



BLOK MANAGEMENT GMBH

German damage restoration market

Market overview and M&A-activity

April 2026



Executive summary

04

Market overview

05

- Market drivers, trends, and challenges
- Market segmentation by service
- Relevant market participants

M&A-activity

11

Conclusion

14

About us

15



Specialised business services M&A team with a focus on damage restoration

BLOK Management pursues a clear sector focus in order to offer its clients the best possible advice in their respective industries

- BLOK's Business Services team advises companies across the damage restoration industry, including fire, water, mould, and broader property remediation services. The team draws on extensive sector experience and provides comprehensive support across all areas of M&A transaction advisory
- Thanks to our excellent relationships with leading market players, we have in-depth insights into industry trends, consolidation dynamics, and strategic growth opportunities
- Our independence enables us to advise our clients free from conflicts of interest and to always focus on their goals
- Given our international reach and personal support at partner level, we achieve sustainable, high-quality results for all parties involved



Oliver Kolb
Partner
+49 151 11217107
okolb@blok-
management.de



Dennis Schober
Vice President
+49 170 3816126
dschober@blok-
management.de



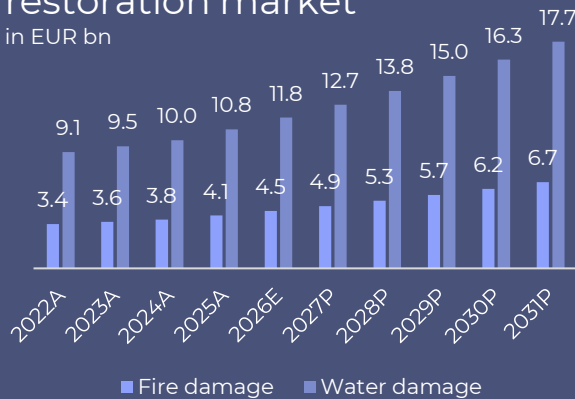
Marc Klein
Associate
+49 151 26931069
mklein@blok-
management.de

Executive summary

- The German fire and water damage restoration market has grown strongly in recent years, driven by increased climate volatility and rising restoration costs
- More than 1 million tap water incidents annually provide a resilient baseline for restoration, with event-driven spikes adding incremental volume
- In a challenging market environment, last year saw increasing consolidation, driven primarily by financial investors and strategic add-on acquisitions
- Enforcing regional presence and market share as well as rising standardisation requirements around documentation and insurer-led processes are the main drivers of consolidation

German fire and water damage restoration market

in EUR bn

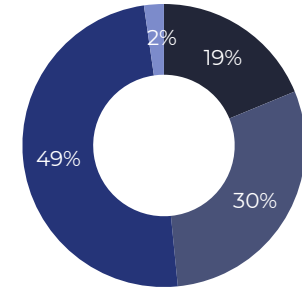


Perspectives

- Advances in building technology increase the complexity and cost of repair work, driving higher overall restoration expenses
- In parallel, insurers and property owners are tightening process and verification requirements, shifting competition toward providers that can deliver consistent, well documented execution at scale

Market segmentation

In % of long-term average costs



■ Fire ■ Natural hazards ■ Water ■ Other

Market overview

- The damage restoration market comprises several subsectors, including natural hazard damage, water damage, fire damage and others (i.e. mould)
- This report focuses on fire and water damage restoration, as these segments are highly scalable and resilient, making them most attractive for investors

Market indicators



>200,000 fires occur in Germany each year, roughly one every 2–3 minutes, creating a consistent demand for restoration services



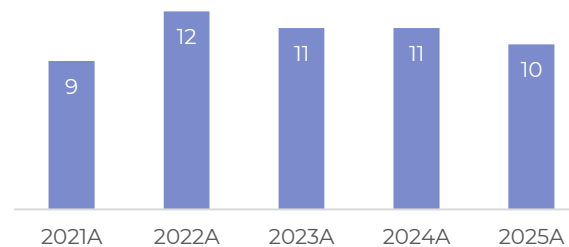
>1,000 regional providers keep the market highly fragmented, leaving significant room for consolidation



Only 57% of German buildings have natural-hazard insurance, with significant geographic disparities and a clear north – south divide

M&A-activity

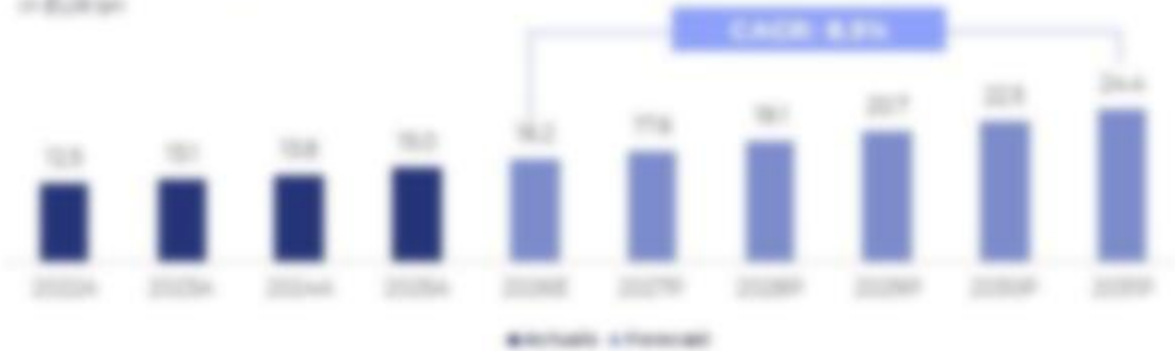
of reported deals ¹⁾



1) Focus on small-cap deals with an enterprise value between EUR 5–50 m

Sources: BLOK-Analysis, DFV, GDV

German damage restoration market in billion



"Growth is increasingly driven by digitalization and an integrated service portfolio for complex projects"

For further information, please contact:
Oliver Kolb
okolb@blok-management.de

European damage restoration market in billion



Damage restoration market overview

Market characteristics

- The damage restoration market is a sub-segment of construction and trade-related building services, focused on restoring properties after loss events
- Demand is primarily event-driven and depends on claim frequency and severity. Germany records over 2 million residential property damage claims per year
- Digitalization is becoming increasingly important, including digital claim intake, photo documentation and moisture monitoring

Scope of services

- Rapid response and mitigation
- Damage assessment
- Drying and restoration
- Documentation and coordination with insurer

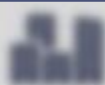
Factors influencing Germany's damage restoration market

- More volatile climate extremes are driving the market, hot days have roughly doubled and winter heavy-rain extremes are up around 20% since the 1980s
- Weather events drive highly unpredictable year-on-year swings in damage loss volumes, with "good" years followed by sudden surge years that can sharply expand restoration volumes
- Insurers are the primary demand channel, making up more than 80% of revenue for most providers, shaping workflows, pricing, and quality standards
- However, underwriting margins in the segment narrowed to below 0.5%, leading to increasingly restrictive underwriting and stricter contractor selection
- With German residential building construction prices up over 2% in the last year, damage reinstatement costs are expected to increase
- Aging building stock increases refurbishment demand, making restoration and renovation activity less cyclical than new-build construction
- Restoration cases are increasingly complex and frequently combine multiple damage types, favoring end-to-end delivery under a single contract



Drivers

Extreme weather increases frequency of fire and water



Stock is increasing loss frequency and secondary water damage



Fire losses often lead to consequential damage that require multiple trades to be coordinated within a single job

Trends

Globally rising construction costs are lifting up restoration spend per claim



Insurance pressure increases documentation and process requirements



Sustainability pressure shifts focus to repair over replacement and on waste reduction

Challenges



Shortage of skilled workers and increasing qualification requirements



Certification specifications increase barriers to entry as well as audit and training costs



Service volumes are highly dependent on weather events and other external factors

For further information, please contact:

Oliver Kolb

okolb@blok-management.de



For further information, please contact:

Oliver Kolb

okolb@blok-management.de

Water damage restoration

- Following a +10% growth in recent years, water damage restoration is expected to accelerate through 2031P, supported by increasing frequency and severity of extreme-weather events and rising average claim sizes.
- Last year, insurers observed an increase of 11% in average water damage size while the number of incidents remained stable at around 11 million a year, more than 80% being comprised of hot-water and heating-system leaks.
- Western Germany sees more pipe bursts than the East due to older building stock in comparison to newer infrastructure.

German water damage restoration market
in billion



Water damages in Germany
in % to German average



Source: B2B-Analyse, 02/2024

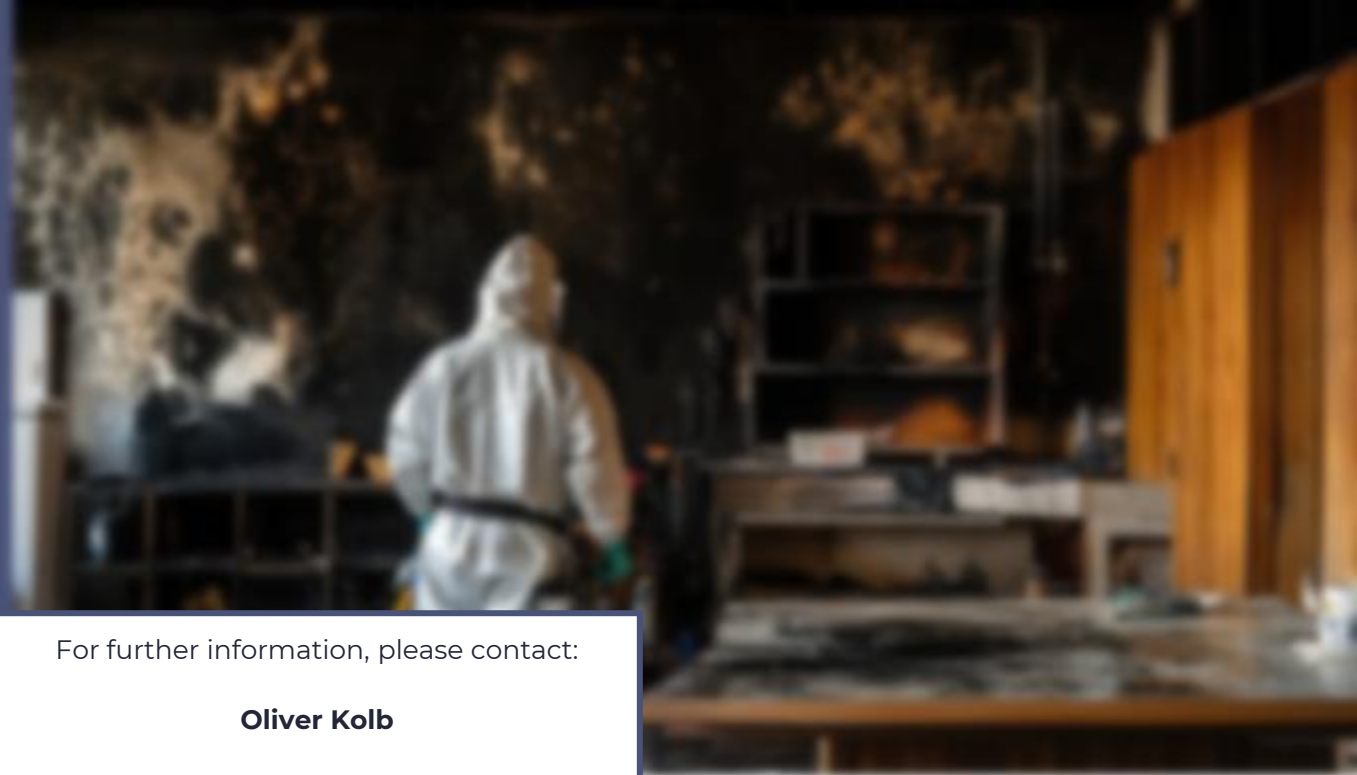
Fire damage restoration

- Similarly to water damage restoration, the fire damage restoration market is forecasted to grow by +8.5 CAGR through 2031P, mainly driven by rising average claim sizes and more complex restoration work due to additional technical equipment in homes.
- Extinguishing water and smoke or soot contamination often add secondary damage, making fire damages on average almost 3 times as expensive as for water damage.
- Of the more than 200,000 fire incidents that occur in Germany each year, nearly 70% are caused by human error or electrical issues.

Most common causes of fire in Germany

%

- Human error
- Overheating
- Electricity
- Other



For further information, please contact:

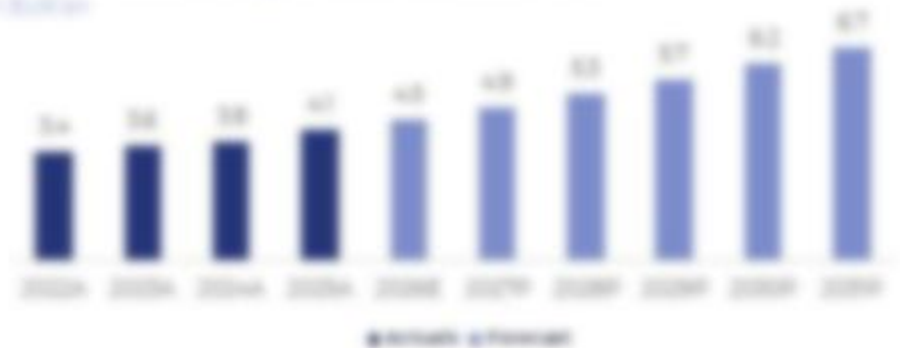
Oliver Kolb

okolb@blok-management.de

German fire damage restoration market

in billion

8.5%
CAGR
2025A-2031P






Relevant market participants in DACH



BELFOR  **Birmingham**
 Revenue: EUR 2,700 m
 EBITDA-Margin: n.a.
 FTEs: 14,000 (2024)

BELFOR is a global property restoration group providing a broad range of services for fire, water, and catastrophe losses. BELFOR Germany operates as the group's German branch with 1,300 employees.


POLYCON  **Stockholm**
 Revenue: EUR 1,000 m
 EBITDA-Margin: 5.0%
 FTEs: 7,000 (2024)

Polygon Group provides end-to-end property damage restoration and damage control services for insurers, businesses, and households, with operations across Europe.


For further information, please contact:

Oliver Kolb


okolb@blok-management.de

SPRINT  **Germany**
 Revenue: n.a.
 EBITDA-Margin: n.a.
 FTEs: n.a.


Sprint Geniarung is a German property damage restoration provider offering services across all trades with 38 branches and a leading provider for mass loss claims.

SAT  **Germany**
 Revenue: EUR 200 m
 EBITDA-Margin: 12%
 FTEs: 1,000 (2024)

SAT is a German company group providing passive fire protection solutions and end-to-end damage restoration services combining emergency response with repair and environmental remediation capabilities.

ARTUS  **Hannover**
 Revenue: n.a.
 EBITDA-Margin: n.a.
 FTEs: 1,000 (2024)

Artus is a German damage restoration provider offering drying, leak detection and fire, water and mold damage remediation through a nationwide branch network with 80 sites.

AQUA  **München**
 Revenue: n.a.
 EBITDA-Margin: n.a.
 FTEs: 600 (2024)

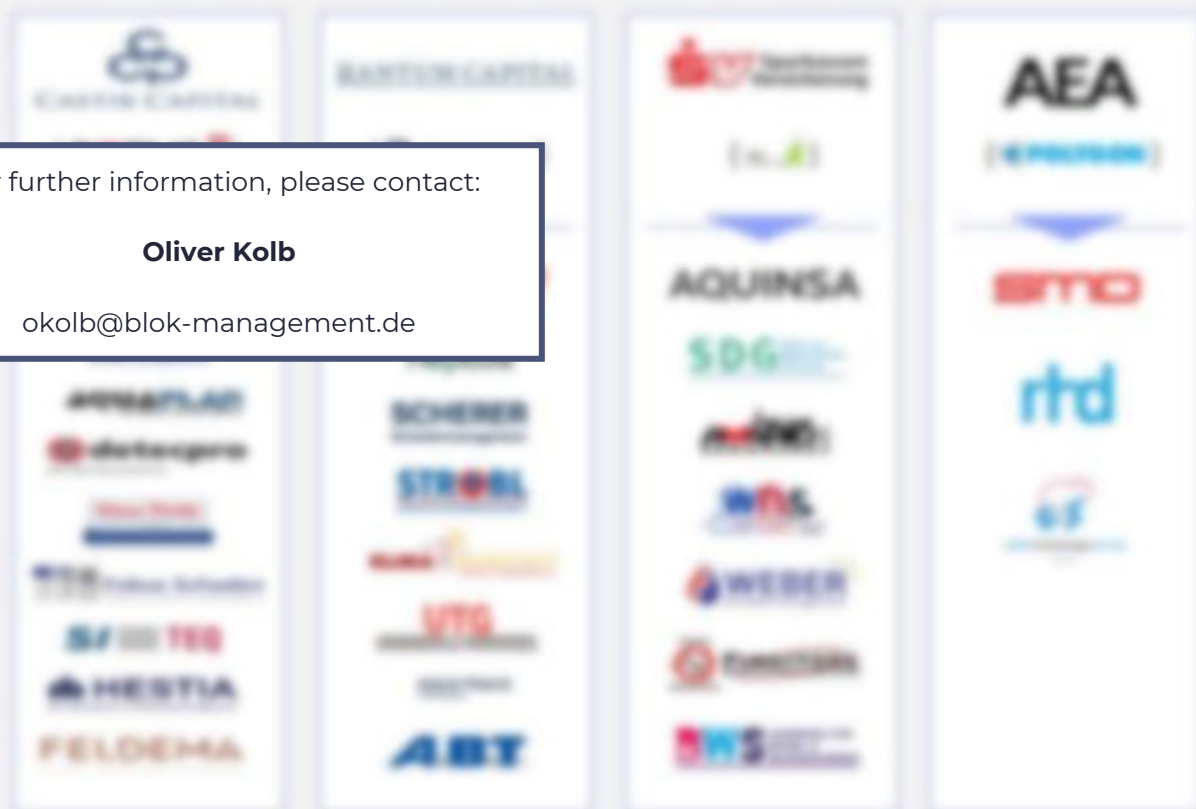
Aqua Group provides end-to-end fire and water damage restoration services, covering emergency response, leak detection, drying, cleaning, and reinstatement across more than 40 sites in Germany.

Consolidating companies in the field of damage restoration

Insights

- The market is highly fragmented and consolidation is accelerating, as larger players acquire established regional firms to extend geographic coverage
- Scale benefits arise from standardized KPIs, higher integration with insurer-service-level requirements and digital documentation workflows

Selected add-on acquisitions in the last 5 years in Germany



For further information, please contact:

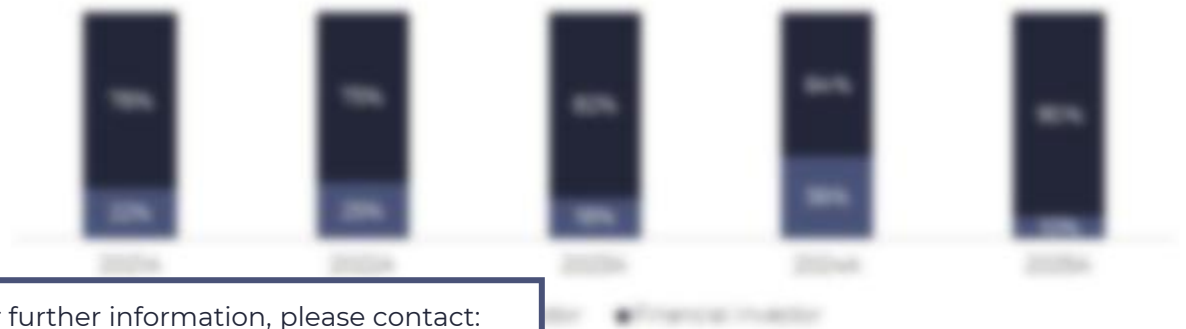
Oliver Kolb

okolb@blok-management.de

M&A-activity

- The comparable transactions analysis includes 52 inbound and German domestic transactions from 2024 to 2026.
- Financial investors dominate deal activity with an average share of ~70% for the past five years, while strategic investors' share has remained comparatively low.
- M&A-activity is characterized by consolidation: ~60% of deals over the period were executed by the three largest acquirers.
- The share of inbound transactions is driven by financial investors headquartered abroad, who build German platforms via buy-and-build strategies to capitalize on fragmented yet resilient market conditions.
- Most transactions are executed by strategically oriented private equity investors, and only a very limited number of deals qualify as genuine anchor acquisitions.
- A large share of strategic transactions is driven by adjacency-led service portfolio expansion and targeted acquisitions to strengthen regional coverage.

Financial investors vs. strategic investors in Germany



For further information, please contact:



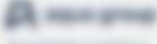











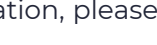

























Oliver Kolb

okolb@blok-management.de

Domestic vs. inbound (foreign) transactions in Germany



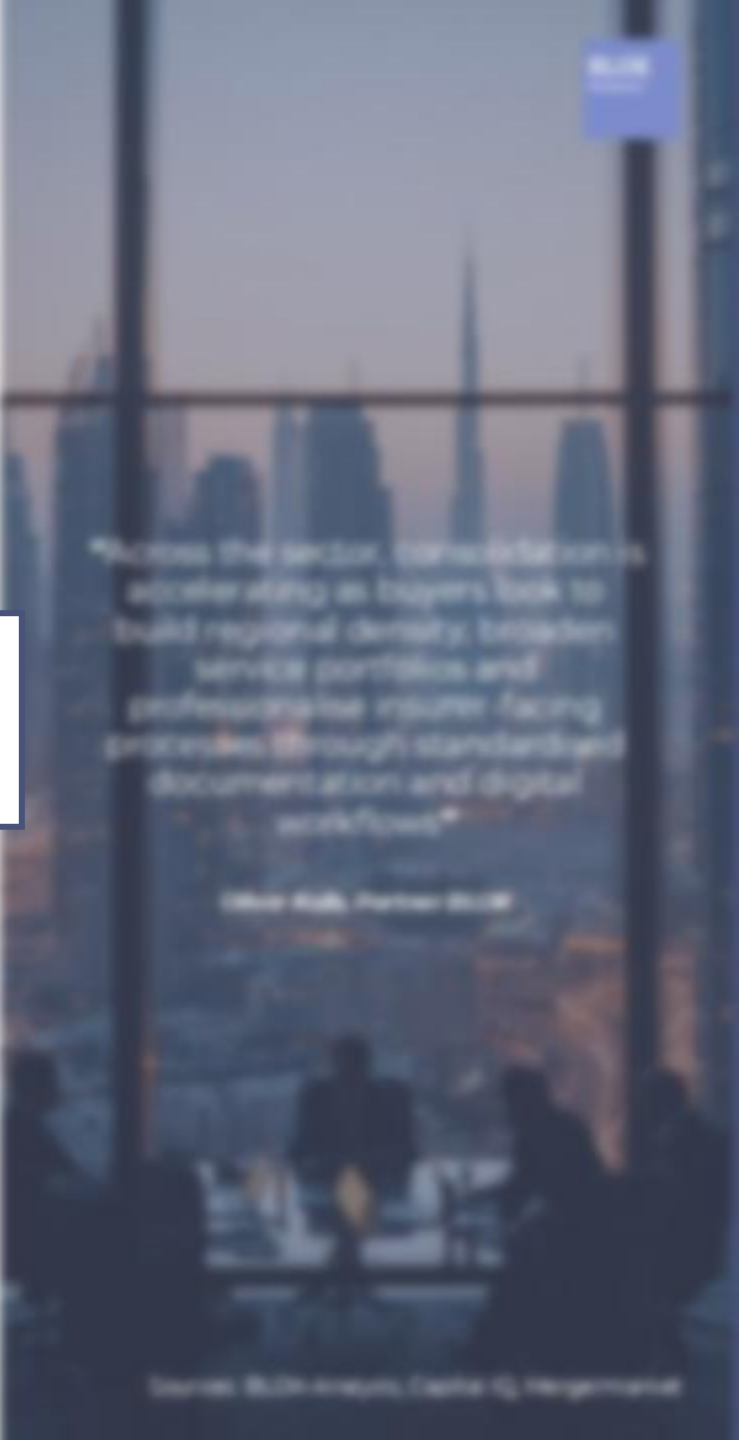
Selected transactions (1/1)

Date	Target	HQ	Description	Investor	HQ
Nov-25			Awa Water Group a water utility selected to insuring the selection entered Awa Group's water damage services platform		
Oct-25			The merger strengthens Awa's coverage in Baden-Wuerttemberg to serve their most efficient remediation response		
Aug-25			Feldman's merge into Awa strengthens its region footprint around Baden and Baden-Wuerttemberg water lines		
May-25			In 2025, Awa Group selected to insuring the selection entered Awa Group's water damage services platform		
May-25			Awa Group selected to insuring the selection entered Awa Group's water damage services platform		
May-25			Awa Group selected to insuring the selection entered Awa Group's water damage services platform		
May-25			Awa Group selected to insuring the selection entered Awa Group's water damage services platform		
Apr-25			The group entered its water damage remediation platform to serving clients with more than 30 years of experience		
Mar-25			By securing selected, AWA and AWA enter Germany's damage remediation sector to lead the company's expansion		
Jan-25			Following the transaction, the service offers the first water damage remediation in the Baden-Wuerttemberg region		

For further information, please contact:

Oliver Kolb

okolb@blok-management.de



"Across the sector, construction is accelerating as buyers look to build regional density, broaden service portfolios and professionalise routes facing pressures through standardised documentation and digital workflows"

Oliver Kolb, Partner BLM

Key factors influencing M&A transactions


















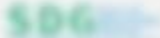








Highly fragmented market

Prevalence of financial investors

Optimism of deals through tighter regulatory conditions and synergies in digitalization

Strong documentation requirements for structured processes

Selected transactions (1/1)

Date	Target	HQ	Description	Investor	HQ
Nov-24			Family investor acquires 100% of RJC to expand the company's growth potential and operational scale	Private Investor	
Aug-24			Following a planning partnership, full-time merger into Hering & Besenrodt	M&A	
Aug-24			100% stake to real technology portfolio by acquiring 100% operational site in the southern area	VITA	
			Full-time merger with a financial investor for better damage prevention in southern Germany	ACTUS	
			Business merger with full-time operational partner for better damage prevention	ACTUS	
May-24			100% acquisition of Broenen, full-time expansion of service portfolio with equipment rental and maintenance	Amerigo	
Mar-24			Based in Baden-Wuerttemberg, 100% expansion into regional presence offering damage insurance and restoration services	M&A	
Feb-24			100% acquisition and full-time provider offering all trades in fire and water damage restoration to strengthen their coverage	M&A	
Feb-24			Following the acquisition, the group strengthens its presence in southern Germany and expands into the north	Amerigo	
Jan-24			WSO is acquired by a private investor with the goal to expand market share and maximize the company's growth potential	Private Investor	

For further information, please contact:

Oliver Kolb

okolb@blok-management.de

Conclusion

Market trends



- Extreme weather events are increasing the frequency and severity of fire and water damages, driving additional restoration volume and greater capacity requirements
- Rising construction input costs are pushing up restoration costs per claim

-
- M&A activity is dominated by financial investors, with add-on acquisitions accounting for the largest share, supported by both domestic sponsors and inbound transactions
 - Key consolidation drivers are regional expansion and broadening of the service portfolio

M&A-activity



Forecast



-
- The German market for damage restoration is expected to expand to EUR 24.4 bn until 2031P
 - The integration of digitalisation tools is expected to become a key efficiency driver, creating competitive advantages through improved KPI tracking and closer collaboration with insurance providers

BLOK Management - Overview



>100
Closed
transactions¹⁾



70%
Sell-Side



> EUR 5 bn
Transaction
volume

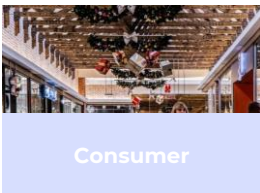
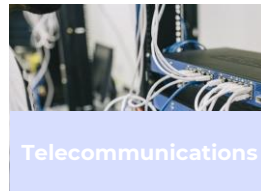


50%
Cross-Border



~ EUR 65 m
Average transaction
volume

Sector Focus



Our services

M&A sell-side advisory

- Exit readiness
- Corporate carve-out / spin-off
- Private equity sell-side
- Corporate succession

M&A buy-side advisory

- Add-on acquisitions
- Private equity buy-side

Corporate finance advisory

- Sell-side lender education
- Acquisition financing / LBO
- Refinancing
- Real estate financing
- Working capital financing
- Growth financing (CAPEX / add-ons)
- Valuations
- Venture capital

BLOK Management – your local partner, at home globally



Disclaimer

BLOK Management does not guarantee the accuracy, timeliness, or completeness of the content. This report does not constitute investment advice or a solicitation to invest in any form. Decisions may be made in light of the ideas presented herein. BLOK Management is not liable for any losses incurred by individuals relying on this publication.

■ Local execution support via BLOK's global partner network