

BURGEONING END MARKETS NECESSITATE INDUSTRIAL & ENVIRONMENTAL SERVICES

INDUSTRIAL & ENVIRONMENTAL SERVICES SECTOR UPDATE | JANUARY 2025



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TABLE OF CONTENTS

- 4 Key Sector Takeaways
- 5 Government and Commercial Investments Propel I&ES Growth
- 6 Public Strategic and Platform M&A Activity Accelerates
- 7 Platforms Realize Strong Returns, Prioritize New Products
- 8 Select Transactions
- 9 Industrial & Environmental Services Equity Capital Markets
- 10 Notable Financing Rounds
- 11 Capstone's I&ES Index Outperforms Benchmark in 2024
- 12 Report Contributors
- 13 Firm Track Record
- 14 Capstone's Proprietary Research Reveals Top Services in Demand
- 15 Endnotes



CONTACT OUR INDUSTRIAL & ENVIRONMENTAL SERVICES SECTOR BANKER



Timm Kuechle
Senior Director
312-560-6577

tkuechle@capstonepartners.com

Capstone Partners, a subsidiary of Huntington Bancshares Incorporated (NASDAQ:HBAN), has been a trusted advisor to leading middle market companies for over 20 years, offering a fully integrated range of expert investment banking and financial advisory services uniquely tailored to help owners, investors, and creditors through each stage of the company's lifecycle.

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Industrial & Environmental Services

Burgeoning End Markets Necessitate Industrial & Environmental Services

KEY SECTOR TAKEAWAYS

Capstone Partners' [Industrials Group](#) is pleased to share its Industrial & Environmental Services (I&ES) report. The I&ES sector is poised for significant growth as a result of multiple converging factors, particularly the increase in government-backed infrastructure investments, alongside high-value data center and artificial intelligence (AI) infrastructure projects. The Infrastructure Investment and Jobs Act (IIJA) and Inflation Reduction Act (IRA) have channeled billions into renewable energy projects, modernizing the electric grid and bolstering sustainability efforts. Several additional key report takeaways are outlined below.

1. I&ES sector merger and acquisition (M&A) activity remained elevated in 2024 amid increased demand for infrastructure, environmental cleanup, and waste management solutions.
2. Large public players have invested in widespread infrastructure expansion, leading the charge in data centers and AI facilities. Many of these facilities rely on large-scale energy sources, leading to a boom in nuclear power plant projects.
3. Projects that involve retrofitting or decommissioning older power plants or industrial facilities have required expertise in hazardous material management and environmental cleanup, subsequently opening new revenue streams for players in the space.
4. Strategic acquirers and private equity firms have been willing to pay premium multiples for established players, given the sector's resilience and the long-term growth potential tied to essential infrastructure and environmental compliance needs.
5. Following a robust 2023 in Equity Capital markets due to large infrastructure related transactions, 2024 volume declined to levels witnessed in 2022 and 2021.
6. Capstone Partners advised Barclay Water Management—a provider of water safety and digital monitoring solutions—on its sale to Ecolab (NYSE:ECL). The transaction will help customers improve water safety while also enhancing operational performance through reduced water and energy use.

Capstone Partners has developed a full suite of corporate finance solutions to help privately-owned businesses and private equity firms navigate through each stage of a company's lifecycle. These solutions include financial advisory services, merger and acquisition advisory, debt advisory, equity capital financing, and employee stock ownership plan (ESOP) advisory.

To learn more about Capstone's wide range of advisory services and Industrial & Environmental Services sector knowledge, please [contact us](#).

GOVERNMENT AND COMMERCIAL INVESTMENTS PROPEL I&ES GROWTH

The I&ES sector is poised for significant growth as a result of multiple converging factors, particularly the increase in government-backed investments, alongside data center and AI infrastructure projects. The IIJA and IRA have channeled billions into renewable energy projects, modernizing the electric grid, and bolstering sustainability efforts. In October, the Biden-Harris Administration announced funding of up to \$900 million to build and deploy next-generation nuclear technologies, a Trump Administration-supported investment area, according to a Department of Energy press release.¹ Subsequent investments brought by President Biden’s Bipartisan Infrastructure Law have begun to spur the deployment of advanced reactor technologies across the country to meet the growing demand for clean and reliable power.

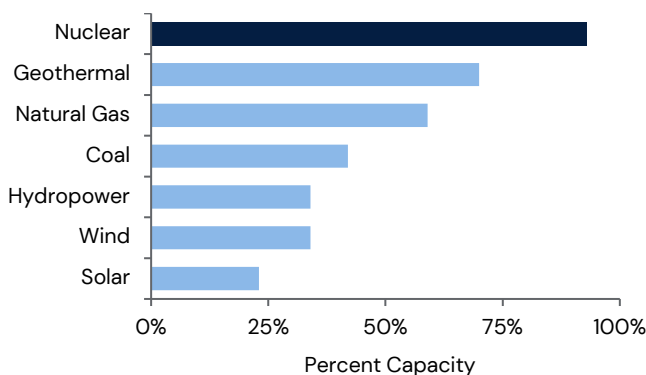


**Timm Kuechle,
Senior Director**

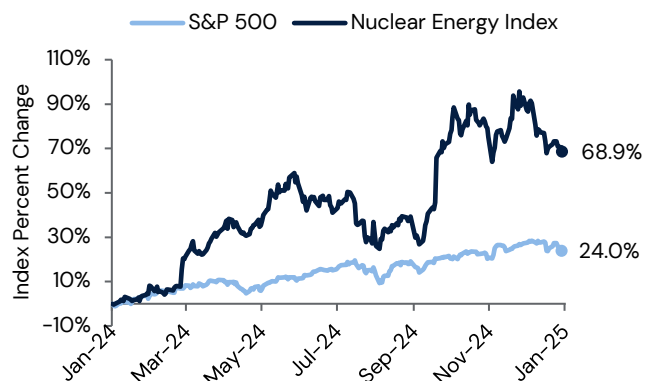
“Industrial and environmental services companies with high margins, recession-resistant business models, and highly recurring revenue streams received an outsized amount of attention in M&A auctions, as the flight toward quality investments continued in 2024.”

These initiatives have fueled widespread infrastructure expansion, with companies such as Alphabet’s (Nasdaq:GOOGL) Google, Amazon (Nasdaq:AMZN), and Microsoft (Nasdaq:MSFT) leading the charge in data centers and AI facility construction, many of which rely on large-scale energy sources such as nuclear power plants. In October, Google signed an agreement with Kairos Power to develop a fleet of small modular reactor (SMR) projects in the U.S. Similarly, Amazon signed three deals with Dominion Energy (NYSE:D), X-energy, and Energy Northwest. Amazon has committed \$500 million to X-energy and will support the development of more than 960 megawatts (MW) of SMR capacity in Washington and Virginia, according to a press release.² These sizable investments have led to a 68.9% rise in Capstone’s Nuclear Energy index in 2024 as the federal and commercial push has further accelerated demand for I&ES that can handle complex projects involving hazardous materials and environmental restoration. These hazardous materials, including Naturally Occurring Radioactive Material (NORM) and Technologically Enhanced Naturally Occurring Radioactive Material (TENORM), have raised concerns as they gain prevalence among Oil & Gas, Mining, and Water Treatment segments. Increased demand for the handling and disposal of these materials has expanded sector participants’ revenue opportunities for projects like those that involve retrofitting or decommissioning older power plants or industrial facilities. With increased concerns and regulations around managing these materials safely, demand for specialized industrial services to safely remove, transport, and dispose of NORM and TENORM has risen, particularly among companies that manage these materials.

Nuclear Provides Highest Capacity Factor of Any Energy Source



Nuclear Energy Index Charges Ahead Amid Strategic Investments in 2024



Nuclear Energy Index includes: BWXT, CCO, CEG, EFR, EXC, LEU, NNE, OKLU, SMR, UEC, VST
Source: U.S. Energy Information Administration, Capital IQ and Capstone Partners as of December 31, 2024

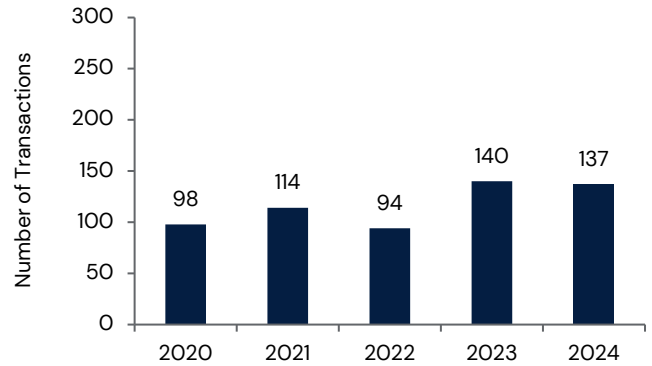
PUBLIC STRATEGIC AND PLATFORM M&A ACTIVITY ACCELERATES

I&ES sector M&A remained elevated with 137 deals announced or completed through 2024. Transaction activity remained strong amid increased demand for infrastructure, environmental cleanup, and sustainable waste management solutions. Investments in infrastructure projects and heightened regulatory pressure for cleaner operations bolstered demand for strong sustainability profiles or specialized capabilities. Strategic acquirers and private equity firms have been willing to pay premium multiples for established players, given the sector’s resilience and the long-term growth potential tied to essential infrastructure and environmental compliance needs. Multiples averaged 1.4x EV/Revenue and 8.7x EV/EBITDA in 2021 and grew to 1.8x and 11.2x, respectively, from 2022 through 2024. The competition among buyers, coupled with a supply of high-quality assets, drove recent acquisitions to surpass previous years’ valuation peaks, marking it as the sector’s strongest year on record.

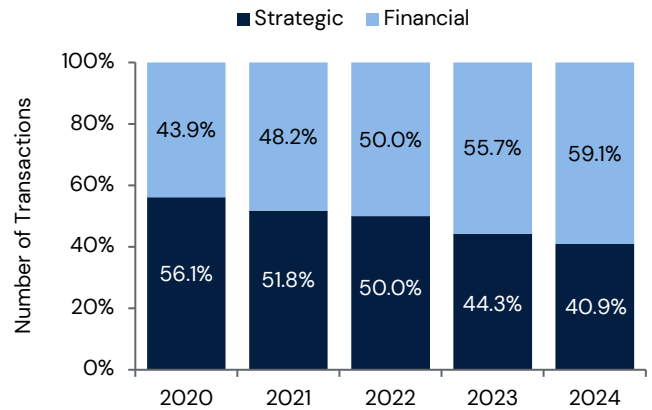
Overall, strategic acquirers comprised 40.9% of total deals in 2024, its lowest proportion since 2020, a reflection of financial activity strength in the space. Private equity firms increasingly targeted the I&ES sector, with 81 transactions announced or completed. This marked an increase from 78 deals in 2023. Sector participants’ ability to showcase sticky customer bases, recurring revenue, and advanced capabilities piqued heightened private equity investment in the space throughout 2024. While private equity continued to utilize add-on transactions, which remained flat YOY making up 66.7% of 2024 financial acquisitions, platform acquisitions in the sector rose 12.5% YOY. Elevated fundraising levels and vast amounts of dry powder enabled sponsors to pursue scalable platform opportunities in 2024.

Public strategic acquisitions rose from 11 to 19 deals announced or completed. Public buyer M&A accelerated due to continued shareholder pressure to demonstrate a sticky customer base, recurring revenues, and new capabilities. Public buyer willingness to pay premium multiples coupled with a pool of financial buyers that have entered the sector with force, accelerated M&A competition. Subsequently, private strategics deals declined from 51 deals in 2023 to 37 deals announced or completed in 2024, a result of heightened valuations in the space.

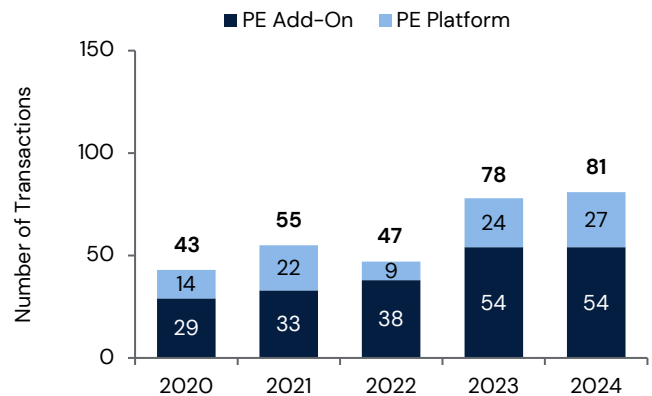
Industrial & Environmental Services M&A Maintains Heightened Activity



Financial Acquirers Continue to Gain Market Share Among I&ES Deals



Private Equity Add-Ons Rise, Expected to Continue in 2025



Source: Capital IQ, FactSet, PitchBook, and Capstone Partners

PLATFORMS REALIZE STRONG RETURNS, PRIORITIZE NEW PRODUCTS



In January 2025, Apollo (NYSE:APO) and BC Partners announced the acquisition of GFL Environmental's (TSX:GFL) Environmental Services business for an enterprise value of \$5.6 billion. GFL will retain a 44% equity interest in the Environmental Services business and the Apollo Funds and BC Funds will each hold a 28% equity interest, according to a press release.³ GFL intends to use net proceeds to repay debt meanwhile Apollo extends its reach into the essential Industrial and Waste Management Services spaces. BC Partners, GFL's long-standing financial backer, will continue to help accelerate growth and drive value creation. "We believe this transaction will provide the Environmental Services business with greater flexibility to pursue organic and inorganic growth opportunities as an independent business, while also taking advantage of the strategic, value-added resources and structuring capability of the Apollo platform," said Craig Horton, Partner at Apollo, in the press release.



Private equity firm, Leonard Green & Partners (LGP) acquired GeoStabilization International (GSI) from KKR (NYSE:KKR) for an undisclosed sum (September). Private equity firm KKR acquired GSI in December 2018 (undisclosed) and has grown the company's geohazard mitigation solutions and roadway safety services. KKR began an all-employee ownership program and invested in business infrastructure, service expansion, and corporate development, nearly tripling revenue and EBITDA, according to a press release.⁴ The sale is expected to deliver a 5x return for KKR, and all GSI employees will receive cash payouts on their ownership stakes. GSI has become LGP's fifth portfolio company in the Industrial Services space and is expected to build off the growth catalyzed by KKR. "GSI is a prime example of what ownership cultures can accomplish within the Services sector and speaks to the power of an engaged workforce," said Pete Stavros, Co-Head of Global Private Equity at KKR, in the release.



Audax Private Equity acquired Total PowerGen Solutions (TPGS), a full-service provider of power generation solutions from Trivest Partners (September, undisclosed). The Canada-based provider offers critical maintenance and repair services for commercial and industrial generators, generator rentals and rental-related services, and new equipment distribution. Trivest acquired Total PowerGen Solution in December 2018 (undisclosed) and supported the business' growth in Canadian markets. Audax plans to expand TPGS' footprint to U.S. geographies. "Through TPGS, we see a tremendous opportunity to invest behind a platform with a successful track record sourcing and integrating acquisitions and driving organic growth. We're excited to partner with management and through our Buy & Build approach will look to position TPGS as a key player in the larger North American market," commented Don Bramley, a Partner with Audax Private Equity, in a deal press release.⁵



Infiltrator Water Technologies, a subsidiary of Advanced Drainage Systems (NYSE:WMS) and manufacturer of products for the Decentralized Water and Wastewater sectors, acquired Orenco Systems in August for an undisclosed sum. Orenco manufactures advanced onsite septic wastewater treatment products serving Residential and Non-Residential end markets. "Orenco accelerates the Company's growth in the Advanced Wastewater Treatment space, opening up new opportunities in a highly fragmented and fast-growing segment of onsite septic wastewater.... The enhanced portfolio of complementary solutions combined with the broader sales force, geographic reach, and distribution footprint will drive further penetration in this attractive segment," said Scott Barbour, ADS President and CEO, in a press release.⁶ Innovation and synergies were cited as rationale for the transaction as the combined entity seeks to expand margins and sales in a fragmented segment with significant regulatory headwinds.



SELECT TRANSACTIONS

Date	Target	Acquirer	Target Business Description	Enterprise Value (mm)	EV / LTM	
					Revenue	EBITDA
01/07/25	GFL's Environmental Services Business	Apollo (NYSE:APO); BC Partners	Comprises GFL Environmental's (TSX:GFL) Environmental Services business.	\$5,600.0	-	-
01/01/25	CDI Engineering Solutions	Tata Consulting Engineers	Offers engineering, procurement, and construction management (EPCM) services.	CF	CF	CF
11/05/24	Barclay Water Management	Ecolab (NYSE:ECL)	Provides water treatment solutions for industrial, commercial, and institutional clients.	CF	CF	CF
11/01/24	WaterSMART Solutions	Hazen and Sawyer	Offers water management and environmental consulting services.	-	-	-
10/22/24	Rainham Industrial Services	H.I.G. Capital	Provides specialist industrial services.	-	-	-
10/07/24	Robert Stephen Consulting	Langan Engineering and Environmental	Offers Integrated Workplace Management Systems (Iwms) and Geographic Information Systems (GIS).	-	-	-
09/26/24	Pyro Combustion and Controls	Thermogenics	Provides installation and repair services.	-	-	-
09/26/24	GeoStabilization	Leonard Green & Partners	Offers geohazard mitigation services.	-	-	-
09/11/24	Miller Environmental Group	Coalesce Capital Management	Operates as an environmental response and remediation services company.	-	-	-
09/04/24	Total PowerGen Solutions	Audax Management	Distributes power generation system solutions.	-	-	-
08/29/24	Reed Minerals business of Enviri	Speyside Equity	Comprises Enviri's abrasive blasting media and roofing granules business.	\$45.0	-	-
08/20/24	Orengo Systems	Infiltrator Water Technologies	Designs wastewater collection and treatment systems.	-	-	-
08/07/24	Environmental Projects	EnviroServe	Operates as an environmental contractor that engages in hazardous waste removal and remediation.	-	-	-
06/14/24	Enviro Global	Environmental 360 Solutions	Provides industrial cleaning, septic, and liquid waste services.	-	-	-
06/10/24	SAGE Environmental	Terracon Consultants	Represents the combined operations of SAGE Environmental and SAGE EnviroTech Drilling Services.	-	-	-
06/10/24	Iron Horse Excavation	Azuria Water Solutions	Operates as an underground utility contractor.	-	-	-
05/01/24	USA DeBusk	H.I.G. Capital	Provides mechanical and industrial cleaning services.	-	-	-
04/23/24	Environmental Technology	EIS Holdings	Offers environmental consulting services.	-	-	-
03/01/24	Empire Diversified Energy (OTCPK:MPIR)	Vivakor (Nasdaq:VIVK)	Engages in green solutions and services.	\$57.9	NM	-
02/28/24	Lakeshore Environmental	Quality Environmental	Provides asbestos removal, demolition, lead based paint redemption, duct cleaning, and mold remediation.	-	-	-
02/23/24	Evergreen NA Industrial Services	Quanta Services (NYSE:PWR)	Offers environmental and industrial cleaning solutions.	-	-	-
02/06/24	HEPACO	Clean Harbors (NYSE:CLH)	Provides environmental and emergency services.	\$400.0	1.5x	11.1x

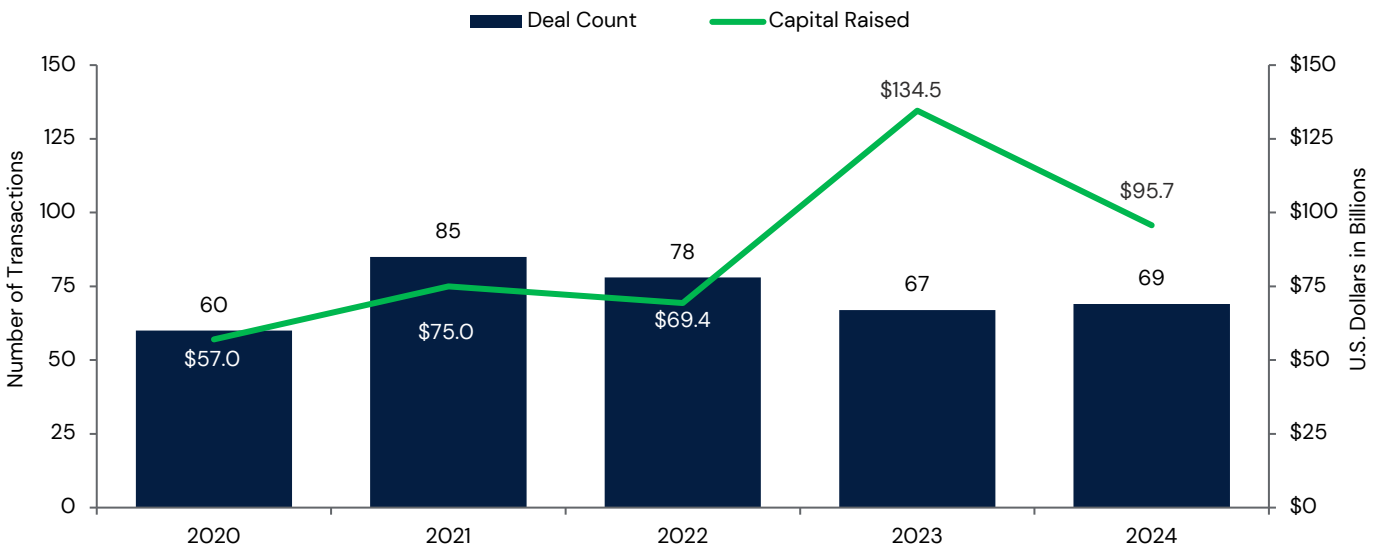
Blue shade indicates Capstone-advised transaction; CF=confidential, NM=Not meaningful
Source: Capital IQ, PitchBook, FactSet, and Capstone Partners

INDUSTRIAL & ENVIRONMENTAL SERVICES EQUITY CAPITAL MARKETS

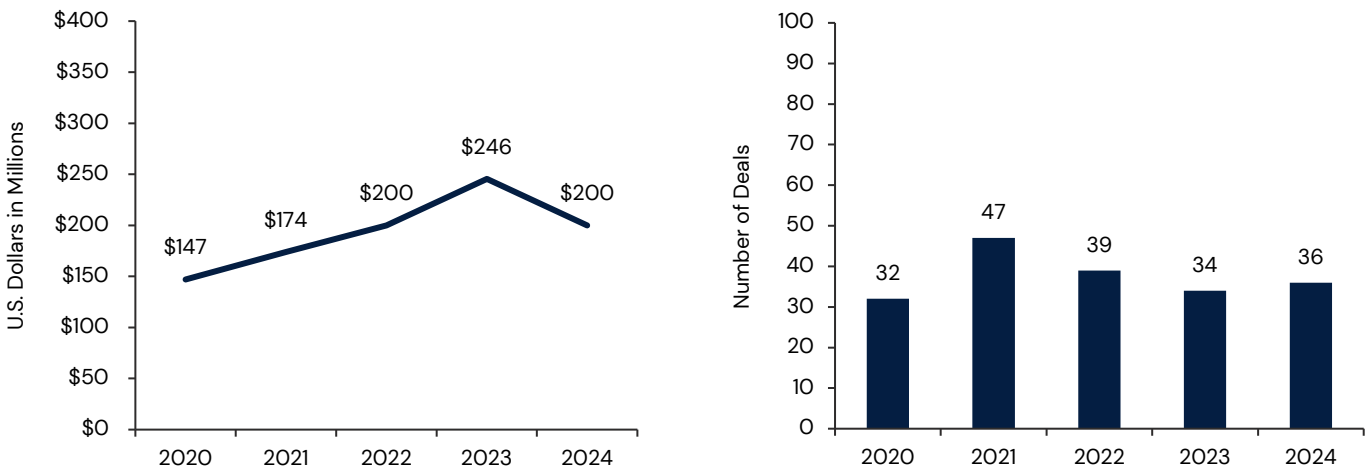
Significant Sector Activity for Minority-Stake Sales

- Following a robust 2023, 2024 volume moderated but remained above levels witnessed in 2022 and 2021. An increase in large infrastructure-related transactions pertaining to data centers and battery recycling led to 2023 being an outlier year.
- In 2024, there were \$95.7 billion of capital invested in the sector (down from \$134.5 billion). Deal count rose, meanwhile median pre-money valuations for Industrial & Environmental Services growth companies returned to levels in line with 2022 figures at \$200 million.

Capital Raised in Industrial & Environmental Services Sector Falls As Deal Count Maintains Similar Totals Year-Over-Year



Pre-Money Valuations Return to 2022 Levels as Deal Count Remains Relatively Flat
(Median Pre-Money Valuations for I&ES Growth Companies)



Source: PitchBook and Capstone Partners

NOTABLE FINANCING ROUNDS



\$246 Million
Series B
(October 2024)

Koloma, a geologic hydrogen company intended to decrease carbon emissions, raised \$246 million of Series B financing at a \$846 million post-money valuation. The deal was led by Khosla Ventures, Mitsubishi, and Osaka Gas in October. The funds will be used to develop and deploy technologies like analytics, AI, and sensors to explore hydrogen deposits in the U.S.



\$90 Million
Series A
(September 2024)

CarbonCapture, a provider of air capture systems and services, raised \$90 million in Series A financing at a \$215 million post-money valuation in a deal led by Prime Movers Lab (September). The funds will be used to accelerate product development efforts and to establish initial deployments of its renewable energy-powered Direct Air Capture (DAC) systems.



\$40 Million
(July 2024)

STAX, a mobile capture and control solutions as a service company, raised \$40 million of growth funding in a deal led by Upper90 Capital Management in July. The funds will be used to accelerate the company's growth over the next six months to meet increasing demand across container and auto carrier classes as well as broaden coverage to include tankers.



\$53 Million
Series B
(July 2024)

Cyclic Materials, a recycling services company intended to offer a circular supply chain for recovering critical rare earth elements, raised \$53 million in Series B financing in a deal led by ArcTern Ventures (July). The funds will be used to build rare earth recycling infrastructure across the U.S. and Europe and grow its team to support its world-class operations.



\$40 Million
Series A
(July 2024)

Graphyte, a provider of carbon removal services, raised \$38.8 million of Series A financing in a deal led by Carbon Direct Capital Management and Prelude Ventures (July). The funds will be used to accelerate the company's innovative carbon casting technology and scale up its carbon removal operations.



\$100 Million
Series C
(January 2024)

Watershed, an environmental platform intended to help businesses reduce carbon emissions, raised \$100 million of Series C financing at a \$1.8 billion post-money valuation in a deal led by Greenoaks Capital Partners (January). The funding will be used to accelerate hiring and continue building tools companies need to run effective climate programs.

EQUITY CAPITAL MARKETS GROUP

The [Equity Capital Markets Group](#) focuses on raising equity capital financing for growth-oriented companies and is active in the industrial and environmental services sector. Our team works closely with our industrial and environmental services team to help our clients secure equity capital to fund growth initiatives, recapitalize the balance sheet (often including shareholder liquidity), and to finance M&A transactions.

Chris Hastings

Head of Equity Capital Markets
chastings@capstonepartners.com

Will Seabaugh

Vice President
wseabaugh@capstonepartners.com

Jack Reagan

Analyst
jreagan@capstonepartners.com



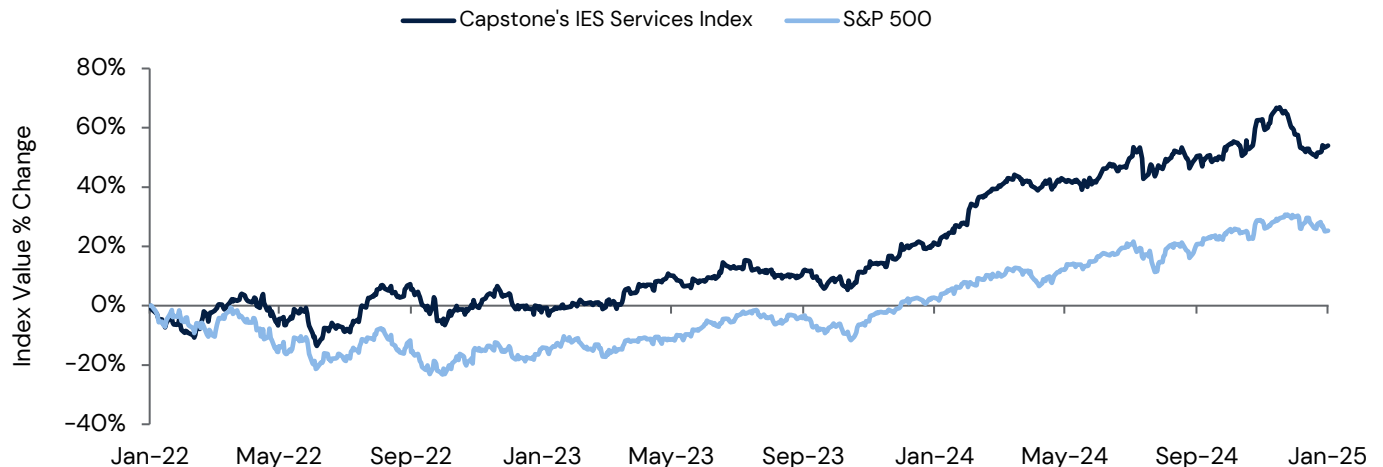
CAPSTONE'S I&ES INDEX OUTPERFORMS BENCHMARK IN 2024

Company	Price	% 52 Wk	Market	Enterprise	LTM			EV/LTM	
	01/13/25	High	Cap	Value	Revenue	EBITDA	Margin	Revenue	EBITDA
APi Group Corporation	\$35.78	87.5%	\$9,922.6	\$12,573.6	\$6,916.0	\$908.0	13.1%	1.8x	13.8x
AtkinsRéalis Group Inc.	\$49.60	90.0%	\$8,671.3	\$9,993.0	\$6,928.4	\$633.9	9.1%	1.4x	15.8x
Bird Construction Inc.	\$16.18	71.4%	\$896.1	\$1,023.9	\$2,407.7	\$113.5	4.7%	0.4x	9.0x
Casella Waste Systems, Inc.	\$108.69	94.6%	\$6,881.6	\$7,536.2	\$1,489.4	\$345.5	23.2%	NM	21.8x
Clean Harbors, Inc.	\$229.96	86.1%	\$12,394.6	\$14,985.5	\$5,797.0	\$1,330.4	23.0%	2.6x	11.3x
EMCOR Group, Inc.	\$467.78	87.9%	\$21,518.8	\$20,840.4	\$14,235.3	\$1,736.5	12.2%	1.5x	12.0x
Enviri Corporation	\$8.40	65.7%	\$673.1	\$2,168.2	\$2,086.5	\$367.1	17.6%	1.0x	5.9x
Fluor Corporation	\$48.11	80.0%	\$8,251.6	\$6,451.6	\$15,875.0	\$505.0	3.2%	0.4x	12.8x
GFL Environmental Inc.	\$44.12	92.9%	\$17,356.5	\$24,395.4	\$5,743.3	\$1,416.4	24.7%	NM	17.2x
Matrix Service Company	\$12.30	88.5%	\$338.9	\$237.2	\$696.1	\$0.7	0.1%	0.3x	NM
Mistras Group, Inc.	\$9.05	72.8%	\$280.6	\$514.9	\$739.0	\$86.9	11.8%	0.7x	5.9x
Montrose Environmental Group, Inc.	\$21.76	43.5%	\$746.4	\$1,131.4	\$673.1	\$50.4	7.5%	1.7x	22.5x
Primoris Services Corporation	\$79.07	93.1%	\$4,247.1	\$5,240.8	\$6,141.1	\$549.0	8.9%	0.9x	9.5x
Republic Services, Inc.	\$207.22	93.9%	\$64,891.4	\$77,670.7	\$15,817.6	\$4,788.8	30.3%	NM	16.2x
Séché Environnement SA	\$79.25	64.0%	\$615.7	\$1,253.1	\$1,177.8	\$195.5	16.6%	1.1x	6.4x
SECURE Waste Infrastructure Corp.	\$10.88	91.5%	\$2,548.3	\$2,887.6	\$7,735.3	\$373.8	4.8%	0.4x	7.7x
Waste Connections, Inc.	\$176.69	90.7%	\$45,597.2	\$53,970.4	\$8,694.9	\$2,680.8	30.8%	NM	20.1x
Waste Management, Inc.	\$207.53	90.1%	\$83,295.4	\$99,327.4	\$21,387.0	\$6,555.0	30.6%	NM	15.2x

Mean	15.1%	1.1x	13.1x
Median	12.7%	1.0x	12.8x
Harmonic Mean	1.6%	0.7x	11.0x

EV = enterprise value; LTM = last twelve months
 \$ in millions, except per share data
 NM = Not Meaningful

Capstone's I&ES Index Outperforms S&P 500 For Past Three Years



I&ES Index includes: APG, ATRL, BDT, CLH, CWST, EME, FLR, GFL, MEG, MG, MTRX, NVRI, PRIM, RSG, SCHP, SES, WCN, WM
 Source: Capital IQ and Capstone Partners as of January 13, 2025

INDUSTRIAL & ENVIRONMENTAL SERVICES REPORT CONTRIBUTORS



Ted Polk
Managing Director
tpolk@capstonepartners.com | 708-921-8961

Ted is a Managing Director at Capstone Partners. Prior to joining Capstone in 2010, Ted ran the corporate finance practice in the Central region for Morgan Stanley Smith Barney's Capital Strategies Group and its predecessor, Citi Capital Strategies. He has over 25 years of experience working with businesses across a variety of industrial and tech-enabled markets and has focused interest in working with HVAC and energy management related businesses. Early in his career, Mr. Polk also provided valuation advisory services for an entity now owned by Duff & Phelps and was a lender to the Utility industry in the Corporate Banking Group at The Bank of New York and its predecessor Irving Trust Company.

Ted is an active public speaker on the topic of business exits and recapitalizations of privately owned businesses and is a frequent recipient of industry awards for his advisory services. Ted was recognized by the Global M&A Network for his participation in both the Canadian Deal of the Year in 2022 and the Aerospace and Defense Deal of the Year in 2021. He was similarly recognized in 2018 for his involvement in the USA Recapitalization Deal of the Year, in 2017 for his participation in the U.S. Corporate M&A Deal of the Year and in 2015 for USA Recapitalization Deal of The Year. Previously, he was also recognized by the M&A Advisor in 2016 for his role on the Professional Services Deal of the year and was also previously recognized by this organization for his role on transactions awarded the Middle-Market M&A Deal of the Year, the Middle-Market M&A Financing Deal of the Year and the Cross-Border Middle-Market Deal of the Year.



Timm Kuechle
Senior Director
tkuechle@capstonepartners.com | 312-560-6577

Timm is a Senior Director in Capstone Partners' Industrials Investment Banking Group, where he focuses on advising companies on mergers, acquisitions, recapitalizations, divestitures, and other corporate finance mandates.

Prior to Capstone, Timm was a Director in the Industrials team at KPMG Corporate Finance, where he worked on transactions in Industrial verticals such as Industrial & Environmental Services, Automotive, and Diversified Industrials. For the first seven years at KPMG Corporate Finance, he was based in Frankfurt am Main (Germany), advising strategic and financial investors across Europe on numerous buy- and sell-side transactions. In 2015, he joined the Chicago office.



Neve Adler
Market Intelligence Analyst
nadler@capstonepartners.com | 617-619-3387

Neve serves as a Market Intelligence Analyst at Capstone Partners covering the Industrials industry. Prior to joining the firm's Market Intelligence Team, Neve was an intern at the Bank of New York Mellon and Gray Private Wealth. Neve graduated with a Bachelor's of Science degree in Finance from Bentley University.

FIRM TRACK RECORD

Capstone maintains an active presence in the [Industrials](#) industry with in-depth knowledge of the buyer universe and business characteristics that drive premium valuations in an M&A process. Our frequent conversations with industry participants provide us with increased transparency into market trends and buyer preferences. Select recent transactions are highlighted below.



Capstone Partners advised [Barclay Water Management](#)—a provider of water safety and digital monitoring solutions—on its sale to Ecolab.

Founded in 1932 and based in Massachusetts, Barclay Water Management provides differentiated water safety solutions, including the proprietary iChlor® Monochloramine System for the treatment of Legionella bacteria in drinking water systems. This secondary disinfection program improves water quality, extends the life of customer assets, and provides continuous on-line monitoring and control of water chemistry. Its Water Treatment group offers industrial and commercial water treatment solutions that extend the useful life of boilers, chillers, cooling towers, process heat exchangers, piping systems, and reduce utility plant operating costs by minimizing water and energy consumption. For more information visit barclaywater.com.

“We have a new and exciting opportunity to bring Barclay’s innovative water safety solutions to customers across North America. By aligning them with Ecolab’s complementary circular water solutions and our real-time monitoring ECOLAB3D™ digital platform, we are creating a new platform for growth. Our comprehensive offering will help customers improve water safety while also enhancing operational performance through reduced water and energy use,” said Josh Magnuson, Executive Vice President and General Manager, Global Light Water.



Capstone Partners advised CDI Engineering Solutions—a multi-disciplinary engineering organization and portfolio company of AE Industrial Partners—on its sale to Tata Consulting Engineering (TCE), a subsidiary of Tata Group.

CDI Engineering Solutions provides critical engineering and product management services to companies and organizations in the Energy, Chemicals, and Infrastructures sectors. Based in Houston, Texas, the company’s client base includes 75+ blue chip oil and gas, petrochemical, and chemical customers across the U.S. For more information, visit cdiengineeringsolutions.com.

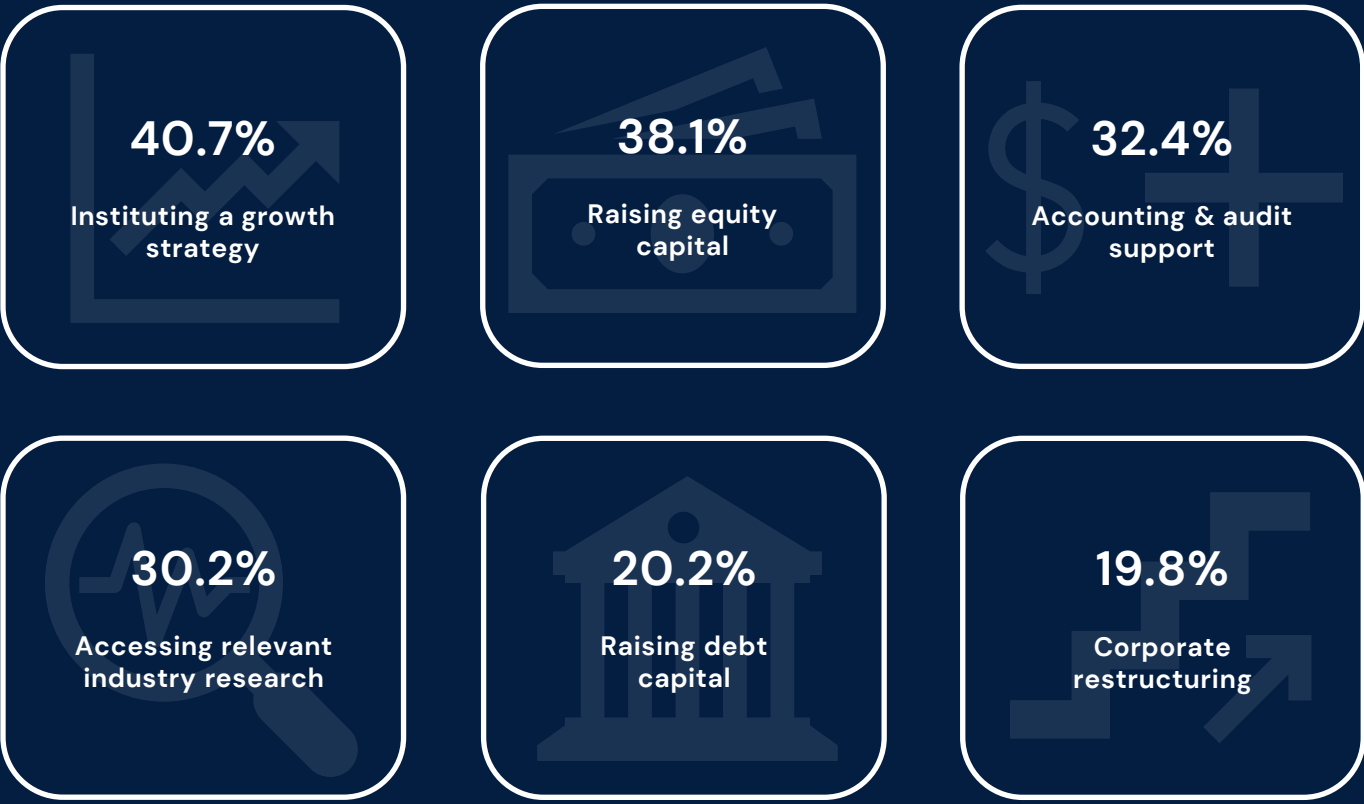
“TCE and CDI share a commitment to engineering excellence and sustainability. This partnership offers a unique opportunity to deliver value for clients and growth opportunities for our employees. By leveraging our complementary strengths, we will push the boundaries of engineering innovation,” added Steve Karlovic, President of CDI Engineering Solutions.

CAPSTONE’S PROPRIETARY RESEARCH REVEALS TOP SERVICES IN DEMAND

The stage and initiatives of a business often dictate which financial services are in demand. As the bulk of CEOs polled in Capstone’s 2024 Middle Market Business Owners Survey indicated growth strategies are a priority for 2025, the lion’s share (40.7%) of owners anticipate a need for growth strategy support services. Similarly, 38.1% of CEOs require equity capital advisory services to support operational initiatives and business expansion. Nearly one-third of owners require accounting and audit support to shore-up cash flows and establish financial stability. In addition, 30.2% of CEOs demonstrated an interest in accessing relevant industry research to keep up with emerging industry trends, complete competitor analyses, and track capital markets activity in their space.

Capstone has developed a full suite of [corporate finance solutions](#) to help privately owned businesses and private equity firms through each stage of the company’s lifecycle, ranging from growth to an ultimate exit transaction. In addition, we developed specialty advisory practices to provide financial performance, buy-side, employee stock ownership plan (ESOP), and equity and debt services. All of these capabilities are supported by 12 industry banking groups, an active sponsor coverage group, and a dedicated Market Intelligence Team.

Top Financial Services Required by Business Owners in 2025



*Question: Have you ever had, or do you anticipate having, a need for any of the following services?
Source: Capstone Partners’ Middle Market Business Owner Survey, Rebased Sample Size (N): 278*



ENDNOTES

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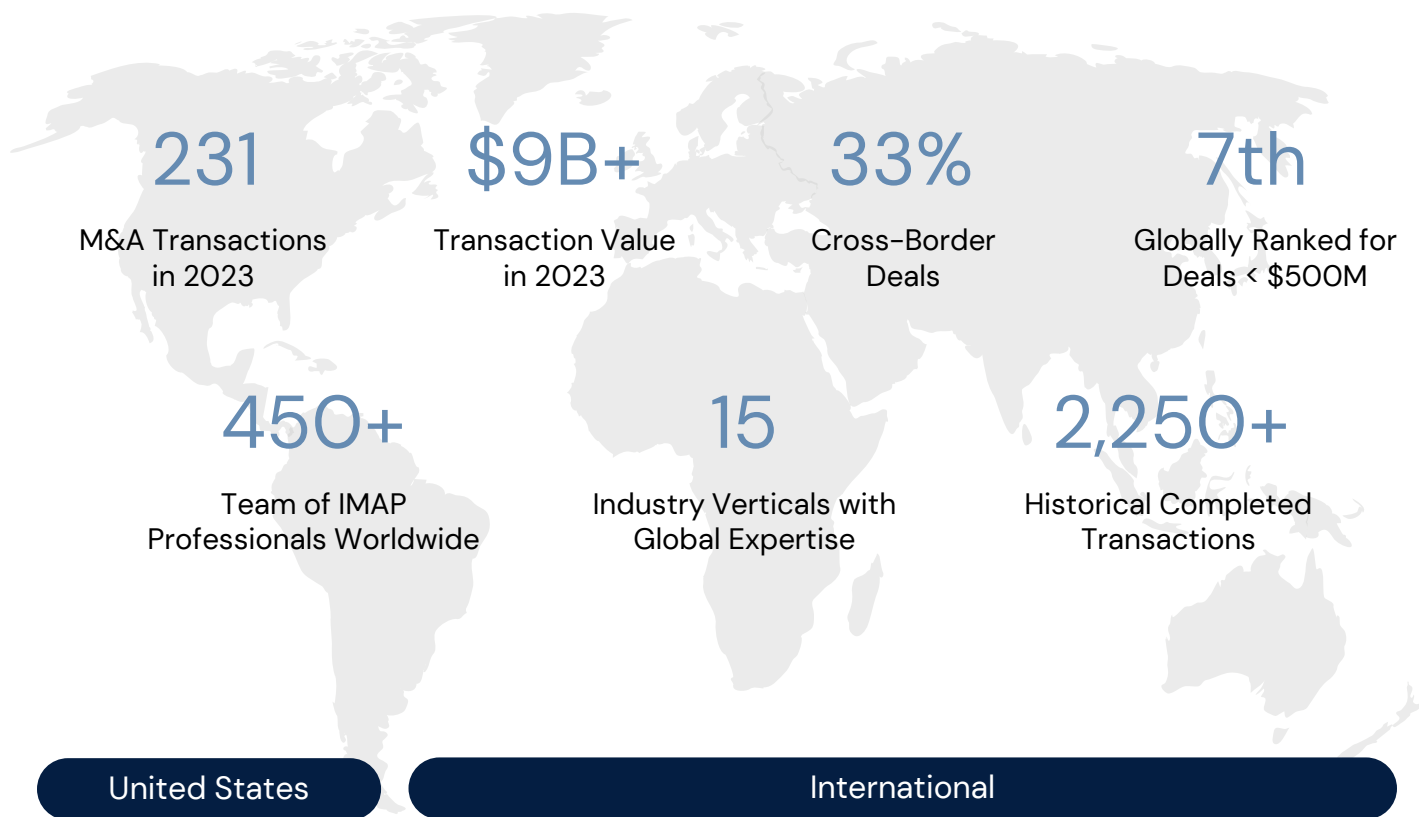
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With a long-established U.S. footprint, together with an international partner platform, we provide clients with broad expertise and access to key market relationships on a global basis. Our presence is backed by ~200 professionals in the U.S. with 450+ professionals across 41 countries.



~200 professionals
8 offices

Boston · Denver · Chicago · Dallas
Detroit · Irvine · New York · Tampa

450+ professionals
60+ offices in 41 countries

Asia: China · India · Japan · Thailand
Africa: Congo · Egypt · Ghana · Mauritius · Morocco · Senegal · South Africa
Americas: Toronto · Vancouver · Argentina · Brazil · Chile · Colombia · Mexico · Paraguay · Peru
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