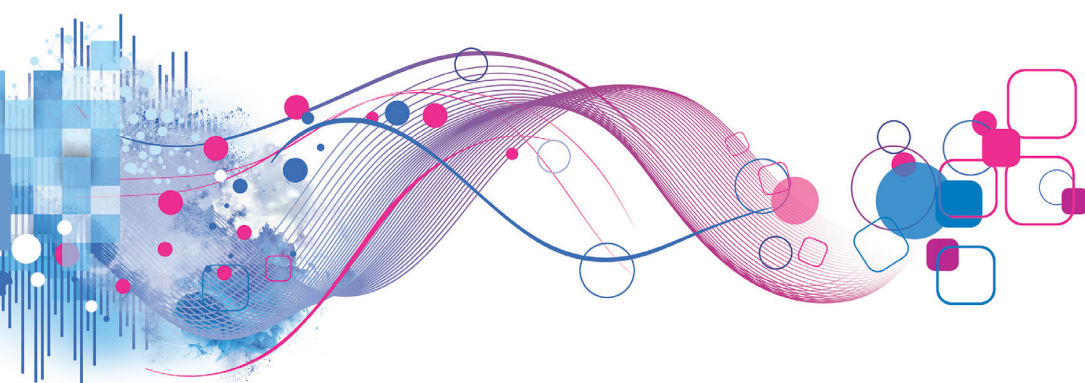



# United Kingdom and Republic of Ireland M&A Review

Experian Business Research: H1 2020

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Activity in the second half of 2019 had receded slightly from the sustained boom UK deal makers had enjoyed over the last few years. However, activity looked well set to rebound in the early stages of 2020 - before a strong first quarter gave way to substantially reduced volumes post-lockdown. The current crisis has been, in many ways, a perfect storm in terms of its effect on M&A. Trepidation over the economy's direction has coupled with the logistical challenges of completing transactions in the Covid-19 era. The difficulty of face-to-face meetings and travel restrictions have significantly hampered the deal pipeline. Yet deals are still being made, with refinancing and fundraisings quickly becoming a prominent feature of the market. On a more positive note, we've seen several large transactions announced before the lockdown proceed to completion along with a still very active private equity sector. Whether there is an immediate upturn in deal activity as the UK moves out of lockdown remains to be seen. However, we would expect the pace of recovery to be very much sector-dependent with transactions in the tech and telecoms space likely to lead the way.

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Research Manager, Experian MarketIQ

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## United Kingdom M&A activity

Experian recorded 2,539 deals in total for the first half of the year, which was down by 36% on the 3,944 transactions announced during H1 2019 and the lowest first half figure since 2011. It was very much a case of pre and post pandemic in terms of deal flow, with Q1's 1,620 transactions followed by just 890 in the second quarter, as Covid-19 uncertainty compelled many companies to place growth plans on hold. The type and scope of these deals looked different too; in particular the number of refinancings and rights issues have soared as companies look to shore up their capital position, a trend that looks set to continue well into the second half of the year and beyond. Despite the drop off in transaction volume, a multi-billion pound merger in the telecoms space helped to push UK deal value for the first half up to £107bn. This was an increase of 23% on the £87bn worth of deals announced in H1 2019, although we should note that the first half of 2019 did not see a great deal of activity at the top end the market and that H1 2020's return was around £44bn less than the average six-month total we've seen over the last decade.

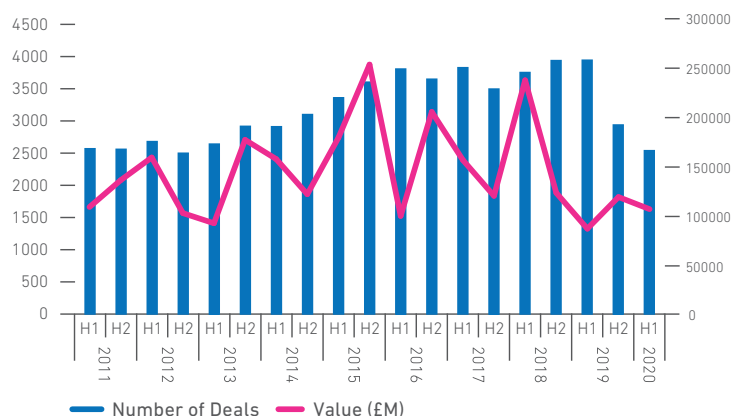
### Deals of the Year

A £31bn mega-merger announced by the owners of Virgin Media, the cable television operator and O2, the mobile telecoms network, the latest in a wave of high value consolidations in the telecoms and media sector, was by some way the UK's largest deal of the year. Virgin owner Liberty Media and Telefonica, the Spanish owner of O2, see the transaction as a way to challenge BT and Sky in the UK's increasingly lucrative TV, mobile and broadband space - and may pursue a Stock Market listing of the combined firm following the deal's expected completion midway through next year. Other high profile deals included supermarket chain Tesco's £8bn sale of its Thai and Malaysian operations to Thai conglomerate CP Group and Ineos' £4bn acquisition of BP's petrochemicals

business, boosting BP's balance sheet in the wake of Covid-19 triggering a rapid decline in the price of oil. Elsewhere, US buy-out group KKR acquired recycling operation Viridor for £4bn, with long-term clarity over the target firms's revenues pushing the deal over the line even in the middle of the crisis, and Blackstone paid £4.7bn to take control of the iQ student accommodation portfolio from Goldman Sachs and the Wellcome Trust in what is the most valuable deal on Experian record in the residential property sector.

### UK deals

2011 – H1 2020



## Industry

The infocomms sector was by some way the UK's most fertile source of deal activity in H1 2020, with 740 deals announced. Infocomms also proved relatively resilient in the face of the pandemic, with a 9% fall in year on year volume representing a robust return in comparison to the double-digit declines recorded across every other industry segment. Professional services (584 deals), manufacturing (568) and financial services (463) were the UK's next most active sectors, despite seeing the number of deals fall more substantially year on year - financial services looked to be particularly badly affected with a 63% drop off in activity.

## Funding

Private equity has come to play an increasingly prominent role in the UK's deal landscape in H1, with PE-backed deals accounting for 26% of the total number of transactions, up from 19% in H1 2019. Noteworthy deals included US-based global asset management company Macarthur Fortune Holding taking control of Jagex, a Cambridge online games developer for £426m and Clayton Dubilier & Rice taking London PR company

Huntsworth private for around £524m. Business Growth Fund and Maven Capital Partners were the UK's most active investment firms in H1, working on 24 and 18 deals, respectively. Meanwhile the number of deals recorded as having been funded by new bank debt was down from 402 in H1 2019 to 213 in the first half of 2020; HSBC remains the UK's leading lender in the M&A space, providing funds in respect of 37 deals.

## Advisers

Gateley was again the UK's busiest adviser by deal volume in H1, working on 71 transactions in the small and mid-market value segments; Harrison Clark Rickerbys (62 deals) and Mills & Reeve (48) made up the top three. Clifford Chance topped the value table with £35bn worth of deals, ahead of Herbert Smith Freehills (£33bn worth of deals), each firm advising Telefonica on the year's biggest transaction to date. Meanwhile RSM just pipped Numis Securities and Grant Thornton to head the financial adviser table by volume with 45 deals, with the value rankings dominated by firms with a role on the O2 / Virgin Media tie up; Citigroup leading the way with transactions worth just under £40bn in total.



## United Kingdom M&A activity

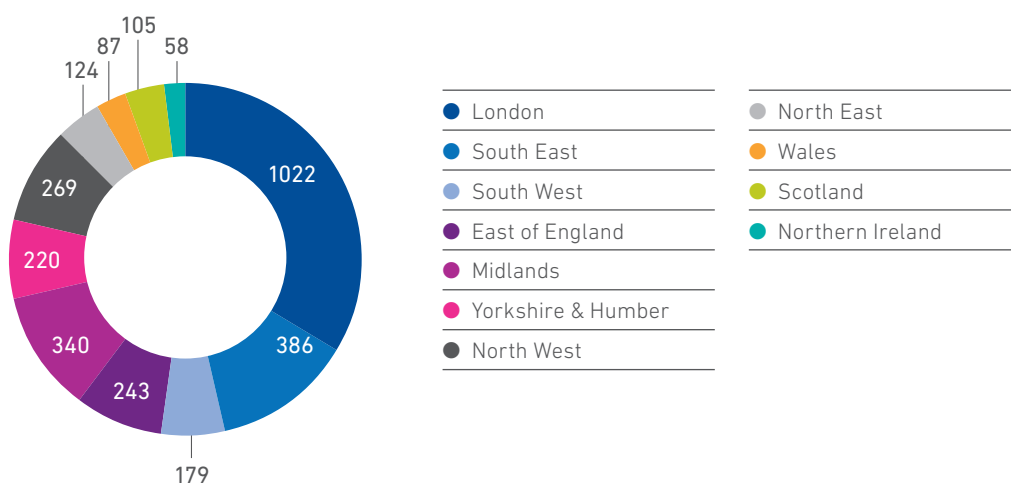
### Top ten deals: UK

H1 2020

Date	Consideration (£m)	Deal type	Target	Bidder
07/05/2020	31,400	Merger	O2/Virgin Media, Slough and Reading	
09/03/2020	8,090	Acquisition	Malaysian and Thai-based businesses of Tesco Plc, Welwyn Garden City	Charoen Pokphand Group Co Ltd, Thailand
26/02/2020	4,660	SBO	iQSA Holding Sarl, London	Blackstone Group
18/03/2020	4,200	IBO	Viridor Ltd, Exeter	KKR
29/06/2020	4,057	Acquisition	Petrochemicals Business of BP Plc, London	Ineos Group Ltd, Lyndhurst
29/04/2020	2,734	Divestment	Hindustan Unilever Ltd, India (shares sold by GlaxoSmithKline Plc, Brentford)	
19/05/2020	2,005	Rights Issue	Compass Group Plc, Chertsey	
18/02/2020	2,005	Acquisition	Caltex Australia Ltd, Australia	EG Group Ltd, Blackburn
29/01/2020	1,838	Acquisition	Vodafone Egypt Telecommunications SAE, Egypt (from Vodafone Group Plc, Newbury)	
24/01/2020	1,230	Acquisition	Optal Ltd, London (from Travelport Worldwide Ltd, Langley)	Wex Inc, USA

### UK deal volume by region

H1 2020





## UK and Ireland M&amp;A by region

H1 2020

	Value (£m)			Volume		
Region	H1 2020	H1 2019	% Change	H1 2020	H1 2019	% Change
London	37,379	55,583	-32.75%	1,022	1,498	-31.78%
South East	45,540	8,845	414.87%	386	533	-27.58%
South West	5,457	7,052	-22.62%	179	292	-38.70%
East of England	12,007	11,384	5.47%	243	293	-17.06%
Midlands	2,919	8,303	-64.84%	340	533	-36.21%
Yorkshire & Humber	1,549	2,249	-31.12%	220	344	-36.05%
North West	7,902	3,477	127.26%	269	449	-40.09%
North East	516	593	-12.98%	124	190	-34.74%
Wales	434	346	25.43%	87	119	-26.89%
Scotland	1,997	5,600	-64.34%	105	387	-72.87%
Northern Ireland	52	294	-82.31%	58	165	-64.85%
Republic of Ireland	4,885	57,054	-91.44%	174	236	-26.27%
United Kingdom	107,089	87,298	22.67%	2,539	3,944	-35.62%

## UK deals by Industry

H1 2020

	H1 2020		H1 2019		% change from H1 2019	
Sector	Volume	Value (£m)	Volume	Value (£m)	Volume	Value
Infocomms	740	55,865	812	21,053	-8.87%	165.35%
Professional services	584	12,293	659	9,161	-11.38%	34.18%
Manufacturing	568	27,490	795	23,919	-28.55%	14.93%
Financial services	463	21,178	1,237	28,932	-62.57%	-26.80%
Wholesale and retail	403	23,657	613	16,629	-34.26%	42.27%
Support services	271	6,695	344	4,128	-21.22%	62.16%
Construction	162	3,691	244	5,131	-33.61%	-28.08%
Real estate	144	12,796	271	13,875	-46.86%	-7.78%
Health	130	433	208	834	-37.50%	-48.08%
Mining and quarrying	95	6,917	131	7,126	-27.48%	-2.93%

## United Kingdom M&A activity

### Legal adviser rankings by volume

Current rank	Previous rank	Legal adviser	Volume <sup>1</sup>
1	1	GATELEY	71
2	9	HARRISON CLARK RICKERBYS	62
3	2	MILLS & REEVE	48
4	8	SHOOSMITHS	46
5	3	PINSENT MASONS	45
6	4	ADDLESHAW GODDARD	41
7	10	KNIGHTS	39
8	7	WARD HADAWAY	38
9	12	SQUIRE PATTON BOGGS	34
10	5	CMS	26
11	-	WEIGHTMANS	26
12	15	MUCKLE	24
13	17	DWF	22
14	14	IRWIN MITCHELL	21
15	20	FREETHS	21
16	6	DLA PIPER	20
17	11	EVERSHEDS SUTHERLAND	20
18	21	TUGHANS	20
19	28	HILL DICKINSON	19
20	22	CARSON MCDOWELL	19

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



## Legal adviser rankings by value

Current rank	Previous rank	Legal adviser	Value (£m)
1	4	CLIFFORD CHANCE	35,163
2	-	HERBERT SMITH FREEHILLS	33,115
3	-	ALLEN & OVERY	31,400
3	-	SHEARMAN & STERLING	31,400
5	-	SIMPSON THACHER & BARTLETT	9,203
6	5	FRESHFIELDS BRUCKHAUS DERINGER	8,127
7	16	JONES DAY	5,552
8	3	KIRKLAND & ELLIS	5,366
9	1	SLAUGHTER AND MAY	4,758
10	25	GOWLING WLG	4,662
11	23	MACFARLANES	1,632
12	13	ADDLESHAW GODDARD	1,282
13	7	HOGAN LOVELLS	1,062
14	-	OGIER	973
15	26	TRAVERS SMITH	767
15	8	WEIL GOTSHAL & MANGES	767
17	11	SKADDEN ARPS SLATE MEAGHER & FLOM	751
17	21	PINSENT MASONS	751
19	9	A&L GOODBODY	726
20	14	EVERSHEDS SUTHERLAND	664

## United Kingdom M&A activity

### Financial adviser rankings by volume

Current rank	Previous rank	Financial adviser	Volume <sup>1</sup>
1	3	RSM	45
2	6	NUMIS SECURITIES	44
3	1	GRANT THORNTON	39
4	4	KBS CORPORATE	36
5	16	CENKOS SECURITIES	29
6	2	BDO	27
7	-	BARCLAYS	23
8	8	FINNCAP	23
9	10	MAZARS	23
10	5	PEEL HUNT	22
11	12	KPMG	22
12	21	BENCHMARK INTERNATIONAL	22
13	-	CAIRN FINANCIAL ADVISERS	20
14	17	EY	19
15	22	ALANTRA	19
16	30	SP ANGEL	19
17	-	CLIVE OWEN	18
18	21	GOLDMAN SACHS	17
19	19	LIBERUM CAPITAL	17
20	-	BANK OF AMERICA MERRILL LYNCH	16

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

## Financial adviser rankings by value

Current rank	Previous rank	Financial adviser	Value (£m)
1	29	CITIGROUP	39,610
2	-	JP MORGAN	32,845
3	-	LIONTREE ADVISORS	31,400
4	1	GOLDMAN SACHS	19,071
5	5	BARCLAYS	16,823
6	3	MORGAN STANLEY	15,689
7	9	BANK OF AMERICA MERRILL LYNCH	13,583
8	2	CREDIT SUISSE	2,833
9	-	HSBC	2,792
10	11	NUMIS SECURITIES	2,570
11	-	BNP PARIBAS	2,474
12	14	RBC CAPITAL MARKETS	2,355
13	4	ROTHSCHILD & CO	2,338
14	-	BANCO SANTANDER	1,488
15	24	CENKOS SECURITIES	1,111
16	-	BMO CAPITAL MARKETS	984
17	6	EVERCORE PARTNERS	961
18	-	DEUTSCHE BANK	922
19	28	INVESTEC	908
20	-	LAZARD	905

## United Kingdom M&A activity

### Debt provider rankings by volume

Current rank	Previous rank	Debt provider	Volume <sup>1</sup>
1	1	HSBC	37
2	4	NATWEST	13
3	2	BARCLAYS	12
4	3	LLOYDS BANKING GROUP	12
5	5	SHAWBROOK BANK	11
6	-	MAVEN DEBT FINANCE	11
7	7	SANTANDER	8
8	6	THINCATS	8
9	19	CAPLE	5
10	-	ARBUTHNOT	4
11	10	CLYDESDALE AND YORKSHIRE BANK	4
12	-	OAKNORTH BANK	3
13	-	INVESTEC	3
14	28	GOLDMAN SACHS	2
15	-	ROYAL BANK OF CANADA	2
16	-	DEUTSCHE BANK	2
17	-	SECURE TRUST BANK	2
18	-	ASSETZ CAPITAL	2
19	-	ALDERMORE BANK	2
20	-	DEVELOPMENT BANK OF WALES	2

## Capital provider rankings by volume

Current rank	Previous rank	Investment firm	Value (£m)
1	1	BUSINESS GROWTH FUND	24
2	2	MAVEN CAPITAL PARTNERS	18
3	4	DEVELOPMENT BANK OF WALES	13
4	10	MMC VENTURES	11
5	-	SEEDCAMP	10
6	20	AMADEUS CAPITAL PARTNERS	9
7	13	MERCIA FUND MANAGEMENT	9
8	-	FORCE OVER MASS CAPITAL	8
9	3	LDC	8
10	-	TECHSTART VENTURES	8
11	12	INVEST NORTHERN IRELAND	8
12	28	OCTOPUS VENTURES	7
13	-	OXFORD SCIENCES INNOVATION	7
14	-	PRAETURA VENTURES	7
15	16	FORESIGHT GROUP	7
16	-	GOLDMAN SACHS	6
17	26	INDEX VENTURES	6
18	32	INFLEXION PRIVATE EQUITY	6
19	7	IQ CAPITAL PARTNERS	6
20	-	IP GROUP	6

## London

### Summary

It was very much a case of pre and post Covid-19 for London deal makers in the first half of 2020, with first quarter volumes on an upward trend from what had been a subdued end to 2019, before activity receded substantially in Q2. In all there were 1,022 transactions involving a London-based company, a fall of around 32% from the 1,498 transactions announced during H1 2019 and the lowest half-yearly figure for more than ten years; Q2 deals in isolation were down 50% year on year. Unsurprisingly, value figures for the capital also suffered a sharp decline, with just £37bn of transactions carried out during H1 2020 – this was down from £56bn in the first half of 2019 and £44bn shy of the average H1 figure on Experian's records for the period since 2011 (of £81.6bn). London companies had a role to play in 40% of all UK transactions in H1 and contributed 35% to the total value of UK deals.

### Deals of the Year

New York private equity house Blackstone's £4.7bn secondary buy-out of student accommodation company iQSA Holding from Goldman Sachs and Wellcome Trust was something of an outlier in what has been a subdued first half at the top end of the market. Just four 'mega' deals were announced, down from ten in the first half of 2019, with figures boosted by Jim Ratcliffe's Ineos' agreement to acquire the petrochemicals business of oil and gas giant BP for around £4bn at the end of June. Elsewhere, publishing group Informa, property group SEGRO and Anglo-American analytics business Clarivate all completed significant fundraising transactions and

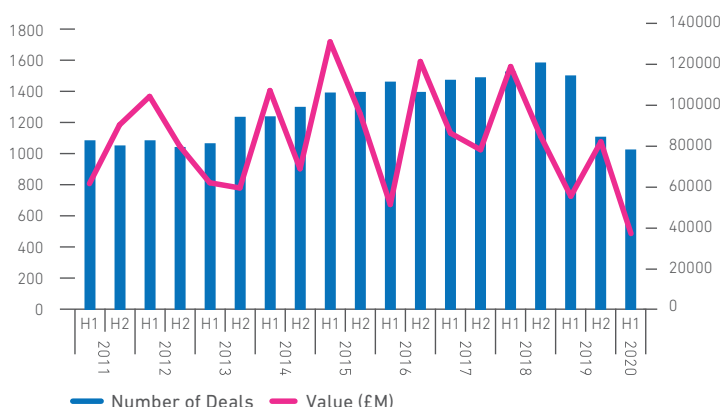
in the large deals segment, private equity firm Clayton Dubilier & Rice acquired PR group Huntsworth for an enterprise value of £524m – this was the sole buy-out of a AIM or LSE-listed company in London during the first half of 2020, down from six in H1 2019.

### Industry

The capital's infocomms sector was its most likely source of deals in H1 with 400 transactions in all, and volumes here held up well in the wider context of declining activity – down by just 3% on the 411 transactions we recorded in H1 2019. Notable transactions included Dialog Semiconductors' £390m acquisition of US tech firm Adesto Technologies Corp, a deal announced in February and completed after the onset of Covid-19 at the end of June. Elsewhere in the sector Wex, a payment processing and information management business specialising in fleet management, inked a £1.2bn deal to acquire payments businesses eNett International of Singapore and London's Optal from Travelport in January. This one did fall foul of the current situation, with USA-based Wex citing the pandemic upon announcing plans to pull out of the deal in May – although at the time of writing the vendors are intending to hold Wex to the terms of the deal. Elsewhere, financial services remained the next most active sector despite seeing transaction volume fall by 56% year on year, and the manufacturing, wholesale & retail, property, resources, health and construction segments all saw double-digit decline in volume from H1 2019. Professional services, transport and utilities bucked the trend to see activity up year on year, albeit from a smaller base.

### London deals

2011 – H1 2020



## Funding

Where detailed funding arrangements were disclosed, we recorded 49 acquisitive transactions that were funded from new bank debt, down from 102 in H1 2019. HSBC was the capital's main lender in the M&A market, funding seven deals in all, with Barclays and Investec each working on three transactions. Meanwhile private equity continued to play a key role, with PE-backed deals accounting for 26% of the London total (up from 19% in H1 2019) – early stage specialist Seedcamp was particularly busy, completing ten deals, with MMC Ventures (nine deals) and Goldman Sachs (six) also active investors.

## Advisers

Gateley was the capital's busiest legal adviser by deal volume in H1, working on 22 in total; Squire Patton Boggs was next most active with a role on 16 transactions, just ahead of Macfarlanes, Pinsent Masons and CMS (each with 15 deals). US law firms Sullivan & Cromwell, Kirkland & Ellis and Jones Day topped the value table, each having worked on various sides of the Blackstone / IQ tie up. Meanwhile RSM was London's top ranked financial adviser by transaction volume with 20 deals, ahead of AIM advisers Numis and Cenkos, while Bank of America Merrill Lynch headed up the value table, working on deals with a combined consideration of just over £11bn.

## Top ten deals: London

H1 2020

Date	Consideration (£m)	Deal type	Target	Bidder
26/02/2020	4,660	SBO	iQSA Holding Sarl, London	Blackstone Group
29/06/2020	4,060	Acquisition	Petrochemicals Business of BP Plc, London	INEOS Group Ltd
24/01/2020	1,230	Acquisition	Optal Ltd, London (from Travelport Worldwide Ltd, Langley)	Wex Inc, USA
16/04/2020	1,000	Rights Issue	Informa Plc, London	
01/02/2020	910	Acquisition	Shell Martinez Refining Co (from Royal Dutch Shell, London)	PBF Holding Co LLC, USA
01/06/2020	870	Rights Issue	Clarivate Analytics, London / USA	
17/01/2020	730	Acquisition	Decision Resources Group, USA	Clarivate Analytics, London / USA
09/06/2020	680	Rights Issue	SEGRO Plc, London	
26/02/2020	665	Acquisition	Cash Operations of G4S Plc, London	Brinks Co, USA
22/06/2020	626	Divestment	Hikma Pharmaceuticals Plc, London	



## London

### Legal adviser rankings

Current rank	Previous rank	Legal adviser	Volume <sup>1</sup>
1	6	GATELEY	22
2	4	SQUIRE PATTON BOGGS	16
3	27	MACFARLANES	15
4	8	PINSENT MASONS	15
5	1	CMS	15
6	9	MILLS & REEVE	14
7	7	SHOOSMITHS	14
8	2	ADDLESHAW GODDARD	13
9	-	MARRIOTT HARRISON	13
10	12	HARRISON CLARK RICKERBYS	12

Current rank	Previous rank	Legal adviser	Value (£m)
1	13	SULLIVAN & CROMWELL	5,958
2	4	KIRKLAND & ELLIS	5,356
3	18	JONES DAY	5,328
4	-	GOWLING WLG	4,700
5	-	SIMPSON THACHER & BARTLETT	4,660
6	-	DAVIS POLK & WARDWELL	1,826
7	2	CLIFFORD CHANCE	1,757
8	-	HERBERT SMITH FREEHILLS	1,715
9	27	MACFARLANES	1,526
10	-	COVINGTON & BURLING	1,116

<sup>1</sup> 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 <sup>1</sup>
1	6	RSM	20
2	17	CENKOS SECURITIES	17
3	9	NUMIS SECURITIES	16
4	2	GRANT THORNTON	15
5	25	SP ANGEL	14
6	-	BANK OF AMERICA MERRILL LYNCH	13
7	13	GOLDMAN SACHS	11
8	1	PEEL HUNT	10
9	34	CAIRN FINANCIAL ADVISERS	10
10	-	CITIGROUP	9

Current rank	Previous rank	Financial adviser	Value (£m)
1	5	BANK OF AMERICA MERRILL LYNCH	11,156
2	1	GOLDMAN SACHS	7,871
3	2	MORGAN STANLEY	6,894
4	35	CITIGROUP	6,660
5	12	RBC CAPITAL MARKETS	2,180
6	4	BARCLAYS	2,042
7	-	BNP PARIBAS	1,706
8	3	CREDIT SUISSE	1,563
9	9	ROTHSCHILD & CO	1,532
10	-	HSBC	1,248

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

## South East

### Summary

As lockdown eases across the UK, the latest figures show that deal activity in the South East of England fell by 28% in the first half of the year, with the 386 transactions announced representing the lowest regional total since the H1 2012. However, deal values increased by a staggering 415%, as a result of five mega deals announced in the region, three of which became public during the lockdown period. Mid-market and large cap deals remained largely resilient through the first half of the year, with small-cap deals dropping by 34% in volume. Large cap deals showed the biggest decline in value at just under 29%, with the mid-market dropping by 13%, and small cap deals relatively unaffected by the economic impact of Covid-19. The South East accounted for 42.5% of all UK deal values and 15.2% of deal volumes.

### Deals of the Year

Five mega deals announced during the first half of the year contributed 89% of the total value of deals recorded in the South East. The largest of the deals, worth £31.4bn, saw Liberty Global and Telefonica merge their respective UK operations, O2 and Virgin Media, in a new 50/50 joint venture, nicknamed "Project Pink". Announced during the lockdown period, the transaction is expected to close in 2021 subject to regulatory approvals. Elsewhere, chemicals group INEOS, registered in Lyndhurst, Hampshire, made an offer to acquire the petrochemicals business of BP for just over £4bn. Meanwhile, during the

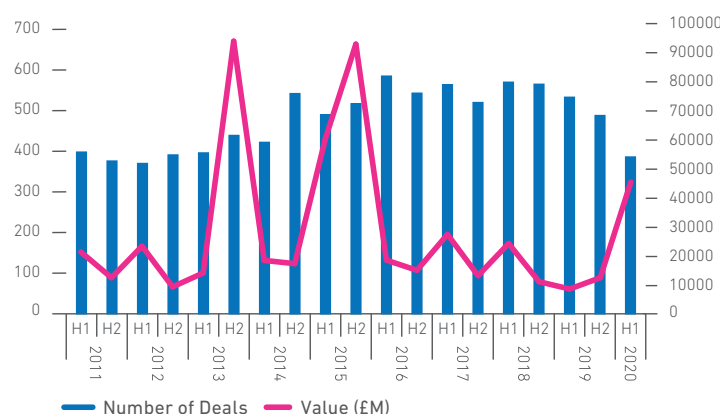
lockdown period, contract caterer and cleaning company, Compass Group turned to the capital markets to raise £2bn in a bid to strengthen its balance sheet to allow it to weather the Covid-19 crisis.

### Industry

Infocomms was the most active industry sector for deal activity in the South East, recording 110 deals worth £36.2bn, of which the O2/Virgin Media deal, and the sale by Vodafone of its operations in Egypt contributed more than 90% of the value of deals in this sector. Despite the impact on global supply chains, manufacturing was the second most active sector for deal making, recording 104 deals worth £6.3bn. Not surprisingly, hospitality saw one the largest drops in the number of deals being done, with only eight deals recorded in the first half of the year, compared to 24 in the same period last year. M&A struggled across most sectors as a result of subdued markets, but although fewer deals were coming to fruition, values remained buoyant across many sectors.

### South East deals

2011 – H1 2020



## Funding

Private equity backed deals were up to just under 20% of deals where funding arrangements were disclosed, from 15% in the same period last year. Oxford Sciences Innovation and Business Growth Fund were the most active investors, with the region attracting interest from a wide number of PE and venture capital investors with money to spend. Approximately 56% of deals were funded from existing resources, and debt-funded deals accounted for just under 6% of the deals. HSBC was the lender of choice providing funding to support six transactions, followed by RBS/NatWest on three.

## Advisers

Harrison Clark Rickerbys achieved first position in the legal advisers table, having worked on a total of 17 deals in the region. Knights secured second place with 13 deals, and Irwin Mitchell rounded out the top three with ten deals. In the value rankings, Clifford Chance took number one spot, with Herbert Smith Freehills in second position. Allen & Overy and Shearman & Sterling jointly took third spot having both advised on the "Project Pink" transaction. It was very close at the top of the financial adviser rankings by deal volume, with KBS Corporate just edging in at number one with 13 deals, followed by EMC Corporate Finance on 12 and RSM on ten. Liontree Advisors topped the value rankings, with Citigroup and JP Morgan, taking second and third places, respectively.

## Top ten deals: South East

H1 2020

Date	Consideration (£m)	Deal type	Target	Bidder
07/05/2020	31,400	Merger	O2/Virgin Media, Slough and Reading	
29/06/2020	4,057	Acquisition	Petrochemicals Business of BP Plc, London	INEOS Group Ltd, Lyndhurst
19/05/2020	2,005	Rights Issue	Compass Group Plc, Chertsey	
29/01/2020	1,840	Acquisition	Vodafone Egypt Telecommunications SAE, from Vodafone Group Plc, Newbury	Saudi Telecom Company, Saudi Arabia
24/01/2020	1,300	Acquisition	Optal Ltd, London (from Travelport Worldwide Ltd, Langley)	Wex Inc
05/06/2020	784	Private Equity	Travelport Worldwide Ltd, Langley	
31/03/2020	711	Minority Stake	Sitryx Therapeutics Ltd, Oxford	Eli Lilly and Co, USA
17/06/2020	522	Rights Issue	Taylor Wimpey Plc, High Wycombe	
20/02/2020	387	Acquisition	Adesto Technologies Corp Inc, USA	Dialog Semiconductor Plc, Reading
29/03/2020	340	Acquisition	Newcastle United Ltd, from MASH Holdings, Burnham	Public Investment Fund

## South East

### Legal adviser rankings

Current rank	Previous rank	Legal adviser	Volume <sup>1</sup>
1	10	HARRISON CLARK RICKERBYS	17
2	14	KNIGHTS	13
3	4	IRWIN MITCHELL	10
4	2	PINSENT MASONS	8
5	12	STEVENS & BOLTON	7
6	-	FIELD SEYMOUR PARKES	6
7	-	DMH STALLARD	6
8	31	DWF	5
9	9	SHOOSMITHS	5
10	13	MILLS & REEVE	5

Current rank	Previous rank	Legal adviser	Value (£m)
1	-	CLIFFORD CHANCE	34,703
2	-	HERBERT SMITH FREEHILLS	32,698
3	-	ALLEN & OVERY	31,440
4	-	SHEARMAN & STERLING	31,400
5	-	WEIL GOTSHAL & MANGES	711
6	5	HOGAN LOVELLS	517
7	-	COVINGTON & BURLING	388
7	-	FENWICK & WEST	388
9	13	PINSENT MASONS	179
10	9	STEVENS & BOLTON	154

<sup>1</sup> 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 <sup>1</sup>
1	2	KBS CORPORATE	13
2	15	EMC CORPORATE FINANCE	12
3	3	RSM	10
4	4	BDO LLP	9
5	13	NUMIS SECURITIES LTD	7
6	8	MAZARS	5
7	40	SP ANGEL & CO	4
8	16	EY	4
9	12	PWC	4
10	7	BENCHMARK INTERNATIONAL	4

Current rank	Previous rank	Financial adviser	Value (£m)
1	-	LIONTREE ADVISORS	32,698
2	-	CITIGROUP	31,944
3	-	JP MORGAN	31,482
4	9	BANK OF AMERICA MERRILL LYNCH	3,303
5	-	BARCLAYS	2,106
6	-	MORGAN STANLEY	2,052
7	-	GOLDMAN SACHS	2,006
8	10	CREDIT SUISSE	1,820
9	-	FINANCIAL TECHNOLOGY PARTNERS	1,298
9	-	GRANT SAMUEL & ASSOCIATES	1,298

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

## South West

### Summary

In the first half of the year, the South West recorded 179 deals, with a total value of £5.46bn. This represents a decline of close to 40% in volume compared to the same period in 2019, while value was down by 22.6% year on year. Although deal making activity at the start of 2020 was on a par with previous years, the disruption of the Covid-19 pandemic saw the level of activity in Q2 drop by more than 50% in volume and 80% in value. For the first time in seven years, Q2 saw deal volumes dip to below 100, at 59 announced transactions worth £860m. The region's only mega deal, announced before the UK went into lockdown, contributed 78% to the regions' total deal values for H1 2020. The South West accounted for 5.1% of all UK deal values and 7.1% of deal volumes.

### Deals of the Year

Whilst acquisitions still dominated the deal landscape, the most valuable deal for the South West in the year to date saw Exeter-based Pennon Group announce the sale of its waste management subsidiary Viridor, to US private equity firm Kohlberg Kravis Roberts. The deal, announced days before the UK was put into lockdown, is worth £4.2bn and is expected to close in the summer of 2020, following receipt of shareholder approval in May. In the days leading up to and into the lockdown period, South West Plcs raised more than £800m through the capital markets, bolstering their cash reserves and strengthening balance sheets as the financial effects of

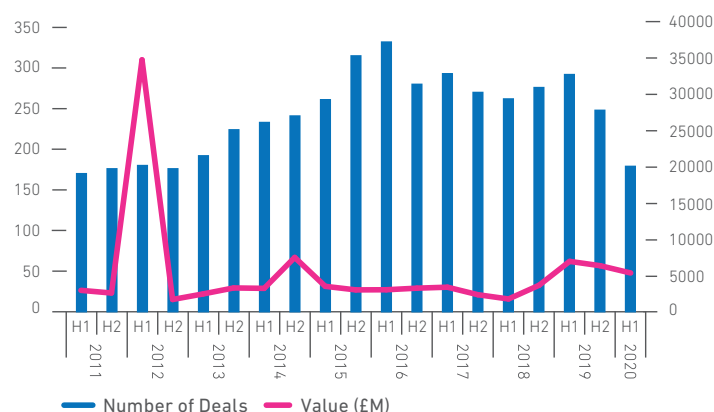
the Covid-19 outbreak depressed the economy on the economy. Bristol-based student accommodation provider Unite Group raised £300m in the largest capital markets deal of the year so far, with retailer WH Smith raising £286m and Warehouse REIT of Exeter, securing £153m.

### Industry

Manufacturing remained the most active industry by deal volume, with 48 deals reported in the year to date. This is 33% fewer deals than in the same period last year, not unsurprising given the disruptive effect the pandemic and global lockdown has had on supply chains. Infocomms and professional services were the next most active sectors, recording 43 and 40 deals respectively, followed closely by wholesale and retail on 37 deals. Deal values across most sectors declined, with few exceptions including professional services, waste management, health and transport, which all saw an upturn in value year on year.

### South West deals

2011 – H1 2020





## Funding

Cash proved to be king in the South West, with just over 40% of deals funded in this way. Where funding arrangements were disclosed, private equity accounted for 19% of the deals, up from 14% the previous year. The region attracted a wide range of investors, with close to 50 firms investing in businesses in the first half of the year. Business Growth Fund and Capital Z Partners were the most active, with three and two investments apiece, respectively. Debt-funded deals stood at just over 11% of announced deals, with traditional lender HSBC topping the table, followed by specialist lender Shawbrook Bank in second place.

## Advisers

Harrison Clark Rickerbys was the most active legal adviser in the first half of the year, advising on 11 deals, with Squire Patton Boggs in second place with six transactions, and TLT and BPE each advising on five. Slaughter and May and Simpson Thacher & Bartlett took the joint top spot in terms of deal values, having both advised on KKR's acquisition of Viridor, followed by Fieldfisher and Norton Rose Fulbright, also in joint position having worked on the Haynes Publishing Group transaction. Top financial adviser of the year to date was PKF Francis Clark, on nine deals, only just edging in front of KBS Corporate on eight deals and RSM on seven. Barclays, Morgan Stanley and JP Morgan took the top three positions by deal value.

## Top ten deals: South West

H1 2020

Date	Consideration (£m)	Deal type	Target	Bidder
18/03/2020	4,200	IBO	Viridor Ltd, Exeter	Planets UK Bidco Ltd (KKR)
24/06/2020	300	Rights Issue	Unite Group Plc, Bristol	
06/04/2020	286	Rights Issue	WH Smith Plc, Swindon	
18/06/2020	153	Rights Issue	Warehouse REIT Plc, Exeter	
13/02/2020	115	Acquisition	Haynes Publishing Group Plc, Yeovil	InfoPro Digital Holdco Ltd, London
13/02/2020	94	IPO	Inspeks Group Plc, Bath	
04/03/2020	92	Growth Capital	Five AI Ltd, Bristol	
23/01/2020	30	Growth Capital	Selwood Housing Society Ltd, Trowbridge	
26/03/2020	24	Acquisition	Hampton by Hilton Bristol Airport, Bristol	Ability Group Ltd, London
20/02/2020	21	Acquisition	Webb Embankment Property Unit Trust, Leeds	ADAPT Real Estate Ltd, Bristol

## South West

### Legal adviser rankings

Current rank	Previous rank	Legal adviser	Volume <sup>1</sup>
1	3	HARRISON CLARK RICKERBYS	11
2	-	SQUIRE PATTON BOGGS	6
3	2	TLT	5
4	4	BPE SOLICITORS	5
5	8	FOOT ANSTEY	4
5	15	MICHELMORES	4
5	-	BOYCE HATTON	4
8	-	GREENAWAY SCOTT	3
9	1	PINSENT MASONS	3
10	-	TRAVERS SMITH	3

Current rank	Previous rank	Legal adviser	Value (£m)
1	-	SLAUGHTER AND MAY	4,200
1	-	SIMPSON THACHER & BARTLETT	4,200
3	-	FIELDFISHER	115
3	-	NORTON ROSE FULBRIGHT	115
5	-	MACFARLANES	94
6	-	IRWIN MITCHELL	43
7	10	HILL DICKINSON	43
8	21	TLT	27
9	-	SQUIRE PATTON BOGGS	24
10	-	GREENAWAY SCOTT	19

<sup>1</sup> 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 <sup>1</sup>
1	2	PKF FRANCIS CLARK	9
2	5	KBS CORPORATE	8
3	4	RSM	7
4	3	GRANT THORNTON	5
4	6	BDO	5
6	24	BENCHMARK INTERNATIONAL	3
6	-	DAINS	3
8	16	BARCLAYS	2
9	17	JP MORGAN	2
10	8	PEEL HUNT	2

Current rank	Previous rank	Financial adviser	Value (£m)
1	1	BARCLAYS	4,486
2	8	MORGAN STANLEY	4,200
3	7	JP MORGAN	586
4	6	NUMIS SECURITIES	300
5	-	BNP PARIBAS	286
5	-	BANCO SANTANDER	286
5	-	HSBC	286
8	11	PEEL HUNT	269
9	21	G10 CAPITAL	175
9	20	RBC CAPITAL MARKETS	175
9	-	TILSTONE PARTNERS	175

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

## East of England

### Summary

As the first quarter of 2020 came to a close, the initial effects of Covid-19 were only beginning to be felt across the global economy. Its full impact manifested in the second quarter, however. This was reflected in year on year deal numbers in the East of England, which fell from 293 last year to 243 in the first half of 2020; prior to the UK heading into lockdown on 23 March, the East of England had recorded 161 transactions, while from that point until the end of June, this figure had dwindled somewhat to just 82 deals. Somewhat surprisingly, transaction values still managed to climb 5% to just over £12bn (from £11.4bn) for the first six months of this year. However, if we isolate these numbers before and after this significant date, the split in terms of value was approximately £9bn and £3bn, reflecting the ongoing uncertainty with the UK economy in the second quarter. East of England companies remain key contributors to UK M&A with an involvement in just under 10% of all deal activity nationally, whilst contributing over 11% to total values.

### Deals of the Year

The biggest deal by far and away in the region was agreed prior to the UK lockdown – it saw Thai conglomerate The Charoen Pokphand Group undertake an agreement to acquire the Thai and Malaysian operations of Tesco Plc, a British multinational groceries and general merchandise retailer with headquarters in Welwyn Garden City, for an enterprise value of £8.2bn. As a result, Tesco announced it intends to use the proceeds to return funds

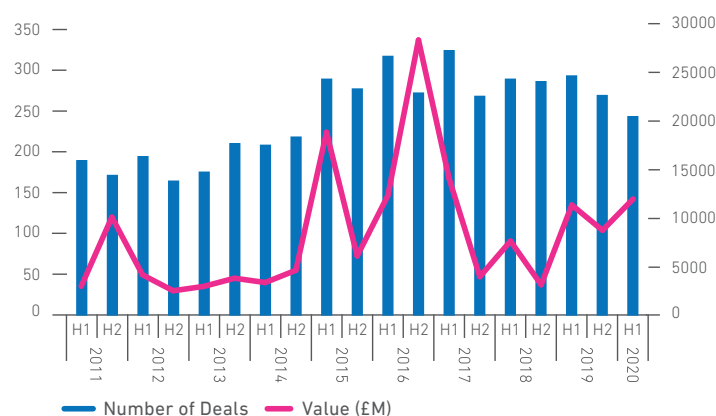
to shareholders via a special dividend and to make a significant contribution to its pension scheme. Five of the next seven largest deals recorded for the region were rights issues – significantly, four of these were announced post-lockdown, the biggest of which saw Whitbread and Ocado Group announcing placings of just over £1.0bn and £657m, respectively, in an effort to strengthen their balance sheets. Whereas M&A struggled from Q1 to Q2 (down from 107 to 36), debt and equity funding deal types prospered, with the number of rights issues (up from six to 13) and development capital deals accounting for approximately 46% of all deal types within the region in the second quarter – this perhaps highlighting the way companies appeared to have changed their approach to the new market conditions.

### Industry

Manufacturing continued to be the East of England's most active industry in H1 2020, with its 62 announced deals representing 26% of the regional total. However, following the rules put in place following the confirmation of the UK lockdown, the region witnessed a drop off in the second quarter of 2020 with just 18 transactions confirmed so far (as opposed to 44 in Q1). Against this, there has been a surge in deal volumes within the professional services sector – the highest by volume in Q2, which saw 25 transactions announced in addition to the 36 in Q1 – it will be interesting to see if this trend continues for the remainder of 2020.

## East of England deals

2011 – H1 2020



## Funding

Where detailed funding arrangements were disclosed, we recorded 16 deals – just under 7% of all acquisitive transactions which were funded by bank debt. However, this does not truly reflect how deal funding arrangements have evolved over the last six months and the ongoing impact for businesses as a result of the pandemic. Reconstruction/refinancing transactions are now very much the new normal for companies which are trying to find a way through the crisis which currently engulfs them – there were ten new deals of this type announced in the region, eight of which came specifically post UK-lockdown. HSBC continue to lead the way as the leading source of debt finance, supporting four deals so far, but Lloyds Banking Group appear to have taken on a more prominent role in helping companies through these troubled times providing funding for three transactions, two of which have a refinancing element.

## Advisers

Ensors has been the most active financial adviser up to this point in 2020 advising on ten transactions, ahead of both MHA Larking Gowen and JDC Corporate Finance in second and third position having been cited in nine and eight deals, respectively. Goldman Sachs is in pole position in the value table, advising on two transactions totalling just over £8.7bn; the global investment bank provided financial advice to the previously mentioned Tesco and Ocado Group transactions. Freshfields Bruckhaus Deringer topped the legal value standings, having also provided legal advice to Tesco in the same deal, while the highest legal adviser by volume was Mills & Reeve advising on 13 transactions with a recorded value of approximately £118m.

## Top ten deals: East of England

H1 2020

Date	Consideration (£m)	Deal type	Target	Bidder
09/03/2020	8,089	Acquisition	Malaysia and Singapore Business of Tesco Plc, Welwyn Garden City	Charoen Pokphand Group Co Ltd, Thailand
21/05/2020	1,009	Rights Issue	Whitbread Plc, Dunstable	
10/06/2020	657	Rights Issue	Ocado Group Plc, Hatfield	
28/04/2020	426	IBO	Jagex Ltd, Cambridge	Macarthur Fortune Holding LLC, USA
24/06/2020	419	Rights Issue	Easyjet Plc, Luton	
30/01/2020	192	IBO	Global Marine Systems Ltd, Chelmsford	JF Lehman & Co, USA
29/04/2020	141	Rights Issue	JD Wetherspoon Plc, Watford	
21/01/2020	120	Rights Issue	IG Design Group Plc, Milton Keynes	
20/01/2020	90	Acquisition	CSS Industries Inc, USA	IG Design Group Plc, Milton Keynes
21/04/2020	70	Acquisition	Nanna Therapeutics Ltd, Cambridge	Astellas Pharma Inc, Japan

## East of England

### Legal adviser rankings

Current rank	Previous rank	Legal adviser	Volume <sup>1</sup>
1	1	MILLS & REEVE	13
2	2	BIRKETTS	12
3	3	HARRISON CLARK RICKERBYS	9
4	6	GATELEY	6
5	5	SHOOSMITHS	6
6	14	PINSENT MASONS	5
7	11	FREETHS	4
8	10	KNIGHTS	4
9	15	TAYLOR VINTERS	3
10	23	ADDLESHAW GODDARD	3

Current rank	Previous rank	Legal adviser	Value (£m)
1	-	FRESHFIELDS BRUCKHAUS DERINGER	8,089
2	-	HOGAN LOVELLS	202
3	-	JONES DAY	192
3	-	BLANK ROME	192
5	1	ASHURST	150
6	-	OGIER	141
7	9	MILLS & REEVE	118
8	-	MORGAN LEWIS & BOCKIUS	90
9	-	P+P POELLATH + PARTNERS	65
9	-	WILSON SONSINI GOODRICH & ROSATI	65

<sup>1</sup> 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 <sup>1</sup>
1	3	ENSORS	10
2	1	MHA LARKING GOWEN	9
3	14	JDC CORPORATE FINANCE	8
4	5	GRANT THORNTON	7
5	3	KBS CORPORATE	6
6	26	BENCHMARK INTERNATIONAL	6
7	-	NUMIS SECURITIES	4
8	2	RSM	4
9	12	INVESTEC BANK	3
10	7	FINNCAP	3

Current rank	Previous rank	Financial adviser	Value (£m)
1	1	GOLDMAN SACHS	8,746
2	-	BARCLAYS	8,089
2	-	GREENHILL & CO	8,089
4	15	JP MORGAN	1,666
5	8	MORGAN STANLEY	1,009
6	26	NUMIS SECURITIES	697
7	-	BNP PARIBAS	419
7	3	CREDIT SUISSE	419
9	17	INVESTEC	192
9	-	ABN AMRO	192
9	-	DEUTSCHE BANK	192
9	-	WINCHESTER CAPITAL	192

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



## The Midlands

### Summary

As expected, first half deal volume in the Midlands was similar to the rest of the UK, with the 340 announced transactions dropping by over a third from the H1 2019 statistics as the global pandemic pushed figures back to levels similar to the post financial crisis deal landscape of pre-2014. Meanwhile the total value of Midlands deals dropped by almost 65% to £2.9bn, down from £8.3bn in H1 2019, as the region's larger corporates largely adopted a cautious stance towards big-ticket M&A. Development capital deals have seen a surge in popularity in comparison to 2019 figures representing almost 16% of all transactions in the region, up from 10% of deals in 2019. The Midlands remains the busiest region for deal making outside of London and the South East, with Midlands businesses involved in 13% of all UK transactions in H1, while contributing 2.7% to total value.

### Deals of the Year

While development capital proved a resilient deal type, it was the traditional acquisition that appeared heavily in our top ten transactions for the region. Of the six announced, four have already completed, including the Australian technology firm Citadel Group's £103m acquisition of Mansfield-based Wellbeing Software Group from exiting investor Elysian Capital and Dart Group's sale of its Yorkshire-based subsidiary Fowler Welch to Culina Group of Market Drayton for £98m in the logistics sector. Elsewhere, two of the region's publicly traded companies, Warwick-based luxury automotive manufacturer Aston Martin Lagonda and Birmingham transport group

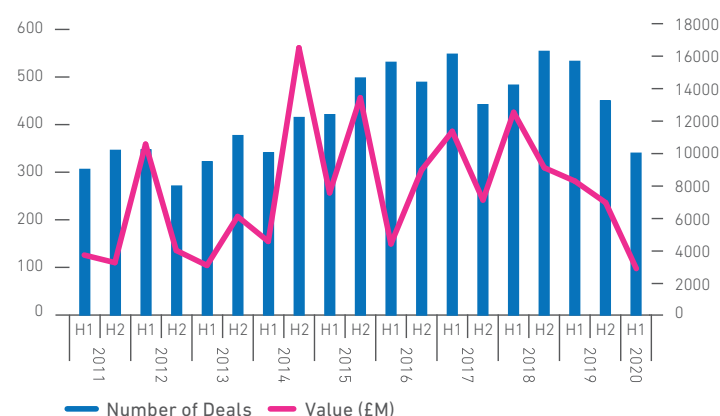
National Express, turned to the markets to shore up their capital position, raising £556m and £235m, respectively, via share placings.

### Industry

The region's manufacturing sector maintained its status as the Midlands' most active industry for M&A but was among the worst affected by the slowdown, it's 86 deals representing a 44% decline from the 153 deals announced during H1 2019. Meanwhile professional services was the second most active sector in the Midlands with 80 transactions and saw a substantial increase in deal value year on year to a total of £349m. Infocomms, while declining by almost a third in the volume of deals, kept deal value consistent at £208m compared to £207m the previous year. There was one sector which had a small boost in volume, with waste management up by 8% on H1 2019.

### Midlands deals

2011 – H1 2020



## Funding

Despite the drop in overall transactions, funding from private equity firms has remained stable in the first half of 2020. In total there were 57 PE-backed transactions, representing 17% of all funding for the area, compared to 58 transactions in 2019 (equating to 115); Business Growth Fund was the most active investor. Around 12% of deals were funded with new bank debt, with Maven Debt Finance and HSBC in first and second place on the debt provider list for the Midlands.

## Advisers

Harrison Clark Rickerbys and Gateley were the Midlands' leading legal advisers by deal volume in H1, each advising on 30 transactions, while Addleshaw Goddard was the adviser associated to the highest value of deals with a total of £488m. KPMG was at the top of the financial advisers by volume in the Midlands with ten deals; Morgan Stanley with £602m was top by value, just above Deutsche Bank and JP Morgan Chase & Co, which both worked on deals with a recorded value of £556m.

## Top ten deals: The Midlands

H1 2020

Date	Consideration (£m)	Deal type	Target	Bidder
31/01/2020	556	Rights Issue	Aston Martin Lagonda Global Holdings Plc, Warwick	
26/02/2020	433	Acquisition	UK Build to Rent Assets, Birmingham	ECE Projektmanagement GmbH & Co KG, Germany
06/05/2020	235	Rights Issue	National Express Group Plc, Birmingham	
08/01/2020	178	Acquisition	Certain Assets and Operations of CEMEX in the UK	Breedon Group Plc, Breedon on the Hil
09/01/2020	119	Divestment	Watches of Switzerland Group Plc, Leicester	
18/02/2020	103	Acquisition	Wellbeing Software Group Ltd, Mansfield	Citadel Group Ltd, Australia
01/06/2020	98	Acquisition	Fowler Welch Ltd, Leeds	Culina Group Ltd, Market Drayton
15/05/2020	61	IBO	Bridge Farm Nurseries Ltd, Spalding	Project Seed Bidco Ltd, Spalding
13/01/2020	46	Acquisition	Primaflow Ltd, Northampton	Newbury Investments (UK) Ltd, Newbury
30/01/2020	38	Acquisition	Agger Ltd, Penkridge	Renew Holdings Plc, Leeds

## The Midlands

### Legal adviser rankings

Current rank	Previous rank	Legal adviser	Volume <sup>1</sup>
1	3	HARRISON CLARK RICKERBYS	30
2	1	GATELEY	30
3	6	PINSENT MASONS	13
4	10	MILLS & REEVE	12
5	2	BROWNE JACOBSON	11
6	20	SHOOSMITHS	10
7	15	ADDLESHAW GODDARD	9
8	4	HIGGS & SONS	9
9	5	KNIGHTS	6
9	8	EVERSHEDS SUTHERLAND	6

Current rank	Previous rank	Legal adviser	Value (£m)
1	9	ADDLESHAW GODDARD	488
2	3	ASHURST	235
3	1	SLAUGHTER AND MAY	178
4	-	STEPHENSON HARWOOD	103
5	-	BROWNE JACOBSON	89
6	-	WALKER MORRIS	64
7	-	DAVIES WARD PHILLIPS & VINEBERG	61
7	-	PIERCE ATWOOD	61
9	22	DLA PIPER	47
10	-	WILLIAM FRY	31

<sup>1</sup> 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 <sup>1</sup>
1	6	KPMG	10
2	7	MAZARS	9
3	5	GRANT THORNTON	8
4	4	KBS CORPORATE	8
4	-	DAINS	8
6	15	BALDWINS	7
7	1	BDO	7
8	3	NUMIS SECURITIES	5
9	2	RSM	5
10	19	SPRINGBOARD	5

Current rank	Previous rank	Financial adviser	Value (£m)
1	-	MORGAN STANLEY	602
2	-	DEUTSCHE BANK	556
2	-	JP MORGAN	556
4	-	BANK OF AMERICA MERRILL LYNCH	235
4	-	HSBC	235
6	-	MOELIS & CO	178
7	1	ROTHSCHILD & CO	119
7	16	BARCLAYS	119
7	2	GOLDMAN SACHS	119
10	-	MAZARS	105

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

## Yorkshire & Humber

### Summary

As is the case with other UK regions, Yorkshire and Humber's M&A activity was substantially different for deals recorded before and after the UK lockdown on 23 March – there were 220 transactions announced in the first six months of the year, with this being split into 141 before and 79 after. These numbers were significantly down on the 344 deals recorded in 2019 for the same stage, whilst also being the lowest recorded since the beginning of first half of 2014. The value of the deals reached just over £1.5bn, well short of the £2.2bn figure for the previous year. Yorkshire and Humber-based companies were involved in 8.7% of all UK deals in 2020 and contributed 1.5% to their total value.

### Deals of the Year

Rights issues dominated the top deals for the region within the first six months, with five of the seven largest deals falling into this category – significantly, with four of these coming post Covid-19 UK lockdown. The biggest of these saw Leeds-based Dart Group (owners of Jet2.com) announce a £172m placement in May – the proceeds of which will be used for working capital requirements and for general corporate purposes, with the airline industries being one of the worst sectors affected so far. In the same month, the Polypipe Group of Doncaster also confirmed a placing to raise gross proceeds of £120m, which will be used to strengthen its balance sheet, reduce overall debt and lower leverage. The largest

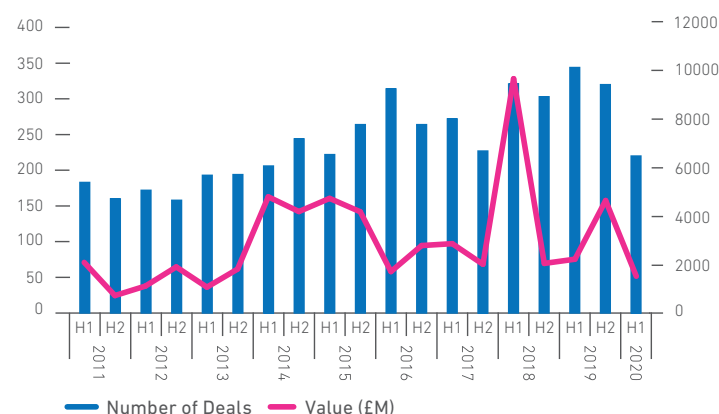
buy-out deal by value saw Inflexion Private Equity acquire Rosemont Pharmaceuticals, a Leeds-based company which develops, manufactures and markets oral liquid medicines in the UK, from Irish parent Perrigo for £156m in cash.

### Industry

The stats don't make great reading for industries within the Yorkshire and Humber region – each of the top ten industries have returned negative growth in terms of deal volumes year on year, with only the transport sector (nine deals) reaching the same number of deals for the same period in 2019. There were only 64 manufacturing transactions announced (down from 107), whilst professional services (54) was the only other industry to break through the 50-deal barrier. The latter was the shining light in terms of deal values, recording transactions with a combined consideration of more than £500m – the only sector to do so and significantly higher than last year when deal values reached £217m.

## Yorkshire & Humber deals

2011 – H1 2020



## Funding

The volume of reconstruction/refinancing transactions was again significant in context of the way the M&A landscape seems to have changed following the UK economy shut down – 16 deals of this type (18 in total for 2020) were confirmed, much higher than 2019 where this particular region witnessed only four transactions throughout the whole year. Where detailed funding arrangements were disclosed, we recorded 32 deals – approximately 14% of all acquisitive transactions recorded so far in 2020 – that were funded by bank debt. However, considering the additional reconstruction/refinancing transactions (which aren't usually recorded in these stats), this pushes the percentage figure above 21% as a proportion of all deals. HSBC (again) was the leading debt provider funding nine transactions (11 with the refinancing deals). Private equity remained active (36 deals), funding 16% of all the region's deals so far this year; this was just below last year's percentage figure (15%).

## Advisers

KBS Corporate has been the most active financial adviser so far in 2020, having advised on eight transactions, just ahead of Mazars on seven deals. Cenkos Securities was the lead financial adviser by value advising on four transactions for a combined consideration of £275. These included advising Dart Group in the deal mentioned previously and the same company in the sale of its Leeds-based subsidiary Fowler Welch to Culina Group for £98m (the fourth largest deal recorded in the region to date). Addleshaw Goddard remained at the top of the legal value standings having provided advice on six deals for an aggregate consideration of £471m. The highest legal adviser by volume was Clarion Solicitors, which advised on 13 transactions, edging out Gateley in second place on ten deals.

## Top ten deals: Yorkshire & Humber

H1 2020

Date	Consideration (£m)	Deal type	Target	Bidder
20/05/2020	172	Rights Issue	Dart Group Plc, Leeds	
19/06/2020	156	IBO	Rosemont Pharmaceuticals Ltd, Leeds	Inflexion Private Equity Ltd, London
07/05/2020	120	Rights Issue	Polypipe Group Plc, Doncaster	
01/06/2020	98	Acquisition	Fowler Welch Ltd, Leeds	Culina Group Ltd, Market Drayton
22/04/2020	64	Rights Issue	DFS Furniture Plc, Doncaster	
30/01/2020	43	Rights Issue	Benchmark Holdings Plc, Sheffield	
04/06/2020	48	Rights Issue	Avacta Group Plc, Wetherby	
30/01/2020	38	Acquisition	Agger Ltd, Penkridge	Renew Holdings Plc, Leeds
19/02/2020	34	Acquisition	Sainsbury's store, Hessle	Supermarket Income REIT Plc, London
16/06/2020	30	Growth Capital	KCom Group Ltd, Hull	

## Yorkshire & Humber

### Legal adviser rankings

Current rank	Previous rank	Legal adviser	Volume <sup>1</sup>
1	2	CLARION SOLICITORS	13
2	1	GATELEY	10
3	8	GORDONS	9
4	6	SQUIRE PATTON BOGGS	7
5	5	ADDLESHAW GODDARD	6
6	4	WARD HADAWAY	6
6	23	SHOOSMITHS	6
8	14	HARRISON CLARK RICKERBYS	5
9	13	KEEBLES	5
10	19	DWF	5

Current rank	Previous rank	Legal adviser	Value (£m)
1	1	ADDLESHAW GODDARD	471
2	14	DLA PIPER	38
3	26	WALKER MORRIS	38
4	2	PINSENT MASONS	22
4	-	BDB PITMANS	22
6	-	TLT	21
7	13	GATELEY	12
8	27	KNIGHTS	12
9	-	BLACKS SOLICITORS	8
9	-	RW BLEARS	8

<sup>1</sup> 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 <sup>1</sup>
1	3	KBS CORPORATE	8
2	6	MAZARS	7
3	10	NUMIS SECURITIES	5
4	2	RSM	5
5	20	CENKOS SECURITIES	4
6	5	FINNCAP	4
7	-	STIFEL	3
8	14	DOW SCHOFIELD WATTS	3
9	18	SENTIO PARTNERS	3
9	11	KPMG	3
9	-	CLIVE OWEN	3

Current rank	Previous rank	Financial adviser	Value (£m)
1	14	CENKOS SECURITIES	275
2	2	BARCLAYS	236
3	5	NUMIS SECURITIES	229
4	-	CANACCORD GENUITY	172
4	-	HSBC	172
6	-	DEUTSCHE BANK	120
6	-	MOELIS & CO	120
8	-	MAZARS	101
9	2	PEEL HUNT	83
10	-	STIFEL	69

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

## North West

### Summary

During the first half of 2020 the North West along with the rest of the UK has seen M&A activity drop, with a 40% decline in volumes compared to the same period in 2019. However, thanks to two big ticket transactions announced in February and April, the values of deals in the North West has soared by just under 130%. The two mega deals have cross-border involvement with shares in the Indian subsidiary of Port Sunlight-registered Unilever being sold for over £2.5bn and Blackburn retailer EG Group's offer of just over £2bn for Caltex Australia, a Sydney based firm. The North West had an involvement in 10.6% of UK transactions in H1 2020, while contributing 7.4% of overall value.

### Deals of the Year

In the North West there has been a substantial rise in the total number of rights issues year on year; with over an 80% increase this looks to be a reliable way for the region's companies to raise capital in the current economic climate. There were four large rights issues in the top ten North West deals, each with a different purpose for the funding. These deals included a £198m rights issue conducted by boohoo group to fund potential expansion as a result of the opportunities likely to emerge in the coming months caused by the global pandemic. Meanwhile the £186m share issue by Auto Trader Group, was intended to strengthen their balance sheet and

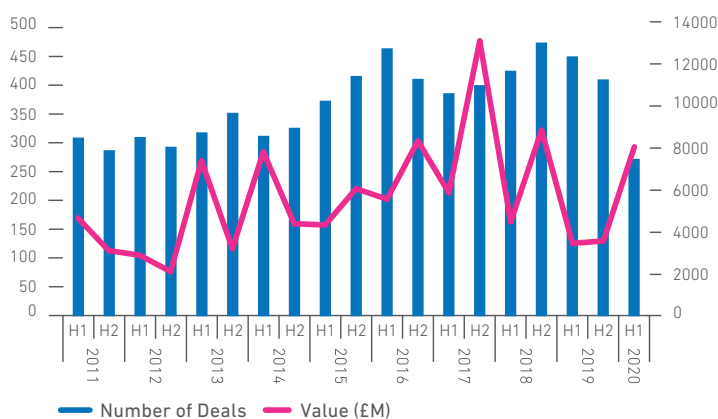
liquidity position, Assura plan to use the funds raised in their £185m rights issue to support onsite development, acquisition opportunities and general corporate purposes and Dechra Pharmaceuticals raised gross proceeds of £133.4m in June to provide financial strength, resilience and flexibility through a period of possible disruption arising from Covid-19.

### Industry

All the sectors in the North West saw a downturn in activity during H1 2020. Interestingly there was a shift in the most prolific industry in the region; usually manufacturing has the highest volume of deals, but during the crisis this has dropped below the volumes of professional services and wholesale and retail transactions. The wholesale and retail industry was responsible for 28% of the transactions in the mid-market and higher, with financial and professional services both contributing to 25%. The most active industry in the rights issue deal type for the North West is professional services, however of the 74 transaction in that sector only 8% were rights issues, the majority were acquisitions with 63% of deal volumes.

### North West deals

2011 – H1 2020



## Funding

Maven Capital Partners and NPIF Maven Equity Finance together invested in a total of ten transactions in the North West in H1 2020. Bank debt has dropped from 14% of volume in H1 2019 to 8.5% so far this year. In contrast the volume of transactions with private equity as a source of funds increased from 17% in H1 2019 to 23% in H1 2020. The traditional debt providers such as HSBC invested in only two transactions compared to 12 deals in H1 2019. It appears that companies have gone elsewhere for their funding, or the banks have changed the way they provide the support.

## Advisers

Gateley was top of the volume tables for legal advisers in the North West with a total of 15 transactions, ahead of Hill Dickinson with 13. Addleshaw Goddard with £700m worth of assists was at the top of the value tables, with Simpson Thacher & Bartlett second with £343m. The financial adviser value table was strongly influenced by the previously mentioned large rights issues, with Zeus Capital top and Citigroup second. In terms of volume in the North West, RSM advised on the most transactions, followed by Dow Schofield Watts.

## Top ten deals: North West H1 2020

Date	Consideration (£m)	Deal type	Target	Bidder
29/04/2020	2,734	Divestment	Hindustan Unilever Ltd, India (a subsidiary of Unilever Plc, Port Sunlight)	
18/02/2020	2,005	Acquisition	Caltex Australia Ltd, Australia	EG Group Ltd, Blackburn
26/02/2020	433	Acquisition	UK Build to Rent Assets, Manchester	ECE Projektmanagement GmbH & Co KG, Germany
07/02/2020	330	IPO	Calisen Plc, Manchester	
28/05/2020	324	Acquisition	Prettylittlething.com Ltd, Manchester	boohoo group plc, Manchester
15/05/2020	198	Rights Issue	boohoo group plc, Manchester	
01/04/2020	186	Rights Issue	Auto Trader Group Plc, Manchester	
06/04/2020	185	Rights Issue	Assura Plc, Warrington	
19/06/2020	185	Acquisition	PureCircle Ltd, USA	Ingredion SRSS Holdings Ltd, Manchester
03/06/2020	133	Rights Issue	Dechra Pharmaceuticals Plc, Northwich	

## North West

### Legal adviser rankings

Current rank	Previous rank	Legal adviser	Volume <sup>1</sup>
1	3	GATELEY	15
2	4	HILL DICKINSON	13
3	10	MILLS & REEVE	13
4	1	KNIGHTS	12
5	9	SHOOSMITHS	11
6	6	ADDLESHAW GODDARD	9
7	14	WARD HADAWAY	9
8	8	SQUIRE PATTON BOGGS	8
9	2	BRABNERS	8
10	13	DLA PIPER	5

Current rank	Previous rank	Legal adviser	Value (£m)
1	3	ADDLESHAW GODDARD	700
2	-	SIMPSON THACHER & BARTLETT	343
3	-	HOGAN LOVELLS	215
4	24	TLT	203
5	4	HILL DICKINSON	93
6	9	NORTON ROSE FULBRIGHT	85
6	-	OGIER	85
8	23	SHOOSMITHS	53
9	26	DLA PIPER	34
10	22	KNIGHTS	32

<sup>1</sup> 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 <sup>1</sup>
1	6	RSM	10
2	2	DOW SCHOFIELD WATTS	8
3	1	GRANT THORNTON	8
4	21	ZEUS CAPITAL	4
5	20	NUMIS SECURITIES	4
6	5	KPMG	4
7	3	KBS CORPORATE	4
8	-	CITIGROUP	3
9	9	FINNCAP	3
10	-	CANTOR FITZGERALD	3

Current rank	Previous rank	Financial adviser	Value (£m)
1	13	ZEUS CAPITAL	541
2	-	CITIGROUP	528
3	-	BARCLAYS	329
3	-	CREDIT SUISSE	329
3	-	GOLDMAN SACHS	329
3	-	HSBC	329
7	8	INVESTEC	233
8	9	NUMIS SECURITIES	224
9	14	JEFFERIES	212
10	-	STIFEL	199

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

## North East

### Summary

M&A activity in the North East followed a similar pattern to the rest of the UK in the first half of 2020, with a decline in total volume of over a third from H1 2019, down to 123 deals. Meanwhile the value of North East transactions declined to a lesser extent, dropping by 17% from H1 2019 to reach £516m. As we've seen elsewhere, the figures were significantly different pre-lockdown, with the first quarter of 2020 seeing a small drop of only 3% in terms of volume and a decline of just under 10% in deal value year on year. Deals are still being done in the North East despite the uncertainty and logistical difficulties, and the first half figures remain ahead of the average six-monthly transaction volume recorded over our review period (of 109 deals). Acquisitions are still the most popular type of transaction, while growth capital deals made up 33.6% of transaction in the region. The North East contributed to 4.9% of the total number of UK transactions and 0.5% of deal value nationally.

### Deals of the Year

At time of writing, all of the region's top ten transactions have completed, with exception of the year's highest profile – the £340m bid by Saudi Arabia's Public Investment Fund for Newcastle United from majority shareholder Mike Ashley. The Saudi-led takeover has been held up by the Premier League's Owners' and Directors' Test and could be in doubt, as it's reported a ruling by the World Trade Organisation has gone against the Middle Eastern nation. The development funding

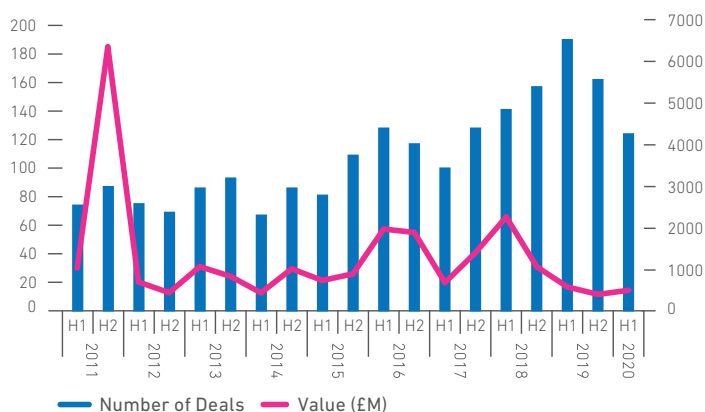
round for Performance Horizon Group was the next largest transaction in the North East, where Accel-KKR and Silicon Valley Bank supplied £28m in new funding for organic growth. The North East had a total of three fundraisings deals in the top ten with funding coming from a range of banks and investment firms.

### Industry

Infocomms, a sector much more in demand as the nation turns to a working from home environment, managed to buck the downward trend, with a 28% uplift in volumes on transactions year on year. Manufacturing had in previous years been the dominant sector in the region, however deals in that industry declined in line with the North East as a whole at a 35% drop. Meanwhile transactions in the education sector stayed relatively stable during this period with volumes increasing by one transaction from H1 2019, perhaps down to an increased interest in the industry with nationwide school closures and home schooling prevalent.

### North East deals

2011 – H1 2020



## Funding

The percentage of transactions with private equity as a source of funds has increased from 21% in H1 2019 to 32% in H1 2020. Maven Capital Partners has been the most active capital provider with five transactions and Mercia Fund Management second on the list with four. Bank debt, previously on par with venture capital, dropped to only 12% of the total funding for the region, suggesting that companies may have gone elsewhere for their funding, or the banks are providing financial support in an alternative way.

## Advisers

Muckle and Ward Hadaway each advised on 23 transactions in the North East to lead the legal volume table, while in terms of value Weightmans was top with £22m from a total of 14 transactions. Clive Owen was at the top of the financial advisers by volume in the North East with 18 deals and GP Bullhound topped the value rankings, with a total of £38m for H1 2020.

## Top ten deals: North East

H1 2020

Date	Consideration (£m)	Deal type	Target	Bidder
29/03/2020	340	Acquisition	Newcastle United Ltd, Newcastle-upon-Tyne	Public Investment Fund
08/01/2020	28	Private Equity	Performance Horizon Group Ltd, Newcastle-upon-Tyne	
11/02/2020	22	Divestment	ScS Group Plc, Sunderland	
23/04/2020	17	Growth Capital	LOK Developments JV2 Ltd, Newcastle-upon-Tyne	
01/06/2020	12	Acquisition	Portfolio of Four Companies, Gateshead	Kenzel Ltd, Gateshead
02/03/2020	10	MBO	Brazilian Business of Sage Group Plc, Newcastle-upon-Tyne	Local Management, Brazil
11/06/2020	10	Acquisition	Cracking Logistics Ltd, Tyne And Wear	Descartes Systems Group Inc, Canada
16/01/2020	9	Acquisition	Four Volkswagen Passenger Car Dealerships, Yorkshire	Vertu Motors Plc, Gateshead
21/02/2020	5	Private Equity	Connection Retail Ltd, Shildon	
03/03/2020	4	Acquisition	Vantage Kia, Bradford	Vertu Motors Plc, Gateshead

## North East

### Legal adviser rankings

Current rank	Previous rank	Legal adviser	Volume <sup>1</sup>
1	1	MUCKLE	23
2	2	WARD HADAWAY	23
3	-	WEIGHTMANS	14
4	3	MINCOFFS	11
5	5	SQUARE ONE LAW	8
6	7	WOMBLE BOND DICKINSON	5
7	12	ARCHERS LAW	4
8	22	PINSENT MASONS	3
9	-	FREETHS	3
10	9	ADDLESHAW GODDARD	3
10	13	GATELEY	3
10	8	SWINBURNE MADDISON	3

Current rank	Previous rank	Legal adviser	Value (£m)
1	-	WEIGHTMANS	22
2	-	PINSENT MASONS	22
3	4	MUCKLE	18
4	8	BURGES SALMON	17
5	7	WARD HADAWAY	14
6	6	WOMBLE BOND DICKINSON	9
7	-	DLA PIPER	9
8	12	SQUARE ONE LAW	5
9	-	FREETHS	5
10	-	CLARION SOLICITORS	4

<sup>1</sup> 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 <sup>1</sup>
1	2	CLIVE OWEN	18
2	3	MHA TAIT WALKER	6
3	8	RYECROFT GLENTON	4
4	23	EY	2
5	18	SENTIO PARTNERS	2
6	7	KPMG	2
7	-	CLEARWATER INTERNATIONAL	1
7	-	PWC	1
9	-	GP BULLHOUND	1
10	-	NUMIS SECURITIES	1

Current rank	Previous rank	Financial adviser	Value (£m)
1	-	GP BULLHOUND	38
2	-	NUMIS SECURITIES	24
3	-	SHORE CAPITAL GROUP	22
4	6	ZEUS CAPITAL	9
5	15	CLIVE OWEN	5
6	7	SENTIO PARTNERS	5
7	10	MHA TAIT WALKER	2
8	-	ARMSTRONG WATSON	2
9	-	PHILIP HARE ASSOCIATES	2
10	-	GARBUTT & ELLIOTT	1

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

## Wales

### Summary

Despite the ongoing Covid-19 crisis, there have still been some positives to take from M&A activity during the first half of 2020 in Wales. Although deal numbers within the country fell by 27% (from 119 to 87), transaction values reached £434m, a rise from £346m in 2019 and also the highest figure recorded for the opening six months of any year since 2017. Wales contributed to 3.4% of the total number of transactions recorded in the UK, while providing just 0.4% to their total value.

### Deals of the Year

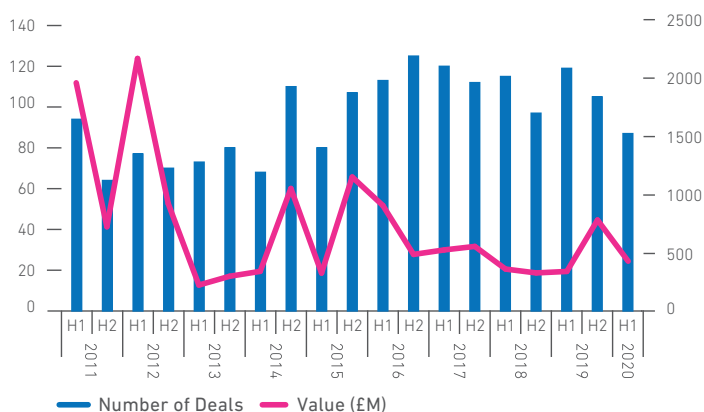
The positivity around deal values in Wales was mainly driven by two large transactions going through after the UK lockdown on 23 March – the largest of which saw Purolite, a company based in Llantrisant, which specialises in resin-based separation, purification and extraction technology, secure a £226m funding package from HSBC to provide its vital products to essential industries during the coronavirus outbreak – this included a £41m uncommitted accordion option, to invest in the development of a manufacturing plant and research and development facility at Llantrisant Business Park. The second largest transaction of 2020 saw Iceland founder Malcolm Walker and chief executive Tarsem Dhaliwal, acquire a 63.1% shareholding in Deeside-based Iceland Foods, a specialist in the retail of frozen food, from exiting investor Brait South Africa, for a consideration of £115m. On completion, Sir Malcolm and Mr Dhaliwal own 100% of the company again.

### Industry

These large deals were major contributory factors in manufacturing (£281m) and wholesale and retail (£124m) being the only sectors to break through the £100m+ barrier for deals so far this year – this despite transaction volumes falling by 28% and 38%, respectively. The latter sector has been buoyed somewhat by the UK retail and grocery supermarket sectors being the big winners from a business perspective as a result of the global pandemic, with sales showing double-digit growth through the first six months compared to 2019. It will be interesting to see as people gradually return to work if sales will continue to grow at the same rate through the remainder of the year. The construction industry was the only other industry to show year on year growth in transaction values, rising 30% from £18m last year to £23m this year – there were six deals announced for this sector, the largest of which saw Amberon Group acquire Forest Support Services, a Newport-based traffic management specialist, for just under £19m.

### Wales deals

2011 – H1 2020



## Funding

Where detailed funding arrangements were disclosed, we recorded 17 deals – approximately 20% of all acquisitive transactions within the six-month period – that were funded by bank debt. Somewhat surprisingly, this is down on the 23 transactions confirmed the previous year. HSBC continues to be the leading debt provider in Wales, funding three new deals for an aggregate consideration of £226m, including the provision of funding for the Purolite deal. Meanwhile, private equity remained active, funding just over 25% of all Welsh deals in the first half (22 deals); this was a fall in percentage terms on last year's figures, when 26% of deals had a private equity element (31 transactions).

## Advisers

Greenaway Scott and Capital Law were the leading legal advisers by volume, advising on five new deals in H1 2020 with Acuity Legal (three deals) completing the top three. International law firm Skadden, Arps, Slate, Meagher & Flom was the best-placed legal adviser by value, having advised Malcolm Walker and the rest of the management team on re-acquiring Iceland Foods. Panmure Gordon led the financial value rankings by value, being cited in three deals for an overall consideration of just over £15m, whilst AIM adviser finnCap, with four transactions, edged out Gambit Corporate Finance and Baldwins (three deals apiece) as the leading financial adviser for the first half of the year.

## Top ten deals: Wales

H1 2020

Date	Consideration (£m)	Deal type	Target	Bidder
23/04/2020	226	Growth Capital	Purolite Ltd, Llantrisant	
09/06/2020	115	MBO	Iceland Foods Ltd, Deeside	Management
18/02/2020	19	Acquisition	Forest Support Services Ltd, Newport	Amberon Group Ltd, Paignton
25/02/2020	12	Growth Capital	UK Window Group Ltd, Caerphilly	
06/03/2020	11	Rights Issue	Diurnal Group Plc, Cardiff	
24/06/2020	10	Private Equity	Transcend Packaging Ltd, Caerphilly	
11/03/2020	6	Acquisition	U Plastics Ltd, Newmarket	Brickability Group Plc, Bridgend
03/03/2020	6	Acquisition	Cambridge Sound Technologies UK Ltd, Cambridge	Barkby Group Plc, Cardiff
17/04/2020	5	Rights Issue	Intelligent Ultrasound Group Plc, Cardiff	
29/04/2020	4	Private Equity	Amplify Ltd, Cardiff	

## Wales

### Legal adviser rankings

Current rank	Previous rank	Legal adviser	Volume <sup>1</sup>
1	4	GREENAWAY SCOTT	5
2	2	CAPITAL LAW	5
3	7	ACUITY LEGAL	3
4	-	KUITS	3
5	22	JCP SOLICITORS	3
5	-	HUGH JAMES	3
5	-	MCTAGGART SOLICITORS	3
5	12	SHOOSMITHS	3
9	11	SQUIRE PATTON BOGGS	2
10	-	MINCOFFS	2

Current rank	Previous rank	Legal adviser	Value (£m)
1	-	SKADDEN ARPS SLATE MEAGHER & FLOM	115
2	26	GREENAWAY SCOTT	20
3	24	SQUIRE PATTON BOGGS	19
4	-	EMW	10
5	11	ACUITY LEGAL	7
6	-	TAYLOR VINTERS	6
7	17	CAPITAL LAW	5
8	-	MEMERY CRYSTAL	5
9	-	MINCOFFS	4
10	7	GATELEY	1

<sup>1</sup> 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 <sup>1</sup>
1	10	FINNCAP	4
2	3	GAMBIT	4
2	6	BALDWINS	4
4	22	PANMURE GORDON	3
5	-	CENKOS SECURITIES	2
6	9	LEXINGTON CORPORATE ADVISORS	2
6	5	KBS CORPORATE	2
8	-	ENSORS	1
8	-	MHA LARKING GOWEN	1
10	-	HC WAINWRIGHT & CO	1

Current rank	Previous rank	Financial adviser	Value (£m)
1	12	PANMURE GORDON	15
2	17	FINNCAP	9
3	-	CENKOS SECURITIES	8
4	-	ENSORS	6
4	-	MHA LARKING GOWEN	6
6	-	HC WAINWRIGHT & CO	2
7	-	PELLO CAPITAL	1
8	-	SEVERN SEED FINANCE	1

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

## Scotland

### Summary

Scotland endured a more prolonged lockdown than the rest of the UK, and the impact of the Covid-19 pandemic on M&A activity manifested itself in the lowest volume of deals recorded for the country in over a decade. A total of 105 deals were announced, which is a decline of close to 73% on the same period last year, which saw 387 transactions. Deal values dropped by 64% from just under £5.6bn in 2019, to just under £2bn for this reporting period. Small cap deals fell by 89% and mid-market deals by more than 50%. Mega deals were noticeable by their absence, in comparison to two reported in the same period last year. Close to 70% of the deal making was conducted in Q1, with the full impact of the economic devastation of coronavirus being felt post-lockdown and into Q2. Scotland accounted for 1.9% of all UK deal values and just under 4.1% of deal volumes.

### Deals of the Year

All but two of Scotland's largest deals were announced post-lockdown. In April, Greencoat UK Wind paid £320m to acquire South Kyle wind farm, located 5km to the east of Dalmellington in Scotland. In early March, just ahead of coronavirus restrictions coming into force, funds managed by Equitix Investment Management agreed to pay £291m in cash to acquire Crail Meters from Glasgow-based Smart Metering Systems (SMS). The third largest deal was announced on 25th June and saw Glasgow-based Mitie Group acquire Interserve Facilities Management for just over £271m. A flurry of fundraisings,

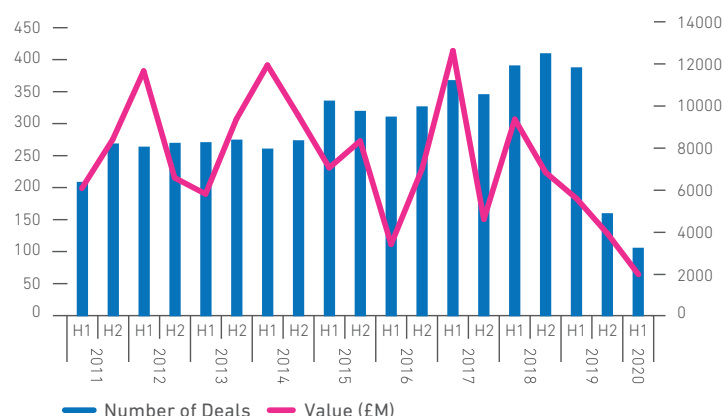
both in the capital markets and private equity space, saw Scottish companies bolster their cash reserves by £443m. Mitie Group also raised £201m through a rights issue to ensure a strong financial position and sufficient liquidity to trade through the Covid-19 pandemic, whilst The Restaurant Group, registered in Glasgow, raised £57m to enable it to continue to operate in the challenging environment.

### Industry

M&A activity across all sectors was predictably subdued, with financial services, usually the most active sector, seemingly the hardest hit with a staggering 95% decline in the volume of announced deals. Just 13 deals were announced in comparison to 249 in the previous year. Infocomms and support services enjoyed an upturn in both the volume and value of deals, with professional services and infocomms the most active sectors in terms of deal activity. Valuations were hard hit in the manufacturing, wholesale and retail and financial services sectors – on average, an 85% decline in comparison to 2019.

### Scotland deals

2011 – H1 2020



## Funding

Where detailed funding arrangements were disclosed, private equity-backed deals represented just under 29% of the total volume of deals in the first half of the year, compared to 8.5% in the same period last year. The Scottish Investment Bank, Equity Gap and Downing were the most active investors, with investments in Scottish assets coming from numerous private equity and venture capital firms. Just 6% of deals were known to have secured debt funding, which equated to seven transactions. Ares Management and Shawbrook Bank funded two deals apiece, with RBS, Wells Fargo and Clydesdale Bank covering the other three.

## Advisers

Addleshaw Goddard topped the legal adviser rankings with a total of seven deals, followed by Pinsent Masons and Gateley on three apiece. The rest of the top ten comprised several firms which all advised on two deals each. DLA Piper secured first position in the value rankings on £320m worth of deals, with Slaughter and May in second place on £271m and Pinsent Masons third with £92m. Anderson Anderson & Brown was by some way the most active financial adviser in the year to date, having advised on 13 deals, with RSM in second place on three. In terms of value, each of Cenkos Securities, DC Advisory and Instinctif Partners jointly took top spot by virtue of their advice on the SMS disposal of its metering assets to Equitix.

## Top ten deals: Scotland

H1 2020

Date	Consideration (£m)	Deal type	Target	Bidder
27/04/2020	320	Acquisition	South Kyle Wind Farm Ltd, Edinburgh	Greencoat UK Wind Plc, London
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	201	Rights Issue	Mitie Group Plc, Glasgow	
05/02/2020	91	Acquisition	Industrial services business of John Wood Group Plc, Aberdeen	Kaefer Isoliertechnik GmbH & Co KG, Germany
08/04/2020	57	Rights Issue	Restaurant Group Plc, Glasgow	
26/05/2020	49	Growth Capital	Exscientia Ltd, Dundee	
03/06/2020	44	Growth Capital	Nodthera Ltd, Aberdeen	

## Scotland

### Legal adviser rankings

Current rank	Previous rank	Legal adviser	Volume <sup>1</sup>
1	4	ADDLESHAW GODDARD	7
2	2	PINSENT MASONS	3
3	8	GATELEY	3
4	-	SLAUGHTER AND MAY	2
5	1	CMS	2
6	-	JONES DAY	2
6	13	BURGES SALMON	2
6	16	SHOOSMITHS	2
6	-	MACROBERTS	2
6	-	MARRIOTT HARRISON	2

Current rank	Previous rank	Legal adviser	Value (£m)
1	-	DLA PIPER	320
2	-	SLAUGHTER AND MAY	271
3	19	PINSENT MASONS	92
4	24	SHEPHERD & WEDDERBURN	30
4	-	WINSTON & STRAWN	30
6	-	CAREY OLSEN	10
6	-	OGIER	10
8	-	BDB PITMANS	8
9	6	CMS	4

<sup>1</sup> 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 <sup>1</sup>
1	1	ANDERSON ANDERSON & BROWN	13
2	2	RSM	3
3	-	JP MORGAN	2
4	-	BANCO SANTANDER	2
5	-	ALANTRA	2
6	15	PEEL HUNT	2
7	3	BDO	2
8	16	EY	2
9	9	CENKOS SECURITIES	1
9	-	DC ADVISORY	1
9	-	INSTINCTIF PARTNERS	1

Current rank	Previous rank	Financial adviser	Value (£m)
1	29	CENKOS SECURITIES	291
1	-	DC ADVISORY	291
1	-	INSTINCTIF PARTNERS	291
4	-	EVERCORE GROUP	271
4	-	LAZARD	271
6	-	JP MORGAN	258
7	-	BANCO SANTANDER	201
7	-	BARCLAYS	201
7	33	EVERCORE PARTNERS	201
7	-	JEFFERIES	201

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

## Northern Ireland

### Summary

Deal makers in Northern Ireland largely hit the pause button in the first half of 2020 in the wake of the Covid-19 crisis, with transactions down sharply year on year even before lockdown was first introduced at the end of March. Experian recorded just 58 transactions during the initial half of the year, a decline of 65% on the 165 announced during the corresponding period of 2019. Meanwhile the total value of deals involving a Northern Irish business reached just £52m, down from £294m in H1 2019 and representing the lowest recorded half-year value in more than a decade. There was a Northern Irish element in around 2% of all UK transactions by deal volume in H1 2020 while Northern Irish firms contributed just 0.2% of total deal value.

### Deals of the Year

First half deals tended to take place in the small to mid-market range, with the type of larger acquisitions that pushed overall figures for the second half of 2019 above the £1bn mark conspicuous by their absence. Northern Ireland's largest transaction was a fundraising by Diaceutics, a Belfast-based data analytics provider to the pharmaceuticals sector, which raised £21m via a share placing with institutional investors a year following its £17m AIM listing in the first quarter of 2019. Elsewhere, Mash Direct of Newtownards, which manufactures and distributes mashed potato and vegetables to the wholesale and retail markets, secured a £10m funding package from HSBC and Lisburn's Decora Blind Systems,

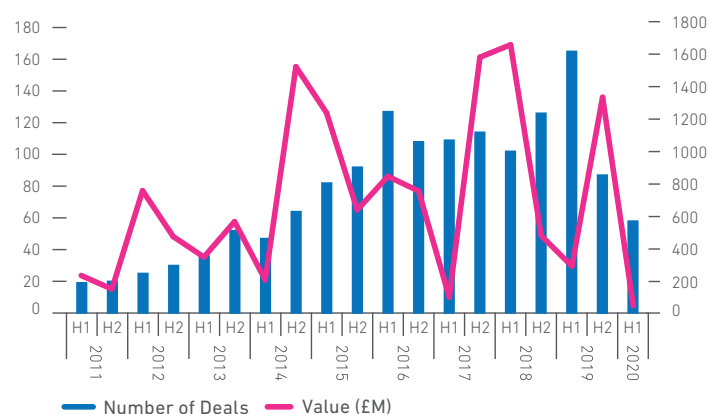
which manufactures window coverings, announced a £10m investment from Business Growth Fund. There was a notable shift in the Northern Irish deal landscape from traditional acquisitions towards fundraisings, with private equity and growth capital deals accounting for almost half of all deals in H1, and all but one of the top ten deals by value being a fundraising of one kind or another. Cross border deal making was extremely rare, with H1 deals almost entirely an all-domestic affair.

### Industry

Northern Ireland's infocomms sector provided the bulk of deal activity in H1, and volume here held up reasonably well given the current context. There were 20 infocomms transactions in all, down from 25 in H1 2019, with prominent tech deals including a £500,000 investment from Crescent Capital into health software business Voscuris and a management buy-out at Spataleest, a Coleraine-based developer of visual intelligence solutions. Manufacturing was the next most active sector with 17 deals, a decline of 45% from the 31 transactions registered in H1 2019, followed by professional services (14 deals).

## Northern Ireland deals

2011 – H1 2020



## Funding

Private equity remained active in Northern Ireland and funded half of all transactions, compared with just 22% of deals during the first half of 2019 - with investment often targeted at the food and drink, tech and healthcare sectors. Invest Northern Ireland and Techstart were the most active investors with eight and seven deals in H1, respectively. The smaller nature of transactions meant that information relating to debt funding tended to be unavailable.

## Advisers

Perennial frontrunners Tughans and Carson McDowell topped the legal adviser table for the first half of 2020. Tughans worked on 19 deals in total, advising Techstart on the majority of its investments, while Carson McDowell had a role in 18 transactions. A&L Goodbody was the leading adviser by value, with a role on deals worth £11m in total.

## Top ten deals: Northern Ireland

H1 2020

Date	Consideration (£m)	Deal type	Target	Bidder
11/06/2020	21	Rights Issue	Diaceutics Plc, Belfast	
28/01/2020	10	Growth Capital	Mash Direct Ltd, Newtownards	
09/06/2020	10	Private Equity	Decora Blind Systems Ltd, Lisburn	
28/04/2020	4	Rights Issue	Fusion Antibodies Plc, Belfast	
02/06/2020	3	Private Equity	Re-Vana Therapeutics Ltd, Belfast	
18/02/2020	2	Private Equity	Cirdan Imaging Ltd, Lisburn	
30/06/2020	1	Acquisition	Greenview Gas Ltd, Belfast	Rockpool Acquisitions Plc, Belfast
20/03/2020	1	Rights Issue	Capital Gearing Trust Plc, Belfast	
14/05/2020	1	Private Equity	The Boatyard Distillery Ltd, Enniskillen	
08/04/2020	1	Private Equity	Cibus Analytical Ltd, Belfast	

## Northern Ireland

### Legal adviser rankings

Current rank	Previous rank	Legal adviser	Volume <sup>1</sup>
1	1	TUGHANS	19
2	2	CARSON MCDOWELL	18
3	3	A&L GOODBODY	7
4	4	DAVIDSON MCDONNELL SOLICITORS	6
5	14	ARTHUR COX	3
5	6	PINSENT MASONS	3
7	7	MILLAR MCCALL WYLIE	2
7	8	TLT	2
9	-	NORTON ROSE FULBRIGHT	2
10	-	MCCARTHY DENNING	1

Current rank	Previous rank	Legal adviser	Value (£m)
1	3	A&L GOODBODY	11
2	5	TUGHANS	10
3	-	MCCARTHY DENNING	1

<sup>1</sup> 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 <sup>1</sup>
1	11	CENKOS SECURITIES	1
2	2	GRANT THORNTON	1
2	6	KPMG	1
2	3	RSM	1
5	14	KBS CORPORATE	1
5	-	HANNAWAYCA	1
5	-	ACUITY ADVISORS	1
5	-	IBI	1

Current rank	Previous rank	Financial adviser	Value (£m)
1	3	CENKOS SECURITIES	21
2	5	GRANT THORNTON	10
2	10	KPMG	10
2	8	RSM	10

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

## Republic of Ireland

### Summary

The Covid-19 pandemic has suppressed M&A activity in the Republic of Ireland just as it has in markets across the globe, even though a flurry of first quarter deal making meant that the country had looked set for a strong first half of the year prior to lockdown being imposed in mid-March. Experian recorded 174 deals involving an Irish firm in the first half of 2020, the first time H1 deal volume has dipped under the 200 mark since 2013. These deals were mainly around the small to mid-market range, which meant that the total value of Irish M&A reached just €5.4bn – this represented a decline of 91% on the €62.7bn worth of deals announced in H1 2019 and the lowest half-yearly return in well over a decade.

### Deals of the Year

Mega deals have been few and far between so far in 2020, without a single transaction worth €1bn or above; again we have to go back several years (to the second part of 2012) to find the last time a six-month period passed without a single transaction topping €1bn. The year's biggest deal to date saw Flutter Entertainment, the Dublin betting group behind the Paddy Power, Betfair and Sportingbet brands, raise around €894m via a share placing with institutional investors; the firm intends to use the funds to increase growth in the US and invest in its online gaming business, revenues from which assumed particular importance after the recent hiatus in sporting activity. Elsewhere, semiconductor manufacturer

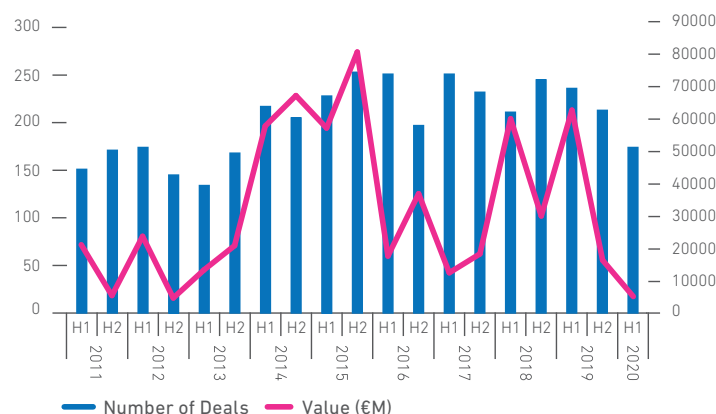
Decawave was acquired by US firm Qorvo for €340m in the year's largest acquisition so far and Phoenix Tower International, a Blackstone-backed wireless infrastructure business, acquired Emerald Tower from Dublin telecoms group Eircom, marking the US company's entrance into the Republic's wireless infrastructure sector.

### Industry

Ireland's tech sector was its most fertile source of deal activity during H1, with a total of 78 deals worth around €2.6bn taking place in the infocomms space. Infocomms was one of four industries to see an increase in deal activity year on year (along with professional services, utilities and construction), with an 8% upturn in volume associated with a 13% increase in total value. Infocomms deals accounted for nearly half of all Irish acquisitions in H1 and for more than half the number of private equity funded transactions – as well as seeing high levels of cross border activity, with US and UK firms particularly active. On the other hand, the manufacturing, retail, construction and financial services sectors saw significant drop offs in deal activity in comparison with the first half of 2020.

## Republic of Ireland deals

2011 – H1 2020



## Funding

Private equity was increasingly prominent in the Irish deal landscape in H1 2020, funding 26% of all transactions, up from 20% during the first half of 2019. Notable transactions included London buy-out firm Intermediate Capital Group's €106m acquisition of a 10% stake in HR software firm Globoforce and car rental firm ETrawler's €100m investment from Towerbrook Capital to shore up its capital position in the wake of the pandemic. Enterprise Ireland was the busiest investor in Ireland with seven deals signed off in H1, with Frontline Ventures and ACT Venture Capital also very active (five transactions apiece).

## Advisers

Arthur Cox has been the Republic of Ireland's leading legal adviser in H1 2020 by both the volume and value of transactions. The Dublin firm worked on 17 deals in all, with Flynn O'Driscoll (13 transactions) and McCann Fitzgerald (nine) making up the top three, while also bagging a role advising Flutter Entertainment on its multi-million fundraising to top the value table. Davy was the leading financial adviser, working on five transactions worth just short of €1bn in aggregate.

## Top ten deals: Republic of Ireland

H1 2020

Date	Consideration (€m)	Deal type	Target	Bidder
28/05/2020	894	Rights Issue	Flutter Entertainment Plc, Dublin	
30/01/2020	340	Acquisition	Decawave Ltd, Dublin	Qorvo Inc, USA
31/01/2020	326	Minority Stake	Yanfeng Global Automotive Interior Systems Co Ltd (from Adient Plc, Dublin)	Yanfeng Automotive Trim Systems Co Ltd, China
25/05/2020	295	Acquisition	Emerald Tower Ltd, Dublin	Phoenix Tower International LLC, USA
19/06/2020	172	IBO	Rosemont Pharmaceuticals Ltd, Leeds (from Perrigo Company Plc, Dublin)	Inflexion Private Equity
05/03/2020	149	Acquisition	Automotive Fabric Business of Adient Plc, Dublin	Sage Automotive Interiors Inc, USA
06/03/2020	118	Acquisition	Context Information Security Ltd, London	Accenture Plc, Dublin
27/04/2020	111	Rights Issue	Avadel Pharmaceuticals Plc, Dublin	
24/06/2020	106	Minority Stake	Globoforce Ltd, Dublin	Intermediate Capital Group
19/05/2020	100	Private Equity	ETrawler Unlimited Co, Dublin	

## Republic of Ireland

### Legal adviser rankings

Current rank	Previous rank	Legal adviser	Volume <sup>1</sup>
1	2	ARTHUR COX	17
2	3	FLYNN O'DRISCOLL	13
3	5	MCCANN FITZGERALD	9
4	4	WILLIAM FRY	7
5	6	PINSENT MASONS	7
6	-	LK SHIELDS & PARTNERS	6
7	7	EVERSHEDS SUTHERLAND	6
8	8	BYRNEWALLACE	5
9	1	A&L GOODBODY	4
10	-	FRESHFIELDS BRUCKHAUS DERINGER	3

Current rank	Previous rank	Legal adviser	Value (€m)
1	4	ARTHUR COX	1,497
2	11	SULLIVAN & CROMWELL	353
3	-	FRESHFIELDS BRUCKHAUS DERINGER	330
4	7	MCCANN FITZGERALD	194
5	16	MATHESON	123
6	8	SLAUGHTER AND MAY	118
7	13	MORGAN LEWIS & BOCKIUS	106
8	1	KIRKLAND & ELLIS	98
9	-	SIDLEY AUSTIN	98
10	14	WILLIAM FRY	95

<sup>1</sup> 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 <sup>1</sup>
1	4	DAVY	5
2	-	HC WAINWRIGHT & CO	4
3	-	JEFFERIES	3
4	-	NUMIS SECURITIES	3
5	10	GRANT THORNTON	3
5	-	KBS CORPORATE	3
5	-	SHANNON ENERGY	3
8	6	GOLDMAN SACHS	2
9	-	CRAIG-HALLUM CAPITAL GROUP	2
9	-	LADENBURG THALMANN & CO	2
9	-	PIPER SANDLER	2
9	-	STIFEL	2

Current rank	Previous rank	Financial adviser	Value (€m)
1	21	DAVY	977
2	4	GOLDMAN SACHS	919
3	22	JEFFERIES	166
3	-	CRAIG-HALLUM CAPITAL GROUP	166
3	-	LADENBURG THALMANN	166
3	-	PIPER SANDLER COMPANIES	166
3	-	STIFEL	166
8	-	HC WAINWRIGHT & CO	153
9	1	MORGAN STANLEY	123

<sup>1</sup> 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 Corpfm's global M&A database with comprehensive Companies House data and our market leading business, financial and risk databases – all on a single platform.
- These tables are based on mergers & acquisitions (M&A) and equity capital market (ECM) transactions announced between the dates of 1 January 2020 and 30 June 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 = €1.10.
- This publication was compiled on 13 July 2020. 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 Q3 2020 League Tables, please send all submissions to us by 1 September.**

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

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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 Corpfm's global M&A database with comprehensive Companies House data and our market leading business, financial and risk databases – all on a single platform. 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.

Experian MarketIQ provides the broadest and deepest source of corporate, deal, company, financial and business information on a single, accessible and easy-to-use platform. It helps to keep you one step ahead of your competitors and so make the most of more opportunities.

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