

# Investment Banking Update

**\$52 MILLION**

May 1, 2019

**CES Holding Company, Inc.**

Has been acquired by

**Strategic Buyer**

The undersigned served as exclusive financial advisor to CES Holding Company, Inc.

**Stephens Inc.**

## Transaction Details

- On May 1, 2019, CES Holding Company, Inc. ("CES" or the "Company") was acquired by a water services company ("Strategic Buyer") for approximately \$52 million
  - An individual seller in the transaction received a 7.65% membership interest in the buyer
  - In addition to the consideration paid at closing, the transaction includes a potential earn out payment of approximately \$3 million to the individual seller who was retained in the transaction and received the membership interest
    - The earn out is payable in cash or in additional membership interests in the buyer
- Founded in 2000 and headquartered in Parkersburg, WV, CES operates a salt water disposal facility that offers 4 unloading bays and 3 disposal wells
- Stephens Inc. served as sole financial advisor to CES

## According to the Company and Filing:

### CES Holding Company, Inc.

CES operates 3 salt water disposal wells spaced over 250 acres of land. The Company began as an industrial and environmental services company before shifting operations to serve the need for disposal of flowback and produced water from the Marcellus and Utica fields.

### Strategic Buyer

Strategic Buyer performs water business services, including freshwater transportation and produced water gathering and disposal.

Sources: Company website and Strategic Buyer's parent company's SEC filing.

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