

Market Overview

Indices Performance (% change)

	<u>May 2021</u>	<u>LTM</u>		<u>May 2021</u>	<u>LTM</u>
S&P 500	.5%	35.6%	NASDAQ	(1.1%)	37.3%
Dow Jones Industrial Average	2.6	34.7%	Russell 3000	.9%	58.7%

Source: Federal Reserve; Bank of St. Louis

Environmental Services Market Overview

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

Quest Resource Holding	18.4%	Sharps Compliance	(22.1%)
Heritage-Crystal Clean	7.2%	Fuel Tech	(8.3%)
Clean Harbors	4.7%	US Ecology	(6.7%)
CECO Environmental	4.5%	EI	(3.9%)
Stericycle	3.0%	Perma-Fix Environmental Services	(3.1%)
Republic Services	2.7%	Covanta	(1.5%)

Source: PitchBook

Publicly Traded Company Performance: Solid Waste

(\$ in millions, except per share data)

Company	Share Price 05/31/2021	% 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	\$140.68	97.3%	\$59,385	\$72,399	4.6x	17.4x	30.0x	38.4x	27.9x	38.9%	15.5%	26.6%	3.1x
Republic Services	RSG	\$109.18	96.4%	\$34,832	\$43,820	4.3x	18.5x	28.2x	34.3x	26.7x	40.3%	15.2%	23.3%	3.8x
Waste Connections	WCN	\$121.44	97.2%	\$31,779	\$35,941	6.5x	29.8x	80.7x	142.9x	42.4x	40.1%	8.1%	22.0%	3.5x
Casella Waste Systems	CWST	\$67.43	96.9%	\$3,463	\$3,921	5.0x	24.1x	62.4x	35.1x	287.7x	34.2%	8.0%	20.8%	2.8x
Mean				\$32,365	\$39,020	5.1x	22.5x	50.3x	62.7x	96.2x	38.4%	11.7%	23.2%	3.3x
Median				\$33,306	\$39,880	4.8x	21.3x	46.2x	36.8x	35.1x	39.5%	11.7%	22.6%	3.3x
High				\$59,385	\$72,399	6.5x	29.8x	80.7x	142.9x	287.7x	40.3%	15.5%	26.6%	3.8x
Low				\$3,463	\$3,921	4.3x	17.4x	28.2x	34.3x	26.7x	34.2%	8.0%	20.8%	2.8x

Source: PitchBook

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

LTM = Last Twelve Months

Environmental Services Industry Contacts

Tom Denison

(312) 283-0819

thomas.denison@thechicagoCorp.com

Phil Clarke

(312) 283-0803

philip.clarke@thechicagoCorp.com

Securities transactions conducted through TCC Securities LLC, an affiliated company, registered Broker / Dealer and Member of FINRA / SIPC.

Publicly Traded Company Performance: Special Waste

(\$ in millions, except per share data)

Company	Share Price 05/31/2021	% 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	\$78.56	98.2%	\$7,209	\$9,299	3.6x	26.8x	79.1x	NA	NA	40.2%	4.6%	13.5%	6.0x
Clean Harbors	CLH	\$93.10	96.5%	\$5,080	\$6,208	2.0x	11.3x	24.1x	35.7x	53.6x	32.4%	8.3%	17.7%	2.1x
Darling Ingredients	DAR	\$68.46	86.0%	\$11,171	\$12,754	3.4x	15.1x	25.4x	31.5x	43.2x	25.3%	13.3%	22.4%	1.8x
US Ecology	ECOL	\$39.63	86.7%	\$1,249	\$2,001	2.2x	NA	NA	NA	25.5x	25.7%	(7.3%)	(4.3%)	(19.0x)
Sharps Compliance	SMED	\$13.62	73.0%	\$230	\$234	3.3x	18.4x	21.5x	23.1x	84.4x	38.2%	15.5%	18.1%	0.3x
Perma-Fix Environmental Services	PESI	\$7.25	90.7%	\$88	\$96	0.9x	70.6x	116.0x	90.6x	NA	13.1%	0.8%	1.3%	6.9x
Mean				\$4,171	\$5,099	2.6x	28.5x	53.2x	45.2x	51.7x	29.1%	5.9%	11.5%	(0.3x)
Median				\$3,164	\$4,105	2.8x	18.4x	25.4x	33.6x	48.4x	29.0%	6.5%	15.6%	1.9x
High				\$11,171	\$12,754	3.6x	70.6x	116.0x	90.6x	84.4x	40.2%	15.5%	22.4%	6.9x
Low				\$88	\$96	0.9x	11.3x	21.5x	23.1x	25.5x	13.1%	(7.3%)	(4.3%)	(19.0x)

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 05/31/2021	% 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	\$14.81	94.9%	\$1,969	\$4,475	2.3x	13.8x	44.3x	370.3x	371.0x	24.7%	5.2%	16.8%	7.7x
Heritage-Crystal Clean	HCCI	\$30.80	88.2%	\$745	\$775	2.0x	16.5x	32.6x	45.3x	56.0x	17.1%	6.3%	12.3%	0.6x
CECO Environmental	CECE	\$7.63	80.6%	\$272	\$312	1.0x	20.6x	24.5x	47.7x	27.4x	32.9%	4.1%	4.9%	2.6x
Cypress Energy Partners	CELP	\$2.20	41.6%	\$27	\$113	0.7x	16.0x	87.9x	NA	11.8x	11.3%	0.8%	4.3%	5.5x
EEL	EEL	\$0.15	80.1%	\$153	\$364	1.5x	NA	NA	NA	16.2x	(20.6%)	(23.7%)	(17.3%)	NA
Fuel Tech	FTEK	\$2.09	29.7%	\$63	\$28	1.2x	NA	NA	NA	NA	48.2%	(5.7%)	(2.2%)	68.7x
Quest Resource Holding	QRHC	\$4.51	82.1%	\$84	\$89	0.8x	21.3x	22.5x	34.7x	NA	19.3%	3.7%	3.9%	1.2x
Mean				\$473	\$880	1.4x	17.6x	42.4x	124.5x	96.5x	19.0%	(1.3%)	3.2%	14.4x
Median				\$153	\$312	1.2x	16.5x	32.6x	46.5x	27.4x	19.3%	3.7%	4.3%	4.0x
High				\$1,969	\$4,475	2.3x	21.3x	87.9x	370.3x	371.0x	48.2%	6.3%	16.8%	68.7x
Low				\$27	\$28	0.7x	13.8x	22.5x	34.7x	11.8x	(20.6%)	(23.7%)	(17.3%)	0.6x

Source: PitchBook

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

LTM = Last Twelve Months

Recent Industry News

❖ Republic Solidifies Santek Deal

May 6, 2021 - The long-anticipated acquisition of Santek Waste Disposal was completed. The transaction of the Tennessee-based company was first announced in March 2020, but it faced a long review by the U.S. Department of Justice and a subsequent divestiture process.

❖ GFL Environmental Closes Ten Acquisitions

May 6, 2021 - The Company spent an estimated \$150 million on ten tuck-in acquisitions year-to-date, worth \$60 million in annualized revenue, mainly focused on solid waste. In addition to multiple deals in Canada, the list included assets in Alabama, Colorado, Missouri, North Carolina and Virginia that largely built on new platforms it created by the acquisitions of WCA Waste and divestitures it purchased as a result of the Waste Management-Advanced Disposal Services merger.

❖ Boise, Idaho Set to Add 14,000 Tons of Composting Capacity Next Year

May 6, 2021 - Boise's compost operation is about to get bigger. By popular demand, the City of Boise is planning a 7.8-acre expansion of the city's composting facility south of the city. The expansion will add 14,000 tons of extra capacity every year.

❖ Meridian Waste Acquires Eco Waste Services

May 11, 2021 - Meridian Waste, an integrated, non-hazardous solid waste services company, closed on the purchase of Eco Waste Services, Inc. The acquired assets from Eco Waste Services include a hauling facility located in Powdersville, South Carolina, and commercial contracts in Anderson, Cherokee, Laurens, Greenville, Oconee, Pickens, and Spartanburg counties.

❖ NWRA Announces Formation of U.S. Composting Infrastructure Coalition

May 11, 2021 - The National Waste & Recycling Association (NWRA) announced the formation of the U.S. Composting Infrastructure Coalition. NWRA is joined by other stakeholders across the organic waste management and sustainable materials communities to help find solutions for municipal solid waste reduction and recycling. The U.S. Composting Infrastructure Coalition brings together a cross-section of industry leaders to promote increased investment in composting infrastructure.

❖ Florida Recyclers Take a 'Back to Basics' Approach to Public Education

May 19, 2021 - Florida is taking a "back to basics" approach to recycling education to help it meet its 2020 goal of reaching a 75% recycling rate, stakeholders said during a panel discussion at the Florida Recycling Partnership Foundation. While officials are still compiling data for 2020, they say it's unlikely Florida met the 75% goal. Florida's 52% overall recycling rate in 2019 was a slight improvement over the 49% rate in 2018.

❖ Waste Management Offering No-Cost Education for Employees' Dependents to Improve Retention

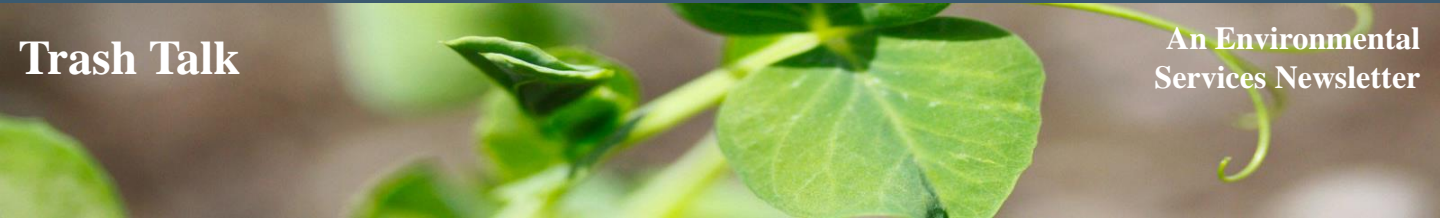
May 20, 2021 - Waste Management recently launched Your Tomorrow, an education and upskilling benefits program in partnership with Guild Education. The program offers Waste Management's nearly 36,000 full-time U.S. employees access to more than 170 fully-funded programs, including undergraduate and graduate degrees, short-term technology and business certificate programs and high school completion.

❖ With Landfill Emissions Regulation, EPA Enforces Once-Delayed Methane Pollution Rule

May 24, 2021 - The U.S. EPA recently issued a final rule on emissions thresholds for municipal solid waste (MSW) landfills, which stakeholders see as a significant step in the Biden administration's climate change plan to slash greenhouse gas emissions in half by 2030.

❖ Plastic Resin Makers Launch \$25M Recycling Fund for Polypropylene, Polyethylene Plastics

May 26, 2021 - Dow, LyondellBasell and NOVA Chemicals have pledged to invest a total of \$25 million in a new fund meant to boost recycling technology, infrastructure and markets for recycled polypropylene and polyethylene. The Closed Loop Circular Plastics Fund, managed by investment firm Closed Loop Partners, is meant to bridge the gap between producer demands for more recycled polypropylene and polyethylene plastics and the capacity and funding challenges recyclers face in processing and selling it.



Trash Talk

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



The Trash Talk is a monthly newsletter published by The Chicago Corporation. To subscribe, please visit, www.thechicagocorp.com.

Information contained in this publication is based on data obtained from sources we deem to be reliable, however, it is not guaranteed as to accuracy and does not purport to be complete. Nothing contained in this publication is intended to be a recommendation of a specific security or company nor is any of the information contained herein intended to constitute an analysis of any company or security reasonably sufficient to form the basis for any investment decision. Nothing contained in this publication constitutes an offer to buy or sell or the solicitation of an offer to buy or sell any security. Officers or employees of affiliates of The Chicago Corporation, or members of their families, may have a beneficial interest in the securities of a specific company mentioned in this publication and may purchase or sell such securities in the open market or otherwise.

Sources include Waste Dive, PitchBook and various publicly available news publications.

Additional information is available upon request.