

Market Overview

Indices Performance (% change)

	February 2021	LTM		February 2021	LTM
S&P 500	2.6%	47.5%	NASDAQ	0.9%	71.3%
Dow Jones Industrial Average	3.2%	41.1%	Russell 3000	3.0%	54.6%

Source: Federal Reserve; Bank of St. Louis

Environmental Services Market Overview

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

Heritage-Crystal Clean	20.8%	Fuel Tech	(30.0%)
Quest Resource Holding	19.4%	Sharps Compliance	(3.8%)
Cypress Energy Partners	18.4%	Republic Services	(1.6%)
CECO Environmental	18.3%	Stericycle	(0.9%)
US Ecology	15.8%	Waste Connections	(0.8%)
Perma-Fix Environmental Services	11.5%	Covanta	(0.7%)

Source: PitchBook

Publicly Traded Company Performance: Solid Waste

(\$ in millions, except per share data)

Company	Share Price 02/28/2021	% 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	CY19 P/E	Gross	EBIT	EBITDA		
Waste Management	WM	\$110.89	88.3%	\$46,923	\$60,182	4.0x	15.1x	26.0x	31.5x	27.9x	38.6%	15.2%	26.2%	3.3x
Republic Services	RSG	\$89.09	85.8%	\$28,411	\$37,552	3.7x	14.2x	25.2x	29.5x	26.7x	39.9%	14.7%	26.1%	3.4x
Waste Connections	WCN	\$97.69	88.0%	\$25,618	\$29,916	5.5x	25.7x	72.8x	125.2x	42.4x	39.8%	7.5%	21.4%	3.7x
Casella Waste Systems	CWST	\$57.92	91.1%	\$2,959	\$3,414	4.4x	21.9x	59.2x	31.1x	287.7x	33.4%	7.4%	20.2%	2.9x
Mean				\$25,978	\$32,766	4.4x	19.2x	45.8x	54.3x	96.2x	37.9%	11.2%	23.5%	3.3x
Median				\$27,014	\$33,734	4.2x	18.5x	42.6x	31.3x	35.1x	39.2%	11.1%	23.7%	3.4x
High				\$46,923	\$60,182	5.5x	25.7x	72.8x	125.2x	287.7x	39.9%	15.2%	26.2%	3.7x
Low				\$2,959	\$3,414	3.7x	14.2x	25.2x	29.5x	26.7x	33.4%	7.4%	20.2%	2.9x

Source: PitchBook

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

LTM = Last Twelve Months

Environmental Services Industry Contacts

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Publicly Traded Company Performance: Special Waste

(\$ in millions, except per share data)

Company	Share Price 02/28/2021	% 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	CY19 P/E	Gross	EBIT	EBITDA		
Stericycle	SRCL	\$64.87	81.6%	\$5,943	\$8,059	3.0x	31.1x	311.2x	NA	NA	39.4%	1.0%	9.7%	8.1x
Clean Harbors	CLH	\$85.15	94.2%	\$4,666	\$5,803	1.8x	10.7x	23.4x	35.2x	53.6x	32.0%	7.9%	17.2%	2.1x
Darling Ingredients	DAR	\$63.04	86.5%	\$10,217	\$11,833	3.5x	11.9x	18.2x	21.4x	43.2x	25.0%	19.1%	29.0%	1.6x
US Ecology	ECOL	\$38.21	83.2%	\$1,204	\$1,968	2.1x	NA	NA	NA	25.5x	26.2%	(38.7%)	(27.5%)	(3.0x)
Sharps Compliance	SMED	\$12.72	82.2%	\$210	\$218	4.1x	108.6x	773.0x	141.3x	84.4x	29.5%	0.5%	3.8%	4.0x
Perma-Fix Environmental Services	PESI	\$6.96	94.1%	\$85	\$89	0.9x	14.7x	19.8x	19.9x	NA	17.5%	4.5%	6.1%	10.0x
Mean				\$3,721	\$4,662	2.6x	35.4x	229.1x	54.4x	51.7x	28.3%	(0.9%)	6.4%	2.3x
Median				\$2,935	\$3,886	2.6x	14.7x	23.4x	28.3x	48.4x	27.9%	2.8%	7.9%	1.8x
High				\$10,217	\$11,833	4.1x	108.6x	773.0x	141.3x	84.4x	39.4%	19.1%	29.0%	8.1x
Low				\$85	\$89	0.9x	10.7x	18.2x	19.9x	25.5x	17.5%	(38.7%)	(27.5%)	(3.0x)

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 02/28/2021	% 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	CY19 P/E	Gross	EBIT	EBITDA		
Covanta	CVA	\$14.05	90.3%	\$1,854	\$4,338	2.3x	14.1x	52.3x	NA	371.0x	25.4%	4.4%	16.1%	8.1x
Heritage-Crystal Clean	HCCI	\$26.22	93.8%	\$629	\$689	1.8x	22.8x	88.1x	138.0x	56.0x	14.8%	2.0%	7.8%	2.0x
CECO Environmental	CECE	\$8.20	91.1%	\$291	\$336	1.0x	12.0x	18.3x	19.5x	27.4x	33.8%	5.7%	8.7%	1.6x
Cypress Energy Partners	CELP	\$3.34	45.8%	\$41	\$145	0.6x	8.7x	13.4x	NA	11.8x	12.1%	4.2%	6.4%	3.3x
EEL	EEL	\$0.17	90.7%	\$174	\$379	1.1x	NA	NA	NA	16.2x	6.4%	(3.3%)	1.8%	NA
Fuel Tech	FTEK	\$3.52	50.0%	\$106	\$99	4.7x	NA	NA	NA	NA	38.0%	(32.7%)	(28.7%)	1.2x
Quest Resource Holding	QRHC	\$3.01	83.6%	\$55	\$54	0.6x	20.6x	38.5x	64.9x	NA	19.3%	1.5%	2.8%	(0.6x)
Mean				\$450	\$863	1.7x	15.6x	42.1x	74.1x	96.5x	21.4%	(2.6%)	2.1%	2.6x
Median				\$174	\$336	1.1x	14.1x	38.5x	64.9x	27.4x	19.3%	2.0%	6.4%	1.8x
High				\$1,854	\$4,338	4.7x	22.8x	88.1x	138.0x	371.0x	38.0%	5.7%	16.1%	8.1x
Low				\$41	\$54	0.6x	8.7x	13.4x	19.5x	11.8x	6.4%	(32.7%)	(28.7%)	(0.6x)

Source: PitchBook

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

LTM = Last Twelve Months

Recent Industry News

❖ Research Lakeshore Recycling Systems Accelerates Midwest Expansion Following Biggest Acquisition Yet

February 2, 2021 - The Illinois-based company has resurrected a landfill into one of the state's most active disposal sites, recently picked up a sizable hauler in the Chicago area and is making moves in Wisconsin. Following the recent purchase of Roy Strom, a family company with a long history in Chicagoland, Lakeshore has approximately 1,200 employees across two states.

❖ Stericycle, EPA Settle on Alleged Air Quality Violations from Medical Waste Incinerator

February 9, 2021 - Stericycle has settled with the Justice Department and EPA following alleged emissions violations of the federal Clean Air Act at the Company's North Salt Lake, Utah facility. Stericycle plans to shut down the incinerator at the facility in July 2022 and will relocate operations to another site. The facility will continue to be used for collection and transportation of medical waste.

❖ Ongoing Aluminum Can Shortage Spurs Packaging Manufacturer to Increase Production

February 12, 2021 - The pandemic-driven aluminum can shortage continues to constrain beverage makers. Ball Corporation anticipates "demand continuing to outstrip supply well into 2023," President Daniel Fisher said in its latest earnings call. For Molson Coors, the shortage has become less severe, because of its expanded sourcing efforts. It expects "normal material availability" to resume by the end of the first quarter.

❖ Casella Moving ahead with Multiple Northeast Landfill Expansions as Capacity Tightens

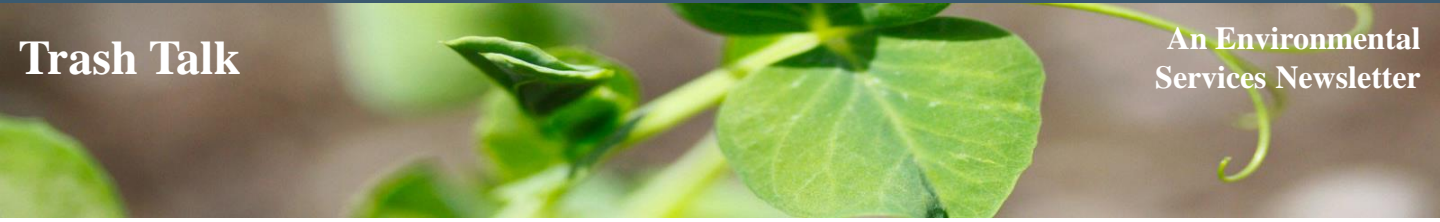
February 16, 2021 - Casella Waste Systems is continuing plans to expand its disposal capacity in the Northeastern U.S. to take advantage of a tightening market and anticipated price escalation in the region. The Company plans to pursue new permit approvals to further activate its McKean Landfill in Pennsylvania. The Company is also moving forward with other landfill expansions in the region, including ongoing development of the latest expansion at its Waste USA site in Vermont and bump up capacity at its Hyland site in New York from almost 470 tons a year to about 1 million tons.

❖ Solid Waste Companies Emerge Resilient from Q4, with Some Lingering Pandemic Effects

February 19, 2021 - As fourth quarter earnings results come in, the U.S. waste and recycling industry continues to show signs of improvement from the depths of financial pandemic effects earlier in the year. Volumes are trending back sequentially, with newly discovered cost efficiencies in many cases, but certain lines of business aren't expected to fully return until the vaccine rollout ramps up. Meanwhile, M&A remained active.

❖ Republic Services Reports Q4 Results, Santek Close Nearing

February 23, 2021 - Republic weathered the pandemic year with revenue improving to almost flat versus the prior year in the fourth quarter. Pros like improved commodity pricing for recycling were balanced by challenges like still depressed special waste volumes and other economic effects from the pandemic. On the M&A front, executives said on Monday's earnings call they now expect the delayed acquisition of Tennessee-based Santek Waste Services to close by the end of the first quarter.



The Chicago Corporation Overview

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- 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

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Two Managing Directors on Every Engagement

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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.