



Industry Insight:

Facility Services

2025 Year in Review



Facility Services Landscape

Facility services continues to see strong transaction activity, supported by resilient demand across essential service lines serving commercial and industrial customers. Momentum is most pronounced in subsectors defined by recurring service cycles and technical complexity, including building systems maintenance, fire and life safety, and testing and inspection. Fundamentals across the broader sector remain strong – services are considered essential, the sector is highly fragmented, and there is a deep pool of strategic and financial buyers seeking to invest. Looking ahead, these characteristics are expected to sustain M&A activity and support continued growth across the facility services landscape.

Facility Services Subsector Overview

1 Waste and Site Services

Includes waste disposal, recycling, and site cleaning, along with the rental and maintenance of portable sanitation and temporary site equipment.

2 Fire & Life Safety Services

Installation and maintenance, and testing of fire protection, and life safety systems such as alarms, suppression systems, emergency lighting and access controls, as well as the provision of on-site or remote security.

7 Laundry, Linen, and Uniform

Includes laundering, upkeep, and provision of textiles like linens and uniforms, especially for healthcare, hospitality, and industrial facilities.

3 Janitorial and Cleaning

Includes daily cleaning and sanitation of building interiors to maintain hygiene and provide a healthy environment for occupants and visitors.



6 Workforce Accommodations and Catering

Provides living arrangements for staff, temporary housing and food services, catering to the operational needs of businesses.

4 Maintenance, Testing, & Inspection

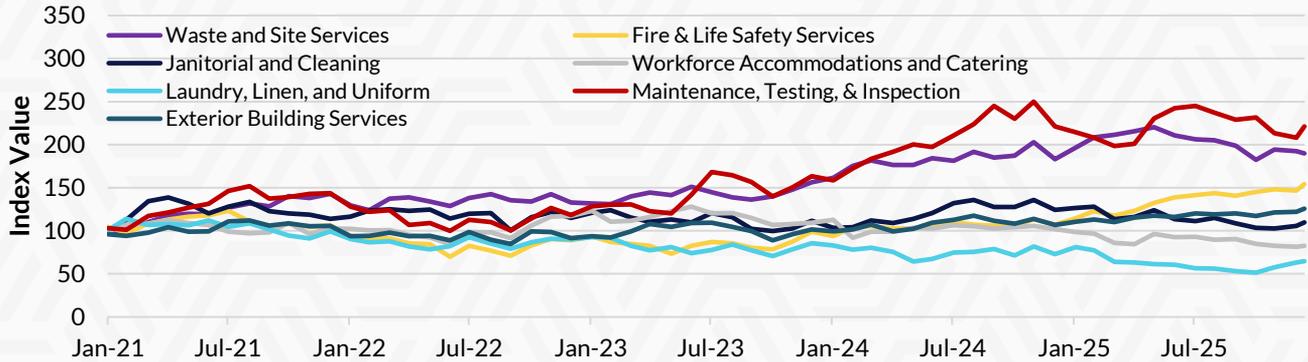
Technical services ensuring safety, performance, and compliance for HVAC, elevators, facility systems, and industrial equipment, including inspection and certification.

5 Exterior Building Services

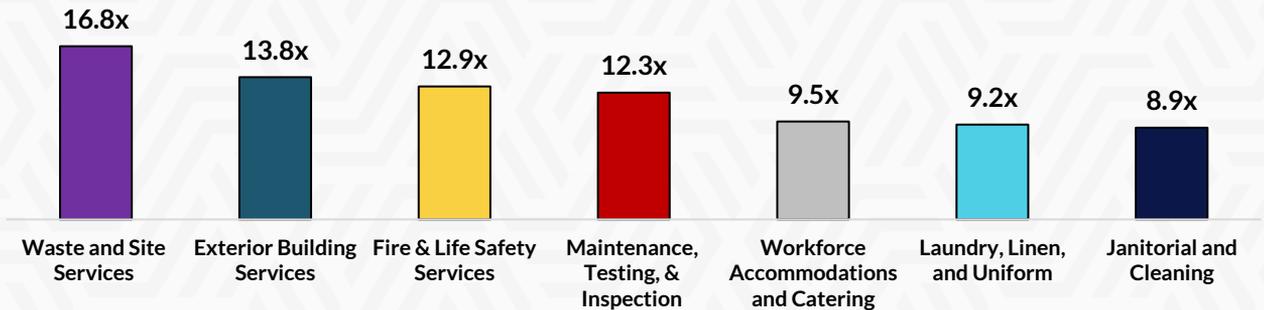
Encompasses the enhancement of a building's external appearance and structure through services including paving, roofing, window cleaning, power washing, landscaping/grounds maintenance, and pest control.

Public Market Valuations

5-Year Index - Public Companies



LTM EBITDA Multiples - Public Companies ⁽¹⁾



- Five-year public market index trends across facility services demonstrate a clear divergence in performance, with subsectors characterized by contractual, compliance driven revenue outperforming more labor-intensive service models.
- Waste and Site Services and Exterior Building Services have delivered steady index performance, supported by essential service demand and recurring revenue. In Waste and Site Services, valuation multiples have expanded materially over the past several years, reinforcing its status as a sector leader.
- Maintenance, Testing and Inspection and Fire and Life Safety remain core valuation anchors for the sector in 2025, driving the strongest multiple expansion across the group. Regulatory requirements, nondiscretionary demand, and long-term service agreements underpin strong revenue visibility and durable cash flows, which continue to command premium public market valuations.
- Labor intensive subsectors such as Janitorial and Cleaning and Laundry, Linen, and Uniform services remain essential and highly recurring, supporting strong customer stickiness and attractive valuation multiples despite ongoing cost inflation. Recent public market validation includes GDI's announced take private transaction, implying a 25% premium to the December 22, 2025 closing price and a 30% premium to the 20-day VWAP.

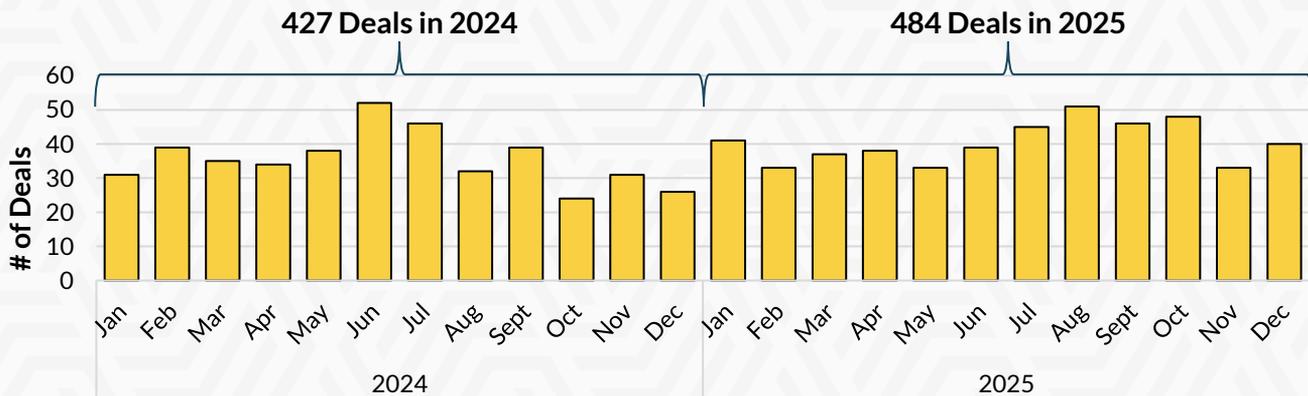
Source: S&P CapitalIQ
(1) As of January 19, 2026

Facility Services M&A Overview

Facility Services M&A totaled 484 announced transactions in 2025, up from 427 in 2024. Private equity remained the most active buyer group, driving new platform formation and steady add-on execution. PE-backed platforms continued to consolidate regional operators, emphasizing route density, compliance exposure, and multi-service capabilities. Demand was concentrated in mission-critical categories with meaningful safety/regulatory exposure and recurring operational requirements.

As the year progressed, momentum built and activity skewed toward the second half, most notably from July through October, before moderating into year-end. Larger transactions became more prevalent, while add-on activity remained steady but selective as buyers prioritized quality and integration fit. With capital available, the sector enters 2026 with continued consolidation tailwinds and strong buyer interest.

North American Announced Transaction Volume ¹

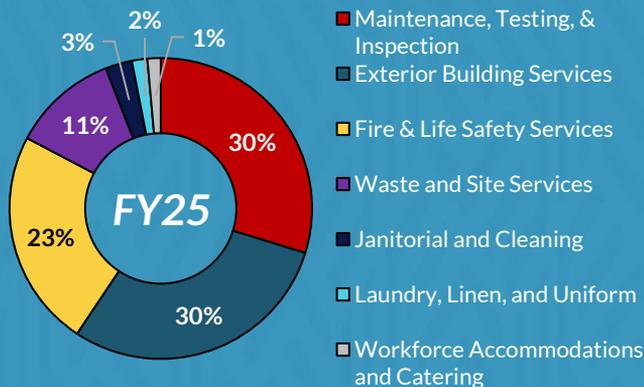


WHERE BUYER FOCUS EMERGED IN 2025

Facility Services M&A activity remained active in 2025, with deal volume concentrated in technical and regulated service lines.

Maintenance, Testing and Inspection and Fire and Life Safety represented a significant share of announced transactions, reflecting buyer preference for recurring, inspection driven models with regulatory exposure.

Exterior Building Services also saw meaningful activity, supported by fragmented markets and buyer focus on tuck in acquisitions that build regional density.

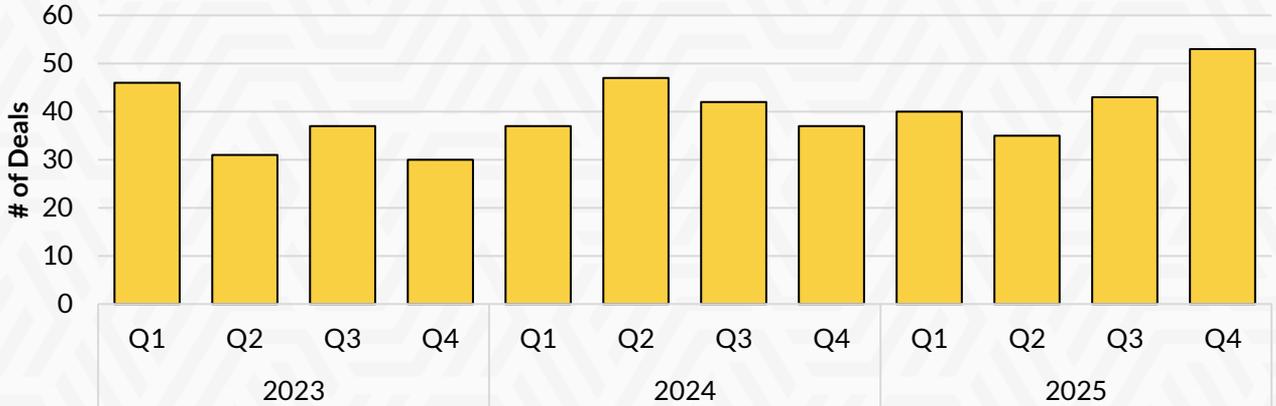


⁽¹⁾ Source: S&P Capital IQ – Includes announced & closed deals, based on the sub-categories listed on page 2

Why Buyers Are Leaning Into Fire & Life Safety

Deal flow across fire and life safety remained resilient in 2025. Capital is gravitating toward platforms built around recurring inspections, certified services, and ownership of ongoing compliance requirements across alarms, suppression, emergency lighting, and monitoring. Operators embedded in the building lifecycle continue to drive demand as buyers remain cautious of acquiring install-led contractors and businesses that lack service density.

Sustained Buyer Demand, Not Cyclical Momentum



What Buyers Value in Fire and Life Safety Platforms

Recurring, Code-Driven Work

Required inspections and testing, drive dependable service demand across commercial, industrial, and institutional end markets.

Full-Service Compliance Coverage

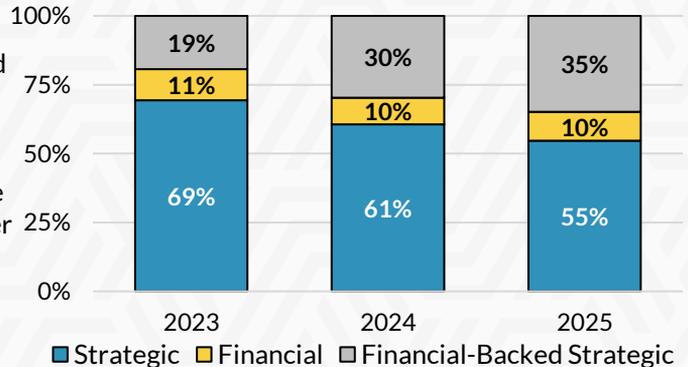
Buyers favor platforms that deliver inspection, suppression, alarms, lighting, and monitoring under one contract.

Service Density and Contract Retention

Multi service footprints and long-term customer relationships support margin expansion and cross sell capabilities.

BUYER MIX OVERVIEW

Buyer composition has shifted meaningfully toward PE backed strategics, underscoring the growing influence of scaled platforms with capital and operational depth. Strategic buyers continue to drive the majority of transactions, while standalone financial buyers remain selective, focusing on higher quality assets with durable contract retention and embedded compliance.



TIC Continues Strong Consolidation

Testing, inspection, and certification (“TIC”) services remain a core enabler of uptime, safety, and compliance across industrial and infrastructure end markets. In 2025, buyer interest has been strongest for TIC platforms with recurring inspection revenue, embedded customer relationships, and differentiated technical capabilities that are difficult to replicate. As owners and operators continue to prioritize asset integrity and risk management, scaled providers with deep technical expertise and repeat service cycles have continued to command premium valuations.

WHAT ARE BUYERS PAYING FOR?



RECURRING TESTING CYCLES

Recurring inspection schedules drive predictable, compliance driven revenue and strong visibility across customer facilities.



FACILITY-EMBEDDED RELATIONSHIPS

Deep customer integration supports long term retention, higher service density, and durable recurring demand.



SPECIALIZATION THAT HOLDS MARGIN

Differentiated technical capabilities support pricing power, higher margins, and defensible positioning in competitive markets.

2025 Deals Reshaping the Sector

Buyer

Target

Deal Highlights



\$1.3B deal (Jul 2025) expands SGS’s U.S. presence and adds 85+ labs focused on aerospace, defense, and power generation compliance.



\$1.7B merger (Aug 2025) combines industrial inspection with engineering services to form a leader in TICC.



Cross-border acquisition gives Apave (France) 2,000+ NDT staff across Canada, U.S., UK, and Australia. Closed Q1 2025.



Consolidates pipeline in-line inspection; adds proprietary ultrasonic and acoustic tools. Canadian-backed buyer.

Source: S&P CapitalIQ

Sequeira Partners: Select Transaction Experience

Advisor to



on the sale to

ASPLUNDH

Arbor-Tech Utility Services Ltd.

Exterior Building Services

Arbor-Tech Utility Services Ltd. is a Western Canada based vegetation management provider, delivering utility line clearance, danger tree removal, and right of way maintenance for electric utilities and infrastructure owners across Alberta and Western Canada.

Sequeira Partners advised Arbor-Tech on the sale to Asplundh, supporting the shareholders in selecting the right partner for the next phase of growth. The transaction will help facilitate the next phase of growth for Arbor-Tech while allowing the Company to continue its long-standing history of operational excellence.

Advisor to



on the sale to

An Undisclosed Buyer

Streamline Inspection Ltd.

Maintenance, Testing & Inspection

Established in 2007, Streamline is a Canadian specialty inspection services provider offering API inspections, NDT, 3D laser scanning, and engineering evaluations. The Company serves a diverse client base across Canada's industrial markets.

Sequeira Partners advised Streamline in finding the right partner to allow the shareholders to monetize their investment in the Company. The sale marks an important milestone for Streamline as it enters its next phase of growth

Advisor to



on its partnership with

INVICO

GNS Industrial Trailer Services

Workforce Accommodations & Catering

Founded in 1996 and based in Spruce Grove, Alberta, GNS Industrial Trailer Services Ltd. provides remote accommodation for energy, LNG, mining, and forestry across Canada. Its fleet spans single unit offices and sleepers to 500 plus person complexes.

Sequeira Partners advised GNS on securing a strategic partner for its next phase of growth. The transaction with Invico supports GNS's long term objectives and continued expansion across its platform.

SELECT OTHER FACILITY SERVICES TRANSACTIONS

Advisor to



on the sale to



Advisor to



on the sale to



Advisor to



on the proposed sale to

Hillcore

Advisor to



on the sale to



Advisor to



on its sale to



Advisor to



on the sale to



Interested in Learning More?

Sequeira Partners is a leading Canadian advisor in the mid-market sector. If you are interested in learning more as a potential buyer, seller or fellow facility services industry enthusiast, we would love to hear from you.

Our dedicated partners and team are always available and eager to discuss market trends and strategize on opportunities.

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