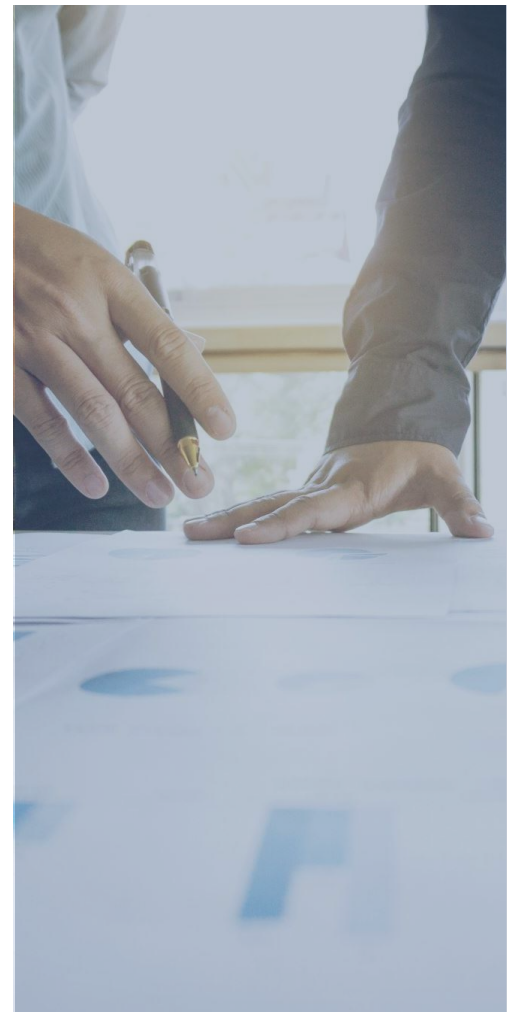


BUSINESS SERVICES
M&A UPDATE

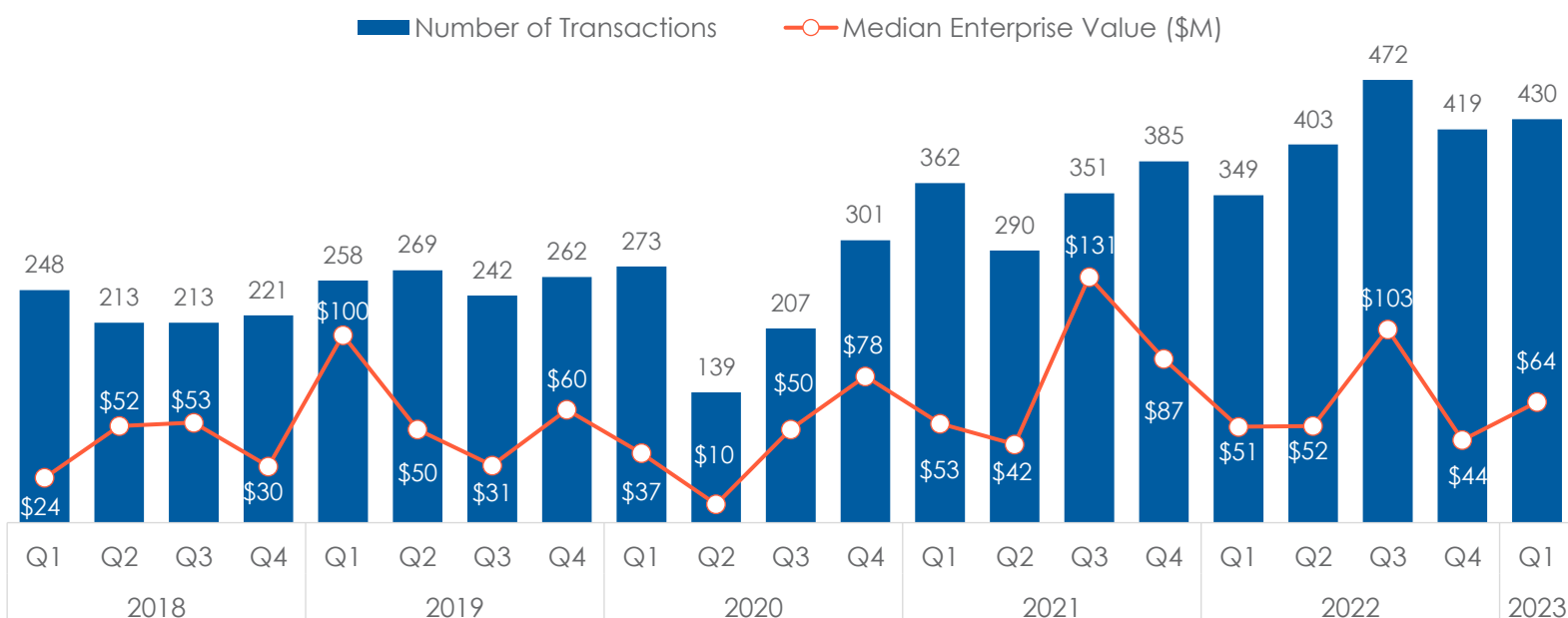
Q1 2023



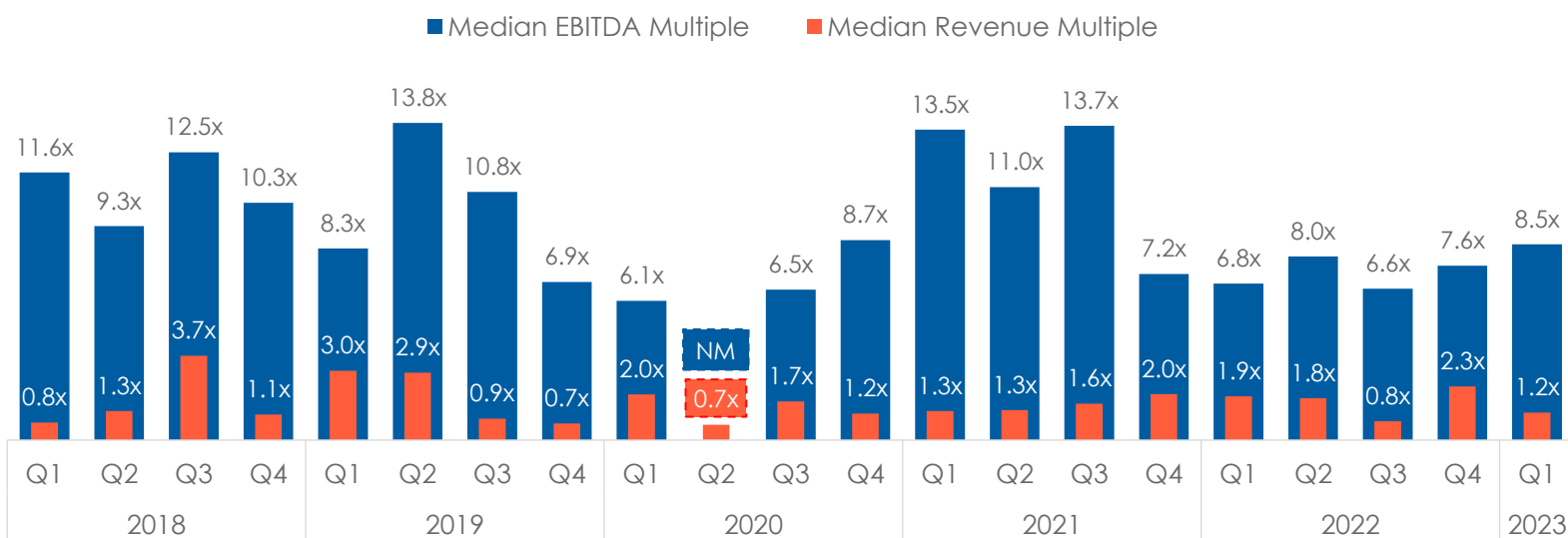
Deal Flow and Valuation Multiples

430 Business Services transactions closed in Q1 '23, the second highest quarterly total in the past five years. Median EV/EBITDA valuation multiples were 8.5x – up from a year ago. Median EV/REV multiples were 1.2x – down from the prior year. Sellers that transacted in Q1 '23 tended to be larger than the prior quarter.

Business Services Transactions & Total Transaction Value



Median Business Services Valuation Multiples ⁽¹⁾



Subsectors In Focus

In Q1'23, three Business Services subsectors experienced decreased transaction activity year-over-year – Business Process Outsourcing, Consulting & Professional Services, and HR & Staffing. Facility & Industrial Services, Logistics Services, and Marketing Services experienced increases year-over-year. Buyer demand remains strong for facility and industrial services companies with long-term contracts serving 'recession-proof', mission critical end markets (e.g., utilities, water treatment, etc).

Business Services Subsector Detail and Deep Dive

Business Processes Outsourcing	Consulting & Professional Services	Facility & Industrial Services	HR & Staffing	Logistics Services	Marketing Services
<ul style="list-style-type: none"> Data Processing Electronic Document Processing Fraud Management Office Services & Supplies Online Bill Payment Writing, Editing, Translation 	<ul style="list-style-type: none"> Accounting, Auditing, and Taxation Credit Reporting IT Consulting & Other Services Legal Services Research, Development, and Testing 	<ul style="list-style-type: none"> Building Care & Improvement Commercial Rental & Leasing Environmental & Facilities Services Security & Alarm Warehousing & Storage 	<ul style="list-style-type: none"> Development Training Employee Leasing Executive Placing Online Recruiting Payroll Secretarial Services Temporary Help 	<ul style="list-style-type: none"> Air Courier Charter Air Freight Ground Courier Postal Courier Technology Distributors 	<ul style="list-style-type: none"> Bookbinding Commercial Interior Design Commercial Photography Commercial Printing Engraving Film Processing Graphic Design

Q1 2023 Subsector M&A Tracking

# of Transactions					
22	158	132	28	80	10
YoY M&A Trend					
↓	↓	↑	↓	↑	↑
Average EV (\$M)					
NM	\$244	\$52	NM	\$1,788	NA
Median EV (\$M)					
NM	\$70	\$37	NM	\$92	NA

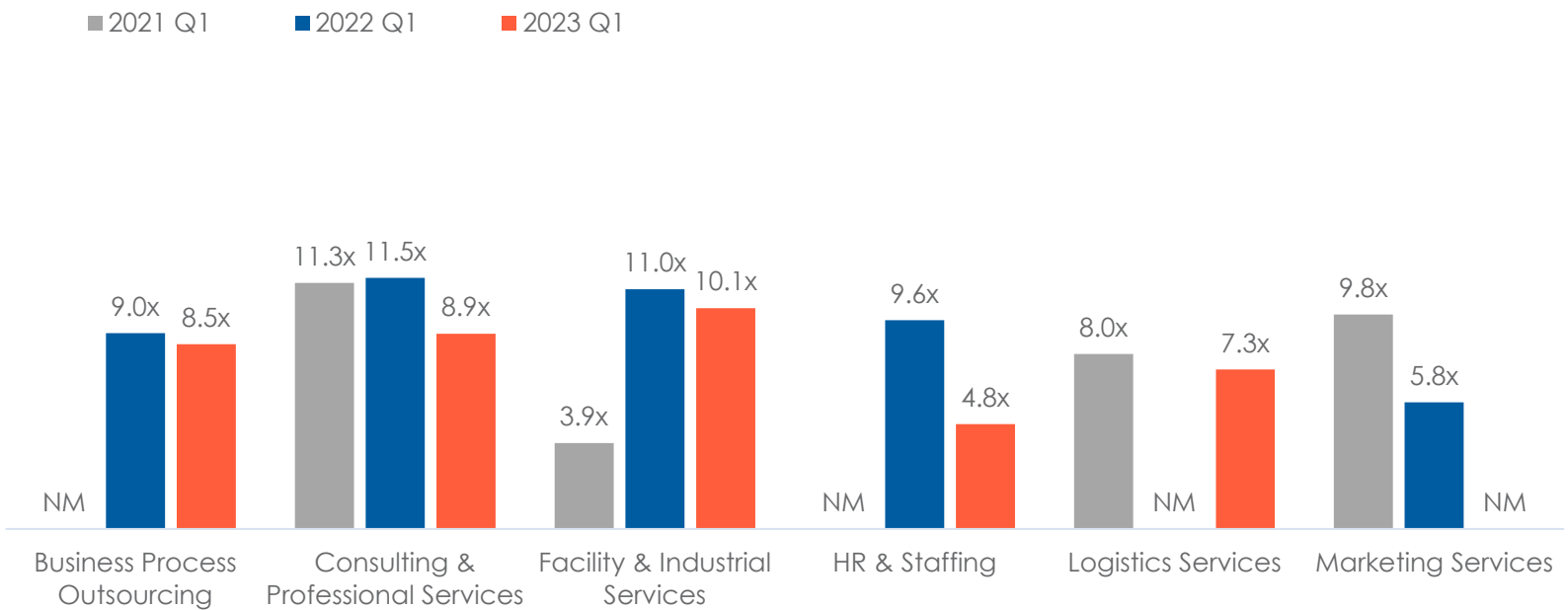
Source: Capital IQ

Note: Business Process Outsourcing and HR & Staffing subsectors EV deemed "NM" due to a lack of transaction data

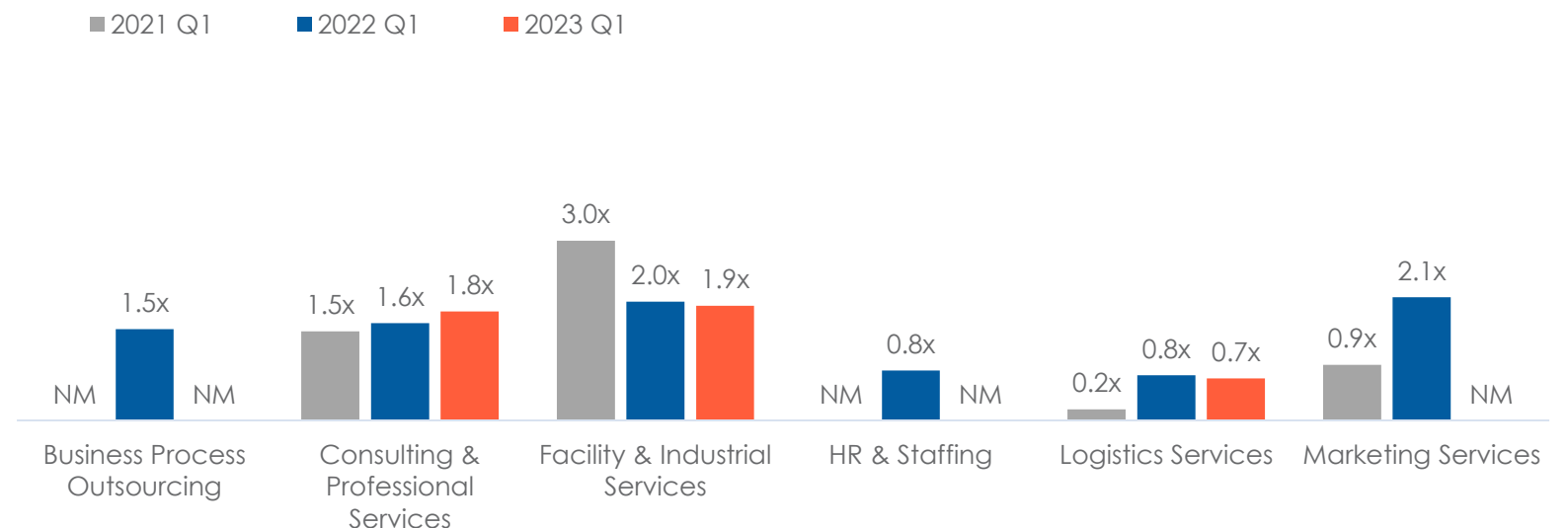
Valuation Multiples by Subsector

Nearly every Business Services subsector is reporting EV/EBITDA multiples in excess of 7.0x (excluding the HR & Staffing subsector) and EV/Revenue multiples in excess of 1.0x (excluding the Logistics Services subsector). The majority of Business Services subsectors are experiencing year-over-year declines in EV/EBITDA multiples – approximately 28% on average.

TTM EV/EBITDA Multiples by Business Services Subsector ⁽¹⁾



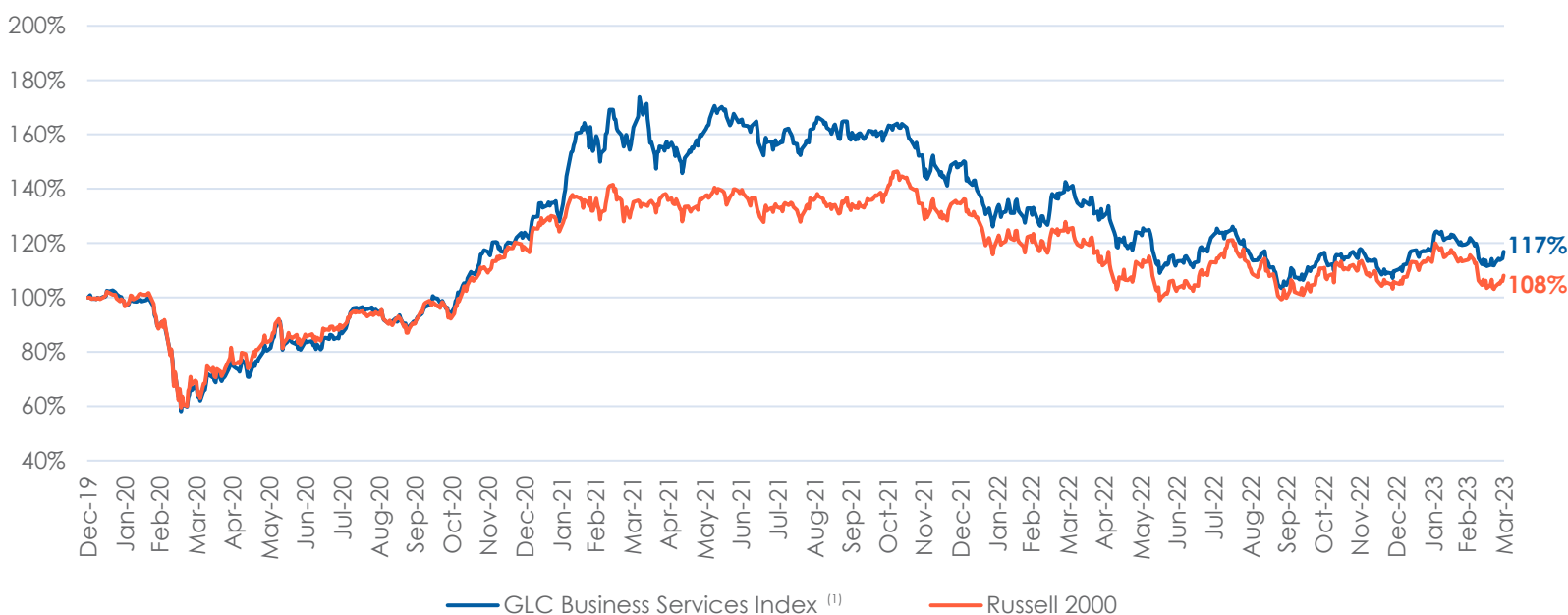
TTM EV/Revenue Multiples by Business Services Subsector ⁽²⁾



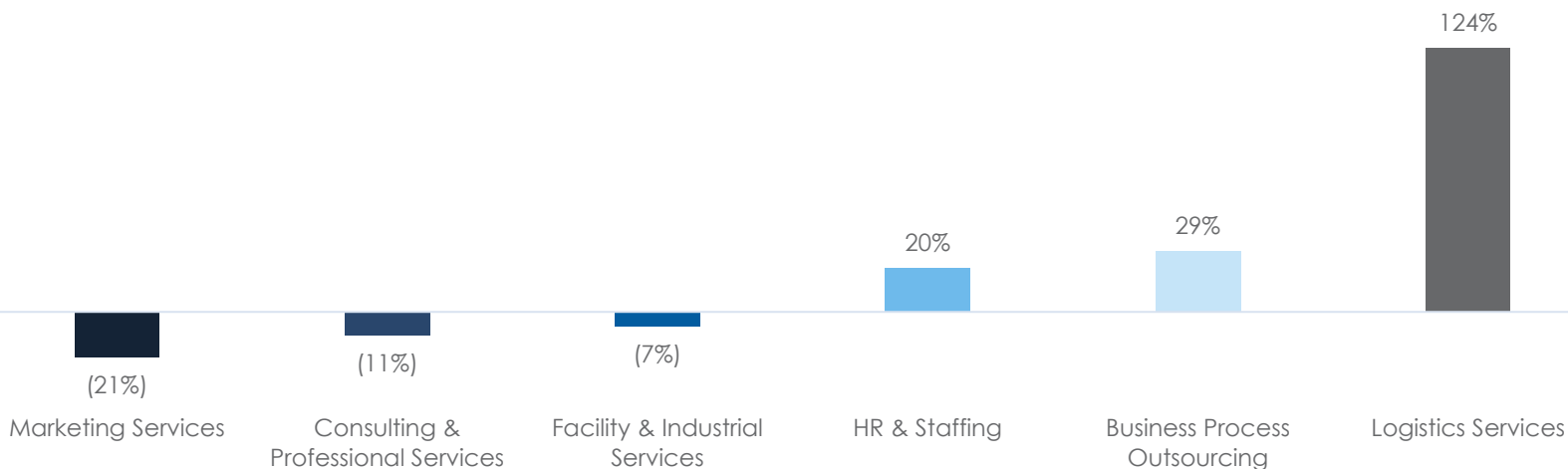
Index Performance

In Q1 '23, public company valuations slightly increased. The Russell Index ("Russell") rose during Q1 '23 finishing up 2% and the GLC Business Services Index finished up 7%. The Business Services Index continues to outperform the Russell over the past 3 years with a 15%+ return – mainly driven by the Logistics Services subsector. This subsector continues to be viewed as mission critical for the vast majority of businesses and over the past couple of years, consumer and business demand experienced record levels due to low-interest rates and persistent macro demand drivers.

Business Services Index Performance (since 2019)



Subsector Performance (since 2019)

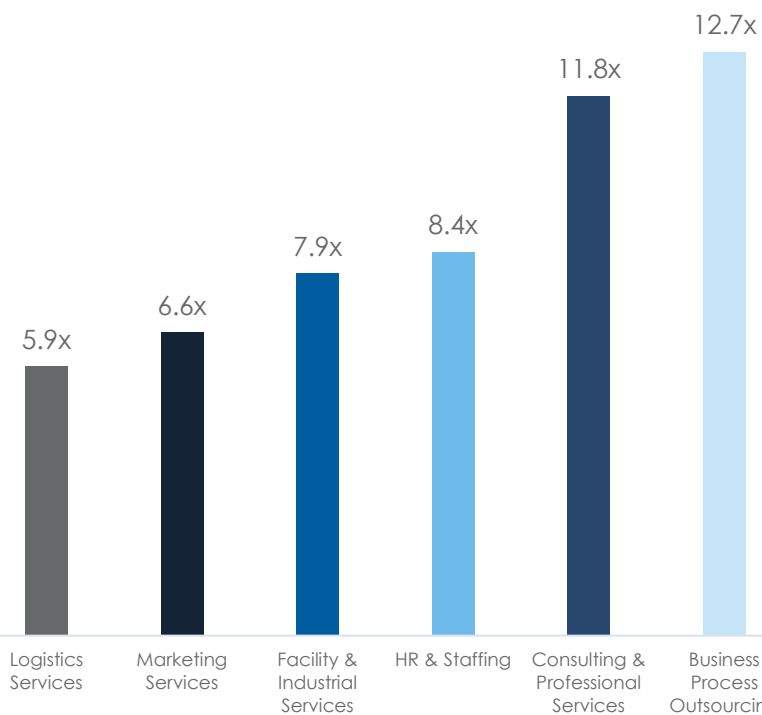


Valuation Trends

Business Services EV/EBITDA Performance



EoQ Subsector EV/EBITDA Multiples (2)



Business Services EV/Revenue Performance



EoQ Subsector EV/Revenue Multiples



FIRM OVERVIEW

A Leading, Full-Service Investment Bank

GLC Advisors & Co. is a leading independent investment banking advisory firm, delivering objective, senior-level expertise to successfully execute financial advisory assignments for our clients. We advise Shareholders, Board of Directors, Entrepreneurs, Management Teams, and Capital Providers on material financial transactions regarding strategic alternatives, capital structure, and transactions.

We excel working with founder and owner operators and are passionate about the businesses and people we work with.

900+
CLOSED
TRANSACTIONS

\$730B+
TRANSACTION
VALUE

50+
PROFESSIONALS

15+
MANAGING
DIRECTORS

Key Capabilities

M&A Advisory

- 100% Sale
- Valuations
- Fairness Opinions

Capital Raising

- Growth Equity
- Debt Capital
- Minority Recap

Restructuring

- Debt Advisory
- Distressed M&A
- 363 Transactions

Business Services & Diversified Industries Team

GLC's Business Services and Diversified Industries Team is focused on advising business services, consumer and industrials clients in the Middle Market. Our team's advisory work includes M&A (sell-side and buy-side), financing/debt advisories, recapitalizations, fairness opinions, and valuations. We excel at working with founders and owner-operators. Our team is passionate about the businesses and people that hire us to advise in their strategic decisions and events.



ADAM FIEDOR
Managing Director

Adam.Fiedor@glca.com

O: 303.479.3845
M: 720.255.7978



MICHAEL RICHTER
Managing Director

Michael.Richter@glca.com

O: 303.479.3844
M: 704.770.5172



MIKE FLESCHNER
Director

Michael.Fleschner@glca.com

O: 303.479.3846
M: 816.698.9598



MIKE ARMBRUSTER
Vice President

Michael.Armbruster@glca.com

O: 303.479.3851
M: 303.483.8576

Includes representative transactions completed by the professionals of GLC Advisors & Co. while at GLC and other firms © 2023 GLC. All rights reserved. This material may not be reproduced in any format by any means or redistributed without the prior written consent of GLC. GLC gathers its data from sources it considers reliable; however, it does not guarantee the accuracy or completeness of the information within this presentation. This material has been prepared solely for informational purposes and is not to be construed as a solicitation or an offer to buy or sell any securities or related financial instruments. No investment, divestment or other financial decisions or actions should be based solely on the information in this presentation and GLC is not, by making this report available, providing investment, legal, tax, financial, accounting or other advice to you or any other party. GLC may from time to time provide investment banking or related services to companies referenced in this presentation.