

Q1  
2025

QUARTERLY UPDATE

Engineering+  
Construction

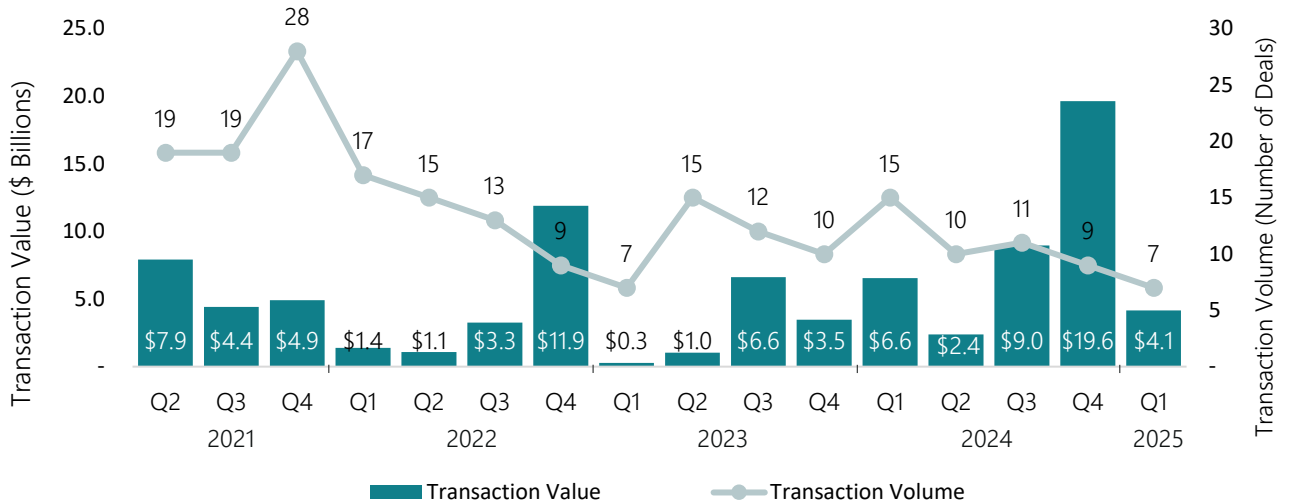
# Industry Overview

## M&A Transactions & Performance

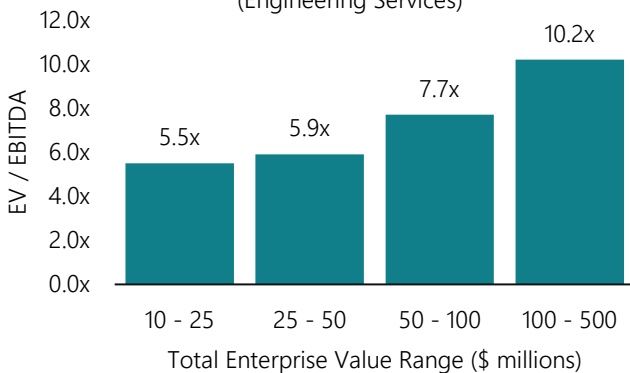
<h3>7</h3> <p>Q1 Transactions (-2 vs. Q4 2024)</p>	<h3>\$4.1B</h3> <p>Q1 Transaction Value (-\$15.5 billion vs. Q4 2024)</p>	<h3>7</h3> <p>2025 Transactions (-8 vs. Q1 2024)</p>	<h3>\$4.1B</h3> <p>2025 Transaction Value (-\$2.5 billion vs. Q1 2024)</p>
--	---	--	--

The Engineering and Construction M&A market experienced a decline in transaction value in Q1 2025 compared to Q4 2024, with 7 mid-market M&A transactions across the U.S. and Canada. The most notable transaction was Eaton Corporation, Plc's acquisition of Fibrebond Corporation for \$2.0 billion. This activity highlights continued interest in large strategic acquisitions. However, the U.S. government is now engaged in tense trade discussions with many countries, including Canada. The U.S. Government's 25% tariffs on Canadian goods — including steel, aluminum, and auto imports — and Canada's counter-tariffs of 25% on certain U.S. goods could have a material impact on the North American economy. While the blanket tariffs have been postponed, the constantly changing policies have caused instability and unease in the engineering and construction industry, reducing investments and deal activity.

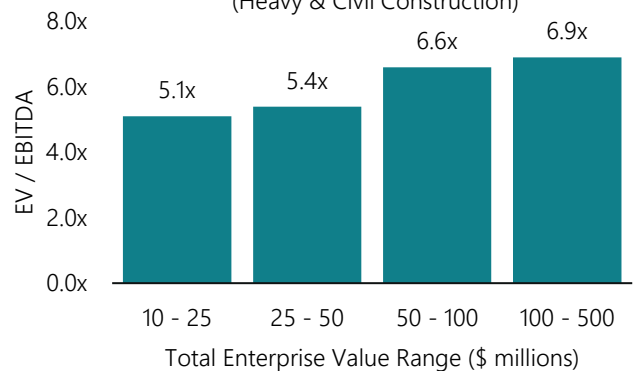
### North American Engineering & Construction M&A Activity<sup>1</sup>



### Private Equity Deal Multiples<sup>2</sup> (Engineering Services)



### Private Equity Deal Multiples<sup>2</sup> (Heavy & Civil Construction)



1. S&P Capital IQ. Data as of March 31, 2025. All figures are in CAD.

Transaction value is only inclusive of total transaction values which have been disclosed within S&P Capital IQ.

2. GF Data. Data as of March 2025.

# Industry Market Summary

## Select Q1 2025 M&A Transactions



**Eaton Corporation, Plc (Eaton)** is a publicly-traded power management company that manufactures electrical distribution/control products and provides power management services.

**Fibrebond Corporation (Fibrebond)** is a designer and builder of pre-integrated modular power enclosures for data center, industrial, utility, and communications customers.

has acquired

The acquisition allows Eaton to be a one-stop shop to rapidly deploy power infrastructure where needed and enhances its service capabilities.



**Closed**  
March 11, 2025

**EV**  
\$2.0 billion

**EV/EBITDA**  
Not Disclosed



**Breedon Group, Plc (Breedon)** is a vertically integrated construction materials group in Great Britain and Ireland.

**Lionmark Construction Companies, LLC (Lionmark)** is a Missouri-based construction materials and surfacing solutions business with a focus on road infrastructure end markets.

has acquired

The acquisition allows Breedon to diversify its U.S. product offerings by incorporating asphalt and surfacing into its portfolio.



**Closed**  
March 5, 2025

**EV**  
\$343.0 million

**EV/EBITDA**  
7.7x



**I.CO.P. S.p.A. Società Benefit (ICOP)** is an Italy-based provider of construction and special engineering services to public and private clients in Italy and internationally.

**GeoStructures, Inc. (GeoStructures)** is a provider of geotechnical construction across the U.S., with deep expertise in soil improvement, deep foundations, and retaining structures.

is acquiring

The acquisition enables ICOP to enter and compete in the U.S. market and accelerate its growth.



Atlantic GeoConstruction Holdings

**Announced**  
February 24, 2025

**EV**  
\$179.3 million

**EV/EBITDA**  
Not Disclosed



**EMCOR Group, Inc. (EMCOR)** is a publicly-traded mechanical and electrical construction services company.

**Miller Electric Company, Inc. (Miller)** is an electrical contractor serving the Southeastern U.S.

has acquired

The acquisition expands EMCOR's footprint in high growth end markets, including data centers, manufacturing, and healthcare.



**Closed**  
January 14, 2025

**EV**  
\$1.2 billion

**EV/EBITDA**  
Not Disclosed

# Industry Overview

## Engineering Services & Heavy Engineering Construction

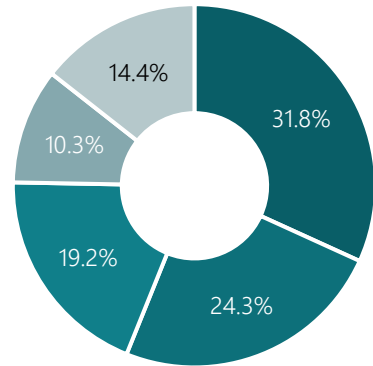
### Engineering Services in Canada<sup>1</sup>

The Engineering Services industry applies the physical laws and principles of engineering in the design, development, and use of machines, materials, instruments, structures, processes, and systems.

#### Industry Glance

<p><b>\$42.4B</b></p> <p>Revenue 2025</p>	<p><b>0.2%</b></p> <p>Annual Growth 2020 – 2025</p>
<p><b>2.2%</b></p> <p>Projected Annual Growth 2025 – 2030</p>	<p><b>28,531</b></p> <p>Number of Businesses 2025</p>

#### Products & Services Segmentation (2025)



- Advisory Services
- Mining, Metal and Chemical
- Residential and Commercial
- Power Generation
- Transportation

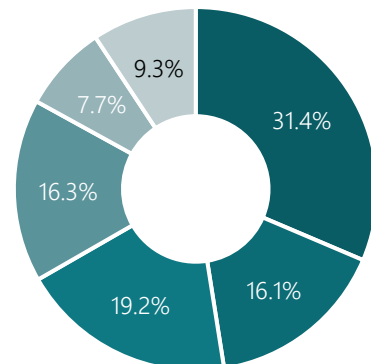
### Heavy Engineering Construction in Canada<sup>2</sup>

Heavy Engineering Construction performs new construction, reconstruction, rehabilitation, and repairs.

#### Industry Glance

<p><b>\$67.2B</b></p> <p>Revenue 2025</p>	<p><b>1.2%</b></p> <p>Annual Growth 2020 – 2025</p>
<p><b>2.1%</b></p> <p>Projected Annual Growth 2025 – 2030</p>	<p><b>2,855</b></p> <p>Number of Businesses 2025</p>

#### Products & Services Segmentation (2025)



- Electric Power
- Land Transportation
- Repair and Maintenance
- Mining Engineering
- Marine and Waterworks
- Other

1. IBISWorld Industry Report 54133CA Engineering Services in Canada. February 2025.

2. IBISWorld Industry Report 23799CA Heavy Engineering Construction in Canada. March 2025.

# Canadian Macroeconomics Indicators

## Key Drivers

Canada's inflation rate of 2.3% as of March 2025 is now close to the Bank of Canada (BoC)'s long-term target of 2.0%. However, additional challenges and uncertainties have emerged due to the impact of significant tariffs being implemented by the new U.S. government.

If the U.S. engages in a prolonged trade war with Canada, the Canadian economy may slip into a recession with costs of goods increasing for consumers. As such, the BoC must strike a balance on interest rate policy, tempering inflationary pressures on one hand, but providing accommodative monetary stimulus on the other to avert or buoy a potential trade war induced recession.<sup>1</sup>

The Bank of Canada (BoC) has made two interest rate cuts in Q1 2025, contributing to a more favourable deal-making

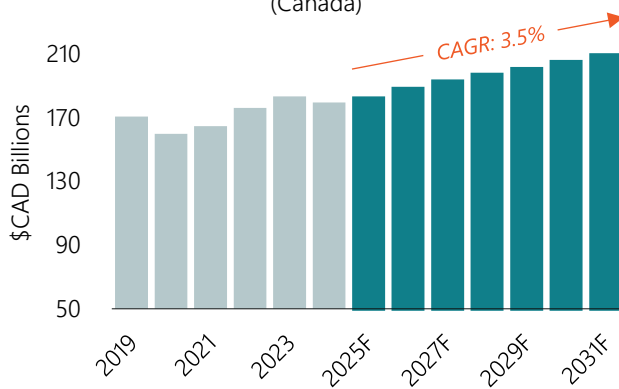
environment for the engineering and construction industry. The policy interest rate remains at 2.75%, and the BoC will closely monitor U.S. tariff developments before making further monetary policy decisions.

Canada had 235,316 housing starts in March 2025. Housing starts decreased by 12.5% from March 2024 to March 2025 in areas with population above 10,000.<sup>2</sup> The real estate market has slowed despite lower interest rates, weighed down by weaker consumer confidence, potential tariff impacts, and reduced immigration.

Without the impact of tariffs, the economy has the potential to strengthen, and the indicators below<sup>3</sup> forecast strong trends for the industry.

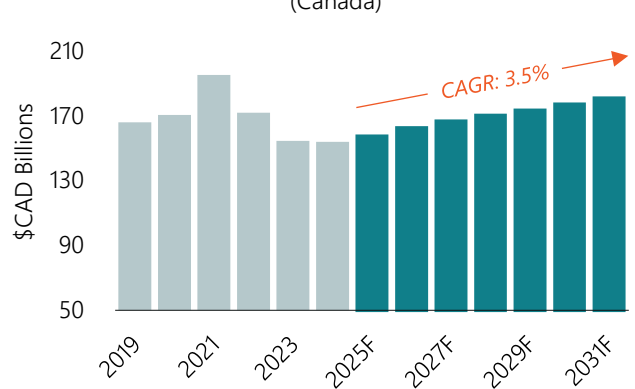
### Value of Non-Residential Construction

(Canada)



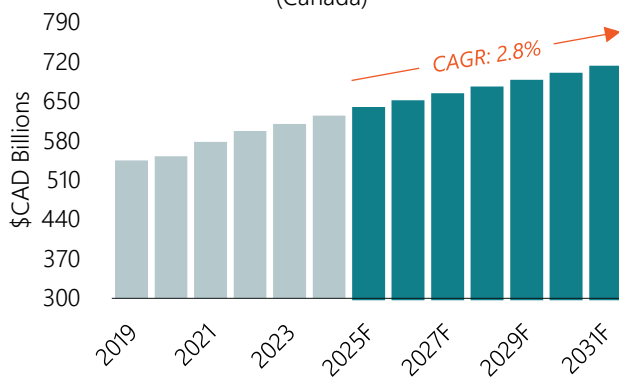
### Value of Residential Construction

(Canada)



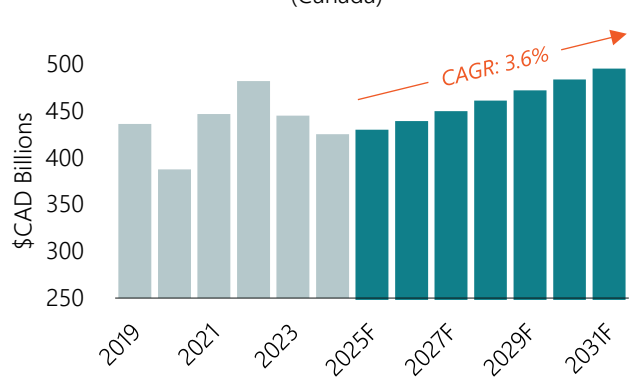
### Government Consumption & Investment

(Canada)



### Aggregate Private Investment

(Canada)



■ Historical ■ Forecast

1. Bank of Canada 2. CMHC 3. IBISWorld Business Environment Reports  
"F" indicates forecast. "CAGR" indicates compound annual growth rate.

# Public Comparable Analysis

## Trading Multiples & Operating Statistics

We have selected a group of publicly traded engineering and construction entities for this high-level analysis. These public companies help act as a proxy for the industry and provide a snapshot of industry performance and valuation.

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>Heavy Civil</b>											
EMCOR Group, Inc.	\$24,159	\$22,737	\$20,958	15.8%	\$2,699	12.9%	8.9%	10.0%	9.7x	8.4x	1.1x
Construction Partners, Inc.	\$5,780	\$7,406	\$2,862	22.9%	\$394	13.8%	37.9%	14.3%	12.7x	18.8x	2.6x
Sterling Infrastructure, Inc.	\$4,950	\$4,552	\$3,044	7.3%	\$552	18.1%	(7.6%)	19.8%	7.9x	8.3x	1.5x
Granite Construction Incorporated	\$4,707	\$4,952	\$5,766	14.2%	\$531	9.2%	3.7%	11.2%	7.2x	9.3x	0.9x
Primoris Services Corporation	\$4,449	\$5,504	\$9,161	11.4%	\$811	8.9%	1.7%	6.7%	8.6x	6.8x	0.6x
Bird Construction Inc.	\$1,206	\$1,281	\$3,397	21.4%	\$181	5.3%	15.1%	7.0%	4.7x	7.1x	0.4x
Aecon Group Inc.	\$1,064	\$1,097	\$4,243	(8.6%)	(\$9)	(0.2%)	9.1%	6.0%	4.0x	NM	0.3x
<b>Median</b>	<b>\$4,707</b>	<b>\$4,952</b>	<b>\$4,243</b>	<b>14.2%</b>	<b>\$531</b>	<b>9.2%</b>	<b>8.9%</b>	<b>10.0%</b>	<b>7.9x</b>	<b>8.3x</b>	<b>0.9x</b>
<b>Mean</b>	<b>\$6,616</b>	<b>\$6,790</b>	<b>\$7,062</b>	<b>12.0%</b>	<b>\$737</b>	<b>9.7%</b>	<b>9.8%</b>	<b>10.7%</b>	<b>7.8x</b>	<b>9.8x</b>	<b>1.0x</b>
<b>Engineering</b>											
WSP Global Inc.	\$31,869	\$37,036	\$16,167	12.0%	\$2,112	13.1%	(13.6%)	18.3%	14.5x	17.5x	2.3x
Jacobs Solutions Inc.	\$21,293	\$24,100	\$16,753	17.9%	\$1,970	11.8%	3.0%	10.2%	13.3x	12.3x	1.4x
AECOM	\$17,686	\$20,193	\$23,338	8.9%	\$1,935	8.3%	3.1%	7.0%	11.7x	10.4x	0.9x
Stantec Inc.	\$13,606	\$15,414	\$5,867	15.8%	\$940	16.0%	10.5%	17.0%	14.3x	16.4x	2.6x
AtkinsRéalis Group Inc.	\$11,954	\$13,504	\$9,668	12.0%	\$828	8.6%	8.5%	9.8%	13.1x	16.3x	1.4x
KBR, Inc.	\$9,482	\$13,126	\$11,194	11.3%	\$1,562	13.9%	10.6%	10.9%	9.4x	8.5x	1.2x
Fluor Corporation	\$8,651	\$6,046	\$23,475	5.4%	\$3,686	15.7%	9.1%	3.5%	6.6x	1.6x	0.3x
NV5 Global, Inc.	\$1,807	\$2,147	\$1,357	9.8%	\$235	17.3%	5.3%	15.8%	9.2x	9.2x	1.6x
Willdan Group, Inc.	\$843	\$892	\$815	10.9%	\$80	9.9%	9.4%	10.0%	9.7x	11.1x	1.1x
Mistras Group, Inc.	\$472	\$779	\$1,050	3.4%	\$130	12.4%	(0.5%)	11.8%	6.1x	6.0x	0.7x
<b>Median</b>	<b>\$10,718</b>	<b>\$13,315</b>	<b>\$10,431</b>	<b>11.1%</b>	<b>\$1,251</b>	<b>12.7%</b>	<b>6.9%</b>	<b>10.5%</b>	<b>10.7x</b>	<b>10.8x</b>	<b>1.3x</b>
<b>Mean</b>	<b>\$11,766</b>	<b>\$13,324</b>	<b>\$10,968</b>	<b>10.7%</b>	<b>\$1,348</b>	<b>12.7%</b>	<b>4.5%</b>	<b>11.4%</b>	<b>10.8x</b>	<b>10.9x</b>	<b>1.3x</b>
<b>Construction Engineering</b>											
Quanta Services, Inc.	\$54,144	\$59,532	\$34,061	13.4%	\$4,994	14.7%	10.0%	10.1%	15.2x	11.9x	1.7x
MasTec, Inc.	\$13,112	\$16,428	\$17,703	2.6%	\$2,470	14.0%	5.8%	8.4%	10.2x	6.7x	0.9x
Dycom Industries, Inc.	\$6,345	\$7,714	\$6,738	12.6%	\$875	13.0%	8.4%	12.6%	8.1x	8.8x	1.1x
MYR Group Inc.	\$2,623	\$2,791	\$4,838	(7.7%)	\$185	3.8%	(0.4%)	6.3%	8.9x	15.1x	0.6x
Argan, Inc.	\$2,571	\$1,823	\$1,265	52.5%	\$161	12.7%	5.3%	11.4%	11.7x	11.4x	1.5x
<b>Median</b>	<b>\$6,345</b>	<b>\$7,714</b>	<b>\$6,738</b>	<b>12.6%</b>	<b>\$875</b>	<b>13.0%</b>	<b>5.8%</b>	<b>10.1%</b>	<b>10.2x</b>	<b>11.4x</b>	<b>1.1x</b>
<b>Mean</b>	<b>\$15,759</b>	<b>\$17,658</b>	<b>\$12,921</b>	<b>14.7%</b>	<b>\$1,737</b>	<b>11.6%</b>	<b>5.8%</b>	<b>9.8%</b>	<b>10.8x</b>	<b>10.8x</b>	<b>1.2x</b>
<b>Construction Materials Producer</b>											
Vulcan Materials Company	\$44,298	\$52,006	\$10,673	(4.7%)	\$3,152	29.5%	8.0%	29.9%	14.6x	16.5x	4.9x
Martin Marietta Materials, Inc.	\$41,904	\$49,605	\$9,404	(3.6%)	\$3,155	33.6%	4.3%	32.3%	15.2x	15.7x	5.3x
Eagle Materials Inc.	\$10,618	\$12,071	\$3,262	0.6%	\$1,167	35.8%	0.9%	36.3%	9.7x	10.4x	3.7x
Knife River Corporation	\$7,341	\$8,045	\$4,171	2.4%	\$779	18.7%	4.5%	16.6%	10.9x	10.3x	1.9x
<b>Median</b>	<b>\$26,261</b>	<b>\$30,838</b>	<b>\$6,788</b>	<b>(1.5%)</b>	<b>\$2,160</b>	<b>31.5%</b>	<b>4.4%</b>	<b>31.1%</b>	<b>12.7x</b>	<b>13.0x</b>	<b>4.3x</b>
<b>Mean</b>	<b>\$26,040</b>	<b>\$30,432</b>	<b>\$6,878</b>	<b>(1.3%)</b>	<b>\$2,063</b>	<b>29.4%</b>	<b>4.4%</b>	<b>28.7%</b>	<b>12.6x</b>	<b>13.2x</b>	<b>3.9x</b>

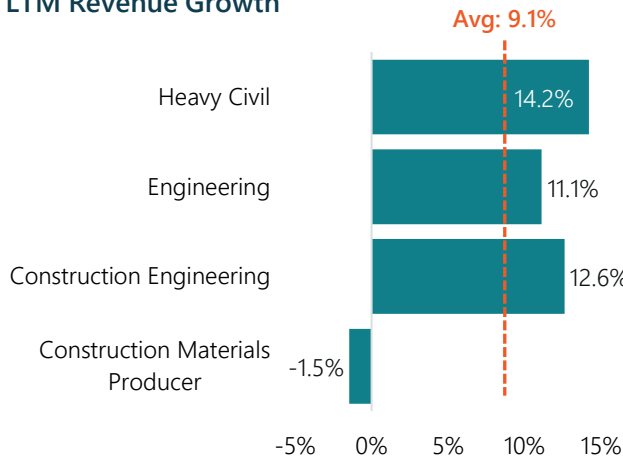
Source: S&P Capital IQ. Data as of March 31, 2025.

"LTM" refers to last twelve months. "NTM" refers to next twelve months.

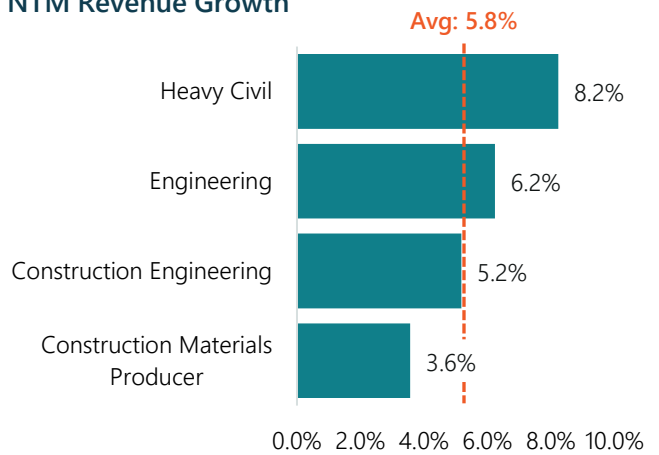
# Public Comparable Analysis

## Growth, Margins & Multiples

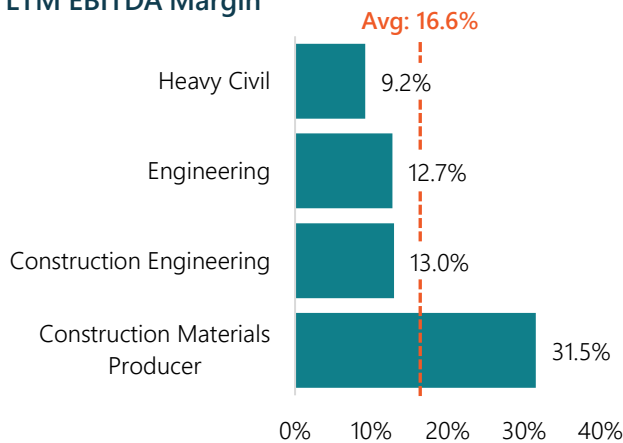
### LTM Revenue Growth



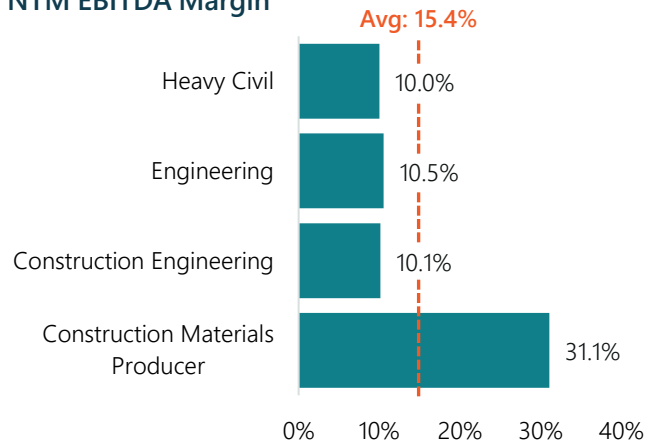
### NTM Revenue Growth



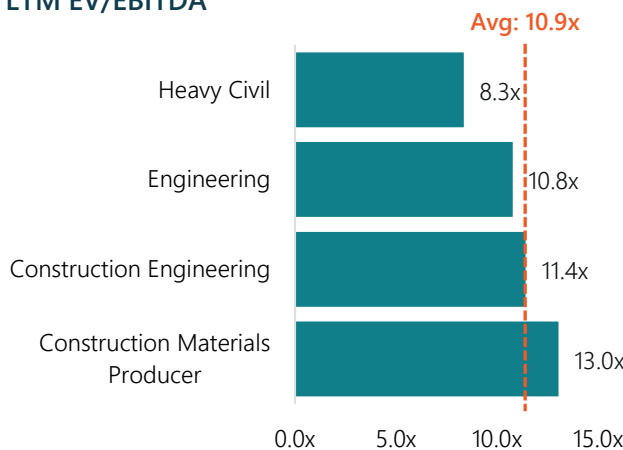
### LTM EBITDA Margin



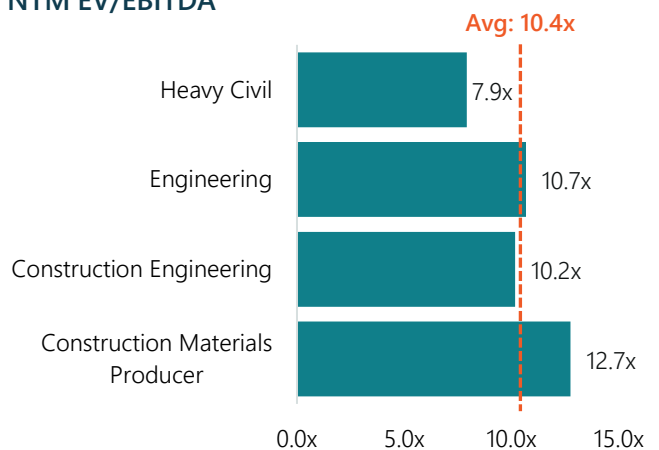
### NTM EBITDA Margin



### LTM EV/EBITDA



### NTM EV/EBITDA



Source: S&P Capital IQ. Data as of March 31, 2025.

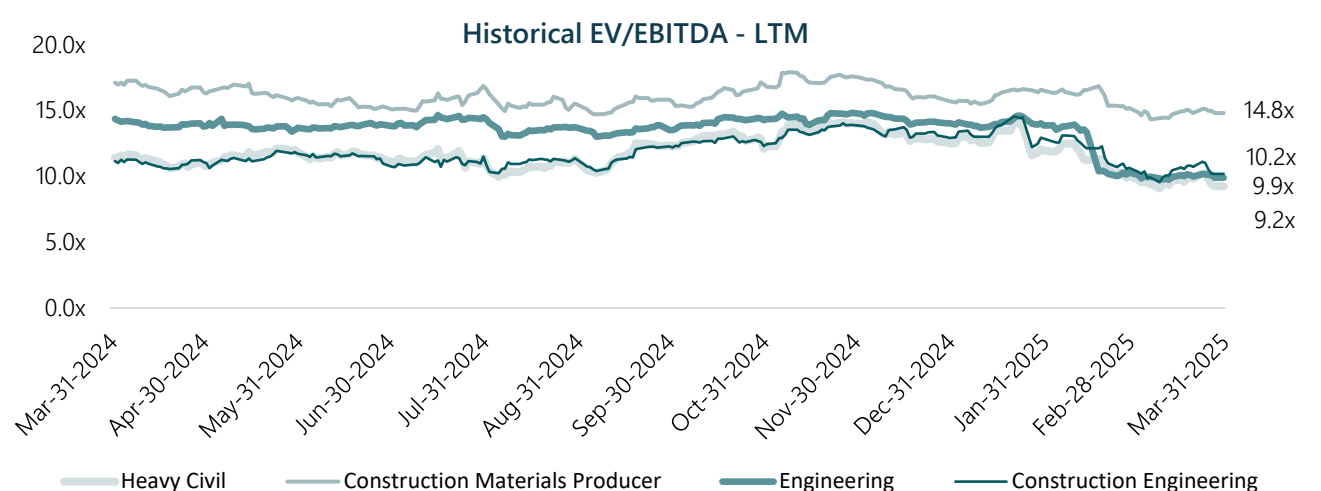
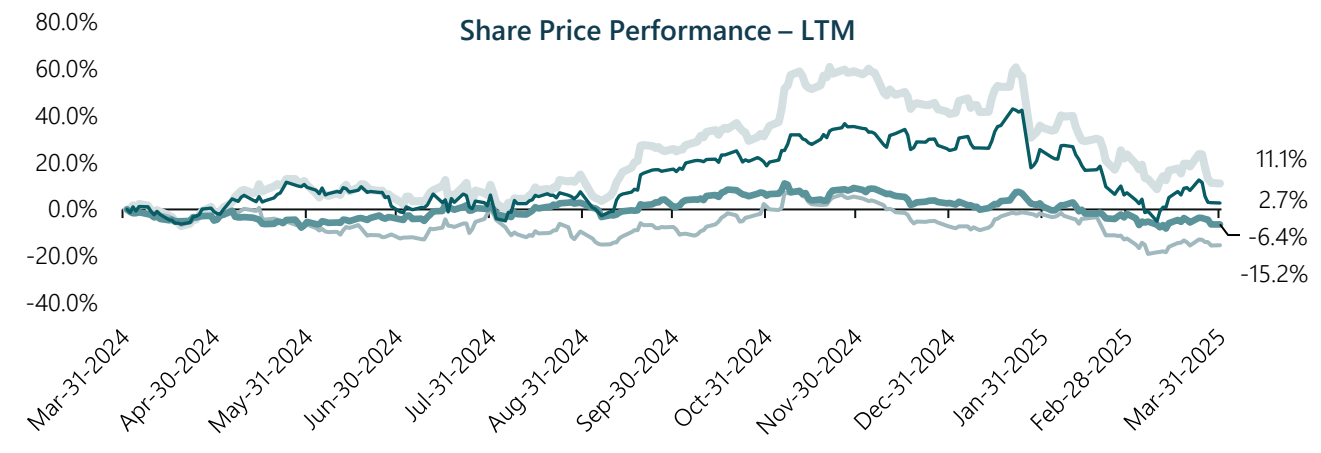
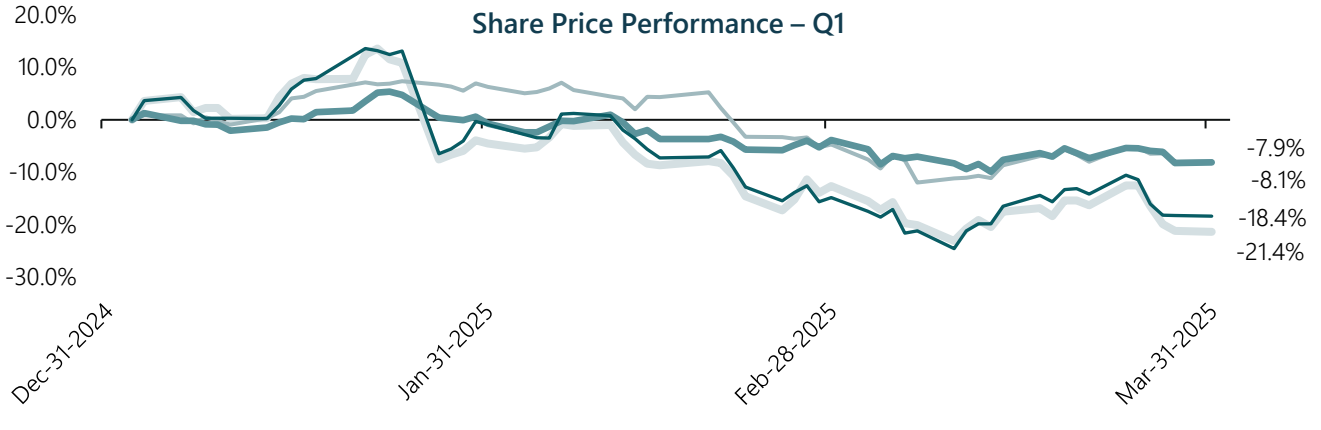
Valuation details provided on page 6.

"LTM" refers to last twelve months. "NTM" refers to next twelve months.

# Public Comparable Analysis

## Performance Analysis

### Engineering and Construction Peer Group



Source: S&P Capital IQ. Data as of March 31, 2025.  
Further details provided on page 6.  
"LTM" refers to last twelve months.



# About Us

Helping clients prepare, plan & execute transactions



**300+**

**Closed transactions**  
(last 10 years)\*



**\$5B+**

**Total enterprise value**  
(last 10 years)\*



## From Coast to Coast

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.



## 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.

## Industry Experience

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



## Local & 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.



## 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.

## Services

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



\*Does not include due diligence engagements

# MNP Corporate Finance

## Engineering & Construction Transactions

**MNP**  
CORPORATE FINANCE INC.

has acquired

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

**MNP**  
CORPORATE FINANCE INC.

has acquired

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

**MNP**  
CORPORATE FINANCE INC.

Robert Young Group  
of Companies

has acquired

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.

LA FORCE DU GROUPE

has acquired

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

**MNP**  
CORPORATE FINANCE INC.

A Confidential Buyer

has acquired

MNP Corporate Finance Inc. acted as exclusive financial advisor to Secure Store Thunder Bay in structuring and negotiating this transaction.

**MNP**  
CORPORATE FINANCE INC.

has acquired

MNP Corporate Finance Inc. provided financial due diligence services to TRS Ltd.

**MNP**  
CORPORATE FINANCE INC.

AD Capital

has acquired

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

**MNP**  
CORPORATE FINANCE INC.

a portfolio company of

has acquired

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

**MNP**  
CORPORATE FINANCE INC.

parent company of

has acquired

MNP Corporate Finance Inc. acted as exclusive financial advisor to Wilton Wiring Ltd. and TW Power Supply Limited in structuring and negotiating this transaction.

**MNP**  
CORPORATE FINANCE INC.

has acquired

MNP Corporate Finance Inc. acted as exclusive financial advisor to HHS Drilling & Blasting Ltd. in structuring and negotiating this transaction.

**MNP**  
CORPORATE FINANCE INC.

has merged with

MNP Corporate Finance Inc. acted as exclusive financial advisor to Groupe Maskimo - Signalétik in structuring and negotiating this transaction.

**MNP**  
CORPORATE FINANCE INC.

has acquired

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

# Leadership Team

## Close the deal with confidence

### Transaction Leadership



**Brett Franklin**  
**President**  
Winnipeg  
Brett.Franklin@mnp.ca  
204.336.6190



**Aleem Bandali**  
**Managing Director**  
Vancouver  
Aleem.Bandali@mnp.ca  
778.374.2140



**Bryce Davis**  
**Managing Director**  
Vancouver  
Bryce.Davis@mnp.ca  
604.637.1514



**Mike Reynolds**  
**Managing Director**  
Calgary  
Mike.Reynolds@mnp.ca  
587.702.5909



**Mark Reynolds**  
**Managing Director**  
Calgary  
Mark.Reynolds@mnp.ca  
403.536.5548



**Mark Regehr**  
**Managing Director**  
Edmonton  
Mark.Regehr@mnp.ca  
780.969.1404



**Erik St-Hilaire**  
**Managing Director**  
Winnipeg  
Erik.St-Hilaire@mnp.ca  
204.336.6200



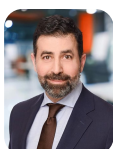
**Stephen Shaw**  
**Managing Director**  
Toronto  
Stephen.Shaw@mnp.ca  
416.515.3883



**Kevin Tremblay**  
**Managing Director**  
Toronto  
Kevin.Tremblay@mnp.ca  
647.943.4051



**Jon Edgett**  
**Managing Director**  
Waterloo  
Jon.Edgett@mnp.ca  
519.772.7460



**Patrick Khouzam**  
**Managing Director**  
Montreal  
Patrick.Khouzam@mnp.ca  
514.228.7874



**David Bouchard**  
**Managing Director**  
Québec  
David.Bouchard@mnp.ca  
418.425.1857



**Jean-Raymond Lafond**  
**Managing Director**  
Drummondville  
Jean-Raymond.Lafond@mnp.ca  
819.473.7251



**Jasmin Allard**  
**Managing Director**  
Sherbrooke  
Jasmin.Allard@mnp.ca  
819.560.7856



**Jonathan Banford**  
**Managing Director**  
Chicoutimi  
Jonathan.Banford@mnp.ca  
418.696.3924



**Frédéric Fortin**  
**Managing Director**  
Chicoutimi  
Frederic.Fortin@mnp.ca  
418.696.4561



**Craig Maloney**  
**Managing Director**  
Halifax  
Craig.Maloney@mnp.ca  
902.493.5430

### Due Diligence Leadership



**Johnny Earl**  
**Managing Director**  
Vancouver  
Johnny.Earl@mnp.ca  
604.637.1504



**Jonathan Conly**  
**Managing Director**  
Vancouver  
Jonathan.Conly@mnp.ca  
604.637.1516



**John Caggianiello**  
**Managing Director**  
Toronto  
John.Caggianiello@mnp.ca  
416.513.4177



**Wilson Lai**  
**Managing Director**  
Toronto  
Wilson.Lai@mnp.ca  
289.695.4386



**Saad Arif**  
**Managing Director**  
Toronto  
Saad.Arif@mnp.ca  
647.943.4104



**David Cyr**  
**Managing Director**  
Montreal  
David.Cyr@mnp.ca  
514.884.1764