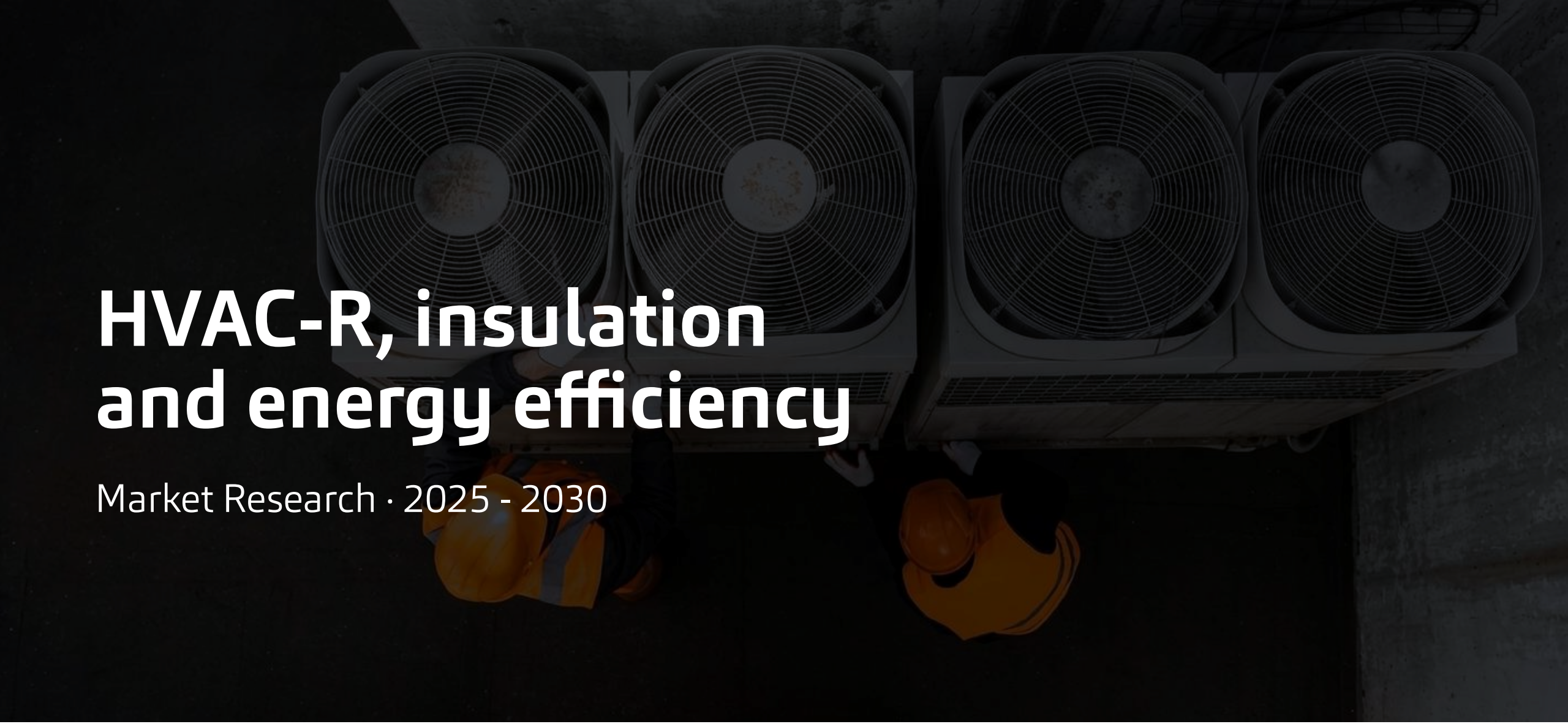


HVAC-R, insulation and energy efficiency

Market Research · 2025 - 2030

Now, for tomorrow

bakertilly

OVERVIEW

Executive Summary

The combined HVAC-R, insulation and energy-efficiency value pool reached roughly US$0.6–0.9 trillion in 2025, with a central estimate of about US$710bn, and compounds at 4.5–5.5% a year to 2030 in the base case. Value is moving away from residential unit volume toward commercial applied systems, data center thermal management and recurring service. M&A is now mainly about buying capabilities — liquid cooling IP, licensed technicians, controls and data, natural-refrigerant know-how — rather than volume. Fragmented installer, service and technical-insulation layers in Southern Europe are the most actionable buy-and-build terrain, and the handover from installation into maintenance is where recurring revenue is won or lost.

~US $710bn

INTEGRATED POOL, 2025

Central estimate built bottom-up; range US$600–885bn.

4.5–5.5%

BASE-CASE CAGR TO 2030

To ~US$885–930bn. Bear 2–3%, stretch 8–9%.

9.5x

HVAC SERVICES EV/EBITDA

2024 to mid-2026, normalised from 13.3x in 2021–2023 (Capstone).

29x

ECOLAB–COOLIT, NTM EBITDA

Liquid-cooling assets clear at three times the services multiple.

2.88m

EUROPEAN HEAT PUMP SALES, 2025

+13% across 21 countries after a 23% fall in 2024 (EHPA).

US $12.1bn

TRANE BACKLOG AFTER Q2 2026

+70%, about 90% tied to commercial HVAC.

32,406

SPANISH CNAE 4322 INSTALLERS

Average revenue €991,165; roughly five years behind the US curve.

12,000

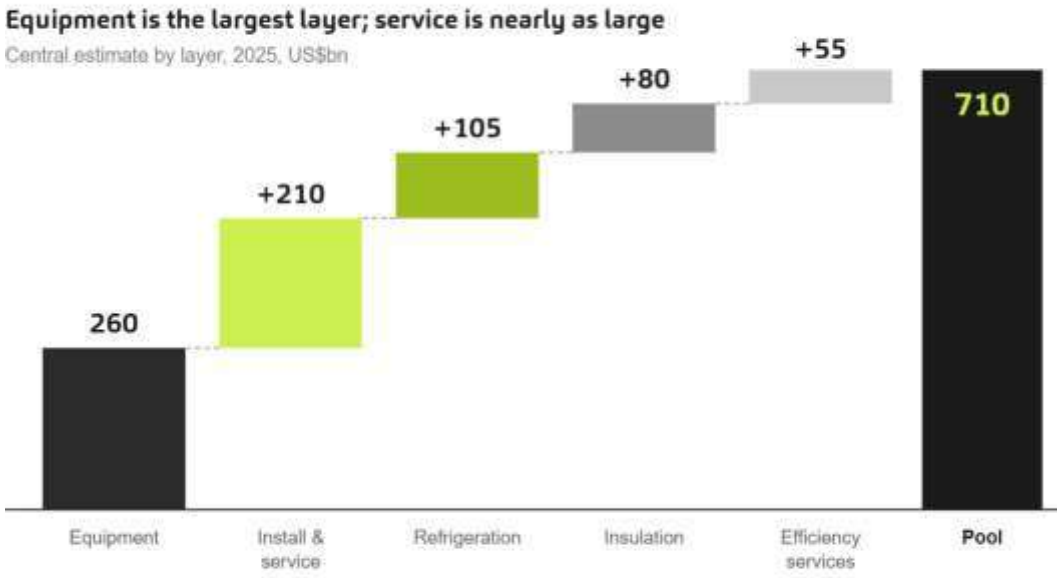
MISSING REFRIGERATION TECHNICIANS

Spain, AEFYT estimate. Labour is the binding constraint.

Sources: Baker Tilly bottom-up value-pool build; EHPA market report 2026; AHRI year-end 2025; Capstone Partners HVAC services updates; Ecolab March 2026 8-K; Trane Q2 2026 8-K; eInforma; AEFYT; Baker Tilly analysis.

Scope and Definition: Five Layers, One Pool

No single source measures the integrated building-climate and thermal-energy pool as defined here, so it is built bottom-up, each layer anchored on the closest primary or analyst figure. HVAC equipment including controls and BMS hardware is the largest layer at 35–37% of the total. The installation, service and maintenance layer is nearly as large, and it is the layer that drives private-equity theses. Refrigeration, insulation and efficiency services make up the remaining third. The result is cross-checked against IEA's US$380bn of 2024 buildings-sector efficiency, electrification and renewables investment, once replacement-cycle spending and service labour are added.



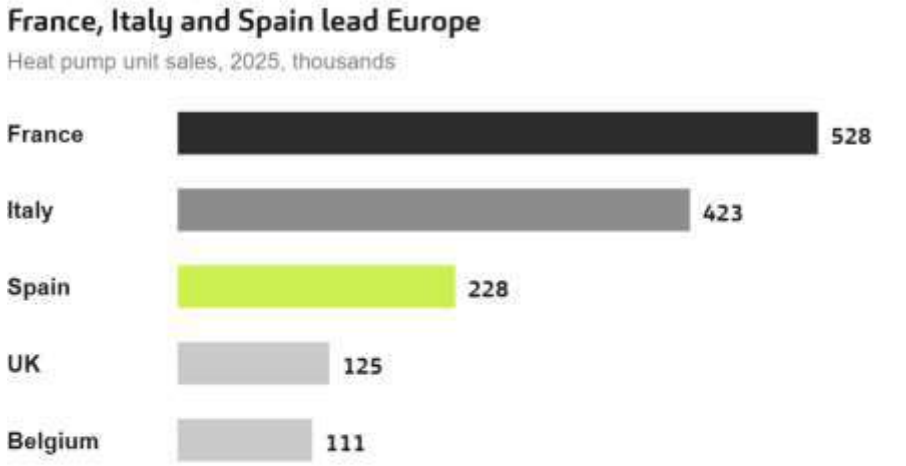
LAYER	2025, US$BN	ANCHOR	CONFIDENCE
HVAC equipment incl. controls / BMS	**215–330** (260)	Arizton $215bn to Market Data Forecast $328.4bn	Medium
Installation, service, maintenance, retrofit	**150–260** (210)	MnM services $72.5bn, uplifted for residential labour and replacement	Low–med
Commercial, industrial & transport refrigeration	**85–130** (105)	Triangulated from Beijer Ref, Transicold, Thermo King, Epta, Danfoss	Low
Thermal & technical insulation	**65–95** (80)	Kingspan €9.2bn, Rockwool €3.9bn plus contractor layers	Low
Energy-efficiency services	**45–70** (55)	UNEP-CCC ESCO survey $15.7bn; IEA China ESCO >$22bn	Low–med

Why sources disagree. The five analyst equipment figures span a 53% range, explained by unit of value (sell-in versus installed), product scope (water heating, air purification, BMS) and China's room-AC market in local currency. **Geography:** Asia-Pacific carries ~45% of equipment value, North America 25–27%, Europe 20–22% — but North America and Europe hold a disproportionate share of service, ESCO and insulation value.

Sources: Arizton; Next Move Strategy Consulting; Grand View Research; MarketsandMarkets; Market Data Forecast; UNEP-CCC Global ESCO Market 2025; IEA World Energy Investment 2025, Breakthrough Agenda 2025 and Energy Efficiency 2025; BSRIA; Kingspan; Rockwool; Baker Tilly analysis. Totals adjusted for double counting of controls and installed equipment.

Industry Size: the Numbers the Estimate Is Anchored On

Two very different cycles sit inside the same pool. Europe's heat pump market rebounded 13% to 2.88m units in 2025 after a two-year slump, with Germany up 50%. US central AC and heat pump shipments fell 20% to 7.75m units in the A2L refrigerant transition — yet heat pumps outshipped gas furnaces by 11%. Margin sits in applied systems and distribution: Watsco posted a record 28.0% gross margin in a year its sales fell 5%.



US CAC + ASHP SHIPMENTS, 2025

Total 7.75m, −20.0% · AC −26.2% to 4.10m
Heat pumps −11.6% to 3.64m · furnaces 3.25m
Jan–Apr 2026: −3.5% YoY, heat pumps +1.2%

DATAPOINT	FIGURE
European heat pump sales, 21 countries	2.88m, +13%; installed stock 29.3m
Spain HVAC market (AFEC sell-in)	€2,041.88m, +11.4%; heat pumps 227,524, +14.9%
Daikin FY2025 (to March 2026)	Net sales ¥5,015.0bn (+5.5%); AC&R ¥4,621.1bn, OP ¥377bn
Trane Technologies FY2025	Revenue $21.3bn (+7%); bookings $22.6bn (+11% organic); backlog $7.8bn
Kingspan FY2025	Revenue €9,199m (+7%); trading profit €955m; Advnsys data center unit €1.66bn
Rockwool FY2025	Revenue €3,877m; Insulation EBIT €488m
Beijer Ref FY2025	Net sales SEK 37,067m; EBITA 10.7%; organic +2.6%
Watsco FY2025	Sales $7.24bn (−5%); record 28.0% gross margin (+120bp)
Spain ESCO sector turnover, 2024	€4,651m, +16.5% (ANESE)

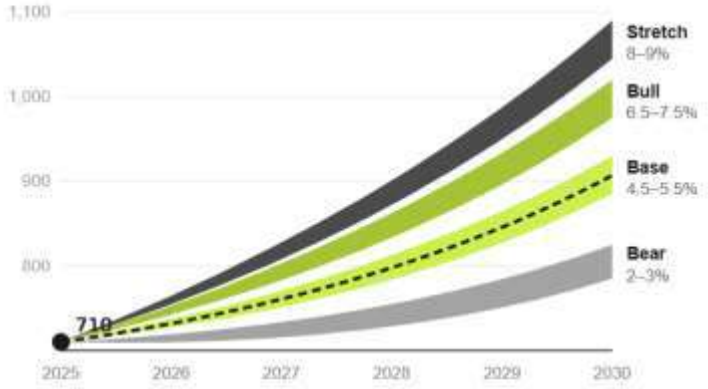
Sources: EHPA market report 2026; AFEC 2025 report (August 2026 update); AHRI year-end 2025 and April 2026 releases; Daikin results May 2026; Trane 8-K January 2026; Kingspan preliminary results 2025; Rockwool Annual Report 2025; Beijer Ref Annual Report 2025; Watsco 10-K FY2025; ANESE Observatorio 2025.

Future Growth: 4.5–5.5%, With Data Centers the Outlier

Nearly every analyst house lands between 5% and 7% for HVAC equipment. The integrated pool grows more slowly because construction-linked insulation and price-deflationary Asian split AC dilute the faster HVAC and service layers. The spectrum is asymmetric: the downside rests mostly on policy, while the upside rests on data center capex — more volatile, but currently backlog-supported. Trane guides about 9% organic growth for 2026; Daikin about 3%. Commercial-applied, Americas-heavy portfolios outgrow residential- and Asia-heavy ones by 5–6 points.

Four scenarios fan out to 2030

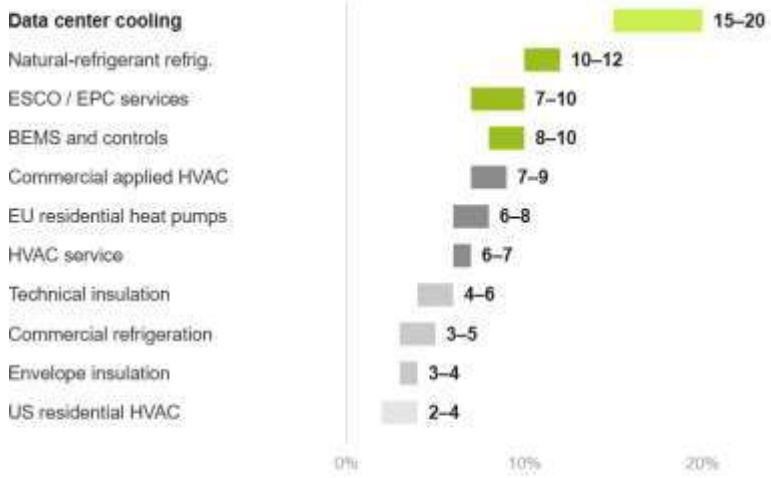
Integrated pool, US$bn, from ~710 in 2025



Base: heat pumps 6–7%, DC cooling 15–20%, service 6–7%
Bear: EU subsidies retrench, US resi −10–15% into 2027
Stretch: liquid cooling becomes default for new AI capacity

Base-case growth by segment

CAGR range 2025–30, %, analyst synthesis



Published forecasts

Introl · DC liquid cooling	**~23%**
DataM · DC cooling	**14%**
Grand View · HVAC	**7.0%**
EHPA · heat pump units	**~6.7%**
TBRC · HVAC	**6.6%**
MnM · HVAC system	**6.4%**
MnM · HVAC services	**6.2%**
Next Move · HVAC	**6.2%**
Market Data Forecast	**5.64%**
Arizton · HVAC	**5.25%**

Data center figures are secondary or vendor-adjacent; treat as directional.

Sources: MarketsandMarkets; Arizton; Grand View Research; Next Move Strategy Consulting; Market Data Forecast; The Business Research Company; DataM Intelligence; Introl (December 2025); EHPA; Daikin, Trane and Carrier guidance; Baker Tilly scenario analysis.

Four Drivers Explain 80% of Forward Growth

The consensus narrative is "electrify, refrigerant-switch, digitise": mid-single-digit volume growth plus 1–3 points of annual regulatory price and mix uplift, with a mid-teens data center layer on top. A2L systems, R-290 monoblocs, CO2 transcritical racks and higher-efficiency equipment all carry structural price premia, and regulated transitions accrue disproportionately to whoever controls installation capacity and distribution.

1 · Regulated electrification of heat

EPBD recast (Directive (EU) 2024/1275) ends incentives for stand-alone fossil boilers from 1 January 2025; Germany's GEG, the UK Boiler Upgrade Scheme and Spain's CTE / PRTR stack.

2 · Refrigerant transition

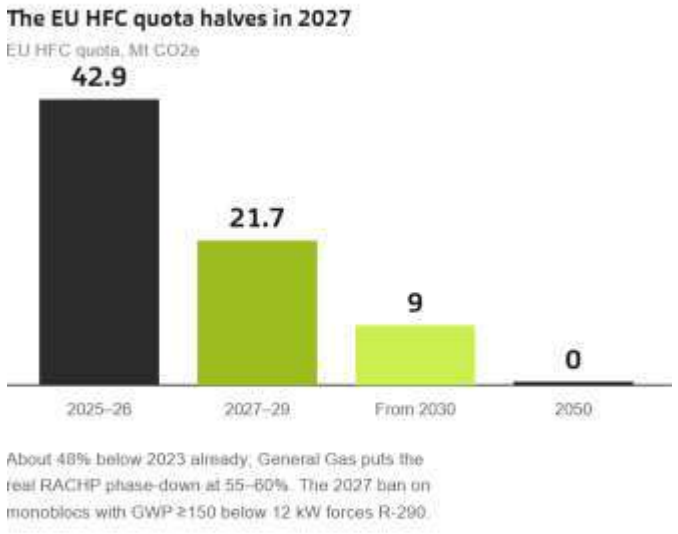
F-gas Regulation (EU) 2024/573 and the US AIM Act Technology Transitions rule force equipment replacement and raise average selling prices; A2L transition delivered double-digit OEM price increases.

3 · Data center thermal load

Trane's Q4 2025 Americas applied bookings +120% with 200% book-to-bill; Carrier's Q2 2026 data center orders above +300%; AI racks above 50–100 kW push cooling from air to liquid.

4 · Ageing installed base

Sustains replacement and service demand regardless of the new-build cycle. Carrier's aftermarket posted its fifth consecutive year of double-digit growth in 2025.



Twelve trends, in brief

Heat pump V-shape — 2022 peak, 2023–24 slump, 2025 recovery.

US A2L transition — a price-for-volume trade.

F-gas quota scarcity as a replacement engine.

Data center cooling — the growth engine and M&A premium.

Commercial applied outgrows residential.

Service and aftermarket as the profit annuity.

Distribution consolidates and digitises pricing.

Insulation splits — sluggish envelope, outperforming technical.

Spain's CAE scheme monetises efficiency.

Policy bifurcation — EU mandates, US incentive rollback.

Labour scarcity as a consolidation catalyst.

"Power plus cooling" portfolio reshaping.

Sources: Directive (EU) 2024/1275; Regulation (EU) 2024/573; General Gas; US EPA AIM Act Technology Transitions rule; Trane and Carrier earnings; Watsco Q3 2025; Baker Tilly trend and driver map.

Spain Benchmarked, and the Cost of a Delayed Driver

Applying a 2.0–2.5x installed-value multiplier to Spain's €2.04bn manufacturer sell-in gives an installed HVAC market of about €4.1–5.1bn. Adding refrigeration, insulation and the ESCO layer gives a Spanish integrated pool of about €9–12bn — roughly 1.2–1.6% of the global central estimate, against Spain's 7–8% share of EU GDP, consistent with lower heating intensity and a large unrenovated multi-family stock. The most consequential single risk is European heat pump policy.

€9–12bn

SPANISH INTEGRATED POOL

Analyst estimate from AFEC sell-in plus refrigeration, insulation and ESCO layers.

~12

HEAT PUMPS PER 1,000 HOUSEHOLDS

Against 46 in Lithuania and 43 in Norway. 227,524 units = 7.9% of Europe.

€1,832m → €2,042m

AFEC SELL-IN, 2024 TO 2025

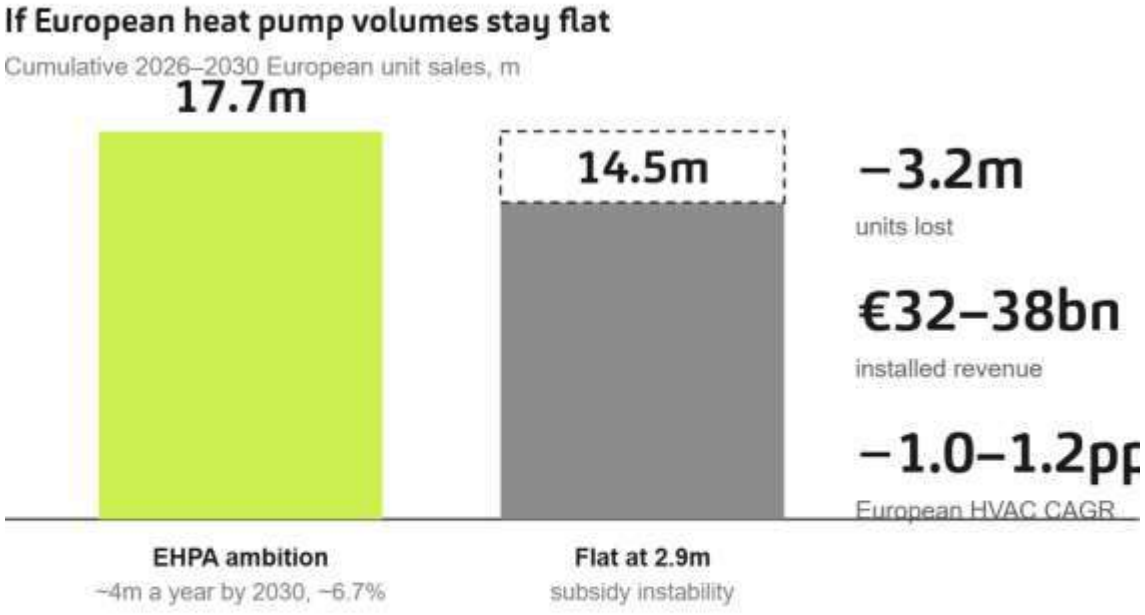
+11.4%, after only +0.8% in 2024.

30 June 2026

PRTR WORKS DEADLINE

Incentive weight shifts to CAE and tax deductions.

Methodological flag. AFEC counts air-to-water, water-to-water and ground-source "aerotermia/geotermia" units; EHPA's Spanish series can include reversible air-to-air units. Anchor Spanish heating-electrification theses on AFEC hydronic units.

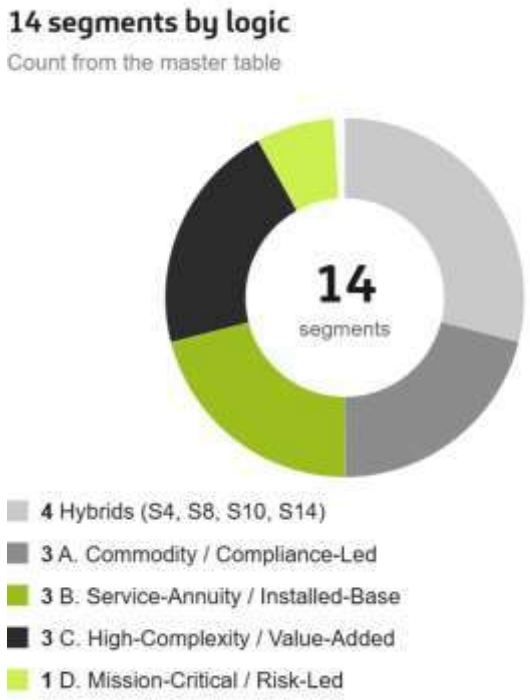


At €10,000–12,000 installed value per residential system. The 2023–24 episode shows it is plausible: EHPA recorded a 23% fall in 2024. Second risk: the US residential trough extending into 2027, keeping North American residential revenue 15–20% below the 2024 peak.

Sources: AFEC 2025 report; EHPA; Daikin FY2024 integrated report; Carrier 2026 framework; EPBD transposition deadline 29 May 2026; Baker Tilly analysis.

Segmentation: Fourteen Segments, Four Strategic Logics

Five criteria — demand trigger, service complexity, customer sophistication, regulatory regime and revenue model — group fourteen segments into four strategic logics. Data center cooling is the only pure Mission-Critical segment, and it carries the highest margins and multiples.

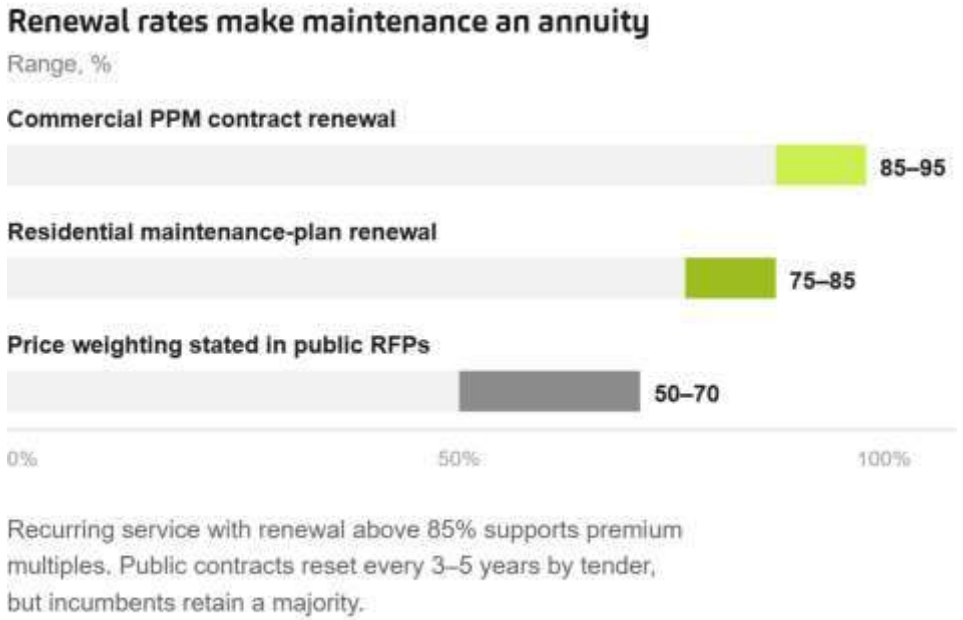


SEGMENT	LOGIC	REPRESENTATIVE EXAMPLES
S1 Residential heat pumps & hydronic	A	Daikin, Bosch, Vaillant, Viessmann, Baxi
S2 Residential split & room AC	A	Daikin, Mitsubishi, Midea, Gree, LG
S3 Residential install & service contractors	B	Apex, Grup Nextclima
S4 Light commercial unitary, rooftop, VRF	A/C	Carrier, Trane, Lennox, Daikin VRV
S5 Commercial HVAC (chillers, AHUs)	C	Trane, Carrier, Daikin Applied, JCI York
S6 Data center & mission-critical cooling	D	Vertiv, Schneider, Eaton, Trane, Kingspan Advnsys
S7 Commercial services, controls & BMS	B	Carrier, Trane, JCI OpenBlue, Serveo, Apleona, VDK
S8 Food-retail & commercial refrigeration	A/B	Epta, Danfoss, Beijer Ref
S9 Cold chain & industrial (NH3/CO2)	C	GEA, Johnson Controls (Frick, Sabroe), Mayekawa
S10 Transport refrigeration	C/A	Carrier Transicold, Thermo King (Trane)
S11 HVAC-R distribution & wholesale	B	Watsco, Beijer Ref, Ferguson
S12 Building envelope insulation	A	Kingspan, Rockwool, Isover, Knauf
S13 Technical & industrial insulation	C (fragmented)	Rockwool TI, Armacell, Kaefer
S14 ESCO, EPC & efficiency services	C/B	ANESE members, Veolia, Engie, CAE delegated subjects

Sources: Baker Tilly master segmentation table built on EHPA; AFEC; Daikin; Capstone; Carrier; AHRI; Trane; Vertiv; Kingspan; Watsco; Beijer Ref; Rockwool; ANESE; MITECO.

End-Users: Regulated Buyers Buy Compliance, Others Buy Speed

Highly regulated users — public sector, food retail, industry and obligated energy parties — rank certification and compliance capability at or near the top because non-compliance is legally or operationally fatal. Their price sensitivity is real but bounded by qualification gates. Discretionary users weigh payback, brand and financing, and their demand is elastic to subsidies. Data center operators are the extreme: price ranks last because the cost of delay or downtime overwhelms equipment cost.



Recurring service with renewal above 85% supports premium multiples. Public contracts reset every 3–5 years by tender, but incumbents retain a majority.

Stated versus revealed criteria

USER	STATED	WHAT ACTUALLY WINS
U3 Public sector	Price weighting of 50–70% in RFPs	Incumbents with references and local technical presence; firms skilled at technical-proposal scoring
U4 Food retail	Frameworks stress unit rates	Re-awarded on emergency response times and leak-rate performance
U1 Homeowners	"Price"	The installer who responds first, explains subsidies and offers financing
U6 Data centers	PUE and efficiency	Capacity availability and delivery certainty — 200% applied book-to-bill

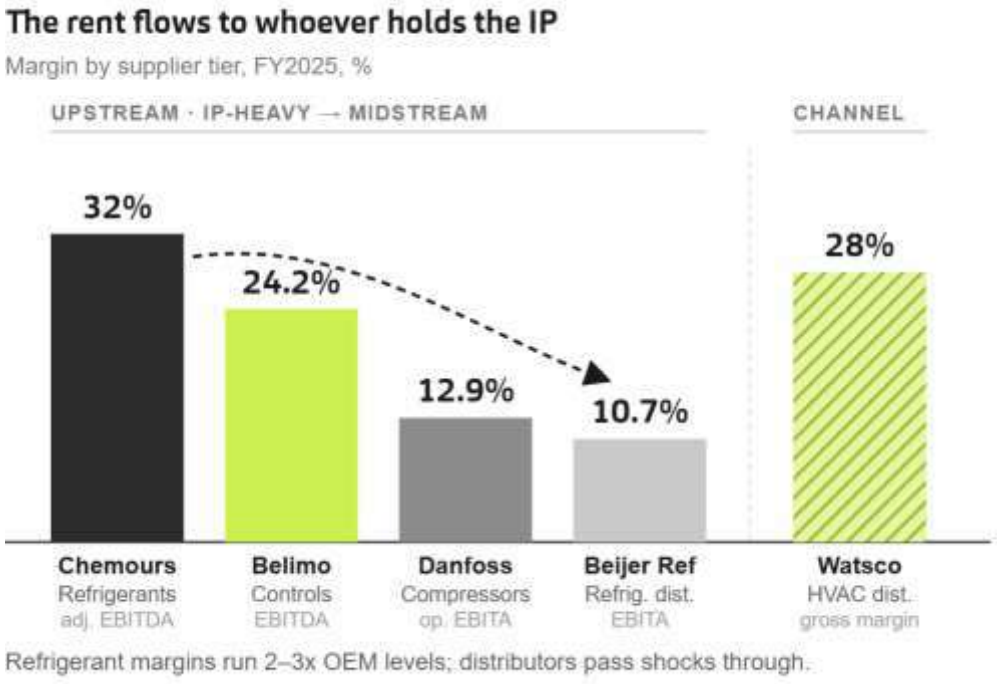
Eight end-user profiles

Homeowners and multi-family communities · landlords and commercial owners · public sector · food retail and grocers · cold chain and logistics · data center operators · industry and process · obligated energy parties. Strategic acquirers buy capability — liquid cooling, fluid services, CO2 refrigeration, controls — to reach U6 and U7; sponsors buy service density to own U1–U4 renewals.

Sources: Baker Tilly analysis on US service platforms and commercial PPM benchmarks; public tender documentation; Watsco commentary on digital customer acquisition; Trane applied book-to-bill; Baker Tilly end-user criticality profiles.

Supplier Ecosystem: the Regulatory Rent Channel

Suppliers hold more pricing power than most buy-and-build theses assume. Each time regulation forces a refrigerant, efficiency or safety change, the supplier holding the enabling IP collects the first and largest share of the transition economics. Chemours' Opteon sales rose 56% to US$1,264m in FY2025 even as AHRI shipments fell 20%; MDI producers pushed through four rounds of increases between December 2025 and August 2026; copper above US$12,000/t has forced OEMs into aluminium redesigns. Equipment makers absorb these shocks; distributors and service contractors largely pass them through.



Eight supplier tiers, none optional

1 Refrigerants & chemistry	Chemours, Solstice (spun from Honeywell Oct 2025), Arkema, Orbia/Koura. Opteon +56%; legacy Freon −30% to $428m
2 Compressors & circuit	Copeland (Blackstone, $14bn; 80% of revenue from repair and replacement), Danfoss €9,430m, Midea GMCC >30% of rotary
3 Metals	Copper / aluminium ratio a record 4.3 in Jan 2026 vs a 3.7 average
4 Power electronics	Infineon, onsemi, STMicro; EU JRC flags import dependency as the main weakness
5 Insulation raw materials	MDI five-player oligopoly: BASF, Covestro, Huntsman, Dow, Wanhua
6 Controls, BMS & software	Belimo CHF 1,120.8m (+23.3%), data centers ~17% of sales from ~11%
7 Regulators & certifiers	EC, US EPA, AHRI, Eurovent, MITECO, ENAC — the "licence to operate"
8 Labour, alliances, capital	~61 heat pumps per installer: Spain's 2025 volume absorbs ~3,700 FTE installers

Sources: Chemours FY2025 (~32% TSS adjusted EBITDA on $670m over $2.1bn); Solstice Q3 2025; Copeland and Blackstone / Emerson; Danfoss FY2025; Midea GMCC; ACHR News; LME Insight; EU JRC heat-pump monitoring report; Belimo FY2025; Watsco; Beijer Ref; AEFYT; Baker Tilly supplier tier map.

Complements Monetise the Core; Regulation Bounds the Substitutes

A complement passes the "removal neutrality" test: a Trane chiller runs without BrainBox AI, but BrainBox AI has nothing to optimise without the chiller. Complements monetise the information, money and compliance flows the core generates, and attach to it through the maintenance contract. A substitute must deliver close to the same outcome and also displace the independent provider — and each credible substitute runs into F-gas certification, licensing, liability or flammability rules. The real threat is a regulatory carve-out, not a better product.

Seven complement categories

Field service software · connected equipment · AI-native controls · BMS and digital twins · ESG and compliance tools · financing and outcome contracts · training and certification. Customers adopt them in order: **compliance first** (F-gas logs, RITE records), **then cost** (energy optimisation, leak reduction), **then revenue or financing** (CAE, subscriptions).

US$82.1bn

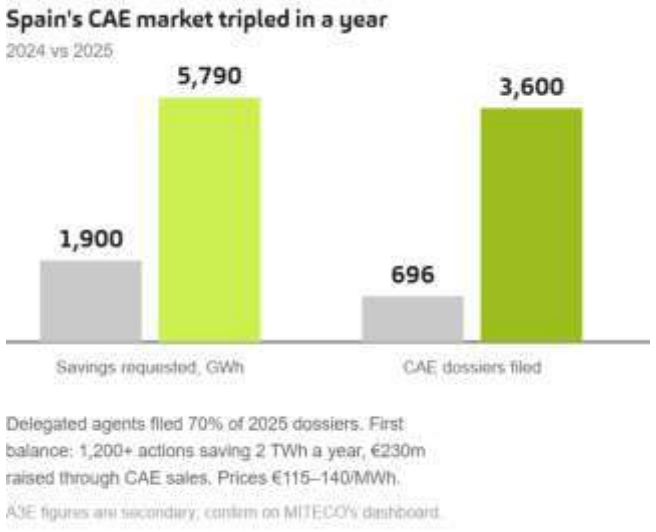
SERVICETITAN GTV, FY2026

~1.2% take rate, gross dollar retention above 95%.

Bought or backed

INCUMBENTS MOVE IN

Trane–BrainBox AI; JCI and Carrier backed PassiveLogic and 75F.



Seven substitutes, bounded

In-house FM teams	Still **56.8%** of European FM spend
OEM, utility, D2C	Octopus **£4,064** per heat pump vs £5,408 UK median
DIY equipment	Mini-splits; limited by refrigerant handling rules
District heating & cooling	Spain: **585 networks, 1,753 MW**
Envelope-first design	Reduces load; does not remove service
AI autonomous ops	Moves routine tasks inward
Self-certification	Only where regulation allows

The generalist middle is hollowing out: routine tasks move inward, regulated safety-critical work moves outward to certified third parties.

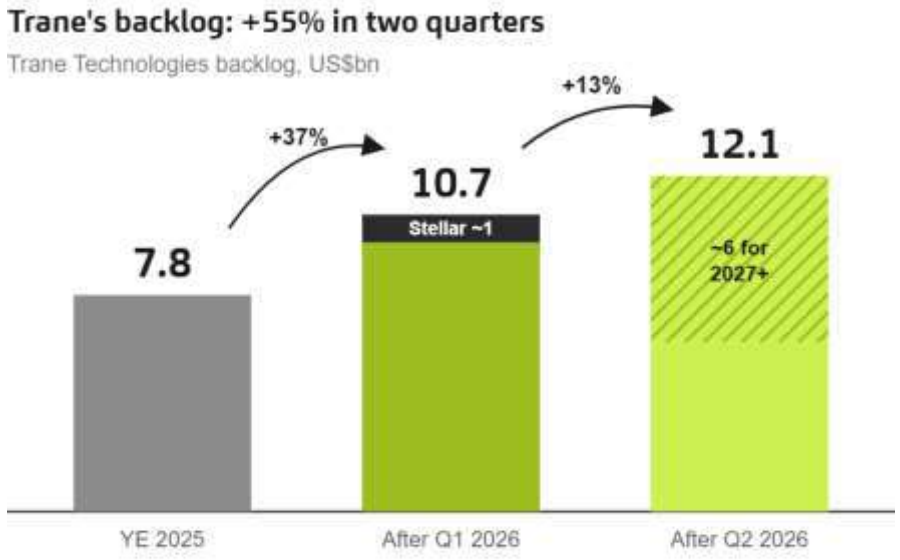
Sources: ServiceTitan FY2026; Trane; Johnson Controls; Carrier; A3E citing MITECO progress reports; ASDAE; MITECO first CAE balance (February 2025); Mordor Intelligence; Octopus Energy; Spanish district-heating census; Baker Tilly complement and substitute landscape.

Competitive Landscape: a Barbell of Concentration

The pool is not one arena but five overlapping ones, and the basis of competition shifts from product cost to engineering credibility to licensed labour density depending on segment and customer. Equipment manufacturing and envelope insulation are concentrated; installation, service and technical insulation are deeply fragmented. Daikin, Carrier and Trane win on applied and data center thermal systems plus aftermarket, while residential volume is a share fight against Midea and other Asian scale players.

ARCHETYPE	NAMED PLAYERS AND DATAPOINTS
1 Global multi-segment incumbents	Daikin ¥5,015.0bn, 8.3% OP margin; JCI $23.6bn, ~$15bn backlog; Midea RMB458.5bn (+12.1%)
2 Applied & mission-critical thermal	Trane, JCI York, Carrier, Vertiv, Schneider (Motivair), Munters, Stulz, Kelvion (SLB), Kingspan Advnsys
3 Regional champions	NIBE, Vaillant, Bosch Home Comfort ($8.1bn for JCI-Hitachi), Lennox, AAON, Intarcon, Frigicoll
4 Insulation majors & technical specialists	Kingspan €9.2bn, Rockwool €3.88bn, Saint-Gobain, Owens Corning; Kaefer, Bilfinger, Altrad
5 Service, installation & ESCO consolidators	Service Logic (140+ locations, 5,000+ technicians), Apex (~$10bn), Champions, Apleona (~€4bn), VDK (60+ deals), Syclef, Serveo
6 Distribution	Watsco (28.0% GM), Beijer Ref (seven deals in 2025), Ferguson

Spain illustrates the fragmented end: roughly **32,400** CNAE 4322 firms averaging near €1m revenue. AFEC acknowledged "an unusually high number of mergers and acquisitions" as a deliberate consolidation strategy when 2024 grew only 0.8%.

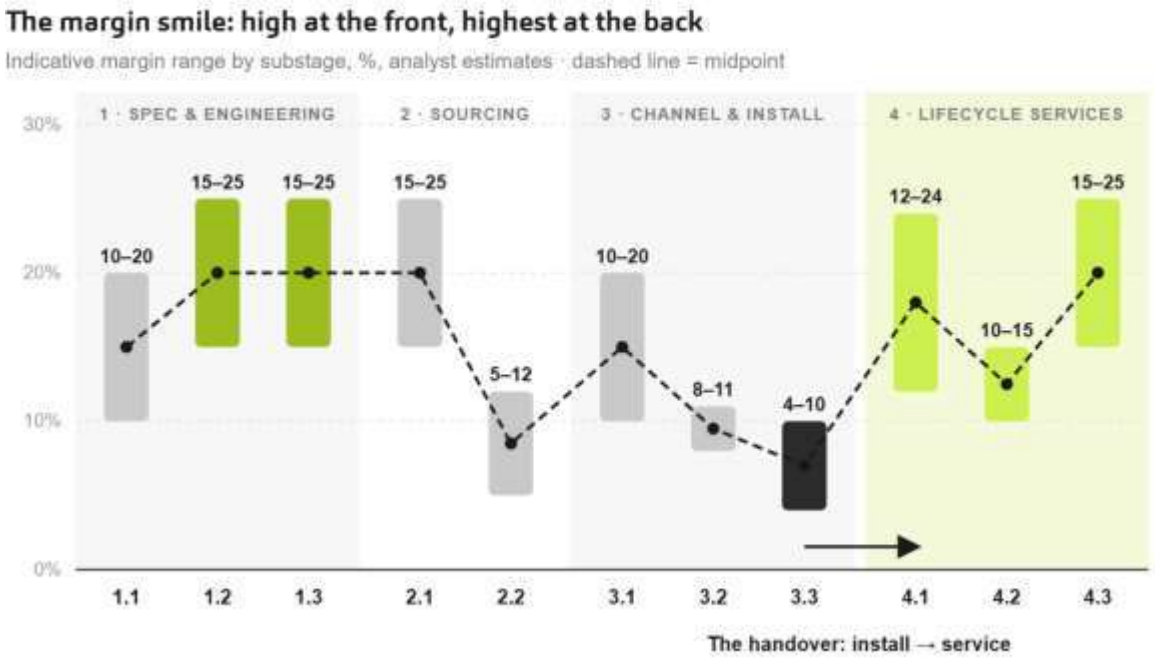


~90% tied to commercial HVAC. Carrier lifted its 2026 data center outlook to ~$2bn from $1.5bn; Q2 2026 data center orders rose above +300%.

Sources: Daikin; Johnson Controls; Midea; Trane Q2 2026 8-K and January 2026 8-K; Carrier 2025 results and Q2 2026 outlook (secondary); Kingspan; Rockwool; Service Logic; Apleona; VDK; Watsco; Beijer Ref; AEFYT; AFEC; Baker Tilly archetype analysis. Platform valuations from aggregators are indicative.

Value Chain: Margin at the Front and the Back

Four stages and twelve substages run from the moment a thermal need is originated — an audit, a regulatory trigger, a data center design brief — to the end of an asset's life. Value is migrating toward the back (Stage 4), with a narrower concentration at the front in mission-critical thermal engineering. The spread between installation (4–10%) and planned maintenance (12–24%) is the arithmetic of every roll-up: a platform that converts installation customers into service contracts lifts blended margin without adding capital.



Who wins, who is squeezed

Winners: 4.1–4.3 planned maintenance, remote monitoring and performance contracts, retrofit and refrigerant lifecycle, plus specification-grade engineering at 1.2 and 1.3. **Squeezed:** generic manufacturing (2.2), pure-logistics distribution (3.2, digital disintermediation), new-build installation without service attachment (3.3), and air-only precision cooling for high-density halls, being displaced by liquid.

17–20x vs 10.9x

SERVICE PLATFORMS VS EQUIPMENT

What sponsors pay for Stage 4 against HVAC equipment in 2025.

39 of 77

HVAC DEALS WITH PE BUYERS

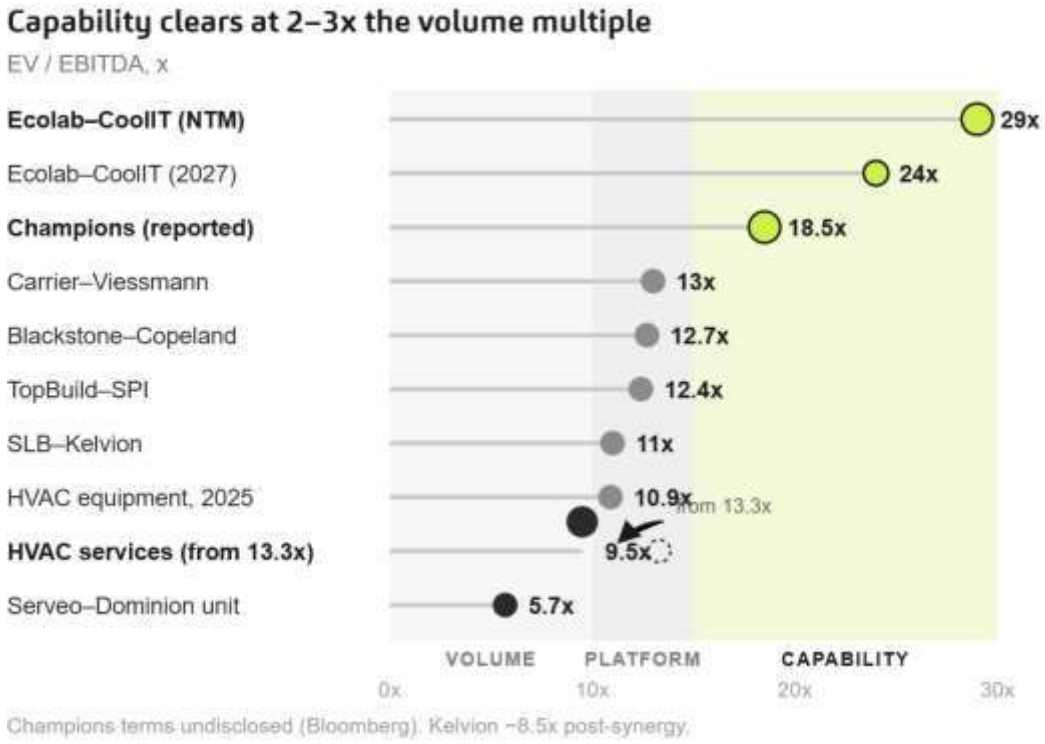
More than half, through early June 2026.

> **The handover from 3.3 into 4.1 is where recurring revenue is won or lost.** Underwrite Stage 4 roll-ups as the core thesis and Stage 1.2 specialists as selective, high-multiple options.

Sources: Baker Tilly analysis triangulated from listed peers and deal disclosures — 1.2 is EBIT, 2.1 supplier EBITDA, 2.2 EBIT on standard units, 3.2 EBITA, 4.2 EBITDA on EPC; Bloomberg on Champions Group; Capstone data cited by S&P Global; GF Data via AxiaGrowth. Margin ranges are not reported segment figures.

M&A Landscape: Capability Commands the Multiple

In 2026, capability deals command the multiples and volume deals command the count. The data center adjacency pulls strategics; service annuities pull sponsors. Services multiples have normalised from 13.3x to 9.5x and broader HVAC from 13.4x to 11.4x, while higher financing costs push sponsors toward add-ons over new platforms — platform creations fell to nine. Capstone counted 149 HVAC services deals in 2025 (+12.9%), with PE add-ons making up 41.3% of 2026 deals to date.



Five transaction types

Large strategic reshaping ($1bn+)	Carrier–Viessmann €12bn; JCI residential to Bosch $8.1bn; Eaton–Boyd $9.5bn; Ecolab–CoolIT ~$4.75bn; SLB–Kelvion $3.4bn
Service roll-ups	Service Logic, Apex, Champions, VDK, Syclef, Serveo — the core PE thesis
Vertical entry downstream	OEMs buy aftermarket and installer access: Viessmann's 75,000 installers in 25 countries
Data center capability	Trane–LiquidStack, Trane–Stellar, Schneider–Motivair (€850m for 75%), Vertiv–PurgeRite (~$1.0bn)
Carve-outs and portfolio pivots	Carrier sold >$10bn of fire, security, refrigeration at blended mid-teens; Serveo carve-outs at ~5.7x

Ranked by risk-adjusted return

1 Spain and Portugal HVAC-R and refrigeration services (entry 4–8x, 10–20% discount to core Europe) · **2** Southern European technical insulation · **3** US commercial HVAC services · **4** European data center thermal services · **5** US residential services (17–20x, sell-side only) · **6** European residential heat pump equipment (avoid at full multiples).

Sources: Ecolab March 2026 8-K; Bloomberg; Carrier; Blackstone / Emerson; TopBuild; SLB 8-K; Capstone Partners HVAC services updates; Serveo / Dominion; Schneider; Vertiv; Eaton. Spanish SME multiples come from advisory-firm marketing material, not transaction databases.

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Eight Transactions That Define the Patterns

Front-end capability purchases, portfolio pivots, sponsor-to-sponsor relays, technical insulation exits and Iberian roll-ups. Together they show that strategics pay for thermal technology, long-duration capital pays top-decile multiples for membership-driven service, and Southern Europe is where the next platforms are still being assembled from founder-owned firms.

DEAL	PATTERN	WHAT IT DEMONSTRATES
Trane – LiquidStack, Stellar Energy	Front-end capability	Liquid cooling IP and modular delivery took backlog from $7.8bn to $12.1bn in two quarters. OEMs buy rather than build at the front of the chain.
Carrier – Viessmann, then exits	Portfolio pivot	€12bn at ~13x synergised EBITDA on a $5bn → $15bn heat pump forecast that now looks optimistic; Climate Solutions Europe $5.0bn (−3% organic). Channel ownership kept its value.
Bain / Mubadala – Service Logic	Sponsor relay	Leonard Green built 140+ locations and 5,000 technicians in five years; local leaders retained, reducing single-founder dependence.
Blackstone – Champions Group	Perpetual capital	~$2.5bn EV at ~18.5x on ~$140m EBITDA (reported); 1,800+ technicians and 150,000 members held in a perpetual vehicle.
TopBuild – SPI	Technical insulation	$1.0bn for ~$700m revenue, ~12.4x (8.3x post-synergy); ~55% recurring maintenance and repair; SPI doubled revenue in 3.5 years through 14 deals.
Serveo (Portobello) carve-outs	Carve-out arbitrage	Dominion unit at €27.5m for ~€100m revenue (~5.7x, 0.28x sales); then Siemsa (630 staff), Tecnolimp, Sacyr Facilities, Grupo Jauregui.
Syclef Iberia (Ardian)	Iberian roll-up	Enfrío, Iparfrío, Gestécnica, IDD, Decofrío, Gesticool, COFRISA — seven companies, 33 sites, 800+ employees; values undisclosed.
Grup Nextclima (Terra Firma)	Permanent capital	Airnou (€6.69m revenue) and Termotur; ~70 employees, >€10m revenue; former owners keep minorities.

Sources: Trane Q2 2026 8-K; Carrier; EHPA; Leonard Green; Bain Capital; Mubadala; Blackstone; Bloomberg (terms undisclosed); TopBuild; Incline Equity Partners; Ferrovial; Portobello; Serveo; CNMC; Ardian; Syclef Iberia; Terra Firma Capital.

Seven Priorities for M&A Advisory

Key man risk around licensed founders is the binding execution constraint in Southern Europe, so structures matter as much as targets: majority stakes with founder rollover, earn-outs tied to contract and technician retention, and partnership-first routes where regulation or IP is still unsettled.

1

A second Iberian refrigeration service platform

F-gas phase-down, IGFEI tax, frigorista shortage and only one scaled roll-up. Screen Cofrico, Grupo Lasser, Corefri; 70–80% majority, 20–30% rollover, 2–3 year earn-out. Exit to Syclef, Epta, Beijer Ref.

2

Technical insulation buy-and-build

No PE consolidator identified. Anchor at 5–6x with refinery, chemical or LNG vendor status; bolt on at 3.5–5x; add prefabrication and build toward SPI's 55% maintenance share.

3

Partner with Grup Nextclima

It already owns the Catalan platform. A minority co-investment or add-on sourcing mandate beats a rival platform.

4

Maintenance carve-outs from listed groups

Dominion's unit traded at ~5.7x and Serveo is the main buyer, so a second bidder improves tension. Mind subrogación.

5

Independent ESCO and CAE platform

ANESE's €4,651m pool; CAE at €115–140/MWh; delegated agents handle 70% of dossiers. Partnership or minority first — acquired savings books need M&V diligence.

6

Iberian data center thermal services

Alliance first: a JV between a mechanical contractor with references and an OEM or fluid-service specialist, with a call option — the Schneider–Motivair 75%-then-100% path.

7

Pan-European secondaries

Assemblin Caverion (Triton) and Syclef (Ardian since 2022) are logical 2027–28 candidates on holding periods. Monitor, not near-term.

When to partner, not acquire

Software and AI controls: minority plus commercial agreement. **Data center capability:** JV with call option. **CAE books:** partner until regulation settles. **Founder-dependent targets:** 51% then call option.

Sources: SABI (to be confirmed); trade directories; TopBuild / SPI; Kingspan; Serveo; Dominion; ANESE; Remica; Schneider–Motivair; Ezentis–EDA Instalaciones; advisory-firm benchmarks; Baker Tilly recommendations. Target names verified as real; revenue and ownership to be confirmed.

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