



HYDE PARK CAPITAL

Integrity | Expertise | Results

Investment Banking | Mergers & Acquisitions | Capital Raising

Overview

Nationally recognized investment bank
founded in 2000

Over 300 transactions completed, totaling
more than \$10 billion in transaction value

Extensive relationships with leading
institutional lenders, PE investors,
and strategic buyers

Proven ability to source quality buyers
and maximize deal value

Industry Expertise

- Industrials
- Healthcare
- Business Services
- Technology
- Financial Services
- Consumer

Investment Banking Services

Mergers & acquisitions, recapitalizations,
and management buyouts

Capital raising of equity, mezzanine, and
senior debt capital

Financial advisory, analytical support,
and fairness opinions

Comprehensive and targeted sell-side
marketing efforts

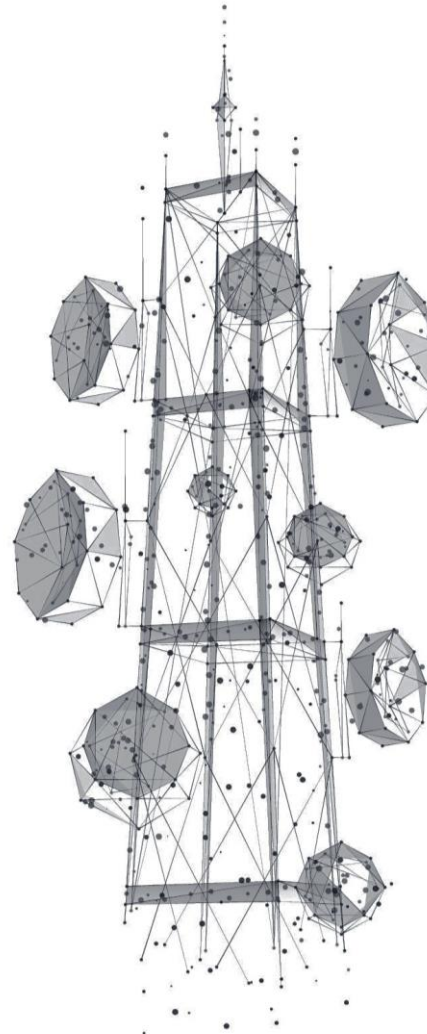
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Telecom Services

Market Insights

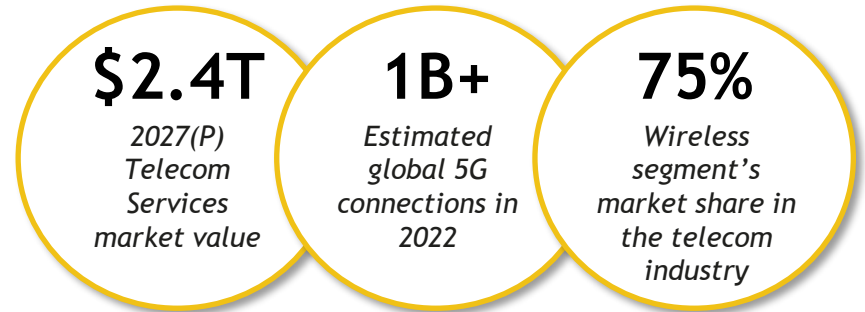
Q1 2023



Market Observations

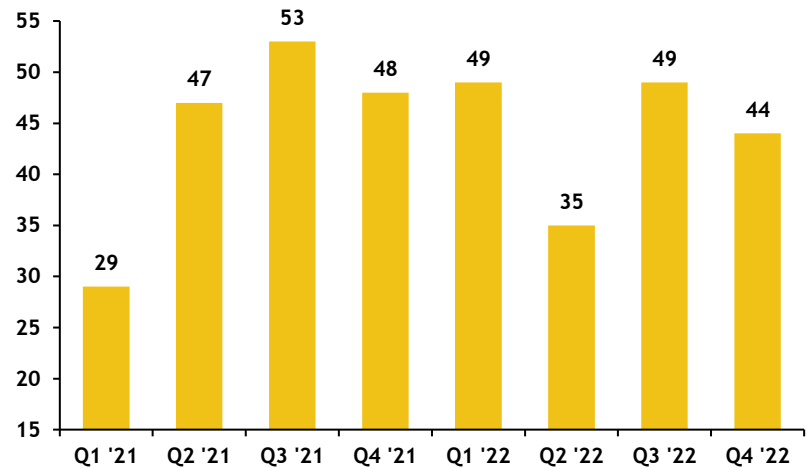
Overview - Telecom Services Outlook and M&A Activity

- The global telecommunications services market was valued at **\$1.8 trillion** in 2022 and is expected to expand at a **CAGR of 6.2%**, reaching **\$2.4 trillion** by 2027.
- The industry is beginning to move away from traditional products, such as voice connectivity as a shift towards high-margin data services with the adoption of **5G networks takes center stage** in the telecom environment. In 2022, data services accounted for over **70%** of industry revenue. This causes the need for an increased amount of telecom services, as providers race to implement **5G** technology across the globe.
- Telecom services grew evermore important during lockdowns and proved to be a **“pandemic-proof”** industry for investors. The **same type of market reaction is expected with the sector** as the economy heads into a **potential recessionary state**.
- With rising interest rates, inflation, and political risk, general M&A activity in the aggregate Technology, Media, and Telecommunications (TMT) space declined 26% from 2021 to 2022. However, the **telecom services sector proved resilient** with **177** transactions in 2022, matching the industry’s volume in 2021.
- **55%** of total transaction volume in the telecom services sector in 2022 was attributable to infrastructure deals due to the investment appetite surrounding tower companies specifically.
- In October 2022, the U.S. Department of Agriculture announced it will be spending **\$759 million** to expand broadband access to communities across the U.S. Most of these funds will support smaller carriers, paving the way for consolidation in the space. Although high borrowing costs may pressure private equity firms to be less aggressive in other sectors, this monetary injection to telecom service providers fosters an attractive environment for platform roll ups with well-capitalized buyers.



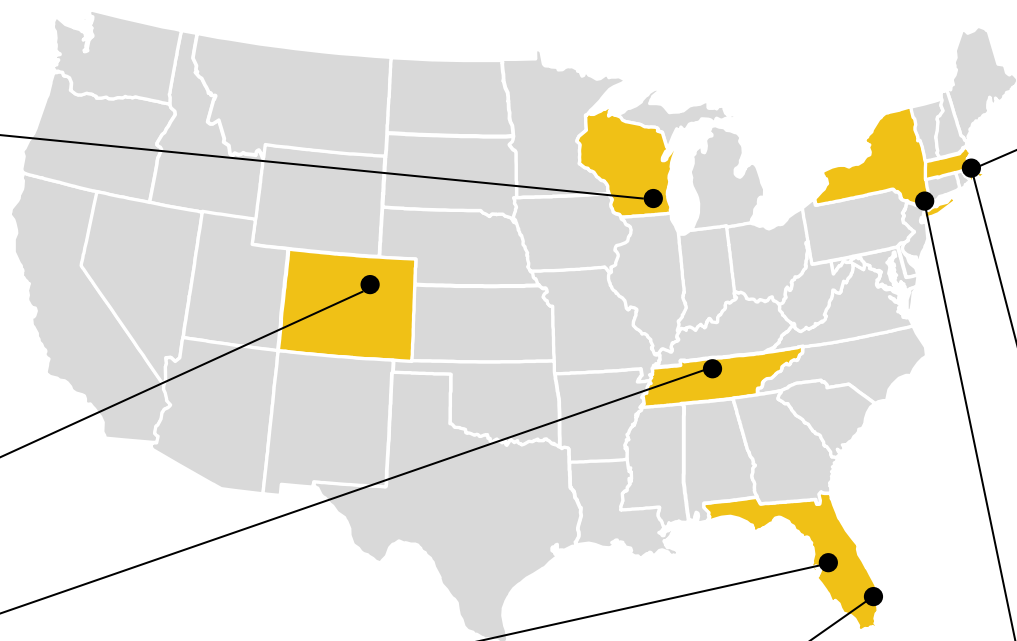
Telecom Services M&A Activity

Global Strategic & PE Buyer Deals



Market Observations

Representative US Private Equity Roll-Ups



AscendTek | **Borgman CAPITAL**

Provider of wireless services specializing in 5G installations & foundational services to upgrade, maintain and build cell towers

NEC | **PFINGSTEN**

Provider of telecom and electrical services including installation, retrofit, maintenance, repair, and decommissioning of telecom towers

CONGRUEX NETWORKS BUILD BETTER | **Crestview**

Provider of design, engineering, construction, and maintenance services to broadband networks

CENTERLINE COMMUNICATIONS | **Audax Private Equity**

Provider of wireless telecom infrastructure services specializing in the development & maintenance of telecom networks and commercial facilities

ITG | **OAKTREE**

Provider of telecom services including installation, fulfillment, construction, & project management to cable, telecom, & utility industries

ASCEND WIRELESS NETWORKS | **Sovereign's CAPITAL**

Provider of telecom services specializing in design-build, construction, and technical services to macro and micro wireless network providers

T-COM | **GRAIN MANAGEMENT**

Provider of infrastructure services to the telecom and utility industries including aerial construction, boring, fiber install, and maintenance

Astound Business Solutions | **Stonepeak**








Provider of telecom services for satellite and fiber optic network systems, specializing in global IP connectivity services

Sources: PitchBook, Capital IQ

Public Companies

Representative Public Companies - Telecom & Infrastructure Services

(\$ in millions, except per share)

Company	Stock Price at 2/7/2023	% of 52 Week High	Enterprise Value	LTM		LTM Margins		3 Year CAGR		Enterprise Value / LTM		
				Revenue	EBITDA	Gross Profit	EBITDA	Revenue	EBITDA	Revenue	EBITDA	
 QUANTA SERVICES	\$153.57	99.1%	\$26,697	\$16,581	\$1,384	14.8%	8.3%	5.1%	12.0%	1.6x	19.3x	
 AECOM	\$90.58	99.2%	\$14,738	\$13,264	\$888	6.5%	6.7%	NM	NM	1.1x	16.6x	
 MasTec	\$98.59	98.2%	\$9,798	\$8,579	\$643	12.5%	7.5%	4.8%	8.5%	1.1x	15.2x	
 DYCOM	\$87.47	71.6%	\$3,449	\$3,652	\$316	16.5%	8.6%	2.4%	NM	0.9x	10.9x	
 ARCOSA	\$59.54	90.5%	\$3,520	\$2,264	\$318	18.8%	14.1%	11.7%	12.2%	1.6x	11.1x	
 PSC	\$26.01	93.1%	\$2,652	\$3,976	\$247	10.0%	6.2%	6.0%	12.6%	0.7x	10.7x	
 DOMINION	\$4.29	88.1%	\$692	\$1,196	\$90	19.2%	7.5%	1.1%	NM	0.6x	7.7x	
				Average	14.1%	8.4%	5.2%	11.3%	1.1x	13.1x		
				Median	14.8%	7.5%	5.0%	12.1%	1.1x	11.1x		

Source: Capital IQ as of 1/30/23



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Select M&A Transactions

Deal Date	Target Name	Target Business Description	Buyer/Investor	TEV (\$M)	EV / Revenue	EV / EBITDA
12/13/22	Remer	Provider of telecom installation services. The company designs & implements DAS systems, fiber optic links and expanded BTS stations for carriers and ports.	Cellnex Telecom (MAD: CLNX)	N/A	N/A	N/A
12/08/22	Ascend Wireless Networks	Provider of full service, design-build, professional, construction, and technical services to macro and micro wireless network providers.	Sovereign's Capital	N/A	N/A	N/A
08/15/22	Pacific Wireless Communications	Provider of wireless communications services including system engineering and installation service.	Banyan Networks	N/A	N/A	N/A
05/27/22	Skyway Towers	Provider of wireless communications tower development services for wireless carriers and other users of the radio spectrum.	Basalt Infrastructure Partners	N/A	N/A	N/A
02/22/22	Leaf Communications	Provider of site acquisition and A&E design, small cell, construction management, and inbuilding network services in Western U.S.	Oaktree Capital Management	N/A	N/A	N/A
01/24/22	ITG Communications	Provider of outsourced fulfillment, construction and project management services intended to improve telecommunication systems.	Oaktree Capital Management	N/A	N/A	N/A
12/31/21	J5 Infrastructure Partners	Provider of engineering, installation, and construction services for the telecommunication industry.	Centerline Communications (Audax Group)	N/A	N/A	N/A
11/17/21	Front Line Power Construction	Specializes in installing and maintaining electrical distribution systems.	Orbital Energy Group (NAS: OEG)	\$211	3.2x	9.7x
08/10/21	Centerline Communications	Provider of turnkey wireless telecommunications infrastructure services serving wireless operators, OEMs and leaders in the wireless industry ecosystem.	Audax Group	N/A	N/A	N/A
07/28/21	IMMCO	Provider of engineering services catering to the cable and telecom industries.	Gibson Technical Services	\$19	1.8x	N/A
07/07/21	Spectrum Services	Provider of wireless infrastructure services including construction and maintenance, catering to the telecommunications field services industry.	NextEdge Networks (Bow River Capital)	N/A	N/A	N/A

Sources: PitchBook, Capital IQ



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Select M&A Transactions (cont.)

Deal Date	Target Name	Target Business Description	Buyer/Investor	TEV (\$M)	EV / Revenue	EV / EBITDA
07/07/21	Spectrum Services	Provider of wireless infrastructure services including construction and maintenance, catering to the telecommunications field services industry.	NextEdge Networks (Bow River Capital)	N/A	N/A	N/A
05/21/21	ANS Advanced Network Services	Provider of telecommunication and EV charging station solution including construction, maintenance, and other infrastructure services.	Charge Enterprises (NAS: CRGE)	N/A	N/A	N/A
04/13/21	Gibson Technical Services	Provider of telecommunications services specializing in broadband, wireless, outside plant and building technologies, supporting OEM technology vendors.	Orbital Energy Group (NAS: OEG)	\$39	1.0x	7.1x
04/01/22	P2ML	Provider of engineering services, designing, construction, inspection, and maintenance of telecom towers.	Mitie Group (LON: MTO)	\$3	0.5x	4.0x
01/15/21	Future Infrastructure	Provider of infrastructure development and maintenance services to the telecommunications industry across the U.S.	Primoris Services (NAS: PRIM)	\$611	1.8x	9.3x
12/30/20	GridTek Utility Services	Provider of electrical transmission construction and maintenance services.	First Reserve	\$213	1.2x	8.0x
11/23/20	Eco-Site	Provider of wireless infrastructure equipment intended to provide wireless industries with solutions to meet carriers' network requirements.	Vertical Bridge (CDPQ)	\$450	N/A	N/A
02/04/20	CMS Wireless	Provider of full-service wireless telecommunications services including cell site construction, RF system installation, and project management.	Enertech Resources (ONCAP)	\$18	N/A	N/A
				Average	1.6x	7.6x
				Median	1.5x	8.0x



HPC Overview

- Founded in 2000 by the prior head of Investment Banking Groups at Raymond James
- Advised on **300+ transactions** and has been a consistent leader in providing independent and unbiased strategic counsel and advisory services to global sellers and buyers of middle-market firms
- Diverse team with extensive execution experience across all areas of Industrial Services
- Bulge bracket capabilities with a boutique touch



Industry Leading. . . Industrials Coverage. . . With a Focus on Telecom Services



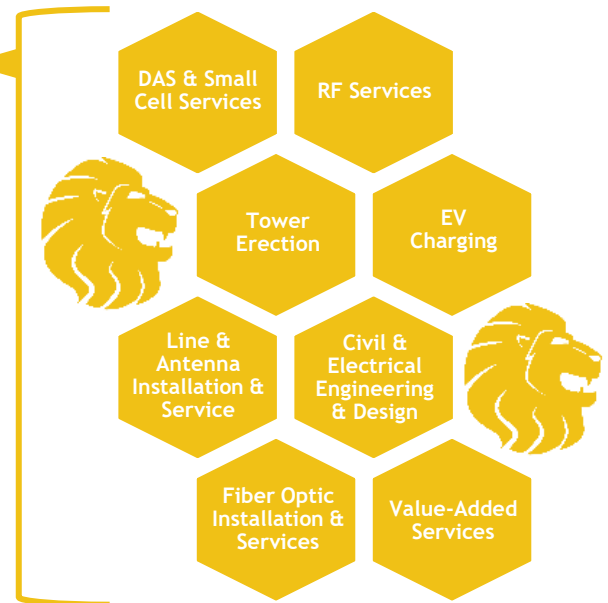
- M&A Atlas Awards Boutique Investment Bank of the Year and Deal of the Year Winner (Business Services)



- Global Finance World's Best Investment Bank (Southeast Region)



- Ernst & Young Entrepreneur of the Year (Florida Region, Financial Services)



HPC Overview

Case Study - Telecom Infrastructure Services



Overview of the Transaction

- Ascend Wireless Networks (“Ascend Wireless”) was acquired by Sovereign’s Capital.
- Ascend Wireless is a multi-dimensional telecom contractor, providing full service, design-build, professional, construction, and technical services to macro and micro wireless network providers.
- Providing a single source service offering, the Company’s expertise includes, raw land, existing structure “buildouts,” tower, rooftop and stealth as well as small cells and DAS sites that can be completed fully turnkey or modular, depending on customer desires. Customers can efficiently meet the goals of ubiquitous high-speed wireless broadband using the innovative methodologies and resources Ascend Wireless Networks offers to complete each project.
- Sovereign’s Capital is a private equity firm specializing in lower middle market investments, acquisitions, buyouts, later stage venture capital and organic growth.

Hyde Park Capital’s Role

- Hyde Park Capital was engaged as the exclusive investment banker and financial advisor to Ascend Wireless for this transaction.
- Hyde Park Capital negotiated and closed the transaction with Sovereign’s Capital.



HPC Overview

Case Study - Infrastructure Construction Services



Overview of the Transaction

- PirTano Construction Company Inc (“PirTano”) was acquired by Rising Point Capital (“RPC”).
- PirTano is a multi-dimensional construction company that installs sewer and water systems and installs coax cable throughout the Chicago land area into three areas of business. PirTano is also an impressive Heavy/Highway Contractor for both public and private customers.
- PirTano has provided an array of infrastructure and land development services and has expanded services as a Communications Contractor, providing services such as fiber design/build projects, fiber splicing, directional boring services, underground and aerial construction and ultimately entering into the Contract Communication Installation business, which brings Internet, CATV and telephone into the homes of thousands upon thousands of customers throughout the Chicago and Northwest Indiana areas.
- Rising Point Capital is a private equity firm specializing in lower middle market investments, acquisitions, buyouts, corporate carve-outs and organic growth.

Hyde Park Capital’s Role

- Hyde Park Capital was engaged as the exclusive investment banker and financial advisor to PirTano for this transaction.
- Hyde Park Capital originated, negotiated and closed the transaction with RPC.



HPC Overview

Case Study - Specialty Utility Contractor



Overview of the Transaction

- The sale of Florida Gas Contractors, Inc. (“FGC”) to Primoris Services Corp (Nasdaq:PRIM).
- FGC is a leading utility contractor specializing in underground natural gas infrastructure. The Company provides installation, maintenance and replacement services to the largest gas utilities across central Florida. FGC has more than 25 years of experience with open trenching, joint trenching, gas main / service lines and directional boring.
- Primoris (NASDAQ: PRIM), is a \$1.5 billion dollar market cap specialty contractor and infrastructure service provider, headquartered in Dallas, Texas.

Hyde Park Capital’s Role

- Hyde Park Capital was engaged as the exclusive investment banker and financial advisor to FGC in connection with the sale of the Company.
- Hyde Park Capital marketed the opportunity to a targeted list of buyers and identified, negotiated and closed the transaction with Primoris Services Corp.



Senior Banker Committed to Telecom Services Sector Coverage

Senior M&A banker with extensive Industrial Services experience including Telecom Services

Experienced M&A Banker



Matthew Gladdish
Vice President

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gladdish@hydeparkcapital.com

Experience:

- 5+ years finance and investment banking experience
- Advised on 20+ strategic M&A and financing transactions
- Industrial Services, Critical Infrastructure, Construction & Engineering Services coverage

Education:

- B.S. in Finance and Business Management from the University of South Florida

Select M&A Transactions

 <p>has been acquired by</p>	 <p>Restore • Rebuild • Replace • Renew</p> <p>has been acquired by</p>	 <p>has been acquired by</p>
 <p>has been recapitalized by</p>	 <p>has been acquired by</p>	 <p>has been acquired by</p>
 <p>has been acquired by</p>	 <p>has been acquired by</p>	 <p>has acquired</p>

