



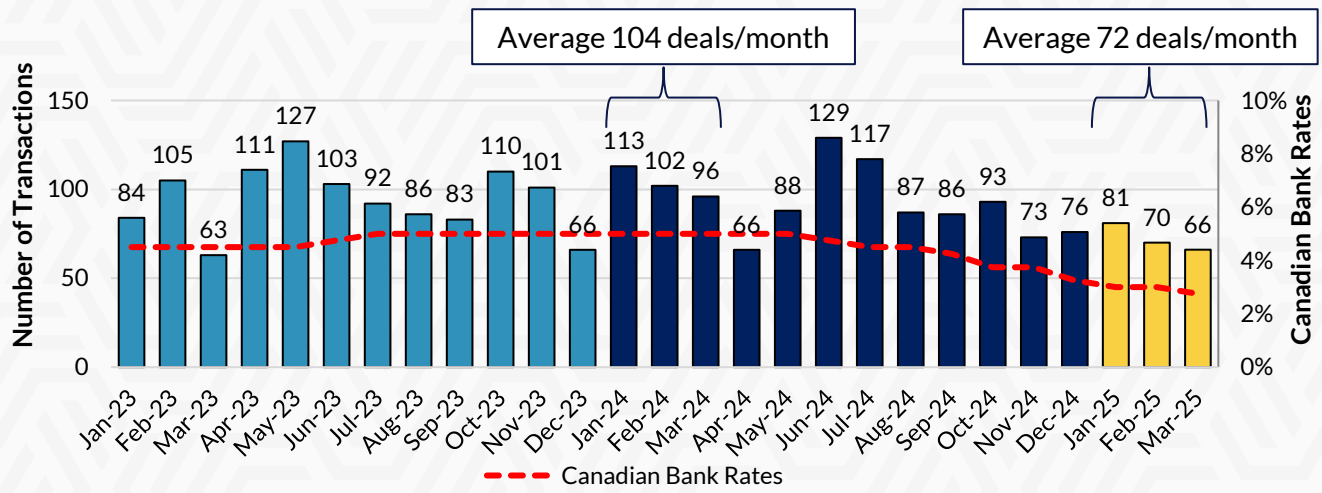
Value & Market Insights

2025 | Q1


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PARTNERS

Deal Volume Trends

Canadian Transaction Volume⁽¹⁾



While many anticipated a resurgence in M&A activity in 2025 following two years of subdued deal flow, the first quarter painted a more cautious picture. Average monthly transaction volume declined by 31% year-over-year—a sharper drop than expected. This drop is largely attributed to tariff announcements made by the U.S. administration, which have introduced a heightened level of uncertainty into the market.

Deal Volumes	Q1 '25	Q1 '24	Change	%
January	81	113	-32	-28%
February	70	102	-32	-31%
March	66	96	-30	-31%

Trade policy remains highly fluid, and this unpredictability is weighing on deal confidence. Both buyers and sellers are exhibiting caution, particularly in sectors heavily reliant on cross-border trade or that have exposure to the U.S. market. In these industries, concerns around long-term cash flow and growth potential are leading to delays in deal execution or a pause in processes altogether.

That said, there is still significant capital on the sidelines. Private equity firms and corporations continue to hold record levels of dry powder and cash, and their interest in high-quality acquisition targets remain. Premium businesses with strong fundamentals, resilient cash flows, and compelling growth stories, continue to attract buyers.

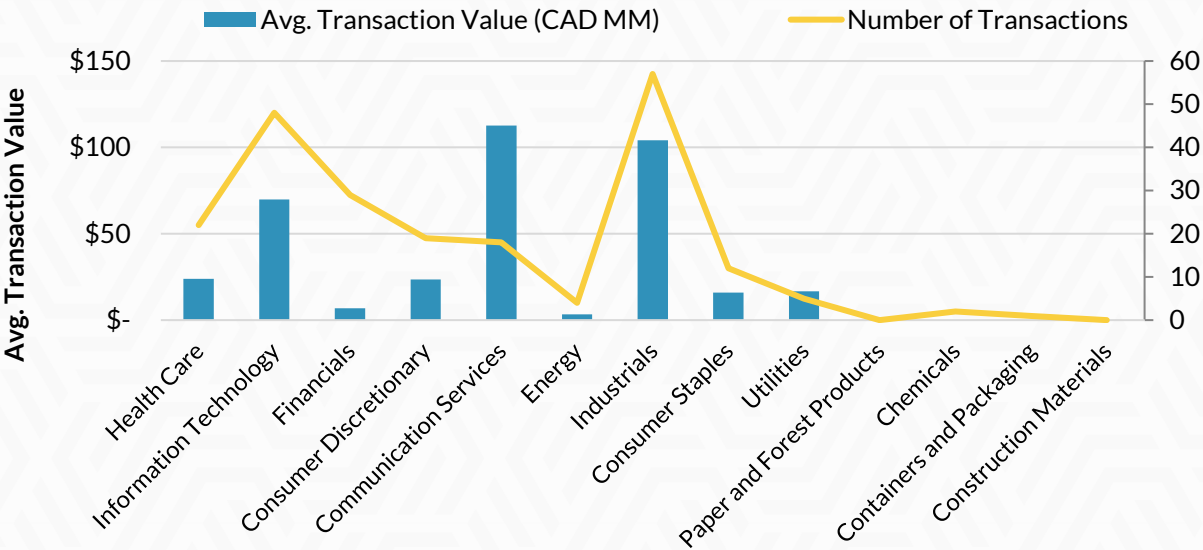
As buyers navigate shifting trade dynamics, sellers who take a proactive approach—preparing early, identifying key value drivers, and running a structured process—will be best positioned in the market.

⁽¹⁾ Source: S&P Capital IQ – Includes announced & closed deals under \$1B CAD

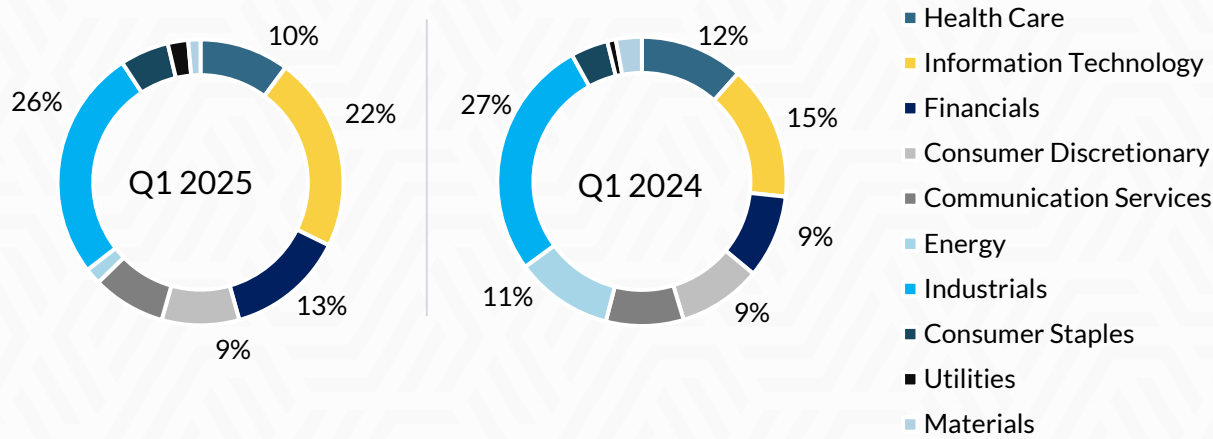
Industry Overview



Q1 2025 Canadian Transactions By Industry ^(1,2,3)



Most Active Industries by Transaction Volume ^(1,2)



(1) Source: S&P Capital IQ – Includes announced & closed deals
(2) Excludes outliers – Transaction Value > \$1B CAD
(3) Some Q1 2025 transactions have no disclosed transaction values, including deals in the utilities, chemicals, container and packaging, and construction materials industries

Buyer Profile



Canadian Transactions By Buyer Location⁽¹⁾

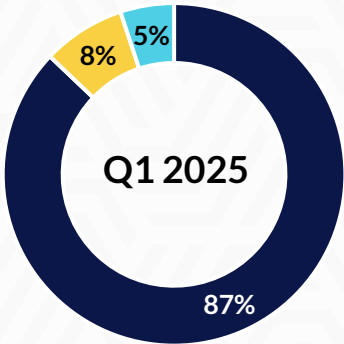
Buyer Location	Q1 2025 (Count)	Q1 2025 (%)	Q1 2024 (Count)	Q1 2024 (%)
Western Canada	55	25%	78	25%
Eastern Canada	67	31%	94	30%
USA	53	25%	74	24%
International	18	8%	33	11%
Not Disclosed	24	11%	32	10%
Total	217	100%	311	100%

Domestic buyers remained the most active acquirers in Q1 2025, accounting for 56% of transactions involving Canadian businesses. While the total number of Canadian transactions declined from 311 in Q1 2024 to 217 in Q1 2025, the geographic distribution of buyers remained consistent across regions.

Canadian Transactions By Buyer Type⁽¹⁾

Strategic buyers remained the dominant force in Canadian M&A activity in Q1 2025, accounting for 87% of disclosed transactions—consistent with prior quarters. Financial buyer activity saw a modest increase from 5% to 8%, though their overall share remains limited. With additional interest rate cuts expected from the Bank of Canada later in 2025, financial buyers may become more active as conditions for leveraged transactions improve.

Buyer Type	Q1 2025	Q1 2024
Strategic	87%	88%
Financial	8%	5%
Not Disclosed	5%	7%

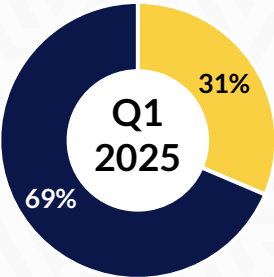


- Strategic Buyer
- Financial Buyer
- Not Disclosed

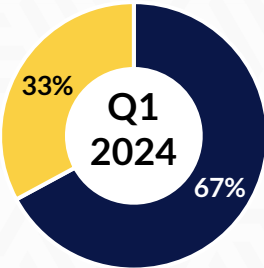
⁽¹⁾ Source: S&P Capital IQ – Includes announced & closed deals

Seller Profile

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



Western Canada
Eastern Canada



Q1 2025 saw relatively consistent distribution in regional transaction activity when compared to Q1 2024, with Eastern Canada making up 69% of the seller landscape. This displays a typical composition of activity, suggesting continued stability in regional dynamics.

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

Seller Location	Q1 2025 (Count)	Q1 2025 (%)	Q1 2024 (Count)	Q1 2024 (%)
British Columbia	28	43%	42	57%
Alberta	26	40%	30	41%
Saskatchewan	4	6%	1	1%
Manitoba	7	11%	1	1%
Total	65	100%	74	100%
Notable Transactions ⁽⁴⁾	\$5.6B acquisition of Canadian Western Bank by National Bank. (TSX:NA)		\$5.4B acquisition of Enerplus Corporation (TSX:ERF) by Chord Energy Corporation (NasdaqGS:CHRD)	

Transaction activity in Western Canada declined in Q1 2025, with 65 closed deals as compared to 74 in the prior year. The year-over-year drop was primarily due to reduced deal flow in British Columbia, where activity fell from 42 transactions in Q1 2024 to just 28 this quarter.

(1) Source: S&P Capital IQ – Includes announced & closed deals
(2) Excludes deals where Seller or Seller Location was undisclosed
(3) Number of deals in the quarter with a Western Canadian target
(4) Transaction where Enterprise Value is disclosed

Notable Western Canadian Transactions



Select Q1 2025 Deals in Western Canada

Date	Target	Target Prov.	Buyer
2/1/2025	Armour Insurance	AB	BrokerLink
2/3/2025	Sonic Strategy Inc.	BC	Spetz Inc.
2/3/2025	Canadian Western Bank	AB	National Bank (TSX: NA)
2/18/2025	Kobelt Manufacturing Co.Ltd.	AB	Twin Disc, Incorporated (NasdaqGS:TWIN)
2/21/2025	Emotion Media Inc.	MB	IC Group Holdings Inc. (TSXV:ICGH)
3/3/2025	Minaean SP Construction Corp. (TSXV:MSP)	BC	Bristol Management Limited
3/3/2025	Primary Engineering and Construction Corporation	AB	OEC
3/6/2025	Jura Energy Corporation (TSXV:JEC)	AB	IDL Investments Limited
3/11/2025	Pendleton Lake Exploration Corp.	SK	Patterson Metals Corp. (TSXV:PAT)
3/18/2025	Goldpan Technologies Corp.	BC	Klue Labs Inc.
3/20/2025	BHD Instrumentation Limited	AB	JM Test Systems, LLC
3/25/2025	Fastkey Technology Ltd.	BC	Newton Connectivity Systems Inc.





Western Canada's Leading Independent Transaction Boutique

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

Recent Transaction



Sequeira Partners is proud to have acted as the financial advisor to Armour Insurance on the sale to BrokerLink.

The Sequeira team provided advisory assistance throughout the transaction 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.

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