



2026 CEO Conference

Session 5: Part 1 Mergers & Acquisitions Trends

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Agenda

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EFCG M&A Overview

02

Market Update

03

Panel Discussion



A Trusted Advisor Across the Industry



250+

M&A Transactions
Since 1990

20+

M&A Transactions
Over the Past 24 Months

\$5.5 Billion+

Aggregate Enterprise Value
Over the Past 24 Months

Select Transactions

 a portfolio company of has acquired EFCG served as advisor to Verdantas July 2026	 has partnered with EFCG served as financial advisor to New Mountain Capital July 2026	 a portfolio company of has acquired the Leak Detection and Repair (LDAR) assets from EFCG advised Alliance Technical Group May 2026	 a portfolio company of has acquired EFCG advised Consertus April 2026	 has been acquired by EFCG served as the exclusive financial advisor to Olsson January 2026	 has acquired a portfolio company of EFCG served as co-advisor to Alliance Technical Group December 2025
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The Team Behind Our Transaction Success



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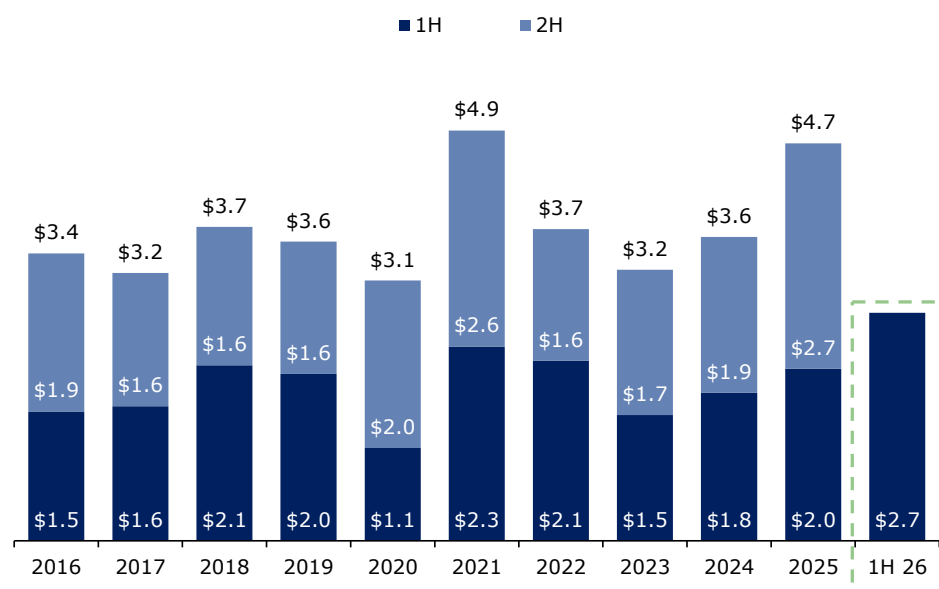
Strong M&A Momentum Continues in 1H 2026



Global M&A activity remained remarkably strong in 1H 2026 despite ongoing market volatility, as strategic urgency continues to drive boardroom decision-making

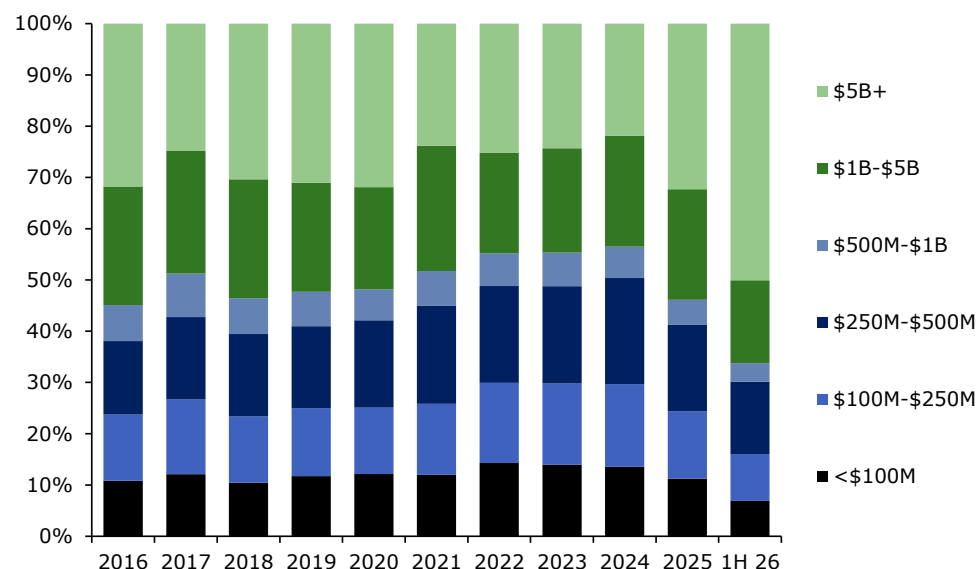
Global M&A Activity

\$ in trillions



The \$2.7 trillion in global M&A value was up 32% against 1H 2025

Share of Global M&A by Size



Deals of \$5 billion or more accounted for \$1.4 trillion of value across 72 transactions, close to 50% of the total M&A value for the year

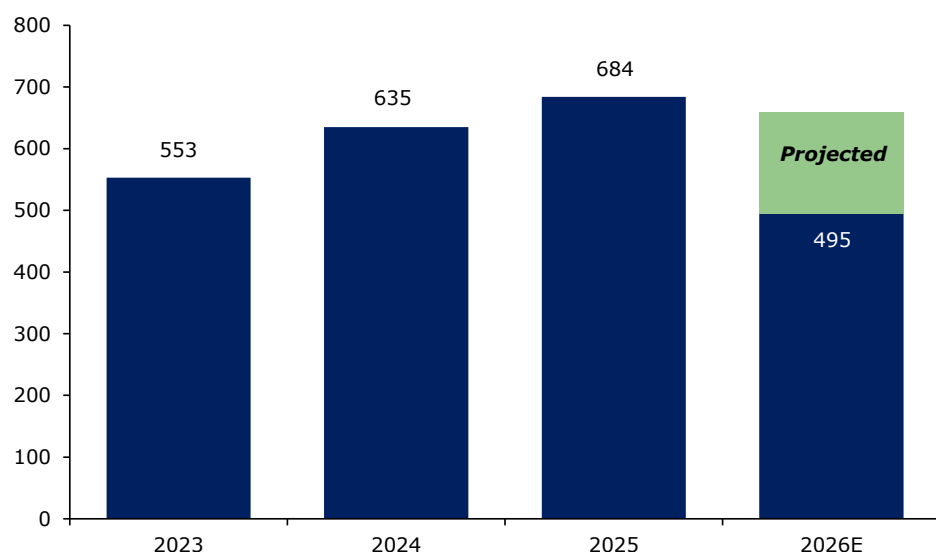
M&A Activity in the AEC Industry Remains Resilient



Transaction volume has kept pace with prior years as strong demand from strategic and financial buyers continues to support a healthy and competitive market

M&A Transactions in the AEC Industry

Estimated # of Transactions Across the AEC Industry by US & Canadian Acquirers



Activity continues to be driven by construction cycles, policy priorities, and durable funding tailwinds

Evolving Market Dynamics Driving Activity Across the Industry

- New buyers continue to be drawn to the industry, while established acquirers remain active
- The first half of 2026 saw more large-firm transactions than any prior first half:



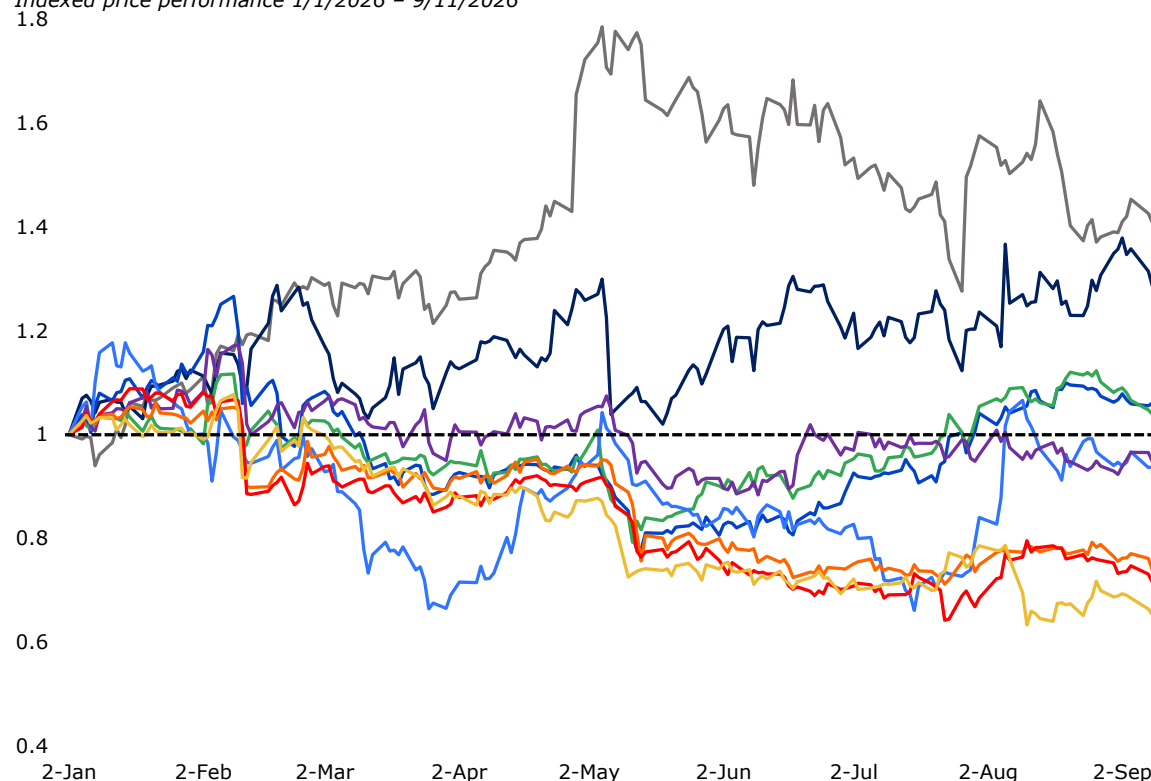
- Many of the most active acquirers have built the financial capacity and acquisition experience to pursue larger and/or more frequent transactions
- Newer "Buy & Build" entrants continue to increase competition for less-scaled assets; certain end-markets may be approaching saturation
- Appreciating internal valuations contributing to employee-owned firms seeking alternatives to the status quo

AI Fears Are Reshuffling the Public-Market Pecking Order



The market is rewarding field-based services seen as insulated from AI while creating challenges for acquisitive strategies

Indexed price performance 1/1/2026 – 9/11/2026



Field-based services businesses are viewed favorably by the market

- Boots-on-the-ground services difficult to replace
- Associated with recurring revenue streams
- Area that many considered spinning-off is now viewed as a counter-cyclical balance

Challenges to remain top buyer

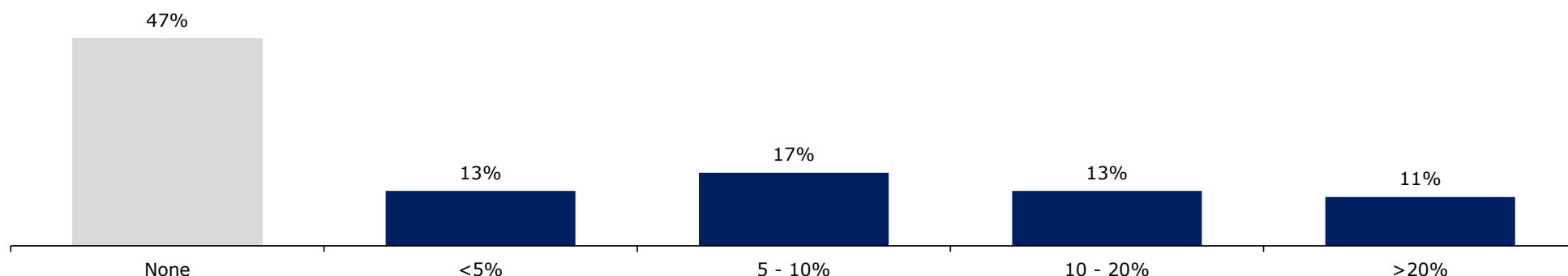
- Strategics were a major player for scaled PE-backed platforms in 2024 and 2025
- Significant synergies justified premium valuations
- Lower trading multiples have curtailed buying power / willingness to extend

Technology Advantage Matters, But Premiums Vary



While technology capabilities are increasingly influencing M&A strategy, buyer willingness to pay meaningful premiums remains highly variable

If you completed an acquisition to enhance your technology or innovation capabilities, what premium did you pay for the target?



Other Tech Themes to Watch

"Arms Race"

- High dollar spending on unproven solutions
- Some firms much better positioned to commit the capital
- Closely watching impacts on value – for those with and without the skills

SaaS Investor Entrance

- Outside capital rotating into AEC and out of software following the "SaaS apocalypse"
- Adding more fire-power into an already crowded space
- Bringing different investor skill set and operational lens to space

Agentic Screening

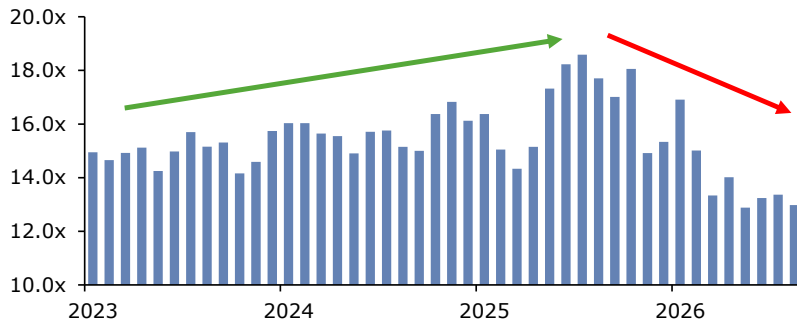
- AI-tools increasingly being used by broad swath of market to identify potential acquisition targets
- A human touch is increasingly important as owners receive deluge of non-personalized outreach

Private Markets Hold Firm

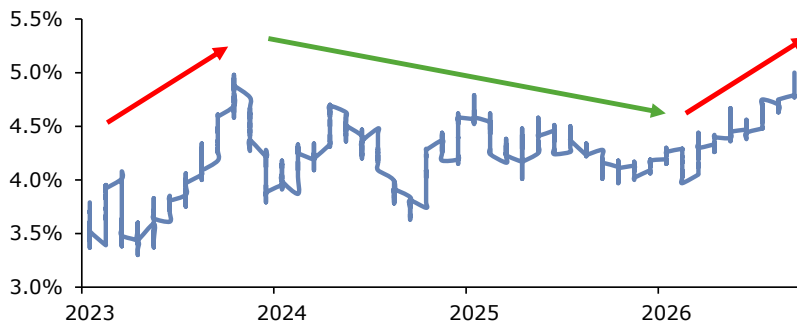


Private market valuations in the AEC industry remain resilient despite public market volatility

Public Company¹ Blended EV/EBITDA

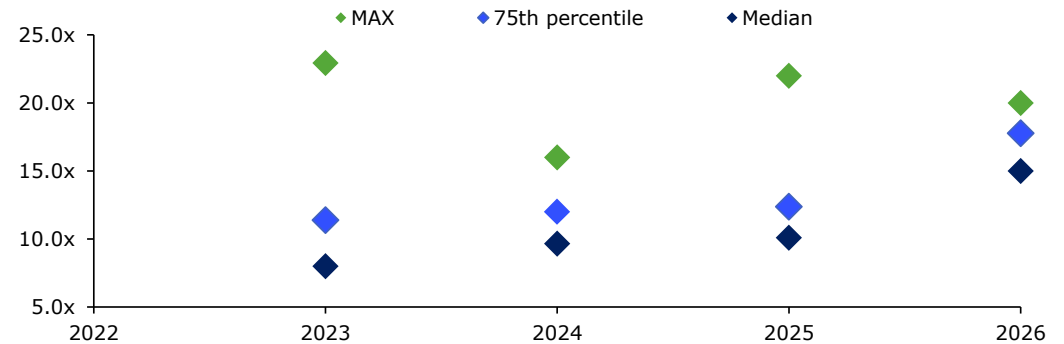


10 Yr Treasury Yield



Private Market Multiples Remain Elevated

Transactions with target revenue of \$25M – \$250M



Drivers of Private Market Insulation

Investor Influence

- Sustained private capital interest
- Increasing competition for scaled assets
- Sponsor need to deploy capital
- Buy & build strategies

Industry Fundamentals

- Recession resilience
- Recurring demand
- Capital-lite
- Long-term funding

1. Public companies include AECOM, AtkinsRéalis, Fluor, Jacobs Solutions, Quanta Services, Stantec, Tetra Tech, TIC Solutions, and WSP

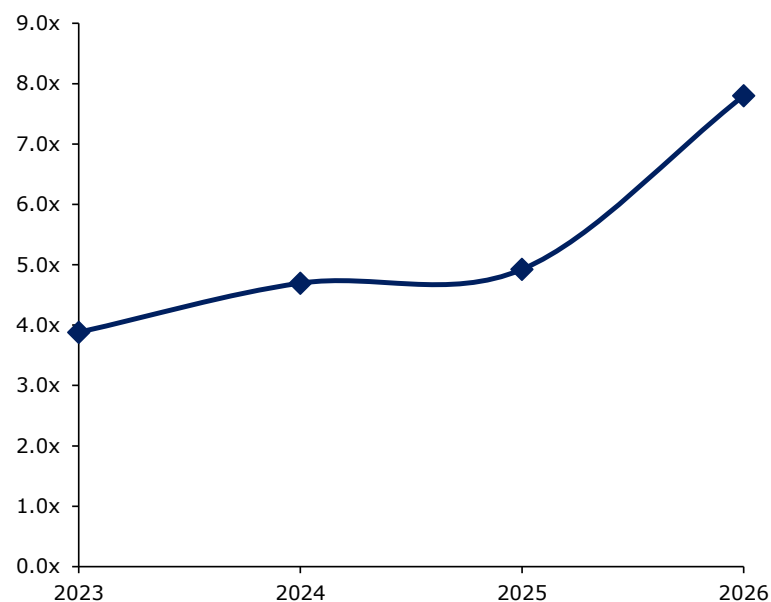
Buyer Activity Is Selective and Theme-Driven



As outside capital becomes more familiar with key industry performance indicators, not all firms are benefiting from sustained high multiples

Increasing Bifurcation...

Δ EBITDA multiple paid at the 75th percentile and 25th percentile



...Driven by Business Fundamentals

Firm Outlook

- Backlog & pursuits
- Financial performance through process
- Strength and experience of second-tier leadership
- AI resiliency or risk

Market Exposures

- Client and/or project concentration
- Competitive landscape and relative positioning
- End-market near and longer-term outlook
- Regulatory environment

Growth Levers

- Ability to efficiently deploy multiple levers for growth
- Existence of M&A or investment pipeline
- Opportunities for margin improvement
- FCF demands

Deal Dynamics

- Large owners retiring or exiting business
- Roll-over commitment
- Cleanliness of financials and ability to forecast
- Over-reliance on small handful of rainmakers

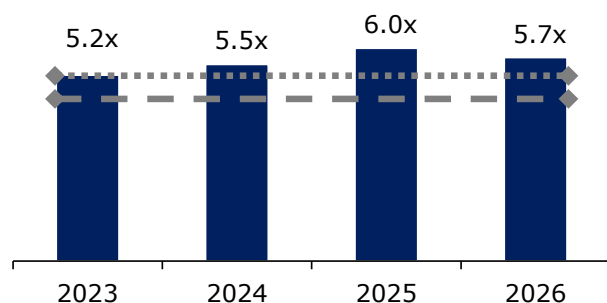
Multiples Remain Elevated Above Historical Norms

Multiples remain elevated across the market, with valuation growth most pronounced among larger, higher-quality assets

Target Firms with Revenues < \$25M

◆.....◆ **2023-2026 Median: 5.6x**

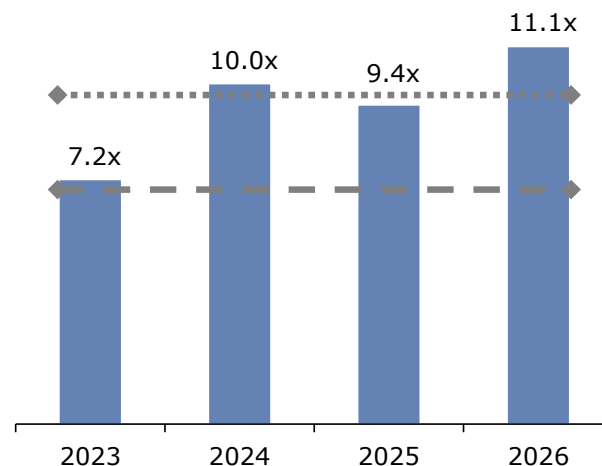
◆---◆ **Historical Median¹: 5.2x**



Target Firms with Revenues \$25M - \$250M

◆.....◆ **2023-2026 Median: 9.7x**

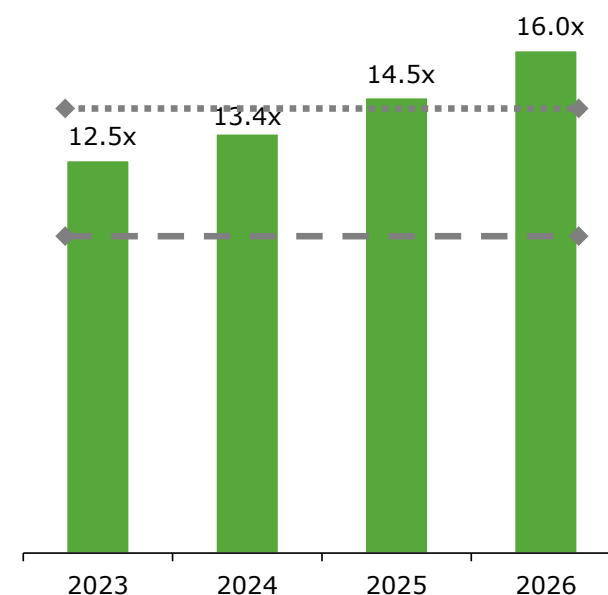
◆---◆ **Historical Median¹: 7.1x**



Target Firms with Revenues > \$250M

◆.....◆ **2023-2026 Median: 14.0x**

◆---◆ **Historical Median¹: 9.0x**



Source: EFCG Database
1. Historical median reflects 2000 thru YTD 2026.

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Strategic Impact



The market is evolving rapidly as new entrants and emerging technologies reshape the competitive landscape. In this environment, a well-defined M&A strategy has become essential for both buyers and sellers

Most Tangible Implications by Market Participation:

Buy-Side



Sell-Side

- **Preparation** is required to command a premium; amazing outcomes do not happen overnight. Doing the work can also better position the firm to perform stand-alone
- Define your **goals**; understand how they interact with the reality of the process. Having your cake and eating it, too, won't always be possible
- The market is not static, nor should you be. **Keep an open mind**

Non-Participant

- Pay attention to your competition; how and where are you investing to ensure you aren't left behind?

... then what? M&A is not a panacea for driving growth. There must be a plan for integration and measuring ROI

What Comes Next?



Themes we are tracking in the M&A market into Q4 and beyond

Volatility Here to Stay

- Geopolitical uncertainty
- Approaching mid-term elections
- Higher rate environment



Control What You Can

- In an uncertain macro environment, fundamentals matter most
- Limit internal volatility to better weather external pressure

Tech Arms Race

- The AI conversation will accelerate, particularly as well-financed companies prove applicable use cases
- Follow-on impacts to pricing



Stay Engaged

- Watch early movers for stumbles and real metrics
- Determine best-suited strategy – buy, build or borrow?
- Don't get caught flat footed – rate of change demands engagement

Crowded Market Increasing Competition

- Persistence of buy & build strategies, new market entrants, and strategics looking to grow: "everyone is a buyer"
- More buyers for the same assets will continue to support private market multiples – furthering divergence from the public market



Prepare to Win

- The same firms keep winning because they have an established playbook – create a playbook that works for your firm
- Alignment: set expectations, determine responsibility, craft a cohesive narrative

Key Takeaways

- **M&A activity remains resilient:** Even with persistent and increasing macro volatility, buyers have adjusted to deploying capital through uncertainty
- **Private market multiples continue to rise:** Numerous factors, including increasing competition, have contributed to the insulation of the private AEC market, for now
- **Buyer selectivity is increasing:** Business fundamentals need to justify premium pricing
- **Technology's effects are not uniform:** Perceived AI resiliency or proven AI-enablement driving premiums while disintermediation concerns abound
- **In a dynamic market, no one can afford to stay complacent:** Confronting an evolving market with strategy, whether participating in M&A or not, will be critical to maintaining competitive advantage

Ask Us Questions

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