

Market Overview

Indices Performance (% change)

	February 2020	LTM		February 2020	LTM
S&P 500	(8.4%)	4.2%	NASDAQ	(6.4%)	10.8%
Dow Jones Industrial Average	(10.1%)	(2.0%)	Russell 3000	(8.4%)	4.2%

Source: Federal Reserve; Bank of St. Louis

Environmental Services Market Overview

Environmental Services Movers and Losers (largest % changes in the month in February)

Sharps Compliance	35.6%	US Ecology	(22.1%)
Advanced Disposal	0.3%	Cypress Energy Partners	(21.3%)
Waste Connections	0.2%	Clean Harbors	(15.4%)
		Perma-Fix Environmental Services	(12.2%)
		CECO Environmental	(11.2%)

Source: PitchBook

Publicly Traded Company Performance: Solid Waste

(\$ in millions, except per share data)

Company	Share Price 02/29/2020	% of 52 Wk High	Market Capitalization	Enterprise Value	Valuation Multiples			PE Multiples		LTM Operating Margins			Net Debt/EBITDA	
					TEV/Total Revenue	TEV/EBITDA	TEV/EBIT	LTM P/E	CY18 P/E	Gross	EBIT	EBITDA		
Waste Management	WM	\$110.81	87.4%	\$47,062	\$57,001	3.7x	13.9x	22.7x	28.3x	16.9x	38.6%	16.3%	26.5%	2.4x
Republic Services	RSO	\$90.26	89.4%	\$28,799	\$37,707	3.7x	13.4x	22.4x	27.1x	17.2x	38.8%	16.3%	27.2%	3.2x
Waste Connections	WCN	\$96.49	91.7%	\$25,443	\$29,682	5.5x	18.4x	35.2x	45.1x	26.9x	40.6%	15.7%	29.9%	2.6x
Advanced Disposal	ADSW	\$33.06	99.7%	\$2,972	\$4,828	3.0x	13.7x	65.3x	NA	43.5x	NA	4.6%	21.7%	5.3x
Casella Waste Systems	CWST	\$48.45	86.3%	\$2,315	\$2,905	3.9x	20.9x	56.2x	73.4x	30.3x	31.6%	7.0%	18.7%	4.2x
Mean				\$21,318	\$26,425	3.9x	16.1x	40.4x	43.5x	27.0x	37.4%	12.0%	24.8%	3.5x
Median				\$25,443	\$29,682	3.7x	13.9x	35.2x	36.7x	26.9x	38.7%	15.7%	26.5%	3.2x
High				\$47,062	\$57,001	5.5x	20.9x	65.3x	73.4x	43.5x	40.6%	16.3%	29.9%	5.3x
Low				\$2,315	\$2,905	3.0x	13.4x	22.4x	27.1x	16.9x	31.6%	4.6%	18.7%	2.4x

Source: PitchBook

Total Enterprise Value (TEV) = Market Capitalization + Preferred Equity + Debt + Minority Interest - Cash

LTM = Last Twelve Months

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Publicly Traded Company Performance: Special Waste

(\$ in millions, except per share data)

Company	Share Price 02/29/2020	% of 52 Wk High	Market Capitalization	Enterprise Value	Valuation Multiples			PE Multiples		LTM Operating Margins			Net Debt/EBITDA	
					TEV/Total Revenue	TEV/EBITDA	TEV/EBIT	LTM P/E	CY18 P/E	Gross	EBIT	EBITDA		
Stericycle	SRCL	\$57.43	84.5%	\$5,233	\$8,318	2.5x	293.9x	NA	NA	21.2x	35.5%	(7.4%)	0.9%	108.9x
Clean Harbors	CLH	\$69.52	78.6%	\$3,881	\$5,191	1.5x	9.8x	22.9x	40.0x	21.1x	30.0%	6.6%	15.5%	2.5x
Darling Ingredients	DAR	\$25.70	86.9%	\$4,213	\$5,996	1.8x	7.6x	13.1x	13.8x	19.2x	23.0%	13.6%	23.3%	2.2x
US Ecology	ECOL	\$42.06	62.6%	\$929	\$1,281	2.1x	9.8x	15.2x	18.5x	20.8x	29.8%	13.6%	20.9%	2.7x
Sharps Compliance	SMED	\$6.06	89.9%	\$98	\$104	2.1x	34.6x	77.8x	101.0x	NA	30.7%	2.7%	6.0%	1.8x
Perma-Fix Environmental Services	PESI	\$6.50	65.1%	\$79	\$82	1.3x	67.1x	NA	NA	15.7x	19.3%	(0.2%)	1.9%	3.9x
Mean				\$2,406	\$3,495	1.9x	70.5x	32.2x	43.3x	19.6x	28.1%	4.8%	11.4%	20.3x
Median				\$2,405	\$3,236	1.9x	22.2x	19.0x	29.2x	20.8x	29.9%	4.7%	10.7%	2.6x
High				\$5,233	\$8,318	2.5x	293.9x	77.8x	101.0x	21.2x	35.5%	13.6%	23.3%	108.9x
Low				\$79	\$82	1.3x	7.6x	13.1x	13.8x	15.7x	19.3%	(7.4%)	0.9%	1.8x

Source: PitchBook

Total Enterprise Value (TEV) = Market Capitalization + Preferred Equity + Debt + Minority Interest - Cash
LTM = Last Twelve Months

Publicly Traded Company Performance: Industrial Services

(\$ in millions, except per share data)

Company	Share Price 02/29/2020	% of 52 Wk High	Market Capitalization	Enterprise Value	Valuation Multiples			PE Multiples		LTM Operating Margins			Net Debt/EBITDA	
					TEV/Total Revenue	TEV/EBITDA	TEV/EBIT	LTM P/E	CY18 P/E	Gross	EBIT	EBITDA		
Covanta	CVA	\$13.36	72.7%	\$1,756	\$4,235	2.3x	11.7x	30.2x	190.9x	6.4x	NA	7.5%	19.3%	6.9x
Heritage-Crystal Clean	HCCI	\$26.33	80.8%	\$610	\$661	1.6x	18.1x	34.4x	47.0x	22.3x	17.7%	4.6%	8.7%	1.4x
CECO Environmental	CECE	\$6.75	68.6%	\$238	\$291	0.8x	17.6x	10.4x	24.1x	NA	32.9%	4.8%	8.0%	1.9x
Cypress Energy Partners	CELP	\$6.89	67.9%	\$83	\$303	0.5x	7.2x	9.0x	8.8x	6.5x	13.1%	5.7%	7.1%	2.5x
EI	EI	\$0.16	70.0%	\$162	\$352	0.8x	NA	11.8x	13.1x	8.0x	13.6%	6.8%	9.7%	NA
Fuel Tech	FTEK	\$0.80	26.1%	\$19	\$8	0.2x	NA	NA	NA	NA	40.4%	(6.2%)	(3.9%)	7.2x
Quest Resource Holding	QRHC	\$2.19	70.6%	\$34	\$38	0.4x	18.4x	61.4x	NA	NA	18.2%	0.6%	2.0%	2.0x
Mean				\$415	\$827	0.9x	13.2x	27.4x	56.8x	10.8x	22.6%	3.4%	7.3%	3.6x
Median				\$162	\$291	0.8x	11.7x	23.9x	24.1x	7.3x	18.0%	4.8%	8.0%	2.3x
High				\$1,756	\$4,235	2.3x	18.4x	61.4x	190.9x	22.3x	40.4%	7.5%	19.3%	7.2x
Low				\$19	\$8	0.2x	7.2x	9.0x	8.8x	6.4x	13.1%	(6.2%)	(3.9%)	1.4x

Source: PitchBook

Total Enterprise Value (TEV) = Market Capitalization + Preferred Equity + Debt + Minority Interest - Cash
LTM = Last Twelve Months

Select M&A and Capital Raising News

❖ Republic Services Buys Prineville Disposal

February 4, 2020 - Republic Services has acquired Prineville Disposal, marking its second acquisition in Central Oregon. Prineville Disposal has been family owned for 43 years and has about 7,000 customers. Last year, Republic acquired Bend Garbage & Recycling, High Country Disposal and Deschutes Recycling. Bend Garbage & Recycling and High Country Disposal provide waste management, recycling and hauling services. Deschutes Recycling is a recycling depot and compost facility.

❖ Ironwood Capital Announces Exit from Investment in Denali

February 5, 2020 - Ironwood Capital exited its debt and minority equity investment in American Residuals Group, the holding company of Denali Water Solutions, which was sold to TPG Growth, the middle market and growth equity platform of alternative asset firm TPG. Denali is a provider of specialty waste and environmental recycling and disposal services in the United States, performing daily organic waste collection, processing, recycling and disposal for municipal, industrial food processing and downstream industrial customers.

❖ Clairvest Makes Equity Investment in DTG Recycle

February 13, 2020 - DTG Recycle, a large commercial recycler of construction, demolition, industrial and manufacturing waste in the Pacific Northwest, announced a \$32 million minority equity investment led by Clairvest Group Inc., together with Clairvest Equity Partners V (CEP V), in partnership with DTG's existing shareholders. Dan Guimont, DTG's founder and president, and Tom Vaughn, the Company's CEO, are partnering with Clairvest to continue DTG's expansion. This investment from Clairvest will continue to fuel DTG's rapid growth. In 2019, DTG acquired the Anderson Rock & Demolition Pits limited purpose landfill in Yakima, Washington and the Recovery 1 materials recovery facility (MRF) in Tacoma, Washington; and opened two new MRFs in the Seattle-Tacoma region. DTG is Clairvest's 55th platform investment and the 11th investment by CEP V.

❖ Waste Management Buys Miller Sanitation

February 14, 2020 - Waste Management has agreed to purchase Miller Sanitation. Miller Sanitation operates in southwestern and central Minnesota. The business transaction includes seven collection vehicles that provide recycling and trash collection service to more than 2,500 residential customers and roughly 500 commercial customers.

❖ G&G Garbage Acquires ABCO Recycling Assets

February 19, 2020 - G&G Garbage, LLC acquired the assets of ABCO Recycling of Arnegard, North Dakota, a supplier of commercial waste hauling services in the region. The acquisition of ABCO aligns ideally with G&G's service expansion goals. ABCO is a longtime established supplier to the region and has built a strong reputation in the marketplace. This strategic addition expands its footprint as well as its depth of resources to better serve its customers throughout the region. Established in 1993, G&G is now the largest servicer of roll-off garbage containers in the Bakken region of western North Dakota as well as the largest single source provider of portable toilet and solid waste disposal services throughout the area. G&G's regional network consists of locations in Baker, Montana.; Dickinson, North Dakota; Watford City, North Dakota; and Williston, North Dakota.

❖ Casella Waste Systems Buys Massachusetts Hauler

February 20, 2020 - Rutland, Vermont-based Casella Waste Systems has purchased Massachusetts-based waste hauler Daley & Sons Trucking for nearly \$1 million. Daley & Sons trucking has been a family-run operation since 1971. The Company, which serves approximately 3,500 residential and business customers, will reportedly remain under local management.

❖ Wastequip to Acquire ConFab

February 25, 2020 - Wastequip, a leading North American manufacturer of waste handling equipment, has signed a definitive agreement to acquire Consolidated Fabricators Corporation (ConFab), a West Coast waste container manufacturer. Founded in 1974 and based in Van Nuys, California, ConFab operates manufacturing, steel processing and equipment repair facilities in central and southern California, with additional California locations in Sun Valley, Fontana, Galt and Otay Mesa, and a manufacturing facility in Tijuana, Mexico. Under the terms of the agreement, ConFab will continue to operate as its own entity, with the existing leadership team remaining in place and reporting directly to Wastequip CEO Marty Bryant.

❖ Dover Completes Acquisition of Soft-Pak Software Solutions

February 27, 2020 - Environmental Solutions Group (ESG) announced that Dover Corporation, ESG's ultimate parent entity, has completed the previously announced acquisition of Southern California Soft-Pak, Inc., a leading independent provider of integrated back office, route management and customer relationship management software solutions to the waste and recycling fleet industry. Soft-Pak will now become part of Dover's ESG business unit. The acquisition of San Diego-based Soft-Pak expands ESG's existing digital solutions with innovative in-cab route management and strong back office solutions that help fleet owners better manage their business.

Recent Industry News

❖ Carnival to Utilize BioHiTech Global's Digesters, Data Analytics Platform

February 4, 2020 - BioHiTech Global, Inc., a technology and services company that provides cost-effective and sustainable waste management solutions, will provide its Revolution Series Digesters and data analytics platform to certain Carnival Corporation ships in a purchase contract in which Carnival can potentially acquire several hundred units. Under the terms of the contract, BioHiTech will provide each ship designated by Carnival with multiple Revolution Series Digesters as well as ongoing cloud-based data analytics and supplies.

❖ Austin, Texas, Receives Grant to Recycle More Foam Packaging

February 6, 2020 - Austin Resource Recovery (ARR), a department of the city of Austin, Texas, received a \$45,000 grant from the Foam Recycling Coalition (FRC). This grant will increase the city's capacity to manage and process more post-consumer foam polystyrene, including foodservice packaging and protective packaging for recycling. Austin's Recycle & Reuse Drop-Off Center (RRDOC) currently serves single family residents and multifamily complexes. Most services are at no cost, but some services have a fee, including services offered to the business community.

❖ Philly Spends \$48 Million Annually to Clean Up Litter

February 10, 2020 - The city of Philadelphia spends \$48 million annually to clean up litter. Nearly 90 percent of the city's total costs go toward cleanup; the remaining 10 percent goes toward prevention and outreach. In an effort to reduce litter, the city has created a Zero Waste and Litter Cabinet, established a litter index, maintained six sanitation convenience centers, used volunteers to manage a three-bin collection system, installed solar power trash receptacles downtown, managed a pilot street sweeping program that will soon become a citywide program, established crews to cleanup illegal dump sites and more.

❖ Phoenix Raises Residential Collection Rates

February 13, 2020 – The city of Phoenix is raising its residential trash collection rates for the first time in more than a decade. Earlier this week, the City Council voted to increase waste collection rates by \$6.40 a month. Beginning in two months, residents will pay \$33.20 a month for services, compared to the \$26.80 per month they pay for weekly trash, compost and recycling collections.

❖ Washington State Senate Passes Styrofoam Ban

February 20, 2020 – A bill passed on February 17 by the Washington State Senate would reduce pollution by prohibiting the sale and distribution of most expanded polystyrene (Styrofoam) products. The bill passed on a vote of 29-19 and now heads to the House for consideration. Effective June 1, 2022, this bill would prohibit the sale, manufacture and distribution of Styrofoam-type foodservice products, coolers and packaging materials in or into the state of Washington. Foodservice products include food containers, plates, clamshells and hot and cold beverage cups.

❖ Vermont Officials Ready to Implement Composting Law

February 24, 2020 – Vermont officials claim they are ready to meet the state's Universal Recycling Law, which as of July 1, will ban all food waste from disposal. The move is part of the state's eight-year plan of sending less waste to landfill. Vermont Agency of Natural Resources officials say that in order to comply with the mandate, compost facilities will have to double their capacity. As agencies continue to prepare, officials note the state's composting sites will be able to take in between 100,000 to 120,000 tons of scraps.

❖ YUM! Brands to Phase Out Polystyrene Foam Packaging

February 28, 2020 – YUM! Brands, Inc., one of the world's largest quick service restaurant companies, with global brands including KFC, Taco Bell and Pizza Hut, has agreed to end its use of expanded polystyrene (EPS) foam packaging globally by 2022. EPS foam is used mostly for side dish takeout containers in about 40 of YUM!'s global markets. Phase out of EPS foam will eliminate the use of at least 100 million foam containers per year.

The Chicago Corporation Overview

- Highly regarded investment bank with a long, distinguished history.
- Focused on middle market private companies owned by families and entrepreneurs with revenue up to \$250 million.
- Over 35 experienced professionals with broad industry experience.
- Providing traditional investment banking services as well as broader financial advisory services to assist clients facing issues of growth, capital structure, ownership transition, shareholder value and liquidity.
- All we do is advise clients on corporate finance matters. We don't trade or underwrite securities, provide wealth management services, or engage in principal investing.

Why the Chicago Corporation?

Deep Environmental Services Experience

Trusted Advisors to Business Owners

Two Managing Directors on Every Engagement

Seasoned Bankers with 200+ Years of Combined Experience

Best-in-Class Unbiased Advice

Exceptional Transaction Execution



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Sources include waste360.com, PitchBook and various publicly available news publications.

Additional information is available upon request.