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Auctus Capital Partners Completes Majority Recapitalization of Environmental and Infrastructure Services Leader, Advises Precision Group in Sale to PowerVac of Michigan

CHICAGO — May 18, 2023 — Auctus Capital Partners is pleased to announce its role as exclusive advisor to The Precision Group and its affiliated entities, supporting the environmental and infrastructure services leader in completing a majority recapitalization by PowerVac, a Pillsman Partners LLC and Peninsula Capital Partners, LLC portfolio company. The transaction was led by Auctus and announced by its CEO and Managing Partner Muhammad Azfar.

“We are grateful to have supported the creation of this partnership,” said Azfar. “This transaction allows both PowerVac and Precision Group of Companies to expand their reach and service offerings across their respective regions, evolving customer base, and refine overall strategic growth initiatives.”

The Precision Group is comprised of three separate yet complementary companies that serve a diverse array of commercial, industrial, and municipal customers. Founded in 1992, Precision Industrial Maintenance, Inc. provides environmental remediation, industrial cleaning services, hazardous and non-hazardous waste transport and disposal, and other industrial waste services. Martin Environmental Services, Inc. was acquired by Precision Group in 2002, adding new services in asbestos and lead abatement, and disposal services. Precision Trenchless, LLC was formed in 2013 to focus on environmentally-friendly pipe rehabilitation using less disruptive technologies, such as UV-Cured and other Cured-in-Place Pipe Lining (CIPP) methods, potable water line rehab to minimize air, water and soil pollution and support advanced monitoring services.

The group of companies operate as a unified provider of services to several broad regional markets with strong projected growth through 2026 — including the sewer and pipeline rehabilitation market with a compound annual growth rate (CAGR) of 4.6%, as well as trenchless pipe rehabilitation (4.8% CAGR), and liquid waste management (3.7% CAGR).



“Underpinned by significant government support for the repair of aging infrastructure, pipeline rehabilitation and wastewater management services are seeing record investment. In addition, an ever-growing awareness of ESG issues has been driving strong investor demand,” Azfar added.

Working closely with the Precision Group of Companies, Auctus Capital Partners helped identify optimal strategic partners that would complement the organizations' continued growth, help further establish Precision's position at the forefront of environmental services, and fit with its corporate culture and values. Auctus performed critical due diligence, crafted materials in preparation for entry into the capital markets, and advised during negotiation all of which led to the completion of a majority recapitalization of the Company by PowerVac of Michigan, a Pillsman/Peninsula portfolio company which provides similar industrial and infrastructure services.

"We were extremely impressed with Auctus Capital Partners," said Todd Kilburn, Co-Founder and CEO of The Precision Group. "The team's understanding of our industry as well as the needs of our affiliated entities ensured a successful transaction that will enable greater expansion among underserved markets without compromising our commitment as a company that values our natural environment and recognizes the need to bring cutting edge technology, great design and environmental sustainability to meet ever-expanding needs."

About Auctus Capital Partners

Auctus Capital Partners is a leading financial services and investment banking firm focused exclusively on creating value for the lower middle market. We specialize in merger & acquisition advisory, institutional private placements of debt and equity, financial restructuring, valuation, and strategic consulting. Our senior bankers have deep domain expertise across a range of industries, with the necessary foresight to navigate highly-complex transactions to maximize value and achieve optimal outcomes for clients.

For additional information, visit www.auctuscapitalinc.com.

About The Precision Group

The Precision Group — including Precision Industrial Maintenance, Inc., Martin Environmental Services, Inc., and Precision Trenchless, LLC — is an industry leader with more than 30 years of experience in providing outstanding environmental and infrastructure services focused on pipe rehabilitation, industrial cleaning, asbestos abatement, and lead and mold remediation.

For additional information, visit www.pim-inc.com.

About PowerVac of Michigan, Inc. | Pillsman Partners LLC and Peninsula Capital Partners, LLC

Founded in 1998, PowerVac of Michigan, Inc. (PVM) and its sister company, ServicePRO, became a portfolio of Pillsman/Peninsula in 2019. Since that time PVM has completed 7 acquisitions that have helped the business to add new capabilities and expand its industrial service offerings to new geographies. Pillsman Partners focuses on private investments in businesses which generate \$2 to \$15 million of EBITDA and operate in markets such as specialty chemicals, advanced materials, engineered components and related business services. Peninsula Capital Partners, LLC is a private equity firm that has invested almost \$2 billion in over 150 platform investments since its founding in 1995. Peninsula provides customized minority and majority capital solutions to middle-market businesses across a wide range of industries. Both Peninsula and Pillsman work collaboratively to support management teams and owners in growing businesses over the long term, investing in transactions throughout North America.

For additional information, visit www.yourworkorder.com.

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