

FOR INSTITUTIONAL USE ONLY

WINTER 2024

TIC Insight

Mergers & Acquisitions, Public & Private Financings and Financial
Advisory Services

RAYMOND JAMES

INVESTMENT BANKING

IN THIS ISSUE

3-5 | Key Investment
Considerations for Calibration
Service Providers

6-7 | Sector and Economic Indicators

8 | Public Company
Financial Information

9-12 | Precedent M&A Transactions

13 | Transaction Experience

Your success is our business

Companies testing, inspecting and certifying the world’s critical infrastructure and industrial solutions can turn to the Raymond James TIC team for results. The team’s expansive industry relationships and deep market insight allow us to provide comprehensive service to our clients, particularly those addressing the industry’s biggest secular trends: increasing industrial production, trade / globalization, regulation, technological advancement, outsourcing / privatization, and consolidation.

As one of the largest middle market investment banking teams with a dedicated focus on the industry, you can expect informed advice and quality results and the “client first” approach for which Raymond James is known.

TESTING, INSPECTION & COMPLIANCE SECTOR EXPERTISE

- ✓ One of the largest teams of bankers focused on the TIC sector
- ✓ Distinct combination of M&A, lending and capital markets advisory services
- ✓ Integrated teams across the U.S., Canada, U.K. and Germany
- ✓ Strong relationships with public, privately-held and investor-backed companies
- ✓ Differentiated focus on the Industrial & Infrastructure sub-sector within TIC
- ✓ Significant deal activity, providing insights on transaction terms & sector trends

SELECTED TRANSACTION EXPERIENCE ⁽¹⁾₍₂₎

 Has partnered with  a portfolio company of 	 Has acquired  a portfolio company of 	 Sale to 	 Sale to 	 Sale to 
---	---	---	---	---

Learn how our deep industry expertise and commitment to each transaction can help you achieve your business objectives



CLANCEY CROWLEY
 New York office
 +1.212.885.1821 | [Email](#)



BRENDAN TIERNEY
 New York office
 +1.212.856.4387 | [Email](#)



FLORIAN STOEGER
 Frankfurt office
 +49.69.219.337.22 | [Email](#)



IAN MACKAY
 Vancouver office
 +1.604.659.8310 | [Email](#)



JAY HERNANDEZ
 Boston office
 +1.617.624.7032 | [Email](#)



PACÔME DE LA GRANDIÈRE
 London office
 +44.20.3798.5743 | [Email](#)

Notes: (1) Included transactions were completed between July 2015 and December 2023.
 (2) Representative credentials include transactions completed by a Raymond James banker while at a former firm.

Key investment considerations for calibration service providers

OVERVIEW

While most people think of TIC as Testing, Inspection and Compliance, at Stax⁽¹⁾, we believe “TIC” is missing a second “C.” The Testing, Inspection, Compliance and “Calibration” (TICC) market represents a unique place to play for investors—especially within the calibration segment. Stax experts anticipate a surge in deal volume and a greater number of promising companies for TICC investors in the near future.

Calibration service providers play a crucial role within the value chain, serving traditional use cases in manufacturing and expanding applicability across various industries. Across different use cases, companies rely on calibration services for quality control, safety and cost effectiveness. Third-party calibration service providers are essential in ensuring equipment fitness for use. The value proposition for calibration providers remains highly stable due to underlying market growth in key sectors, regulatory requirements and overall mission criticality of calibration, combined with the trend of outsourcing.

CALIBRATION SERVICE PROVIDERS AND EQUIPMENT

Calibration service providers assess equipment performance using various metrics and make necessary adjustments to ensure correct functionality. There are several distinct types of providers (e.g., lab-based or field-based technicians) each serving a unique need for customers and clients: accredited laboratories, on-site technicians and mobile labs.

Along with distinct types of providers, there exists a wide range of equipment types that calibration service providers address, covering a broad ecosystem of equipment brands, with each type varying in complexity for calibration requirements.

For example, electronics calibrations typically require more resources than most due to the calibration of multimeters, oscilloscopes, insulation testers and RF equipment. Physical / dimensional equipment also has heavy calibration needs, consisting of protractors, diameter gauges, thread gauges, calipers, micrometers and tape measurers. In contrast, pressure equipment only requires the calibration of pressure and vacuum gauges.

LANDSCAPE AND MARKET

The competitive landscape for calibration services encompasses OEMs, distributors and pure-play calibration service providers. While these segments have historically been siloed, the market has seen recent consolidation with some players integrating vertically.

The calibration market consists of specialized calibration providers, capabilities within calibration tool OEMs and distributors; while standalone providers often specialize in one calibration type (e.g., mass), they are typically OEM-agnostic to best serve customers. While not every OEM provides calibration services, many have capabilities to better serve customers and, as such, compete with pure-play calibration providers such as Transcat and Trescal for recurring business.

In general, the market is experiencing a trend toward consolidation with players like Fluke and PST, vertically integrating to not only manufacture their own solutions, but function as a distributor for other OEMs and offer calibration services across calibration types.

Customers will utilize OEMs for calibration under a service agreement if expertise on the equipment is limited and trust is higher for OEMs (given mission criticality of the equipment). On the other hand, in-house calibration is usually chosen for financial reasons. In cases where these criteria do not strongly dictate a choice, third-party providers typically win over OEMs in terms of price, turnaround time and service offerings. In addition, local players have proved to be “sticky” due in part to their close connections with clients, which is a critical factor in the space.

With that being said, the growth in market share for third-party service providers has its limitations. Third parties are gaining share from in-house calibration given inflation, labor shortages and increased costs of bringing capabilities in-house. However, there are key considerations preventing third parties from winning share from OEMs—namely expertise.

In sectors where equipment scrutiny and complexity are not major considerations, customers often transition from the OEM to a third party at the end of the service warranty period (~5 years) due to lower costs and quicker turnaround times. This has been a consistent industry dynamic and is expected to remain stable. Instead, third-party service providers are gaining share over in-house calibration, driven by labor shortages and the escalating costs of labor affecting various sectors.

(1) Article written by Stax Consulting specifically for this issue of RJ TIC Insight.

Key investment considerations for calibration service providers (cont.)

CALIBRATION PROVIDER TYPES

Third-party calibration service providers vary by size and geographic scope, with national providers more suitable for servicing highly regulated and complex industries. Local and regional providers have a geographic advantage where they can offer better turnaround time and availability.

When evaluating third-party calibration services providers, customers vet providers based on price, turnaround time and accreditations, but selection is more dependent on logistics of the service and availability of additional offerings. Local providers are particularly well-positioned to service customers who prefer to have on-site repairs and avoid shipping costs.

VISIBILITY OF PROCESS

Additionally, providers that have proprietary software for asset tracking are highly appealing to customers, providing them visibility throughout the calibration process.

Given the level of fragmentation in the market, calibration service providers should consider roll-up strategies that allow them to enhance their service offerings (i.e., types of calibrations, repairs, etc.) in addition to geographic coverage to enable differentiation and gain share.

The success of other rollups in the space demonstrates the degree of fragmentation in the market and supports the case for an M&A-fueled expansion strategy – extending by geography and application area as well as the most attractive opportunities for expansion / roll-up opportunities.

KEY AREAS OF DIFFERENTIATION ACROSS THE THREE PROVIDERS



NATIONAL PROVIDERS

Large enterprises requiring national accounts may also compete in the market as an OEM



REGIONAL PROVIDERS

Availability given proximity to customers and are able to service regulated and complex calibration needs, given their expertise



LOCAL PROVIDERS

Basic calibration types (e.g., dimension). Typically, less regulated industries with lower requirements for accreditation

TABLE STAKES CRITERIA



Fitting price point

Customers will often initially assess third-party calibration service providers based on price points given the breadth of vendor options



Turnaround times

Additionally, turnaround time is a table staked criteria; customers expect calibrations to be completed in a timely manner to prevent operational delays



Accreditations

Particularly for companies in more regulated industries (i.e., life sciences) provider accreditations are a must

DIFFERENTIATING CRITERIA



Pickup / delivery services

Customers often seek providers that offer pickup / delivery services to allow for greater flexibility and optionality



Proximity

Provider proximity is an important consideration, as this can greatly affect shipping costs and turnaround time on shipped equipment



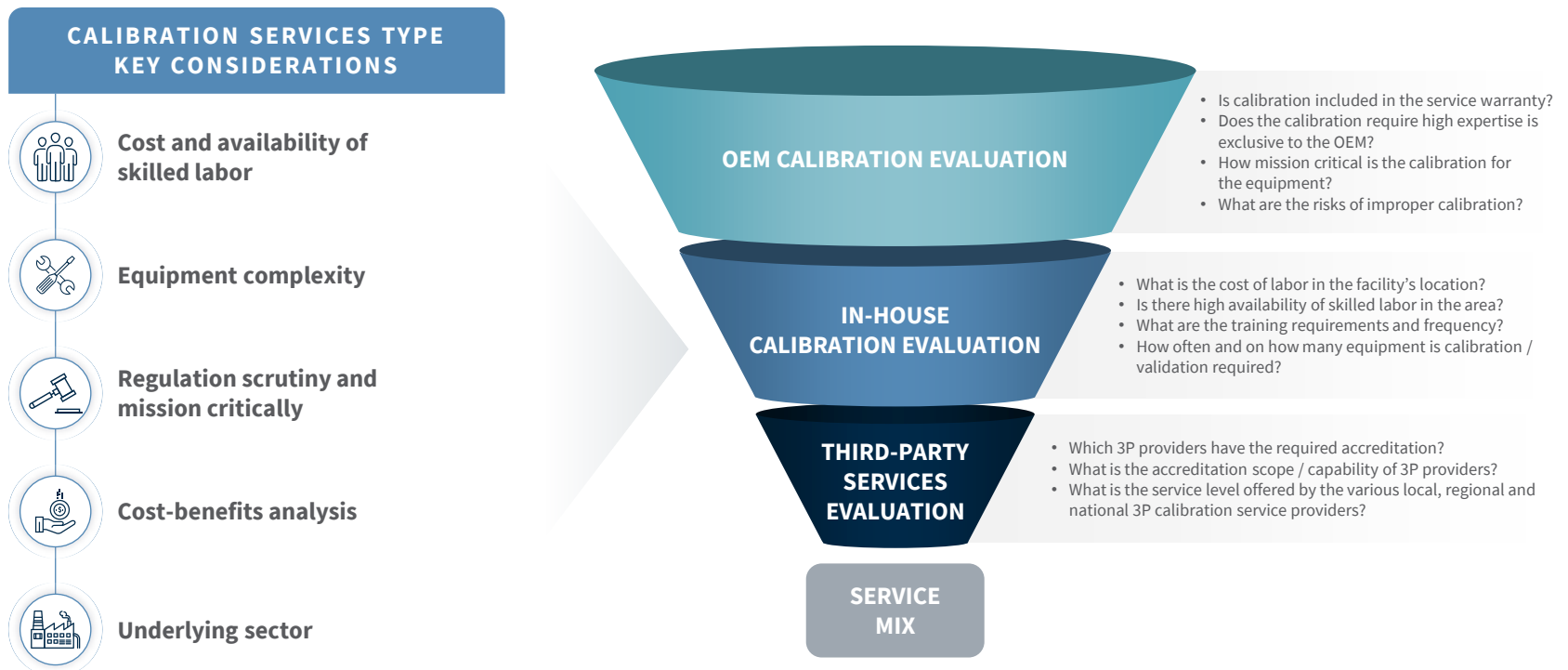
Additional service offerings

Providers that can offer a “one-stop-shop” for calibrations, repairs, replacements, etc. are attractive to customers to meet a range of needs

Key investment considerations for calibration service providers (cont.)

CONCLUSION

The calibration market provides attractive investment opportunities with multiple growth strategies (roll-up plays for multiples arbitrage, incremental customer / regional expansion through M&A, value creation through digitization and tech-enabled offerings, etc.). As typical with many growth segments in the industrial services space, there are material investment risks related to potential concentration and available outsourcing headroom in the target end markets, as well as the quality of the asset and its ability to deliver to the evolving needs of the customer base.

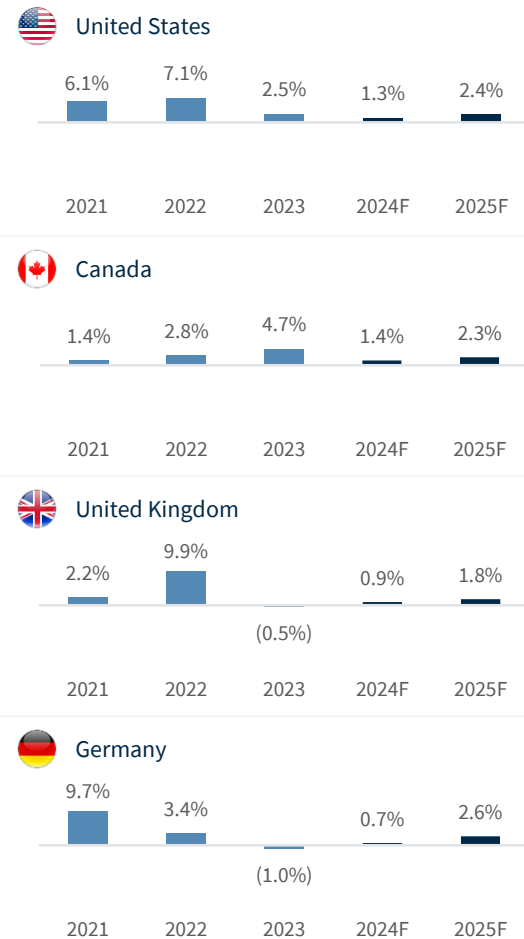


Sector and economic indicators

GROSS DOMESTIC PRODUCT (GDP)



TRADE VOLUMES - EXPORTS



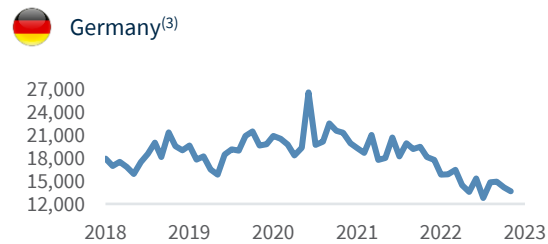
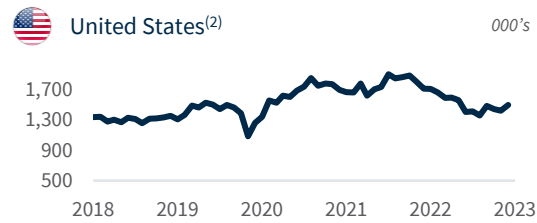
COMMODITIES



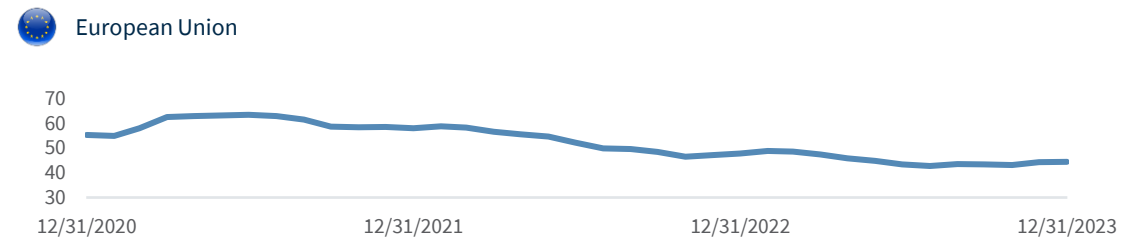
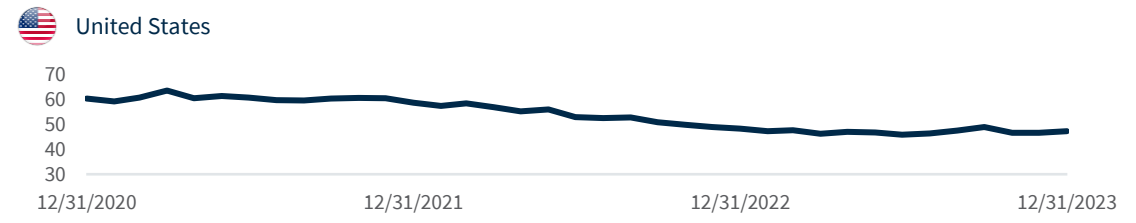
Source: Bloomberg, S&P Capital IQ, Statistique Canada.
 Notes: Light blue represents historical figures and dark blue represents forecasted figures.
 Unless otherwise indicated, all information is as of 12/31/2023.
 (1) Top 25 mining companies determined based on market capitalization.

Sector and economic indicators (cont.)

BUILDING PERMITS⁽¹⁾



PURCHASING MANAGERS' INDEX ("PMI")



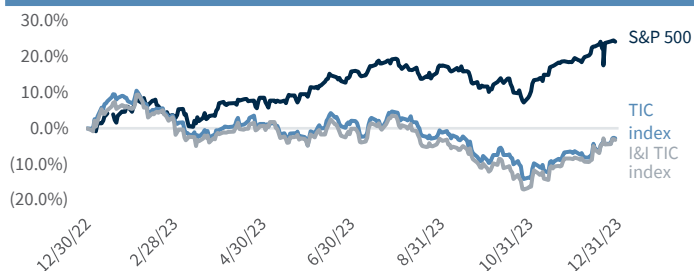
INFRASTRUCTURE | MSCI WORLD INFRASTRUCTURE INDEX



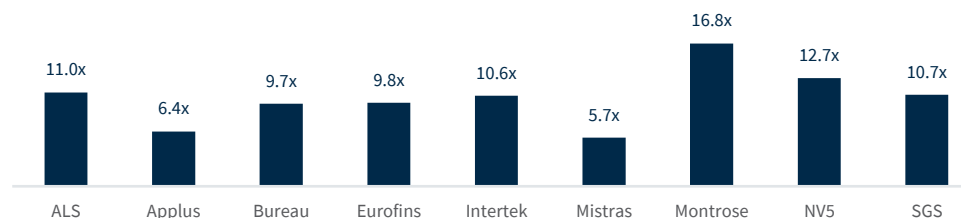
Source: Bloomberg, S&P Capital IQ.
 Notes: Unless otherwise indicated, all information is as of 12/31/2023.
 (1) United States in SA, Units / Person and Germany in NSA, Units / Person.
 (2) United States building permits as of 11/30/2023.
 (3) Germany building permits as of 10/31/2023.

Public company financial information

STOCK INDEX



ENTERPRISE VALUE / NEXT TWELVE MONTHS EBITDA



FINANCIAL INFORMATION

Local Currency in Millions

	ALS	Applus	Bureau Veritas	Eurofins	Intertek	Mistras	Montrose	NV5	SGS	Median
Enterprise Value	A\$7,629	€2,240	€11,772	€13,991	£7,972	\$465	\$1,320	\$1,992	CHF 16,803	NM
Market Capitalization	A\$6,221	€1,289	€10,375	€11,336	£6,847	\$222	\$970	\$1,766	CHF 13,370	NM
YTD Share Price Change	5.1%	55.9%	(7.1%)	(12.0%)	5.3%	48.5%	94.7%	(16.0%)	(15.7%)	5.1%
Net Debt	A\$1,398	€908	€1,326	€2,588	£1,090	\$243	\$197	\$226	CHF 3,341	NM
Revenue	A\$2,379	€2,132	€5,861	€6,510	£3,341	\$692	\$598	\$836	CHF 6,671	NM
Forward Revenue Growth ⁽¹⁾	7.0%	4.5%	4.7%	7.4%	4.6%	4.3%	7.5%	6.4%	4.6%	4.7%
Gross Margins	32.3%	34.0%	29.3%	20.5%	55.7%	32.5%	37.7%	49.6%	43.8%	34.0%
EBITDA Margins	24.2%	12.2%	16.6%	17.9%	21.3%	7.7%	4.0%	13.1%	17.8%	16.6%
Net Leverage Ratio	2.4x	3.5x	1.4x	2.2x	1.5x	4.6x	8.3x	2.1x	2.8x	2.4x
Cash Conversion Ratio	1.5x	4.9x	1.8x	2.1x	1.9x	(2.2x)	(1.3x)	1.4x	1.9x	1.8x
Capex as a % of Sales ⁽²⁾	7.3%	2.5%	2.7%	8.5%	3.8%	2.6%	4.9%	1.8%	4.7%	3.8%
M&A as a % of Cash from Operations	38.0%	36.3%	5.3%	32.5%	14.7%	0.0%	NM	321.9%	5.6%	23.6%

Source: S&P Capital IQ, public filings and Raymond James internal resources.

Notes: Unless otherwise indicated, all information is as of 12/31/2023.

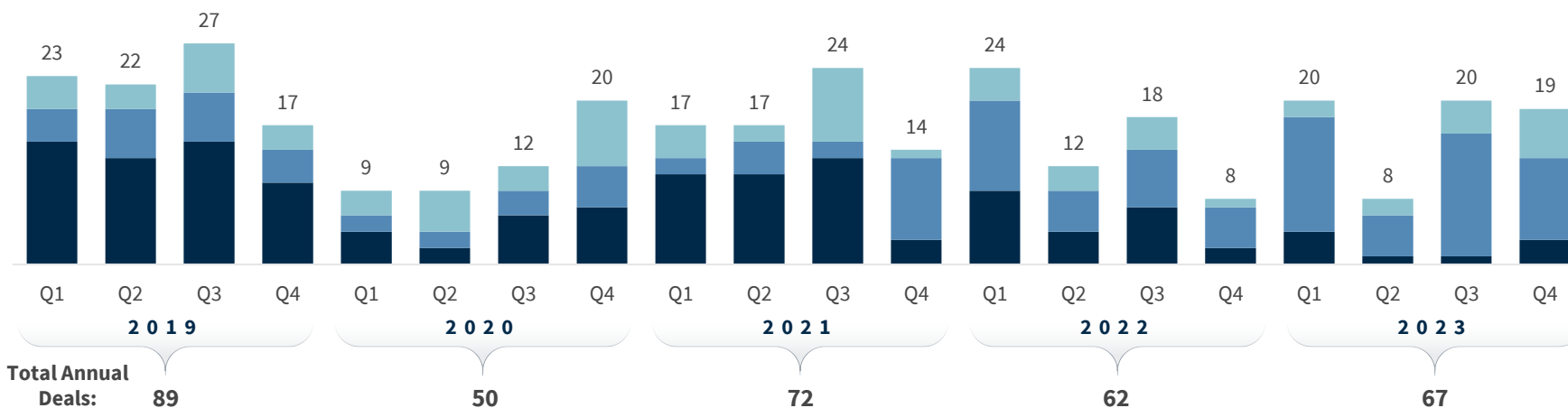
(1) The period of the forward revenue growth is 2023-2024F.

(2) Cash conversion ratio is cash acquisitions divided by cash from operations.

Precedent M&A transactions

M&A TRANSACTION BREAKDOWN BY BUYER TYPE

Public Strategic Buyer Private Strategic Buyer PE Buyer



Date Announced	Buyers/Investors	Target	Target Description	Transaction Value (\$mm)	EV / LTM Revenue	EBITDA
12/19/23	Elevator Service LLC	Allrise Elevator Company, Inc.	Provider of elevator inspection services	-	-	-
12/19/23	Orica Limited	Terra Insights Ltd.	Provider of geotechnical, structural and geospatial monitoring	\$378.7	-	-
12/5/23	FoodChain ID, Inc.	Organic Certifiers, Inc.	A US-based certification body	-	-	-
12/5/23	The Kelvin Group	Advanced Examination Services	Provider of non-destructive testing services	-	-	-
11/30/23	Trinity Consultants, Inc.	Soundview Consultants LLC	Provider of environmental testing and consulting services	-	-	-
11/17/23	Alliance Technical Group	Four Environmental Laboratories	Four different environmental laboratories	-	-	-
11/14/23	Balance Point Capital Advisors	CraneTech Inc.	Provider of overhead crane inspection and maintenance services	-	-	-
11/14/23	Partners Group AG	ROSEN Swiss AG	Provider of oil & gas inspection services	-	-	-
10/30/23	Graycliff Partners LP	XCEL NDT, LLC	Provider of non-destructive and inspection testing	-	-	-
10/25/23	RMA Group, Inc.	Big Apple Group NY, LLC	Provider of in-field monitoring, inspection and lab-based testing services	RJ Conf.	RJ Conf.	RJ Conf.
10/23/23	Columbia River Partners	US powertrain testing operations of SGS SA	Provider of powertrain testing services	-	-	-
10/17/23	DEKRA	Testing Labs of Weiss Technik	Testing laboratory assets of Weiss Technik	-	-	-
10/16/23	Trinity Consultants, Inc.	Waid Corporation	Provider of engineering and environmental services	-	-	-
10/11/23	Encino Environmental Services, LLC	Lemos Labs LLC	Provider of source emissions testing services	-	-	-
10/11/23	TPG Capital, L.P.; TPG Rise Climate LP	AmSpec Services, LLC	Testing and certifying the performance and emission qualities	-	-	-
10/10/23	Eurofins Scientific SE	Ars Probatia GmbH	Provides auditing and certification of food standards	-	-	-
10/10/23	Inflexion Private Equity Partners LLP	Celnor Group Limited	Provider of inspection, testing, certification and compliance services	-	-	-

Source: S&P LCD, S&P Capital IQ, MergerMarket, press releases and Raymond James internal resources.
 Notes: Unless otherwise indicated, all information is as of 12/31/2023.

Precedent M&A transactions (cont.)

Date Announced	Buyers/Investors	Target	Target Description	Transaction Value (\$mm)	EV / LTM Revenue	EBITDA
10/4/23	Applied Technical Services	Phoenix National Laboratories	Provider of quality testing, inspection and engineering services	-	-	-
10/2/23	NMI Certin B.V.	Avon Dynamic Calibration Limited	Provider of calibration solutions in the electrical and dimensional field	-	-	-
9/29/23	Integra Testing Services	JF Coffey Associates	Provides testing, adjusting and balancing services	-	-	-
9/27/23	Susquehanna Private Capital, LLC	U.S. Compliance Corporation	Provider of environmental, health and safety services	-	-	-
9/27/23	Milrose Consultants, LLC	JM Zoning/Project Expeditors Consulting Corp.	Provider of services to help navigate planning and zoning approval	-	-	-
9/27/23	Technical Safety Services, LLC	Controlled Environment Management, LLC	Provider of testing, validation, certification and calibration services	-	-	-
9/26/23	Silver Oak Services Partners	Quality Liaison Services	Representation and quality assurance services for OEMs	-	-	-
9/20/23	Concept Machine Tool Sales, Inc.	American Calibration, Inc.	Provider of 350 types of accredited calibration	-	-	-
9/19/23	Concept Machine Tool Sales, Inc.	Inspection Engineering, LLC	Full-service gage house offering inspection services and equipment	-	-	-
9/19/23	RMA Group, Inc.	A3GEO, Inc.	Provider of geotechnical, geologic, and earthquake engineering	-	-	-
9/18/23	Acuren Inspection, Inc.	Alloyweld Inspection	Provider of engineering and environmental services	-	-	-
9/11/23	Trescal SA	Quality Service Process S.R.L.	Provides repair and maintenance services for other electronic equipment	-	-	-
9/11/23	SPL, Inc.	Volumetrics, Inc.	Provides flow meter verification services for oil and gas industry	-	-	-
9/5/23	Elevator Service LLC	Metro Elevator Inc.	Provider of maintenance, repair, and modernization services	-	-	-
9/5/23	Analytical Technologies	Technical Alternatives	Provider of laboratory-related services	-	-	-
9/1/23	Applied Technical Services	Caltronix	Provider of calibration solutions for electrical equipment	-	-	-
8/23/23	Synopsys, Inc.	PikeTec GmbH	Testing and verification of automotive software for control unit systems	-	-	-
8/16/23	Freedom 3 Capital, LLC; Coalesce Capital Management, LLC	Examimetics, Inc.	Provider of mobile occupational health screening	-	-	-
8/15/23	LaunchPad Home Group, Inc.	Axiom Listings Pro, LLC / Axiom Inspections, LLC	Provider of residential inspections and radon mitigation service	-	-	-
7/11/23	Incline Management, L.P.	Aldinger Company Inc.	Offers calibration solutions to verify accuracy, reliability and compliance	-	-	RJ Conf.
7/11/23	Universal Engineering Sciences, LLC	GEO Solutions, LLC	Provider of testing and inspection services	-	-	-
7/5/23	D&H United Fueling Solutions, Inc.	Tankology Inc.	Provider of environmental compliance testing and inspection services	-	-	-
6/6/23	Universal Engineering Sciences, LLC	Riner Engineering, Inc.	Geotechnical and construction testing and inspection	-	-	-
6/1/23	Achieve Capital LLC	Shaw Pipeline Services, Inc.	Non-destructive, ultrasonic and radiographic pipeline inspection	\$6.5	-	-
5/22/23	SAM Companies	MTPLS Land Surveyors, LLC	Professional geomatics solutions company	-	-	-
5/11/23	SGS SA	Nutrasource Diagnostics Inc.	Nutrachemical and pharmaceutical industries focused on compliance	-	-	-
4/29/23	Souter Investments Limited; Sullivan Street Partners Ltd	Diagnostic Services Business of Johnson Matthey Plc	Provider of specialized detection, diagnostic and measurement solutions	\$69.1	0.8x	-
4/24/23	Applied Technical Services, LLC	Accu-Chek, Inc.	Calibration and dimensional inspection services	-	-	-
4/11/23	Mitratech Holdings, Inc.	The Infosoft Group LLC	Provider of regulatory compliance and recruitment solutions	-	-	-
4/3/23	Applied Technical Services, LLC	Instrumentation Technical Services, Inc.	Provider of calibration and metrology services	-	-	-
3/31/23	Atlantic Testing Laboratories, Limited	Assets of SJB Services, Inc.	Drilling, geotechnical engineering and construction testing firm	-	-	-
3/27/23	Transcat, Inc.	TIC-MS, Inc.	Calibration laboratory firm	\$9.6	-	-
3/23/23	EQT Growth AB	Integrity Next GmbH	Software platform enabling supply chain and regulatory compliance	\$108.9	-	-
3/14/23	Universal Engineering Sciences, LLC	Faulkner Engineering Services, Inc.	Environmental, geotechnical and construction testing firm	-	-	-
3/14/23	TransDigm Group Incorporated	Calspan Corporation	Aerospace and automotive research and testing services	\$725.0	3.6x	-
3/9/23	RMA Group, Inc.	PRI Construction Materials Technologies, LLC	Testing, product development, validation and certification services	-	-	-
3/3/23	HMT LLC	Weld Spec, Inc.	Inspection services firm	-	-	-
3/2/23	Applied Technical Services, LLC	Process Instruments, Inc.	Provider of high-end instrument calibration services	-	-	-
2/27/23	Exacta Land Surveyors, Inc.	SNIDER & Associates, LLC	Provider of residential surveying services	-	-	-
2/22/23	RMA Group, Inc.	GeoTest Services, Inc.	Provider of geotechnical, material and specialty inspection services	-	-	-
2/22/23	Superhero Fire Protection, LLC	Life Safety Inspections, LLC	Provider of Fire, Life & Safety installation and services to customers	-	-	-
2/1/23	Link Engineering Company	Quay Brake Testing Ltd.	Provider of friction material and disc/drum brake testing services	-	-	-
1/31/23	GI Partners	Atlas Technical Consultants, Inc.	Provider of infrastructure and environmental solutions	\$1,005.0	1.6x	13.4x
1/26/23	Opus Inspection, Inc.	Applus Technologies, Inc.	US vehicle inspection and testing services	-	-	-
1/23/23	York Analytical Laboratories, Inc.	Precision Testing Labs	Drinking water and soil testing services	-	-	-

Source: S&P LCD, S&P Capital IQ, MergerMarket, press releases and Raymond James internal resources.

Precedent M&A transactions (cont.)

Date Announced	Buyers/Investors	Target	Target Description	Transaction Value (\$mm)	EV / LTM Revenue	EBITDA
1/19/23	Technical Safety Services, Llc	Quality Systems Integration, LLC	Testing and certification services in controlled biotechnology environments	-	-	-
1/19/23	Technical Safety Services, Llc	Northeast Medical Consulting, Inc.	Provider of medical gas testing and consulting services	-	-	-
1/17/23	Technical Safety Services, Llc	Cornerstone Commissioning, Inc.	Commissioning, qualification and validation engineering services	-	-	-
1/17/23	RMA Group, Inc.	C Below, Subsurface Imaging Inc.	Provider of subsurface imaging services	-	-	-
1/6/23	Montrorse Environmental Group, Inc.	Frontier Analytical Laboratories	Environmental analytical laboratory analysis	\$1.1	-	-
12/12/22	Montrorse Environmental Group, Inc.	Huco Consulting Inc.	Developer of application software for ESG and EHS data solutions	-	-	-
12/6/22	RMA Group, Inc.	NWGC II, Inc.	Geotechnical engineering and construction inspection services	-	-	-
12/1/22	DISA Global Solutions, Inc.	Global HR Research, LLC	Tech-enabled employee screening and compliance management solutions	-	-	-
11/9/22	CBRE Group, Inc.	Full Spectrum Group Inc.	Laboratory validation and instrumentation services	\$110.0	-	-
10/26/22	Integra Testing Services, LLC	RSA	Provider of comprehensive HVAC testing, adjusting and balancing services	-	-	-
10/24/22	Coltala Holdings, LLC	Pond, Robinson & Associates, L.P.	Provides engineering, construction and architectural consulting services	-	-	-
10/21/22	CMT Technical Services	CTC-Geotek, Inc.	Provides consulting engineering services	-	-	-
10/4/22	RDI Technologies, Inc.	Fastec Imaging Corporation	Manufacturer of digital scientific high-speed imaging systems	-	-	-
9/27/22	Element Materials Technology Ltd.	National Technical Systems Inc. (nka:National Technical Systems, LLC)	Qualification and certification testing of electronic components	\$700.0	-	-
9/19/22	Bureau Veritas SA	Galbraith Laboratories, Inc.	Contract analytical testing laboratory services	-	-	-
9/13/22	Technical Safety Services, Llc	Airtest, Inc.	Testing, certification and service of cleanrooms	-	-	-
9/12/22	Audax Management Holdings	DISA Global Solutions, Inc.	Safety and compliance services for safety-sensitive employers	-	-	-
9/6/22	Montrorse Environmental Group, Inc.	AirKinetics, Inc.	Provides emission testing services	-	-	-
9/2/22	SGS SA	Penumbra Security, Inc.	Provides information security conformance testing services	-	-	-
9/1/22	Technical Safety Services, Llc	CEPA Operations, Inc.	Provides quality certification and repair services	-	-	-
8/30/22	Tanknology, Inc.	Norton Corrosion Limited	Provider of corrosion inspection and engineering services	-	-	-
8/16/22	RESA Power, LLC	High Energy Electrical Testing, Inc.	Power transmission and distribution system services	-	-	-
8/16/22	Baker Hughes Company	Quest Integrity	Asset integrity management and asset reliability solutions	\$280.0	-	-
8/10/22	Kohlberg & Company, L.L.C.; Neuberger Berman Investment Advisers LLC	USIC LLC	Underground utility damage prevention services	-	-	-
8/10/22	SFW Capital Partners, L.P.	Sannova Analytical Inc.	Bioanalytical contract research services	-	-	-
8/4/22	Montrorse Environmental Group, Inc.	Triad Environmental Consultants, Inc.	Environmental consulting services	\$3.0	-	-
7/29/22	Intertek Group plc	Clean Energy Associates LLC	Engineering and technical support services for energy storage	\$112.2	4.2x	-
7/12/22	Trinity Consultants, Inc.	Ecofish Research Ltd.	Environmental consulting services	-	-	-
7/12/22	Aurora Capital Partners	Sharps Compliance Corp.	Medical based waste management	\$165.1	2.4x	25.0x
7/5/22	SGS SA	Silver State Analytical Laboratories, Inc.	Engineering, Research and Development Services	-	-	-
7/5/22	Eurofins Panlabs Inc.	DiscoveryBioMed, Inc.	Professional laboratory services	-	-	-
6/30/22	China Testing & Certification International Group Co.,Ltd.; Anhui Top Way Testing Services CO.,LTD	Yunnan Yunce Quality Inspection Co., Ltd	Quality Testing and Standardization Services	\$414.4	-	-
6/28/22	Alliance Technical Group, LLC	AMK Company Inc.	Medical based waste management	-	-	-
6/28/22	Bureau Veritas SA	Advanced Testing Management Group, Inc.	Provider of scientific sourcing services	-	-	-
6/29/22	UL Solutions Inc.	Data Test Labs	Professional laboratory services	-	-	-
6/23/22	Levine Leichtman Capital Partners	Verifavia S.A.S.	Testing, certification, calibration, and environmental services	-	-	-
6/23/22	Levine Leichtman Capital Partners	Technical Safety Services, Llc	Specialists in Surveying and Mapping	-	-	RJ Conf.
6/21/22	RFE Investment Partners; RFE Investment Partners IX	Max Home Inspections, LLC	Testing, certification, auditing, and environmental services	-	-	-
5/12/22	SGS SA	Ecotecnos	Measurement, field and lab, training and remote data monitoring	-	-	-
5/11/22	SGS SA	AIEX SAS	Materials Testing and Measurement Services	-	-	-
4/11/22	VDA	Sierra Consulting Group	Elevator and escalator consulting	-	-	-
4/8/22	Sentinel Capital Partners, L.L.C.	SPL, Inc.	Testing, inspection and certification services	-	-	RJ Conf.
4/1/22	Phenna Group	PTS Limited	Home inspections	-	-	-
3/21/22	Atlas Technical Consultants, Inc.	1 Alliance Geomatics, LLC	Provider of land surveying and geospatial services	\$22.0	-	-
3/15/22	Pace Analytical Services, LLC	Specified Testing Laboratories, LLC	Provider of environmental and food testing	-	-	-

Precedent M&A transactions (cont.)

Date Announced	Buyers/Investors	Target	Target Description	Transaction		
				Value (\$mm)	EV / LTM Revenue	EBITDA
3/9/22	Lucion Group Limited	Landform Surveys Limited	Specialists in Surveying and Mapping	-	-	-
3/8/22	NV5 Global, Inc.	Fulton Consulting Engineers, Inc.	Provider of engineering and consulting services	-	-	-
3/2/22	SGS SA	GAS Analysis Services Limited	Measurement, field and lab, training and remote data monitoring	-	-	-
3/1/22	Labware Holdings, Inc.	Compassed Inc.	Data strategy and analytics services	-	-	-
2/28/22	UL Solutions Inc.	KBW Corporation	Testing and market access services provider	-	-	-
2/24/22	RMA Group, Inc.	Coating Specialists and Inspection Services, Inc.	Provider of technical services to the coating industry	-	-	-
2/23/22	TRC Companies, Inc.	United Sciences Testing, Inc.	Emissions testing services to utility and industrial clients	-	-	-
2/16/22	Eurofins Scientific, Inc.	Laboratory Testing Services Business of Barrow Agee Laboratories, LLC	Provider of laboratory testing services	-	-	-
2/11/22	Applus Services, S.A.	Lightship Security, Inc.	Accredited Common Criteria and FIPS 140 laboratory	\$35.3	-	-
2/9/22	Phenna Group	A-Star Testing & Inspection (S) Pte Ltd	Professional laboratory services	-	-	-
2/7/22	Montrose Environmental Group, Inc.	Environmental Standards, Inc.	Environmental consulting services	\$16.3	-	-
2/3/22	Woolpert, Inc.	eTrac Inc.	Hydrographic survey and custom integrated services	-	-	-
2/2/22	Work Zone Safety Group	Stinson Owl-Lite	Traffic and infrastructure solutions	-	-	-
2/2/22	Work Zone Safety Group	Stinson ITS	Transport solutions	-	-	-
1/25/22	Temasek Holdings (Private) Limited	Element Materials Technology Group Limited	Testing, inspection and certification services	\$7,000.0	7.0x	-
1/24/22	Magnolia River Services, Inc.	Storti Quality Services, LLC	Engineering consulting services	-	-	-
1/20/22	RMA Group, Inc.	Western Technologies Inc./Enviro-Drill, Inc.	Technology-enabled laboratory testing, inspection and quality management	-	-	-
1/14/22	Element Materials Technology Group Limited	Jones Microbiology Institute, Inc.	Drug surveillance laboratory	-	-	-
1/11/22	Leonard Green & Partners, LP.	Pace Analytical Services, LLC	Provider of environmental and life sciences testing services	-	-	RJ Conf.
1/6/22	Bureau Veritas SA	Prescience Corporation	Sampling and analytical testing	-	-	-
1/6/22	FloWorks International, LLC	SemiTorr Group, Inc.	Distributes purity gas and fluid handling systems and components	\$330.0	-	-
1/3/22	York Analytical Laboratories	Aqua Environmental	Water testing service	-	-	-
Median				\$111.1	3.0x	19.2x
Mean				\$574.6	3.3x	19.2x

Transaction experience

Raymond James has participated in many industry-shaping transactions, including mergers and acquisitions, strategic advisory, fairness opinions and equity and debt capital raises, within the testing, inspection and compliance space

 Has partnered with a portfolio company of 	 Has acquired a portfolio company of 	 Sale to 	 Has acquired a portfolio company of 	 A portfolio company of has been acquired by 	 A portfolio company of Has been acquired by a portfolio company of 	 A portfolio company of has been acquired by 	 Follow-on Offering \$350,000,000
 has been acquired by a portfolio company of 	 Simultaneous carve-out divestitures of by way of an MBO backed by 	 Sale to NEW MOUNTAIN CAPITAL LLC	 Sale to 	 Sale to 	 Sale to 	 Has acquired a portfolio company of 	 Sale to
 Sale to 	 Sale to 	 Sale to 	 Sale to 	 Acquisition of 	 Acquisition of 	 Sale to 	 Sale to
 Sale to 	 Sale to 	 Sale to 	 Sale to 	 Has acquired a portfolio company of 	 Sale to 	 Sale to 	 Sale to

Notes: Representative credentials include transactions completed by a Raymond James banker while at a former firm. Included transactions were completed between November 2011 and December 2023. Bold border indicates testing, inspection and compliance (TIC) transaction.

Notes and disclosures

Sources of data include Capital IQ, FactSet and other news organizations. Information obtained from third-party sources is considered reliable, but we do not guarantee that the information herein is accurate or complete. This report was prepared within Raymond James & Associates' Investment Banking Department and is for information purposes only. This report is not a product of Raymond James & Associates' Research Department; recipients of this report should not interpret the information herein as sufficient grounds for an investment decision or any other decision. The report shall not constitute an offer to sell or the solicitation of an offer to buy any of the securities mentioned herein; past performance does not guarantee future results. Any performance mentioned does not include transaction fees and costs which would reduce an investor's return. An investment cannot be made directly in a market index.

This presentation includes logos or other words or devices that may be registered trademarks of their respective owners. Such use is solely for purposes of convenience in referring to the trademark owners and their products / services. This presentation and its contents are not endorsed, sponsored or affiliated with any trademark owner. Raymond James & Associates, Inc. and its affiliates are not affiliated with any trademark owner but may provide certain financial services to one or more trademark owners or their affiliates.

Links are being provided for information purposes only. Raymond James is not affiliated with and does not endorse, authorize or sponsor any of the listed websites or their respective sponsors. Raymond James is not responsible for the content of any website or the collection or use of information regarding any website's users and/or members.

Additional information is available upon request.

RAYMOND JAMES® | INVESTMENT BANKING

© 2024 Raymond James & Associates, Inc., member New York Stock Exchange/SIPC. Raymond James® is a registered trademark of Raymond James Financial, Inc. Raymond James Financial International Limited is authorized and regulated by the Financial Conduct Authority (FRN 188244). Raymond James Corporate Finance GmbH is authorised by the Federal Financial Supervisory Authority – BaFin (ID 10159043).