Seale & Associates

HVAC INDUSTRY
VALUATION UPDATE
Q1 2026

Table of Contents

Introduction

We are pleased to share our HVAC Industry Valuation Multiples Update for Q1 2026.

At Seale & Associates, we are committed to providing process-driven solutions designed to optimize value and achieve our client's strategic objectives in a range of transactions, including **Mergers, Acquisitions, Divestitures and Carve-Outs, Business Sales, Recapitalizations, and Joint Ventures**, among other corporate finance and strategy consulting services.

Over the course of 25+ years, we have successfully served clients all over the world, and we are delighted to continue providing investment banking advisory services to our clients who are looking to grow through acquisitions or optimize their portfolios through strategic divestitures.

Seale has extensive experience advising leading multinational companies, private equity firms, and family-owned businesses across a wide range of industries.

James A. Seale | President
jseale@sealeassociates.com

Brett M. Carmel | Senior Managing Director
bcarmel@sealeassociates.com

Robert Whitney | Managing Director
rwhitney@sealeassociates.com

Sergio Garcia del Bosque | Managing Director
sgarcia@sealeassociates.com

Carlos Hernandez Goudet | Managing Director
chernandez@sealeassociates.com

Alejandro Montemayor | Director
amontemayor@sealeassociates.com

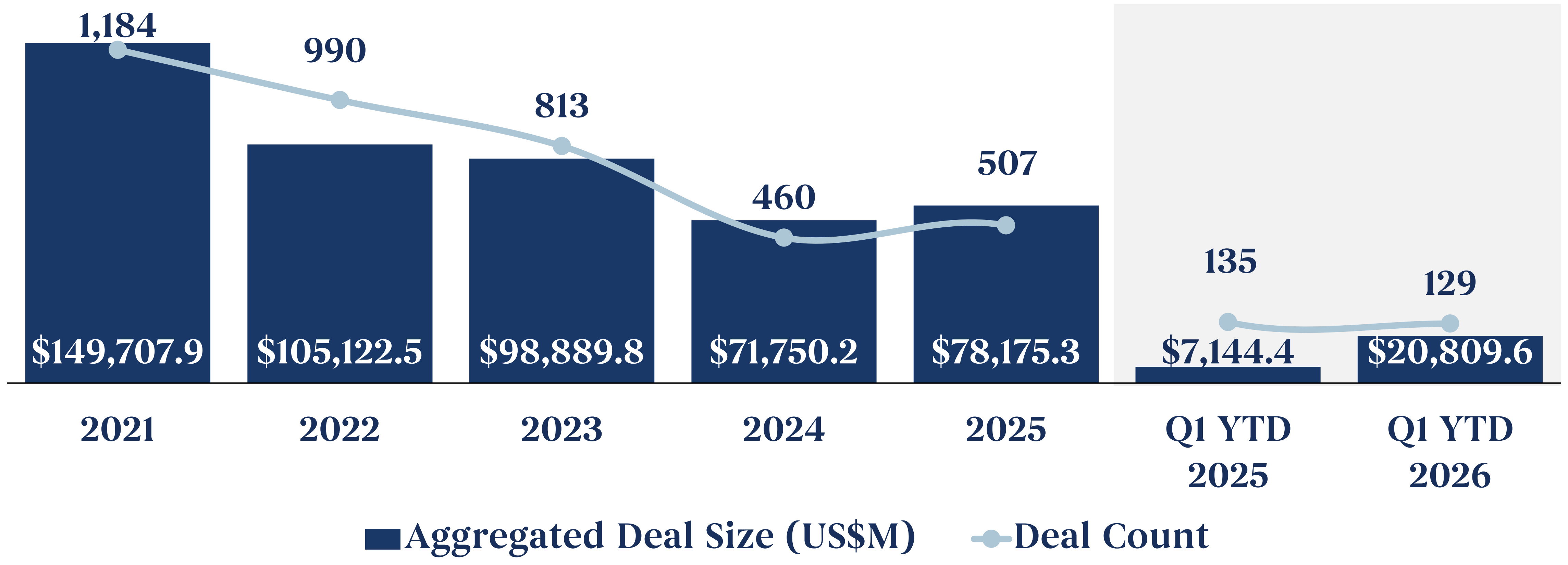
Armando Rios | Vice President
arios@sealeassociates.com

HVAC Industry Overview

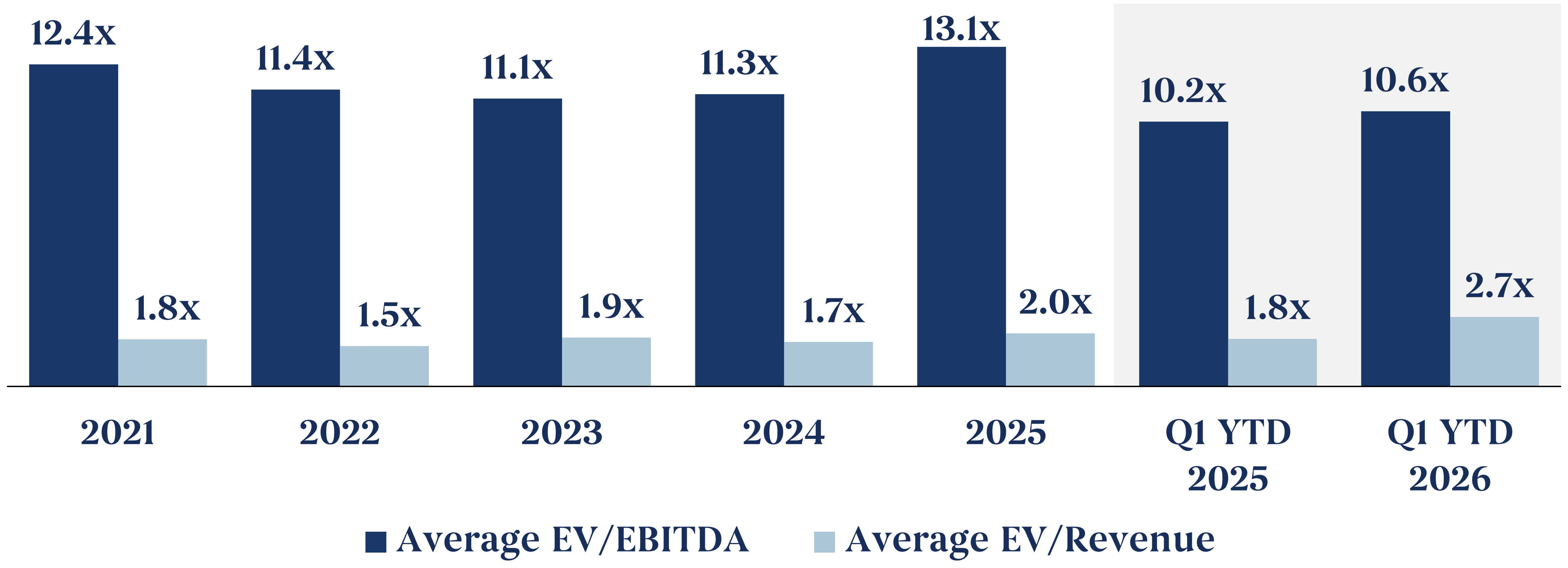
M&A Trends and Market Intelligence

- The **global HVAC system market** revenue was valued at approximately **US$259.0B in 2025** and is projected to reach **US$445.7B by 2033**, growing at a **CAGR of 7.0%** during the forecasted period
- **Market growth** continues to be driven by **increasing demand** for **energy-efficient buildings**, **smart infrastructure**, and **sustainable climate-control systems**, supported by stricter energy regulations and government incentive programs globally
- Growing integration of **IoT-enables monitoring**, **AI-driven optimization**, **smart thermostats**, and **advanced building automation systems** is transforming the industry and **improving energy efficiency**, **indoor air quality**, and **predictive maintenance capabilities**
- Increasing investments in **green buildings**, **data centers**, **healthcare infrastructure**, and **smart commercial facilities** continue to **support long-term industry growth**, alongside rising adoption of heat pumps, low-emission cooling technologies, and energy-efficient HVAC systems globally
- The HVAC equipment market has supported **active M&A activity**, driven by investments in **cooling technologies**, **advanced refrigerants**, and other innovations that enhance **energy efficiency** and meet the needs for data center, industrial, and commercial applications
- **Private buyers** continue to play a significant role in sector consolidation, pursuing acquisitions that offer **portfolio expansion**, **geographic reach**, and technology synergies, while public buyers have shown a more selective activity

HVAC Industry M&A Deal Size and Volume



HVAC Industry M&A Average EV/EBITDA and EV/Revenue



Source: Capital IQ, Grand View Research, Capstone Partners, and Other Industry Reports

Equipment Manufacturing – Global Comparable Public Companies (1/2)

The table below presents selected publicly traded companies in the sector, serving as benchmarks for valuation, scale, and operating performance across comparable business models

Company	Country	Market Cap. US$M	Enterprise Value US$M	Revenue US$M	EBITDA Margin	Annual Average EV/EBITDA 2024	Annual Average EV/EBITDA 2025	First Quarter Mar. 31, 2026 EV/EBITDA	First Quarter Mar. 31, 2026 EV/Revenue
Carrier Global Corporation	USA	$47,043	$58,205	$21,870	17.3%	20.2x	16.4x	15.4x	2.7x
Daikin Industries	JPN	$34,417	$34,595	$31,545	13.1%	10.2x	8.2x	8.3x	1.1x
Haier Smart Home	CHN	$27,209	$25,804	$43,047	9.5%	9.4x	8.0x	6.3x	0.6x
Johnson Controls International	IRL	$80,150	$89,332	$24,433	16.9%	14.0x	17.9x	21.6x	3.7x
Lennox International	USA	$16,153	$17,889	$5,258	24.6%	18.9x	16.8x	13.8x	3.4x
Midea Group	CHN	$83,176	$81,741	$66,649	11.4%	9.9x	10.8x	10.8x	1.2x

Source: Capital IQ

Equipment Manufacturing – Global Comparable Public Companies (2/2)

Company		Country	Market Cap. US$M	Enterprise Value US$M	Revenue US$M	EBITDA Margin	Annual Average EV/EBITDA 2024	Annual Average EV/EBITDA 2025	First Quarter Mar. 31, 2026 EV/EBITDA	First Quarter Mar. 31, 2026 EV/Revenue
NIBE		SWE	$8,175	$9,972	$4,292	15.3%	19.9x	19.9x	15.2x	2.3x
Resideo Technologies		USA	$5,099	$8,449	$7,472	12.6%	6.0x	7.2x	8.9x	1.1x
SPX Technologies.		USA	$10,032	$10,246	$2,349	20.8%	20.0x	19.9x	21.0x	4.4x
Systemair		SWE	$1,546	$1,633	$1,285	12.5%	12.0x	11.9x	10.2x	1.3x
Trane Technologies		IRL	$92,238	$95,936	$21,603	20.8%	22.1x	22.1x	21.3x	4.4x
Excluded from mean						**Mean**	14.9x	14.4x	12.9x	2.1x
						Median	14.0x	16.4x	13.8x	2.3x

Source: Capital IQ

Equipment Distribution – Global Comparable Public Companies

The table below presents selected publicly traded companies in the sector, serving as benchmarks for valuation, scale, and operating performance across comparable business models

Company	Country	Market Cap. US$M	Enterprise Value US$M	Revenue US$M	EBITDA Margin	Annual Average EV/EBITDA 2024	Annual Average EV/EBITDA 2025	First Quarter Mar. 31, 2026 EV/EBITDA	First Quarter Mar. 31, 2026 EV/Revenue
Beijer Ref	SWE	$6,861	$7,869	$3,858	12.1%	22.2x	19.6x	16.8x	2.0x
Reece Limited	AUS	$5,598	$7,083	$6,330	8.3%	19.0x	12.8x	13.4x	1.1x
Watsco	USA	$13,828	$14,014	$7,241	12.6%	18.9x	17.8x	15.3x	1.9x
W.W. Grainger	USA	$51,628	$54,310	$18,378	16.7%	17.4x	16.8x	17.7x	3.0x
					Mean	19.4x	16.8x	15.8x	2.0x
					Median	19.0x	17.3x	16.1x	2.0x

Excluded from mean

Source: Capital IQ

Service Firms – Global Comparable Public Companies

The table below presents selected publicly traded companies in the sector, serving as benchmarks for valuation, scale, and operating performance across comparable business models

Company	Country	Market Cap. US$M	Enterprise Value US$M	Revenue US$M	EBITDA Margin	Annual Average EV/EBITDA 2024	Annual Average EV/EBITDA 2025	First Quarter Mar. 31, 2026 EV/EBITDA	First Quarter Mar. 31, 2026 EV/Revenue
Comfort Systems USA	USA	$48,426	$47,893	$10,136	16.2%	16.9x	18.2x	29.2x	4.7x
EMCOR Group	USA	$32,879	$32,242	$17,747	12.8%	11.5x	11.9x	14.2x	1.8x
Clayax Acquisition	FRA	$8,406	$11,009	$12,097	10.6%	9.5x	10.1x	8.6x	0.9x
Bravida Holding	SWE	$2,115	$2,393	$2,981	8.1%	8.4x	9.5x	9.9x	0.8x
Tutor Perini	USA	$4,075	$3,855	$5,686	6.2%	13.5x	47.2x	10.9x	0.7x
					Mean	10.7x	10.5x	10.9x	1.1x
					Median	11.5x	11.9x	10.9x	0.9x

Excluded from mean

Source: Capital IQ

Control Modules – Global Comparable Public Companies

The table below presents selected publicly traded companies in the sector, serving as benchmarks for valuation, scale, and operating performance across comparable business models

Company	Country	Market Cap. US$M	Enterprise Value US$M	Revenue US$M	EBITDA Margin	Annual Average EV/EBITDA		First Quarter Mar. 31, 2026	
						2024	2025	EV/ EBITDA	EV/ Revenue
Emerson Electric	USA	$73,633	$85,959	$18,316	33.3%	17.7x	16.0x	14.1x	4.7x
Honeywell International	USA	$143,682	$167,441	$37,660	23.3%	16.5x	16.0x	19.1x	4.4x
Infineon Technologies	DEU	$56,859	$63,108	$17,437	27.6%	9.2x	11.2x	13.1x	3.6x
Johnson Controls	IRL	$80,150	$89,332	$24,433	16.9%	14.0x	17.9x	21.6x	3.7x
					Mean	16.0x	15.3x	15.4x	4.1x
					Median	15.2x	16.0x	16.6x	4.1x

Excluded from mean

Source: Capital IQ

HVAC – Global Transactions (1/2)

The table below highlights selected global M&A transactions during Q1 2026, illustrating strategic acquisitions focused on scale, product diversification, or geographic expansion within the sector

Date	Target	Country	Description	Buyer	Seller	% Acquired	Size US$M	EV/ EBITDA	EV/ Revenue
Mar-26	Mechanical Systems Technology	USA	**Sylvester & Cockrum**, a provider of HVAC and home services, acquired **Mechanical Systems Technology**, a provider of commercial HVAC and refrigeration services	Sylvester & Cockrum, LLC	-	100.0%	-	-	-
Mar-26	Mingledorff's	USA	**SRS Distribution**, a distributor of building products, acquired **Mingledorff's**, a distributor of HVAC equipment and supplies	SRS Distribution	-	100.0%	-	-	-
Mar-26	The Air Guys	USA	**Founders Home Service Group**, a provider of home services, acquired **The Air Guys**, a provider of residential and commercial HVAC services	Founders Home Service Group	-	100.0%	-	-	-
Mar-26		USA	**Red Dot Building Systems**, a manufacturer of HVAC systems, acquired **International Climate Systems**, a manufacturer of off-road HVAC systems for vehicles	Red Dot Buildings	TSI	100.0%	-	-	-
Mar-26	Ray & Son	USA	**Seth Ray**, an individual investor, acquired **Ray and Son Heating and Air Conditioning**, a provider of residential and commercial HVAC services	**Individual Investor Seth Ray**	-	100.0%	-	-	-
Feb-26	Tri-County Aire	USA	**Ally Services**, a provider of HVAC services, acquired **Tri-County Aire**, a provider of commercial and residential HVAC and geothermal services	Ally Services	-	100.0%	-	-	-
Feb-26	Heating Cooling	USA	**Ally Services**, a provider of HVAC services, acquired **Above & Beyond Services**, a provider of HVAC contracting services	Ally Services	-	100.0%	-	-	-

Source: Capital IQ, Companies' Press Releases, Mergermarket

HVAC – Global Transactions (2/2)

Date	Target	Country	Description	Buyer	Seller	% Acquired	Size US$M	EV/ EBITDA	EV/ Revenue
Feb-26*	Quercy Refrigeration	FRA	**Eiffage Énergie Systèmes**, a provider of energy and engineering services, agreed to acquire a 70.0% stake in **Quercy Refrigeration**, a manufacturer of refrigeration and air conditioning equipment	Eiffage Énergie Systèmes	-	70.0%	-	-	-
Feb-26	ARS American Refrigeration Supplies, Inc.	USA	**Hajoca**, a distributor of plumbing and HVAC products, acquired **American Refrigeration Supplies**, a distributor of HVAC and refrigeration products	Hajoca	Kitchell Capital Expenditure Managers, Inc.	100.0%	-	-	-
Jan-26	LWA	USA	**Impact Climate Technologies**, a provider of HVAC equipment and services, acquired **Larry Wunsch & Associates**, a distributor of HVAC and plumbing equipment	Impact Climate Technologies	-	100.0%	-	-	-
Jan-26	**Active Heating & Air Conditioning**	CAN	**PMC Energy**, a provider of energy and HVAC services, acquired **Active Heating & Air Conditioning**, a provider of commercial HVAC services	PMC Energy Performance	-	100.0%	-	-	-
Jan-26	Allcool (NW) Ltd.	GBR	**Nordic Climate Group**, a provider of HVAC and refrigeration services, acquired **All Cool NW**, a provider of HVAC and refrigeration services	Nordic Climate Group	-	100.0%	-	-	-
Jan-26	Able Distributors	USA	**First Supply**, a distributor of plumbing and HVAC products, acquired **Able Distributors**, a distributor of HVAC solutions	First Supply	-	100.0%	-	-	-
Jan-26	Air Control Concepts	USA	**Blackstone**, a private equity firm, acquired **Air Control Concepts**, a provider of HVAC installation services for institutional buildings	Blackstone	MDP	ND	-	-	-

** Announced transaction pending approval and other customary closing conditions*

ND: Not Disclosed

Source: Capital IQ, Companies' Press Releases, Mergermarket

BEIJER REF

TARGET
Heritage Distribution Holdings

TRANSACTION TYPE
Buy-side advisory

INDUSTRIES
HVAC, Distribution

GEOGRAPHY
USA

SITUATION

Seale & Associates announced that it acted as an exclusive financial advisor to Beijer Ref AB (“Beijer Ref”) on its agreement to acquire Heritage Distribution Holdings (“Heritage Distribution”) from Gryphon Investors for **US$1.275B**.

SEALE & ASSOCIATES’ APPROACH

Seale was retained by Beijer Ref to identify potential acquisition targets engaged in the distribution of HVAC/R equipment in North America, confidentially pre-qualify targets, and assist in the execution of the transaction.

OUTCOME

Beijer Ref successfully completed the acquisition of Heritage Distribution Holdings and was immediately margin accretive to the business. The acquisition represents Beijer Ref’s entry into the North American market and will establish the company as a leading HVAC/R distributor in the U.S. South/South East region, one of the most attractive regions for HVACR in North America.

“The North American market is currently undergoing a shift towards electrification and energy efficiency”

BEIJER REF

has acquired

HERITAGE
DISTRIBUTION HOLDINGS

"The acquisition of Heritage Distribution constitutes an important strategic step for Beijer Ref. The North American market is currently undergoing a shift towards electrification and energy efficiency, accelerated by regulatory changes. Also, the growing recognition of indoor air quality and climate change impacts has increased the demand for environmentally friendly and innovative HVAC technologies, which creates a great opportunity for our combined product offering.”

Chris Norbye
CEO of Beijer Ref AB

RHEEM

TARGET
Heat Transfer Products Group (HTPG)

TRANSACTION TYPE
Buy-side advisory

INDUSTRIES
HVAC, Industrial machinery

GEOGRAPHY
USA

SITUATION

Seale was retained by Rheem Manufacturing Company to evaluate and execute strategic acquisitions across business lines. Seale advised Rheem on the successful acquisition of Heat Transfer Products Group (HTPG) in a competitive auction process. HTPG manufactures commercial refrigeration equipment for the food service, food retail and other non-consumables markets.

SEALE & ASSOCIATES' APPROACH

Seale's professionals' knowledge and relationships in the HVAC and refrigeration industry allowed for a successful acquisition. Having previously sold the HTPG business to Monomoy Capital, Seale's unique insights on the target provided invaluable knowledge about the business.

OUTCOME

The process resulted in a successful acquisition of HTPG on buyer-friendly pricing terms. HTPG has resulted in a very successful business for Rheem to combine an extensive knowledge of heat transfer technology to develop innovative new products.

"Seale had in-depth knowledge of the HVAC space as well as extensive relationships with key executives from around the world"

Rheem

has acquired

HTPG

"Seale had in-depth knowledge of the HVAC space as well as extensive relationships with key executives from around the world, which they used to help us identify and close on the perfect deal for our company.
The Seale team consists of committed professionals with significant transaction experience, but they also have strong backgrounds in accounting, tax, finance, and law, which allow them to provide value added advice where most other advisors cannot."

J.R. Jones, CEO, Rheem Manufacturing Company

Sign up for M&A insights

We deliver sector-specific intelligence designed specifically for industry leaders, private equity firms, and their advisors. Our industry reports and featured articles deliver real-time access to key industry data, including:

Emerging industry trends

Quarterly reports covering 30+ industries

Monthly reports for the U.S., Mexico, and Colombia

Transaction analysis and market trends

Valuable insights for industry leaders

Receive email updates with our proprietary data, reports, and insights as they are published across key industries

SUBSCRIBE

Global M&A Representative Engagements

BEIJER REF
has been acquired by
HERITAGE DISTRIBUTION HOLDINGS

avangard innovative
MOVING THE CIRCULAR ECONOMY FORWARD
has sold a controlling interest to
WM WASTE MANAGEMENT

ZINC NACIONAL
has sold
GSDK
Zinc Oxide Corporation
a subsidiary of
Korea Zinc

Electrolux PROFESSIONAL
has acquired
unified brands
a DOVER company
from
DOVER

Port Contractors
Stevedores · Terminal Operators
has been acquired by
ENSTRUCTURE

Oxbow
Oxbow's Senior Subordinated debt issued by
H.J.BAKER
ESTABLISHED 1850
was refinanced by
BMO

Hertz
has acquired
DONLEN

Standex
has sold
Enginetics
to
Enjet AERO

ITT
has sold
BURNY
innovations in shape cutting
KALIBURN
PLASMA CUTTING INNOVATION
and
CMC Cleveland Motion Controls
to
LINCOLN ELECTRIC

Honeywell
has sold
TENSOR
to
GE Power Systems

TRIUMPH
has sold
Triumph Processing - Embee Division
to
AMP
ALL METALS PROCESSING

TRIUMPH
has sold
Triumph Air Repair, the APU Overhaul Operations of Triumph Aviation Services – Asia, and Triumph Engines businesses
to
TGG THE GORES GROUP

Rheem
has acquired
HTPG

GRACE
has sold its
GRACE Membranes business
UOP
a subsidiary of
Honeywell

convatec
— forever caring —
has sold
SENSI CARE
and
ALOE VESTA
to
MEDLINE

United Technologies
has sold
MobileView
to
SAFE FLEET
Driving Safety Forward™

United Technologies
has sold
HTPG
A division of Carrier Commercial Refrigeration, Inc.
to
MONOMOY CAPITAL PARTNERS and Starboard Capital Partners

LOCKHEED MARTIN
has sold
Commercial Flight Training Business
to
ALTEON
A BOEING COMPANY

FLOWSERVE
has sold
D&B
to
DB
DaviesBaird

KBR
has acquired
Wabi
Wabi Development Corporation

HARRISON GYPSUM, LLC
has been recapitalized by
H.I.G. PRIVATE EQUITY

JAMES A. SEALE
President and Founder | Washington, DC

+1 (703) 623-9253

32+ years of global M&A experience, Attorney, CPA Arthur Andersen, and Professor of Global Investment Banking at George Washington University
University of Virginia - JD
University of Kentucky - BS in Accounting

SERGIO GARCIA DEL BOSQUE
Managing Director | Mexico City, Mexico

+52 (55) 8000-7463

17+ years of global M&A experience
IPADE - MBA
Instituto Tecnologico y de Estudios Superiores de Monterrey
BS in Industrial Engineering

CARLOS HERNANDEZ GOUDET
Managing Director | San Luis Potosi, Mexico

+1 (571) 482-3432

16+ years of global M&A experience
Columbia Business School - MBA
Instituto Tecnologico y de Estudios Superiores de Monterrey
BS in Industrial Engineering

BRETT M. CARMEL
Senior Managing Director and Co-founder | Miami, FL

+1 (703) 294-6530

25+ years of global M&A experience and Professor of M&A at Johns Hopkins University
The George Washington University - MBA International Business and MA - International Affairs
University of Florida - BA in Political Science with High Honors

ROBERT E. WHITNEY
Managing Director | Washington, DC

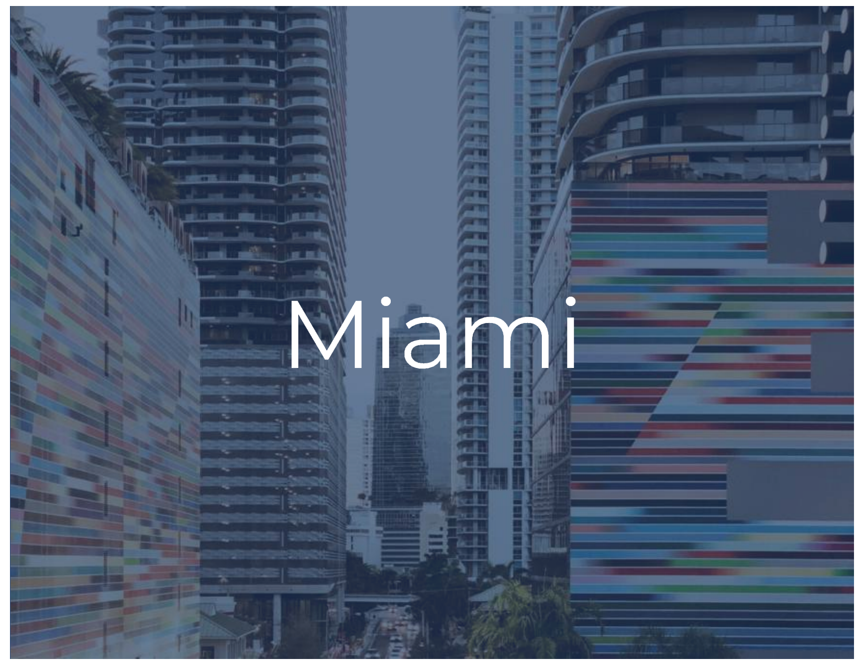
+1 (703) 801-8939

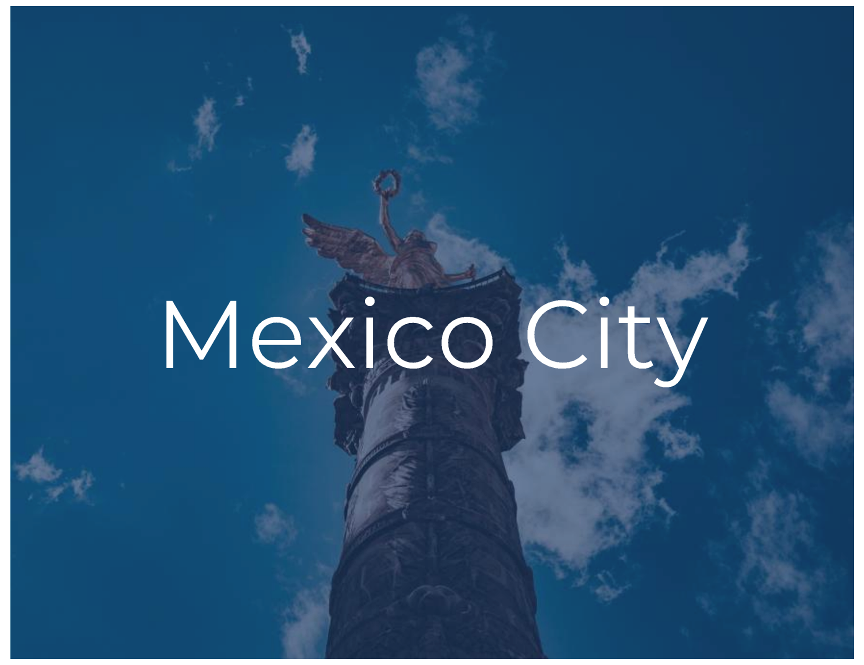
19+ years of global M&A experience, CPA Deloitte & Touche, Corporate Audit and Assurance Services
University of Richmond - BS Business Administration in Accounting

FELIPE BUENO
Senior Director | Monterrey, Mexico

+52 (84) 4432-4444

32+ years with Grupo Industrial Saltillo with experience as Director, Corp. Dev. and extensive global commercial experience
Instituto Tecnologico y de Estudios Superiores de Monterrey
MBA and BS in Industrial Engineering





Please contact us if you would like further information about M&A trends and/or specific transaction multiples for your industry.

For over 25 years, Seale & Associates has served leading public and private companies from around the world and operating in a broad range of industries with a high level of quality, integrity and independence while presenting innovative ideas and trusted solutions to address their most complex dealings

+25
Years of Experience

+$50B
Closed Transactions Globally

Services & Solutions

- Mergers & Acquisitions
- Divestitures
- Joint Ventures / Alliances
- Recapitalizations
- Due Diligence / Support
- Expert Witness Testimony
- Corporate Finance Advisory
- Strategy Consulting

Trusted Advisor to Leading Companies Worldwide

We have worked repeatedly with many of the most well-known and respected companies in the world…

…as well as with many private equity funds, family-offices and privately held companies.

Seale & Associates

Creative Solutions. Trusted Advice.