

Business Services Overview

The Business Services industry continues to exhibit robust M&A activity, driven by strong buyer interest for asset-light, recurring revenue businesses.

In the facility services sector, high-quality assets with consistent growth and strong margins are attracting significant investment. Facility services providers are experiencing strong demand for offerings such as building commissioning, HVACR, and grounds management, as customers continue to outsource non-core functions in exchange for lower costs and better outcomes. Increased focus on energy efficiency and regulatory requirements are other growth agents.

Demand for residential services businesses has dramatically increased and has contributed to transaction multiple expansion in recent months. Sponsors have formed platforms in craft services such as HVACR, plumbing, roofing, and pest control and are

aggressively pursuing add-ons to complement organic growth.

Environmental services businesses are experiencing similar interest driven by critical, largely non-deferable demand. These providers serve as a critical link between stakeholders and regulatory bodies in maintaining a cleaner, better world. Targets in the remediation and waste management subsectors in particular are transacting at premium valuations.

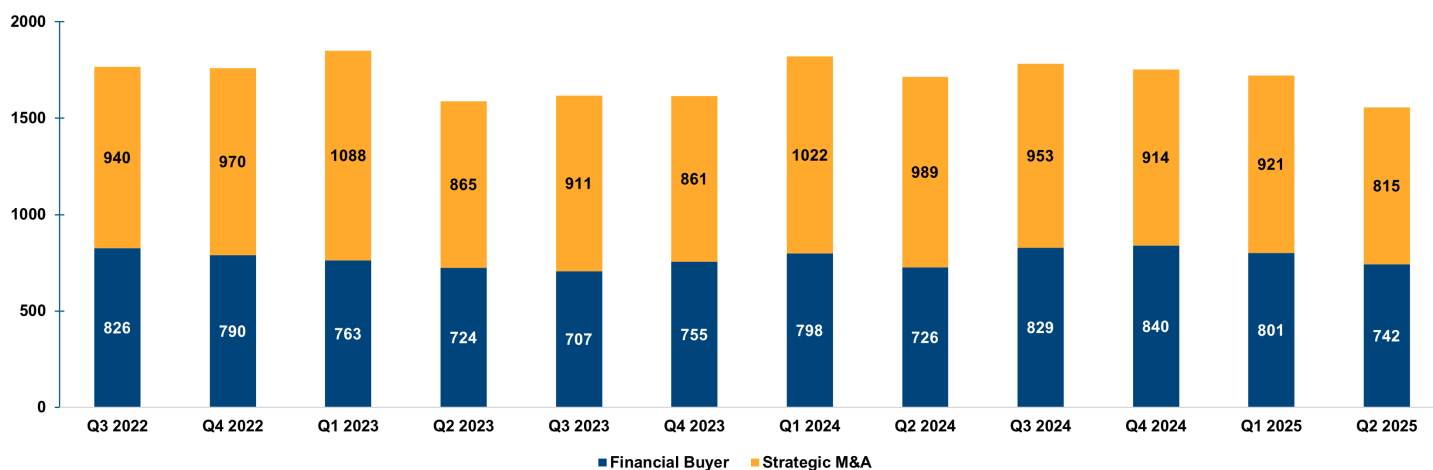
Subsectors within the professional services industry are actively consolidating. Accounting services in particular is experiencing heightened activity as sponsors seek platforms and strategics work to strengthen their presence in target geographies, attract top talent, and augment service delivery with innovative technology.

Overall, Business Services sectors are showing strong and dynamic M&A activity, with each subsector displaying unique drivers and opportunities for growth and consolidation.

Business Services Sector: Monthly M&A Transaction Volume

(Financial Buyers represent platform investments)

Business Services M&A Transactions by Quarter



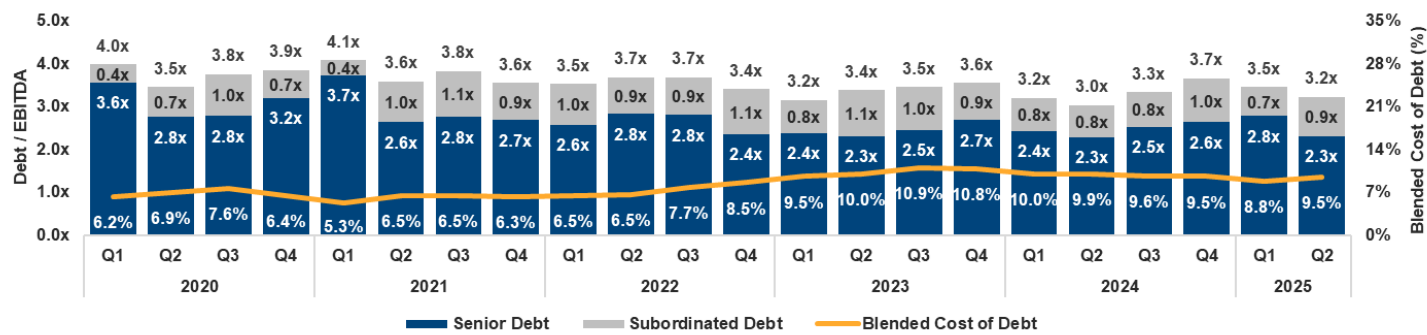
Source: EdgePoint Proprietary Database, Company Filings, CapIQ, News Releases.

Market Metrics

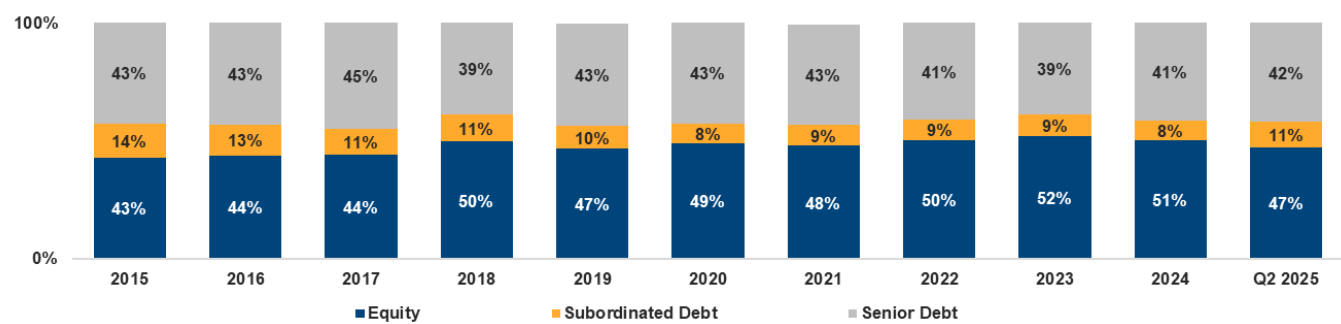
Global M&A activity proved resilient in H1 2025, reaching \$2.0 trillion across nearly 25,000 transactions, marking double-digit year-over-year growth despite recession risks, geopolitical instability, and trade frictions. Q2 recorded \$988 billion across more than 12,600 deals, a slight sequential decline but a strong YoY increase, reflecting sustained momentum. North America led in overall deal value, while Europe saw higher deal counts supported by looser monetary policy, favorable currency dynamics, and a lower cost of capital, allowing European acquirers to outpace US peers in cross-border spending.

Sector activity highlighted shifting investor priorities. Technology maintained its lead with robust YoY growth, while materials and resources rebounded strongly and energy weakened amid price volatility. Financials held steady, while healthcare and consumer sectors saw more caution. Corporate buyers continued to drive the largest transactions, with private equity’s share of activity moderating. Overall, global M&A in Q2 reflected resilience, strategic repositioning, and sector realignment against a backdrop of continued market volatility.

Middle Market Quarterly Leverage Rates

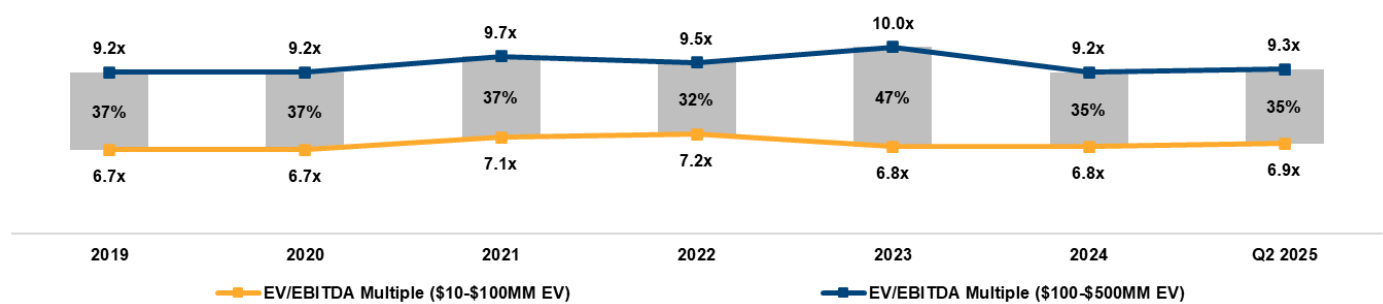


Equity and Debt Contributions Annually



Source: GF Data

Size Premium Buyouts of Platform Acquisitions



Source: GF Data

Select Noteworthy Transactions

Date: July 2025 (Closed)		Overview / Strategic Rationale:	Facility Services
Target:		<p>Progressive Roofing, a leading provider of commercial roofing services and a portfolio company of Bow River Capital, has been acquired by TopBuild Corp., a Daytona Beach-based installer and distributor of insulation and building materials.</p> <ul style="list-style-type: none"> <i>Progressive Roofing has built a strong reputation for delivering high-quality re-roofing, maintenance, and new construction services across key commercial sectors including education, healthcare, government, and technology.</i> <i>This acquisition marks a transformative step for TopBuild as it enters the \$75 billion commercial roofing market, significantly broadening its building envelope installation capabilities. By integrating Progressive Roofing's deep expertise, national footprint, and long-standing relationships, TopBuild is positioning itself to deliver more comprehensive, end-to-end solutions to commercial clients.</i> 	
Acquirer:			
Key Metrics:			
Enterprise Value:	\$810m		
EV/EBITDA:	9.1x		
EV/Revenue:	1.8x		
Date: June 2025 (Closed)		Overview / Strategic Rationale:	Residential Services
Target:		<p>Ridge Top Exteriors, a leading provider of residential roofing and exterior renovation services, has been acquired by Soundcore Capital Partners, a New York-based private equity firm, as part of the launch of its new platform, TrussPoint Roofing & Exterior Renovations.</p> <ul style="list-style-type: none"> <i>Headquartered in Madison, Wisconsin, Ridge Top Exteriors has built a strong reputation for delivering high-quality roofing, siding, windows, doors, gutters, and solar installations across major markets in Wisconsin, Florida, and Illinois.</i> <i>Ridge Top Exteriors will join TrussPoint Roofing & Exterior Renovations as the platform's foundation, contributing its multi-state presence, storm restoration expertise, and full-service exterior offerings.</i> 	
Acquirer:			
Key Metrics:			
Enterprise Value:	n/a		
EV/EBITDA:	n/a		
EV/Revenue:	n/a		
Date: June 2025 (Announced)		Overview / Strategic Rationale:	Environmental Services
Target:		<p>Windtree Therapeutics, a diversified company focused on revenue generation across high-growth industries, has announced its agreement to acquire Titan Environmental Services, a waste management firm specializing in commercial and industrial waste collection.</p> <ul style="list-style-type: none"> <i>Headquartered in Bloomfield Hills, Michigan, Titan Environmental Services provides waste, recycling, and dumpster rental services for both residential and commercial customers.</i> <i>Upon completion of the transaction, Titan will be rebranded as Windtree Environmental Services and operate as a wholly owned subsidiary, marking Windtree's strategic entry into the \$85 billion U.S. waste collection market.</i> 	
Acquirer:			
Key Metrics:			
Enterprise Value:	\$52m		
EV/EBITDA:	n/a		
EV/Revenue:	5.1x		
Date: April 2025 (Closed)		Overview / Strategic Rationale:	Professional Services
Target:		<p>Infosys, a global leader in digital services and consulting, has acquired MRE Consulting, a Houston-based technology and business consulting firm.</p> <ul style="list-style-type: none"> <i>Founded in 1994, MRE Consulting has built a strong reputation for delivering strategic technology solutions across the energy, utilities, and financial services sectors. With over 200 professionals, MRE offers proprietary business process frameworks and specialized consulting services across multiple commodities and transportation modes, helping clients to optimize operations and manage complex trading environments.</i> <i>The acquisition strengthens Infosys's capabilities in digital transformation and expands its footprint in the energy and utilities space.</i> 	
Acquirer:			
Key Metrics:			
Enterprise Value:	\$36m		
EV/EBITDA:	n/a		
EV/Revenue:	0.6x		

Sources: CapIQ, Company Filings, Pitchbook, News Releases

Selected Recently Announced & Closed Transactions

Date	Target	Acquirer	Target Description	EV (\$mm)	EBITDA Multiple	Revenue Multiple
FACILITY SERVICES						
8/18/2025	CLS Facility Services	FirstCall Mechanical Group	Provider of facility management and maintenance services to industries across the country.	-	-	-
7/8/2025	Progressive Roofing	TopBuild Corp	Provider of commercial, industrial, and institutional roofing and roof maintenance.	\$810	9.1x	1.8x
6/23/2025	Gallo Mechanical Services	Citation Capital Management	Provider of mission-critical, complex HVAC and plumbing services to its clients across the Southeastern U.S.	-	-	-
6/19/2025	Macadam Company	Heartland Paving Partners	Provider of asphalt, concrete, drainage, sealcoating, and line striping services.	-	-	-
6/1/2025	Pioneer Power	Limbach Holdings	Provider of full-service mechanical services, specializing in pipe fabrication, HVAC, plumbing, and mechanical maintenance.	\$66	-	-
5/19/2025	Landscape Workshop	Ares Management Corporation	Provider of full-service grounds management, providing professional service and maintenance for outdoor commercial spaces.	-	-	-
RESIDENTIAL SERVICES						
8/15/2025	McHale Landscape Design	Hidden Harbor Capital Partners	Provider of residential landscaping services across the DMV.	-	-	-
8/12/2025	One Day Roofing	Skyline Roofing Partners	Provider of high-quality residential re-roofing services.	-	-	-
7/16/2025	Centurion Exteriors	Stronghouse Brands	Provider of roofing and windows services to homeowners in Northern Indiana, Southern Michigan, and Northwestern Ohio.	-	-	-
6/16/2025	Metro Guard Pest Control	Anticimex International	Provider of pest control and termite services catering to the residential and commercial sectors.	-	-	-
6/10/2025	Ridge Top Exteriors	Soundcore Capital Partners	Provider of residential roofing and exterior services repair and replacement.	-	-	-
4/14/2025	Artisan Design Group	Lowe's Companies	Nationwide provider of design, distribution, and installation services for interior surface finishes.	\$1,325	-	0.7x
ENVIRONMENTAL SERVICES						
8/12/2025	Buckeye Elm Contracting	Bristol Environmental	Provider of environmental remediation, vapor intrusion management, and emergency response services.	-	-	-
8/12/2025	O6 Environmental	Quad-C Management	Super-regional provider of environmental remediation and essential environmental and industrial services.	-	-	-
8/6/2025	Seaside Waste Services	Interstate Waste Services	Provider of non-hazardous solid waste and recycling collection services throughout central and southern New Jersey.	-	-	-
7/15/2025	Betts Environmental Services	Noble Fueling Solutions	Full-service provider of equipment installation, repair services, and environmental remediation services.	-	-	-
6/10/2025	Titan Environmental Solutions	Windtree Therapeutics	Provider of non-hazardous solid waste and recycling collection, transportation, and disposal services.	\$52	-	5.1x
5/20/2025	Environmental Service Group	Momentum Environmental Services	Provider of environmental services, specializing in waste processing and environmental services.	-	-	-
PROFESSIONAL SERVICES						
6/24/2025	BluePeak Technology	Nexus IT Consultants	Managed IT services provider specializing in SMBs and professional service clients in regulated industries.	-	-	-
6/3/2025	Broker Online Exchange	AppDirect	Online energy brokering platform connecting commercial customers, energy brokers, gas suppliers, and referral partners.	\$85	-	-
5/20/2025	Itel Laboratories	Nearmap	Independent provider of critical property claims solutions including building material pricing and analysis.	\$1,300	-	-
5/9/2025	Workplace Options	TELUS Corporation	Global provider of integrated employee wellbeing solutions.	\$420	-	-
4/17/2025	MRE Consulting	Infosys Nova Holdings	Provider of technology and business consulting services to the energy & utilities, services, and healthcare industries.	\$36	-	0.6x
4/14/2025	G2 Secure Staff	Menzies Aviation	Provider of professional aviation services, offering ground handling, passenger and cargo assistance, and other ancillary services.	\$305	-	-

Note: Bold denotes EdgePoint served as the exclusive sell-side advisor

Sources: EdgePoint Proprietary Database, Company Filings, CapIQ, News Releases

Spotlight | Facility Services

Facility Services businesses play a mission-critical role in developing and maintaining commercial and industrial infrastructure. These businesses provide recurring preventative, reoccurring break-fix, and programmatic retrofits across hard-craft (e.g., HVACR, FLS, electrical, plumbing, and building controls) and soft-craft services (e.g., landscaping, janitorial, laundry and linen, and roofing). Many providers leverage vendor networks or self-performing crews to deliver cost-effective, timely, and compliant services, positioning themselves as integrated partners to their clients.

The industry is benefiting from aging building stock, heightened regulatory scrutiny, and growing customer demand for single-source providers who can manage multiple trades under one MSA. Scale, market density, and technology adoption and integration are emerging as key differentiators, enabling platforms to capture share and drive operational efficiency. As larger sponsor-backed consolidators pursue add-ons, they are targeting businesses with strong recurring maintenance bases, high-quality technician workforces, and the ability to deepen MSA offerings.

Key Sponsor-Backed Facility Services Platforms

Hard-Craft Services	Soft-Craft Services	Hard- and Soft-Craft Services
  	 	
  	 	
  	 	
  		
   		

Value Drivers

- **Scale** - Ability to serve customers in their home zip codes and quickly bring resources online to support their growing footprints. Regional facility managers oversee tens to hundreds of locations, making it critical that all trades can be executed by one to a handful of providers.
- **Market Density** - Concentrated presence in attractive metros with favorable demographics enables access to diverse, high-growth end markets and lowers service delivery costs.
- **Service Frequency** - A strong base of recurring preventative maintenance and reoccurring break-fix work provides durable revenue streams and indicates a defensible value proposition.
- **Tech-Enabled Operations** - Use of dispatching, mobile reporting, client portals, and diverse work order management systems improves efficiency and scalability.

Value Detractors

- **Quality Assurance** - Established QA programs, consistent service standards, and strong safety and compliance protocols enhance client satisfaction and reduce rework costs.
- **Overreliance on Project Revenue** - Heavy exposure to one-off installation and/or retrofit work, without a stable base of maintenance MSAs or a sales pipeline to fill backlog roll-off quickly limits visibility and leads to volatile cash flow.
- **Customer Concentration** - Reliance on a limited number of banner-level accounts may reflect strong customer intimacy but introduces risk if FM relationships change post-close.
- **Limited Service Areas** - Those confined to their home markets with no history of greenfield expansion or multi-regional execution face challenges meeting evolving customer demands as accounts scale geographically and seek multi-craft aggregation.

Thought Leader Interview | Facility Services

Question: *How was the FirstCall platform formed?*

Chris: *FirstCall Mechanical, founded in 2022, is a leading commercial services platform specializing in planned maintenance, emergency repair, and retrofit/replacement services for commercial and industrial customers.*

Our first partnership was with STR Mechanical, formerly a subsidiary of IES Holdings, which established our initial hub in the Carolinas. Since then, we have expanded the region from a single location to six branches through a combination of strategic acquisitions and new branch openings.

Question: *What was the original thesis and how has it evolved?*

Chris: *It used to be the big eat the small. Now it is the fast eat the slow. Clients no longer only hire the big firms. They hire boutiques because the niche expertise is in such high demand. Clients are dealing with an enormous amount of disruption to their businesses, due mostly to technology.*

They need to respond to this change and simply do not have all the required talent in-house anymore. Because of this they rely more and more on outside expertise. It is more flexible and fungible. This mega trend is the wind in the sails of boutique service firms and I do not see this decreasing because I just think the world is becoming more complicated, not less.

Question: *What criteria guide acquisitions today?*

Criteria	Description
Team	Leadership teams aligned with FirstCall’s values and commitment to growth.
Services	Businesses focused on maintenance, emergency repair, and retrofit/replacement services for commercial and industrial customers.
Geography	Operations located in high-growth or strategically complementary geographies.

Question: *What attributes signal a strong target for FirstCall and why?*

Chris: *We seek partners with strong management teams, a high mix of recurring, high-margin work, blue-chip customer relationships, and a growth-oriented culture in strategically positioned geographies.*

Target Attributes	FirstCall Target Preferences
Owner vs. GC vs. End User/Tenant Relationships	We prioritize direct-to-owner relationships, which make up the majority of our revenue and create stickier, higher-value partnerships.
Service & Maintenance vs. One-off Project Work	Our model emphasizes long-term customer relationships driven by recurring service, repair, retrofit, and maintenance—augmented by repeat project work.
Renovation vs. New Construction	We focus primarily on renovation projects, but selectively pursue new construction when project size and scope are a strong strategic fit.
Geographic & End Market Exposure	FirstCall operates in 11 of the 20 fastest-growing MSAs over the past five years, positioning us in markets with outsized demand for HVAC and related services.
Employee Retention	This is a people-first business. Strong employee retention signals a healthy culture and committed workforce, and it remains one of our key metrics post-close.



Chris Patrick
Head of Acquisitions,
FirstCall Mechanical Group

Chris Patrick is Head of Acquisitions at **FirstCall Mechanical Group (“FirstCall”)**, a provider of critical HVAC, building controls, electrical, and plumbing solutions to commercial and industrial facilities across the country. FirstCall is a portfolio company of SkyKnight Capital.

Chris Patrick joined FirstCall in 2023 as the Head of Acquisitions. Chris leads FirstCall's M&A strategy, identifying and executing acquisitions in the commercial and industrial services sector. Prior to FirstCall, Chris led M&A at a platform in the home services sector. Chris's previous experience was in investing, M&A consulting, and accounting. Chris is based in Austin, TX.

FirstCall partners with leading local companies across the U.S. The Company’s operating network provides critical services to customers across 26 branches and 14 states, offering a full suite of service and project capabilities for commercial and industrial customers.



Thought Leader Interview | Facility Services (continued)

Question: Which end markets are expected to see the most significant growth in the coming years?

Chris: There are roughly 6 million commercial buildings in the U.S., totaling nearly 100 billion square feet, with a median age of 53 years. Aging infrastructure, combined with legislative incentives and regulatory tailwinds around energy efficiency, is fueling demand for indoor air quality improvements and HVAC modernization. FirstCall is well-positioned to capitalize on this demand: its branches operate in 11 of the 20 fastest-growing MSAs, across states that experience 115% more cooling degree days than the national average—growing 11% faster than the rest of the country. With 90% of HVAC systems nationwide approaching end of life, system replacements and emergency maintenance are surging. Within FirstCall's own cataloged installed base, more than 25% of units are already nearing end of life, creating a significant near-term change-out opportunity.



~6 Million
U.S. Commercial
Buildings



~100 Billion
SQFT of U.S. Commercial
Building Space



~53 Years
Median U.S. Commercial
Building Age



~90%
HVAC Systems Worldwide
Approaching End of Life

Model Challenges and Trends

Question: How has FirstCall preserved its entrepreneurial culture?

Chris: We start by partnering with like-minded founders and teams who share a growth mindset. To reinforce that growth and culture, we've built a corporate team that manages HR, recruiting, accounting, finance, safety, IT, systems, fleet, and other key support functions—freeing our partners to focus on what matters most: building their teams and serving their customers.

Question: What are the key obstacles to scaling a self-perform platform, and how has FirstCall addressed them?

Chris: A key obstacle in scaling a self-perform platform is talent. Recruiting and developing the right partners and teams, particularly technicians is key to our success. FirstCall addresses this by investing heavily in competitive compensation, benefits, training programs, and clear career growth opportunities, ensuring we can attract and retain top talent at scale.

Question: Why are customers increasingly favoring hybrid platforms, and how is FirstCall positioned to compete?

Chris: Customers increasingly favor hybrid platforms because they want a single provider capable of handling a range of facility needs. FirstCall is uniquely positioned here. Our expertise across HVAC, electrical, and plumbing complements itself, enabling us to solve complex problems, proactively manage customer needs, and deliver greater value than either aggregators or standalone providers alone.



Chris Patrick
Head of Acquisitions,
FirstCall Mechanical Group



Public Company Comparable Index Constituents

Facility Services

Company Name	Enterprise Value (EV)	LTM Margins		EBITDA		EV/EBITDA		Revenue LTM	Revenue Growth		Stock Price	% of 52 Wk High
		Gross	EBITDA	LTM	2025E	LTM	2025E		LTM	3-Yr. CAGR		
Comfort Systems USA, Inc.	\$ 24,304	22.5%	14.0%	\$ 1,076	\$ 1,190	19.8x	20.4x	\$ 7,685	26.3%	28.8%	\$ 691.18	94.3%
ABM Industries Incorporated	4,655	13.5%	4.9%	418	523	8.7x	8.9x	8,498	3.5%	6.3%	48.91	81.8%
BrightView Holdings, Inc.	2,689	23.2%	12.0%	324	358	7.1x	7.5x	2,699	-3.0%	-0.3%	14.63	77.4%
Median		22.5%	12.0%	418	523	8.7x	8.9x	7,685	3.5%	6.3%	48.91	81.8%
Mean		19.7%	10.3%	606	690	11.9x	12.3x	6,294	9.0%	11.6%	251.57	84.5%

Residential Services

Company Name	Enterprise Value (EV)	LTM Margins		EBITDA		EV/EBITDA		Revenue LTM	Revenue Growth		Stock Price	% of 52 Wk High
		Gross	EBITDA	LTM	2025E	LTM	2025E		LTM	3-Yr. CAGR		
Rollins, Inc.	\$ 28,294	52.7%	22.5%	\$ 803	\$ 862	29.3x	32.8x	\$ 3,570	10.4%	11.8%	\$ 56.64	95.8%
NVR, Inc.	22,690	24.6%	19.0%	2,039	1,676	10.7x	13.5x	10,718	5.9%	3.4%	8,126.71	81.6%
ADT Inc.	15,050	81.3%	52.8%	2,673	2,703	5.5x	5.6x	5,059	6.6%	-1.3%	8.76	98.9%
Median		52.7%	22.5%	2,039	1,676	10.7x	13.5x	5,059	6.6%	3.4%	56.64	95.8%
Mean		52.9%	31.4%	1,838	1,747	15.2x	17.3x	6,449	7.6%	4.7%	2,730.70	92.1%

Environmental Services

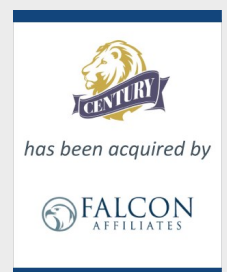
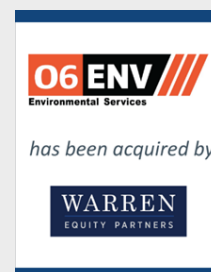
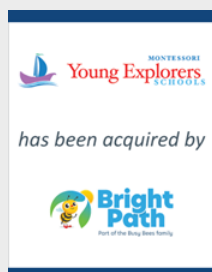
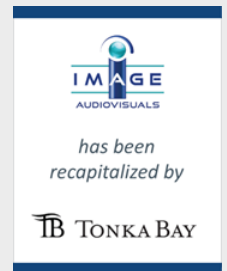
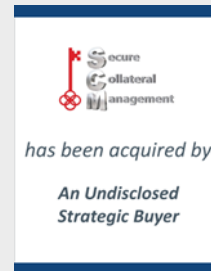
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		Gross	EBITDA	LTM	2025E	LTM	2025E		LTM	3-Yr. CAGR		
Republic Services, Inc.	\$ 85,599	43.4%	31.4%	\$ 5,142	\$ 5,303	16.8x	16.1x	\$ 16,366	5.1%	10.1%	\$ 232.22	89.7%
Clean Harbors, Inc.	15,637	30.8%	18.3%	1,085	1,182	11.2x	13.2x	5,942	5.5%	8.9%	244.31	91.5%
CECO Environmental Corp.	1,912	35.2%	9.8%	64	94	26.8x	20.4x	656	15.7%	20.9%	47.54	98.4%
Median		35.2%	18.3%	1,085	1,182	16.8x	16.1x	5,942	5.5%	10.1%	232.22	91.5%
Mean		36.5%	19.8%	2,097	2,193	18.3x	16.6x	7,655	8.8%	13.3%	174.69	93.2%

Professional Services

Company Name	Enterprise Value (EV)	LTM Margins		EBITDA		EV/EBITDA		Revenue LTM	Revenue Growth		Stock Price	% of 52 Wk High
		Gross	EBITDA	LTM	2025E	LTM	2025E		LTM	3-Yr. CAGR		
Robert Half Inc.	\$ 3,642	38.0%	3.9%	\$ 219	\$ 263	12.2x	13.9x	\$ 5,569	-7.0%	-8.0%	\$ 37.80	48.2%
Korn Ferry	3,534	24.6%	13.7%	374	475	8.2x	7.4x	2,730	-1.2%	1.3%	76.22	94.5%
ManpowerGroup Inc.	3,478	17.1%	2.2%	387	382	6.4x	9.1x	17,540	-3.8%	-5.4%	44.16	58.4%
Median		24.6%	3.9%	374	382	8.2x	9.1x	5,569	-3.8%	-5.4%	44.16	58.4%
Mean		26.6%	6.6%	327	373	8.9x	10.1x	8,613	-4.0%	-4.1%	52.73	67.1%

Source: CapIQ, public trading data as of August 25, 2025

Recent EdgePoint Business Services Transactions



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