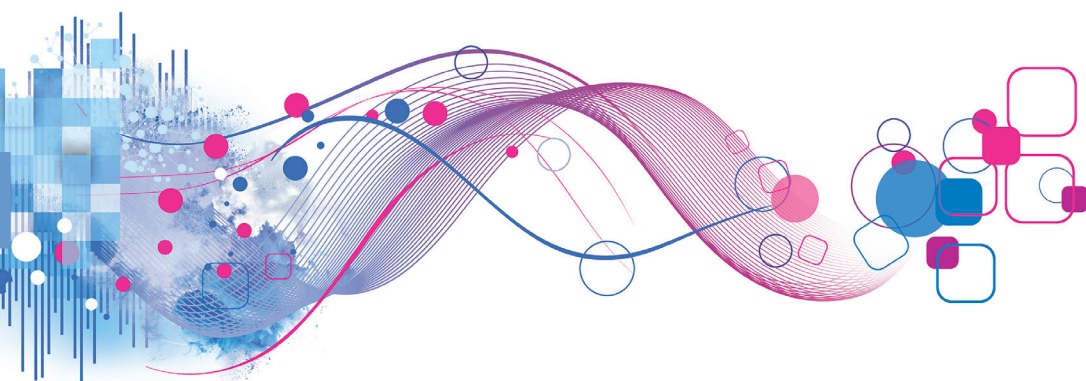



United Kingdom and Republic of Ireland M&A Review

Experian Business Research: 2020





The resilience of the UK's mergers and acquisition market was clear to see in 2020, with dealmakers seemingly quick to adapt to the logistical difficulties of completing transactions in the Covid-19 era. After a hiatus in the second quarter of the year, deal volume approached pre-pandemic levels in Q4. A flurry of multi-billion pound acquisitions towards the end of the year meant that annual transaction value eventually eclipsed that of 2019 – a really startling recovery. Tech deals had already started to dominate the UK's M&A landscape in recent years, and our enforced move to a more online existence looks to have only accelerated that process. Meanwhile, having spent time taking stock and shoring up the capital positions of their portfolio companies in the immediate aftermath of lockdown, the private equity sector played an increasingly key role on the buy-side in the last two quarters of 2020. We would expect this to continue as we move further into the new year. However, whether the wider market will undergo any dampening effect due to January's third national coronavirus lockdown in England remains to be seen.

Jane Turner
Research Manager, Experian MarketIQ

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United Kingdom M&A activity

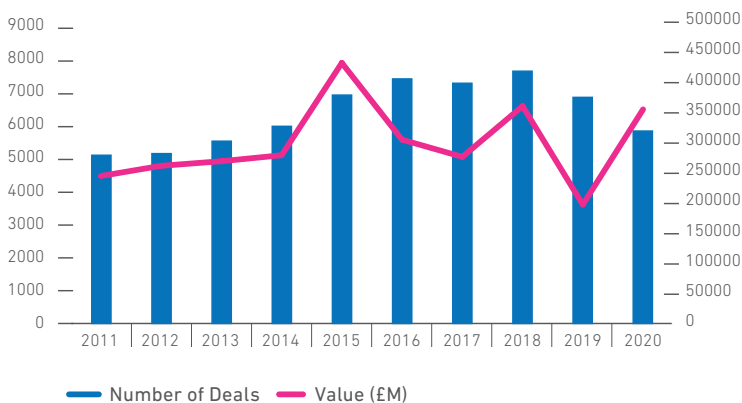
M&A activity in the UK is slowly recovering, after a sharp shock in the immediate aftermath of the Covid-19 pandemic. Experian recorded a total of 5,867 transactions involving a UK-based firm in 2020, which represented a decline of 15% on the 6,894 deals carried out in 2019 and the lowest figure since 2012; second quarter deal making was at its lowest ebb since the first quarter of 2009 at the height of the financial crisis. Although annual volume is significantly down on previous years, the direction of travel looks positive – the number of deals announced in Q4 was around 42% higher than Q2 – and it does seem clear that we’re now seeing increasing numbers of companies again look to growth by acquisition. Meanwhile, a flurry of big-ticket deal making at the end of the year – with over £120bn worth of acquisitions carried out in the last two months alone – pushed the overall value of UK deals for 2020 to £356bn, up by 79% on a year on year basis.

Deals of the Year

For the second year in a row, 2020’s largest deal took place in the financial data sector. This saw US ratings agency S&P Global agree to take over London-based IHS Markit in a £33bn all-share merger that aims to create a major rival to market leader Bloomberg. Consolidation within the telecoms market continued apace with the £31.4bn combination of cable operator Virgin Media and mobile telecommunications network O2, while a much-commented on deal saw US-based Nvidia agree to

acquire Cambridge-based chip manufacturer Arm, seen as one of the ‘crown jewels’ of the domestic technology sector, from Japanese investment firm Softbank for £30.5bn. Elsewhere, the biggest British pharmaceutical deal in almost two decades saw AstraZeneca announce plans to acquire US rare disease specialist Alexion for £29bn and there were multi-billion transactions in the insurance, supermarket retail and payment processing sectors.

UK deals 2011 – 2020



Industry

As we noted in our third quarter report, levels of deal activity in the UK varied widely between industry sectors in 2020. On the one hand, as we might expect given the rapid changes to working and leisure patterns imposed by the pandemic, M&A in the technology media and telecoms arena has been particularly brisk. Infocomms, fuelled by deals in the cloud computing and software segments, accounted for 28% of all transactions – up from 22% in 2019 – and saw volume increase by 5% year on year, accompanied with a 148% upturn in deal value. There was also decent growth in professional services, but most other sectors saw activity fall in comparison with 2019's figures; real estate, where deals were down by 29% and financial services (a 39% decline) seemed hardest hit.

Funding

While there were a number of distress-driven deals in the immediate wake of the initial lockdown, particularly in the retail, hospitality and transport sectors, we're yet to see anything like the deluge of insolvency transactions that were carried out in the wake of the financial crisis. The lending environment remains favourable, and what we are seeing is a significant increase in refinancing transactions, with a 300% increase in the number of UK firms taking on new debt or refinancing existing facilities. HSBC was

by some way the most active lender, providing funds in support of 78 transactions. Meanwhile, the private equity sector played an ever more prominent role in the UK market, funding 1,491 deals in 2020 – up from 1,402 in 2019. Business Growth Fund, Mercia Fund Management and Maven Capital were the UK's leading investment firms by deal volume.

Advisers

Gateley was the UK's leading legal adviser to the M&A market in 2020 by deal volume, working on 194 transactions – predominantly in the small to mid-market – with Pinsent Masons (135 transactions) and Harrison Clark Rickerbys (132) making up the top three. US firm Latham & Watkins, which advised on the buy-side of Nvidia's takeover of Arm, Aon's merger with Willis Towers Watson and Clarivate's deal to acquire CPA Global, narrowly topped the value table with £68.4bn worth of deals, just ahead of Freshfields (£68bn). BDO advised on 177 transactions in 2020 to lead our financial adviser table by deal volume ahead of KBS Corporate and RSM, while the US investment banks again dominated the value table – Morgan Stanley's £169bn worth of deals enough to secure first place in front of JP Morgan and Goldman Sachs.

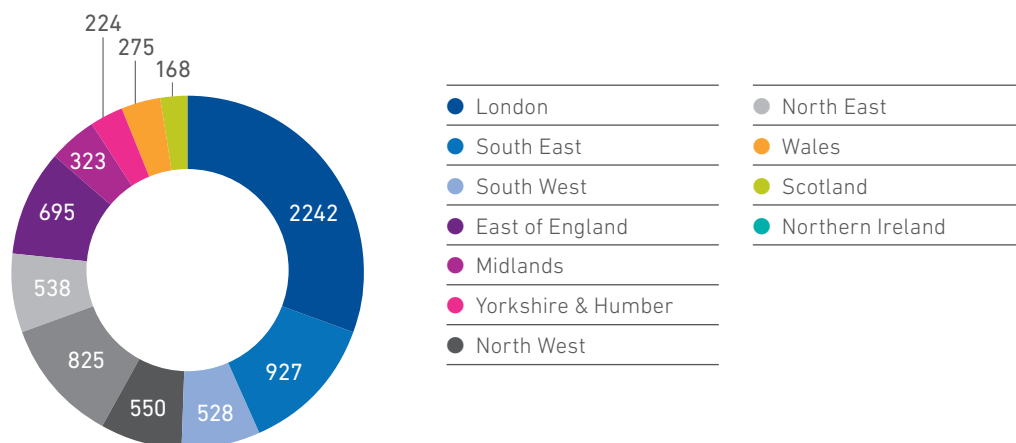


United Kingdom M&A activity

Top ten deals: UK 2020

Date	Consideration (£m)	Deal type	Target	Bidder
30/11/2020	32,984	Acquisition	IHS Markit Ltd, London	S&P Global Inc, USA
07/05/2020	31,400	Merger	O2/Virgin Media, Slough and Reading	
31/07/2020	30,500	Acquisition	Arm Ltd, Cambridge	NVIDIA Corp, USA
14/12/2020	29,210	Acquisition	Alexion Pharmaceuticals Inc, USA	AstraZeneca Plc, Cambridge
09/03/2020	22,894	Acquisition	Willis Towers Watson Plc, Dublin	Aon Plc, London
09/03/2020	8,090	Acquisition	Malaysian and Thai Businesses of Tesco Plc, Welwyn Garden City	Charoen Pokphand Group Co Ltd, Thailand
18/11/2020	7,200	Acquisition	RSA Insurance Group Plc, London	Intact Financial Corp, Canada
02/10/2020	6,800	IBO	Asda Stores Ltd, Leeds	Issa Brothers and TDR Capital
07/12/2020	6,740	Reverse Takeover	Paysafe Group Holdings Ltd, London	Foley Trasimene Acquisition Corp II, USA
12/08/2020	5,370	Acquisition	Sunrise Communications Group AG, Switzerland	Liberty Global Plc, London

UK deal volume by region 2020



UK and Ireland M&A by region
2020

Region	Value (£m)			Volume		
	2020	2019	% Change	2020	2019	% Change
London	182,422	132,613	37.56%	2,242	2,611	-14.13%
South East	27,788	21,511	29.18%	927	1,023	-9.38%
South West	10,369	13,511	-23.26%	528	543	-2.76%
East of England	79,481	20,290	291.72%	550	565	-2.65%
Midlands	6,573	15,292	-57.02%	825	989	-16.58%
Yorkshire & Humber	11,600	7,952	45.88%	538	665	-19.10%
North West	14,994	7,433	101.72%	695	861	-19.28%
North East	691	1,009	-31.52%	323	352	-8.24%
Wales	2,918	1,628	79.24%	224	225	-0.44%
Scotland	4,982	9,534	-47.74%	275	547	-49.73%
Northern Ireland	392	1,626	-75.89%	168	251	-33.07%
Republic of Ireland	48,903	72,372	-32.43%	490	455	7.69%
United Kingdom	355,795	198,279	79.44%	5,867	6,894	-14.90%

 UK deals by Industry
2020

Sector	2020		2019		% change from 2019	
	Volume	Value (£m)	Volume	Value (£m)	Volume	Value
Infocomms	1,659	163,222	1,579	65,887	5.07%	147.73%
Professional services	1,390	86,210	1,304	26,720	6.60%	222.64%
Manufacturing	1,293	114,272	1,507	56,388	-14.20%	102.65%
Financial services	1,042	118,530	1,712	76,190	-39.14%	55.57%
Wholesale and retail	962	77,462	1,174	41,202	-18.06%	88.01%
Support services	654	26,439	691	14,201	-5.35%	86.17%
Construction	405	12,267	458	14,232	-11.57%	-13.81%
Real estate	344	21,351	487	35,410	-29.36%	-39.70%
Health	313	1,180	388	2,208	-19.33%	-46.55%
Mining and quarrying	196	13,174	238	15,281	-17.65%	-13.78%

United Kingdom M&A activity

Legal adviser rankings by volume

Current rank	Previous rank	Legal adviser	Volume ¹
1	1	GATELEY	194
2	7	PINSENT MASONS	135
3	5	HARRISON CLARK RICKERBYS	132
4	6	CMS	124
5	2	ADDLESHAW GODDARD	118
6	3	MILLS & REEVE	117
7	11	SHOOSMITHS	114
8	9	SQUIRE PATTON BOGGS	102
9	8	WARD HADAWAY	102
10	13	KNIGHTS	90
11	4	DLA PIPER	83
12	10	EVERSHEDS SUTHERLAND	81
13	12	FREETHS	79
14	17	DWF	74
15	-	WEIGHTMANS	62
16	19	MUCKLE	58
17	15	BROWNE JACOBSON	52
18	18	TLT	51
19	23	TUGHANS	51
20	24	HILL DICKINSON	47

Legal adviser rankings by value

Current rank	Previous rank	Legal adviser	Value (£m)
1	11	LATHAM & WATKINS	68,413
2	9	FRESHFIELDS BRUCKHAUS DERINGER	68,056
3	19	SULLIVAN & CROMWELL	48,046
4	22	DAVIS POLK & WARDWELL	42,482
5	13	SHEARMAN & STERLING	41,917
6	15	ALLEN & OVERY	38,439
7	1	WEIL GOTSHAL & MANGES	37,528
8	10	SKADDEN ARPS SLATE MEAGHER & FLOM	33,183
9	4	CLIFFORD CHANCE	32,618
10	2	SLAUGHTER AND MAY	27,826
11	16	ARTHUR COX	24,790
12	6	HOGAN LOVELLS	24,619
13	-	SIMPSON THACHER & BARTLETT	22,155
14	5	KIRKLAND & ELLIS	18,688
15	3	ASHURST	17,102
16	8	LINKLATERS	15,069
17	23	DLA PIPER	8,898
18	17	JONES DAY	7,466
19	7	NORTON ROSE FULBRIGHT	6,488
20	-	GOWLING WLG	6,054

United Kingdom M&A activity

Financial adviser rankings by volume

Current rank	Previous rank	Financial adviser	Volume ¹
1	3	BDO	177
2	4	KBS CORPORATE	145
3	2	RSM	141
4	1	GRANT THORNTON	107
5	7	NUMIS SECURITIES	96
6	14	HAZLEWOODS	93
7	6	KPMG	66
8	5	PWC	62
9	12	CENKOS SECURITIES	62
10	11	EY	60
11	8	PEEL HUNT	59
12	15	ALANTRA	53
13	-	BARCLAYS	52
14	9	FINNCAP	52
15	-	AZETS	51
16	10	MAZARS	50
17	16	BENCHMARK INTERNATIONAL	50
18	26	MORGAN STANLEY	44
19	22	GOLDMAN SACHS	43
20	-	CAIRN FINANCIAL ADVISERS	38

Financial adviser rankings by value

Current rank	Previous rank	Financial adviser	Value (£m)
1	2	MORGAN STANLEY	168,661
2	21	JP MORGAN	127,344
3	1	GOLDMAN SACHS	114,966
4	9	CREDIT SUISSE	75,124
5	7	BANK OF AMERICA MERRILL LYNCH	66,207
6	13	CITIGROUP	54,083
7	3	BARCLAYS	53,027
8	4	JEFFERIES	42,095
9	5	EVERCORE PARTNERS	37,281
10	8	LAZARD	16,006
11	6	ROTHSCHILD & CO	12,922
12	14	NUMIS SECURITIES	11,753
13	-	DEUTSCHE BANK	10,984
14	20	RBC CAPITAL MARKETS	10,340
15	11	UBS	9,732
16	-	BNP PARIBAS	6,282
17	18	MOELIS & CO	5,289
18	12	HSBC	5,236
19	28	PWC	4,803
20	17	EY	4,215

United Kingdom M&A activity

Debt provider rankings by volume

Current rank	Previous rank	Debt provider	Volume ¹
1	1	HSBC	78
2	2	BARCLAYS	23
3	4	NATWEST	23
4	3	LLOYDS BANKING GROUP	20
5	8	THINCATS	20
6	5	SANTANDER	18
7	6	SHAWBROOK BANK	18
8	7	MAVEN	18
9	29	CLYDESDALE AND YORKSHIRE BANK	13
10	11	CAPLE	8
11	15	OAKNORTH BANK	7
12	-	BNP PARIBAS	5
13	-	SHARD CREDIT PARTNERS	5
14	17	DEVELOPMENT BANK OF WALES	5
15	24	ARBUTHNOT	5
16	-	INVESTEC	5
17	20	GOLDMAN SACHS	4
18	25	DEUTSCHE BANK	4
19	-	SECURE TRUST BANK	4
20	-	INNOVATE UK	4

Capital provider rankings by volume

Current rank	Previous rank	Investment firm	Volume ¹
1	1	BUSINESS GROWTH FUND	57
2	15	MERCIA FUND MANAGEMENT	38
3	2	MAVEN CAPITAL PARTNERS	33
4	7	DEVELOPMENT BANK OF WALES	29
5	3	LDC	26
6	20	SEEDCAMP	22
7	32	TECHSTART VENTURES	20
8	19	OCTOPUS VENTURES	18
9	10	FORESIGHT GROUP	18
10	5	IQ CAPITAL PARTNERS	17
11	-	SEEDRS	15
12	18	INVEST NORTHERN IRELAND	14
13	26	AMADEUS CAPITAL PARTNERS	13
14	-	DRAPER ESPRIT	12
15	-	OXFORD SCIENCES INNOVATION	12
16	12	MMC VENTURES	12
17	38	GRESHAM HOUSE	12
18	-	IP GROUP	11
19	6	SCOTTISH INVESTMENT BANK	11
20	23	INNOVATE UK	11

London

Summary

The London M&A market had made a strong start to the year, picking up in the first quarter after Brexit jitters dampened activity in the second half of 2019 - before the Covid-19 crisis hit. There were 2,242 deals involving a London company in 2020, a decline of 14% from the 2,602 transactions carried out in 2019 and almost 1,000 deals under the market's recent high in 2018 (when over 3,100 deals were announced). The Q2 total of 473 deals was the lowest recorded in the capital since Q1 2009, when the City was grappling with the credit crunch and, while volumes did improve slightly in Q3 and Q4, they still lag significantly behind the levels we'd expect to see during a 'normal' year. In value terms however, the picture was very different. A flurry of high value deal making towards the end of the year pushed the value of London deals to £182bn - up by 32% year on year - with the fourth quarter figure of £82bn among the highest quarterly total on Experian record. London remains the engine room of UK deal making, with a role in 38% of all UK transactions and contributing just over half of the total value of UK deals.

Deals of the Year

A transformative, cross border merger in the financial data sector was London's biggest deal of the year. This saw US ratings agency S&P Global agree to buy London-based IHS Markit in a £33bn, all share transaction, the latest in a number of multi-billion takeovers in the data area as companies jostle for market share - last year's largest deal in an adjacent space, London Stock Exchange's £27bn acquisition of Refinitiv, is slated to

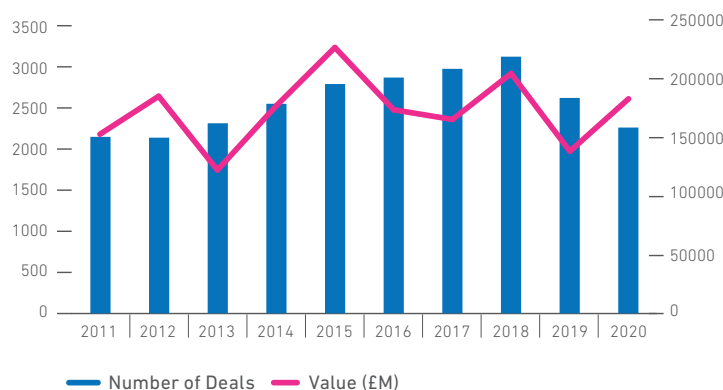
close at the end of January. Elsewhere, there were two big-ticket transactions in the insurance sector. Here, Aon agreed the £23bn acquisition of Willis Towers Watson, a combination that will create the world's largest insurance brokerage - subject to regulatory approvals - and venerable London insurer RSA agreed to be taken off the Stock Exchange by a Canadian and Danish consortium in a £7.2bn deal. Another notable deal saw Paysafe Group - the London-based payments business backed by CVC and Blackstone - agree to merge with US black check company Foley Trasimene Acquisition Corp II in one of the first major SPAC deals involving a British firm.

Industry

There were some industries that bucked the downward trend in London. As expected, deals in the tech space dominated - as our move to online was forcibly accelerated - and were up by 7% year on year in volume terms and by some 46% in value. In all there were 855 tech / infocomms deals in 2020, accounting for 38% of all London M&A, with private equity and investment from the United States driving activity. Among the largest tech deals of the year were Clarivate's takeover of IP software firm CPA Global for £5.2bn - another all share deal - Cisco's £543m acquisition of cloud specialist IMI mobile and Montagu Private Equity-backed vehicle Tiger UK Bidco's £350m deal to buy-out the education software solutions business of Capita. Other sectors to see volumes up on 2019 were professional services, support services, healthcare and utilities but elsewhere there was a decline in deal volume, with financial services, real estate and hospitality the worse effected.

London deals

2011 - 2020



Funding

As we found nationally, the private equity sector played a prominent role in London deal making in 2020, with deals funded by private equity up by around 9% year on year. Over a quarter of all transactions in the capital involved private equity investment, up from 20% in 2019; seed-stage venture capital fund Seedcamp was most active, completing 15 deals, followed by Octopus Ventures and Draper Esprit (each with ten deals). HSBC was London's main source of debt funding, followed by Barclays and Shawbrook.

Advisers

CMS worked on 62 deals over the year to retain its 2019 status as London's leading adviser by transaction volume, with Gateley (53 deals) and Shoosmiths (47) making up the top three. US firms Sullivan & Cromwell (£47bn worth of deals), Davis Polk & Wardwell (£42bn) and Weil Gotshal & Manges (£35bn) headed up the value table. RSM advised on 63 deals to finish up as the year's most active financial adviser to deal makers in the capital, while US investment bank Goldman Sachs topped the value ranking with deals worth £94bn.

Top ten deals: London 2020

Date	Consideration (£m)	Deal type	Target	Bidder
30/11/2020	32,984	Acquisition	IHS Markit Ltd, London	S&P Global Inc, USA
09/03/2020	22,894	Acquisition	Willis Towers Watson Plc, Dublin	Aon Plc, London
18/11/2020	7,200	Acquisition	RSA Insurance Group Plc, London	Intact Financial Corp, Canada
07/12/2020	6,740	Reverse Takeover	Paysafe Group Holdings Ltd, London	Foley Trasimene Acquisition Corp II, USA
12/08/2020	5,370	Acquisition	Sunrise Communications Group AG, Switzerland	Liberty Global Plc, London
29/07/2020	5,246	Acquisition	CPA Global Ltd, Channel Islands	Clarivate Plc, London
26/02/2020	4,600	Secondary Buy-Out	iQSA Holding Sarl, London	Blackstone Group
29/06/2020	4,057	Acquisition	Petrochemicals Business of BP Plc, London	INEOS Group Ltd, London
09/10/2020	3,930	Acquisition	London Stock Exchange Group Holdings Italia SpA, Italy (from London Stock Exchange Group Plc, London)	Euronext NV, The Netherlands
08/12/2020	3,800	Acquisition	G4S Plc, London	Allied Universal Topco LLC, USA

London

Legal adviser rankings

Current rank	Previous rank	Legal adviser	Volume ¹
1	1	CMS	62
2	8	GATELEY	53
3	6	SHOOSMITHS	47
4	9	PINSENT MASONS	46
5	5	SQUIRE PATTON BOGGS	44
6	3	ADDLESHAW GODDARD	33
7	7	MILLS & REEVE	33
8	4	EVERSHEDS SUTHERLAND	32
9	2	DLA PIPER	31
10	23	MACFARLANES	30

Current rank	Previous rank	Legal adviser	Value (£m)
1	23	SULLIVAN & CROMWELL	47,733
2	25	DAVIS POLK & WARDWELL	42,056
3	1	WEIL GOTSHAL & MANGES	34,479
4	8	LATHAM & WATKINS	34,201
5	9	SKADDEN ARPS SLATE MEAGHER & FLOM	31,686
6	-	STIKEMAN ELLIOTT	30,822
7	14	FRESHFIELDS BRUCKHAUS DERINGER	28,137
8	15	HOGAN LOVELLS	23,907
9	-	MATHESON	23,117
10	16	ARTHUR COX	22,903

Financial adviser rankings

Current rank	Previous rank	Financial adviser	Volume ¹
1	4	RSM	63
2	2	BDO	53
3	7	NUMIS SECURITIES	46
4	1	GRANT THORNTON	36
5	-	HAZLEWOODS	35
6	14	KBS CORPORATE	32
7	11	CENKOS SECURITIES	31
8	3	PEEL HUNT	27
9	16	GOLDMAN SACHS	26
10	25	EY	26

Current rank	Previous rank	Financial adviser	Value (£m)
1	1	GOLDMAN SACHS	94,227
2	2	MORGAN STANLEY	86,229
3	12	CREDIT SUISSE	73,635
4	-	JP MORGAN	52,040
5	15	CITIGROUP	48,571
6	4	JEFFERIES	34,086
7	7	BANK OF AMERICA MERRILL LYNCH	27,629
8	3	BARCLAYS	22,387
9	6	LAZARD	10,505
10	17	RBC CAPITAL MARKETS	10,187

South East

Summary

As the year ended with the country once again under strict Covid prevention measures, the latest figures show that deal activity in the South East fell by just over 9% year on year whilst deal values rose by 29%, in a trend mirrored by a handful of regions. Positively, deal activity picked up to near normal levels in the second half of the year, after experiencing a sharp dip at the start of the pandemic - and a 40% rise in the number of mega deals along with a 36% rise in the mid-market proved that the region's appetite for deal making had not been dampened by the crisis. Valuations in all deal segments were up year on year, with the value of mega deals recording a near 60% increase. The South East accounted for 7.8% of all UK deal values and 15.8% of deal volumes.

Deals of the Year

Two of the region's largest deals were announced in the final quarter, including the seventh mega deal of the year. In December, telecoms group Vodafone, based in Newbury, paid £1.3bn to acquire the remaining 23.2% of the shares it didn't already own in Kabel Deutschland Holding, a German communications group. In November, the Marlow-based Aero Connectivity business of Cobham was acquired by US-based TransDigm Group for £723m. The South East's largest deal of the year, the merger between O2 and Virgin Media announced in May, is under investigation by the Competition and Markets Authority amid fears the deal could lead to higher prices for consumers. The statutory deadline by which the final report is to be published is 27 May 2021.

Industry

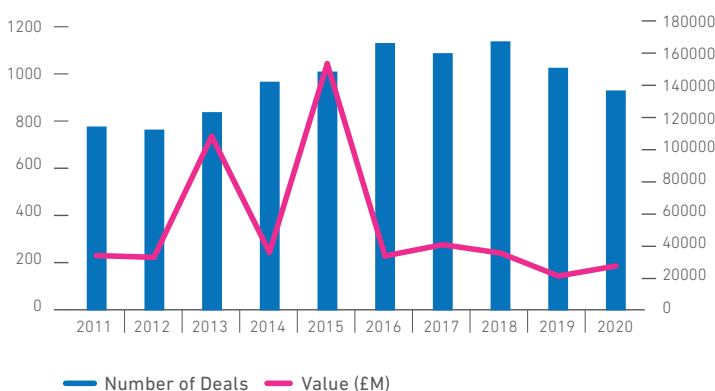
Infocomms was again the most active industry sector for deal activity in the South East, recording 272 deals, an increase of 2.3% on 2019. Valuations in this sector fell by 16%. Professional services was the second most active sector, recording 242 deals worth £4.7bn, representing an increase of 2.5% by volume and a massive 123% by value. Manufacturing followed in third place, with its 222 reported deals worth £9.8bn, in comparison to 286 deals worth just £4.2bn in 2019. With most sectors seeing a decline in numbers as the country continues to battle against the pandemic, valuations remained high as the markets bounce back towards pre-Covid levels.

Funding

Private equity backed deals were up to just under 20% of deals where funding arrangements were disclosed, from 16% in the same period last year. Oxford Sciences Innovation was the most active investor in the region, having supported 11 businesses. LDC was in second place with seven deals, with the region attracting interest from a wide number of PE and venture capital investors with money to spend. Approximately 55% of deals were funded from existing resources, and debt-funded deals accounted for 6%. HSBC was the lender of choice providing funding to support on nine transactions, followed by NatWest on six and Barclays on five.

South East deals

2011 – 2020



Advisers

Harrison Clark Rickerbys achieved first position in the legal advisers table, having worked on a total of 34 deals in the region, with the 30 deals advised on by Knights securing second place. Gateley finished the year in third position, with 25 deals. Clifford Chance achieved pole position in the value tables, with Latham & Watkins in second place and Slaughter and May in third. KBS Corporate was the most active financial adviser, with 37 deals advised on, with RSM in second place on 32 deals. Third position was taken by BDO with 29 deals. Goldman Sachs topped the value rankings, with Barclays and Numis taking second and third places, respectively.

Top ten deals: South East 2020

Date	Consideration (£m)	Deal type	Target	Bidder
07/05/2020	31,400	Merger	O2/Virgin Media, Slough and Reading	Project Pink
29/06/2020	4,057	Acquisition	Petrochemicals Business of BP Plc, London	INEOS Group Ltd, Lyndhurst
24/07/2020	2,840	Acquisition	Direct Energy LP, USA, from Centrica Plc, Windsor	NRG Energy Inc, USA
19/05/2020	2,006	Rights Issue	Compass Group Plc, Chertsey	
22/12/2020	1,931	Acquisition	Kabel Deutschland Holding AG, Germany	Vodafone Group Plc, Newbury
05/08/2020	1,660	Acquisition	Hastings Group Holdings Plc, Bexhill-on-Sea	Dorset Bidco Ltd, London
27/08/2020	854	Acquisition	SDL Plc, Maidenhead	RWS Holdings Plc, Chalfont St Peter
24/11/2020	723	Acquisition	Cobham Aero Connectivity, Marlow	TransDigm Group Inc, USA
31/03/2020	711	Minority Stake	Sitryx Therapeutics Ltd, Oxford	Eli Lilly and Co, USA
06/10/2020	656	Acquisition	Key Surgical LLC, USA	Steris Plc, Basingstoke

South East

Legal adviser rankings

Current rank	Previous rank	Legal adviser	Volume ¹
1	1	HARRISON CLARK RICKERBYS	34
2	14	KNIGHTS	30
3	4	GATELEY	25
4	6	DLA PIPER	19
5	9	PINSENT MASONS	19
6	18	CMS	18
7	3	FREETHS	18
8	10	EVERSHEDS SUTHERLAND	17
9	12	STEVENS & BOLTON	16
10	7	IRWIN MITCHELL	16

Current rank	Previous rank	Legal adviser	Value (£m)
1	5	CLIFFORD CHANCE	4,967
2	-	LATHAM & WATKINS	3,194
3	2	SLAUGHTER AND MAY	3,111
4	-	WACHTELL LIPTON ROSEN & KATZ	1,954
5	9	FRESHFIELDS BRUCKHAUS DERINGER	1,879
6	-	ALLEN & OVERY	1,660
7	-	WEIL GOTSHAL & MANGES	1,434
8	-	JONES DAY	1,391
9	14	CMS	1,006
10	21	DLA PIPER	949

Financial adviser rankings

Current rank	Previous rank	Financial adviser	Volume ¹
1	3	KBS CORPORATE	37
2	2	RSM	32
3	4	BDO	29
4	9	EMC CORPORATE FINANCE	28
5	1	GRANT THORNTON	20
6	17	NUMIS SECURITIES	17
7	8	HAZLEWOODS	17
8	6	BENCHMARK INTERNATIONAL	15
9	12	EY	13
10	5	PWC	12

Current rank	Previous rank	Financial adviser	Value (£m)
1	-	GOLDMAN SACHS	5,721
2	9	BARCLAYS	3,884
3	4	NUMIS SECURITIES	3,625
4	-	BANK OF AMERICA MERRILL LYNCH	3,303
5	-	MORGAN STANLEY	2,052
6	12	CREDIT SUISSE	2,039
7	-	JP MORGAN	1,817
8	-	FENCHURCH ADVISORY PARTNERS	1,686
9	11	ROTHSCHILD & CO	1,183
10	1	LAZARD	1,051

South West

Summary

The South West has recorded a total of 528 deals in 2020, representing a marginal decline of 2.8% compared to 2019, although deal value fared less well, falling just over 23% from £13.5bn in 2019 to £10.4bn in 2020. Despite the disruption caused by the Covid-19 lockdown at the start of Q2, activity in the region made a remarkable comeback, with the 164 deals worth £3.6bn announced in Q4 2020 surpassing all other Q4 figures for the last ten years, proving the resilience of the M&A market in the South West. Whilst only one mega deal was reported in 2020, compared to three in 2019, large cap deals were up by 50% in volume and 66% in value. Valuations in the mid-market declined by 28%, but only 9% in volume, whilst small cap deals fell 11% by volume and rose 12% in value. The South West accounted for 2.9% of all UK deal value and 9% of deal volume.

Deals of the Year

Three of the largest South West deals were announced in the final quarter of the year. In November, Wimborne-based Cobham sold its Aero Connectivity business to US firm Transdigm Group for £723m, in a transaction described as “credit positive” for Cobham due to the substantial proceeds and high valuation multiple. Also

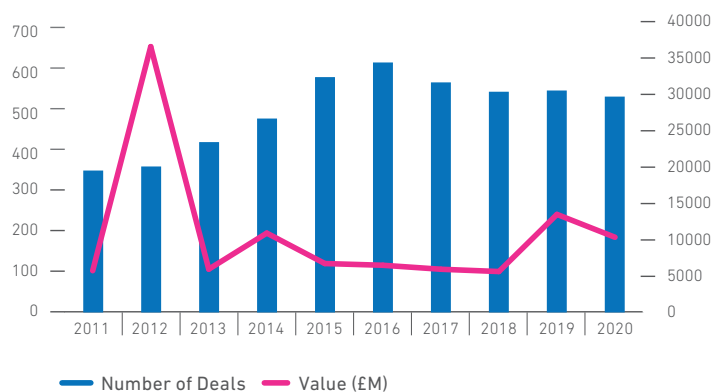
announced in November was the acquisition by Bath-based publishing group Future of GoCo Group, an Internet-based price comparison website for financial and non-financial products, for £594m. GoCo is the company behind GoCompare.com, Myvouchercode.co.uk and LookAfterMyBills.com. Finally, in December, Bain Capital agreed to pay £530m for the savings & retirement and protection businesses of LV=. Under the terms of the deal, LV='s With Profits business will be ring-fenced in a separate fund and closed to new business.

Industry

Professional services was the most active industry by deal volume, recording 182 deals in the year, an increase of 48% on the 123 completed in the sector in 2019. Values declined by 70% from £4.1bn to £1.23bn. Remote working and home schooling during the lockdown periods saw IT and tech businesses become valuable commodities, leading to a 21% rise in the number of deals in the infocomms sector, from 96 in 2019 to 116 in 2020. Valuations in this industry rose by 52% from £747m in 2019 to £1.14bn in 2020. Manufacturing was the third most active sector, recording 114 deals, 13% fewer than in 2019. Deal values were hard hit in this sector, falling 75% to £1.5bn in 2020 from £5.9bn in 2019.

South West deals

2011 – 2020



Funding

Where funding arrangements were disclosed, private equity accounted for 16% of the deals, consistent with 2019's results. The region attracted a wide range of investors, with more than 100 investors supporting South West businesses in 2020. Business Growth Fund topped the table as the most active with four investments, followed by Cornwall and Isles of Scilly Investment Fund and the recently launched Future Fund with three investments apiece. Debt-funded deals stood at 8.5% of announced deals, with HSBC and Shawbrook Bank the most active on eight deals each, followed by Santander and NatWest.

Advisers

Harrison Clark Rickerbys was the most active legal adviser of the year, advising on 35 deals, followed by BPE and Boyce Hatton on 13 deals each. Slaughter and May took the top spot in the value table, followed by Norton Rose and Simpson Thacher & Bartlett in second and third. BDO topped the volume table for financial advisers with 62 deals with Hazlewoods in second position on 55 deals. PKF Francis Clark was in third place with 25 deals. A point of interest here is a flurry of activity in the veterinary care sector, which saw BDO and Hazlewoods advise on a staggering 81 deals in which IVC Evidensia bolstered its business operations through the acquisition of a number of veterinary practices across the UK and Europe. In the value tables, Barclays took number one position advising on deals worth just over £5bn, followed by Morgan Stanley on £4.8bn and Peel Hunt on £1.9bn.

Top ten deals: South West 2020

Date	Consideration (£m)	Deal type	Target	Bidder
18/03/2020	4,200	IBO	Viridor Ltd, Exeter	Planets UK Bidco Ltd (KKR)
24/11/2020	723	Acquisition	Cobham Aero Connectivity, from Cobham Plc, Wimborne	TransDigm Group Inc, USA
23/10/2020	647	IBO	McCarthy & Stone Plc, Bournemouth	Mastiff Bidco Ltd (Lone Star Real Estate Fund)
25/11/2020	594	Acquisition	GoCo Group plc, Newport	Future Plc, Bath
06/02/2020	550	Divestment	Hargreaves Lansdown Plc, Bristol	
15/12/2020	530	IBO	Liverpool Victoria Financial Services Ltd, Bournemouth	Bain Capital
24/06/2020	300	Rights Issue	Unite Group Plc, Bristol	
06/04/2020	286	Rights Issue	WH Smith Plc, Swindon	
01/07/2020	182	IBO	Cello Health Plc, London	Pharma Value Demonstration Bidco Ltd, Bristol
02/07/2020	180	Acquisition	Avon Polymer Products Ltd, Melksham	DeLaval Holding BV, The Netherlands

South West

Legal adviser rankings

Current rank	Previous rank	Legal adviser	Volume ¹
1	1	HARRISON CLARK RICKERBYS	35
2	7	BPE SOLICITORS	13
3	-	BOYCE HATTON	13
4	2	TLT	12
5	-	SQUIRE PATTON BOGGS	11
6	19	ROYDS WITHY KING	11
7	13	MICHELMORES	10
8	5	PINSENT MASONS	10
9	3	FOOT ANSTEY	10
10	8	GATELEY	10

Current rank	Previous rank	Legal adviser	Value (£m)
1	5	SLAUGHTER AND MAY	4,794
2	4	NORTON ROSE FULBRIGHT	4,315
3	-	SIMPSON THACHER & BARTLETT	4,200
4	3	WEIL GOTSHAL & MANGES	1,900
5	-	JONES DAY	903
6	6	ASHURST	604
7	-	SIMMONS & SIMMONS	599
8	-	MARRIOTT HARRISON	184
9	-	ROPES & GRAY	182
10	-	MACFARLANES	181

Financial adviser rankings

Current rank	Previous rank	Financial adviser	Volume ¹
1	6	BDO	62
2	1	HAZLEWOODS	55
3	2	PKF FRANCIS CLARK	25
4	15	PEEL HUNT	17
5	4	RSM	14
6	7	KBS CORPORATE	13
7	3	GRANT THORNTON	12
8	5	BISHOP FLEMING	11
9	8	BENCHMARK INTERNATIONAL	6
10	9	NUMIS SECURITIES	5

Current rank	Previous rank	Financial adviser	Value (£m)
1	7	BARCLAYS	5,036
2	4	MORGAN STANLEY	4,794
3	14	PEEL HUNT	1,885
4	8	NUMIS SECURITIES	1,528
5	1	GOLDMAN SACHS	1,241
6	6	ROTHSCHILD & CO	829
7	-	EVERCORE PARTNERS	650
8	-	DEUTSCHE BANK	647
8	-	MOELIS & CO	647
10	3	JP MORGAN	586

East of England

Summary

The initial impact of Covid-19 on M&A activity receded as we went further into 2020 when we look at the figures recorded for the year. The East of England total of 550 deals was only 3% down on the 565 transactions recorded for the previous year – this was still the lowest yearly total since 2014 but was a strong return given the market slump in Q2. Despite this, the outlook was positive for the region with deals values reaching £79.5bn, a significant increase on the £20.3bn for the previous 12 months – this being the highest figure recorded within the last ten years and almost double the next best of £40.7bn in 2016. Overall companies based in the East of England have been involved in just under 9.4% of all UK deals making it the fifth busiest region, while contributing over 22.5% of the total value, placing it behind only London.

Deals of the Year

This huge spike in total deal values for the East of England during 2020 is almost entirely down to two transactions, as the region recorded the third and fourth biggest UK deals of 2020. The largest saw US-based GPU hardware and software developer NVIDIA Corp agree to acquire Cambridge semiconductor and software design company ARM, from Softbank Group for £30.5bn. This was closely followed by Cambridge-based multinational pharmaceutical and biopharmaceutical

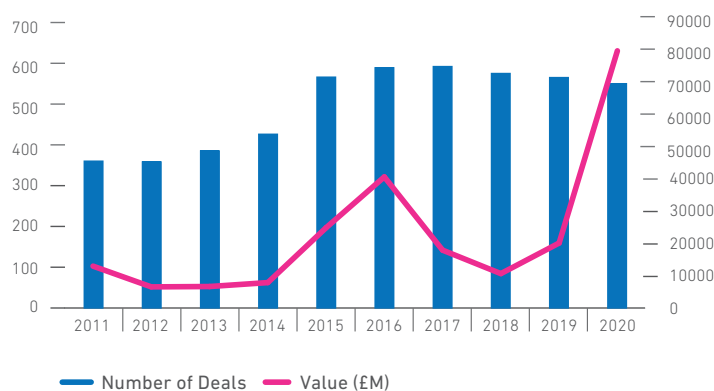
company AstraZeneca agreeing to acquire Alexion Pharmaceuticals, a US-based pharmaceutical company, in a cash and stock transaction valued at £29.2bn. Not only were these two deals the largest transactions of the year but also the two largest we have ever recorded in the region. Naturally, there appeared to be uncertainty in the markets following the initial lockdown in March 2020. This saw many companies including Tesco, Ocado Group and Easyjet announce placings to strengthen their balance sheets. In the first half of 2020 these accounted for the larger deals within the region. By the latter part of 2020, an apparent growth in confidence saw acquisitions again come to the forefront of all M&A activity (accounting for five of the six largest deals).

Industry

Manufacturing maintained its status as the East of England's most active industry in 2020, with the 154 announced deals representing 28% of the region's M&A total. This was closely followed by professional services as the next best sector with 148 recorded (accounting for almost 27% of deals within the region). In spite of the global pandemic, total values have fared reasonably well, with ten out of the 19 industries we track recording a year on year increase - the professional services, infocomms, financial services, transport and agriculture, forestry and fishing sectors saw the largest growth.

East of England deals

2011 – 2020



Funding

Where detailed funding arrangements were disclosed, we recorded 117 deals – approximately 21% of all announced transactions through 2020 – that were funded at least in part by private equity. This is an increase on the 114 private equity transactions recorded during 2019 (20% share) with IQ Capital Partners being the lead provider in five of these deals (approximately £72m in total). A total of 35 transactions were funded via bank debt, 25 less than 2019's total of 60. HSBC maintained its position as the most active debt provider in the region after providing funding for four of these transactions. Reconstruction/ refinancing transactions are now very much the norm for companies which are trying to find a way through the crisis – there were 18 new deals of this type announced in the region, 15 of which came post UK-lockdown. The majority of all transactions were funded via cash, with the 233 deals funded this way representing almost 42% of all 2020 East of England deals.

Advisers

Ensors and KBS Corporate were the most active financial advisers in 2020, each advising on 25 transactions, with Grant Thornton in third position having been cited in 17. Morgan Stanley is in pole position in the value table, advising on eight transactions totaling just under £66bn. These included the two largest deals mentioned above, where the global financial and investment banking company provided financial advice to Nvidia and AstraZeneca, respectively. Freshfields Bruckhaus Deringer topped the legal value standings, mainly as a result of having provided legal advice to AstraZeneca in the same deal. The highest legal adviser by volume was Mills & Reeve, advising on 37 transactions with a recorded value of approximately £255m, ahead of Harrison Clark Rickerbys on 24 deals.

Top ten deals: East of England 2020

Date	Consideration (£m)	Deal type	Target	Bidder
31/07/2020	30,500	Acquisition	Arm Ltd, Cambridge	NVIDIA Corp, USA
14/12/2020	29,210	Acquisition	Alexion Pharmaceuticals Inc, USA	AstraZeneca Plc, Cambridge
09/03/2020	8,090	Acquisition	Malaysia and Thai Businesses of Tesco Plc, Welwyn Garden City	Charoen Pokphand Group Co Ltd, Thailand
25/08/2020	3,811	Acquisition	OSIsoft LLC, USA	AVEVA Group Plc, Cambridge
21/05/2020	1,009	Rights Issue	Whitbread Plc, Dunstable	
11/08/2020	669	Acquisition	Kandy Therapeutics Ltd, Stevenage	Bayer AG, Germany
10/06/2020	657	Rights Issue	Ocado Group Plc, Hatfield	
28/04/2020	426	IBO	Jagex Ltd, Cambridge	Platinum Fortune LP, US
25/06/2020	419	Rights Issue	Easyjet Plc, Luton	
02/11/2020	296	Acquisition	Horizon Discovery Group Plc, Cambridge	Perkinelmer (UK) Holdings Ltd, Beaconsfield

East of England

Legal adviser rankings

Current rank	Previous rank	Legal Adviser	Volume ¹
1	1	MILLS & REEVE	37
2	2	HARRISON CLARK RICKERBYS	24
3	3	BIRKETTS	21
4	4	GATELEY	18
5	7	PINSENT MASONS	14
6	6	SHOOSMITHS	11
7	11	KNIGHTS	10
8	-	GOODWIN	8
9	10	ADDLESHAW GODDARD	8
10	13	TRAVERS SMITH	7

Current rank	Previous rank	Legal Adviser	Value (£m)
1	-	FRESHFIELDS BRUCKHAUS DERINGER	37,301
2	-	HOGAN LOVELLS	30,986
3	-	CLEARY GOTTSLIEB STEEN & HAMILTON	30,488
3	-	LATHAM & WATKINS	30,488
3	-	MORRISON & FOERSTER	30,488
6	4	CLIFFORD CHANCE	8,289
7	1	ASHURST	4,211
8	15	GOODWIN	854
9	3	LINKLATERS	731
10	-	A&L GOODBODY	683

Financial adviser rankings

Current rank	Previous rank	Financial adviser	Volume ¹
1	3	ENSORS	25
2	4	KBS CORPORATE	25
3	2	GRANT THORNTON	17
4	1	RSM	17
5	7	BDO	12
6	5	MHA LARKING GOWEN	12
7	14	BENCHMARK INTERNATIONAL	10
7	18	HAZLEWOODS	10
9	24	NUMIS SECURITIES	9
10	-	MORGAN STANLEY	8

Current rank	Previous rank	Financial adviser	Value (£m)
1	7	MORGAN STANLEY	65,633
2	2	GOLDMAN SACHS	39,903
3	-	RAINE GROUP	30,488
3	-	ZAQUI & CO	30,488
5	5	EVERCORE PARTNERS	29,530
6	8	BANK OF AMERICA MERRILL LYNCH	29,351
7	13	BARCLAYS	8,699
8	-	GREENHILL & CO	8,089
9	-	LAZARD	3,989
10	15	PWC	3,913

The Midlands

Summary

There have been few positives to take from the M&A figures for the Midlands region in 2020. Transaction numbers dropped to 825 (from 989 in 2019), a fall of 17% - this was the smallest number recorded since 2014. Concurrently, deal values saw a 57% decrease to £6.6bn (falling from £15.3bn the previous year) – this being the lowest value over the last decade. The effect of the Covid-19 global pandemic is obviously a huge factor but many other regions appear to have reached parity in terms of deal value year on year and in some cases have reported a significant positive spike. The overall decline appears to be most severe in the small deals market, while one bright note saw large deals increase by 23% in terms of volume, with this correlating to transaction values rising to GB£3.8bn (from £3bn). Midlands-based companies were involved in 14% of all UK deals in 2020, making the region still the busiest outside of London and the South East, and contributed 1.9% to their total value.

Deals of the Year

The year's biggest deal in the region saw American video-game company Electronic Arts reach an agreement to acquire Codemasters Group Holdings, a Warwickshire-based developer and publisher of video games. Under the terms of the transaction, shareholders of Codemasters will receive 604p in cash per share valuing the entire

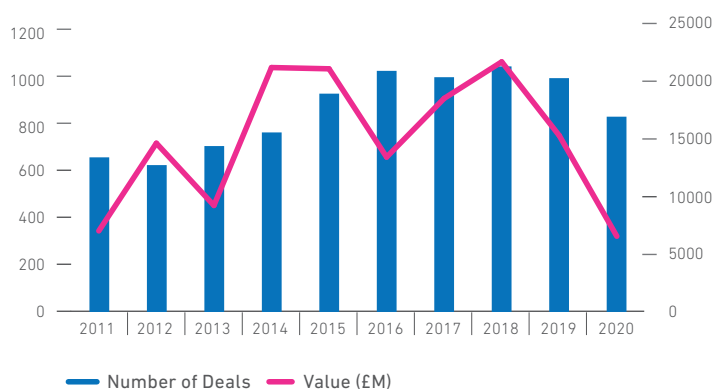
issued and to be issued share capital at approximately £945m. The offer from Electronic Arts was considered superior to an offer from US rival Take-Two Interactive Software. The next most notable transaction involved Aston Martin Lagonda Global Holdings, the independent luxury car manufacturer based in Warwick, raising £536m through an equity issue, including a private placement of shares. The net proceeds from the placing and rights issue will be used to improve liquidity and finance the ramp up in production of DBX and the turnaround of the company's performance.

Industry

Manufacturing remains the most active sector in the Midlands on 223 transactions in 2020, some way ahead of wholesale and retail with 189 and professional services a close third on 183 transactions. Nearly all the industries saw a decline in volume from 2019 and there was only two that experienced an upturn; waste management (with a 4% increase) and mining and quarrying (an 80% rise). In respect of transaction values, there were only seven of the 19 sectors which reported an increase; the most notable of these being infocomms (where deals worth £1.7bn were recorded), transport (£382m), mining and quarrying (£213m) and public administration and defence (£132m) reporting triple digit growth or more.

Midlands deals

2011 – 2020



Funding

Where detailed funding arrangements were disclosed, we recorded 88 acquisitive transactions that were funded from newly agreed bank debt, down from 155 in 2019; HSBC remains the primary lender in the M&A market, funding 17 deals in all. Private equity is playing a proportionately higher role in the market, funding 16% of all transactions, up from 12% in 2019 (134 deals in 2020, from 122 the previous year); Business Growth Fund was most active, completing ten deals, with Midlands Engine Investment Fund (on seven transactions) close behind.

Advisers

Gateley topped the legal adviser table in the Midlands with 75 transactions, ahead of Harrison Clark Rickerbys with 49 assists. In terms of value, Gowling WLG (advising Codemasters amongst others) worked on deals with a total value of £965m, beating Addleshaw Goddard (£668m) to the top position. The financial advisers were led this time by KBS Corporate, which advised on 37 transactions, with BDO (30) and Hazlewoods (26) in second and third positions, respectively. Liberum Capital (four deals) ranked highest in terms of deal values for an aggregate consideration of just over £1bn – they too assisted Codemasters in the biggest deal of the year.

Top ten deals: The Midlands 2020

Date	Consideration (£m)	Deal type	Target	Bidder
14/12/2020	945	Acquisition	Codemasters Group Holdings Plc, Southam	Electronic Arts Inc, USA
31/01/2020	536	Rights Issue	Aston Martin Lagonda Global Holdings Plc, Warwick	
07/10/2020	246	Acquisition	Fox's Biscuits Ltd (from Boparan Holdco Ltd, Birmingham)	Ferrero SpA, Italy
06/05/2020	235	Rights Issue	National Express Group Plc, Birmingham	
19/11/2020	212	Acquisition	Tapad Inc, USA	Experian Plc, Nottingham
08/01/2020	178	Acquisition	Certain Assets and Operations of CEMEX in the UK, Rugby	Breedon Group Plc, Breedon on the Hill
10/12/2020	144	Acquisition	Asset Alliance Group Holdings Ltd, Wolverhampton	Arbuthnot Banking Group Plc, London
26/10/2020	138	Acquisition	Armitage Pet Care Ltd, Nottingham	Spectrum Brands Holdings Inc, USA
27/10/2020	125	Rights Issue	Aston Martin Lagonda Global Holdings Plc, Warwick	
09/01/2020	119	Divestment	Watches of Switzerland Group Plc, Leicester	

The Midlands

Legal adviser rankings

Current rank	Previous rank	Legal adviser	Volume ¹
1	1	GATELEY	75
2	3	HARRISON CLARK RICKERBYS	49
3	2	BROWNE JACOBSON	32
4	6	PINSENT MASONS	30
5	5	FREETHS	22
6	10	ADDLESHAW GODDARD	20
7	9	EVERSHEDS SUTHERLAND	20
8	7	KNIGHTS	20
9	11	SQUIRE PATTON BOGGS	19
10	13	MILLS & REEVE	19

Current rank	Previous rank	Legal adviser	Value (£m)
1	13	GOWLING WLG	965
2	8	ADDLESHAW GODDARD	668
3	14	DLA PIPER	354
4	2	ASHURST	290
5	10	SQUIRE PATTON BOGGS	235
6	3	SLAUGHTER AND MAY	178
7	-	WALKER MORRIS	139
8	-	DWF	126
9	-	PINSENT MASONS	124
10	-	BROWNE JACOBSON	121

¹ Where two advisers are tied, transaction deal values will constitute which of the advisers are ranked higher.

Financial adviser rankings

Current rank	Previous rank	Financial adviser	Volume ¹
1	4	KBS CORPORATE	37
2	2	BDO	30
3	10	HAZLEWOODS	26
4	1	RSM	24
5	3	GRANT THORNTON	19
6	6	KPMG	19
7	7	MAZARS	16
8	9	SMITH COOPER CORPORATE FINANCE	11
9	16	BENCHMARK INTERNATIONAL	11
9	-	DAINS CORPORATE FINANCE	11

Current rank	Previous rank	Financial adviser	Value (£m)
1	13	LIBERUM CAPITAL	1,037
2	-	JP MORGAN	661
3	-	DEUTSCHE BANK	591
4	5	MORGAN STANLEY	582
5	16	BARCLAYS	346
6	-	CENKOS SECURITIES	296
7	2	ROTHSCHILD & CO	221
8	-	STIFEL/KBW	218
9	-	FTI CONSULTING	195
10	-	PWC	194

¹ Where two advisers are tied, transaction deal values will constitute which of the advisers are ranked higher.

Yorkshire & Humber

Summary

Deal volume in the Yorkshire and Humber region saw a sharp fall in 2020, down 19% from 665 in 2019 to 538 recorded for 2020 – the lowest number since 2015. However, as was the case in other parts of the UK, a strong second half of the year offset some of those early losses - there were 250 transactions announced up until June, but this increased to 288 deals in the latter half of the year. At the same time deal values spiked from just short of £8bn in 2019 to £11.6bn this year, a very healthy 45% increase. Yorkshire and Humber-based companies were involved in 9.2% of all UK deals in 2020 and contributed 3.3% to their total value.

Deals of the Year

Rights issues had dominated the top deals for the region within the first six months of 2020, as companies conducted placements to raise cash for working capital in the wake of Covid-19 disruption. However, acquisition and buy-out activity was much stronger as the year progressed, with the largest deal announced seeing a consortium comprising the Issa brothers, the Blackburn-based entrepreneurs behind forecourt and convenience retailer EG Group, and TDR Capital, the private equity firm, agree to acquire a majority shareholding in Asda Stores, the Leeds-based retail subsidiary of Wal-Mart Stores, an international supermarket group. The deal

has an enterprise value of £6.8bn on a debt-free and cash-free basis, is subject to regulatory approvals and is expected to complete in H1 2021. The apparent growth in deal confidence was evident again in November with the second largest transaction seeing Croda International, a British speciality chemicals company based in Goole, acquire Fragrance Spanish Topco (doing business as Iberchem), a Spanish developer and manufacturer of perfumes and cosmetics, animal feed, and flavour blends, from investment company Eurazeo, for a total consideration of approximately £733m.

Industry

Somewhat unsurprisingly given the current climate, the region's nine largest industries by volume all showed signs of negative growth in relation to deal activity. In fact, there were only five of the 19 sectors covered by Experian where deal volumes increased in 2020 on a year on year basis, and just manufacturing (153), professional services (140) and wholesale and retail (135) managed to break through the 100-deal barrier for the year. The big pluses in industry in terms of value were the wholesale and retail sector showing an increase from £776m to almost £7.5bn (mainly as a result of the Asda deal), whilst the transport industry also saw a substantial increase in deal value to £305m, largely thanks to the capital raising performed by Jet2's owner, Dart Group.

Yorkshire & Humber deals

2011 – 2020



Funding

Where funding arrangements were disclosed, we recorded a total of 65 transactions that were funded at least in part via new bank debt; down from 107 over the same period in 2019. HSBC has been the region's most active lender so far providing funding for 14 transactions, with alternative lender ThinCats rising above the more traditional lenders (Barclays, Lloyds, NatWest) providing funding for a further five deals. Private equity has been a prominent source of funding in the region having been involved in funding 85 transactions so far this year, making it the second most common source of funding for new deals behind cash (216). While the raw number of deals funded via private equity may have fallen, the proportion of deals funded via this method has remained constant (16%) compared with 2019 - when it was on par with new bank debt. We now have a situation in 2020 where bank debt only accounts for just over 12% of the

funding for all new deals suggesting a slight shift away from debt funding towards private equity.

Advisers

KBS Corporate has been the most active financial adviser so far in 2020 having advised on 15 transactions (they were 3rd in the same rankings in 2019); just ahead of RSM and Grant Thornton who were cited in 13 and 12 deals, respectively. Morgan Stanley was the lead financial adviser by value advising on three transactions for a combined consideration of £8.2bn - these include advising the Issa Brothers/TDR Capital consortium and Croda International. Kirkland & Ellis are at the top of the legal value rankings having provided advice on five deals for an aggregate consideration of £6.8bn. The highest legal adviser by volume was Clarion Solicitors having advised on 31 transactions, edging out Squire Patton Boggs and Schofield Sweeney, both on 25 deals apiece.

Top ten deals: Yorkshire & Humber 2020

Date	Consideration (£m)	Deal type	Target	Bidder
02/10/2020	6,800	IBO	Asda Stores Ltd, Leeds	Issa Brothers and TDR Capital
18/11/2020	733	Acquisition	Fragrance Spanish Topco SL, Spain	Croda International Plc, Goole
23/11/2020	648	Minority Stake	Humber Gateway Offshore Windfarm, Grimsby	Greencoat UK Wind Plc, London
07/10/2020	246	Acquisition	Fox's Biscuits Ltd, Wakefield	Ferrero SpA, Italy
09/11/2020	200	Acquisition	Countrywide Plc, Chelmsford	Skipton Group Holdings Ltd, Skipton
15/12/2020	193	Acquisition	Drax Generation Enterprise Ltd, Aberdeen (from Drax Power Group Ltd, Selby)	VPI Holding Ltd, London
22/10/2020	172	Rights Issue	ITM Power Plc, Sheffield	
20/05/2020	172	Rights Issue	Dart Group Plc, Leeds	
19/06/2020	156	IBO	Rosemont Pharmaceuticals Ltd, Leeds	Inflexion Private Equity, London
07/05/2020	120	Rights Issue	Polypipe Group Ltd, Doncaster	

Yorkshire & Humber

Legal adviser rankings

Current rank	Previous rank	Legal adviser	Volume ¹
1	1	CLARION SOLICITORS	31
2	4	SQUIRE PATTON BOGGS	25
3	2	SCHOFIELD SWEENEY	25
4	5	FREETHS	24
5	6	ADDLESHAW GODDARD	23
6	7	WARD HADAWAY	20
7	3	GATELEY	20
8	13	PINSENT MASONS	18
9	21	SHOOSMITHS	15
10	11	GORDONS	14

Current rank	Previous rank	Legal adviser	Value (£m)
1	18	KIRKLAND & ELLIS	6,800
2	-	NORTON ROSE FULBRIGHT	747
3	-	FRESHFIELDS BRUCKHAUS DERINGER	733
4	11	CMS	653
5	3	ADDLESHAW GODDARD	550
6	5	DLA PIPER	308
7	-	CLIFFORD CHANCE	200
8	-	BURGES SALMON	172
9	4	SQUIRE PATTON BOGGS	169
10	-	MACFARLANES	156

Financial adviser rankings

Current rank	Previous rank	Financial adviser	Volume ¹
1	3	KBS CORPORATE	15
2	2	RSM	13
3	1	GRANT THORNTON	12
4	8	MAZARS	12
5	11	HAZLEWOODS	12
6	5	BDO	11
7	4	KPMG	10
8	18	ALANTRA	9
9	15	NUMIS SECURITIES	8
10	6	BHP CORPORATE FINANCE	8

Current rank	Previous rank	Financial adviser	Value (£m)
1	-	MORGAN STANLEY	8,181
2	3	BARCLAYS	7,236
3	1	ROTHSCHILD & CO	6,800
4	-	HSBC	905
5	10	LAZARD	733
6	15	CENKOS SECURITIES	281
7	7	NUMIS SECURITIES	275
8	-	JEFFERIES	200
8	-	EVERCORE	200
10	-	INVESTEC BANK	186

¹ Where two advisers are tied, transaction deal values will constitute which of the advisers are ranked higher.

North West

Summary

The North West closed 2020 on a positive note. Having experienced a sharp drop in deal volumes in Q2 as the impact of Covid-19 first started to take hold of the market, Q3 and Q4 both saw an upward trend in volume, as the region's professionals adapted to deal making in exceptional circumstances. The last quarter of 2020 saw the announcement of 205 deals, an increase of 20% on the 171 deals in Q3. Overall, the region recorded 695 deals in the year, approximately 20% fewer than the 861 done in 2019 but deal values bucked the trend, with the £15bn worth of deals in 2020 double the value recorded in 2019. The region logged four mega deals in 2020, of which two were announced in December, as people looked forward to a day's respite from the harsh restrictions imposed for much of the year. Large cap deals remained unaffected, with deals up 11% in volume and 9% in value in comparison to the previous year. It was a similar picture in the mid-market, with 77 deals recorded in 2020, down two from the 79 announced in 2019. Deals below £10m in value bore the brunt of the downturn, with volumes 26% lower and values 41% lower than in the previous year. The North West accounted for 4.2% of all UK deal value and 11.9% of deal volume.

Deals of the Year

Two of the region's largest deals, both announced in December, saw listed North West companies prepare to be taken into private ownership. A consortium of investors including Global Energy & Power Infrastructure Fund, Nineteenth Investment Company and West Street International Infrastructure Partners, agreed terms on a

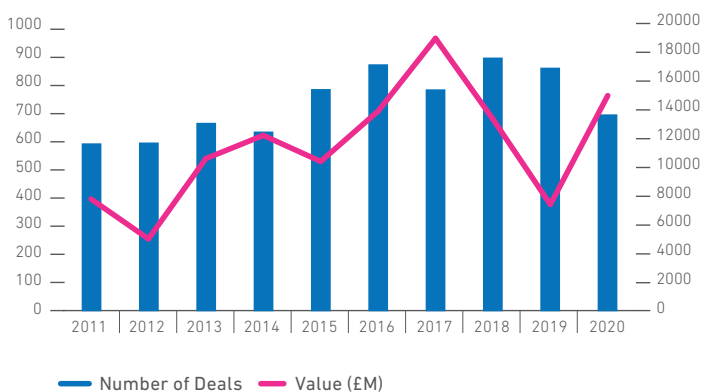
recommended cash offer to acquire Manchester-based Calisen for £1.4bn. The deal sees Calisen, which provides energy meters and meter reading services, return to private ownership less than a year after its IPO, with the offer price of 240p per share just 21p higher than when it floated. Communications group TalkTalk agreed a £1.1bn offer from Toscafund and Penta Capital. Tosca and Penta believe that continuing to operate in the public listed markets would not be in TalkTalk's best interests, and that its investment strategy and long term growth can be better supported by access to equity and debt financing structures that are not readily available to listed companies. Other deals of note in the final quarter include the acquisition by Euro Garages of the OMV filling station business in Germany for £558m, whilst in the retail sector, JD Sports increased its presence in the USA with the acquisition of the Shoe Palace Corp in California for around £510m.

Industry

Although the volumes of deals across all industries declined as a result of reduced activity, deal values rose significantly in many sectors, suggesting resilient equity valuations despite the subdued market. The highest volume of deals done were in the professional services sector, even though volume and value registered a fall of 14% and 24% respectively. Wholesale and retail recorded 152 deals worth £7.8bn, which is a 23% drop in volume on 2019, but an increase in value of more than 200%. Manufacturing continued to perform well, with 150 deals worth £4.5bn announced in 2020, a decline of 32% in volume and a rise of 82% in value from the previous

North West deals

2011 – 2020



year. Infocomms, support services, financial services, health and construction all saw rises in value, a trend expected to continue into 2021 as the markets bounce back following regulatory approval of Covid vaccines, the availability of inexpensive financing and high equity valuations for quality assets.

Funding

Where detailed funding arrangements were disclosed, just under 8% of deals were supported by bank funding, down from 13% in 2019. Lender of choice for North West businesses was HSBC, followed by NatWest, Shawbrook and Barclays. Private equity backed deals accounted for 20% of the total volume of deals for the North West in 2020, up 5% from 2019. Maven Capital Partners was the most active firm, followed by LDC.

Advisers

Gateley took pole position as most active legal adviser for 2020, having advised on 46 deals, followed by Hill Dickinson on 32 and Mills & Reeve on 29. The value rankings were led by DWF, advising on deals worth just over £2bn including the IPO of The Hut Group and acquisition by Euro Garages of the largest KFC franchise in the UK and Ireland. Allen and Overy took second place with deals worth £1.45bn, with Clifford Chance and Freshfields joint third on £1.43bn worth of deals. RSM was the most active financial adviser with 26 deals, followed by KBS Corporate on 22 and Dow Schofield Watts with 18. Citigroup topped the value table, followed by Goldman Sachs and HSBC.

Top ten deals: North West 2020

Date	Consideration (£m)	Deal type	Target	Bidder
29/04/2020	2,735	Divestment	Hindustan Unilever Ltd, subsidiary of Unilever Plc, Wirral	
27/08/2020	2,870	IPO	THG Holdings Plc, Manchester	
11/12/2020	1,434	IBO	Calisen Plc, Manchester	Coyote Bidco Ltd, London
17/12/2020	1,112	IBO	TalkTalk Telecom Group Plc, Salford	Tosca IOM Ltd, London
25/02/2020	639	Acquisition	Alternative Credit Investments Plc, London	Waterfall EIT UK Ltd, Altrincham
14/12/2020	558	Acquisition	OMV Filling Station Business, Germany	EG Group Ltd, Blackburn
15/12/2020	509	Acquisition	Shoe Palace Corp, USA	JD Sports Fashion Plc, Bury
26/02/2020	433	Acquisition	UK Build to Rent Assets, Manchester	ECE Projektmanagement GmbH & Co KG, Germany
07/02/2020	329	IPO	Calisen Plc, Manchester	
28/05/2020	324	Acquisition	Prettylittlething.com Ltd, Manchester	boohoo group plc, Manchester

North West

Legal adviser rankings

Current rank	Previous rank	Legal adviser	Volume ¹
1	5	GATELEY	46
2	3	HILL DICKINSON	32
3	10	MILLS & REEVE	29
4	4	ADDLESHAW GODDARD	24
5	6	WARD HADAWAY	24
6	2	BRABNERS	24
7	16	SHOOSMITHS	23
8	9	DWF	22
9	1	KNIGHTS	22
10	7	SQUIRE PATTON BOGGS	21

Current rank	Previous rank	Legal adviser	Value (£m)
1	15	DWF	2,092
2	5	ALLEN & OVERY	1,448
3	5	CLIFFORD CHANCE	1,434
3	-	FRESHFIELDS BRUCKHAUS DERINGER	1,434
5	-	OSBORNE CLARKE	1,137
6	1	ADDLESHAW GODDARD	1,011
7	7	LATHAM & WATKINS	774
8	-	TLT	670
9	-	SIMPSON THACHER & BARTLETT	343
10	20	DLA PIPER	236

Financial adviser rankings

Current rank	Previous rank	Financial adviser	Volume ¹
1	6	RSM	26
2	5	KBS CORPORATE	22
3	2	DOW SCHOFIELD WATTS	18
4	3	BDO	16
5	1	GRANT THORNTON	14
6	15	MHA MOORE & SMALLEY	12
7	4	KPMG	10
8	20	PEEL HUNT	10
9	8	BENCHMARK INTERNATIONAL	10
10	19	HAZLEWOODS	10

Current rank	Previous rank	Financial adviser	Value (£m)
1	-	CITIGROUP	3,832
2	-	GOLDMAN SACHS	3,633
3	-	HSBC	3,633
4	-	BARCLAYS	3,406
5	12	NUMIS SECURITIES	2,828
6	6	JEFFERIES	2,196
7	1	ROTHSCHILD & CO	2,037
8	-	PANMURE GORDON	1,148
9	7	ZEUS CAPITAL	628
10	18	STIFEL/KBW	371

North East

Summary

The last quarter of 2020 saw a welcome uptick in the volume of deals recorded in the North East, from 72 in Q3 to 104 in Q4, with a bounce back in deal values from £35m to £582m - thanks to a flurry of large deals announced in the final quarter. Despite the interruption caused by Covid-19 and the region being one of the hardest hit in economic terms, dealmakers continued to find ways to complete transactions, with the region reporting 324 deals for 2020, a decline of just under 8% on 2019. Deal value proved less resilient, with the 324 deals announced totaling £785m, a drop of just over 22% on the £1bn worth of deals announced in 2019. Deals in both the small cap and mid-market segments saw volumes drop by around 20%. The North East contributed 5.5% of the total number of UK transactions and 0.19% of deal values nationally.

Deals of the Year

Six of the region's largest deals were announced in the final quarter of 2020, as the North East continued to fight the effects of the pandemic. November saw Alnwick-based Northumberland Estates raise £200m in a private placement with several banks and pension schemes, whilst just days before Christmas, Newcastle-based software group Sage agreed to sell its Polish business to Mid Europa Partners for £66m, and its businesses in Asia and Australia to The Access Group for £95m. In October, Sunderland-based video games developer Coatsink Software, was acquired by Thunderful of Sweden for £65.5m. Rounding out the top ten, GB Bank of Newcastle

secured £20m from the Teesside Pension Fund, and Gateshead-based Vertu Motors paid £18.7m for the BMW and Mini franchises in Yorkshire and the North East from Inchcape. The most acquisitive company in the North East in 2020 was the Fairstone Group, provider of financial and investment management services to retail and corporate sectors, which completed 11 deals.

Industry

The professional services sector was the most fruitful sector for deal activity in the North East, recording a total of 80 deals worth £98m. This was up nearly 10% in volume on 2019, with a decrease in value of 15%. Manufacturing also performed well, with the 72 deals recorded a near 6% increase on the previous year. The information and communications sector proved to be best performing industry with deals up by a quarter, as the ongoing crisis continues to drive investment into tech and IT businesses.

Funding

Where detailed funding arrangements were disclosed, just under 15% of deals were funded by bank debt, slightly down from 18% in 2019. HSBC remained the primary lender for businesses in the North East, followed by Santander, Lloyds and Barclays. Private equity funded deals accounted for more than 26% of all transactions, up from 20% in 2019. Mercia Fund Management was the most active investor in North East businesses, followed by Northstar Ventures and Maven Capital Partners.

North East deals

2011 – 2020



Advisers

Ward Hadaway topped the tables for the most active legal adviser in 2020, having advised on 58 deals, including the £200m private placement by Northumberland Estates, and advising Inn Collection on a flurry of deals in the hospitality sector. Muckle followed very closely on 55 deals, and Weightmans rounded out the top three with 38. Ward Hadaway also took first position in the value tables, with its 58 deals advised on worth £240m. Mirroring the

volume rankings, Muckle took second place by value, working on deals worth £86m, with Trowers & Hamblins in third position on £75m. Clive Owen topped the financial adviser rankings, having advised on 30 deals in 2020, followed by Ryecroft Glenton in second place on 12 deals. MHA Tait Walker took third place with ten deals. In the value rankings, top spot went to Centrus, with Carnegie in second place and GP Bullhound in third.

Top ten deals: North East 2020

Date	Consideration (£m)	Deal type	Target	Bidder
17/11/2020	200	Growth Capital	Northumberland Estates Ltd, Alnwick	
23/11/2020	95	Acquisition	Asia and Australia Businesses of Sage Group Plc, Newcastle-upon-Tyne	Access UK Ltd, Colchester
13/10/2020	75	Growth Capital	Bernicia Group, Ashington	
09/12/2020	66	IBO	Polish Business of Sage Group Plc, Newcastle-Upon-Tyne	Mid Europa Partners
05/10/2020	66	Acquisition	Coatsink Software Ltd, Sunderland	Thunderful AB, Sweden
08/01/2020	38	Private Equity	Performance Horizon Group Ltd, Newcastle-upon-Tyne	
11/02/2020	22	Divestment	ScS Group Plc, Sunderland	
07/10/2020	20	Growth Capital	The Model T Finance Company Ltd, Newcastle-upon-Tyne	
07/12/2020	19	Acquisition	BMW and MINI Franchises in Yorkshire and the North East	Vertu Motors Plc, Gateshead
23/04/2020	17	Growth Capital	LOK Developments JV2 Ltd, Newcastle-upon-Tyne	

North East

Legal adviser rankings

Current rank	Previous rank	Legal adviser	Volume ¹
1	1	WARD HADAWAY	58
2	2	MUCKLE	55
3	9	WEIGHTMANS	38
4	3	MINCOFFS	27
5	13	SWINBURNE MADDISON	18
6	4	SQUARE ONE LAW	16
7	7	WOMBLE BOND DICKINSON	14
8	6	SINTONS	11
9	11	GATELEY	8
10	18	PINSENT MASONS	7

Current rank	Previous rank	Legal adviser	Value (£m)
1	10	WARD HADAWAY	240
2	5	MUCKLE	86
3	-	TROWERS & HAMLINS	75
4	3	MINCOFFS	67
5	-	SETTERWALLS	66
6	-	PINSENT MASONS	42
7	-	WEIGHTMANS	39
8	7	WOMBLE BOND DICKINSON	39
9	-	WILKES PARTNERSHIP	20
10	-	TLT	19

Financial adviser rankings

Current rank	Previous rank	Financial adviser	Volume ¹
1	1	CLIVE OWEN CORPORATE FINANCE	30
2	6	RYECROFT GLENTON	12
3	4	MHA TAIT WALKER	10
4	3	RSM	7
5	-	AZETS	6
6	16	BENCHMARK INTERNATIONAL	6
7	2	GRANT THORNTON	5
8	7	KPMG	5
9	-	PWC	4
10	-	UHY HACKER YOUNG	3

Current rank	Previous rank	Financial adviser	Value (£m)
1	-	CENTRUS	75
2	-	CARNEGIE INVESTMENT BANK	66
3	-	GP BULLHOUND	38
4	-	UHY HACKER YOUNG	32
5	15	ZEUS CAPITAL	28
6	-	NUMIS SECURITIES	24
7	-	SHORE CAPITAL GROUP	23
8	16	RSM	19
9	-	STIFEL/KBW	9
10	-	CLIVE OWEN CORPORATE FINANCE	5
10	20	GRANT THORNTON	5
10	17	SENTIO PARTNERS	5
10	24	MHA TAIT WALKER	5

¹ Where two advisers are tied, transaction deal values will constitute which of the advisers are ranked higher.

Wales

Summary

Both deal volume and value rallied towards the end of 2020 in Wales despite the ongoing Covid-19 crisis, offsetting the falls in both earlier on in the year. The number of transactions recorded within the country only fell by one in comparison to the previous year (225 to 224), whilst at the same time the values of these deals increased significantly from £1.6bn to £2.9bn - this was the second highest figure recorded within the last decade. Wales contributed to 3.8% of the total number of transactions recorded in the UK, while contributing 0.8% to their total value.

Deals of the Year

The drive in deal values on the whole was generated by three new transactions, all of which exceeded £500m and were announced within the last six weeks of 2020. The largest of these saw British media company Future agree to acquire the Cardiff-based Internet price comparison website company GoCo Group (famed for owning the CoCompare website), for £594m in cash and shares. The consolidation in this sector continued with ZPG Comparison Services, an operator of price comparison websites (and a portfolio company of Silver Lake Partners) acquire the Penguin Portals and Preminen comparison businesses of Admiral Group, a Cardiff-based provider of motor, home and travel insurance products, for £508m – the third largest deal recorded in Wales in

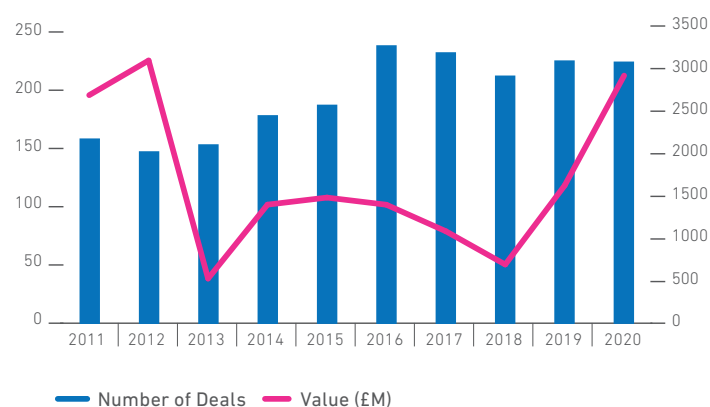
2020. The global pandemic appears to have refocused consumers thoughts on where they are spending their money and these companies are certainly at the forefront of the UK market within this service industry. Sandwiched in between, tech giant Cisco Systems, through its Wales-based subsidiary, reached an agreement to acquire IMI mobile in an all-cash deal valued at £543m – completion is expected during the first quarter of 2021.

Industry

The deals mentioned above were major contributory factors in infocomms recording the highest value of deals in 2020 (almost £1.7bn). Along with manufacturing (£1.6bn), these were the only two sectors to break the £1bn barrier for the year. Next in line was wholesale and retail with transaction totals reaching almost £800m – the largest of which within the sector saw founder Sir Malcolm Walker and chief executive Tarsem Dhaliwal regain control of Deeside-based Iceland Foods, in a management buy-out valued at £115m. The upsurge in deal volumes and values in the second-half of 2020 resulted in manufacturing, wholesale and retail, professional services, infocomms, support services and financial services all showing significant growth from the first six months - perhaps reflecting market conditions adjusting to the new 'normal' after the uncertainty following the initial UK lockdown in March.

Wales deals

2011 – 2020



Funding

Where detailed funding arrangements were disclosed, we recorded 63 deals – approximately 28% of all announced transactions through 2020 – that were funded at least in part by private equity. This is an increase on the 44 private equity transactions recorded during 2019 (20% share) with the Development Bank of Wales being provider in 29 of these deals. A total of 32 transactions were funded via bank debt, seven less than 2019's total of 39, with HSBC maintaining its position as the most active debt provider in the region after providing funding for four of these transactions. The majority of deals however were funded via cash, with the 121 deals funded this way representing almost 54% of all 2020 Welsh deals.

Advisers

Capital Law was the region's leading legal adviser by volume advising on 18 new deals in 2020, just ahead of Greenaway Scott (15) and Acuity Law rounding out the top three having advised on seven transactions. International law firms Ashurst, Simmons & Simmons and Slaughter and May were the joint best-placed legal advisers by value having each advised on the Future/GoCo Group acquisition reported previously. Peel Hunt led the financial value rankings by value being cited in two deals for an overall consideration of £595m, whilst Gambit Corporate Finance, with 11 transactions, edged out Azets (formerly Baldwins) with ten deals as the leading financial adviser for the year.

Top ten deals: Wales 2020

Date	Consideration (£m)	Deal type	Target	Bidder
25/11/2020	594	Acquisition	GoCo Group plc, Newport	Future Plc, Bath
07/12/2020	543	Acquisition	IMImobile Plc, London	Cisco Systems Holdings UK Ltd, Cardiff
29/12/2020	508	Acquisition	Penguin Portals Ltd/ Preminem Price Comparison Holdings Ltd, Cardiff	ZPG Comparison Services Holdings UK Ltd, London
23/04/2020	226	Growth Capital	Purolite Ltd, Llantrisant	
09/06/2020	115	MBO	Iceland Foods Ltd, Deeside	Private Group led by Management
13/07/2020	59	IPO	Renalytix AI Plc, Penarth	
02/12/2020	27	Share Buy-Back	AssetCo Plc, Monmouth	
24/07/2020	25	Acquisition	Albyn Medical SL, Spain	Creo Medical Group Plc, Chepstow
28/05/2020	22	Acquisition	Icosa Water Ltd, Cardiff	Last Mile Water Ltd, Stonehouse
18/02/2020	19	Acquisition	Forest Support Services Ltd, Newport	Amberon Group Ltd, Paignton

Wales

Legal adviser rankings

Current rank	Previous rank	Legal adviser	Volume ¹
1	2	CAPITAL LAW	18
2	1	GREENAWAY SCOTT	15
3	9	ACUITY LAW	7
4	13	SHOOSMITHS	7
5	3	GELDARDS	6
6	-	KNIGHTS	6
7	10	BLAKE MORGAN	5
8	21	MARRIOTT HARRISON	5
9	22	HUGH JAMES	5
9	-	MCTAGGART SOLICITORS	5

Current rank	Previous rank	Legal adviser	Value (£m)
1	1	ASHURST	594
1	-	SIMMONS & SIMMONS	594
1	-	SLAUGHTER AND MAY	594
4	2	ADDLESHAW GODDARD	543
4	-	ALLEN & OVERY	543
4	-	FENWICK & WEST	543
7	21	CLIFFORD CHANCE	530
8	-	SKADDEN ARPS SLATE MEAGHER & FLOM	115
9	-	GOODWIN	59
10	11	GREENAWAY SCOTT	27

¹ Where two advisers are tied, transaction deal values will constitute which of the advisers are ranked higher.

Financial adviser rankings

Current rank	Previous rank	Financial adviser	Volume ¹
1	4	GAMBIT CORPORATE FINANCE	11
2	1	AZETS	10
3	9	KBS CORPORATE	8
4	7	BDO	6
5	-	PANMURE GORDON	5
6	8	CENKOS SECURITIES	5
7	13	FINNCAP	5
8	5	PWC	5
9	2	GRANT THORNTON	5
10	20	LEXINGTON CORPORATE ADVISORS	4

Current rank	Previous rank	Financial adviser	Value (£m)
1	9	PEEL HUNT	595
2	-	GOLDMAN SACHS	594
2	-	MORGAN STANLEY	594
2	-	NUMIS SECURITIES	594
5	-	BARCLAYS	543
5	22	INVESTECH	543
7	-	KPMG	508
7	-	HOULIHAN LOKEY HOWARD & ZUKIN	508
9	2	STIFEL/KBW	75
10	-	JP MORGAN	59

Scotland

Summary

M&A activity in Scotland was significantly impacted by the Covid-19 crisis and experienced its worst year on record according to our latest figures. A total of 275 deals were recorded, almost 50% down on 2019 figures, and 66% down on the record highs of 2018. By value, Scotland's deals were worth £4.9bn in 2020, a 48% decline from the £9.5bn recorded in 2019. The impact of the virus was most apparent in the volume of small cap deals recorded, down 79% on the previous year. The mid-market appeared slightly more resilient, recording a decline in both volume and value of 23%, while large deals fared better, with a 15% fall in volume, from 13 deals in 2019 to 11 in 2020. Whilst 2019 saw two mega deals, deals above the £1bn threshold were noticeably absent in 2020. As lockdown restrictions are once again extended, and Scotland, like the rest of the UK, is subject to tough Covid rules and the impact of Brexit, the outlook for Scotland's M&A market remains challenging. Scotland accounted for 1.4% of all UK deal value and 4.69% of deal volume.

Deals of the Year

Despite the overall picture being one of decline, four of Scotland's largest deals were all announced in the final quarter of the year. The largest deal recorded in 2020, announced in October, saw SSE sell its 50% in the Ferrybridge and Skelton Grange multi-fuel assets to European Diversified Infrastructure Fund III, managed

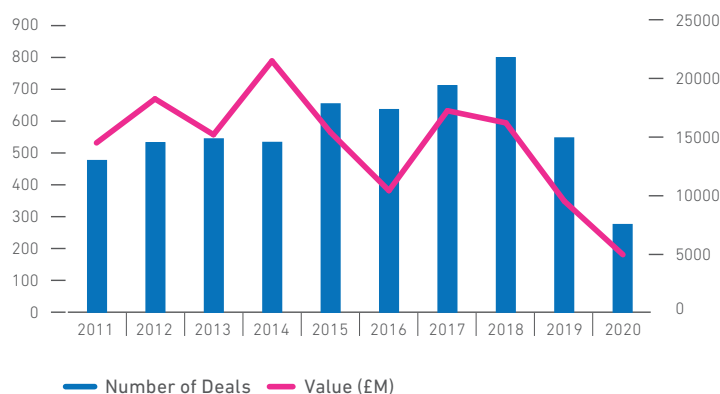
by First Sentier Investors, for a total cash consideration of £995m. The sale came as part of SSE's strategy to raise £2bn from the sale of non-core assets by autumn 2021. In November, The Wellcome Trust made a recommended offer to acquire AIM-listed Urban&Civic, with its registered address in Edinburgh, for £506m. Also announced in the final quarter of the year, Glasgow-based Weir Group announced the sale of its oil and gas division to US construction equipment manufacturer, Caterpillar, for £313m. Closing out the top ten deals of the year for Scotland, Aberdeen-based Drax Generation Enterprise, which owns four Combined Cycle Gas Turbine ("CCGT") power stations, was sold by Drax Group for a total consideration of £193m.

Industry

2020 saw a number of industries hit hard by Covid-19, with financial services bearing the brunt. Deal volumes were down by 85% and values by 57% in comparison to the previous year. Manufacturing and professional services were the most active sectors, recording 74 and 71 deals each. As people continue to work from home, demand for digital services and technology saw the infocomms sector remain buoyant with a small downturn in volume of just under 6% year on year. A continued appetite for deals in the construction sector saw volumes rise by nearly 26%, whilst deal values nearly doubled from £467m in 2019 to £923m in 2020.

Scotland deals

2011 – 2020



Funding

Where detailed funding arrangements were disclosed, private equity backed deals represented just over 22% of the total volume of deals in the year, compared to 13% last year. The Scottish Investment Bank was the most active investor, having provided funding to support ten deals. Techstart Ventures, Scottish Enterprise and the Business Growth Fund each funded four, with numerous other private equity and venture capital firms supporting the growth strategies of Scottish businesses throughout the year. Debt funding supported just over 8% of Scottish deals, with Clydesdale and Yorkshire Bank and Ares Management leading the way with three deals apiece.

Advisers

CMS led the 2020 legal adviser rankings, having worked on 21 deals throughout the year, just edging Addleshaw Goddard into second place with 20 deals. Pinsent Masons closed out the top three with ten deals. Slaughter and May topped the podium for the highest value of deals advised on, with CMS in second place and DLA Piper in third. Anderson Anderson & Brown secured first position in the financial adviser rankings, having advised on 25 deals, some way ahead of BDO in second place with 13 deals. RSM advised on seven deals to take third position. Morgan Stanley topped the value tables, with UBS in second place and JP Morgan in third.

Top ten deals: Scotland 2020

Date	Consideration (£m)	Deal type	Target	Bidder
13/10/2020	995	Minority Stake	Multifuel Energy Ltd, Perth	European Diversified Infrastructure Fund III
06/11/2020	506	Acquisition	Urban&Civic Plc, Edinburgh	Wellcome Trust Ltd, London
27/04/2020	320	Acquisition	South Kyle Wind Farm Ltd, Edinburgh	Greencoat UK Wind Plc, London
05/10/2020	313	Acquisition	Oil & Gas Division of Weir Group Plc, Glasgow	Caterpillar Inc, USA
12/03/2020	291	IBO	Crail Meters Ltd, London, from SMS Plc, Glasgow	Equitix Investment Management
25/06/2020	271	Acquisition	Interserve Facilities Management Ltd, London	Mitie Group Plc, Glasgow
27/03/2020	237	Divestment	HDFC Life Insurance Co Ltd, from Standard Life Aberdeen Plc, Edinburgh	
04/06/2020	207	Divestment	HDFC Life Insurance Co Ltd, from Standard Life Aberdeen Plc, Edinburgh	
25/06/2020	207	Rights Issue	Mitie Group Plc, Glasgow	
15/12/2020	193	Acquisition	Drax Generation Enterprise Ltd, Aberdeen	VPI Holding Ltd, London

Scotland

Legal adviser rankings

Current rank	Previous rank	Legal adviser	Volume ¹
1	2	CMS	21
2	1	ADDLESHAW GODDARD	20
3	3	PINSENT MASONS	10
4	12	BURNES PAULL	9
5	13	GATELEY	8
6	15	HARPER MACLEOD	5
7	25	SLAUGHTER AND MAY	4
8	-	FREETHS	4
9	7	BURGES SALMON	4
10	-	WALKER MORRIS	4

Current rank	Previous rank	Legal adviser	Value (£m)
1	7	SLAUGHTER AND MAY	777
2	8	CMS	661
3	-	DLA PIPER	320
4	-	SULLIVAN & CROMWELL	313
5	-	PINSENT MASONS	123
6	-	GOODWIN	93
7	23	NORTON ROSE FULBRIGHT	91
8	-	ADDLESHAW GODDARD	77
9	21	BRODIES	45
10	-	SHEPHERD & WEDDERBURN	30
10	-	WINSTON & STRAWN	30

¹ Where two advisers are tied, transaction deal values will constitute which of the advisers are ranked higher.

Financial adviser rankings

Current rank	Previous rank	Financial adviser	Volume ¹
1	1	ANDERSON ANDERSON & BROWN	25
2	2	BDO	13
3	3	RSM	7
4	-	HNH PARTNERS	6
5	11	EY	5
6	-	AZETS	5
7	15	BENCHMARK INTERNATIONAL	5
8	6	CENKOS SECURITIES	4
9	25	JEFFERIES	4
10	13	PEEL HUNT	4

Current rank	Previous rank	Financial adviser	Value (£m)
1	1	MORGAN STANLEY	1,308
2	-	UBS	819
3	-	JP MORGAN	764
4	17	EVERCORE PARTNERS	472
5	21	CENKOS SECURITIES	356
6	3	GOLDMAN SACHS	313
7	-	DC ADVISORY	291
8	-	INSTINCTIF PARTNERS	291
9	-	LAZARD	271
10	-	BANCO SANTANDER	201
10	-	BARCLAYS	201

¹ Where two advisers are tied, transaction deal values will constitute which of the advisers are ranked higher.

Northern Ireland

Summary

After a sustained period of growth, the double whammy of the Covid-19 epidemic and Brexit concerns meant that mergers and acquisition activity in Northern Ireland fell to its lowest level since 2014 last year, while the total value of deals in the country was at its smallest in a decade. There were just 168 deals involving a Northern Irish firm in 2020, down by 33% on the 251 transactions announced in a bumper 2019. These deals were almost entirely in the small to mid-market value range and had an aggregate recorded value of £392m, down by more than £1.2bn year on year. There was a Northern Irish element in around 3% of all UK transactions by deal volume in 2020, while Northern Irish firms contributed just 0.1% of total deal value.

Deals of the Year

The two largest deals of the year saw Belfast’s Herbert Group sell its multi-site KFC franchise operation to the Issa Brothers’ EG Group for £135m and Julie Conlon divest an 8% stake in Newry-based financial consulting and software company First Derivatives for £62m via an accelerated bookbuild. Elsewhere, there were two notable transactions involving overseas investment in Northern Irish real estate; Californian fund BRAVO Strategies’ £35m acquisition of Sprucefield Retail Park in Lisburn from NewRiver Retail and Swiss banking group UBS’ £27m purchase of an Amazon logistic hub in the Titanic

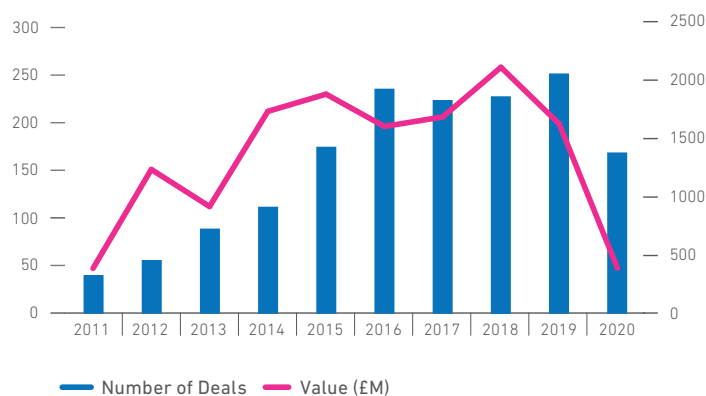
Quarter of Belfast from Titanic Property Development. On the whole there was something of a shift in the deal landscape away from traditional acquisitions and buy-outs towards smaller equity fundraisings, with several firms looking to shore up their balance sheets and position themselves for future growth as we move into 2021, including data analytics firm Diaceutics with a £21m institutional placing.

Industry

As we noted in Q3, deal activity in Northern Ireland is increasingly fuelled by its burgeoning technology sector, which accounted for almost a third of all transactions in 2020. The infocomms segment was one of the only Northern Irish industries to see an upturn in activity on a year on year basis (55 deals, up from 42 in 2019), with smaller investment deals very common; deals in this space included workflow trading analytics company Tradefeedr’s £2.2m funding round with IPGL, the private investment company owned by ICAP founder Lord Michael Spencer and Belfast biometric authentication business B-Secur’s £1.45m investment from Kernel Capital and Invest NI among others. The growing tech sector was in sharp relief against other industries; manufacturing (51 deals) and professional services (32) were next most active but saw year on year volume fall by 7% and 6%, respectively, while other sectors saw activity decline further.

Northern Ireland deals

2011 – 2020



Funding

Private equity played an important role in the Northern Irish market in 2020, funding around 40% of all transactions (up from 25% in 2019). Techstart was the most active investment firm with 16 transactions, closely followed by Invest Northern Ireland (14 deals), with tech, food, renewables and healthcare companies the most common recipients. Debt funding information was scarce given the smaller nature of most Northern Irish transactions in 2020, but where available, Danske and Allied Irish Bank were the most frequent lenders in the M&A market; Danske funded the year's biggest buy-out, the £24m MBO of insurance firm Willis & Company.

Advisers

It was an identical top three at the head of the legal rankings in Northern Ireland. Tughans was the leading legal adviser by deal volume, working on 49 qualifying deals to retain its 2019 ranking, closely followed by Carson McDowell (42 deals) and A&L Goodbody (31). Meanwhile Mills Selig's work on the Herbert Group and First Derivative disposals was enough to head the value rankings with deals worth £198m. On the corporate finance side, Belfast accountancy firm GMcG worked on nine deals to top our volume rankings ahead of HNH Group and RSM, while Goodbody advised on £62m worth of transactions to lead the volume table.

Top ten deals: Northern Ireland 2020

Date	Consideration (£m)	Deal type	Target	Bidder
10/03/2020	135	Acquisition	Scotco Central Ltd (from Herbert Corporate Holdings Ltd, Belfast)	Euro Garages Ltd, Blackburn
11/11/2020	62	Divestment	First Derivatives Plc, Newry	
30/09/2020	35	Acquisition	Sprucefield Retail Park, Lisburn	Pacific Investment Management Co
16/10/2020	27	Acquisition	Amazon Logistics Hub, Belfast	UBS AG, Switzerland
03/12/2020	24	MBO	Willis & Company (Holdings) Ltd, Belfast	Management
11/06/2020	21	Rights Issue	Diaceutics Plc, Belfast	
02/12/2020	13	Acquisition	Equiniti HR Solutions, Belfast	Civica Group Ltd, London
01/08/2020	10	Growth Capital	Boyd Bedding Ltd, Omagh	
28/01/2020	10	Growth Capital	Mash Direct Ltd, Newtownards	
09/06/2020	10	Private Equity	Decora Blind Systems Ltd, Lisburn	

Northern Ireland

Legal adviser rankings

Current rank	Previous rank	Legal adviser	Volume ¹
1	1	TUGHANS	49
2	2	CARSON MCDOWELL	42
3	3	A&L GOODBODY	31
4	5	MILLS SELIG	16
5	4	DAVIDSON MCDONNELL SOLICITORS	14
6	7	MILLAR MCCALL WYLIE	10
7	8	ARTHUR COX	9
8	9	TLT	8
9	6	PINSENT MASONS	5
10	-	ADDLESHAW GODDARD	3
10	10	CLEAVER FULTON & RANKIN	3

Current rank	Previous rank	Legal adviser	Value (£m)
1	10	MILLS SELIG	198
2	-	CAREY OLSEN	135
2	21	FREETHS	135
2	-	LATHAM & WATKINS	135
2	-	VINCENT & BEATTY	135
6	1	A&L GOODBODY	116
7	4	TUGHANS	33
8	18	DAVIDSON MCDONNELL SOLICITORS	31
9	20	DAC BEACHCROFT	21
10	26	TLT	14

¹ Where two advisers are tied, transaction deal values will constitute which of the advisers are ranked higher.

Financial adviser rankings

Current rank	Previous rank	Financial adviser	Volume ¹
1	21	GMCG GROUP	9
2	1	HNH PARTNERS	6
3	6	RSM	5
3	2	GRANT THORNTON	5
5	4	KPMG	4
6	-	GOODBODY	3
7	7	KEENAN CF	3
8	-	HANNAWAYCA CORPORATE FINANCE	2
8	5	EY	2
10	17	CENKOS SECURITIES	1

Current rank	Previous rank	Financial adviser	Value (£m)
1	-	GOODBODY	62
2	17	GMCG GROUP	24
3	20	KEENAN CF	23
4	9	CENKOS SECURITIES	21
5	19	RSM	10
5	12	GRANT THORNTON	10
7	4	KPMG	10
8	7	HNH PARTNERS	5

¹ Where two advisers are tied, transaction deal values will constitute which of the advisers are ranked higher.

Republic of Ireland

Summary

Despite the spectre of Covid-19, 2020 proved to be a bumper year for deal makers in the Republic of Ireland. The country's economy has been among the fastest growing in the world in recent times – one of the few that looks set to return positive growth in a year blighted by lockdown restrictions - and the M&A market was no different, with deal volume rapidly recovering from a sharp dip in the second quarter to finish the year on a high. In all there were 490 transactions announced last year, up by almost 8% on the 455 deals carried out in 2019 - the highest annual figure recorded by Experian over the last decade. Meanwhile the total value of Irish M&A reached €55bn, down by almost a third on the €81bn worth of deals announced in 2019 but still representing a robust return in a year where multi-billion euro deals like the Abbvie / Allergan mega-merger that dominated 2019 were relatively rare.

Deals of the Year

The biggest deal of 2020 saw Ireland-domiciled Willis Towers Watson agree to be acquired by London's Aon - a €26bn tie-up that, should it complete, will create the world's largest insurance broker. Elsewhere, Dublin betting group Flutter Entertainment, the firm behind Paddy Power, Betfair and Sportingbet, raised €894m via a rights issue to support its online gaming operations

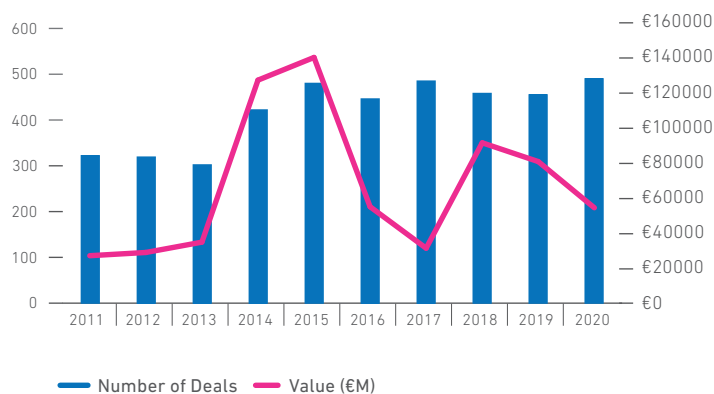
- before launching a €3.9bn bid to acquire a significant shareholding in US fantasy sports operation FanDuel from a KKR-led consortium. There were also substantial amounts raised on the capital markets by Aptiv, Horizon Therapeutics and Ryanair, while Dublin-headquartered Skillsoft merged with special purpose acquisition company Churchill Capital Corp II in one of Ireland's first SPAC deals. Meanwhile, private equity largely held its fire at the top end of the market, although right at the end of the year we saw US investment firm Blackstone partner with founding shareholders in a €718m deal to take Dublin Stock Exchange-listed petrol station operator Applegreen private.

Industry

Ireland's tech sector went from strength to strength in 2020, accounting for almost 40% of all transactions and seeing a 31% increase in volume year on year alongside an €8bn upturn in overall value. Notable deals included Blackstone-backed Phoenix Tower International's €300m acquisition of Eircom's wireless hosting company Emerald Tower and US tech giant Google's €123m purchase of Dublin eCommerce startup Pointy. Elsewhere the professional services and manufacturing industries also saw brisk activity with 145 and 140 deals, respectively, and there was strong year on year growth in the construction, utilities and healthcare sectors.

Republic of Ireland deals

2011 – 2020



Funding

Private equity played an increasingly significant role in the Irish deal landscape in 2020, providing funding for 120 transactions in all, up from 101 in 2019; small to mid-market investments were more common, with outright buy-outs seeing a small year on year decline. PE-backed deals included Cork-based solar farm company Amarenco Solar's €150m equity line with asset manager Tikehau Capital and Paul Allen's Vulcan Capital-led €100m Series B funding round for Dublin game developer Wildlife. Enterprise Ireland was the most active investor in Irish businesses in 2020, providing funding in support of 22 deals, followed by Enterprise Ireland and ACT (eight deals apiece).

Advisers

Dublin law firm Flynn O'Driscoll's 53 transactions topped the Irish legal volume in 2020, with Arthur Cox and A&L Goodbody making up the top three with 47 and 40 qualifying deals, respectively. Arthur Cox topped the value table ahead of Matheson and William Fry with €34bn, having taken a buy-side role on Aon's takeover of Willis Towers Watson and Flutter Entertainment's purchase of a stake in FanDuel, the two largest deals of the year. Perennial frontrunner Davy was Ireland's leading financial adviser by deal volume with 16 transactions, closely followed by PwC and KPMG while Morgan Stanley advised on transactions worth a total of over €37bn to lead the value table.

Top ten deals: Republic of Ireland 2020

Date	Consideration (€m)	Deal type	Target	Bidder
09/03/2020	25,640	Acquisition	Willis Towers Watson Plc, Dublin	Aon Plc, London
03/12/2020	3,930	Acquisition	FanDuel Group Parent LLC, USA	Flutter Entertainment Plc, Dublin
08/06/2020	2,000	Rights Issue	Aptiv Plc, Dublin	
13/10/2020	1,120	Reverse Takeover	Skillsoft Corp, USA (from Skillsoft Ltd, Dublin)	Churchill Capital Corp II, USA
28/05/2020	894	Rights Issue	Flutter Entertainment Plc, Dublin	
05/08/2020	808	Rights Issue	Horizon Therapeutics Plc, Dublin	
10/12/2020	718	IBO	Applegreen Plc, Dublin	B&J Holdings and Blackstone
20/11/2020	660	Rights Issue	Smurfit Kappa Group Plc, Clonskeagh	
19/10/2020	470	Acquisition	BioSpecifics Technologies Corp, USA	Endo International Plc, Dublin
03/09/2020	400	Rights Issue	Ryanair Holdings Plc, Dublin	

Republic of Ireland

Legal adviser rankings

Current rank	Previous rank	Legal adviser	Volume ¹
1	1	FLYNN O'DRISCOLL	53
2	2	ARTHUR COX	47
3	3	A&L GOODBODY	40
4	13	MATHESON	35
5	4	WILLIAM FRY	35
6	5	MCCANN FITZGERALD	23
7	8	BYRNEWALLACE	16
8	6	EVERSHEDS SUTHERLAND	14
9	9	LK SHIELDS & PARTNERS	13
10	-	REGAN WALL	13

Current rank	Previous rank	Legal adviser	Value (€m)
1	1	ARTHUR COX	33,946
2	26	MATHESON	27,794
3	20	WILLIAM FRY	27,607
4	6	WEIL GOTSHAL & MANGES	26,761
5	-	SKADDEN ARPS SLATE MEAGHER & FLOM	26,108
6	-	STIKEMAN ELLIOTT	26,000
7	11	FRESHFIELDS BRUCKHAUS DERINGER	25,951
8	14	LATHAM & WATKINS	25,687
9	24	HOGAN LOVELLS	25,641
10	2	A&L GOODBODY	7,116

Financial adviser rankings

Current rank	Previous rank	Financial adviser	Volume ¹
1	2	DAVY	16
2	3	PWC	15
3	5	KPMG	15
4	18	BDO	13
5	4	JPA BRENSON LAWLOR	11
6	11	GRANT THORNTON	9
7	1	IBI CORPORATE FINANCE	9
8	10	MORGAN STANLEY	8
9	17	DELOITTE	8
10	7	EY	6

Current rank	Previous rank	Financial adviser	Value (€m)
1	2	MORGAN STANLEY	37,318
2	4	GOLDMAN SACHS	33,156
3	-	CREDIT SUISSE	26,410
4	5	MOELIS & CO	13,967
5	8	DAVY	6,332
6	-	CITIGROUP	4,352
7	14	JP MORGAN	2,762
8	-	BNP PARIBAS	2,678
9	6	BARCLAYS	1,939
9	24	SOCIETE GENERALE	1,939

¹ Where two advisers are tied, transaction deal values will constitute which of the advisers are ranked higher.

Appendix

- 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 2020 and 31 December 2020. 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.
- Irish deal values are based on an exchange rate of £1 = €1.12.
- This publication was compiled on 19 January 2021. 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 inclusion in Q1 2021 League Tables, please send all submissions to us by 12 March.

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

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Tel: +44 (0)7527 462089

Email: adviser.submissions@experian.com

Name of firm supplying information

Client name

Companies	Name	Location	Type of business
Target			
Bidder			

Date Announced	DD / MM / YYYY	Consideration (millions)	
Date Completed	DD / MM / YYYY		
Deal Description		Consideration satisfied by	
		Company Share Issue	High Street Bank
		Existing Resources	Merchant Bank
		Mezzanine Finance	Vendor Placing
		Other Companies	Venture Capital

Type of deal			
Acquisition	Exit	Management Buy-out	Receivership Restructuring
Demerger	Flotation	Management Buy-in/Buy-out	Reverse Takeover
Development Capital	Investor Buy-in	Merger	Rights/Other issue
Disposal	Investor Buy-out	Minority Stake	Secondary Buy-out
Employee Buy-in	Leveraged Buy-out	Public to Private	Share Buy-back
Employee Buy-out	Management Buy-in	Reconstruction	Start-up

Advisors: please supply all advisors, noting for whom they acted and in what capacity

Advisor + office	Team (individuals)	Client	Role

Funding: please supply all investors

Investor + office	Debt/equity	Team (individuals)	Client

About Experian MarketIQ

How can we help you?

Experian MarketIQ reveals new layers of market insight by combining Corpfin's global M&A database with comprehensive Companies House data and our market leading business, financial and risk databases – all on a single platform. This enables you to be even better informed, even more confident in your decisions, and ready to make the most of all opportunities the moment they arise.

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