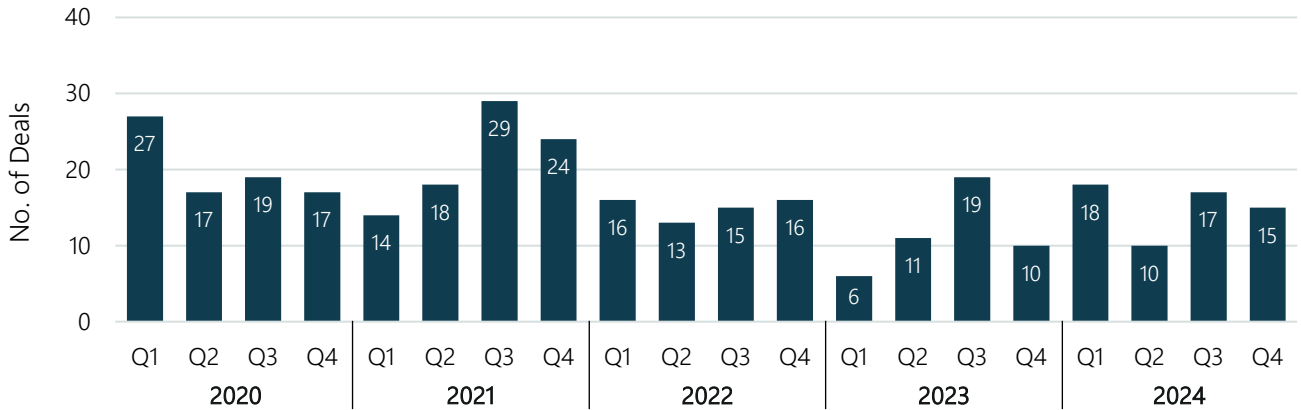


# Oilfield Services

Quarterly Update | Q4 2024



### North American Mid-Market Oilfield Services - M&A Activity (Transaction Count)



Source: Capital IQ. Data as of December 31, 2024.

Above noted mid-market M&A activity includes disclosed transactions not exceeding a total transaction value of \$500 million.

Canadian Transactions

**2**

Canadian Transaction Value

**\$181.5 million**

(+327.7% vs. Q3 2024)

U.S. Transaction Value

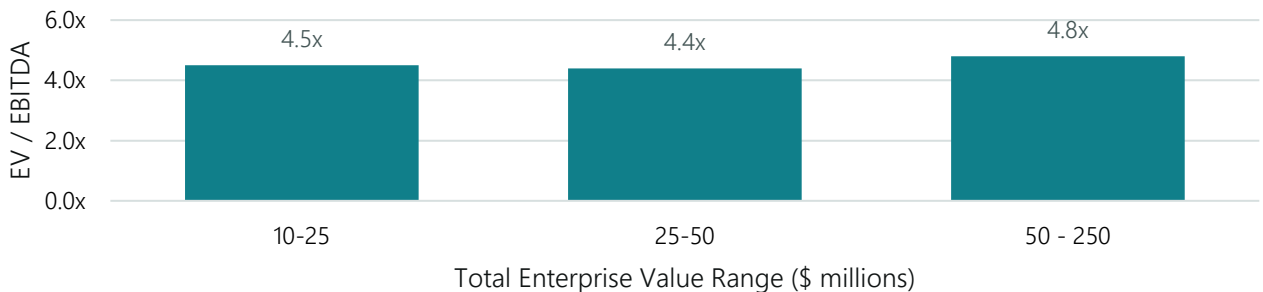
**\$975.8 million**

(+521.4% vs. Q3 2024)

U.S. Transactions

**13**

### Private Equity Multiples Support Activities for Oil & Gas



Source: GF Data

- M&A activity in Q4 2024 reached \$1.16 billion in disclosed transaction value across 15 deals in North America, with 2 deals originating in Canada and 13 from the U.S. The average deal size among disclosed transactions was \$192.9 million, a 480.2% increase from \$33.2 million in Q3 2024. Strategic buyers accounted for 86% of the Q4 2024 transaction volume, while financial buyers comprised the remaining 14%.
- M&A activity in North America was heavily concentrated on the Oil & Gas Equipment and Service sub-sector, which comprised approximately 87% of total transactions in Q4 2024. The remaining 13% consisted of transactions in the Oil & Gas Drilling sub-sector.

# Market Update

## Select Recent M&A Transactions



Canceled	Dec 19, 2024
Transaction Value	\$181.5MM
TEV/EBITDA	2.8x
Location	Calgary, AB

- **ARC Financial Corp.** agreed to acquire STEP Energy Services Ltd. for approximately \$181.5 million on November 4, 2024.
- **STEP Energy Services Ltd. (TSX: STEP)** is an energy services company providing integrated coiled tubing, fluid and nitrogen pumping, and hydraulic fracturing services to the oil and gas industry in Canada and the U.S.
- The transaction was canceled on December 19, 2024, due to lack of approval from requisite minority shareholders of STEP Energy Services Ltd.



Announced	Dec 2, 2024
Transaction Value	\$160.0MM
TEV/EBITDA	1.9x
Location	Calgary, AB

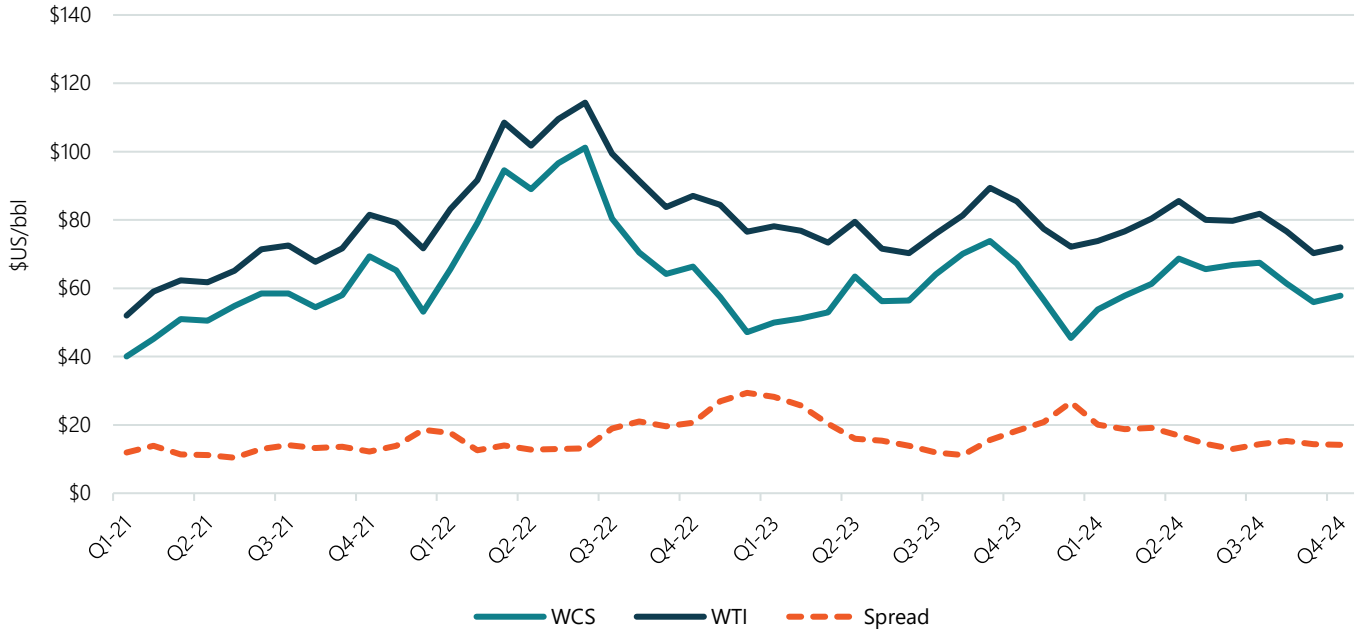
- **Cenovus Energy Inc. (TSX: CVE)** agreed to acquire Gear Energy Ltd. for \$160.0 million on December 2, 2024.
- **Gear Energy Ltd. (TSX: GXE)** is a Canadian energy company engaged in the exploration, development, and production of heavy oil and natural gas. Its operations are primarily located in Alberta, British Columbia, and Saskatchewan.
- This transaction allows Cenovus Energy Inc. to strengthen its oil production capacity through enhanced asset synergies and expanded operations across key production regions in Canada.



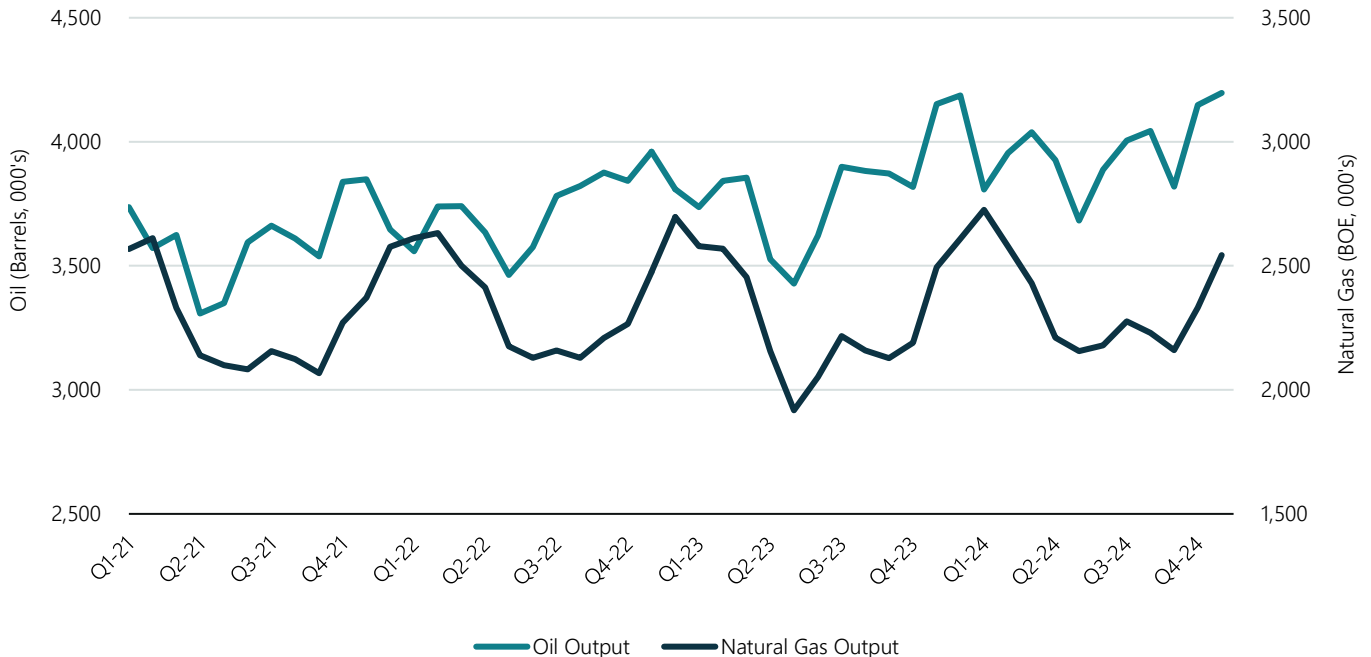
Closed	Oct 1, 2024
Transaction Value	\$1.1B
TEV/EBITDA	6.2x
Location	Calgary, AB

- **Tourmaline Oil Corp. (TSX: TOU)** acquired Crew Energy Inc. for approximately \$1.1 billion on October 1, 2024.
- **Crew Energy Inc.** is a Canadian energy company focused on the exploration, development, and production of crude oil and natural gas in the Montney region of British Columbia and Alberta.
- This transaction allows Tourmaline Oil Corp. to expand its South Montney asset base and add over \$200M of production to anticipated 2025 cashflows.

### WTI Versus WCS

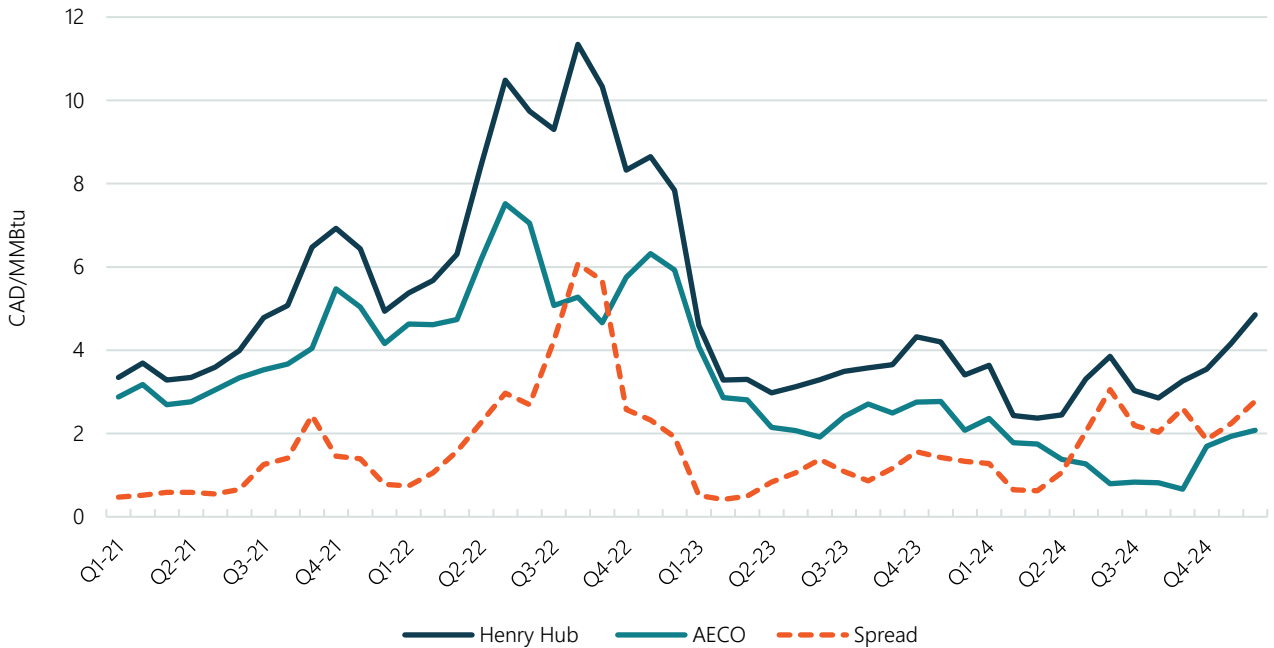


### Average Barrel and BOE<sup>1</sup> Production Per Day in Alberta

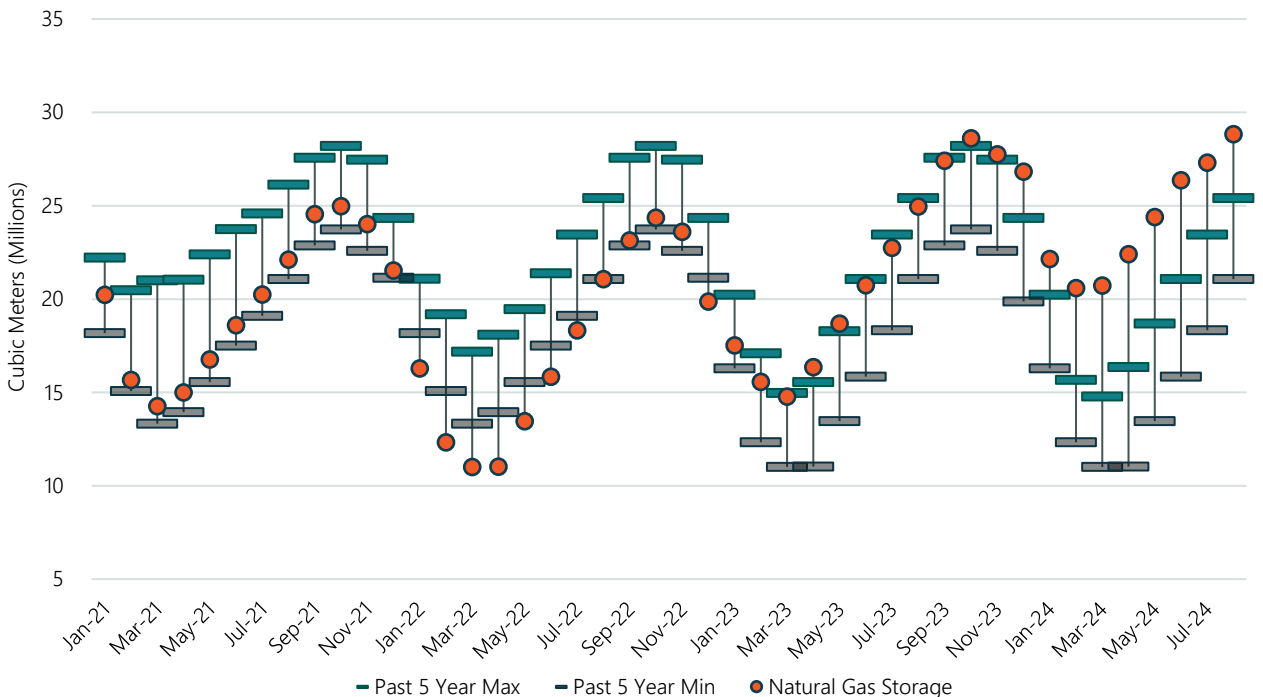


Note 1: Barrel of oil equivalent (BOE) summarizes the amount of energy of natural gas equivalent to that contained in a barrel of oil.  
 Sources: Government of Alberta – Oil Prices as of November 25, 2024,  
 Alberta Energy Regulator – Energy Resource Industries Monthly Statistics as of January 8, 2025.

### Natural Gas Prices: Henry Hub vs. AECO



### Canadian Natural Gas Storage

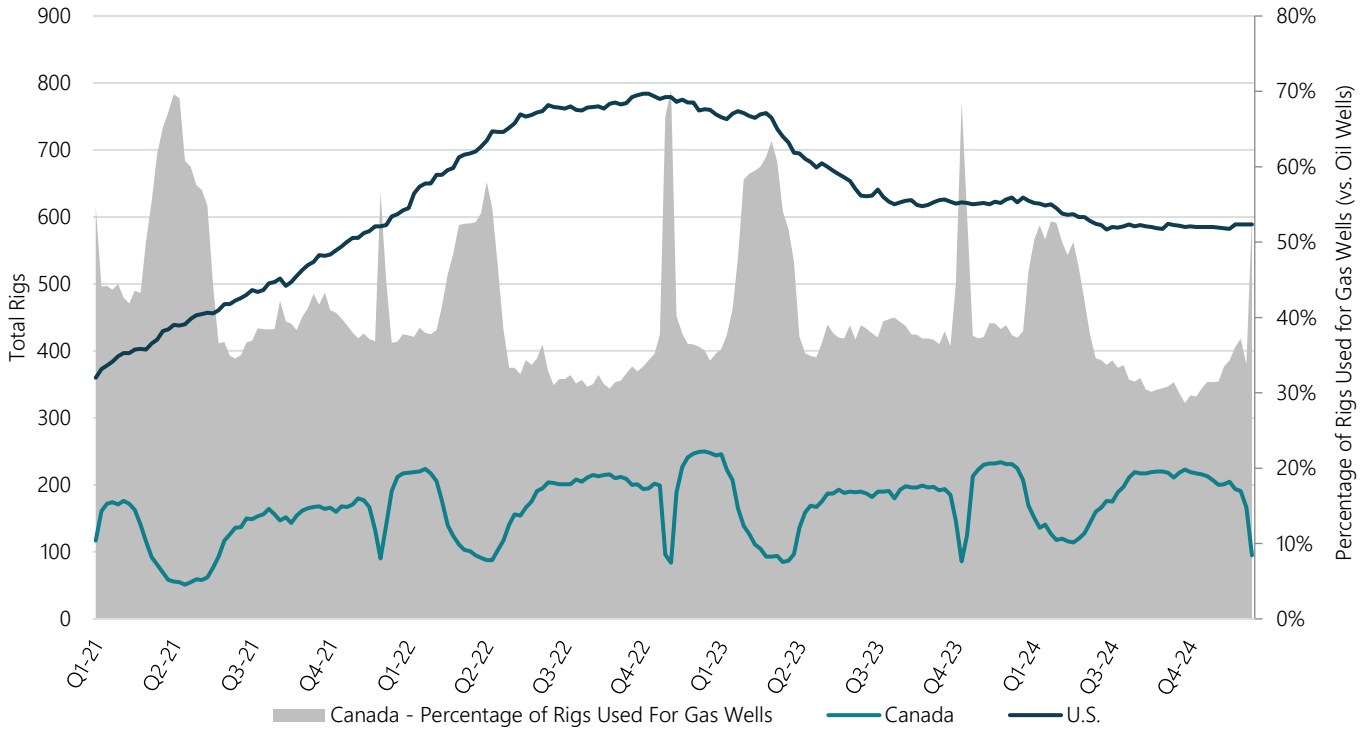


Sources: GLJ Petroleum Consultants - Commodity Price Forecasts as of December 31, 2024, Statistics Canada - Canadian Natural Gas Storage as of August 31, 2024.

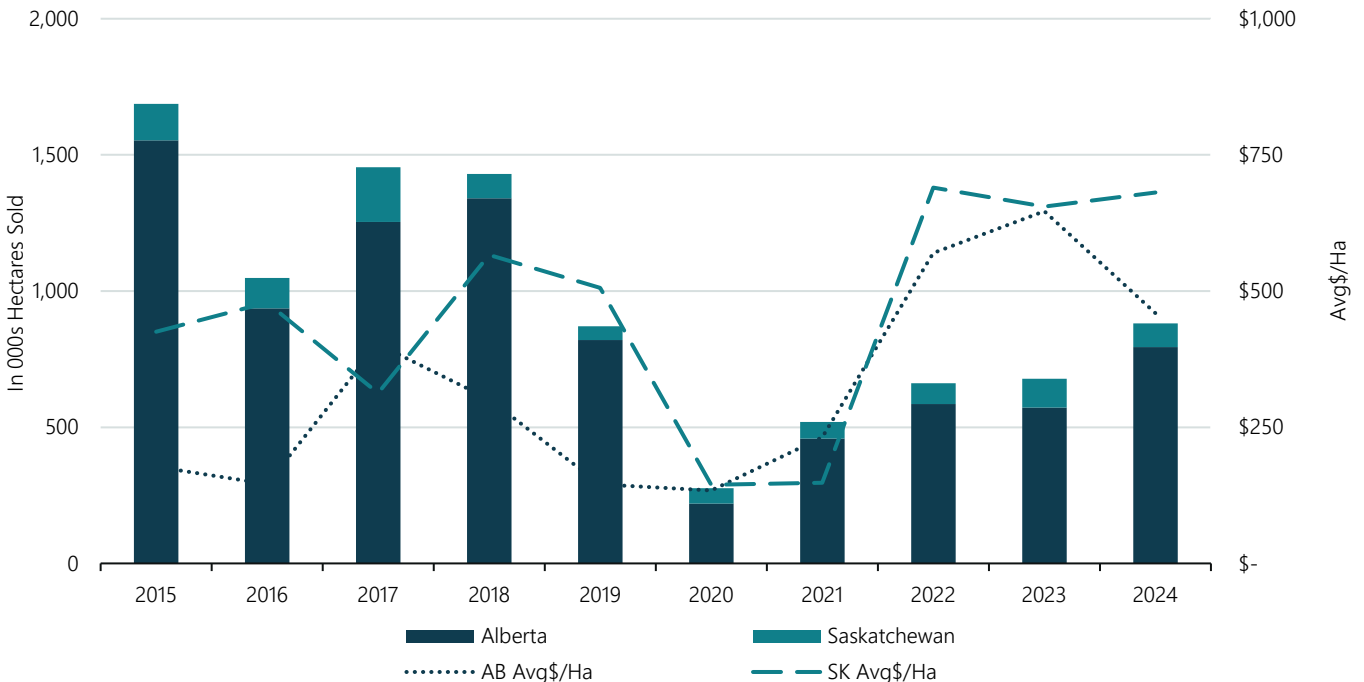
# Industry Overview

## Rig Count & Land Sales

### Total Rig Count: Canada Vs. United States



### Oil & Gas Land Sales - AB and SK

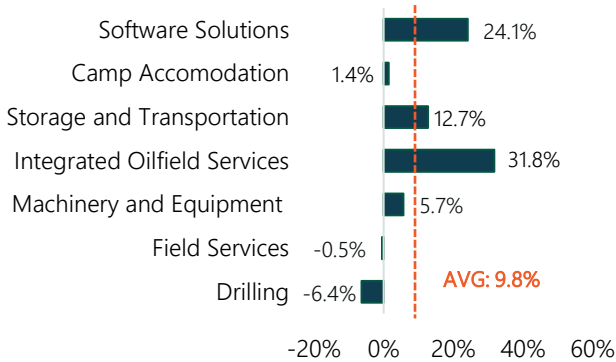


Sources: Baker Hughes – Rig Count as of December 27, 2024,  
Government of Alberta and Government of Saskatchewan – Petroleum and Natural Gas Sales as of December 11, 2024.

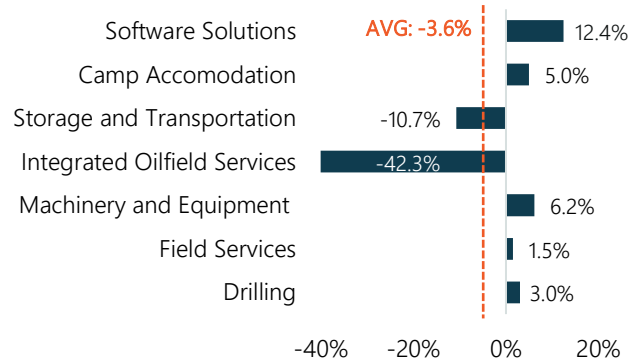
# Public Comparable Analysis

## Growth, Margins & Multiples

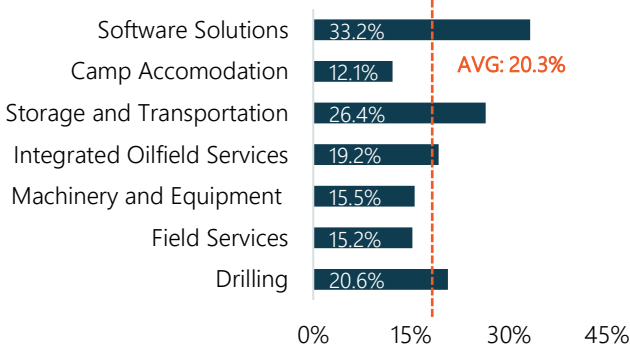
### LTM Revenue Growth



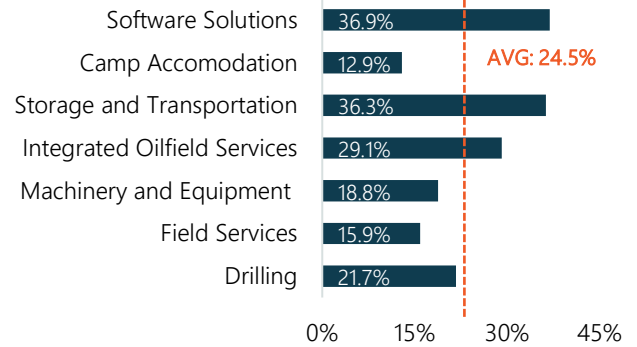
### NTM Revenue Growth



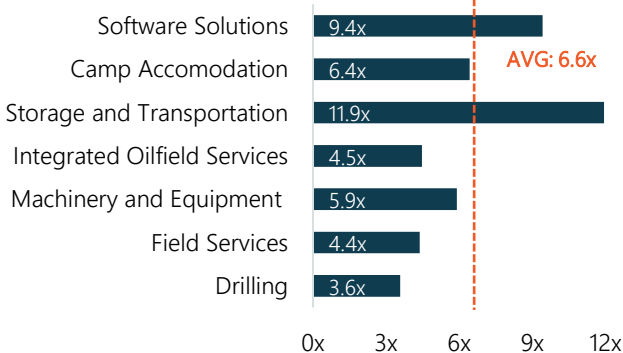
### LTM EBITDA Margin



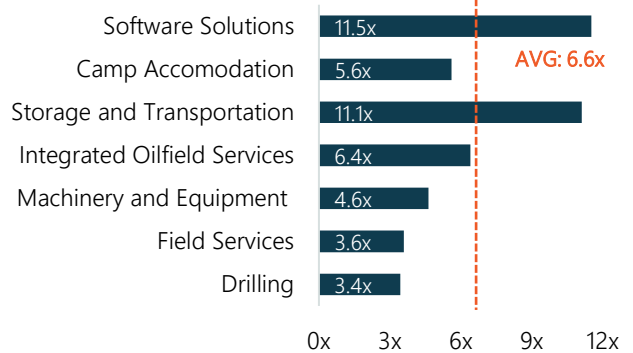
### NTM EBITDA Margin



### LTM EV/EBITDA



### NTM EV/EBITDA



Source: Capital IQ. Data as of December 31, 2024.

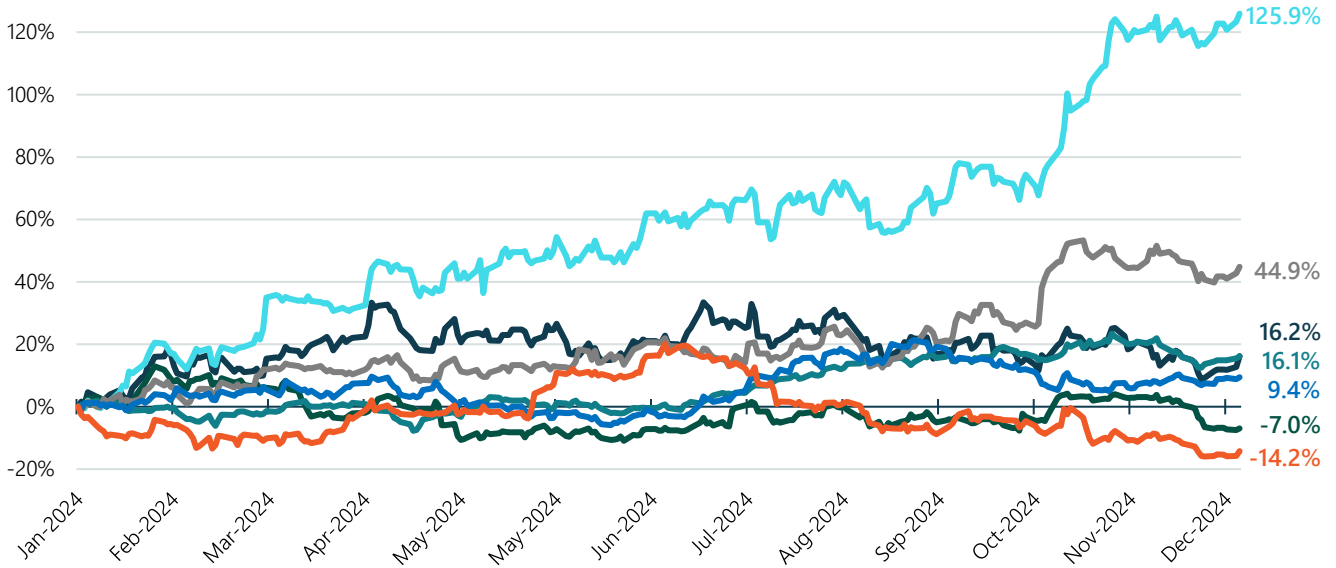
Note: Above noted oilfield service peer groups are market capitalization weighted indexes. Valuation details provided on page 9. "LTM" refers to last twelve months. "NTM" refers to next twelve months. Figures above are based on median peer group metrics.



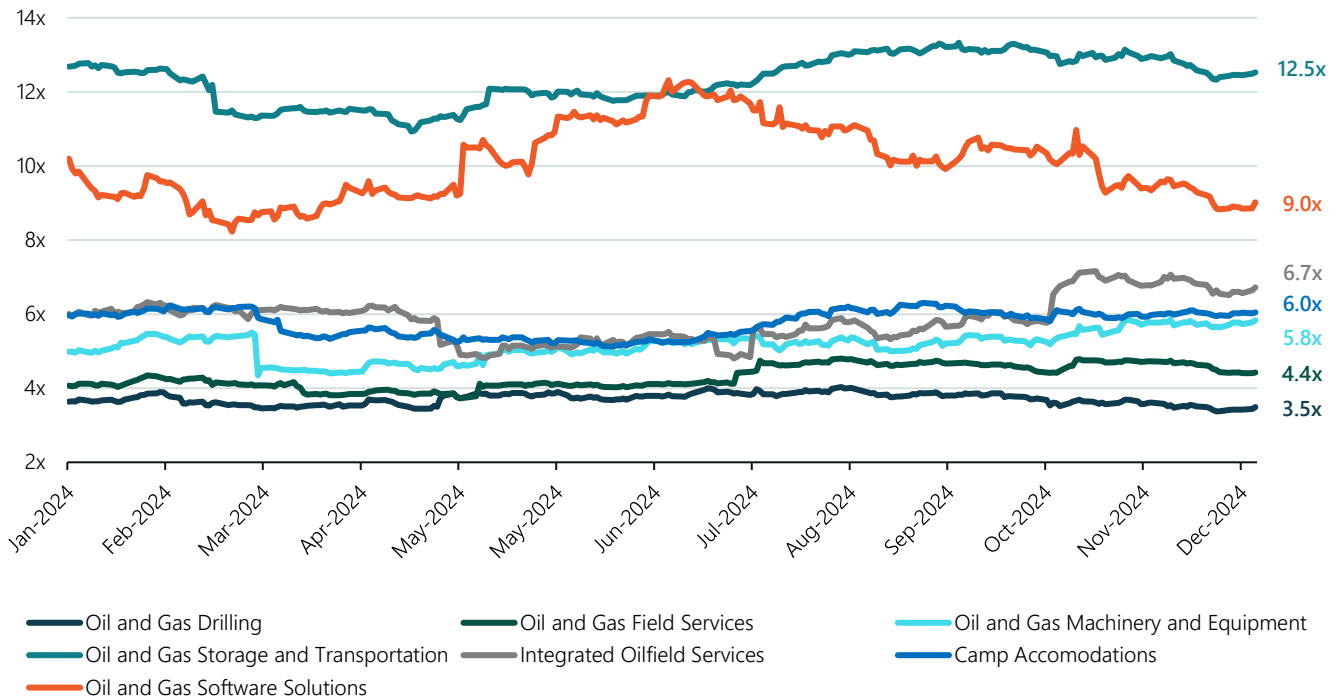
# Public Comparable Analysis

## Performance Analysis

### Oilfield Service Group Share Prices



### Oilfield Service Group EBITDA Multiples



Source: Capital IQ. Data as of December 31, 2024.

Note: Above noted oilfield service peer groups are market capitalization weighted indexes. Valuation details provided on page 9. "LTM" refers to last twelve months.



# Public Comparable Analysis

## Trading Multiples & Operating Statistics

We have selected a group of publicly traded oil and gas entities for this high-level analysis. These public companies help act as a proxy for the industry and provide a strong industry context.

(Figures in \$CAD Millions, except percentages and ratios)

Company	Market Capitalization	Enterprise Value	LTM Operating Figures				NTM Consensus Estimates			Valuation	
			Revenue	Revenue Growth	EBITDA	EBITDA Margin	Revenue Growth	EBITDA Margin	NTM EV/EBITDA	LTM EV/EBITDA	LTM EV/REV
<b>Oil and Gas Drilling</b>											
Precision Drilling Corporation	\$1,237	\$2,078	\$1,941	(0.0%)	\$548	28.3%	0.7%	27.2%	3.9x	3.8x	1.1x
Ensign Energy Services Inc.	\$550	\$1,642	\$1,688	(7.7%)	\$464	27.5%	1.5%	26.4%	3.7x	3.5x	1.0x
PHX Energy Services Corp.	\$424	\$465	\$646	(0.4%)	\$103	15.9%	3.0%	20.4%	3.4x	4.5x	0.7x
Western Energy Services Corp.	\$88	\$193	\$220	(7.7%)	\$44	20.2%	3.8%	20.2%	4.4x	4.3x	0.9x
AKITA Drilling Ltd.	\$65	\$115	\$178	(25.2%)	\$37	20.6%	44.6%	19.1%	2.3x	3.1x	0.6x
Stampede Drilling Inc.	\$37	\$65	\$83	(6.4%)	\$18	21.9%	5.6%	22.7%	3.3x	3.6x	0.8x
ACT Energy Technologies Ltd.	\$225	\$313	\$589	9.3%	\$95	16.2%	(5.8%)	21.7%	2.6x	3.3x	0.5x
<b>Median</b>	<b>\$225</b>	<b>\$313</b>	<b>\$589</b>	<b>(6.4%)</b>	<b>\$95</b>	<b>20.6%</b>	<b>3.0%</b>	<b>21.7%</b>	<b>3.4x</b>	<b>3.6x</b>	<b>0.8x</b>
<b>Mean</b>	<b>\$375</b>	<b>\$696</b>	<b>\$764</b>	<b>(5.4%)</b>	<b>\$187</b>	<b>21.5%</b>	<b>7.6%</b>	<b>22.5%</b>	<b>3.4x</b>	<b>3.7x</b>	<b>0.8x</b>
<b>Oil and Gas Field Services</b>											
Mullen Group Ltd.	\$1,278	\$2,158	\$1,989	(0.5%)	\$353	17.7%	5.5%	16.7%	6.2x	6.1x	1.1x
Calfrac Well Services Ltd.	\$325	\$680	\$1,608	(15.0%)	\$206	12.8%	(0.7%)	13.3%	3.1x	3.3x	0.4x
STEP Energy Services Ltd.	\$310	\$397	\$1,003	0.0%	\$179	17.8%	(10.8%)	16.2%	2.7x	2.2x	0.4x
Vertex Resource Group Ltd.	\$28	\$158	\$239	(2.8%)	\$36	15.2%	3.7%	15.5%	4.1x	4.4x	0.7x
Flint Corp.	\$3	\$364	\$672	2.5%	\$24	3.6%	N/A	N/A	N/A	15.0x	0.5x
<b>Median</b>	<b>\$310</b>	<b>\$397</b>	<b>\$1,003</b>	<b>(0.5%)</b>	<b>\$179</b>	<b>15.2%</b>	<b>1.5%</b>	<b>15.9%</b>	<b>3.6x</b>	<b>4.4x</b>	<b>0.5x</b>
<b>Mean</b>	<b>\$389</b>	<b>\$751</b>	<b>\$1,102</b>	<b>(3.1%)</b>	<b>\$160</b>	<b>13.4%</b>	<b>(0.6%)</b>	<b>15.4%</b>	<b>4.0x</b>	<b>6.2x</b>	<b>0.6x</b>
<b>Oil and Gas Machinery and Equipment</b>											
Enerflex Ltd.	\$1,775	\$2,807	\$3,276	6.4%	\$475	14.5%	4.5%	18.5%	4.5x	5.9x	0.9x
CES Energy Solutions Corp.	\$2,234	\$2,661	\$2,302	5.9%	\$322	14.0%	2.3%	17.1%	6.6x	8.3x	1.2x
Total Energy Services Inc.	\$441	\$533	\$874	(1.8%)	\$169	19.4%	10.9%	21.3%	2.6x	3.1x	0.6x
McCoy Global Inc.	\$77	\$70	\$72	5.5%	\$12	16.5%	7.8%	19.1%	4.7x	5.9x	1.0x
<b>Median</b>	<b>\$1,108</b>	<b>\$1,597</b>	<b>\$1,588</b>	<b>5.7%</b>	<b>\$245</b>	<b>15.5%</b>	<b>6.2%</b>	<b>18.8%</b>	<b>4.6x</b>	<b>5.9x</b>	<b>0.9x</b>
<b>Mean</b>	<b>\$1,132</b>	<b>\$1,518</b>	<b>\$1,631</b>	<b>4.0%</b>	<b>\$244</b>	<b>16.1%</b>	<b>6.4%</b>	<b>19.0%</b>	<b>4.6x</b>	<b>5.8x</b>	<b>0.9x</b>
<b>Integrated Oilfield Services</b>											
Trican Well Service Ltd.	\$973	\$999	\$960	0.6%	\$224	23.3%	1.4%	23.2%	4.4x	4.5x	1.0x
SECURE Waste Infrastructure Corp.	\$3,809	\$4,298	\$10,450	31.8%	\$505	4.8%	(86.0%)	35.0%	8.4x	8.5x	0.4x
High Arctic Energy Services Inc	\$14	\$14	\$68	368.3%	\$13	19.2%	N/A	N/A	N/A	1.1x	0.2x
<b>Median</b>	<b>\$973</b>	<b>\$999</b>	<b>\$960</b>	<b>31.8%</b>	<b>\$224</b>	<b>19.2%</b>	<b>(42.3%)</b>	<b>29.1%</b>	<b>6.4x</b>	<b>4.5x</b>	<b>0.4x</b>
<b>Mean</b>	<b>\$1,599</b>	<b>\$1,770</b>	<b>\$3,826</b>	<b>133.6%</b>	<b>\$247</b>	<b>15.8%</b>	<b>(42.3%)</b>	<b>29.1%</b>	<b>6.4x</b>	<b>4.7x</b>	<b>0.6x</b>
<b>Oil and Gas Storage and Transportation</b>											
Enbridge Inc.	\$132,883	\$236,372	\$48,554	6.1%	\$16,855	34.7%	(39.0%)	66.0%	12.1x	14.0x	4.9x
TC Energy Corporation	\$69,533	\$149,419	\$16,647	11.2%	\$11,520	69.2%	(13.8%)	72.9%	14.3x	13.0x	9.0x
Pembina Pipeline Corporation	\$30,832	\$46,314	\$9,869	37.2%	\$3,532	35.8%	(19.7%)	55.5%	10.5x	13.1x	4.7x
Keyera Corp.	\$10,074	\$13,947	\$7,504	15.0%	\$1,356	18.1%	(7.6%)	17.1%	11.7x	10.3x	1.9x
Gibson Energy Inc.	\$3,991	\$6,515	\$12,232	14.3%	\$597	4.9%	(1.8%)	5.3%	10.1x	10.9x	0.5x
Tidewater Midstream and Infrastructure Ltd.	\$65	\$669	\$1,782	(26.3%)	\$103	5.8%	7.5%	4.5%	5.5x	6.5x	0.4x
<b>Median</b>	<b>\$20,453</b>	<b>\$30,130</b>	<b>\$11,050</b>	<b>12.7%</b>	<b>\$2,444</b>	<b>26.4%</b>	<b>(10.7%)</b>	<b>36.3%</b>	<b>11.1x</b>	<b>11.9x</b>	<b>3.3x</b>
<b>Mean</b>	<b>\$41,230</b>	<b>\$75,539</b>	<b>\$16,098</b>	<b>9.6%</b>	<b>\$5,660</b>	<b>28.1%</b>	<b>(12.4%)</b>	<b>36.9%</b>	<b>10.7x</b>	<b>11.3x</b>	<b>3.6x</b>
<b>Camp Accommodations</b>											
Dexterra Group Inc.	\$496	\$615	\$1,176	23.7%	\$96	8.2%	(9.6%)	10.3%	5.6x	6.4x	0.5x
Civeo Corporation	\$450	\$510	\$948	1.4%	\$115	12.1%	8.2%	12.9%	3.8x	4.2x	0.5x
Black Diamond Group Limited	\$574	\$832	\$374	(1.5%)	\$93	24.9%	5.0%	28.7%	7.4x	8.9x	2.2x
<b>Median</b>	<b>\$496</b>	<b>\$615</b>	<b>\$948</b>	<b>1.4%</b>	<b>\$96</b>	<b>12.1%</b>	<b>5.0%</b>	<b>12.9%</b>	<b>5.6x</b>	<b>6.4x</b>	<b>0.5x</b>
<b>Mean</b>	<b>\$507</b>	<b>\$653</b>	<b>\$833</b>	<b>7.9%</b>	<b>\$101</b>	<b>15.1%</b>	<b>1.2%</b>	<b>17.3%</b>	<b>5.6x</b>	<b>6.5x</b>	<b>1.1x</b>
<b>Oil and Gas Software Solutions</b>											
Pason Systems Inc.	\$1,083	\$1,016	\$400	7.9%	\$144	36.0%	7.8%	40.2%	5.9x	7.1x	2.5x
Computer Modelling Group Ltd.	\$872	\$848	\$125	50.9%	\$38	30.4%	17.0%	33.6%	17.1x	22.2x	6.8x
Dawson Geophysical Company	\$60	\$57	\$112	(8.1%)	\$5	4.0%	N/A	N/A	N/A	11.8x	0.5x
Pulse Seismic Inc.	\$122	\$114	\$35	40.3%	\$25	72.9%	N/A	N/A	N/A	4.5x	3.3x
<b>Median</b>	<b>\$497</b>	<b>\$481</b>	<b>\$119</b>	<b>24.1%</b>	<b>\$32</b>	<b>33.2%</b>	<b>12.4%</b>	<b>36.9%</b>	<b>11.5x</b>	<b>9.4x</b>	<b>2.9x</b>
<b>Mean</b>	<b>\$534</b>	<b>\$509</b>	<b>\$168</b>	<b>22.7%</b>	<b>\$53</b>	<b>35.8%</b>	<b>12.4%</b>	<b>36.9%</b>	<b>11.5x</b>	<b>11.4x</b>	<b>3.3x</b>

Source: Capital IQ. Data as of December 31, 2024.

Note: In order to derive more accurate valuation multiples, MNP Corporate Finance Inc. has eliminated results which skew the averages excessively. "LTM" refers to last twelve months. "NTM" refers to next twelve months.

# About Us

MNP Corporate Finance (MNPCF) has a dedicated team of over 100 M&A, capital markets, and due diligence professionals across Canada. MNPCF works with clients in virtually all industries as they prepare, plan and execute transactions.

Our typical transactions range in value between \$3 million and \$300 million.

## Deal Experience

Since our inception, our team has advised on hundreds of transactions, in a wide range of industries with diverse enterprise values. In the past 10 years alone, we have completed over 300 transactions worth more than \$5 billion (not including due diligence engagements).

## Industry Experience

- Food & Beverage
- Retail & Distribution
- Manufacturing
- Agriculture
- Automotive
- Materials
- Healthcare
- Pharmaceutical
- Transportation
- Construction
- Software
- Financial Services
- Technology
- Energy
- Oilfield Services
- Real Estate

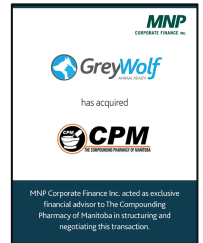
## Services

- Divestitures
- Acquisitions
- Debt Financing
- Due Diligence
- Transaction Advisory Services

## Recently Closed Deals (National)



MNP Corporate Finance Inc. provided financial and tax due diligence services to ATCO Structures & Logistics.



MNP Corporate Finance Inc. acted as exclusive financial advisor to The Compounding Pharmacy of Manitoba in structuring and negotiating this transaction.



MNP Corporate Finance Inc. provided financial due diligence services to Argyle Capital Partners.



MNP Corporate Finance Inc. acted as exclusive financial advisor to Collective Waste Solutions Inc. in structuring and negotiating this transaction.



MNP Corporate Finance Inc. provided financial due diligence services to Beedie Capital.



MNP Corporate Finance Inc. provided vendor due diligence services to SSR Roof Supply Ltd.



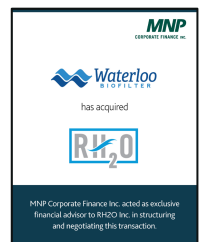
MNP Corporate Finance Inc. acted as exclusive financial advisor to Amherst Veterinary Hospital Ltd. in structuring and negotiating this transaction.



MNP Corporate Finance Inc. provided financial due diligence services to Allnorth Global Consultants Inc.



MNP Corporate Finance Inc. provided financial due diligence services to Kuzco Group.



MNP Corporate Finance Inc. acted as exclusive financial advisor to R2O Inc. in structuring and negotiating this transaction.

# About Us



## Hands-on Approach

Current M&A transactions require a hands-on approach from start to finish including the active engagement of senior resources. Our senior resources are dedicated to our clients and are available as necessary and appropriate. We keep our clients regularly informed of the engagement status, issues we are encountering, successes and overall progress.

## Integrated Service Offering

We draw on the vast experience and deep specialist knowledge network of our partners locally, nationally and internationally as specialty issues arise, such as pre-transaction tax planning, transaction structuring, estate planning, valuation, due diligence, performance improvement and risk management.

## Local and International Reach

MNP is a participating firm within Praxity, a unique global alliance of independent accounting/advisory firms created to answer global business needs. As a member of Praxity, we are able to offer access to corporate finance, accounting and tax advisory services worldwide.



## Recently Closed Deals (National)

MNP Corporate Finance Inc. provided financial and tax due diligence services to Beedie Capital.

MNP Corporate Finance Inc. provided vendor due diligence services to Scott Springfield Mfg. Inc.

MNP Corporate Finance Inc. provided financial and tax due diligence services to CAI Capital Partners.

MNP Corporate Finance Inc. provided financial and tax due diligence services to Gestalt Capital.

MNP Corporate Finance Inc. acted as exclusive financial advisor to Figurra Institute in structuring and negotiating this transaction.

MNP Corporate Finance Inc. acted as exclusive financial advisor to Sommers Generator Systems in structuring and negotiating this transaction and providing vendor due diligence services.

MNP Corporate Finance Inc. acted as exclusive financial advisor to Château des Charmes Wines Ltd. in structuring and negotiating this transaction.

MNP Corporate Finance Inc. provided financial and tax due diligence services to Uni-Select Inc.

MNP Corporate Finance Inc. acted as exclusive financial advisor to G. Williams Paving Ltd. & Williams Hot Mix Ltd. in structuring and negotiating this transaction.

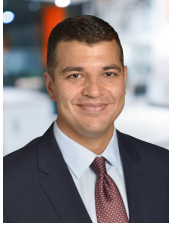
MNP Corporate Finance Inc. acted as exclusive financial advisor to Légère Invest Ltd. in structuring and negotiating this transaction.

# Leadership Team

## Transaction Leadership



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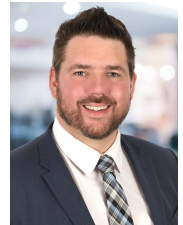
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