



Creating a leading facility services company in Germany

DEAL FLASH | BUSINESS SUPPORT SERVICES | FEBRUARY 2022

DEAL SNAPSHOT

Privately owned Dutch facility management group **VebeGo Holding GmbH** has acquired **100%** of the shares of **hectas Facility Services** from **Vorwerk SE & Co. KG**.

With more than 34,000 employees in the facility services, healthcare, facility management, and gardening and landscaping sectors, VebeGo is active in Belgium, Germany, the Netherlands and Switzerland. By acquiring hectas, VebeGo strengthens its objective of achieving sustainable and significant growth and becoming one of the top 20 facility services companies in Germany.

Founded in 1974, hectas provides infrastructural facility services in the areas of building and industrial cleaning and green maintenance, as well as building and security services in Germany, Austria and the Netherlands. hectas generated revenues of US\$227 million in 2021 and has 8,100 employees. Markus Breithaupt, CEO at hectas Group, said: “With VebeGo, we get a perfect new shareholder for the healthy expansion of our group. Our employees and our clients will benefit from the strengthening of our group, as we will have access to a much larger pool of experts and know-how in the facility services sector.”

Vorwerk is a family-owned and international diversified corporate group. The Vorwerk family is certain that in VebeGo they have found a partner who will further expand the successful development of the hectas Group.

“The Oaklins team have supported us with their M&A expertise in the best manner, and have made a decisive contribution to closing this transaction successfully in an ambitious time frame.”

KEVIN FLECK
CFO
VEBEGO GERMANY &
SWITZERLAND



OAKLINS PLAYED A KEY ROLE IN FACILITATING THIS TRANSACTION

Oaklins’ team in Germany acted as buy-side advisor to VebeGo, screening the market for potential targets, advising on valuation as well as leading the negotiation until closing. The team in the Netherlands supported the transaction.



MARKET TRENDS & DEAL DRIVERS

The German facility services market, with 32,000 companies and over one million employees, generates annual revenues of nearly US\$25 billion.

Two years ago, the market started consolidating and larger entities are being created to improve competitiveness via synergies. The top 25 facility services companies in Germany have a market share of approximately 60%. Thus, most of the companies in the sector are small regional players.

Only larger players can take on multi-site service contracts across the country or even on an international basis. Therefore, we envisage this consolidation accelerating in the coming years.

TALK TO OUR ADVISOR

✉ **FLORIAN VON ALTEN**

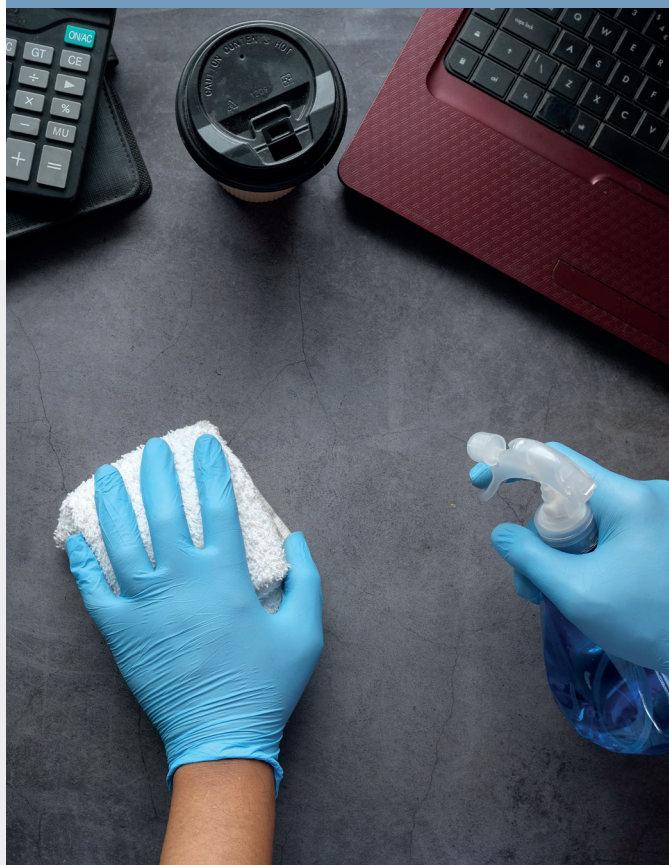
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Florian has advised on over 100 M&A transactions, many of them cross-border. Most of Florian's clients are privately owned mid-sized companies, but also include larger conglomerates and private equity firms. Clients he has advised recently include Dussmann Group, K & R Eilers GmbH and Walther Reichert GmbH & Co. KG.

M&A VALUATION ASPECTS

The facility services market grows about 3–4% annually.

Given that the business is labor intensive, EBIT margins are in the mid-single digit range. EBIT multiples tend to be in the range of 5–7.5x.



“Due to the consolidation process going on in the facility services sector across Europe, we foresee further acquisitions and mergers in the coming months and years.”

FLORIAN VON ALTEN
MANAGING PARTNER, OAKLINS, GERMANY



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