

M Group Services expands presence in UK transport sector with acquisition of KH Engineering Services

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M Group Services ('the Group'), a leading provider of services to essential infrastructure markets in the UK, with a turnover of over £1.2bn, today announces the acquisition of KH Engineering Services ('KHES' or 'the Company').

With a turnover of £14m, KHES is one of the UK's leading providers of mechanical and electrical ('M&E') engineering solutions covering the design, management and delivery of services for the rail and wider transport sectors. Its services are typically delivered across five categories; design and survey; M&E installation; lighting installation and testing; bespoke engineering and civil works; and maintenance.

The KHES client base includes Govia Thameslink Railway (GTR), Greater Anglia, Network Rail, Abellio East Anglia, London & South Eastern Railway, The Go-Ahead Group, Southern Railways and Transport for London (TfL).

As the latest addition to the growing number of businesses forming M Group Services, KHES will retain its brand identity and continue to operate as a standalone, specialist services business. KHES will form part of

the Group's Transport Division that includes; Dyer & Butler, a multi-disciplined engineering services specialist focused on essential infrastructure including airports, railways and highways; and Antagrade Electrical, one of the UK's leading providers of specialist railway electrification infrastructure services.

M Group Services Chief Executive Jim Arnold commented: "Strategic acquisitions are a core part of our strategy as we continue to enhance the scope of capability across our Utilities, Transport, Telecom and Data divisions. KHES has earned a strong reputation within the rail sector demonstrating impressive and sustained organic growth through its longstanding relationships with train operating companies and Network Rail. This acquisition broadens the complementary, specialist services delivered through the Group's Transport Division and we look forward to supporting the KHES management team as they look to cement the Company's leading market reputation and embark on the next stage of their strategic growth plans."

Neil Edwards, Managing Director of M Group Services' Transport Division adds: "With over 20 years of specialist knowledge and experience, KHES has established a first-class reputation as an innovative provider of mechanical and electrical engineering solutions, from initial design to full turnkey delivery. Unlike many of its peers, KHES delivers most of its work through a dedicated team of in-house operatives, ensuring a detailed understanding of its clients' assets and working environment. This is an exciting addition to our portfolio of businesses that will broaden our scope of capability and add further momentum to the Group's ongoing growth plans for the rail and wider transport sector."

Darren Bates, Managing Director of KHES said, "We are absolutely delighted to be aligning ourselves with M Group Services. Their understanding of our vision has been supported through the whole process and my fellow directors and I truly believe, with their sector knowledge, wide geographic footprint and professionalism our controlled sustainable, growth plan will be greatly enhanced."

The acquisition of KHES takes the total number of acquisitions made by M Group Services' to ten since December 2016. Financial details of the transaction were not disclosed.