



# Life sciences GxP specialist **joins forces** with TICC player

DEAL FLASH | BUSINESS SUPPORT SERVICES, PRIVATE EQUITY | JULY 2022

## DEAL SNAPSHOT

**Pentahold, an independent Belgian private equity firm, and the founders of Advipro have sold the company to Normec.**

Founded in 2003, Advipro is a leading Belgium-based engineering and consulting service provider focused on good practice quality guidelines and regulations (GxP) in the life sciences industry. The company has acquired expertise across the entire life sciences value chain, from research and clinical operations to manufacturing and patient care. Its solutions include project support, consulting and solutions, testing and validation, and a GxP academy. Advipro has been successful at consistently fulfilling the demands of its diversified blue-chip customer base of both big pharma and local life sciences companies, resulting in high customer retention.

Thanks to a 100% sale to Dutch counterparty Normec, a rapidly growing player in western Europe in the field of testing, inspection, certification and compliance (TICC), Advipro is ready for the next step in its growth trajectory. As a result of its experience in strong commercial integration and support for management teams looking to expand professionalization and growth, Normec is a perfect match for Advipro to enable it to realize its goal of becoming the international reference GxP partner to the life sciences industry.

“We chose to work with Oaklins because of its demonstrated sector expertise, international reach and experienced local deal team. They worked with a very hands-on approach and combined this with strong involvement from senior deal team members, thereby also allowing the Advipro management team to focus on the day-to-day business as much as possible throughout the process. Oaklins’ international reach and positioning of the asset were instrumental to the success of this transaction.”

**GEERT VANDERSTAPPEN**  
PARTNER, PENTAHOLD  
BELGIUM

## OAKLINS ASSISTS IN **FINDING THE RIGHT PARTNER**

Oaklins’ team in Belgium acted as the exclusive M&A advisor to the shareholders of Advipro, including the majority shareholder Pentahold, an independent Belgian private equity firm, and its founders. Oaklins members abroad contacted potential candidates and the business support services team in the Netherlands introduced the final buyer. Leveraging its deep expertise, a comprehensive preparation stage enabled the Oaklins team to position Advipro as a trusted, specialized GxP engineering and consulting services provider with highly differentiated customer propositions.



## MARKET TRENDS & DEAL DRIVERS

The largely fragmented TICC market – spanning a broad range of services in various end markets – is expected to grow at a compound annual growth rate (CAGR) of 4.8%, from US\$222 billion in 2020 to US\$324 billion in 2028. Major players are broadening their sector coverage and increasing their scale as a result of: the rise in enforcing relevant legislation around the world; growing public scrutiny of safety and sustainability; the war for talent; and increasing demand for specialized services outsourcing.

In a broader sense, Advipro is specifically active in providing engineering and compliance consulting to the life sciences industry. Supported by strong fundamentals for pharma manufacturing in Europe (expected to increase at a CAGR of 10% up to 2027), its engineering and compliance services market is expected to grow by around 30% per year. The main growth drivers are: rapid innovation in drug discovery and types (e.g. mRNA vaccines and cell therapy); tight labor markets; and increasingly complex regulations to which life sciences companies have to adhere.

## M&A VALUATION ASPECTS

Financial details of the transaction are confidential. The life sciences engineering and compliance consulting market is still highly fragmented today. However, the increasingly complex regulatory framework for pharma companies and a tight labor market are driving consolidation among the suppliers to these big pharma companies.

Valuations in this market have a very wide bracket as they depend on many factors, including a company's growth path, expertise area (specialized life sciences organization or generalist), level of in-house expertise (staffing versus expertise partners to clients), recurring business (and sales), the cross-selling opportunities of solutions between target and acquirer, and the strength of the client portfolio. The lower a company scores on these factors, the more likely it is to have an EV/EBITDA valuation in the single-digit range. Companies that score high on all factors will see double-digit EV/EBITDA valuations.

## TALK TO OUR ADVISORS



### ✉ TOM VAN DE MEIRSSCHE

Director  
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Tom leads Oaklins' human resources sector team in Europe and has more than 10 years of corporate finance experience. Recent transactions include the entry of Creafund in Sitra and the acquisition of Light&Living by BlueGem.

"It has been a privilege working with the shareholders and the Advipro management team. Advipro has built a strong position in a growing niche market, which is supported by globally increasing demand for compliance consulting in the life sciences industry. Supported by Normec, Advipro is ideally positioned to address these market opportunities, and we look forward to following the company's continued success with a new, strong owner."



### ✉ ARJEN KOSTELIJK

Partner, Business Support Services Specialist  
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Arjen leads Oaklins' business support services team and its testing, inspection & certification (TIC) team. He has more than 15 years of corporate finance and M&A experience, with a particular focus on the TIC sector. Recent transactions he has closed include the acquisition of Fire Safety Holding by Unica, the sale of Kalsbeek to Normec, the acquisition of BTL by Idverde, the merger between Troostwijk Auctions and BVA Auctions, the acquisition of Nsecure by Unica, the sale of Unica to Triton, the sale of Marinetrans and BGL to Waterland and the sale of Qbit to Eurofins.

## OAKLINS HAS CLOSED 667 DEALS IN BUSINESS SUPPORT SERVICES AND 824 IN PRIVATE EQUITY

United by a strong belief that we can achieve the extraordinary. Oaklins is a global team of 850+ financial advisory professionals in 45 countries providing M&A, growth equity, ECM, debt advisory and corporate finance services to support entrepreneurs, corporates and investors in reaching their goals.

# Oaklins

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