



Aecon enhances North American nuclear capability with agreement to acquire United Engineers & Constructors Inc.

TORONTO, Oct. 28, 2024 -- Aecon Group Inc. (TSX: ARE) ("Aecon" or the "Company") announced today that it has entered into a definitive purchase agreement to acquire United Engineers & Constructors Inc. ("United"), a nuclear and conventional power contractor headquartered in Mount Laurel, New Jersey, from affiliates of CriticalPoint Capital, LLC for a purchase price of US\$33 million (the "Transaction"), payable in cash at closing. United's management and operational teams will join Aecon upon closing of the Transaction, which is subject to customary adjustments and closing conditions, including obtaining all necessary regulatory approvals.

Founded in 1905, United provides end-to-end engineering, planning, and program and construction management services to nuclear and conventional power clients in the United States and Canada. United maintains a strategic focus on nuclear power plant life extensions and developing small modular reactor and power generation projects. The majority of United's revenues are conducted under Master Service Agreements and are recurring in nature.

Aecon and United have a proven relationship and are collaboratively engaged as joint venture partners in executing steam generator replacement work and fuel channel and feeder replacements on six units at the Bruce Nuclear Generating Station in Ontario.

"United strengthens our relationships with existing clients, provides opportunities to develop new clients, adds engineering capability and capacity, and accelerates our ability to harness the robust nuclear opportunities across North America while driving continued growth in the U.S. and priority markets," said Jean-Louis Servranckx, President and Chief Executive Officer, Aecon Group Inc. "United's strong technical expertise in digital instrumentation, control engineering and specialized construction will extend our self-perform offering and advance our continued diversification and growth with a strategic focus on the energy transition."

"We are pleased to welcome the United team to Aecon, and we look forward to supporting the growing nuclear market driven by increasing demand for clean, affordable and reliable energy, and global net-zero targets," said Thomas Clochard, Executive Vice President, Nuclear and Civil, Aecon Group Inc. "This strategic transaction enhances our Canadian presence and provides a strong platform to offer new services to key U.S. clients while expanding our footprint and role in building the next generation of nuclear infrastructure to enable future generations to thrive."

"By joining Aecon, the United team becomes part of a world-class construction and infrastructure development company," said Art Lembo, President and Chief Executive Officer, United. "The combined capability brings experience and processes to deliver large-scale integrated engineering and construction projects across North America and internationally. United, with its diverse business base of consulting, engineering services and EPC clients developed over 100 years of service to the electric power industry, is positioned to continue its prominent role in delivering nuclear and power generation projects as part of the Aecon family."

About Aecon

Aecon Group Inc. is a North American construction and infrastructure development company with global experience. Aecon delivers integrated solutions to private and public-sector clients through its Construction segment in the Civil, Urban Transportation, Nuclear, Utility, and Industrial sectors, and provides project development, financing, investment, management, and operations and maintenance services through its Concessions segment. Join our online community on X, LinkedIn, Facebook, and Instagram @AeconGroupInc.

About United Engineers & Constructors

United Engineers & Constructors is an industry leading infrastructure engineering, procurement, construction, and consulting company dedicated to improving lives by delivering the most impactful solutions. Since 1905, we have served the power industry by providing comprehensive lifecycle services for the nuclear, conventional generation, renewable, and distributed energy markets. Together with our clients and partners, we are unified in our efforts to deliver innovative and transformative infrastructure that is designed and built to meet the demands of today and the future.

Statement on Forward-Looking Information

The information in this press release includes certain forward-looking statements which may constitute forward-looking information under applicable securities laws. These forward-looking statements are based on currently available competitive, financial and economic data and operating plans but are subject to risks and uncertainties. Forward-looking statements may include, without limitation, statements regarding the operations, business, financial condition, expected financial results, performance, prospects, ongoing objectives, strategies and outlook for Aecon, including statements regarding: the ability of Aecon and United to integrate successfully following the Transaction, the expansion in the North America and global nuclear services market and driving continued growth in priority markets, the ability to advance our diversification and growth with a focus on the energy transition, the ability to capitalize on, and the continued growth of, the increasing demand for clean,

affordable and reliable energy, and the effective collaboration with United management. Forward-looking statements may in some cases be identified by words such as "may," "will," "expects," "target," "future," "plans," "believes," "anticipates," "estimates," "projects," "intends," "should" or the negative of these terms, or similar expressions.

In addition to events beyond Aecon's control, there are factors which could cause actual or future results, performance or achievements to differ materially from those expressed or inferred herein including, but not limited to: the risk of not being able to obtain the necessary regulatory approvals or other required customary closing conditions, risk of not being able to meet contractual schedules and other performance requirements, the risk of not being able to meet its labour needs, the risk of costs or difficulties related to the integration of Aecon and United being greater than expected, the risk of the anticipated benefits and synergies from the Transaction not being fully realized or taking longer than expected to realize, the risk of being unable to retain key personnel, including United management, the risk the anticipated continued increase in demand for clean, affordable and reliable energy not being realized, and the risk of being unable to maintain relationships with customers, suppliers or other business partners of United. These forward-looking statements are based on a variety of factors and assumptions including, but not limited to that: none of the risks identified above materialize, there are no unforeseen changes to economic and market conditions and no significant events occur outside the ordinary course of business. These assumptions are based on information currently available to Aecon, including information obtained from third-party sources. While Aecon believes that such third-party sources are reliable sources of information, Aecon has not independently verified the information. Aecon has not ascertained the validity or accuracy of the underlying economic assumptions contained in such information from third-party sources and hereby disclaims any responsibility or liability whatsoever in respect of any information obtained from third-party sources.

Risk factors are discussed in greater detail in Section 13 - "Risk Factors" in Aecon's 2023 Management's Discussion and Analysis for the fiscal year ended December 31, 2023 and Aecon's Management's Discussion and Analysis for the fiscal quarter ended June 30, 2024, each filed on SEDAR+ (www.sedarplus.ca). Except as required by applicable securities laws, forward-looking statements speak only as of the date on which they are made and Aecon undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

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