



Seale & Associates

HVAC INDUSTRY
VALUATION UPDATE
Q2 2025

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Introduction

We are pleased to share our HVAC Industry Multiples Valuation Update for Q2 2025.

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.

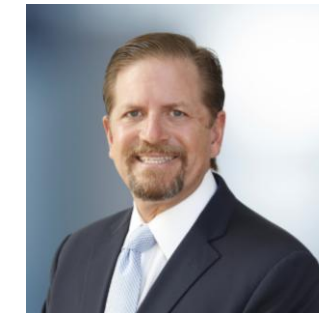
Over the course of 25+ years, we have successfully served clients all over the world, and we are delighted to continue providing investment banking advisory services to our clients who are looking to grow through acquisitions or optimize their portfolios through strategic divestitures.

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



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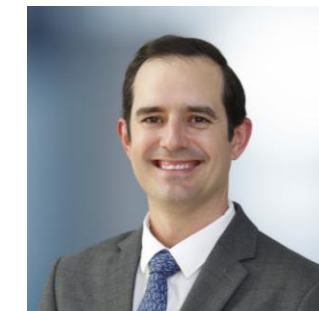
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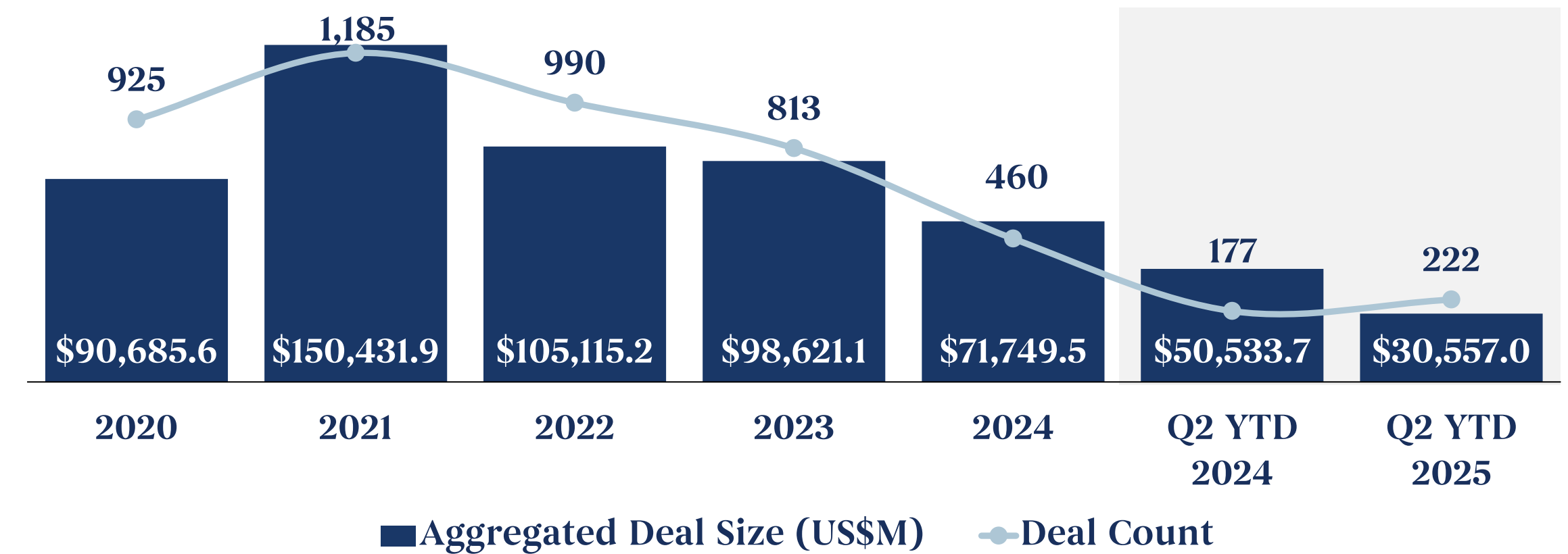
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HVAC Industry Overview

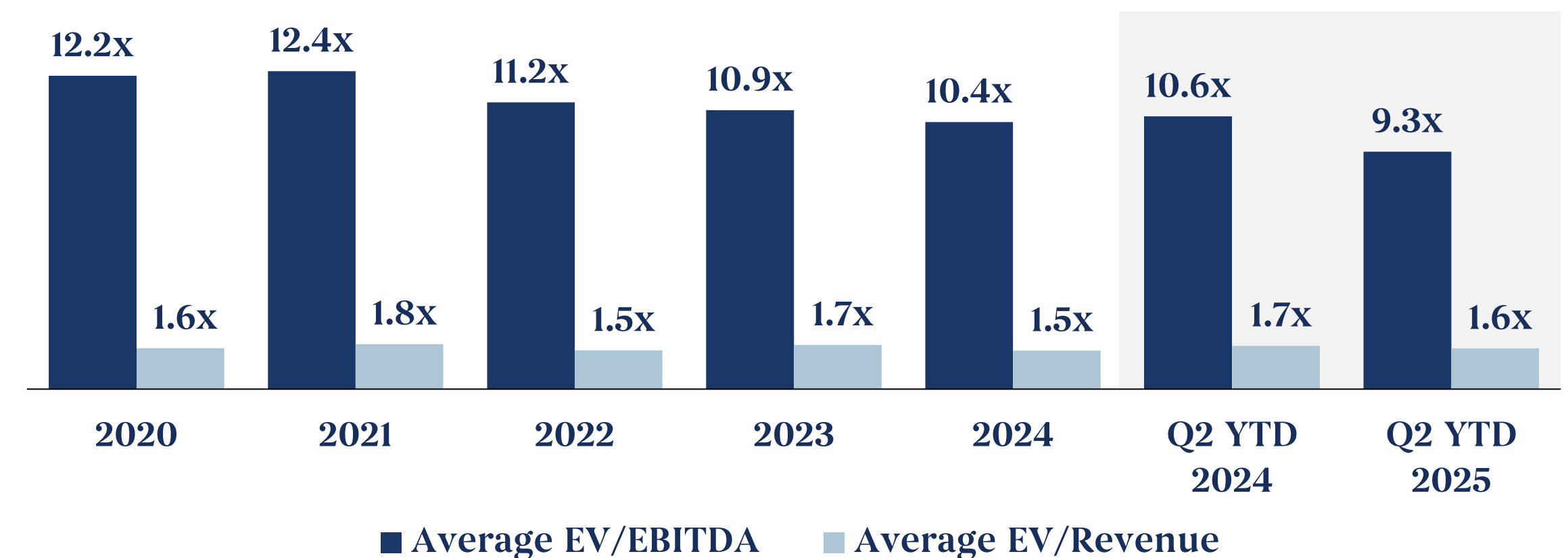
M&A Trends and Market Intelligence

- The **global HVAC market** was valued at **US\$310.6B in 2024** and is expected to **grow from US\$328.1B in 2025 to US\$545.4B in 2034**, at a **CAGR of 5.8%**. Growth is driven by steady demand for both heating and cooling systems across residential and commercial segments
- **Climate change** and rising temperatures are **making air conditioning essential** even in historically temperate regions. In parallel, heightened **awareness of indoor air quality (IAQ)** post-pandemic is **increasing demand for systems with advanced ventilation, filtration, and humidity control**. Industry players are responding by acquiring specialized firms that address these evolving needs
- **Smart HVAC solutions** using AI and IoT are **gaining traction**, offering improved energy efficiency, predictive maintenance, and seamless integration into building systems. **Companies** are **increasingly acquiring automation-driven manufacturers** to stay competitive
- **Sustainability pressures** are reshaping the market. Regulatory mandates are **accelerating the shift to low-GWP refrigerants** (e.g., R-290, CO₂, ammonia) and **low-carbon heating/cooling technologies**, influencing product design and customer preferences
- **Urbanization and construction booms in emerging markets**, especially in Asia, Latin America, and Africa, are **expanding the HVAC customer base** as new infrastructure demands reliable climate control systems
- The HVAC industry is **undergoing active consolidation**, with **top players** controlling 25–30% of the market and **pursuing acquisitions to broaden portfolios and geographic reach**
- **Private equity and strategic buyers** are **equally active** in M&A, **attracted by recurring revenue** from services and **opportunities to streamline a fragmented industry**

HVAC Industry M&A Deal Size and Volume



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







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		Second Quarter Jun. 30, 2025	
						2023	2024	EV/EBITDA	EV/Revenue
Carrier Global Corporation	 USA	\$62,434	\$72,696	\$22,284	16.4%	14.8x	20.2x	19.8x	3.3x
Daikin Industries	 JPN	\$34,552	\$36,253	\$32,939	13.7%	13.2x	10.2x	8.0x	1.1x
Haier Smart Home	 CHN	\$30,181	\$27,592	\$40,930	9.5%	9.5x	9.4x	7.1x	0.7x
Johnson Controls International	 IRL	\$69,503	\$81,136	\$23,248	19.9%	12.5x	14.0x	17.5x	3.5x
Lennox International	 USA	\$20,341	\$21,608	\$5,417	23.0%	14.8x	18.9x	17.4x	4.0x
Midea Group	 CHN	\$76,589	\$68,797	\$59,869	11.1%	10.2x	9.9x	10.4x	1.1x

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		Second Quarter Jun. 30, 2025 EV/EBITDA		EV/Revenue
						2023	2024	EV/EBITDA	EV/Revenue	
NIBE	 SWE	\$8,552	\$10,546	\$4,280	13.1%	27.0x	19.9x	18.9x	2.5x	
Resideo Technologies	 USA	\$3,276	\$5,423	\$7,045	12.3%	4.6x	6.0x	6.3x	0.8x	
SPX Technologies.	 USA	\$7,832	\$8,612	\$2,001	21.9%	16.2x	20.0x	19.6x	4.3x	
Systemair	 SWE	\$1,923	\$2,015	\$1,294	12.5%	13.4x	12.0x	12.5x	1.6x	
Trane Technologies	 IRL	\$97,550	\$101,488	\$20,311	20.5%	16.3x	22.1x	24.4x	5.0x	
■ Excluded from mean						Mean	13.4x	14.9x	14.1x	1.9x
						Median	13.4x	14.0x	15.2x	2.3x






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		Second Quarter Jun. 30, 2025 EV/		
						2023	2024	EBITDA	Revenue	
Beijer Ref	 SWE	\$7,961	\$9,003	\$3,931	12.1%	26.4x	22.2x	18.9x	2.3x	
Reece Limited	 AUS	\$6,077	\$7,177	\$5,881	9.5%	15.3x	19.0x	12.8x	1.2x	
Watsco	 USA	\$16,708	\$17,158	\$7,584	12.5%	13.7x	18.9x	18.1x	2.3x	
W.W. Grainger	 USA	\$49,972	\$52,352	\$17,239	17.5%	14.1x	17.4x	17.3x	3.0x	
■ Excluded from mean						Mean	14.4x	18.5x	18.1x	2.5x
						Median	14.7x	19.0x	17.7x	2.3x





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		Second Quarter Jun. 30, 2025 EV/		
						2023	2024	EBITDA	Revenue	
Comfort Systems USA	 USA	\$18,872	\$18,966	\$7,322	15.2%	13.9x	16.9x	17.1x	2.6x	
EMCOR Group	 USA	\$23,941	\$24,009	\$15,001	13.2%	8.6x	11.5x	12.2x	1.6x	
Clayax Acquisition	 FRA	\$9,415	\$11,937	\$11,755	10.1%	8.4x	9.5x	10.0x	1.0x	
Bravida Holding	 SWE	\$2,047	\$2,275	\$3,002	7.7%	9.8x	8.4x	9.9x	0.8x	
Tutor Perini	 USA	\$2,465	\$2,670	\$4,525	0.8%	10.9x	13.5x	73.9x	0.6x	
■ Excluded from mean						Mean	10.3x	10.7x	12.3x	1.3x
						Median	9.8x	11.5x	12.2x	1.0x











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		Second Quarter Jun. 30, 2025 EV/		
						2023	2024	EBITDA	Revenue	
Emerson Electric	 USA	\$74,998	\$88,128	\$17,607	29.1%	12.7x	17.7x	17.2x	5.0x	
Honeywell International	 USA	\$149,668	\$174,168	\$39,215	25.8%	16.2x	16.5x	17.2x	4.4x	
Infineon Technologies	 DEU	\$55,112	\$60,048	\$17,187	31.1%	8.6x	9.2x	11.2x	3.5x	
Johnson Controls	 IRL	\$69,503	\$81,136	\$23,248	19.9%	12.5x	14.0x	17.5x	3.5x	
■ Excluded from mean						Mean	12.5x	16.0x	17.3x	4.1x
						Median	12.6x	15.2x	17.2x	4.0x

HVAC – Global Transactions (1/2)

The table below highlights selected global M&A transactions during Q2 2025, 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
May-25*		USA	Modine Manufacturing , a manufacturer of thermal management systems for HVAC applications, agreed to acquire L.B. White , a manufacturer of specialty heating solutions		-	100.0%	\$112.0	-	-
May-25		DNK	SA-AL Køleteknik , a provider of commercial and industrial refrigeration and HVAC solutions, acquired Eurefa Nord , a provider of industrial refrigeration, and service solutions		-	100.0%	-	-	-
May-25		USA	Acrux Capital , a private equity firm, acquired Rocky Mountain Heating & Cooling , a provider of HVAC installation, repair, and maintenance services		-	100.0%	-	-	-
May-25		USA	Ambient Enterprises , a provider of custom HVAC solutions, acquired Discovery Mechanical , a provider of commercial HVAC diagnostics, maintenance, repairs, and equipment replacement services		-	100.0%	-	-	-
May-25*		DEU	Samsung Electronics , a manufacturer of consumer electronics, agreed to acquire FläktGroup , a manufacturer of HVAC systems and precision cooling solutions for data centers	SAMSUNG	Triton	100.0%	\$1,680.3	-	2.1x
May-25		USA	J's HVAC , a provider of residential HVAC, plumbing, and indoor air quality solutions, acquired V & H Heating and Cooling , a provider of HVAC, heating, cooling, and plumbing 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
May-25		USA	Paramount Mechanical , a provider of commercial and industrial HVAC installation, maintenance, and repair services, acquired Comfort Solutions of Tidewater , a provider of HVAC services		-	100.0%	-	-	-
Apr-25		USA	The Seer Group , a provider of residential and light-commercial HVAC, electrical, and plumbing services, acquired Swan Plumbing, Heating & Air , a provider of HVAC, electrical and plumbing solutions		-	100.0%	-	-	-
Apr-25		USA	The Chill Brothers , a provider of residential and commercial HVAC services, acquired Alternative Aire , a provider of HVAC installation, maintenance, and repair services		-	100.0%	-	-	-
Apr-25		CAN	Air Control Concepts , a provider of commercial HVAC solutions, acquired O'Dell HVAC Group , a provider of commercial HVAC equipment services		-	100.0%	-	-	-
Apr-25		USA	Cascade Residential Services , a provider of residential HVAC and plumbing services, acquired Harrington Air Conditioning , a provider of HVAC installation, maintenance and repair solutions		-	100.0%	-	-	-
Apr-25	Westaire Heating & Air Conditioning	USA	Silver State Refrigeration & HVAC , a provider of commercial HVAC, refrigeration, and plumbing services, acquired Westaire Heating & Air Conditioning , a provider of heating and cooling systems		-	100.0%	-	-	-

* Announced transaction pending approval and other customary closing conditions

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”



has acquired



“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

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<p>BEIJER REF</p> <p>has been acquired by</p>  <p>HERITAGE DISTRIBUTION HOLDINGS</p>	<p>avangard innovative MOVING THE CIRCULAR ECONOMY FORWARD</p> <p>has sold a controlling interest to</p>  <p>WASTE MANAGEMENT</p>	<p>ZN ZINC NACIONAL</p> <p>has sold</p> <p>GSDKO</p> <p>Zinc Oxide Corporation a subsidiary of</p>  <p>Korea Zinc</p>	<p>Electrolux PROFESSIONAL</p> <p>has acquired</p> <p>unified brands a DOVER company</p> <p>from</p>  <p>DOVER</p>	<p>Port Contractors STEVEDORES - TERMINAL OPERATORS</p> <p>has been acquired by</p>  <p>ENSTRUCTURE</p>	<p>Oxbow</p> <p>Oxbow's Senior Subordinated debt issued by</p>  <p>H.J. BAKER ESTABLISHED 1888</p> <p>was refinanced by</p>  <p>BMO</p>	<p>Hertz</p> <p>has acquired</p>  <p>DONLEN</p>
<p>Standex</p> <p>has sold</p> <p>Enginetics</p> <p>to</p>  <p>Enjet AERO</p>	<p>ITT</p> <p>has sold</p> <p>BURNY KALIBURN PLASMA CUTTING INNOVATION</p> <p>and</p> <p>CINC Cleveland Motion Controls</p> <p>to</p>  <p>LINCOLN ELECTRIC</p>	<p>Honeywell</p> <p>has sold</p> <p>TENSOR</p> <p>to</p>  <p>GE Power Systems</p>	<p>TRIUMPH</p> <p>has sold</p> <p>Triumph Processing - Embee Division</p> <p>to</p>  <p>AMP ALL METALS PROCESSING</p>	<p>TRIUMPH</p> <p>has sold</p> <p>Triumph Air Repair, the APU Overhaul Operations of Triumph Aviation Services - Asia, and Triumph Engines businesses</p> <p>to</p>  <p>TGG THE GORES GROUP</p>	<p>Rheem</p> <p>has acquired</p>  <p>HTPG</p>	<p>GRACE</p> <p>has sold its GRACE Membranes business</p> <p>Uop</p> <p>a subsidiary of</p> <p>Honeywell</p>
<p>convatec - forever caring -</p> <p>has sold</p> <p>SENSI CARE</p> <p>and</p> <p>ALOE VESTA</p> <p>to</p>  <p>MEDLINE</p>	<p>United Technologies</p> <p>has sold</p> <p>MobileView</p> <p>to</p> <p>SAFE FLEET Driving Safety Forward™</p>	<p>United Technologies</p> <p>has sold</p> <p>HTPG A division of Carrier Commercial Refrigeration, Inc.</p> <p>to</p> <p>MONOMOY CAPITAL PARTNERS and Starboard Capital Partners</p>	<p>LOCKHEED MARTIN</p> <p>has sold</p> <p>Commercial Flight Training Business</p> <p>to</p> <p>ALTEON A BOEING COMPANY</p>	<p>FLOWSERVE</p> <p>has sold</p> <p>D&B</p> <p>to</p> <p>DB DaviesBaird</p>	<p>KBR</p> <p>has acquired</p> <p>Wabi Wabi Development Corporation</p>	<p>HARRISON GYPSUM, LLC</p> <p>has been recapitalized by</p> <p>H. I. G. PRIVATE EQUITY</p>



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University of Florida - BA in Political Science with High Honors



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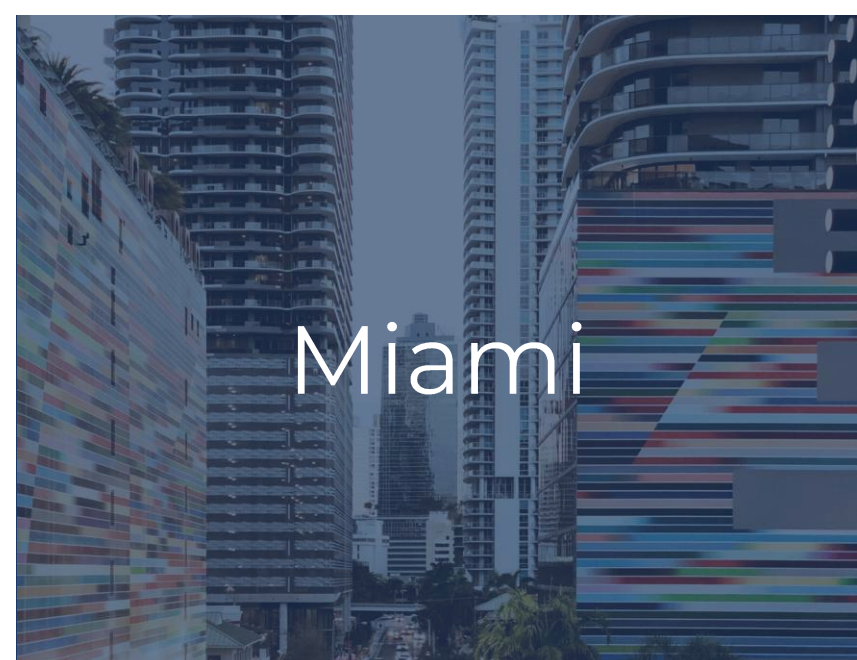
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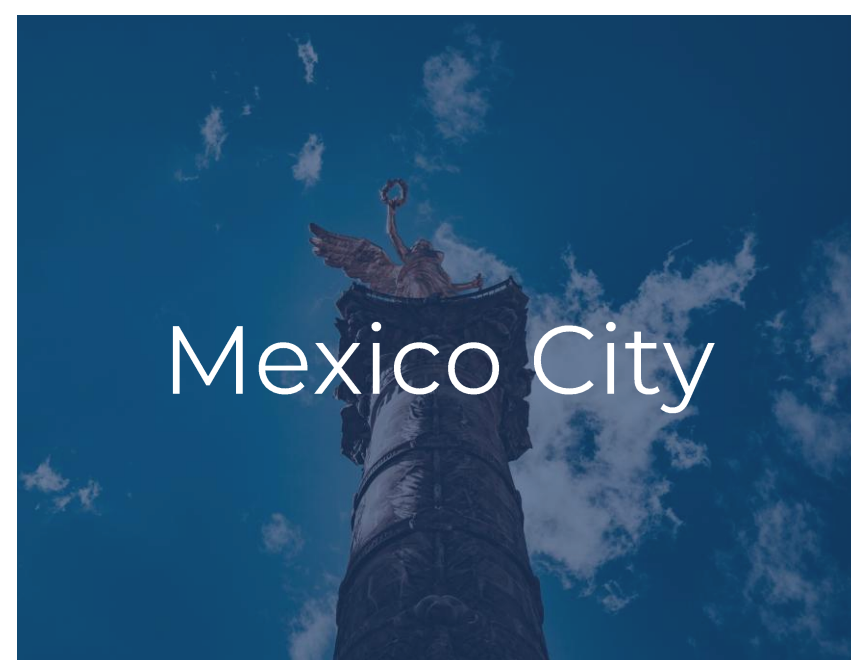
32+ years with Grupo Industrial Saltillo with experience as Director, Corp. Dev. and extensive global commercial experience
Instituto Tecnológico y de Estudios Superiores de Monterrey
MBA and BS in Industrial Engineering



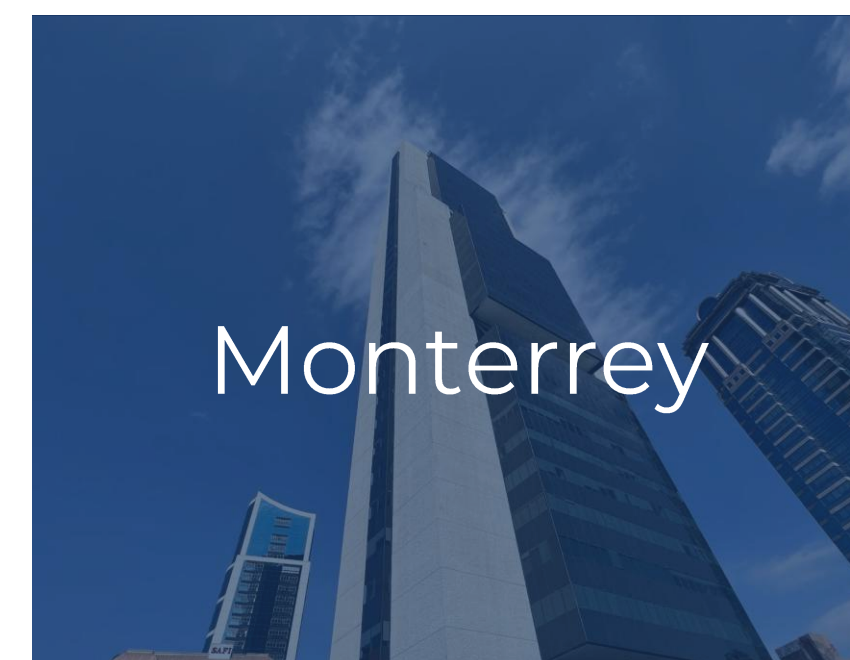
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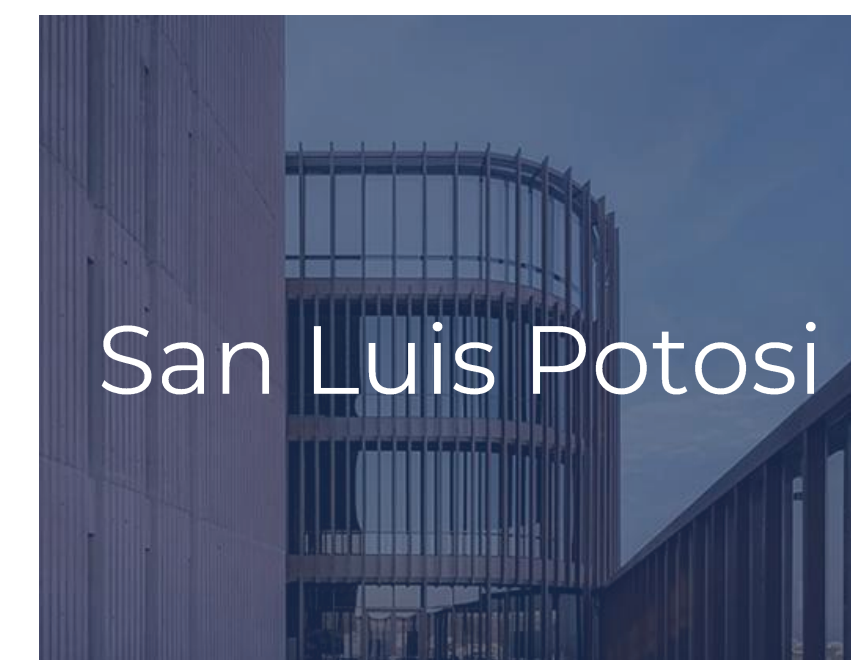
Miami



Mexico City



Monterrey



San Luis Potosi

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

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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

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