



Positive outlook: stabilizing macroeconomic conditions drive transactions in TICC

SPOT ON | TESTING, INSPECTION, CERTIFICATION & COMPLIANCE | JANUARY 2024

“A combination of stabilizing macroeconomic conditions, declining inflation rates and anticipated decreasing interest rates has resulted in elevated M&A activity overall and a sharp increase in deals in the TICC sector. We expect high levels of M&A to continue in 2024.”

ARJEN KOSTELIJK
TICC SPECIALIST, OAKLINS

MARKET SUMMARY

Key insights

We look at the current landscape for the global TICC sector and the recent trends impacting M&A activity.

02

INTERVIEW

Focus on Celnor

We spoke with Simon Parrington, CEO of Celnor (backed by private equity firm Inflexion), regarding the company's buy-and-build strategy.

04

CASE STUDY

Deal overview

Oaklins Italy acted as the co-financial advisor to RINA S.p.A. for its minority stake sale to Fondo Italiano d'Investimento.

10





Market trends

After a period of macroeconomic uncertainty and declining valuation levels for listed TICC companies, we observed a significant increase in global M&A activity and valuation levels in the last quarter of 2023.

The general M&A landscape witnessed a noteworthy transformation in the last quarter of 2023, characterized by the stabilization of macroeconomic conditions. Declining inflation rates and anticipated decreasing interest rates also resulted in an increase in M&A activity in the TICC market. Looking at the period from September to December 2023, the number of transactions in the global TICC market was well above the monthly average of approximately 12 transactions that has lasted since January 2020. This high level is expected to continue in 2024.

Given the regulatory and recurring nature of TICC services, the sector remains very popular with private equity firms. As of December, the LTM M&A activity of private equity investors in the global TICC sector had increased, and approximately 75% of all TICC deals involve private equity on the buy-side. Throughout 2023, the valuation levels for listed TICC companies showed a declining trend, decreasing from 11.5x

NTM EBITDA in February to 9.5x NTM EBITDA in November. In December, however, the NTM EBITDA multiple showed an upward trend, and currently stands at around 10.4x.

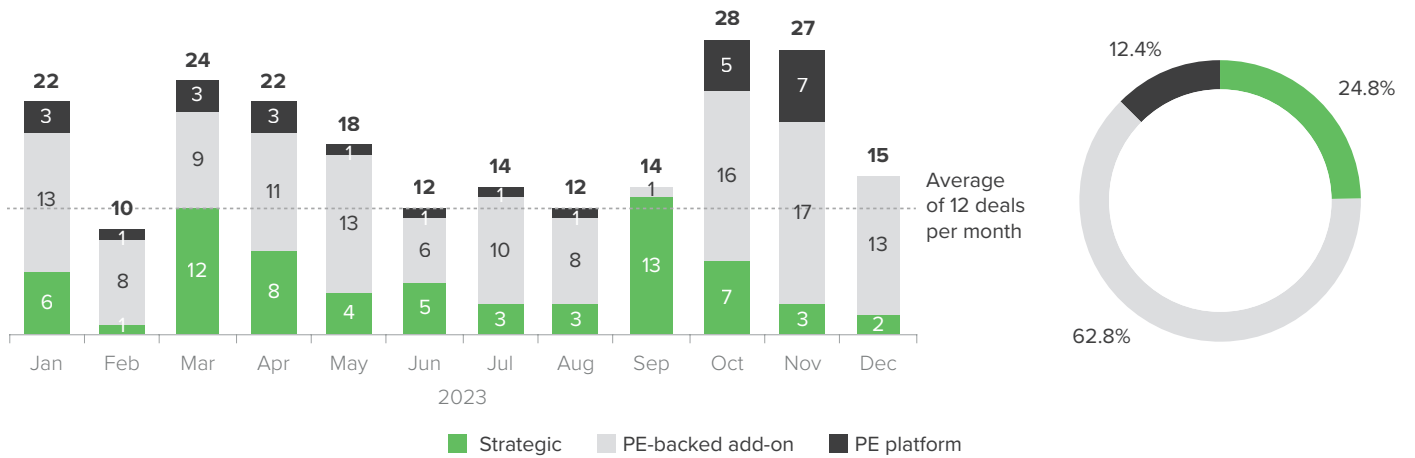
As is happening in many other areas, environmental, social and governance (ESG) is becoming increasingly important in the TICC sector, driven by stringent regulations and increasing social awareness. Both private equity and strategic investors are leveraging the ESG trend through (platform) acquisitions in the fragmented and fast-growing market for environmental TICC services. Environmental consultancy, certification and compliance services in particular are gaining in popularity. Examples of recent transactions include: the acquisition of Civil & Environmental Consultants, a US-based provider of environmental consultancy services for a wide range of industries, by Alliance Technical Group; the acquisition of Planet Mark, a UK-based provider of environmental certification and compliance services for a wide range of industries, by Alcumus Group; and the acquisition of Aspect Ecology, a UK-based provider of environmental consultancy services for development sites, by APEM. Below, we provide details of more deals from the end of 2023.

We also take a look at Celnor Group, a broad-based testing and inspection business covering geoenvironmental, safety & compliance, and built

environment services. After Celnor's incorporation by private equity firm Inflexion in October 2023, the company conducted six acquisitions in the TICC space: APEC Environmental, a UK-based provider of asbestos testing and environmental consultancy services for a wide range of industries; Brownfield Solutions, a UK-based provider of geotechnical and environmental consultancy services; MATtest Site Services, a UK-based provider of geotechnical laboratory and site testing services for the construction industry; Vintec Laboratories, a UK-based provider of asbestos testing, surveying and monitoring services; Ground Investigation and Piling, a UK-based provider of geotechnical and geoenvironmental laboratory testing and consultancy services for the building and construction industries; and Riverside Environmental, a UK-based provider of asbestos, water hygiene & legionella, noise & vibration, air and environmental monitoring consultancy services for a wide range of industries.

Simon Parrington, Celnor's CEO, highlights that these acquisitions align with the company's buy-and-build strategy, focusing on the geoenvironmental, safety & compliance, built environment and life sciences industries. Read our interview with Simon to find out more regarding Celnor's strategy and ambitions.

Monthly number of deals in the TICC sector split by buyer type — 2023

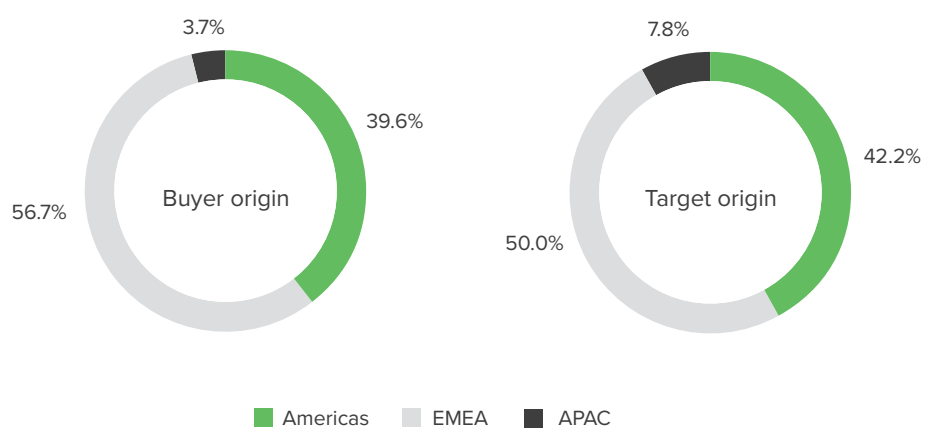


Acquisitions as buyer



Source: Oaklins analysis

Geographical distribution of buyers and targets — 2023



Source: Oaklins analysis

Interview

What is Celnor and what does it stand for?

Celnor Group is a broad-based testing and inspection business covering geoenvironmental, safety & compliance, and built environment services. The group was founded in 2023 and is backed by private equity firm Inflexion, which has industry-leading expertise in the TICC market. Celnor is focused on entrepreneurialism, so we provide capital and central support, while allowing our management teams to run the individual companies, which therefore keep their independence. Our aim is to harness the benefits of a bigger business while maintaining the agility and customer service of a smaller business. So far, the group includes eight companies, but we are in negotiations to acquire several more.

What is your M&A strategy and criteria for selecting acquisitions?

We intend to grow the three existing divisions (geoenvironmental, safety & compliance, built environment) and add a fourth for life sciences. We are primarily focused on the UK, Europe and North America, and all our acquisitions must be in the TICC sector. While we consider companies of all shapes and sizes, quality standards and customer service are key, alongside the capability of the management team. We want to buy companies that have a strong culture, are committed to quality and service, and demonstrate a desire to grow.

In order to achieve this, and in consideration of the different situation of each owner, we are able to be more flexible than others in how we structure deals, including taking partial stakes, and offering earn-outs to deliver future upside, alongside 100% cash considerations.

How do you integrate acquisitions?

Continuity of leadership in each business is very important, so ideally when we buy a company the existing management team will stay. If not, then a strong succession plan is essential, as member companies have a good level of autonomy. I believe the best people to run the business are the management team within it, so long as they meet Celnor's high standards for safety, quality control and corporate values.

We work with the management team to develop a growth plan within a few months of joining Celnor. The plan is based on an analysis of emerging trends in the company's particular market, and often focuses on matching future customer needs with innovative technologies that can support those needs. Once the growth plan is agreed, it is then used to develop a medium-term strategy.

Alongside the strategic planning process, we provide support in key areas such as HR, marketing and procurement to allow our member companies to focus on achieving the agreed goals.

What is the acquisition you are most proud of?

My biggest pride is in having created a group of companies that share the same vision and values. Fit is hugely important when we are buying businesses, so I am really proud of the fact that every business we have bought so far is true to our vision of Celnor. I think Celnor is a very attractive long-term home for entrepreneurial businesses in this sector, where they can flourish and feel they belong to something worthwhile.



**SIMON
PARRINGTON**

CEO of Celnor Group

Overview of relevant transactions

An overview of TICC transactions between September and December 2023

1. FOOD AND ENVIRONMENTAL

- In December 2023, **Alliance Technical Group**, a US-based provider of source testing, emission monitoring and analytical services, acquired **the air testing operations of Civil & Environmental Consultants**, a US-based provider of environmental consultancy services for a wide range of industries, for an undisclosed amount
- In December 2023, **Alliance Technical Group**, a US-based provider of source testing, emission monitoring and analytical services, acquired **Chemtech Consulting Group**, a US-based provider of laboratory testing services for the identification and assessment of environmental contaminants, for an undisclosed amount
- In December 2023, **Eurofins Scientific**, a Luxembourg-based provider of testing, inspection and certification services for the food, environmental and pharmaceutical industries, acquired **the crop science activities of SGS**, a Switzerland-based provider of auditing, testing, certification, quality assurance, technical consultancy and training services for a wide range of industries, for an undisclosed amount
- In December 2023, **Celnor**, a UK-based provider of testing and inspection services for the geoenvironmental, safety & compliance, built environment and life sciences industries, acquired **APEC Environmental**, a UK-based provider of asbestos testing and environmental consultancy services for a wide range of industries, for an undisclosed amount
- In December 2023, **Phenna Group**, a UK-based provider of testing, inspection, certification and compliance services for a wide range of industries, acquired **Evile & Jones Group**, a UK-based provider of inspection, compliance, auditing and verification services for the animal health, public health, food safety and animal welfare industries, for an undisclosed amount
- In November 2023, **Celnor**, a UK-based provider of testing and inspection services for the geoenvironmental, safety & compliance, built environment and life sciences industries, acquired **Brownfield Solutions**, a UK-based provider of geotechnical and environmental consultancy services, for an undisclosed amount
- In November 2023, **GBA Group**, a Germany-based provider of laboratory testing and consultancy services for the environmental, food, consumer goods and pharmaceutical industries, acquired **Eureka Analytical Services**, an India-based provider of testing, inspection and auditing services for the food, agricultural commodities, nutraceutical, pharmaceutical and environmental industries, for an undisclosed amount
- In November 2023, **Alliance Technical Group**, a US-based provider of source testing, emission monitoring and analytical services, acquired **Chester LabNet**, a US-based environmental testing laboratory specializing in inorganic air quality analysis, for an undisclosed amount
- In November 2023, **Alliance Technical Group**, a US-based provider of source testing, emission monitoring and analytical services, acquired **Orange Coast Analytical**, a US-based environmental testing laboratory for drinking water, ground water, wastewater and soil quality, for an undisclosed amount
- In November 2023, **Alliance Technical Group**, a US-based provider of source testing, emission monitoring and analytical services, acquired **Fremont Analytical**, a US-based environmental testing laboratory specializing in air analysis, hazardous waste and stormwater, for an undisclosed amount
- In November 2023, **Alliance Technical Group**, a US-based provider of source testing, emission monitoring and analytical services, acquired **Summit Environmental Technologies**, a US-based environmental testing laboratory specializing in manufacturing facilities, waste disposal, paper mills and wastewater, for an undisclosed amount
- In November 2023, **Swire Renewable Energy**, a UK-based provider of renewable energy inspection, repair and maintenance services for wind turbine manufacturers, wind farm owners and the renewable energy supply chain, acquired **WPS Sweden**, a Sweden-based provider of wind turbine inspection, repair and maintenance services, for an undisclosed amount
- In November 2023, **SOCOTEC**, a France-based provider of testing, inspection and certification services for the construction, infrastructure and environmental industries, acquired **40SEVEN**, a UK-based provider of land and utility surveying services for the construction, energy, infrastructure and water industries, for an undisclosed amount
- In November 2023, **SOCOTEC**, a France-based provider of testing, inspection and certification services for the construction, infrastructure and environmental industries, acquired **Integrated Environmental Technology Group**, a UK-based provider of monitoring and measuring services for sewers, rivers and wastewater, for an undisclosed amount
- In October 2023, **Normec Group**, a Netherlands-based provider of testing, inspection and certification services for

the food, life safety and environmental industries, acquired **Latis Scientific and Derwentside Environmental Testing Services**, a UK-based provider of environmental testing services for water quality, soil and waste, for an undisclosed amount

- In October 2023, **Alcumus Group**, a UK-based provider of health, safety and environmental risk management services, acquired **Planet Mark**, a UK-based provider of environmental certification and compliance services for a wide range of industries, for an undisclosed amount
- In October 2023, **Eurofins Scientific**, a Luxembourg-based provider of testing, inspection and certification services for the food, environmental and pharmaceutical industries, acquired **ARS PROBATA**, a Germany-based provider of certification and auditing services for the food industry, for an undisclosed amount
- In October 2023, **APEM**, a UK-based provider of environmental and geospatial consultancy services, acquired **Aspect Ecology**, a UK-based provider of environmental consultancy services for development sites, for an undisclosed amount
- In October 2023, **Celnor**, a UK-based provider of testing and inspection services for the geoenvironmental, safety & compliance, built environment and life sciences industries, acquired **Vintec Laboratories**, a UK-based provider of asbestos testing, surveying and monitoring services, for an undisclosed amount
- In October 2023, **Celnor**, a UK-based provider of testing and inspection services for the geoenvironmental,

safety & compliance, built environment and life sciences industries, acquired **Ground Investigation and Piling**, a UK-based provider of geotechnical and geoenvironmental laboratory testing and consultancy services for the building and construction industries, for an undisclosed amount

- In October 2023, **Celnor**, a UK-based provider of testing and inspection services for the geoenvironmental, safety & compliance, built environment and life sciences industries, acquired **Riverside Environmental**, a UK-based provider of asbestos, water hygiene & legionella, noise & vibration, air and environmental monitoring consultancy services for a wide range of industries, for an undisclosed amount
- In October 2023, **Inflexion**, a UK-based private equity firm, incorporated **Celnor**, a UK-based provider of testing and inspection services for the geoenvironmental, safety & compliance, built environment and life sciences industries
- In October 2023, **Eurofins Scientific**, a Luxembourg-based provider of testing, inspection and certification services for the food, environmental and pharmaceutical industries, acquired **the microbiology laboratory and food consultancy departments of WFC**, a Netherlands-based research laboratory specializing in food microbiology, for an undisclosed amount
- In September 2023, **DroneBase**, a US-based provider of aerial data and drone inspection services for high-value infrastructure, acquired **Heliolytics**, a Canada-based provider of solar farm inspections, for an undisclosed amount

2. BUILDING, INDUSTRIAL AND PRODUCTS

- In December 2023, **Apave**, a France-based provider of testing, inspection, certification and compliance services for a wide range of industries, acquired **Lonestar Technical Services**, a UAE-based provider of testing, inspection and engineering services for the chemistry, construction, food, environmental and building industries, for an undisclosed amount
- In December 2023, **Phenna Group**, a UK-based provider of testing, inspection, certification and compliance services for a wide range of industries, acquired **EMC Technologies**, an Australia-based provider of testing and product certification services for the electrical industry, for an undisclosed amount
- In December 2023, **Aldinger**, a US-based provider of calibration services for test and measurement equipment for a wide range of industries, acquired **Instrument Technologies**, a US-based provider of instrument calibration services for a wide range of industries, for an undisclosed amount
- In December 2023, **BES Group**, a UK-based provider of testing, inspection, certification and asset reliability services for the engineering industry, acquired **Inspire Structures**, a UK-based provider of inspection services for the infrastructure industry, for an undisclosed amount
- In December 2023, **Infraneo**, a France-based provider of testing, inspection and engineering services focusing on water mains, sewage



- systems, bridges, power plants and public buildings, acquired **Technipipe**, a France-based provider of inspection, monitoring, maintenance, control and repair services for pipelines specializing in the oil & gas industry, for an undisclosed amount
- In December 2023, **Jensen Hughes**, a US-based provider of safety, security and risk-based engineering services, acquired **Warringtonfire Australia**, an Australia-based provider of fire testing, assessment and certification services, for an undisclosed amount
 - In December 2023, **TÜV Austria Holding**, an Austria-based provider of technical safety, quality and environmental protection services, acquired **IVT Inspections**, a Belgium-based provider of inspection services for equipment, machinery and production facilities, for an undisclosed amount
 - In December 2023, **Bureau Veritas**, a France-based provider of testing, inspection and certification services for a wide range of industries, acquired **BCA Certifiers**, an Australia-based provider of certification and consultancy services for the building and construction industries, for an undisclosed amount
 - In December 2023, **Sansidor**, a Netherlands-based provider of testing, inspection and related services focusing on water safety, infection prevention, boilers, burners, climate control systems, fire safety, air quality and electrical installations, acquired **Polmai Brandbeveiliging**, a Netherlands-based provider of inspection and maintenance services and products specializing in fire, rescue and safety equipment for the marine and building industries, for an undisclosed amount
 - In November 2023, **Bureau Veritas**, a France-based provider of testing, inspection and certification services for a wide range of industries, acquired **Hendry Group Pty**, an Australia-based provider of surveying and safety measurement services for the building industry, for an undisclosed amount
 - In November 2023, **SOCOTEC**, a France-based provider of testing, inspection and certification services for the construction, infrastructure and environmental industries, acquired **SLS Consulting**, a US-based provider of consultancy services for building code compliance, fire protection engineering and accessibility solutions in buildings, for an undisclosed amount
 - In November 2023, **Portobello Capital**, a Spain-based private equity firm, acquired **Controlauto**, a Portugal-based provider of vehicle inspection services for the automotive industry, for an undisclosed amount
 - In November 2023, **Pye-Barker Fire & Safety**, a US-based provider of fire safety and security systems and services, acquired **American Fire Sprinkler**, a US-based provider of inspection, installation and maintenance services for fire sprinkler systems, for an undisclosed amount
 - In November 2023, **Balance Point Capital Advisors**, a US-based private equity firm, acquired **CraneTech**, a US-based provider of crane inspection, maintenance and manufacturing services, for an undisclosed amount
 - In November 2023, **Partners Group**, a Switzerland-based private equity firm, acquired **ROSEN Group**, a Switzerland-based provider of pipeline inspection services and a manufacturer of measurement and inspection equipment, for an undisclosed amount
 - In November 2023, **SOCOTEC**, a France-based provider of testing, inspection and certification services for the construction, infrastructure and environmental industries, acquired **Hutton + Rostron**, a UK-based provider of inspection services specializing in buildings, building materials and building occupancy, for an undisclosed amount
 - In November 2023, **Neos Partners**, a US-based private equity firm, acquired **RMS Energy**, a US-based provider of installation, testing and maintenance services for electrical equipment, for an undisclosed amount
 - In November 2023, **Celnor**, a UK-based provider of testing and inspection services for the geo-environmental, safety & compliance, built environment and life sciences industries, acquired **MATtest Site Services**, a UK-based provider of geotechnical laboratory and site testing services for the construction industry, for an undisclosed amount
 - In November 2023, **Macquarie Group**, an Australia-based private equity firm, acquired **Camin Cargo Control**, a US-based provider of testing, inspection and additive treatment services for the oil & gas and petrochemical industries, for an undisclosed amount
 - In November 2023, **Phenna Group**, a UK-based provider of testing, inspection, certification and compliance services for a wide range of industries, acquired **Australian Soil & Concrete Testing**, an Australia-based provider of soil and concrete testing services to the construction and infrastructure industries, for an undisclosed amount
 - In November 2023, **Element Materials Technology**, a UK-based provider of material testing, product qualification testing, failure analysis and consultancy services for a wide range of industries, acquired **Filton Systems Engineering**, a UK-based provider of engineering, testing and certification services for fuel, air, hydraulic, inerting and engine systems, for an undisclosed amount
 - In November 2023, **Greenbelt Capital Partners**, a US-based private equity firm, acquired **Saber Power Services**, a US-based provider of installation, testing, design and maintenance services for medium- and high-voltage electrical infrastructure, for an undisclosed amount
 - In November 2023, **Phenna Group**, a UK-based provider of testing, inspection, certification and compliance services for a wide range of industries, acquired **ACI Reports**, a UK-based provider of air-conditioning inspections and energy performance certificates, for an undisclosed amount
 - In October 2023, **Electrical Test Instruments**, a US-based provider of calibration, repair and sale services for test and measurement equipment, acquired **Accuserve**, a US-based provider of calibration and repair services for test and measurement equipment, for an undisclosed amount
 - In October 2023, **RMA**, a US-based provider of technology-enabled testing, inspection and certification services for the construction, chemical

- and energy industries, acquired **Big Apple Group**, a US-based provider of testing, inspection and monitoring services for the construction industry, for an undisclosed amount
- In October 2023, **Kingswood Capital Management**, a US-based private equity firm, acquired **Covenant Testing Technologies**, a US-based provider of flowback and well testing, sand management and production optimization services for the oil & gas industry, for an undisclosed amount
 - In October 2023, **Columbia River Partners**, a US-based private equity firm, acquired **the US powertrain testing activities of SGS**, a Switzerland-based provider of auditing, testing, certification, quality assurance, technical consultancy and training services for a wide range of industries, for an undisclosed amount
 - In October 2023, **Acuren**, a US-based provider of industrial testing, inspection, engineering and rope access integrated services, acquired **Alloyweld Inspection**, a US-based provider of non-destructive testing, welding and metal finishing services for the aerospace, electronics, medical devices and forensics industries, for an undisclosed amount
 - In October 2023, **American Pacific Group**, a US-based private equity firm, acquired **Spark Power Group**, a Canada-based provider of inspection, maintenance and engineering services for electrical power systems, for a consideration of US\$126 million
 - In October 2023, **Encino Environmental Services**, a US-based provider of emission monitoring and mitigation services to energy companies, acquired **Lemos Labs**, a US-based provider of air quality and source emission testing services, for an undisclosed amount
 - In October 2023, **TPG Rise Climate**, a US-based private equity firm, acquired **AmSpec Services**, a US-based provider of testing, inspection and certification services for the oil & gas and petrochemical industries, for a consideration of US\$946 million
 - In October 2023, **Indutrade**, a Sweden-based manufacturer of mechanical equipment and tools, acquired **Powerpoint Engineering**, an Ireland-based provider of electrical testing and monitoring services and equipment for high- and medium-voltage applications, for an undisclosed amount
 - In October 2023, **NMi Certin**, a Netherlands-based provider of testing, verification, calibration and certification services for metrological instruments, acquired **Avon Dynamic Calibration**, a UK-based provider of calibration and dimensional measurement services for a wide range of industries, for an undisclosed amount
 - In October 2023, **Applied Technical Services**, a US-based provider of testing, inspection, consulting and engineering services for a wide range of industries, acquired **Phoenix National Laboratories**, a US-based provider of non-destructive testing, inspection and engineering services for a wide range of industries, for an undisclosed amount
 - In October 2023, **Operational Solutions**, a UK-based provider of drone defense, specialist equipment and consultancy services in support of the defense, aerospace and security industries, acquired **Nexus Nine**, a UK-based provider of advanced uncrewed aircraft system testing and evaluation services, for an undisclosed amount
 - In October 2023, **TÜV Rheinland**, a Germany-based provider of testing, inspection and certification services for a wide range of industries, acquired **Burotec**, a Spain-based provider of consulting, inspection, engineering and security services for a wide range of industries, for an undisclosed amount
 - In September 2023, **White Lab**, an Italy-based provider of inspection, verification, analysis and certification services for the water & environment, food, medical devices and consumer goods industries, acquired **Centro Triveneto Ricerche**, an Italy-based provider of laboratory analysis services for the civil engineering industry, for an undisclosed amount



- In September 2023, **SOCOTEC**, a France-based provider of testing, inspection and certification services for the construction, infrastructure and environmental industries, acquired **LMF Formation**, a France-based training organization specializing in the lifting and handling equipment industry, for an undisclosed amount
- In September 2023, **LaunchPad Home Group**, a US-based provider of home inspection and residential services, acquired **TLC Home Inspections**, a US-based provider of residential and ancillary inspection services specializing in termites, pests and mold, for an undisclosed amount
- In September 2023, **Writtech Industrial Services**, a UK-based provider of design, manufacturing and related services for fire protection systems, acquired **Ideal Fire**, an Ireland-based provider of inspection, maintenance, monitoring and installation services for fire safety systems, for an undisclosed amount
- In September 2023, **Certania**, a Germany-based provider of testing, inspection and certification services focusing on sustainability and health orientation, acquired **Fiatec**, a Germany-based provider of testing and certification services for air filters, for an undisclosed amount
- In September 2023, **AmSpec Services**, a US-based provider of testing, inspection and certification services for the oil & gas and petrochemical industries, acquired **Polaris Marine Inspections**, a Netherlands-based provider of inspection and survey services for the marine industry, for an undisclosed amount
- In September 2023, **Phenna**

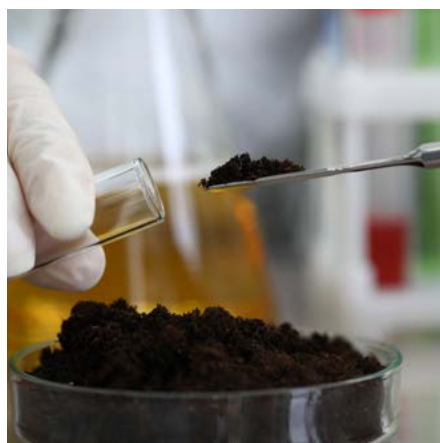
- Group**, a UK-based provider of testing, inspection, certification and compliance services for a wide range of industries, acquired **Labwest Minerals Analysis**, an Australia-based provider of mineral analysis services, for an undisclosed amount
- In September 2023, **GBA Group**, a Germany-based provider of laboratory testing and consultancy services for the environmental, food, consumer goods and pharmaceutical industries, acquired **Taklab**, a Finland-based provider of laboratory testing services for asbestos and microbiological residential health analysis, for an undisclosed amount
- In September 2023, **Normec Group**, a Netherlands-based provider of testing, inspection and certification services for the food, life safety and environmental industries, acquired **Horizon Data Services**, a France-based provider of non-destructive testing services for nuclear power plants, for an undisclosed amount

3. HEALTHCARE

- In December 2023, **Phenna Group**, a UK-based provider of testing, inspection, certification and compliance services for a wide range of industries, acquired **CEIMIC**, a Brazil-based provider of testing services for the pharmaceutical, biotechnology and agricultural industries, for an undisclosed amount
- In November 2023, **Merieux Equity Partners**, a France-based private equity firm, acquired **Labquality**, a Finland-based provider of

quality assessment, auditing and certification services for the healthcare, pharmaceutical and medical technology industries, for an undisclosed amount

- In November 2023, **EC Healthcare**, a Hong Kong-based provider of medical services for the healthcare industry, acquired **Pangenia**, a Hong Kong-based molecular diagnostics group providing genetic testing and research services, for a consideration of US\$15 million
- In November 2023, **Eurofins Scientific**, a Luxembourg-based provider of testing, inspection and certification services for the food, environmental and pharmaceutical industries, acquired **Quasfar**, a Colombia-based laboratory specializing in physical-chemical and microbiological analysis for the pharmaceutical, cosmetic and veterinary industries, for an undisclosed amount
- In November 2023, **1MED**, a Switzerland-based contract research organization providing regulatory and clinical services to the pharmaceutical, biotechnology and medical devices industries, acquired **1Lab**, a Switzerland-based contract research organization providing preclinical in vitro testing services, for an undisclosed amount
- In October 2023, **Forensic Access**, a UK-based provider of forensic and criminal justice services, acquired **Forensic Testing Service**, a UK-based provider of drug, DNA and alcohol testing services, for an undisclosed amount
- In October 2023, **Microba**, an Australia-based provider of



- microbiome testing services, acquired **Invivo Clinical**, a UK-based provider of microbiome testing services and supplements, for a consideration of US\$13 million
- In October 2023, **Mesa Laboratories**, a US-based designer and manufacturer of life science tools and critical quality control solutions, acquired **the sterilization indicators business and SAL GmbH testing laboratory of GKE-GmbH**, a Germany-based manufacturer of medical equipment, specializing in the development and production of innovative medical devices, for a consideration of US\$84 million
- In October 2023, **Labanalysis**, an Italy-based provider of testing, inspection, certification and verification services for the environmental, pharmaceutical, food and household products industries, acquired **Bionos Biotech**, a Spain-based provider of efficacy testing for the cosmetic and food-nutraceutical industries, for an undisclosed amount
- In October 2023, **LabCorp**, a US-based provider of gene-based and esoteric laboratory services, acquired **the outreach laboratory activities of Baystate Health**, a US-based healthcare organization, for an undisclosed amount
- In October 2023, **Spectris**, a UK-based provider of measurement and analysis equipment, acquired **Particle Measuring Systems**, a US-based provider of cleanroom testing and contamination monitoring services, for an undisclosed amount
- In September 2023, **Technical Safety Services**, a US-based provider of testing, certification, calibration and environmental services for the industrial, environmental and life sciences industries, acquired **Controlled Environment Management**, a US-based provider of controlled environment testing, validation, certification and calibration services for the pharmaceutical and biotechnology industries, for an undisclosed amount
- In September 2023, **GBA Group**, a Germany-based provider of laboratory testing and consultancy services for the environmental, food, consumer goods and pharmaceutical industries, acquired **ICCR-Rossdorf**, a Germany-based contract research organization for the pharmaceutical, (agro)chemical, cosmetics and medical device industries, for an undisclosed amount
- In September 2023, **Lundbeckfonden**, a Denmark-based private equity firm, acquired **Ellab**, a Denmark-based provider of validation, monitoring and calibration solutions and services for the life sciences and food manufacturing industries, for an undisclosed amount
- In September 2023, **Cerba Healthcare**, a France-based provider of clinical pathology laboratory services, acquired **CIRION BioPharma Research**, a Canada-based contract research laboratory providing global central laboratory services for clinical studies and bioanalytical services, for an undisclosed amount

Case study

Fondo Italiano d'Investimento has acquired a minority stake in RINA

RINA is a multinational and multidisciplinary group providing testing, inspection, certification and engineering services to a wide range of industries, including the marine, energy & mobility, real estate & infrastructure, and space & defense industries, in more than 70 countries.

Fondo Italiano d'Investimento is Italy's largest institutional investor in private capital. The company aims to combine financial returns with support for the competitiveness of the Italian industrial system, by investing in quality companies with high growth potential in strategic sectors of excellence for the Italian economy. Fondo Italiano

d'Investimento operates with synergistic continuity between direct investments and fund platforms, providing patient capital and encouraging aggregation processes between companies.

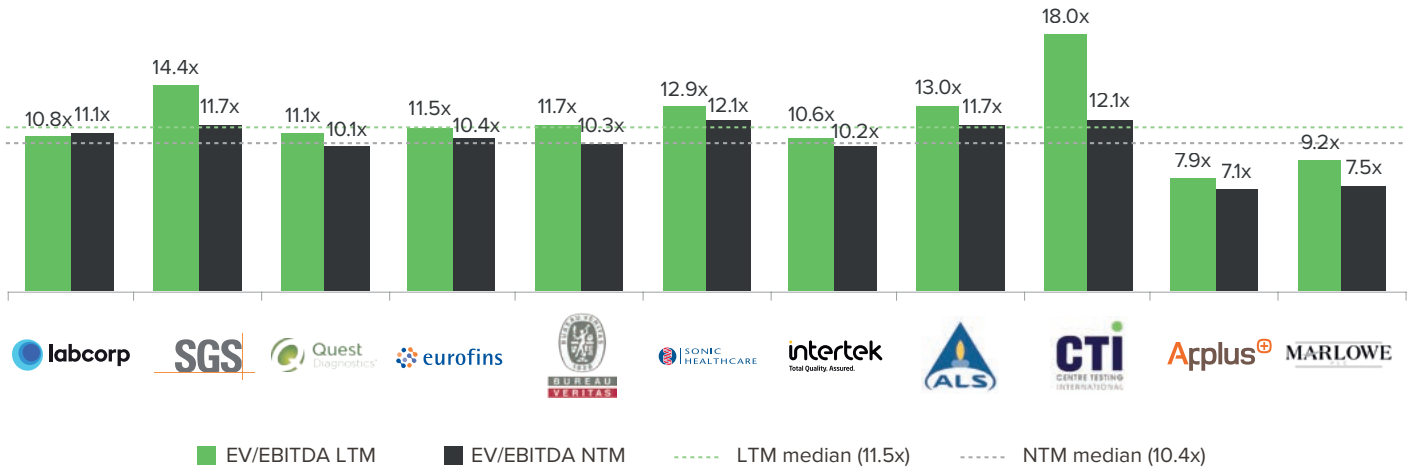
The deal involves an injection of up to EUR 180 million (US\$195 million) in capital in the form of equity. RINA parent organization Registro Italiano Navale will maintain the majority stake, while Fondo Italiano d'Investimento and other co-investors will hold a minority stake of up to 33% after the transaction. Additionally, the company's management will hold a stake of about 3.5% in the capital. The capital injected by Fondo Italiano d'Investimento into RINA is aimed at providing additional support for the company's growth, both organically and inorganically, as well as its international expansion.

The graphic features the RINA logo at the top, followed by the text "has sold a minority stake to". Below this is the logo for Fondo Italiano d'Investimento, which consists of a stylized fan-like shape in green and red above the text "FONDO ITALIANO D'INVESTIMENTO". At the bottom, it reads "M&A SELL-SIDE" in green and "Business Support Services" in black.

Oaklins Italy acted as the co-financial advisor to RINA in this transaction.

Market multiples and valuation trends

CURRENT TRADING MULTIPLES (EV/EBITDA) OF LISTED TICC COMPANIES



Source: S&P Capital IQ, as at 31 December 2023

HISTORICAL VALUATIONS BETWEEN JANUARY AND DECEMBER 2023 (EV/EBITDA NTM)



Source: S&P Capital IQ, as at 31 December 2023

Our track record

A selection of Oaklins' experience in the TICC industry.

 <p>has been acquired by</p>  <p>M&A SELL-SIDE Business Support Services/Private Equity</p>	 <p>has been acquired by</p>  <p>M&A SELL-SIDE Business Support Services</p>	 <p>has been acquired by</p>  <p>M&A SELL-SIDE Business Support Services/Private Equity</p>	 <p>has sold</p>  <p>to</p>  <p>M&A SELL-SIDE Business Support Services/Private Equity</p>
 <p>has sold</p>  <p>to</p>  <p>M&A SELL-SIDE Business Support Services/Private Equity</p>	 <p>has been acquired by</p>  <p>M&A SELL-SIDE Business Support Services</p>	 <p>has been acquired by</p>  <p>M&A SELL-SIDE Business Support Services/Private Equity/TMT</p>	 <p>has been acquired by</p>  <p>M&A SELL-SIDE Business Support Services/Private Equity</p>
 <p>has been acquired by</p>  <p>M&A SELL-SIDE Business Support Services/Construction & Engineering Services/Logistics/Private Equity</p>	 <p>has been acquired by</p>  <p>M&A SELL-SIDE Agriculture/Business Support Services</p>	 <p>has sold a minority stake to</p>  <p>M&A SELL-SIDE Business Support Services</p>	 <p>has been acquired by</p>  <p>M&A SELL-SIDE Construction & Engineering Services</p>
 <p>has sold</p>  <p>to</p>  <p>M&A SELL-SIDE Business Support Services/Private Equity</p>	 <p>has sold its continental European business to</p>  <p>M&A SELL-SIDE Business Support Services/Private Equity</p>	 <p>has been acquired by</p>  <p>M&A SELL-SIDE Business Support Services/Private Equity</p>	 <p>has been acquired by</p>  <p>M&A SELL-SIDE Business Support Services/Healthcare</p>

Deep local roots, global commitment

Oaklins brings you opportunities from across the world and we meet you with our expertise wherever you are

OAKLINS OFFERS A COMPREHENSIVE RANGE OF SERVICES

- M&A advisory (buy- and sell-side)
- Growth equity and equity capital markets advisory
- Debt advisory
- Corporate finance services

Testing, inspection, certification & compliance (TICC) is one of our focus areas. Combining comprehensive sector knowledge with global execution has led Oaklins to become one of the most experienced M&A advisors in the TICC sector, with a large network of relevant market players worldwide. This results in the best possible merger, acquisition and divestment opportunities for TICC companies.

If mergers, acquisitions, or divestitures of businesses or business units are part of your strategy, we would welcome the opportunity to exchange ideas with you.



✉ **ARJEN KOSTELIJK**

Partner
Amsterdam, Netherlands
T: +31 61397 9718

Arjen leads Oaklins' testing, inspection, certification & compliance (TICC) team and is a partner at Oaklins Netherlands. He has advised multiple clients in the TICC sector, including on the sales of Kalsbeek and Advipro to Normec, Xendo Drug Development to QPS, Omegan, Insite Security and the asbestos division of Sansidor to Eurofins, KOAC-NPC and Shield Group to Kiwa, and CAG Groep to Gate Invest and subsequently to SOCOTEC. He has also established high-level contacts with market consolidators, such as Bureau Veritas, SGS, Eurofins, Normec, Applus+ and Kiwa.

United by a strong belief that we can achieve the extraordinary. Oaklins is a global team of 800+ financial advisory professionals in 40 countries providing M&A, growth equity, ECM, debt advisory and corporate finance services to support entrepreneurs, corporates and investors in reaching their goals.

Oaklins disclaimer

This report is provided for information purposes only. Oaklins and its member firms make no guarantee, representation or warranty of any kind regarding the timeliness, accuracy or completeness of its content. This report is not intended to convey investment advice or solicit investments of any kind whatsoever. No investment decisions should be taken based on the contents and views expressed herein. Oaklins and its member firms shall not be responsible for any loss sustained by any person who relies on this publication.

© 2024 Oaklins. All rights reserved.

Oaklins is the collective trade name of independent member firms affiliated with Oaklins International Inc.
For details of the nature of affiliation please refer to www.oaklins.com/legal.