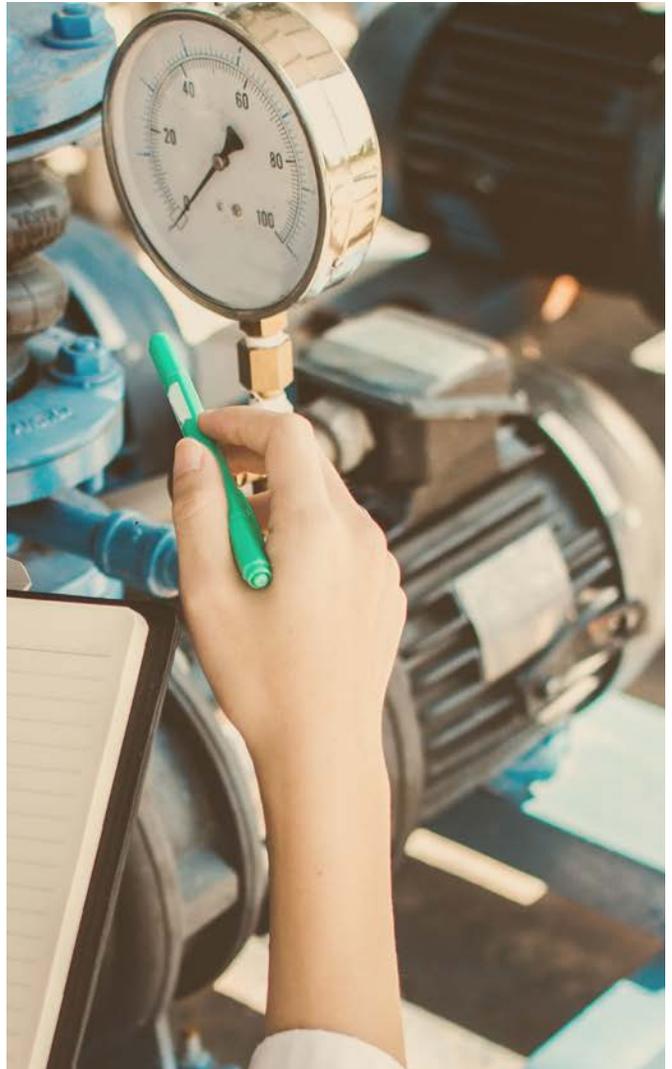


Market Update



Facilities Services
Q4 2021

Facilities Services Insights

The mergers and acquisitions (M&A) market ended 2021 with significant activity, continuing the growing momentum we have seen since a market trough in Q2 2020. According to S&P Global, there were approximately 14,000 transactions announced globally during Q4 2021, in line with the number of transactions accounted for globally during Q4 2020. As 2022 begins, 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 Q4 2021, private equity-backed, facilities services companies were particularly active acquirers. Companies, including 3 Phase Elevator (Berkshire), Pye-Barker (Altas), Tech-24 (HCI Equity) and Kellermeier Bergensons Services (Cerberus Capital Management) 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 Q4 2021, the Lincoln facilities services index (15.7x EV/EBITDA) and S&P 1500 Environmental and Facilities Services Index (16.6x) have all exceeded pre-COVID-19 valuations. Overall, we remain optimistic that the facilities services M&A market will continue to remain strong in 2022 with quality assets trading at premium valuations.

Recent Lincoln International Facilities Services Transactions

<p>BLUEPOINT has sold FLSA to SUMMIT COMPANIES a portfolio company of BLACKROCK</p> <p>Sell-Side</p> 	<p>GRYPHON INVESTORS has acquired WITTICHEN SUPPLY COMPANY</p> <p>Buy-Side</p> 	<p>CORTEC Group has sold WINDOW NATION to AEA</p> <p>Sell-Side</p> 	<p>CAPITALWORKS has sold BANCOURCE to Cennox a portfolio company of YORK CAPITAL MANAGEMENT</p> <p>Sell-Side</p>  	<p>Audax Private Equity has sold AI FIRE to SNOW PHIPPS</p> <p>Sell-Side</p> 
<p>GEMSPRING CAPITAL has sold THERMA to Blackstone</p> <p>Sell-Side</p> 	<p>CMS nextech has been sold to Audax Private Equity</p> <p>Sell-Side</p> 	<p>WEST SHORE HOME has been recapitalized by LGP LEONARD GREEN & PARTNERS</p> <p>Recapitalization</p> 	<p>Rotunda Capital Partners has sold MUNCH'S SUPPLY WE MAKE IT EASY to Ridgemont EQUITY PARTNERS</p> <p>Sell-Side</p> 	<p>Audax Private Equity has sold CoolSys to ARES</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, Q1 2020, 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 0.1x from 15.6x to 15.7x.

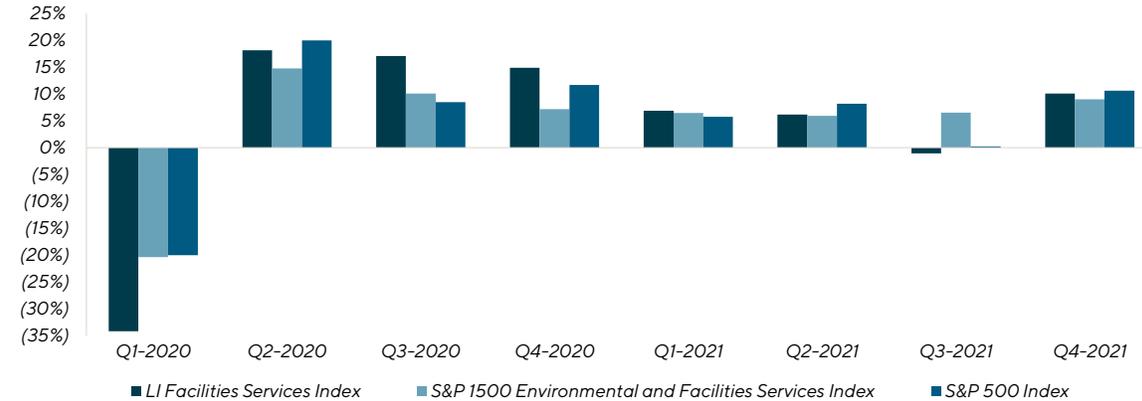
Facilities Services Financial Performance

Quarter-over-Quarter Performance

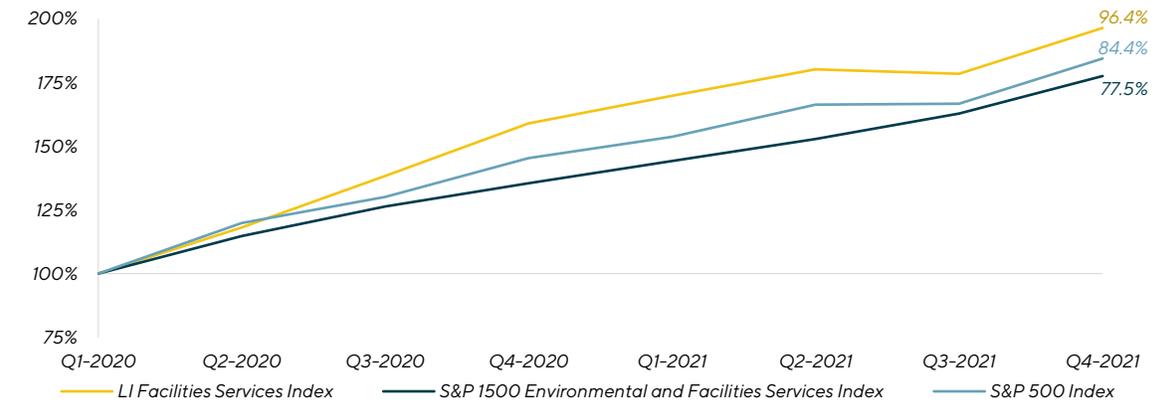
Top Performers	Change	Underperformers	Change
MITIE Group plc	53.4%	Rentokil Initial plc	(4.9%)
Comfort Systems USA, Inc.	42.0%	Terminix Global Holdings, Inc.	(6.5%)
ABM Industries Incorporated	34.8%	Rollins, Inc.	(11.9%)

Based on quarter-over-quarter share price performance

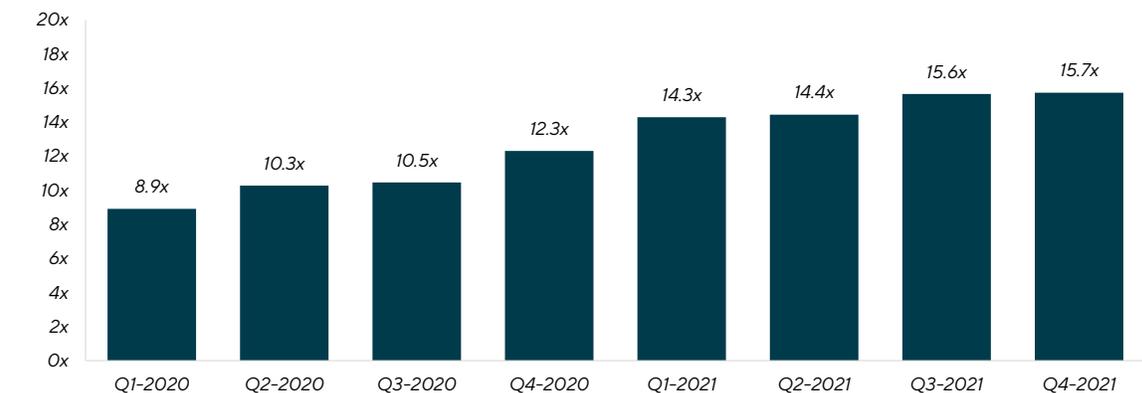
Quarter-over-Quarter Stock Index Change



Two-Year Relative Stock Index Performance



Enterprise Value⁽¹⁾ / LTM EBITDA Multiples



Source: Capital IQ as of 12/31/2021

(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	\$40.85	\$55.48	\$2,750	\$3,578	\$2.14	\$6,228.6	0.6x	8.0x	10.0x	4.0%	20.3%	7.2%	1.8x
Aramark	36.85	43.12	9,451	16,444	(0.36)	12,096	1.4x	22.2x	NM	(5.7%)	36.6%	6.1%	9.4x
BrightView Holdings	14.08	19.17	1,477	2,526	0.44	2,554	1.0x	9.5x	19.8x	8.8%	38.4%	10.4%	4.0x
Cintas	443.17	461.44	45,941	48,360	10.70	7,432	6.5x	27.7x	33.0x	7.2%	15.2%	23.5%	1.4x
Comfort Systems USA	98.94	103.74	3,554	3,759	4.07	2,917	1.3x	15.0x	20.2x	1.4%	3.8%	8.6%	0.8x
Compass Group	22.36	22.78	39,879	43,480	0.20	24,179	1.8x	NM	44.1x	(6.2%)	NM	5.7%	2.6x
EMCOR Group	127.39	135.98	6,799	6,412	6.61	9,545	0.7x	10.0x	12.1x	7.0%	9.9%	6.7%	(0.6x)
FirstService	196.45	202.30	8,630	9,267	2.85	3,167	2.9x	29.9x	43.4x	18.5%	20.5%	9.8%	1.4x
Johnson Controls International	81.31	81.77	57,269	64,864	2.10	23,668	2.7x	15.6x	19.5x	6.1%	62.1%	17.6%	1.5x
Matrix Service	7.52	16.32	201	167	(1.72)	659	0.3x	NM	NM	(30.3%)	NM	(5.5%)	1.0x
Mitie Group	0.87	1.07	1,244	1,230	0.02	4,711	0.3x	6.6x	8.4x	78.7%	84.6%	4.0%	(0.1x)
Prosegur Compañía de Seguridad	2.63	3.49	1,412	2,847	0.08	3,915	0.7x	NM	NM	(12.9%)	NM	(4.6%)	(7.7x)
Rentokil Initial	7.91	8.96	14,642	16,206	0.14	4,137	3.9x	19.8x	29.1x	23.4%	34.2%	19.8%	1.9x
Rollins	34.21	41.83	16,833	16,783	0.71	2,360	7.1x	NM	38.4x	10.8%	NM	22.5%	(0.1x)
Securitas	13.79	17.25	5,026	6,892	7.98	12,131	0.6x	9.7x	13.0x	(1.0%)	(0.8%)	5.9%	2.6x
Terminix Global Holdings	45.23	55.00	5,480	6,230	0.92	2,021	3.1x	17.5x	25.1x	4.0%	15.5%	17.7%	2.1x
Sodexo	87.64	100.13	12,820	16,954	0.94	20,571	0.8x	16.8x	26.7x	(10.9%)	(9.2%)	4.9%	4.1x
Team	1.09	13.84	34	380	(5.11)	858	0.4x	NM	NM	(8.0%)	NM	0.1%	NM
UniFirst	210.40	258.86	3,970	3,492	7.51	1,866	1.9x	12.0x	18.9x	4.5%	6.1%	15.7%	(1.6x)
Facilities Services Mean							2.0x	15.7x	24.1x	5.2%	24.1%	9.3%	1.4x
Facilities Services Median							1.3x	15.3x	20.2x	4.0%	17.9%	7.2%	1.5x

Source: Capital IQ | Note: All values based on publicly available data as of 12/31/2021

Heard on the Street

12/18/2021: Pye-Barker Fire & Safety, the Atlanta, Georgia-based provider of fire and life safety protection services, acquired Yarnell Security Systems, the Lancaster, Pennsylvania-based fire, security, closed-circuit television (CCTV) and control systems company. The acquisition of Yarnell strengthens Pye-Barker's position in the CCTV and access control monitoring space, which comes after their acquisition of Mountain Alarm Fire & Security, an Ogden, Utah-based provider of alarm monitoring services, on December 10, 2021.

12/10/2021: Securitas (STO:SECU B), the Stockholm, Sweden-based security company, announced it has entered a definitive agreement to acquire Stanley Black & Decker's (NYSE:SWK) commercial electronic and healthcare security business segments for \$3.2 billion. The implied purchase price multiple is approximately 16.0x segment adjusted EBITDA. Stanley Black & Decker will use the proceeds to fund a \$4 billion share repurchase program which is expected to commence in 2022. Securitas views the acquisition as a significant step towards the company's goal of doubling sales from higher-margin security solutions and electronic security by 2023.

12/3/2021: Tech-24, the Greenville, South Carolina-based heating, ventilation and air conditioning (HVAC) repair and maintenance services provider announced the acquisition of RMS Mechanical Services, an Ambridge, Pennsylvania-based foodservice and commercial HVAC services provider. RMS Mechanical represents the seventh add-on acquisition for Tech-24 under the ownership of HCI Equity Partners. RMS Mechanical will provide access to the greater Pittsburgh,

Pennsylvania, region and this acquisition comes one month after Tech-24's purchase of Commercial Kitchens, Inc., the Milford, Connecticut-based foodservice and HVAC equipment service provider. Through add-ons, Tech-24 seeks to consolidate the highly fragmented foodservice repair and maintenance market.

11/17/2021: CMS Nextech, the Melbourne, Florida-based HVAC and refrigeration (HVAC/R) services company, announced the acquisitions of Arctic Services and Patriot Mechanical. Arctic Services is a provider of HVAC/R services in the Greater Las Vegas, Nevada, area and Patriot Mechanical is a provider of HVAC/R services across Virginia. CMS Nextech's rationale for the acquisitions is to expand its geographic footprint and increase technician density in its service regions. CMS Nextech is backed by Audax Private Equity.

11/2/2021: Kellermeyer Bergensons Services (KBS), the Oceanside, California-based operations and facility management company, announced the acquisition of BRAVO! Building Services, BRAVO! Facility Services and BRAVO! Innovative Solutions (together "BRAVO!"). BRAVO!, the Bridgewater, New Jersey-based provider of facility services, operates in 17 states and provides services to the pharmaceutical, healthcare, higher education and commercial markets. KBS believes the BRAVO! acquisitions will enhance service capabilities across regulated industries. This represents the 14th add-on acquisition by KBS (backed by Cerberus Capital Management) over the past four years.

M&A Transaction Highlights

Closed	Target	Target Description	Acquirer
Announced	Stanley Black & Decker (Electronic Security Solutions Business)	Provides the installation and monitoring of access control, video surveillance, fire detection and related personal safety solutions	Securitas
Announced	Terminix	Provides residential and commercial termite and pest management services	Rentokil Initial
Dec-21	Total Line Refrigeration	Provides refrigeration and HVAC maintenance, repair and installation services	Zone Climate Services (Wind Point Partners)
Dec-21	Gable Elevator	Provides elevator maintenance, repair and modernization services	3 Phase Elevator (Berkshire Partners)
Dec-21	Air Conditioning Innovative Solutions	Provides HVAC, plumbing and mechanical equipment maintenance, mechanical contracting and building automation services	Atlantic Street Capital Management
Dec-21	Star Asset Security	Provides manufacturing and installation of electronic security, video surveillance, access control and fire detection products	Corbett Technology Solutions (Wind Point Partners)
Dec-21	Acorn Exterminating	Provides pest control services such as insect control, arachnid control and rodent control	Debug Pest Control
Dec-21	Russo Bros.	Provides HVAC, plumbing, electrical and indoor air quality services	Len The Plumber (Thompson Street Capital Partners)
Dec-21	MaxHome	Provides bathroom and outdoor living remodeling and renovation services	Titan Home Improvement (York Capital Management)
Dec-21	Pro-Staff Termite & Pest Control	Provides termite and pest control, lawn care, irrigation and wildlife control services	Turner Pest Control
Dec-21	Service Today, Heating & Cooling Company	Provides residential HVAC, plumbing, electrical and indoor air quality services	Len The Plumber (Thompson Street Capital Partners)
Dec-21	Yarnell Security Systems	Provides monitoring of commercial and residential fire, security, CCTV and access control systems	Pye-Barker Fire & Safety (Altas Partners)
Dec-21	American Recycling	Provides commercial and industrial recycling services	Tide Rock Holdings
Dec-21	Sciens Building Solutions	Provides fire detection services and installation of fire systems, security systems and electrical systems	The Carlyle Group
Dec-21	Impact Pest Elimination	Provides residential pest and rodent control services	Turner Pest Control
Dec-21	Headrick Elevator	Provides elevator and escalator maintenance, repair and modernization services	3 Phase Elevator (Berkshire Partners)
Dec-21	Mountain Alarm Fire & Safety	Provides residential security solutions, life safety products and home automation applications	Pye-Barker Fire & Safety (Altas Partners)
Dec-21	AstroCare Fire and Water Restoration	Provides building restoration and repair services	Brookstone Partners
Dec-21	Universal Security Systems	Provides security system design and installation services	Convergint Technologies (Ares)
Dec-21	Texas Fire & Safety	Provides installation of fire suppression systems and emergency exit lights to government and commercial customers	National Fire & Safety (Highview Capital)
Dec-21	Inspira	Provides workplace and facilities cleaning services	Coor Service Management
Dec-21	Perschel & Meyer Pest Management	Provides lawn care, pest control and termite control services	Turner Pest Control
Dec-21	FireKing Safety and Security	Provides fire resistant financial safes and maintenance services	Cennox (York Private Equity)
Nov-21	RMS Mechanical Services	Provides HVAC/R and foodservice equipment repair, refrigeration and foodservice equipment repair and maintenance services	Tech-24 (HCI Equity Partners)
Nov-21	Alarm & Suppression	Provides installation, service and maintenance of fire alarms and other fire protection equipment	Cross-Fire & Security (AE Industrial Partners)
Nov-21	Home Pest Control	Provides pest control services to residential customers throughout South Carolina	Rockit Pest (Halle Capital)

Source: Capital IQ, Mergermarket, Company Filings

M&A Transaction Highlights (cont'd)

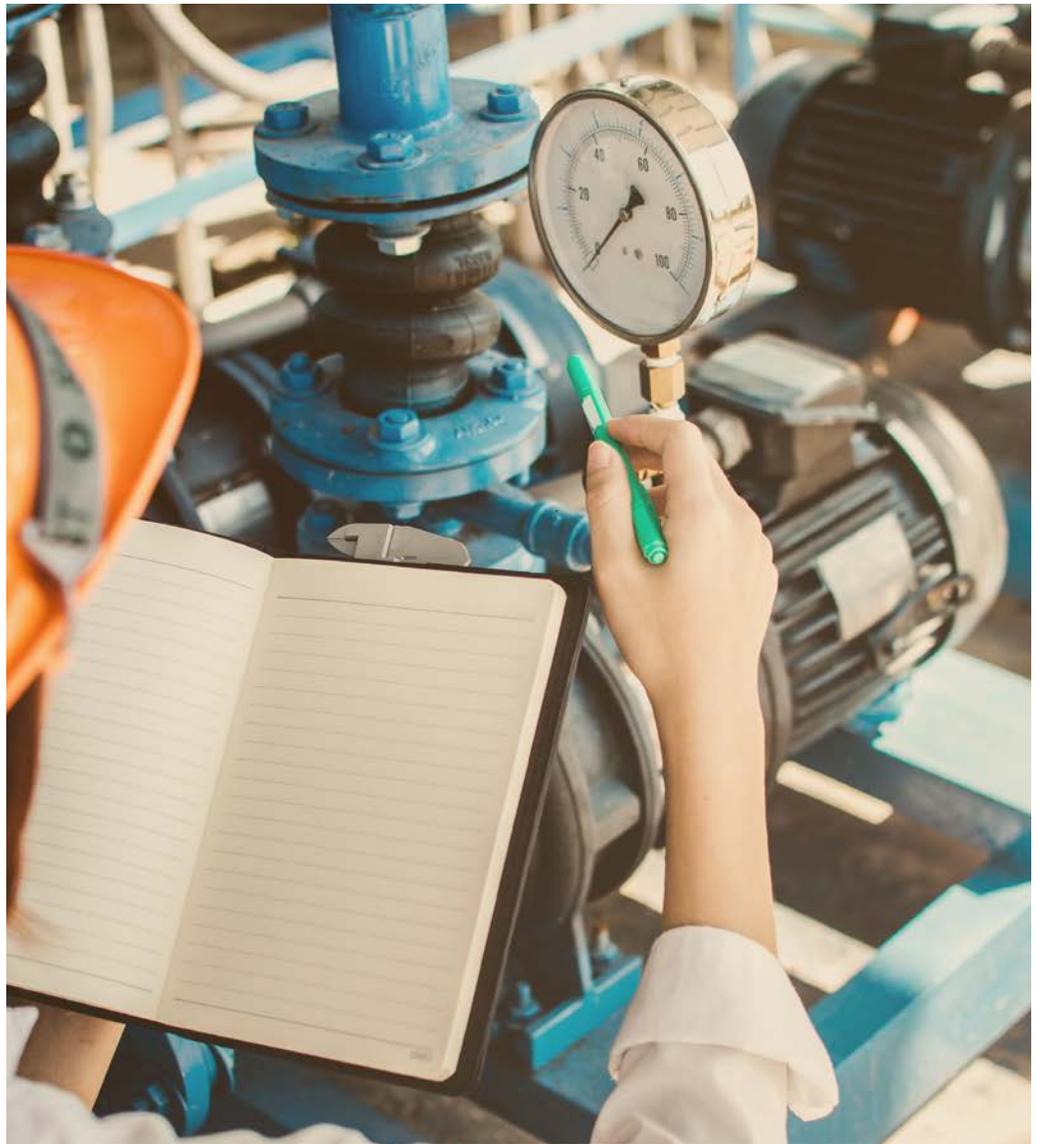
Closed	Target	Target Description	Acquirer
Nov-21	NISCO	Provides fire alarm and life safety solutions for commercial customers	Cross-Fire & Security (AE Industrial Partners)
Nov-21	Britech HVAC	Provides furnace, fireplace, air conditioning unit and duct cleaning repair services	Custom Air Conditioning (CAI Capital Partners)
Nov-21	Accurate Comfort Systems	Provides HVAC inspection and maintenance services	NearU Services (SkyKnight Capital)
Nov-21	Urban Tree Service	Provides tree, plant and lawn health care services	SavATree (Apax)
Nov-21	Adkins Electric	Provides electrical contracting services for fire alarms, security systems and digital surveillance systems	Pacific Power & Systems
Nov-21	Westcoast Gates	Provides drive gate and garage door installation and repair services	Aurora Capital Partners
Nov-21	Rokill	Provides pest and bird control services for commercial customers	Nurture Landscapes Holdings (Graphite Capital Management)
Nov-21	Western Heating and Air	Provides HVAC system repair, installation, maintenance and comfort services	Friendly Group
Nov-21	Arctic Services	Provides design-build, refrigeration and air conditioning services to commercial and industrial sectors	CMS NexTech (Audax Private Equity)
Nov-21	Patriot Mechanical	Provides HVAC/R repair and refrigeration repair and maintenance services	CMS NexTech (Audax Private Equity)
Nov-21	ABC Exterminating	Provides pest control services to residential properties	Terminix
Nov-21	BMI	Provides air conditioning repair and maintenance, installation, cleaning and repair services	The SEER Group
Nov-21	Global Mechanical	Provides commercial mechanical refrigeration services	American Refrigeration Company (Southfield Capital)
Nov-21	Triangle Refrigeration	Provides commercial HVAC repair and installation services	CoolSys (Ares)
Nov-21	Presto Pest Control	Provides commercial pest control services in the mid-Atlantic region	PestCo (Thompson Street Capital Partners)
Nov-21	MR Systems	Provides commercial surveillance and access control system installation and services	Inframark (New Mountain Capital)
Nov-21	Empire Today	Provides home improvement and furnishing services	Charlesbank Capital Partners
Nov-21	Simpson Security Systems	Provides security, fire alarm and communication systems installation, consulting and service support	Convergent Technologies (Ares)
Nov-21	Commercial Kitchens	Provides repair and preventative maintenance services for commercial-grade kitchen equipment	Tech-24 (HCI Equity Partners)
Nov-21	FCFP	Provides manufacturing and installation services of fire prevention systems	Classic Fire Protection (McCain Capital Partners)
Nov-21	Bravo! Building Services	Provides custodial, building cleaning and facility sanitation services	Kellermeyer Bergensons Services (Cerberus Capital Management)
Nov-21	AM Support Services	Provides industrial and commercial building cleaning services	Pinnacle Regeneration Group (Tunstall Real Estate Asset Management, Starwood Capital)
Oct-21	Done Service Group	Provides residential HVAC installation, replacement and maintenance services	Radiant Plumbing and Air Conditioning (The Riverside Company)
Oct-21	Total Cleaning Systems	Provides commercial cleaning services	CCS Facility Services (Silver Oak Partners)
Oct-21	All My Sons Moving & Storage	Provides package and moving services	Golden Gate Capital
Oct-21	Povinelli Cutlery and Sharpening Services	Provides cutlery sharpening services to local businesses	Cozzini Bros (Birch Hill Equity Partners)

Source: Capital IQ, Mergermarket, Company Filings

M&A Transaction Highlights (cont'd)

Closed	Target	Target Description	Acquirer
Oct-21	Menold Construction	Provides interior and exterior design-build and remodeling services	BluSky Restoration Contractors (Partners Group, Kohlberg & Company)
Oct-21	Vantage Elevator Solutions	Provides manufacturing and supply of elevator products	Ontario Teachers' Pension Plan Board
Oct-21	Russell Security Services	Provides commercial security and safety solutions	Securiguard Services (Yellow Point Equity Partners)
Oct-21	All Pro Fire Protection	Provides fire and life safety services to high-rise buildings, hospitals and warehouses	National Fire & Safety (Highview Capital)
Oct-21	Morris-Jenkins	Provides HVAC and plumbing services in the Carolinas	Wrench Group (Leonard Green & Partners)
Oct-21	Howard Air	Provides HVAC repair, maintenance and installation services	Service Champions (Odyssey Investment Partners)
Oct-21	Scottsdale Air Heating & Cooling	Provides HVAC repair, maintenance and installation services	Service Champions (Odyssey Investment Partners)
Oct-21	New England Electrical Contracting	Provides electrical services across telecommunication, electric vehicle charging and utility markets	Pfingsten Partners
Oct-21	BluSky Restoration Contractors	Provides commercial and multifamily residential environmental and roofing services	Partners Group, Kohlberg & Company
Oct-21	The Protection Bureau	Provides security system integration services	Corbett Technology Solutions (Wind Point Partners)
Oct-21	Express Elevator	Provides elevator maintenance, repair and modernization services	Elevator Service (Carroll Capital)
Oct-21	Maxim Fire Systems	Provides fire protection services	National Fire & Safety (Highview Capital)
Oct-21	Hampton Roads Mechanical Contractors	Provides mechanical contracting and construction services	Amalgam Capital
Sep-21	Diversified Systems	Provides installation and maintenance of access control systems, CCTV and biometrics products	Integrated Fire and Security Solutions (Newlook Capital)
Oct-21	Pritchard Industries	Provides commercial cleaning and facility maintenance services	Littlejohn & Co
Oct-21	Advanced Elevator	Provides elevator and escalator installation, maintenance and inspection services	3 Phase Elevator (Berkshire Partners)
Oct-21	Wood Air Conditioning	Provides commercial HVAC repair and installation services	Midway Mechanical Services
Oct-21	State Mechanical Services	Provides design, installation and maintenance of commercial HVAC systems	MechanAir Holdings
Oct-21	Edwards Electronic Systems	Provides integration services for fire and life safety, security, video surveillance, access control and mass notification systems	ADT
Oct-21	Perfect Power Wash	Provides commercial and residential exterior restoration services	Incline Equity Partners
Oct-21	Central Air & Heating Service	Provides commercial and residential HVAC services	Pueblo Mechanical & Controls (Huron Capital)
Oct-21	Strittmatter Air Conditioning & Heating	Provides HVAC, plumbing and roofing services	Granite Comfort Holdings
Oct-21	Southern HVAC Corporation	Provides HVAC installation and maintenance services	North American Essential Home Services (Gryphon Investors)
Oct-21	Neo Property Solutions	Provides passive fire protection installation and maintenance services	Premier Technical Services Group (Warburg Pincus, Macquarie)
Oct-21	Off Duty Services	Provides off duty police officers for the private sector	Protos Security (Southfield Capital)

Source: Capital IQ, Mergermarket, Company Filings



Advisory Services

Mergers & Acquisitions
Capital Advisory
Private Funds Advisory
Valuations & Opinions
Joint Venture & Partnering

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About Lincoln International

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