FACILITIES MANAGEMENT

SECTOR INSIGHTS

DECEMBER 2025

COOPER PARRY DEALS

SECTOR INSIGHTS

AN OUTPERFORMING MARKET VERTICAL WITH CLEAR DRIVERS TO FURTHER GROWTH

Facilities Management (FM) continues to outperform broader UK M&A trends, with record deal volumes in 2024 and sustained activity into 2025. Hard services (physical, tangible services relating to a building's structure and systems) remain dominant, while soft services (people-focused services that improve the day-to-day experience of occupants, e.g., cleaning or security services) are experiencing renewed interest as platforms pursue integrated, full-service solutions.

Private equity continues to drive sector consolidation, with buy-and-build strategies targeting fragmented markets. Investor confidence remains high, supported by stabilising interest rates and improved debt conditions. ESG credentials and highly recurring revenue models are now central to investor priorities.

We understand the forces behind FM innovation and consolidation. Regulatory pressure, ESG mandates, and the shift toward tech-enabled service delivery are reshaping the market. By identifying key value drivers, we help businesses unlock strategic opportunities – whether through investment, growth, or exit planning – aligned with evolving market dynamics.

SECTOR DRIVERS

Compliance-Led Services: Demand for fire safety, water hygiene, and environmental compliance continues to rise, driven by post-Grenfell legislation and stricter regulations. PE-backed platforms are consolidating these fragmented markets, with compliance now seen as a core value driver in FM.

Energy & Sustainability: Net-zero targets and rising energy costs are accelerating investment in heat pumps, solar, and EV infrastructure. Smart building tech like BEMS and IoT is becoming standard, with FM providers expected to track and reduce carbon emissions across portfolios.

Social Infrastructure: Social housing FM is growing due to regulatory reform and public funding. Long-term public sector contracts offer stable revenue and are attracting both trade and PE interest.

Soft FM Consolidation: Cleaning, security, and landscaping services are seeing renewed M&A activity. Platforms are expanding to offer integrated FM solutions, with workplace experience and ESG performance becoming key differentiators.

Technology & Workforce: AI, predictive maintenance, and digital twins are transforming FM operations. With hybrid work and labour shortages, providers are investing in automation, data analytics, and workforce training to stay competitive.

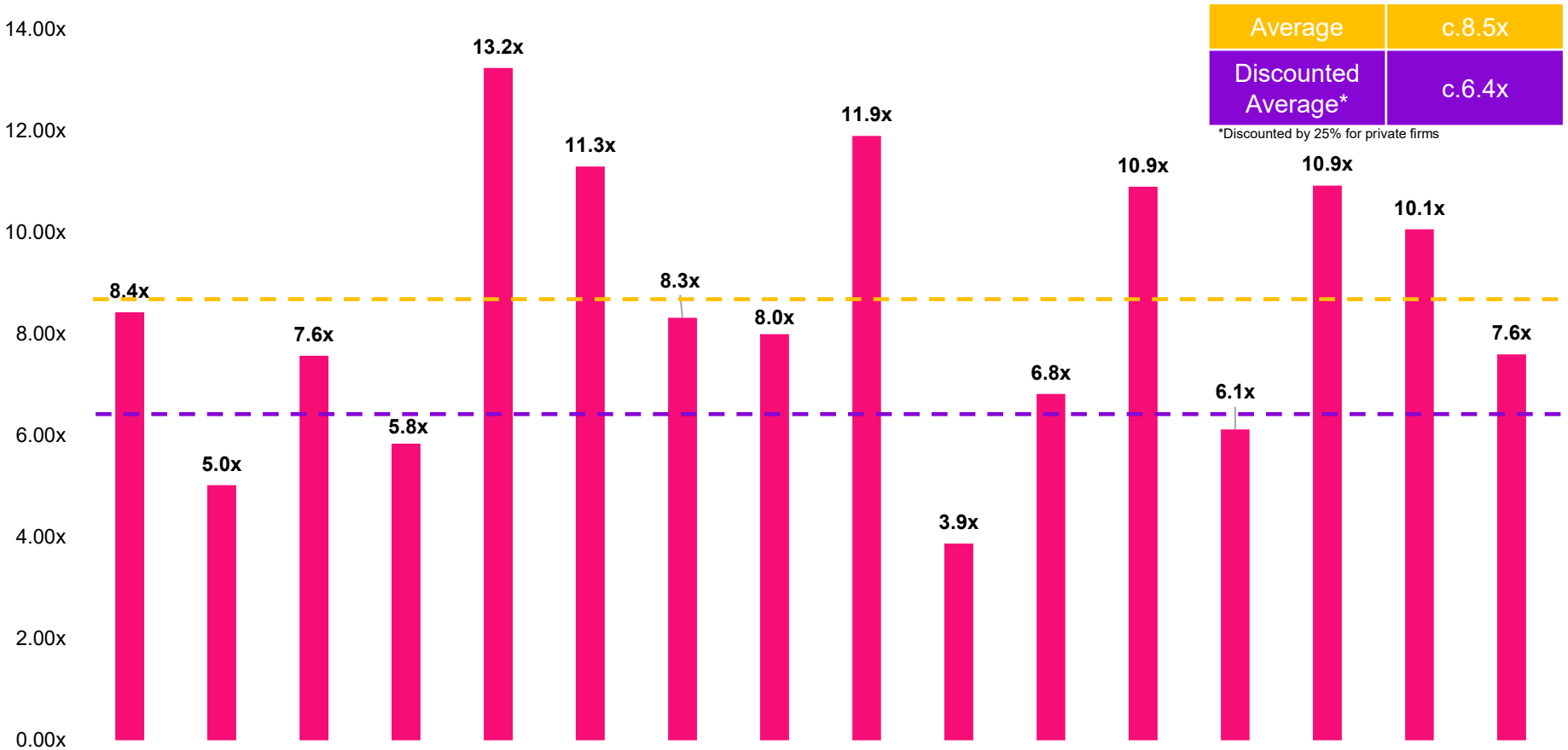
Private Equity driving FM consolidation

ESG integration seen as a strategic enabler

FM platforms evolve toward full-service integration

M&A MULTIPLES & VALUATION

RECENT TRANSACTIONS WITH EV/EBITDA MULTIPLES



Company	ABM	Bouygues	Cushman & Wakefield	Eiffage	Emcor	Ferrovial	Hochtief	ISS	JLL	Mears	Mitie	Rentokil Initial	Serco	Skanska	Spie	Vinci
EV (£m)	3,280	22,756	3,813	19,728	17,367	35,660	13,184	4,832	11,352	553	1,956	12,228	2,685	7,278	8,710	82,803
Revenue (£m)	6,556	48,086	7,432	20,354	11,401	7,744	28,193	9,507	18,301	1,133	5,083	5,436	4,787	13,068	8,474	61,607
EBITDA Margin (%)	5.0%	8.0%	5.6%	14.8%	10.2%	14.7%	2.9%	5.2%	5.3%	7.0%	4.7%	18.2%	5.6%	4.2%	8.3%	16.2%

Source: S&P

VALUATION DIAGNOSTIC

KEY FACTORS IMPACTING VALUATIONS

		Lower multiple		*Higher multiple*
Market dynamics	Type of services	Soft FM	→	Hard FM
	Market growth	Declining / static	→	Growing
	Cyclicality	High	→	Low
	Barriers to entry	Low	→	High
	Competition	High	→	Low
Company specific	Revenue split	Project based / installation	→	Contracted
	Attachment rate	Low	→	High
	Customer concentration	High	→	Low
	End market	Volatile sectors	→	Resilient sectors
	EBITDA margin	Low	→	High
	Revenue growth	Low	→	High

KEY FOCUS AREAS FOR FINANCIAL DILIGENCE

Revenue Mix & Visibility

- Mix between PPM, Reactive, and Projects; differing margin profiles
- Visibility driven by PPM contract length (1-3 year cycles) vs shorter-term project work
- Degree of reliance on large one-off capital projects in some years, creating volatility

Contract Structure & Pricing

- Cost-plus contracts vs fixed-price frameworks – impact on margin risk and pricing power
- CPI indexation clauses and how cost inflation is passed through
- Re-tenders and key renewal risk with major clients

Contract Scope & Service Level Risk

- Variation orders and scope creep on fixed-price works reducing margin
- KPI-linked penalties (response times, uptime, compliance failures)
- Degree of dependence on third-party subcontractors for specialist works

Customer Concentration & Sector Exposure

- Customer and sector concentration risk
- Loss or tender failure on key frameworks
- Underlying pipeline vs contracted backlog visibility

Revenue & Cost Recognition

- Timing/cut-off issues on multi-month project works or Reactive works
- Revenue recognition could be on an invoice basis instead of percentage of completion (PoC) for project work
- Deferred income / advance billing on PPM contracts

Labour Model & Cost Base

- Mix of employed engineers vs subcontractor-led delivery affecting margin and capacity
- Wage inflation in specialist trades and impact on gross margin
- Recruitment, retention, and onboarding costs to scale contracts

Working Capital Dynamics

- High WIP and accrued income on project works
- Debtor recovery cycles with major clients
- Supplier terms and use of credit facilities to manage liquidity

Debt-Like and Completion Considerations

- Cash-backed deferred income can potentially be treated as debt-like
- Customer overpayments and unutilised balances
- The level of minimum operational cash required to run job cycles

Systems & Reporting Limitations

- Typically limited job-level profitability tracking without an integrated system
- Assess the need for improved revenue/cost alignment and margin reporting
- Potential investment in systems & finance function post-acquisition

CREDENTIALS – LEAD ADVISORY

OUR EXPERIENCE ADVISING LEADING FM SERVICES BUSINESSES

COMPANY NAME **WT PARKER LTD**	COMPANY NAME **POWER CONTROL LTD**	COMPANY NAME **Z-TECH CONTROL SYSTEMS**
DEAL TYPE **COMPANY SALE**	DEAL TYPE **COMPANY SALE**	DEAL TYPE **COMPANY SALE**
COUNTRY **UNITED KINGDOM**	COUNTRY **UNITED KINGDOM**	COUNTRY **UNITED KINGDOM**
INVESTOR **EDWIN JAMES HOLDINGS LTD**	INVESTOR **LEGRAND SA**	INVESTOR **M GROUP SERVICES**
INVESTOR COUNTRY **UNITED KINGDOM**	INVESTOR COUNTRY **FRANCE**	INVESTOR COUNTRY **UNITED KINGDOM/ IRELAND**
SECTORS **FACILITIES MANAGEMENT** **M&E Services**	SECTORS **ENERGY SERVICES/FM** **UPS Supply/Service/Maintenance**	SECTORS **FACILITIES MANAGEMENT** **EC&I services**

CREDENTIALS – LEAD ADVISORY

OUR RECENT EXPERIENCE ADVISING LEADING FM SERVICES BUSINESSES

TUDOR Foresight ANTAGRADE ELECTRICAL LIMITED A part of MGroupServices M GROUP

(LIVE TRANSACTION)

COMPANY NAME **Tudor Group**	COMPANY NAME **Antagrade Electrical Ltd**	COMPANY NAME **A NORTH-WEST BASED FACILITIES MANAGEMENT BUSINESS**
DEAL TYPE **COMPANY SALE**	DEAL TYPE **COMPANY SALE**	DEAL TYPE **BUY-SIDE ADVICE**
COUNTRY **UNITED KINGDOM**	COUNTRY **UNITED KINGDOM**	COUNTRY **UNITED KINGDOM**
INVESTOR **FORESIGHT GROUP**	INVESTOR **M GROUP**	INVESTOR **CONFIDENTIAL**
INVESTOR COUNTRY **UNITED KINGDOM**	INVESTOR COUNTRY **United Kingdom**	INVESTOR COUNTRY **UNITED KINGDOM**
SECTORS **FACILITIES MANAGEMENT** **Cleaning Services**	SECTORS **FACILITIES MANAGEMENT** **M&E Services**	SECTORS **FACILITIES MANAGEMENT** **Refurbishment & facilities Management**

CREDENTIALS – TRANSACTION SERVICES

OUR RECENT EXPERIENCE ADVISING LEADING FM SERVICES BUSINESSES

COMPANY NAME **SOWGA & CONTINUED WORK**	COMPANY NAME **OBSEQUIO GROUP**	COMPANY NAME **MECSIA**
DEAL TYPE **COMPANY SALE**	DEAL TYPE **BOLT-ON DEALS**	DEAL TYPE **COMPANY SALE**
COUNTRY **UNITED KINGDOM**	COUNTRY **UNITED KINGDOM**	COUNTRY **UNITED KINGDOM**
INVESTOR **PARETO**	INVESTOR **BEECHBROOK**	INVESTOR **ROCKPOOL**
INVESTOR COUNTRY **UNITED KINGDOM**	INVESTOR COUNTRY **UNITED KINGDOM**	INVESTOR COUNTRY **UNITED KINGDOM**
SECTORS **FACILITIES MANAGEMENT** **M&E Services**	SECTORS **FACILITIES MANAGEMENT** **Safety & Compliance Services**	SECTORS **FACILITIES MANAGEMENT** **M&E Services**

Note: transaction led by Hien Vo (AP) before joining CP

FACILITIES MANAGEMENT SECTOR TEAM

NIALL CHANTRILL
PARTNER – CORPORATE FINANCE

Niall has been with Cooper Parry for 15 years and has spent all of that time working with privately owned companies and Private Equity clients operating across the mid-market. Niall has a strong focus on working with businesses and entrepreneurs in B2B compliance services.

PETER WILLIAMS
PARTNER – CORPORATE FINANCE

Peter is head of Corporate Finance in the North and has previous experience at a Big 4 firm and other regional top 10 firms. Peter has vast experience in the facilities management space having advised on the sale of Tudor Group to Foresight and the sale of Antagrade to M Group.

MATT HELLIS
MANAGER – CORPORATE FINANCE

Matt works in the Corporate Finance Technology team at Cooper Parry, having trained in the firms' London Tech and High Growth team working with VC & PE backed clients in the B2B software space. Matt recently advised on the Sale of Infospectrum to Montagu-backed LLI, and the sale of TrustID to Citation.

MARIA BARNES
ASSOCIATE DIRECTOR – CORPORATE FINANCE

Maria is an Associate Director in the Manchester Corporate Finance team. She has worked in Corporate Finance for four years and specialises in the facilities management sector having recently advised on the sale of CLP Group to Sureseve Group.

COOPER PARRY DEALS

An integrated, National CP Deals team of 100 dedicated specialists. Covering Corporate Finance, Financial, Tax & Legal Due Diligence and Debt Advisory Services.

Trusted mid-market advisors with deep expertise in the FM and wider Business Services sector. A focus on deals in the £5 - 75m range.

Awards Winners!: 2025 Deal of the Year (£50m+) at both the Midlands and Scotland Insider Media Dealmakers Awards. Experian Top 10 Financial Advisor in 2025.

FACILITIES MANAGEMENT SECTOR TEAM

SIMON NICHOLS
PARTNER – TRANSACTION SERVICES

Simon leads the Cooper Parry Transaction Services team in London. He was previously a Partner at both Azets and KPMG. He has 25 years of experience in leading multi-disciplinary teams on global and domestic acquisitions, demergers, disposals and capital markets transactions.

HIEN VO
ASSOCIATE PARTNER – TRANSACTION SERVICES

Hien joined Cooper Parry in February 2024 with over 14 years of Deals experience in practice, including at EY, A&M and KPMG. He has led buy-side and sell-side due diligence on a wide range of corporate and PE clients based in the UK and overseas. His sector experience covers Business services, FM and Tech-enabled businesses.

SARA THOMPSON
ASSOCIATE PARTNER – TRANSACTION TAX

Sara has >25 years experience in Tax, 15 of those with a Big 4 Transaction Tax team before joining CP in 2021. Sara has advised a range of buy-side and sell-side clients from mid-market PE, corporates and individuals to large listed and international entities on a range of restructurings, tax efficient acquisition/disposals, IPOs and tax due diligences.

PAUL TALLON
PARTNER – TRANSACTION SERVICES

Paul joined Cooper Parry in 2023 with over 25 years' experience in practice including at Grant Thornton and BDO. Paul has led the due diligence on a variety of transactions. Recent sector experience includes Healthcare, Technology and Business Services (including Hard FM).

EDWARD GRAY
ASSOCIATE PARTNER – TRANSACTION SERVICES

Ed joined in 2016 after over 16 years at EY. Ed has delivered buy-side and sell-side support to a wide range of corporate and PE clients, based in the UK and overseas. Recent sector experience includes Technology, Manufacturing, Facilities Management and Business/Consumer Services.

CRAIG CHEETHAM
MANAGING DIRECTOR – FELLWOOD DEBT ADVISORY

Craig has over 15 years' experience in senior corporate banking and debt advisory roles, including leading Grant Thornton's Debt Advisory team from 2019 to 2023 before founding Fellwood Advisory in 2023. He advises corporates and private equity across sectors such as Facilities Management, Recruitment, Fire Protection, amongst others.

THANK YOU

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