



UNITED KINGDOM AND REPUBLIC OF IRELAND M&A REVIEW



EXPERIAN MARKETIQ: Q1 2024

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“Despite suppressed volume, M&A value surged in the first quarter of the year, boosted by a thriving mega-deals segment, and building on the momentum of the second half of 2023. Corporate acquirors seem keen to push ahead with strategic high value dealmaking amid an improving macro-economic environment and a degree of clarity in the financing markets. We’ve have also seen robust competition for high quality assets with takeover battles for UK Plcs increasingly common. Private equity has largely held its fire at the top end of the market so far this year. However, with the strong driver to deploy abundant capital reserves, along with an expected increase in sponsor-backed assets coming to market, we’d expect this to change as we move further into the second quarter, both on the buy and sell-side.”

Jane Turner
Research Manager, Experian MarketIQ

UNITED KINGDOM M&A ACTIVITY

After M&A value in the UK dropped to record lows in 2023, the opening quarter of the year saw a welcome upturn in the market as macroeconomic conditions stabilised - even as global geopolitical tensions flared. There was a return to high-value deal making in Q1 - largely driven by corporate acquirors - with the number of mega-deals up to 17, from just six at this point last year.

Meanwhile a 24% upturn in value in the large-deal segment helped to push the total value of UK deals to £68bn, more than £40bn above the £26bn worth of deals announced in Q1 2023. Cross-border deal making proved a key value driver, with inward investment deals valued at £11.5bn, up from £4.5bn in the first quarter of last year. UK firms were also increasingly confident in deploying their capital overseas and we recorded outbound acquisitions worth £9.9bn in Q1, an increase of around 150% on a year on year basis. Conversely, transaction volume in the UK remains low in historic terms, with the 1,307 deals announced in Q1 representing a decline of 22% from the 1,671 transactions recorded during the first quarter of 2023, although the reporting lag particularly evident in Q1 means that we do expect this figure to be revised higher as the year progresses.



UK M&A value soared
in Q1 to

£68bn



Corporate deal making
dominated with market
share of

57%



AI investment
reaches record
levels, up by **83%**

Headline Deals

So far this year, corporate activity has eclipsed private equity in the UK, with the value of corporate acquisitions - at £39bn - accounting for 57% of the UK market. Just two of the UK's 20 largest bids stemmed from private equity sponsors in Q1, which is the lowest figure for several years. Big acquisitions included a £7.8bn takeover in the packaging sector, where DS Smith agreed terms on an all-share offer from US rival International Paper, while elsewhere Nationwide's £2.9bn offer to acquire Virgin Money was recommended by the company's board. In the housebuilding sector, Redrow's £2.5bn combination with Barratt Developments was another of seven deals that will see target companies

delist from the London Stock Exchange in Q1. While not quite matching the flurry of activity targeting UK PLCs in the second half of last year, this was up from five in the first quarter of 2023 and is set against a still moribund IPO market, with just four flotations announced in Q1. In telecoms, mobile group Vodafone continued to streamline its European operations with the £6.8bn sale of its Italian operations to state-owned Swisscom and intends to return £3.4bn to shareholders from its £4.4bn sale of Vodafone Spain in the final quarter of 2023. Finally, Cinven's £4.2bn buy-out of Luxembourg fund administration business Alter Domus was the stand out transaction in UK private equity; the £700m acquisition of Toucan Energy by Schroders



Greencoat, a Schroders Capital division that invests in the energy transition, was the next biggest buy-out, with most private equity attention focused on the mid-market in the first quarter.

Industry

Sector-wise, we recorded restrained volume almost across the board in Q1, set against rising transaction value. The infocomms space retained its place as the UK's leading source of M&A volume, accounting for 25% of all transactions in the first quarter; activity here was down by 26% year on year in volume terms, but deal value hit £20.5bn, up from £9bn at this point in 2023. In addition to Vodafone's multi-billion-pound divestment, deals included US testing software company Keysight's £1.2bn offer for automation software firm Spirent, having beaten out a competing offer from Viavi. Elsewhere, key sectors like manufacturing and wholesale/retail also saw volume decline but value increase substantially, while financial services returned a volume reduction of 28% and value rose by 89%. Figures were boosted by Nationwide's bid for Virgin Money, as well as Barclays' acquisition of Tesco Bank, Pollen Street Capital's £430m take private bid for specialist wealth management and asset management business Mattioli Woods and a large funding round for online bank Monzo.

Funding

A total of 360 transactions - around 28% of total UK deal volume - were funded by private equity in Q1. However, the total disclosed value of PE-backed deals, at £11bn, represented just 16% of the market, down from 24% in Q1 2023 and the lowest quarterly figure since the final quarter of 2020. In the venture capital space, tech investment dominated activity, with the scramble for AI and AI-enabled assets we identified at year end building momentum into 2024. Investment in AI reached record levels, with 55 deals agreed in Q1, up by 83% year on year. The investments - overwhelmingly targeting firms in London and the South East - had a recorded value of £818m in total, also the highest ever quarterly figure in this segment. Business Growth Fund was the UK's leading investor by deal volume, completing 13 transactions in Q1, ahead of Innovate UK (nine deals) and Octopus (six). Meanwhile, we saw a 20% decline in the volume of debt-funded transactions, but again, values were up substantially; HSBC, with 17 deals, Thincats (13) and Triple Point (ten) topped the debt rankings for Q1.

Top ten deals: UK

1

£7.8bn

Date: 27/03/2024

Deal type: Acquisition

Target: DS Smith Plc, London

Bidder: International Paper Co, USA

2

£6.8bn

Date: 28/02/2024

Deal type: Acquisition

Target: Vodafone Italy (from Vodafone Group Plc, Newbury)

Bidder: Swisscom AG, Switzerland

3

£4.2bn

Date: 04/03/2024

Deal type: SBO

Target: Alter Domus Luxembourg Sarl, Luxembourg

Bidder: Cinven, London

4

£3.4bn

Date: 18/03/2024

Deal type: Share Buy-Back

Target: Vodafone Group Plc, Newbury

5

£2.9bn

Date: 19/02/2024

Deal type: Acquisition

Target: JSC Polymetal, Russia (from Polymetal International Plc, Jersey)

Bidder: JSC Mangazeya Plus, Russia

6

£2.9bn

Date: 07/03/2024

Deal type: Acquisition

Target: Virgin Money UK Plc, Newcastle upon Tyne

Bidder: Nationwide Building Society, Swindon

7

£2.8bn

Date: 06/02/2024

Deal type: Share Buy-Back

Target: BP Plc, London

8

£2.5bn

Date: 07/02/2024

Deal type: Acquisition

Target: Redrow Plc, St Davids Park

Bidder: Barratt Developments Plc, Coalville

9

£2.5bn

Date: 30/01/2024

Deal type: Acquisition

Target: WM Morrisons Petrol Forecourts Business, Bradford

Bidder: Motor Fuel Group Ltd, St Albans

10

£2.4bn

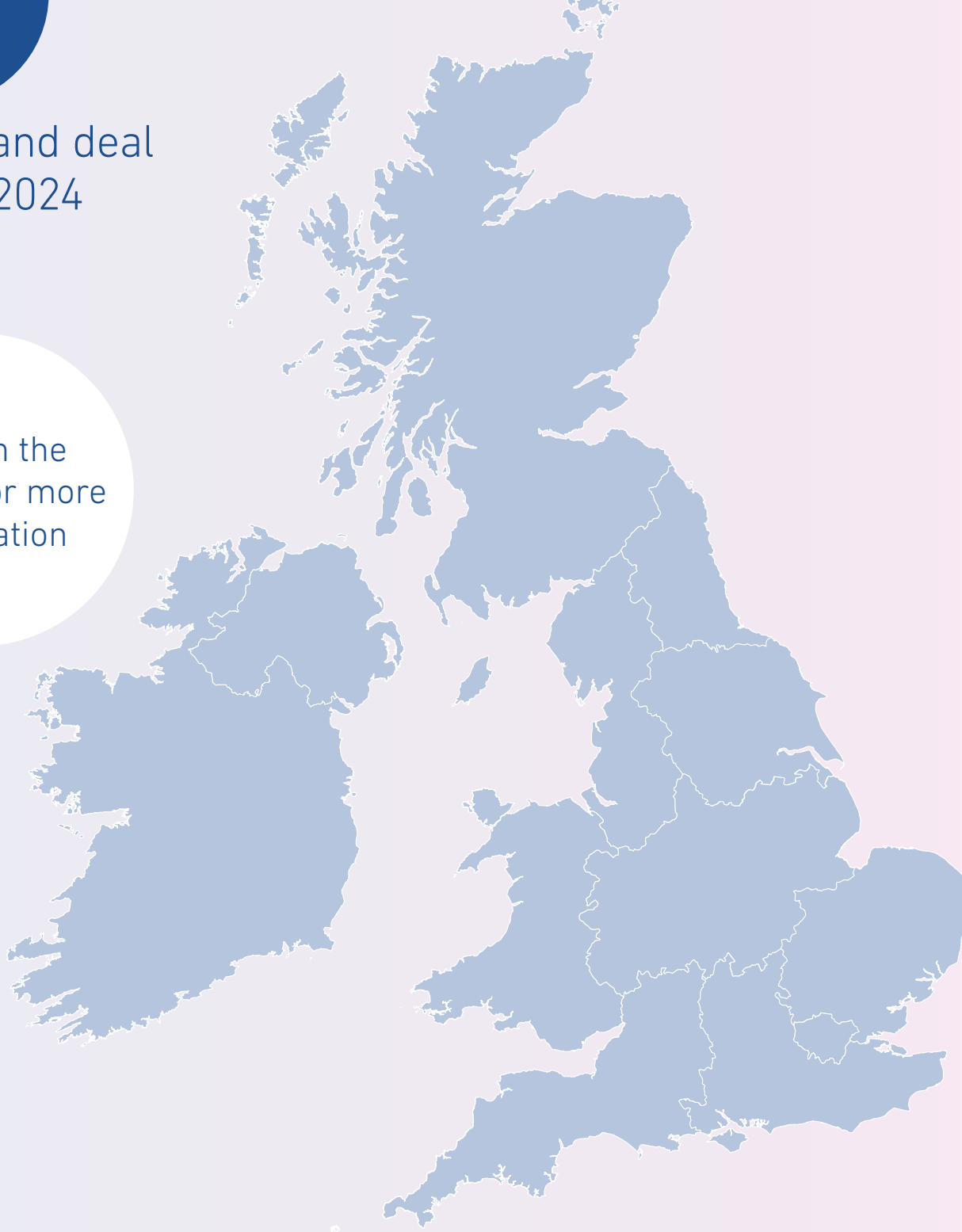
Date: 21/03/2024

Deal type: Divestment

Target: Haleon Plc, London (shares sold by Pfizer Inc, USA)

UK and Ireland deal volume Q1 2024

Click on the
regions for more
information


















UK AND IRELAND M&A BY REGION Q1 2024



Volume

Region	Q1 2024	Q1 2023	% Change
Greater London	485	608	-20% 
South East	217	283	-23% 
Midlands	207	274	-24% 
North West	165	223	-26% 
South West	125	138	-9% 
Yorkshire & Humber	107	176	-39% 
East of England	128	170	-25% 
Scotland	80	108	-26% 
North East	60	74	-19% 
Wales	47	91	-48% 
Northern Ireland	54	45	20% 
Republic of Ireland	141	154	-8% 
United Kingdom	1,307	1,671	-22% 



UK AND IRELAND M&A BY REGION Q1 2024























Value (£m)

Region	Q1 2024	Q1 2023	% Change
Greater London	37,810	15,727	140%
South East	13,023	2,737	376%
Midlands	4,007	1,688	137%
North West	1,015	3,557	-71%
South West	4,940	575	759%
Yorkshire & Humber	197	687	-71%
East of England	7,202	2,539	184%
Scotland	1,015	437	132%
North East	3,018	254	1,088%
Wales	2,600	93	2,696%
Northern Ireland	121	36	236%
Republic of Ireland	3,184	9,335	-66%
United Kingdom	67,919	26,115	160%

UK DEALS BY INDUSTRY Q1 2024























Volume

Sector	Q1 2024	Q1 2023	% Change
 Infocomms	340	458	-26% 
 Professional services	310	392	-21% 
 Manufacturing	287	360	-20% 
 Wholesale and retail	231	282	-18% 
 Financial services	172	240	-28% 
 Support services	133	207	-36% 
 Health	93	117	-21% 
 Construction	79	122	-35% 
 Real estate	55	85	-35% 
 Hospitality	42	53	-21% 



UK DEALS BY INDUSTRY Q1 2024

 Value (£m)

Sector	Q1 2024	Q1 2023	% Change
 Infocomms	20,490	8,557	139% 
 Professional services	9,019	5,469	65% 
 Manufacturing	24,351	8,086	201% 
 Wholesale and retail	18,572	6,826	172% 
 Financial services	15,297	8,081	89% 
 Support services	1,477	3,144	-53% 
 Health	312	493	-37% 
 Construction	3,926	572	587% 
 Real estate	5,720	3,805	50% 
 Hospitality	1,543	1,342	15% 





Volume

LEGAL ADVISER RANKINGS

Current rank	Previous rank	Legal adviser	Volume
1	⇅ 4	HARRISON CLARK RICKERBYS	44
2	⇅ 1	SHOOSMITHS	34
3	⇅ 6	GATELEY	32
4	⇅ 3	EVERSHEDS SUTHERLAND	25
5	⇅ 9	MILLS & REEVE	24
6	⇅ 13	CMS	22
7	⇅ 2	ADDLESHAW GODDARD	22
8	⇅ 21	BROWNE JACOBSON	22
9	⇅ 5	PINSENT MASONS	17
10	⇅ 10	ORRICK HERRINGTON & SUTCLIFFE	16
11	⇅ 19	FREETHS	15
12	⇅ 7	SQUIRE PATTON BOGGS	13
13	⇅ -	TUGHANS	13
14	⇅ 15	WARD HADAWAY	13
15	⇅ 22	STEVENS & BOLTON	13
16	⇅ 14	HIGGS	13
17	⇅ -	CLARKE WILLMOTT	13
18	⇅ -	SLAUGHTER AND MAY	13
19	⇅ 27	CARSON MCDOWELL	12
20	⇅ 25	CLARION SOLICITORS	12



Volume

FINANCIAL ADVISER RANKINGS

Current rank	Previous rank	Financial adviser	Volume
1	⇅ 1	K3 CAPITAL GROUP	42
2	⇅ 4	BDO	36
3	⇅ 2	GRANT THORNTON	32
4	⇅ 3	AZETS	32
5	⇅ 5	RSM	26
6	⇅ 10	CAVENDISH	22
7	⇅ 8	ALTIUS GROUP	16
8	⇅ -	MORGAN STANLEY	14
9	⇅ 6	PWC	14
10	⇅ 7	KPMG	14
11	⇅ 11	HAZLEWOODS	14
12	⇅ -	GOLDMAN SACHS	11
13	⇅ 13	FRP ADVISORY TRADING	11
14	⇅ -	BARCLAYS	10
15	⇅ 24	COOPER PARRY	10
16	⇅ -	UBS	10
17	⇅ -	HOULIHAN LOKEY	10
18	⇅ 25	SINGER CAPITAL MARKETS	9
19	⇅ 28	BENCHMARK INTERNATIONAL	9
20	⇅ -	ROTHSCHILD & CO	8



Volume

CAPITAL PROVIDER RANKINGS

Current rank	Previous rank	Investment firm	Volume
1	⇅ 1	BUSINESS GROWTH FUND	13
2	⇅ -	INNOVATE UK	9
3	⇅ 4	OCTOPUS VENTURES	6
4	⇅ 6	MERCIA ASSET MANAGEMENT	6
5	⇅ -	APAX PARTNERS	5
6	⇅ 7	CLEAN GROWTH FUND	5
7	⇅ 19	YFM EQUITY PARTNERS	5
8	⇅ -	MEIF PROOF OF CONCEPT & EARLY STAGE FUND	5
9	⇅ 2	LDC	5
10	⇅ -	BAIN CAPITAL	4



Volume

DEBT PROVIDER RANKINGS

Current rank	Previous rank	Debt provider	Volume
1	⇅ 1	HSBC	17
2	⇅ 3	THINCATS	13
3	⇅ -	TRIPLE POINT	10
4	⇅ -	NPIF - FW CAPITAL	8
5	⇅ -	OAKNORTH	6
6	⇅ -	BARCLAYS	6
7	⇅ 12	SHAWBROOK BANK	5
8	⇅ 6	SANTANDER	4
9	⇅ 7	PRAETURA	4
10	⇅ 4	NATWEST	3

LONDON



London deal value
was up by

140%



Private equity
deal value hit

£8.8bn



Q1 was the busiest
ever quarter for deal
making in **AI**

Despite fewer deals announced overall, the total value of London M&A soared in Q1, after the return to big ticket deal making we identified in the second half of 2023 persisted into the opening quarter of this year. The number of mega-deals in the capital more than trebled compared with the same period of 2023, with deal makers increasingly comfortable with making major investment decisions amid a stabilising macroeconomic outlook.

London businesses inked ten mega deals for an aggregate value of around £26bn in Q1, up from just three transactions worth £4bn in Q1 2023. This boosted the value of London's deals to £38bn, up by 140% from the £16bn worth of transactions announced at this point last year and representing 56% of the aggregate value of UK M&A. Meanwhile, while London-based companies provided 37% of the total number of UK deals - up from 36% in Q1 2023 - volume was down by 20% year on year (to 485, from 608 in Q1 2023). This encompassed a 32% decline in corporate deal making, which fell to 230 deals in Q1 from 330 at this point in 2023, offset somewhat by strong activity stemming from private equity bidders. Although a lag in reporting means that we might expect this figure to rise somewhat as the year goes on, this currently represents the lowest quarterly volume figure for corporate acquisitions since the Covid-affected second quarter of 2020.

Headline Deals

Despite weakening volume, the value of corporate M&A in London surged in Q1, buoyed by a select number of high-value deals. At the end of March, Memphis-based International Paper agreed a £7.8bn deal to acquire packaging group DS Smith, beating out a rival offer from competitor Mondi. The all-share deal represents further transformative consolidation at the top end of the packaging sector following Smurfitt Kappa's merger with WestRock in September last year and will see DS Smith shareholders hold 34% of the combined group following completion. Elsewhere, biopharma group GSK completed another acquisition in the US with the £1.1bn

takeover of Boston respiratory drug specialist Aiolos Bio and Barclays agreed to acquire the retail banking business of Tesco for £600m in cash, as the supermarket group continues to streamline its operations. In the year's largest buy-out to date, London private equity firm Cinven agreed to take a majority stake in Alter Domus, a fund administration business based in Luxembourg. The sale values Alter Domus at £4.2bn, including debt, and will see existing backer Permira and the group's founders retain stakes. The flurry of deals targeting London's listed companies looked to have abated in Q1, although we did see US pharmaceuticals group Pfizer divest a substantial part of its shareholding in



consumer healthcare business Haleon for £2.4bn – after GSK sold £1bn worth of shares in Haleon back in January – and the BCP York investment consortium complete a £1.4bn offering of part of its London Stock Exchange Group shareholding.

Industry

Volume down, value up was the rule across the majority of sectors for Q1. The technology industry remained by some way the leading source of deal activity in the capital, accounting for around 37% of all deals – here, we recorded a 21% decline in volume, while total deal value was up by 28%, to £7bn. Drilling down, deals in the rapidly growing AI space bucked the downward trend, with 49 transactions representing the busiest ever quarter for deal making in the sector, building momentum after a bumper 2023. Elsewhere, there was strong activity in professional, scientific and technical activities, which was London's second largest sector and outperformed the wider market with a 6% year on year decline alongside an increase in deal value of 113%. Here we saw good volume across a range of sub-sectors, particularly in the scientific R&D, engineering, advertising and legal & accounting space.

Funding

There was a private equity aspect to the funding of 34% of London deals in the first quarter. While the volume of 164 PE-backed deals was 14% under Q1 2023's figure of 191, it represented a greater market share and value soared to £8.8bn (from £4.1bn in Q1 2023). Notable deals in the buy-out space included RedBird Capital's £1.2bn acquisition of All3Media - the biggest ever private equity investment in the UK's film and TV production sector - and Schroders Capital's £700m purchase of solar energy business Toucan Energy. In the venture capital segment, there were large funding rounds for online bank Monzo, which raised £340m from a consortium led by CapitalG, Alphabet's independent growth fund, Quantum computing firm Quantinuum, recipient of a £240m investment led by JP Morgan and fintech Flagstone, which secured £108m from Estancia Capital Partners. Of more than 100 investment firms operating in the London market in Q1, Khosla Ventures, AlbionVC and Octopus were most active by volume, each with four investments. Meanwhile Thincats was the leading debt provider to the London M&A market, supporting seven transactions, followed by Triple Point and HSBC.

Top five deals: London

#1

£7.8bn

Date: 27/03/2024
Deal type: Acquisition
Target: DS Smith Plc, London
Bidder: International Paper Co, USA

#2

£4.2bn

Date: 04/03/2024
Deal type: IBO
Target: Alter Domus Luxembourg Sarl, Luxembourg
Bidder: Cinven, London

#3

£2.8bn

Date: 06/02/2024
Deal type: Share Buy-Back
Target: BP Plc, London

#4

£2.4bn

Date: 21/03/2024
Deal type: Divestment
Target: Haleon Plc, London (shares sold by Pfizer Inc, USA)

#5

£1.7bn

Date: 29/02/2024
Deal type: Merger
Target: Global Gaming and PlayDigital Divisions of International Game Technology Plc, London
Bidder: Everi Holdings Inc, USA

**LEGAL ADVISER RANKINGS**

Volume

Current rank	Previous rank	Legal adviser	Volume
1	⇄ 1	SHOOSMITHS	16
2	⇄ 10	CMS	12
3	⇄ 8	HARRISON CLARK RICKERBYS	12
4	⇄ 2	EVERSHEDS SUTHERLAND	11
5	⇄ 4	ORRICK HERRINGTON & SUTCLIFFE	11
6	⇄ 6	GATELEY	8
7	⇄ -	BROWNE JACOBSON	8
8	⇄ 23	SLAUGHTER AND MAY	7
9	⇄ 11	DLA PIPER	7
10	⇄ 14	STEVENS & BOLTON	7

**FINANCIAL ADVISER RANKINGS**

Volume

Current rank	Previous rank	Financial adviser	Volume
1	⇄ 3	BDO	15
2	⇄ 4	RSM	14
3	⇄ 18	MORGAN STANLEY	11
4	⇄ 2	K3 CAPITAL GROUP	11
5	⇄ 8	CAVENDISH	10
6	⇄ 1	GRANT THORNTON	10
7	⇄ 13	GOLDMAN SACHS	8
8	⇄ -	JP MORGAN	7
9	⇄ 25	BARCLAYS	6
10	⇄ 11	HAZLEWOODS	6

SOUTH EAST



Deal values up to
↑ £13bn



23%
increase in mid-market
deal value



**Wholesale and
retail** deals up
20%

M&A activity in the South East in Q1 took off at a slower rate than the same period in 2023. A total of 217 deals were recorded, 23% fewer than the 283 announced last year. However, mirroring the trend seen across much of the UK, deal values peaked at £13bn - up from £2.7bn in the first three months of last year.

This spike in value is one the region hasn't seen in Q1 since 2017 when values reached £21bn. Large deals remained relatively unchanged in value, a nominal drop of 1.5%, but fell in volume by 40%. The mid-market enjoyed a boost of 23% in values across the 20 deals in this price range, approximately 17% fewer than last year. Deals at the lower end of the scale declined in volume by 36% and value by 39%, suggesting that both strategic and private equity buyers are seeking higher value transactions. Acquisitive deals were the key driver of activity, with the 162 deals of this type registering a decline of 22% in volume, although value was up significantly from £648m last year to £9.2bn for this reporting period. Overseas acquirors accounted for 10% of acquisitions, with European buyers just edging out the USA as the most prolific acquirors of South East businesses. Outbound activity was largely into European and US markets, and accounted for just under 8% of deals, with the majority of South East transactions being domestic affairs. Development capital deals were second most common, although deals fell by 50% volume-wise, and by 79% in value on the previous year. The South East's deal activity represented 17% of the UK's total by volume, and 19% by value.

Headline Deals

In the year to date, three mega deals for the region have been announced. In February, Newbury-based Vodafone agreed to sell Vodafone Italy to Swisscom in deal worth £6.8bn. The deal is the third and final step of reshaping Vodafone’s European footprint, and the proceeds will be used to return £3.4bn to shareholders via share buy-backs. The Vodafone share buy-back was the second largest deal in the region, and is expected to commence following completion of the sale of Vodafone Spain. The third mega deal was the sale of Crawley-based Spirent Communications to

Keysight Technologies of the US. The £1.2bn deal saw Keysight outbid rival Viavi Solutions, in the latest wave of UK-listed companies being targeted by foreign acquirors as the weaker pound and perceived lower valuations make British companies attractive targets. Strategic acquirors were prevalent over private equity buyers, accounting for 79% of all acquisitions and buy-outs. Private equity activity was centred around bolt-on acquisitions for portfolio companies, including three further acquisitions for Woking-headquartered Funeral Partners, boosting the number of funeral homes it owns to more than 225 locations.



Industry

Manufacturing was the principal driver of industry activity in the year to date, with the 59 deals recorded being just 13% fewer than the sector saw in the same period last year. Value was up by 415% to just under £1.7bn from £328m the previous year. Professional services came in a close second, with the 52 deals just over 24% down on last years’ figures, while value remained relatively unchanged year-on-year. Deals in this sector saw Sumer Group, a provider of mid-market accountancy services, continue its wave of consolidation as firms including EQ Accountants, Cowgills and David Starbuck came under its ownership. Infocomms and wholesale and retail each reported 50 deals for their respective sectors, with the latter enjoying a boost of close to 20% in volume. Deals in the infocomms space fell by 48%, but values were up by a substantial margin of 540%.

Funding

Where funding structures were disclosed, the value of deals which were supported by bank funding was up from £79m last to just over £8bn this year, principally attributed to two of the mega deals being underwritten by banks including Deutsche Bank, ING, UniCredit, BNP Paribas and Citibank. Venture capital and private equity funded deals declined in volume from 51 in Q1 2023 to 28 this year, and value was also in decline, from £774m to £173m. ThinCats supported on the highest volume of deals, with five, closely followed by Triple Point with four, and HSBC and Shawbrook Bank on two apiece. Apax Partners and YFM Equity Partners each registered involvement in three deals in the region, with Epidarex Capital, Octopus Ventures and Chiltern Capital having supported on two each.

Top five deals: South East

#1

£6.8bn

Date: 28/02/2024

Deal type: Acquisition

Target: Vodafone Italy
(from Vodafone Group Plc, Newbury)Bidder: Swisscom AG,
Switzerland

#2

£3.4bn

Date: 28/02/2024

Deal type: Share Buy-
BackTarget: Vodafone Group
Plc, Newbury

#3

£1.2bn

Date: 28/03/2024

Deal type: Acquisition

Target: Spirent
Communications Plc,
CrawleyBidder: Keysight
Technologies Inc, USA

#4

£475m

Date: 22/01/2024

Deal type: Acquisition

Target: CH&Co
Catering Group Ltd,
ReadingBidder: Compass
Group Plc, Chertsey

#5

£210m

Date: 08/01/2024

Deal type: Acquisition

Target: Portfolio of
Travelodge HotelsBidder: Travelodge
Hotels Ltd, Thame

**LEGAL ADVISER RANKINGS**

Value

Current rank	Previous rank	Legal adviser	Volume
1	⇅ 4	HARRISON CLARK RICKERBYS	11
2	⇅ 8	GATELEY	9
3	⇅ -	CLARKE WILLMOTT	8
4	⇅ 2	SHOOSMITHS	8
5	⇅ 10	ADDLESHAW GODDARD	7
6	⇅ -	FREETHS	7
7	⇅ 9	STEVENS & BOLTON	6
8	⇅ -	SLAUGHTER AND MAY	3
9	⇅ 7	DWF	3
10	⇅ 5	EVERSHEDS SUTHERLAND	3

**FINANCIAL ADVISER RANKINGS**

Volume

Current rank	Previous rank	Financial adviser	Volume
1	⇅ 1	K3 CAPITAL GROUP	17
2	⇅ 4	JAMES COWPER KRESTON	5
3	⇅ 16	CAVENDISH	5
4	⇅ 5	AZETS	5
5	⇅ 3	BDO	5
6	⇅ 18	COOPER PARRY	5
7	⇅ 15	FRP ADVISORY TRADING	4
8	⇅ 14	PWC	3
9	⇅ 8	HAZLEWOODS	3
10	⇅ -	LIBERUM CAPITAL	3

SOUTH WEST



In the first quarter of 2024, the M&A market in the South West saw a surge in transaction values, mirroring the position across much of the country. Overall deal value was up by 760%, boosted by a £2.9bn mega deal, the region's largest in the last three years and the first one this year.

The mid-market and large deal segments outperformed deals at the lower end of the spectrum, with the mid-market enjoying 100% year-on-year growth in volume from three to six deals, and an impressive 290% upturn in value from £45m to £175m. Large deals increased from two to five, and by 274% in value from £472m to £1.8bn. In the below-£10m range, deal value was also up but by a more modest 70% whilst volume was up by 32%. There was no pronounced shift in the overall volume of deals announced when adding in those with no disclosable value – just over a 9% shortfall on last years' numbers from 138 to 125 deals. Acquisitions dominated by deal type, with little fluctuation from the first quarter of last year where the 92 recorded deals were just shy of 7% more than the 86 in 2024 to date. Overseas acquirors accounted for 10% of acquisitions, with European and North American buyers leading the inbound activity. All of the outbound activity stemmed from IVC Evidensia continuing to expand its operations outside of the UK through further acquisitions of veterinary practices across Europe. There was a 17% increase in development capital deals, ranging from seed investments to late stage and expansion, although the overall value of these deals fell by 64%. The South West's deal activity represented 10% of the UK's total by volume, and 7% by value.



Deal value boosted by

760%



29% increase in deals in the professional services sector



Mid-market deals up by **100%** in volume

Headline Deals

The largest deal the region has seen for three years was announced in March and saw Swindon-based Nationwide Building Society agree cash terms to acquire Virgin Money for £2.9bn. The planned takeover is expected to complete towards the end of 2024, subject to regulatory and shareholder approval, and will ultimately see the Virgin Money brand phased out. In the transport sector, a bidding war for Chippenham-based Wincanton resulted in the second largest deal for the region this year. GXO Logistics, the US owner of Clipper Logistics, offered £764m in cash for Wincanton, after French shipping group CMA CGM had previously agreed a £605m deal. The

rival offers represent a continuing trend for UK-listed companies facing takeover bids with Currys having recently rejected an offer from Elliott Advisors, the US hedge fund owner of Waterstones, and Spirent Communications withdrawing its recommendation for a takeover from Viavi Solutions in favour of a competing offer from Keysight. In January, Pennon Group made a strategic move to enhance its position in the water supply sector, with the acquisition of Sutton and East Surrey Water for an enterprise value of £380m, and also launched a £180m share issue to raise capital to support the enlarged group following the acquisition. Strategic acquirors were the principal drivers of

deal activity for the region, with much of the private equity activity being in the form of bolt-on acquisitions for their portfolio companies, most notably in the veterinary care sector where the latest series of acquisitions for IVC Evidensia boosted their portfolio of practices to more than 2,500 across 20 countries.

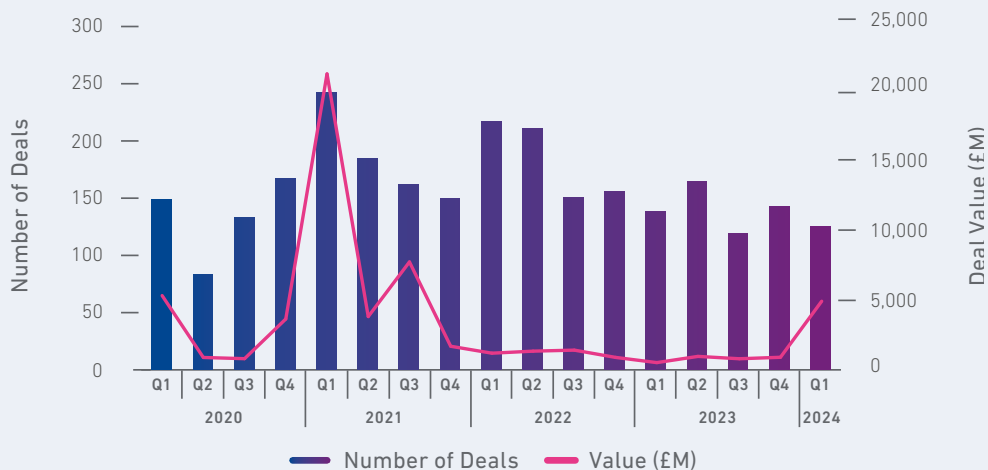
Industry

Several key industries contributed to the South West's M&A landscape. The principal driver of industry activity in the year to date has been the professional services sector, which saw a 29% rise in the volume of deals, with deal value on an upward trajectory from £15m last year to £429m this year. Serially acquisitive veterinary care provider IVC Evidensia has completed more than 500 deals in this sector in the last 15 years and shows no signs of slowing down, despite a CMA review of the industry. The South West has a diverse manufacturing sector which underpins key areas including food and drink, marine, energy, aerospace and defence and manufacturing deals also grew in value - from £22m in 2023 to £411m in 2024 - despite a downturn in volume of around 30%. Wholesale and retail followed a similar trend, with value up and volume down, with a notable deal being the £339m sale of Bristol-based

catering supplier Nisbets to Bunzl. In fact, there were very few industries that bucked this trend, with the exception of infocomms which saw a 66% downturn on last year's value figures, from £244m to £84m.

Funding

Where funding structures are disclosed, deals funded via cash and venture capital investment saw a surge in volume and value, whilst the appetite for bank lending waned as higher interest rates make it more expensive to service. Cash funded deals were up 26% in volume and 753% in value, which could be an indicator that companies with substantial cash reserves are choosing this method of financing acquisitions to avoid incurring additional costs associated with traditional lending. Venture capital and private equity funded deals rose by 46% volume-wise and 132% in value, with businesses in the region proving to be attractive targets for investors. Lenders supporting South West businesses included Triple Point, Shawbrook Bank, HSBC and SME Capital. Investors included a diverse range of venture capital and angel investors through to growth equity providers.



Top five deals: South West

#1

£2.9bn

Date: 07/03/2024

Deal type: Acquisition

Target: Virgin Money UK Plc, Newcastle-upon-Tyne

Bidder: Nationwide Building Society, Swindon

#2

£764m

Date: 29/02/2024

Deal type: Acquisition

Target: Wincanton Plc, Chippenham

Bidder: GXO Logistics Inc, USA

#3

£380m

Date: 10/01/2024

Deal type: Acquisition

Target: Sumisho Osaka Gas Water UK Ltd, London

Bidder: Pennon Group Plc, Exeter

#4

£336m

Date: 26/02/2024

Deal type: Acquisition

Target: Nisbets Ltd, Bristol

Bidder: Bunzl Plc, London

#5

£180m

Date: 10/01/2024

Deal type: Rights Issue

Target: Pennon Group Plc, Exeter



LEGAL ADVISER RANKINGS

Volume

Current rank	Previous rank	Legal adviser	Volume
1	⇄ 1	HARRISON CLARK RICKERBYS	8
2	⇄ 5	GATELEY	7
3	⇄ 15	CLARKE WILLMOTT	5
4	⇄ 21	SLAUGHTER AND MAY	4
5	⇄ 2	EVERSHEDS SUTHERLAND	4
6	⇄ -	OSBORNE CLARKE	4
7	⇄ 7	BROWNE JACOBSON	4
8	⇄ -	FREETHS	3
9	⇄ 7	ROXBURGH MILKINS	3
10	⇄ 15	SHOOSMITHS	2



FINANCIAL ADVISER RANKINGS

Volume

Current rank	Previous rank	Financial adviser	Volume
1	⇄ 6	BDO	14
2	⇄ 1	PKF	7
3	⇄ 3	HAZLEWOODS	5
4	⇄ 6	AZETS	5
5	⇄ 8	FRP ADVISORY TRADING	4
6	⇄ -	TATSU PARTNERS	3
7	⇄ -	UBS	2
8	⇄ -	BARCLAYS BANK	2
9	⇄ -	MORGAN STANLEY	2
10	⇄ -	CAVENDISH	2

EAST OF ENGLAND



Resurgence of big-ticket M&A drive deal value to

£7.3bn



Wholesale and retail emerges as East of England's **leading sector** by value



AstraZeneca involved in further outward investment transactions valued at

£2.7bn

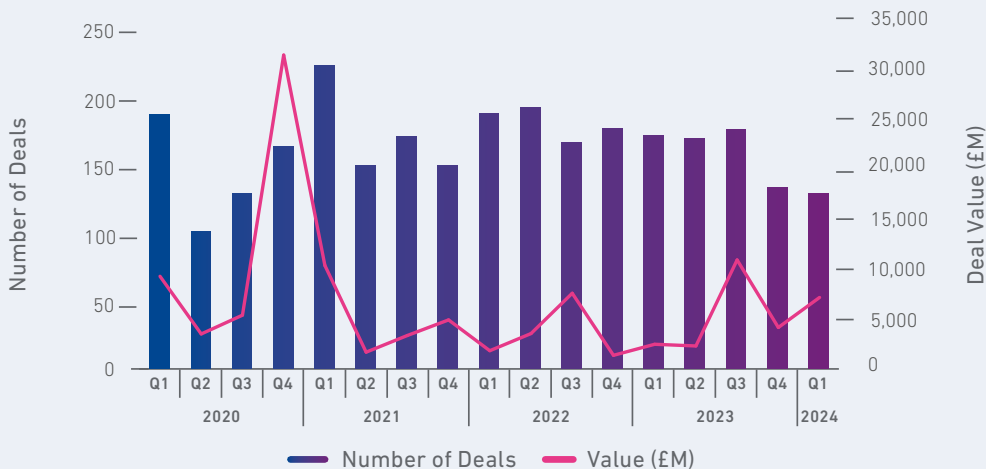
The positive growth in M&A transaction value in the East of England we highlighted at the end of 2023 continued into the first quarter of this year – 2024 has witnessed a resurgence of mega and large deals, particularly in the corporate sector, where substantial transactions are driving up average deal value.

So far, there have been seven large deals and two mega deals confirmed, with the value of those transactions reaching £2.4bn and £4.4bn, respectively. This was significantly higher than the opening quarter of last year, when there were only two large deals and one mega deal announced (valued at £500m and just under £1.5bn, respectively). Along with the value of small deals also marginally increasing for Q1 (from £92m to £95m), this meant that transaction value reached £7.2bn, almost three times the £2.5bn we recorded in the opening quarter of 2023. The rise in values contrasted with transaction volume falling back to 128 - down by 25% from 170 the previous year – but still represents a fairly strong performance, with encouraging growth across several industry sectors including wholesale and retail, waste management, and agriculture, forestry and fishing. Companies based in the East of England were involved in just under 10% of all UK deals last year, whilst contributing 11% to their total value.

Headline Deals

The stand-out transaction confirmed so far in the opening quarter saw Motor Fuel Group, the St Albans-based operator of petrol station forecourts, agree to acquire a portfolio of 337 petrol forecourts along with more than 400 associated sites across the UK for Ultra-Rapid electric vehicle (EV) charging development, from Wm Morrison Supermarkets, the Bradford-based supermarket chain, for a cash consideration of £2.5bn. Rounding out the top three were two further deals for AstraZeneca, the Anglo-Swedish multinational pharmaceutical and biotechnology

company with its headquarters at the Cambridge Biomedical Campus. AstraZeneca continued where it left off in 2023, inking deals to acquire another two overseas-based companies in March – it has agreed the takeover Fusion Pharmaceuticals, a Canadian clinical-stage biopharmaceutical company developing next-generation radioconjugates, in a transaction which could reach £1.9bn, whilst also agreeing to acquire Amolyt Pharma, a French developer of therapeutic peptides for rare endocrine and related diseases, from exiting investor Sofinnova Partners, in a deal valued at £822m.



Industry

The 37 confirmed professional services transactions accounted for 29% of the region’s total M&A activity in the first quarter. This marked a decline from the 53 announced in Q1 2023 (which represented a 31% share). Despite the downturn in volume, professional services deals surged in value, reaching an impressive £3.1bn compared to the previous year’s £1.6bn. Wholesale and retail remained a robust player, experiencing 15% year-on-year growth by volume, whilst securing top spot in terms of deal value, with transactions also hitting £3.1bn. Manufacturing ranked third with 30 transactions, slightly lagging behind the top two sectors (in the first quarter of 2023, it had held second position with 50 deals). Encouragingly, deal value came in at just under £3bn, up from £1.6bn for the corresponding period last year. The arts and entertainment industry was the only sector to report both volume and value growth year-on-year – an exception to the rule which was largely driven by US private equity firm Bright Path Sports Partners, acquiring a minority 40% shareholding in Ipswich Town Football Club. The deal, valued at up to £105m, is a welcome investment boost for the Suffolk club as they attempt to reach the Premier League for the first time since 2002.

Funding

In Q1 2024, private equity has again played a significant role in the East of England, accounting for 31 deals, which represents 24% of the market share. This was marginally up compared to Q1 2023, when 30 PE-backed deals were announced, constituting just under 18% of the region’s total. These deals were collectively valued at £780m, an 8% increase on the previous year where transaction values reached £720m. Breaking down the 31 private equity deals, eight of these deals were majority buyouts, comprising six IBOs/SBOs and two PE-backed acquisitions, whilst the remaining 23 deals were earlier stage growth investments. Mercia Fund Managers and Clean Growth Fund, each with two citations, ranked as the region’s most active investment firms by deal volume. OakNorth Bank stood out as the region’s most active debt provider, supporting two deals valued at a combined £235m – this included Splendid Hospitality Group, a Watford-based hotel group, securing a £232m club loan in partnership with OakNorth and HSBC. The loan will be used to support future capital expenditure works including extending the Hilton London Bankside in Southwark.

Top five deals: East of England

#1

£2.5bn

Date: 30/01/2024

Deal type: Acquisition

Target: Portfolio of 337 Morrisons Petrol Forecourts (from Wm Morrison Supermarkets Ltd)

Bidder: Motor Fuel Group Ltd, St Albans

#2

£1.9bn

Date: 19/03/2024

Deal type: Acquisition

Target: Fusion Pharmaceuticals Inc, Canada

Bidder: AstraZeneca Plc, Cambridge

#3

£822m

Date: 14/03/2024

Deal type: Acquisition

Target: Amolyt Pharma SAS, France

Bidder: AstraZeneca Plc, Cambridge

#4

£600m

Date: 09/02/2024

Deal type: Acquisition

Target: Retail Banking Unit of Tesco Plc, Welwyn Garden City

Bidder: Barclays Plc, London

#5

£237m

Date: 16/01/2024

Deal type: Growth Capital

Target: Quantinuum Ltd, Cambridge



LEGAL ADVISER RANKINGS

Volume

Current rank	Previous rank	Legal adviser	Volume
1	2	HARRISON CLARK RICKERBYS	12
2	1	EVERSHEDS SUTHERLAND	6
3	-	BROWNE JACOBSON	4
4	8	PINSENT MASONS	3
5	-	OSBORNE CLARKE	3
6	5	HOWES PERCIVAL	3
7	-	SINTONS	2
8	-	ROXBURGH MILKINS	2
8	-	PANNONE CORPORATE	2
8	3	SHOOSMITHS	2
8	-	MBM COMMERCIAL	2
8	10	MILLS & REEVE	2



FINANCIAL ADVISER RANKINGS

Volume

Current rank	Previous rank	Financial adviser	Volume
1	2	K3 CAPITAL GROUP	13
2	8	AZETS	7
3	13	RSM	5
4	15	CAVENDISH	3
5	-	FORWARD	3
6	16	FRP ADVISORY TRADING	3
7	-	GOLDMAN SACHS	2
8	12	CANACCORD GENUITY	2
9	7	ALTIUS GROUP	2
10	-	COOPER PARRY	2
10	1	ENSORS	2
10	3	GRANT THORNTON	2
10	-	PKF	2

MIDLANDS



Mirroring the UK trend, Midlands deal activity presented a mixed picture in the opening quarter of the year, with subdued transaction volume countered by a significant upturn in overall value. There were 206 transactions announced in Q1, a 25% decline on the 274 deals recorded in Q1 2023 and a 19% decline on Q1 2022.

Despite the overall decline small transactions increased by 19.5% from Q1 2023 up to 49 deals worth £116m, while mid-market deals were down year on year on last year by over 50% for volume and 37% in value. Large deal volume remained consistent but the value of these deals fell by 23% to £773m. However, the region's biggest deal since 2021 meant that the total value of Midlands M&A was up by 123% year on year to £3.8bn. As we drill down further into the region, we find that 56% of the deals were located in the West Midlands, while 92% of the value fell in the East Midlands, due to the mega deal based in Leicestershire. Acquisitions remained the dominant deal type with over 65% of deals in the region falling into this category, despite volume dropping by 32% since Q1 2023. Most other deal types have dwindled so far in 2024 in line with the overall drop in volume, with the exception of private equity/growth funding deals, which are up by a significant 40% on this time last year, although the overall value of these deals has declined. There was a Midlands element in approximately 16% of all UK transactions by volume so far this year, while Midlands firms contributed around 6% of total deal value.



Venture capital funded transactions up by **25%** in the Midlands



The total value of Midlands transactions up to

£3.8bn



West Midlands responsible for **56%** of the transactions in the region

Headline Deals

In the Midlands' largest deal, Coalville-based publicly listed residential property developer Barratt Developments reached an agreement to acquire the entire issued and to be issued ordinary share capital of Welsh competitor Redrow. The all-share deal, which represents the biggest transaction in the Midlands' construction sector since the Taylor Woodrow / George Wimpey merger of 2007, is valued at more than £2.5bn and will see Redrow shareholders hold approximately 32.7% of the combined group after completion. Other notable deals included a £432m buy-out of Leicester wealth management and

asset management business Mattioli Woods by investment firm Pollen Street Capital, the cross border purchase of US ready mix concrete and construction materials producer BMC Enterprises for approximately £237m by Breedon Group, a Jersey registered construction materials group, trading from Breedon on the Hill. The property sector was responsible for the final large transaction for the quarter, with Property Franchise Group, an estate agency franchising group located in Bournemouth, merging with Belvoir Group in Grantham for £104m.



Industry

The sector breakdown for the Midlands highlights manufacturing as the prominent industry in terms of volume of M&A, despite a decline in the total number of transactions from Q1 2023. The value of deals in the manufacturing sector rose dramatically to £305m, from £94m last year. Professional services value also increased - to £487m, despite a 12% dip in overall volume for the second most active sector in the region. The health sector bucked the trend when looking at the volume of transactions, up 24% from 25 deals in Q1 2023 to 31 so far this year, while there were three industries which managed to remain consistent during the start of 2024; education, hospitality and utilities. The largest upsurge in value was to be found in construction and real estate, as a result of the mega deal and some of the region's other large transactions falling into these two sectors.

Funding

The volume of deals funded by cash remained consistent in Q1 2024 compared to last year, falling by only 1% to 85. Venture capital funded deals were up by 25% this quarter to 45 transactions. The Midlands Engine Investment Fund was the most prolific investor in the region with eight transactions worth just under £14m, while Pollen Street Capital was by far the biggest investor in terms of value, with the previously mentioned £432m take-private acquisition of Mattioli Woods. The debt provider which contributed to the most transactions was high-street heavyweight HSBC, while counterpart NatWest Bank provided the highest value. Meanwhile we saw an uptick in vendor placing as a source of funds in 2024, with public bidders increasingly choosing this as payment method, including the mega and large deals involving Barratt Developments, Breedon Group and Property Franchise Group.

Top five deals: Midlands

#1

£2.5bn

Date: 07/02/2024

Deal type: Acquisition

Target: Redrow Plc,
WalesBidder: Barratt
Developments Plc,
Coalville

#2

£432m

Date: 08/03/2024

Deal type: IBO

Target: Mattioli Woods
Plc, LeicesterBidder: Tiger Bidco Ltd,
Guernsey

#3

£237m

Date: 06/03/2024

Deal type: Acquisition

Target: BMC
Enterprises Inc, USABidder: Breedon Group
Plc, trading from
Breedon on the Hill

#4

£104m

Date: 10/01/2024

Deal type: Merger

Target: Belvoir Group
Plc, GranthamBidder: Property
Franchise Group Plc,
Bournemouth

#5

£82m

Date: 23/01/2024

Deal type: Private
EquityTarget: Travelperk UK
IRL Ltd, Birmingham



LEGAL ADVISER RANKINGS

Volume

Current rank	Previous rank	Legal adviser	Volume
1	↕ 6	HARRISON CLARK RICKERBYS	13
2	↕ 1	HIGGS	12
3	↕ 10	MILLS & REEVE	9
4	↕ 7	THURSFIELDS	8
4	↕ 3	GATELEY	7
4	↕ 16	FREETHS	6
7	↕ 5	BROWNE JACOBSON	5
8	↕ 15	STEVENS & BOLTON	5
9	↕ 11	ADDLESHAW GODDARD	4
10	↕ -	ORRICK HERRINGTON & SUTCLIFFE	4



FINANCIAL ADVISER RANKINGS

Volume

Current rank	Previous rank	Financial adviser	Volume
1	↕ 14	ALTIUS GROUP	10
2	↕ 8	GRANT THORNTON	8
3	↕ 1	K3 CAPITAL GROUP	8
4	↕ 2	RSM	5
4	↕ 7	COOPER PARRY	5
4	↕ -	PKF	5
7	↕ -	CANACCORD GENUITY	3
8	↕ -	CAVENDISH	3
9	↕ -	DAINS CORPORATE FINANCE	3
10	↕ 6	HAZLEWOODS	3
10	↕ -	BK PLUS	3
10	↕ 11	DOW SCHOFIELD WATTS	3

YORKSHIRE & HUMBER



Yorkshire and Humber experienced a year on year decline in both deal volume and value in the opening quarter of 2024. Transaction volume dropped from 176 in 2023 to 107 so far in 2024. This was the lowest quarterly volume figure since Q2 2020, representing a 39% fall from the previous year and a 34% decrease compared to the 161 recorded in 2022.

The sluggish start to 2024 was evident with no transactions surpassing the £100m mark. At the same time, mid-market transactions failed to reach double figures, totalling only seven (where there had been 16 in Q1 2023). Overall deal value reached a conservative £209m, a fall of 70% from Q1 2023, when value reached £687m. These numbers reflect a very challenging landscape for dealmaking in the region and highlight the continuing trend that has seen numbers drop-off significantly after the initial bounce-back following the reopening of the economy after the Covid-19 pandemic. Companies based in Yorkshire and Humber were involved in approximately 8% of all UK deals in 2024, whilst contributing 0.3% to the total value of these deals.

M&A activity down
in Q1 by

↓ **39%**



Deal value down 70% to

£209bn



Deals funded by bank
debt rise from to **£55m**

Headline Deals

Where deals were agreed in the first quarter, they were exclusively around the small to mid-market value range. In the year's biggest transaction to date, Sheffield-based Bumper International, a provider of a car repair buy-now, pay-later (BNPL) payment platform, raised £40m in a Series B funding round led by Autotech Ventures. The round comprised £15m of equity investment and £25m of debt financing and will see the company expand its tech and reach across Europe. Another PE-influenced transaction saw funds managed by Bridgepoint Advisors, acquire a majority stake in Identicare, a pet microchipping and pet owner-focused

services company based in York, from Animalcare Group for £25m in cash. Meanwhile another deal in the accident management sector saw an Elysian Capital make a multi-million pound investment into Halifax's Activate Group which provides services to insurance groups and corporate fleet operators through its MRN and Sopp+Sopp brands. Hopes of a UK interest rate cut and easing geopolitical tensions may be just some of the factors behind the FTSE hitting record highs, which influenced several companies in the region to raise cash on the capital markets. In Yorkshire, there were three new rights issues announced in Q1, one of which was the only other deal to

break through the £25m barrier – here Avacta Group, a Wetherby-based life sciences company focused on improving healthcare outcomes through targeted cancer treatments and diagnostics, closed an upsized offering of its shares, raising just under £26m.

Industry

Most industries have seen a downturn in deal volume in Yorkshire and Humber – the only exceptions being the waste management, hospitality, utilities, agriculture, forestry and fishing, and public administration and defence sectors. Manufacturing returned to the top of the volume rankings as the most active in the deal landscape, despite a 28% decline in transaction volume - from 50 down to 36 in Q1 2024 (with those deals valued at £47m). Wholesale and retail was the next best with 34 deals and professional services further back in third with 24 transactions confirmed. From a value perspective, there were only three sectors that managed to break through the £50m barrier – financial services at £68m, with professional services (£66m) and wholesale and retail (£51m) once again rounding out the top three.

Funding

Although deals involving private equity accounted for six of the top ten transactions within the region in the first quarter, the number of deals funded via private equity was down by 14%, to 24; this was reflected in the value of those deals also dropping to £82m (down from £106m the previous year). Business Growth Fund led the way as capital investors, providing equity financing for three transactions, just ahead of Parkwalk Advisors and Mercia Asset Management, both having provided capital in support of two transactions. We recorded a total of 18 transactions that were funded at least in part via new bank debt; down marginally from 19 announced in 2023. However, the value of deals has jumped from £22m to £55m. HSBC has again led the way as the region's most active lender in Q1, providing funding for three transactions (for an aggregate consideration of £7m). This included Arc Inspirations, the Leeds-based operator of bars and restaurants under the Manahatta, BOX and Banyan brands, raising £7m - the funding will be used to support the company's continued growth plans and refurbishments at existing Manahatta sites.



Top five deals: **Yorkshire & Humber**

#1

£40m

Date: 04/01/2024

Deal type: Development Capital

Target: Bumper International Ltd, Sheffield

#2

£26m

Date: 28/02/2024

Deal type: Rights Issue

Target: Avacta Group Plc, Wetherby

#3

£25m

Date: 28/02/2024

Deal type: IBO

Target: Identicare Ltd, York

Bidder: BG Bidco 21 Ltd, London

#4

£21m

Date: 08/01/2024

Deal type: Acquisition

Target: Distribution Warehouse in Doncaster

Bidder: LondonMetric Property Plc, London

#5

£21m

Date: 28/03/2024

Deal type: Acquisition

Target: Total Foodservice Solutions Ltd, Huddersfield

Bidder: Kitwave Group Plc, North Shields

LEGAL ADVISER RANKINGS



Volume

Current rank	Previous rank	Legal adviser	Volume
1	↕ 3	CLARION SOLICITORS	11
2	↕ 11	MILLS & REEVE	5
3	↕ 1	SQUIRE PATTON BOGGS	5
4	↕ 15	GATELEY	4
5	↕ 2	SCHOFIELD SWEENEY	4
6	↕ 4	WARD HADAWAY	3
7	↕ -	LCF LAW	2
7	↕ 9	GORDONS	2
7	↕ -	EVERSHEDS SUTHERLAND	2
7	↕ 10	ADDLESHAW GODDARD	2
7	↕ -	WALKER MORRIS	2
7	↕ -	ANDREW JACKSON	2
7	↕ 5	FREETHS	2
7	↕ -	HILL DICKINSON	2
7	↕ -	MORTON FRASER	2
7	↕ 6	SHOOSMITHS	2

FINANCIAL ADVISER RANKINGS



Volume

Current rank	Previous rank	Financial adviser	Volume
1	↕ 11	DOW SCHOFIELD WATTS	5
2	↕ 7	KPMG	3
2	↕ 1	K3 CAPITAL GROUP	3
2	↕ 3	AZETS	3
2	↕ 2	GRANT THORNTON	3
6	↕ -	STIFEL/KBW	2
7	↕ -	LIBERUM CAPITAL	2
8	↕ 4	RSM	2
8	↕ -	PARK PLACE	2
8	↕ -	ROTHSCHILD & CO	2
8	↕ 11	CLEARWATER INTERNATIONAL	2
8	↕ -	HMT	2
8	↕ -	COOPER PARRY	2

NORTH WEST

The M&A market has made a cautious start to the year, with deal volume dropping across the board. In the North West there were 165 transactions announced in the first quarter, down by 26% on the 223 recorded in Q1 2023 and the second lowest quarterly result since the start of 2020.

Meanwhile, value dropped by 71% year on year to just over £1bn, with mega deals so far in the North West notable by their absence, while large deals fell from four last year to three so far in 2024. Meanwhile small deals were down 45% year on year, but there was a bright spot in the mid-market, where deal volume was up by 8% and value by 20%, to £482m. Corporate acquisitions provided the bulk of activity in the North West during the first quarter, with a total of 115 transactions representing 69% of all deals in the region. Private equity deals, although still a smaller portion of the market, made a welcome return this quarter, with volume up by 18% and value soaring to £175m from 26 transactions - perhaps a sign perhaps a sign that private equity investors are refocusing on the higher value targets in the region. There was a North West element in approximately 13% of all UK transactions by volume so far this year, while North West firms contributed around 1.5% of total deal value.

of activity



Development capital deals increased by

18%



Wholesale and retail now the most active sector with 23% of activity



Bank debt funded deals on the rise, up by 35%

Headline Deals

The largest transaction in the region was the £200m investment by Octopus Energy Group, a supplier of renewable energy to domestic and commercial customers, into Deep Green Technologies, a Manchester-based developer of data centre heat re-use technology, in return for a minority shareholding in the company. The investment will speed up the rollout of its technology across the UK, including public swimming pools and district heat networks. The acquisitions that made up the bulk of the headline deals in North West were a combination of different industries and North West bidders and targets.

Accrol Group Holdings of Blackburn was the target of the largest acquisition in the North West so far in 2024. This inbound transaction involved Navigator Paper, the UK subsidiary of Portuguese Navigator, a manufacturer and supplier of pulp and paper products worldwide, agreeing to acquire Accrol, a publicly-listed manufacturer of toilet, kitchen, facial and other tissue products for approximately £128m. The next largest deal also involved a listed manufacturing group. Here Advanced Medical Solutions from Winsford agreed to acquire Peters Surgical, a French provider of specialty surgical sutures, mechanical haemostasis and internal cyanoacrylate devices,

for approximately £121m. While the bulk of transactions are domestic affairs, we are still seeing strong levels of both inbound and outbound investment in and from the North West region, and these transactions tend to be the higher value deals.

volume, with a 14% uplift in deals up to 25 transactions recorded in 2024. This increase in volume led to the health sector being involved in 15% of all the deals in the North West, up from only 9% in Q1 2023.

Industry

The industrial landscape of North West M&A activity has shifted from the professional services sector which has dominated the region for some time now, over to wholesale and retail. This result is interesting for the region as during Q1 2023 both professional services and infocomms produced more M&A transactions than the wholesale and retail sector. The volume figures are much closer so far in 2024 as a result of the overall dip in volume in the region, with wholesale and retail returning 38 transactions, professional services with 37 and infocomms and manufacturing both with 30 deals apiece. A number of sectors managed to retain consistency in the volume figures with hospitality, transport and utilities all staying static. The health sector was the only industry to see positive growth in terms of

Funding

Bank debt funded deals were on the up in the North West in 2024, with a total of 27 transactions, an increase of 35% from the 20 recorded in Q1 2023. The value of these deals has also increased up to £212m; the most active lender in the region was HSBC with a total of four transactions, while OakNorth provided the most in terms of value with £33m of debt. Meanwhile private equity deal volume increased overall, with a rise in the number of venture capital and minority stake acquisitions offsetting a decline in buy-outs and secondaries. There was a total of 48 investment firms that deployed their capital in the North West during Q1, with the Northern Powerhouse Investment Fund particularly active.



Top five deals: North West

#1

£200m

Date: 15/01/2024

Deal type: Minority Stake

Target: Deep Green Technologies Ltd, Manchester

Bidder: Octopus Energy Group, London

#2

£128m

Date: 22/03/2024

Deal type: Acquisition

Target: Accrol Group Holdings Plc, Blackburn

Bidder: Navigator Company, Portugal

#3

£121m

Date: 13/03/2024

Deal type: Acquisition

Target: Peters Surgical SASU, France

Bidder: Advanced Medical Solutions Group Plc, Winsford

#4

£90m

Date: 22/03/2024

Deal type: Acquisition

Target: RMSpumptools Ltd, from James Fisher and Sons Plc, Barrow in Furness

Bidder: Championx UK Ltd, USA

#5

£80m

Date: 13/02/2024

Deal type: Acquisition

Target: CMAC Group Ltd, Accrington

Bidder: CityFleet Networks Ltd, Edinburgh

LEGAL ADVISER RANKINGS



Volume

Current rank	Previous rank	Legal adviser	Volume
1	⇅ 6	MILLS & REEVE	10
2	⇅ 4	NAPTHENS SOLICITORS	9
3	⇅ 9	GATELEY	8
4	⇅ 7	SHOOSMITHS	7
5	⇅ 3	BRABNERS	7
6	⇅ 1	ADDLESHAW GODDARD	5
7	⇅ 13	BROWNE JACOBSON	5
8	⇅ 11	HILL DICKINSON	5
9	⇅ 5	DWF	4
10	⇅ -	SCHOFIELD SWEENEY	4

FINANCIAL ADVISER RANKINGS



Volume

Current rank	Previous rank	Financial adviser	Volume
1	⇅ 1	K3 CAPITAL GROUP	8
2	⇅ 3	AZETS	5
3	⇅ 7	ALTIUS GROUP	5
4	⇅ 2	GRANT THORNTON	4
5	⇅ 14	BENCHMARK INTERNATIONAL	4
6	⇅ 5	RSM	3
6	⇅ 14	KPMG	3
8	⇅ 17	CAVENDISH	3
9	⇅ -	DTE CORPORATE FINANCE	3
9	⇅ 20	COWGILLS	3
9	⇅ -	PKF	3

NORTH EAST

The North East M&A market has made a relatively slow start to 2024 with a 19% decline in volume year on year, to 60 transactions. However, total deal value in the region soared to over £3bn as the result of the largest transaction announced in the North East for more than a decade, Nationwide Building Society's offer to acquire Virgin Money UK for £2.9bn.

In fact, there have been only two other mega deals recorded in the North East over the last ten years, the previous CYBG buyout of Virgin Money Holdings back in May 2018 for £1.7bn and the IBO of Parkdean Resorts in December 2016 for £1.4bn. Analysis of value segments suggests that mid-market transactions outdid the market and increased in volume, with four transactions recorded this quarter compared to only one in Q1 2023. There have been large deals in the North East so far this year and small deals dropped by 35% year on year. Deal type analysis shows acquisitions remain the most prevalent transaction with 39 deals – 65% of total deal activity – down slightly from the 45 recorded last year. Meanwhile private equity and growth capital transactions have increased to 15 deals so far this quarter and share buy-backs and joint ventures – both absent in Q1 2023 – have made a welcome return to the deal landscape in the North East. There has been a North East element in approximately 5% of all UK transactions by volume so far this year, while North East firms contributed around 4% of total deal value.



Private equity and growth capital transactions increased by **7%**



£3bn

Value skyrocketed in Q1 2024, reaching over **£3bn**



20%

increase in the volume of wholesale and retail sector M&A

Headline Deals

The largest transaction announced in the North East since 2011 was the agreement by Nationwide Building Society, a Swindon-based provider of financial services, on the key terms of a cash acquisition of Newcastle Upon Tyne headquartered Virgin Money UK, a provider of banking services via Clydesdale Bank and Yorkshire Bank. At 220p per share, the offer values Virgin Money at £2.9bn and on completion, Virgin Money will delist from the London Stock Exchange. With an estimated consideration of £40m, the second largest deal in the region involved the acquisition of Newcastle-based plumbing supplies distributor

Maymask by UK Plumbing Supplies, located in Stockton Heath. Elsewhere, there were two acquisitions valued at £21m, public company Kitwave Group from North Shields purchasing Yorkshire based Total Foodservice Solutions, and the inbound acquisition of the TT Electronics IOT Solutions in Hartlepool by Swiss electronics manufacturing business Cicor Management.

Industry

The dip in volume appeared to hit the professional services and manufacturing sectors the most during Q1 2024 with both sectors dropping by 40% and 25% respectively. This

decline did not affect professional services position as the busiest industry in terms of volume, with 13 deals recorded. Interestingly wholesale and retail, along with the health sector, swam against the current, and managed to increase in volume from last year, by 20% and 29% respectively. There were also three sectors where volume remained consistent when compared with Q1 2023; arts and entertainment, hospitality and utilities. The financial services sector had the highest value associated with the industry as a result of the aforementioned £2.9bn mega deal. This value hike is despite a 90% decline in deal volumes, as the figures fall from 10 recorded last year to only one so far in 2024.

test intended to discover, measure, and optimise longevity, closed a £3.3m seed funding led by LAUNCHub Ventures and Kadmos Capital. In addition Newcells Biotech, which builds functional in vitro models to improve clinical translation and drug discovery, raised a further £2.4m from the North East Venture Fund, European Regional Development Fund and Northstar. Bank debt as a source of funds also remained consistent in comparison with last year, dropping by only one transaction to a total of 12 deals. Notably, a new £20m fund designed to support businesses in Teesside has been launched by FW Capital, to help combat recognised funding gaps in the region. In February Insider Contracts, Prudhoe based provider of services including interior design and new build cleaning, received £500,000 in funding from another FW Capital managed fund, NPIF – FW Capital Debt Finance.

Funding

In the North East the volume of private equity funded transactions remained relatively stable, dropping from 11 last year to 10 so far in 2024. There were 17 different investors in the region during Q1, most investing in one transaction each and strong interest in companies operating in the biotechnology and medical manufacturing sectors. Among the quarter's largest funding rounds, GlycanAge, developer of a biological age



Top five deals: North East

#1

£2.9bn

Date: 07/03/2024

Deal type: Acquisition

Target: Virgin Money UK Plc, Newcastle Upon Tyne

Bidder: Nationwide Building Society, Swindon

#2

£40m

Date: 02/01/2024

Deal type: Acquisition

Target: Maymask (249) Ltd, Newcastle Upon Tyne

Bidder: UK Plumbing Supplies Ltd, Stockton Heath

#3

£21m

Date: 28/03/2024

Deal type: Acquisition

Target: Total Foodservice Solutions Ltd, Huddersfield

Bidder: Kitwave Group Plc, North Shields

#4

£21m

Date: 04/03/2024

Deal type: Acquisition

Target: TT Electronics IOT Solutions Ltd, Hartlepool

Bidder: Cicor Management AG, Switzerland

#5

£12m

Date: 01/03/2024

Deal type: Acquisition

Target: D-Line (Europe) Ltd, Whitley Bay

Bidder: Luceco Plc, London



LEGAL ADVISER RANKINGS

Volume

Current rank	Previous rank	Legal adviser	Volume
1	⇅ 1	MINCOFFS	12
2	⇅ 2	WARD HADAWAY	7
3	⇅ 5	SINTONS	5
4	⇅ 4	MUCKLE	5
5	⇅ 7	SWINBURNE MADDISON	5
6	⇅ -	RICHARD REED SOLICITORS	3
7	⇅ -	MILLS & REEVE	2
8	⇅ -	SQUIRE PATTON BOGGS	2
9	⇅ -	HAY & KILNER	2
9	⇅ 3	WEIGHTMANS	2
9	⇅ -	BURNETTS SOLICITORS	2



FINANCIAL ADVISER RANKINGS

Volume

Current rank	Previous rank	Financial adviser	Volume
1	⇅ 7	RMT CORPORATE FINANCE	5
2	⇅ 7	UNW	2
3	⇅ 15	BDO	2
4	⇅ -	TIG CORPORATE FINANCE	2
5	⇅ 3	GRANT THORNTON	2
5	⇅ 7	K3 CAPITAL GROUP	2
5	⇅ 3	DEBERE	2
5	⇅ -	BK PLUS	2
9	⇅ -	GOLDMAN SACHS	1
9	⇅ -	JP MORGAN CHASE	1
9	⇅ -	UBS	1

WALES

There have been 45 transactions recorded so far in Wales during the opening quarter of 2024, for a combined consideration of almost £2.6bn. Significantly, although the volume of deals was down by 51% on the 91 announced in the corresponding period last year, the value of these transactions is actually the highest for an initial quarter over the last decade, with figures boosted by one of the country's largest ever acquisitions.

Corporate acquirors were the main source of deal activity in Q1, with around 67% of deals. Drilling down, there were only six deals announced where a consideration was disclosed - two of which fell within the small value category, compared to 18 last year; three in the mid-market range, compared to two in 2023, with corresponding deal values jumping from £49m to £66m (a 34% increase). There was only one deal recorded with a disclosed value in excess of £100m. There has been a Welsh element in approximately 4% of all UK transactions by volume so far in 2024, whilst Welsh firms also contributed around 4% of total deal value.



Real estate deal volume up by

100%



£66m

Mid-market transaction value jumps to £66m, a **34% increase**



£2.6bn

Welsh deal values reach **£2.6bn**, the **highest Q1** total for the last decade

Headline Deals

The UK has seen a resurgence in high-value deal making in the early part of 2024 and in Wales, one of the largest transactions ever recorded was the main talking point in Q1. As has been covered in the Midlands section of our report, Barratt Developments, a residential property developer, signed an agreement to acquire the entire issued and to be issued ordinary share capital of Redrow, the St Davids Park-based residential and commercial property developer, in an all-share deal valued at over £2.5bn. This is the second biggest Welsh deal on Experian record and on completion, Redrow will delist from the London Stock Exchange, almost 30 years after

its original IPO in May 1994. Other notable Welsh deals in excess of £20m included Sdipotech, a Swedish-based engineering company that provides technical services and products for urban infrastructures, which acquired Gwindy 2012, a manufacturer of roller shutter doors based in Caerphilly, for £26m. Elsewhere, CC Storm UK Topco, an acquisition vehicle which includes secured creditor Axiom, acquire CC STIM UK Topco (doing business as Rekom UK), the Cardiff-based owner and operator of licensed bars and nightclubs, from administrators Grant Thornton, in a pre-pack deal valued at £19.5m.



Industry

The manufacturing and wholesale and retail sectors, both with 13 deals each, continued to dominate the Welsh deal landscape. These industries were the only sectors to confirm in excess of ten transactions for Q1, whilst real estate and utilities were the only industries to report year on year growth. Professional services, last year's number one (with 23 deals) dropped from the podium position, to fifth in the volume rankings, with only seven transactions announced. Despite this, the professional services sector showed strong growth in value terms with those respective deals rising from £17m to £32m (a 92% increase). Elsewhere, we saw robust year on year growth in deal value in the wholesale and retail, manufacturing, construction, real estate and hospitality sectors, with double and in some cases triple-digit increases. However, deal value declined in the technology and support services sector following a slow start to the year.

Funding

Where detailed funding arrangements were disclosed, existing funds (32) and cash (12) were again the preferred method for financing transactions. There have been only three bank debt-funded

deals in Q1, an 80% dip year on year (from 15 registered in 2023), with only HSBC being publicly cited as an active lender in one of those transactions. HSBC provided Ralawise Group, the Deeside-based global supplier and distributor of t-shirts, hoodies, polos and other apparel to the imprint industry for print embroidery and decoration, with an eight-figure asset-based lending facility. Ralawise will use the funding to increase its stockholding capacity by 50%, whilst enabling it to cater to a broader range of UK and international businesses. Private equity and venture capital funded deals also saw a fall in numbers with six transactions recorded, down 45% on the same period for 2023 (11). There were several venture capital firms vying for top position in Q1 – this being shared by the Foresight Group and Investment Fund for Wales (which is supported by the British Business Bank), having each provided funding for Bucket List Adventure Travel (doing business as EverTrek) in its £1.3m investment deal confirmed in February.

Top five deals: Wales

#1

£2.5bn

Date: 07/02/2024

Deal type: Acquisition

Target: Redrow Plc, St Davids Park

Bidder: Barratt Developments Plc, Coalville

#2

£26m

Date: 24/01/2024

Deal type: Acquisition

Target: Gwindy 2012 Ltd, Caerphilly

Bidder: SDIP Holdings UK Ltd, London

#3

£21m

Date: 04/03/2024

Deal type: Acquisition

Target: TT Electronics IOT Solutions Ltd, Cardiff

Bidder: Cicor Management AG, Switzerland

#4

£20m

Date: 19/02/2024

Deal type: Acquisition

Target: CC Stim UK Topco Ltd (doing business as Rekom UK), Cardiff

Bidder: CC Storm UK Topco Ltd, Cardiff

#5

£6m

Date: 24/01/2024

Deal type: Rights Issue

Target: Verici DX Plc, Cardiff



LEGAL ADVISER RANKINGS

Volume

Current rank	Previous rank	Legal adviser	Volume
1	⇅ 2	GS VERDE GROUP	7
2	⇅ 3	HARRISON CLARK RICKERBYS	5
3	⇅ 5	CAPITAL LAW	3
4	⇅ -	FREETHS	3
5	⇅ -	GATELEY	3
6	⇅ 9	HUGH JAMES	3
7	⇅ -	EVERSHEDS SUTHERLAND	2
8	⇅ -	GILLESPIE MACANDREW	2
8	⇅ -	GUNNERCOOKE	2
10	⇅ -	SHOOSMITHS	2
10	⇅ -	WARD HADAWAY	2



FINANCIAL ADVISER RANKINGS

Volume

Current rank	Previous rank	Financial adviser	Volume
1	⇅ 1	GS VERDE GROUP	7
2	⇅ 2	AZETS	5
3	⇅ 4	K3 CAPITAL GROUP	4
4	⇅ -	RSM	2
5	⇅ -	DAINS CORPORATE FINANCE	2
6	⇅ -	BARCLAYS	1
6	⇅ -	MORGAN STANLEY	1
6	⇅ -	PEEL HUNT	1
6	⇅ -	UBS	1
10	⇅ -	BISHOPSGATE CORPORATE FINANCE	1
10	⇅ -	KILSBY & WILLIAMS	1
10	⇅ -	PARISI TAX	1

SCOTLAND

In the first quarter of 2024, Scotland saw a significant boost to deals in the mid-market and large cap segments, despite a 26% contraction of deal flow overall. The mid-market recorded 100% growth in volume in comparison to the same period in 2023, up from four deals to eight, whilst large deals were up by 50%, from two to four.

Value analysis saw the region as a whole record aggregate considerations of just over £1bn across the 80 deals announced between January and March, with 94% of this accounted for by deals at the higher end of the scale. Acquisitions were still the most common type of deal, with the 49 recorded in the year to date worth 88% more than the 77 deals announced in the first quarter of 2023, despite a decline in volume of 36%. The number of development capital deals remained largely unchanged volume-wise, but consistent with the noteworthy rise seen in value, with the 16 deals recorded worth 192% more than the 17 deals in the first quarter of last year. These deals spanned all funding stages from seed, through to early stage and expansion. Whilst most of the the region's deals were domestic affairs, close to 15% were inbound, with buyers from Europe and the USA choosing to invest in the region. Scotland's deal activity represented 6% of the UK's total by volume, and 1.5% by value.

 **100%**

growth year-on-year
for mid-market deals



Deals in
manufacturing
rose by

17%

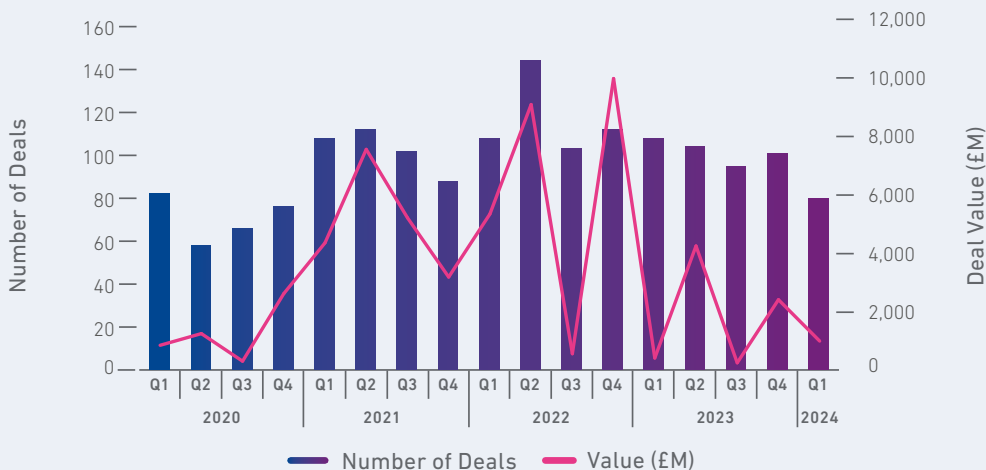


132% increase in
deal values

Headline Deals

The largest deal of the year to date is the £300m share buy-back programme announced by Edinburgh-based NatWest in February, which is expected to run through to July. Since 2020, the banking group has bought back more than 20% of its shares, with the repurchased shares being cancelled. Of the top five largest deals in the first quarter of year, three involved overseas acquirors. In February, Dutch registered Expro Group, a provider of energy services, announced the acquisition of Aberdeen-based Coretrax Technology for £166m from an investment group led by Buckthorn Partners, and Aberdeen's Union Square shopping centre was acquired for £111m by the Lone Star Real Estate

Fund, managed by US private equity firm Lone Star Funds. In March, Aberdeen-based RMSpumptools came under US ownership, as ChampionX, a Texas-based provider of oilfield technology solutions, paid £90m to acquire the business from James Fisher and Sons. January also saw one of Scotland's largest funding rounds since 2022, with Edinburgh-based Build A Rocket Boy's Series D round raising £86.5m from a consortium of investors led by RedBird Capital. Strategic acquirors were the principal drivers of deal activity for the region, whilst the private equity sector saw a series of bolt-on acquisitions - including two for United Tooling Solutions, a BGF portfolio company - rather than full scale buy-outs.



Industry

Scotland's M&A landscape is dynamic, and the latest data shows varying trends across industry. Manufacturing continues to play a crucial role in Scotland's economy and the sector witnessed a significant increase in both the volume and value of deals in Q1. With 28 transactions valued at £327m, representing 17% growth compared to the previous period, this suggests the sector is resilient and essential for the economic growth of the region. Conversely, professional services experienced a decline, with 22 deals totalling £35m. This represents a drop of 27% in volume and 51% in value. The wholesale and retail sector saw a similar challenge with a smaller decline in volume, however, values surged by close to 300% on the previous year. Infocomms and financial services followed the pattern seen by wholesale and retail, with both industries reporting a reduction in volume, yet larger scale growth in value, which could be an indication that company valuations are on an upward trajectory with both strategic buyers and private equity willing to pay higher multiples for the right business.

Funding

With the higher interest rates continuing to impact on businesses, the volume of deals funded by debt continued to fall. In the first quarter of the year, just three deals have been disclosed as being financed by new lending, a drop of 57% on the same period last year. However, the total value of the deals for which debt funding was sought surged by 75%. Lenders active in the market were a balanced mix of high street and alternative finance providers including OakNorth, Shawbrook and Santander. Deals funded by private equity and venture capital investment proved more resilient in volume, with there being little year on year change. However, following the trend of strong valuations already seen in the region, the 21 deals noted were worth 159% more than the 22 deals recorded in the previous year. Scottish National Investment Bank, Business Growth Fund and EOS Advisory are just some of the most active firms in the Scottish market in the year to date.

Top five deals: **Scotland**

#1

£300m

Date: 19/02/2024

Deal type: Share Buy-Back

Target: NatWest Group Plc, Edinburgh

#2

£166m

Date: 12/02/2024

Deal type: Acquisition

Target: Coretrax Technology Ltd, Aberdeen

Bidder: Expro Group Holdings NV, The Netherlands/USA

#3

£111m

Date: 26/02/2024

Deal type: Acquisition

Target: Union Square, Aberdeen

Bidder: Lone Star Funds, USA

#4

£90m

Date: 22/03/2024

Deal type: Acquisition

Target: RMSpumptools Ltd, Aberdeen

Target: ChampionX Corp, USA

#5

£87m

Date: 22/01/2024

Deal type: Growth Capital

Target: Build a Rocket Boy Ltd, Edinburgh



LEGAL ADVISER RANKINGS

Volume

Current rank	Previous rank	Legal adviser	Volume
1	↕ 23	FREETHS	4
2	↕ -	ABERDEIN CONSIDINE & CO	4
3	↕ 2	CMS	3
4	↕ 12	GATELEY	3
5	↕ 10	HARPER MACLEOD	3
6	↕ -	SHOOSMITHS	3
7	↕ 10	ADDLESHAW GODDARD	2
8	↕ -	HILL DICKINSON	2
9	↕ -	BTO SOLICITORS	2
9	↕ -	GILLESPIE MACANDREW	2
9	↕ -	GUNNERCOOKE	2



FINANCIAL ADVISER RANKINGS

Volume

Current rank	Previous rank	Financial adviser	Volume
1	↕ 2	AZETS	7
2	↕ 1	ANDERSON ANDERSON & BROWN	6
3	↕ 7	RSM	5
4	↕ 19	BDO	3
5	↕ 6	GRANT THORNTON	3
6	↕ 8	KPMG	2
7	↕ -	DAINS CORPORATE FINANCE	2
8	↕ -	HNH PARTNERS	2
8	↕ 3	K3 CAPITAL GROUP	2
8	↕ 19	PWC	2

NORTHERN IRELAND

An encouraging opening to the year saw Northern Ireland buck the wider trend for declining M&A volume to return a welcome upturn in the number of announced transactions compared to the same period of 2023.

We recorded a total of 54 deals in the first quarter of 2024 - an increase of around 20% from the 45 transactions agreed during Q1 2023 - which meant that Northern Ireland was the sole area of the United Kingdom to return volume growth year on year. Given the lag in deal reporting rates, we would expect this figure to rise further as additional Q1 deals come to light as the year progresses. The deal landscape in Northern Ireland remains very much centred around the small to mid-market, with no deals topping the £100m mark so far this year - still, total disclosed transaction value reached £121m in Q1, up from just £36m in the first quarter of 2023 and from £32m in the final quarter of last year. Northern Irish businesses were involved in 4% of the total number of UK transactions by deal volume and provided 0.2% of their total value in Q1.

Deal volume in Northern Ireland increased by

20%

Transaction value hit

↑ £121m



44%

upturn in manufacturing M&A

Headline Deals

Northern Ireland’s biggest deal of the year so far was once again in the growth capital space. Here, Banbridge-based tech business EOS, which provides collaboration and business IT support and related logistics services, secured a £79m funding package from HSBC, supported by a guarantee from UK Export Finance. EOS intends to use the funds to support international expansion. Elsewhere, Belfast digital printing business Northside Graphics underwent a £10m buy-out by Bestport, an SME-focused private equity house based in London making its first ever investment in Northern Ireland. Corporate acquisitions made up around 65% of the total Northern

Irish market in Q1 and again, smaller deals dominated activity. Acquisitions in the first quarter included Enniskillen property business Mount Alexander’s £4m acquisition of Portadown’s Lurgabrack, along with the £1.3m purchase of London risk consultancy Fleming McGillivray by Belfast compliance firm FSCom. Most deals were all-domestic affairs, although we did record six inward transactions, with companies based in Sweden and Belgium the most active overseas corporate acquirors, targeting firms in the speciality manufacturing sector.

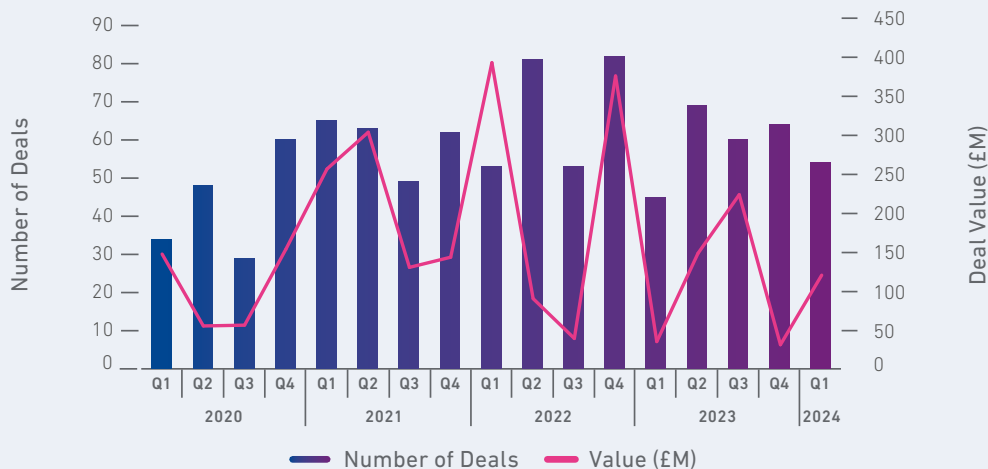
Industry

Manufacturing remained Northern Ireland’s leading industry for deal

making in Q1, with 13 transactions accounting for 27% of total volume. Manufacturing deals were up by 44% year on year, with strong activity in the food, electronics, and specialist installation segments boosting figures. The wholesale sector was next most active, although transaction volume fell by around 15% year on year. Next, the professional, scientific and technical sector provided 23% of deal volume and saw a welcome 22% uptick in activity – deals here were split evenly between the consulting, R&D and engineering segments. Meanwhile the information and communication industry accounted for 20% of volume - roughly on a par with last year’s level of deal making – with notable deals including a significant investment into Halo Technologies, a bodycam and cloud-based digital asset management company serving the security sector, which closed a £16m Series A funding round from Boston-based growth equity firm Volition Capital. Elsewhere, among the traditionally less active sectors for M&A, we recorded strong volume growth in agriculture, construction, education and transport. However, transactions declined by 57% in hospitality, after a surge in volume in early 2023, and volume also fell in the health and waste management sectors.

Funding

After private equity activity in Northern Ireland stepped back in 2023 amid tough macro conditions, there was a welcome upturn in PE investment in the opening quarter of 2024. We recorded a private equity aspect to the funding of twelve transactions in Q1 - up from just eight in the first quarter of 2023 – and accounting for 25% of the Northern Irish market. As ever in Northern Ireland, smaller minority investments outweighed buy-outs, with innovative technology companies most likely to attract early stage investment. Notable deals included a £1.4m equity package for AMPLY Discovery, which uses AI to discover new therapeutic molecules for hard-to-treat infectious diseases and a £1m investment into green emissions testing business Catagen. Techstart Ventures, the Belfast-based seed capital specialist, was Northern Ireland’s leading investor by volume in the first quarter, providing further funding to software companies Workstream and Scileads. Meanwhile the number of deals funded by new bank debt in Northern Ireland also increased year on year, as the outlook stabilised; HSBC and Triple Point were the leading debt providers to Northern Irish M&A, with Ulster Bank and AIB also active in the market.



Top five deals: Northern Ireland

#1

£79m

Date: 02/02/2024

Deal type: Growth Capital

Target: EOS IT Holdings Ltd, Hillsborough

#2

£10m

Date: 25/01/2024

Deal type: IBO

Target: Northside Graphics Ltd, Belfast

Bidder: WHCO Laser Bidco Ltd, London

#3

£4m

Date: 31/01/2024

Deal type: Acquisition

Target: Lurgabrack Ltd

Bidder: Mount Alexander Ltd, Enniskillen

#4

£2m

Date: 12/02/2024

Deal type: Growth Capital

Target: AMPLY Discovery Ltd, Belfast

#5

£1m

Date: 14/02/2024

Deal type: Rights Issue

Target: Fusion Antibodies Plc, Belfast

LEGAL ADVISER RANKINGS



Volume

Current rank	Previous rank	Legal adviser	Volume
1	⇅ 3	TUGHANS	12
2	⇅ 1	CARSON MCDOWELL	11
3	⇅ 10	MILLS SELIG	6
4	⇅ 4	A&L GOODBODY	5
5	⇅ 5	DAVIDSON MCDONNELL SOLICITORS	5
6	⇅ -	RUSSELL & CO	2
7	⇅ 10	WARD HADAWAY	1
8	⇅ -	HCB SOLICITORS	1
9	⇅ -	TEMPLE BRIGHT	1
10	⇅ -	MILLAR MCCALL WYLIE	1
11	⇅ -	LAMB BROOKS	1

FINANCIAL ADVISER RANKINGS



Volume

Current rank	Previous rank	Financial adviser	Volume
1	⇅ 1	GRANT THORNTON	5
2	⇅ -	BELTRAE PARTNERS	2
3	⇅ -	BENCHMARK INTERNATIONAL	2
4	⇅ 2	KPMG	1
5	⇅ -	CORR & CORR	1
6	⇅ -	ALLENBY CAPITAL	1
7	⇅ -	MULDOON & COMPANY	1

REPUBLIC OF IRELAND



Ireland has significantly outperformed the global M&A market in recent years, but after the final quarter of last year ranked as Ireland's busiest ever for deal making, its flurry of M&A activity looked to have abated slightly at the beginning of 2024.

The Irish market was at odds with the global trend for rising value, with deal volume holding up relatively well year on year but deal size low; a total of 143 deals were announced in Q1, a 7% downturn on the 154 transactions announced at this point last year but a robust performance given we would expect this number to rise as more Q1 transactions come to light later in the second quarter. However, transactions were mainly agreed in the small to mid-market value range and a lack of activity at the higher end of the market meant that deal value, at €3.7bn, was down by 69% from the €10.9bn worth of deals announced in the first quarter of 2023 and represented the lowest quarterly value since Q1 2020. Despite the subdued first quarter, the deal making environment in Ireland remains favourable and in 2023 the market gathered considerable momentum after a relatively slow opening to the year. With interest rates stabilising and inflation slowing, we would again expect to see activity increase as we move further into 2024.



Irish M&A volume falls Q1 by

↓7%



Private equity deals up by

30%



28%

upturn in tech sector

Headline Deals

Where deals were made, we saw reduced levels of corporate activity set against a rise in sponsor-driven transactions. Meanwhile inward investment played an increasingly important role in the market, and the number of overseas corporates making acquisitions in Ireland showed a small upturn year on year, bucking the trend for declining activity overall. For the first time since the beginning of 2020, no Irish deals topped the €1bn mark in Q1, with US telecoms infrastructure group Phoenix Tower's €970m acquisition of the Irish telecom masts division of Cellnex the biggest deal of the year so far. Elsewhere, Dublin data centre operator Echelon

raised a further €800m from US backer Starwood Capital, having raised an €855m debt funding package from Starwood back in early 2022. Other big inward deals included Dutch hotel investor Archer Hotel Capital's €260m purchase of the Shelbourne Hotel in Dublin from US property group Kennedy Wilson, along with London-based private equity firm Exponent's €300m debt-backed buy-out of pharmaceutical group Chanelle Pharma. The largest domestic deal was in the renewables sector, where state-owned electricity group ESB acquired onshore windfarm operator Pallas for €62m.



Industry

Infocomms was the dominant industry in the first quarter with a strong performance, accounting for around 36% of total Irish deal volume - driven by transactions in the telecoms infrastructure and software segments. Infocomms was the only one of Ireland's five most active sectors to return volume growth year on year, with manufacturing, wholesale & retail and financial services all down by more than 20%, although consolidation in professional services meant that it returned a more moderate 6% decline. There were other pockets of growth, including an increase in volume and value in the waste management and hospitality sectors, along with a substantial upturn in health M&A, which saw a 17% increase in deal volume year on year; activity here was driven by an uptick in deals in the nursing care segment, while value was boosted by the €400m buy-out of Beacon Medical Group, the holding company for Beacon Hospital, by Australian investment group Macquarie.

Funding

There were 39 private equity-backed transactions in Ireland during the first quarter, up 30% from the 30 deals announced during Q1 2023. This comprised a small upturn in the buy-out market (eight deals worth €720m, up from seven with a disclosed value of €73m) along with a 35% increase in activity in the venture capital space. The medtech sector was a prominent target for investors, with two stand out fundraisings; first, Impulse Dynamics, a medical device maker for people with heart failure, raised €180m from a consortium of investors led by the Redmile Group, Perceptive, Alger and Hobart Investment, then Mainstay Medical, developer of a neurostimulation system to treat chronic back pain, completed a €115m Series B round co-led by new investors Gilde Healthcare and Viking Global Investors. Of 46 different investment firms active in Ireland during Q1, Exponent was most active by volume, backing the acquisitions of engineering firms Skanstec and Ethos, along with the previously mentioned Chanelle Pharma buy-out. Meanwhile, the volume of debt-funded deals showed little fluctuation year on year, with Allied Irish Bank and Ares the leading funding partners to the Irish market.

Top five deals: Republic of Ireland

#1

€970m

Date: 05/03/2024

Deal type: Acquisition

Target: Cellnex Ireland,
Dublin

Bidder: Phoenix Tower
International LLC, USA

#2

€800m

Date: 15/02/2024

Deal type: Growth
Capital

Target: Echelon DC
Holdings Ltd, Dublin

#3

€400m

Date: 12/02/2024

Deal type: IBO

Target: Beacon
Medical Group
Sandyford Ltd

Bidder: Macquarie
Asset Management,
Australia

#4

€300m

Date: 06/02/2024

Deal type: IBO

Target: Chanelle
Pharma Ltd, Loughrea

Bidder: Exponent
Private Equity, London

#5

€260m

Date: 28/03/2024

Deal type: Acquisition

Target: Shelbourne
Hotel, Dublin

Bidder: Archer
Hotel Capital, The
Netherlands



LEGAL ADVISER RANKINGS

Volume

Current rank	Previous rank	Legal adviser	Volume
1	⇅ 16	MCCANN FITZGERALD	11
2	⇅ 1	PHILIP LEE	11
3	⇅ 9	EVERSHEDS SUTHERLAND	10
4	⇅ 2	ARTHUR COX	8
5	⇅ 6	WILLIAM FRY	8
6	⇅ 20	PINSENT MASONS	8
7	⇅ 7	FLYNN O'DRISCOLL	8
8	⇅ 3	A&L GOODBODY	7
9	⇅ 4	BEAUCHAMPS	6
10	⇅ 5	MATHESON	5



FINANCIAL ADVISER RANKINGS

Volume

Current rank	Previous rank	Financial adviser	Volume
1	⇅ 9	AZETS IRELAND	7
2	⇅ 6	GRANT THORNTON	5
3	⇅ -	JPA BRENSON LAWLOR	5
4	⇅ 12	PWC	5
5	⇅ -	EY	4
6	⇅ 1	DELOITTE	4
7	⇅ 2	KPMG	4
8	⇅ -	CKS FINANCE	3
9	⇅ -	CLEARWATER INTERNATIONAL	3
10	⇅ 4	DAVY CORPORATE FINANCE	3

- This document was compiled using data from Experian MarketIQ, which reveals new layers of market insight by combining Corpfina's global M&A database with comprehensive Companies House data and our market leading business, financial and risk databases – all on a single platform.
- These tables are based on mergers & acquisitions (M&A) and equity capital market (ECM) transactions announced between the dates of 1 January 2024 and 31 March 2024. Previous rankings are based on information held on MarketIQ at the date on which the report was compiled.
- The minimum deal value for inclusion is £500,000, unless otherwise stated. For the purposes of this report, small deals are worth between £500,000 and £10m, mid-market deals between £10m and £100m, large deals £100m to £1bn and mega transactions £1bn and above.
- Where all aspects of a deal are confidential, the transaction will not be added to our database until this information can be disclosed. As such, transactions that are entirely confidential will not be eligible for inclusion in League Tables and Quarterly Reports. Where the value of a transaction is confidential it does not count towards value rankings.
- Deals are attributed to regions based on the address of target or bidder companies as registered at the UK's Companies House or the Republic of Ireland's Companies Registration

Office. Should a company's principal place of business differ from its registered location, we will also attribute the deal to the region of its principal trading address.

- League Tables are based on the volume and value of legal or financial advisory services (including due diligence and certain consultancy services) provided to the target, bidder, vendor, debt or equity provider, shareholders, directors, management or other parties to a deal. League Tables exclude rumoured, cancelled, withdrawn or lapsed deals. Where advisory firms have advised on the same volume of deals, the aggregate value of transactions is used to determine their rank.
- Capital provider rankings are based on the total number of investments, exits and partial exits carried out by a firm over the review period.
- Irish deal values are based on an exchange rate of £1 = €1.17.
- This publication was compiled on 18 April 2024. Experian believes that the information it provides was obtained from reliable sources but does not guarantee its accuracy. Since our records are updated daily, transaction data and League Table rankings may vary between publications.

For further information on Experian League Tables, inclusion criteria, deal submissions or quarterly updates, please contact:

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