



Industry Insight:  
**Facility Services**  
Q4 2024



**sequeira**  
PARTNERS

# Facility Services Landscape

Facility Services are the foundation of commercial and industrial operations, delivering essential services including waste removal, roofing repair, HVAC maintenance, janitorial work, and fire, safety, and security. The sector's recurring revenue potential and critical role in operations have made it a focal point for mergers and acquisitions. The maintenance and contractor space has stood out as a vital segment, driven by demand for maintenance, weather repairs, and regulatory compliance. Following strong M&A activity in 2023 and 2024, momentum is expected to continue in 2025, with the sector presenting compelling opportunities for growth and consolidation.

## 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, Safety & Security Services

Installation and maintenance of physical security systems such as alarms, cameras, and access controls, as well as the provision of on-site or remote security personnel.

### 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.

### 5 Exterior Building Services

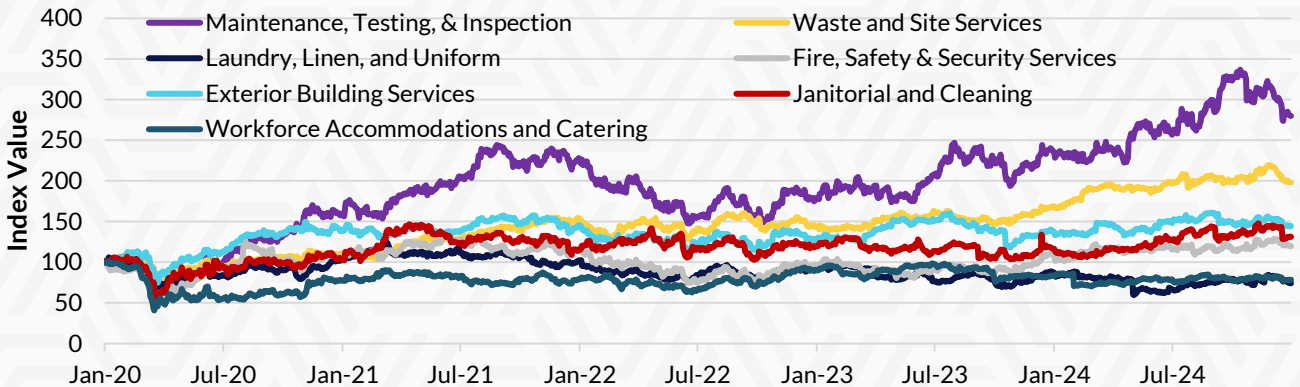
Encompasses the enhancement of a building's external appearance and structure through services including paving, roofing, window cleaning, power washing, landscaping/grounds maintenance, and pest control.

### 4 Maintenance, Testing, & Inspection

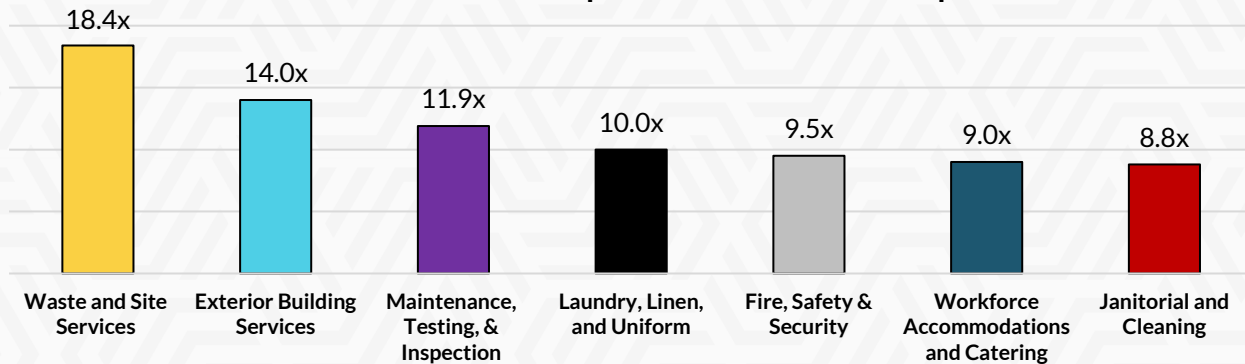
Technical services ensuring safety, performance, and compliance for HVAC, elevators, facility systems, and industrial equipment, including inspection and certification.

# Public Market Valuations

## 5-Year Index - Public Companies



## LTM EBITDA Multiples - Public Companies



- ✦ The 5-year index trends in facility services show a sharp divide, with some subsectors benefiting from strong industry tailwinds while others face cyclical pressures. Maintenance, Testing & Inspection leads the sector, driven by infrastructure investment, stricter regulations, and long-term contracts. The rise of predictive maintenance and monitoring technology has reinforced its momentum.
- ✦ Waste & Site Services has also posted steady gains, supported by stable demand for essential services and a resilient recurring revenue model. Even in periods of economic uncertainty, its steady cash flow has kept valuations climbing.
- ✦ Janitorial & Cleaning and Fire, Safety & Security have stayed near their indexed starting values, benefiting from steady demand but facing strong competition and pricing pressure.
- ✦ Investor sentiment is clear: subsectors with high-margin, contract-driven revenue models continue to outperform, while those tied to labor-intensive, lower-margin services face ongoing valuation pressure.

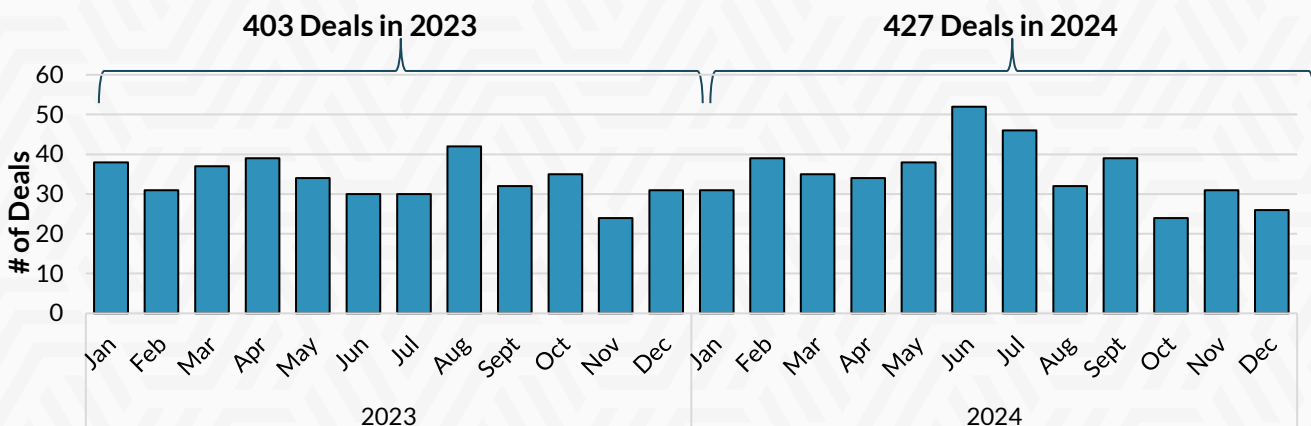
Source: S&P CapitalIQ

# Facility Services M&A Overview

The Facility Services sector recorded 427 announced transactions in 2024, up from 403 in 2023, reflecting sustained investor confidence. Private equity firms remained active, drawn to its recurring revenue and essential nature.

Transaction volume peaked in June and July, driven by strategic acquisitions by consolidators. However, activity slowed in the latter half of the year as economic uncertainty and the U.S. election prompted some dealmakers to hold back. While political and market conditions remain in flux, strong fundamentals and sustained private equity interest point to a rebound in deal flow in 2025.

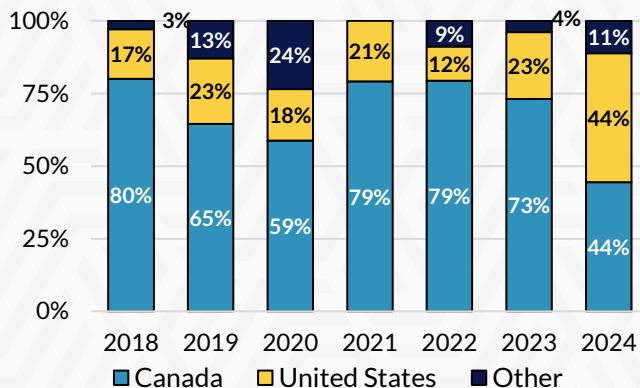
## North American Announced Transaction Volume<sup>1</sup>



Investors are drawn to the sector’s resilience, scalable platforms, and the chance to unlock value through bolt-on acquisitions and operational efficiencies—especially in highly fragmented Facility Services subsectors, where consolidation opportunities remain abundant.

A standout trend in 2024 has been the growing dominance of U.S. buyers in Canadian M&A. Private equity firms and strategic-backed platforms have been aggressive acquirers, expanding their platforms, leveraging Canada’s market for growth, and capitalizing on sector-specific consolidation opportunities.

### Canadian Target Purchaser Location



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

# Notable M&A Activity in Canada

Major transactions are reshaping Canada's Facility Services sector as investors and operators reposition for long-term growth. Private equity remains active, while deals like GFL's divestiture and the GardaWorld management buyout highlight evolving ownership strategies. Roll-ups and divestitures continue to redefine the landscape, with M&A set to remain a key force in the industry heading into 2025.

## GFL Monetizes Environmental Services Business in Major Private Equity Deal



### Transaction Highlights

- 📍 Enterprise Value: CA\$8.0bn
- ✖ Implied Multiple: 14.6x

### Financial Sponsor Profile

- 🇬🇧 BC Partners
- 🇺🇸 Apollo

- GFL is selling a 56% stake in its Environmental Services business to BC Partners and Apollo, while retaining a C\$1.7 billion equity stake.
- The deal sharpens GFL's focus on solid waste operations, where it sees greater long-term growth.
- BC and Apollo's investment highlights private equity's active interest in the sector, recognizing opportunities for continued consolidation.

## GardaWorld's Record-Breaking Management Buyout



### Transaction Highlights

- 📍 Enterprise Value: CA\$13.5bn
- 📈 EV on initial investment in 2019: CA\$5.2bn

### Largest Private Buy-out in Canadian History

- BC Partners is selling a 70% stake in GardaWorld to its founder, Chairman, President, and CEO, Stephan Crétier, along with key management.
- This transaction stands out as an alternative from the traditional PE-backed IPO model, highlighting private credit's growing role in management-led buyouts and alternative exit strategies.

## PE-Backed Infinity Home Services (IHS) Enters Canada with D'Angelo & Sons Acquisition



### Buyer Profile

- 🏠 IHS is a U.S. based leading roofing and exterior remodeling service provider.
- 📄 Backed by Freeman Spogli & Co. and Lightbay Capital.
- ✓ 13 announced acquisitions over the past 2 years executed under the IHS platform.

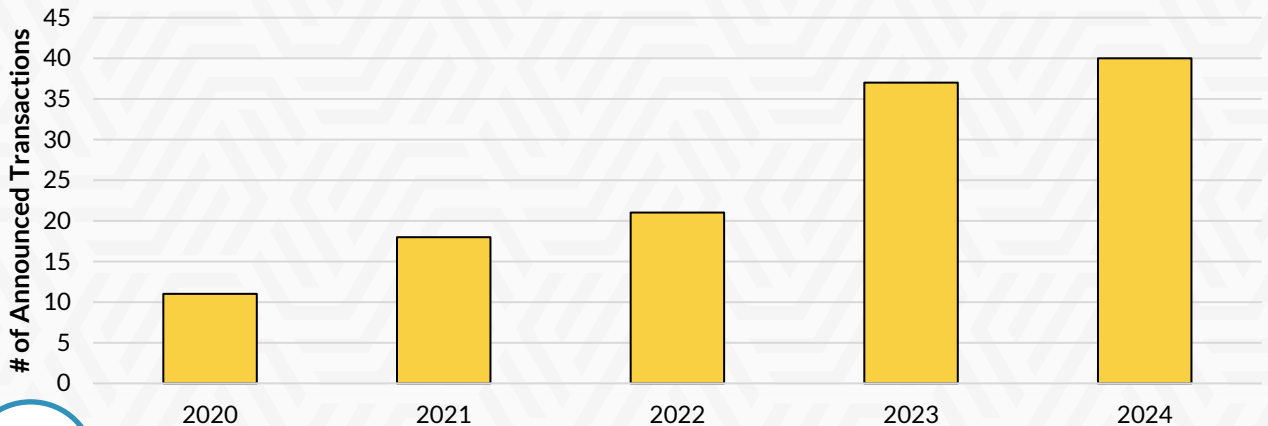
- Private equity-backed IHS acquired D'Angelo & Sons, marking its first Canadian acquisition after rapidly consolidating the home exterior services market in the United States.
- The deal highlights private equity's strategy of using platform investments to scale beyond the U.S. market, as rising competition pushes firms to pursue consolidation opportunities elsewhere.

Source: S&P CapitalIQ

# Nailed It: The Roofing Rundown

One of the most active segments in facility services M&A, the roofing industry has seen deal volume surge over the past two years. Increased competition from both private equity and strategic acquirers has fueled heightened transaction activity, with buyers accelerating roll-up strategies in a highly fragmented market. Investors are focusing on scaled operators with strong market positioning and exposure to resilient end markets.

## Disclosed Transaction Volume



## The Shingles of Success

### Predictable Cash Flow Pays

Buyers prioritize businesses with predictable recurring revenue over those exposed to project-based volatility. Re-roofing, maintenance contracts, and service agreements create steady cash flow, enhancing resilience and making companies more attractive and valuable in an M&A process.

### Reach and Scale Matter

Roofing businesses with a strong geographic footprint are more resilient. Operating across multiple regions reduces exposure to local economic shifts and weather cycles, while companies in high-demand areas—such as those prone to severe weather—command higher valuations due to steady repair and replacement needs.

### Execution Sets You Apart

Reliable access to skilled labor, critical equipment, and efficient supply chains is a competitive advantage. Companies that can consistently staff projects and scale operations are more attractive to buyers, particularly in a labor-constrained market.

Source: S&P CapitalIQ

# Sequeira Partners: Select Transaction Experience

Advisor to



on the sale to



Advisor to



on the sale to




Advisor to




on the sale to



Advisor to



on its sale to




Advisor to



on the proposed sale to




Advisor to




on the sale to




A subsidiary of




Advisor to




on the sale to



Advisor to



on the sale to



## Client Testimonials

*"Working with Sequeira helps you present your organization in its best light, and with a serious intent to sell. And that's going to bring more motivated buyers who are probably willing to pay more. The team was really, really good at the technical financial arguments and financial engineering required to present ourselves the best way possible. And really good at emotional support, too. - Chris LaBossiere, Founder, Local Environmental Services*

*"Ecofish was my life's work. If I was going to sell, I wanted to do it right. I chose Sequeira and got a top-quality, organized and detail-oriented team who gave us their complete and undivided attention. As a scientist, it's my job to always be critiquing. We deal with all kinds of consultants and very few rise to the same level of professionalism as Sequeira Partners." - Adam Lewis, Ecofish Research*

# 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.

## Facility Services Team



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## About Us

Sequeira Partners is Western Canada's largest boutique advisory firm, specializing in sell-side deal advisory and corporate valuations. Having completed more than 175 national and cross-border transactions, and over 500 valuation mandates, we are proud of our diverse industry experience and credentials. At Sequeira Partners, we combine decades of experience and top-tier credentials to deliver client-centric service with a personalized, boutique approach.

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