Value & Market Insights

2025 | Q3

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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 Transactions

Advisor to

MORGAN

Has refinanced their debt facilities

Gordon Brothers 1903

$150,000,000 Base
$50,000,000 Accordian

Advisor to

GNS INDUSTRIAL TRAILER SERVICES LTD.

on its partnership with

An Undisclosed Partner

Advisor to

An Undisclosed IT Managed Services Provider

on its sale to

An Undisclosed Buyer

Sequeira Partners is proud to have acted as the financial advisor to Morgan Construction on its refinancing with Gordon Brothers, to GNS Industrial Trailer Services on its partnership with an undisclosed partner, and to an undisclosed IT MSP on its sale to an undisclosed buyer.

The Sequeira team provided comprehensive advisory assistance across both transactions. For Morgan Construction, Sequeira assisted with sourcing, cash flow modeling, and negotiating financing terms.

For GNS and the undisclosed IT MSP, Sequeira supported the process through 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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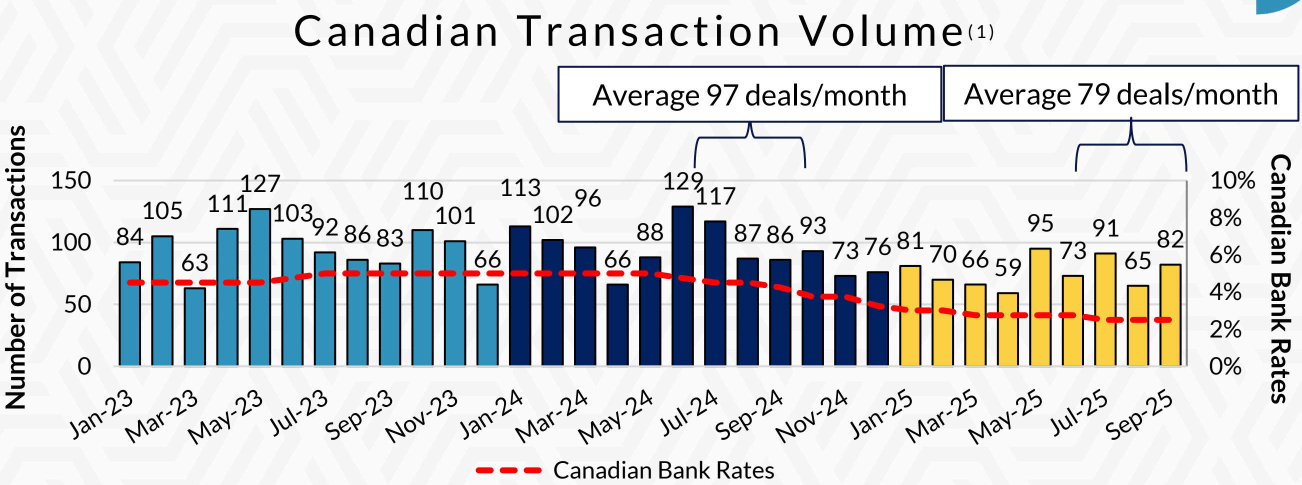
Deal Volume Trends



After a subdued M&A market in 2024, dealmakers entered 2025 expecting a rebound in activity, only to face headwinds from geopolitical tensions and looming trade wars. While overall deal volume remains below last year's levels, momentum is building – Q3 2025 average 79 deals per month compared to 75 in Q2, signaling a gradual market recovery.

Deal Volumes	Q3 '25	Q3 '24	Change	%
July	91	117	-26	-26%
Aug	65	87	-22	-22%
Sept	82	86	-4	-5%
Total	**238**	**290**	**-52**	**-18%**

In this climate, we are also seeing noticeable shifts in how deals are structured and executed:

1) **Extended Deal Timelines**: Deal timelines have extended as a result of increased due diligence requirements and the need for frontloading of integration from buyers.

2) **Creative deal structures**: To bridge valuation gaps and balance risk, more buyers are proposing contingent elements, such as earnouts. The arrangements are evolving beyond financial performance metrics based on revenue or EBITDA, with some involving more qualitative aspects. For example, it could be based on operational milestones, smooth transition goals, or seller involvement post-close. Sellers, in turn, are weighing certainty and stability alongside potential price, often opting for the deal that offers the clearest path to completion.

With Q3 activity picking up, 2026 is expected to see even stronger deal flow. Deal structures and processes are evolving, reflecting how the market is adapting to uncertainty while continuing to get deals done.

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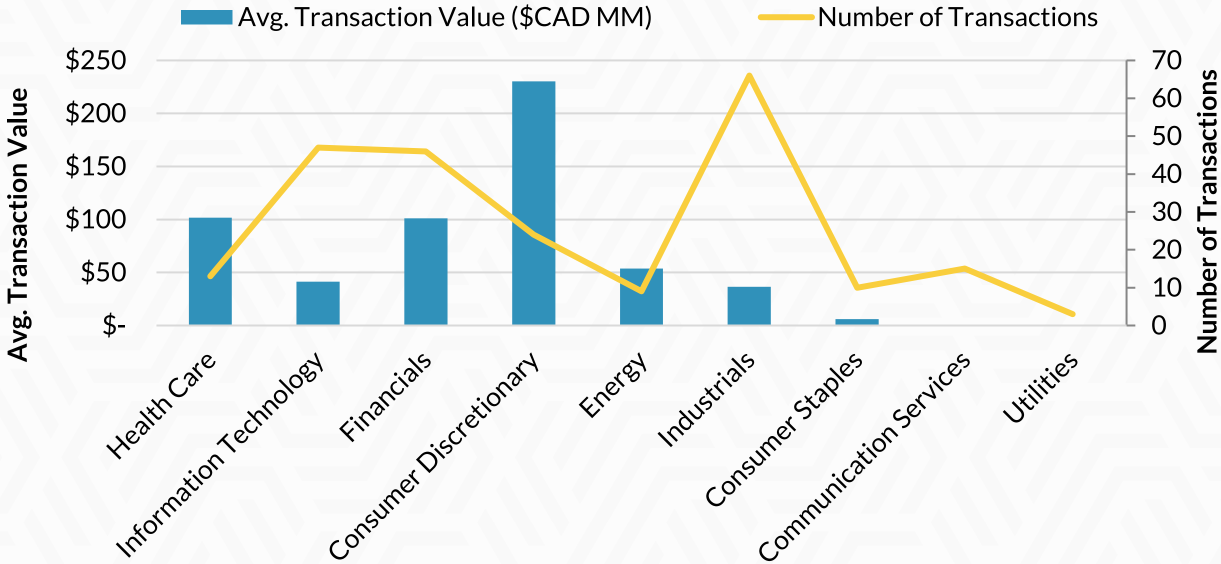
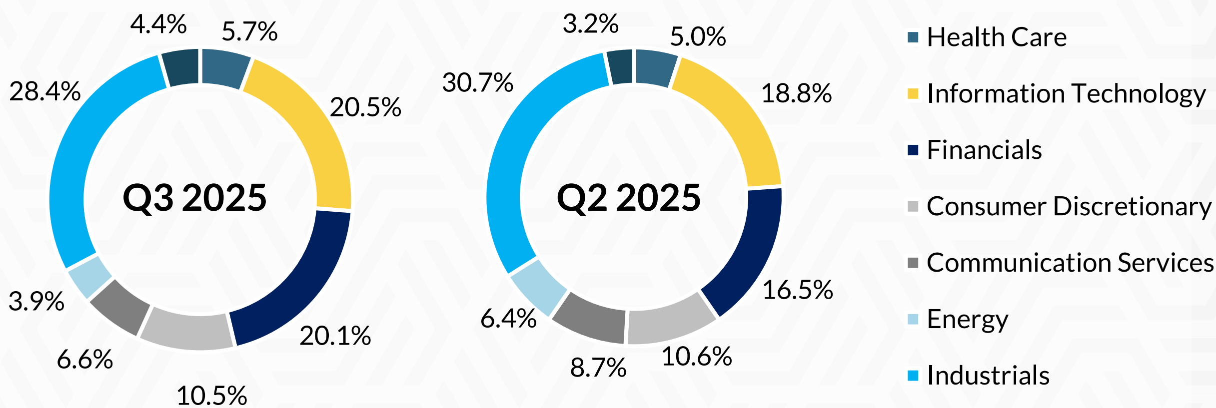
(1) Source: S&P Capital IQ – Includes announced & closed deals under $1B CAD

Industry Overview

Q3 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 Q3 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]

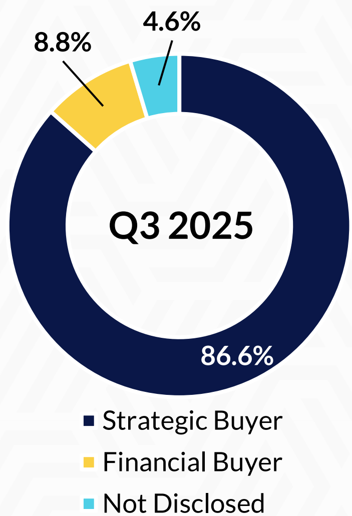
Buyer Location	Q3 2025 (Count)	Q3 2025 (%)	Q3 2024 (Count)	Q3 2024 (%)
Western Canada	54	23%	80	28%
Eastern Canada	80	34%	69	24%
USA	62	26%	79	27%
International	28	12%	32	11%
Not Disclosed	14	5%	30	10%
Total	**238**	**100%**	**290**	**100%**

In a quarter marked by slower deal volume, Canadian buyers remained the most active in Q3 2025, accounting for most disclosed transactions. Eastern Canadian buyers were particularly active, showing a significant increase compared to last year, while activity from Western Canadian buyers declined.

Canadian Transactions By Buyer Type[1]

Strategic buyers continued to dominate Canadian M&A activity in Q3 2025, accounting for approximately 87% of disclosed transactions — consistent with prior-year levels. Activity from financial buyers nearly doubled to around 9%, reflecting a gradual rebound in sponsor engagement amid improving credit conditions. While strategic acquirers remain the main driver of deal flow, the rise in financial buyer involvement signals increasing confidence as market stability returns.

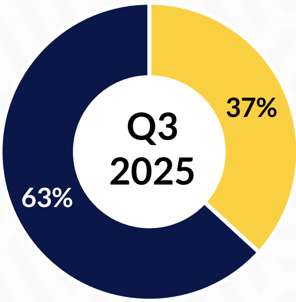
Buyer Type	Q3 2025	Q3 2024
Strategic	87%	89%
Financial	9%	5%
Not Disclosed	4%	6%

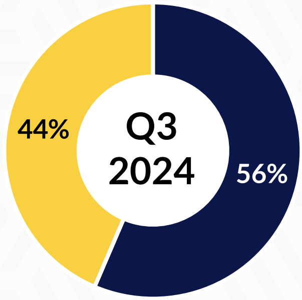


[1] Source: S&P Capital IQ – Includes announced & closed deals

Seller Profile

Western Canada vs. Eastern Canada[1][2]





Western Canada
Eastern Canada

Q3 2025 saw a notable regional shift in seller activity, with Eastern Canada representing 63% of transactions and Western Canada 37%. Eastern Canada's share rose from 56% in Q3 2024, reflecting increased divestiture activity in the region and a corresponding pullback in Western Canada.

Western Canadian Transactions By Location[1][2][3]

Seller Location	Q3 2025 (Count)	Q3 2025 (%)	Q3 2024 (Count)	Q3 2024 (%)
British Columbia	40	47%	46	49%
Alberta	33	39%	40	42%
Saskatchewan	7	8%	5	5%
Manitoba	5	6%	4	4%
Total	**85**	**100%**	**95**	**100%**
Notable Transactions[4]	$8.7B announced acquisition of MEG Energy (TSX:MEG) by Cenovus Energy (TSX:CVE).		$3.4B acquisition for the Renewable Energy Business of Algonquin Power & Utilities Corp by Altius Renewables, ULC.	

Transaction activity in Western Canada moderated in Q3 2025, with 85 closed deals compared to 95 in the same quarter last year. While British Columbia and Alberta remained the main contributors, Saskatchewan and Manitoba saw greater participation, marking an uptick in activity across the smaller provincial markets.

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(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 Q3 2025 Deals in Western Canada			
Date	**Target**	**Target Prov.**	**Buyer**
09/24/2025	Meridian Energy Services	SK	Hillcore Industrial
09/03/2025	Fraser River Pile & Dredge (GP)	BC	Bird Construction (TSX:BDT)
09/03/2025	The ITeam	AB	Lyra Technology Group
09/03/2025	Corporate Networks	AB	Lyra Technology Group
08/20/2025	Okanagan Test Rite Liveline Tool Services	BC	Linestar Utility Supply
08/20/2025	Bornhorst Mechanical	MB	Bee-Clean Building Maintenance Incorporated
08/10/2025	Stargate Foundation	BC	LayerZero Labs
08/05/2025	RIGHT CHOICE Camps & Catering	AB	Dexterra Group
07/15/2025	AMTRA Solutions	AB	F12 Networks
07/14/2025	ESSA Pharma	BC	Alexis Bio
07/07/2025	Sprott-Shaw College Of Business	BC	BPP Education Group
07/03/2025	Iron Horse Energy Services	AB	Trican Well Service (TSX:TCW)

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