



INDUSTRY UPDATE

BUSINESS SERVICES
Q2 2023

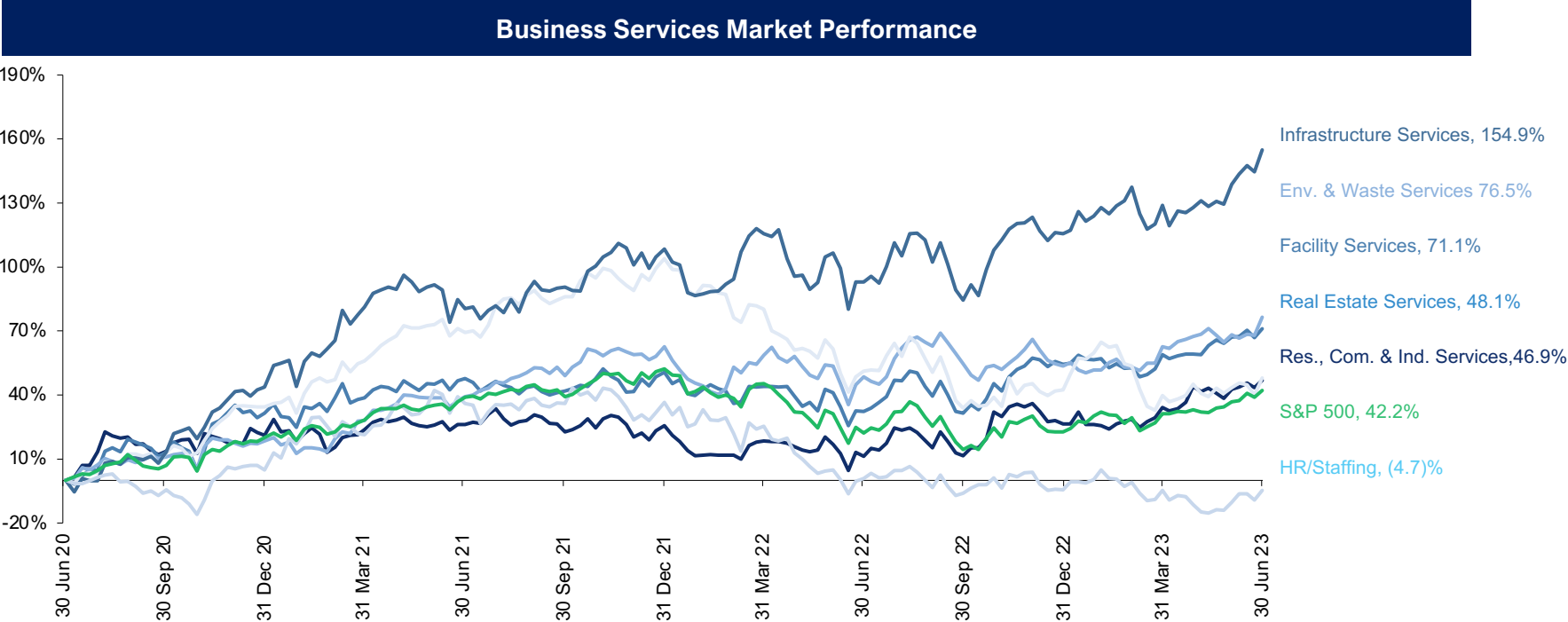


GREENWICH
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Public Market Performance

In Q2 2023, public equities across most segments of the Business Services sector that GCG tracks continued to outpace the broader U.S. equity market, demonstrating the high demand for critical outsourced services, and resiliency they have throughout the economy. M&A activity remains heightened across the sector with significant corporate consolidation and new private equity platforms being established at a rapid pace. On a 3-year period ending June 30, 2023, the S&P 500 has returned 42.2%. Segments such as Infrastructure Services, Environment & Waste Services, and Facility Services were among the leading performers, returning 154.9%, 76.5%, and 71.1%, respectively.



Source: S&P Capital IQ
Note: All values based on publicly available data as of 6/30/2023

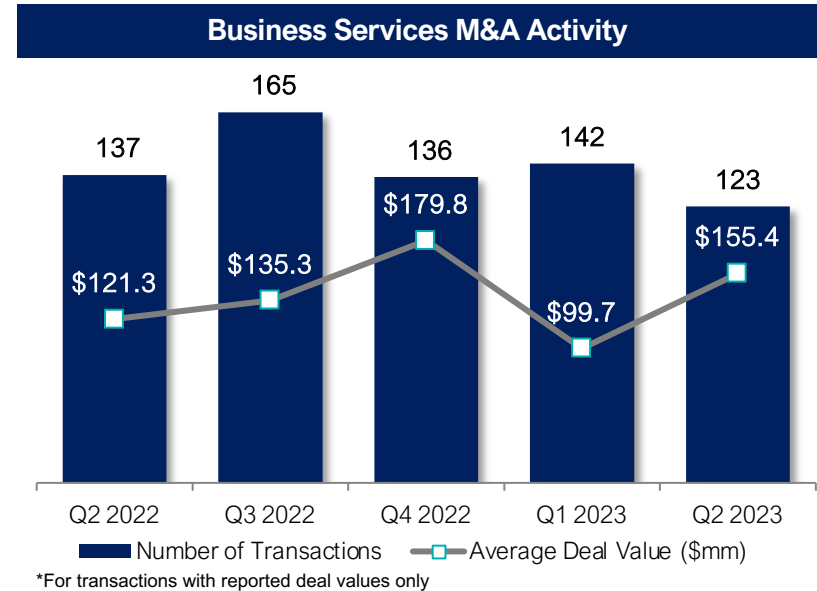


Middle-Market M&A Activity

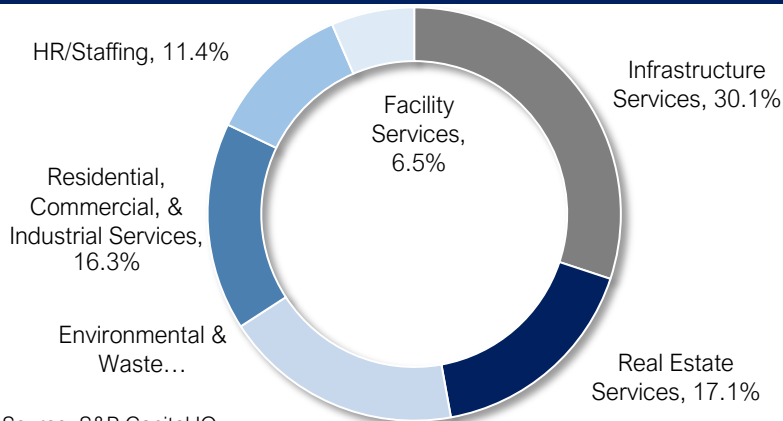
The volume of M&A activity in the Business Services sector declined during Q2 2023, with 123 deals closed, versus 142. Despite the decline in deal volume, there was a notable increase in the average deal value for transactions with reported values, which rose by 55.9%, signaling that larger transactions that may have been sidelined due to financing challenges are returning.

Strategic buyers (including a large amount of private equity platform companies) continued to hold a prominent position in deal activity, representing the largest percentage of transactions. Their focus remained on acquiring companies to enhance their service offerings and expand their geographic footprint, while actively pursuing market share growth through consolidation.

Infrastructure Services led activity, accounting for 30.1% of total Business Services transaction volume as Environmental & Waste Services and Real Estate Services continue to receive strong interest representing 18.7% and 17.1% of transaction volume.

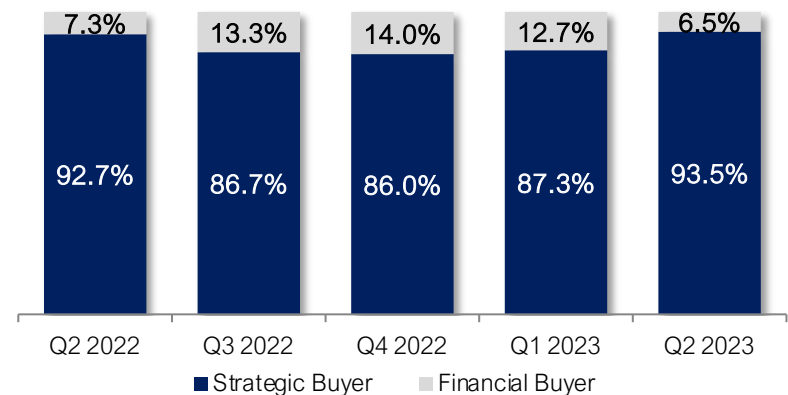


Q2 2023 M&A Activity by Sector



Source: S&P Capital IQ
Note: All values based on publicly available data as of 6/30/2023

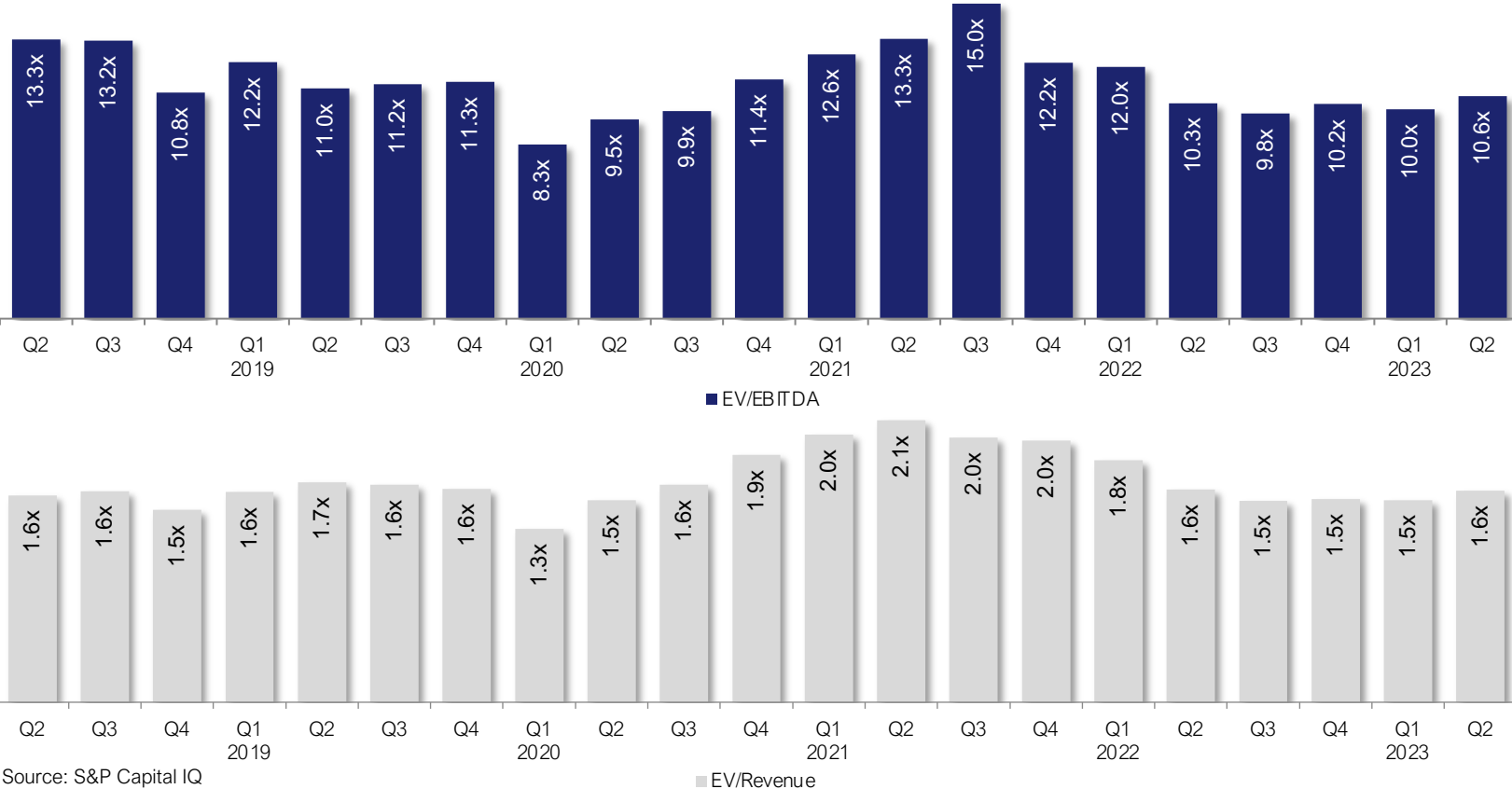
M&A Activity by Buyer Type



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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 10.6x EBITDA and 1.6x revenue, both increasing QoQ. Trading multiples varied significantly across and within the six categories, with the strongest multiples observed in the Environmental & Waste Services and Residential, Commercial, and Industrial Services categories with an average EBITDA multiples of 13.4x and 13.1x, respectively. Infrastructure Services and Facility Services have remained attractive over the quarter, with average EBITDA multiples of 11.3x and 10.3x, respectively.



Source: S&P Capital IQ
 Note: All values based on publicly available data as of 6/30/2023



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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.	\$ 15,214	\$ 6.03	(15.8%)	(2.0%)	68.4%	40.8%	2.4x	5.8x	
BrightView Holdings, Inc.	\$ 2,105	\$ 7.18	33.2%	(40.2%)	24.2%	10.9%	0.8x	6.9x	
Comfort Systems USA, Inc.	\$ 6,153	\$ 164.20	15.2%	97.5%	18.1%	9.7%	1.4x	14.4x	
EMCOR Group, Inc.	\$ 9,008	\$ 184.78	14.8%	79.5%	14.8%	8.9%	0.8x	8.9x	
Rentokil Initial plc	\$ 23,756	\$ 7.82	8.7%	35.5%	80.9%	21.6%	5.3x	23.3x	
Rollins, Inc.	\$ 21,325	\$ 42.83	15.1%	22.7%	51.5%	25.4%	7.7x	30.3x	
Team, Inc.	\$ 345	\$ 8.30	56.0%	11.7%	24.2%	28.6%	0.4x	1.4x	
Mean	\$ 11,129	\$ 60.16	18.2%	29.2%	40.3%	20.8%	2.7x	13.0x	
Median	\$ 9,008	\$ 8.30	15.1%	22.7%	24.2%	21.6%	1.4x	8.9x	

Source: S&P Capital IQ

Note: All values based on publicly available data as of 6/30/2023



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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	
Infrastructure Services									
AECOM	\$ 13,801	\$ 84.69	1.4%	29.9%	6.5%	8.2%	1.0x	12.4x	
Dycom Industries, Inc.	\$ 4,134	\$ 113.65	21.4%	22.2%	17.8%	11.8%	1.0x	8.8x	
Fluor Corporation	\$ 3,111	\$ 29.60	(1.6%)	21.6%	1.3%	2.2%	0.2x	10.0x	
IES Holdings, Inc.	\$ 1,250	\$ 56.88	35.9%	88.5%	16.2%	6.4%	0.5x	8.4x	
Jacobs Solutions Inc.	\$ 18,766	\$ 118.89	2.4%	(6.5%)	21.6%	9.8%	1.2x	12.3x	
KBR, Inc.	\$ 10,387	\$ 65.06	19.6%	34.4%	13.4%	15.1%	1.6x	10.5x	
MasTec, Inc.	\$ 12,499	\$ 117.97	25.5%	64.6%	11.8%	12.5%	1.2x	9.6x	
MYR Group Inc.	\$ 2,323	\$ 138.34	14.0%	57.0%	10.9%	5.9%	0.7x	12.5x	
NV5 Global, Inc.	\$ 1,890	\$ 110.77	8.1%	(5.1%)	49.7%	17.3%	2.4x	14.0x	
Primoris Services Corporation	\$ 2,859	\$ 30.47	25.6%	40.0%	10.2%	7.9%	0.6x	7.4x	
Stantec Inc.	\$ 8,592	\$ 65.31	11.9%	49.2%	54.2%	14.8%	2.5x	16.6x	
Tutor Perini Corporation	\$ 1,108	\$ 7.15	20.2%	(18.6%)	(1.2%)	(4.1%)	0.3x	NM	
Quanta Services, Inc.	\$ 32,693	\$ 196.45	18.0%	56.7%	14.6%	14.8%	1.9x	12.6x	
Mean	\$ 8,724	\$ 87.33	15.6%	33.4%	17.5%	9.4%	1.2x	11.3x	
Median	\$ 4,134	\$ 84.69	18.0%	34.4%	13.4%	9.8%	1.0x	11.4x	

Source: S&P Capital IQ

Note: All values based on publicly available data as of 6/30/2023



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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>	
Environmental & Waste Services									
Casella Waste Systems, Inc.	\$ 5,833	\$ 90.45	12.0%	24.4%	33.5%	22.6%	5.2x	23.2x	
Clean Harbors, Inc.	\$ 11,201	\$ 164.43	18.5%	87.6%	31.5%	23.7%	2.1x	8.9x	
GFL Environmental Inc.	\$ 21,821	\$ 38.85	13.3%	50.9%	13.0%	24.2%	4.1x	16.7x	
Enviri Corporation	\$ 2,215	\$ 9.87	47.5%	38.8%	18.4%	16.9%	1.1x	6.8x	
Heritage-Crystal Clean, Inc	\$ 1,104	\$ 37.79	6.9%	40.2%	30.0%	25.2%	1.4x	5.7x	
Republic Services, Inc.	\$ 60,610	\$ 153.17	13.6%	17.0%	40.1%	28.5%	4.3x	15.1x	
Stericycle, Inc.	\$ 6,174	\$ 46.44	9.5%	5.9%	37.7%	22.0%	2.3x	10.3x	
Waste Connections, Inc.	\$ 43,817	\$ 142.93	3.6%	15.3%	39.8%	31.0%	5.9x	19.0x	
Waste Management, Inc.	\$ 85,677	\$ 173.42	7.4%	13.4%	37.4%	28.3%	4.3x	15.2x	
Mean	\$ 26,495	\$ 95.26	14.7%	32.6%	31.3%	24.7%	3.4x	13.4x	
Median	\$ 11,201	\$ 90.45	12.0%	24.4%	33.5%	24.2%	4.1x	15.1x	

Source: S&P Capital IQ

Note: All values based on publicly available data as of 6/30/2023



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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>	
Facility Services									
ABM Industries Incorporated	\$ 4,266	\$ 42.65	(4.2%)	(1.8%)	13.8%	6.8%	0.5x	7.8x	
Aramark	\$ 19,212	\$ 43.05	22.4%	40.5%	14.6%	13.6%	1.1x	8.0x	
Cintas Corporation	\$ 53,382	\$ 497.08	6.3%	33.1%	47.3%	26.0%	6.1x	25.4x	
Compass Group PLC	\$ 52,525	\$ 27.98	12.2%	37.1%	6.7%	8.5%	1.4x	NM	
Healthcare Services Group, Inc.	\$ 1,045	\$ 14.93	8.7%	(14.2%)	11.7%	4.1%	0.6x	15.1x	
Prosegur Compañía de Seguridad, S.A.	\$ 2,663	\$ 1.78	(10.6%)	1.0%	23.4%	10.7%	0.6x	5.3x	
Securitas AB (publ)	\$ 8,657	\$ 8.20	(5.9%)	(4.6%)	19.9%	8.1%	0.6x	8.1x	
SP Plus Corporation	\$ 1,322	\$ 39.11	16.9%	27.3%	27.5%	32.6%	1.6x	4.9x	
UniFirst Corporation	\$ 2,893	\$ 155.01	(10.7%)	(10.0%)	33.9%	12.5%	1.3x	10.7x	
The Brink's Company	\$ 6,075	\$ 67.83	3.4%	11.7%	23.8%	17.2%	1.3x	7.6x	
Mean	\$ 15,204	\$ 89.76	3.9%	12.0%	22.3%	14.0%	1.5x	10.3x	
Median	\$ 5,170	\$ 40.88	4.9%	6.3%	21.7%	11.6%	1.2x	8.0x	

Source: S&P Capital IQ

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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
Real Estate Services								
Assurant, Inc.	\$ 7,285	\$ 125.72	6.0%	(27.3%)	6.7%	6.8%	0.7x	10.4x
CBRE Group, Inc.	\$ 28,945	\$ 80.71	13.9%	9.6%	20.9%	8.1%	0.9x	11.5x
Colliers International Group Inc.	\$ 7,644	\$ 98.17	(6.4%)	(10.3%)	38.9%	16.2%	1.7x	10.4x
Cushman & Wakefield plc	\$ 5,012	\$ 8.18	(19.8%)	(46.3%)	18.2%	7.7%	0.5x	6.5x
Fidelity National Financial, Inc.	\$ 11,883	\$ 36.00	4.8%	(2.6%)	57.4%	15.5%	1.1x	7.0x
First American Financial Corporation	\$ 6,086	\$ 57.02	4.3%	7.7%	57.4%	9.4%	0.9x	9.2x
FirstService Corporation	\$ 8,067	\$ 154.07	11.1%	27.1%	31.5%	10.3%	2.1x	19.6x
Anywhere Real Estate Inc.	\$ 4,153	\$ 6.68	31.8%	(32.0%)	35.2%	7.6%	0.6x	8.5x
RE/MAX Holdings, Inc.	\$ 292	\$ 19.26	10.4%	(21.5%)	74.5%	28.9%	0.8x	2.9x
Stewart Information Services Corporation	\$ 1,556	\$ 41.14	4.2%	(17.3%)	57.2%	10.1%	0.6x	5.6x
Mean	\$ 8,092	\$ 62.70	6.0%	(11.3%)	39.8%	12.1%	1.0x	9.2x
Median	\$ 6,686	\$ 49.08	5.4%	(13.8%)	37.0%	9.8%	0.9x	8.9x

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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	
HR/Staffing									
AMN Healthcare Services, Inc.	\$ 5,297	\$ 109.12	33.4%	(0.5%)	33.0%	15.2%	1.1x	7.3x	
ASGN Incorporated	\$ 4,760	\$ 75.63	(6.7%)	(16.2%)	29.6%	11.4%	1.0x	9.0x	
Cross Country Healthcare, Inc.	\$ 1,155	\$ 28.08	26.7%	34.8%	22.4%	9.7%	0.4x	4.5x	
Heidrick & Struggles International, Inc.	\$ 407	\$ 26.47	(10.0%)	(18.2%)	25.1%	13.2%	0.4x	3.0x	
Hudson Global, Inc.	\$ 42	\$ 21.53	(1.2%)	(31.4%)	11.4%	4.4%	0.2x	NM	
Insperity, Inc.	\$ 4,235	\$ 118.96	0.2%	19.2%	17.3%	5.2%	0.7x	13.3x	
Kelly Services, Inc.	\$ 589	\$ 17.61	8.4%	(11.2%)	20.4%	2.4%	0.1x	4.9x	
Kforce Inc.	\$ 1,258	\$ 62.66	0.1%	2.2%	28.9%	7.1%	0.7x	10.5x	
ManpowerGroup Inc.	\$ 4,684	\$ 79.40	(2.2%)	3.9%	18.2%	4.4%	0.2x	5.5x	
Robert Half Inc.	\$ 7,648	\$ 75.22	(3.5%)	0.4%	42.2%	13.9%	1.1x	7.7x	
ShiftPixy, Inc.	\$ 25	\$ 2.17	(49.2%)	(93.1%)	7.8%	(109.5%)	1.2x	NM	
TrueBlue, Inc.	\$ 550	\$ 17.71	1.0%	(1.1%)	27.0%	4.9%	0.3x	5.2x	
Upwork Inc.	\$ 1,108	\$ 9.34	(13.7%)	(54.8%)	74.5%	(13.5%)	1.7x	NM	
Mean	\$ 2,443	\$ 49.53	(1.3%)	(12.8%)	27.5%	(2.4%)	0.7x	7.1x	
Median	\$ 1,155	\$ 28.08	(1.2%)	(1.1%)	25.1%	5.2%	0.7x	6.4x	
Business Services Mean	\$ 11,201	\$ 74	8.8%	12.5%	28.5%	11.6%	1.6x	10.6x	
Business Services Median	\$ 5,154	\$ 52	8.5%	10.7%	24.0%	11.2%	1.1x	9.0x	

Source: S&P Capital IQ

Note: All values based on publicly available data as of 6/30/2023



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Select M&A Transaction Activity

Announcement Date	Target Name	Buyer Name	Sector	Value (\$mm)	TEV/Rev	TEV/EBITDA
6/26/2023	McIntosh Perry Consulting	Egis SA	Infrastructure Services	-	-	-
6/16/2023	Waste Harmonics, LLC	Keter Environmental Services, Inc.	Env. & Waste Services	-	-	-
6/15/2023	Acadiana Security Plus, LLC	Pye-Barker Fire & Safety, LLC	Facility Services	-	-	-
6/14/2023	Helbling & Associates, Inc.	ZRG Partners, LLC	HR/Staffing	-	-	-
6/12/2023	Standard Pipe Services, LLC	Aegion Corporation	Infrastructure Services	-	-	-
6/8/2023	Environmental Systems Design, Inc.	Stantec Inc.	Infrastructure Services	138.00	-	-
6/7/2023	Valuation & Information Group	CBRE Group, Inc.	Real Estate Services	-	-	-
6/5/2023	MTX Surveying, Inc.	Bowman Consulting Group Ltd.	Infrastructure Services	-	-	-
6/5/2023	Ballou Fire Systems, LLC	Convergint Technologies LLC	Facility Services	-	-	-
6/5/2023	Enno Enterprises Incorporated	Security Pro 24/7 LLC	Facility Services	-	-	-
6/2/2023	AB Environmental Inc.	Miller Environmental Group, Inc.	Env. & Waste Services	-	-	-
6/2/2023	Santa Rita Landscaping LLC.	HeartLand	Res. & Comm Field Services	-	-	-
6/1/2023	Priority Fire and Security Inc.	Altus Fire and Life Safety	Facility Services	-	-	-

Source: S&P Capital IQ

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Select M&A Transaction Activity

Announcement Date	Target Name	Buyer Name	Sector	Value (\$mm)	TEV/Rev	TEV/EBITDA
5/19/2023	Solena Landscape, Inc.	Artisan Outdoor, LLC	Res. & Comm Field Services	-	-	-
5/17/2023	Impact Home Services, LLC	Eagle Merchant Partners	Res. & Comm Field Services	-	-	-
5/17/2023	Discovery Inspections, LLC	RIA Solutions, Inc	Res. & Comm Field Services	-	-	-
5/16/2023	Integrated Fire Systems, Inc.	Performance Systems Integration, Corp.	Facility Services	-	-	-
5/8/2023	Duotech Services, Inc.	Bernhard Capital Partners Management, LP	Infrastructure Services	-	-	-
5/5/2023	Mastertech Pest Solutions LLC	Action Termite & Pest Control LLC	Res. & Comm Field Services	-	-	-
5/5/2023	Pest Duck, Inc.	Action Termite & Pest Control LLC	Res. & Comm Field Services	-	-	-
5/5/2023	Termite Tiger Pest Control	Action Termite & Pest Control LLC	Res. & Comm Field Services	-	-	-
5/3/2023	Piney Woods Sanitation Inc.	Live Oak Environmental, LLC	Env. & Waste Services	-	-	-
5/1/2023	RowCal Nation, LLC	Morgan Stanley Private Equity	Real Estate Services	-	-	-
4/21/2023	Fusion Security Inc.	Scarlet Security & Risk Group	Facility Services	-	-	-
4/17/2023	Charah Solutions, Inc.	SER Capital Partners	Env. & Waste Services	331.38	1.11	-

Source: S&P Capital IQ

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Select M&A Transaction Activity

Announcement Date	Target Name	Buyer Name	Sector	Value (\$mm)	TEV/Rev	TEV/EBITDA
4/13/2023	Tower Engineering Professionals, Inc.	H.I.G. Capital, LLC; H.I.G. Infrastructure Partners	Infrastructure Services	-	-	-
4/12/2023	The Hartline Company Inc.	Pye-Barker Fire & Safety, LLC	Facility Services	-	-	-
4/10/2023	Unifour Fire and Safety	The Hiller Companies, Inc.	Facility Services	-	-	-
4/6/2023	PeopleShare, Inc.	Proman Staffing Solutions LLC	HR/Staffing	-	-	-
4/5/2023	Fleet Specialties Inc.	The Mufflerman Inc.	Res. & Comm Field Services	-	-	-
4/5/2023	Dalton Ventures, Inc.	McHale Landscape Design, Inc.	Res. & Comm Field Services	-	-	-
4/4/2023	Richter & Associates, Inc.	Bowman Consulting Group Ltd.	Infrastructure Services	5.40	-	-
4/4/2023	Crossbridge Condominium Services Ltd.	Firstservice Residential Management, Inc.	Real Estate Services	-	-	-
4/4/2023	Weed-Pro, Ltd.	Authority Brands, LLC	Res. & Comm Field Services	-	-	-
4/4/2023	Champions Hydro-Lawn, Inc.	Westco Grounds Maintenance Co., Inc.	Res. & Comm Field Services	-	-	-
4/3/2023	CIRCON Environmental	Covanta Holding Corporation	Env. & Waste Services	-	-	-
4/3/2023	Coastal Security Group	Central Security Group-Nationwide, Inc.	Facility Services	-	-	-

Source: S&P Capital IQ

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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 LLC ("GCG") is a leading investment bank that advises clients including closely-held and family-owned businesses, private equity firms, and public companies. GCG's senior bankers have collectively advised on hundreds of transactions over many years of experience in mergers and acquisitions, with most having backgrounds with large U.S. and global firms. GCG is focused on advising clients in key industry verticals throughout the U.S.

GCG was founded by entrepreneurially minded investment banking professionals focused on building an organization centered around advising clients. We strive to build relationships by representing our clients' long-term interests and earning their trust. In contrast to the practice of pushing transaction responsibilities to junior resources, our philosophy is to deliver personalized, senior-level attention and experience to every GCG engagement. We are proud to offer references that will speak to a differentiated level of service and results. 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.

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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