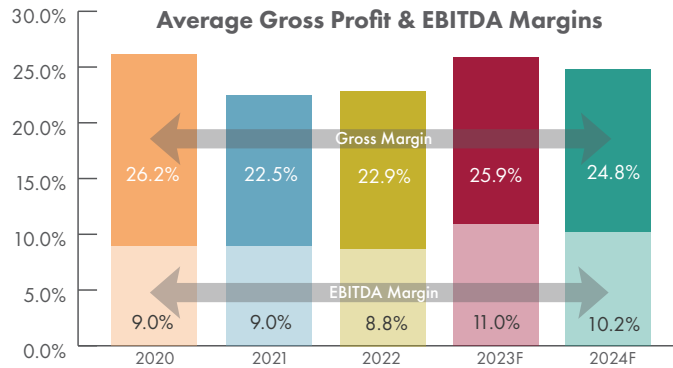
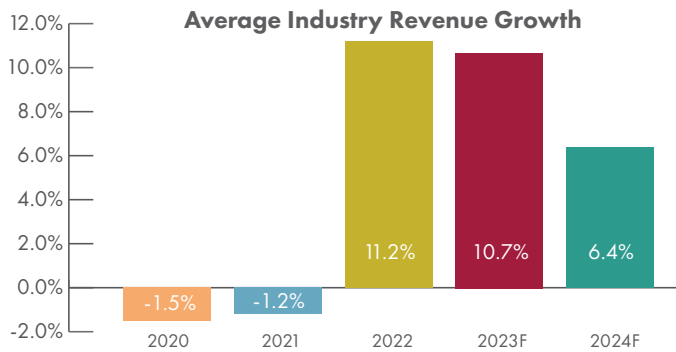




Q4 2023 Engineering Industry Report

Whitehorn Merchant Capital Inc.'s Engineering Industry Report includes performance trends and transaction activity observed in this sector, primarily focused on Canada and the United States. All financial data has been sourced from Refinitiv Eikon.

Performance Trends



Engineering Indexes

Whitehorn tracks two engineering-focused indexes. The Whitehorn Engineering Index includes professional engineering consulting firms and The Engineering-Related Services Index includes companies that specialize in related services including procurement and construction management.

Whitehorn Engineering Index						
CAD \$ as at Dec. 21, 2023	Market Cap	2024F		Debt /	2023F EBITDA	Enterprise Value /
	(in \$ millions)	YTD Δ	Revenue Growth	2023F EBITDA	Margin	2023F EBITDA
WSP Global Inc.	\$22,657	15.9%	7.3%	2.3	19.3%	12.8x
Jacobs Engineering Group Inc.	\$21,297	3.4%	2.4%	1.8	9.8%	11.5x
Tetra Tech, Inc.	\$11,761	12.8%	12.5%	1.6	15.0%	16.9x
Stantec Inc.	\$11,745	63.4%	9.6%	2.1	18.6%	14.4x
AtkinsRéalis (former SNC-Lavalin)	\$7,326	74.9%	1.9%	3.3	9.6%	11.4x
Arcadis NV	\$6,341	31.8%	-5.5%	2.3	13.5%	10.2x
NV5 Global, Inc.	\$2,329	-16.5%	7.3%	1.4	18.4%	11.7x
Costain Group PLC	\$299	68.5%	-7.8%	0.4	4.0%	1.2x
Average		20.1%		2.0	13.5%	11.3x

Engineering-Related Services Index						
CAD \$ as at Dec. 21, 2023	Market Cap	2024F		Debt /	2023F EBITDA	Enterprise Value /
	(in \$ millions)	YTD Δ	Revenue Growth	2023F EBITDA	Margin	2023F EBITDA
AECOM	\$16,602	4.1%	7.8%	2.0	7.6%	12.2x
KBR, Inc.	\$9,659	-1.6%	11.6%	2.1	11.9%	10.2x
Fluor Corporation	\$8,888	33.2%	7.9%	2.2	4.2%	8.7x
Worley Limited	\$8,315	14.4%	15.0%	2.7	9.1%	11.7x
MasTec, Inc.	\$7,431	-17.8%	4.6%	3.3	7.9%	8.8x
Dycom Industries, Inc.	\$4,324	15.4%	13.4%	2.0	13.5%	8.2x
Babcock International Group PLC	\$3,373	44.2%	5.3%	3.2	10.1%	6.1x
Primoris Services Corporation	\$2,332	47.7%	7.2%	2.7	7.1%	6.4x
Keller Group plc	\$1,045	9.5%	1.4%	1.0	8.5%	3.7x
Argan, Inc.	\$827	22.0%	24.3%	-	10.2%	4.6x
Average		8.2%		2.1	9.0%	8.1x

Did you know we started a podcast?! Check out Peak Advice with Whitehorn Merchant Capital on Spotify and Apple



Key Quarterly Highlights

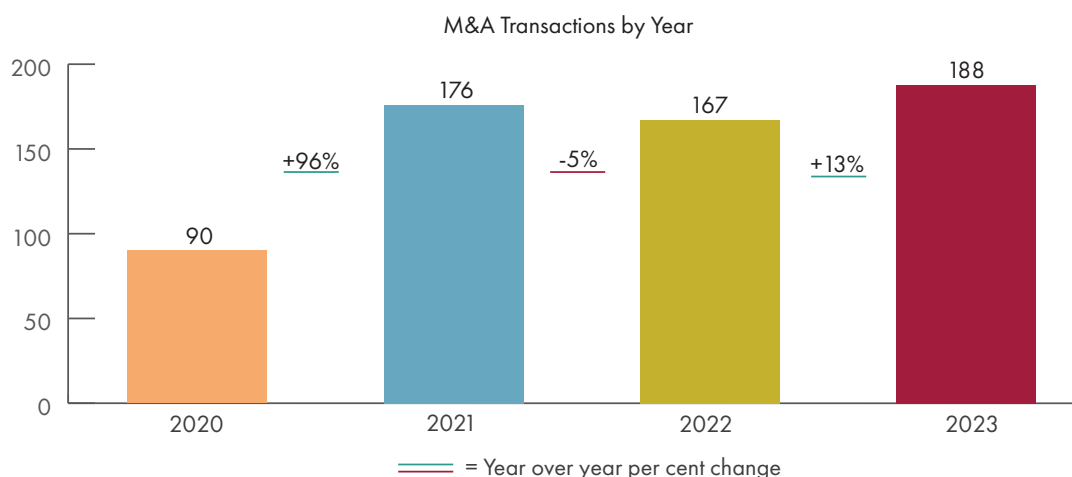
November 6 - The Government of Alberta introduced legislation would change the province's Engineering and Geoscience Professions Act to enable technology companies and workers to use the title "software engineer" without holding a professional engineering licence from the Association of Professional Engineers and Geoscientists of Alberta (APEGA)

December 7 - The federal government introduced a framework to cap greenhouse gas pollution from the oil and gas sector, aimed at capping 2030 emissions at 35-38 per cent below 2019 levels.

December 19 - According to Stats Canada, the CPI rose by 3.1 per cent in November from a year ago, the same increase from October 2023. Inflation still remains above the Bank of Canada's target range of 2 per cent.

December 20 - Canada's population grew by over 430,000 during Q3 2023, the fastest quarterly population growth since 1957. Total population growth over the first nine months of 2023 has already surpassed the total growth in any other full year, including the record set in 2022.

Year in Review



Select Merger & Acquisition Transactions

Date	Acquirer	Acquirer Location	Target	Target Location
October 2023	SLR Consulting	United Kingdom	Palmer Environmental Consulting	Vancouver, BC
Acquisition of environmental solutions provider with 100 employees serving BC and ON to strengthen physical presence and technical depth in North America.				
November 2023	KGS Group	Winnipeg, MB	Soli Solutions	Regina, SK
Acquisition of civil engineering firm specializing in the design and construction of transportation infrastructure.				
November 2023	Stantec (TSX:STN)	Edmonton, AB	ZETCON Engineering	Germany
Acquisition of infrastructure engineering firm with 645 personnel specializing in infrastructure planning, inspection, project management, and construction management to expand infrastructure offerings in Germany.				
December 2023	Norda Stelo	Quebec City, QC	CWA Engineers	Vancouver, BC
Acquisition of multidisciplinary EPM firm with over 100 staff to enhance automation, port and rail infrastructure design and bulk material handling expertise.				

Check out more transactions on our [website](#)