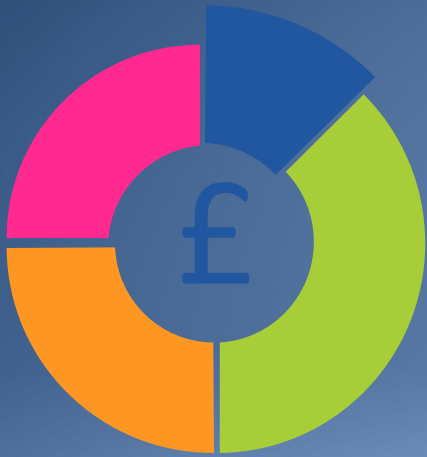


pro-manchester

North West and Manchester
Mid-Year Corporate Finance

Review 2024

In partnership with





pro-manchester



About pro-manchester

We are the largest business development organisation in the North West. We represent the business community across the region and support growth and development to promote the north as the place to do business.

Governed by a non-executive Board of Directors made up of senior individuals from within our membership, we increase professional excellence through knowledge sharing, creating partnerships and staying ahead of the ever-changing business environment.

About Experian MarketIQ

Experian MarketIQ combines a premium global database of mergers and acquisitions data with easy access to filed information on all UK companies. The full range of data can be subject to detailed and flexible analysis to put you firmly at the centre of the information gathering process.

Experian MarketIQ maintains a UK business database comprising the most extensive, up to date and accurate source of verified business intelligence, industry news, deal rumours and company financial information in the UK. For more information, visit www.experian.co.uk/marketiq



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pro-manchester, in association with Experian MarketIQ, is pleased to present you with the first mid-year Corporate Finance Review for 2024. The aim of this publication is to provide you with a keen insight into the mechanisms of Manchester’s corporate finance market. Rather than simply looking at the deals done in Manchester, we take a different angle, examining instead those deals that Manchester-based advisers have worked on, irrespective of the location of the parties to the transaction. We believe that this approach provides a unique and informative perspective on the corporate finance market as well as a detailed view of the true reach of Manchester’s advisory community. We hope you enjoy reading this publication and welcome your feedback.

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Key Highlights

pro-manchester, in association with Experian MarketIQ, is pleased to present you with the first mid-year review of corporate finance activity in the North West.

In this report, we'll review deals announced over the last six months, with a specific focus on private equity activity and key trends in the market.

With an improving economic outlook, 2024 is showing promising signs of growth and stability. The opening half of the year has seen a strong performance for the North West in terms of private equity activity, with this trend expected to persist as conditions continue to stabilise.

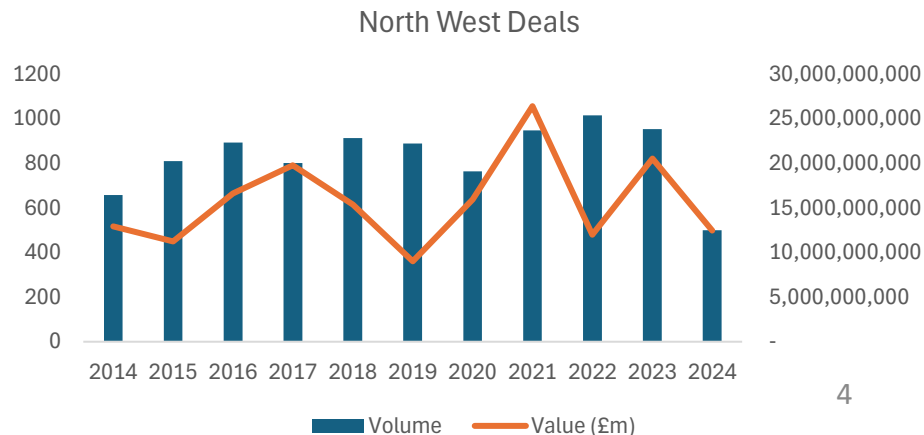
Professional services and the wholesale and retail sectors have been dominant, but we are seeing diversification, with growing interest in traditionally less active sectors such as health and hospitality.

There has been a shift in volume, with fewer deals being done, but pivoting towards higher value transactions, a trend which looks set to prevail into the second half of the year.

Manchester is a significant hub for corporate finance activity, with many professional services firms maintaining a strong presence in the city, underpinning the region's potential for big ticket deals.

Alvarez & Marsal has recently expanded its Manchester team to more than 80 people; Vertex, a new corporate finance boutique, recently opened its doors to provide sell-side advice to SME's; and Knights has appointed a number of new partners to expand its Manchester team.

Looking ahead, Manchester and the North West look set for a more stable year in 2024. Businesses are gearing up for growth after navigating the challenges of recent years, and private equity firms are hopeful of a healthy pipeline of receptive buyers for assets in their portfolios that are ready for exit.



Private Equity Insights

The North West remains a key investment area for private equity and venture capital, with close to 20% of the deals in the year to date involving early stage investments through to majority buy-outs, secondary buy-outs and exits.

With the region being home to an array of portfolio businesses across a broad range of industries, bolt-on acquisitions underpinned the bulk of private equity activity.

Key deals included nursery group Kids Planet, backed by Fremman Capital, continuing to accelerate its national expansion plans, with a further 14 acquisitions, bringing the total number of purchases in the last ten years to 77, and Darwin-based Hakim Group, backed by All Seas Capital, snapped up a further five independent opticians' practices, adding to the 15 acquired over the last decade.

Majority investments by private equity houses included the acquisition by Inflexion of Manchester-based health and fitness group Ultimate Performance; Ormskirk-based Distant Journeys being acquired by a Mobeus vehicle; and Bolton-based ABL Health attracting the interest of Bay Tree Private Equity.

We have also seen several notable exits this year, with Inflexion selling its investment in David Roberts & Partners to BMS Group in a deal valued at £425m; Palatine's successful exit from Blackpool-based Direct Tyre Management in a £55m secondary buy-out to Caledonia Private Capital; and the £15m sale of Clearly Drinks to Supreme, an exit for NorthEdge Capital, just over seven years after its initial investment in the business.

Businesses which have attracted venture capital investment this year include environmental consultancy RSK with an £800m injection from Searchlight Capital Partners and Ares Management; Capify receiving a £100m credit facility from Pollen Street Capital; and AccessPay with a £25.2m boost from investors including True Ventures, Praetura and NatWest.



North West Insights

As we passed the mid-point of the year, the North West's deal activity saw fewer deals recorded in comparison to the same period in 2023. At the time of writing, 499 deals involving a North West company were recorded on the Experian MarketIQ platform, compared to 684 to the end of August 2023.

Whilst there were less deals at the higher end of the market – in fact, only one deal has broken the £1bn+ barrier this year in comparison to five last year – there was marked upturn in mid-market transactions, with the volume up by 48%.

Companies receiving growth capital funding accounted for 31% more transactions than last year, with the value also increasing.

Headline deals included the only mega deal - the acquisition by Iberdrola, the Spanish electricity company, of an 88% stake in Electricity North West, for approximately €5bn including debt; JD Sports' £899m deal to acquire US brand Hibbert Sports; RSK's £800m equity investment; and the agreement by Coventry Building Society for its takeover of The Co-operative Bank for £780m.

Whilst the majority of transactions were domestic affairs, the region proved to be an attractive target for US investors, with key deals including the £200m acquisition of a 75% stake in Stockport-based Takepayments by Global Payments of Atlanta, Georgia; and the sale by HSS Hire of Abird to CAT Entertainment Services in Memphis, Tennessee, for an enterprise value of £23.25m.

Looking in more detail at where North West companies were spending, home territory investments prevailed, but companies looking to expand further afield targeted the key locations of North America and Europe, with prominent deals including Advanced Medical Solutions' acquisition of French company Peters Surgical for €132.5m; and two acquisitions in North America for Dechra Pharmaceuticals, worth a combined US\$525m.

Many more significant deals for North West businesses have been reported, and as we approach the end of Q3, 2024 is on track to be another successful year for the North West's community of advisers and funders.

Top North West Transactions By Value

Date	Deal Type	Target	Bidder	Consideration
02 Aug 2024	Acquisition	North West Electricity Networks (Jersey) Ltd	Iberdrola SA	£4,251,583,615
23 Apr 2024	Acquisition	Hibbett Sports Inc	JD Sports Fashion Plc	£887,275,046
17 Jun 2024	Private Equity	RSK Group Ltd		£800,000,000
24 May 2024	Acquisition	Co-operative Bank Holdings Plc (The)	Coventry Building Society	£780,000,000
28 May 2024	Acquisition	Princes Ltd	Newlat Food SpA	£700,000,000
08 Aug 2024	Acquisition	UK Private Hospital Portfolio	Assura Plc	£500,000,000
29 Jul 2024	Acquisition	DR&P Group Ltd	BMS Group Ltd	£425,000,000
13 Aug 2024	Acquisition	Portfolio of 3,000 Homes	Universities Superannuation Scheme Ltd	£405,000,000
18 Jul 2024	Acquisition	Invetx Inc	Dechra Pharmaceuticals Ltd	£400,633,300
12 Aug 2024	Refinancing	TalkTalk Telecom Group Ltd		£400,000,000
07 Jun 2024	Acquisition	UK Forecourt Business of EG Group Ltd	Zuber Issa	£228,000,000
15 Jan 2024	Minority Stake	Deep Green Technologies Ltd	Sky Oetf DG JV Holdings Ltd	£200,000,000
19 Apr 2024	Acquisition	Takepayments Ltd	Global Payments Inc	£200,000,000
22 Mar 2024	Acquisition	Accrol Group Holdings Plc	Navigator Paper UK Ltd	£188,200,000
13 Mar 2024	Acquisition	Peters Surgical SASU	Advanced Medical Solutions Group Plc	£121,122,720
29 Apr 2024	Growth Capital	Capify Ltd		£100,000,000
15 Jul 2024	Acquisition	Pureit	AO Smith Corp	£92,494,330
22 Mar 2024	Acquisition	RMSpumptools Ltd	Championx UK Ltd	£90,000,000
16 May 2024	Acquisition	Next Energy Solutions Ltd	Certas Energy UK Ltd	£90,000,000
27 Jun 2024	Growth Capital	PortSwigger Ltd		£88,601,211

Top North West Funding Transactions

Date	Deal Type	Target	Investor	Consideration
17 Jun 2024	Development Capital	RSK Group Ltd	Searchlight Capital Partners; Ares Management	£800,000,000
29 Apr 2024	Development Capital	Capify Ltd	Pollen Street Capital	£100,000,000
27 Jun 2024	Development Capital	PortSwigger Ltd	Brighton Park Capital	£88,601,211
02 Aug 2024	Development Capital	Yodel Delivery Network Ltd	PayPoint; Independent Growth Finance	£85,000,000
09 May 2024	Development Capital	Sykes Seafood Holdings Ltd	HSBC	£62,000,000
26 Jun 2024	Development Capital	Amey MAP Services Ltd	NatWest; KfW IPEX-Bank	£55,000,000
09 May 2024	Development Capital	WeDo Business Services Ltd	Waterfall Asset Management	£50,000,000
04 Mar 2024	Development Capital	Phagenesis Ltd	EQT; Sectoral Asset Management; British Patient Capital; Northern Gritstone; Aphelion	£33,189,306
17 Jan 2024	Development Capital	Vertice Group Ltd	83North; Bessemer Venture Partners	£25,000,000
28 Feb 2024	Development Capital	Trutex Ltd	Elaghmore; AURELIUS	£21,000,000
21 Mar 2024	Development Capital	Access Systems (UK) Ltd	True Ventures; Praetura; NatWest; Mastercard; Route66; Beringea	£19,000,000
12 Mar 2024	Development Capital	Hurstwood Holdings Ltd	OakNorth	£18,000,000
20 Jun 2024	Development Capital	Yellowstone Biosciences Ltd	Syncona	£16,500,000
25 Jul 2024	Development Capital	UK Biobank Ltd	AWS; UK Government	£16,000,000
18 Jun 2024	Development Capital	Surrealdb Ltd	FirstMark; Georgian; Crew Capital; Alumni Ventures	£15,750,903
01 Feb 2024	Development Capital	Alchemist Bar & Restaurant Ltd	OakNorth	£15,000,000
27 May 2024	Development Capital	Spectrum Wellness Holdings Ltd	ACT Venture Capital	£14,465,656
15 May 2024	Development Capital	Horwich Farrelly Ltd	NatWest	£12,000,000
31 May 2024	Development Capital	Russell Taylor Group Ltd	Praetura	£10,350,000
29 May 2024	Development Capital	ExpressionEdits Ltd	Octopus Ventures; Redalpine; BlueYard Capital; Wilbe Capital; Acequia Capital, Amino Collective; Hawktail	£10,208,940

Top North West Bolt-On Transactions

Date	Deal Type	Target	Bidder	Consideration
18 Jul 2024	Acquisition	Invetx Inc	Dechra Pharmaceuticals Ltd	£400,633,300.00
07 Mar 2024	Acquisition	Apex Generators Ltd	CES Power LLC	£23,250,000.00
17 Jan 2024	Acquisition	Fledglings Ltd	Kids Planet Day Nurseries Ltd	£8,000,000.00
12 Apr 2024	Minority Stake	Invetx Inc	Dechra Pharmaceuticals Ltd	£3,763,451.00
22 Mar 2024	Acquisition	STEM Animal Health Inc	Kids Planet Day Nurseries Ltd	£1,520,000.00
30 Apr 2024	Acquisition	Nurture Me Day Nursery Ltd	Kids Planet Day Nurseries Ltd	£1,121,224.00
08 Feb 2024	Acquisition	Turnbridge Day Nursery Ltd	Kids Planet Day Nurseries Ltd	£1,000,000.00
19 Jun 2024	Acquisition	Little Learners Sunderland Ltd	Kids Planet Day Nurseries Ltd	£830,000.00
02 Feb 2024	Acquisition	Butterflies Day Nursery	Perspective Financial Group Ltd	£690,000.00
08 Feb 2024	Acquisition	Lowndes Alexander Daniel Independant Financial Consultants Ltd	Kids Planet Day Nurseries Ltd	£550,000.00
03 Jul 2024	Acquisition	Horizon Teachers Ltd	Operam Education Group Ltd	N/D
23 Feb 2024	Acquisition	Greendale Ltd	Back 2 Work Complete Training Ltd	N/D
12 Jul 2024	Acquisition	Agile Applications Group Ltd	IEG4 Ltd	N/D
03 Jan 2024	Acquisition	EurAM NV	Travel Counsellors Group Ltd	N/D
11 Jan 2024	Acquisition	Springfield Day Nurseries Ltd	Kids Planet Day Nurseries Ltd	N/D
23 Jan 2024	Acquisition	Invosys Ltd	Dura Software Inc	N/D
01 Feb 2024	Acquisition	Abrams Ashton Ltd	BK Plus Ltd	N/D
26 Jan 2024	Acquisition	Hill Top Day Nursery Ltd	Kids Planet Day Nurseries Ltd	N/D
07 Mar 2024	Acquisition	Networx Ltd	OCU Group Ltd	N/D
13 Feb 2024	Acquisition	Puddleducks Daycare Nursery Ltd	Kids Planet Day Nurseries Ltd	N/D

Top North West Buy-Out Transactions

Date	Deal Type	Target	Bidder	Consideration
19 Aug 2024	Secondary Buy-Out	Direct Tyre Management Ltd	Caledonia Investments	£55,000,000.00
05 Mar 2024	Employee Buy-Out	Bariatric Surgical Services Ltd	Phoenix Health Trustee Ltd	£14,000,000.00
06 Mar 2024	Management Buy-In / Buy-Out	Elite Corporate Solutions	MBO/MBI Team	£1,500,000.00
25 Apr 2024	Management Buy-Out	Norcros Group (Holdings) Ltd	Johnson Tiles Ltd	£1,000,000.00
26 Jun 2024	Secondary Buy-Out	Vur Village Trading No 1 Ltd	Blackstone	N/D
31 Jan 2024	Management Buy-Out	Meade-King Robinson & Company Ltd	MKR Holdings Ltd	N/D
08 May 2024	Investor Buy-Out	Glendale Foods Ltd	Shallan Group	N/D
07 Feb 2024	Secondary Buy-Out	Perspective Financial Group Ltd	Charlesbank Capital Partners	N/D
09 Feb 2024	Management Buy-Out	Adlib Audio Ltd	A Square Company Holdings Ltd	N/D
16 May 2024	Investor Buy-Out	Distant Journeys Ltd	Harris Bidco Ltd	N/D
16 Feb 2024	Management Buy-Out	HFL Building Solutions Ltd	Saxton Group Holdings Ltd	N/D
13 May 2024	Investor Buy-Out	UP Fitness Ltd	Orchard Bidco Ltd	N/D
29 May 2024	Investor Buy-Out	Beyond Law Group Ltd	Project Eric Bidco Ltd	N/D
20 Feb 2024	Management Buy-Out	Vision Techniques (UK) Ltd	MBO Team	N/D
06 Mar 2024	Employee Buy-Out	Airborne Environmental Consultants Ltd	Airborne Environmental Consultants EOT Ltd	N/D
04 Jan 2024	Investor Buy-Out	XLCR Vehicle Management Ltd	Interpres Bidco Ltd	N/D
01 Feb 2024	Management Buy-Out	Aspire Scientific Ltd	Jackson Flemming Ltd	N/D
29 Feb 2024	Employee Buy-Out	Bargh Holdings Ltd	Falcon Trunking Systems (EOT) Ltd	N/D
05 Feb 2024	Investor Buy-Out	Elygra Ltd	Fidelis Group Ltd	N/D
08 Apr 2024	Investor Buy-Out	P&S Medical Education Ltd	Healthcademia UK Ltd	N/D

Deal Proforma



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

Advisor + office	Team (individuals)	Client	Role

Investor + office	Debt/equity	Team (individuals)	Client

Appendix

This document was compiled using data from Experian MarketIQ, which reveals new layers of market insight by combining Corpfin's global M&A database with comprehensive Companies House data and our market leading business, financial and risk databases – all on a single platform.

- These tables are based on mergers & acquisitions (M&A) and equity capital market (ECM) transactions announced between the dates of 1st January 2024 and 27th August 2024
- 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 this report. 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. Rumoured, cancelled, withdrawn or lapsed deals are excluded. Where advisory firms have advised on the same volume of deals, the aggregate value of transactions is used to determine their rank.
- 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.