



# Waste & Recycling Industry 2024 Outlook

## TABLE OF CONTENTS

- Waste Industry Overview
- Notable Transactions
- Select Transactions
- Publicly Traded Company Data
- 2023 Earnings Overview & Earnings Call Summary
- About Transitus Capital

## TRANSITUS CAPITAL

### Investment Banking Services:

- M&A Advisory
- Capital Advisory
- Generational Transfer Finance

## CONTRIBUTORS

### Victor Bloede

Managing Director

214-945-2636

[vbloede@transituscap.com](mailto:vbloede@transituscap.com)

### Evan Williams

Analyst

214-919-4167

[evan.williams@transituscap.com](mailto:evan.williams@transituscap.com)

## M&A Activity Expected To Rebound in 2024

2023 was a year of challenging macroeconomic conditions with the Federal Reserve making the steepest streak of rate hikes in four decades. This economic backdrop led to a decrease in waste & recycling M&A deal volume compared to prior years, as sellers hesitated amidst suppressed valuations. Although, deal volume receded, four of the industry's top publicly traded companies spent over \$3.5b in acquisitions in 2023. The industry also experienced a variety of transactions with unique deal structures, such as minority stakes, which allowed quality companies with suppressed valuations due to macroeconomic uncertainty to source capital.

With expectations in 2024 of easing macroeconomic conditions, M&A activity is expected to be robust, notably in the hazardous/industrial waste sector where there is a heightened interest to consolidate. Furthermore, increased environmental regulations has prompted companies to actively seek strategic partnerships and financial support from providers offering innovative recycling solutions, aiming to minimize their environmental footprint. In addition to recycling, material recovery facilities have continued as prevalent targets for buyers, spurred by escalating construction activity that demands robust material recovery and recycling capabilities. Major industry players are strategically shifting their focus on acquiring companies with collection, transfer, or MRF capabilities, aiming to fortify their well-integrated positions in the market.

These economic and regulatory trends show themselves in 2024 valuation multiples within the waste industry, as sub-sectors such as Waste-To-Energy outpace the rest of the industry across all three enterprise value ranges. Still, traditional waste industry sub-sectors, such as Collection, Transportation, and Landfills continue to show resiliency in their valuation multiples due to their non-cyclical, recurring revenue business models.



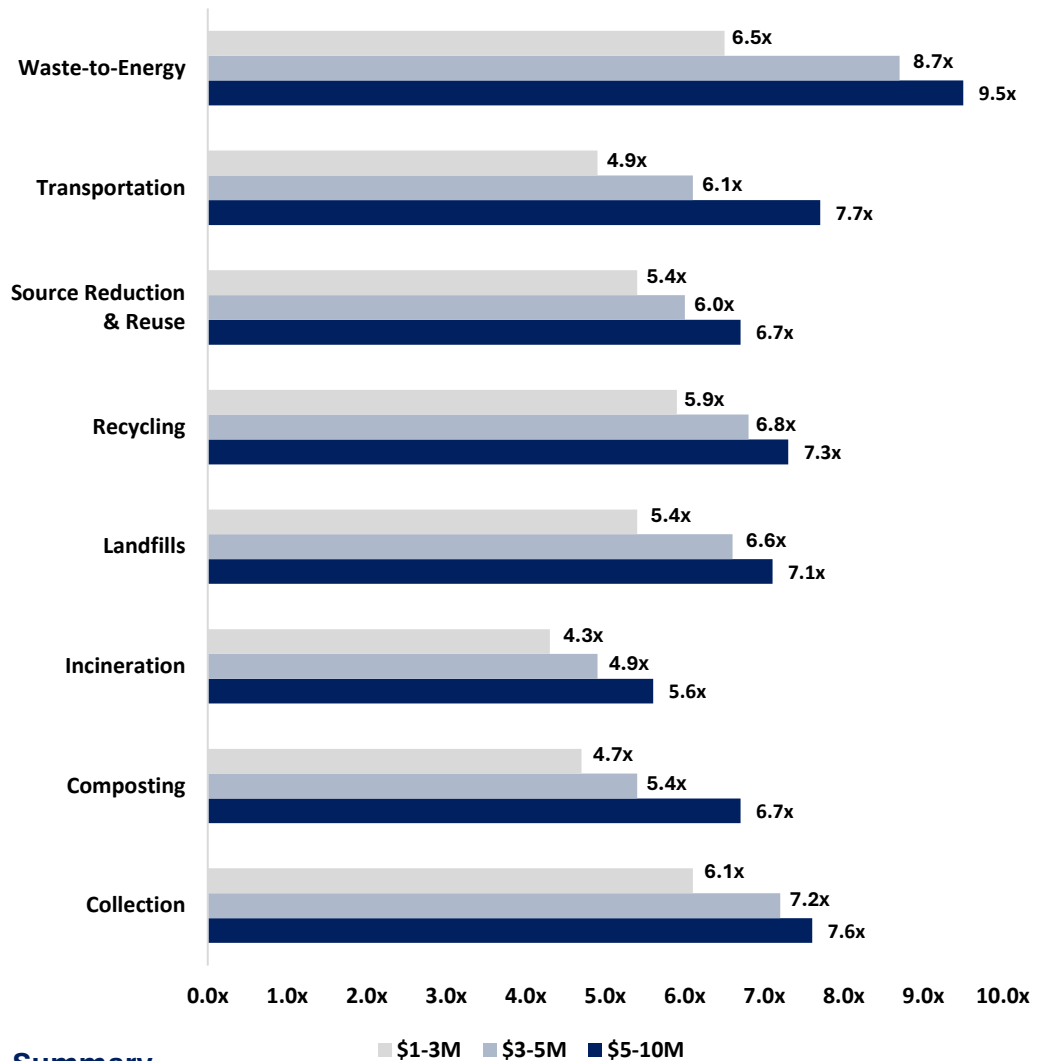
# Investment Banking for the Waste Industry



## Valuations in The Private Market Remain Strong

Valuation multiples for private middle-market companies remain strong in the industry as strategics and financial sponsors prioritize certain attributes when searching for targets. With rising waste volumes, shrinking landfill capacity and expected PFAS regulations from the EPA, companies with innovative recycling techniques, PFAS remediation services, and waste processing facilities are enjoying higher EBITDA multiples.

### Valuation Multiples by Sub-Sector & EBITDA Range<sup>1</sup>



## Summary

Despite macroeconomic challenges such as inflation and high interest rates in 2023, M&A activity among the major industry players remained strong with more than \$3.5B deployed by four top public waste management companies. M&A outlook for 2024 is positive given more straightforward macroeconomic expectations and the upcoming PFAS and EPR policy implementation, prompting many companies to expand their services and operations through acquisitions. Owners looking to sell should be confident as multiples within the private market should remain strong with favorable deal structures, in particular for companies with innovative recycling and environmental efforts.

<sup>1</sup>: First Page Sage

## NOTABLE 2024 TRANSACTIONS

### Clean Harbors to acquire HEPACO (February 2024, \$400M)



Completes  
Acquisition of



Clean Harbors, Inc. (NYSE: CLH) announced that it has entered into a definitive agreement with Gryphon Investors to acquire HEPACO, a leading provider of specialized environmental and emergency response services in the Eastern United States, for \$400 million in cash.

Headquartered in Charlotte, NC, HEPACO has more than 2,000 customers, which it services through more than 40 regional locations in 17 states. Its offerings include field services, environmental remediation and emergency response services. On an adjusted basis, HEPACO is expected to generate full-year 2023 EBITDA of approximately \$36 million on \$270 million of revenues. Clean Harbors expects the acquisition to generate cost synergies of approximately \$20 million after the first full year of operations, which equates to a post-synergy acquisition multiple of 7.1 times.

Mike Battles, Co-Chief Executive Officer of Clean Harbors, said, "The acquisition of HEPACO aligns with our Vision 2027 long-term strategic plan for driving growth through a continued focus on value creation across all areas of our business. We see an excellent cultural fit with our two organizations that should help ensure the success of this acquisition. HEPACO has demonstrated a commitment to safety, environmental compliance and service excellence that matches our principles in these areas. We look forward to welcoming HEPACO's talented team

### Waste Connections acquires Secure Energy Assets (Feb 2024, CAD\$1.075B)



WASTE CONNECTIONS INC.  
Connect with the Future®

Completes  
Acquisition of



Waste Connections, Inc. announced the closing of previously announced acquisition of the Secure Energy Services portfolio of 30 energy waste treatment and disposal facilities in Western Canada for an aggregate purchase price of CAD\$1.075 billion.

The assets acquired by the Company's subsidiary, R360 Environmental Solutions Canada Inc. ("R360"), include 18 treatment, recovery and disposal facilities; six landfills; four saltwater disposal injection wells; and two disposal caverns and represent all of the required divestitures as mandated by the Canadian Competition Tribunal following Secure's 2021 merger with Tervita Corporation.

"We are pleased to expand our R360 E&P waste operations into Canada, and we welcome the former Secure employees to the Waste Connections family," said Ronald J. Mittelstaedt, President and Chief Executive Officer. "This acquisition will contribute to the outsized margin expansion for which we are positioned in 2024, given the disposal-oriented profile of the facilities."

### IWSG announces divestiture to Republic Services (Jan 2024, Undisclosed)



Acquires  
Subsidiaries of



Integrated Waste Solutions Group announced its divestiture of Central Refuse LLC and 130 Environmental Park Landfill LLC to Phoenix-based Republic Services Inc. IWSG, a portfolio company of New York-based Nova Infrastructure, develops and operates integrated solid waste operations in selected geographic regions throughout the United States.

Central Texas Refuse provides waste and recycling collection in the Austin area as well as operating a material recycling facility (MRF). Located near Lockhart, Texas, 130 Environmental Park includes more than 1,200 acres, with the landfill occupying about 500 acres.

## SELECT TRANSACTIONS

Date	Target	Acquirer	Target Business Description
2/12/2024	Oak Ridge Waste & Recycling	Interstate Waste Services	Provider of solid waste collection, transfer, recycling and waste-by-rail disposal services in Southwestern Connecticut and Suburban New York
2/9/2024	Herrington Industries LLC	Capital Waste Services	Herrington is a roll-off dumpster and landfill services provider in Palatka, Florida
2/6/2024	HEPACO	Clean Harbors	HEPACO is a provider of emergency response, environmental remediation, maritime services, wastewater treatment, and other industrial services
2/2/2024	Secure Energy	Waste Connections	Portfolio of 30 energy waste treatment and disposal facilities in Western Canada
2/2/2024	Compactor Rentals of America	Kinderhook Industries LLC	Provider of sustainable waste containment infrastructure, specializing in commercial waste compactors and baler equipment rental solutions
2/2/2024	303 Roll-Off	Fuzion Field Services	A roll-off company that has served the Denver metro area for 15 years
1/26/2024	PolyAg Recycling, LTD	Revolution Sustainable Solutions	Canadian mechanical recycler of agricultural films
1/26/2024	C&R Disposal, Inc.	CARDS Recycling	A solid waste collection company offering commercial, residential and rolloff services
1/26/2024	Pedersen Trash Service, LLC	CARDS Recycling	A solid waste collection company offering commercial and residential services
1/19/2024	Link Environmental	Municipal Equipment	Provides equipment for the waste and recycling industry, including containers, cable hoists, balers and compactors
1/19/2024	Paragon Bay Group	Quantum Lifecycle Partners	Paragon Bay brings operational expertise in product fulfillment, testing, in-warranty repair, asset recovery, and forward and reverse logistics services, for electronics OEMs in Canada
1/11/2024	Waste Resources Management	Ridgewood Infrastructure	A mission-critical provider of liquids and wastewater collection, treatment, and disposal serving the commercial and industrial market
1/9/2024	Envirosafe Services of Ohio	Heritage Crystal-Clean	Envirosafe specializes in hazardous waste treatment, storage, and disposal
1/8/2024	Empire Tire & McGee Tire	Liberty Tire Recycling	Leading central-Florida scrap tire collectors, graders, and haulers
1/5/2024	Central Texas Refuse	Republic Services	The City of Round Rock's waste service provider,
1/4/2024	NexGen Municipal	Komar Industries	Provider of municipal equipment solutions and systems that reduce the lifecycle operation cost of municipal services.
12/18/2023	Midwest Fiber Recycling	Circular Services	Recycling operations in the Midwest, with facilities in Decatur, Normal, Urbana and Peroria, IL and Terre Haute, IN.
12/14/2023	Waste Consolidators, Inc.	Ally Waste Services	Provider of bulk waste collection services for residential and commercial complexes
12/12/2023	Environmental Concepts & Services	TAS Environmental	Specialized provider of waste transportation, non-hazardous waste treatment and disposal and other industrial services

Source: Waste Dive

**SELECT TRANSACTIONS (Continued)**

<b>Date</b>	<b>Target</b>	<b>Acquirer</b>	<b>Target Business Description</b>
12/6/2023	Burnham RNG	Ares Management	Full-service developer and owner of organic waste management and anaerobic digestion biogas assets across the U.S.
12/5/2023	Winter Equipment Corporation	Komar Industries	Leading distributor of waste handling and recycling equipment
11/29/2023	North Georgia Roll Off	Waste Eliminator LLC	Provider of waste handling and recycling
11/9/2023	Fielding Environmental	GFL Environmental	Fully integrated environmental solutions provider with differentiated liquid waste and gas processing, recycling, and disposal capabilities
11/7/2023	Change Recycling	CARDS Recycling	
11/6/2023	Capital Waste	GFL Environmental	Capital Waste, a portfolio company of New York-based Kinderhook Industries LLC, provides solid waste hauling services for residential, commercial and industrial waste generators.
11/1/2023	U.S. Industrial Technologies	Veolia North America	Michigan-based provider of total waste and recycling services that has managed industrial waste streams for automakers as well as other large manufacturers, medium and small businesses and governments and municipalities since 1996
11/1/2023	Sunset Garbage Collection	Recology	
10/18/2023	Future Waste	Minus Global Holdings	A food and liquid waste management company based in Drumbo, Ontario
10/18/2023	S&S Waste	Coastal Waste & Recycling	S&S is a family-owned grapple truck debris removal and portable restroom company
10/17/2023	Heritage Crystal-Clean	J.F.Lehman & Company	A provider of environmental and waste disposal services
10/5/2023	Milestone Environmental Services	SK Capital	Milestone operates a leading integrated network of waste management infrastructure that reduces its customers' carbon impact by permanently sequestering hydrocarbon-containing energy waste, preventing greenhouse gas emissions and water and ground contamination
10/3/2023	Patterson TnWaste Hauling	Meridian Waste Tennessee	Asset purchase includes 21 collection vehicles and approximately 800 containers
10/2/2023	Herbert Recovery Systems	Miller Environmental Group	A hazardous waste management company
9/15/2023	The Tarp Depot	Impact Environmental Group	Manufacturer and distributor of spill prevention containment systems, dewatering products, various transportation tarps and related products to customers in the environmental services space
9/5/2023	Consolidated Waste Services	Casella Waste Systems	The acquisition includes two hauling operations, one transfer station and one material recovery facility (MRF) in the greater Albany, New York, market
8/28/2023	Superior Environmental Solutions	Palladium Equity Partners	Cincinnati-based provider of environmental, industrial, emergency response and product destruction services in the Midwestern and Southeastern U.S.
8/8/2023	Pro Disposal	Coastal Waste & Recycling	Independent waste-hauling company in South Carolina's Low Country region

## Operating Data

(\$ millions)

Company	Total	Revenues					Capex		
		Collection			Recycling	Landfill / Trans.	Others / Interco	Growth	Maint.
		Residential	Comm./Ind.	C&D					
Republic Services (RSG)	14,965	2,823	4,438	2,922	2,014	4,585	-1,817	2,065	1,631
Waste Connections (WCN)	8,022	2,125	2,477	1,333	379	2,682	-974	677	934
Waste Management (WM)	20,426	3,474	9,637	3,006	1,852	7,156	-4,699	170	2,895
GFL Environmental (GFL)(C)	7,516	1,538	2,882	0	1,943	1,694	-542	966	1,055

## Valuation Metrics

(\$ millions, except share price)

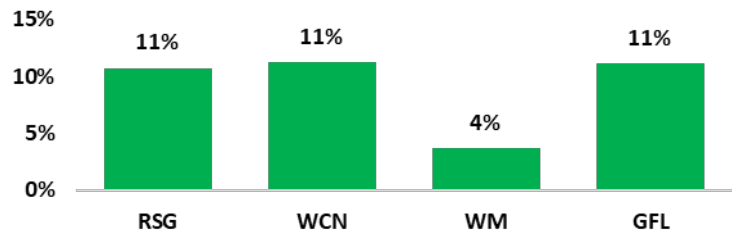
Company	Price 2/27/2024	% Change YoY	Market Cap	Enterprise Value	FY2023		EV Multiple	
					EBITDA	Margin	Rev.	EBITDA
Republic Services (RSG)	\$184.52	42.8%	58,170	70,180	4,285	28.6%	4.7x	16.4x
Waste Connections (WCN)	\$168.33	23.8%	43,192	50,730	2,478	30.9%	6.3x	20.5x
Waste Management (WM)	\$207.78	37.5%	83,085	99,090	5,646	27.6%	4.9x	17.6x
GFL Environmental (GFL) (CAD)	\$48.19	15.8%	13,406	20,420	2,309	30.7%	2.7x	8.8x

## Revenue Summary

### Total

Revenue	2023	2022	Change (%)
RSG	14,965	13,511	11%
WCN	8,022	7,212	11%
WM	20,426	19,698	4%
GFL	7,516	6,761	11%

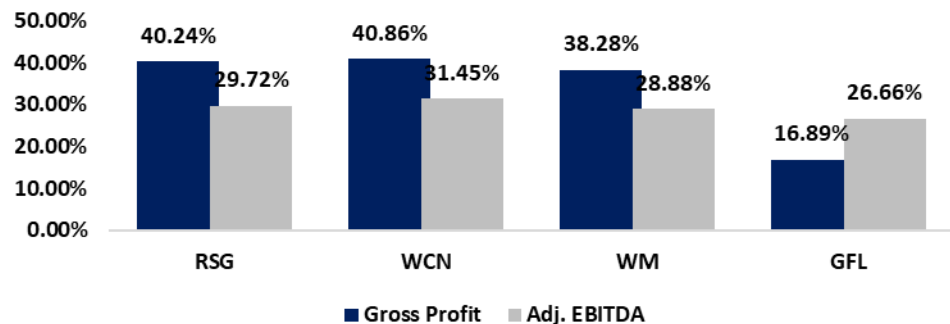
### One Year Revenue Growth



## Margin Analysis

Margin	Gross Profit	Adj. EBITDA
RSG	40.24%	29.72%
WCN	40.86%	31.45%
WM	38.28%	28.88%
GFL	16.89%	26.66%

### Las 12-Months Margin Performance





**REPUBLIC  
SERVICES**

**2023 FY EARNINGS OVERVIEW**

**REVENUE**  
**\$14.96B**


10.8% increase from 2022  
driven by 6% organic growth  
and 4.8% growth from  
acquisitions

**ADJUSTED  
EARNINGS  
PER DILUTED  
SHARE**  
**\$5.61**

**ADJUSTED  
OPERATING  
EBITDA**  
**\$4.45B**  
Up \$517M from 2022

**AVERAGE  
RECYCLED  
COMMODITY PRICE**  
  
**\$117**

Increase of \$53 From 2022

**CORE PRICE**  
  
**7.4%**

**INVESTMENT IN  
ACQUISITIONS**  
  
**\$1.8B**

**EBITDA  
MARGIN**  
**29.7%**

Up 60 basis points from  
2022

**SHAREHOLD  
ER RETURN**  
  
**\$899.9M**

**TOTAL COST  
OF  
OPERATIONS**  
**\$8.94B**  
Increase of 9% from 2022

“We finished the year strong and produced results that exceeded our expectations. During 2023, we delivered double-digit growth in revenue, EBITDA, earnings and free cash flow, while continuing to invest in the business to accelerate profitable growth. We expect another outsized year of growth in revenue, EBITDA, earnings and free cash flow in 2024. Our strong financial guidance is supported by pricing in excess of cost inflation, leveraging our digital tools to enhance productivity and improve customer loyalty, and continuing to invest in Sustainability Innovation to drive long-term value creation.”

- Jon Vander Ark, President & CEO

**REPUBLIC  
SERVICES**

## 2023 Q4 EARNINGS CALL SUMMARY

### 2023 Summary

Republic Services, under the leadership of Jon Vander Ark, reported a strong finish to 2023, with performance surpassing expectations and exceeding full-year guidance. The company achieved an 11% revenue growth, with a 5% contribution from acquisitions, and a 13% growth in adjusted EBITDA, alongside a 60-basis point expansion in adjusted EBITDA margin. Adjusted earnings per share were reported at \$5.61, with \$1.99 billion of adjusted free cash flow produced. Republic Services invested \$1.8 billion in acquisitions across recycling, waste, and Environmental Solutions businesses, and returned \$900 million to shareholders through dividends and share repurchases.

Key highlights include a high customer retention rate of over 94%, strong organic revenue growth driven by both price and volume increases, and significant advancements in digital and operational capabilities, notably with the implementation of the RISE digital operations platform expected to contribute approximately \$100 million in annual earnings. The company also focused on sustainability, advancing in investments for plastic circularity and renewable natural gas, with several projects coming online and more expected in 2024.

### 2024 Outlook

For 2024, Republic Services projects revenue in the range of \$16.1 to \$16.2 billion, adjusted EBITDA between \$4.825 to \$4.875 billion, adjusted earnings per share of \$5.94 to \$6, and adjusted free cash flow between \$2.1 to \$2.15 billion, targeting at least \$500 million of investment in value-creating acquisitions.

Operational details shared include an emphasis on improved route optimization, safety performance, and enhanced customer service through digital tools, including a new asset management system aimed at increasing productivity and warranty recovery, expected to be utilized in late 2024. The company's commitment to sustainability was also highlighted through developments in polymer centers and joint ventures for plastic recycling, alongside ongoing fleet electrification efforts, with more electric vehicles expected to be added to the fleet in 2024.

Financially, the company witnessed solid growth in core price and related revenue, with expected average yield and organic volume growth outlined for 2024. Recycling commodity prices and Environmental Solutions business performance were also discussed, indicating a stable and growing business segment. Republic Services' disciplined approach to acquisitions, customer service, and sustainability investments were emphasized as key drivers for continued profitable growth and value creation.





## 2023 FY EARNINGS OVERVIEW

WASTE CONNECTIONS, INC.

### REVENUE

**\$8.02B**

Up 11.2%

Revenue increase primarily due to the increase value for recycled commodities

### ADJUSTED EARNINGS PER DILUTED SHARE

**\$2.95**

### ADJUSTED OPERATING EBITDA

**\$2.52B**

31.5% EBITDA margin

### INVESTMENTS IN ACQUISITIONS



**\$676.8M**

### SOLID WASTE VOLUMES

**DOWN 2.0%**

### 2024 GROWTH OUTLOOK

**\$8.75B**

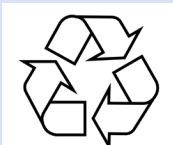
Estimated Revenue

**13%**

Adj. EBITDA growth

### RECYCLING VOLUME

**DOWN .8%**



### CORE PRICE



**9.5%**

### SOLID WASTE COLLECTION



**\$1.5B in Q4 2023**

Up 8.4% from Q4 2022

"Adjusted EBITDA margin expansion of 200 basis points in Q4 capped off a remarkable year for Waste Connections, driven by solid execution and continued improvement in operating trends. Solid waste organic growth led by 8.7% core pricing was bolstered by improvements in commodity-driven revenues during the quarter, providing momentum for 2024. Acquisition activity also accelerated into year-end, as we announced the acquisition of the \$225 million (US\$) revenue E&P waste disposal-oriented assets of Secure Energy in Western Canada, which closed February 1st, bringing expected 2024 acquisition revenue contribution to approximately \$325 million, with dialogue ongoing."

- Ronald J. Mittelstaedt, President & CEO



## 2023 Q4 EARNINGS CALL SUMMARY

WASTE CONNECTIONS, INC.

### 2023 Summary

In 2023, Waste Connections, led by CEO David Anderson, reported a robust financial performance, with net income reaching \$93.9 million or \$2.59 per share, marking an increase from the previous year. Despite encountering challenges, the company achieved significant customer growth, adding approximately 4,800 new gas utility customers and 10,400 water utility customers. Strategic acquisitions remained a cornerstone of Waste Connections' growth strategy, with four acquisitions contributing to the expansion in water and wastewater utilities. However, the company faced delays in its renewable projects, experiencing technical issues with two renewable natural gas (RNG) facilities, with full operations expected to resume later in the year.

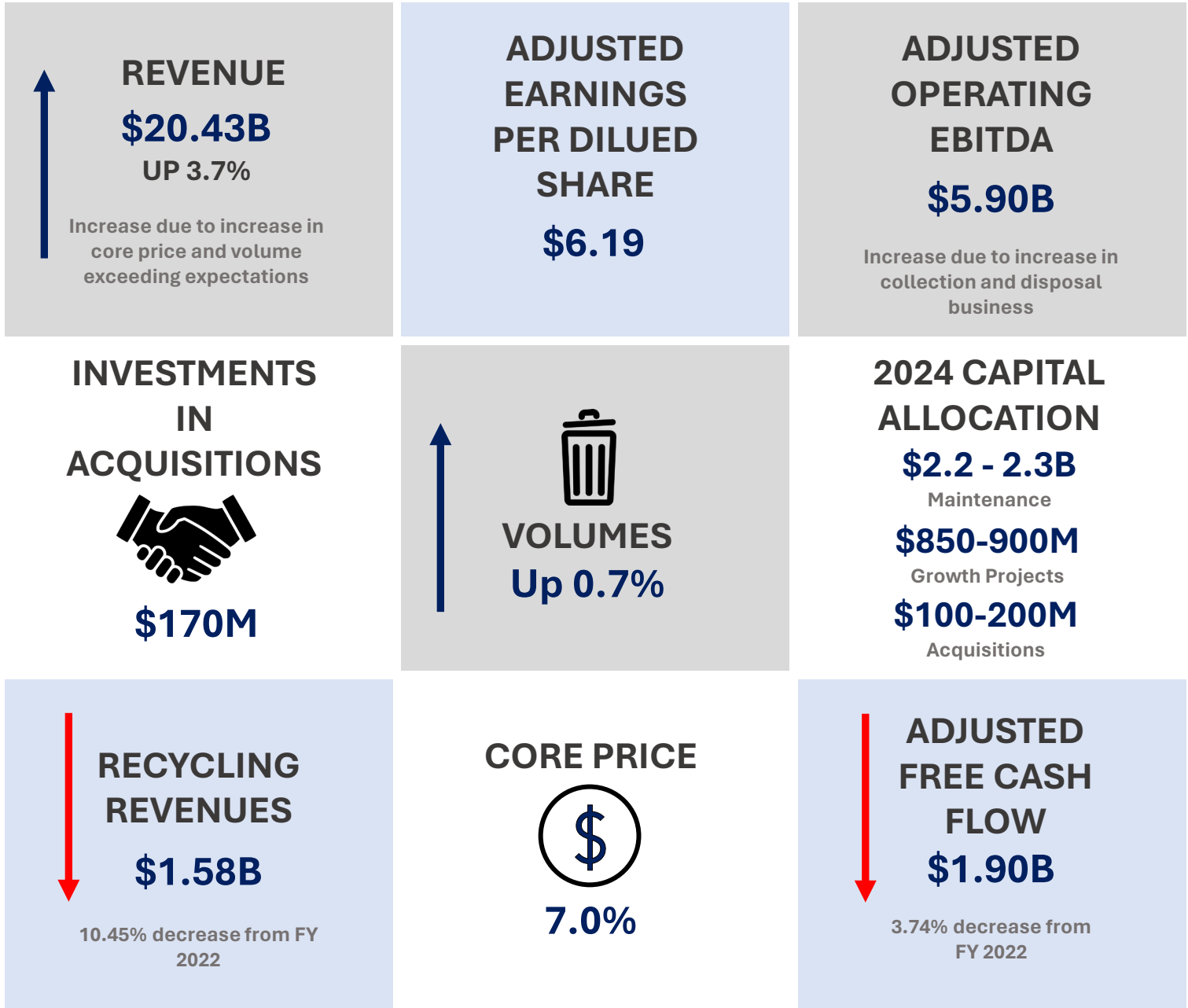
### 2024 Outlook

Looking forward to 2024, Waste Connections outlined its financial outlook and challenges. The company planned substantial capital expenditures ranging from \$350 million to \$400 million for 2024, primarily directed towards investments in gas and water utilities. Additionally, Waste Connections aimed to maintain strong liquidity and credit ratings through significant financing activities to support utility investments. Despite these investment plans, the company provided guidance for 2024, anticipating challenges stemming from capital investments and inflationary pressures. As a result, Waste Connections forecasted earnings guidance approximately \$0.30 per share lower than 2023, attributed to regulatory lag from investments in technology and safety, along with inflationary pressures on operating expenses.

Furthermore, Waste Connections addressed regulatory concerns by filing a rate case in Oregon, seeking a revenue requirement increase of \$154.9 million, focused on addressing regulatory lag and covering investments, higher property taxes, and operational costs. The company anticipated new rates to be effective by November 1, 2024. Despite short-term challenges, Waste Connections reiterated its commitment to long-term growth, emphasizing strategic initiatives such as decarbonization efforts and expansion in water utilities. Moreover, the company reaffirmed its long-term earnings-per-share growth rate of 4% to 6% from the 2022 base year. Overall, Waste Connections remains focused on navigating through immediate financial pressures while prioritizing strategic initiatives for sustained growth across its gas, water, and renewable energy businesses.



## 2023 FY EARNINGS OVERVIEW



“Our operating and financial results in the second half of 2023 surpassed expectations driven by strong execution on our pricing and operating excellence programs. Our team continues to make progress in optimizing our cost structure, and our investments in people, technology, and assets accelerated margin expansion ahead of plan in the fourth quarter. During the fourth quarter, our collection and disposal business performance powered our total Company adjusted operating EBITDA growth of 15% and record adjusted margin of 29.9%. Our performance in 2023, particularly the momentum built during the second half of the year, positions us well to sustain growth throughout 2024.”

- Jim Fish, President & CEO



## 2023 Q4 EARNINGS CALL SUMMARY

### 2023 Summary

During Waste Management's Fourth Quarter and Full Year 2023 Earnings Conference Call, President and CEO Jim Fish, Executive VP and COO John Morris, and Executive VP and CFO Devina Rankin discussed the company's comprehensive performance and strategic outlook. Financially, Waste Management showcased robust results in 2023, with operating EBITDA experiencing a notable 15% growth in the fourth quarter, surpassing full-year guidance. This strong financial performance was predominantly attributed to the success of the company's collection and disposal business, driven by disciplined organic revenue growth and cost optimization efforts.

Strategically, Waste Management emphasized its commitment to optimizing cost structures and fostering sustainability growth projects, particularly in renewable natural gas and recycling platforms. This included plans to commission five new renewable natural gas facilities and upgrading recycling facilities to bolster automation and efficiency. Capital allocation was underscored as a balanced approach, with investments earmarked for sustainability projects, acquisitions, and returning cash to shareholders through dividends and share repurchases.

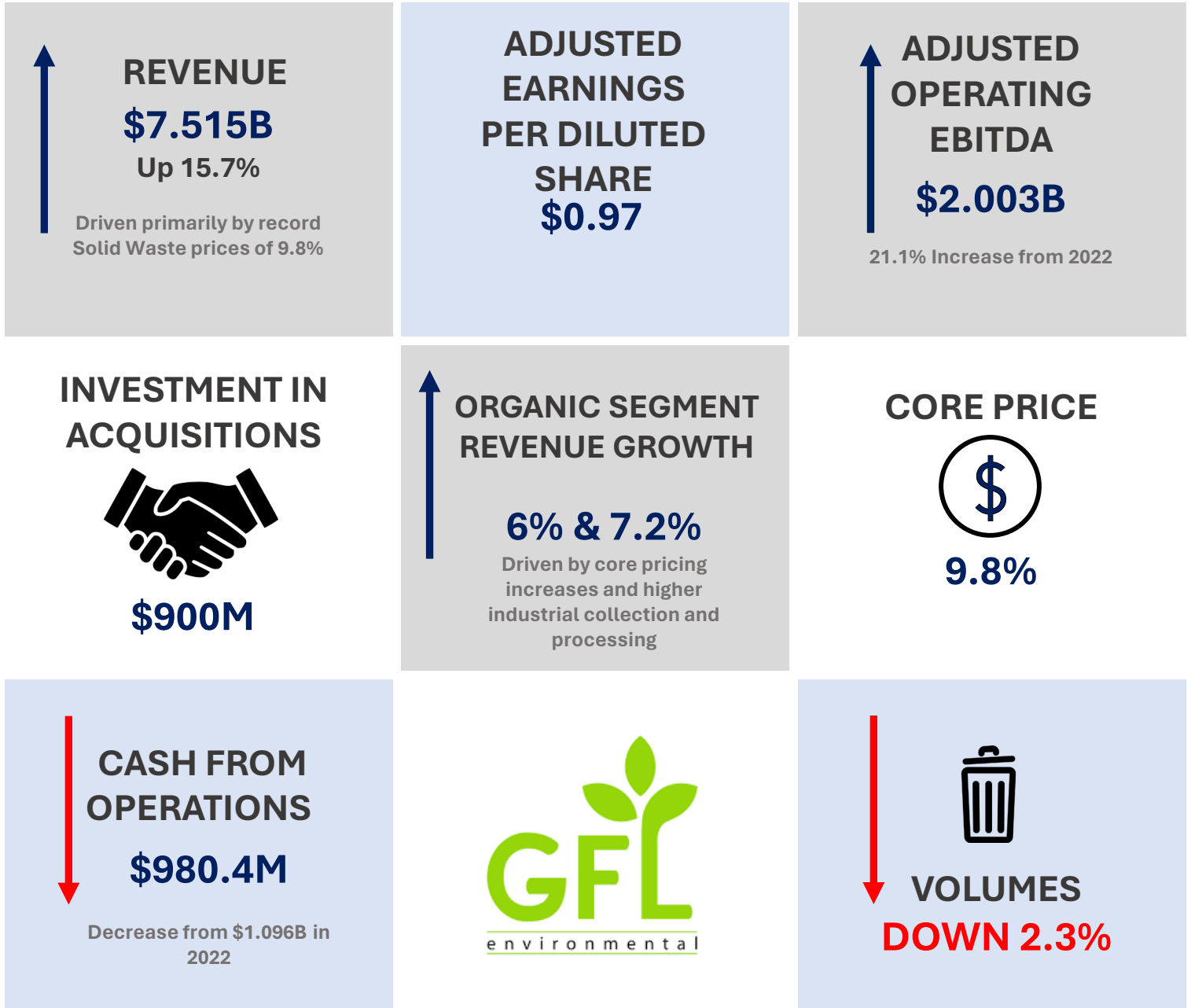
### 2024 Outlook

Looking ahead to 2024, Waste Management anticipated a 7.7% growth in operating EBITDA at the guidance midpoint, with sustainability investments expected to contribute significantly to this growth, amounting to \$115 million. The company remained optimistic about sustaining robust financial performance through ongoing operational efficiencies and sustainability initiatives. Operational efficiencies were highlighted by Waste Management, particularly in the reduction of operating expenses, especially in collection and disposal operations, achieved through strategic technology and automation investments, resulting in improved margins.

Sustainability investments were emphasized by Waste Management, who detailed the progress made in renewable natural gas and recycling projects, aligning with the company's long-term growth strategy. The company also maintained a disciplined acquisition strategy, ensuring acquisitions deliver appropriate returns, particularly in comparison to the high returns from sustainability opportunities. In summary, Waste Management's leadership team expressed confidence in the company's trajectory, underlining the integration of operational efficiencies, sustainability investments, and strategic acquisitions as vital components to drive growth and enhance shareholder value.



## 2023 FY EARNINGS OVERVIEW



“Our employees delivered another exceptional year of results. In 2023, our continued focus on strong execution drove double-digit, industry-leading organic revenue growth, including Solid Waste core pricing increase of 9.8% for the year, the highest in our history. Additionally, we deployed approximately \$900 million into 39 highly accretive acquisitions, which we expect will generate revenue of approximately \$355 million on an annualized basis. In 2024, consistent with our capital allocation framework announced in November, we expect to deploy between \$600.0 and \$650.0 million into densifying tuck-in M&A.”

- Patrick Dovigi, Founder & CEO



## 2023 Q4 EARNINGS CALL SUMMARY

### 2023 Summary

During GFL Environmental's Fourth Quarter 2023 Earnings Call, Patrick Dovigi, Founder, and Luke Pelosi, CFO, highlighted the company's robust financial performance, with notable achievements in 2023. GFL executed a successful pricing strategy across its Solid Waste platform, resulting in a core price of 9.8% and significant growth in environmental services revenue, surpassing 17%. Additionally, the company achieved considerable deleveraging.

Adjusted EBITDA experienced substantial growth, exceeding 21% from the prior year, excluding the impact of divestitures. In terms of acquisitions and investments, GFL deployed approximately \$900 million into 39 acquisitions in 2023, expected to generate around \$355 million in annualized revenue. The company also invested approximately \$275 million in organic initiatives, primarily focusing on renewable natural gas (RNG) and Extended Producer Responsibility (EPR) opportunities.

### 2024 Outlook

Looking ahead to 2024, GFL provided guidance anticipating strong revenue growth, with Solid Waste pricing projected at 6% to 6.5% and mid-single-digit organic top-line revenue growth in Environmental Services. The company expects adjusted EBITDA margins to expand organically by 100 basis points in each segment, supporting an adjusted EBITDA guide of \$2.215 billion. GFL reiterated its commitment to disciplined capital allocation decisions and further deleveraging, aiming for an investment-grade credit rating in the medium term.

The company plans to deploy \$250 million to \$300 million in 2024 on high Return on Invested Capital (ROIC) sustainability-related investments around EPR and RNG. GFL's reorganization of its Environmental Services (ES) segment is expected to enhance efficiency and profitability, while the company also aims to improve turnover and health and safety metrics. GFL outlined a strategic focus on small tuck-in acquisitions and optimization of service offerings, concluding with an optimistic outlook for 2024 emphasizing growth, sustainability investments, and operational efficiency.

## INVESTMENT BANKING FOR THE MIDDLE-MARKET

### WHAT WE DO

Our singular focus on the middle market allows us the opportunity to work closely with waste industry clients to provide top tier guidance throughout the transaction.

#### Merger & Acquisition – Client Profile

- Revenue \$10+ million
- EBITDA \$1.5+ million
- Enterprise Value \$10+ million
- Sell-side & Buy-side representation

#### Capital Advisory – Client Requirements

- Seeking \$10+ million
- Debt – Mezzanine/Unitranche/Commercial
- Private Equity
- Recapitalization
- Control & Non-Control Financing

#### Generational Transfer

- Partnership Buyouts
- Founder Retirement
- Interfamily Transfer

### WHO WE ARE

Transitus Capital is dedicated to providing a client centered, prudent approach by seasoned professionals. We provide a level of sophistication that our clients need to meet their varied needs with a full suite of services.

Transitus Capital delivers a true investment banking process by FINRA registered investment banking professionals

### CLIENT PROFILE

Transitus Capital Provides M&A advisory and capital advisory to firms in the waste industry including waste haulers, landfills, recyclers, and ancillary industries i.e. manufacturing.

Our capital solutions and M&A advisory provide clients guidance throughout the process of selling a business and/or raising capital.

## Transitus Environmental Services Team

*Interested in selling your Environmental Services company?  
Contact us to learn how Transitus maximizes value in a transaction.*



**Victor Bloede**  
Managing Director  
214-945-2636  
Vbloede@transituscap.com



**David Riley**  
Director  
214-846-6765  
Driley@transituscap.com

The material, information, and facts discussed in this announcement are from sources believed to be reliable at time of publication but are in no way guaranteed to be complete or accurate. This announcement should not be used as a complete analysis of any Company, securities or topics discussed herein. This is not an offeror solicitation of the securities discussed. Any opinions or estimates in this announcement are subject to change without notice. An investment in any security based on this announcement may involve risks and uncertainties that could cause actual results to differ materially from the forward-looking statements. Additionally, such investments may involve a high degree of risk and may not be suitable for all investors. Securities offered through Burch & Company, Inc. (“Burch”), member FINRA/SIPC; 4151 North Mulberry Drive, Suite 235; Kansas City, MO 64116; 816-842-4660. Burch and Transitus Capital are not affiliated entities. Certain principals of Transitus Capital are registered representatives of Burch. ©2024