

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 a large industrial facility, possibly a port or refinery, featuring a large white dome and several cranes. The scene is framed by green trees in the foreground, suggesting a high vantage point. The overall lighting is bright and clear.

Value & Market Insights

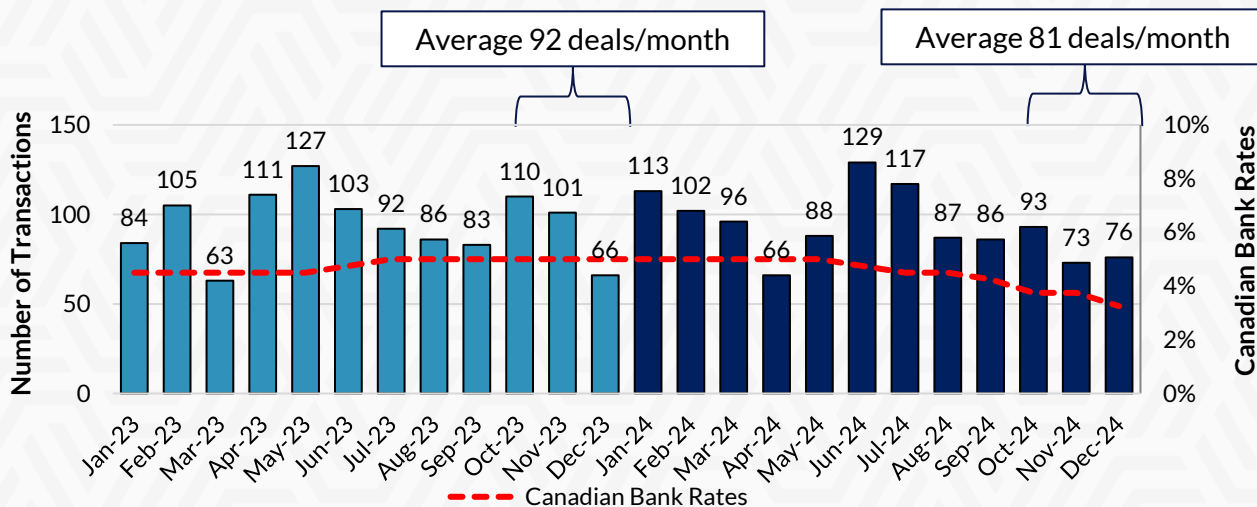
2024 | Q4

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

sequeira
PARTNERS

Deal Volume Trends

Canadian Transaction Volume ⁽¹⁾



In Q4 2024, the average monthly transaction volume declined by 13% year-over-year. However, a late-quarter uptick, combined with more favorable interest rates, signals optimism for a gradual rebound in 2025.

Deal Volumes	Q4 '24	Q4 '23	Change	%
October	93	110	-17	-15%
November	73	101	-28	-28%
December	76	66	10	15%

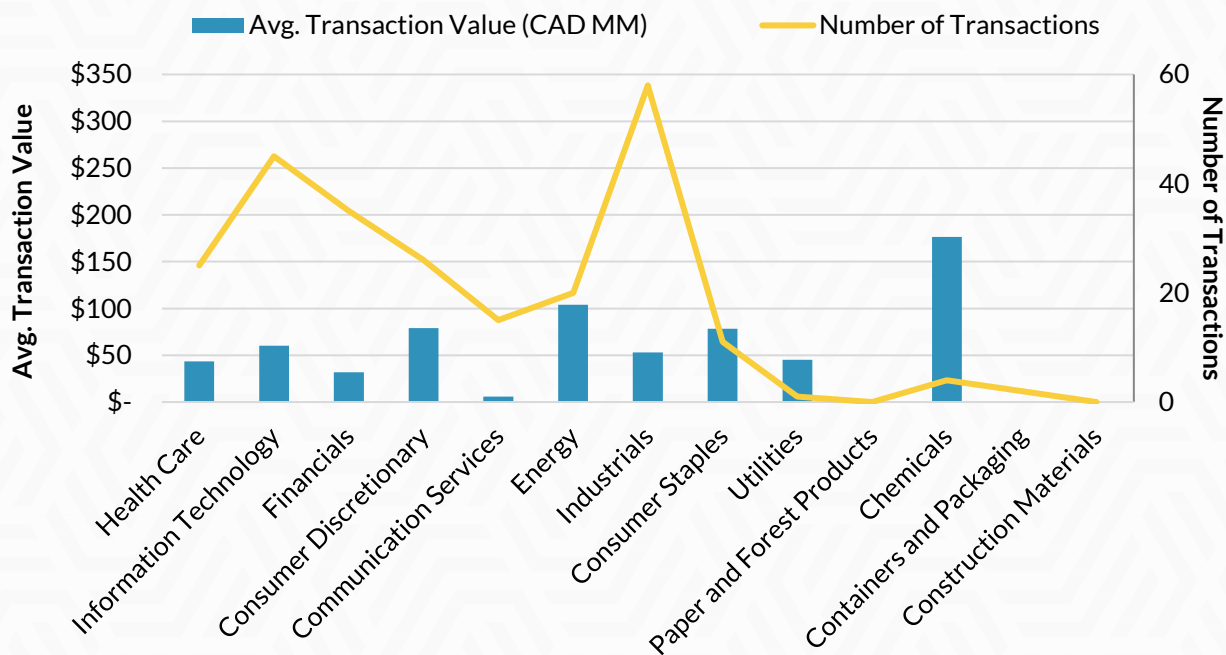
Despite a decline in transaction volume during Q4 2024, key indicators point to a positive outlook for Canadian M&A activity in 2025. The overall transaction value in 2024 increased by 23%, driven by a surge in public M&A deals exceeding \$1 billion. Additionally, private M&A activity gained momentum as private equity firms re-entered the market after a period of caution, setting the stage for increased deal flow in the year ahead.

However, a critical factor shaping Canadian M&A in 2025 is the threat of U.S. tariffs on Canadian imports. Although a 30-day pause was implemented on February 3rd, there will continue to be uncertainty until the issue is fully resolved, creating hesitancy in executing transactions. This uncertainty contributed to the decline in deal volume in November and December 2024.

As the market adapts, M&A activity in 2025 remains uncertain, with trade policy developments and investor sentiment likely to influence the pace and direction of dealmaking.

Industry Overview

Q4 2024 Canadian Transactions By Industry ^(1,2,3)



Q4 2024's Most Active Industries ^(1,2)

Industry	2024 Transaction Volume	
	Q4	Average Transaction Value ⁽²⁾
Industrials	58	\$52.9M
Information Technology	45	\$60M
Financials	35	\$31.7M
Health Care	25	\$43.4M
Consumer Discretionary	26	\$78.9M
Energy	20	\$103.9M

- (1) Source: S&P Capital IQ - Includes announced & closed deals
- (2) Excludes outliers - Transaction Value >\$1B CAD
- (3) Some Q4 2024 transactions have no disclosed transaction values, including deals in the utilities, chemicals, container and packaging, and construction materials industries

Industry Overview

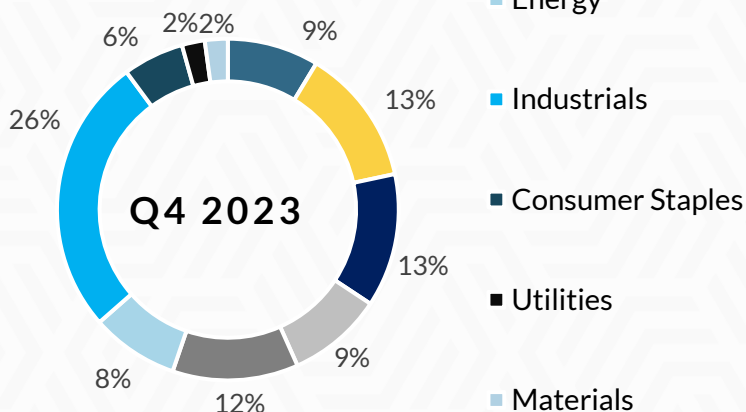
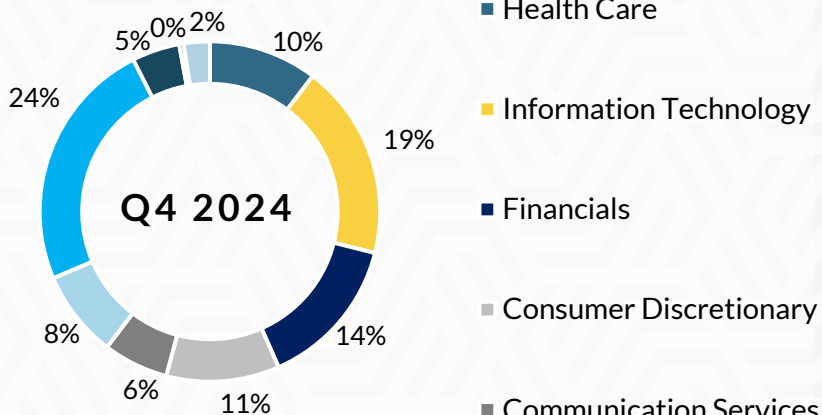
Q4 2024 Canadian Transactions By Industry ⁽¹⁾

M&A activity by industry in Q4 2024 was relatively consistent in comparison to 2023. With only the Information Technology and Communications Services industries seeing significant increases of 6% each compared to Q3, 2024.

Consistent with the previous year, Industrial M&A transactions saw the highest amount of M&A activity, as they made up about one-quarter of total deal volume.

The 6% rise in Information Technology activity highlights the growing trend of private equity firms expanding their investments in the tech sector.

In Communications Services, the 6% transaction growth has been driven by several high-profile strategic deals aimed at market expansion and technological innovation.



Buyer Profile

Canadian Transactions By Buyer Location⁽¹⁾

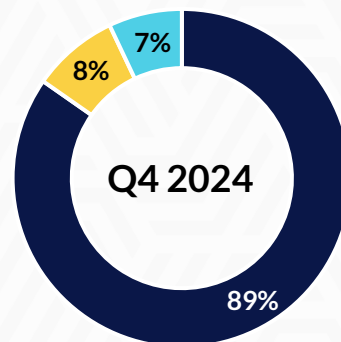
Buyer Location	Q4 2024 (Count)	Q4 2024 (%)	Q4 2023 (Count)	Q4 2023 (%)
Western Canada	47	19%	54	19%
Eastern Canada	68	28%	96	35%
USA	70	29%	53	19%
International	21	9%	30	11%
Not Disclosed	36	15%	44	16%
Total	242	100%	277	100%

Domestic buyers remained the largest group of acquirers in Q4 2024, accounting for 47% of acquisitions involving Canadian businesses despite the decline in the volume of Eastern Canadian buyers. Meanwhile, U.S. buyers showed a significant increase in activity, highlighting a growing interest in investing in Canadian companies.

Canadian Transactions By Buyer Type⁽¹⁾

Strategic buyers continued to dominate the M&A landscape in Q4 2024. However, the ongoing reduction in interest rates may shift dynamics in the coming quarters, enabling financial buyers to gain traction through cheaper financing and more attractive leveraged transactions. Additionally, it will be interesting to witness whether geopolitical developments and regulatory changes impact the buyer profile, particularly in cross-border deal activity.

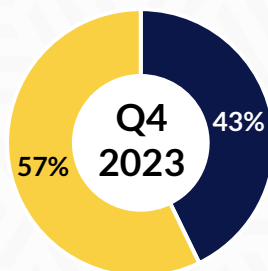
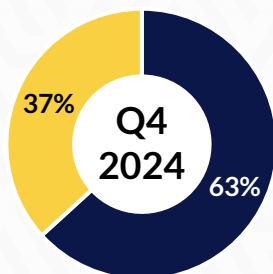
Buyer Type	Q4 2024	Q4 2023
Strategic	89%	86%
Financial	8%	6%
Not Disclosed	7%	8%



- Strategic Buyer
- Financial Buyer
- Not Disclosed

Seller Profile

Western Canada vs. Eastern Canada ⁽¹⁾⁽²⁾



■ Western Canada
■ Eastern Canada

Eastern Canada represented the majority of the seller landscape in Q4 2024, aligning with historical trends. While Q4 2023 saw a surge in transactions in Western Canada that briefly outpaced Eastern Canada, the 2024 results reflect a return to the typical regional balance.

Western Canadian Transactions By Location ⁽¹⁾⁽²⁾⁽³⁾

Seller Location	Q4 2024 (Count)	Q4 2024 (%)	Q4 2023 (Count)	Q4 2023 (%)
British Columbia	37	49%	54	57%
Alberta	31	41%	36	38%
Saskatchewan	3	3%	2	2%
Manitoba	4	4%	3	3%
Total	75	100%	95	100%
Notable Transactions ⁽⁴⁾	\$1.075B acquisition of Westbrick Energy Ltd. by Vermilion Energy Inc. (TSX:VET)		\$2.6B acquisition of Hammerhead Energy Inc. by Crescent Point Energy Corp. (TSX:CPG)	

Deal volume across Western Canada decreased year-over-year in Q4 2024, with a total of 75 closed transactions. This decline was largely driven by a significant drop in transactions in British Columbia, which fell from 54 deals in Q4 2023 to 37 in Q4 2024.

Notable Western Canadian Transactions



Select Q4 2024 Deals in Western Canada

Date	Target	Target Prov.	Buyer
12/24/2024	Cascade Process Controls	AB	Mako Industries
12/23/2024	Westbrick Energy Ltd.	AB	Vermilion Energy Inc. (TSX:VET)
12/23/2024	Payfare Inc. (TSX:PAY)	BC	1517452 B.C. Ltd., an affiliate of Fiserv, Inc. (NYSE:FI)
12/17/2024	Shuman Insurance LTD.	AB	BrokerLink
12/17/2024	Falcon Equipment Ltd.	BC	R.E.L.A.M., Inc.
12/10/2024	Alberta Wilbert Sales	AB	Petwin Private Equity
12/02/2024	Gear Energy Ltd. (TSX:GXE)	AB	Cenovus Energy Inc. (TSX:CVE)
11/06/2024	Todd Energy Canada Limited	AB	Tourmaline Oil Corp. (TSX:TOU)
11/05/2024	Sunnynook Solar Energy Inc.	AB	Metlen Energy & Metals S.A. (ATSE:MYTIL)
11/05/2024	Global Ag Risk Solutions	SK	HUB International
10/30/2024	Strata Health Solutions Inc.	AB	Vitalhub Corp. (TSX:VHI)
10/17/2024	Plasti-Fab Ltd.	AB	Carlisle Companies Incorporated (NYSE:CSL)
10/08/2024	Arcland Resources Inc. (TSXV:ADR.H)	BC	Next Lithium Corp.



Recent Sequeira Transactions

<p>Advisor to</p>  <p>on the sale to</p> 	<p>Advisor to</p>  <p>on the sale to</p> 	<p>Advisor to</p>  <p>on the sale to</p>  <p>A portfolio company of</p> 
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Sequeira Partners is proud to have acted as the financial advisor to Alberta Wilbert Sales on the sale to Petwin Private Equity; to Cascade Process Solutions on the sale to Mako Industries; and to Falcon Equipment on the sale to RELAM.

The Sequeira team provided our clients with advisory assistance including marketing the businesses, 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



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