

An aerial photograph of a city skyline, likely Vancouver, with a dense cluster of skyscrapers and buildings. In the foreground, there's a harbor area with industrial structures, including a large white dome-shaped building and several cranes. The scene is framed by green trees in the lower corners. A semi-transparent white banner is overlaid across the middle of the image.

# Value & Market Insights

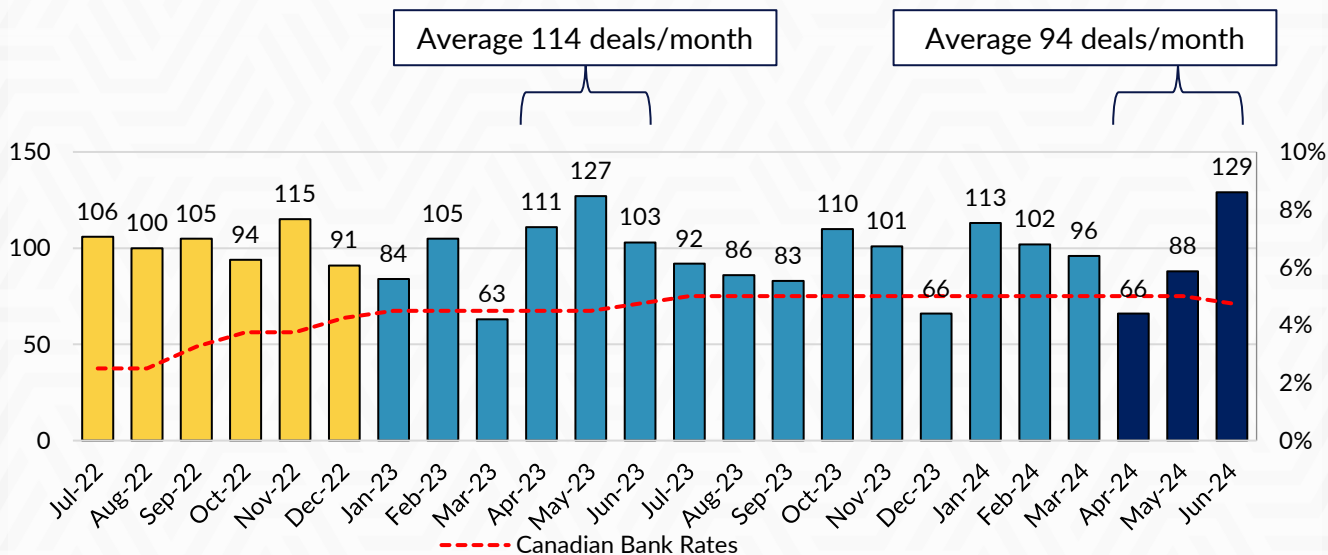
2024 | Q2

The logo for Sequeira Partners. It features a stylized bar chart icon with four vertical bars of increasing height from left to right, colored in a light blue. Below the icon, the word "sequeira" is written in a lowercase, sans-serif font. Underneath "sequeira", the word "PARTNERS" is written in a smaller, uppercase, sans-serif font.

sequeira  
PARTNERS

# Deal Volume Trends – Positive 2024 outlook

## Canadian Transaction Volume<sup>(1)</sup>



In Q2 2024, the average monthly transaction volume experienced a 17% year-over-year decline. However, the final month of the quarter showcased a strong rebound, signaling that buyers are ready to engage.

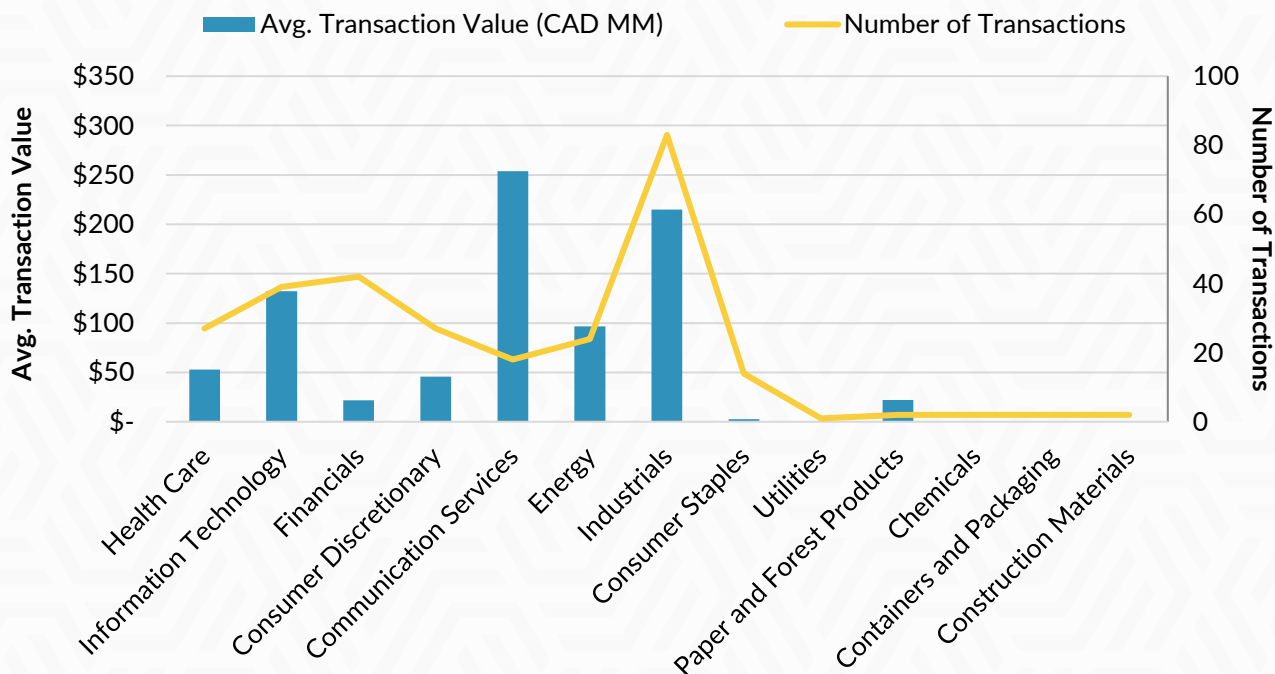
Deal Volumes	Q2 '24	Q2 '23	Change	%
April	66	111	-45	-41%
May	88	127	-39	-31%
June	129	103	26	25%

This resurgence aligns with the introduction of the new capital gains tax policy and a long-anticipated policy rate cut to 4.75% in June. Buyer interest has also grown from purchasers who had previously halted their acquisition appetite. Alongside financial sponsors with committed capital to be deployed, strategic corporations with readily available cash reserves continue to play a key role in driving deal activity.

Amidst ongoing economic uncertainty, buyers have remained cautious, focusing on significant acquisition opportunities while emphasizing risk management and strategic alignment. This has led to a selective approach in deal-making, with a preference for high-quality assets and resilient, secular industries that can withstand market fluctuations

# Industry Overview

## Q2 2024 Canadian Transactions By Industry <sup>(1,2)</sup>



## Q2 2024's Most Active Industries <sup>(1,2)</sup>

Industry	2024 Transaction Volume	
	Q2	Average Transaction Value <sup>(2)</sup>
Industrials	83	\$215.0M
Information Technology	39	\$132.3M
Consumer Discretionary	27	\$45.8M
Financials	42	\$21.9M
Energy	24	\$96.7M
Healthcare	27	\$53.0M

# Industry Overview

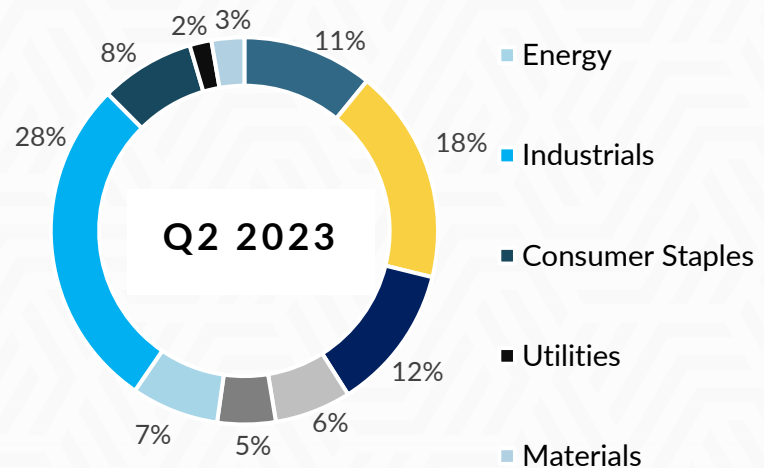
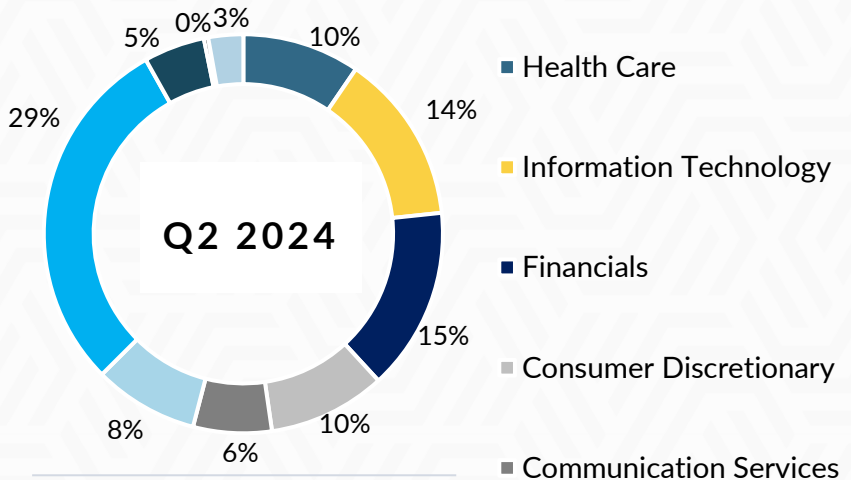
## Q2 2024 Canadian Transactions By Industry <sup>(1)</sup>

In Q2 2024, The top three industries with M&A activity in Canada continue to be Industrials, Information Technology, and Financials.

Industrial M&A transactions continue to comprise approximately one-third of the total deal volume, maintaining consistency with the prior year.

The information technology sector has seen a 4% decline in its share of total deals closed, dropping from 60 to 39 deals compared to last year.

Similarly, the Financial industry has seen a pullback with a 3% decline in its share of total deals closed compared to last year.





# Buyer Profile

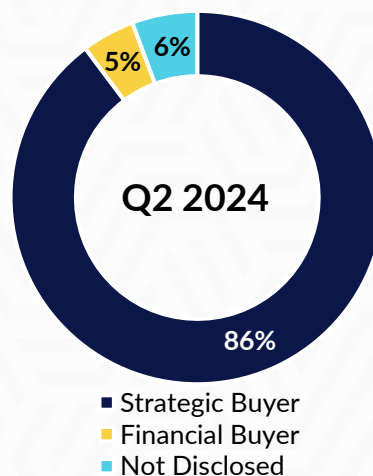
## Canadian Transactions By Buyer Location<sup>(1)</sup>

Buyer Location	Q2 2023 (Count)	Q2 2023 (%)	Q2 2024 (Count)	Q2 2024 (%)
Western Canada	76	22%	61	22%
Eastern Canada	98	29%	90	32%
USA	85	25%	67	24%
International	43	13%	31	11%
Not Disclosed	39	11%	34	11%
<b>Total</b>	<b>341</b>	<b>100%</b>	<b>311</b>	<b>100%</b>

Domestic buyers remain the largest group of acquirers in Q2 2024 with 54% buying out Canadian-based businesses during the quarter. While we see a slight dip in the volume of closed deals in the quarter this year, there are insignificant changes in buyer profiles acquiring Canadian businesses.

## Canadian Transaction By Buyer Type<sup>(1)</sup>

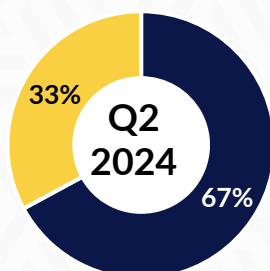
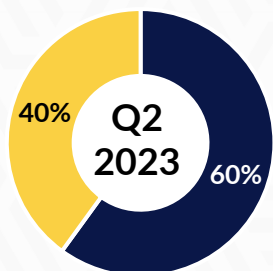
Strategic buyers continued dominating the pool of business acquirers in Q2 2024. Although there continues to be significant private equity dry powder looking to deploy, the interest rate increase makes acquisitions more expensive for financial buyers who rely on leverage for a better return. As a result, financial buyers have become more selective in their investment strategy.



Buyer Type	Q2 2023	Q2 2024
Strategic	89%	90%
Financial	6%	5%
Not Disclosed	5%	6%

# Seller Profile

## Western Canada vs. Eastern Canada<sup>(1)(2)</sup>



■ Western Canada  
■ Eastern Canada

Eastern Canadian companies continued making up the majority of the seller landscape in Canada for Q2 2024, with approximately 70% based in Ontario. Western Canadian businesses made up 33% of transactions in Q2 2024 compared to 40% in Q2 2023.

## Western Canadian Transactions By Location<sup>(1)(2)(3)</sup>

Seller Location	Q2 2023 (Count)	Q2 2023 (%)	Q2 2024 (Count)	Q2 2024 (%)
British Columbia	57	51%	29	43%
Alberta	39	35%	32	48%
Saskatchewan	4	4%	4	6%
Manitoba	11	10%	2	3%
<b>Total</b>	<b>111</b>	<b>100%</b>	<b>74</b>	<b>100%</b>
Notable Transactions <sup>(4)</sup>	\$1.2B acquisition of Absolute Software Corporation (TSX:ABST) by Crosspoint Capital Partners LP.		\$5.5B acquisition of Canadian Western Bank (TSX:CWB) by National Bank of Canada (TSX:NA)	

Q2 2024 saw a cool down in deal volume across Western Canada with 74 closed transactions compared to 111 in Q2 2023. Although deal volume has decreased, we have seen an increase in the size of deals, such as the \$5.5B acquisition of Canadian Western Bank By National Bank of Canada.

# Notable Canadian Transactions



## Select Q2 2024 Deals in Western Canada

Date	Target	Target Prov.	Buyer
6/25/2024	Prairie Steel Products Ltd.	SK	WGI Westman Group Inc.
6/24/2024	Fission Uranium Corp. (TSX:FCU)	BC	Paladin Energy Ltd (ASX:PDN)
6/20/2024	MedBright AI Investments Inc. (CNSX:MBAI)	BC	Numinus Wellness Inc. (TSX:NUMI)
6/12/2024	Veteran Capital Corp. (TSXV:VCC.P)	AB	Powerhive Inc.
6/11/2024	Copperleaf Technologies Inc. (TSX:CPLF)	BC	Industrial and Financial Systems, IFS AB (publ)
6/11/2024	Canadian Western Bank (TSX:CWB)	AB	National Bank of Canada (TSX:NA)
6/10/2024	Lion Gaming Group Inc.	AB	Adventure Box Technology AB (publ) (OM:ADVBX)
6/10/2024	Jacob Bros Construction Inc.	BC	Bird Construction Inc. (TSX:BDT)
6/6/2024	NCSG Crane & Heavy Haul Services Ltd.	AB	Barnhart Crane and Rigging Co.
5/22/2024	SEI Industries Ltd.	BC	TransDigm Group Incorporated (NYSE:TDG)
5/15/2024	CloudMD Software & Services Inc. (TSXV:DOC)	BC	CPS Capital
5/3/2024	FG Acquisition Corp. (TSX:FGAA.U)	BC	Strong/MDI Screen Systems, Inc.
5/1/2024	SITE Resources Group (nka Centurion Canada Infrastructure)	AB	Hillcore Group



# Recent Transactions

Advisor to




A portfolio company of




on the sale to



Advisor to



on the sale to



Advisor to



on the sale to



Sequeira Partners is proud to have acted as the financial advisor to SITE Resource Group on the sale to Hillcore Group; to NCSG Crane & Heavy Haul on the sale to Barnhart Crane and Rigging Co.; and to Prairie Steel on the sale to Westman Group Inc.

The Sequeira team provided advisory assistance throughout the transactions 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.

## About Us

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.

Learn more at: [www.sequeirapartners.com](http://www.sequeirapartners.com)

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