

Sustainability Tailwinds Support Healthy M&A Activity in the HVAC Equipment Market

HVAC EQUIPMENT SECTOR UPDATE | OCTOBER 2026



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Industrials Market Intelligence

Capstone's award-winning Market Intelligence Group covers the [Industrials industry](#) across eight key pillars. To receive email updates with our sector-specific insights into M&A activity, macroeconomic trends, valuation drivers, and equity financing via reports, articles, and proprietary research, [subscribe here](#).

Dedicated Thought Leadership

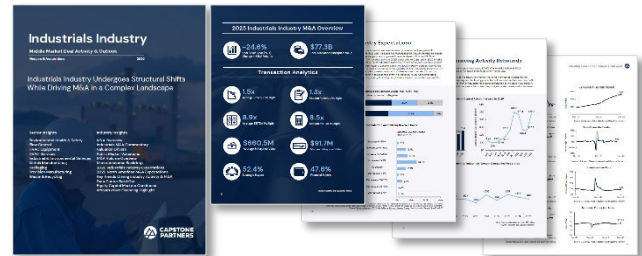
Biannual Sector Reports & Articles

Data analysis and commentary on sector-specific market trends, M&A activity, and equity financing, including statistics from Capstone's proprietary databases and indices.



Annual Industry Report

Industry-wide and sector-specific coverage of macroeconomic trends, valuation drivers, purchase multiples, M&A activity, buyer analysis, and funding dynamics.



Quarterly Capital Markets Update

Tracks total middle market M&A volume and value, including financial, strategic, and foreign buyer activity.



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HVAC Equipment

Sustainability Tailwinds Support Healthy M&A Activity in the HVAC Equipment Market

Key Sector Takeaways

Capstone Partners' [Industrials Investment Banking Group](#) is pleased to share its Heating, Ventilation, and Air Conditioning (HVAC) Equipment report. HVAC equipment has become an increasingly critical component of facility modernization strategies, driven by energy efficiency initiatives, decarbonization efforts, and evolving environmental regulations. As customers balance performance, affordability, and sustainability objectives, manufacturers have expanded investments in high-efficiency systems, smart technologies, and refrigerant-compliant solutions. These growth drivers have continued to strengthen demand fundamentals and create attractive opportunities for strategic acquirers and investors across the HVAC Equipment sector. Several additional key report takeaways are outlined below.

1. HVAC Equipment mergers and acquisitions (M&A) have held steady year-over-year (YOY), totaling 83 announced or closed transactions year-to-date (YTD).
2. Sector operators have benefitted from improvements to regulations and sustainability prioritizations, as facility owners look to reduce overall energy consumption.
3. Private equity (PE) roll-up strategies have remained active, capitalizing on the fragmented nature of the HVAC Equipment ecosystem to expand service lines of existing holdings.
4. Favorable industry dynamics have driven continued equity deployment into the sector, as investors have pursued stakes in companies that combine high-quality service offerings, scalable operations, and exposure to long-term modernization trends.
5. Strong demand in the North American refrigeration market has occurred, supporting the transition away from traditional refrigerant systems into new systems that use natural refrigerants.

Capstone Partners has developed a full suite of corporate finance solutions to help privately-owned businesses and private equity firms navigate through each stage of a company's lifecycle. These solutions include financial advisory services, merger and acquisition advisory, debt advisory, equity capital financing and employee stock ownership plan (ESOP) advisory.

To learn more about Capstone's wide range of advisory services and HVAC Equipment sector knowledge, please [contact us](#).

Sustainability Priorities Accelerate HVAC Equipment Upgrades

Sustainability and energy efficiency priorities have emerged as central drivers within the HVAC Equipment sector. Building heating and cooling accounted for the lion's share (~35%) of all energy consumption in the U.S. in 2025, according to the U.S. Department of Energy (DOE).¹ This substantial footprint has positioned HVAC equipment as a key focus of facility modernization initiatives, spurring demand for advanced systems capable of delivering measurable energy and cost savings.

Amid the growing emphasis on energy initiatives, policymakers have sought to create a supportive regulatory framework for HVAC technology investments. In August, lawmakers introduced the Energy Efficiency Reform Act of 2026, which proposes revisions to the DOE's efficiency standard-setting process for HVAC equipment and other appliances, according to the Senate Committee on Energy & Natural Resources.² If enacted, the legislation is expected to provide manufacturers with greater visibility into future regulatory requirements, supporting investment in higher-efficiency heat pumps, advanced compressor technologies, connected HVAC controls, and smart building management systems designed to reduce energy consumption and improve system performance. Legislative efforts have been complemented by the transition from high-global-warming potential (GWP) refrigerants such as hydrofluorocarbons (HFCs) to lower-GWP alternatives, including R-32 and R-454B. Worldwide demand for virgin (newly-produced and never used or recycled) HFCs has been forecasted to fall from 145.9 million metric tons of exchange value equivalent (MTEVe) in 2026 to 49.8 million MTEVe by 2050, according to the U.S. Environmental Protection Agency.³ This transition has created a significant growth opportunity for sector participants. Manufacturers that can commercialize HVAC equipment compatible with lower-GWP refrigerants stand to benefit from heightened replacement activity, favorable product mix shifts, and growing demand for high-efficiency thermal management systems designed to meet evolving environmental standards.

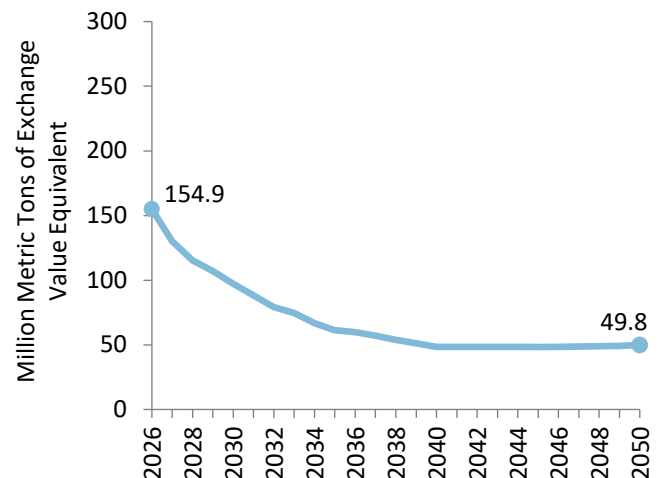
Strategic priorities of public HVAC operators have reflected this trend, many of which have begun incorporating sustainability and regulatory considerations into product development and capital allocation decisions. "As these demands intensify, Modine [NYSE:MOD] is concentrating on strengthening its engineered cooling capabilities and expanding solutions that support energy efficiency, system reliability, and sustainability across data center and broader Heating, Ventilation, Air Conditioning, and Refrigeration (HVAC&R) applications," stated Neil Brinker, President and CEO of Modine, in the company's 2026 Sustainability Report.⁴ The combination of economic, regulatory, and sustainability efforts are expected to drive ongoing demand for HVAC equipment modernization.



Ted Polk
Managing Director
Co-Head of Industrials

"The HVAC Equipment market has benefitted from multiple secular growth drivers and has enabled select industry players to enjoy rapid increases in demand and to have strong expected outlooks."

Regulatory Prioritization Pushes Expected Demand for Virgin HFCs Downward



Source: U.S. Environmental Protection Agency and Capstone Partners

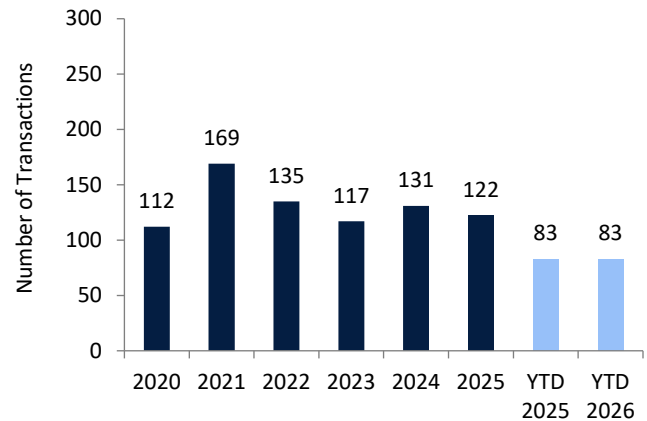
Efficiency and Modernization Bolster HVAC Equipment M&A

Dealmaking in the HVAC Equipment sector has remained flat YOY with total volume holding at 83 announced or completed transactions to date. Although M&A activity has retreated from its peak in 2021, several durable secular tailwinds—including an increased focus on emissions reduction, building efficiency standards, refrigerant transition mandates, and broader sustainability initiatives—have supported transaction volume above historical levels. HVAC Equipment sector participants offering solutions that can address critical environmental impacts and reduce overall energy consumption have drawn outsized buyer interest, evidenced by Pioneer Point Partners’ acquisition of clean heat network developer Rendesco Limited for ~\$135.3 million in May 2026.

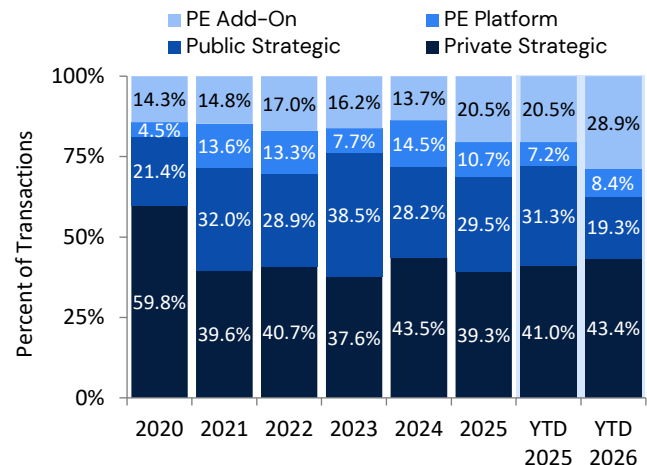
Strategics have accounted for the majority (62.7%) of total transaction volume in the HVAC Equipment sector to date. In contrast, financial sponsors have accelerated investment activity, primarily pursuing roll-up opportunities across the fragmented landscape. Add-on activity has surged to 24 transactions in YTD 2026 (+41.2% YOY) as PE firms look to scale existing portfolios. Sponsor platform deals have increased to seven in YTD 2026, up one deal from the prior year period. Consolidation efforts within the HVAC Equipment sector is anticipated to persist through the remainder of 2026, signaling robust investor demand for exposure to long-term efficiency and sustainability tailwinds.

Despite volume moderation from elevated pandemic-era levels, HVAC equipment M&A multiples have remained resilient, tracking historical norms. Sector EBITDA multiples have averaged 12.7x between 2023 and YTD 2026, down less than a turn from 13.5x in 2020-2022. Notably, CECO Environmental (Nasdaq:CECO) acquired Thermon Group (NYSE:THR) in February 2026 for \$2.2 billion (4.3x EV/Revenue, 19.9x EV/EBITDA). This transaction emphasizes the premium buyers have placed on businesses that optimize thermal performance and enhance decarbonization efforts.

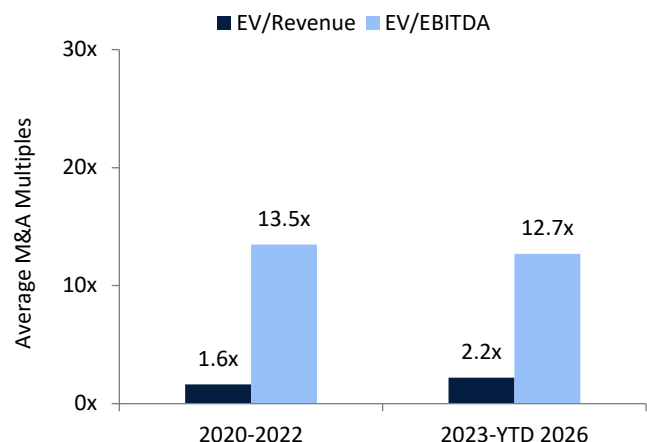
HVAC Equipment M&A Volume Plateaus



Strategics Hold Majority, Sponsors Gain Larger Share of Sector Deal Volume



HVAC Equipment Multiples Normalize



Year to date (YTD) ended August 10
Source: Capital IQ, FactSet, PitchBook, and Capstone Partners

Notable HVAC Equipment M&A Transactions



SPX Technologies (NYSE:SPXC) acquired Neptronic in July 2026 for \$429.3 million (5.9x EV/Revenue, ~12.9x EV/EBITDA). Neptronic develops mission-critical HVAC controls, humidifiers, and electric heating units. The acquisition helps enhance SPX's controls-enabled HVAC portfolio and improves its position in precision thermal management. "Neptronic's differentiated controls and thermal management solutions are highly complementary to our existing portfolio and further advance our HVAC growth strategy," said Gene Lowe, SPX Technologies CEO, in a press release.⁵



In July 2026, Johnson Matthey (LSE:JMAT) acquired CORMETECH, a manufacturer of selective catalytic reduction (SCR) catalysts, for an enterprise value of \$460 million (3.6x EV/Revenue, 28.8x EV/EBITDA). CORMETECH's emissions control technologies complement Johnson Matthey's Clean Air Solutions business, positioning the combined entity to capitalize on growing demand for more sustainability-focused solutions. The company sales of the combined entity are anticipated to grow to ~\$227.5 million in 2026 and 2027, according to a press release.⁶



In June 2026, Lennox (NYSE:LII) announced its acquisition of Heat Controller, a U.S. supplier of mission-critical HVAC equipment. The acquisition expands Lennox's presence within the independent distributor channel and broadens its product offering through the addition of the Comfort-Aire and Century brands. This will further strengthen the company's ability to serve small- and mid-sized HVAC operators across North America, to deepen existing channel relationships and capture an additional share in the fragmented HVAC Distribution landscape.



In March 2026, Blackstone (NYSE:BX) acquired Advanced Cooling Technologies (ACT) for undisclosed terms. ACT designs and manufactures highly engineered thermal management and energy efficiency solutions for advanced computing, data center, energy, HVAC, and other mission-critical applications. The acquisition strengthens Blackstone's exposure to the growing thermal management market, as increasing artificial intelligence (AI) adoption and higher power-density computing requirements drive demand for advanced cooling technologies and expanded manufacturing capacity.



Chris Cardinale
Director

"M&A activity in HVAC equipment and related components continues at a strong and steady pace, with industry performance bolstered by data center and infrastructure activity, ongoing electrification trends, and heating and cooling technology advances. This demand for specialized industrial and commercial equipment is outpacing supply and production capacity, which is a driving factor for strategic investments from HVAC equipment market leaders and attention from private equity groups. Despite early noise from tariffs and potential supply chain constraints, interest in this sector and valuations for high-performing companies remains healthy."



Select M&A Transactions

Date	Target	Acquirer	Target Business Description	Enterprise Value (mm)	EV/LTM	
					Revenue	EBITDA
08/10/26	Lohmiller & Company	SRS Distribution	Distributes HVAC equipment, parts, and supplies for residential and commercial applications.	-	-	-
08/04/26	Everidge	KPS Global	Manufactures indoor and outdoor refrigerated storage systems and components.	-	-	-
07/31/26	SMC Electric Limited (SEHK:2381)	Shenzhen Tinn Mobile Technology	Designs and develops electrical fans and tools.	\$19.5	0.7x	18.9x
07/28/26	Taco Group Holdings	Pentair (NYSE:PNR)	Produces hydronic and water-based products for heating and cooling applications.	\$1,425.0	~2.6x	~10.5x
07/23/26	MDT Technologies	BU Bregal Unternehmerkapital	Manufactures heating and cooling automation products for buildings.	-	-	-
07/23/26	Neptronic	SPX Technologies, (NYSE:SPXC)	Distributes HVAC products.	\$429.3	5.9x	~12.5x
07/13/26	Icon Engineering Enterprises	Alpha Fire Services (COSE:AFS.N0000)	Offers HVAC equipment solutions.	\$0.8	-	-
06/26/26	Southeastern Heating and Air Conditioning	Anchor Air	Provides heating and air conditioning systems.	-	-	-
06/22/26	Distributor Corporation of New England	The Master Group	Distributes commercial and residential HVAC equipment, parts, and supplies.	-	-	-
06/18/26	Heat Controller	Lennox (NYSE:LII)	Manufactures portable HVAC units and dehumidification equipment.	-	-	-
06/10/26	Base Solutions	BHC Residential and Light Commercial	Retails HVAC equipment, systems, parts, and supplies.	-	-	-
06/01/26	P&E Supply	The Granite Group Wholesalers	Provides plumbing, heating, cooling, and water filtration products.	-	-	-
05/29/26	AM Distributors	Beijer Ref AB (OM:BEIJ B)	Distributes HVAC machine parts.	-	-	-
05/28/26	CORMETECH	Johnson Matthey (LSE:JMAT)	Manufactures environmental catalysts and carbon dioxide absorber industrial filtration systems.	\$460.0	3.6x	28.8x
05/27/26	Delta T Equipment	Impact Climate Technologies	Operates as a commercial distributor of HVAC and plumbing products.	-	-	-
05/13/26	Rendesco	Pioneer Point Partners	Designs geothermal networks and low-carbon heating infrastructure technology.	\$135.2	-	-
05/11/26	AC Supply	Robert Madden Industries	Distributes HVAC products.	-	-	-
05/08/26	Toledo Molding & Die	JVIS USA	Operates as a dual-tier supplier of HVAC and power train components.	\$80.0	-	-
05/05/26	Dealers Supply Company	Ferguson Enterprises (NYSE:FERG)	Distributes wholesale HVAC equipment, supplies, and accessories.	-	-	-
05/04/26	NSI Industries	Hubbell (NYSE:HUBB)	Manufactures HVAC, electrical connectors, and wire management products.	\$3,000.0	~5.3x	15.5x
02/24/26	Thermon Group (NYSE:THR)	CECO Environmental (Nasdaq:CECO)	Provides critical air quality, water treatment, and energy transition solutions.	\$2,244.4	4.3x	19.9x

Mean	\$957.4	3.6x	17.2x
Median	\$444.7	3.6x	15.5x

Source: Capital IQ, FactSet, PitchBook, and Capstone Partners

Buyer Universe

Capstone has built relationships with and tracked buyers that have been highly acquisitive in the HVAC sector, particularly those that have completed notable transactions in the Equipment subsector. Capstone's sector experience and vast network provide unique insights into this buyer universe and growth drivers for companies operating in the space.

Leading Strategic Buyers



Leading Financial Buyers



Source: Capstone Partners

HVAC Equipment Equity Financing Overview

The HVAC Equipment sector has continued to attract strong equity investor interest, particularly for companies delivering innovative, technologically-advanced solutions. Providers of thermal management, heating devices, and cooling systems have garnered substantial attention from growth investment firms. Growth capital has increasingly flowed towards companies that show alignment with sector tailwinds and deliver high-quality products applicable across multiple mission-critical end markets.

Notable Equity Financing Rounds



\$100 Million
Series C
June 2026

ZutaCore, a developer of waterless liquid cooling for data center usage, raised \$100 million in Series C capital in June 2026. Carrier Ventures led the round, accompanied by Samsung Venture Investment (KOSE:A009150), Mitsubishi Electric (TKS:6503), and NTT Finance. The funds will be used to advance research and development (R&D) initiatives and support the deployment of innovative megawatt-class systems.



\$22 Million
Equity/Debt Funding
June 2026

In June 2026, Critical Energy secured \$22 million in funding comprised of growth capital (\$19 million) and venture debt (\$3 million) for a post-money valuation of \$41.5 million. The round was co-led by Susa Ventures and Upfront Ventures. The fresh capital will be used to complete the company's first commercial project, a 2.5-megawatt geothermal installation scheduled to begin operations in 2027, according to a press release.⁷



\$163 Million
Growth Funding
March 2026

In March 2026, manufacturer of HVAC venting systems, DuraVent, secured \$163 million in growth funding, led by Bain Capital, Jefferies Financial Group (NYSE:JEF), and J.P. Morgan (NYSE:JPM). The raise underscores ongoing indoor air quality initiatives, which may support future sector demand. The proceeds will be used fund the next phase of company growth, product development, and strategic acquisitions.



\$21 Million
Series B
January 2026

Nautilus Data Technologies, a provider of liquid cooling infrastructure for data centers, raised \$21 million in a Series B funding round led by Pangaea Ventures in January 2026 (\$111 million post-money valuation). The new capital will be used to scale manufacturing and order fulfillment, expand sales and channel relationships, accelerate product suite development, and support geographic expansion within the U.S. and Europe.

Equity Capital Markets Group

The [Equity Capital Markets Group](#) focuses on raising equity capital financing for growth-oriented companies and is active in the HVAC Equipment sector. Our team works closely with our Industrials Group to help our clients secure equity capital to fund growth initiatives, recapitalize the balance sheet (often including shareholder liquidity), and to finance M&A transactions.



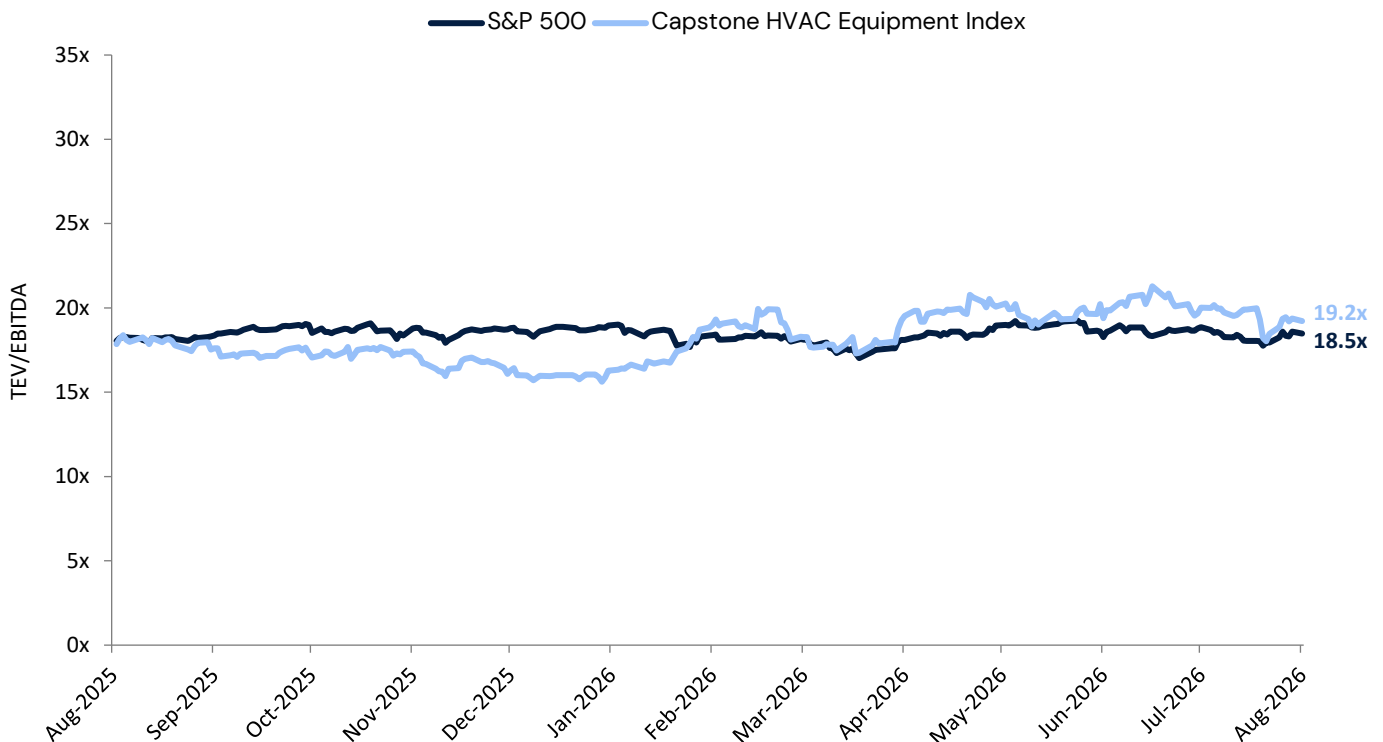
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Public Companies Capitalize on Evolving Growth Drivers

Company	Price	% 52 Wk	Market	Enterprise	LTM			EV / LTM	
	08/10/26	High	Cap	Value	Revenue	EBITDA	Margin	Revenue	EBITDA
AAON, Inc.	\$89.24	59.3%	\$7,358.2	\$7,810.2	\$1,932.4	\$300.1	15.5%	4.0x	26.0x
A. O. Smith Corporation	\$62.41	76.2%	\$8,482.1	\$8,978.0	\$3,804.9	\$783.7	20.6%	2.4x	11.5x
Carrier Global Corporation	\$63.44	82.6%	\$52,295.2	\$63,670.2	\$22,108.0	\$3,093.0	14.0%	2.9x	20.6x
Ferguson plc	\$263.78	97.1%	\$51,029.0	\$57,479.0	\$31,446.2	\$3,070.6	9.8%	1.8x	18.7x
SPX Technologies, Inc.	\$212.35	84.6%	\$10,635.7	\$11,084.0	\$2,475.9	\$521.8	21.1%	4.5x	21.2x
Lennox International Inc.	\$423.28	68.7%	\$14,628.8	\$16,601.4	\$5,302.2	\$1,170.8	22.1%	3.1x	14.2x
Modine Manufacturing Company	\$191.01	59.1%	\$10,145.1	\$10,729.5	\$3,372.4	\$449.7	13.3%	3.2x	23.9x
Trane Technologies plc	\$476.99	94.3%	\$104,948.9	\$108,269.6	\$22,209.9	\$4,308.4	19.4%	4.9x	25.1x
Watsco, Inc.	\$326.71	71.2%	\$12,565.2	\$13,115.1	\$7,283.6	\$701.1	9.6%	1.8x	18.7x
							Mean	16.2%	3.2x
							Median	15.5%	3.1x
							Harmonic Mean	14.8%	2.8x

EV = enterprise value; LTM = last twelve-month
\$ in millions, except per share data
NM = Not Meaningful

Capstone's HVAC Equipment Index Outperforms S&P 500



HVAC Equipment Index includes: AAON, AOS, CARR, FERG, LII, MOD, SPXC, TT, WSO

Note: Indices are market cap weighted

Source: Capital IQ and Capstone Partners as of August 10, 2026

Data Analytics Help Sharpen Performance of HVAC Businesses

Businesses in the HVAC Equipment sector that have traditionally benefitted from a relatively stable supply-chain may now face challenges that could drive unexpected operational disruptions including fluctuations in the cost and availability of raw materials, variable regulatory requirements, supply chain complexity, labor and logistics bottlenecks, and a rising consumer demand for sophisticated technology-enabled products.

Data analytics have proven to be a powerful tool to help manufacturing companies improve operational efficiency, identify opportunities for cost savings, and optimize business value. This can be a critical competitive advantage for both original equipment manufacturers (OEMs), as well as component suppliers.

Capstone's [Financial Advisory Services](#) group can deploy advance data analytic tools that allow us to evaluate multiple factors affecting performance and determine the most effective corrective action to help mitigate any decline in production or profitability.

Key Data-Enabled Performance Improvement Value Adds For Sector Participants

Operational Efficiency & Process Optimization

- Use real-time data from manufacturing systems to monitor uptime, downtime, and throughput
- Track input-output ratios to identify inefficiencies and provide yield analysis data
- Leverage machine learning (ML) to predict production equipment failures and engage in proactive maintenance initiatives

Quality Control & Compliance Measures

- Analyze quality metrics to detect variations and prevent defects
- Use analytics to quickly trace and isolate product defects in specific batches
- Automate and monitor compliance with regulatory requirements and industry standards
- Identify patterns in warranty claims to proactively address product issues

Demand Forecasting & Inventory Management

- Analyze customer order history, market trends, and seasonality to predict future demand and help adjust production accordingly
- Optimize raw material purchasing and finished goods inventory to reduce holding costs

Supplier & Raw Material Analysis

- Evaluate delivery times, quality of materials, and cost fluctuations
- Analyze raw material usage and identify cheaper or higher-quality alternatives

Capstone Case Study: Data Analytics Results in \$1.7 Million of Recurring Revenue Savings

Capstone recently helped a manufacturing client address the paradoxical issue of falling output despite an increase in staff hours and a build-up in inventories. Using data analytics, along with other performance improvement tools, Capstone's team was able to identify and address multiple operational and process inefficiencies that resulted in \$1.7 million of confirmed annual recurring savings for the business. Through the data-driven approach, the client transformed its manufacturing operations, eliminated inefficiencies, reduced costs, and positioned the company for sustainable growth. The newly implemented tools and processes ensured that management had full visibility of performance, enabling data-driven decision-making for continued success.

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Ted is a Managing Director at Capstone Partners. Prior to joining Capstone in 2010, Ted ran the corporate finance practice in the Central region for Morgan Stanley, Smith Barney's Capital Strategies Group, and its predecessor, Citi Capital Strategies. He has more than 25 years of experience working with businesses across a variety of industrial and tech-enabled markets and has focused interest in working with HVAC and energy management related businesses. Early in his career, Mr. Polk also provided valuation advisory services for an entity now owned by Duff & Phelps and was a lender to the Utility industry in the Corporate Banking Group at The Bank of New York and its predecessor Irving Trust Company. Ted is an active public speaker on the topic of business exits and recapitalizations of privately owned businesses and is a frequent recipient of industry awards for his advisory services. Ted was recognized by the Global M&A Network for his participation in both the Canadian Deal of the Year in 2022 and the Aerospace and Defense Deals of the Year in 2024 and 2021. He was similarly recognized in 2018 for his involvement in the USA Recapitalization Deal of the Year, in 2017 for his participation in the U.S. Corporate M&A Deal of the Year and in 2015 for USA Recapitalization Deal of The Year. Previously, he was also recognized by the M&A Advisor in 2016 for his role on the Professional Services Deal of the year and was also previously recognized by this organization for his role on transactions awarded the Middle-Market M&A Deal of the Year, the Middle-Market M&A Financing Deal of the Year, and the Cross-Border Middle-Market Deal of the Year.

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Tabb is a Managing Director within Capstone Partners' Industrials and Building Products & Construction Services Groups. Prior to its acquisition by Capstone in 2025, Tabb joined TM Capital in 2018 and has worked extensively as a sell-side advisor. With over a decade of M&A experience, Tabb has developed deep experience within Niche Manufacturing, Specialty Distribution, Infrastructure Services and Building Products. His experience also includes a broad range of complementary transactions, including buy-side M&A, carve-outs, and debt & equity financings. Prior to joining TM Capital, Tabb was an Associate in the Global Industrials Group at UBS Securities in New York City. While at UBS, Tabb focused on client coverage and deal execution for public & private clients in the diversified industrials, engineering & construction, and building products sectors. Prior to UBS, Tabb spent 5 years in commercial real estate in Atlanta, GA.



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Chris is a Director within Capstone’s Industrials Investment Banking Group with over 11 years of experience serving clients on transactions involving mergers, acquisitions, carveouts, divestitures, recapitalizations and capital raises. Based in Orange County, CA, he supports management and clients throughout the U.S. Chris’ sector focus is Environmental, Health & Safety, with additional experience in Facilities Services, Packaging, Precision Manufacturing, Chemicals and Industrial Distribution. Prior to joining Capstone, he was an associate with a boutique M&A firm focused on valuation, M&A advisory, corporate finance, acquisition target research and exit-planning strategy, and was a research analyst at United Capital Financial Advisors. Chris was born and raised in Southern California and resides there with his wife and three young children.



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Matthew serves as a Market Intelligence Analyst at Capstone Partners covering the Consumer and Industrials industries. Prior to joining Capstone, Matthew was an intern at Ategenos Capital and Connecticut Wealth Management. Matthew graduated with a Bachelor of Science degree in Business Administration with a concentration in Finance from Babson College.

Firm Awards & Accolades

Capstone Partners is consistently recognized as an elite middle market firm by multiple leading industry organizations. This has afforded our clients with immediate market credibility in the acquirer and investor communities. From 2016 to 2026, Capstone has received 23 “investment banking firm of the year” awards from organizations such as The M&A Atlas Awards, The M&A Advisor, M&A Today, and ACQ5. A sampling of Capstone’s recent awards is shown below.



Firm Track Record

Capstone Partners has represented a diversified group of HVAC and infrastructure-related companies that serve both Residential and Commercial marketplaces. Our [Industrials Group](#) has an active market presence in the HVAC sector, allowing Capstone to provide HVAC companies with experienced, up-to-date market data and access to key decision makers among the sector's most active acquirers and investors.

CONFIDENTIAL IN MARKET MANUFACTURER OF MISSION-CRITICAL COOLING SYSTEMS	 HENRY GROUP a portfolio company of  MARSH GLOBAL HOLDINGS HAS BEEN ACQUIRED BY  ASPEN PUMPS GROUP a portfolio company of  inflexion	 NESTEC Smart Solutions for Clean Air HAS PARTNERED WITH ANGELENO GROUP	 GSK HAS BEEN ACQUIRED BY  THERMO KING a portfolio company of  TRANE TECHNOLOGIES
 DURO DYNE a division of  NSI INDUSTRIES a portfolio company of  Sentinel HAS BEEN ACQUIRED BY  LENNOX	 ELGEN a portfolio company of  MFG MERIT CAPITAL PARTNERS HAS BEEN ACQUIRED BY  WORTHINGTON ENTERPRISES	 AIR INNOVATIONS HAS BEEN ACQUIRED BY  ALTUS CAPITAL PARTNERS	 BARCLAY WATER MANAGEMENT est. 1932 HAS BEEN ACQUIRED BY  ECOLAB
 nationalgrid ENERGY MANAGEMENT HAS BEEN ACQUIRED BY RADIUS MECHANICAL	 A&M Cold Storage & Trailer Leasing HAS BEEN ACQUIRED BY  WILLSCOT mobile mini	 BellSimons COMPANIES HVAC • REFRIGERATION • PLUMBING Simple Solutions Not Old HAS BEEN ACQUIRED BY  MALVERN a subsidiary of  GENSTAR a portfolio company of	nationalgrid HAS DIVESTED  VAMCO Water Heater Rentals
 DURO DYNE HAS BEEN ACQUIRED BY  nsi a portfolio company of  COVANCE	 POWRMATIC a portfolio company of  STAMM INTERNATIONAL HAS BEEN ACQUIRED BY  GROUPE DESCHÊNES	 THERM-X The Temperature Specialists HAS BEEN ACQUIRED BY NIBE	 ABC a portfolio company of  CID CAPITAL HAS BEEN ACQUIRED BY  BRANFORD CASTLE PARTNERS

Capstone's Proprietary Research Reveals Top Services in Demand

The stage and initiatives of a business often dictate which financial services are in demand. As the bulk of CEOs polled in Capstone's 2026 Middle Market Business Owners Survey indicated growth strategies are a priority for 2027, the lion's share (40.8%) of owners anticipate a need for growth strategy support services. Similarly, 29.1% of CEOs require equity capital advisory services to support operational initiatives and business expansion. Notably, 27.8% of CEOs demonstrated an interest in accessing relevant industry research to keep up with emerging industry trends, complete competitor analyses, and track capital markets activity in their space. In addition, 18.8% of business owners have sought fairness/solvency opinion and dispute resolution support to mitigate litigation exposure and ensure fiduciary duties for transactions are fulfilled.

Capstone has developed a full suite of [corporate finance solutions](#) to help privately owned businesses and private equity firms through each stage of the company's lifecycle, ranging from growth to an ultimate exit transaction. In addition, we developed specialty advisory practices to provide financial performance, buy-side, employee stock ownership plan (ESOP), and equity and debt services. All of these capabilities are supported by 12 industry banking groups, an active sponsor coverage group, and a dedicated Market Intelligence Team.

Top Financial Services Required by Business Owners in 2027



40.8%

Instituting a
growth strategy



38.2%

Accounting & audit
support



29.1%

Raising equity
capital



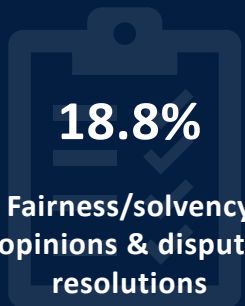
27.8%

Accessing relevant
industry research



20.7%

Corporate
Restructuring



18.8%

Fairness/solvency
opinions & dispute
resolutions

Question: Have you ever had, or do you anticipate having, a need for any of the following services?
Source: Capstone Partners' Middle Market Business Owner Survey, Rebased Sample Size (N): 309

Endnotes

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Market Presence

The Power of Scale: Enhances Access & Credibility

U.S. Activity

25,000+

Deal Related Calls
Per Year

2,000+

Private Equity & Family
Office Relationships

3,000+

Strategic Buyer
Relationships

70+

Managing Directors

Global Activity

Capstone's global platform partner, IMAP (International M&A Partners), combines global sector expertise with specific local knowledge to deliver top-tier M&A and advisory services

280

Deals
Closed per Yr.

\$20B

Transaction
Value per Yr.

40%

Cross Border
Deals

51

Countries with
Local Offices

450+

Professionals
Worldwide

4th

Global
Ranking



Note: IMAP Global Activity data is based on H1-2026 annualized activity.