

WSP to Acquire Power Engineers Setting a Milestone for Accelerated Growth

August 12, 2024

WSP (TSX: WSP) (“WSP”, the “Corporation”, “we”, “us” or “our”), a leading global professional services firm, proudly announces it has entered into an agreement to acquire Power Engineers, Incorporated (“POWER”) a prominent U.S. consulting firm with a leading presence in the Power & Energy (P&E) sector (the “Acquisition”). The Acquisition has been unanimously approved by the boards of directors of both companies. The proposed Acquisition is a strategic move in alignment with WSP’s vision to expand and enhance its P&E services, positioning the Corporation at the forefront of the industry.

POWER stands out with its nearly 50-year legacy of innovation and technical excellence, a highly respected brand, and a reputation for delivering quality services on complex projects. Based in Hailey, Idaho, POWER’s impressive team of approximately 4,000 employees, including approximately 900 shareholders, has a proven track record of serving the most prominent power utilities in North America.

The Acquisition, with a purchase price of US\$1,780 million (approximately \$2,443.9 million), reflects POWER’s estimated 2024 pre-IFRS 16 adjusted EBITDA³ at a multiple of 15.2x, or 12.5x post-synergies⁴. This strategic investment is expected to enhance WSP’s financial performance and contribute to meeting and exceeding the objectives of the Corporation’s 2022-2024 Global Strategic Action Plan.

Once the proposed Acquisition is closed, the integration of POWER is expected to complement WSP’s existing three core sectors: Transport & Infrastructure, Property & Buildings, and Earth & Environment; it will also create extensive cross-selling opportunities. Welcoming POWER to our already strong P&E platform, which will be led globally by Holger Peller, the current President and COO of POWER, is anticipated to drive accelerated growth.

The proposed Acquisition underscores WSP’s commitment to its long-term vision and 2022-2024 Global Strategic Action Plan, marking a pivotal step in building a leading global P&E franchise. WSP is thrilled about the prospect of welcoming POWER to the WSP family and is eager to explore the new opportunities this partnership will bring.

“The acquisition will mark a transformative step that will position us at the forefront of the energy transition. This opportunity brings forth a wealth of strategic benefits, including an expanded suite of innovative solutions for our clients and continuous professional growth opportunities for our employees,” commented Alexandre L’Heureux President and Chief Executive Officer of WSP. “By uniting WSP’s extensive global network and POWER’s deep technical expertise, we are poised to provide exceptional solutions and service quality to foster significant advancements in the communities we serve. The trust of our shareholders and our commitment to excellence will empower us to influence the future of the energy sector as we plan to expand our reach and power a sustainable future across the globe.”

Link to original press release:

<https://www.wsp.com/en-gl/news/2024/wsp-to-acquire-power-engineers>

