

Ashurst

UK Public M&A Update

Q1 2026

Introduction

And so we begin again ...

In our Q1 2025 publication, we opened with the words “what a difference a day makes ...”. At the time, trillions of dollars had been wiped off the global stock markets following the “Liberation Day” announcements, something previously unimagined, but the phrase seems equally applicable today. Since the start of the year, we have seen further geopolitical destabilisation with the Iran conflict. The economic implications of this, both in terms of surging energy costs and the impact this will have on inflation and interest rates, are affecting stock markets and business activities around the world.

In the UK, prior to this, there was a positive start to the year, with some sizeable deals being announced. The possible offer for Glencore by Rio Tinto, although ultimately withdrawn, would have created the world’s largest mining company. Meanwhile, Zurich announced an £8.1 billion offer for specialty insurer, Beazley, and PE-backed Nuveen made a £9.9 billion offer for investment manager, Schroders, the largest UK public offer since Takeda’s £46 billion offer for Shire in 2018. However, aside from these significant transactions, and a £1 billion+ possible offer for Senior (which has since become a firm offer), the focus has been on the small-cap space.

Around two thirds of the firm offers announced in Q1 2026 were made by private equity. However, nervousness around the private capital markets and inflationary pressure on interest rates may impact the availability of financing and slow PE momentum in the near term. It will be interesting to see whether strategic bidders will take advantage of this.

Strategic reviews and sale processes

Six targets initiated either a private sale process (PSP), formal sale process (FSP) or strategic review in the first quarter, benefiting from the Panel’s new naming dispensations. Where bidders were subsequently leaked, those parties were then required to be named. In contrast to an FSP, those parties named as part of a PSP or strategic review were also set put up or shut up deadlines – a deadline by which the potential bidder must make an offer or walk away. The distinction the Panel draws here is that, while a target initiating an FSP can control participants entering into the FSP, the same is not true for a PSP or strategic review, and therefore the Panel believes it is appropriate to protect those targets from an unwelcome siege during those processes.

9

Announced bids

8

Recommended on announcement

7

Schemes of arrangement

32.55%

Average of bid premia (% unweighted)

42.13%

Average of bid premia (% weighted)

A summary of the key features of each announced offer is set out in a table in the Appendix



Impact of shareholder activism on transactions

We continue to see target boards proposing adjournments ahead of shareholder meetings for schemes of arrangement, as shareholders push back on recommended deals. While some of this is undoubtedly being driven by activist shareholders looking for smaller increases before ultimately supporting the bids, we are also seeing a number of strategics acquiring blocking stakes in competitors and long-term shareholders being prepared to vote down an offer in order to remain invested.

Bidders have reacted in different ways to this opposition:

- On the consortium offer for Inspec, the bidder countered by switching to an offer structure with a 50% threshold and declaring the bid unconditional as soon as the threshold was met.
- On International Personal Finance, the bidder increased its offer by permitting a special dividend payment and declared the offer final. Shareholders went on to approve the offer at the shareholder meetings.
- In the case of TT Electronics, the bidder switched consideration and declared the offer final, introducing an all cash offer with a share alternative. However, the bid was ultimately voted down.

The continuing trend for vocal opposition is a reminder to ensure that a thorough analysis of the shareholder base is completed before launching an offer.

We hope you enjoy the insights and analysis in this publication and, as ever, we would be very happy to discuss any of the topics mentioned.

With very best wishes

The Ashurst UK Public M&A Team

Ashurst's UK public M&A mandates in Q1

Kitwave on its recommended offer by OEP Capital Advisors.

Rothschild on Helios Investment Partners' offer for CAB Payments Holdings.

Rothschild on the offer for Amedeo Air Four Plus Limited.

“The Ashurst team is highly proactive and collaborative in its advice. It combines deep technical knowledge with pragmatic and holistic strategic advice on what matters most.”

Chambers UK, Corporate M&A

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“Market-leading practice, containing real experts. Are willing to go the extra mile.”

Chambers UK, Corporate M&A

“The Ashurst team is pragmatic, commercial and flexible.”

Chambers UK, Corporate M&A

“We cannot fault Ashurst’s quality and responsiveness.”

Chambers UK, Corporate M&A

News Digest

The Takeover Panel and the Code

Takeover Panel publishes amendments to the Code and issues new and revised Notes to Advisers

On 4 February, the Panel published amendments to the Code to reflect the changes proposed by PCP 2025/1 and confirmed by RS 2025/1. The changes reflected a new framework for the application of the Code to dual class share structure (DCSS) companies; new provisions which require a company to make disclosures in respect of the Code and any controlling shareholders at the time of the IPO; and certain amendments to make the provisions relating to share buybacks cleaner and more concise.

Alongside this, the Panel also published a new Note to Advisers in relation to IPOs or admissions to trading and a revised Note to Advisers in relation to Rule 9 waivers.

Takeover Panel launches beta test version of its Disclosure Table

On 4 February, the Panel also launched a beta test version of the Disclosure Table. This contains the legal identifier information that is now required to be announced by target companies and, where relevant, bidders and publicly identified potential bidders, in accordance with amended Rule 2.9 of the Code.

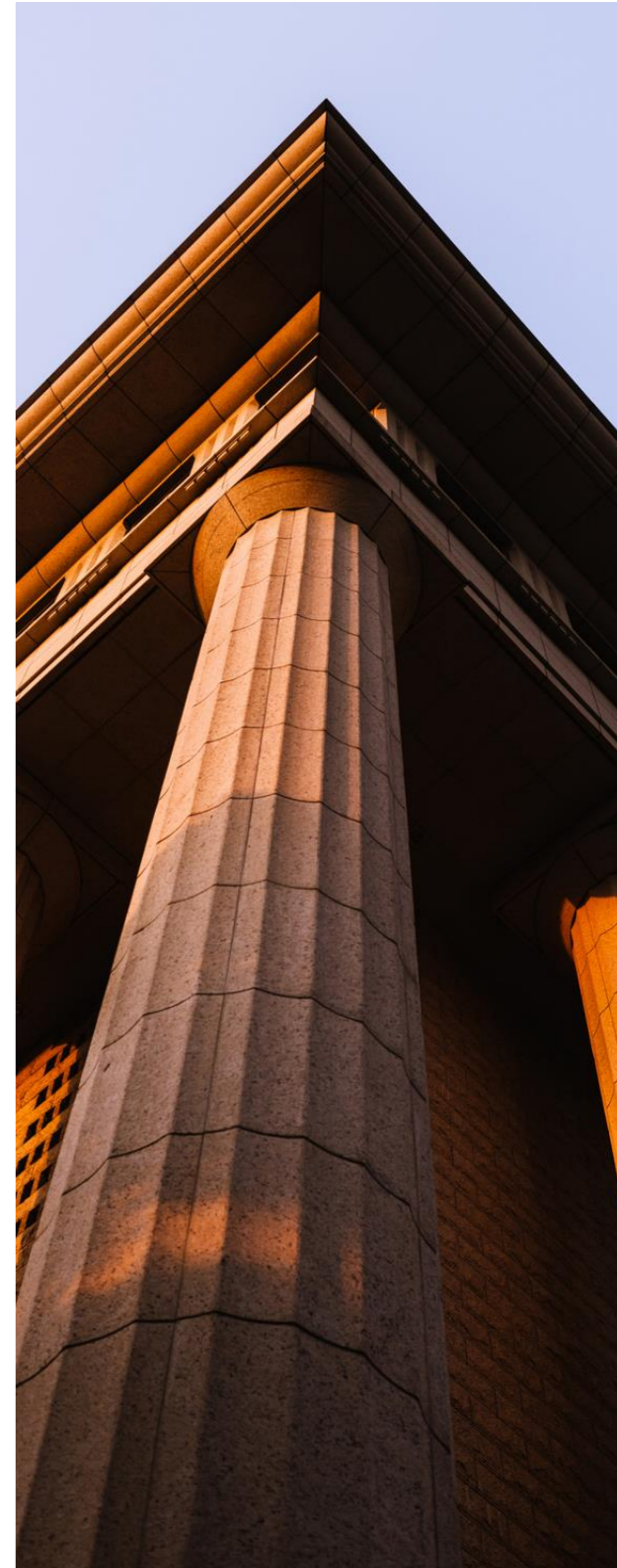
CLLS publishes updated admission condition

On 12 February, the CLLS published an updated illustrative example of a draft admission condition which can be used on a scheme or contractual offer made in accordance with the Code. The condition was amended to reflect the changes to the UK Listing Rules that came into effect on 19 January 2026 and removed the previous requirement for an issuer to apply to the FCA for admission of further shares to listing. The application to the LSE for admission to trading is still required. (Discussed further in *LSE publishes updated versions of its Admission and Disclosure Standards and AIM Rules*).

The draft condition can be found on the CLLS website.

Takeover Panel confirms appointment of new Deputy Director General

On 16 March, the Panel announced that Sian Evans, currently Heard of UK M&A at Citigroup, had been appointed as Deputy Director General of the Panel. Sian will join the Executive on a permanent basis in early summer.



News Digest

POAT regime: implementation and consequential changes

FCA publishes Primary Market Bulletin 61 with a focus on updates to the FCA Knowledge Base

On 12 January, the FCA published Primary Market Bulletin 61 in which it focused on updated guidance in its Knowledge Base to reflect the new Public Offers and Admissions to Trading (POAT) regime ahead of its implementation on 19 January 2026.

In the Bulletin, the FCA:

- provided feedback on its consultation relating to guidance on the POAT regime set out in Primary Market Bulletin 58;
- confirmed that it would finalise seven procedural notes and 39 technical notes and delete seven guidance notes from the Knowledge Base on 19 January; and
- consulted on proposed changes to one technical note in relation to the POAT regime (Primary Market/TN/717.3: Sponsors: Record Keeping Requirements).

The FCA also provided information on forthcoming changes to its helpdesk service for the Official List, amongst other things.

Further information on Primary Market Bulletin 61 can be found in the [AGC Update - Issue 77](#).

New POAT Regime: implementation

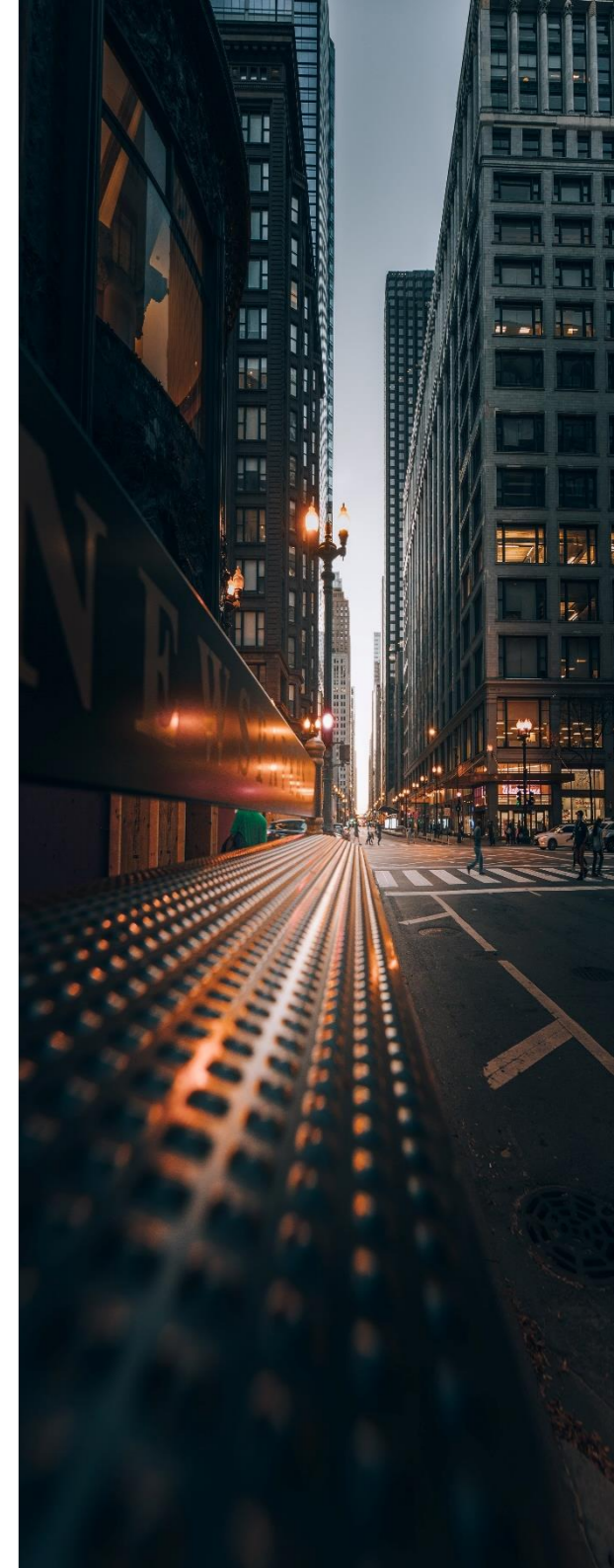
On 19 January, the POAT Regulations 2024 came fully into force with the revocation of the UK Prospectus Regulation.

This is a landmark moment for UK capital markets, and the culmination of an extensive and detailed consultation process, driven by a commitment to enhance the attractiveness and efficiency of UK capital markets.

The new Financial Conduct Authority (FCA) Prospectus Rules: Admission to Trading on a Regulated Market sourcebook, which replace the FCA's Prospectus Regulation Rules sourcebook, were implemented on the same date, together with amendments to the FCA's Market Conduct sourcebook and the UK Listing Rules.

The FCA has also published new and updated forms and checklists to reflect the implementation of the new regime.

Further information and background on the rule changes can be found in the [AGC Update - Issue 78](#).



News Digest

POAT regime: implementation and consequential changes

LSE publishes updated versions of its Admission and Disclosure Standards and AIM Rules

On 16 January, the LSE published Market Notice N01/26 setting out administrative changes to its Admission and Disclosure Standards to reflect the implementation of the POAT regime. The Notice clarifies that, whilst the FCA will now admit securities as a class to the Official List, there will be no changes to the requirements in the Standards for applications for the admission to trading of securities. Therefore, applications for admission to trading of further issues of a class of securities already admitted to trading will still need to be made to the LSE, though no corresponding application will be required to admit securities to the Official List.

On 16 January, the LSE also published AIM Notice 61 setting out revisions to its AIM Rules for Companies to reflect the coming into force of the POAT regime. A consultation on changes to the AIM Rules is expected in H1 2026.

Our update on the LSE's Discussion Paper Feedback Statement which focuses on those further and more fundamental changes to the AIM Rules can be found [here](#). Our overview of the main implications of the new POAT regime for AIM companies can be found [here](#).

LSE confirms rules for Private Securities Market

On 5 February, the LSE published its Private Securities Market Rules and Private Securities Market Handbook for its new Private Securities Market (PSM) - a Private Intermittent Securities and Capital Exchange System (PISCES) established under the PISCES Regulations. PISCES is a new type of regulated trading platform that allows private companies to trade their securities in a controlled environment and on an intermittent basis.

As a reminder, the FCA approved the LSE as the first operator of a PISCES platform in August 2025. The LSE will operate the PSM as a recognised investment exchange, leveraging its existing trading infrastructure to enable private companies to facilitate trading of their securities at intervals through an auction facility. The LSE's existing rule books – the Rules of the London Stock Exchange and the Admission and Disclosure Standards – had previously been updated to reflect the launch of the PSM, with the revised versions having become effective in September 2025 (see [AGC Update - Issue 71](#)). Whilst active trading on the PSM has not yet commenced, it is expected imminently.

Further information on PISCES can be found in our [snapshot](#), [client update](#) and [podcast](#).



News Digest

FCA enforcement

FCA fines Carillion directors for market abuse and breach of the FCA's Listing Rules*

Carillion plc went into liquidation in 2017. It remains one of the biggest corporate failures in UK history and was, in part, responsible for the significant changes made, and still proposed to be made, to the country's audit and corporate governance regime. In July 2022, the FCA sanctioned both the company and three of its former executives for market abuse and breach of the FCA's Listing Rules.

On 7 January, the FCA published final notices in relation to two of the three executives, Richard Adam and Zafar Khan, imposing financial penalties of £232,800 and £138,900, respectively, for breaches of the Market Abuse Regulation and Listing Rules. On 16 February, the FCA published a final notice in relation to the third executive, Richard Howson, the former CEO of Carillion, and imposed a financial penalty of £237,000 on Mr Howson for being knowingly concerned in the breaches by Carillion of MAR and the Listing Rules. Further information can be found in the [AGC Update - Issue 79](#).

FCA publishes new Enforcement Watch newsletter

On 28 January, the FCA published the first edition of a new newsletter: Enforcement Watch 1. The purpose of the publication is to provide insights and highlight themes from its enforcement work and follows through on a commitment to do so when it published its controversial revised enforcement policy. Much of the letter focuses on regulated entities. Nevertheless, the FCA has confirmed three investigations into listed issuers following announcements by the companies in question.

FCA fines two individuals for breaches of UK MAR

On 10 February, the FCA issued final notices to two individuals, imposing combined fines of £108,731, for purchasing shares in Bidstack Group plc while in possession of, and using, inside information in breach of Article 14 of the UK Market Abuse Regulation.

Mr Hirani was the interim chief financial officer of Bidstack. Whilst he was not on the board, he had full access to the group's financial information as well as inside information about a major upcoming corporate transaction.

Prior to the announcement of the transaction, Mr Hirani is believed to have passed this inside information to Mr Kerai. He then opened a trading account in Mr Kerai's name and, with Mr Kerai's assistance, bought 1.3 million shares in Bidstack. The FCA imposed a financial penalty of £56,000 on Mr Hirani finding that he had engaged in insider dealing through purchasing shares in Bidstack while in possession of, and using, inside information, and had unlawfully disclosed inside information to Mr Kerai. The FCA also considered Mr Kerai's conduct to have amounted to insider dealing.

*Fines were imposed under the former listing regime and pre-onshoring of the Market Abuse Regulations



Appendix

Key features of firm offer announcements

Announced UK takeover bids

(1 January to 31 March 2026)

Target (Market)	Bidder(s)	Bid value	Bid premium*	Recommended	Hostile/No Recommendation	Rule 9 offer	Cash	Shares (L/U/A)	Other consideration	Mix and match	Offer**	Partial Offer	Scheme	Offer-related arrangements:☐	Formal sale process	Non-solicit undertaking***	Matching/ Topping rights***	Additional shareholder vote	Profit forecast/ QFBS/ Asset valuation
 Amedeo Air Four Plus Limited (Main Market)	Lesha Bank LLC	£190 m	33.0%	•			•						•	N/C			•		
 CAB Payments Holdings plc (Main Market)	Helios Investors L.P. group	\$297 m	23.0% ¹		• ²		•	U ³			•			⁴		•			
Beazley plc (Main Market)	Zurich Insurance Group Ltd	£8.1 bn	59.8%	•			• ⁵						•	N/C ⁶					
Augmentum Fintech plc (Main Market)	Verdane Fund Manager AB	£185.7 m	27.0%	•			•						•	N/C					• ⁷
essensys plc (AIM)	Mark Furness	£11.3 m	9.7%	•			•	U ⁸			• ⁹			N		•			
Schroders plc (Main Market)	Nuveen, LLC	£9.9 bn	29.0%	•			• ¹⁰						•	N/C ¹¹					
Life Science REIT plc (Main Market)	The British Land Company PLC	£150 m	21.0%	•			•	L					•	N					• ¹²
 Kitwave Group plc (AIM)	OEP Capital Advisors, L.P.	£251 m	33.5%	•			•						•	N ¹³					• ¹⁴
1Spatial plc (AIM)	VertiGIS Ltd	£87.1 m	56.99%	•			•						•	N/C ¹⁵					

Announced UK takeover bids – notes

Key and footnotes

This table includes details of takeovers, set out in reverse chronological order, in respect of which a firm intention to make an offer has been announced under Rule 2.7 of the Code during the period under review (including any offers which subsequently lapsed or were withdrawn). It excludes offers by existing majority shareholders for minority positions.

Key	
*	Premium of the offer price over the target's share price immediately prior to the commencement of the offer period, unless otherwise stated
**	Standard 90% (waivable) acceptance condition, unless otherwise stated
***	In shareholders' irrevocable undertakings, unless otherwise stated
□	Permitted agreements under Rule 21.2 of the Code
A	AIM traded shares
C	Co-operation agreement
F	Break fee given under formal sale process or white knight dispensation
L	Listed/traded shares
N	Confidentiality agreement
NP	Nil premium or no premium given in offer documentation
R	Reverse break fee
U	Untraded shares
B	Bidder shareholder approval
T	Target shareholder approval

1. Premium to volume weighted average share price for the thirty-day trading period prior to the commencement of the offer period
2. Hostile, pre-conditional offer
3. Partial unlisted security alternative
4. Joint bidding agreement
5. Cash plus permitted interim dividend of 25 pence per share in relation to the year ended 31 December 2025
6. + Clean team agreement and joint defence agreement
7. Asset valuation
8. Unlisted security alternative
9. 75% acceptance condition
10. Cash plus permitted dividends of up to 22 pence per share (in aggregate) if declared or paid prior to the effective date
11. + Clean team agreement and joint defence agreement
12. Directors' confirmation and asset valuation
13. + Share plan agreement
14. Directors' confirmation
15. + Clean team agreement and joint defence agreement

