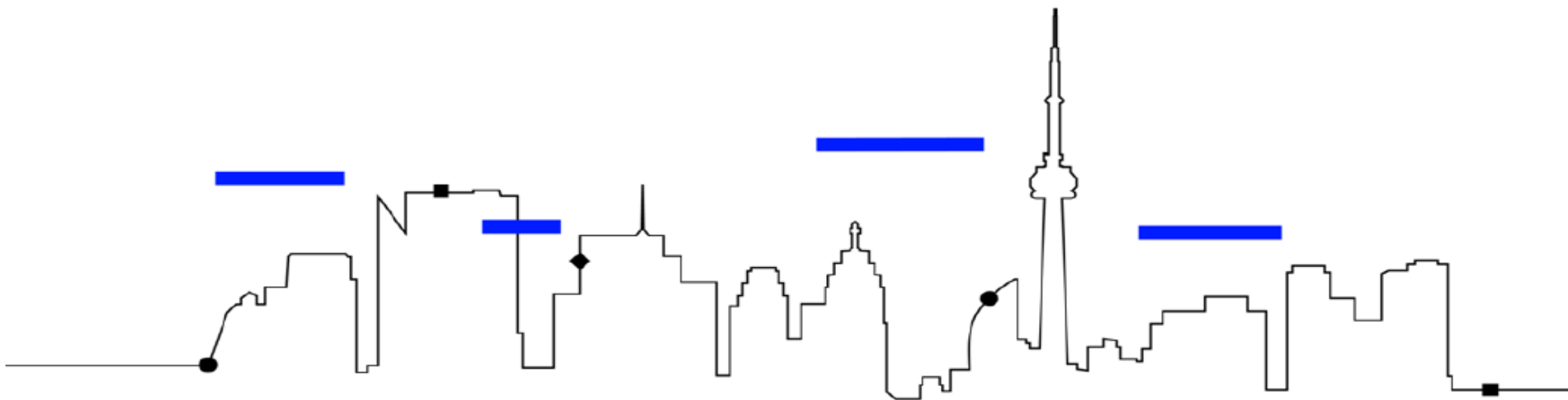


Canada Private Equity Buyout Review

FIRST QUARTER 2020



Canada Private Equity Buyouts

First Quarter 2020 | Canada Private Equity Buyout Review

Canada Private Equity Buyout Deals Intelligence

CANADA BUYOUT AND RELATED DEAL VALUES TOTAL CA\$6.9 BILLION

Canadian buyout and related investments started the year off relatively strong with CA\$6.9 billion of deal values recorded across 126 deals either announced or completed between January and March. Despite values being down 69% from the impressive Q4, they remained up 21% year-over-year and marked the second strongest first quarter on record, only behind the CA\$10.0 billion raised in 2018. Volumes were also up 3% from last year and saw their highest level since 2015.

TOP TEN ANNOUNCED ROUNDS ACCOUNT FOR 40% OF ALL DISCLOSED DEAL VALUES

No rounds with deal values of CA\$1 billion or greater were announced in the first quarter of the year, down from four with combined deal values of CA\$5.7 billion in Q4. Two of these previously announced transactions were completed during Q1 however, the CA\$1.3 billion acquisition of Competence Call Center by TELUS International, backed in part by the 35% stake owned by Baring Private Equity Asia, and the CA\$1.0 billion purchase of AltaGas Canada by an investment vehicle backed by pension plans PSP Investments and Alberta Teachers' Retirement Fund Board. The largest announcements made in Q1 included the CA\$840 million purchase of metal manufacturing business Canam Group by Placements CMI, Caisse de dépôt et placement du Québec, and Fonds de solidarité FTQ, as well as the merger between non-destructive testing (NDT) companies Eddyfi and NDT Global, which saw a combined equity and debt financing amount of CA\$600 million.

NUMBER OF BUYOUT-RELATED DEALS UP TO 26% OF ALL CANADIAN M&A ACTIVITY

While the number of Canadian buyout deals rose 3% year-over-year, the overall number of Canadian M&A transactions declined by 9% in the same period, resulting in the share of PE-backed deals climbing to 26% of overall Canada dealmaking, up from 23% just one year ago.

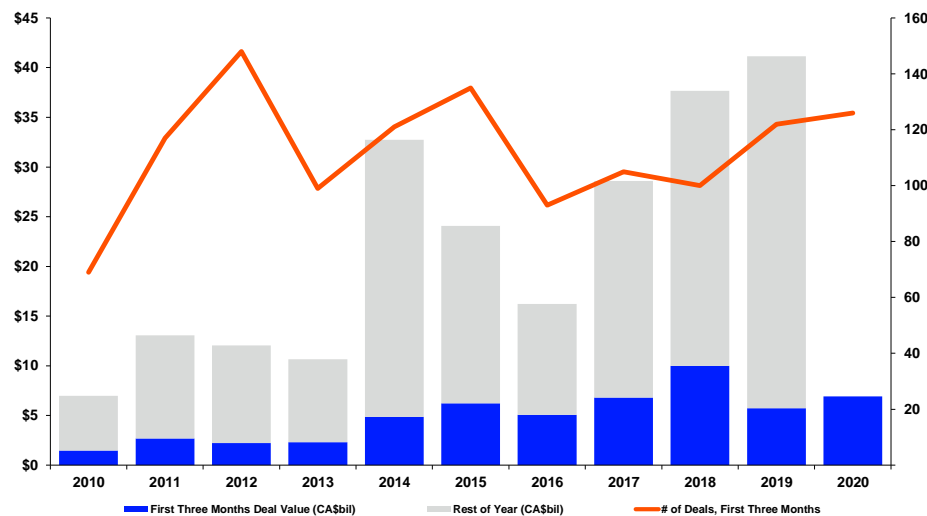
BUYOUT FUNDRAISING REACHES CA\$27.9 BILLION

While only 6 Canadian buyout and related funds recorded closes in the first quarter of 2020, they raised a staggering CA\$27.9 billion during the three month period, the largest quarter ever recorded and more than was raised throughout the entirety of each of the previous three years. The vast majority of this was for Brookfield's fifth infrastructure fund, which closed in February and achieved total equity commitments of CA\$25.5 billion.

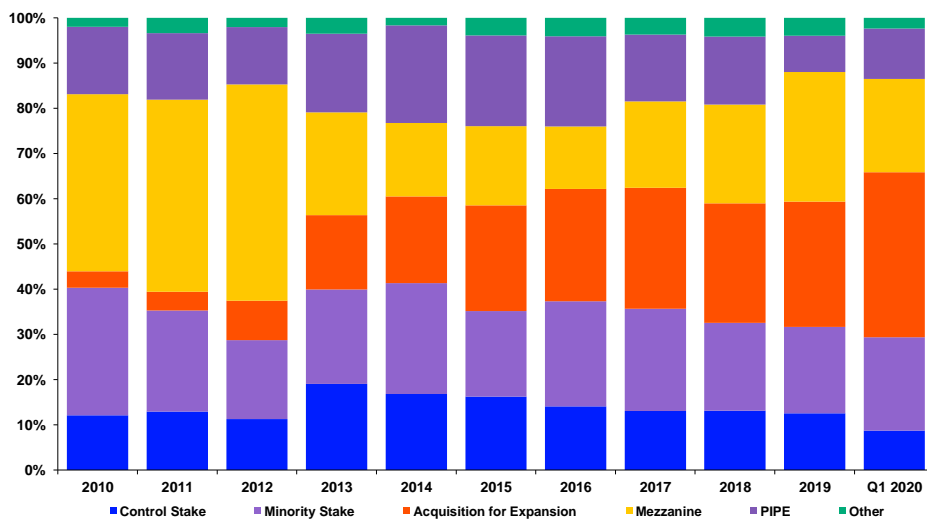
CANADA COMPLETED EXIT VALUES TOTAL CA\$1.7 BILLION

Canadian companies completed 19 PE-backed exits in the beginning of the year with aggregate disclosed exit values of CA\$1.7 billion, resulting in volumes remaining relatively steady for the past three Q1s and a 90% increase in values when compared to the lackluster start of 2019. The top exit newly announced in the first quarter was the \$2.7 billion acquisition of Ontario-based salt supplier Kissner Group Holdings by California-based Stone Canyon Industries, with firms Metalmark Capital and Silvertree Capital exiting from the business.

Private Equity Buyout Investment Activity in Canadian Companies



Private Equity Buyout Deal Volumes, Transaction Type



Investments

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Top Announced Canadian PE Buyout Deals by Deal Value

Company Name	Ann. Date	Deal Value (CA\$mil)	Sector	Status	Location
Canam Group	01/20/20	\$840.0	Other Products	Completed	QC
Eddyfi/NDT	01/30/20	\$600.0	Industrial/Energy	Completed	QC
Bestar	01/10/20	\$343.6	Consumer Related	Completed	QC
New Gold	02/25/20	\$298.3	Other Products	Completed	ON
Preciseley Microtechnology Corp.	01/08/20	\$232.8	Semiconductors/Other Elect.	Pending	AB
Meridian Credit Union	02/25/20	\$125.0	Other Products	Completed	ON
Lightspeed POS	02/18/20	\$112.7	Computer Software and Services	Completed	QC
TerrAscend	03/11/20	\$80.5	Other Products	Completed	ON
Alliance Magnesium	03/13/20	\$77.5	Other Products	Completed	QC
XNRGY Climate Systems	01/14/20	\$75.0	Industrial/Energy	Completed	QC
ToursByLocals	01/13/20	\$33.0	Internet Specific	Completed	BC
Harte Gold	03/19/20	\$27.0	Other Products	Completed	ON

Top Investors in Canadian PE Buyout Deals

Firm Name	Rank	# of Deals	Aggregate Deal Value (CA\$mil)
Desjardins Capital	1	28	\$494.7
CDP Capital Private Equity	2	12	\$1,565.0
Investissement Québec	3	9	\$725.5
Ontario Teachers Pension Plan Board	4	6	\$300.0
CIBC Innovation Banking	5	6	\$10.3
Fonds de solidarité FTQ	6	5	\$869.8
Novacap	7	4	\$600.0
Business Development Bank of Canada (BDC)	8	4	\$11.5
National Bank of Canada	9	3	\$600.0
Great Hill Partners	10	3	\$126.0
Cornell Capital	11*	3	\$0.0
HarbourVest	11*	3	\$0.0
BMO Technology & Innovation Banking Group	13	2	\$3.0
Fondation	14	2	\$1.7
Innovacorp	15*	2	\$0.1
New Brunswick Innovation Foundation	15*	2	\$0.1
BC Partners	17*	2	\$0.0
Champlain Financial Corporation	17*	2	\$0.0
Madison Dearborn Partners	17*	2	\$0.0
Persistence Capital Partners	17*	2	\$0.0
Spectrum Equity	17*	2	\$0.0

PE Buyout Investments by Province & State

State	01/01/2020 - 03/31/2020 Value (CA\$mil)	# of Deals	01/01/2019 - 03/31/2019 Value (CA\$mil)	# of Deals	YoY % Chg. (\$)	YoY % Chg. (#)
California	\$21,728.9	163	\$10,359.0	153	110%	7% ▲
Colorado	\$19,643.2	34	\$9.3	21	211573%	62% ▲
New York	\$9,395.9	73	\$3,872.1	79	143%	-8% ▼
Pennsylvania	\$7,306.3	52	\$1,721.0	58	325%	-10% ▼
Texas	\$5,741.3	110	\$17,179.1	139	-67%	-21% ▼
Illinois	\$5,187.3	55	\$341.1	50	1421%	10% ▲
Ohio	\$4,360.2	32	\$20.3	36	21421%	-11% ▼
Massachusetts	\$4,058.6	60	\$9,475.9	50	-57%	20% ▲
Florida	\$3,505.1	54	\$1,389.5	36	152%	50% ▲
Maryland	\$3,197.1	13	\$18.9	16	16789%	-19% ▼
Georgia	\$2,738.4	44	\$907.0	31	202%	42% ▲
Utah	\$2,645.5	14	\$493.7	11	436%	27% ▲
Virginia	\$2,544.9	34	\$795.8	28	220%	21% ▲
Alberta	\$2,491.4	9	\$2,730.5	11	-9%	-18% ▼
Quebec	\$2,238.3	52	\$1,400.9	61	60%	-15% ▼
New Jersey	\$1,780.0	27	\$9,326.5	17	-81%	59% ▲
British Columbia	\$1,497.5	11	\$80.1	17	1769%	-35% ▼
Wisconsin	\$1,262.2	11	\$519.9	14	143%	-21% ▼
Connecticut	\$1,173.2	29	\$4,806.3	21	-76%	38% ▲
Arizona	\$703.4	17	\$162.9	14	332%	21% ▲
Ontario	\$693.2	48	\$1,507.5	30	-54%	60% ▲
Arkansas	\$592.2	4	\$0.3	2	219215%	100% ▲
Missouri	\$416.1	15	\$1.2	12	34007%	25% ▲
Michigan	\$181.0	19	\$44.9	22	304%	-14% ▼
D. of Columbia	\$109.6	5	\$0.7	5	16508%	0% -

*Indicates a Tie

Top Announced PE Deals by Canadian Firms Investing Abroad

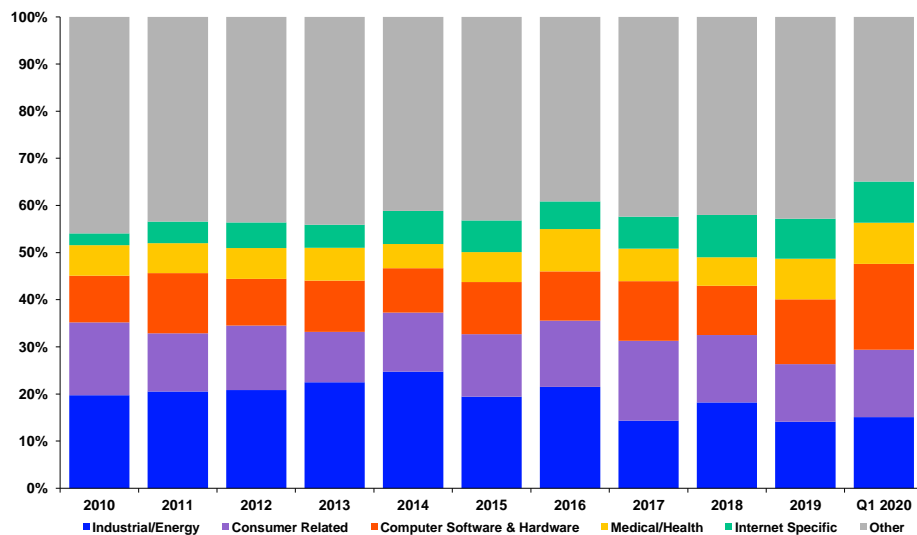
Company Name	Ann. Date	Deal Value (CA\$mil)	Sector	Status	Location
RSA Security	02/18/20	\$2,750.6	Computer Software and Services	Pending	United States of America
Clarivate	01/17/20	\$1,265.6	Internet Specific	Completed	United States of America
iCapital Network	03/23/20	\$211.6	Internet Specific	Completed	United States of America
Atlantic Broadband	01/10/20	\$65.3	Internet Specific	Pending	United States of America
CLP India	02/21/20	\$62.6	Industrial/Energy	Pending	India
Protalix Biotherapeutics	03/12/20	\$60.9	Biotechnology	Completed	Israel
Childsmiles Group	03/02/20	\$52.6	Medical/Health	Completed	United States of America
Pulmonx	02/20/20	\$42.4	Medical/Health	Completed	United States of America
Veeam Software	02/28/20	\$40.2	Computer Software and Services	Completed	Switzerland
DTG Recycle	01/20/20	\$37.7	Industrial/Energy	Completed	United States of America
Oilfield Water Logistics	03/27/20	\$33.5	Industrial/Energy	Completed	United States of America
ProctorU	01/09/20	\$23.5	Computer Software and Services	Completed	United States of America



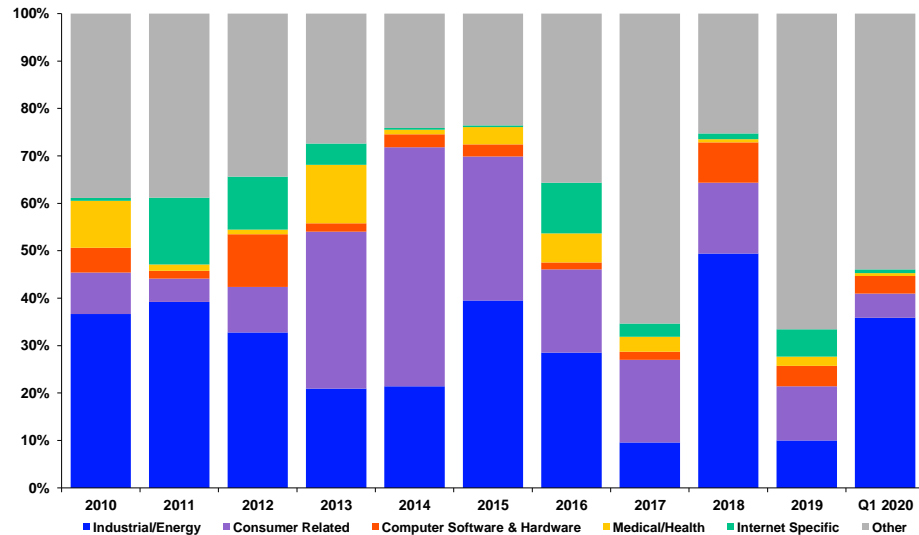
Investments

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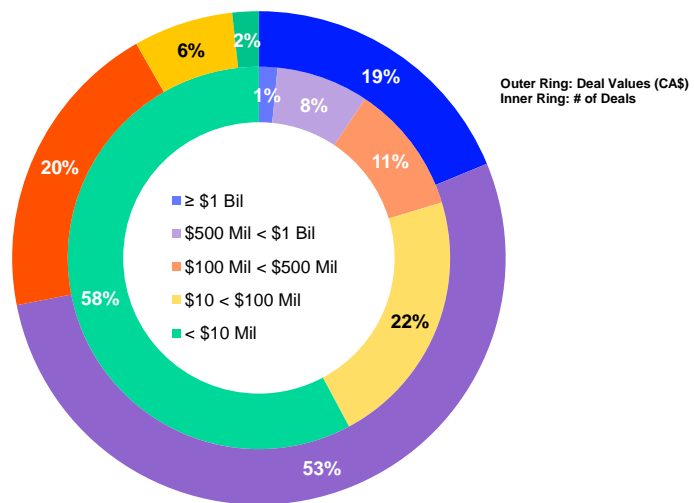
Investments by Sector, Number of Deals



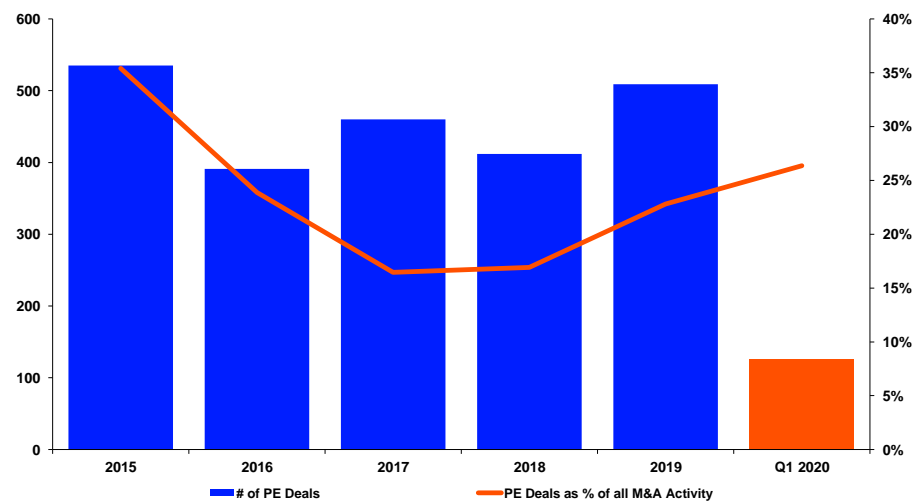
Investments by Sector, Deal Value (CA\$mil)



Deal Size Composition of Investments, Announced and Completed



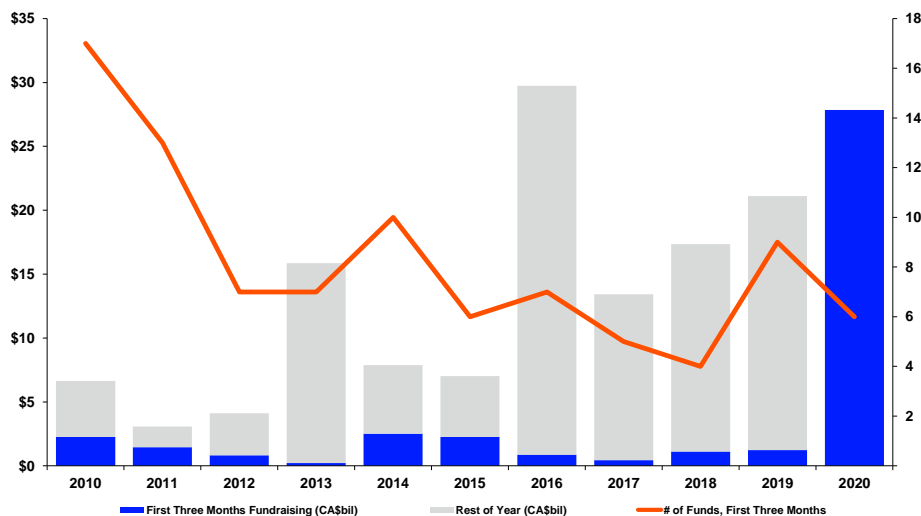
PE Buyout Dealmaking as a Percent of All Canadian M&A



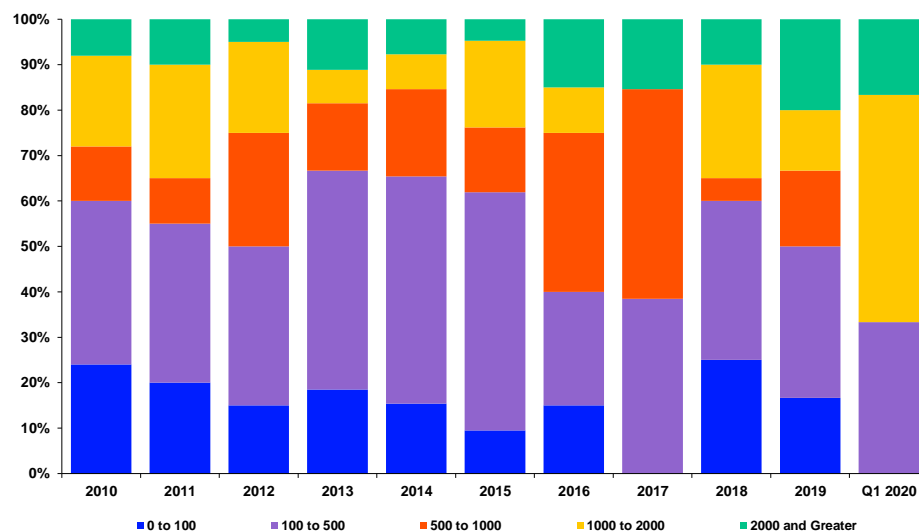
Fundraising

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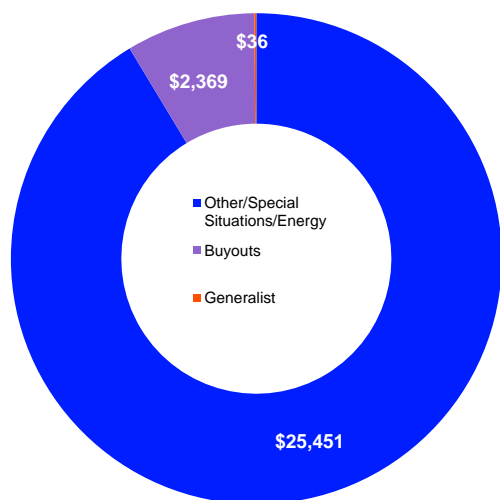
Canadian Private Equity Buyout Fundraising Activity



Private Equity Buyout Fundraising Volumes, Fund Size Category



PE Buyout Fundraising, by Investment Stage (CA\$mil)



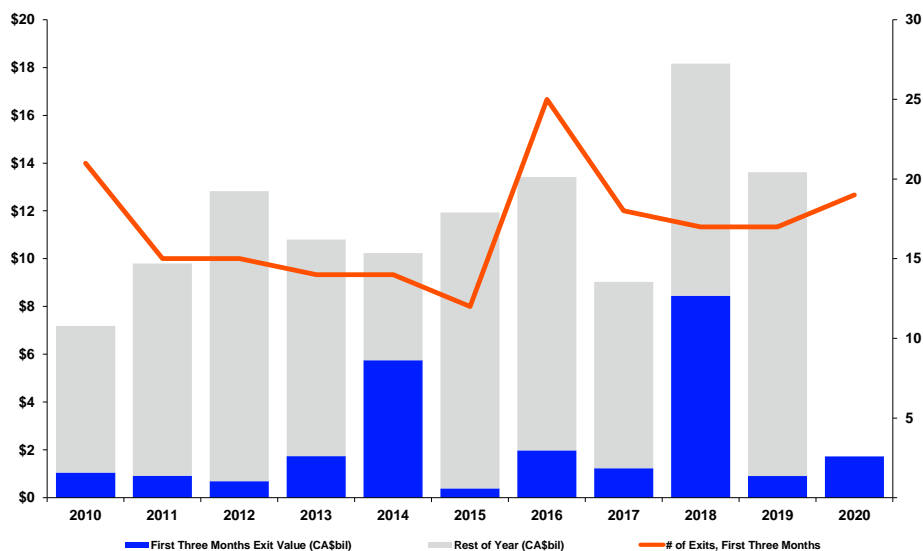
Largest PE Buyout Funds Raised in Canada, Previous Six Months

Fund Name	Latest Closing Date	Amount Raised (CA\$mil)	Total Fund Size (CA\$mil)	Fund Stage
Brookfield Infrastructure Fund IV	02/07/20	\$25,450.6	\$26,622.0	Other PE/Special Situations
TorQuest Partners Fund (U.S.) V, L.P.	03/27/20	\$1,321.3	\$1,373.0	Buyouts
Birch Hill Equity Partners (Global) VI, LP	02/26/20	\$1,226.6	\$1,227.0	Buyouts
Whitehorse Liquidity Partners III LP	10/15/19	\$1,012.8	\$2,639.0	Generalist
Novacap Industries V LP	11/21/19	\$918.0	\$918.0	Buyouts
Brookfield Capital Partners V LP	11/04/19	\$900.3	\$11,834.0	Buyouts
Altas Partners Holdings II LP	06/26/19	\$479.9	\$3,945.0	Buyouts
Novacap Financial Services I	03/12/20	\$250.6	\$262.0	Generalist
Bonnefield Canadian Farmland LP V	11/12/19	\$137.0	\$137.0	Other PE/Special Situations
Vistara Technology Growth Fund III LP	12/11/19	\$52.7	\$151.0	Generalist
Area One Farms Fund IV	03/31/20	\$30.8	\$159.0	Generalist

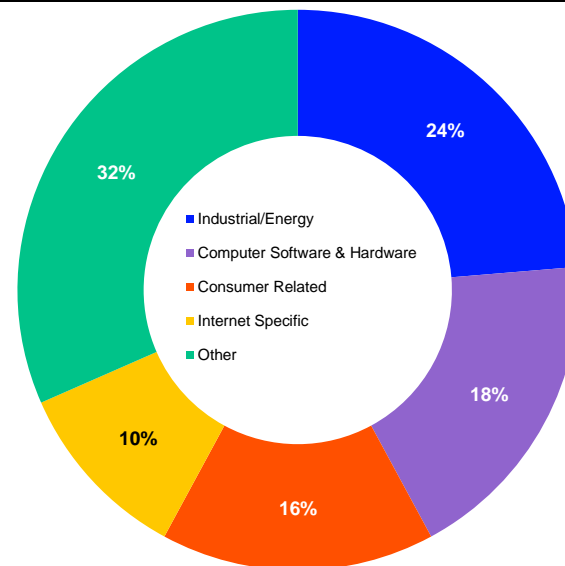
Exits

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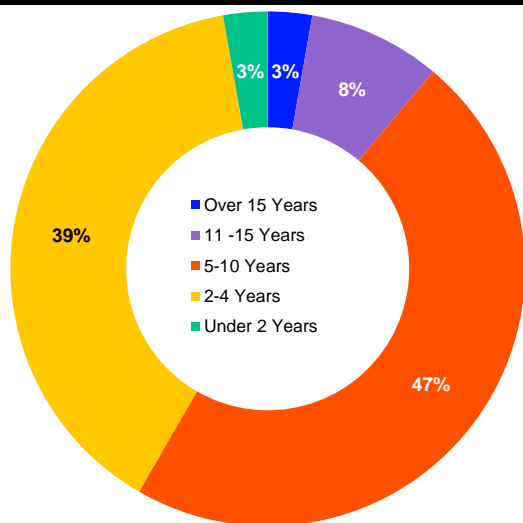
Completed Canada Private Equity Buyout Exit Activity



Exits Volumes by Sector, Previous Six Months



Number of Years from Investment to Exit, Previous Six Months



Top Canadian PE-Backed Exits, Previous Six Months

Company Name	Ann. Date	Deal Value	Sector	Exit Type
The Stars Group	10/02/19	\$8,116.0	Computer Software	Trade Sale
Kissner Group Holdings	02/03/20	\$2,657.0	Chemicals and Materials	Secondary Sale
North American Palladium	10/07/19	\$1,146.9	Chemicals and Materials	Trade Sale
Canam Group	01/20/20	\$838.9	Construction	Secondary Sale
Voortman Cookies	12/02/19	\$426.1	Food and Beverage	Trade Sale
Nova Cold Logistics	11/21/19	\$336.5	Industrial Equipment	Trade Sale
Xmedius	03/09/20	\$76.6	Internet Software	Trade Sale
Pengrowth Energy	11/01/19	\$28.0	Oil & Gas Exploration	Trade Sale
NorthPoint Technical Services	01/13/20	\$18.0	Oil & Gas Exploration	Trade Sale

Canada Private Equity Buyout Criteria

First Quarter 2020

If you would like to participate in the submission process, receive quarterly press releases, or have questions about our full league table criteria please contact:

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Data collected and analyzed by Refinitiv for this statistical report were drawn from a variety of sources including regulatory filings, press releases, Refinitiv PE and M&A databases, and contributed submissions from buyout firms, generalist firms, and law firms.

Key statistical indicators (e.g., total disbursements, per quarter or per annum) are influenced by the fact that a substantial fraction of buyout and other PE deals are not fully disclosed. For instance, "dollars invested" in a given period pertain only to those deals with values that have been published or confidentially disclosed to Refinitiv.

The data also highlights the deal-making of Canadian funds in non-Canadian companies. "Dollars invested" pertain to the total value of disclosed deals in which Canadian funds have participated and not the specific Canadian financial contributions to these deals. Deals are first tracked as of announcement date, then tracked as of completion date upon closing.

Statistical data reflect eligible PE backed add-on acquisitions, leveraged buyouts, management buyouts, management buy-ins, secondary buyouts, recapitalization and turnaround financing, mezzanine, secondary purchase, open market purchase, PIPE, and bridge loans.

League tables, commentary, and charts include both announced and completed transactions.

League Table rankings of top PE investors include only publicly-disclosed investment activity made in Canadian portfolio companies. Estimated investment activity is based on the actual syndicate breakdown, where available, and is split equally among disclosed investors where actual breakdowns are not available. Announced league tables include announced and completed deals that were announced between January 1st, 2020 and March 31st, 2020 and of which Refinitiv was made aware.

All current and previous years data is as of Wednesday, April 29, 2020. Data is continuously updated and is therefore subject to change. All figures are in Canadian dollars unless otherwise noted.

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