



# UNITED KINGDOM AND REPUBLIC OF IRELAND M&A REVIEW

EXPERIAN MARKETIQ: H1 2023



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“Amid a global slowdown, we’ve seen a marked decline in deal activity in the UK in the first half of 2023 as companies take stock of a rapidly changing market. Where deals have taken place, they’ve tended to be at the smaller end of the value range and private equity houses and overseas corporates - two major factors in driving the M&A boom post-pandemic – have significantly scaled back their investments in the UK so far this year.

However, it’s not all doom and gloom, and we’ve identified some sector specific growth this year, along with well-capitalised investors taking advantage of lowered valuations in some areas. The UK M&A market has exhibited great resilience and adaptability in spades in recent years and we see the potential for an upswing in volume as we move further into the second half of the year, once stability is restored and uncertainty subsides.”

Jane Turner  
Research Manager, Experian MarketIQ

# UNITED KINGDOM M&A ACTIVITY

The challenging deal making environment that took hold towards the latter part of 2022 persisted into the opening half of 2023, with concerns around low growth conditions and market volatility to the fore - and the 2,863 transactions announced during the first six months of the year represented the lowest half-yearly total we've recorded during the last decade.

An uncertain outlook meant that many UK companies looked to have put their M&A plans on hold in the near term and, following a prolonged period in which both cross-border corporate deal making and private equity investment in the UK boomed, both sources of activity declined in H1. Increased interest rates have pushed up the cost of financing higher value transactions and, with potential acquirors also weighing up their ability to push through big ticket acquisitions in a more stringent regulatory environment, a shift towards smaller and mid-market M&A was apparent. Overall volume was down by 23% year on year, while the total announced value of UK deals in H1, at £68bn, represented a decline of 50% from the £137bn worth of transactions we recorded at this point in 2022.

UK M&A volume was at

# 2,863

transactions in H1 2023,  
a decline of 23%



Public to private  
takeover bids up by

# 70%



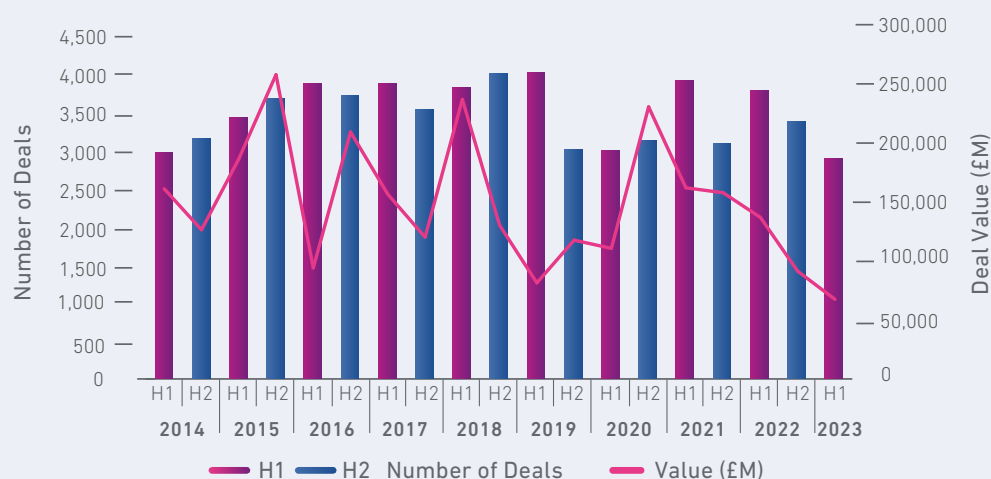
M&A in the mining and  
quarrying sector saw  
volume increase by

# 11%

## Headline Deals

Although overall private equity activity in the UK has waned this year, we have seen investors look to take advantage of perceived value in some UK public companies, leading to an increase in the number of take-private bids for UK Plcs. In the year's biggest deal to date, Swedish investment house EQT agreed the £4.5bn buy-out of Dechra Pharmaceuticals, a veterinary pharmaceutical group – should it complete, the deal will be EQT's largest investment yet in the UK and significantly expand its position in the animal care market. Elsewhere, Network International Holdings, a London-listed fintech operating in the Middle East and Africa, was targeted

by Canadian asset manager Brookfield for £2.1bn – these transactions were outliers, with the majority of public to private deals coming in at a significantly lower price point. Other notable deals in H1 included UK drugmakers GSK and AstraZeneca boosting their portfolios with acquisitions in North America – GSK snapping up BELLUS Health, a Canadian biopharmaceutical company developing products for refractory chronic cough for £1.6bn, while AstraZeneca completed a deal for Massachusetts-based CinCor Pharma, which makes treatments for hypertension. These were the two largest of a total of 198 outbound acquisitions launched by UK companies in H1, with a combined



value of approximately £7.5bn – down from 408 outbound deals worth upwards of £10bn in H1 2022. Meanwhile the level of inward M&A, at 288 deals worth £22bn, was down by 21% year on year in volume terms and 27% by value.

## Industry

M&A activity was down virtually across the board in the UK during H1, but we did record some pockets of growth. In the mining & quarrying sector, value rose from £4.7bn in H1 2022 to £9.2bn, accompanied by a welcome 11% uplift in deal volume year on year. This figure incorporated heightened activity in the oil and gas segment, where overall transaction value was at its highest since 2018 – boosted by Italian group Eni's £3.9bn acquisition of Neptune Energy Group and Spanish energy group Repsol's £1.7bn purchase of minority interests in its UK joint venture Repsol Sinopec Resources UK. Both deals involved Chinese investors selling significant stakes. There was also a 4% increase in waste management and water supply deals, albeit from a smaller base. Meanwhile the technology sector remained the UK's leading source of deal activity – with 27% of transactions – but volume here fell by 25% year on year to sit at its lowest level for the first half of a year since 2018, alongside a 38% decline in total value.

## Funding

Private equity funded 26% of all UK deals in the first half of 2023 – 730 in total. This was an equivalent share of the market to that recorded in H1 2022, although it represented a 25% decline in volume terms – roughly equivalent to the slowdown in UK transactions overall. However, the total value of PE-backed deals, at £18.4bn, was almost £50bn under the £67.3bn worth of private equity funded transactions that had been announced at this point of 2022, as firms targeted the SME space. Business Growth Fund was again the UK's leading investor by transaction volume, with 36 deals in the first half of 2023, followed by Foresight Group (25 deals) and Octopus (15). Meanwhile we recorded a 10% decline in the volume of deals funded by newly-agreed bank debt year on year, but there was still a wide range of firms looking to fund growth by M&A in H1 – traditional stalwart HSBC led the volume table with 30 deals, closely followed by alternative lenders Thincats, with 26 qualifying transactions and Triple Point Private Credit, with 19.



## Top ten deals: UK

1

£4.46bn

**Date:** 13/04/2023

**Deal type:** IBO

**Target:** Dechra Pharmaceuticals Plc, Northwich

**Bidder:** Freya Bidco Ltd, London

2

£3.85bn

**Date:** 23/06/2023

**Deal type:** Acquisition

**Target:** Neptune Energy Group Ltd, London

**Bidder:** ENI SpA, Italy

3

£2.7bn

**Date:** 15/05/2023

**Deal type:** Divestment

**Target:** London Stock Exchange Group Plc, London

4

£2.27bn

**Date:** 30/05/2023

**Deal type:** Acquisition

**Target:** UK and Irish Operations of EG Group Ltd, Blackburn

**Bidder:** Asda Group Ltd, Leeds

5

£2.13bn

**Date:** 21/04/2023

**Deal type:** IBO

**Target:** Network International Holdings Plc, London

**Bidder:** Brookfield Asset Management Ltd, Canada

6

£2bn

**Date:** 07/03/2023

**Deal type:** Divestment

**Target:** London Stock Exchange Group Plc, London

7

£1.7bn

**Date:** 28/04/2023

**Deal type:** Acquisition

**Target:** Repsol Sinopec Resources UK Ltd, London

**Bidder:** Repsol SA, Spain

8

£1.61bn

**Date:** 18/04/2023

**Deal type:** Acquisition

**Target:** BELLUS Health Inc, USA

**Bidder:** GSK Plc, Brentford

9

£1.5bn

**Date:** 09/01/2023

**Deal type:** Acquisition

**Bidder:** CinCor Pharma Inc, USA

**Target:** AstraZeneca Plc, Cambridge

10

£1.26bn

**Date:** 22/05/2023

**Deal type:** Share Buy-Back

**Target:** NatWest Group Plc, Edinburgh

## UK and Ireland deal volume H1 2023

Click on the  
regions for more  
information


















## UK AND IRELAND M&A BY REGION H1 2023



Volume

Region	H1 2023	H1 2022	% Change
Greater London	950	1,362	-30% 
South East	421	631	-33% 
Midlands	401	545	-26% 
North West	341	496	-31% 
South West	206	421	-51% 
Yorkshire & Humber	263	319	-18% 
East of England	237	367	-35% 
Scotland	183	247	-26% 
North East	107	191	-44% 
Wales	144	122	18% 
Northern Ireland	87	134	-35% 
Republic of Ireland	290	387	-25% 
United Kingdom	2,863	3,740	-23% 


















## UK AND IRELAND M&A BY REGION H1 2023



Value (£m)





















Region	H1 2023	H1 2022	% Change
Greater London	49,948	93,666	-47% 
South East	5,244	14,030	-63% 
Midlands	2,206	13,131	-83% 
North West	11,432	3,598	218% 
South West	1,079	2,337	-54% 
Yorkshire & Humber	3,297	6,178	-47% 
East of England	4,334	5,368	-19% 
Scotland	4,639	14,389	-68% 
North East	94	1,720	-95% 
Wales	257	1,151	-78% 
Northern Ireland	128	456	-72% 
Republic of Ireland	13,287	35,261	-62% 
United Kingdom	67,984	137,159	-50% 



## UK DEALS BY INDUSTRY H1 2023



Volume





















Sector	H1 2023	H1 2022	% Change
 Infocomms	784	1,043	-25% 
 Professional services	725	886	-18% 
 Manufacturing	588	783	-25% 
 Wholesale and retail	467	651	-28% 
 Financial services	420	558	-25% 
 Support services	329	444	-26% 
 Construction	214	291	-26% 
 Health	181	267	-32% 
 Real estate	133	226	-41% 
 Transport	96	108	-11% 



## UK DEALS BY INDUSTRY H1 2023



Value (£m)

Sector	H1 2023	H1 2022	% Change
 Infocomms	18,954	30,797	-38% 
 Professional services	11,259	35,786	-69% 
 Manufacturing	23,100	26,375	-12% 
 Wholesale and retail	20,756	8,425	146% 
 Financial services	21,710	50,304	-57% 
 Support services	6,184	11,919	-48% 
 Construction	1,601	17,220	-91% 
 Health	593	1,603	-63% 
 Real estate	5,351	17,920	-70% 
 Transport	1,410	4,365	-68% 



## LEGAL ADVISER RANKINGS



Volume

Current rank	Previous rank	Legal adviser	Volume
1	↕ 1	SHOOSMITHS	89
2	↕ 2	HARRISON CLARK RICKERBYS	89
3	↕ 3	ADDLESHAW GODDARD	69
4	↕ 6	PINSENT MASONS	59
5	↕ 5	GATELEY	59
6	↕ 17	DWF	48
7	↕ 7	EVERSHEDS SUTHERLAND	43
8	↕ 16	MILLS & REEVE	42
9	↕ 14	SQUIRE PATTON BOGGS	39
10	↕ 10	CMS	37
11	↕ 11	TLT	35
12	↕ 28	HIGGS	34
13	↕ 4	DLA PIPER	32
14	↕ -	GELDARDS	31
15	↕ -	GORDONS	31
16	↕ 8	WARD HADAWAY	30
17	↕ 19	BRABNERS	29
18	↕ 25	CLARION SOLICITORS	29
19	↕ 35	OSBORNE CLARKE	28
20	↕ 13	FREETHS	27

## FINANCIAL ADVISER RANKINGS



Volume

Current rank	Previous rank	Financial adviser	Volume
1	↕ 4	K3 CAPITAL GROUP	134
2	↕ 2	GRANT THORNTON	91
3	↕ 3	RSM	68
4	↕ 1	BDO	60
5	↕ 6	AZETS	58
6	↕ 10	PWC	39
7	↕ 19	PKF	37
8	↕ 7	KPMG	35
9	↕ 13	ALTIUS GROUP	34
10	↕ 11	BENCHMARK INTERNATIONAL	29
11	↕ 14	NUMIS SECURITIES	28
12	↕ 16	MAZARS	25
13	↕ 9	EY	24
14	↕ 28	CLEARWATER INTERNATIONAL	24
15	↕ 24	CORTUS ADVISORY	23
16	↕ -	SHORE CAPITAL GROUP	20
17	↕ 12	FRP ADVISORY TRADING	20
18	↕ 23	CANACCORD GENUITY	19
19	↕ 17	CENKOS SECURITIES	18
20	↕ 8	DOW SCHOFIELD WATTS	18

## DEBT PROVIDER RANKINGS



Volume

Current rank	Previous rank	Debt provider	Volume
1	⇅ 1	HSBC	30
2	⇅ 2	THINCATS	26
3	⇅ 7	TRIPLE POINT PRIVATE CREDIT	19
4	⇅ 10	SME CAPITAL	14
5	⇅ 11	NATWEST	13
6	⇅ -	DEVELOPMENT BANK OF WALES	11
7	⇅ 13	SANTANDER UK	10
8	⇅ 4	SHAWBROOK BANK	9
9	⇅ 3	LLOYDS BANKING GROUP	8
10	⇅ 16	PRAETURA COMMERCIAL FINANCE	7

## CAPITAL PROVIDER RANKINGS



Volume

Current rank	Previous rank	Investment firm	Volume
1	⇅ 1	BUSINESS GROWTH FUND	36
2	⇅ 9	FORESIGHT GROUP	25
3	⇅ 2	OCTOPUS VENTURES	15
4	⇅ 3	LDC	13
5	⇅ -	MERCIA ASSET MANAGEMENT	11
6	⇅ 19	DEVELOPMENT BANK OF WALES	11
7	⇅ 17	FUEL VENTURES	10
8	⇅ 4	SCOTTISH ENTERPRISE	9
9	⇅ 5	MAVEN CAPITAL PARTNERS	8
10	⇅ -	NOTION CAPITAL	7



# LONDON



London M&A at its  
lowest level since **2009**

London-based  
companies provided

**74%**

of total deal value



**38%**

of London transactions  
were in tech

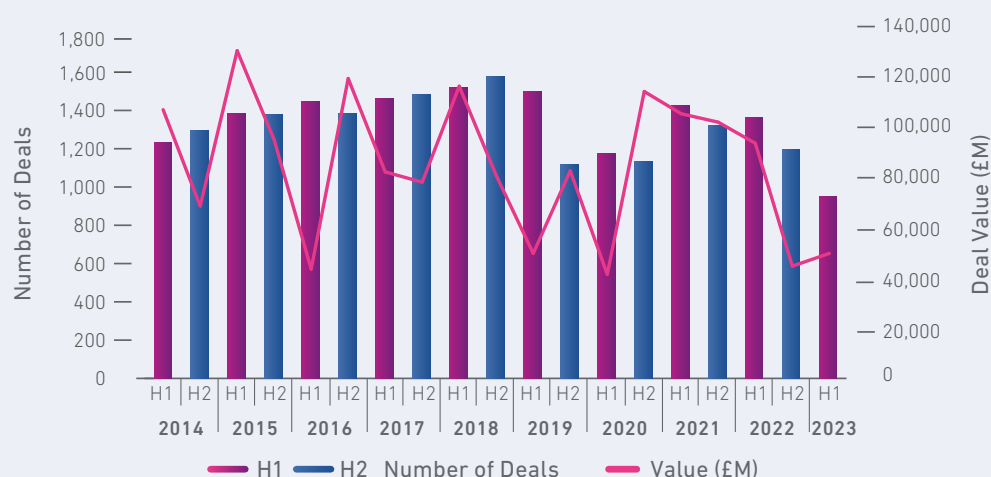
Macroeconomic concerns and geopolitical uncertainty, along with an end to the prolonged cheap debt environment that has fuelled the deal making boom in the UK over the last several years, dampened M&A activity in the capital in the second half of 2022 - and transaction volume continued to decline in the opening six months of 2023.

Our new set of figures show that the number of announced deals involving a London company was down to 950 in H1, a decline of 30% from the 1,362 transactions recorded over the same period of 2022. This was the lowest first half volume on Experian record – we need to go back to 2009, when 972 transactions were announced in the immediate aftermath of the credit crunch for the closest comparable result – although this figure is expected to rise as more deals come to light when we move further into the second half of the year. Companies based in London still accounted for around 33% of all UK transaction volume in H1, along with contributing almost 74% of overall deal value.

### Headline Deals

Changing conditions in financing markets contributed to a slowdown in activity at the higher end of the M&A market towards the end of last year and this trend continued in the opening half of 2023. We recorded 50% fewer large transactions in London year on year, while the number of deals worth £1bn and above fell by 28%, from 18 during H1 2022 to just 13 so far this year. Among the big-ticket deals that did push through was Italian oil and gas group Eni's acquisition of Neptune Energy Group, the exploration and production company founded by former Centrica CEO Sam Laidlaw, for

approximately £3.9bn - the UK's largest oil and gas transaction since 2017. Eni is backed by US private equity giant Carlyle Group, while Neptune is 49%-owned by a Chinese state vehicle and 20% by private equity firm CVC Partners. Elsewhere, Canadian investment company Brookfield Asset Management agreed a £2.1bn deal to acquire Network International Holdings, a London-listed company that provides technology-enabled payments solutions to merchants and financial institutions in the Middle East and Africa, in London's biggest public-to-private transaction to date. Notable outbound deals included GSK's £1.6bn deal to



acquire Canadian biopharmaceutical group BELLUS Health and BP's £1.1bn purchase of TravelCenters of America, significantly extending its network of convenience stores in the US.

### Industry

London's technology sector remained its most likely source of M&A activity in H1, with deals involving tech and tech-adjacent businesses accounting for around 38% of total volume. Building capability in the burgeoning AI space was a key driver, with deals including German biotechnology company BioNTech's £562m cash and shares acquisition of Instadeep, a developer of advanced AI decision-making systems, with a view to integrating its tools into drug discovery platforms. Elsewhere in the AI sector, Engineer.ai Global (trading as Builder.ai), a provider of an AI powered composable software platform to turn ideas into software, raised £200m in a Series D funding round led by the Qatar Investment Authority, while Fintern (dba Abound), a fintech that provides consumer lending based on an open banking and AI platform, raised £500m in debt and equity funding from a range of international investors. Tech deals were down by 35% year on year, which was

largely consistent with the wider drop off in volume in London. The financial services sector was next most active with 23% of deal volume, but also saw a marked decline, with the number of first half transactions down by 34% on H1 2022. In fact, out of 19 industry groupings that returned M&A activity in the first half of 2023, mining & quarrying was the sole sector to see an increase in volume, with a 19% year on year upturn.

### Funding

There was a private equity component in the funding of 318 London deals so far this year, around a third of the total market, representing a decline of 28% from the 444 PE-backed transactions we recorded during the first half of 2022. Deals were predominantly at the small to mid-market value range and the total value of private equity deals, at £14bn, equated to 30% of London's total - down from £57bn and 60% in H1 2022. Octopus Ventures retained its 2022 ranking as the most active investment firm in the capital with ten deals in H1, followed by BGF and Notion Capital, each with seven transactions. Meanwhile ThinCats and Triple Point Private Credit were London's leading debt providers, funding nine and eight transactions, respectively.

## Top five deals: **London**

**#1**

£4.45bn

**Date:** 13/04/2023

**Deal type:** IBO

**Target:** Dechra  
Pharmaceuticals Plc,  
Northwich

**Bidder:** Freya Bidco  
Ltd, London

**#2**

£3.85bn

**Date:** 23/06/2023

**Deal type:** Acquisition

**Target:** Neptune Energy  
Group Ltd, London

**Bidder:** ENI SpA, Italy

**#3**

£2.7bn

**Date:** 15/05/2023

**Deal type:** Divestment

**Target:** London Stock  
Exchange Group Plc,  
London

**#4**

£2.13bn

**Date:** 21/04/2023

**Deal type:** IBO

**Bidder:** Network  
International Holdings  
Plc, London

**Target:** Brookfield  
Asset Management  
Ltd, Canada

**#5**

£2bn

**Date:** 07/03/2023

**Deal type:** Divestment

**Target:** London Stock  
Exchange Group Plc,  
London

## LEGAL ADVISER RANKINGS



Volume

Current rank	Previous rank	Legal adviser	Volume
1	↕ 6	ADDLESHAW GODDARD	28
2	↕ 1	SHOOSMITHS	25
3	↕ 17	DWF	23
4	↕ 4	EVERSHEDS SUTHERLAND	22
5	↕ 8	GATELEY	19
6	↕ 7	PINSENT MASONS	18
7	↕ 2	HARRISON CLARK RICKERBYS	17
8	↕ 10	TLT	16
9	↕ 5	CMS	13
10	↕ -	ORRICK HERRINGTON & SUTCLIFFE	12

## FINANCIAL ADVISER RANKINGS



Volume

Current rank	Previous rank	Financial adviser	Volume
1	↕ 1	GRANT THORNTON	36
2	↕ 7	K3 CAPITAL GROUP	26
3	↕ 2	BDO	21
4	↕ 3	RSM	19
5	↕ 12	NUMIS SECURITIES	13
6	↕ 6	PWC	12
7	↕ 18	SHORE CAPITAL GROUP	12
8	↕ -	CLEARWATER INTERNATIONAL	12
9	↕ 15	ROTHSCHILD & CO	11
10	↕ 8	KPMG	11



# SOUTH EAST



**18%**

of deals were funded  
by private equity



Acquisitions represented  
**72%** of deal activity



The tech sector  
accounted for

**32%**

of deals

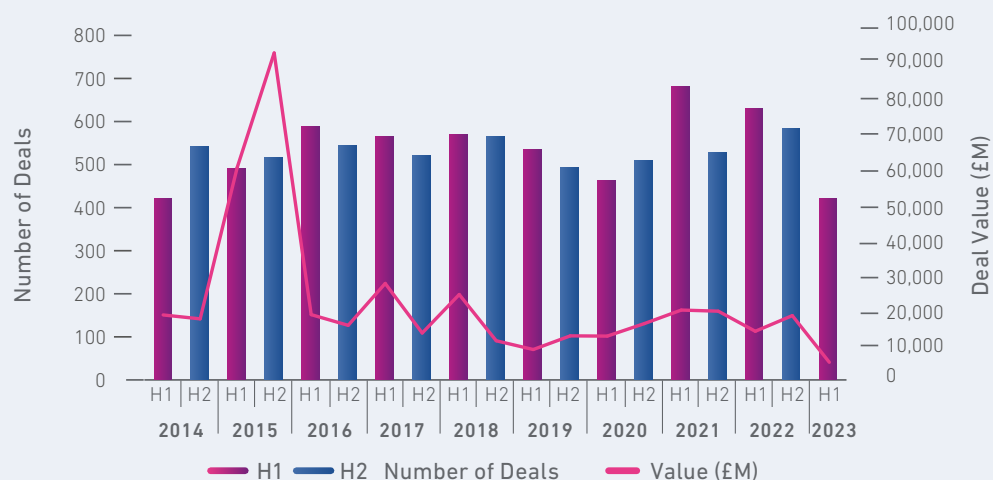
Despite enjoying record levels of activity in the last two years, dealmaking in the first half of 2023 fell to its lowest level since 2014. A total of 421 deals were announced, down from 631 in 2022, a decline of 33%. Valuations were also hard hit, with the £5.3bn recorded in the year to date being 63% lower than the £14bn in the same period last year.

At the lower end of the market, small cap deals fell by 32% in volume and 34% in value, whilst mid-market deals saw a 30% dip in volume and 43% in value. Large cap deals fared slightly better, with the 12 deals in the year to date being 20% fewer than the 15 recorded last year. Values were down by close to 40%, mirroring the downward trend reported across many regions. Close to three-quarters of deals were acquisitions, representing 72%, up from just under 70% last year. The volume of private equity-driven buy-outs fell from 21 in 2022 to ten this year, whilst growth capital deals represented 16% of the region's activity with the 69 deals reported in 2023 being just under 23% fewer than the 89 last year. Inbound investment into the region was driven predominantly by European and USA-based acquirors, whilst South East businesses reciprocated by buying assets primarily in Europe and North America. Outside of London, the South East is the largest contributor to UK M&A activity, accounting for approximately 14.7% of deal volume and 7.7% of value.

### Headline Deals

The one mega deal announced in the year to date saw US telecoms group Liberty Global, pay £1.2bn for a near 5% stake in Newbury-based Vodafone, becoming Vodafone's third largest shareholder. Liberty Global, which also owns half of Vodafone rival Virgin Media O2, is understood to have ruled out a takeover. The telecoms sector also saw Gigaclear, a provider of broadband services to rural communities, secure funding of £420m from Equitix to support its long-term plan to expand its network to more than a million premises by 2027. Other

deals of note included the agreement by Reckitt Benckiser to acquire the remaining interests in its activities in mainland China and Hong Kong for an estimated £300m-£400m price tag, and the take private of Hastings-based Medica Group by an IK Investment Partners vehicle for £269m. Despite the wider slowdown in the market, publicly-traded companies have proved to be a lucrative source of deals in recent months, with the Medica transaction being one of 24 London listed companies targeted in the year to date.



### Industry

The technology sector accounted for the highest proportion of the region's deals, with the 136 deals recorded in the year to date representing a 20% decline on last year. Valuations in this sector fell by 61%. Professional services was again an attractive sector, accounting for 111 deals, down from the 149 seen last year. Values weren't as hard hit, registering a drop of 47%. It was a similar story for the manufacturing sector, with a 30% decrease in volume and a 52% reduction in value. Despite the overall outlook, some sectors outperformed last year in value terms, notably other service activities with a 254% surge, support services which saw a 151% increase, healthcare with a 124% rise and mining and quarrying on 45%.

### Funding

Where detailed funding structures were disclosed, private equity accounted for just over 18% of deals. Oxford Science Enterprises and Business Growth Fund each completed four deals, with Clean Growth Fund, LDC and Kiko Ventures on three apiece. Whilst the higher cost of bank borrowing led to fewer debt funded deals, Triple Point Private Credit was by some way the most active lender in the region, with seven deals, followed by SME Capital with three and high street lenders HSBC and NatWest on two deals each.

## Top five deals: South East

#1

£1.2bn

**Date:** 14/02/2023

**Deal type:** Minority Stake

**Target:** Vodafone Group Plc, Newbury

**Bidder:** Liberty Global Inc, USA

#2

£420m

**Date:** 07/06/2023

**Deal type:** Development Capital

**Target:** Gigaclear Ltd, Abingdon

#3

£400m

**Date:** 26/05/2023

**Deal type:** Acquisition

**Target:** RB Manon, China and Hong Kong

**Bidder:** Reckitt Benckiser Group Plc, Slough

#4

£269m

**Date:** 24/04/2023

**Deal type:** IBO

**Target:** Medica Group Plc, Hastings

**Bidder:** Moonlight Bidco Ltd, Hastings

#5

£249m

**Date:** 16/03/2023

**Deal type:** Acquisition

**Target:** Hurricane Energy Plc, Godalming

**Bidder:** Prax Exploration & Production Plc, Weybridge



## LEGAL ADVISER RANKINGS

Value

Current rank	Previous rank	Legal adviser	Volume
1	⇅ 1	HARRISON CLARK RICKERBYS	24
2	⇅ -	GORDONS	20
3	⇅ -	PATTERSONS COMMERCIAL LAW	17
4	⇅ 2	SHOOSMITHS	17
5	⇅ 7	ADDLESHAW GODDARD	13
6	⇅ 4	PINSENT MASONS	10
7	⇅ -	DWF	10
8	⇅ 13	GATELEY	10
9	⇅ 5	EVERSHEDS SUTHERLAND	8
10	⇅ 3	DLA PIPER	7



## FINANCIAL ADVISER RANKINGS

Volume

Current rank	Previous rank	Financial adviser	Volume
1	⇅ 1	K3 CAPITAL GROUP	28
2	⇅ 2	GRANT THORNTON	19
3	⇅ 3	RSM	15
4	⇅ 4	BDO	13
5	⇅ -	JAMES COWPER KRESTON	10
6	⇅ -	HMT	8
7	⇅ 7	BENCHMARK INTERNATIONAL	8
8	⇅ 13	PKF	8
9	⇅ 9	AZETS	7
10	⇅ 10	PWC	6



# SOUTH WEST



# 206

deals completed  
in the year to date



**62%** of deals were  
acquisitions



**Manufacturing** deals drove sector  
activity with **29%** of deals

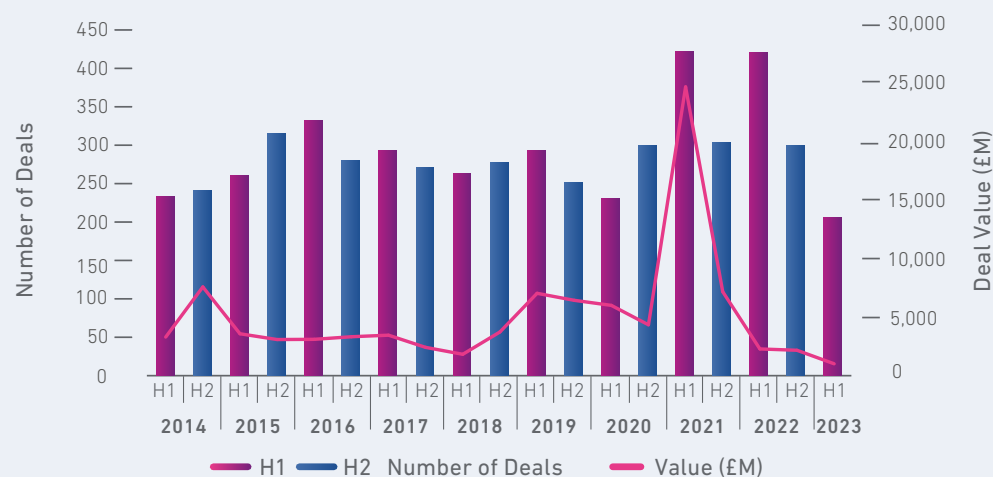
Deal volume in the South West fell to its lowest level in a decade, with the 206 announced deals more than 51% fewer than last year. Valuations tumbled by just under 54% to an all-time low of £1.08bn, in comparison to the £2.2bn recorded in the first half of 2022.

All value ranges saw a marked decline in both volume and value, with small cap deals proving to be the most resilient. Deals under the £10m mark saw a smaller decrease in both volume and value than the bigger ticket deals, with a 27% drop in volume and just under 21% in value. The effects of rising inflation and higher interest rates appeared to dampen M&A activity at the higher end of the market, with the mid-market recording a 41% drop in volume and 50% in value. Deals in the £100m to £1bn range saw a 31% reduction in volume and 58% wiped off the value when compared to the same period last year. Whilst acquisitions continue to drive activity, representing 62% of the regions deals, both volume and value fell by just over 60%. Capital markets activity was up by 50% as a number of South West businesses chose this as a way to raise funds to facilitate growth. Private equity also fuelled growth in the region, as majority acquisitions by PE firms grew by 20%, and deals where owner-managers chose employee ownership as their future business model saw a 25% increase. The South West accounted for 7.2% of the UK's deal volume and 1.6% of value.

### Headline Deals

Notable deals included the £242m acquisition of Bristol-based Curtis Banks, a provider of self-invested pension products, by Nucleus Financial Platforms, Salisbury, in a deal which creates a retirement-driven adviser platform with £80bn in assets under administration. In one of two large funding deals, Tewkesbury-based

Netomnia followed on from its £295m round in 2022, with a further package of £230m in committed debt financing from a six bank consortium to support the future growth of the business, and Truro-based Kensa Group received a £70m investment from Legal & General Capital and Octopus Energy, which it will use to accelerate the adoption of ground-source heat pumps in the UK.



### Industry

Manufacturing was the leading sector for deal activity in the first half of the year, with the 59 deals recorded just 10% fewer than last year. Professional services came close as the second busiest sector for dealmaking, although volume and value was significantly lower than last year, at a rate of approximately 70%. The tech sector continued to drive activity, despite recording around a quarter fewer deals than in 2022. There were some bright spots, with the construction sector enjoying a 17% surge in deal volume and close to 28% in value. Favourable increases in deal volume were also evident in the transport, utilities, education and mining sectors. However, valuations continued to remain somewhat subdued across most sectors, mirroring the trend seen across most regions.

### Funding

Given the overall decline in deal volume, it's not wholly unexpected to see a comparable fall in funding structures. Whilst most companies funded their M&A activity from existing resources, private equity still accounted for 18% of deals, with bank lending supporting on approximately 12% of deals. Business Growth Fund and Foresight Group topped the table as most active investors, followed by a vast number of firms choosing to deploy capital into companies in the region. HSBC and Shawbrook Bank were the lenders of choice on four deals each, followed by Beechbrook Capital, BOOST&CO (now Growth Lending), SME Capital and ThinCats each with two deals.

## Top five deals: South West

#1

£242m

**Date:** 06/01/2023

**Deal type:** Acquisition

**Target:** Curtis Banks Group Plc, Bristol

**Bidder:** Nucleus Financial Platform Ltd, Salisbury

#2

£230m

**Date:** 17/03/2023

**Deal type:** Debt Financing

**Deal type:** Netomnia Ltd, Tewkesbury

#3

£70m

**Date:** 16/05/2023

**Deal type:** Growth Capital

**Target:** Kensa Group Ltd, Truro

#4

£48m

**Date:** 06/06/2023

**Deal type:** Acquisition

**Target:** National Milk Records Plc, Chippenham

**Bidder:** Associated British Foods Plc, London

#5

£33m

**Date:** 18/06/2023

**Deal type:** Share Buy-Back

**Target:** Bristol & West Plc, Bristol

## LEGAL ADVISER RANKINGS



Volume

Current rank	Previous rank	Legal adviser	Volume
1	⇅ 1	HARRISON CLARK RICKERBYS	16
2	⇅ 2	TLT	8
3	⇅ 17	GATELEY	7
4	⇅ -	EVERSHEDS SUTHERLAND	6
5	⇅ -	COOK CORPORATE	6
6	⇅ 6	ADDLESHAW GODDARD	4
7	⇅ 13	BURGES SALMON	4
8	⇅ 14	SHAKESPEARE MARTINEAU	4
9	⇅ 16	RWK GOODMAN	4
10	⇅ 3	SHOOSMITHS	4

## FINANCIAL ADVISER RANKINGS



Volume

Current rank	Previous rank	Financial adviser	Volume
1	⇅ 8	K3 CAPITAL GROUP	19
2	⇅ 3	PKF	13
3	⇅ 4	RSM	8
4	⇅ 1	BDO	6
5	⇅ 5	BISHOP FLEMING	5
6	⇅ 2	HAZLEWOODS	5
7	⇅ 11	FRP ADVISORY TRADING	4
8	⇅ 17	BENCHMARK INTERNATIONAL	4
9	⇅ 13	AZETS	4
10	⇅ -	EY	3



# EAST OF ENGLAND



Economic factors continue to cause uncertainty in the UK M&A market - high levels of inflation, rising interest rates and associated financing costs, along with a host of other external factors – and appear to have dampened deal activity in the East of England throughout the first six months of 2023.

The 237 deals announced in H1, valued at £4.3bn, were well down on the previous year (when 367 transactions had an aggregate consideration of £5.4bn). These were the lowest figures we've seen in the region since 2014 (when just 208 transactions with a value of £3.4bn were recorded for the first half of the year). The East of England did see a deal top the £1bn mark in H1 but activity was down significantly across the large, mid-market and small value segments, which was reflected by a drop-off in deal values. Companies based in the East of England were involved in just under 8.3% of all UK deals, whilst contributing 6.4% to their total



AstraZeneca secure third US acquisition within 12 months



East of England deal activity was at its lowest since 2014



Transport deals were up by

**18%**

### Headline Deals

The stand-out transaction within the region saw AstraZeneca, the British-Swedish multinational pharmaceutical and biotechnology company with its headquarters at the Cambridge Biomedical Campus, acquire CinCor Pharma, a US-based clinical-stage biopharmaceutical company. The total consideration including the contingent value might, if performance milestones are achieved, reach approximately £1.5bn. The deal is the latest in a string of high value US acquisitions for AstraZeneca, following its multi-million-pound deals to acquire

TeneoTwo and Neogene Therapeutics in 2022. Elsewhere, Luxembourg private equity firm JAB Holding Co, through its Borehamwood-based portfolio company Pinnacle Pet Group (PPG), agreed to acquire Animal Friends Insurance Services, a Salisbury-based provider of affordable pet insurance. The transaction is valued at approximately £900m and will see PPG and vendor Correlation Risk Partners form a long-term partnership in pet insurance solutions in both the UK and French markets. Other noteworthy deals in H1 included LDC's £300m secondary buy-out of Hamsard 3352,

the Watford-based holding company of Tuskerdirect, a provider of salary sacrifice car scheme and car leasing services, from exiting investor ECI Partners along with Lingotto Investment Management building up a 5% stake in Ocado Group, the online supermarket retailer, worth around £222m.

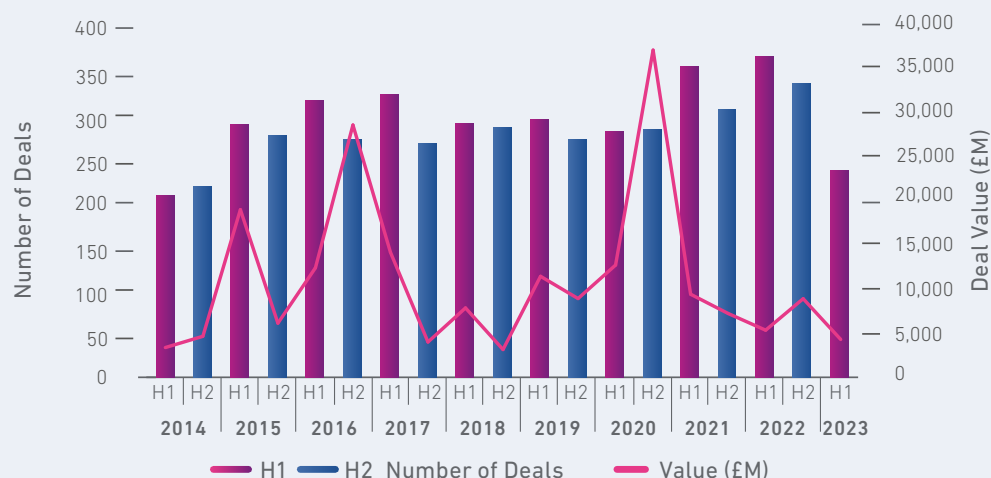
### Industry

The professional services sector rose from second to first position as the East of England's most active industry for M&A in H1, despite a 20% decline in transaction volume - the 71 confirmed deals represented almost 30% of the region's total. This was closely followed by manufacturing (67 deals, down by 17% year on year), while infocomms slipped back to third place with 57 transactions - having ranked as the East of England's busiest sector in H1 2022, when 90 deals were announced). Of the eight busiest sectors for deal making in the East of England so far this year, each returned a double-digit decline in volume in comparison with the first half of 2022. On a positive note, there was some welcome growth in some of the traditionally smaller industry segments in the region, with transport up by 18% - deals here including a £66m funding

round for Stowmarket-based electric charging station operator Juuce and a £63m public to private buy-out of Essex freight management group Xpediator - and education by 9%, along with a 75% increase in waste management and water supply transactions.

### Funding

Private equity was the funding source in respect of 59 East of England deals, representing just under 25% of the market - well down from 2022, when 81 PE-backed deals were announced, with those transactions representing over 22% of the region's total. These private equity transactions were valued at just under £2bn, down £2.9bn the previous year. Broken down for H1 2023, of the 59 private equity deals, only 14 constituted majority buyouts (comprising of nine IBOs/SBOs, three acquisitions and two MBOs/MBIs), whilst 44 constituted earlier stage growth investments - Molten Ventures, with three citations, ranked as the region's most active investment firm by deal volume, closely followed by Business Growth Fund (BGF). Meanwhile ThinCats was the region's most active debt provider, providing financing in support of four deals.



## Top five deals: **East of England**

**#1**

£1.48bn

**Date:** 09/01/2023

**Deal type:** Acquisition

**Target:** CinCor Pharma Inc, USA

**Bidder:** AstraZeneca Plc, Cambridge

**#2**

£900m

**Date:** 05/04/2023

**Deal type:** Acquisition

**Target:** Animal Friends Investments Ltd, London

**Bidder:** Pinnacle Pet Group Ltd, Borehamwood

**#3**

£450m

**Date:** 21/04/2023

**Deal type:** Share Buy-Back

**Target:** Tesco Plc, Welwyn Garden City

**#4**

£300m

**Date:** 21/02/2023

**Deal type:** Secondary Buy-Out

**Target:** Hamsard 3352 Ltd, Watford

**Bidder:** Lloyds Banking Group, Edinburgh

**#5**

£222m

**Date:** 26/06/2023

**Deal type:** Minority Stake

**Target:** Ocado Group Plc, Hatfield

**Bidder:** Lingotto Investment Management, London

## LEGAL ADVISER RANKINGS



Volume

Current rank	Previous rank	Legal adviser	Volume
<b>1</b>	⇅ 4	SHOOSMITHS	9
<b>2</b>	⇅ 6	HOWES PERCIVAL	7
<b>3</b>	⇅ 1	HARRISON CLARK RICKERBYS	7
<b>4</b>	⇅ -	GORDONS	7
<b>5</b>	⇅ -	WARD HADAWAY	6
<b>6</b>	⇅ 3	MILLS & REEVE	6
<b>7</b>	⇅ -	PATTERSONS COMMERCIAL LAW	6
<b>8</b>	⇅ 8	GATELEY	5
<b>9</b>	⇅ 13	PINSENT MASONS	4
<b>10</b>	⇅ 2	BIRKETTS	4

## FINANCIAL ADVISER RANKINGS



Volume

Current rank	Previous rank	Financial adviser	Volume
<b>1</b>	⇅ 19	ENSORS	17
<b>2</b>	⇅ 2	K3 CAPITAL GROUP	11
<b>3</b>	⇅ 1	GRANT THORNTON	10
<b>4</b>	⇅ 4	RSM	8
<b>5</b>	⇅ 17	ALTIUS GROUP	7
<b>6</b>	⇅ 8	LARKING GOWEN	6
<b>7</b>	⇅ 22	PWC	5
<b>7</b>	⇅ 6	BDO	5
<b>9</b>	⇅ 3	FRP ADVISORY TRADING	4
<b>10</b>	⇅ -	PKF	3



# MIDLANDS



The volume of transactions in the Midlands has fallen in line with the rest of the UK, by around 26% so far this year. At 404, the H1 2023 figures are significantly below the average first half volume we've recorded over the last decade, with the second lowest deal count over the period.

Deal value has also fallen significantly since the highs experienced in 2022 to a total of only £2.2bn, an 83% decline. The value analysis shows there were declines in all market sizes, with large deals dropping to only three and mega deals absent so far in H1 2023. Acquisition remains the most popular type of transaction in the region with 76% of deals, despite a 31% decline in volume year on year. We see some positive results in the number of rights issues going up 66% from last year and the value of minority stake transactions rocketed to £369m, up from only £3m last year. Elsewhere, the number of management buy-outs has declined by 27% while the volume of employee buy-outs increased by 33% and although the volume of development capital deals fell by around 11% compared to last year, the value of these deals increased, from £174m to £430m. Cross border analysis shows 18 foreign bidders making acquisitions in the region, of which companies based in the US were the most active bidders, acquiring Midlands-based targets in seven transactions. There was a Midlands element in approximately 14% of all UK transactions by volume so far this year, while Midlands firms contributed around 3.2% of total deal value.

Total value of **Development Capital deals** up to

£430<sub>m</sub>



Deal volume in the Midlands fell in line with the rest of UK, by around **26%**

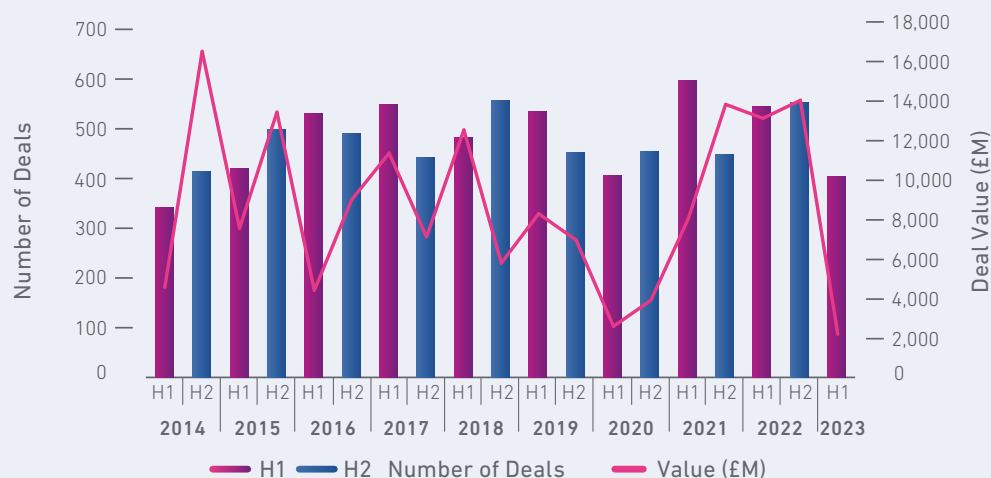
↑66%

rise in **rights issue transactions**

### Headline Deals

There were three large transactions in the Midlands in H1 2023, the biggest of which was the buy-out of Dignity, a London-listed funeral services business based in Sutton Coldfield, for an approximate value of £789m. The second largest was the cross-border minority acquisition of 42m shares in Aston Martin Lagonda Global Holdings, Warwick, the luxury automotive group, by China-based car manufacturer Geely Automobile Holdings, for a total consideration of £234m.

The publicly listed retail company Frasers Group, in Shirebrook, featured three times in the top ten deals this month with two minority stakes and one acquisition. The largest of the three was the acquisition of a strategic stake of 18.9% in AO World, Bolton, an online electricals retailer, for a total investment of £75m. Frasers Group also spent approximately £60m on acquiring a stake in fashion retailer Next, while a subsidiary of Frasers Group also acquired The Mall, a retail property in London, for £58m in cash.



### Industry

The Midlands manufacturing sector continues to dominate the region's deal landscape despite the volume of deals dropping by 38%, from 164 deals down to 101 so far this year. Most sectors have witnessed a similar downturn in M&A activity in the Midlands in H1 2023 with a few exceptions - these include waste management, which was up by 22%, utilities, which increased by 33% and mining and quarrying (25%). The second most valuable industry for deal making in the region, after other service activities, was wholesale and retail, with a number of the top ten deals falling into this particular sector - their total value was recorded at £602m. Elsewhere, in the transport sector where deals were relatively stable - dropping by under 6% since last year with 16 deals - the value of transactions increased from £5m to £29m, pushing the average deal value in this sector to £1.8m.

### Funding

As the value of development capital deals rises, Midlands Engine Investment Fund was the most active private equity investor in the Midlands with seven transactions valued at £10.6m, followed by Mercia Asset Management with four deals worth £8.5m. Value analysis shows London-based specialist growth investor Quilam Capital invested the most, participating in the £115m funding round of Merchant Money, Rushden, itself a provider of secured and unsecured business loans to SMEs. In terms of bank debt it is the high street staple HSBC which has invested most frequently in Midlands based M&A activity, with seven transactions worth £31.8m.

## Top five deals: Midlands

#1

£789m

**Date:** 23/01/2023

**Deal type:** IBO

**Target:** Dignity Plc,  
Sutton Coldfield

**Bidder:** Yellow (SPC)  
Bidco Ltd

#2

£234m

**Date:** 18/05/2023

**Deal type:** Minority  
Stake

**Target:** Aston Martin  
Lagonda Global  
Holdings Plc, Warwick

**Bidder:** Geely  
Automobile Holdings  
Ltd, China

#3

£115m

**Date:** 14/02/2023

**Deal type:** Growth  
Funding

**Target:** Merchant  
Money Ltd, Rushden

#4

£100m

**Date:** 26/01/2023

**Deal type:** Growth  
Funding

**Target:** Onto Holdings  
Ltd, Warwick

#5

£75m

**Date:** 12/06/2023

**Deal type:** Minority  
Stake

**Target:** AO World Plc,  
Bolton

**Bidder:** Frasers Group  
Plc, Shirebrook



## LEGAL ADVISER RANKINGS

Volume

Current rank	Previous rank	Legal adviser	Volume
1	1	HARRISON CLARK RICKERBYS	23
2	3	HIGGS	22
3	9	SHOOSMITHS	15
4	7	EVERSHEDS SUTHERLAND	14
5	5	BROWNE JACOBSON	13
6	2	GATELEY	12
7	12	PINSENT MASONS	8
8	4	DLA PIPER	8
9	13	GELDARDS	8
10	18	SCHOFIELD SWEENEY	7



## FINANCIAL ADVISER RANKINGS

Volume

Current rank	Previous rank	Financial adviser	Volume
1	3	K3 CAPITAL GROUP	34
2	2	RSM	16
3	10	MAZARS	13
4	1	GRANT THORNTON	9
5	14	ALTIUS GROUP	9
6	11	PKF	9
7	4	BDO	6
8	-	CORTUS ADVISORY	6
9	15	NUMIS SECURITIES	5
9	5	HAZLEWOODS	5



# YORKSHIRE & HUMBER

As seems apparent for much of the UK, there has been a subdued start for deal making in Yorkshire and Humber in H1, with numbers dropping to levels not seen since the initial Covid lockdown in 2020. With the ongoing challenging economic conditions, the number of recorded transactions reached 263, down from the 319 announced in 2022.

This drop off in transaction volume was reflected in deal value also falling considerably to £3.3bn, a 47% contraction. As we drill down further, activity in all deal ranges struggled to keep pace with 2022 – there was only one mega deal confirmed and three large transactions announced for a combined consideration of £521m (down from nine last year valued at just under £3bn). In addition, mid-market deals fell sharply by 36% from £659m to £424m, whilst small transaction value dropped from £160m to £106m. Yorkshire and Humber-based companies were involved in around 9.2% of all UK deals in 2022 and contributed 4.9% to their total value.



Private equity-backed  
deals up to

**£158m**



**£100m**

Four deals within the region  
break the **£100m barrier**



Professional services  
at the forefront of the  
industry rankings  
with **85 deals**

### Headline Deals

There were only four transactions registered within the Yorkshire and Humber region which managed to break through the £100m barrier through the opening six months of 2022. The biggest of these by some distance saw Asda Group, the Leeds-based supermarket chain, agree to acquire the UK and Irish operations of parent company EG Group (also known as Euro Garages), a Blackburn-based company controlled by the Issa brothers and TDR Capital. The transaction has an enterprise value of around £2.3bn and will combine the

640 stores and online operations of Britain's third-largest grocer with an estimated 350 filling sites and 1,000 food-to-go stores belonging to EG Group. The next largest saw Croda International, a British speciality chemicals company based in Goole, acquire South Korean Solus Biotech, a developer of biotechnology derived beauty products, in a transaction valued at approximately £232m. The acquisition of Solus expands Croda's Asian manufacturing capability and will create a new biotechnology R&D hub in the region. Rounding out the top three deals for the region is 49ers

Enterprises, an investment vehicle affiliated with the San Francisco 49ers NFL team, acquiring Leeds United Football Club from Aser Ventures, an investment vehicle controlled by Italian entrepreneur Andrea Radrizzani, for £170m.

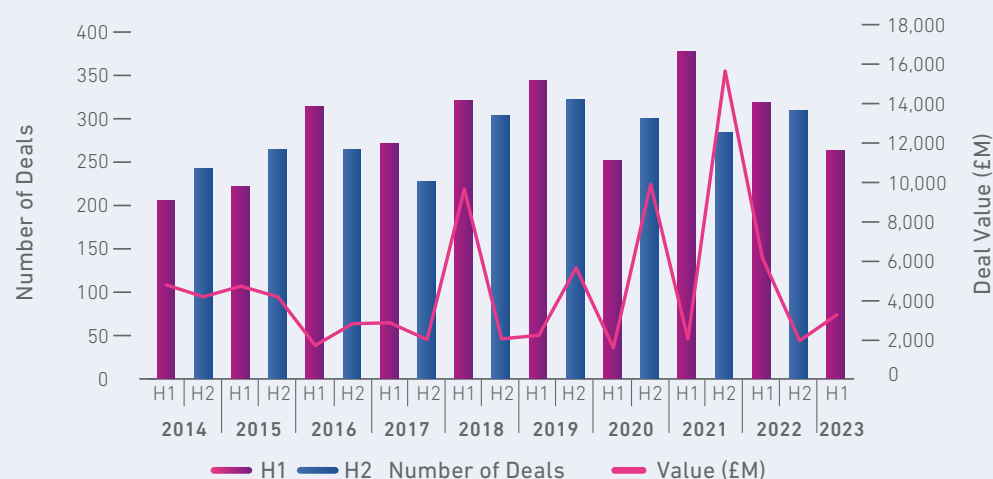
### Industry

Professional services moved to the forefront of the industry rankings in H1 2023 with 85 deals confirmed (up from in fourth place in H1 2022 on 67 deals). The upswing was driven by strong activity in the consulting, engineering, legal and accounting sectors. Along with manufacturing and wholesale and retail (with 78 and 74 deals, respectively), these were the only sectors to break through the 50 volume barrier. Most sectors saw activity decline year on year, with professional services, construction, arts and entertainment and other service activities the only industries to report year-on-year growth. Wholesale and retail (buoyed by the Asda/Euro Garages deal mentioned previously), was the only sector to surpass the £1bn value threshold – these deals were valued at just under £2.5bn, up 13% from £2.2bn in 2022. As was the case with deal volume, finding growth in transaction values

was patchy at best with only arts and entertainment (£217m) and other service activities (£30m) also showing growth from last year to this.

### Funding

Where detailed funding arrangements were disclosed, we recorded a total of 32 transactions that were funded at least in part via new bank debt; up from 31 for the same six-month period in 2022. HSBC was the region's most active lender in H1, providing funding for six transactions (for an aggregate consideration of £51m), ahead of NPIF – Mercia Debt Finance, provider of finance for five deals. There was a dip in those deals where private equity acted as a source of funding. Having been involved in 50 transactions in 2022, the number of deals funded via venture capital dropped to 44; however, the value of those deals rose to £158m (up from £155m the previous year year). Business Growth Fund (BGF) and The Northern Powerhouse Investment Fund (NPIF) – combining Mercia Equity Finance and Mercia Asset Management – were the lead capital investors, each providing equity financing for six transactions valued at £39m and £13m, respectively.



## Top five deals: Yorkshire & Humber

#1

£2.27bn

**Date:** 30/05/2023

**Deal type:** Acquisition

**Target:** UK and Irish Operations of EG Group Ltd, Blackburn

**Bidder:** Asda Group Ltd, Leeds

#2

£231m

**Date:** 06/02/2023

**Deal type:** Acquisition

**Target:** Solus Biotech Co Ltd, South Korea

**Bidder:** Croda International Plc, Goole

#3

£170m

**Date:** 09/06/2023

**Deal type:** Acquisition

**Target:** Leeds United Football Club Ltd, Leeds

**Bidder:** 49ers Enterprises Leeds SPV LP, USA

#4

£120m

**Date:** 24/04/2023

**Deal type:** Reverse Takeover

**Target:** Element 2 Ltd, Skipton

**Bidder:** Pineapple Power Corporation Plc, London

#5

£53m

**Date:** 16/02/2023

**Deal type:** Acquisition

**Target:** The Queens Hotel, Leeds

**Bidder:** Pandox AB, Sweden



## LEGAL ADVISER RANKINGS

Volume

Current rank	Previous rank	Legal adviser	Volume
<b>1</b>	⇅ 1	CLARION SOLICITORS	18
<b>2</b>	⇅ 2	SCHOFIELD SWEENEY	16
<b>3</b>	⇅ 5	SQUIRE PATTON BOGGS	11
<b>4</b>	⇅ 3	WARD HADAWAY	11
<b>5</b>	⇅ 11	FREETHS	10
<b>6</b>	⇅ 6	GORDONS	10
<b>7</b>	⇅ 4	SHOOSMITHS	10
<b>8</b>	⇅ 28	MILLS & REEVE	9
<b>9</b>	⇅ 10	ADDLESHAW GODDARD	8
<b>10</b>	⇅ 14	DWF	8



## FINANCIAL ADVISER RANKINGS

Volume

Current rank	Previous rank	Financial adviser	Volume
<b>1</b>	⇅ 1	K3 CAPITAL GROUP	15
<b>2</b>	⇅ 2	GRANT THORNTON	10
<b>3</b>	⇅ 6	RSM	10
<b>4</b>	⇅ 7	AZETS	8
<b>5</b>	⇅ 3	KPMG	7
<b>6</b>	⇅ 5	TRANSLINK CORPORATE FINANCE	7
<b>7</b>	⇅ 15	PWC	6
<b>8</b>	⇅ -	TAX ADVISORY PARTNERSHIP	5
<b>9</b>	⇅ 16	SENTIO PARTNERS	4
<b>10</b>	⇅ -	CLEARWATER INTERNATIONAL	4



# NORTH WEST

While the volume of transactions in North West England dipped by around 30% so far this year, the value of the deals has soared to over £11bn – the third largest total for the last decade. The value of small, large and mega transactions in the region have all increased, while the volume of large deals remained consistent, with nine transactions announced in H1 2023.

The biggest win for the North West was the increase in mega deals, generating almost £8bn towards the total value of M&A transactions in the region. Deal type analysis shows that acquisitions have fallen in line with the total deals market by approximately 34%, but still remain the top deal type for the North West, with over 70% of recorded transactions. While development capital deals have declined significantly since H1 2022, investor buy-outs were on the rise in 2023, along with secondary buy-outs – combined, IBOs and secondaries were up by 14% in volume year on year. Elsewhere, the volume of management buy-outs has fallen by a quarter, but employee buy-outs have remained consistent – potentially suggesting a shift towards this form of buy-out as the deal of choice for private owners wishing to sell their business. There was a North West element in approximately 12% of all UK transactions by volume so far this year, while North West firms contributed around 16% of total deal value – making the North West the most valuable region for deal making outside of London.

↑ **218%**

Total values up by  
218% to £11.4bn



**14%**

Buy-out deals up by 14%

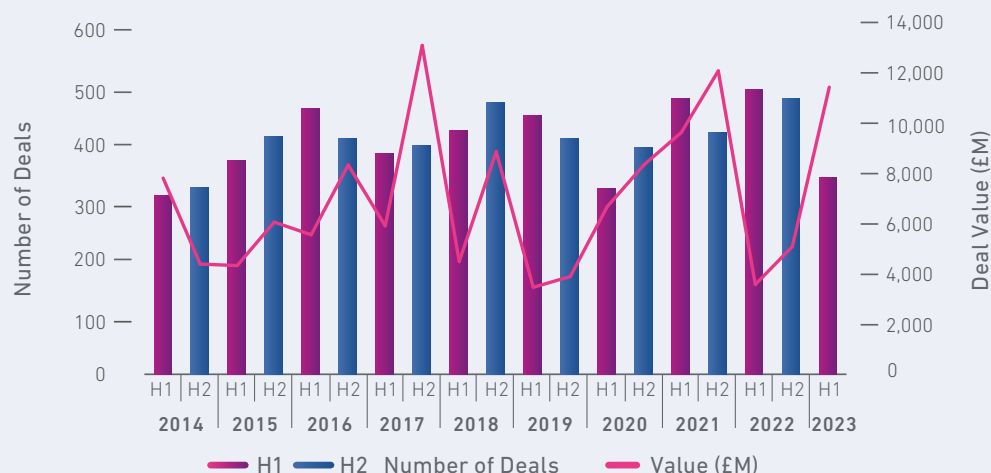


Mega deals on the rise  
with three announced  
already in 2023

### Headline Deals

The biggest deal in the North West in 2023 so far was the £4.5bn EQT buy-out of Dechra Pharmaceuticals, a manufacturer and supplier of veterinary pharmaceuticals based in Cheshire. This represents EQT's biggest ever investment in the UK and the second largest buy-out ever targeting a company based in the North West - and will see Dechra delist from the London Stock Exchange after more than two decades as a publicly-traded company. Elsewhere, there were two big money deals involving EG Group divesting assets in the UK, Ireland and the US

for a combined £3.5bn, along with two transactions in the top ten targeting companies based in Altrincham. First, the £706m agreed transaction by Norwegian energy group Equinor to acquire Suncor Energy UK, a subsidiary of Canadian oil and gas company Suncor Energy. Next, the £465m acquisition of car dealer Lookers by Global Auto Holdings, a related company to Canada's Alpha Auto Group, was recommended by the company's board, this was subsequently upped to £504m, gaining the support of one of Lookers' major shareholders after it withdrew its support for the initial bid.



### Industry

The North West's professional services sector continues to lead the region's deal landscape despite the volume of deals dropping by 28%, from 136 deals down to 97 so far this year. All sectors witnessed the impact of the downturn in M&A activity - except for mining and quarrying where deals improved from three to five. Financial services value increased by 85% - up to £1.5bn - with 56 transactions outperforming the wider market, down by just 5% dip on the volumes from H1 2022. Wholesale and retail was by far the most valuable sector in the region featuring heavily in the top ten deals, including the two mega value divestments by EG Group.

### Funding

Bank debt and private equity funded transactions have both declined by around 24% on last year's figures. Though there is less activity, the busiest debt provider for the region in volume terms was Thincats, investing in four transactions worth £10m. Thincats was followed by Virgin Money, with three deals with a recorded value of £58m. Meanwhile with five transactions so far in 2023, Foresight Group was the most active private equity investor in the region. The total value of the investments made by Foresight Group was £22m. Mercia Asset and Fund Management was the second most active investment firm, with four deals worth £14m.

## Top five deals: **North West**

**#1**

£4.46bn

**Date:** 13/04/2023

**Deal type:** IBO

**Target:** Dechra Pharmaceuticals Plc, Northwich

**Bidder:** Freya Bidco Ltd

**#2**

£2.270bn

**Date:** 30/05/2023

**Deal type:** Acquisition

**Target:** UK and Irish Operations of EG Group Ltd, Blackburn

**Bidder:** Asda Group Ltd, Leeds

**#3**

£1.24m

**Date:** 07/03/2023

**Deal type:** Acquisition

**Target:** US Property Portfolio of EG Group, Blackburn

**Bidder:** Realty Income Corp, USA

**#4**

£706m

**Date:** 03/03/2023

**Deal type:** Acquisition

**Target:** Suncor Energy UK Holdings Ltd, Altrincham

**Bidder:** Equinor ASA, Norway

**#5**

£504m

**Date:** 20/06/23

**Deal type:** Acquisition

**Target:** Lookers Plc, Altrincham

**Bidder:** Global Auto Holdings Ltd, London



## LEGAL ADVISER RANKINGS

Volume

Current rank	Previous rank	Legal adviser	Volume
1	⇅ 3	BRABNERS	21
2	⇅ 1	NAPTHENS SOLICITORS	19
3	⇅ 4	ADDLESHAW GODDARD	14
4	⇅ 8	DWF	11
5	⇅ 6	PINSENT MASON	10
6	⇅ 7	SQUIRE PATTON BOGGS	10
7	⇅ 2	HILL DICKINSON	10
8	⇅ 15	SHOOSMITHS	10
9	⇅ 12	TLT	9
10	⇅ 9	GATELEY	9



## FINANCIAL ADVISER RANKINGS

Volume

Current rank	Previous rank	Financial adviser	Volume
1	⇅ 2	K3 CAPITAL	18
2	⇅ 4	GRANT THORNTON	18
3	⇅ 6	RSM	13
3	⇅ -	CORTUS ADVISORY	13
5	⇅ 5	BDO	10
6	⇅ 11	AZETS	10
7	⇅ 1	DOW SCHOFIELD WATTS	7
8	⇅ 7	ALTIUS GROUP	7
9	⇅ 13	BENCHMARK INTERNATIONAL	7
10	⇅ 15	PWC	5
10	⇅ 18	CLEARWATER INTERNATIONAL	5



# NORTH EAST

The North East, like the rest of the UK, has witnessed a reduction in M&A activity in the last six months compared with H1 2022, with deal volume down by 44% year on year.

However, some commentators are optimistic of an upturn in activity in the second half of the year as the economic situation stabilises. Meanwhile recorded deal value was down by around 95% from H1 2022, with no large or mega deals announced in the region – at this point in 2022, we'd recorded four deals with a consideration greater than £100m, while this year, the top ten most valuable deals in the North East add up to a total of only £81m. In terms of deal types in the North East, acquisitions remain the most popular despite volume dropping by 36%. Both management buy-outs and employee buy-outs remained consistent in H1 2023, while right issues increased in both volume and value as the region's publicly traded companies looked to raise funds. There was a North East element in approximately 0.2% of all UK transactions by volume so far this year, while North East firms contributed around 3.7% of total deal value.



North East deal volume  
was down by

**44%**



A decline at the higher end of the  
market meant that value declined by

**95%**



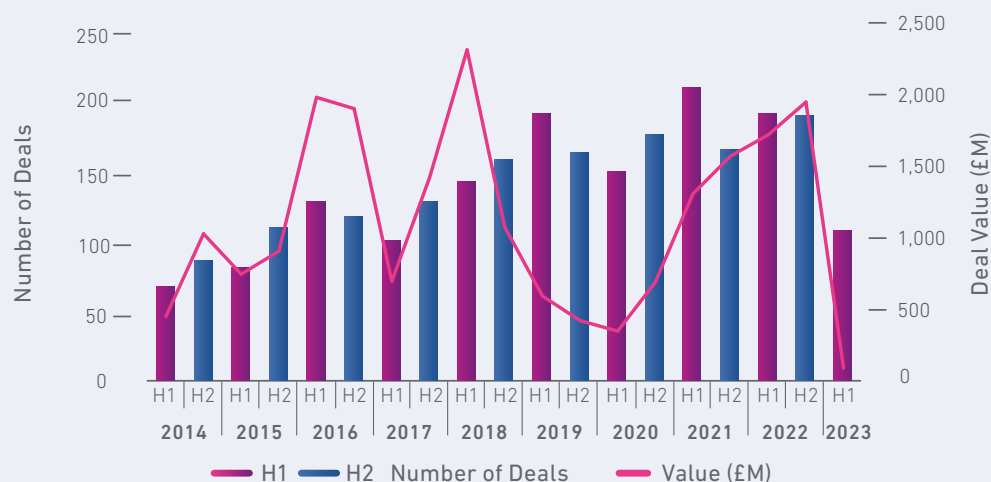
**Professional services** replaced manufacturing  
as the most popular sector for M&A activity  
with **31% of all deals**



### Headline Deals

Large and mega transactions were notable by their absence so far in H1 2023. However, there are some interesting take aways when looking at the largest deals for the region. Despite a decline in the volume of private equity and growth funding deals during the first six months of the year, there were four of these deals in the top ten - including the £16m funding round led by PeakSpan Capital into SocialRel8 (doing business as EvaluAgent), Middlesbrough, a provider of contact centre quality assurance and performance improvement software. The company intends to use

the funds to further enrich its QA + WEM products, expand its fully-remote team, and support customers in new and existing geographies. The top ten deals also featured two rights issues, including the £8m placing by Kromek Group of Sedgefield, which designs, develops and produces x-ray imaging and radiation detection products for the medical, security screening and nuclear markets. The net proceeds of the transaction will be used for development and working capital, as well as to strengthen the balance sheet to facilitate the restructuring of group debt. The second largest right issue in the region was launched by Tekmar



Group, Darlington, provider of technology and services for the global offshore energy markets, which raised gross proceeds of approximately £6.4m from existing investors, SCF Partners fund SCF-IX LP and a proposed director, Steve Lockard.

### Industry

Professional services replaced manufacturing as the North East's most popular sector for M&A activity, with 31% of all deals in the region. In total there were 33 transactions, down 21% from 42 last year and the value of these deals fell by 76% - from £54m to £13m so far this year. From the top three sectors professional services was the industry which fared the best in the current climate, with manufacturing and infocomms both dropping by around 45% on the previous year's activity. The education sector was one of the few to see an increase in the volume and value of deals in H1 2023, with three transactions worth £5m. The largest deal in the region was in the real estate sector, the £29m acquisition of Marsh & Parsons (Holdings) Ltd, York, an estate agency, from LSL Property Services Plc, Newcastle Upon Tyne, provider of residential property services.

### Funding

The number of equity funding deals fell by 65%, from 43 deals in H1 2022 to only 15 so far this year. The most active investor in the North East was Business Growth Fund, investing in three transactions including the acquisition by Hedgehog Lab, Newcastle upon Tyne, developer of software applications for financial services clients, of York's Netsells, a provider of mobile application and web development services. BGF invested £6.3m in support of the deal, which provided a full exit for Hedgehog Lab's previous investor, Maven Capital Partners. Bank debt-funded transactions also declined this year, with only 13 deals recorded - compared to 27 last year. These transactions were funded by eleven different debt providers that operated in the North East during H1.

## Top five deals: North East

#1

£29m

**Date:** 26/01/2023

**Deal type:** Acquisition

**Target:** Marsh & Parsons (Holdings) Ltd, from LSL Property Services Plc, Newcastle Upon Tyne

**Bidder:** Dexters London Ltd, London

#2

£16m

**Date:** 26/06/2023

**Deal type:** Private Equity

**Target:** SocialRel8 Ltd, Middlesbrough

#3

£8m

**Date:** 05/05/2023

**Deal type:** Rights Issue

**Target:** Kromek Group Plc, Sedgefield

#4

£6m

**Date:** 31/03/2023

**Deal type:** Rights Issue

**Target:** Tekmar Group Plc, Darlington

#5

£5m

**Date:** 15/05/2023

**Deal type:** Acquisition

**Target:** Beverage Metrics Inc, USA

**Bidder:** Vianet Group Plc, Stockton-On-Tees

## LEGAL ADVISER RANKINGS



Volume

Current rank	Previous rank	Legal adviser	Volume
1	3	MINCOFFS	13
2	5	SINTONS	8
3	4	WEIGHTMANS	8
4	1	MUCKLE	7
5	2	WARD HADAWAY	7
6	7	SWINBURNE MADDISON	5
7	12	DWF	4
8	6	WOMBLE BOND DICKINSON	3
9	19	CLARKE MAIRS	3
10	9	ADDLESHAW GODDARD	3

## FINANCIAL ADVISER RANKINGS



Volume

Current rank	Previous rank	Financial adviser	Volume
1	2	CLIVE OWEN CORPORATE FINANCE	8
2	1	AZETS	7
3	3	K3 CAPITAL GROUP	5
4	4	RYECROFT GLENTON	4
5	5	RMT CORPORATE FINANCE	4
6	11	BENCHMARK INTERNATIONAL	3
7	14	SINGER CAPITAL MARKETS	2
8	6	BDO	2
9	16	DEBERE	2
10	16	EY	2

# WALES



Welsh deal volume in H1 was at its **highest** in 20 years

144

deals were announced, up by **18% year on year**

50%

upturn in inward M&A

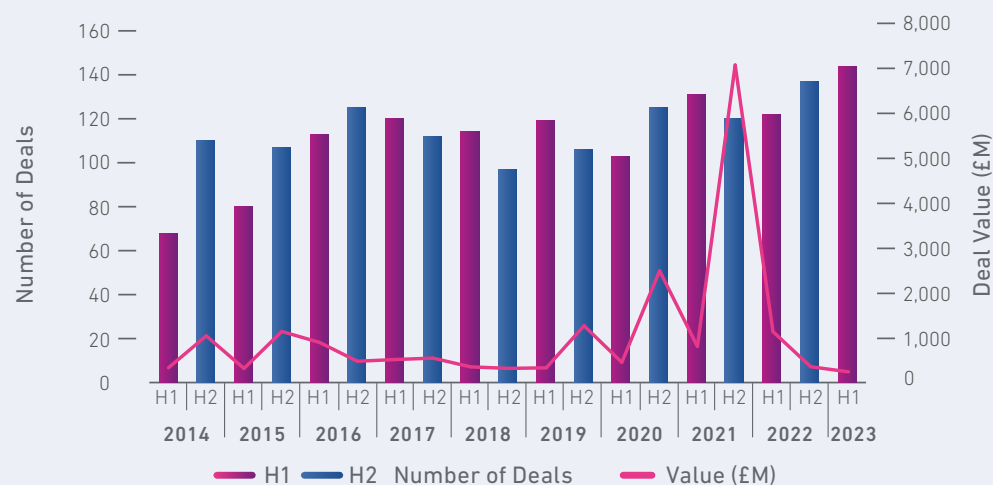
Despite the continuing challenging market, Wales saw deal volume peak in the first half of 2023, bucking the national trend – the 144 registered transactions not only represented a 18% year on year upswing but also the highest number recorded for the corresponding period over the last 20 years.

Despite this, deal value over the same period fell by 78% from the unusually high 2022 figure of £1.2bn, to just £257m. As was the case in 2022, most Welsh deals were domestic affairs, with cross-border deal making playing a slightly less prominent role in the market than in certain other parts of the UK. That said, overseas investment was on the rise in H1 and we recorded 15 inbound deals – up from ten in 2022. North American corporate buyers fuelled inbound activity into the region (with ten deals), while European acquirors (from Sweden, Finland, Ireland, and Denmark) were also active investors. Welsh companies tended to target acquisitions within the UK, but where there was interest in overseas dealmaking, assets in Austria (four deals), Ireland, France and the United States were the popular targets. Welsh businesses contributed to 5% of the total number of transactions recorded in the UK for the year, while accounting for 0.4% of their total value.

### Headline Deals

The largest deal so far in 2023 saw Better Collective, a Danish digital sports media group, acquire Skycon, registered in Bretton, Wales, trading from Newcastle-under-Lyme, England, a company specialising in display advertising with an 'audience-based' approach on channels such as sports media. The transaction had an aggregate consideration of up to £45m, comprising £25m as an upfront payment, with up to £20m in earn-outs, based on financial performance

in the 12-month post-closing period. Elsewhere, seven out of the top ten recorded transactions with a Welsh element were development capital or rights issues. Aside from multi-million fundraisings by both of Wales' leading professional football clubs, notable transactions included Cardiff semiconductor group IQE's £33m share issue and Digital Asset Services, a cryptocurrency business, raising £25m from Silicon Valley venture capital outfit Foundation Capital.



### Industry

The professional services and manufacturing sectors continued to dominate the Welsh deal landscape so far in 2023, together accounting for half of all transactions – the former also led the way by value, with deals reaching an aggregate consideration of £103m. Deals in Wales' vibrant technology sector saw a rise in volume of 15%, while deal values reached £95m, a substantial increase from £25m the previous year. There was pleasing year on year growth across several of Wales' most active sectors in H1 – wholesale and retail deals were up by 11%, support services by 7% and construction by 10%. Financial services, where deals were down by 8%, manufacturing (16%) and property (40%) were the only industry segments to see deal volume decline.

### Funding

Where detailed funding arrangements were disclosed, cash (56) and existing funds (82) were again the preferred method for financing transactions. There were 17 bank debt-funded deals, a 6% dip year on year (18 registered in H1 2022), with the Development Bank Wales being the most active lender to Welsh businesses with 11 deals. Private equity and venture capital funded deals also saw a fall in numbers with 23 transactions recorded, down almost a third on the same period for 2022 (33). Again, the Development Bank of Wales led the way accounting for 11 registered deals valued at just over £10m. Foundation Capital and Business Growth Fund (BGF) led the way by value, providing capital for deals worth £25m and £21m, respectively.



## Top five deals: Wales

#1

£45m

**Date:** 20/04/2023

**Deal type:** Acquisition

**Target:** Skycon Ltd,  
Bretton

**Bidder:** Better  
Collective A/S,  
Denmark

#2

£33m

**Date:** 18/05/2023

**Deal type:** Rights Issue

**Target:** IQE Plc, Cardiff

#3

£25m

**Date:** 09/02/2023

**Deal type:** Private  
Equity

**Target:** Digital Asset  
Services Ltd, Cardiff

#4

£18m

**Date:** 26/05/2023

**Deal type:** Rights Issue

**Target:** Cardiff City  
Football Club (Holdings)  
Ltd, Cardiff

#5

£16m

**Date:** 09/06/2023

**Deal type:** Private  
Equity

**Target:** Troy (UK) Ltd,  
Port Talbot



## LEGAL ADVISER RANKINGS

Volume

Current rank	Previous rank	Legal adviser	Volume
<b>1</b>	⇅ 1	GELDARDS	18
<b>2</b>	⇅ 2	GS VERDE GROUP	15
<b>3</b>	⇅ 3	HARRISON CLARK RICKERBYS	7
<b>4</b>	⇅ 19	BERRY SMITH	6
<b>5</b>	⇅ -	ACUITY LAW	5
<b>6</b>	⇅ 4	CAPITAL LAW	4
<b>7</b>	⇅ 17	CMS	3
<b>8</b>	⇅ 5	HUGH JAMES	3
<b>9</b>	⇅ -	JCP SOLICITORS	3
<b>10</b>	⇅ -	HEIGHTS LEGAL	3



## FINANCIAL ADVISER RANKINGS

Volume

Current rank	Previous rank	Financial adviser	Volume
<b>1</b>	⇅ 1	GS VERDE GROUP	15
<b>2</b>	⇅ 2	AZETS	8
<b>3</b>	⇅ 9	GAMBIT CORPORATE FINANCE	7
<b>4</b>	⇅ 15	LEXINGTON CORPORATE ADVISORS	4
<b>5</b>	⇅ -	ALTIUS GROUP	4
<b>6</b>	⇅ 8	K3 CAPITAL GROUP	4
<b>7</b>	⇅ 12	NUMIS SECURITIES	3
<b>8</b>	⇅ 5	GRANT THORNTON	3
<b>9</b>	⇅ -	LAZARD	2
<b>10</b>	⇅ -	LADENBURG THALMANN & CO	2

# SCOTLAND

A lull in the market saw Scotland's deal volume fall in line with the rest of the UK, with 25% fewer deals being announced. The first six months of the year recorded 183 deals in comparison to 247 deals done in the first half of 2022.

Value also tumbled with the £4.6bn worth of deals announced since January being 68% lower than the £14.4bn recorded in the same period in 2022. Deals at the lower end of the market proved more resilient than the mid-market and above, with volume and value down by approximately 20% on last year. Mid-market and large cap deals each saw a 37% fall in volume, whilst mega deals fell by 60%. Valuations at the higher end of the market declined more markedly, with mega deals struggling to reach the £3bn mark in comparison to just over £10bn last year. As deals become more difficult to complete in the current environment, the variance between small deals and those in the mid-market and above may become more distinct. Domestic transactions again made up the bulk of activity, with outbound investment spread as far as Australia, India and the USA. Overseas acquirors accounted for close to 10% of deals, with Europe and the USA dominating. Scotland's deal activity represented 6.4% of the UK's total by volume, and 6.8% by value.



100%

Employee buy-outs  
surge by **100%**



15%

increase in the value of  
**manufacturing** deals

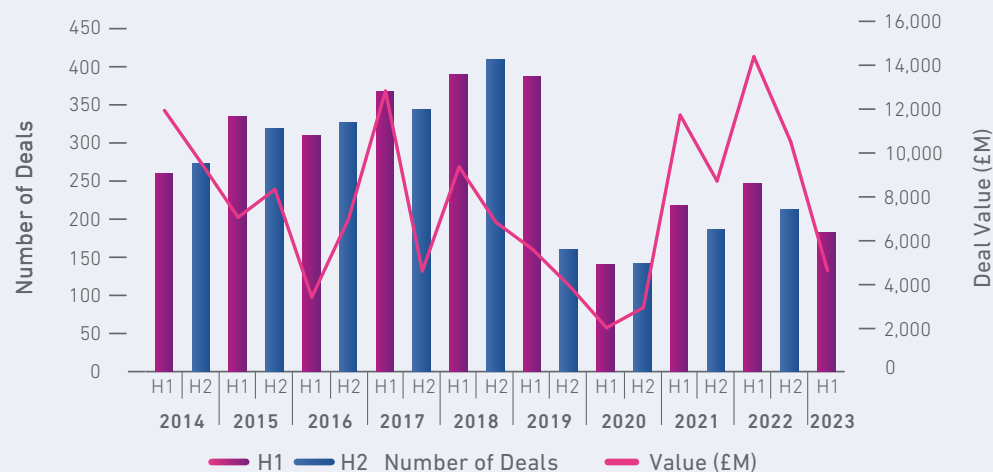


**Professional services**  
deals up by **13%**

### Headline Deals

Scotland has seen two mega deals in the first half of the year, both announced in Q2. The largest of these saw Spanish energy group Repsol buy the 49% held by its Chinese joint venture partner, Sinopec, in Aberdeen-headquartered Repsol Sinopec Resources, for £1.7bn. The deal ends an eight year dispute over the price Sinopec's subsidiary paid for the 49% stake in the business back in 2015. The joint venture is an oil and gas exploration and production enterprise operating in the North Sea.

The second of the mega deals saw HM Treasury further reduce its stake in banking group NatWest, as it sold £1.26bn of shares back to NatWest via a directed buy-back. This brings NatWest a step closer to full private ownership as the Government's stake is reduced to 38.6% - down from 84% at its peak. Other deals of note included the acquisition by US-based Barnes Group of Motherwell company MB Aerospace for £596m, and the £144m acquisition by NatWest of an 85% stake in pensions fintech Cushon Group.



### Industry

Whilst the overall picture of M&A activity in Scotland mirrors the downturn seen across the rest of the UK, and indeed in the global markets, the professional services sector was one of the few sectors to see an upturn in the volume of deals, with the 61 deals in 2023 registering a near 13% rise on the 54 deals recorded last year. A flurry of deals by Glasgow-based RSK Environment, part of the RSK Group, contributed largely to the rise in volume as it continued to grow and diversify its business. Scottish manufacturing deals were particularly hard hit in terms of volume, with the 41 deals recorded in the first half of 2023 down by 45% on the previous year. However, deal value in this sector was 15% higher than last year, up from £2bn to £2.3bn.

### Funding

The interest rate hikes seen in recent months have understandably affected both the demand for acquisition finance due to the higher interest burden, along with the supply as lenders become more risk averse to committing funds. This is evident in the 20% downturn in the volume of deals funded by bank borrowing in the first half of the year. ThinCats was the most active lender, having supported on four deals, with HSBC a close second on three. Deals funded by private equity or venture capital also fell in volume by just over 25%. Scottish Enterprise, Old College Capital and Business Growth Fund topped the tables. Less affected by the economic headwinds were deals financed from existing cash reserves, with a drop of just under 14% in volume.

## Top five deals: **Scotland**

#1

£1.68bn

**Date:** 28/04/2023**Deal type:** Acquisition**Target:** Repsol Sinopec Resources UK Ltd, Aberdeen**Bidder:** Repsol SA, Spain

#2

£1.26bn

**Date:** 22/05/2023**Deal type:** Share Buy-Back**Target:** NatWest Group Plc, Edinburgh

#3

£596m

**Date:** 05/06/2023**Deal type:** Acquisition**Target:** MB Aerospace Holdings I Ltd, Motherwell**Bidder:** Barnes Group Inc, USA

#4

£198m

**Date:** 31/05/2023**Deal type:** Divestment**Target:** HDFC Life Insurance Co Ltd, India (from abrdn Plc, Edinburgh)

#5

£144m

**Date:** 13/02/2023**Deal type:** Acquisition**Target:** Cushon Group Ltd, Croydon**Bidder:** NatWest Group Plc, Edinburgh



## LEGAL ADVISER RANKINGS



Volume

Current rank	Previous rank	Legal adviser	Volume
1	↕ 1	ADDLESHAW GODDARD	10
2	↕ 21	DWF	8
3	↕ 2	PINSENT MASONS	7
4	↕ 9	BRODIES	7
5	↕ -	BELLWETHER GREEN	7
6	↕ 4	CMS	6
7	↕ 8	EVERSHEDS SUTHERLAND	5
8	↕ -	HARPER MACLEOD	4
9	↕ 15	GATELEY	3
10	↕ -	SQUIRE PATTON BOGGS	3

## FINANCIAL ADVISER RANKINGS



Volume

Current rank	Previous rank	Financial adviser	Volume
1	↕ -	K3 CAPITAL GROUP	9
2	↕ 4	ANDERSON ANDERSON & BROWN	9
3	↕ 1	GRANT THORNTON	8
4	↕ 2	AZETS	7
4	↕ -	CORTUS ADVISORY	7
6	↕ 7	RSM	6
7	↕ 3	JOHNSTON CARMICHAEL CORPORATE FINANCE	5
8	↕ 11	MAZARS	3
9	↕ -	HNH PARTNERS	3
10	↕ 7	KPMG	3

# NORTHERN IRELAND

After two bumper years, Northern Irish deal making slowed in the first half of 2023, with concerns over rising interest rates and soaring inflation increasingly factored into M&A decision making. We recorded 87 transactions in H1, which represented a decline of 35% from the 134 deals announced in the first six months of 2022.

Discounting 2020, when the market paused for several weeks in the initial wave of Covid-19, this represented the slowest start to a year in Northern Ireland since 2015. Small and mid-market transactions dominated activity, with a dearth of deals at the higher end of the market, while corporate acquirors were increasingly prevalent – accounting for 67% of all activity, up from 60% in H1 2022 – as private equity-backed deals declined. The total recorded value of deals in Northern Ireland, at £128m, was down by 72% from the £456m of transactions announced at this point in 2022. Northern Irish businesses were involved in 3% of the total number of UK deals by deal volume and provided just 0.2% of their total value.

Year on year, deal volume in Northern Ireland was down by

35%



**Professional, scientific and technical** deals bucked the trend, with deal activity up by **50%**

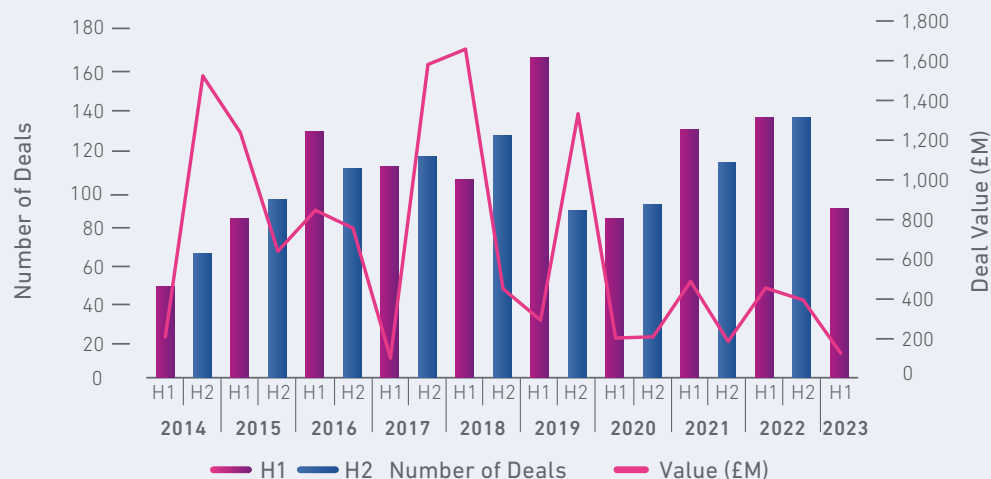


**Technology, renewables and biotech** companies attracted investment

### Headline Deals

In Northern Ireland's biggest deal of the year to date, Weev.le of Belfast, which builds charging infrastructure for electric vehicles, confirmed a £50m investment from Octopus Investments, via its Octopus Sustainable Infrastructure Fund. Weev.le intends to use the funding to scale up its planned rollout of charging points. Elsewhere, Mattioli Woods of Leicester, a pension and wealth consultancy specialising in

small and medium sized businesses, acquired Belfast's Doherty Pension & Investment Consultancy for £15m - part of a wave of consolidation in the UK's financial advisory and wealth management sector – and in the insurance brokerage space, which has also seen a spate of deals in recent years, Tavistock Investments completed a £7m deal to acquire Precise Protect of Bangor.



### Industry

The professional, scientific and technical activities sector was Northern Ireland's leading source of M&A in H1, and one of four industry segments to buck the downward trend. Deal volume here was up to 24, from 16 in H1 2022, with management consulting, research and development and engineering transactions providing the bulk of activity. The consulting sector saw one of the few outbound deals in H1, when Bedford Consultancy Services, Belfast, which offers services such as project implementation, software sales and training, acquired Blueprint, a Paris-based management consultancy. Manufacturing and wholesale and retail were next most active but saw deal volume decline by 46% and 53% respectively, year on year, while technology deals were down by 52%. There were some other pockets of growth, with accommodation and food services transactions up to nine transactions, up from five in the first half of 2022. This was the busiest first half in the hospitality sector we've seen since 2015, with notable deals including the £11m sale of Nottingham hotelier CRD by Belfast's Quinn Group, alongside several smaller transactions in the food and drink space.

### Funding

Private equity investors look to have assumed a more cautious approach in Northern Ireland so far this year, with a private equity aspect in the funding of 16 Northern Irish deals in H1 - down from 31 transactions in the first half of 2022. Investments were largely at the early stage and heavily weighted towards the tech, renewables and biotech sectors. Notable transactions included a £15m Series A round for Material Evolution, a materials technology company, led by Danish venture capital firm Kompas. The company intends to use the funds to scale the production of its low carbon cement. A total of 34 different firms deployed their capital in Northern Ireland in H1, with Co-Fund NI, an SME-focused fund managed by Clarendon Fund Managers, Qubis and Kernel Capital the most active investors (each on two deals). Meanwhile the increased cost of credit meant that the number of deals funded by new bank debt was down significantly year on year, by around 70%; Bank of Ireland was the leading provider of debt funding to Northern Irish M&A.

## Top five deals: Northern Ireland

#1

£50m

**Date:** 31/05/2023

**Deal type:** Private Equity

**Target:** Weev.le Ltd, Belfast

#2

£16m

**Date:** 23/02/2023

**Deal type:** Divestment

**Target:** Finnebrogue Vegetarian Company Ltd, Belfast

#3

£15m

**Date:** 20/04/2023

**Deal type:** Acquisition

**Target:** Doherty Pension & Investment Consultancy Ltd, Belfast

**Bidder:** Mattioli Woods Plc, Leicester

#4

£15m

**Date:** 29/06/2023

**Deal type:** Private Equity

**Target:** Material Evolution Ltd, Belfast

#5

£11m

**Date:** 03/03/2023

**Deal type:** Acquisition

**Target:** CRD Catering (City) Ltd, Nottingham (from Quinn Group Properties Ltd, Belfast)

**Bidder:** Only Hotels Ltd, London



## LEGAL ADVISER RANKINGS

Volume

Current rank	Previous rank	Legal adviser	Volume
1	⇅ 1	TUGHANS	17
2	⇅ 3	CARSON MCDOWELL	16
3	⇅ 6	DAVIDSON MCDONNELL SOLICITORS	11
4	⇅ 2	A&L GOODBODY	9
5	⇅ 4	ARTHUR COX	6
6	⇅ 9	TURLEY LEGAL	4
7	⇅ 7	MILLS SELIG	4
8	⇅ -	MKB LAW	3
9	⇅ 8	SHOOSMITHS	3
10	⇅ 11	ADDLESHAW GODDARD	2



## FINANCIAL ADVISER RANKINGS

Volume

Current rank	Previous rank	Financial adviser	Volume
1	⇅ 1	GRANT THORNTON	5
2	⇅ 14	KPMG	5
3	⇅ -	CAVANAGH KELLY	3
4	⇅ 3	PWC	2
5	⇅ -	ASM BELFAST	2
6	⇅ 2	HNH PARTNERS LTD	2
7	⇅ 8	CANACCORD GENUITY	1
7	⇅ -	AZETS	1
9	⇅ -	ALLENBY CAPITAL	1
9	⇅ -	PRINCELET PARTNERS	1



# REPUBLIC OF IRELAND



Last year was the busiest ever recorded for Irish M&A, with surging deal volume notwithstanding a decline in the global market. However, our latest figures suggest that activity has finally slowed in the first half of 2023 after a prolonged period of growth.

Irish businesses agreed a total of 290 transactions in H1, representing a decline of 25% year on year (from 387 transactions in H1 2022) - although first half activity still sits comfortably ahead of pre-pandemic levels. While transaction volume remains relatively strong in historic terms, rising financing costs and market volatility has meant that bigger deals have been harder to get off the ground. Small to medium-sized transactions have dominated the deal landscape, while at the higher end of the market, we've seen a 54% decline in large deals and a 63% drop in the €1bn-plus category - resulting in a sharp fall in the value of Irish M&A this year. The total recorded value of deals in H1, at €15.4bn, sat more than €25bn under the comparable total at this point in 2022. Other than the Covid-hit first half of 2020, this represents the lowest first half figure we've recorded in the last decade.

Irish M&A was down by

25%



€6.3bn

Stripe raised the highest ever investment round into an Irish company, at €6.3bn



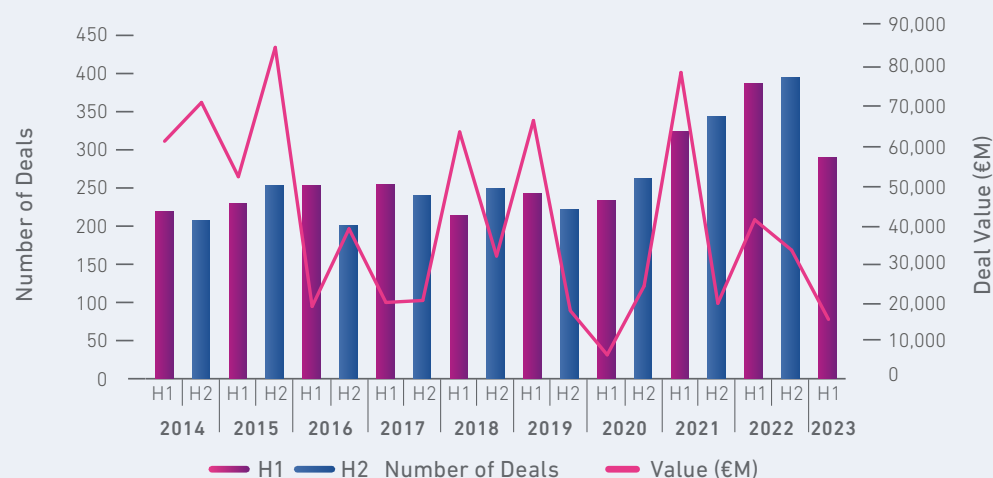
Investor buy-out deals increased by

22%

## Headline Deals

In the year's biggest deal so far, Stripe, an Irish-American business dual-headquartered in Dublin and San Francisco that operates in the burgeoning digital payments sector, raised around €6.3bn in Series I funding. The round, which places Stripe at a valuation of €47bn and represents the largest ever fundraising involving an Irish business, saw a range of new international investors including GIC, Goldman Sachs and Temasek invest alongside existing Stripe shareholders.

Elsewhere, inward investment has been a strong driver of deal volume in recent years and this continued in H1, with around a third of all transactions involving overseas corporates buying Irish firms. Two notable deals in H1 involved Italian purchasers, with the €1.2bn acquisition of Amryt Pharma, developer of a treatment for a rare childhood skin disease, by pharmaceutical group Chiesi Farmaceutici and Advent-backed IRCA acquiring the sweet ingredients portfolio of Tralee food giant Kerry Group for €500m.



## Industry

Ireland's emergence as a vibrant technology hub has led to a glut of deals in the information and communication space in recent years. While the tech sector remained the most active industry for M&A in H1 (with 89 deals announced, representing 30% of all deal activity), this was down by around 33% in volume on a year on year basis (from 130 in H1 2022) and value in the sector almost halved, down to €6.8bn from €13.5bn at this point last year. Fintech, with Stripe's massive fundraising along with a raft of smaller deals in the online payments segment, was prominent, while there was also strong activity in gaming, where acquisitive Dublin developer Keywords Studios completed three US acquisitions in the first half of the year. Manufacturing was the next most active sector, driven by deals in the electronics and food space, although again, volume here was down by around 17% when compared with the first half of 2022. Education was the sole industry in Ireland to see an increase in activity in H1, with seven deals, up from just two in H1 2022.

## Funding

There were 58 transactions with a private equity aspect to their funding in H1, down from 91 during the first half of 2022. Drilling down, our figures suggest that, while the smaller venture capital investments that dominated the investment picture last year have slowed, there was a small year on year upturn in the buy-out space (from nine deals in H1 2022 to 11 so far this year). Again, buy-out activity was focussed on Ireland's SME space, with deals including the €150m acquisition of JOLT Energy, an operator of battery-buffered ultra-fast charging stations in urban areas, by infrastructure investment manager InfraRed Capital Partners. Ireland's renewable energy sector also attracted significant capital, with Cork solar farm operator Amarenco Solar raising €300m from Arjun Infrastructure Partners and Power Capital Renewable Energy securing €240m from Eiffel Investment. ACT Venture Capital was Ireland's most prolific investor in H1, with four transactions. Meanwhile, debt funded deals were down by around 29% year on year as financing costs continued to rise; Bank of Ireland was the leading debt provider to the Irish M&A market.

## Top five deals: Republic of Ireland

#1

€6.3bn

**Date:** 17/03/2023

**Deal type:** Private Equity

**Target:** Stripe Inc, Dublin and USA

#2

€1.41bn

**Date:** 08/01/2023

**Deal type:** Acquisition

**Target:** Amryt Pharma Plc, Dublin and London

**Bidder:** Chiesi Farmaceutici SpA, Italy

#3

€1.04bn

**Date:** 03/04/2023

**Deal type:** Acquisition

**Target:** ECM Industries LLC, USA

**Bidder:** nVent Electric Plc, Dublin

#4

€690m

**Date:** 25/05/2023

**Deal type:** Acquisition

**Target:** EOFlow Co Ltd, South Korea

**Bidder:** Medtronic Plc, Dublin

#5

€500m

**Date:** 11/01/2023

**Deal type:** IBO

**Target:** Sweet Ingredients Portfolio of Kerry Group, Tralee

**Bidder:** IRCA SpA, Italy



## LEGAL ADVISER RANKINGS

Volume

Current rank	Previous rank	Legal adviser	Volume
1	⇅ 5	BEAUCHAMPS	30
2	⇅ 3	ARTHUR COX	29
3	⇅ 9	PHILIP LEE SOLICITORS	26
4	⇅ 1	A&L GOODBODY	20
5	⇅ 8	EVERSHEDS SUTHERLAND	17
6	⇅ 2	FLYNN O'DRISCOLL	17
7	⇅ 14	DLA PIPER	12
8	⇅ 15	DENTONS	12
9	⇅ 10	MCCANN FITZGERALD	11
10	⇅ 7	WALLACE CORPORATE COUNSEL	11



## FINANCIAL ADVISER RANKINGS

Volume

Current rank	Previous rank	Financial adviser	Volume
1	⇅ 4	GRANT THORNTON	11
2	⇅ 9	DAVY	10
3	⇅ 2	BDO	10
4	⇅ -	PKF	10
5	⇅ 5	KPMG	8
6	⇅ 3	PWC	7
7	⇅ 8	JPA BRENSON LAWLOR	7
8	⇅ -	NUMIS SECURITIES	6
9	⇅ 7	MAZARS	6
10	⇅ 1	DELOITTE	5

- This document was compiled using data from Experian MarketIQ, which reveals new layers of market insight by combining Corpfm'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 2023 and 30 June 2023. 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 = €1.16.
- This publication was compiled on 17 July 2023. 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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