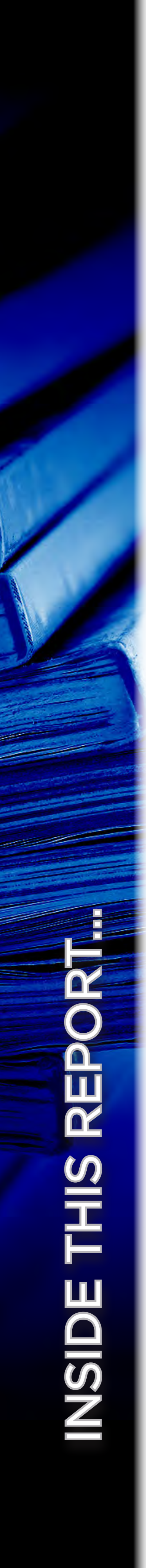
ORIGIN
MERCHANT PARTNERS

Q4 2024

NORTH AMERICAN M&A REPORT

A review of the North American Middle Market in 2024 and outlook for 2025



Q4 2024 HIGHLIGHTS

North American Middle Market volumes were mixed throughout 2024 as deal activity slowed greatly from the highs of 2021, however the market showed signs of stabilization and improvement in the latter half of the year. Both US and Canadian middle market saw subdued, but positively trending activity. While the resolved political uncertainty of 2024 has settled some questions in the US, the new administration and the weak Canadian dollar creates a complex situation for M&A in Canada.

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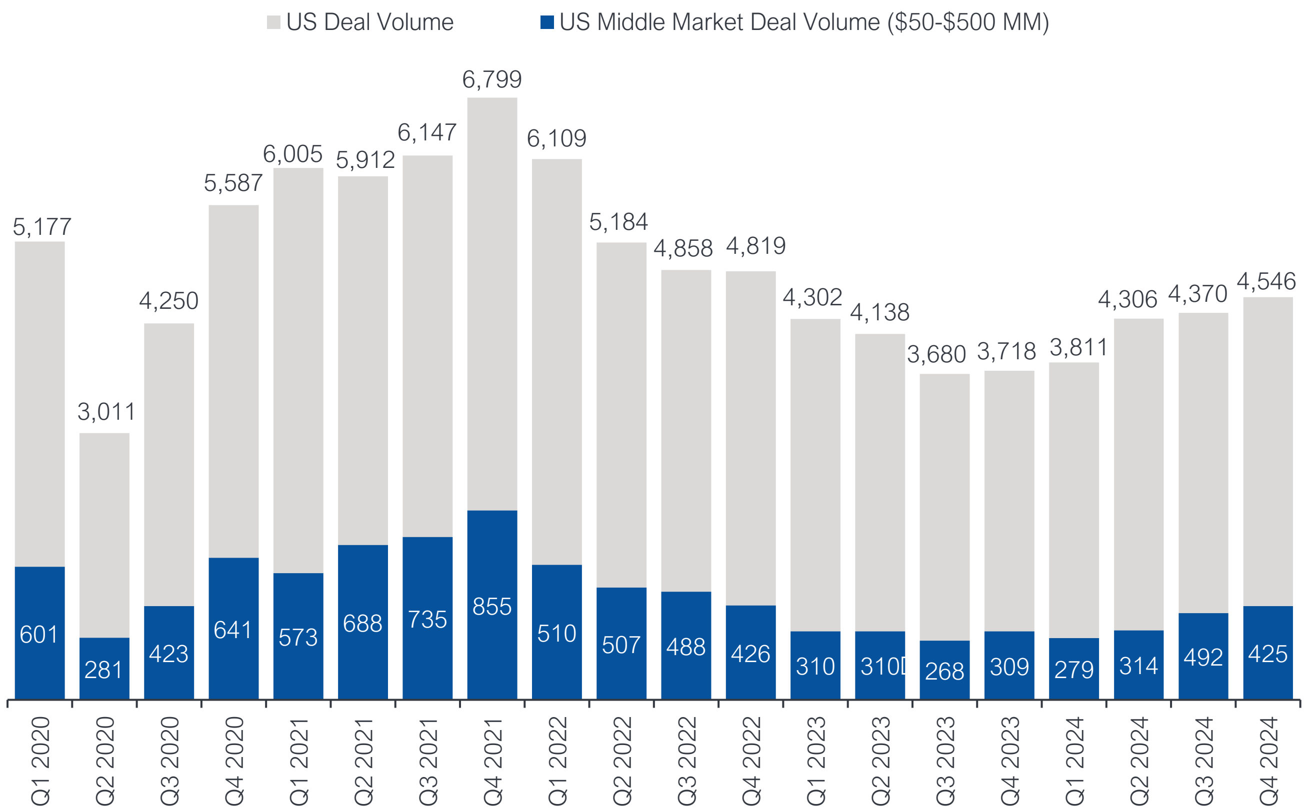
THE NORTH AMERICAN MIDDLE MARKET

In Q4 2024, M&A activity across North America continued to improve, largely responding to easing credit markets and interest rate cuts. M&A Activity saw a sluggish recovery at the start of the year as regulatory concerns, geopolitics, and the number of global elections contributed to uncertainty in the markets. However by the end of the year a clear outcome of the US election and an easing domestic regulatory outlook has supported more optimism about the economy and a strong pick up in activity.

TOTAL US DEAL VOLUME (Q4 2019–Q4 2024)

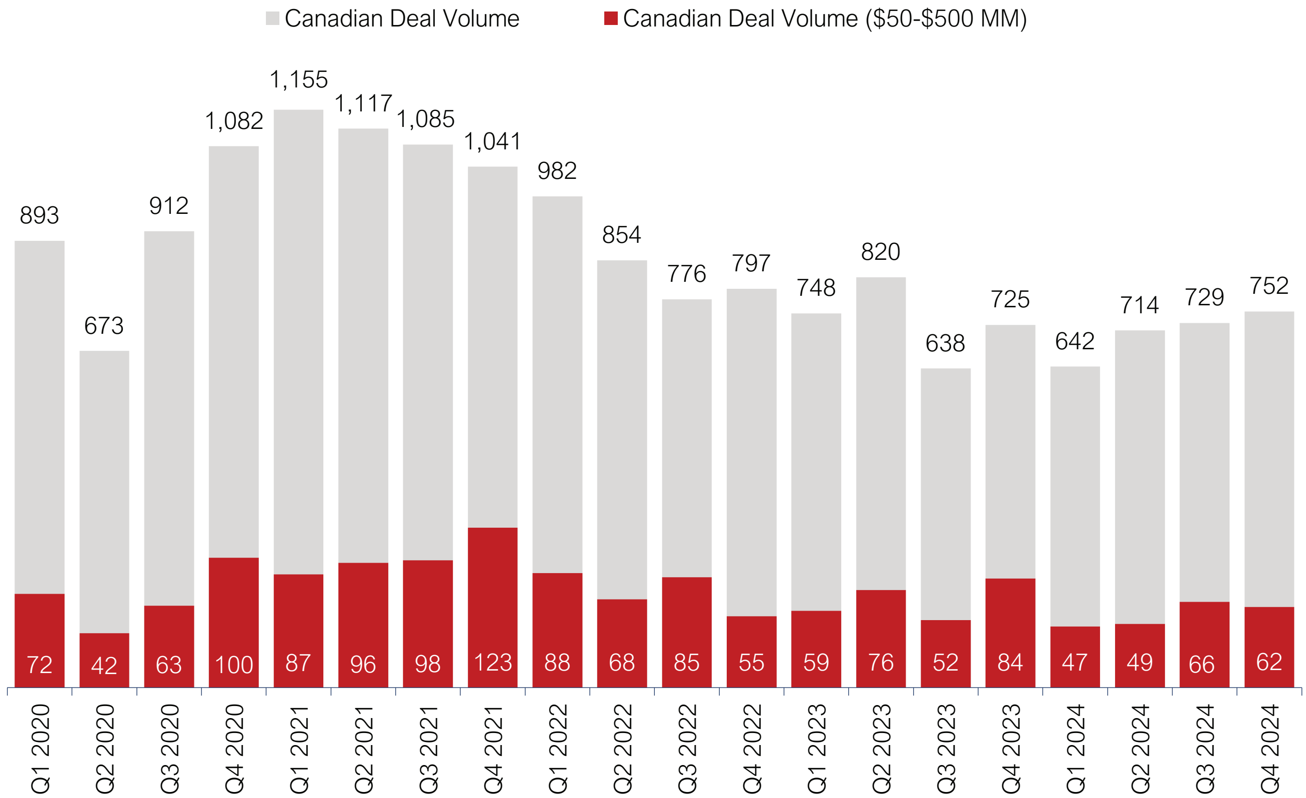


Source: S&P CapitalIQ.

Although 2024 was a challenging M&A market overall, the trajectory remained positive. After bottoming out in Q3 2023, M&A activity has been steadily increasing and even accelerating into the end of the year with Q4 being the most active quarter since 2022. Q4 M&A activity grew 26% over the prior quarter vs a 1% growth rate the prior year. Deal activity accelerated each quarter (2.5% in Q1, 5.0% in Q2, 9.3% in Q3 and 26% in Q4) and by the end of the year overall deal volume was up 49.2% from Q4 2023.

THE NORTH AMERICAN MIDDLE MARKET

TOTAL CANADIAN DEAL VOLUME (Q4 2019–Q4 2024)



Source: S&P CapitalIQ.

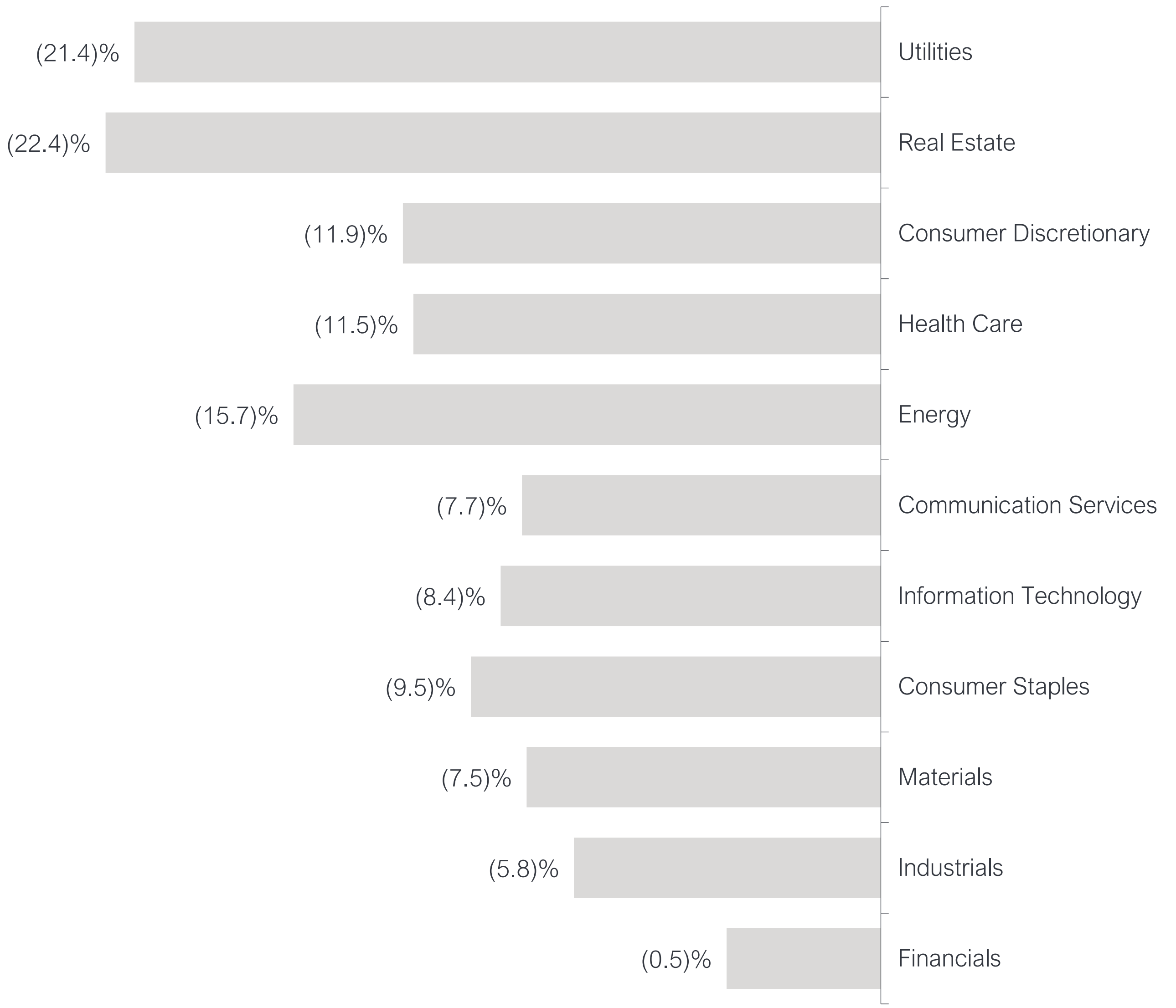
2024 has been a tougher year for M&A activity in Canada as high interest rates and political turmoil created challenging conditions for dealmaking. M&A activity only improved marginally in the quarter (up 3.7% over Q4 2023 vs 22.3% in the US) and after much fluctuation through the year middle market activity was actually down 26.2% in Q4 over the prior year. Canada typically follows the same trends as the US but as we start 2025, Canada is in a very different position to its larger neighbour. The results of the US election have stabilized the outlook for M&A there but they have created uncertainty in cross-border trade which represents almost 70% of Canada's GDP. In addition to the tariff threats, Canada faces considerable political uncertainty with elections on the horizon, a prorogued parliament, a leadership vacuum, and potential further regulatory upheaval (tax policy, environmental policy, etc). If Canada can avoid the damage of large scale tariffs, the current political situation should resolve by H2 and interest rate cuts as well as a decade low weakness in the Canadian dollar should be a catalyst for improving levels of deal activity in 2025.

ACTIVITY BY SECTOR

Compared to a relatively strong M&A market in 2019, five years later most sectors have seen a decline in activity. M&A activity in the Financials sector dropped heading into the interest rate hiking cycle of the last few years but has largely recovered due to strong asset market inflation and strong interest in asset management targets. M&A activity in the Industrials sector has been the steadiest through most of this period but saw a more noticeable slowdown in 2024 as trade uncertainty may have disrupted acquisition plans. This appears to be rapidly reversing now as the sector, especially in the US, continues to attract investment, particularly in areas like renewable energy, infrastructure development, and advanced manufacturing. In contrast, Real Estate faced the steepest decline, likely impacted by rising interest rates and shifting work patterns.

Origin's practice senior leads provide further sector insights on pages 7 to 26.

NORTH AMERICAN M&A ACTIVITY (SECTOR BREAKDOWN)



Source: S&P CapitalIQ.

CHAIR COMMENTARY

JIM MELOCHE
Co-Chair

JIM OSLER
Co-Chair

CANADIAN SWERVE

2024 was a challenging year for M&A, as activity was subdued across most sectors, but 2025 appears to be off to a stronger start. 2024 was a year defined by political uncertainty globally as more than 1.7 billion people voted in elections often leading to large shifts in policies. This was true in the US and certainly a factor in pausing M&A decisions. The Second Trump Administration appears to be brining in dramatic changes to policies, a massive roll-back of regulations, and a generally pro-growth domestic agenda. This all bodes well for M&A activity.

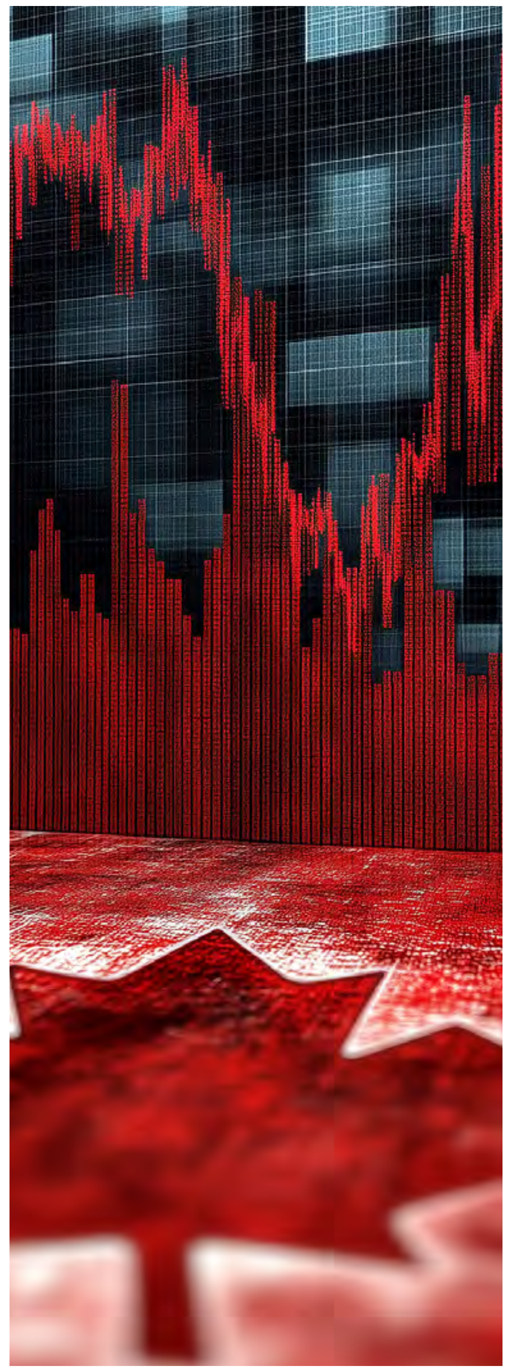
After the First Trump Administration took office deal count initially decreased, but total deal capital increased. Early signs indicate that the Second Trump Administration will be even more bullish for transaction activity. A shift from income taxes to tariffs also bode well for domestic activity.

While the resolution of the US election clarifies the domestic economic outlook, it creates significant international turmoil with the promised upheaval of global institutions and trading relationships. Canada by contrast is still waiting for an election with an unpopular ruling party facing an untimely leadership race.

President Trump is threatening to impose tariffs on imports from Canada With almost 70% of Canada's GDP dependent on trade with the US, the country is facing a potentially catastrophic change in is critical trade relationship. It is an unfortunate time for the country to be contesting leadership.

This is in many ways the culmination of tough decade for Canada's economy. Canada has traditionally matched the US in its economic prospects but since 2014 productivity and prosperity measures have diverged negatively for Canadians. Over the past decade, Canada has experienced minimal GDP per capita growth (vs a >50% increase in the US) and a weakening Canadian dollar.

This creates a complex situation for M&A. The low dollar makes Canadian businesses more attractive acquisition targets for foreign investors, but Canadian companies face higher costs for acquiring foreign assets. Longer term if Canada can close the gap once again with the US, then Canadian businesses could represent a bargain entry point in a growth market.



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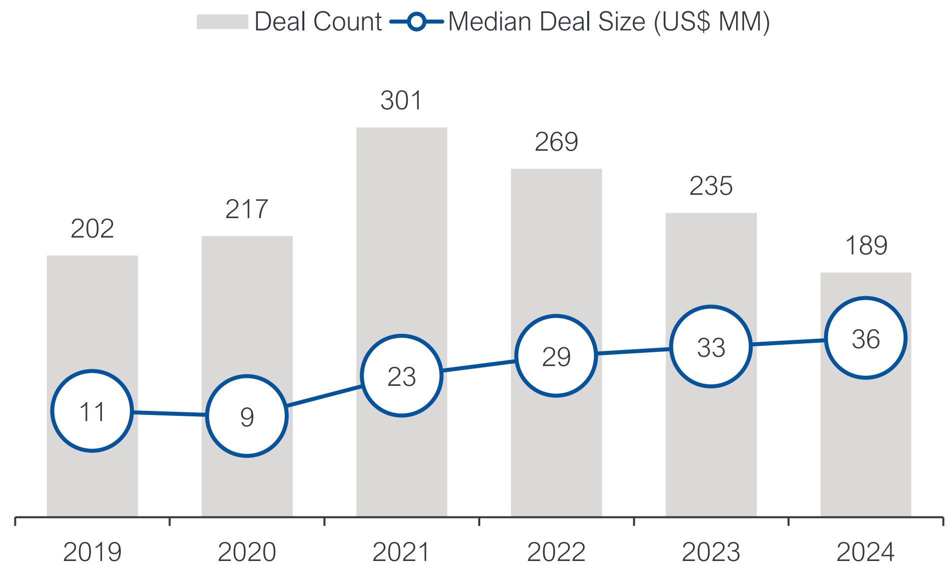
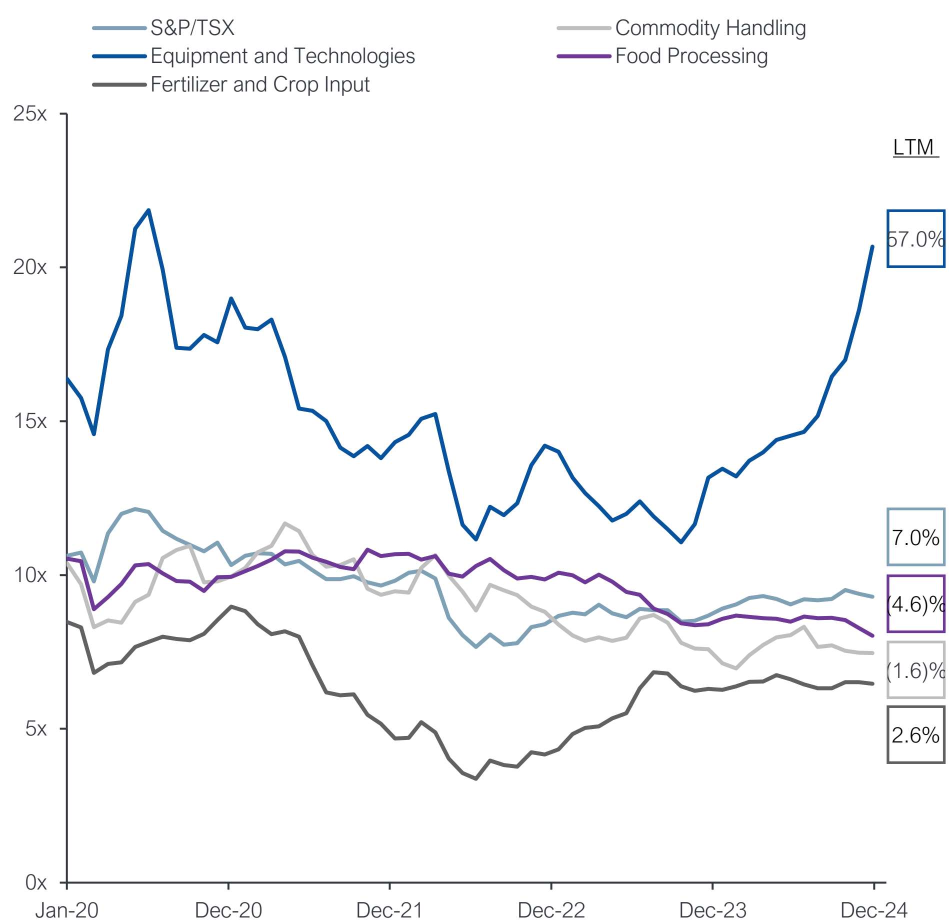
AGRIFOOD

AGRIFOOD SECTOR MARKET ACTIVITY (2019–2024)



Source: Pitchbook.

AGRIFOOD SECTOR EV/EBITDA MULTIPLES



Source: Pitchbook.

ORIGIN MERCHANT PARTNERS

- The chart above tracks our company Agrifood indices, which we update monthly in our Ag Flash report. Share prices for Equipment and Technologies continued to climb steeply in 2024 almost reaching the same highs as 2020. The S&P/TSX index was fairly steady over the past 12 months with a marginal increase of 7%. Food Processing and Commodity Handling were both slightly down, while Fertilizer and Crop Input saw modest improvement.
- The Agrifood sector exhibited mixed M&A activity in 2024. While deal volume decreased in Q2 2024 compared to Q1 2024 and Q2 2023, the total value of publicly disclosed transactions increased. This suggests a trend towards larger, higher-value deals in the sector.
- Q4 results were softer, and the quarter saw many declines in multiples and share prices likely contributed by the trade and tariff overhang and general volatility in the sector.
- Agrifood sector saw a trend towards consolidation in 2024, with strategic buyers driving most of the activity. This was likely driven by the need for increased efficiency and scale in response to economic pressures.

2025 OUTLOOK

- The Agrifood industry in Canada and the US is heavily focused on possible tariffs and the balance of trade in key commodities more than ever.
- Both countries have a deeply integrated Agrifood supply chain and a large co-dependence on each other. Canada imported US$32 billion from the US in 2023 and exported US$40.5 billion to the US in the same year, according to data from Agriculture and Agri-Food Canada.
- The large overhang from early hints at possible tariffs by incoming President Trump have left many Canadian companies on “hold” while they consider the implications. Supply chain disruptions, retaliatory tariffs, increased supply costs and changes in the exchange rate are all weighing on next steps.
- The practical implications of significant tariffs would be material and widely felt across the food and agriculture sectors. North America has a deeply integrated supply chain (from its early development) that regularly has the exchange of raw materials and finished goods across its borders.
- Many Canadian companies see partnerships or acquisitions with US companies a positive or potential mitigant to future tariffs. While US buyers may see a trade war scenario and weakened Canadian dollar as an opportunity to acquire vulnerable Canadian targets for a deep discount.

HIGHLIGHTED TRANSACTIONS

bühler
Has been acquired by
ASKO

MyLand
Has received an equity investment from
WPL
Climate Innovation Capital

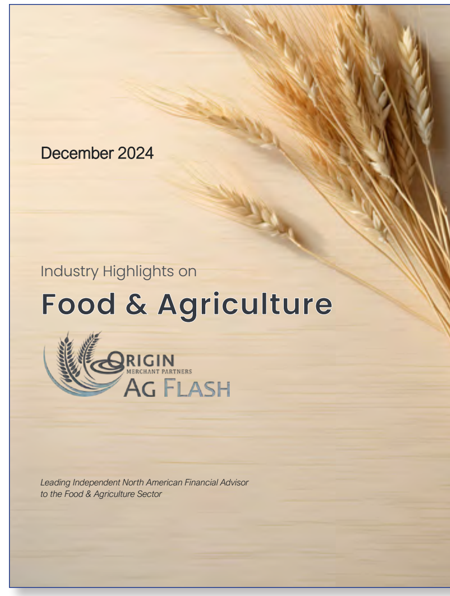
G3
Divestiture of Shortline Railway Assets to
3i

CHS
Divestiture of CHS Larsen Cooperative to
Country Visions Cooperative

ZGC
Divestiture of 10 US Grain Facilities to
Viserion Grain

Kitchen Partners
Has entered into a Strategic Partnership with
Homestyle Selections LP

HIGHLIGHTED PUBLICATIONS



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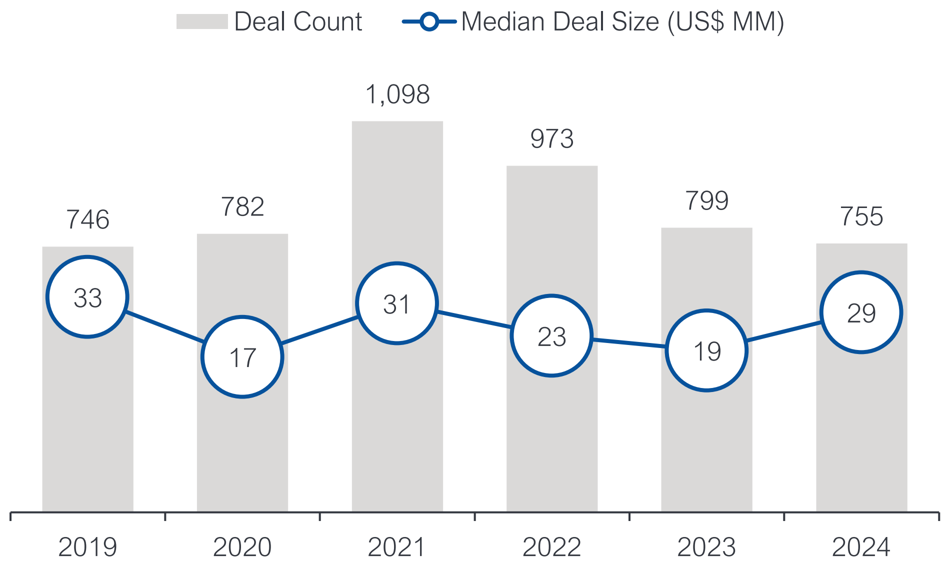
EDUCATION SECTOR MARKET ACTIVITY (2019–2024)



Source: Pitchbook.

- 2024 was a tumultuous year for private education in Canada as the changing regulatory landscape in combination with a generally uneven market let to a decline in M&A activity, amid more pressing operational concerns for many practitioners.
- In Canada, the effects of the 2-year cap on international student admissions (announced in January 2024 and expiring in 2026) resulted in a 47% reduction in the number of new study permits issued (far greater than the anticipated decrease of 35%), as demand from international students cooled in the face of the uncertain regulatory environment.
- Despite the regulatory headwinds, several subsectors in education have remained popular, with areas such as K-12 education, domestic-focused post-secondary (particularly for schools with clear career outcomes for graduates) and ancillary educational services maintaining a high degree of investor interest.
- Both Canada and the US showed a continued interest in EdTech and technology-driven solutions in education.
- In the US, the higher education sector saw some consolidation, with institutions seeking to expand their reach, enhance their program offerings, or gain efficiencies through M&A.
- The difficult macro environment also caused many providers to re-assess their operations and their positioning relative to the public sector, which should create an opportunity for many established education businesses to emerge stronger from the regulatory disruption.

2025 OUTLOOK

- We believe that 2025 will be a far stronger M&A environment than 2024, as schools adjust to the regulatory landscape and practitioners increasingly look towards consolidation and inorganic growth to diversify and strengthen their own businesses.
- As the post-2026 international student framework comes into focus, this will also help drive additional interest in the space and provide greater leeway for existing providers to explore alternatives.
- EdTech adoption, along with supporting education-oriented services businesses, will continue to be a major driver of M&A activity in 2025 as companies seek to integrate AI and other technologies to innovate.
- We expect to see more acquisitions of companies that help employers provide education and training benefits to their employees, as the need for continuous learning, upskilling, and reskilling grow.
- K-12 and early childhood education should also continue to be strong subsectors within education, as increasing demand and ongoing consolidation should drive healthy M&A activity in those areas.

HIGHLIGHTED TRANSACTIONS

In Progress

Sell-Side Canadian K-12

In Progress

Sell-side Canadian Post-Secondary

In Progress

Sell-side Canadian Post-Secondary

Kivuto

Has been acquired by

VALSOFT

Yorkville Education Company, parent to

Toronto Film School | Yorkville University

Investment by

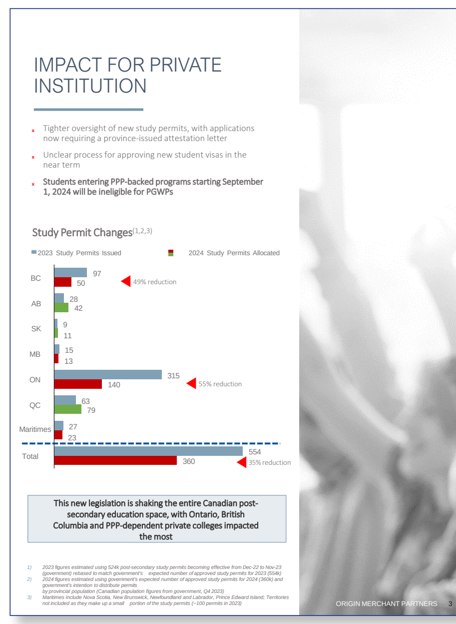
BIRCH HILL equity partners

ChildVentures Early Learning Academy

Exclusive Financial Advisor on its Strategic Investment from

Fraklin Ventures

HIGHLIGHTED PUBLICATIONS



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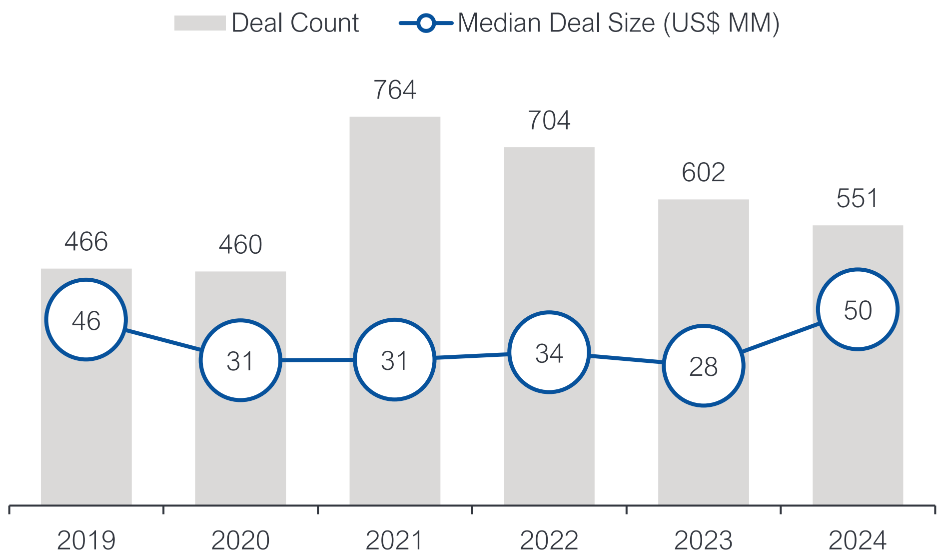
ENVIRONMENTAL & SUSTAINABILITY SECTOR MARKET ACTIVITY (2019–2024)



Source: Pitchbook.

- Environmental & Sustainability ("E&S") saw a slight decline in activity in 2024, we attribute this to a combination of an overall subdued market and the maturation of the E&S sector. However, with the median deal size nearly doubling, the overall value of M&A deals in the sector increased by 60%. Readily achievable innovations have been largely implemented and consequently, further advancements require more specialized expertise and a deeper understanding of complex challenges.
- Cleantech activity for the last few years has been focused on capital raises rather than M&A as industry continues to grow via increased government funding, tax breaks, and continued E&S focus among investors.
- Impact funds, PEs, and strategic buyers are all looking for E&S companies, but the focus is on profitable companies with positive cash-flows and true growth prospects.
- Circular Economies were a significant driver of M&A activity in 2024, reflecting the growing momentum behind efforts to reduce waste, maximize resource utilization, and transition to more sustainable models of production and consumption.
- Smart technology played a key role in accelerating E&S M&A activity in 2024. The ability to optimize resource management, enhance monitoring and analysis, and enable sustainable practices.
- Origin was particularly busy with E&S activity in 2024 with three notable transactions:
  - Rebox
  - UGE
  - Nexii

2025 OUTLOOK

- The change in US Government will tremendously impact the sector. Origin recently sponsored and participated in CleanTech Forum 2025 in San Diego. A few of the key themes and areas of significant discussion at the conference were:
  - The change in US leadership has shifted the policy on the IRA, pausing a source of capital. The future of sector innovation is tenuous, but this will force companies to stand on their own merit rather than relying on subsidies. Profitably plus impact is now a company's key differentiator.
  - Over the past two years, debt has been utilized more as a capital source.
  - Financing sources funding companies from pilot plant to FOAK commercial facility are being more selective.
  - The recent news on Deepseek could have major implications in cleantech including energy need forecasts, heat assumptions, and overall investment in the subsector.
  - Significant startup growth is coming from several key cleantech subsegments including geoengineering, environmental monitoring (risk, observation, and resilience), rare earth materials, deep tech, and power resilience/energy storage.
- Even with the governmental changes coming in 2025, we anticipate a greater demand for E&S implementation in businesses over the course of the next year as E&S considerations become even more central to M&A decision-making, with companies prioritizing sustainability and social impact.
- Expect to see more M&A activity in climate technology, including renewable energy, energy storage, carbon capture, and sustainable transportation.
- Expect to see more M&A activity focusing on companies that integrate AI and IoT technologies to create comprehensive smart solutions for environmental and sustainability challenges.
- Acquisitions will likely focus on companies with innovative technologies and solutions that can address environmental challenges with profitability being a key measurement.
- Buyers are increasingly interested in several key subsectors including:
  - Circular Economy
  - Waste and Recycling
  - EV Ecosystems
  - Batteries and Energy Storage
  - Energy Management Solutions
  - Decarbonization
  - Energy Transitions

HIGHLIGHTED TRANSACTIONS

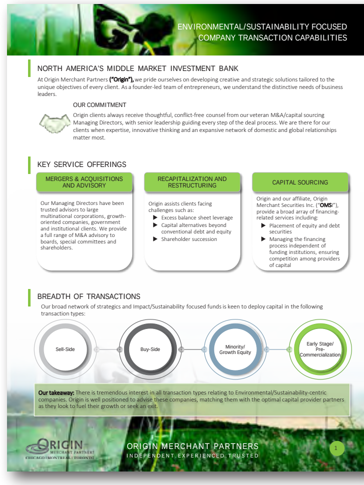
REBOX
Exclusive Financial Advisor on its sale to
ONCAP

UGE
Financial Advisor to the Special Committee on its acquisition of UGE by
NOVA INFRASTRUCTURE

NEXII
Has beenn sold to a Private Investor Group

HORIZON CAPITAL HOLDINGS
eCycle
For a better world.
Exclusive Financial Advisor to Horizon / eCycle on the sale of eCycle to
JX Nippon Mining & Metals Corporation

HIGHLIGHTED PUBLICATIONS



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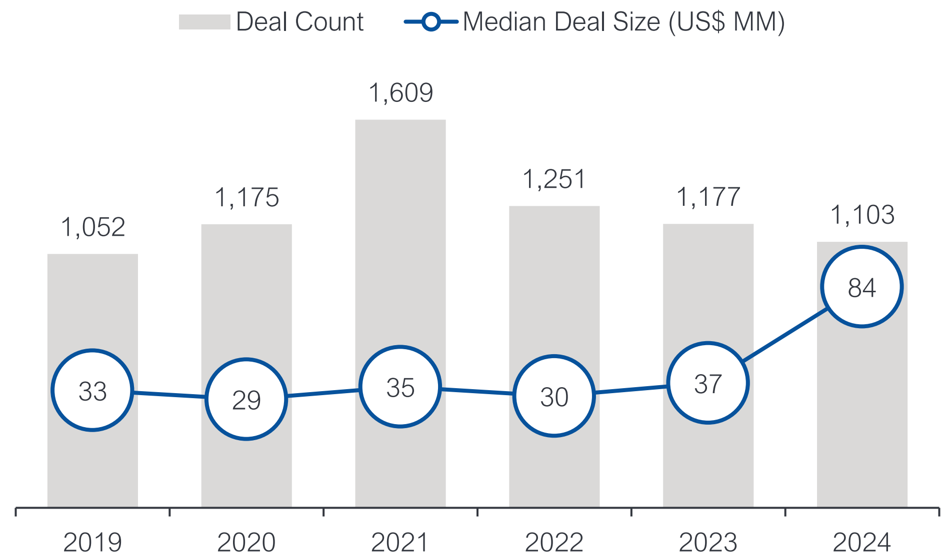
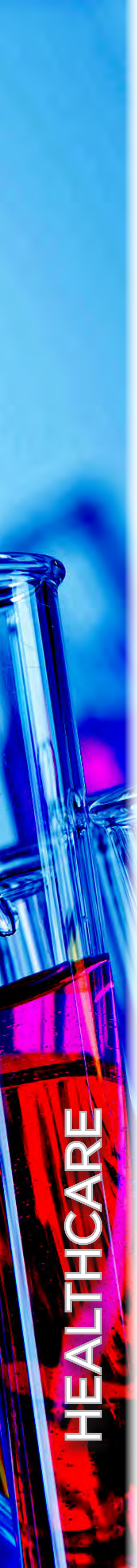
HEALTHCARE SECTOR MARKET ACTIVITY (2019–2024)



Source: Pitchbook.

- In 2024, Healthcare deal activity remained fairly consistent with the level of activity seen over the past five years, with the exception of the 2021 COVID year; however, the median deal size in 2024 increased materially in the period.
- Large healthcare systems and private equity firms continued to acquire physician practices, aiming to consolidate care, improve efficiency, and gain negotiating leverage with payers.
- Acquisitions focused on companies with expertise in healthcare data analytics and interoperability to improve care coordination, population health management, and operational efficiency.
- Companies developing digital health solutions, such as telehealth platforms, remote patient monitoring tools, and AI-powered diagnostics, attracted significant investment and were targets for acquisition. In May 2024, Cotiviti, a leading healthcare data analytics company closed its recapitalization with KKR and long-time shareholder, Veritas Capital at approximately $11B valuation.
- Increased demand for mental health services fueled M&A activity in the behavioral health sector, with providers seeking to expand their reach and offer integrated care models.
- In December 2024, the DOJ blocked the planned $3.3B merger between UnitedHealth Group and Amedisys citing anticompetitive concerns in the home healthcare market. This was a major development and demonstrates the heightened level of government scrutiny on major transactions.



2025 OUTLOOK

- We believe the healthcare industry will continue its uptick in deal activity in 2025, aided by lower interest rates and longer average hold periods by PE firms. However, uncertainty around US tariffs may delay deal closings in Canada, but could increase US buyer interest in Canadian companies.
- The aging demographics of the Baby Boomer generation will continue to drive significant growth in the health and wellness sector over the next five years. This presents considerable opportunities for M&A activity in areas addressing age-related health concerns, such as diabetes and cardiovascular disease management, weight management, aesthetic medicine and longevity, mental wellness, and fitness.
- Interest in multi-site clinics will likely continue into 2025, provided that clinics can demonstrate that their scale drives economic benefits by way of economies of scale, back-office efficiencies, best practices, better outcomes, and more attractive growth profile.
- Public and private payors are seeking value. Both groups favor outcomes-based funding models like capitation or bundled funding over fee for-service. Premium value will be awarded to operators who meet payor objectives while successfully balancing staff and patient satisfaction with attractive margins.
- Information technology and artificial intelligence in the healthcare industry are posed to reduce costs and timelines while improving outcomes. These solutions will transform the landscape across healthcare subverticals, from provider services to drug development, and will continue to garner tremendous interest from buyers and investors alike.

HIGHLIGHTED TRANSACTIONS

Private Contract Research Organization
Has been sold to a Private Buyer

Burke & Company Ltd & **orionaudit**
have been acquired by
NAVACORD

PCP *Persistence Capital Partners*
& **Management Shareholders**
have sold
CENTRICITY Research
including
Aventiv Research, iact Health, LMC Manna Research
to
TRINITY HUNT PARTNERS

BACK in MOTION
A portfolio company of
Ironbridge Equity Partners
Has been acquired by
YORKVILLE ASSET MANAGEMENT INC
on behalf of its Yorkville Healthcare Fund, Yorkville Private Equity LP, and Yorkville Private Lending LP

thinkresearch
$25 million
Exclusive Financial Advisor on Convertible Loan Facility from
Beedie CAPITAL

TRAFALGAR ADDICTION TREATMENT CENTRES
Exclusive Financial Advisor on its Sale to
CATC Canadian Addiction Treatment Centres

HIGHLIGHTED PUBLICATIONS

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HVACR

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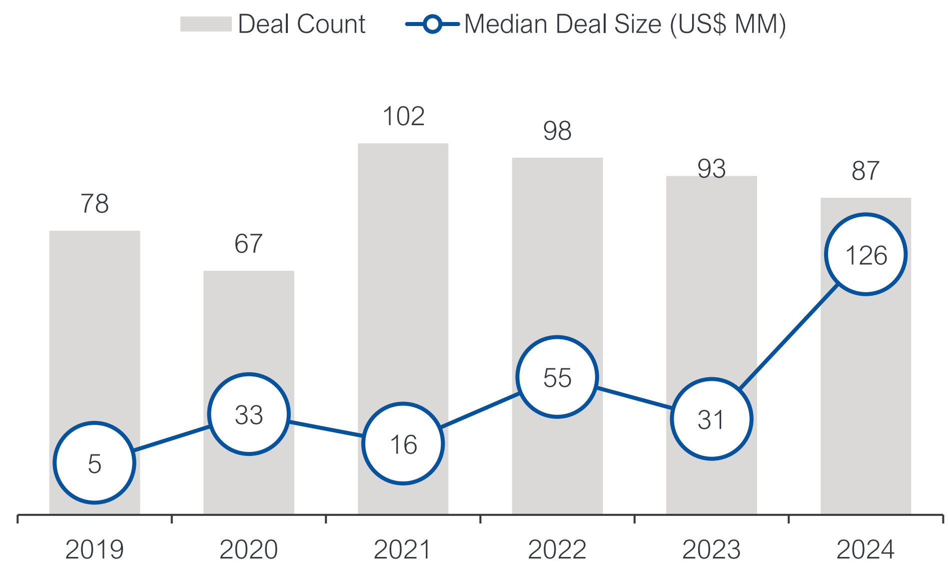
HVACR SECTOR MARKET ACTIVITY (2019–2024)



Source: Pitchbook.

- Transaction activity in 2024 was muted owing to several factors including: economic and political uncertainty, high interest rates constraining buyers' borrowing power, and decreased quality of deals in/coming to market. Demand and competition for growing, differentiated HVACR businesses was high and will remain that way. However, sellers can continue to expect increased financial and operational scrutiny from buyers.
- When assessing potential acquisitions, sophisticated HVACR buyers and investors focus on strength and depth of the team, the array of products and services, the composition of customers and suppliers, distribution capabilities, reputation, and brand recognition. Businesses that meet these criteria are appealing and strategically positioned, offering no shortage of options for transitioning their companies, whether through a direct sale to a strategic buyer or a newly formed partnership with a financial investor.
- Origin led a notable transaction in the gas detection space as Armstrong Monitoring was acquired by Greystone Energy Systems in December.

2025 OUTLOOK

- Origin is anticipating a strong 2025 as underlying market fundamentals remain strong and conductive to deal activity. These underlying fundamentals, applicable across the industry, includes:
  - Foreign and domestic strategic buyers seeking to supplement organic growth with acquisitions to solidify/enhance their market positions.
  - Global private equity firms seeking to deploy an abundant supply of capital.
  - Increasing number of family offices pursuing direct investment opportunities in the HVACR industry.

- Below are key themes that are expected to drive M&A to varying degrees in 2025:
  - Building decarbonization
  - Cybersecurity
  - Indoor air quality
  - Electrification
  - Refrigerant transition
  - Replacement/retrofit
  - Product sustainability
  - Life safety
  - Aging HVAC technicians
  - Onshoring
  - Tariffs
  - Building automation
- Our own sightlines into the industry suggest that demand will remain especially strong for HVACR equipment and related services to support replacements, retrofits, and upgrades underpinned by technological innovation, energy efficiency, and financial incentives.

HIGHLIGHTED TRANSACTIONS

* armstrong MONITORING — *Has been acquired by* — GREYSTONE ENERGY SYSTEMS INC	* Braeburn — *Has been recapitalized by a Strategic Investor*	wyse — *Exclusive Financial Advisor on its Minority Investment from* — ONCAP

HIGHLIGHTED PUBLICATIONS

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* Securities transactions conducted through StillPoint Capital, LLC, Tampa, FL

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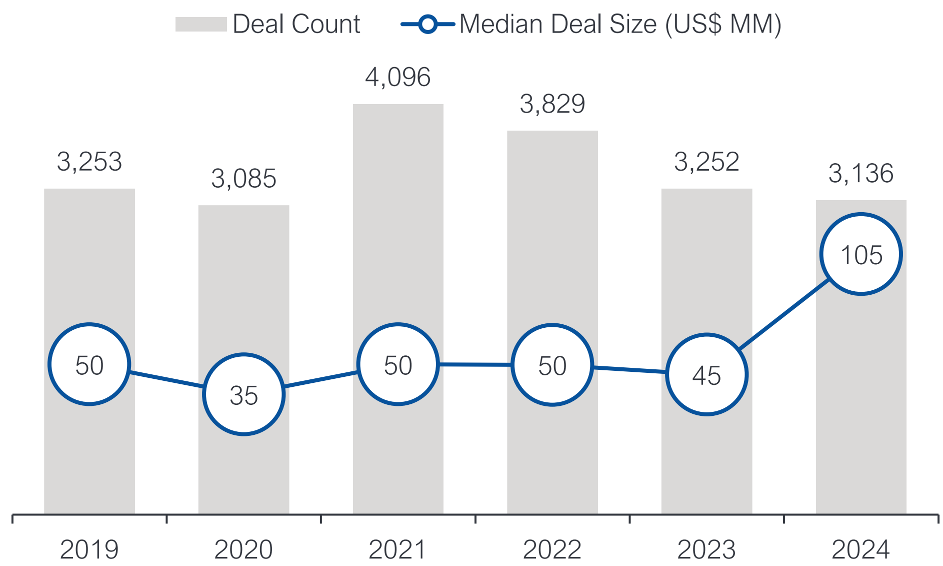
INDUSTRIALS SECTOR MARKET ACTIVITY (2019–2024)



Source: Pitchbook.

- During the first half of 2024, Industrials M&A activity in North America was sluggish across nearly all subsectors, with deal durations increasing as buyers focused on proving out company performance.
- Infrastructure bills in the US and Canada did drive better performance and M&A activity in select areas such as utility servicing/contracting, engineering, clean energy production and distribution, and energy storage.
- Also trending positively were companies focused on supporting data centers and other aspects of the AI ecosystem.
- New deal activity increased in the latter half of 2024 as interest rates continued to decline and the macroeconomy continued to perform well.

2025 OUTLOOK

- Several factors suggest 2025 will be a strong year for Industrials M&A in the US:
  - Pro-business government with relaxed regulations relating to mergers.
  - On-shoring (or re-shoring) of both manufacturing and supply chain in the short term in light of protectionist policies of the new administration and notable supply chain disruptions (e.g. COVID, Suez Canal accident) in recent years.
  - Corporate tax cuts will increase business growth and investment.

- Private equity still holds significant dry powder and has substantial pent-up demand for deals.
- However, increased uncertainty in Canada and follow-on risks for the US could limit broader North American activity.
    - Broad-based tariffs and countervailing tariffs will hurt both economies through increased inflation and interest rates, likely having a negative impact on consumer-focused businesses initially and industrials companies if environment persists.
    - More discrete tariffs will have negative impacts on specific sub sectors (historically tariffs have targeted metals/steel, plastics and lumber).
    - The strong US dollar—which has appreciated more than 17% against developed economies since the pandemic and nearly 6.7% relative to the Canadian dollar since the end of September—could negatively impact foreign industrial companies that rely on US dollar-denominated inputs, as well as result in fewer foreign acquisitions of US targets, which would be deemed relatively expensive.

HIGHLIGHTED TRANSACTIONS

ENVIRONMENTAL WASTE INTERNATIONAL
Provided Fairness Opinion to the Special Committeeon its proposed acquisition by
HYDROTRUX DRIVE CH2ANGE

*
armstrong MONITORING
Has been acquired by
GREYSTONE ENERGY SYSTEMS INC

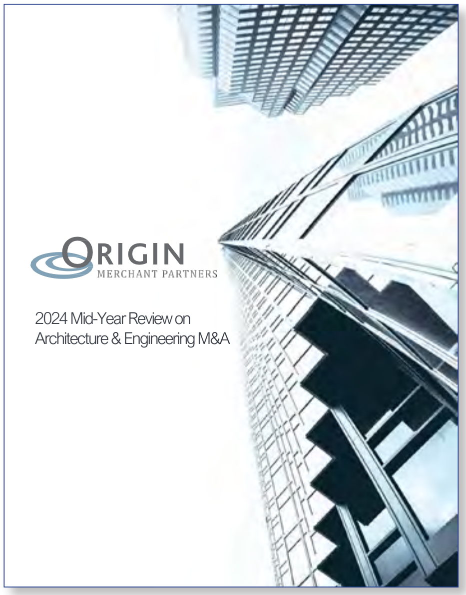
REBOX
Exclusive Financial Advisor on its sale to
ONCAP

NEXII
Has beenn sold to a Private Investor Group

RYCOM
Exclusive Financial Advisor to RYCOM on its sale to
GDI AINSWORTH

*
EAC Extruded Aluminum Corporation
Has been acquired by
METRA
a portfolio company of
KPS Capital Partners, LP

HIGHLIGHTED PUBLICATIONS



Please click on the publication cover to go to the full report.

* Securities transactions conducted through StillPoint Capital, LLC, Tampa, FL

TECHNOLOGY

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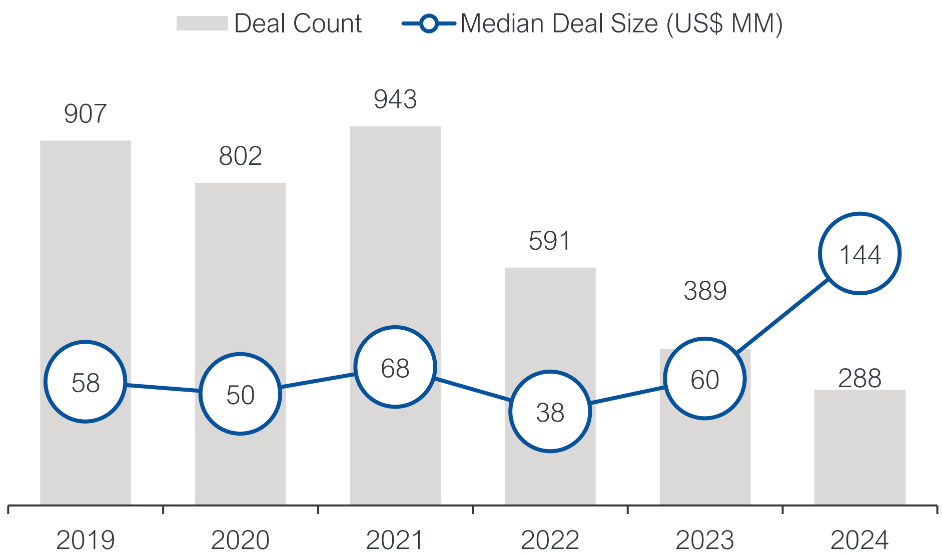
TECHNOLOGY SECTOR MARKET ACTIVITY (2019–2024)



Source: Pitchbook.

- 2024 was a year of transition for the tech M&A landscape, characterized by shifting priorities and a more measured pace compared to previous years.
- The surge in AI-related deals aligns with the increasing investment and interest in this transformative technology. Companies are vying for AI capabilities, leading to high valuations and strategic acquisitions.
- The ongoing demand for digital transformation played a crucial role, as companies sought to enhance their technological capabilities and market reach through acquisitions. This demand was particularly strong in areas like cybersecurity and cloud services, where specialized technology and innovative solutions were highly sought after.
- Software as a service (SaaS) companies remained highly attractive to investors, particularly those with strong annual recurring revenue, high customer retention, scalable solutions and solid profitability.
- In Rule of 40 composition skewed towards EBITDA margins, as revenue growth tapered but businesses became more capital efficient.
- The decline in deal volume could indicate a cooling off in the consumer tech space. Market saturation and changing consumer preferences may be contributing factors. Similarly, the e-commerce sector may be experiencing a slowdown in M&A as the market matures and competition intensifies.

TECHNOLOGY

2025 OUTLOOK

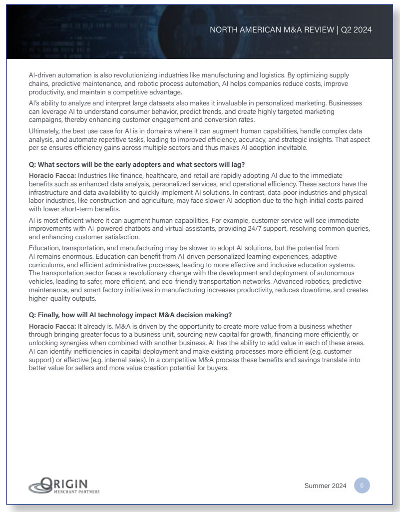
- The outlook for middle market tech M&A in 2025 is generally positive. The demand for digital transformation, the rise of AI and automation, and the increasing involvement of private equity firms will likely drive deal activity in various segments of the technology and technology-enabled services market.
- Anticipated regulatory adjustments following the 2024 US presidential election could also create a more conducive environment for M&A. A more lenient approach to M&A approvals and potentially less stringent capital requirements in the banking sector could facilitate increased transaction activity.
- AI will continue to be a major factor in the technology space. As advancements rapidly evolve AI will increasingly be a key driver and facilitator of deals, transforming how companies identify targets, conduct due diligence, and integrate acquired businesses.
- DeepSeek's recent claims that they have developed a new large language model with higher performance ability to leading alternatives at a small fraction of the cost have created a stir in the tech community. Although we believe the claims may be overblown, rapid development and efficient use of resources do highlight the fast pace of AI evolution.
- Particular areas of interest include:
  - Financial Services
  - Smart Glasses and Wearables
  - Robotics
  - Automotive
  - Healthcare
  - Education
  - Entertainment and Display Technology

HIGHLIGHTED TRANSACTIONS

CONVERGE TECHNOLOGY SOLUTIONS **$1.3 billion** *Independent Financial Advisor to the Special Committeeof Converge on its Sale to* H.I.G. CAPITAL	**$1.8 billion** *Independent Financial Advisor to* Softchoice *on its sale to* World Wide Technology	*An investor Group led by Tim McGuire has acquired* jump+	WonderFi *Origin advised the Board of WonderFi regarding governance and shareholder relations*
VELOCITY TRADE *Has received a significant investment from* WEDBUSH	coinsquare *Has combined with* coinsmart WonderFi	SILVERWARE *Has been acquired by* FULLSTEAM	饭团 FANTUAN *Has acquired the Food Delivery business of* chowbus

TECHNOLOGY

HIGHLIGHTED PUBLICATIONS



Please click on the publication pages for Horaacio's inte3rview and our most recent Spotlight publications.

TRANSPORTATION & LOGISTICS

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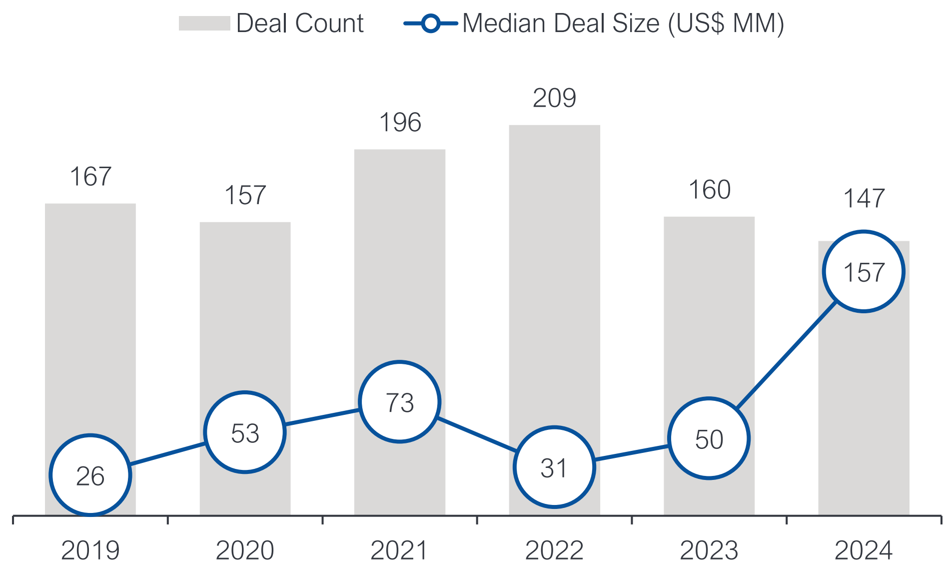
OTHER SECTOR MARKET ACTIVITY (2019–2024)



Source: Pitchbook.

- The Transportation and Logistics ("T&L") deal activity in 2024 was down marginally from 2023, as uncertainty about economic outlook and the direction of interest rates weighed on the market.
- The sector continued to navigate inflationary pressures and labour shortages as well as the balance between supplied capacity and customer volume demand through 2024.
- The M&A outlook brightened in the latter part of 2024 post the sale of Coyote Logistics to RXO Logistics in June.
- The supply and demand balance in the trucking segment has continued to have excess capacity as smaller participants have been able to hang in longer due to favorable equipment and wage subsidies from the pandemic government initiatives. This has put continued pressure on trucking rates.
- Consolidation remains a key theme, and well-capitalized strategic and financial buyers continue assessing acquisition opportunities.
- There was focus on value-add services to boost revenues and enhance margins and on companies serving customer in non-cyclical sectors like healthcare.
- Nearshoring trends are rising, particularly Mexico, as recent events have exposed vulnerabilities in global supply chains.
- That said, the industry is facing overcapacity, increased equipment breakdowns, inflation, and workforce shortages.
- As the inventory glut has been worked off, warehousing demand has eased, resulting in more stable ricing for customers.
- Having said that, our own experience has shown that certain sellers of T&L businesses have held coming to market to out-wait high beta events such as the US election and now tariffs

2025 OUTLOOK

- Going into 2025, optimism for an M&A has rebounded in 2025, due to an expectation of easing interest rates and reduced regulation under the new administration.
- We expect a reasonable backlog of potential sell-side candidates to hit the market as private equity firms look to monetize following long holding periods
- We expect that the supply and demand balance, particularly in the trucking segment will improve as capacity is expected to continue contracting with smaller participants exiting the sector, which is expected to result in improving freight rates
- Strongly capitalized companies will be able to acquire weaker competitors as the economy continues to improve and interest rates in the short end improve/stabilize.
- Transactions receiving the highest valuations are in specialized end markets, are outperforming financially, and have value-added premium service offerings (ie. Reverse logistics) with an emphasis on sectors with more stable and recession resistant end markets — healthcare, food and beverage, government, etc.
- Companies with highly integrated technology systems and customized capabilities, fostering strong and sticky customer relationships that are difficult to disrupt.
- Interest in freight forwarding / brokerage with cross-border operations given onshoring trends (Mexico and Canada)
- A cloud on the horizon is the risk of tariffs on Canadian and Mexican goods, which if enacted at proposed levels of 25%, is likely to cause a slowdown in M&A activity, especially in the first half of 2025
- The T&L sector, particularly companies involved in cross-border trade such as trucking and brokerage companies, may face a more challenging M&A environment, due to the potential disruption in trade flows and increased operational costs
- Conversely, warehousing and freight forwarders may see increased M&A interest as firms set up to manage new supply and distribution arrangements.

HIGHLIGHTED TRANSACTIONS

SDR DISTRIBUTION SERVICES INC.
Has been acquired by
NFI

ASL Distribution Services
Exclusive Financial Advisor on its sale to
FASTFRATE
CONSOLIDATED FASTFRATE INC.

RODAIR
Exclusive Financial Advisor on its sale to
RHENUS LOGISTICS

Confidential Mandate
US Aerospace Company
Strategic Asset Purchase
Exclusive Financial Advisor to the Independent Committee of the Board of Directors

Brookfield
Business Partners
Financial Advisor with respect to Confidential Portfoio Company Transaction

HIGHLIGHTED PUBLICATIONS

Please click on the publication cover to go to the full report.

AND FROM ORIGIN'S ADVISORY PRACTICE...

In 2024 Origin completed 13 transactions in 2024, slightly down from our record setting 17 in 2023. Origin had a breakout year with the Environmental and Sustainability practice, strength in the Healthcare practice and finished the year on a strong note in TMT with the announcement of Softchoice.

Quarter	Transaction	Transaction Type	Sector	Geography
Q4 '24	Softchoice	Fairness Opinion	Technology	🇨🇦
Q4 '24	EWS	Fairness Opinion	Industrials	🇨🇦
Q4 '24	Armstrong*	Sell-Side	Industrials, HVACR	Buyer: 🇨🇦 Seller 🇨🇦
Q3 '24	Rebox	Sell-Side	Environmental & Sustainability	Buyer: 🇨🇦 Seller: 🇨🇦
Q3 '24	UGE	Fairness Opinion	Environmental & Sustainability	🇺🇸 / 🇨🇦
Q3 '24	Private Contract Research Organization	Sell-Side	Healthcare	Buyer: 🇨🇦 Seller: 🇨🇦
Q3 '24	Nexii	Sell-Side	Environmental & Sustainability	Buyer: 🇨🇦 Seller: 🇨🇦
Q2 '24	Jump+	Sell-Side	Technology	Buyer: 🇨🇦 Seller: 🇺🇸 / 🇨🇦
Q2 '24	Rycom	Sell-Side	Technology	Buyer: 🇨🇦 Seller: 🇨🇦
Q2 '24	StorageVault	Buy-Side	Real Estate	Buyer: 🇨🇦 Seller: 🇨🇦
Q2 '24	WonderFi	Proxy	Technology	🇨🇦
Q1 '24	Burke & Company Ltd.	Sell-Side	Healthcare	Buyer: 🇨🇦 Seller: 🇨🇦
Q1 '24	Fantuan	Sell-Side	Technology	Buyer: 🇨🇦 Seller: 🇺🇸

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ORIGIN MERCHANT PARTNERS

ORIGIN'S 2024 TRANSACTIONS

$1.8 billion
Independent Financial Advisor to
Softchoice
on its sale to
World Wide Technology

ENVIRONMENTAL WASTE INTERNATIONAL
Provided Fairness Opinion to the Special Committeeon its proposed acquisition by
HYDROTRUX DRIVE CH2ANGE

*
acm armstrong MONITORING
Has been acquired by
GREYSTONE ENERGY SYSTEMS INC

REBOX
Exclusive Financial Advisor on its sale to
ONCAP

UGE
Financial Advisor to the Special Committee on its acquisition of UGE by
NOVA INFRASTRUCTURE

Private Contract Research Organization
Has been sold to a private buyer

NEXII
Has beenn sold to a Private Investor Group

An investor Group led by Tim McGuire has acquired
jump+

RYCOM
Exclusive Financial Advisor to RYCOM on its sale to
GDI AINSWORTH

STORAGEVAULT CANADA SELF STORAGE CENTRES
Acted on behalf of the buyer in the acquisition of Jane Street Toronto propert

WonderFi
Origin advised the Board of WonderFi regarding governance and shareholder relations

Burke & Company Ltd
&
orionaudit
have been acquired by
NAVACORD

饭团 FANTUAN
Has acquired the Food Delivery business of
chowbus

Visit Origin's website for our full [transaction history.]

We start 2025 with a record pipeline and many of our transactions already under LOI. Our strong sectors of 2024 continue to be big sources of client activity, and we are also seeing a resurgence of activity in our core Industrials, Agrifood and Financals practices for 2025.

Please contact our Business Development Associate, Adrienne Butler, to enquire about any of our current mandates by industry.

Watch out for our Q1/25 M&A review, coming in April.

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ORIGIN'S 2024 MILESTONES

TEAM UPDATES

2024 was a year of substantial growth for Origin. We continued to add to our leadership team, developed a broader geographic footprint, and strengthened our commitment to serving our clients across North America.

Origin's commitment to growth in 2024 was evident in its strategic expansion into new office spaces. In Toronto, the firm crossed Bay Street, relocating from our home of the past 10 years to a much larger office in Commerce Court West. Simultaneously, we opened a new office in the heart of Montreal on the vibrant Avenue McGill College.

Origin welcomed three new Managing Directors to its Toronto team. Artem Krylov joined the firm with a focus on energy transition and financial service sectors, Devin Kennealy joined with a focus on the industrials and consumer sectors, and Johnathan Broer joined with a focus on the E&S and financial services sectors.

In Chicago, Scott Sims was internally promoted to Managing Director. His focus is on the HVACR equipment and oilfield services sectors.

Origin expanded its practice to include coverage across North America. With team members now stationed in Atlanta, Boston, Denver, Ottawa, and Vancouver, the firm is well-positioned to serve clients across a wider geographic area. This expansion reflects Origin's commitment to providing broad sector coverage and localized expertise to clients throughout the continent.

Finally, Origin starts 2025 with the announcement that it has completed a transaction with CCC Investment Banking, an investment banking firm with 60 years of M&A advisory experience and a strong focus in the Industrials and Consumer sectors. Pursuant to the transaction, five managing directors and two professionals will be joining Origin in Toronto and Vancouver expanding the firm's coverage of western Canada.

Established in 1975, CCC Investment Banking was one of Canada's first independent M&A firms. Its team has advised clients on over 300 transactions with a focus on Industrials and Consumer (particularly in Food and Beverage) companies, as well as successful transactions in the Healthcare, Financial and Business Services and Information Technology sectors.

"We have worked with the CCC team over the years on multiple transactions and have always been impressed with their strong founder-led business practice. They have a client focus and culture that fits well with Origin. We are excited to have the CCC team join Origin and add further depth to our leading practices in the Industrial and Manufacturing, Consumer and Commercial, and Healthcare sectors."

JIM OSLER
Origin Merchant Partners

"Over over the last 14 years we have seen Origin grow from a start-up to becoming Canada's leading independent M&A advisory firm. They are top professionals, and we are excited to be joining the team and bringing their strong sector expertise, deep network, US presence, and broad transactional experience to our clients."

BILL FARRELL
CCC Investment Banking

ROB BIRD
CCC Investment Banking

The addition solidifies Origin's continued growth over the past several years and strengthens the firm's position as a key player in the investment banking landscape, offering unparalleled expertise and resources to both US and Canadian clients.

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To learn more, please contact Adrienne Butler or reach out directly to any of any of our Managing Directors.

* *Certain members of Origin Merchant Partners are registered representatives of and conduct securities transactions through StillPoint Capital, LLC, Tampa, FL. StillPoint Capital and Origin Merchant Partners are not affiliated.

ORIGIN MERCHANT PARTNERS


ORIGIN
MERCHANT PARTNERS
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ROGERS CENTRE
ROGERS CENTRE