

Market Overview

Indices Performance (% change)

	July 2021	LTM		July 2021	LTM
S&P 500	2.3%	41.2%	NASDAQ	0.23%	33.3%
Dow Jones Industrial Average	0.43%	27.4%	Russell 3000	0.54%	33.3%

Source: Federal Reserve; Bank of St. Louis

Environmental Services Market Overview

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

Covanta	14.1%	Cypress Environmental Partners	(20.2%)
Casella Waste Systems	8.4%	Perma-Fix Environmental Services	(19.9%)
Republic Services	7.6%	Fuel Tech	(17.4%)
Waste Connections	6.1%	Quest Resource Holding	(6.8%)
Waste Management	5.8%	US Ecology	(6.7%)
Darling Ingredients	2.3%	Heritage-Crystal Clean	(5.1%)

Source: PitchBook

Publicly Traded Company Performance: Solid Waste

(\$ in millions, except per share data)

Company	Share Price 07/31/2021	% 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	\$148.26	98.9%	\$62,432	\$75,530	4.6x	17.6x	30.8x	39.3x	27.9x	39.0%	14.9%	25.9%	3.1x
Republic Services	RSG	\$118.36	99.8%	\$37,682	\$46,864	4.4x	16.8x	28.1x	33.8x	26.7x	40.6%	15.8%	26.4%	3.3x
Waste Connections	WCN	\$126.69	99.8%	\$33,153	\$37,314	6.8x	31.0x	83.8x	149.0x	42.4x	40.1%	8.1%	22.0%	3.4x
Casella Waste Systems	CWST	\$68.78	98.8%	\$3,534	\$3,975	4.9x	23.4x	59.0x	36.2x	287.7x	34.5%	8.3%	21.0%	2.6x
Mean				\$34,200	\$40,921	5.2x	22.2x	50.4x	64.6x	96.2x	38.6%	11.8%	23.8%	3.1x
Median				\$35,417	\$42,089	4.7x	20.5x	44.9x	37.8x	35.1x	39.5%	11.6%	23.9%	3.2x
High				\$62,432	\$75,530	6.8x	31.0x	83.8x	149.0x	287.7x	40.6%	15.8%	26.4%	3.4x
Low				\$3,534	\$3,975	4.4x	16.8x	28.1x	33.8x	26.7x	34.5%	8.1%	21.0%	2.6x

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 07/31/2021	% 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	\$70.55	88.2%	\$6,474	\$8,564	3.3x	24.7x	72.8x	NA	NA	40.2%	4.6%	13.5%	6.0x
Clean Harbors	CLH	\$95.00	98.5%	\$5,184	\$6,312	2.0x	11.5x	24.5x	36.4x	53.6x	32.4%	8.3%	17.7%	2.1x
Darling Ingredients	DAR	\$69.07	86.7%	\$11,270	\$12,854	3.4x	15.2x	25.6x	31.8x	43.2x	25.3%	13.3%	22.4%	1.8x
US Ecology	ECOL	\$35.00	76.6%	\$1,103	\$1,849	1.9x	54.2x	NA	NA	25.5x	25.8%	(7.3%)	(1.3%)	(62.2x)
Sharps Compliance	SMED	\$9.98	53.5%	\$171	\$176	2.5x	13.8x	16.1x	16.9x	84.4x	38.2%	15.5%	18.1%	0.3x
Perma-Fix Environmental Services	PESI	\$5.73	71.7%	\$70	\$77	0.7x	57.0x	93.6x	71.6x	NA	13.1%	0.8%	1.0%	9.4x
<b>Mean</b>				\$4,045	\$4,972	2.3x	29.4x	46.5x	39.2x	51.7x	29.2%	5.9%	11.9%	(7.1x)
<b>Median</b>				\$3,143	\$4,081	2.3x	20.0x	25.6x	34.1x	48.4x	29.1%	6.5%	15.6%	1.9x
<b>High</b>				\$11,270	\$12,854	3.4x	57.0x	93.6x	71.6x	84.4x	40.2%	15.5%	22.4%	9.4x
<b>Low</b>				\$70	\$77	0.7x	11.5x	16.1x	16.9x	25.5x	13.1%	(7.3%)	(1.3%)	(62.2x)

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 07/31/2021	% 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	\$20.10	99.7%	\$2,673	\$5,141	2.6x	15.5x	47.2x	NA	371.0x	24.1%	5.5%	16.7%	7.5x
Heritage-Crystal Clean	HCCL	\$28.18	80.7%	\$682	\$694	1.7x	9.9x	14.8x	19.7x	56.0x	23.1%	11.3%	16.8%	0.2x
CECO Environmental	CECE	\$7.04	74.3%	\$251	\$291	0.9x	19.2x	22.9x	44.0x	27.4x	32.9%	4.1%	7.4%	1.7x
Cypress Environmental Partners	CELP	\$1.93	50.0%	\$24	\$110	0.7x	15.6x	85.3x	NA	11.8x	14.3%	0.8%	4.3%	5.5x
EEL	EEL	\$0.15	82.0%	\$157	\$368	1.5x	NA	NA	NA	16.2x	(26.6%)	(23.6%)	(17.2%)	NA
Fuel Tech	FTEK	\$1.94	27.6%	\$59	\$23	1.0x	NA	NA	NA	NA	48.2%	(5.7%)	(2.2%)	68.7x
Quest Resource Holding	QRHC	\$5.92	76.7%	\$111	\$116	1.1x	27.6x	29.2x	45.5x	NA	19.3%	3.7%	4.1%	1.1x
<b>Mean</b>				\$565	\$963	1.3x	17.6x	39.9x	36.4x	96.5x	19.3%	(0.6%)	4.3%	14.1x
<b>Median</b>				\$157	\$291	1.1x	15.6x	29.2x	44.0x	27.4x	23.1%	3.7%	4.3%	3.6x
<b>High</b>				\$2,673	\$5,141	2.6x	27.6x	85.3x	45.5x	371.0x	48.2%	11.3%	16.8%	68.7x
<b>Low</b>				\$24	\$23	0.7x	9.9x	14.8x	19.7x	11.8x	(26.6%)	(23.6%)	(17.2%)	0.2x

Source: PitchBook

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

LTM = Last Twelve Months

## Recent Industry News

## ❖ GFL Creates the RRA to Acquire Canadian Stewardship Services Alliance

July 6, 2021 - GFL Environmental (GFL) has created the Resource Recovery Alliance (“RRA”) in response to the Government of Ontario's extended producer responsibility regulation requiring product and packaging producers to operate and fully finance Ontario's Blue Box program. RRA will become a producer responsibility organization under the new legislation and will be vertically integrated within GFL's service offerings.

## ❖ Colorado Governor Signs Bill Banning Plastic Bags and Foam Containers, Repealing Preemption

July 7, 2021 - Colorado Governor Jared Polis signed HB21-1162 into law, which bans single-use plastic bags at most stores and expanded polystyrene foam (EPS) takeout containers at most restaurants beginning January 1, 2024. Affected retailers will need to start charging a 10-cent bag fee for both paper and plastic bags starting January 1, 2023.

**❖ Kinderhook Combines Portfolio Companies Circon Environmental, Chemtron Corporation and KilnDirect, Inc.**

July 12, 2021 - Kinderhook Industries, LLC (Kinderhook) has announced the merger of Circon Environmental (Circon), Chemtron Corporation (Chemtron) and KilnDirect Inc. (KilnDirect). Each company was an existing portfolio company of Kinderhook and will be rebranded under the Circon Environmental name. The merger will create a leading pure-play provider of sustainable waste management solutions. Circon, Chemtron, and KilnDirect each are dedicated to the engineering and processing of non-hazardous and hazardous waste streams to create high-quality and valuable fuel replacements to traditional natural gas and coal.

**❖ MAX Environmental Holdings, Inc. Acquires LEI, Inc.**

July 13, 2021 - MAX Environmental Holdings, Inc., (MAX or the Company), owner of MAX Environmental Technologies, a fully integrated environmental treatment and disposal company that provides hazardous and non-hazardous waste transportation, processing, and disposal for the manufacturing, energy, and infrastructure markets has acquired LEI, Inc. (LEI). LEI is a leading supplier of a full line of recycling and waste management services. MAX is a portfolio company of Altus Capital Partners II, L.P., an investment firm focused on middle market industrial companies headquartered in the U.S.

**❖ EQT to Acquire Covanta for \$5.3B**

July 14, 2021 - EQT Infrastructure (EQT), part of purpose-driven global investment organization EQT Group, announced that it has agreed to acquire New Jersey-based Covanta Holding Corporation (CVA) for \$5.3B. Covanta is the largest owner and operator of waste-to-energy (WTE) facilities in North America, with approximately 75% market share.

**❖ Green Meadow Sustainable Solutions Acquires Mississippi's Riverbend Environmental Services**

July 15, 2021 - Green Meadow Sustainable Solutions, an environmental services firm led by waste industry veterans, has acquired Riverbend Environmental Services LLC of Mississippi. Owned by a group of investors led by Bernhard Capital Partners, Green Meadow has assumed ownership of the Company's assets, including the Riverbend Landfill in Jefferson County, Mississippi, and transfer stations in Vicksburg, Mississippi, and Baton Rouge, Louisiana.

**❖ Generational Equity Sells ACT Disposal to Waste Connections**

July 20, 2021 - ACT Disposal (ACT), located in New Braunfels, Texas, is a leading roll off container delivery and construction debris disposal-company. Waste Connections (WC) is the premier provider of solid waste collection, transfer, recycling and disposal services, along with recycling and resource recovery, in mostly exclusive and secondary markets across the U.S. and Canada.

**❖ Waste Harmonics Acquires Contelligent, Expands Global Footprint**

July 22, 2021 - Waste Harmonics, a national managed waste service provider, has acquired Contelligent, a global leader in intelligent container monitoring solutions and analytics. Waste Harmonics' proprietary technology, iWaste, is a secure, cloud-based dashboard that provides real-time fullness status, activity data and equipment health. With the acquisition, Waste Harmonics will expand the breadth of its service offerings, integrating Contelligent's innovative technology to provide its customers with elite waste management services.

**❖ Casella Waste Systems Acquires Willimantic Waste Paper Co., Inc.**

July 29, 2021 - Casella Waste Systems, Inc. (NASDAQ: CWST), a regional vertically integrated solid waste, recycling and resource management services company, announced that it acquired Willimantic Waste Paper Co., Inc. Willimantic provides residential, commercial and roll-off collection services in eastern Connecticut and serves over 30,000 customers. In addition, Willimantic operates a rail-served construction & demolition processing and waste transfer facility, a waste transfer station, a single stream recycling facility, and several other recycling operations.

### 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 Waste Dive, PitchBook and various publicly available news publications.

Additional information is available upon request.