



 Harris Williams

# Testing, Inspection, Certification & Compliance

SECTOR BRIEF | Q4 2023

# Select TICC M&A Transactions

Announced November 30, 2023



## Westland Resources acquired by Trinity Consultants (Oak Hill Capital)

- › Westland Resources is an Arizona-based engineering and environmental consultancy primarily focused on water and wastewater
- › Trinity Consultants is a leading global environmental consulting firm providing services and solutions in the EHS regulatory compliance, built environment, life sciences, water, and ecology markets

Announced November 17, 2023



## Four environmental labs acquired by Alliance Technical Group (Morgan Stanley Private Equity)

- › The four labs include Ohio-based Summit Environmental Technologies, Washington-based Fremont Analytical, Texas-based Orange Coast Analytical, and Oregon-based Chester Labnet; these labs offer capabilities in LDAR, CEMS, environmental consulting, and software
- › Alliance Technical Group is a global leader in environmental testing, monitoring, and consulting services

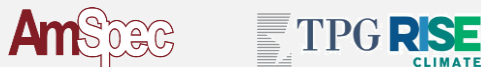
Announced October 30, 2023



## XCEL NDT (Pine Tree Equity Partners) acquired by Graycliff Partners

- › XCEL NDT is a provider of non-destructive testing services for critical infrastructure assets in the petrochemical, pipeline, and general industrial industries
- › Graycliff Partners is an investment firm focusing on lower middle market investments in manufacturing, business services, and value-added distribution

Announced October 11, 2023



## AmSpec Group (Olympus Partners) to be acquired by TPG Rise Climate

- › AmSpec operates an extensive global footprint of over 300 inspection sites and laboratories throughout 61 countries. Their core service involves testing and certifying the performance and emission qualities of fuels or commodities at each stage along the value chain
- › TPG Rise Climate is the dedicated climate investing strategy of TPG's global impact investing platform, TPG Rise

Announced September 29, 2023



## American Test and Balance and J.F. Coffey Associates acquired by Integra Testing Services (Keystone Capital Management)

- › J.F. Coffey and American Test and Balance provide testing, adjusting, balancing, HVAC building systems commissioning, and sound and vibration services to the greater Boston area
- › Integra Testing Services is a leading provider of certified testing, adjusting, balancing, and other similar facility testing services for the commercial HVAC market

# Select TICC M&A Transactions (Cont.)

Announced September 27, 2023



## U.S. Compliance acquired by Susquehanna Private Capital

- › U.S. Compliance is a leader in EHS compliance management solutions, delivering workplace safety and environmental compliance expertise for facility operators throughout North America
- › Susquehanna Private Capital is a middle market private equity firm, founded in 2016 and funded by Susquehanna International Group, one of the world's largest privately held financial services firms

Announced September 27, 2023



## Controlled Environment Management acquired by Technical Safety Services (Levine Leichtman Capital Partners)

- › Controlled Environment Management, based in Gilbert, Arizona, provides controlled environment testing, validation, certification, and calibration services required in regulated pharmaceutical, biotechnology, and healthcare settings
- › Technical Safety Services is a leading provider of testing, inspection, certification, and calibration services to customers in the pharmaceutical, biotechnology, healthcare, and other life sciences end markets

Announced September 20, 2023



## Metrology & Monitoring Solutions Group acquired by IK Partners

- › Metrology & Monitoring Solutions Group (commercially known as JRI Company), headquartered in Bezons, France, designs, assembles, distributes, and installs measuring and monitoring devices used for the traceability of temperature and humidity, predominantly in the Healthcare and Food industries
- › IK Partners is a private equity firm headquartered in London, focused on investments in Benelux, DACH, France, the Nordics, and the UK

Announced August 21, 2023



## Air Filtration Management acquired by Medical Technology Associates

- › Air Filtration Management is an independent NEBB-certified firm providing controlled environment, cleanroom and laboratory fume hood operational performance evaluation, and validation services
- › Medical Technology Associates is a leader in controlled environment testing and certification, providing healthcare compliance testing, inspection, certification, and calibration services and equipment

Announced August 13, 2023



## Examinetics (Freedom 3 Capital) acquired by Coalesce Capital

- › Examinetics, based in Overland Park, Kansas, offers a comprehensive suite of compliance testing services, including hearing conservation, respiratory protection, and other medical screening and surveillance
- › Coalesce Capital is a private equity firm focused on partnerships with human-capital and tech-enabled business services companies. Coalesce has partnered with Freedom 3 Capital, an existing investor that offers tailored credit investment structures to North American middle market companies

# Select TICC M&A Transactions (Cont.)

Announced July 6, 2023

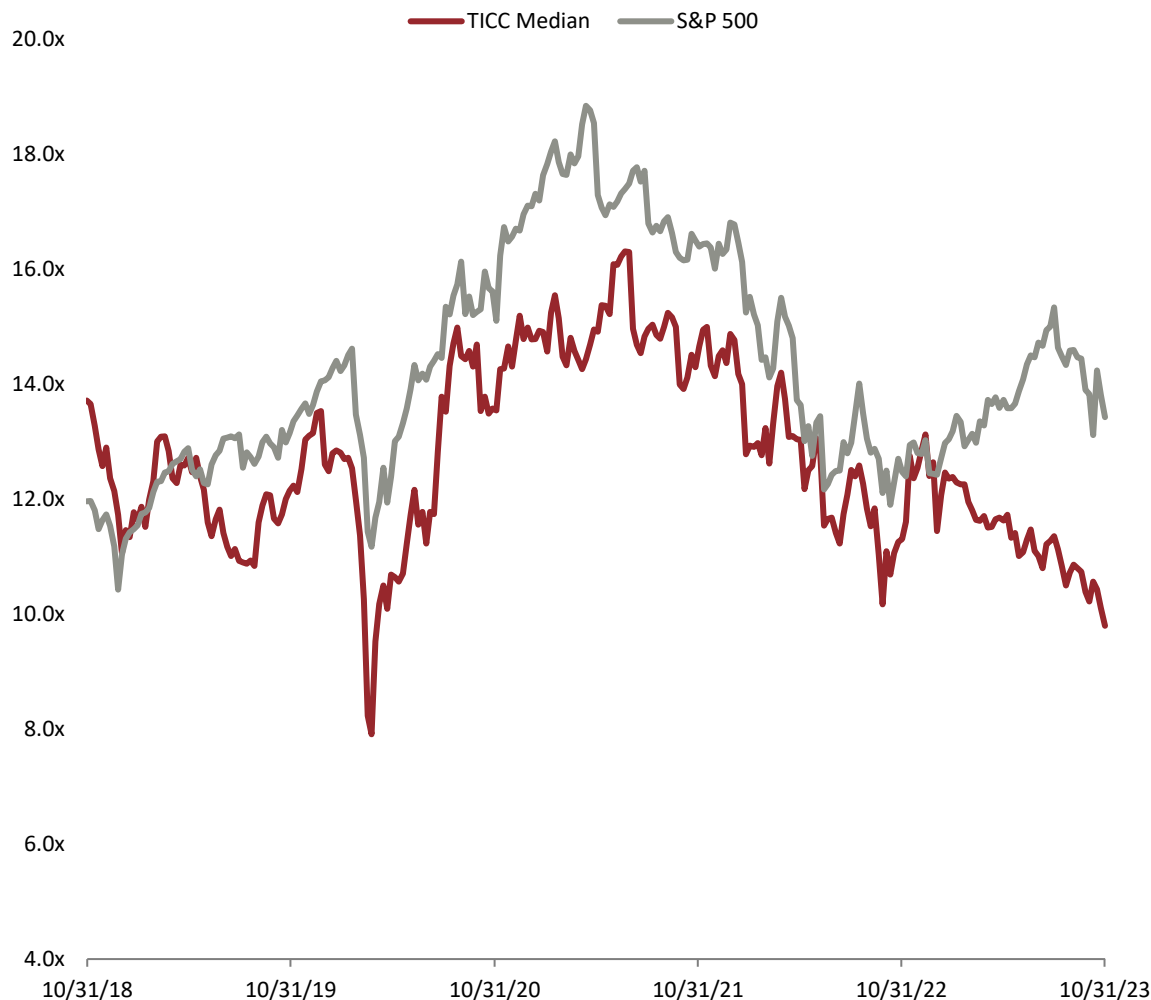


## Tanknology (Hamilton Robinson Capital Partners) acquired by D&H United (Wind Point Partners)

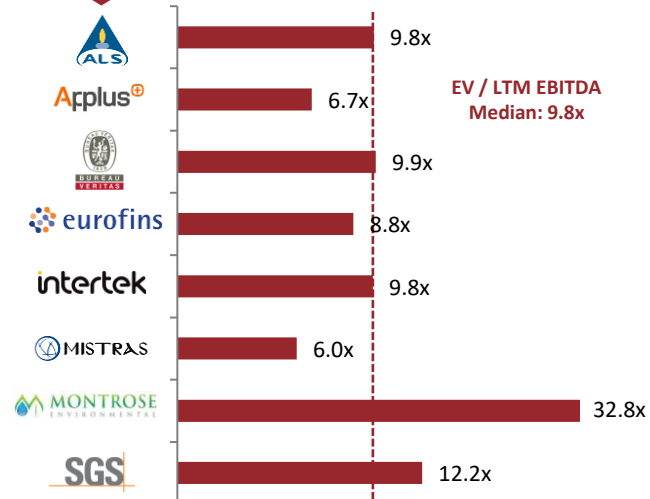
- › Tanknology, headquartered in Austin, Texas, is a leader in environmental compliance testing, inspection, and fuel quality solutions to fueling stations, vehicle rental providers, fleets, and healthcare system operators
- › D&H United is a leading provider of mission-critical maintenance, testing, and inspection services for fueling stations and electric vehicle charging infrastructure

# TICC Public Company Valuations<sup>1</sup>

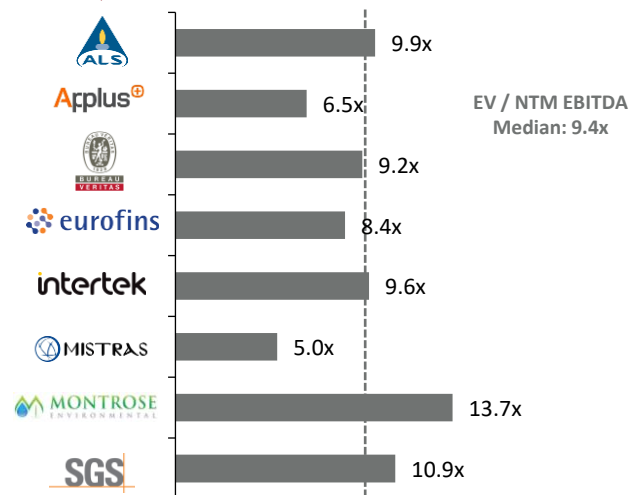
Five-Year Trading EV / LTM EBITDA Multiple



EV / LTM EBITDA Multiple

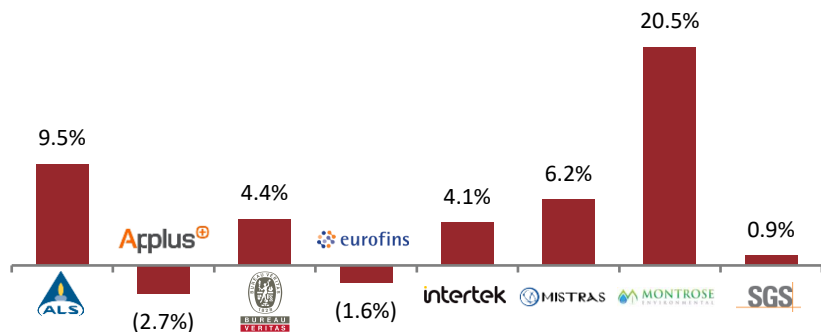


EV / NTM EBITDA Multiple

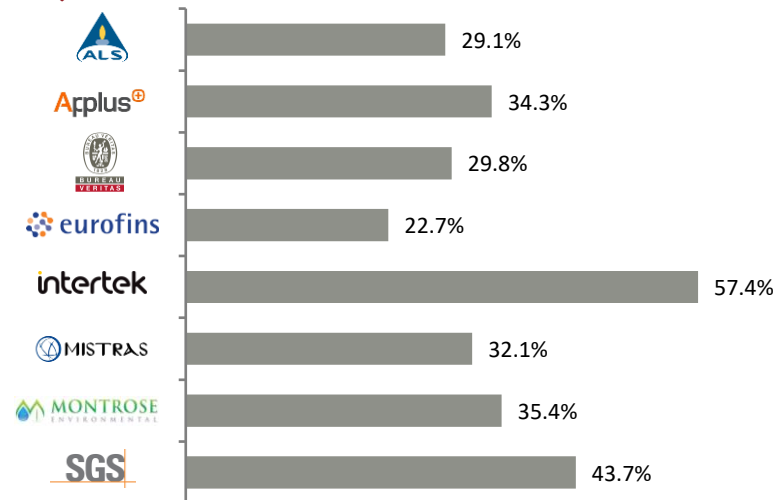


# TICC Public Company Benchmarking<sup>1</sup>

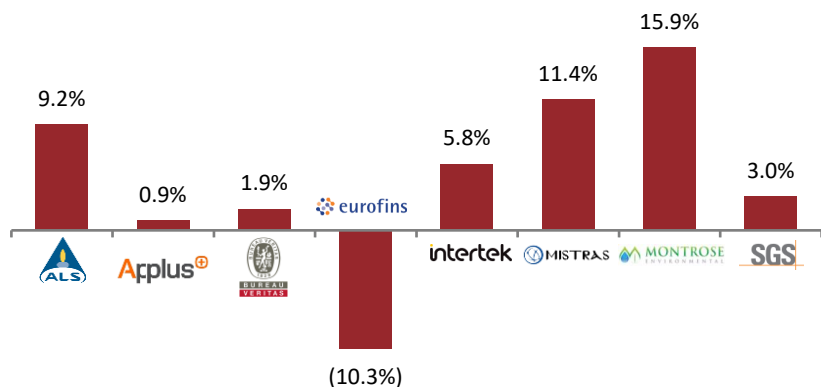
NTM Revenue Growth Forecast



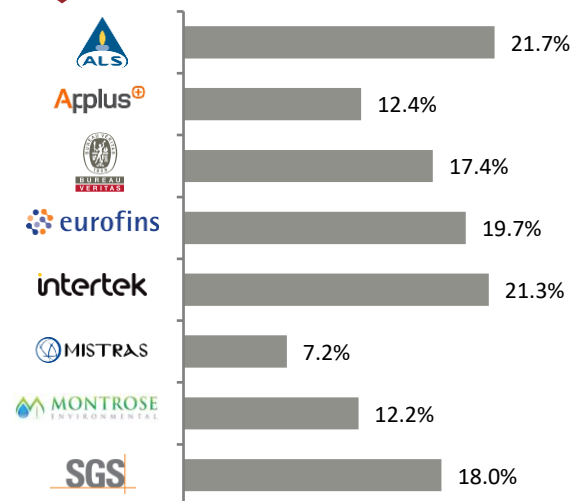
LTM Gross Margin



NTM EBITDA Growth Forecast



LTM EBITDA Margin



**BUILDINGS & INFRASTRUCTURE**

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

**FOOD & AGRICULTURE**

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

**ENVIRONMENTAL**

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

**CONSUMER**

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

**LIFE SCIENCES**

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

**TRANSPORTATION & AEROSPACE**

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

**ENERGY**

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

**POWER & UTILITIES**

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



a portfolio company of

**Dorilton.**

has been acquired by



a portfolio company of




a portfolio company of

**KLH CAPITAL**

has been acquired by




a portfolio company of

**inflexion**

has been acquired by

**Apax**



has been acquired by



a portfolio company of

**LINDEN**



a portfolio company of

the edgewater funds

**JZ | PARTNERS**

has been acquired by




has received an investment from



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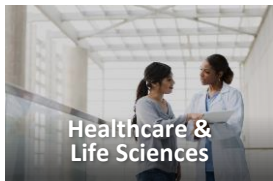
# HW Harris Williams / GLOBAL INVESTMENT BANK

Harris Williams is a global investment bank specializing in M&A and private capital advisory services. Clients worldwide rely on us to help unlock value in their business and turn ambitious goals into reality. We approach every engagement with boundless collaboration, pooling expertise and relationships across industries, service offerings, and geographies.

## Deep Industry Experience

## Proven Expertise

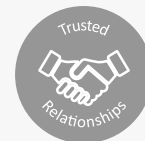
## Core Values That Drive Success



MERGERS & ACQUISITIONS

PRIVATE CAPITAL SOLUTIONS

PRIMARY FUND PLACEMENT



75% Revenue from repeat clients

87% Managing Directors promoted from within

30+ Year history

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