

Industry Insights:

# **Engineering & Infrastructure Services**

  
**sequeira**  
PARTNERS

Spring 2025

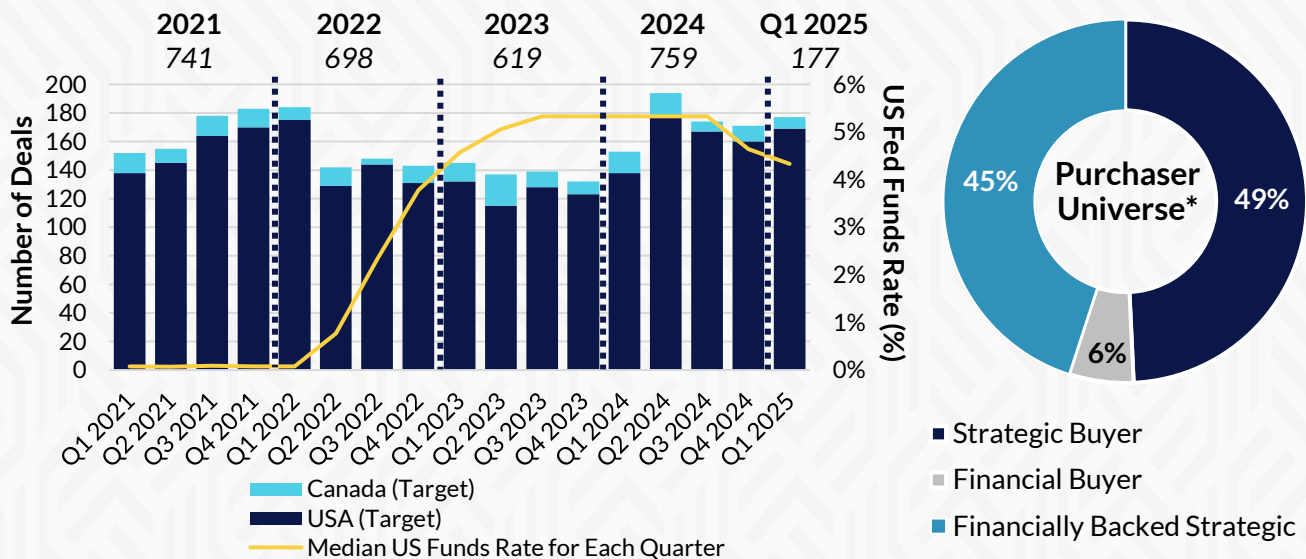
# Engineering & Infrastructure Services M&A Overview

## 2025: Mega-trends And Buyer Appetites

M&A in the Engineering and Infrastructure (E&I) space has continued to demonstrate strength with 759 completed transactions in 2024 and 177 deals through Q1 2025. What's more impressive is how resilient transaction activity has been in the space despite the chaotic political and macro backdrop.

Buyer appetite from both private equity and strategic parties has been robust, bolstered by compelling industry dynamics which is supported by a positive long-term outlook for the industry.

### NORTH AMERICAN E&I TRANSACTIONS



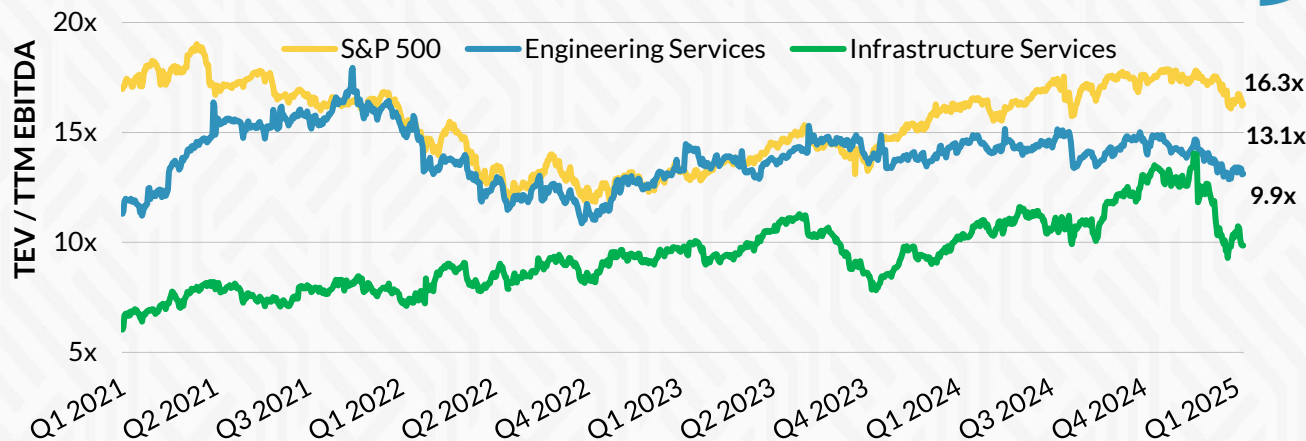
Strategic buyers remain the most active acquirers, driven by the desire to expand geographically and enhance specializations and diversification. Private equity and their relevant portfolio companies continue to remain highly active as well.

*\*LTM as at March 31, 2025  
Source: S&P Capital IQ – Includes closed & effective deals*

## Our Perspective

Industry trends highlight a favorable, albeit complex, market for potential sellers in the Engineering & Infrastructure space. Understanding buyer motivations and market undercurrents is paramount when contemplating strategic alternatives in 2025.

# Public Market Valuations & Insights



## Engineering Valuations Show Resilience

- Publicly traded engineering firms continue to trade at healthy multiples despite economic uncertainty.
- Reflects the critical need, long-term outlook for engineering services and ongoing demand for specialized technical expertise.



## Focus on Earnings Predictability and Quality

- While overall public market valuations remain resilient, we have seen a “flight to quality” whereby buyers are keen to diligence the sustainability of recent performance, understand the end markets being served, and project backlog.



## Infrastructure Trends Signal Value Drivers

- Significant, albeit volatile, surge in Infrastructure Services valuations driven by growing energy demands and supporting infrastructure needs.
- Premium on firms with capabilities in high-demand areas (power systems, upfront structural design, and environmental compliance).

M&A activity for Engineering and Infrastructure Services is expected to remain active through 2025+ as buyers are intensifying their focus on talent acquisition, sustainability, and diversification. Firms that can clearly showcase operational excellence and a robust project backlog in high-growth end-markets will be best positioned to command premium valuations.

# 2025 Outlook – Key Factors

## INFRASTRUCTURE & ENERGY TRANSITION



**Investment Surge:** Massive public funding initiatives combined with private sector investment is driving demand for infrastructure modernization, renewable & conventional energy build-out, environmental services, and digital infrastructure (e.g. AI data centers).

**Sought-After Targets:** Consequently, engineering, manufacturing, and infrastructure firms with proven expertise aligned with these catalysts are highly sought-after consolidation targets and add-ons.

## PRIVATE EQUITY ACTIVITY



**Deployment Pressure:** Holding near-record levels of "dry powder," PE firms face increasing pressure from investors to deploy capital and generate returns.

**Catalyst for Activity:** An improving economic outlook and lower financing costs are set to catalyze a significant increase in PE-led M&A activity (including new investments, add-on acquisitions and exits). The following factors make the Engineering & Infrastructure space highly attractive to Private Equity:



Highly scalable with no shortage of add-on acquisition opportunities



Upfront project design and engineering work can lead to incremental and material wallet share



Attractive cash flow profiles with low CAPEX needs



Public and private sector spending provide predictability to baseline performance



Longer term structural industry tailwinds



Line of sight to exit supported by robust M&A activity from large publicly traded companies



Skillset specialization provides barriers to entry

To ensure operational continuity and mitigate risks from departing key stakeholders, PE groups prioritize a clear understanding of succession plans, recognizing the sector's dependence on specialized knowledge and client relationships.



# Select Transactions

## Select North American E&I Disclosed Deals

	Date	Target	Buyer
1	May 2025	Higher Ground Consulting Inc.	Englobe Corporation
	May 2025	Resa Power, LLC	Kohlberg & Company
2	March 2025	Primary Engineering and Construction Corp.	OEC
	Dec 2024	Cascade Process Controls Inc.	Mako Industries
3	Oct 2024	Power Engineers Inc.	WSP Global Inc.
	Oct 2024	BCC Engineering, Inc.	Parsons Corp.
	Sept 2024	Morrison Hershfield Group Inc.	Stantec Inc.
	Aug 2024	Westwood Professional Services Inc.	Blackstone, Inc.
4	Aug 2024	Maxima Power Group, Inc (Magna IV Eng.)	Sunbelt Solomon Services, LLC
	June 2024	Jacob Bros. Construction Inc.	Bird Construction, Inc.
	May 2024	Voltix Energy Solutions	Asplundh Tree Expert, LLC
	May 2024	SITE Energy Services	Hillcore Financial Corp.
	March 2024	DWB Consulting Services Ltd	CAI Capital Partners
	Feb 2024	Enkompass Power and Energy Corp.	Qualus Corp.
	Sept 2023	Midlite Construction Ltd.	Hillcore Financial Corp.
	June 2023	Thompson Construction Group	Hillcore Financial Corp.

1 Englobe, a Canadian engineering and environmental services firm, has acquired Higher Ground Consulting, an Alberta-based firm specializing in environmental engineering and related disciplines, particularly around water related projects.

2 OEC's acquisition of Primary Engineering marked its 14<sup>th</sup> portfolio company, reinforcing its strategic commitment to expanding sustainable engineering services across Canada and enhancing its electrical and telecom engineering expertise.

3 WSP's acquisition of Power Engineers boosts its capabilities and presence within the US power delivery and generation market. This acquisition aligns with WSP's long-term strategy of enhancing its global leadership position through large-scale acquisitions in what it deems as key, high-growth markets.

4 The Maxima Power sale to Sunbelt Solomon exemplifies a private equity playbook where Copley Equity Partners executed a successful roll-up by enhancing the Company's capabilities and geographical presence, which allowed them to exit at a much higher multiple.

# Cascade Process Controls Inc.

Sequeira Partners acted as exclusive financial advisor to Cascade Process Controls Inc. ("Cascade" or "the Company") on the sale to Mako Industries ("Mako").

## Description of Transaction

Sequeira Partners was engaged by the shareholders of Cascade to unlock the value created by the team and to identify an ideal partner aligned with the Company's vision. The goal was to deliver a tailored solution that met the needs of the shareholders while establishing a strong foundation for the business's continued growth, success, and evolution.

The Sequeira team provided M&A advisory services throughout the transaction process. This included marketing the business to prospective partners, negotiating both preliminary and final deal terms, providing guidance on transaction structure and consideration, and assisting with due diligence and other pre-closing matters.

Ultimately, a transaction was completed with Mako Industries, a leading provider of industrial services to the energy, telecom and commercial markets. The combination of Mako and Cascade paves the way for an exciting future and will enhance Cascade's ability to service its customers and people, ensuring continued success for the organization.



Cascade Process Controls Inc. is a multi-disciplined contractor providing detailed Engineering, Design, Automation, PLC/ DCS programming, HDD fiber installations, and complete Instrumentation and Electrical Services. The Company has US operations across Texas, New Mexico, Arizona, Colorado and Wyoming.



Mako Industries is a Houston-based service and manufacturing company focused on providing turnkey solutions and skilled labor to the Energy, Industrial, Commercial, Renewables, and Public Sector markets around the world, and is supported by 100 years of combined leadership experience.



## Location

Texas

## Sector

Industrial

## Service

Sell-Side

## Contact

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# Interested in Learning More?

If you are interested in learning more as a potential buyer, seller or engineering and infrastructure services industry enthusiast, we would love to hear from you.

Our dedicated team is always available and eager to discuss market trends and strategize on opportunities.

## Engineering & Infrastructure Services Team



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## OTHER SEQUEIRA PARTNERS NEWSLETTERS



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