

The background of the slide is a photograph of a modern, multi-story office building with a glass and metal facade. A worker is visible on a white aerial lift platform, positioned against one of the windows. The sky is a clear, bright blue. The image is partially obscured by a dark grey diagonal overlay on the left side.

Soft Facility Management

Market development and M&A activity

Sector update - Q4 2025

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Soft Facility Management in Norway



Soft Facility Management in Norway

Services that ensure an efficient, comfortable and well-functioning workplace

Introduction

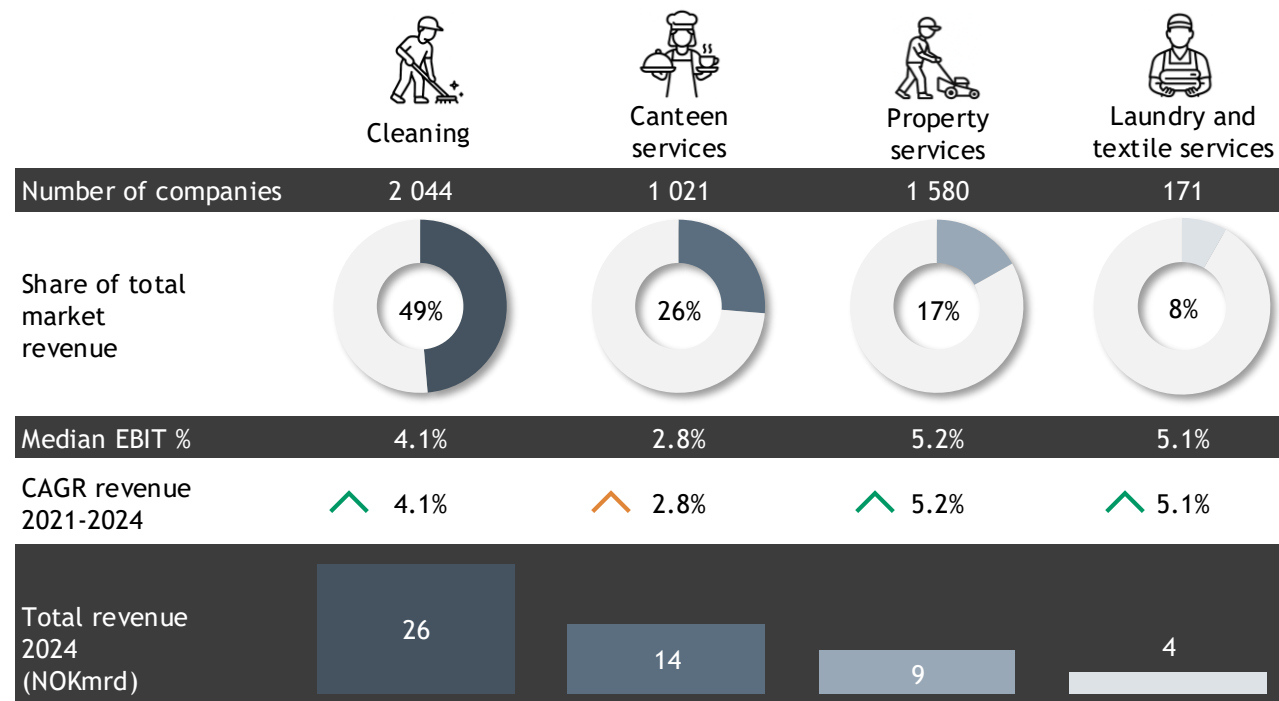
Soft facility management covers services that improve comfort, efficiency and daily operations in the workplace.

This includes routine cleaning, catering services, food delivery and minor non-technical maintenance such as floor polishing, lawn care and snow removal. In addition, the segment includes administrative and logistical services that support employees and visitors.

Key characteristics:

- ▶ Not linked to the building's physical structure
- ▶ Enhances employee experience and workplace functionality
- ▶ Considered both essential and value-adding
- ▶ Largely not regulated by law or mandatory requirements

Key figures



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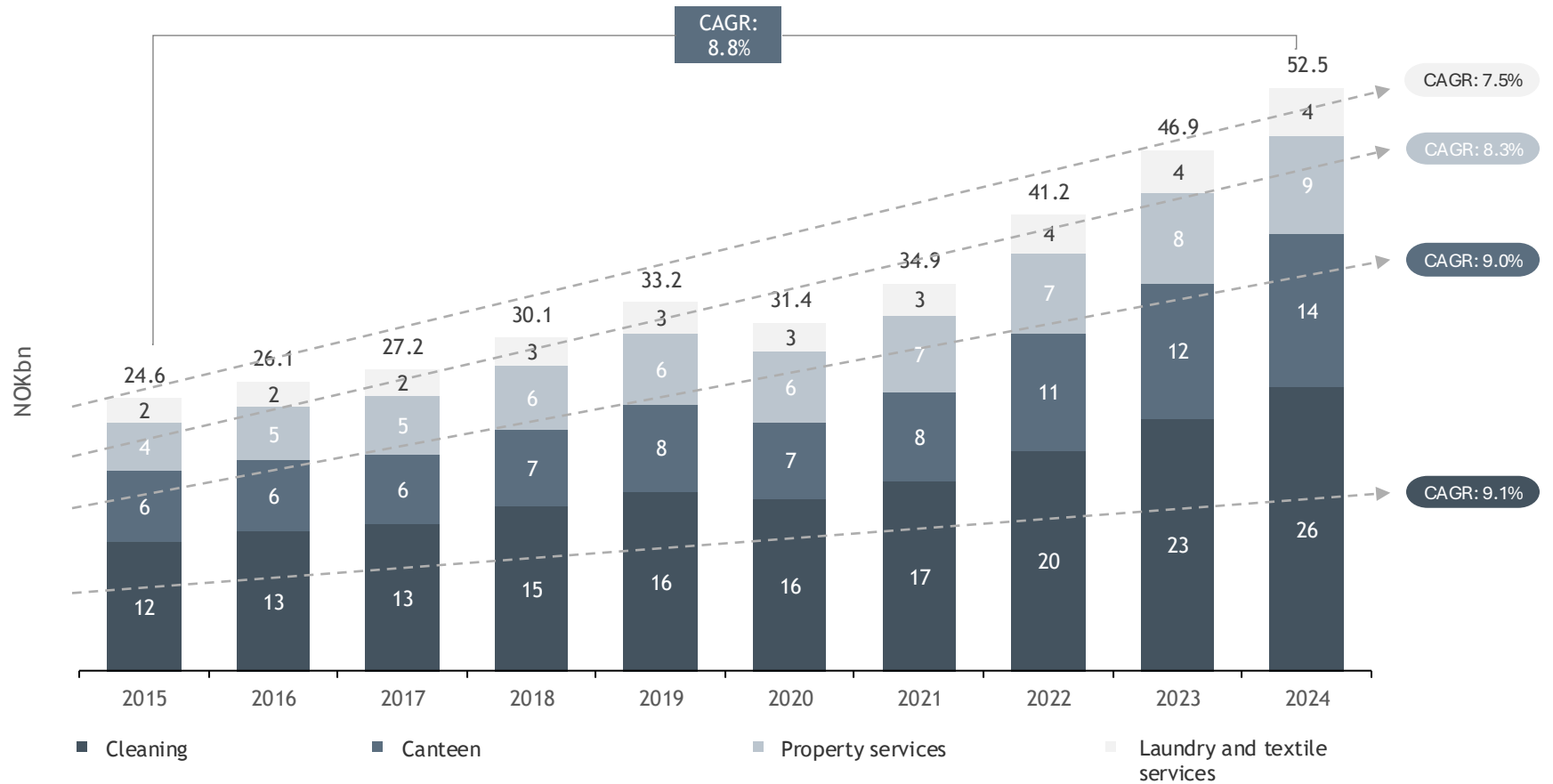
Market size, growth
drivers and trends

Market revenue

Strong growth across all market verticals

Comments

- ▶ Profitability declined over 2015-19, partly driven by increasing competition for larger and more complex contracts, where only a limited number of providers can deliver
- ▶ The pandemic in 2020-21 reduced revenue as office utilisation dropped, and many workplaces were temporarily closed
- ▶ From 2022 onward, the market normalised as demand stabilised, and revenue growth quickly returned to and surpassed pre-pandemic levels

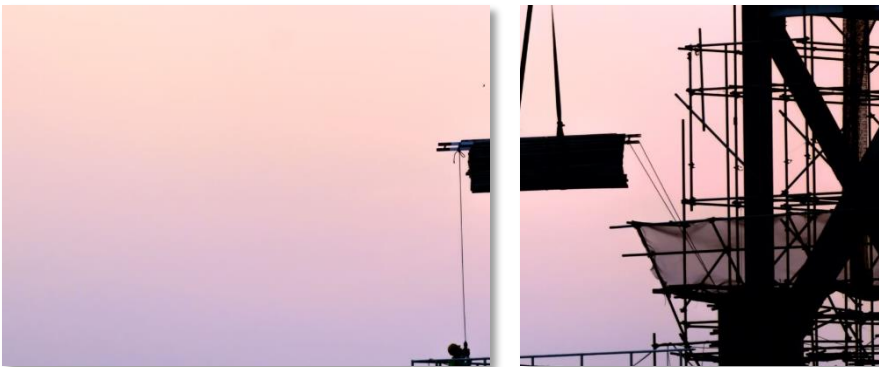


Growth drivers

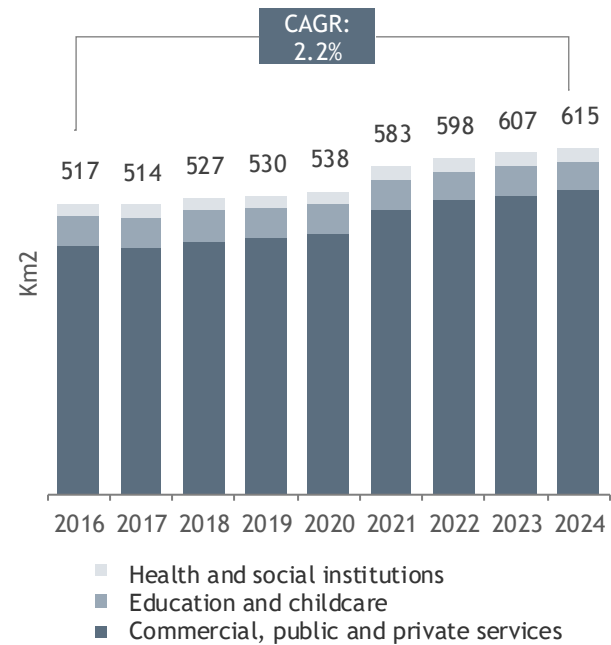
A growing market driven by a larger building stock, rising labour costs and strong demand

Comments

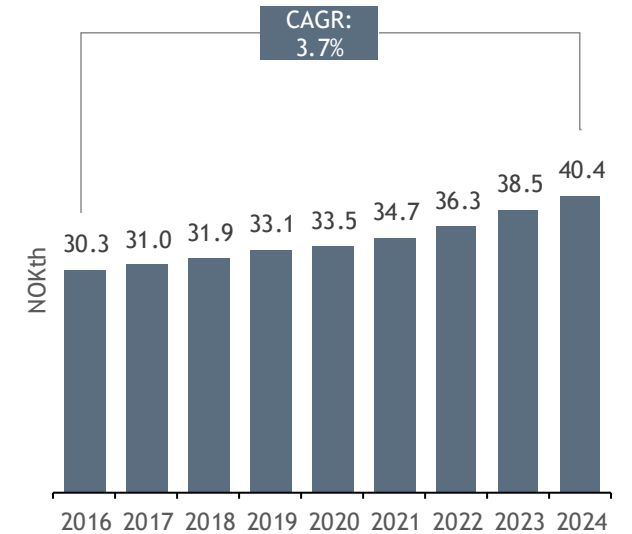
- ▶ The Norwegian soft FM market has experienced solid growth across all service categories
 - Growth in population and building stock, driven by urbanisation in cities and towns, has increased the need for ongoing services and maintenance
 - Rising wage levels for cleaners and service personnel are passed on to customers through price adjustment mechanisms in contracts
 - Greater focus on user experience and workplace well-being has increased demand and customers' willingness to pay



Total commercial building area



Average monthly wage for cleaners



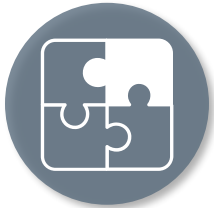
Market trends

Current trends affecting the industry



Shifting customer needs

- ▶ Demand for regional and national contracts has increased
- ▶ This makes packaged services with needs-based delivery more relevant



Integrated service providers (“IFM”)

- ▶ Customers increasingly want integrated providers that can deliver a full range of services
- ▶ Economies of scale are important in meeting rising competition from fewer but larger players



Digitalisation and increased use of technology

- ▶ Mobile applications, smartphones and tablets help employees work more efficiently, capture deviations and report in real time
- ▶ Robotics and sensors are increasingly replacing manual machines and inspections



Increased ESG focus

- ▶ Focus on ESG is growing, and stricter requirements are being placed on suppliers
- ▶ Documentation and certifications are becoming more important, especially in public tenders



Reporting requirements

- ▶ Authorities and customers are imposing stricter requirements for certification and, to some extent, systematic reporting on environment, quality and HSE
- ▶ This drives demand for effective solutions that can collect, structure and share documentation in an efficient and verifiable way

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Competition and market landscape

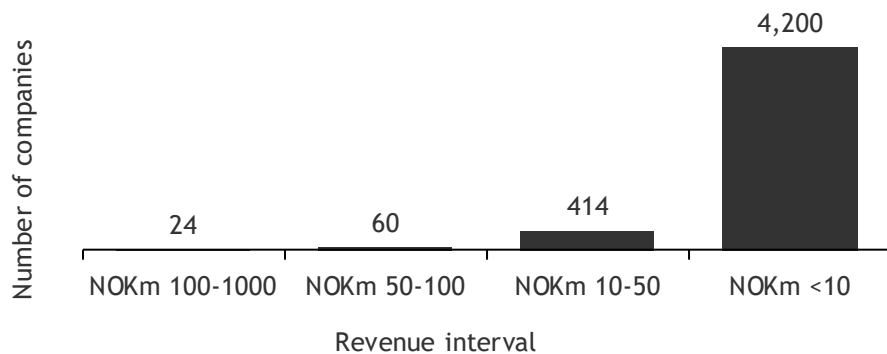


Competitive landscape

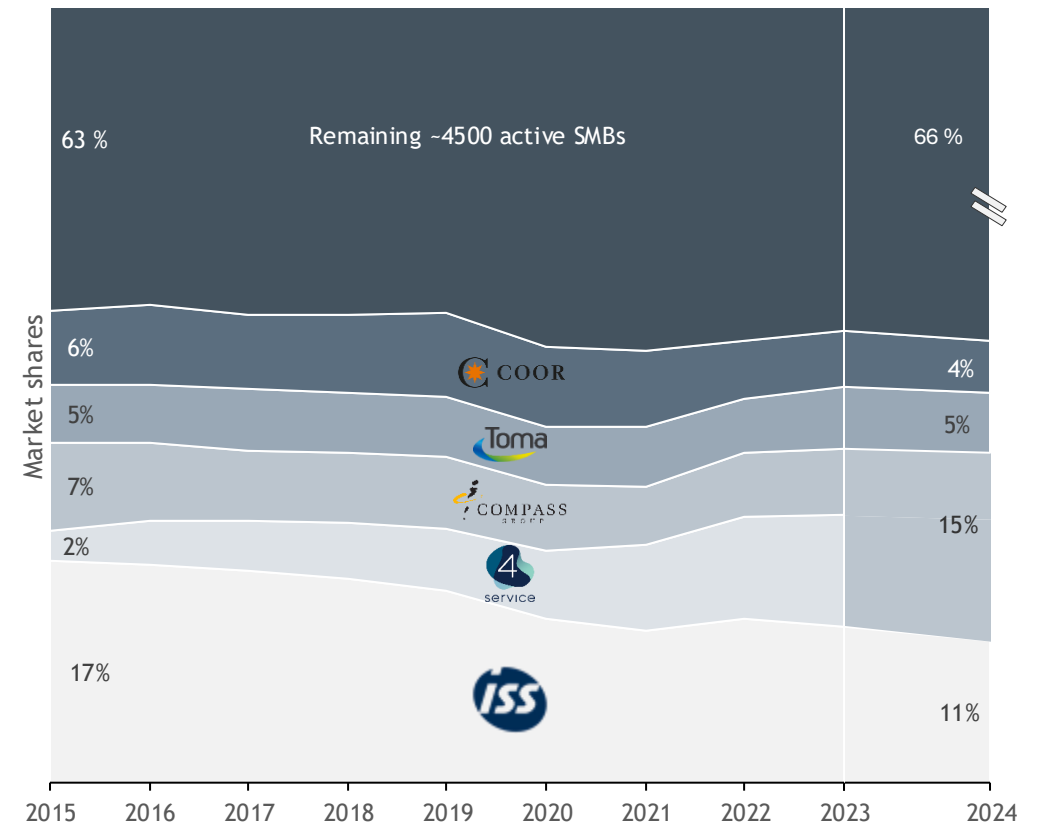
Increasing competition among the largest players

- ▶ The competitive landscape in the Norwegian FM market has changed significantly
- ▶ Size provides economies of scale and the capacity to handle nationwide integrated FM deliveries
- ▶ As a result, several large players are competing for a dominant position in the market
 - Compass Group's acquisition of 4Service in 2024 positions the group as Norway's largest player, with an estimated market share of approx. 15%
- ▶ The market remains highly fragmented, and there is still a large undergrowth of smaller companies
 - As illustrated in the graph below, more than 4,200 small and medium-sized enterprises ("SMEs") has annual revenue of less than NOKm 10 in the Norwegian soft FM market

Breakdown showing estimated number of SMEs by revenue distribution



Estimated development in market shares for largest players 2015-2024



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M&A activity

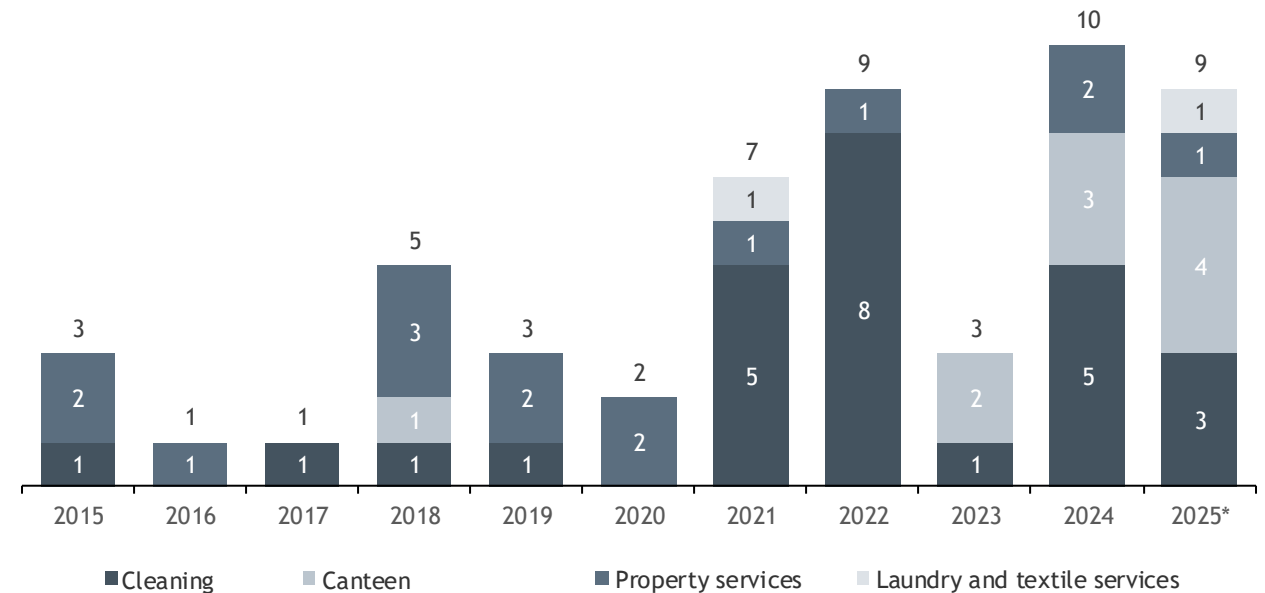
M&A activity

A market characterised by long-term consolidation

Comments:

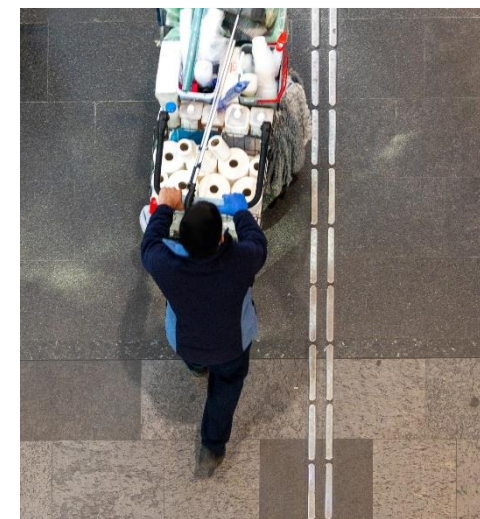
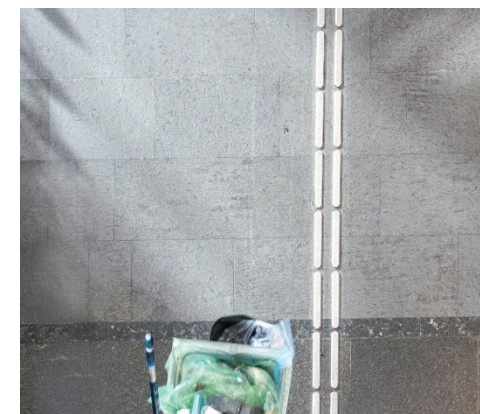
- ▶ Demand from large customers drives scale
 - Public and large private customers request fewer suppliers, national coverage and integrated services. This favours larger players and triggers acquisitions as a strategy to expand capacity, competence and geographic reach to strengthen competitiveness in larger tenders
- ▶ Regulatory and commercial requirements increase professionalisation
 - Stricter requirements related to HSE, wages and working conditions, documentation and certifications (ISO/ESG) make it difficult for smaller companies to compete. Merging with a larger platform provides access to established structural and quality systems
- ▶ Digitalisation and structural costs create capital needs
 - Investments in planning systems, reporting and customer integrations increase capital requirements and make it necessary to join larger groups to keep up with digital development
- ▶ Private equity capital accelerates consolidation
 - Several PE funds have established buy-and-build strategies in the sector to build Nordic platforms and realise multiple expansion through consolidation

Publicly announced acquisitions by segment in Norway



Recent transactions

Timing	Target	Acquirer	Description
Q3 2025	 	 	Textilia Group has acquired Storvask AS, Lillrent AS and Sentralvaskeriet for Østlandet AS (SFØ) as a natural continuation of its strategy for the Norwegian market
Q3 2025	 	 	Reledo is strengthening its position in Norway through the acquisition of a Western Norway-based cleaning operator delivering canteen and cleaning services
Q3 2025	 	 	Hässelby Blommors is entering the Norwegian market through the acquisition of Servix Plantedekor, which delivers complete living plant solutions for corporate clients in Greater Oslo
Q3 2025	 	 	Cares continues its strong organic growth through the acquisition of Conluo in Eastern Norway
Q4 2024	 	 	Aramark is strengthening its offshore position through the acquisition of Norsk Offshore Catering
Q3 2024	 	 	Equip is establishing a capital platform in the FM segment through the acquisition of the growth company Cares, headquartered in Tønsberg
Q2 2024	 	 	4service, previously majority-owned by Norvestor, is becoming part of the international Compass Group, positioning the group as the largest FM operator in Norway
Q1 2024	 	 	Awilhelmsen AS acquired 25 percent of Tomagruppen, with the ambition of being a long-term shareholder supporting continued sustainable growth for the company
2016-2024	 	 	4service maintains a high acquisition pace with several acquisitions in 2024, and more than 20 acquisitions completed since 2016
Q2 2023	 	 	Verso Capital, a Finnish private equity firm, completed its first acquisition in the Nordic facility management market
Q3 2023	 	 	Nordic FM Group is established as a new platform





About BDO Deal Advisory

BDO Deal Advisory

BDO has deep knowledge of the FM market built through several years of targeted work, with relationships to relevant buyers and extensive experience running similar processes



We know the market

- ▶ We have worked with the facility management market for many years and have strong insight into the drivers, trends and key players in the industry, both in Norway, the Nordics and internationally
- ▶ Through proprietary information, industry media, transaction databases and direct contact with buyers and sellers, we maintain a solid overview of market pricing for companies in and outside structured processes



We know the buyers

- ▶ BDO has established itself as a natural contact point for several buyers in the sector who want to discuss market developments and transaction trends
- ▶ We work closely with colleagues across the international BDO network, providing direct access to potential buyers outside Norway and the Nordics
- ▶ BDO has deep insight into what different buyers value, and how to highlight buyer-specific synergies to maximise valuation in a sale



We have extensive transaction experience in the SMB segment

- ▶ A dedicated project team delivers a prioritised and tailored process with direct experience from similar FM transactions
- ▶ Access to internal expertise and hands-on experience across all areas of transactions adds weight in negotiations with larger players. Our experience supporting acquisitions for corporates and PE buyers gives us a clear understanding of how they think and act in a process

Deal Advisory

We deliver advisory services within M&A, valuation, financial modelling and due diligence. We operate globally, with a Nordic focus and strong local presence

BDO Deal Advisory in the Nordics



90+

Professionals in the Nordics

200+

transactions in 2024



M&A



Valuation & modelling



Due diligence

BDO Deal Advisory Globally



2500

Professionals

115

Countries

1,752

Transactions in 2024

Tombstones Lead Advisory

Extensive M&A experience within Facility Management



Reledo's acquisition of Effektivt Renhold AS, where BDO acted as financial advisor to the seller

2025



Hässelby Blommor's acquisition of Servix Plantedekor, where BDO acted as financial advisor to the seller

2025



4Service's acquisition of Proffrent, where BDO acted as financial advisor to the seller

2024



PHM's acquisition of Ren Service AS, where BDO acted as financial advisor to the seller

2022



4Service's acquisition of Servicepartner 1, where BDO acted as financial advisor to the seller

2022



Buy-side mandate for PHM Group within property services

2020-2023



Buy-side mandate for PHM Group within property services

2020



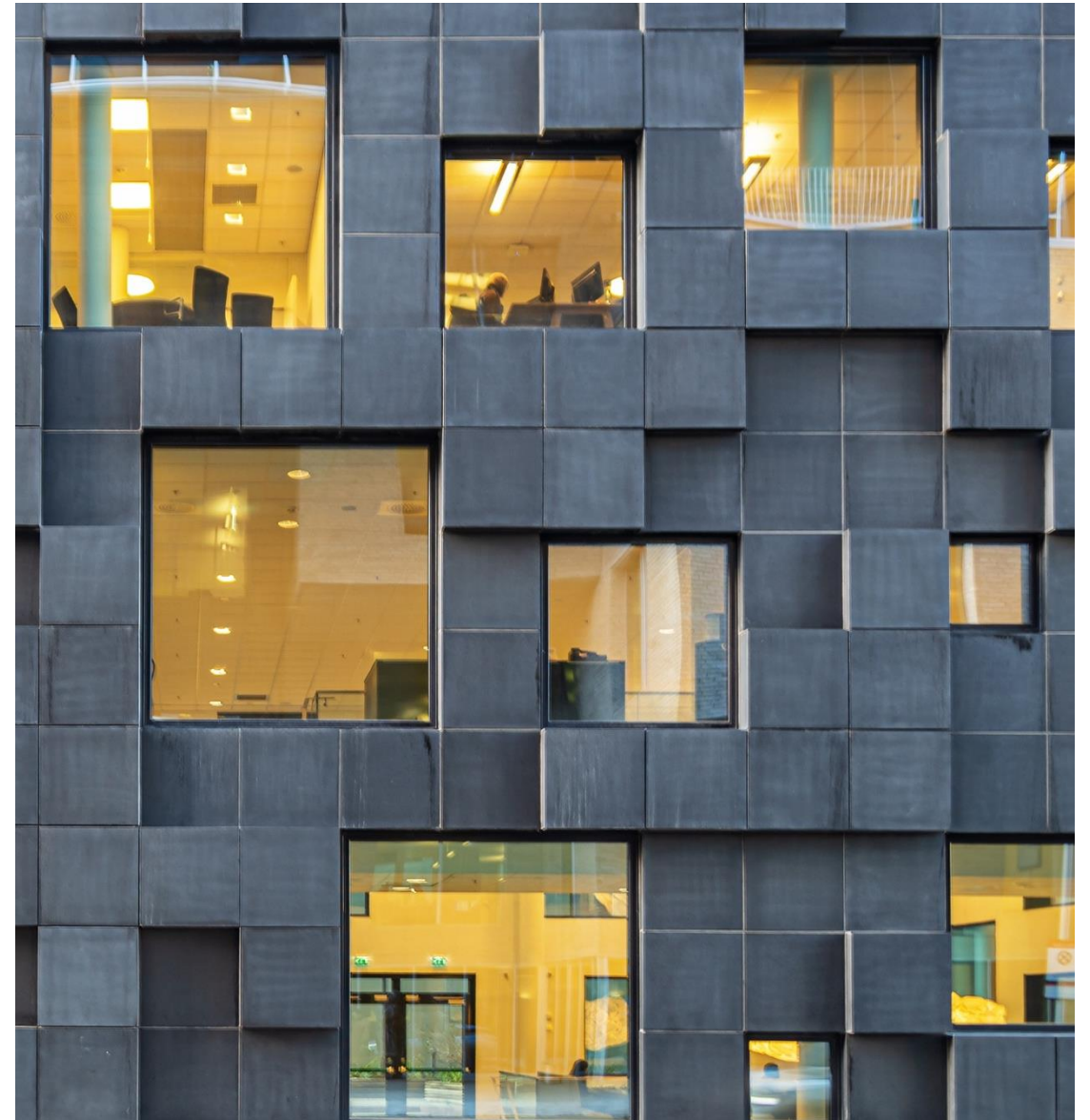
Buy-side mandate for PHM Group within property services

2020



Buy-side mandate for PHM Group within property services

2018



References

A selection of clients we have worked with who consider BDO a reliable and valuable partner



«First of all, I would like to thank the BDO team for the work you have done for us in the sales process. There is no doubt that we chose the right partner to manage the sale of the company.

Throughout the process, we had close dialogue and a shared understanding of both the financial expectations and what was important to our main shareholders, as well as those of us who would continue with the company. It was crucial to find the right buyer – one who recognised the value we have created in Agder since starting in 2001. Not least, the value of our skilled employees, who are the direct reason for our local success.

Toward the end of the process, 4Service emerged as the right buyer when assessed against these combined criteria.

Thank you for excellent support and management of the process, which we experienced as highly professional and very good overall..»

Per Inge Iversen

General Manager and former co-owner



“BDO guided us through the process with a steady hand. They supported us in areas where we lacked capacity and have been an invaluable partner throughout this journey.

We are very pleased with the result and are ready to move into a new chapter together with 4Service.”

Thor Henriksen

General Manager and co-owner



“We have experienced the collaboration with BDO as highly professional and effective.

They demonstrated strong industry insight and guided us safely through the entire process. BDO’s support was decisive in ensuring we reached an outcome we are very satisfied with, and we look forward to developing the company further together with Reledo.”

Irene Bakken

Chairman of board and co-owner



“I would like to highlight the sense of security you provided us throughout the process as our advisors. The process started more than three years ago, during which we went through an internal maturation phase, supported by good discussions and guidance from you, helping us reach the point where we were ready to actively enter the market for a sale.

We greatly appreciate the thoroughness and professionalism you have shown throughout the journey.

The result of the transaction is something we are extremely pleased with, and we can strongly recommend BDO as an advisor. Without your help and the insight BDO brings, we would not have achieved the same successful outcome.”

Thorkild Henningsen

General Manager and co-owner

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