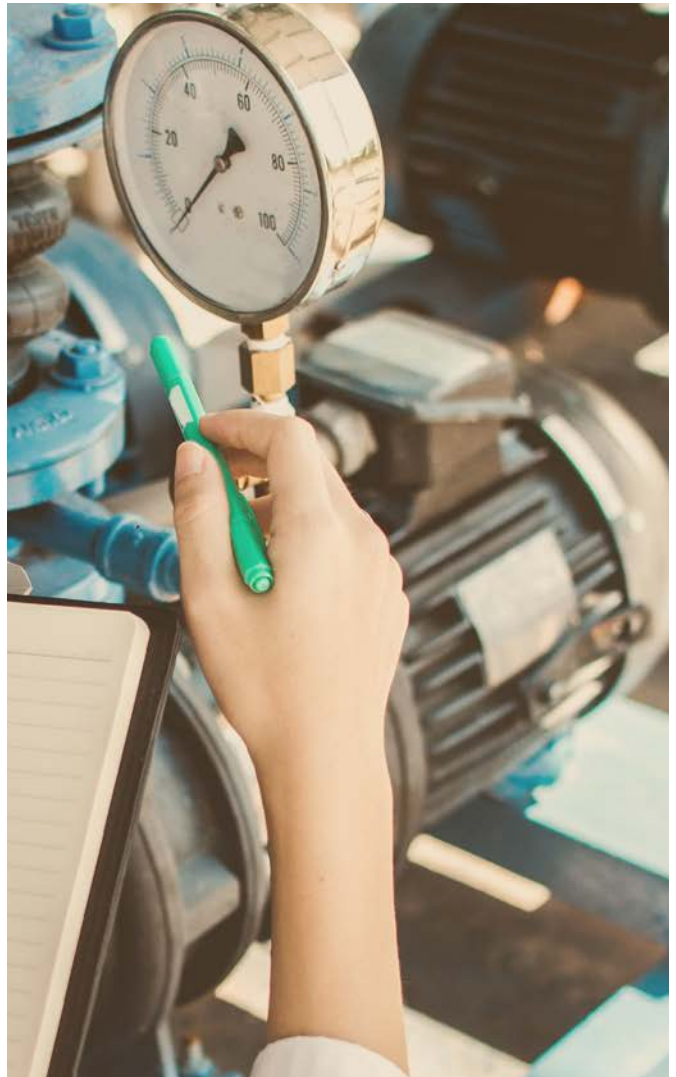


Market Update











































Facilities Services
Q3 2021

Facilities Services Insights

The mergers and acquisitions (M&A) market started 2021 with significant activity, continuing the growing momentum we have seen since a market trough in Q3 2020. According to S&P Global, there were approximately 13,500 transactions announced globally during Q3 2021. While slightly lower than the recent peak in Q4 2020 (approximately 14,000), that figure is nearly 15% higher than the number of transactions announced in Q3 2020. As 2021 continues, we expect the global M&A market to remain strong and continue to grow due to availability of financing, abundant private equity capital and the continued recovery of sectors impacted by COVID-19.

Within the facilities services sector, there has also been a continued rise in activity, specifically within the United States market. During Q3 2021, private equity-backed, facilities services companies were particularly active acquirers. Companies, including Therma Holdings (Blackstone Energy), Service Champions (Odyssey), Reedy Industries (Partners Group), Pye-Barker (Altas), NearU Services (SkyKnight), Fortis Fire & Safety (Imperial) and Summit Companies (CI Capital), completed acquisitions. Valuations within the facilities services sector have also experienced a significant rise over the last 12 months (LTM). As of the end of Q3 2021, the Lincoln facilities services index (15.6x EV/EBITDA) and S&P 1500 Environmental and Facilities Services Index (16.0x) have all exceeded pre-COVID-19 valuations. Overall, we remain optimistic that the facilities services M&A market will continue to remain strong in 2021 with quality assets trading at premium valuations.

Recent Lincoln International Facilities Services Transactions

 <p>has sold</p>  <p>to</p>  <p>Sell-Side</p> 	 <p>has sold</p>  <p>to</p>  <p>a portfolio company of</p>  <p>Sell-Side</p> 	 <p>has sold</p>  <p>to</p>  <p>Sell-Side</p> 	 <p>has been recapitalized by</p>  <p>Recapitalization</p> 	 <p>has sold</p>  <p>to</p>  <p>Sell-Side</p> 
 <p>has sold</p>  <p>to</p>  <p>Sell-Side</p> 	 <p>has sold</p>  <p>to</p>  <p>Sell-Side</p> 	 <p>has sold</p>  <p>to</p>  <p>Sell-Side</p> 	 <p>has sold</p>  <p>to</p>  <p>Sell-Side</p> 	 <p>has sold</p>  <p>to</p>  <p>Sell-Side</p> 

About the Lincoln Facilities Services Index

The Lincoln facilities services index is a market cap-weighted, composite stock index similar to the S&P 500 Index. The index is prepared by first selecting a base period, in this case, Q4 2019, and totaling the market caps of the companies in this period. This period and the total market cap is set to a base index at 100%. Next, the current period's total market cap is calculated, divided by the base period's total market cap and then multiplied by the base index (100%).

Quarter-over-quarter indices for the S&P, S&P Environmental and Facilities Services and Lincoln facilities services increased and the Lincoln facilities services index Enterprise Value / EBITDA trading multiples increased by 1.2x from 14.4x to 15.6x.

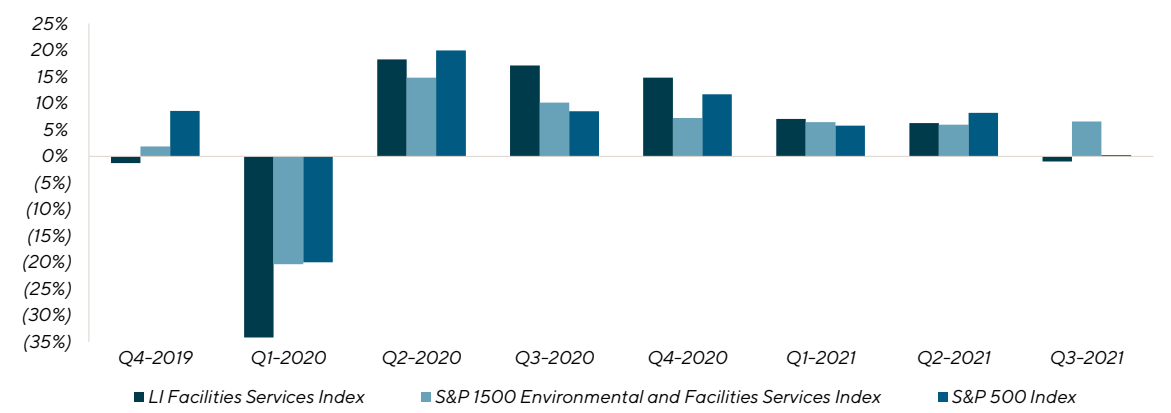
Facilities Services Financial Performance

Quarter-over-Quarter Performance

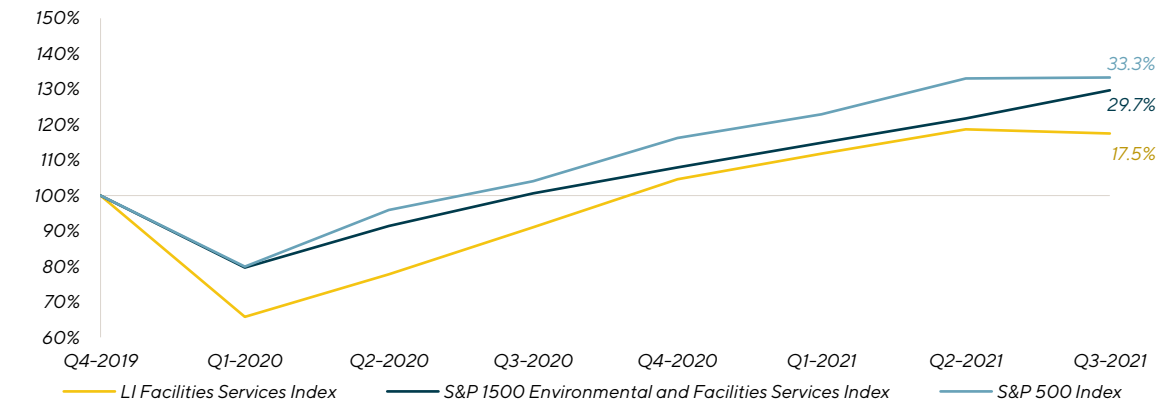
Top Performers	Change	Underperformers	Change
MITIE Group plc	53.4%	Rentokil Initial plc	(4.9%)
Comfort Systems USA, Inc.	42.0%	Terminix Global Holdings, Inc.	(6.5%)
ABM Industries Incorporated	34.8%	Rollins, Inc.	(11.9%)

Based on quarter-over-quarter share price performance

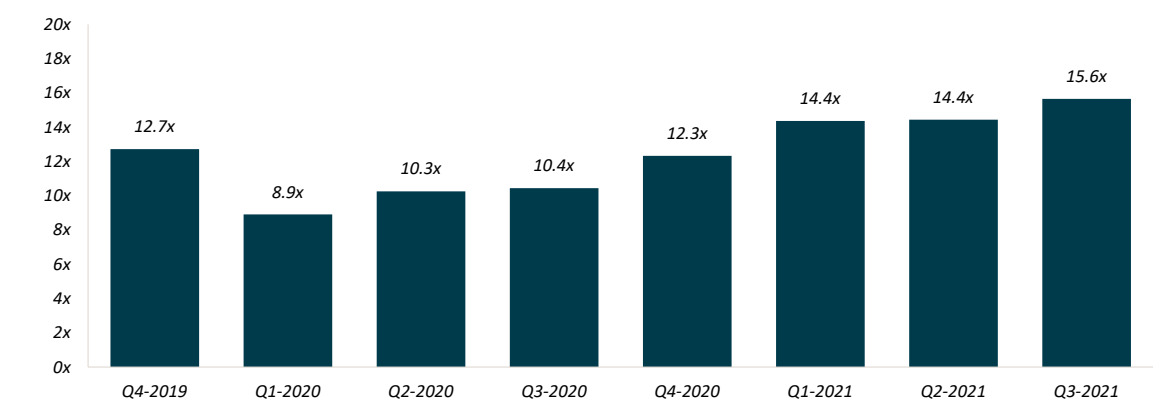
Quarter-over-Quarter Stock Index Change



Two-Year Relative Stock Index Performance



Enterprise Value⁽¹⁾ / LTM EBITDA Multiples



Source: Capital IQ as of 9/30/2021

(1) Enterprise value is calculated as market capitalization plus total net debt, preferred equity and minority interest

Lincoln Facilities Services Index Stock Data

\$ in millions

Company Name	Current Price	52-Wk High	Market Cap	Enterprise Value	Diluted EPS	LTM Rev	EV/LTM Rev	EV/LTM EBITDA	EV/LTM EBIT	LTM Growth Rev	LTM Growth EBITDA	EBITDA Margin	Net Debt / EBITDA
Facilities Services													
ABM Industries	\$45.01	\$55.48	\$3,027	\$3,184	\$2.14	\$6,017	0.5x	6.8x	8.4x	(2.2%)	26.9%	7.8%	0.3x
Aramark	32.86	43.12	8,387	15,654	(1.08)	11,237	1.4x	NM	NM	(20.2%)	NM	4.4%	14.8x
BrightView Holdings	14.76	19.17	1,549	2,561	0.12	2,488	1.0x	10.2x	22.6x	5.3%	19.7%	10.1%	4.0x
Cintas	380.66	409.80	39,592	42,192	10.56	7,267	5.8x	24.6x	29.4x	3.5%	14.7%	23.6%	1.5x
Comfort Systems USA	71.32	88.53	2,581	2,688	4.17	2,797	1.0x	11.2x	15.1x	(2.6%)	1.7%	8.6%	0.4x
Compass Group	20.58	22.37	36,706	40,540	(0.20)	21,903	1.9x	NM	NM	(29.7%)	NM	2.2%	8.0x
EMCOR Group	115.38	129.45	6,202	5,810	5.86	9,225	0.6x	9.1x	11.0x	2.4%	13.6%	6.9%	(0.6x)
FirstService	181.12	197.65	7,945	8,542	2.56	3,060	2.8x	28.0x	41.3x	17.5%	24.0%	10.0%	1.3x
Johnson Controls International	68.08	76.83	48,488	55,987	2.32	23,230	2.4x	13.7x	17.2x	2.6%	48.2%	17.6%	1.5x
Matrix Service	10.46	16.32	279	195	(1.18)	673	0.3x	NM	NM	(38.8%)	NM	(2.8%)	4.4x
Mitie Group	0.96	1.07	1,366	1,480	(0.01)	3,526	0.4x	15.3x	20.2x	30.3%	(16.9%)	2.7%	1.2x
Prosegur Compañía de Seguridad	2.98	3.56	1,603	3,041	0.07	3,987	0.8x	NM	NM	(11.2%)	NM	(5.2%)	(6.7x)
Rentokil Initial	7.88	8.37	14,590	16,154	0.14	4,137	3.9x	19.7x	29.0x	23.4%	34.2%	19.8%	1.9x
Rollins	35.33	43.00	17,385	17,334	0.68	2,294	7.6x	NM	40.5x	9.0%	NM	22.7%	(0.1x)
Securitas	15.89	17.83	5,795	7,704	7.47	12,308	0.6x	11.1x	15.1x	2.7%	(3.5%)	5.7%	2.7x
Terminix Global Holdings	41.67	55.00	5,196	5,772	0.45	2,003	2.9x	16.4x	23.7x	5.6%	23.9%	17.6%	1.6x
Sodexo	87.83	102.04	12,817	17,801	(4.53)	19,630	0.9x	NM	NM	(21.0%)	NM	2.8%	9.0x
Team	3.01	13.84	93	431	(2.46)	860	0.5x	25.8x	NM	(14.4%)	(28.4%)	1.9%	20.2x
UniFirst	212.62	258.86	4,016	3,503	7.94	1,826	1.9x	11.6x	17.9x	1.2%	8.8%	16.6%	(1.7x)
Facilities Services Mean							2.0x	15.6x	22.4x	(1.9%)	12.8%	9.1%	3.4x
Facilities Services Median							1.0x	13.7x	20.2x	2.4%	14.7%	7.8%	1.5x

Source: Capital IQ | Note: All values based on publicly available data as of 9/30/2021

Heard on the Street

07/16/2021: Service Champions, the Brea, California-based, HVAC and plumbing company, announced it is active in conversations with multiple targets to expand beyond its current West Coast base. Chief Executive Officer, Leland Smith, stated the company is looking to invest in companies that are the largest service provider in their region, with annual revenues between \$30 and \$50 million. The company stated it is in conversations with 10-15 potential targets and has six businesses under letter of intent. Service Champions is backed by Odyssey Investment Partners.

07/16/2021: Therma Holdings, the San Jose, California-based, mechanical, electrical and controls services provider backed by Blackstone Energy, entered into definitive agreements to acquire two engineering and energy services companies, CMTA and Building Systems Holdings ("BSH"). CMTA, headquartered in Prospect, Kentucky, provides energy-efficient building design and energy savings services. BSH, headquartered in Fargo, North Dakota, provides construction management services. The two acquisitions expand Therma's geographic reach across the United States and broaden the company's end market presence.

8/17/2021: CoolSys, the Brea, California-based, refrigeration and energy solutions services provider, backed by Ares, acquired T&O Refrigeration, a Fayetteville, Georgia-based, refrigeration services company. The acquisition expands

CoolSys' market presence throughout the Southeast, significantly increasing market share in Georgia and Nashville, Tennessee.

9/9/2021: Titan Security Group, a leading provider of security staffing and security systems solutions in Chicago, Northern Indiana and Southern Wisconsin, announced a growth equity investment from Quad-C Management. Quad-C views Titan Security as a differentiated platform that can expand its security staffing and services portfolio. Titan currently serves commercial, multi-family residential, industrial and retail end markets.

9/21/2021: Hidden Harbor Capital, the Boca Raton, Florida-based, private equity firm announced it acquired Air Conditioning Specialist, Inc. ("ACS") and SuperHero Fire Protection ("SuperHero"), the firm's seventh and eighth platform acquisitions, respectively. ACS provides HVAC maintenance, service and repair work across Georgia for residential and commercial customers. SuperHero provides fire sprinkler and alarm installation along with recurring monitoring service and inspections for fire protection systems. Hidden Harbor plans to assist each management team in scaling operations by providing operational and financial resources.

M&A Transaction Highlights

Closed	Target	Target Description	Acquirer
Sep-21	Able Services	Provides janitorial, building engineering and facilities services to real estate owners and managers	ABM Industries Incorporated
Sep-21	Valor Fire Protection	Provides fire protection and life safety solutions, systems and equipment	National Fire & Safety (Highview Capital)
Sep-21	Environmental Recovery Corporation	Provides environmental, industrial and residual waste services	VLS Recovery Services (Aurora Capital)
Sep-21	R&T Hood	Provides recurring fire and life safety testing, inspection, repair and maintenance services	Performance Systems Integration (Riverside)
Sep-21	SuperHero Fire Protection	Provides fire alarm and sprinkler installation and monitoring services	Hidden Harbor Capital
Sep-21	Yukon Refrigeration	Provides repair services, preventative maintenance and installation for foodservice HVAC equipment	Tech-24 (HCI Equity)
Sep-21	Summit Companies	Provides fire and life safety services and installation services for life safety equipment	BlackRock Long Term Private Capital
Sep-21	Outdoor Living Brands	Provides premium residential and commercial outdoor living services	LYNX Franchising (MidOcean Partners)
Sep-21	Martin's Window Cleaning	Provides window cleaning and building maintenance services	JOBS Group (Littlejohn & Co.)
Sep-21	Timo's Air Conditioning & Heating	Provides HVAC repairs, services and installations	Service Champions (Odyssey)
Sep-21	Two Maids Franchising	Provides residential house cleaning services	Home Franchise Concepts (JM Family Enterprises)
Sep-21	Fearless Endeavors	Provides professional cleaning services to residential and commercial customers	Skills'kin
Sep-21	Hadfield Elevator	Provides elevator maintenance, repair and installation services	3Phase Elevator (Berkshire Partners)
Sep-21	ATS Alaska / ATS Facility Systems	Provides facility system contracting services	Convergent Technologies (Ares)
Sep-21	Premier Electronics	Provides fire and life safety system inspections, repairs, maintenance and installations for retrofits and new construction	CertaSite (Riverside)
Sep-21	Expro Services	Provides boiler cleaning and slag removal services through the utilization of explosives	Groome Industrial Service Group (Argosy Capital)
Sep-21	Tecta America Corporation	Provides commercial roofing services in the U.S.	Leonard Green & Partners
Sep-21	AFA Protective Systems	Provides design and installation services for state-of-the-art fire and security systems	Corbett Technology Solutions (Wind Point)
Sep-21	Bug Brigade	Provides pest control and termite services for residential and commercial properties	Turner Pest Control (Anticimex)
Sep-21	Pure Washrooms	Provides washroom equipment installation services for commercial and public establishments	Elis
Sep-21	Byrum Heating & A/C	Provides HVAC repair, installation and maintenance services for residential customers	NearU Services (SkyKnight)
Sep-21	Universal Maintenance	Provides construction management, industrial maintenance and designing services	The Dupps Company
Sep-21	Carolina Fire Control	Provides design, fabrication and installation services for automatic fire sprinkler systems	The Hiller Companies
Aug-21	Reedy Industries	Provides HVAC and mechanical services	Partners Group
Aug-21	Air Conditioning Specialist	Provides HVAC services for residential and commercial customers	Hidden Harbor Capital
Aug-21	Craynon Fire Protection	Provides fire protection system services including design, install, inspection and maintenance	CertaSite (Riverside)
Aug-21	Horizon Bradco	Provides commercial refrigeration, foodservice and HVAC equipment solutions	Smart Care Equipment Solutions (Audax)

Source: Capital IQ, Mergermarket, Company Filings

M&A Transaction Highlights (cont'd)

Closed	Target	Target Description	Acquirer
Aug-21	Titan Security Group	Provides security staffing, consulting, training and investigative services	Quad-C Management
Aug-21	Keystone Fire and Security	Provides fire protection, security, AV and life safety solutions	Pye-Barker Fire & Safety (Altas)
Aug-21	Nelbud Services Group	Provides restaurant hood and exhaust cleaning, grease trap pumping and pollution control system services	Oy Halton Group
Aug-21	Dominion Paving & Sealing	Provides roadway sealing and paving services	Pavement Partners Holding (Shoreline Equity Partners)
Aug-21	T&O Refrigeration	Provides refrigeration installation, service and maintenance solutions to grocery retailers	CoolSys (Ares)
Aug-21	Sparkle Maintenance	Provides janitorial and custodial maintenance services	CCS Facility Services (Silver Oak)
Aug-21	Solvit	Provides home services including plumbing, HVAC, electrical, water and energy solutions	Strikepoint Group Holdings
Aug-21	Copter Pest Control	Provides residential and commercial pest and termite control services	Arrow Exterminators
Aug-21	Guardian Elevator Corporation	Provides elevator maintenance, repair and installation services	Urban Elevator Service (Skydeck Capital)
Aug-21	The Minte	Provides apartment cleaning and housekeeping services	Spruce
Aug-21	American Maintenance, Inc.	Provides facility maintenance solutions and janitorial services	Kellermeyer Bergensons Services (Cerberus)
Aug-21	Anchor Home Comfort	Provides residential HVAC service and installation	Right Time Group (Gryphon)
Aug-21	Pioneer Pest Control	Provides integrated pest management services for commercial and residential customers	Smithereen Pest Management Services (Insight)
Aug-21	Legacy Restoration	Provides exterior restoration and remodeling services	Bessemer Investors
Aug-21	855Bugs	Provides personalized pest control services	Terminix Global Holdings
Aug-21	Armor Security	Provides locksmithing services and integrated security electronics to residential, commercial and industrial customers	Floyd Total Security
Aug-21	Abalene Termite and Pest Control	Provides pest control services to residential and commercial customers	Western Pest Services
Aug-21	Juniper Landscape Company	Provides various landscaping services, including lawn and ornamental fertilization, pest control and landscape design and install	Verde Companies
Aug-21	Quebe Holdings	Provides electrical, technology and special projects service for construction and fabrication customers	EMCOR Group
Aug-21	Grogg's Home Services	Provides HVAC, electrical, plumbing and window services in West Virginia and eastern Ohio	NearU Services (SkyKnight)
Aug-21	TWO MEN AND A TRUCK	Provides home and business relocation and packing services	ServiceMaster (Roark Capital)
Aug-21	Olympus Building Services	Provides higher education janitorial services	Kellermeyer Bergensons Services (Cerberus)
Aug-21	Amteck	Provides electrical contracting solutions, including design and build, pre-fabrication and installation services	Comfort Systems USA
Aug-21	HydroChemPSC	Provides industrial cleaning solutions such as downstream cleaning services	Clean Harbors
Aug-21	Quick & Clean Car Wash	Provides car wash services	Go Car Wash Management (Imperial Capital)
Jul-21	Albemarle Heating & Air	Provides HVAC installation, maintenance and repair services to residential and commercial customers	United Air Temp (Summit Park, Capitala Group)
Jul-21	Hawx Services	Provides pest control solutions for residential and commercial customers	PCM Growth

Source: Capital IQ, Mergermarket, Company Filings

M&A Transaction Highlights (cont'd)

Closed	Target	Target Description	Acquirer
Jul-21	Interstate Fire Protection	Provides service and installation of fire protection equipment and systems to commercial and institutional customers	North Haven Capital
Jul-21	CS3	Provides building automation and controls technology and HVAC services to commercial and industrial customers	Reedy Industries (Partners Group)
Jul-21	FlexXray	Provides inspection and recovery services for food companies	Warburg Pincus, Tilia Holdings
Jul-21	CAT Entertainment Services	Provides temporary power and HVAC services	Allied Industrial Partners
Jul-21	Rapid Fire Protection	Provides design, install and maintenance services for fire suppression and safety systems	Pye-Barker Fire & Safety (Altas)
Jul-21	Servitis	Provides installation, repair and maintenance services for gas, thermal and home appliances	HomeServe
Jul-21	Preservation Tree Services	Provides tree care services including fertilization and pest control treatment	SavATree (CI Capital)
Jul-21	HELP Plumbing, Heating, Cooling and Drains	Provides installation, repair and maintenance services for residential HVAC and electrical systems	Service Champions (Odyssey)
Jul-21	Empire Roofing	Provides roofing services for commercial, industrial, office, retail and institutional properties	Tecta America Corporation (Leonard Green & Partners, Altas)
Jul-21	Infinity Contractors International	Provides mechanical contracting services, including mechanical system installation, maintenance, plumbing and piping services	Pueblo Mechanical & Controls (Huron)
Jul-21	LifeSafety Management	Provides design, installation and maintenance services for fire and life safety systems	Fortis Fire & Safety Limited (Imperial Capital)
Jul-21	redbox+	Provides rental services for combination dumpster roll-off and portable toilet containers	BELFOR Franchise Group
Jul-21	Excel Building Services	Provides janitorial and facility management services	The Facilities Group (Ironwood, Morgan Stanley)
Jul-21	CMTA	Provides mechanical, electrical and plumbing engineering consulting services	Therma Holdings (Blackstone Energy)
Jul-21	Building Systems Holdings	Provides lifecycle facilities solutions and services to help plan, build and operate facilities	Therma Holdings (Blackstone Energy)
Jul-21	East Coast Rigging & Contracting	Provides scaffolding and access equipment rental, sales and installation services	Incorp Holdings
Jul-21	VFS Fire & Security	Provides fire and life safety system design, installation, inspection, repair and monitoring services for commercial buildings	Fortis Fire & Safety Limited (Imperial Capital)
Jul-21	B&D Enterprises	Provides cleaning, inspection and repair services of underground stormwater systems	Sweeping Corporation of America (Warburg Pincus)
Jul-21	WayPoint Systems	Provides building automation system installation and engineering services	ATS Automation
Jul-21	GrassChopper Landscaping	Provides commercial landscape construction, grounds maintenance and snow removal services	Urban Life Solutions (Signal Hill)
Jul-21	Neighborly	Provides various commercial and residential restoration and cleaning services, including plumbing and drain cleaning	KKR
Jul-21	Fischer's Cleaning	Provides property damage restoration, disaster restoration, water damage and mold removal services	Johns Lyng Group Limited
Jun-21	Plumbing Heating Paramedics	Provides plumbing and HVAC services and solutions	Threshold Brands (Riverside)
Jun-21	Tri-County Pest Control	Provides pest control services	Hoffman's Exterminating
Jun-21	Republic Fire Protection / Fire Ranger	Provides maintenance and repair services for fire sprinkler, suppression and fire alarm systems	Summit Companies (CI Capital)
Jun-21	ER Plumbing Services	Provides plumbing service and maintenance for commercial and residential customers	Peltram Plumbing (Crescendo Capital Partners)

Source: Capital IQ, Mergermarket, Company Filings



Advisory Services

Mergers & Acquisitions
Capital Advisory
Joint Ventures & Partnering
Valuations & Opinions

Contributors

Luke Webb
Managing Director | Chicago
lwebb@lincolninternational.com
+1 (312) 506-2747

About Lincoln International

We are trusted investment banking advisors to business owners and senior executives of leading private equity firms and public and privately held companies around the world. Our advisory services include mergers and acquisitions and capital markets advisory for the mid-market. We also provide valuations and fairness opinions and joint ventures advisory services. As one tightly integrated team of more than 700 professionals across 16 countries, we offer an unobstructed perspective, backed by superb execution and a deep commitment to client success. With extensive industry knowledge and relationships, timely market intelligence and strategic insights, we forge deep, productive client relationships that endure for decades. Connect with us to learn more at: www.lincolninternational.com.

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