



### Sector Update

- The laundry and linen services sector continues to attract investor interest due to several key attributes: recurring contracted revenue, high barriers to entry due to significant investment required for processing capacity, and a predictable route-based business model.
- Reliable laundry services are mission-critical for the healthcare sector, which accounts for 25% of the market. Aging demographics and a shift towards smaller outpatient facilities are driving increased M&A interest in healthcare laundry services
- The sector is dominated by three large companies—Cintas, Aramark, and UniFirst—which control nearly half of the market. The remaining market is highly fragmented, with approximately 3,000 local and regional businesses. This fragmentation presents significant opportunities for strong regional players to emerge and consolidate their positions through strategic M&A
- While M&A activity has slowed over the last several quarters, EdgePoint anticipates an increase in laundry and linen M&A activity through the end of 2024 and into 2025. This expected uptick is driven by the sector's robust fundamentals and ongoing consolidation opportunities.

### Selected Recent EdgePoint Transactions



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Sources: IBISWorld Report

# Laundry & Linen Services | June 2024

## Recent Selected Transactions

### Cintas Acquires SITEX



Target



Buyer

- **February 2024** – Cintas Corporation (NAS: CTAS) has acquired SITEX, a Kentucky-based, family-owned supplier of uniform and facility service programs.
- SITEX offers five locations servicing customers in a four-state region, including Illinois, Indiana, Kentucky, and Tennessee.

### NOVO Health Services Acquires EcoBrite



Target



Buyer



Sponsor

- **December 2023** – NOVO Health Services has acquired EcoBrite Linen of Chicago.
- EcoBrite is a provider of healthcare linen and laundry services for long-term and acute-care facilities.
- EcoBrite was founded in 2015 to provide an outsourced laundry solution for the long-term care industry.

### Cintas Acquires Rental Uniform Service



Target



Buyer

- **October 2023** – Cintas Corporation (NAS: CTAS) has acquired Rental Uniform Service, a North Carolina-based, family-owned and operated uniform and facility services rental business.
- Rental Uniform Service was founded in 1949 and services customers in North Carolina, South Carolina, and Tennessee through two locations.

### Alliance Acquires Dynamic Sales & Service



Target



Buyer



Sponsor

- **June 2023** – Alliance Laundry Systems has acquired Dynamic Sales and Service of Kirkland, Washington (DSS).
- DSS has more than three decades of experience providing commercial laundry solutions in the Pacific Northwest.

### Calera Capital Recapitalizes ImageFirst



Target



Buyer

- **June 2023** – Calera Capital has recapitalized ImageFIRST.
- Founded in 1967, ImageFIRST is a national linen rental and laundry service specializing in the healthcare market.
- ImageFIRST serves medical facilities nationwide providing linen, patient gowns, scrubs, and more.

### Unifirst Acquires Clean Uniform



Target



Buyer

- **March 2023** – Unifirst (NYS: UNF) has acquired Clean Uniform of Saint Louis, Missouri.
- Founded in 1938, Clean Uniform is one of the largest independent uniform, workwear, and facility service program providers with 11 locations in Missouri, Illinois, Arkansas, Kansas, and Oklahoma.

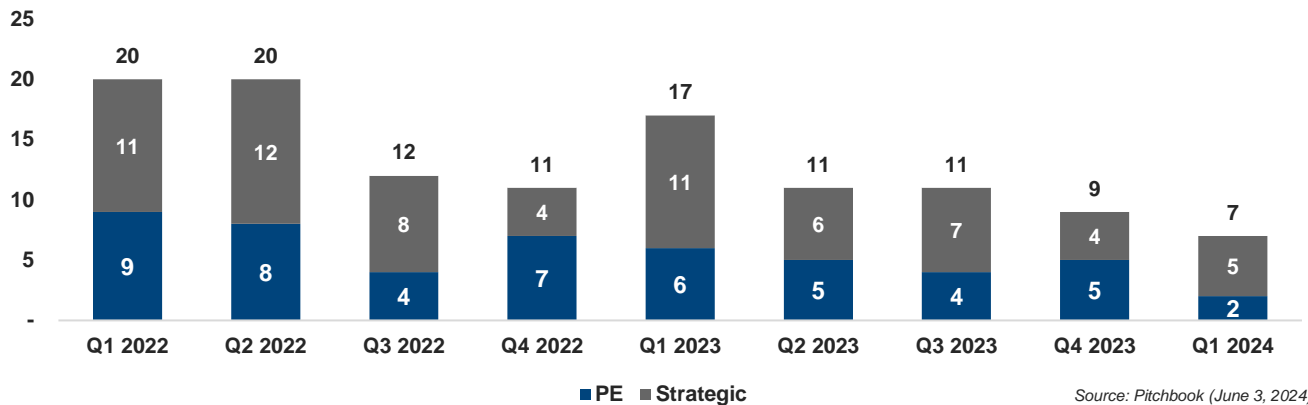
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## Recent Selected Transactions

Target	Date	Buyer / Investor	State (Target)	Sponsor (if applicable)
Shortridge	Apr 24	K Bro Linen (TSE: KBL)	EUROPE	-
SITEX	Feb 24	Cintas (NAS: CTAS)	KY	-
EcoBrite Linen	Dec 23	NOVO Health Services	IL	Tuckahoe Holdings
Rental Uniform Service	Oct 23	Cintas (NAS: CTAS)	NC	-
Dynamic Sales & Service	Jun 23	Alliance Laundry Systems	WA	BDT & MSD Partners
ImageFIRST	Jun 23	Calera Capital	PA	-
Clean Uniform	Mar 23	UniFirst (NYS: UNF)	MO	-
Paris Uniform Services	Mar 23	Cintas (NAS: CTAS)	PA	-
Buanderie Paranet	Mar 23	K Bro Linen (TSE: KBL)	CANADA	-
Health Wear of WNY	Jan 23	ImageFIRST	NY	Calera Capital
Linen King	Jan 23	Healthcare Linen Services Group	OK	York Capital
Apex Linen	Nov 22	PureStar	NV	Cornell Capital
Reino Linen Service	Oct 22	Healthcare Linen Services Group	OH	York Capital
United Linen & Uniform Services	May 22	ImageFIRST	OK	Calera Capital
Gorman's Uniform Rental	Feb 22	Cintas (NAS: CTAS)	TX	-
Textile Care Services	Jan 22	ImageFIRST	UT	Calera Capital

## Recent Sector M&A Activity

Source: Pitchbook (June 3, 2024)



Source: Pitchbook (June 3, 2024)

## Select Acquirers (Date of Investment and Sponsor)

