

The background of the entire page is a high-contrast, orange-tinted photograph of an oilfield. In the upper left, a large pumpjack (oil pump) is visible, its structure silhouetted against the sky. In the lower right, a worker wearing a hard hat and safety gear is silhouetted while working on a piece of industrial equipment, possibly a valve or wellhead. The overall scene is bathed in a warm, golden-orange light, suggesting either sunrise or sunset.

THE WELL STREET JOURNAL

Oilfield Services and Industrials Deep Dive
Q1 2025

The logo graphic consists of five vertical bars of increasing height from left to right, colored in a gradient of blue and teal.
sequeira
PARTNERS



Western Canada's Oilfield and Industrial Experts

Sequeira Partners is Western Canada's largest boutique advisory firm, specializing in sell-side deal advisory and corporate valuations. Having completed more than 175 national and cross-border transactions, and over 500 valuation mandates, we are proud of our diverse industry experience and credentials. At Sequeira Partners, we combine decades of experience and top-tier credentials to deliver client-centric service with a personalized, boutique approach.

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Recent Transactions



Sequeira Partners is proud to have acted as the financial advisor to Armour Insurance on the sale to BrokerLink.

The Sequeira team provided advisory assistance throughout the transaction including marketing the business, negotiating preliminary and final deal terms, advising on transaction structure and consideration, as well as assisting with due-diligence and other pre-closing matters.

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Oilfield Overview

Geopolitical tensions and ongoing tariff disputes continue to drive volatility across global markets, with the energy sector being directly impacted due to concerns around global growth and demand for commodities. The ever-evolving landscape of trade policies and tariffs has made it increasingly difficult for investors and operators to navigate current conditions—let alone forecast the future with any degree of confidence. Amid this uncertainty, Canadian energy producers have entered spring breakup following a highly active winter season, extended by colder-than-average temperatures in February and into part of March.

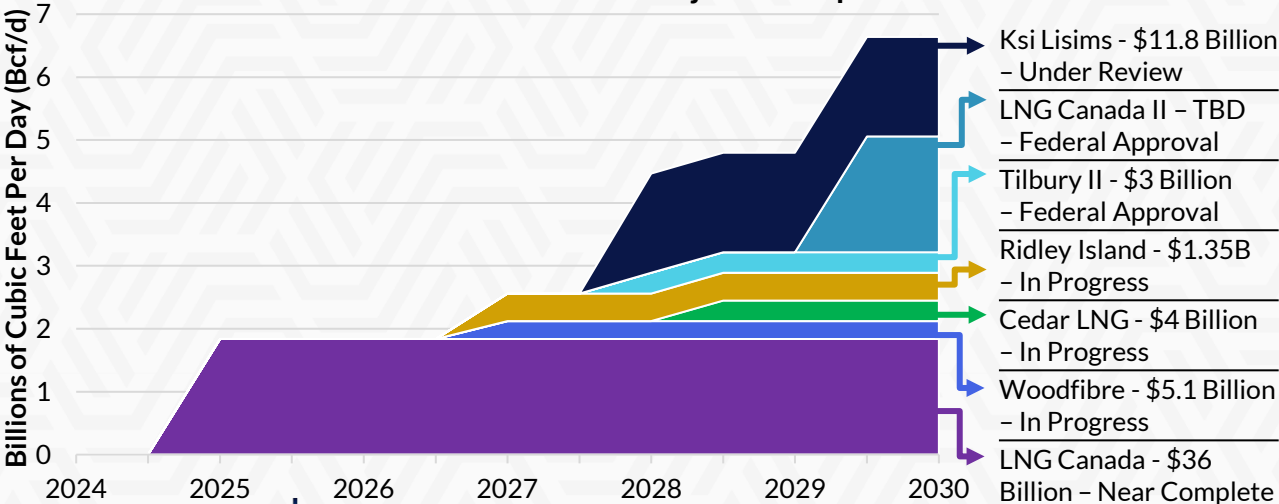
One positive development has been the narrowing of the Western Canadian Select (WCS) discount to West Texas Intermediate (WTI), driven by the commencement of operations on the Trans Mountain Expansion (TMX) project. While partially a seasonal trend, this price spread will be important to watch in the coming months, as U.S. refineries ramp up asphalt production consuming high amounts of medium sour crude for the spring and summer construction season.

Looking ahead, there is cautious optimism that rig count activity will surpass previous years post-spring break-up rebounding — a reflection of TMX’s long-term positive influence on Canadian crude markets and LNG Canada Phase 1 expected to come online soon. However, a sharp decrease in crude prices of late complicates the outlook and may weigh on activity if it persists.

Meanwhile, Canada’s natural gas sector continues to benefit from a robust global outlook and resilient pricing. Momentum is building around the potential for several major project announcements, including strong endorsements from Shell’s CEO, who highlighted LNG Canada Phase 2 as a further critical step in connecting Western Canadian gas basins with growing demand in Asia.

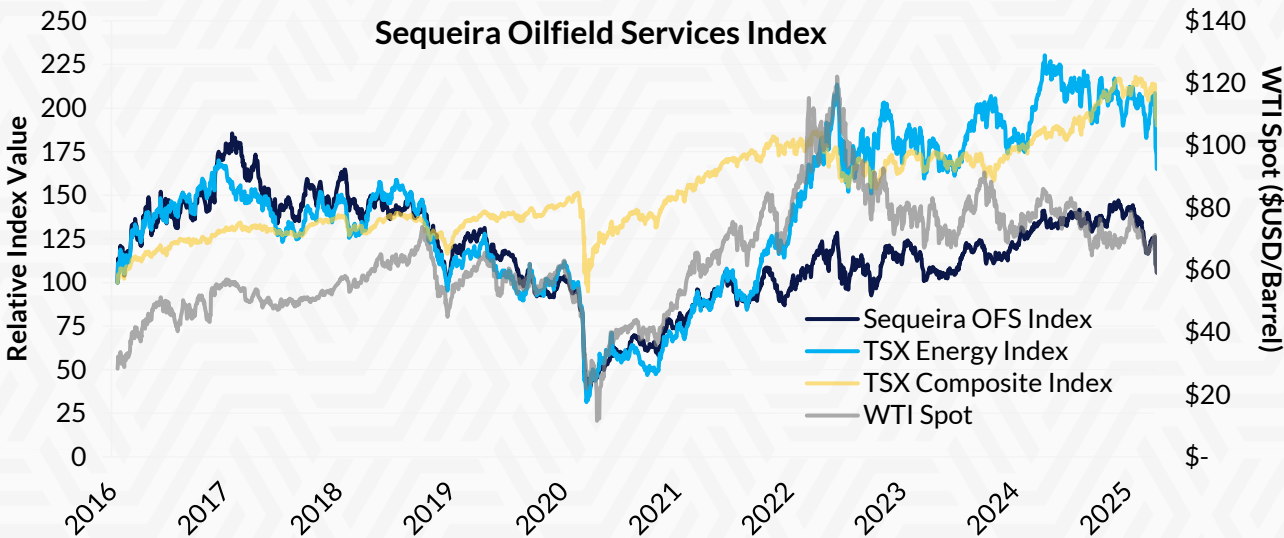
With several material projects in play, both exploration and production (E&P) companies and oilfield service providers are poised for resilient activity across the region despite uncertainty in the broader economy.

Canadian LNG Project Pipeline

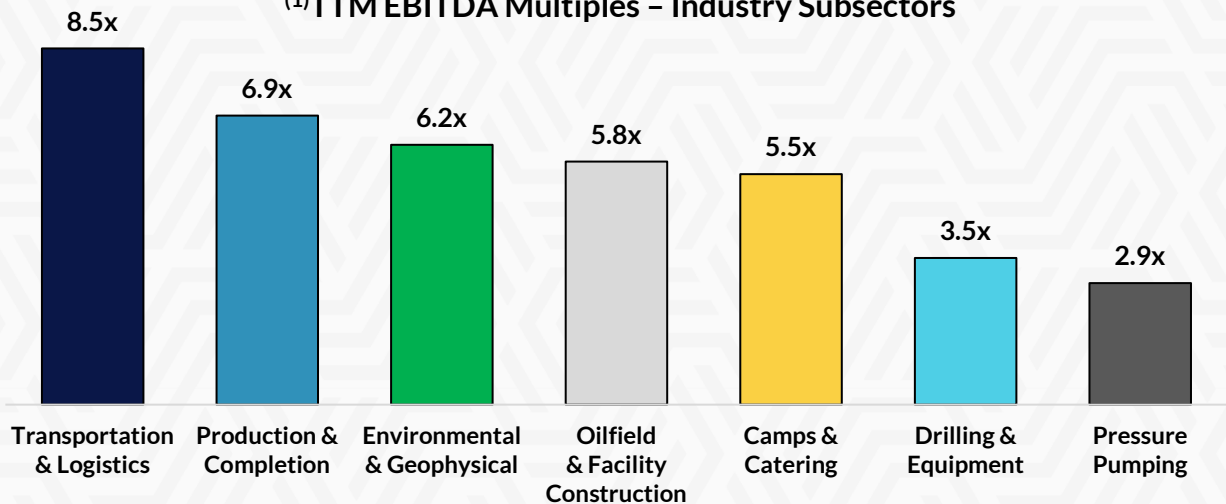


Market Sentiment

Sequeira's OFS Index tracks the stock price performance of publicly listed Canadian Oilfield Service (OFS) companies. From Q1 2021 to Q1 2025, a gap has persisted between Sequeira's tracked OFS Index and the TSX Energy Index. The catalyst for the Q1 2025 uptick in the energy sector was a persistent rise in commodity prices. However, U.S tariff announcements have halted the upward trend and instead, created a downturn in prices through most of March which was reflected equally in both indexes.



(1) TTM EBITDA Multiples – Industry Subsectors



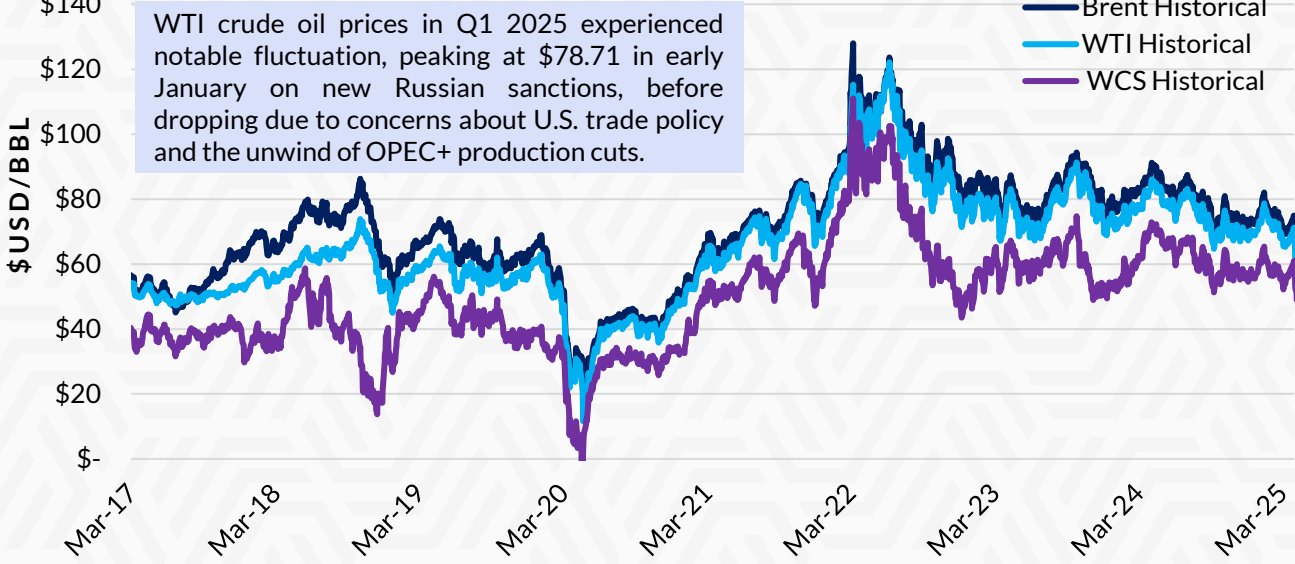
(1) As at April 14, 2025. Further details on included parties can be found in Sequeira Oilfield Services Index - Sector Drilldown

Source: S&P Capital IQ

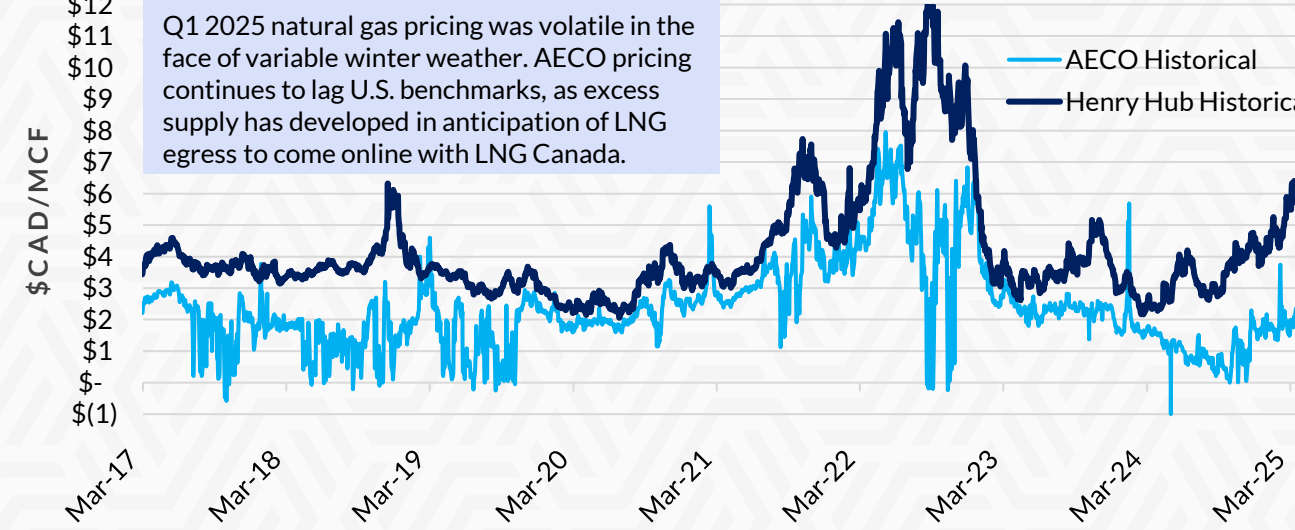
Commodity Pricing and Analyst Forecasts



Historical Crude Pricing



Historical Natural Gas Pricing

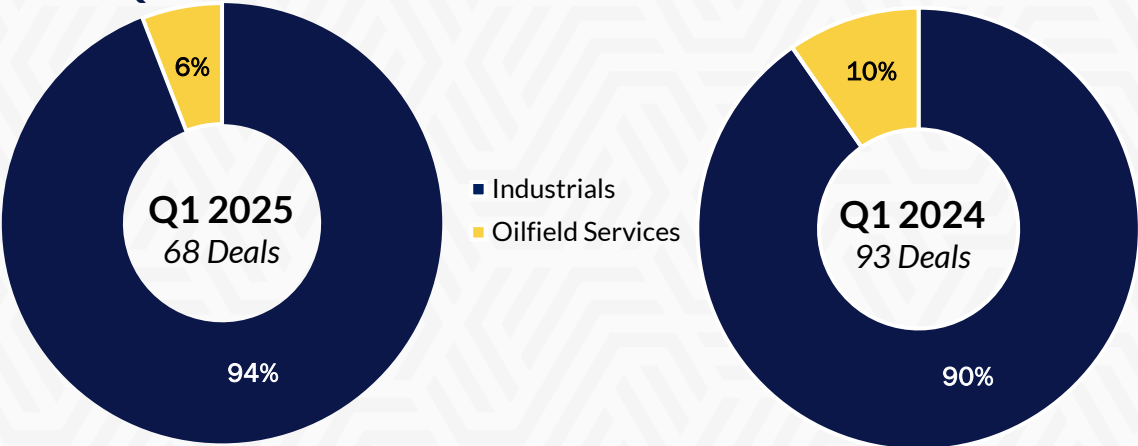


Source: S&P Capital IQ

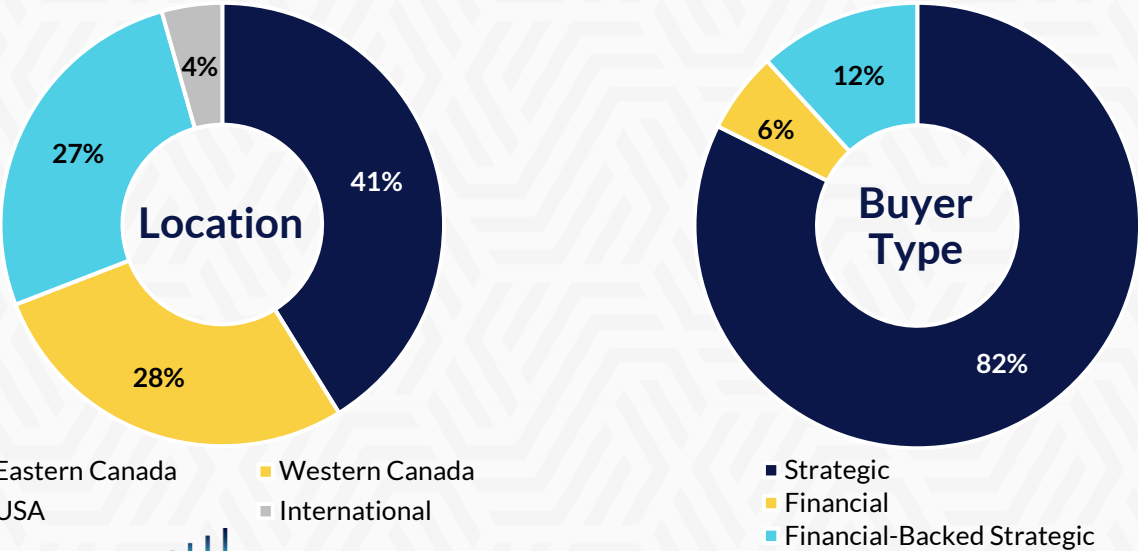
Energy and Industrial Transactions

Deal activity in the industrial and oilfield services sectors in Western Canada slowed in Q1 2025, with 68 completed transactions — down from 93 during the same period last year. The slow start to the year for M&A activity in the sector is largely attributed to uncertainty and the resulting market volatility from US trade policy, prompting both buyers and sellers to take a more cautious, “wait-and-see” approach. Still, dealmakers remain optimistic that activity will rebound in 2025 as conditions stabilize in a lower-rate environment.

Q1 2025 vs 2024 Transaction Mix ⁽¹⁾



Q1 2025 Buyer Breakdown



Sequeira Oilfield Services Index – Sector Drilldown

As at Apr. 14, 2025 Source: Capital IQ

Company	Share Price	Market Cap	Enterprise Value	Revenue	TTM EBITDA	EBITDA Margin	EV/EBITDA			Price/Book	Net Debt/2025 EBITDA
							TTM	2025	2026E		
Drilling & Equipment		(\$mm)	(\$mm)	(\$mm)	(\$mm)	(%)	(x)	(x)	(x)	(x)	(x)
ACT Energy Technologies Ltd.	\$ 4.78	162	260	572	90	15.8%	2.9x	2.7x	2.3x	0.7x	1.0x
AKITA Drilling Ltd.	\$ 1.72	69	113	193	45	23.5%	2.5x	2.0x	1.9x	0.4x	0.8x
Ensign Energy Services Inc.	\$ 1.94	357	1,405	1,684	438	26.0%	3.2x	3.3x	3.2x	0.3x	2.4x
High Arctic Energy Services Inc	\$ 0.80	10	11	10	(1)	NM	NM	NM	NM	0.5x	ND
McCoy Global Inc.	\$ 2.48	67	54	78	14	18.3%	3.8x	3.1x	2.8x	1.0x	NM
Pason Systems Inc.	\$ 10.90	861	787	414	148	35.8%	5.3x	4.5x	4.0x	1.7x	NM
PHX Energy Services Corp.	\$ 7.55	344	382	660	99	15.1%	3.8x	2.8x	2.7x	1.5x	0.3x
Precision Drilling Corporation	\$ 58.07	792	1,611	1,902	518	27.2%	3.1x	3.2x	3.2x	0.5x	1.6x
Stampede Drilling Inc.	\$ 0.16	33	58	82	16	19.8%	3.5x	3.3x	3.2x	0.4x	1.1x
Total Energy Services Inc.	\$ 9.10	346	435	907	171	18.8%	2.5x	2.1x	2.0x	0.6x	0.4x
Western Energy Services Corp.	\$ 2.10	71	173	223	41	18.6%	4.2x	3.4x	3.3x	0.2x	2.0x
Mean						21.9%	3.5x	3.0x	2.9x	0.7x	1.2x
Median						19.3%	3.4x	3.2x	3.0x	0.5x	1.1x
Production & Completion		(\$mm)	(\$mm)	(\$mm)	(\$mm)	(%)	(x)	(x)	(x)	(x)	(x)
Bri-Chem Corp.	\$ 0.26	7	31	83	0	0.6%	NM	NM	NM	0.4x	ND
CES Energy Solutions Corp.	\$ 6.01	1,356	1,793	2,354	351	14.9%	5.1x	4.4x	4.2x	1.7x	1.1x
Computer Modelling Group Ltd.	\$ 7.38	609	608	128	42	32.7%	14.5x	13.5x	11.9x	7.4x	NM
Enerflex Ltd.	\$ 9.06	1,125	2,110	3,473	492	14.2%	4.3x	3.4x	3.3x	0.7x	1.1x
Source Energy Services Ltd.	\$ 8.24	112	354	674	95	14.1%	3.7x	2.7x	2.6x	0.6x	1.9x
Mean						15.3%	6.9x	6.0x	5.5x	2.2x	1.3x
Median						14.2%	4.7x	3.9x	3.7x	0.7x	1.1x
Oilfield & Facility Construction		(\$mm)	(\$mm)	(\$mm)	(\$mm)	(%)	(x)	(x)	(x)	(x)	(x)
Badger Infrastructure Solutions Ltd.	\$ 36.63	1,246	1,542	1,072	233	21.7%	6.6x	5.5x	5.0x	3.4x	0.7x
Enterprise Group, Inc.	\$ 1.26	98	91	35	13	36.8%	7.1x	5.5x	4.4x	1.2x	NM
North American Construction Group Ltd.	\$ 20.03	595	1,342	1,166	366	31.4%	3.7x	3.1x	3.0x	1.4x	1.7x
Mean						30.0%	5.8x	4.7x	4.1x	2.0x	1.2x
Median						31.4%	6.6x	5.5x	4.4x	1.4x	1.2x
Pressure Pumping		(\$mm)	(\$mm)	(\$mm)	(\$mm)	(%)	(x)	(x)	(x)	(x)	(x)
Calfrac Well Services Ltd.	\$ 3.24	278	579	1,567	182	11.6%	3.2x	2.9x	2.8x	0.4x	1.5x
STEP Energy Services Ltd.	\$ 3.79	272	352	955	161	16.8%	2.2x	2.3x	2.2x	0.7x	0.5x
Trican Well Service Ltd.	\$ 4.13	774	768	981	223	22.7%	3.4x	3.5x	3.3x	1.6x	NM
Mean						17.0%	2.9x	2.9x	2.8x	0.9x	1.0x
Median						16.8%	3.2x	2.9x	2.8x	0.7x	1.0x
Transportation & Logistics		(\$mm)	(\$mm)	(\$mm)	(\$mm)	(%)	(x)	(x)	(x)	(x)	(x)
Gibson Energy Inc.	\$ 21.42	3,499	6,088	11,780	548	4.7%	11.1x	9.8x	8.8x	3.6x	4.2x
Mullen Group Ltd.	\$ 12.34	1,082	1,953	1,989	333	16.7%	5.9x	5.8x	5.5x	1.1x	2.6x
Mean						10.7%	8.5x	7.8x	7.1x	2.3x	3.4x
Median						10.7%	8.5x	7.8x	7.1x	2.3x	3.4x
Environmental & Geophysical		(\$mm)	(\$mm)	(\$mm)	(\$mm)	(%)	(x)	(x)	(x)	(x)	(x)
Pulse Seismic Inc.	\$ 2.33	118	110	23	15	66.3%	7.1x	NM	NM	6.5x	ND
SECURE Waste Infrastructure Corp.	\$ 12.51	2,888	3,316	10,672	445	4.2%	7.5x	6.4x	6.1x	2.8x	0.8x
Vertex Resource Group Ltd.	\$ 0.24	27	139	230	35	15.4%	3.9x	4.2x	3.8x	0.4x	3.4x
Mean						28.6%	6.2x	5.3x	5.0x	3.2x	2.1x
Median						15.4%	7.1x	5.3x	5.0x	2.8x	2.1x
Camps & Catering		(\$mm)	(\$mm)	(\$mm)	(\$mm)	(%)	(x)	(x)	(x)	(x)	(x)
Black Diamond Group Limited	\$ 8.17	499	752	403	108	26.7%	7.0x	6.5x	5.9x	1.5x	2.2x
Civeo Corporation	\$ 27.83	380	451	981	114	11.6%	3.9x	3.7x	3.3x	1.2x	0.6x
Dexterra Group Inc.	\$ 7.71	484	570	1,003	102	10.2%	5.6x	5.1x	4.9x	1.8x	0.8x
Mean						16.2%	5.5x	5.1x	4.7x	1.5x	1.2x
Median						11.6%	5.6x	5.1x	4.9x	1.5x	0.8x
Mean - All Subsectors						20.4%	5.0x	4.4x	4.1x	1.5x	1.5x
Median - All Subsectors						18.3%	3.9x	3.4x	3.3x	1.0x	1.1x