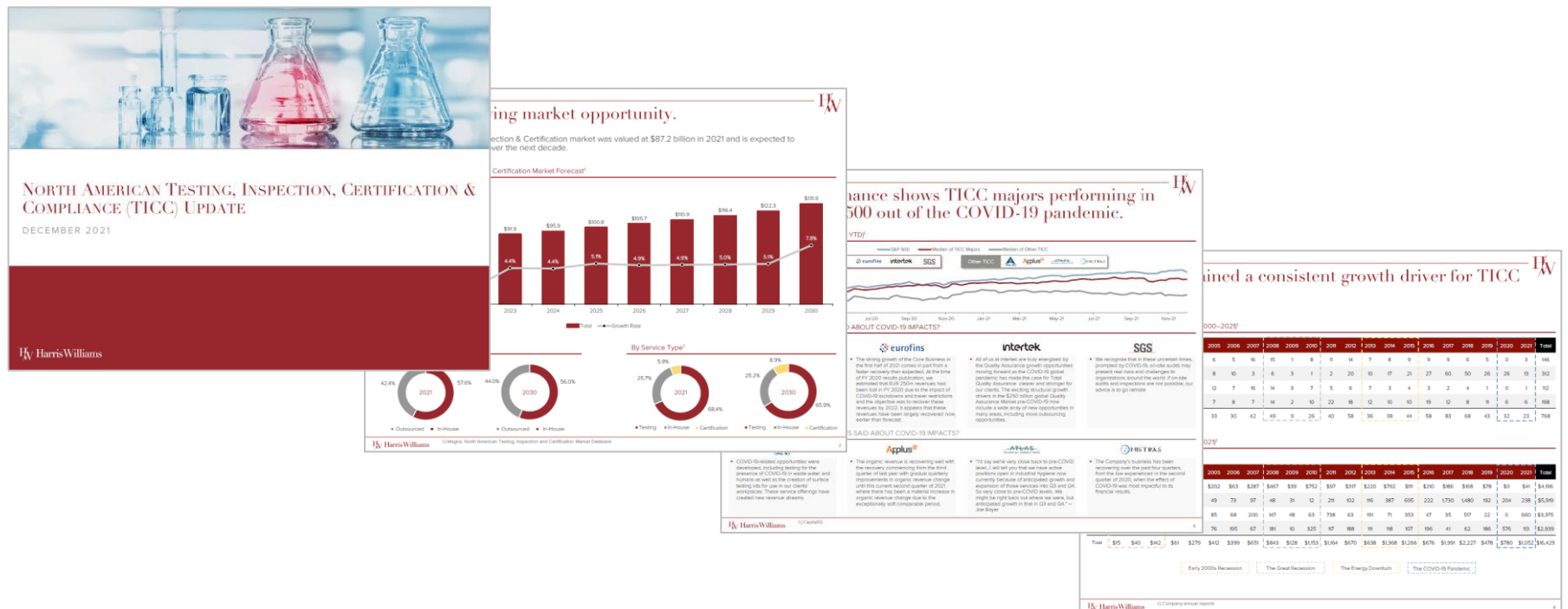
Recent Publication: North American Testing, Inspection, Certification & Compliance (TICC) Update

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

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Select Recent Harris Williams TICC Transactions



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has been acquired by






has been acquired by






has been acquired by


has been acquired by


has been acquired by


has been acquired by




has received significant growth investment from

has been acquired by



Our Firm

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Consistent Recognition for Quality



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