

RLJ Equity Partners and LP First Capital Announce a New Platform with the Recapitalization of Three Companies in the HVACR and Plumbing Industries

BETHESDA, MD – (June 30, 2021) RLJ Equity Partners (“RLJ”) announced today it has partnered with LP First Capital (“LPFC”), a private investment firm based in Austin, TX, to recapitalize three companies to create Flow Service Partners (“Flow” or the “Company”), a leading provider of essential services including heating, ventilation, air conditioning, and refrigeration (“HVACR”) and plumbing services in Florida and Indiana. Financial terms of the transactions were not disclosed.

Headquartered in Nashville, TN, Flow focuses on maintenance, repair, replacement/retrofit, and installation services to commercial customers primarily. Flow has three locations across two states and employs approximately 230 people.

“Flow provides critical services to its customers and has differentiated leadership positions in its markets,” said Nigel Howard, Managing Director at RLJ, who will become Chairman of the Board of Directors. “We look forward to supporting the Flow team in its long-term strategy of executing add-on acquisitions, adding scale, and building a leading commercial HVACR and plumbing platform in the U.S.”

“We are extremely excited to pursue a roll-up in the commercial HVACR and plumbing industries,” said Thomas Ince, Managing Director at LPFC, who will also join the Board of Directors. “We have a well-developed thesis focused primarily on Southeast markets and believe we have partnered with three great businesses to create a differentiated leader in our served markets.”

“We are very pleased to partner with the three companies making up our initial platform,” said Michael Epperson, President & CEO, who will also join the Board of Directors. “With the support of RLJ and LPFC, we will continue to invest in the growth of the team and platform, and positively impact our customers, partners and communities.”

RLJ provided the controlling equity for the transaction. Brookside Capital Partners provided the transaction debt and equity co-investment to help facilitate the transaction. DLA Piper LLP and McGuireWoods LLP served as legal advisors, CohnReznick LLP served as financial advisor, and DPO&Co served as commercial due diligence consultant to RLJ and LPFC. Priority Business Brokers served as an advisor to the selling shareholders of the three acquired companies.

RLJ and LPFC are actively seeking to partner with additional HVACR and plumbing businesses primarily in the Southeast. If you’re aware of HVACR and plumbing businesses that are looking for a financial/strategic partner to enable future growth, please contact us.

About RLJ Equity Partners (“RLJ”): Headquartered in Bethesda, MD, RLJ Equity Partners is a middle-market private equity firm with approximately \$440 million in capital under management focused on generating long-term capital appreciation by investing in profitable and growing businesses led by strong management teams. Founded in 2006 by Robert L. Johnson, RLJ originates and invests in traditional buyouts and leveraged recapitalizations. RLJ Equity Partners is a portfolio company of The RLJ Companies. For more information, please visit www.rljequitypartners.com.

About LP First Capital (“LPFC”): Headquartered in Austin, TX, LP First Capital is a lower middle-market private equity firm focused on the healthcare, business services and education industries. LPFC specializes in growth capital, platform roll-ups, buyouts, and recapitalizations. LPFC’s sweet spot is

to partner with founder-led or family businesses and help them scale to the next level by providing industry operational expertise and the right capital structure. For more information, please visit www.lpfirstcapital.com.

About Flow Service Partners (“Flow”): Headquartered in Nashville, TN, is a provider of heating, ventilation, air conditioning, and refrigeration (“HVACR”) and plumbing services, including maintenance, repair, replacement/retrofit and installation services. Flow has three locations in Florida and Indiana and has approximately 230 employees. For more information, please visit www.flowservice.com.

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