



Q1 2021 Earnings Call

May 12, 2021

BUILDING **GREAT LEADERS**

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Forward-Looking Statements and Disclaimers

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Certain statements in this presentation are forward-looking statements which are based on the Company's expectations, intentions and projections regarding the Company's future performance, anticipated events or trends and other matters that are not historical facts, including expectations regarding: (i) the Company's 2021 outlook and guidance including full year and second quarter adjusted net revenues and adjusted EBITDA; (ii) the Company's quarterly, annual and long term goals and targets, including longer term adjusted EBITDA margin growth and the path to achieving those goals and targets; (iii) the expected benefits of Company initiatives, including improving its revenue mix and focus on service revenue, enhancing project and customer selection, pricing opportunities, spending efficiencies, and operational excellence; (iv) prospects for and timing of organic growth and/or acquisitions and the impact of these on margin expansion or other financial or operational benefits, and the ability to expand service offerings; (v) the Company's capacity to execute on and absorb strategic acquisitions; (vi) the impact of the Company's priorities, values and management team on shareholder value creation; (vii) the future capital spending of the Company's customers and governmental investments in infrastructure and their impacts on the Company's results; (viii) the impact of the Company's diverse geographies, end markets, customers and projects; (ix) the Company's position to benefit from the rollout of 5G; (x) the Company's future uses of cash, including for M&A, share buybacks and other working capital requirements, and their impact on shareholder value; and (xi) the Company's immediate plans to raise public equity or debt and the uses of any associated proceeds. These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements, including: (i) economic conditions, competition and other risks that may affect the Company's future performance, including the impacts of the COVID-19 pandemic on the Company's business, markets, supply chain, customers and workforce, on the credit and financial markets, on the alignment of expenses and revenues and on the global economy generally; (ii) the ability to identify and consummate accretive acquisitions and to recognize the anticipated benefits of completed acquisitions, including its ability to successfully integrate and make necessary capital investments to support additional acquisitions, and the Company's ability to take advantage of strategic opportunities; (iii) changes in applicable laws or regulations; (iv) the possibility that the Company may be adversely affected by other economic, business, and/or competitive factors; (v) the trading price of the Company's common stock, which may be positively or negatively impacted by market and economic conditions, including as a result of the COVID-19 pandemic, the availability of Company common stock, the Company's financial performance or determinations following the date of this announcement to use the Company's funds for other purposes; and (vi) other risks and uncertainties. Given these risks and uncertainties, prospective investors are cautioned not to place undue reliance on forward-looking statements. Forward-looking statements speak only as of the date of such statements and, except as required by applicable law, the Company does not undertake any obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

Disclaimer

Non-GAAP Financial Measures

This presentation contains non-U.S. GAAP financial measures within the meaning of Regulation G promulgated by the Securities and Exchange Commission. The Company uses certain non-U.S. GAAP financial measures that are included in this presentation and the additional financial information both in explaining its results to shareholders and the investment community and in its internal evaluation and management of its businesses. The Company's management believes that these non-U.S. GAAP financial measures and the information they provide are useful to investors since these measures (a) permit investors to view the Company's performance using the same tools that management uses to evaluate the Company's past performance, reportable business segments and prospects for future performance, (b) permit investors to compare the Company with its peers and (c) determine certain elements of management's incentive compensation. Specifically:

- The Company's management believes that adjusted net revenues, adjusted gross profit, adjusted selling, general and administrative ("SG&A") expenses, adjusted net income, and adjusted earnings per share, which are non-GAAP financial measures that exclude business transformation and other expenses for the integration of acquired businesses, the impact and results of businesses classified as assets held-for-sale and businesses divested, and one-time and other events such as impairment charges, share-based compensation, transaction and other costs related to acquisitions, amortization of intangible assets and depreciation remeasurements associated with acquisitions, net COVID-19 relief, and certain tax benefits from the acquisition of API Group, Inc. (the "API Acquisition"), are useful because they provide investors with a meaningful perspective on the current underlying performance of the Company's core ongoing operations.
- Adjusted net revenues is defined as net revenues excluding the impact and results of businesses classified as assets held-for-sale and businesses divested. The Company's management believes that this measure is useful as a supplement to enable investors to compare period-over-period results on a more consistent basis without the effects of businesses classified as assets held-for-sale and businesses divested, which more meaningfully reflects the Company's core ongoing operations and performance. The Company uses adjusted net revenues to evaluate its performance, both internally and as compared with its peers, because it excludes certain items that may not be indicative of the Company's core operating results.
- The Company also presents organic changes in net revenues on a consolidated basis, segment specific basis, or on a consolidated basis excluding certain segments, to provide a more complete understanding of underlying revenue trends by providing net revenues on a consistent basis as it excludes the impacts of material acquisitions, completed divestitures, and changes in foreign currency from year-over-year comparisons on reported net revenues, calculated as the difference between the reported net revenues for the current period and reported net revenues for the current period converted at the prior year average monthly exchange rates (excluding acquisitions and divestitures). The remainder is divided by the prior year net revenues, excluding the impacts of material acquisitions and completed divestitures. This presentation also includes net revenues excluding Industrial Services on an organic basis in order to provide a more complete understanding for investors of the financial results of our two most significant segments for which organic growth is a key metric.
- Earnings before interest, taxes, depreciation and amortization ("EBITDA") is the measure of profitability used by management to manage its segments and, accordingly, in its segment reporting. The Company supplements the reporting of its consolidated financial information with certain non-U.S. GAAP financial measures, including EBITDA and adjusted EBITDA, which defined as EBITDA excluding the impact of certain non-cash and other specifically identified items ("adjusted EBITDA"). Adjusted EBITDA margin is calculated as adjusted EBITDA divided by adjusted net revenues. The Company believes these non-U.S. GAAP measures provide meaningful information and help investors understand the Company's financial results and assess its prospects for future performance. The Company uses EBITDA and adjusted EBITDA to evaluate its performance, both internally and as compared with its peers, because it excludes certain items that may not be indicative of the Company's core operating results. Consolidated EBITDA is calculated in a manner consistent with segment EBITDA, which is a measure of segment profitability.
- The Company presents free cash flow, adjusted free cash flow and adjusted free cash flow conversion, which are liquidity measures used by management as factors in determining the amount of cash that is available for working capital needs or other uses of cash, however, it does not represent residual cash flows available for discretionary expenditures. Free cash flow is defined as cash provided by (used in) operating activities less capital expenditures. Adjusted free cash flow is defined as cash provided by (used in) operating activities plus or minus events including, but not limited to, transaction and other costs related to acquisitions, business transformation and other expenses for the integration of acquired businesses, impacts of businesses classified as assets held-for-sale and businesses divested, and one-time and other events such as COVID-19 related payroll tax deferral and relief items. Adjusted free cash flow conversion is defined as adjusted free cash flow as a percentage of adjusted EBITDA.

The Company does not provide reconciliations of forward-looking non-U.S. GAAP adjusted net revenues and adjusted EBITDA guidance to GAAP due to the inherent difficulty in forecasting and quantifying certain amounts that are necessary for such reconciliations, including adjustments that could be made for acquisitions and divestitures, business transformation and other expenses for the integration of acquired businesses, one-time and other events such as impairment charges, transaction and other costs related to acquisitions, amortization of intangible assets, net COVID-19 relief, and certain tax benefits from the API Acquisition, and other charges reflected in our reconciliation of historic numbers, the amount of which, based on historical experience, could be significant.

While the Company believes these non-U.S. GAAP measures are useful in evaluating the Company's performance, this information should be considered as supplemental in nature and not as a substitute for or superior to the related financial information prepared in accordance with U.S. GAAP. Additionally, these non-U.S. GAAP financial measures may differ from similar measures presented by other companies. A reconciliation of these non-U.S. GAAP financial measures is included later in this presentation.

First Quarter 2021 Performance Highlights

- ✓ Net revenues, excluding Industrial Services, increased on an organic basis by **2.4%** compared to the prior year period
- ✓ Adjusted gross margin of **23.0%**, representing a **72 basis point** increase compared to prior year
- ✓ Adjusted EBITDA margin of **7.6%**, representing an approximately **20 basis point** improvement compared to prior year
- ✓ Quarter end cash balance of approximately **\$750 million** and net debt to adjusted EBITDA under our credit facility of **1.75x**

First Quarter 2021 Financial Results Overview

Three Months Ended March 31, 2021

NET REVENUES

2.4%

Increase in net revenues, excluding Industrial Services, on an organic basis compared to prior year period

(2.1%)

Decline in adjusted net revenues compared to prior year period, primarily driven by the anticipated decline in Industrial Services

ADJUSTED GROSS MARGIN

23.0%

Compared to 22.3% for the prior year period

ADJUSTED EBITDA

\$61 million

7.6% margin, approximately 20 basis point increase over prior year of 7.4%

ADJUSTED DILUTED EPS

\$0.12 / share

\$0.03 decline from prior year primarily due to the increased number of shares compared to prior year

2021 Guidance

2021 Guidance

ADJUSTED NET REVENUES

\$3,650 – \$3,750 million

ADJUSTED EBITDA

\$405 – \$419 million

Key Financial and Operating Metrics

Three Months Ended March 31, 2021

(\$ in millions, except per share figures)

	Q1 2021	Q1 2020	YoY Change
Adjusted Net Revenues	\$803	\$820	(2.1%)
<i>Net Revenues, Excluding Industrial Services, on an Organic Basis</i>			+2.4%
Adjusted Gross Profit	\$185	\$183	+1.1%
<i>Adjusted Gross Margin</i>	23.0%	22.3%	+72 bp
Adjusted EBITDA	\$61	\$61	--
<i>Adjusted EBITDA Margin</i>	7.6%	7.4%	+20 bp
Adjusted Net Income	\$24	\$26	(7.7%)
Adjusted Diluted EPS	\$0.12	\$0.15	(\$0.03)
Operating Cash Flow	\$32	\$55	(41.8%)
Adjusted Free Cash Flow	\$23	\$53	(56.6%)
<i>Adjusted Free Cash Flow Conversion</i>	37.7%	86.9%	NM

Net Debt

(\$ in millions)

March 31, 2021

Term Loan	\$1,434
Revolving Credit Facility	--
Other Obligations	5
Total Debt Obligations	\$1,439
Unamortized Deferred Financing Costs	(27)
Total Debt, Net of Deferred Financing Costs	\$1,412
Cash and Cash Equivalents at the End of the Period	\$745
Net Debt	\$667
Net Debt to Adjusted EBITDA Ratio	1.75x

Focus on Long-Term Value Creation

- Deliver Long-Term Organic Revenue Growth Above Industry Average
- Leverage SG&A / COGS
- Expand Adjusted EBITDA Margin to 12%+ by FY 2023 and 13%+ by YE 2025
- Average Adjusted Free Cash Flow Conversion of 80%+
- Generate High Single Digit Average Earnings Growth
- Target Long-Term Net Leverage Ratio of 2.0x to 2.5x

Appendix

Reconciliation of Non-GAAP Financial Measures

Net Revenues and Adjusted Net Revenues (non-GAAP)

(\$ in millions)

	For the Three Months Ended March 31,	
	2021	2020
Net revenues (as reported)	\$ 803	\$ 858
Adjustments to reconcile net revenues to adjusted net revenues:		
Divested businesses (a)	-	(38)
Adjusted net revenues	\$ 803	\$ 820

Organic Change in Net Revenues (non-GAAP)

	For the Three Months Ended March 31, 2021			
	Net revenues	Acquisitions and	Foreign currency	Organic change in
	change	divestitures, net (b)	translation (c)	net revenues (d)
	(as reported)			
Safety Services	9.9 %	10.1 %	(0.7)%	0.5 %
Specialty Services	7.0 %	-	-	7.0 %
Industrial Services	(81.8)%	(7.1)%	-	(74.7)%
Consolidated	(6.4)%	1.0 %	(0.4)%	(7.0)%
Consolidated, excluding Industrial Services	7.9 %	5.9 %	(0.4)%	2.4 %

- a) Adjustment to reflect the elimination of amounts related to businesses divested and classified as held-for-sale.
- b) Adjustments to exclude net revenues from material acquisitions from their respective dates of acquisition until the first year anniversary from date of acquisition and net revenues from divestitures for all periods for businesses divested as of March 31, 2021.
- c) Represents the effect of foreign currency on reported net revenues, calculated as the difference between the reported net revenues for the current period and reported net revenues for the current period converted at the prior year average monthly exchange rates (excluding acquisitions and divestitures).
- d) Organic change in net revenues provides a consistent basis for a year-over-year comparison in net revenues as it excludes the impacts of material acquisitions, divestitures, and the impact of changes due to foreign currency translation.

Reconciliation of Non-GAAP Financial Measures (Cont'd)

Gross Profit and Adjusted Gross Profit (non-GAAP)

(\$ in millions)

	For the Three Months Ended March 31,	
	2021	2020
Gross profit (as reported)	\$ 181	\$ 162
Adjustments to reconcile gross profit to adjusted gross profit:		
Backlog amortization	(a) 1	22
Depreciation remeasurement	(b) 3	(1)
Adjusted gross profit	\$ 185	\$ 183
<i>Adjusted net revenues</i>	(c) \$ 803	\$ 820
<i>Adjusted gross margin</i>	23.0 %	22.3 %



- a) Adjustment to reflect the addback of amortization expense related to backlog intangibles assets.
- b) Adjustment to reflect annualized depreciation expense of \$60 million, which is approximately equivalent to medium to long-term cash capital expenditures, and excludes a portion of depreciation arising from purchase accounting step up to fair value of property and equipment.
- c) Adjusted net revenues derived from non-GAAP reconciliations included elsewhere in this presentation.

Reconciliation of Non-GAAP Financial Measures (Cont'd)

SG&A and Adjusted SG&A (non-GAAP)

(\$ in millions)

	For the Three Months Ended March 31,	
	2021	2020
Selling, general and administrative expenses ("SG&A") (as reported)	\$ 183	\$ 188
Adjustments to reconcile SG&A to adjusted SG&A:		
Divested businesses	(a) -	(1)
Contingent consideration and compensation	(b) (2)	(7)
Amortization of intangible assets	(c) (30)	(30)
Depreciation remeasurement	(d) (1)	(4)
Business process transformation costs	(e) (6)	(2)
Public company registration, listing and compliance	(f) -	(4)
Acquisition expenses	(g) (3)	-
Adjusted SG&A expenses	\$ 141	\$ 140
<i>Adjusted net revenues</i>	(h) \$ 803	\$ 820
<i>Adjusted SG&A as a percentage of adjusted net revenues</i>	17.6 %	17.1 %

- a) Adjustment to reflect the elimination of amounts related to businesses divested and classified as held-for-sale.
- b) Adjustment to reflect the elimination of expense attributable to deferred consideration to prior owners of acquired businesses not expected to continue or recur.
- c) Adjustment to reflect the addback of amortization expense.
- d) Adjustment to reflect annualized depreciation expense of \$60 million, which is approximately equivalent to medium to long-term cash capital expenditures, and excludes a portion of depreciation arising from purchase accounting step up to fair value of property and equipment.
- e) Adjustment to reflect the elimination of non-operational costs related to business process transformation, including system and process development costs and implementation of processes and compliance programs related to the Sarbanes-Oxley Act of 2002.
- f) Adjustment to reflect the elimination of costs relating to public company registration, listing and compliance.
- g) Adjustment to reflect the elimination of potential and completed acquisition-related expenses.
- h) Adjusted net revenues derived from non-GAAP reconciliations included elsewhere in this presentation.

Reconciliation of Non-GAAP Financial Measures (Cont'd)

Income (Loss) before Income Tax, Net Income (Loss) and EPS and Adjusted Income before Income Tax, Net Income and EPS (non-GAAP)

(\$ in millions)

	For the Three Months Ended March 31,	
	2021	2020
Loss before income tax provision (as reported)	\$ (14)	\$ (245)
Adjustments to reconcile loss before income tax provision to adjusted income before income tax provision:		
Divested businesses (a)	-	6
Amortization of intangible assets (b)	31	52
Depreciation remeasurement (c)	4	3
Contingent consideration and compensation (d)	2	7
Impairment of goodwill and intangible assets (e)	-	203
Business process transformation costs (f)	6	2
Public company registration, listing and compliance (g)	-	4
Acquisition expenses (h)	4	-
COVID-19 relief at Canadian subsidiaries (i)	(2)	-
Adjusted income before income tax provision	\$ 31	\$ 32
Income tax benefit (as reported)		
	\$ (6)	\$ (51)
Adjustments to reconcile income tax provision (benefit) to adjusted income tax provision:		
Income tax provision adjustment (j)	13	57
Adjusted income tax provision	\$ 7	\$ 6
Adjusted income before income tax provision	\$ 31	\$ 32
Adjusted income tax provision	7	6
Adjusted net income	\$ 24	\$ 26
Diluted weighted average shares outstanding (as reported)		
	192	170
Adjustments to reconcile diluted weighted average shares outstanding to adjusted diluted weighted average shares outstanding:		
Dilutive impact of shares from GAAP net loss (k)	4	-
Dilutive impact of Preferred Shares (l)	4	4
Adjusted diluted weighted average shares outstanding	200	174
Adjusted diluted EPS	\$ 0.12	\$ 0.15

- a) Adjustment to reflect the elimination of amounts related to businesses divested and classified as held-for-sale, inclusive of impairment charges and gain/(loss) on sale.
- b) Adjustment to reflect the addback of pre-tax amortization expense related to intangibles assets.
- c) Adjustment to reflect annualized depreciation expense of \$60 million, which is approximately equivalent to medium to long-term cash capital expenditures, and excludes a portion of depreciation arising from purchase accounting step up to fair value of property and equipment.
- d) Adjustment to reflect the elimination of expense attributable to deferred consideration to prior owners of acquired businesses not expected to continue or recur.
- e) Adjustment to reflect the elimination of non-cash impairment charges related to goodwill and intangible assets.
- f) Adjustment to reflect the elimination of non-operational costs related to business process transformation, including system and process development costs and implementation of processes and compliance programs related to the Sarbanes-Oxley Act of 2002.
- g) Adjustment to reflect the elimination of costs relating to public company registration, listing and compliance.
- h) Adjustment to reflect the elimination of potential and completed acquisition-related expenses.
- i) Adjustment to reflect the elimination of miscellaneous income in Canada related to COVID-19 relief.
- j) Adjustment to reflect an adjusted effective cash tax rate of 21% for the three months ended March 31, 2021 and 20% for the three months ended March 31, 2020 (taking into consideration the tax benefits associated with the realization of accelerated depreciation attributable to the approximately \$350 million tax asset acquired with the Api Acquisition) applied to resulting adjusted pre-tax income inclusive of the adjustments shown above.
- k) Adjustment to add the dilutive impact of options, RSUs, and warrants which were anti-dilutive and excluded from the diluted weighted average shares outstanding (as reported).
- l) Adjustment for the three months ended March 30, 2021 and March 31, 2020 reflects addition of the GAAP dilutive impact of 4 million shares associated with the deemed conversion of Preferred Shares. Adjustment excludes the dilutive effect of the Preferred Share dividend as the dividend is contingent upon the share price the last ten days of the calendar year and was not earned as of March 31, 2021 or March 31, 2020.

Reconciliation of Non-GAAP Financial Measures (Cont'd)

Free Cash Flow and Adjusted Free Cash Flow and Conversion (non-GAAP)

(\$ in millions)

	For the Three Months Ended March 31,	
	2021	2020
Net cash provided by operating activities (as reported)	\$ 32	\$ 55
Less: Purchases of property and equipment	(18)	(11)
Free cash flow	\$ 14	\$ 44
Add (deduct): Cash payments (sources) related to following items:		
Businesses divested	(a) -	3
Contingent consideration and compensation	(b) 1	-
Business process transformation costs	(c) 6	2
Public company registration, listing and compliance	(d) -	4
Acquisition expenses	(e) 4	-
COVID-19 relief at Canadian subsidiaries	(f) (2)	-
Adjusted free cash flow	\$ 23	\$ 53
<i>Adjusted EBITDA</i>	(g) \$ 61	\$ 61
<i>Adjusted free cash flow conversion</i>	37.7 %	86.9 %

- a) Adjustment to reflect the elimination of operating cash and purchases of property and equipment related to businesses divested and classified as held-for-sale.
- b) Adjustment to reflect the elimination of deferred payments to prior owners of acquired businesses not expected to continue or recur.
- c) Adjustment to reflect the elimination of operating cash used for non-operational costs related to business process transformation, including system and process development costs and implementation of processes and compliance programs related to the Sarbanes-Oxley Act of 2002.
- d) Adjustment to reflect the elimination of operating cash used for public company registration, listing and compliance costs.
- e) Adjustment to reflect the elimination of potential and completed acquisition-related costs.
- f) Adjustment to reflect the elimination of cash received in Canada for COVID-19 relief, not expected to continue or recur.
- g) Adjusted EBITDA derived from non-GAAP reconciliation included elsewhere in this presentation.

Reconciliation of Non-GAAP Financial Measures (Cont'd)

EBITDA and Adjusted EBITDA (non-GAAP)

(\$ in millions)

	For the Three Months Ended March 31,	
	2021	2020
Net loss (as reported)	\$ (8)	\$ (194)
Adjustments to reconcile net loss to EBITDA:		
Interest expense, net	15	14
Income tax provision (benefit)	(6)	(51)
Depreciation and amortization	50	70
EBITDA	\$ 51	\$ (161)
Adjustments to reconcile EBITDA to adjusted EBITDA:		
Divested businesses	(a) -	6
Contingent consideration and compensation	(b) 2	7
Impairment of goodwill and intangible assets	(c) -	203
Business process transformation costs	(d) 6	2
Public company registration, listing and compliance	(e) -	4
Acquisition expenses	(f) 4	-
COVID-19 relief at Canadian subsidiaries	(g) (2)	-
Adjusted EBITDA	\$ 61	\$ 61
<i>Adjusted net revenues</i>	(h) \$ 803	\$ 820
<i>Adjusted EBITDA as a percentage of adjusted net revenues</i>	7.6 %	7.4 %

- a) Adjustment to reflect the elimination of amounts related to businesses divested and classified as held-for-sale, inclusive of impairment charges and gain/(loss) on sale.
- b) Adjustment to reflect the elimination of expense attributable to deferred consideration to prior owners of acquired businesses not expected to continue or recur.
- c) Adjustment to reflect the elimination of non-cash impairment charges related to goodwill and intangible assets.
- d) Adjustment to reflect the elimination of non-operational costs related to business process transformation, including system and process development costs and implementation of processes and compliance programs related to the Sarbanes-Oxley Act of 2002.
- e) Adjustment to reflect the elimination of costs relating to public company registration, listing and compliance.
- f) Adjustment to reflect the elimination of potential and completed acquisition-related expenses.
- g) Adjustment to reflect the elimination of miscellaneous income in Canada related to COVID-19 relief.
- h) Adjusted net revenues derived from non-GAAP reconciliations included elsewhere in this presentation.

Reconciliation of Non-GAAP Financial Measures (Cont'd)

Adjusted Segment Financial Information (non-GAAP)

(\$ in millions)

	For the Three Months Ended March 31, 2021			For the Three Months Ended March 31, 2020		
	As Reported	Adjustments	As Adjusted	As Reported	Adjustments	As Adjusted
Safety Services						
Net revenues	\$ 466	\$ -	\$ 466	\$ 424	\$ -	\$ 424
Cost of revenues	319	-	319	306	(10) (a)	295
					(1) (b)	
Gross profit	\$ 147	\$ -	\$ 147	\$ 118	\$ 11	\$ 129
Gross margin	31.5 %		31.5 %	27.8 %		30.4 %
Specialty Services						
Net revenues	\$ 321	\$ -	\$ 321	\$ 300	\$ -	\$ 300
Cost of revenues	284	(1) (a)	280	270	(8) (a)	262
		(3) (b)				
Gross profit	\$ 37	\$ 4	\$ 41	\$ 30	\$ 8	\$ 38
Gross margin	11.5 %		12.8 %	10.0 %		12.7 %
Industrial Services						
Net revenues	\$ 25	\$ -	\$ 25	\$ 137	\$ (38) (c)	\$ 99
Cost of revenues	28	-	28	123	(38) (c)	83
					(4) (a)	
					2 (b)	
Gross profit	\$ (3)	\$ -	\$ (3)	\$ 14	\$ 2	\$ 16
Gross margin	(12.0)%		(12.0)%	10.2 %		16.2 %
Corporate and Eliminations						
Net revenues	\$ (9)	\$ -	\$ (9)	\$ (3)	\$ -	\$ (3)
Cost of revenues	(9)	-	(9)	(3)	-	(3)
Total Consolidated						
Net revenues	\$ 803	\$ -	\$ 803	\$ 858	\$ (38) (c)	\$ 820
Cost of revenues	622	(1) (a)	618	696	(38) (c)	637
		(3) (b)			(22) (a)	
					1 (b)	
Gross profit	\$ 181	\$ 4	\$ 185	\$ 162	\$ 21	\$ 183
Gross margin	22.5 %		23.0 %	18.9 %		22.3 %

- a) Adjustment to reflect the addback of amortization expense related to backlog intangibles assets.
b) Adjustment to reflect annualized depreciation expense of \$60 million, which is approximately equivalent to medium to long-term cash capital expenditures, and excludes a portion of depreciation arising from purchase accounting step up to fair value of property and equipment.
c) Adjustment to reflect the elimination of amounts related to businesses divested and classified as held-for-sale.

Reconciliation of Non-GAAP Financial Measures (Cont'd)

Adjusted Segment Financial Information (non-GAAP)

(\$ in millions)

	For the Three Months Ended March 31,	
	2021 (a)	2020 (a)
Safety Services		
Adjusted net revenues	\$ 466	\$ 424
Adjusted gross profit	147	129
Adjusted EBITDA	63	53
<i>Adjusted gross margin</i>	31.5 %	30.4 %
<i>Adjusted EBITDA as a percentage of adjusted net revenues</i>	13.5 %	12.5 %
Specialty Services		
Adjusted net revenues	\$ 321	\$ 300
Adjusted gross profit	41	38
Adjusted EBITDA	22	18
<i>Adjusted gross margin</i>	12.8 %	12.7 %
<i>Adjusted EBITDA as a percentage of adjusted net revenues</i>	6.9 %	6.0 %
Industrial Services		
Adjusted net revenues	\$ 25	\$ 99
Adjusted gross profit	(3)	16
Adjusted EBITDA	(6)	10
<i>Adjusted gross margin</i>	(12.0)%	16.2 %
<i>Adjusted EBITDA as a percentage of adjusted net revenues</i>	(24.0)%	10.1 %
<i>Total adjusted net revenues before corporate and eliminations</i>	(b) \$ 812	\$ 823
<i>Total adjusted EBITDA before corporate and eliminations</i>	(b) 79	81
<i>Adjusted EBITDA as a percentage of adjusted net revenues before corporate and eliminations</i>	(b) 9.7 %	9.8 %
Corporate and Eliminations		
Adjusted net revenues	\$ (9)	\$ (3)
Adjusted EBITDA	(18)	(20)
Total Consolidated		
Adjusted net revenues	\$ 803	\$ 820
Adjusted gross profit	185	183
Adjusted EBITDA	61	61
<i>Adjusted gross margin</i>	23.0 %	22.3 %
<i>Adjusted EBITDA as a percentage of adjusted net revenues</i>	7.6 %	7.4 %

- a) Information derived from non-GAAP reconciliations included elsewhere in this presentation.
b) Calculated from results of the Company's operating segments shown above, excluding Corporate and Eliminations.

Reconciliation of Non-GAAP Financial Measures (Cont'd)

Adjusted Segment Financial Information (non-GAAP)

(\$ in millions)

	For the Three Months Ended March 31,	
	2021 (a)	2020 (a)
Safety Services		
Safety Services EBITDA	\$ 65	\$ 18
Adjustments to reconcile EBITDA to adjusted EBITDA:		
Contingent consideration and compensation (a)	-	1
Impairment of goodwill and intangible assets (b)	-	34
COVID-19 relief at Canadian subsidiaries (c)	(2)	-
Safety Services adjusted EBITDA	\$ 63	\$ 53
Specialty Services		
Specialty Services EBITDA	\$ 20	\$ (108)
Adjustments to reconcile EBITDA to adjusted EBITDA:		
Contingent consideration and compensation (a)	2	6
Impairment of goodwill and intangible assets (b)	-	120
Specialty Services adjusted EBITDA	\$ 22	\$ 18
Industrial Services		
Industrial Services EBITDA	\$ (6)	\$ (45)
Adjustments to reconcile EBITDA to adjusted EBITDA:		
Divested businesses (d)	-	6
Impairment of goodwill and intangible assets (b)	-	49
Industrial Services adjusted EBITDA	\$ (6)	\$ 10
Corporate and Eliminations		
Corporate and eliminations EBITDA	\$ (28)	\$ (26)
Adjustments to reconcile EBITDA to adjusted EBITDA:		
Business process transformation (e)	6	2
Public company registration, listing and compliance (f)	-	4
Acquisition expenses (g)	4	-
Corporate and Eliminations adjusted EBITDA	\$ (18)	\$ (20)

- a) Adjustment to reflect the elimination of expense attributable to deferred consideration to prior owners of acquired businesses not expected to continue or recur.
- b) Adjustment to reflect the elimination of non-cash impairment charges related to goodwill and intangible assets.
- c) Adjustment to reflect the elimination of miscellaneous income in Canada related to COVID-19 relief.
- d) Adjustment to reflect the elimination of amounts related to businesses divested and classified as held-for-sale, inclusive of impairment charges and gain/(loss) on sale.
- e) Adjustment to reflect the elimination of non-operational costs related to business process transformation, including system and process development costs and implementation of processes and compliance programs related to the Sarbanes-Oxley Act of 2002.
- f) Adjustment to reflect the elimination of costs relating to public company registration, listing and compliance.
- g) Adjustment to reflect the elimination of potential and completed acquisition-related expenses.

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Q1 2021 Earnings Call

BUILDING GREAT LEADERS