KROLL®

Canadian M&A

Industry Insights

Summer 2026

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Executive Summary

708 Canadian companies were sold in 1H 2026

73% of deals completed were under CA$100 million (mn) in enterprise value

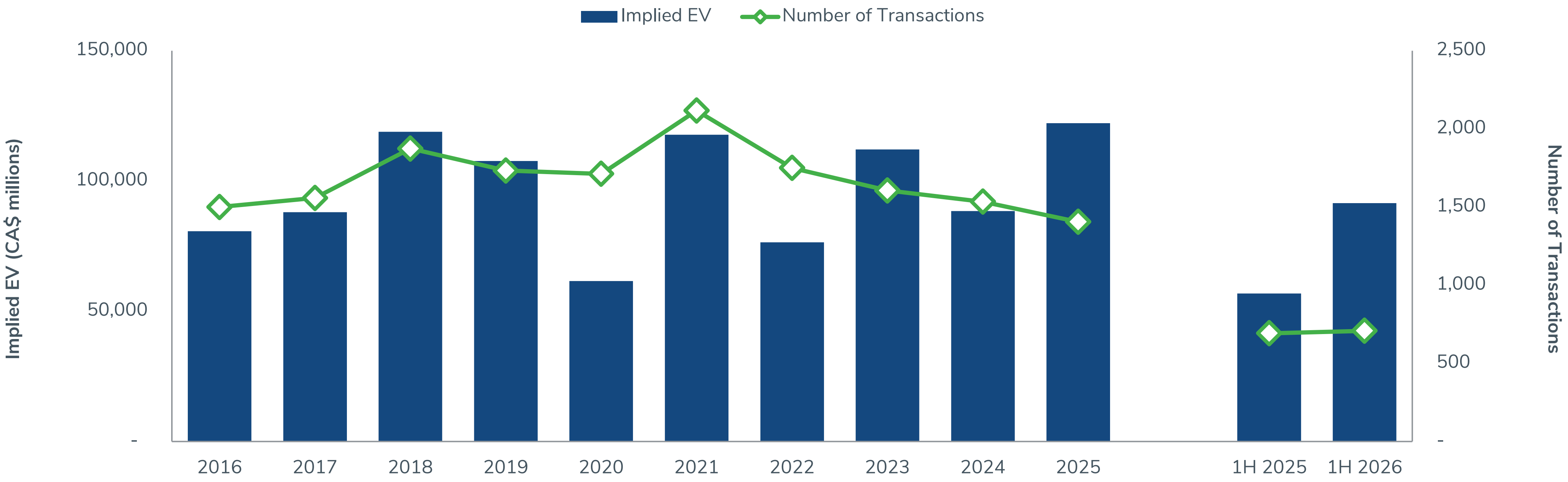
Megadeals represented 88% of disclosed deal value

Canadian M&A Update

The Canadian M&A market continued to be defined by uncertainty in the 1H 2026. Deal activity remained relatively flat as a result, though disclosed implied enterprise value (EV) increased significantly year over year due to a handful of megadeals as buyers continue to shift their focus towards high-quality assets to mitigate risk.

During the first half of 2026, 708 Canadian companies were sold, with total disclosed implied EV amounting to CA$91.4 billion (bn), representing a 2.3% increase in deal volume and a 60.9% increase in disclosed implied EV when compared to 1H 2025.

Canadian M&A Transactions



For all data herein: All transaction values are in Canadian dollars (unless otherwise noted) and refer to transactions with reported financial data. All transaction data refers to acquisitions of majority stakes (minority deals were excluded). M&A transactions in 1H 2026 include those between January 1 and June 30, 2026.

Sources: S&P Global Market Intelligence as of July 14, 2026; Kroll analysis. All publicly disclosed transaction information available in S&P Global Market Intelligence.

Canadian M&A Update

In 1H 2026, megadeals held flat year over year, with 39 deals closed at an average implied EV of CA$2.6bn. The largest transaction including a Canadian party was the acquisition of NOVA Chemicals Corporation by Borealis GmbH and Borouge plc for CA$13.5bn. The second-and third-largest deals involving Canadian parties were the acquisition of New Gold by Coeur Mining for CA$10.1bn; and Kennedy-Wilson Holdings by Fairfax Financial Holdings Limited for CA$9.1bn.

Notable megadeals that were announced in 1H 2026 but not yet closed include the acquisition of ARC Resources by Shell Canada Limited for CA$22.6bn; First Capital Real Estate Investment Trust by Kingsett Capital and Choice Properties REIT for CA$9.4bn; and Boralex by a consortium of investors for CA$8.7bn.

1H 2026 Large Closed Canadian Transactions*

Target	Target Country	Buyer(s)	Buyer(s) Country	Enterprise Value CA$Bn	Industry
NOVA Chemicals Corporation	Canada	Borealis GmbH; Borouge plc (ADX:BOROUGE)	Austria; United Arab Emirates	13.5	Materials
New Gold Inc.	Canada	Coeur Mining Inc. (NYSE:CDE)	United States	10.1	Materials
Kennedy-Wilson Holdings Inc.	United States	Fairfax Financial Holdings Limited (TSX:FFH)	Canada	9.1	Real Estate
Husky Technologies Limited	Canada	GPGI Holdings LLC	United States	7.2	Industrials
Plains Midstream Canada ULC	Canada	Keyera Corp. (TSX:KEY)	Canada	5.3	Energy

*Deals involving a Canadian company as the buyer or seller, with an implied EV of CA$500mn or more (minority deals excluded).

Sources: S&P Global Market Intelligence as of July 14, 2026; Kroll analysis. All publicly disclosed transaction information available in S&P Global Market Intelligence.

Canadian M&A Update

There were 708 completed transaction in the Canadian M&A market in 1H 2026, up from 692 in 1H 2025. The median deal value more than doubled from CA$5.0mn in 1H 2025 to CA$10.1mn in 1H 2026, with deals under CA$100mn accounting for 73% of deal flow. Although megadeals represent only 12% of all transactions, they represented 88% of the total disclosed deal value.

It should be noted that, since the values of many smaller transactions are not disclosed, the actual median deal value is likely lower.

Number of Canadian M&A Transactions: Canadian Targets* (1H 2026) (Deal Volume)

Value of Canadian M&A Transactions: Canadian Targets (1H 2026) (CAD millions)

*Only includes transactions with disclosed financial information.

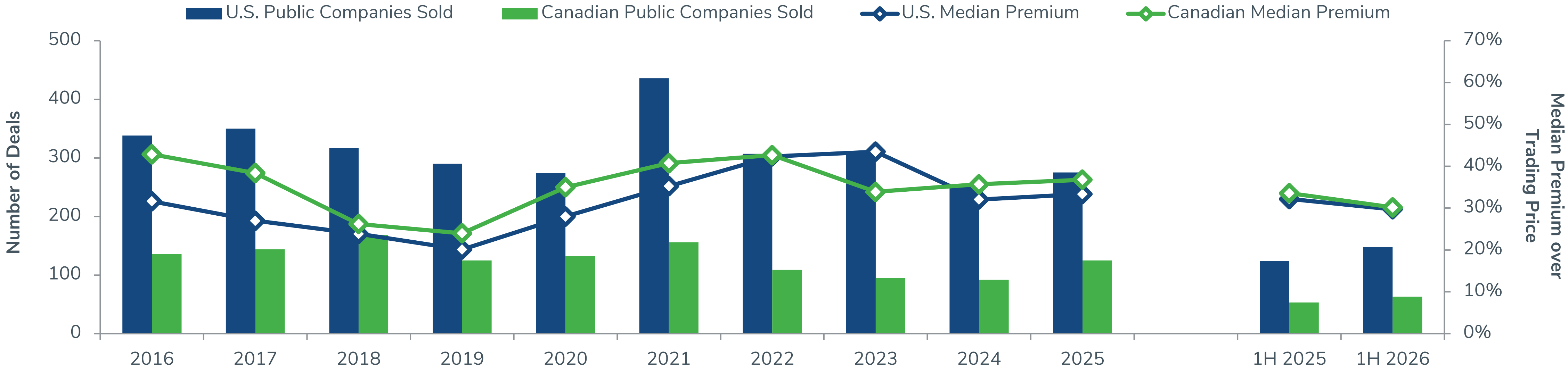
Sources: S&P Global Market Intelligence as of July 14, 2026; Kroll analysis. All publicly disclosed transaction information available in S&P Global Market Intelligence.

Public vs. Private

Private company M&A deals continue to account for the majority of North American transactions in 1H 2026, representing 91% (vs. 92% in 1H 2025) of Canadian deals and 98% (vs. 98% in 1H 2025) of U.S. deals. There was an increase in public North American transactions in 1H 2026, with 63 (vs. 53 in 1H 2025) Canadian companies and 148 (vs. 124 in 1H 2025) U.S. companies sold.

The median 30-day takeover premium of Canadian public companies in 1H 2026 was 30% (vs. 34% in 1H 2025); for U.S. public companies, the median was 30% (vs. 32% in 1H 2025). In 1H 2026, both the 30-day Canadian and U.S. takeover premium trended away from their 10-year averages of 36% and 32%, respectively.

Public Companies Sold in North America



Sources: S&P Global Market Intelligence as of July 14, 2026; Kroll analysis. All publicly disclosed transaction information available in S&P Global Market Intelligence.

Valuation Multiples

North American transactions experienced an increase in overall valuation multiples (where disclosed) in 1H 2026 compared to the previous full year. In particular, the average earnings before interest, taxes, depreciation and amortization (EBITDA) multiple was 10.3x, an increase of 0.3x from 2025, driven by increases in the consumer discretionary, consumer staples, industrials and materials industries.

Notable multiple contractions occurred in the information technology, communication services and utilities sectors in 1H 2026. However, each sector had a limited number of transactions with disclosed multiples, making the industry multiples particularly sensitive to transaction-specific factors that may not be representative of broader industry valuation trends.

EV to EBITDA Multiples by Industry for Transactions in North America*

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	1H 2026
Consumer Discretionary	10.6x	10.0x	11.1x	11.3x	11.6x	9.6x	10.9x	7.1x	9.0x	9.5x	10.5x
Consumer Staples	12.1x	12.0x	11.5x	10.7x	12.8x	10.3x	10.8x	15.6x	11.7x	8.1x	9.8x
Energy	8.6x	13.1x	9.8x	9.7x	4.1x	8.0x	7.9x	5.1x	6.4x	7.5x	6.9x
Financials	12.1x	12.6x	10.4x	N/A	6.0x	8.9x	9.0x	N/A	N/A	N/A	N/A
Healthcare	12.6x	13.7x	12.3x	12.1x	14.1x	11.9x	11.3x	8.8x	12.8x	11.7x	10.8x
Industrials	9.1x	10.4x	10.3x	10.9x	9.5x	10.9x	9.7x	10.0x	10.1x	9.5x	10.2x
Information Technology	12.4x	13.6x	12.1x	11.8x	10.1x	11.6x	12.5x	14.4x	11.6x	14.8x	6.7x
Materials	7.8x	10.5x	10.7x	9.8x	9.3x	8.6x	10.3x	8.5x	8.9x	9.0x	10.3x
Communication Services	8.9x	9.7x	9.6x	9.6x	11.0x	11.2x	14.3x	10.3x	7.5x	10.1x	5.2x
Utilities	11.1x	13.9x	11.8x	10.1x	15.1x	10.5x	13.9x	14.4x	11.3x	15.9x	7.8x
Real Estate	16.5x	17.7x	16.2x	14.1x	19.5x	17.8x	20.6x	16.8x	17.7x	18.7x	17.8x
Unspecified**	10.5x	7.3x	8.3x	7.0x	12.3x	5.7x	10.0x	6.8x	7.2x	9.5x	8.1x
All Industries	**10.9x**	**11.7x**	**11.0x**	**10.9x**	**10.7x**	**10.6x**	**10.8x**	**9.7x**	**9.9x**	**10.0x**	**10.3x**

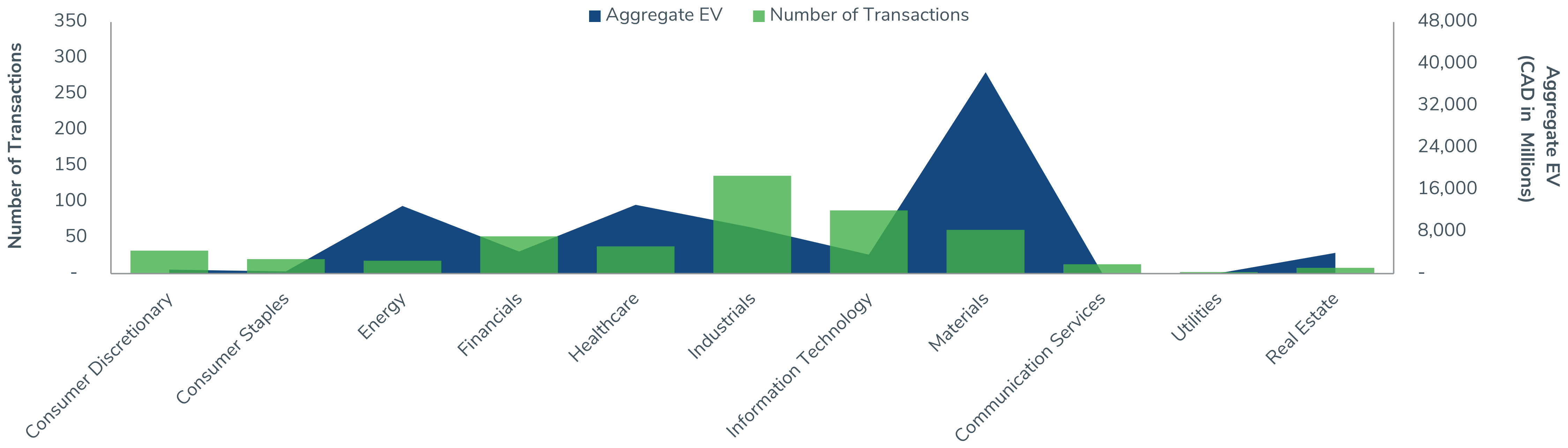
*Excludes multiples over 25.0x; figures are rounded, but the "All Industries" category uses unrounded figures in its calculation.
**The Unspecified category includes transactions within a target company industry that S&P Global Market Intelligence has not categorized.

Sources: S&P Global Market Intelligence as of July 14, 2026; Kroll analysis. All publicly disclosed transaction information available in S&P Global Market Intelligence.

Industry Sectors

Deals in the industrials and information technology sectors were the most active in 1H 2026, accounting for 224 transactions. The aggregate deal value for the industrials and information technology sectors total to CA$8.8bn (average value of CA$65mn) and CA$3.6bn (average value of CA$41mn), respectively. The largest acquisition within these sectors was Fairfax Financial Holdings Limited's acquisition of Kennedy-Wilson Holdings for CA$9.1bn. The third most active sector was materials, with a total of 61 transactions amounting to CA$38.4bn, driven primarily by the CA$13.5bn acquisition of NOVA Chemicals Corporation and CA$10.1bn acquisition of New Gold.

Canadian M&A Transactions by Industry (1H 2026)



Note: The unspecified category includes transactions within a target company industry that S&P Global Market Intelligence has not categorized.

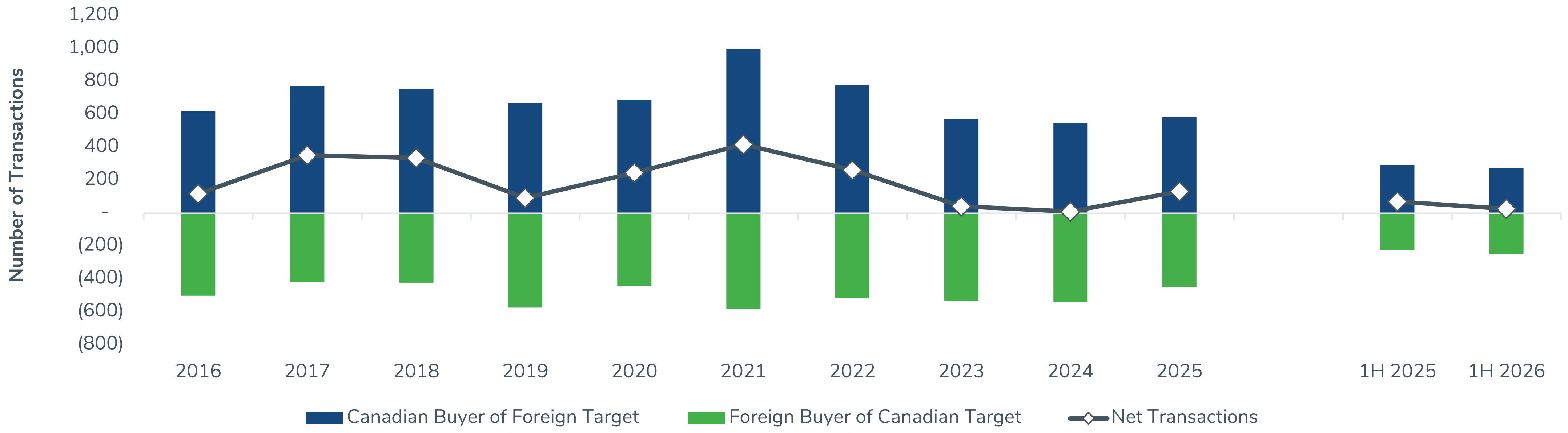
Sources: S&P Global Market Intelligence as of July 14, 2026; Kroll analysis. All publicly disclosed transaction information available in S&P Global Market Intelligence.

Cross-Border Transactions

Canadian acquisitions continued to be generally domestic, with 458 of the 708 transactions (65%) completed by a Canadian buyer in the 1H 2026. Foreign and undisclosed buyers represented the remaining 250 transactions.

In the 1H 2026, Canada retained a net positive M&A environment, acquiring 27 more foreign-based companies (277 transactions) than Canadian companies being acquired by foreign buyers (250 transactions). Canadian companies continue to be net buyers from a global M&A perspective.

Canadian Cross-Border M&A Activity (1H 2026)



Sources: S&P Global Market Intelligence as of July 14, 2026; Kroll analysis. All publicly disclosed transaction information available in S&P Global Market Intelligence.

Cross-Border Transactions

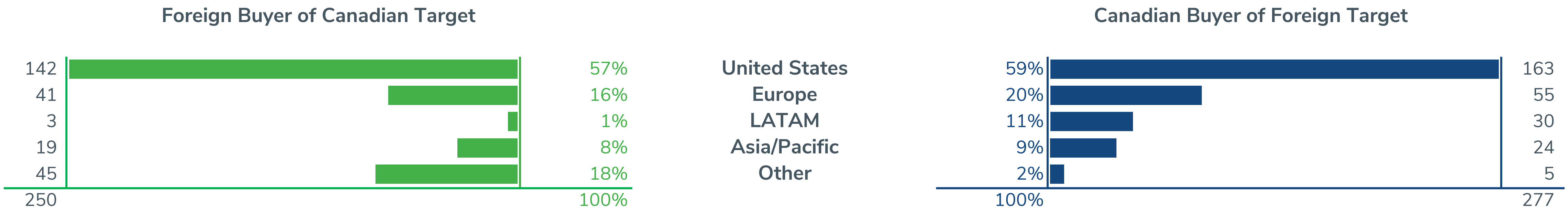
Similar to historical periods, U.S. and Canadian transactions were the most active cross-border activity involving Canadian buyers and sellers. In 1H 2026, there were 142 Canadian sell-side transactions with U.S. companies (vs. 123 in 1H 2025) and 163 buy-side transactions with U.S. companies (vs. 182 in 1H 2025), with several notable deals, including the CA$4.5bn acquisition of TRC Companies by WSP Global.

European transactions were the second most active, with a total of 41 Canadian companies acquired in 1H 2026. Canadian acquisitions of European companies decreased from 70 in 1H 2025 to 55 in 1H 2026, though Canadian companies maintained a net-buying M&A position.

Canadian buyers of Latin American companies nearly doubled, with a total of 30 completed transactions in 1H 2026 (compared to 16 in 1H 2025).

Representing 6% of the total transactions, Canadian buyers of Asia Pacific-based companies increased from 19 transactions in 1H 2025 to 24 transactions in 1H 2026. Asia Pacific-based buyers of Canadian companies increased from 12 transactions in 1H 2025 to 19 transactions in 1H 2026.

Canadian Cross-Border Transactions by Region (1H 2026) (Number of Deals)



Sources: S&P Global Market Intelligence as of July 14, 2026; Kroll analysis. All publicly disclosed transaction information available in S&P Global Market Intelligence.

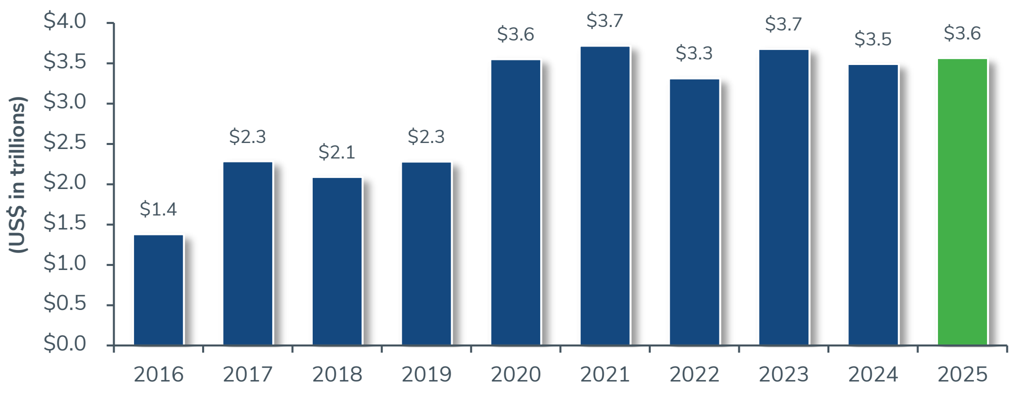
Looking Ahead

The Canadian M&A market experienced a significant increase year over year in aggregate disclosed implied EV in 1H 2026, driven primarily by a select number of large transactions and buyers' continued focus on high-quality assets.

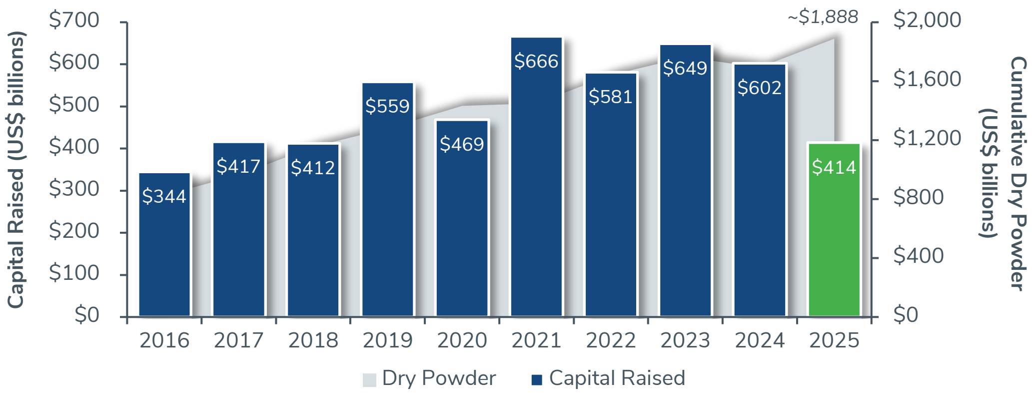
Despite uncertainty remaining a factor in 1H 2026 (driven by, among other factors, geopolitical conflicts and trade uncertainty), buyers have shown an increased interest in pursuing M&A opportunities, focusing on high-quality assets able to weather a storm and that can mitigate existing business and operational risks. Supporting this, both strategic buyers and financial sponsors remain well capitalized, with S&P 500 companies holding USD 3.6 trillion in cash and private equity firms nearing USD 2 trillion of dry powder waiting to be deployed. This combination of decade-high levels of capital and increased M&A activity is also leading to an uptick in valuations, reflected in both valuation multiples and disclosed implied EV in the 1H 2026.

Overall, we remain optimistic about the Canadian M&A market through the back half of 2026 and into 2027. Despite economic and geopolitical challenges, buyers have demonstrated an increased willingness to transact, and several years of slowed deal activity has put pressure on financial sponsors to deploy capital and on strategic buyers to seek synergistic add-on opportunities, creating an attractive backdrop for the M&A market going forward.

S&P 500 Cash Balances



Private Equity Overhang



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