



Q2 2025

NORTH AMERICAN M&A REPORT

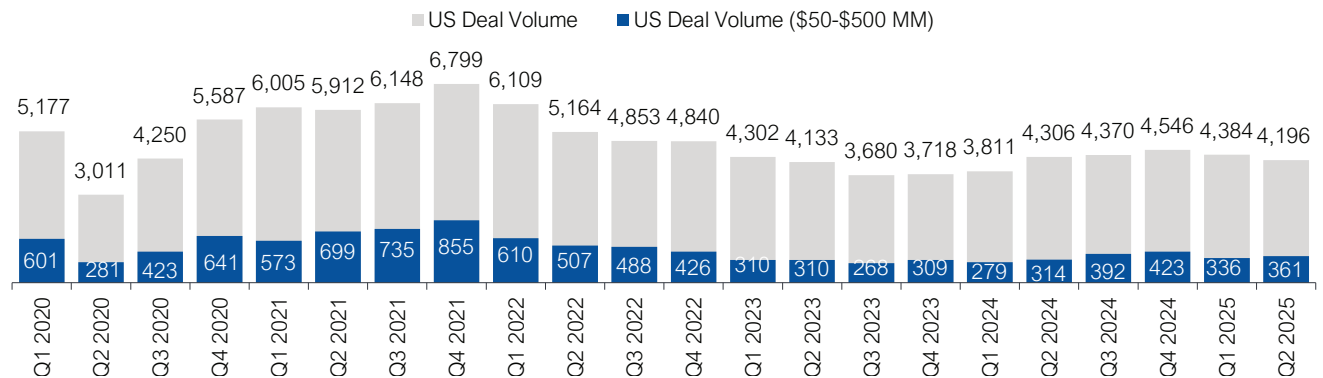
A snapshot of the North American M&A Landscape in Q2 2025 followed by a highlight of Origin's H1 activity

THIS QUARTER'S HIGHLIGHTS:

- ▶ After 4 quarters of year-over-year improvement, Q2 saw decline in the overall M&A activity in both the US and Canada with trade tensions and heightened risk of a slowing economy getting most of the blame
- ▶ The middle market diverged from the broader market and showed a pick-up in activity quarter-over-quarter and year-over-year in both countries
- ▶ While still off 30%-40% from the peak 2021 levels, the M&A environment appears to be stabilizing heading into H2 2025
- ▶ Despite prevailing headwinds, Origin saw a record level of activity in H1 and see signs of strength heading into H2

In Q2 2025, US transaction activity continued to soften, with overall deal volume declining 4.3% sequentially and 2.6% year-over-year to an estimated 4,196 transactions. The market had shown encouraging momentum throughout 2024, driven by expectations of greater stability in 2025. However, continued political uncertainty—particularly around tariffs and global conflicts—appears to have weighed on overall market sentiment. Despite these headwinds, Q2 was notable for the strong performance in the middle market, which saw a pick-up in activity both sequentially (up 7.4%) and year-over-year (up 15.0%). These transactions are less sensitive to trade and cross-border tensions and are benefiting from improving credit and financing market conditions. Transaction activity remains 30–40% below peak 2021 levels. The strong start to H1 and the sustained recovery seen through 2024 suggest there is a potential for significant growth in deal activity in the middle market, especially if macro conditions stabilize.

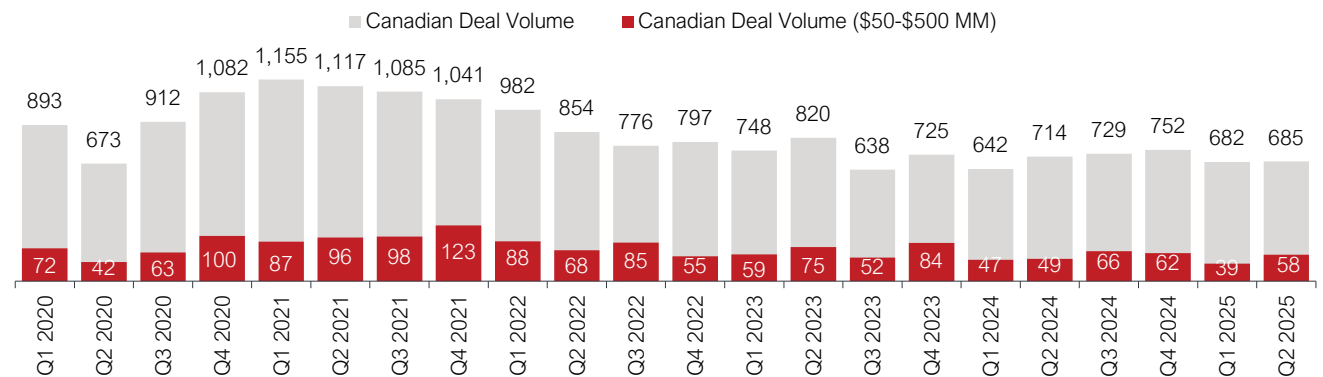
TOTAL US DEAL VOLUME (Q1 2020–Q2 2025)



Source: S&P CapitalIQ.

The overall Canadian deal market largely followed the US in Q2 2025, with deal volume flat sequentially and down 4.1% year-over-year to an estimated 685 transactions. More notably, middle market activity surged by 48.7% sequentially and 18.4% year-over-year. As in the US, the broader deal environment remains challenged by political uncertainty and global economic volatility, but the middle market is more sheltered from these headwinds and reflects the significant pent-up demand. Origin saw an increased level of cross-border activity aided by Canadian dollar weakness driving a record number of going-private transactions as public markets continue to favour a few large cap companies over the broader small cap market.

TOTAL CANADIAN DEAL VOLUME (Q1 2020–Q2 2025)



Source: S&P CapitalIQ.

2025 MIDPOINT CHECK-IN: WHY HAS THE M&A REBOUND STILL NOT ARRIVED?

Over the past eight quarters, North American M&A activity has endured persistent headwinds—from rising interest rates and inflationary pressures to volatile equity markets and geopolitical instability. Since peaking in 2021, deal volumes have trailed below historical norms, with valuation mismatches between buyers and sellers contributing to stalled or abandoned transactions. While deal pipelines remained healthy and private equity dry powder abundant, many quality opportunities have taken far longer to close—or failed to close altogether.

2024 was dominated by US and other elections around the globe which tended to stall transactions. Expectations for 2025 were high: the Fed was poised to ease rates, a pro-business US administration, and buyers were eager to deploy capital. Both US and Canadian markets have had strong starts. However, Trump-era tariffs and the surprise victory of Canada's Liberal government reshaped the regional landscape with a seriously strained trade relationship and lead to a sluggish, cautious first half of 2025., leading to a sluggish and cautious first half of 2025.

Currently, US PE firms appear more active than their Canadian counterparts. While American firms are contending with tariff-driven uncertainty, the mid-cap US industrial and consumer sectors are not as acutely exposed as Canadian firms. Sentiment among US PE participants suggests a rebound is in progress. Deal flow is improving and many firms are preparing for a busy fall season, in part because transaction timelines have lengthened substantially.

Despite these hurdles, the desire to transact has not diminished. The narrative has shifted from “if” to “when.” Although the storm clouds linger and are slow to clear, the us economy appears to be gaining momentum which could reinvigorate M&A activity in the coming months. With over \$2 trillion in global PE dry powder and sustained macro tailwinds in select sectors like AI, sustainability, and infrastructure, the foundation for a meaningful recovery remains in place.

The remainder of 2025 may not deliver the breakout many had hoped for, but with mounting pressure on both buyers and sellers to act, the conditions are aligning for a potentially busier close to the year.



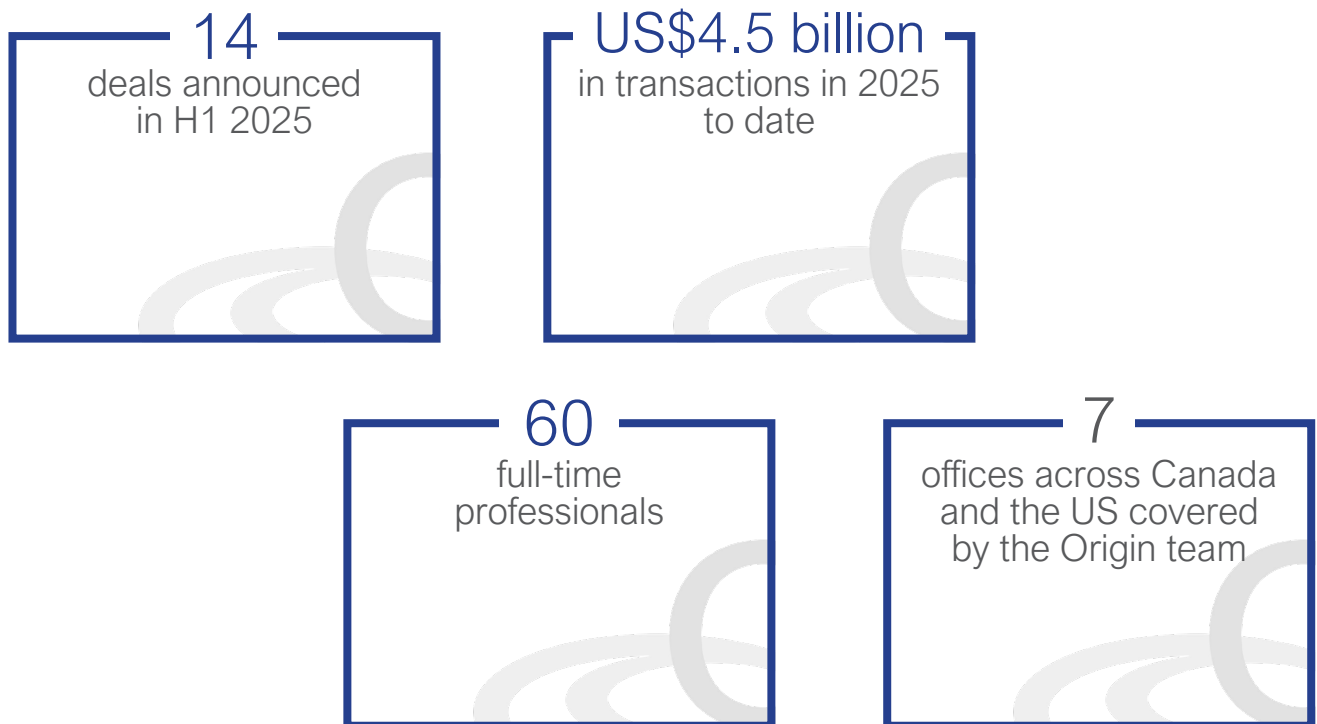
OUR H1 EXPERIENCE—ACCELERATING AROUND THE CURVE


After successfully weathering the weakness in the M&A markets last year Origin kicked off 2025 at a record setting pace. In the first half of 2025, Origin advised on 14 transactions, with an additional 3 announced in July, reflecting robust activity despite the volatile market environment. Origin was a leading advisor to boards and special committees of public companies in 2025. The public markets have increasingly favored large-cap stocks, creating valuation challenges for mid- and small-cap companies. This trend has driven a notable increase in going-private transactions, particularly in the services and digital economy sectors. Notable transactions include the \$1.8 billion Softchoice deal and the \$1.4 billion Converge transaction in the services sector, alongside strategic deals in the digital economy, such as those involving WonderFi and INX.

Origin has always been active in advising on ownership transition transactions and our sellside practice picked up in materially 2025. We worked with owners across multiple sectors (industrials, consumer, healthcare and financial services) to assist them in achieving their ownership transition goals, capped off with the sale of Burgundy Asset Management to BMO Financial Group at the end of H1.

Origin added 8 more industry leading managing directors in H1 through both through recruitment and acquisition which has deepened key relationships and enhanced execution in a market where deal complexity has increased, timelines have lengthened and strategic thinking is key.

Origin's YTD Stats



Quarter	Transaction	Transaction Type	Sector	Geography
Q3 '25	Spence	Sell-Side	Consumer	Buyer: 
				Seller: 
Q3 '25	CMI	Sell-Side	Agriculture & Food	Buyer: 
				Seller: 
Q3 '25	Brookfield	Board Advisory	Financial Services	
Q3 '25	Closing the Gap	Sell-Side	Healthcare	Buyer: 
				Seller: 
Q2 '25	Burgundy	Sell-Side	Financial Services	Buyer: 
				Seller: 
Q2 '25	Wonderfi	Sell-Side	Technology	Buyer: 
				Seller: 
Q2 '25	Marcy Laboratories	Sell-Side	Industrials	Buyer: 
				Seller: 
Q2 '25	Converge	Sell-Side	Technology	Buyer: 
				Seller: 
Q2 '25	INX	Board Advisory	Technology	Buyer: 
				Seller: 
Q1 '25	Quadshift	Financing	Technology	Investor: 
				Investee: 
Q1 '25	GMCO	Sell-Side	Diversified	Buyer: 
				Seller: 
Q1 '25	Encore	Sell-Side	Financial Services	Buyer: 
				Seller: 
Q1 '25	Macro	Financing	Industrials	Buyer: 
				Seller: 
Q1 '25	Poss	Sell-Side	Industrials	Buyer: 
				Seller: 
Q1 '25	Mid-Range	Sell-Side	Technology	Buyer: 
				Seller: 
Q1 '25	Dustbusters	Sell-Side	Diversified	Buyer: 
				Seller: 
Q1 '25	Softchoice	Sell-Side	Technology	Buyer: 
				Seller: 

 A portfolio company of  Financial Advisor on its sale to 	 Financial Advisor on its Crop Production Services business unit to 	 Advisor to the Special Committees on its sale of US\$690 million of assets to seed a new evergreen private equity strategy	 \$75.5 million Financial Advisor on its sale to 
 \$620 million Financial Advisor on its sale to 	 \$250 million Independent Financial Advisor to the Special Committee on its sale to 	 Has received a significant investment from 	 \$1.4 billion Independent Financial Advisor to the Special Committee of Converge on its sale to 
 Financial Advisor to the Special Committee of the INX Digital Company on its \$60 million sale to 	Exclusive Financial Advisor to  on its equity investment of us to \$23 million from 	 Has been acquired by 	 Has been acquired by 
 \$1.8 billion Independent Financial Advisor on its sale to 	 Has been acquired by 	 Has been acquired by 	 Has been acquired by 

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

Weeks into the third quarter of 2025, our pipeline is full with sell-side, buy-side, and capital raising mandates in sectors including consumer, transportation & logistics, financial services, industrials, environmental & sustainability, food & ag, healthcare, technology, power & utilities, and education. Please contact our Business Development Associate, Adrienne Butler, to enquire about any of our current mandates by industry.

Watch our Q3 '25 M&A review, coming in October 2025.

* 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.

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ORIGIN

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