

ProventisPartners.

**M&A FACTS – H1 2024**  
**BUILDING TECHNOLOGY SECTOR**

August 2024

### M&A-HIGHLIGHTS AND MARKET INSIGHTS

The Building Technology M&A market shows resilience, despite supply chain challenges and increased cost base.

#### H1 2024 Deal activity

**314**  
Deals

Small cap investors and strategics consolidating the market continue to drive deal activity in the sector, with a few notable sponsor-backed transactions.

**€30bn**  
Deal value

Deal activity in H1 2024 comparable to H2 2023, indicating a stable overall M&A environment, despite consistently high interest rates and ongoing supply-chain challenges.

#### Valuations

EBITDA trading multiples remained stable compared to the previous periods.

H2 2023 H1 2024

8.8x → **8.9x**

Trading EBITDA Multiple

The median of the transaction multiples increased slightly to 9.8x and therefore remained stable.

H2 2023 H1 2024

9.4x → **9.8x**

Transaction EBITDA Multiple

#### Insights

Key trends in sustainable construction and digital building management compensated for a difficult economic environment in the sector.



##### Strategies

Inorganic growth through M&A as a pivotal means of delivering comprehensive “One-Stop-Shop” solutions to customers.



##### Trends

Shift towards software and services over hardware, alongside product commoditization and channel restructuring – more complex competitive landscape for established players. Rapid advancements create acquisition opportunities for players to gain a competitive edge.



##### Key growth areas

Majority of growth will come from areas outside of traditional building technology products, particularly IoT-enabled solutions, BIM software, and sustainable building materials.

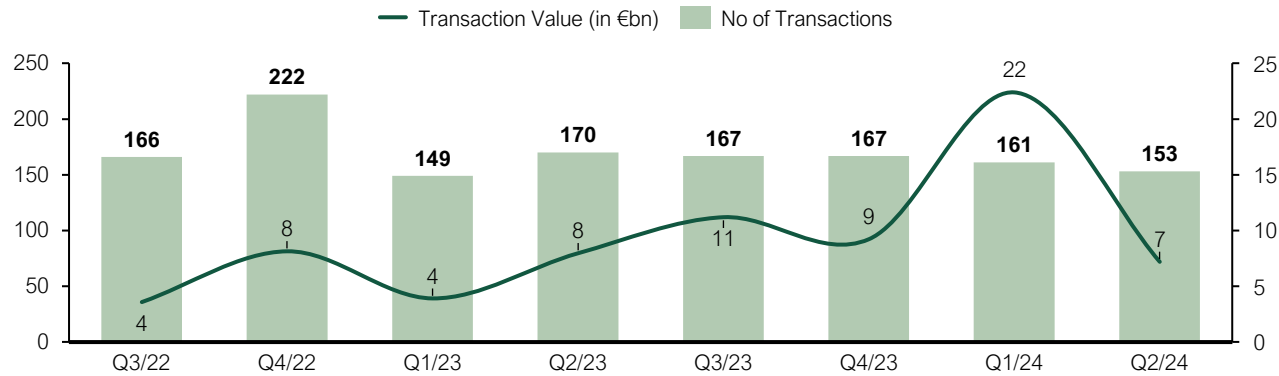
# M&A Facts H1 2024

## Building Technology

### M&A SUMMARY

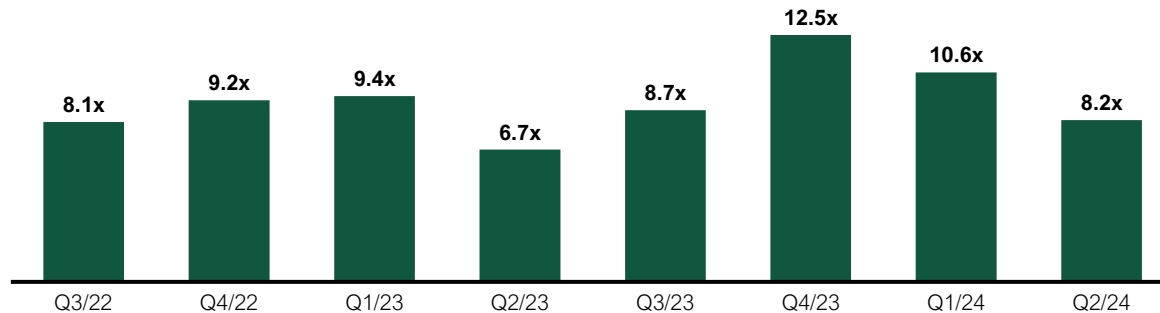
Resilient M&A market for building technology over the recent years.

#### Building Technology M&A Deal Count, Recorded Transaction Volume 2022-2024



#### Building Technology M&A Transaction Multiples 2022-2024

Implied Transaction Enterprise Value / EBITDA of announced transactions with disclosed multiple.



Data Source: S&P Capital IQ.



“The market has proven to be resilient in terms of deal activity as we are seeing a recovery from macroeconomic volatility during the past 2 years. A deal momentum supported by increased government funding and a sustainable industry backlog can be expected.”

**Jan Wetter**  
Partner, Zurich

### NOTABLE TRANSACTIONS IN THE BUILDING TECHNOLOGY SECTOR

Some very large transactions have pushed up overall transaction value in the first half of 2024.

Announced Date	Target	Acquirer	Stake %	Total Transaction Value	Implied EV/ EBITDA
16/05/24	Dimoldura Iberica, S.L., ES & LIGNIS s.r.o., CZ	Arbonia AG, CH	100	n/a	n/a
16/05/24	Zehnder Group AG (Climate Ceiling Solutions Business)	Private Assets SE & Co. KGaA	100	n/a	n/a
22/04/24	Tyman plc, UK	Quanex Building Products Corporation, US	100	1'181	9.3x
<b>1</b> 18/04/24	<b>Climate Division of Arbonia, CH</b>	<b>Midea Electrics Netherlands BV, NL</b>	<b>100</b>	<b>759</b>	<b>n/a</b>
03/04/24	Bailey-Hunt Limited, CN	Certainteed Canada, Inc, CN	100	601	9.6x
19/03/24	SI Cand-Landi SA, CH	Holcim (Schweiz) AG, CH	100	n/a	n/a
<b>2</b> 26/02/24	<b>CSR Limited, AU</b>	<b>Compagnie de Saint-Gobain S.A., FR</b>	<b>100</b>	<b>2'725</b>	<b>13.9x</b>
26/02/2024	Adbri Limited, AU	CRH plc, IE	57	1'258	10.6x
16/02/24	Karl Bach Kunststoffverarbeitung GmbH & Co. KG (Stonewool Insulation Division), DE	Kingspan Group plc, IE	100	n/a	n/a
06/02/24	Zinco GmbH, DE	Holcim AG, CH	100	n/a	n/a
29/01/24	Biesse SPA, IT	GMM Finance Srl	>50%	69	5.5x
05/01/2024	STEICO AG, DE	Kingspan Group plc, IE	51	710	16.0x

Data Source: S&P Capital IQ.

### Selected Transactions in H1 2024



#### Deal Specs:

Midea Electrics Netherlands BV acquired the Climate Division of Arbonia for an EV of EUR 759m.

#### Details:

The Climate Division will merge with the Clivet Group, part of Midea, to form a European leader in sustainable climate solutions, leveraging a complementary product portfolio, dealer network, and strategic alliance.



#### Deal Specs:

Compagnie de Saint-Gobain S.A. acquired CSR Limited for an enterprise value of EUR 2'642m.

#### Details:

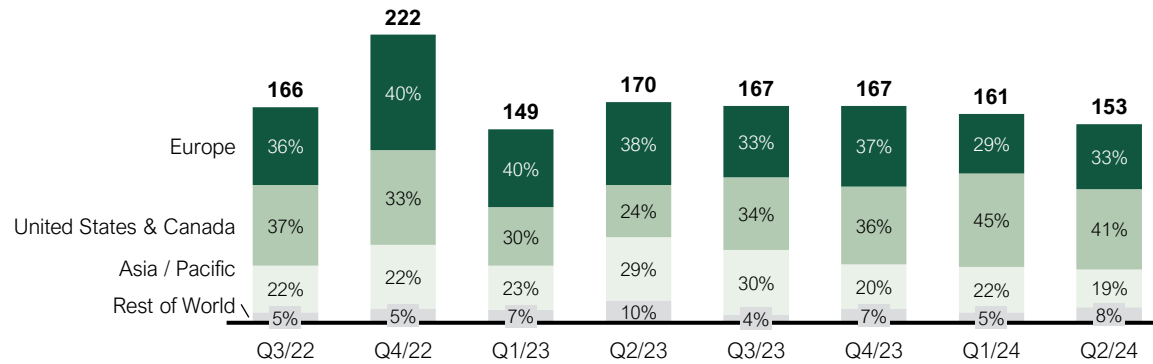
This acquisition, which is aligned with Saint-Gobain's vision as the worldwide leader in light and sustainable construction, is a decisive step to strengthen its presence in the fast-growing markets of Asia-Pacific.

### BUILDING TECHNOLOGY M&A DEAL ANALYSIS<sup>1</sup>

Financial Sponsor backed deals noted at higher multiples due to outliers, whilst vast majority of deals done by strategic buyers.

#### Deal Volume by Region

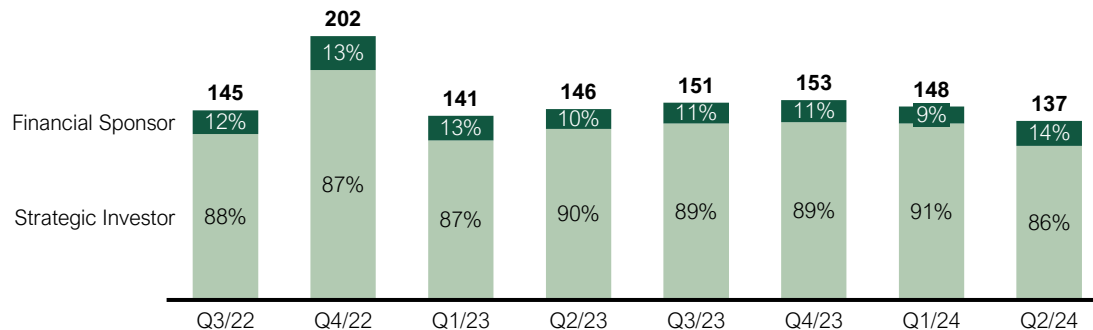
##### Deal count by Target Region



#### Deal Volume by Investor Type

##### Deal count by Investor Type

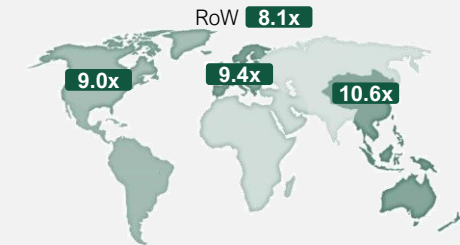
Announced transaction with identified investors.



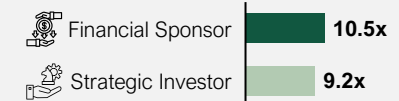
Data Source: S&P Capital IQ.

1) Announced transactions. Implied M&A Enterprise Value / LTM EBITDA of announced transactions with disclosed multiple.

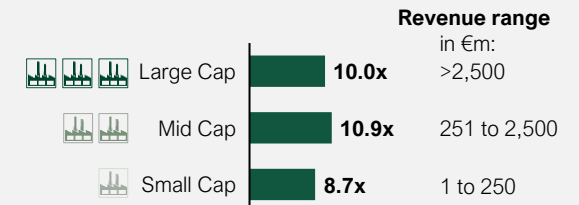
#### EBITDA Multiple (LTM) by Target Region



#### EBITDA Multiple (LTM) by Investor Type



#### EBITDA Multiple (LTM) by Company Size



# M&A Facts H1 2024

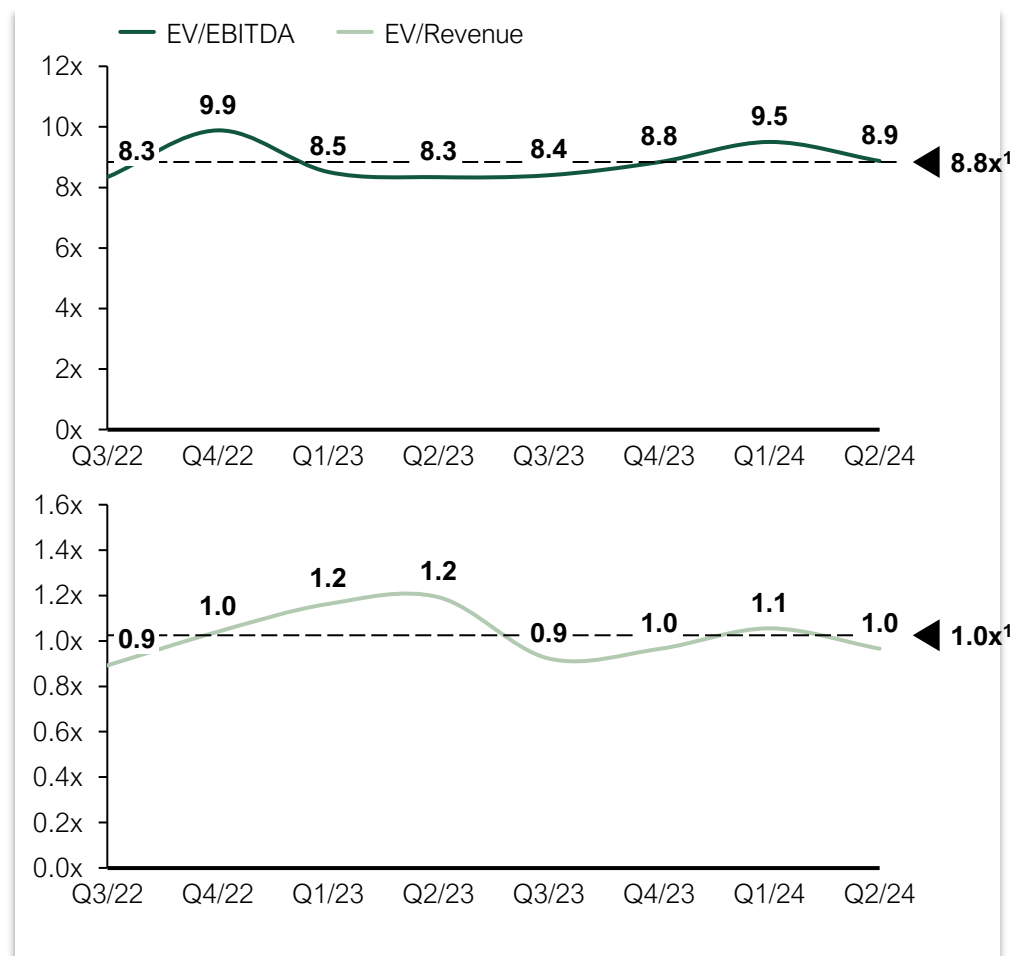
## Building Technology

### TRADING MULTIPLES

After a year of higher volatility in the market, trading multiples are now back on average levels over two years.

Average enterprise value multiples of comparable listed companies since 2022.

Company	EV/Revenue	EV/EBITDA	Company	EV/Revenue	EV/EBITDA
Schneider Electric	3.8x	19.1x	Burkhalter	0.9x	14.2x
GRH	1.8x	9.2x	sto	0.5x	4.6x
HOLCIM	2.0x	8.1x	INSTALCO	1.0x	10.1x
Johnson Controls	2.1x	15.1x	ARBONIA	2.1x	15.6x
SAINT-GOBAIN	0.9x	6.1x	zehnder group	0.8x	6.8x
ASSA ABLOY	2.8x	14.1x	meier tobler	0.6x	6.5x
GEBERIT	6.2x	20.8x	solar	0.3x	6.2x
Kingspan	1.9x	14.7x	CONSTI	0.2x	5.5x
SPIE	0.8x	8.5x			
BELIMO	6.3x	29.5x			
dormakaba	0.9x	8.6x			
bravida	0.6x	8.0x			
VICAT	0.8x	4.4x			
Lindab	1.7x	12.5x			



Data Source: S&P Capital IQ. 1) Average Multiples

### PROVENTIS PARTNERS CASE STUDY IN THE BUILDING TECHNOLOGY SECTOR

Proventis Partners has advised the owner of H. Lüdi + Co AG in the context of a succession planning.

 M&A Sell-Side

**HLÜDI**

Sale of H. Lüdi + Co. AG, leading supplier of innovative laboratory system solutions, to Spectron Gas Control Systems GmbH.

**spectron**

Proventis Partners advised  
H. Lüdi + Co. AG

#### Initial situation



H. Lüdi + Co AG in Regensdorf, Switzerland, is a pioneer and leading innovation driver in the areas of smart laboratory solutions and manufacturer of long-lasting parts for OEMs with products ranging from ready-to install smart systems and special gauges. The firm serves clients globally and disposes of partnerships with leading international companies. As a local, medium-sized manufacturer, the business has been prosperous for over 95 years and successfully managed by the owner family up to the third generation, employing around 40 people.



Spectron Gas Control Systems GmbH is a leading manufacturer of gas control equipment, specialized in developing, manufacturing and distributing precision fittings as well as systems for measuring, controlling and regulating gaseous chemicals. The manufacturer is based in Langen, near Frankfurt am Main and has been successful for over 125 years. The family-run company is part of the Messer Group, a world leading specialist in industrial, medical and specialty gases.



Hansjürg Lüdi served as CEO and owner of HLAG for over 30 years. He has engaged Proventis Partners to provide advisory support for him in the context of his succession.

*«Proventis Partners accompanied me and the entire management team with profound expertise and a great deal of sensitivity towards the various stakeholders throughout the entire M&A process. With Spectron, we have found the ideal new owner for the future of the company.»*

Hansjürg Lüdi, former CEO and owner of H. Lüdi + Co AG.

#### Results & Acquisition rationale

- 1 Preservation of the location in Regensdorf and all jobs for approximately 50 employees.
- 2 Continuation and expansion of the strategy for innovative and comprehensive laboratory solutions.
- 3 Expansion of an established market position through strong innovation and high-quality standards.
- 4 Diversification of Spectron's product portfolio with clear social and ecological benefits.

#### About Proventis Partners

- Proventis Partners, with 30+ M&A professionals, is one of the largest independent M&A advisors in the German-speaking region and globally active in the Building Technology sector with deep industry know how and a proven track record.
- Proventis Partners Building Technology team was mandated as M&A sell-side advisor and supported H. Lüdi + Co AG on transaction and M&A matters through the whole process.

# M&A Facts H1 2024

## Building Technology

### BUILDING TECHNOLOGY SECTOR OVERVIEW

The sector comprises diverse sub-segments, each uniquely enhancing modern construction practices and efficiency.

#### Fire Safety Solutions

#### Building Materials & Insulation

#### HVAC

#### Water & Sanitary

#### Electrical

#### Engineering & Construction

#### Energy Transition

#### Integrated Groups



### THE PROVENTIS PARTNERS BUILDING TECHNOLOGY TEAM

An M&A team of 35 professionals is at your disposal at Proventis Partners.

#### Our Building Technology Team



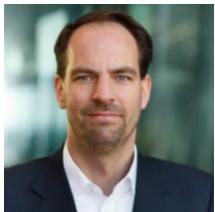
**Jan Wetter, Partner**

- 17+ years of experience in M&A
- Successfully closed several M&A transactions in the building technology sector



**Ulrich Schneider, Partner**

- 19+ years of experience in M&A
- Building Technology industry focus



**John Jürgens**  
Director



**Andre Tasch**  
Associate



**Flavian Gmünder**  
Analyst

#### Our pace of Building Technology M&A Deals completed is increasing.

##### M&A Sell-Side



Sale of H. Lüdi + Co AG, leading supplier of innovative laboratory system solutions, to Spectron Gas Control Systems GmbH.



##### M&A Sell-Side



Sale of Zimmer & Hälbig, leading supplier of technical building system equipment, to equity financier VR Equitypartner.



##### M&A Sell-Side



CONTUS Group has acquired the majority of Schläu Elektrotechnik GmbH, a leading player in technical building installations.



##### M&A Sell-Side



Sale of STI Group (surface technology) to a private investor. Simultaneously, Artemis Holding acquired a stake in Arbonia Holding Ltd.

##### M&A Sell-Side



VINCI Energies acquired JOMOS Holding AG, a leading fire protection company.



##### M&A Buy-Side



Lindab Group has acquired Felderer AG, a leading German ventilation distributor.



### PROVENTIS PARTNERS TRACK RECORD

Our experience of results from more than 430 completed M&A transactions with a total value of more than EUR 22 billion.

### Experience from 20 years of Proventis Partners

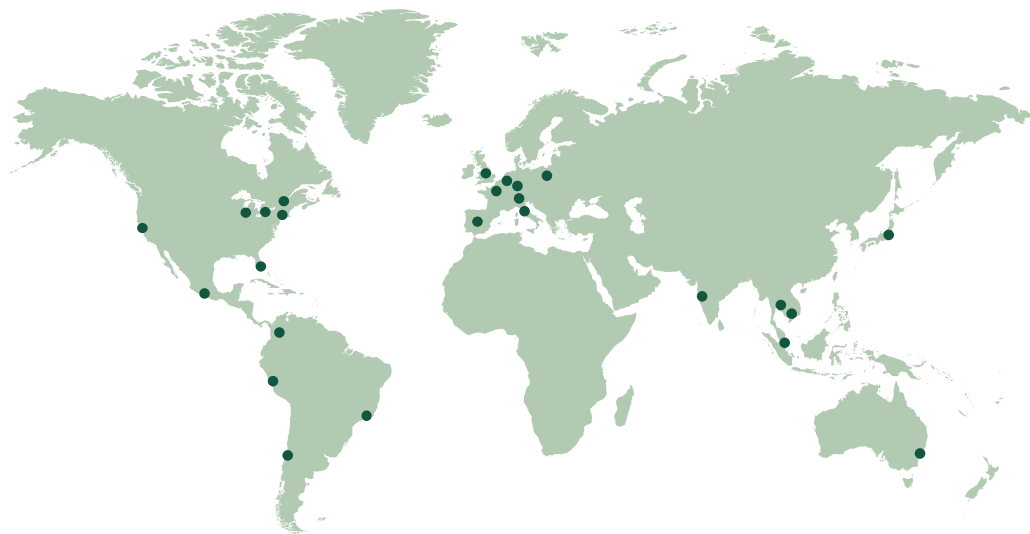
Comprehensive network of executives, M&A decision-makers in corporations and private equity investors	So far, we closed M&A deals in <b>30 countries</b>	<b>~30</b> M&A professionals
	<b>&gt;50%</b> Cross-border Deals	Strong track-record on sell- and buy-side mandates
<b>&gt; 430</b> successful deals	Transaction volume of <b>&gt; EUR 22bn</b>	Extensive expertise in our six main sectors
<b>&gt; 85%</b> closing success	We are one of the top fully independent M&A advisors in the DACH region	



### PROVENTIS IS PART OF MERGERS ALLIANCE

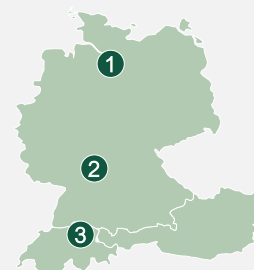
Excellent contacts with national and international strategic buyers and Private Equity firms through our worldwide network.

#### Overview global network Mergers Alliance



<b>Switzerland</b> Proventis Partners	<b>Benelux</b> OXEYE HJW Capital Advisors	<b>USA</b> Dresner Partners	<b>Peru</b> EFIC Partners	<b>Brazil/Caribbean</b> BroadSpan Capital
<b>Germany</b> Proventis Partners	<b>Italy</b> Ethica Corporate Finance	<b>USA</b> Montminy & Co	<b>Chile</b> Servicios Financieros Altis	<b>Thailand</b> Khronos Advisory
<b>Austria</b> Proventis Partners	<b>Spain</b> Norgeston	<b>Mexico</b> Broadspan	<b>Japan</b> Tokyo Kyodo Accounting Office	<b>Singapore</b> Singhi Advisors
<b>United Kingdom</b> Opus Corporate Finance	<b>Poland</b> IPOPEMA	<b>India</b> Singhi Advisors	<b>Australia</b> Greenstone Partners	
<b>France</b> Aurignac Finance	<b>Croatia</b> InterCapital Investment Banking			

#### Our locations in German speaking Europe



- 1 Hamburg
- 2 Frankfurt
- 3 Zurich

Total **33** locations globally  
A third in Europe



**1,654**  
Deals since  
2010

**128**  
Deals  
in 2023

**250**  
Professionals

Proventis Partners is an integral part of Mergers Alliance – a partnership of award-winning M&A specialists who provide high-quality advisory services to companies that need an international network for their M&A deals.

### OUR CONTACT INFORMATION

We would be happy to meet you personally and support you in an advisory capacity.



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#### Proventis Partners web & social media

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FOR WHAT TRULY COUNTS

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### APPENDIX

#### Building Technology Peer Group (1/2).

Company Name	Country	Market Cap	TEV	Total Revenue LTM	EBITDA LTM	TEV/EBITDA LTM H2 2023	TEV/EBITDA LTM H1 2024	H1-24 vs. H2-23 Trend	Sector
Schneider Electric S.E.	France	 125'525	136'670	35'902	6'784	16.4x	19.1x	△	Electrical Installation
CRH plc	Ireland	 47'872	58'709	32'492	5'726	9.3x	9.2x	▽	Building Materials
Holcim AG	Switzerland	 46'460	55'579	27'788	6'233	8.8x	8.1x	▽	Building Materials
Johnson Controls International plc	Ireland	 41'792	53'383	24'871	2'746	11.1x	15.1x	△	Integrated Groups
Compagnie de Saint-Gobain S.A.	France	 36'753	44'631	46'454	6'522	5.9x	6.1x	△	Integrated Groups
ASSA ABLOY AB (publ)	Sweden	 29'304	35'206	12'946	2'428	15.5x	14.1x	▽	Electrical Installation
Geberit AG	Switzerland	 18'358	19'360	3'112	905	21.9x	20.8x	▽	Sanitary Services
Kingspan Group plc	Ireland	 14'456	15'755	8'091	1'017	15.6x	14.7x	▽	Building Materials & Insulation
SPIE SA	France	 5'638	7'008	9'252	624	8.9x	8.5x	▽	Engineering
BELIMO Holding AG	Switzerland	 5'756	5'654	918	196	29.8x	29.5x	▽	HVAC Installation
dormakaba Holding AG	Switzerland	 2'004	2'676	3'014	309	8.5x	8.6x	△	Electrical Installation
Bravida Holding AB (publ)	Sweden	 1'415	1'601	2'612	145	8.5x	8.0x	▽	Integrated Groups

1) EBITDA LTM does not include income (loss) from affiliates.

2) Multiples are calculated based on last reported LTM EBITDA including income (loss) from affiliates.

Source: S&P Capital IQ (07/2024)

# M&A Facts H1 2024

## Building Technology

### APPENDIX

#### Building Technology Peer Group (2/2).

Company Name	Country	Market Cap	TEV	Total Revenue LTM	EBITDA LTM	TEV/EBITDA LTM H1 2024	TEV/EBITDA LTM H2 2023	H1-24 vs. H2-23 Trend	Sector
Vicat S.A.	France 	1'489	3'219	3'962	697	5.5x	4.4x	▼	Building Materials & Insulation
Lindab International AB (publ)	Sweden 	1'535	1'909	1'162	127	10.3x	12.5x	△	HVAC Installation
Burkhalter Holding AG	Switzerland 	1'015	1'037	1'246	75	15.7x	14.2x	▼	Electrical Installation
Sto SE & Co. KGaA	Germany 	1'020	886	1'718	167	4.3x	4.6x	△	Building Materials & Insulation
Instalco AB (publ)	Sweden 	942	1'261	1'239	100	10.7x	10.1x	▼	Integrated Groups
Arbonia AG	Switzerland 	919	1'127	548	66	8.7x	15.6x	△	Building Materials
Zehnder Group AG	Switzerland 	612	557	702	61	6.4x	6.8x	△	HVAC Installation
Meier Tobler Group AG	Switzerland 	362	365	528	46	7.8x	6.5x	▼	HVAC Installation
Solar A/S	Denmark 	316	517	1'663	65	4.5x	6.2x	△	Integrated Groups
Consti Oyj	Finland 	77	78	324	11	6.8x	5.5x	▼	Integrated Groups
<b>Median</b>						<b>8.8x</b>	<b>8.9x</b>	△	

1) EBITDA LTM does not include income (loss) from affiliates.

2) Multiples are calculated based on last reported LTM EBITDA including income (loss) from affiliates.

Source: S&P Capital IQ (05/2024)