



INDUSTRY UPDATE

BUSINESS SERVICES
Q4 2022

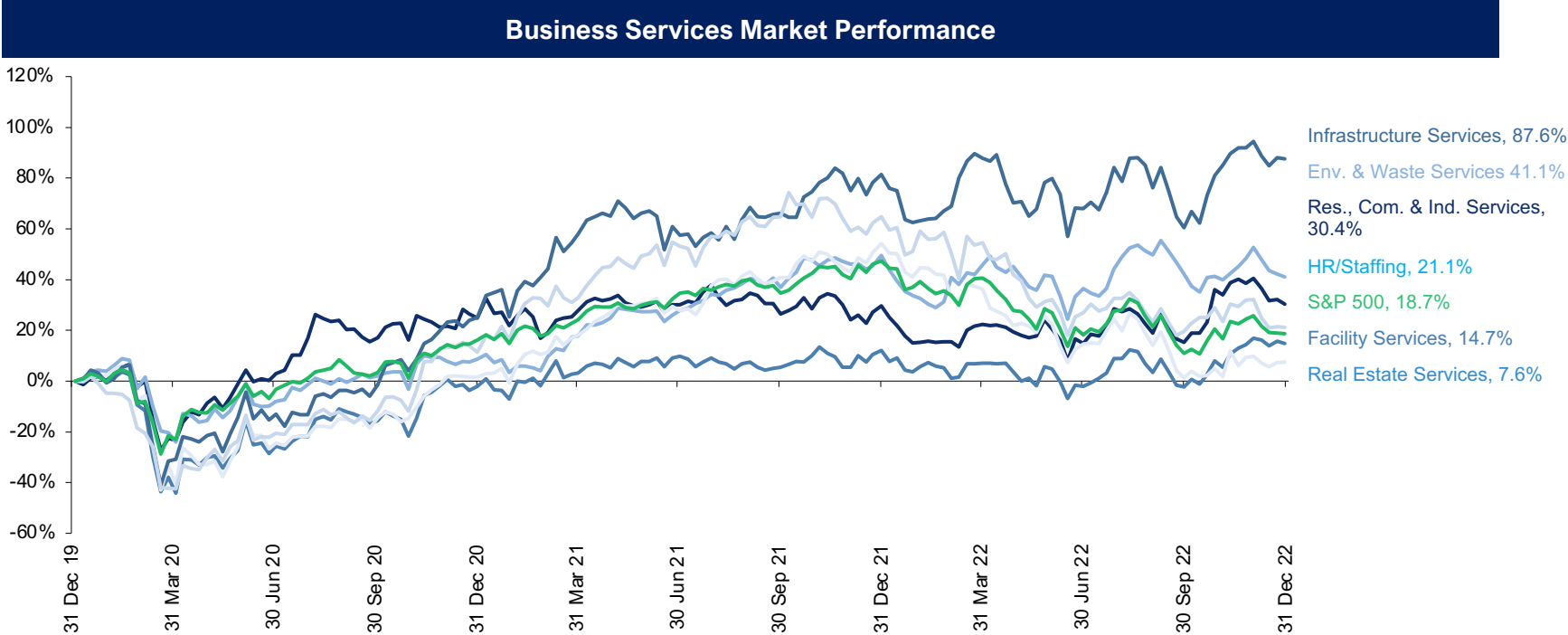


GREENWICH
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Public Market Performance

In Q4 2022, public equities across the majority of the Business Services sector saw relatively strong gains compared to the broader U.S. equity market. The sector continues to be fueled by strong demand for the critical service or maintenance requirements many companies operating in the sector provide, which has been driving a tremendous amount of interest from private equity investors as well. GCG believes interest will continue and the ability for the sector to continue seeing outsized gains will exist. Both private and public investors remain attracted to the accelerating rate at which each of the services within the sector is being outsourced. On a 3-year period ending December 31, the S&P 500 has returned 18.2%. Sectors such as Infrastructure Services, Environmental & Waste Services, Residential, Commercial, & Industrial Services, and HR/Staffing have outpaced the S&P 500, returning 87.6%, 41.1%, 30.4%, and 21.1%, respectively.



Source: S&P Capital IQ
Note: All values based on publicly available data as of 12/31/2022

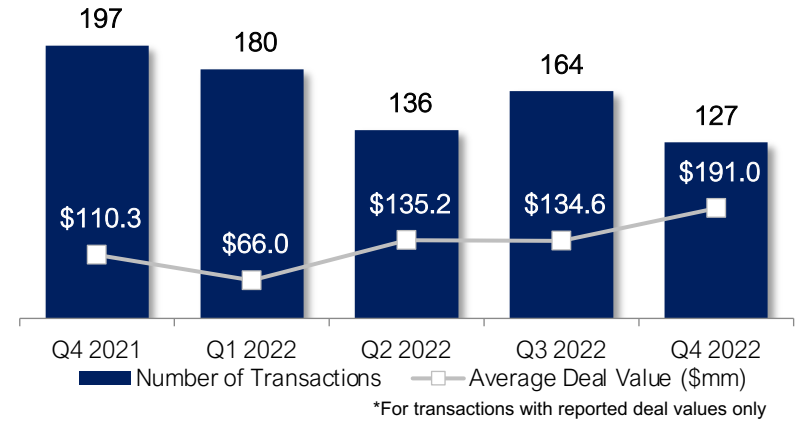


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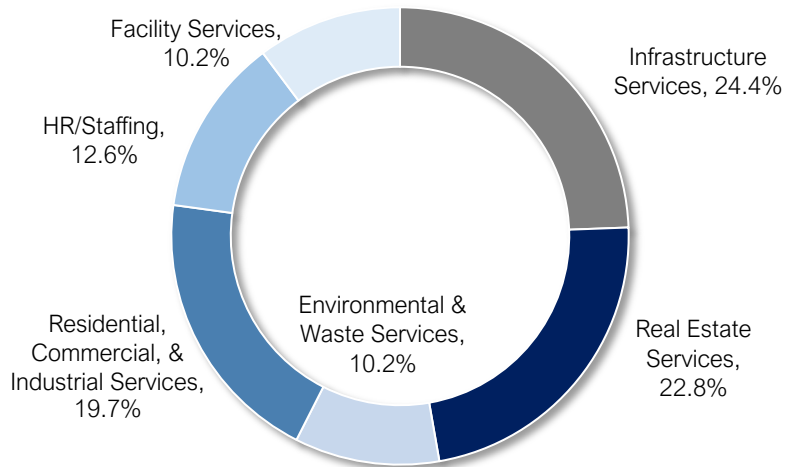
Middle-Market M&A Activity

The volume of M&A activity in the Business Services sector saw an overall decline in Q4 2022, with 127 deals closed, versus 164 during the prior quarter, but the average deal value increased, growing 41.9% over the prior quarter. Strategic buyers continue to represent the largest percentage of the transactions and have sought acquisitions to expand their service offerings and geographic footprint and continue to aggressively gain market share through consolidation. However, private equity sponsors remain active in the sector, with Q4 displaying the highest percentage of PE investment since Q4 2021. Infrastructure services led activity, accounting for 24.4% of total Business Services transaction volume.

Business Services M&A Activity

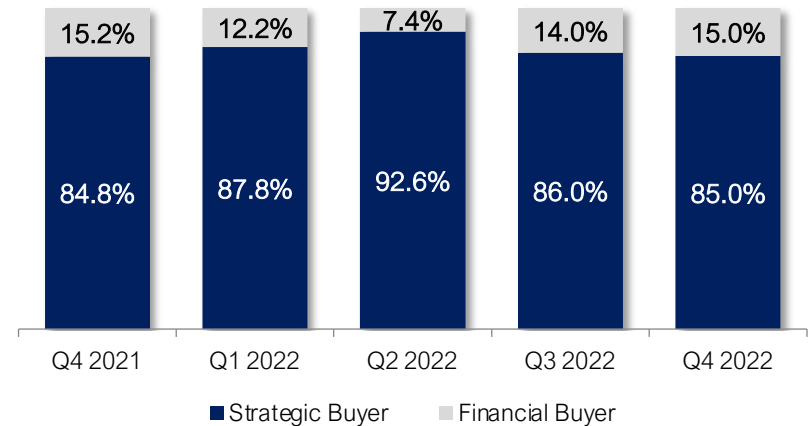


Q4 2022 M&A Activity by Sector



Source: S&P Capital IQ
 Note: All values based on publicly available data as of 12/31/2022

M&A Activity by Buyer Type



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Public Company Trading Multiples

Select publicly traded companies representing the key sectors across the Business Services industry traded at an average multiple of 10.2x EBITDA and 1.5x revenue. Trading multiples varied significantly across and within the six categories, with the strongest multiples observed in the Residential, Commercial, and Industrial Services categories with an average EBITDA multiple of 15.3x. Environmental & Waste Services and Facility Services have become attractive over the quarter, with average EBITDA multiples of 12.6x and 10.7x, respectively.



Source: S&P Capital IQ

Note: All values based on publicly available data as of 12/31/2022



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Public Comparable Companies

<u>Company Name</u>	<u>Enterprise</u>	<u>Share</u>	<u>Price Change</u>		<u>LTM Margins</u>		<u>TEV / LTM:</u>		
	<u>Value (\$mils)</u>	<u>Stock Price</u>	<u>3 month</u>	<u>12 month</u>	<u>Gross</u>	<u>EBITDA</u>	<u>Revenue</u>	<u>EBITDA</u>	
Residential, Commercial and Industrial Services									
ADT Inc.	\$ 18,044	\$ 9.07	21.1%	7.8%	68.6%	39.9%	2.9x	7.4x	
BrightView Holdings, Inc.	\$ 2,093	\$ 6.89	(13.2%)	(51.1%)	24.3%	11.2%	0.8x	6.7x	
Comfort Systems USA, Inc.	\$ 4,547	\$ 115.08	18.2%	16.3%	17.6%	9.0%	1.2x	13.1x	
EMCOR Group, Inc.	\$ 7,368	\$ 148.11	28.3%	16.3%	14.4%	8.2%	0.7x	8.4x	
HomeServe plc	\$ 5,723	\$ 14.42	9.3%	21.8%	47.9%	17.8%	3.4x	17.4x	
Rentokil Initial plc	\$ 17,082	\$ 6.12	15.0%	(22.6%)	77.7%	22.2%	4.6x	20.8x	
Rollins, Inc.	\$ 18,272	\$ 36.54	5.4%	6.8%	51.5%	24.8%	6.9x	28.0x	
Team, Inc.	\$ 530	\$ 5.25	(50.5%)	(51.8%)	25.2%	2.9%	0.6x	20.4x	
Mean	\$ 9,207	\$ 42.69	4.2%	(7.1%)	40.9%	17.0%	2.6x	15.3x	
Median	\$ 6,546	\$ 11.75	12.2%	7.3%	36.5%	14.5%	2.1x	15.3x	

Source: S&P Capital IQ

Note: All values based on publicly available data as of 12/31/2022



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Public Comparable Companies

<u>Company Name</u>	<u>Enterprise</u>	<u>Share</u>	<u>Price Change</u>		<u>LTM Margins</u>		<u>TEV / LTM:</u>		
	<u>Value (\$mils)</u>	<u>Stock Price</u>	<u>3 month</u>	<u>12 month</u>	<u>Gross</u>	<u>EBITDA</u>	<u>Revenue</u>	<u>EBITDA</u>	
Infrastructure Services									
AECOM	\$ 13,678	\$ 84.93	24.2%	9.8%	6.4%	8.6%	1.0x	12.1x	
Dycom Industries, Inc.	\$ 3,578	\$ 93.60	(2.0%)	(0.2%)	16.5%	10.4%	1.0x	9.4x	
Fluor Corporation	\$ 3,754	\$ 34.66	39.3%	39.9%	2.8%	2.9%	0.3x	10.9x	
IES Holdings, Inc.	\$ 871	\$ 35.57	28.8%	(29.8%)	14.7%	4.7%	0.4x	8.5x	
Jacobs Solutions Inc.	\$ 18,904	\$ 120.07	10.7%	(13.8%)	22.3%	9.9%	1.3x	12.7x	
KBR, Inc.	\$ 8,751	\$ 52.80	22.2%	10.9%	11.5%	17.7%	1.2x	6.6x	
MasTec, Inc.	\$ 8,952	\$ 85.33	34.4%	(7.5%)	12.5%	13.2%	1.0x	7.9x	
MYR Group Inc.	\$ 1,614	\$ 92.07	8.7%	(16.7%)	11.9%	6.2%	0.6x	9.3x	
NV5 Global, Inc.	\$ 2,126	\$ 132.32	6.9%	(4.2%)	49.7%	18.6%	2.7x	14.6x	
Primoris Services Corporation	\$ 2,417	\$ 21.94	35.0%	(8.5%)	10.0%	8.0%	0.6x	7.6x	
Stantec Inc.	\$ 6,713	\$ 47.94	8.6%	(14.6%)	54.3%	14.4%	2.2x	14.9x	
Tutor Perini Corporation	\$ 1,076	\$ 7.55	36.8%	(39.0%)	4.6%	2.6%	0.3x	10.4x	
Quanta Services, Inc.	\$ 24,315	\$ 142.50	11.9%	24.3%	14.8%	14.8%	1.5x	9.9x	
Mean	\$ 7,442	\$ 73.18	20.4%	(3.8%)	17.9%	10.2%	1.1x	10.4x	
Median	\$ 3,754	\$ 84.93	22.2%	(7.5%)	12.5%	9.9%	1.0x	9.9x	

Source: S&P Capital IQ

Note: All values based on publicly available data as of 12/31/2022



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Public Comparable Companies

Company Name	Enterprise	Share	Price Change		LTM Margins		TEV / LTM:		
	Value (\$mils)	Stock Price	3 month	12 month	Gross	EBITDA	Revenue	EBITDA	
Environmental & Waste Services									
Casella Waste Systems, Inc.	\$ 4,700	\$ 79.31	3.8%	(7.2%)	33.5%	22.7%	4.5x	19.6x	
Clean Harbors, Inc.	\$ 8,425	\$ 114.12	3.8%	14.4%	31.0%	21.8%	1.7x	7.7x	
GFL Environmental Inc.	\$ 17,113	\$ 29.21	14.9%	(22.7%)	11.5%	23.9%	3.5x	14.3x	
Harsco Corporation	\$ 1,914	\$ 6.29	68.2%	(62.4%)	17.4%	17.0%	1.0x	6.0x	
Heritage-Crystal Clean, Inc	\$ 980	\$ 32.48	9.8%	1.4%	31.2%	25.7%	1.5x	6.0x	
Republic Services, Inc.	\$ 52,730	\$ 128.99	(5.2%)	(7.5%)	40.2%	28.1%	4.1x	14.5x	
Stericycle, Inc.	\$ 6,630	\$ 49.89	18.5%	(16.3%)	37.3%	19.7%	2.5x	12.5x	
Waste Connections, Inc.	\$ 40,305	\$ 132.56	(1.9%)	(2.7%)	40.0%	31.3%	5.8x	18.5x	
Waste Management, Inc.	\$ 78,324	\$ 156.88	(2.1%)	(6.0%)	37.5%	28.0%	4.0x	14.4x	
Mean	\$ 23,458	\$ 81.08	12.2%	(12.1%)	31.1%	24.3%	3.2x	12.6x	
Median	\$ 8,425	\$ 79.31	3.8%	(7.2%)	33.5%	23.9%	3.5x	14.3x	

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Public Comparable Companies

Company Name	Enterprise	Share	Price Change		LTM Margins		TEV / LTM:		
	Value (\$mils)	Stock Price	3 month	12 month	Gross	EBITDA	Revenue	EBITDA	
Facility Services									
ABM Industries Incorporated	\$ 4,253	\$ 44.42	16.2%	8.7%	14.2%	7.0%	0.5x	7.7x	
Aramark	\$ 18,067	\$ 41.34	32.5%	12.2%	15.2%	12.8%	1.1x	8.6x	
Cintas Corporation	\$ 48,895	\$ 451.62	16.3%	1.9%	46.5%	24.7%	5.8x	23.6x	
Compass Group PLC	\$ 44,146	\$ 23.10	14.9%	3.3%	6.3%	8.2%	1.6x	NM	
Healthcare Services Group, Inc.	\$ 815	\$ 12.00	(0.7%)	(32.5%)	10.7%	3.1%	0.5x	15.6x	
Prosegur Compañía de Seguridad, S.A.	\$ 2,638	\$ 1.89	24.4%	(27.9%)	21.5%	10.2%	0.7x	5.9x	
Securitas AB (publ)	\$ 9,931	\$ 8.34	19.4%	(39.5%)	18.6%	7.5%	0.9x	11.1x	
SP Plus Corporation	\$ 1,214	\$ 34.72	10.9%	23.0%	41.2%	29.6%	1.3x	4.5x	
UniFirst Corporation	\$ 3,281	\$ 192.99	14.7%	(8.3%)	34.3%	12.9%	1.6x	12.3x	
The Brink's Company	\$ 5,197	\$ 53.71	10.9%	(18.1%)	23.3%	17.5%	1.2x	6.7x	
Mean	\$ 13,844	\$ 86.41	15.9%	(7.7%)	23.2%	13.4%	1.5x	10.7x	
Median	\$ 4,725	\$ 38.03	15.5%	(3.2%)	20.1%	11.5%	1.1x	8.6x	

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Public Comparable Companies

<u>Company Name</u>	<u>Enterprise</u>	<u>Share</u>	<u>Price Change</u>		<u>LTM Margins</u>		<u>TEV / LTM:</u>	
	<u>Value (\$mils)</u>	<u>Stock Price</u>	<u>3 month</u>	<u>12 month</u>	<u>Gross</u>	<u>EBITDA</u>	<u>Revenue</u>	<u>EBITDA</u>
Real Estate Services								
Assurant, Inc.	\$ 7,307	\$ 125.06	(13.9%)	(19.8%)	7.7%	7.4%	0.7x	9.8x
CBRE Group, Inc.	\$ 27,690	\$ 76.96	14.0%	(29.1%)	22.0%	10.2%	0.9x	8.7x
Colliers International Group Inc.	\$ 6,538	\$ 91.90	(0.3%)	(38.3%)	37.8%	16.1%	1.4x	8.8x
Cushman & Wakefield plc	\$ 6,022	\$ 12.46	8.8%	(44.0%)	20.5%	10.2%	0.6x	5.7x
Fidelity National Financial, Inc.	\$ 11,402	\$ 37.62	3.9%	(27.9%)	58.8%	22.0%	0.8x	3.7x
First American Financial Corporation	\$ 5,347	\$ 52.34	13.5%	(33.1%)	57.1%	11.6%	0.6x	5.6x
FirstService Corporation	\$ 6,377	\$ 122.51	2.3%	(37.6%)	31.5%	10.1%	1.8x	17.3x
Anywhere Real Estate Inc.	\$ 3,978	\$ 6.39	(21.2%)	(62.0%)	37.2%	9.9%	0.5x	5.3x
RE/MAX Holdings, Inc.	\$ 272	\$ 18.64	(1.4%)	(38.9%)	74.7%	28.7%	0.8x	2.6x
Stewart Information Services Corporation	\$ 1,454	\$ 42.73	(2.1%)	(46.4%)	57.7%	13.5%	0.4x	3.2x
Mean	\$ 7,639	\$ 58.66	0.4%	(37.7%)	40.5%	14.0%	0.9x	7.1x
Median	\$ 6,199	\$ 47.54	1.0%	(37.9%)	37.5%	10.9%	0.7x	5.6x

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	<u>Value (\$mils)</u>	<u>Stock Price</u>	<u>3 month</u>	<u>12 month</u>	<u>Gross</u>	<u>EBITDA</u>	<u>Revenue</u>	<u>EBITDA</u>	
HR/Staffing									
AMN Healthcare Services, Inc.	\$ 5,162	\$ 102.82	(3.0%)	(15.9%)	32.4%	15.6%	0.9x	6.0x	
ASGN Incorporated	\$ 4,996	\$ 81.48	(9.8%)	(34.0%)	30.0%	12.0%	1.1x	9.3x	
Cross Country Healthcare, Inc.	\$ 1,100	\$ 26.57	(6.3%)	(4.3%)	22.6%	11.6%	0.4x	3.4x	
Heidrick & Struggles International, Inc.	\$ 178	\$ 27.97	7.6%	(36.0%)	24.0%	12.9%	0.2x	1.2x	
Hudson Global, Inc.	\$ 43	\$ 22.63	(32.7%)	(22.0%)	13.4%	6.9%	0.2x	NM	
Insperty, Inc.	\$ 4,138	\$ 113.60	11.3%	(3.8%)	16.4%	4.6%	0.7x	15.7x	
Kelly Services, Inc.	\$ 590	\$ 16.90	24.4%	0.8%	20.2%	2.9%	0.1x	4.1x	
Kforce Inc.	\$ 1,087	\$ 54.83	(6.5%)	(27.1%)	29.5%	7.3%	0.6x	8.7x	
ManpowerGroup Inc.	\$ 4,899	\$ 83.21	28.6%	(14.5%)	17.8%	4.5%	0.2x	5.3x	
Robert Half International Inc.	\$ 7,519	\$ 73.83	(3.5%)	(33.8%)	42.8%	15.6%	1.0x	6.6x	
ShiftPixy, Inc.	\$ 98	\$ 20.95	51.8%	(82.1%)	4.9%	(93.2%)	2.7x	NM	
TrueBlue, Inc.	\$ 660	\$ 19.58	2.6%	(29.2%)	26.8%	6.3%	0.3x	4.5x	
Upwork Inc.	\$ 1,278	\$ 10.44	(23.3%)	(69.4%)	73.7%	(14.1%)	2.2x	NM	
Mean	\$ 2,442	\$ 50.37	3.2%	(28.6%)	27.3%	(0.5%)	0.8x	6.5x	
Median	\$ 1,100	\$ 27.97	(3.0%)	(27.1%)	24.0%	6.9%	0.6x	5.7x	
Business Services Mean	\$ 9,970	\$ 66	9.7%	(16.5%)	29.1%	11.9%	1.6x	10.2x	
Business Services Median	\$ 4,996	\$ 44	9.8%	(15.9%)	24.0%	11.6%	1.0x	8.7x	

Source: S&P Capital IQ

Note: All values based on publicly available data as of 12/31/2022



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Select M&A Transaction Activity

Announcement Date	Target Name	Buyer Name	Sector	Value (\$mm)	TEV/Rev	TEV/EBITDA
12/20/2022	Southeast Landscapes, Inc.	Landscape Workshop LLC	Res. & Comm. Field Services	-	-	-
12/19/2022	The Industrial Service Group	The Jordan Company, L.P.	Res. & Comm. Field Services	-	-	-
12/16/2022	Maxar Technologies Inc.	Advent International Corporation; British Columbia Investment Management Corporation	Infrastructure Services	\$6,542.0	3.74x	14.23x
12/16/2022	The Junkluggers, LLC	Authority Brands, LLC	Res. & Comm. Field Services	-	-	-
12/15/2022	Finley's Facilities Services LLC	EEC Acquisition LLC	Facility Services	-	-	-
12/14/2022	Industrial Service Solutions, LLC	Wynnchurch Capital, L.P	Infrastructure Services	\$30.8	-	-
12/14/2022	Actio Security Inc	Owen Security Solutions, Inc.	Facility Services	-	-	-
12/12/2022	RepairSmith, Inc.	AutoNation, Inc.	Res. & Comm. Field Services	\$190.0	-	-
12/11/2022	Albert Anthony Real Estate LLC	Howard Hanna Real Estate Services, Inc.	Real Estate Services	-	-	-
12/9/2022	Trojan Recycling, Inc.	Waste Connections, Inc.	Env. & Waste Services	-	-	-
12/8/2022	VRX Media Group LLC	Zillow Group, Inc.	Real Estate Services	-	-	-
12/8/2022	Justice Fire & Safety, Inc.	Pye-Barker Fire & Safety, LLC	Facility Services	-	-	-
12/7/2022	Ruppert Landscape, LLC	Knox Lane LP	Res. & Comm. Field Services	-	-	-

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Select M&A Transaction Activity

Announcement Date	Target Name	Buyer Name	Sector	Value (\$mm)	TEV/Rev	TEV/EBITDA
12/6/2022	East Coast Mechanical, Inc.	Air Pros, LLC	Res. & Comm. Field Services	-	-	-
12/6/2022	Patrice & Associates, Inc.	Conscious Capital Growth, LLC	HR/Staffing	-	-	-
12/5/2022	H2H Geoscience Engineering, PLLC	Bowman Consulting Group Ltd.	Infrastructure Services	-	-	-
12/5/2022	Aspen Tree Service, Inc.	SavATree, LLC	Res. & Comm. Field Services	-	-	-
12/2/2022	Omar's Environmental Ltd.	GFL Environmental Inc.	Env. & Waste Services	-	-	-
11/30/2022	Mountain Air Conditioning & Heating, Inc.	Wrench Group, LLC	Res. & Comm. Field Services	-	-	-
11/29/2022	CJ Suppression, Inc.	Fortis Fire & Safety Inc.	Facility Services	-	-	-
11/15/2022	Apex Land Group, LLC	BrightView Holdings, Inc.	Res. & Comm. Field Services	-	-	-
11/14/2022	DRYmedic Restoration Services LLC	Authority Brands, LLC	Res. & Comm. Field Services	-	-	-
11/9/2022	SEBA International, LLC	ZRG Partners, LLC	HR/Staffing	-	-	-
11/9/2022	ComTronix	Pye-Barker Fire & Safety, LLC	Facility Services	-	-	-
11/8/2022	Data Clean Corp.	Angeles Equity Partners, LLC	Env. & Waste Services	-	-	-
11/8/2022	A Plus Tree, LLC	Hyperion Capital Partners	Res. & Comm. Field Services	-	-	-
11/2/2022	Junk King Franchise Systems, Inc.	Neighborly Corporation	Res. & Comm. Field Services	-	-	-

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Select M&A Transaction Activity

Announcement Date	Target Name	Buyer Name	Sector	Value (\$mm)	TEV/Rev	TEV/EBITDA
11/2/2022	Ned Stevens Gutter Cleaning & General Contracting, Inc.	The Jordan Company, L.P.; Cobepa S.A.	Res. & Comm. Field Services	\$280.00	-	-
10/24/2022	Century Security And Event Staffing, Inc.	Allied Universal Security Services LLC	HR/Staffing	-	-	-
10/21/2022	Elite Window Cleaning Inc.	Lawn Doctor, Inc.	Res. & Comm. Field Services	-	-	-
10/18/2022	Echezabal & Associates, Inc.	Surveying And Mapping, LLC	Infrastructure Services	-	-	-
10/17/2022	American Combustion Industries, Inc.	Huron Capital Partners, LLC	Facility Services	-	-	-
10/13/2022	Brooks & Brooks, Land Surveyors, P.C.	Control Point Associates, Inc.	Infrastructure Services	-	-	-
10/13/2022	Blue Star Security, Ltd.	Security Services Holdings LLC	Facility Services	-	-	-
10/13/2022	Survivor Fire & Safety Equipment/Total Fire & Safety Equipment	Pye-Barker Fire & Safety, LLC	Facility Services	-	-	-
10/12/2022	Tek Express, Inc.	Commercial Foodservice Repair Company, Inc.	Res. & Comm. Field Services	-	-	-
10/6/2022	Metro Fire & Safety Equipment Co., Inc.	Pye-Barker Fire & Safety, LLC	Facility Services	-	-	-
10/5/2022	Legal Title Services, LLC	Action Title Research, LLC	Real Estate Services	-	-	-
10/4/2022	DecisionPathHR Acquisition, LLC	PeopleShare, Inc.	HR/Staffing	-	-	-
10/3/2022	1st Source Restaurant Services, Inc.	Commercial Foodservice Repair Company, Inc.	Res. & Comm. Field Services	-	-	-

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Business Services Expertise

GCG offers a unique breadth and depth of expertise in Business Services from both an operational and transactional standpoint. Our professionals bring direct experience in senior operating roles within the industry to augment our investment banking and consulting services.

Business Services is an evolving industry facing many opportunities and challenges. GCG's senior investment banking team leverages its deep industry knowledge and experience to provide strategic financial solutions for our clients in this rapidly changing environment. Our professionals are dedicated to understanding complex industry dynamics while providing merger and acquisition advisory services to companies and investors across several sectors in Business Services.

More about Greenwich Capital Group

Greenwich Capital Group ("GCG") is a middle market focused advisory firm offering a range of investment banking and consulting services to private companies, public companies and private equity investors. For additional perspective or to discuss M&A related opportunities in the Business Services sector, please reach out to GCG's Business Services practice leader, Matt Melago. For more information, please visit www.greenwichgp.com.



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Data Sources: We have based our findings on data provided by industry recognized sources. Data and information for this publication was collated from the S&P Capital IQ database. For more information on this or anything else related to our research, please email info@greenwichgp.com.

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