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UK Public M&A: The Month in a Minute

May Review

May '26 – like May '25 but with GLP-1. Lots of sugar-coated proposals, but is there the appetite?

May highlights

This time last year was a deal banquet with half of the total transactions for 2025 launched across May and June and 11 firm offers announced in May alone. There was plenty on the menu again this year but is anyone ordering?

Starter

- What else but EQT's improved and final £9.4bn indicative proposal for **Intertek Group plc** on 12 May. The Intertek board is "*minded to recommend*" it. However, as potentially the second largest P2P ever, it might cause indigestion.

Mains - there is a choice of:

- Ingredion Incorporated's £2.65bn indicative approach to **Tate & Lyle plc** announced on 14 May 2026. This one may be held in the kitchen while competition authorities taste-test.
- Toscafund's non-binding £1bn proposal for **Spire Healthcare Group plc** also announced on 14 May 2026 (another of the month's specials which

the Spire board is “*mindful to recommend*”). Toscafund’s clearly hungry to upsize its existing 18% shareholding.

- Back on the menu (following previous discussions with TA Associates and Montagu Private Equity both of which were returned to the kitchen) is AIM listed **Advanced Medical Solutions Group plc**, announcing on 21 May it had received an all-cash indicative approach from H.B. Fuller Company.

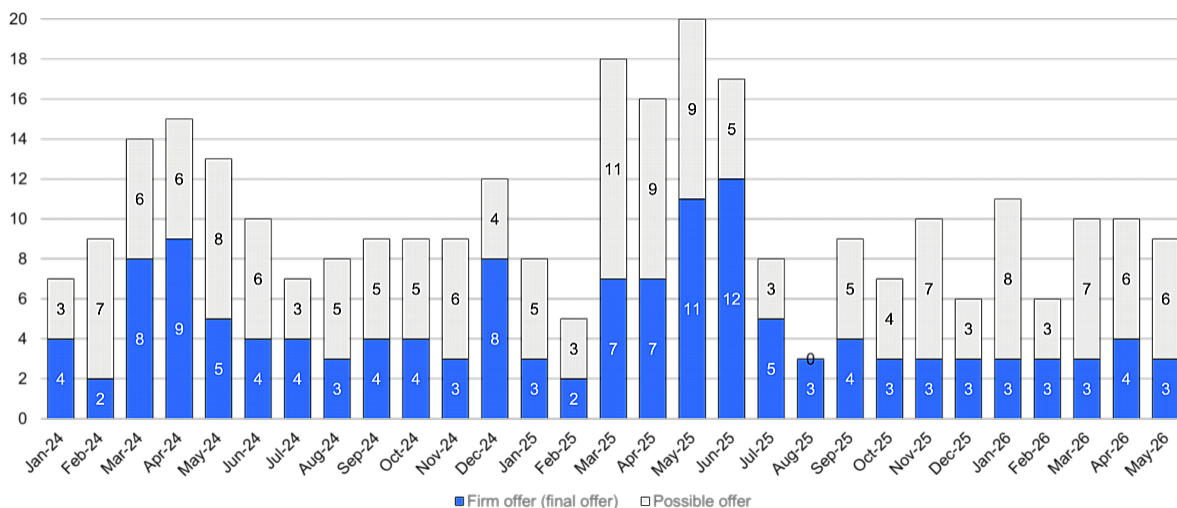
For dessert - there is:

- the **Gamma Communications plc** special, with potential bidders served three different ways (Providence Equity Partners L.L.C., Eiris LLP or a consortium of Oakley Capital and Giacom) for the c.£900m potential target; or
- a double “TREIT” of Glenstone REIT plc’s possible offer for **Alternative Income REIT plc** announced on 15 May and LondonMetric Property plc and Schroder Real Estate Investment Trust Limited’s announcement on 12 May of agreed key terms in relation to a non-binding all share offer for **Picton Property Income Limited**.

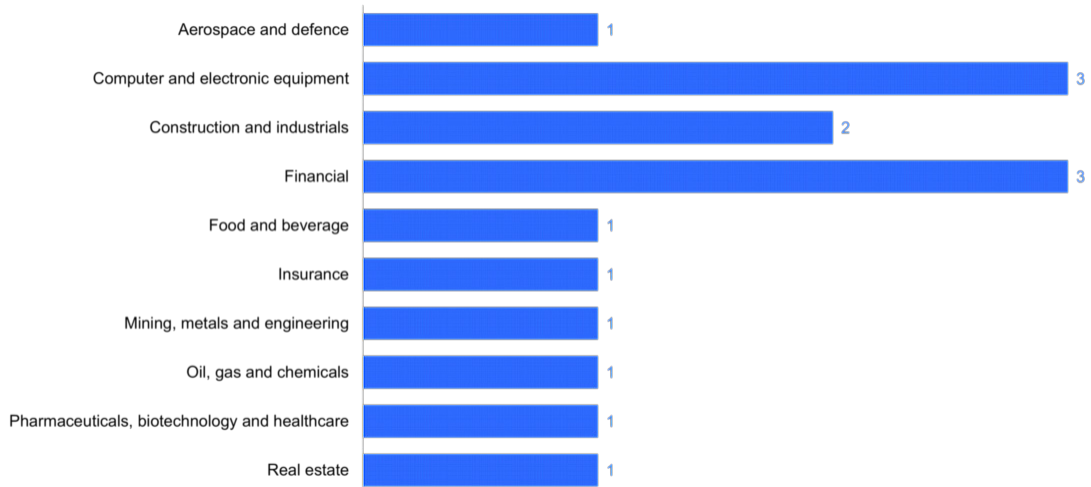


The May Data

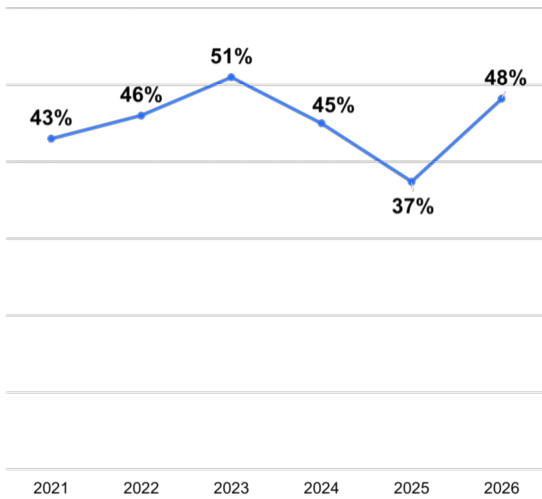
Offers Announced



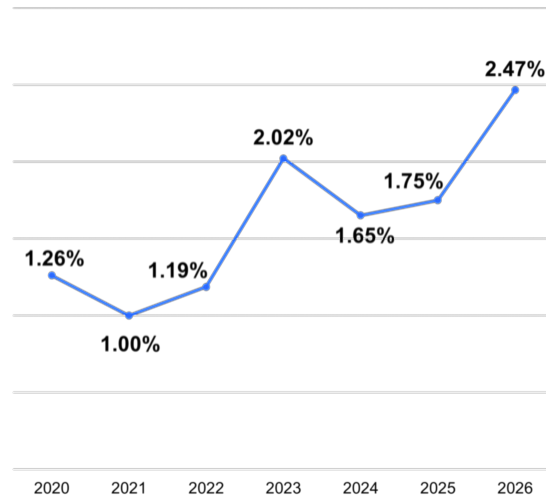
Offers by Sector (2026 YTD)



Bid Premia



Financial Advisor Fees (% deal value)



What's Happened

A proposal with no price

Price discovery through multiple revised and increased proposals has become a common feature of recent bids, in particular bigger ticket ones (see EQT's approach

to Intertek). A request for due diligence access without naming a price (with that price dependent on the diligence findings) is more unusual. However, that is what Glenstone REIT plc has put forward in connection with its announcement that it is considering a possible cash offer for **Alternative Income REIT plc**, in which it is the largest shareholder (24%).

Glenstone's request follows the announcement by AEW UK REIT plc in April that it would not make an offer for Alternative Income REIT plc as "*although indicative heads of terms were reached at an early stage of the process, it was established during the course of due diligence that agreement on certain key matters could not be concluded*".

Offers that were launched took AIM

Three formal offers were launched in May. Each was for an AIM listed target and there were other common themes (such as the parties being well known to each other and the bidder giving a cost coverage agreement) which may have helped in getting these across the line.

The largest of these was AMG Critical Minerals N.V.'s recommended £57m cash and share offer for **Zinnwald Lithium plc** announced on 14 May. Dutch based AMG (producer of speciality materials and provider of furnace systems) is currently the largest shareholder (29.3%) in Zinnwald, which has an interest in one of Europe's major lithium reserves that straddles the German-Czech border.

The German connection continued with Vossloh AG's recommended £29m cash offer for **Cordel Group plc** announced on 13 May. Rail infrastructure maintenance provider Vossloh, similarly is no stranger, having participated in a pilot project in Continental Europe last year with rail network monitoring specialist Cordel.

Like AMG Critical Minerals, NEO NEXT+ Energy Upstream UK Limited agreed to a cost coverage agreement in respect of its £7.2m recommended cash offer for **Deltic Energy plc** announced on 7 May.

The even longer long stop date

Last November, Harwell Private Equity announced a recommended £64m cash offer for Frenkel Topping Group plc with a novel alternative offer of part cash and part stapled units (each unit comprising a mix of ordinary shares, loan notes and preference shares in different entities in the acquisition structure).

In a reminder of the potential additional complexities in offering alternative share consideration for an FCA regulated entity, the parties had to extend the long stop date for the transaction from 29 March to 29 May. The Scheme is conditional upon FCA change of control approval for each of the proposed controllers (including through the alternative share consideration). As the parties were continuing to engage with the FCA to ensure Bidco's capital structure meets the changes to the capital adequacy requirements which came into effect on 1 April, the long stop date needed to be extended again to 29 July. FCA approval has since been obtained following structural amendments to the stapled units to replace the preference share component with additional ordinary shares and certain of the companies in the acquisition structure being replaced by newly established Jersey entities.



Looking Ahead

Holiday season

Back in November, **PPHE Hotel Group Ltd** commenced a formal sale process following the announcement by its two main shareholders (who collectively hold 44%) that they were considering a range of options in relation to their investment.

On 27 May 2026 PPHE announced it had received an indicative proposal from the Tel Aviv listed hospitality group Fattal Hotel Group. The indicative cash proposal values PPHE at £930m. Fattal has said that it is discussing potential structures for the transaction with PPHE with a view towards announcing a firm offer within the next 4 weeks. To be seen if PPHE's major shareholders can be booked in before summer.



P2P Financing

There were no debt-financed bids for UK public companies in May, but for prospective bidders eyeing the availability of debt the signs were very promising. The geopolitical issues (Middle East conflict and elevated fuel prices) and sectoral issues (AI disruption to software businesses) which have subdued the debt markets since February remain unresolved. Nevertheless, May saw a decided uptick in the number of borrowers raising debt, with around €6.6 billion of loans launched in the first two weeks alone. And almost every loan that came to the syndicated market

tightened its pricing guidance or accelerated the deadline for responses, reflecting deep demand from lenders.

The standout event was a €2.02 billion dual currency syndicated loan to back Carlyle's €7.7 billion buyout of BASF's Coatings division. This was underwritten at the end of 2025 but was held back to avoid the dislocation in the markets. However, the underwriters need not have worried. Despite concerns around heavily adjusted EBITDA and the energy-intensive business model, the Euro portion of the loan was upsized during syndication to €1 billion and priced at E+375, in line with the reported underwritten margin.

The private credit market remained equally resilient, proving itself once again a reliable source of acquisition financing in disrupted times. Apollo's acquisition of Forvia's auto interior business, originally expected to head to the bond market, was ultimately backed by a €700 million unitranche loan provided by HPS, alongside a €100 million capex and acquisition facility to fund future growth. Industrial businesses (in a pivot away from software) remain popular with private credit investors, with Oaktree reportedly among lenders backing Tikehau and Mubadala's €700 million buyout of aerospace maintenance firm Revima.

Documentation terms also remain very borrower friendly, with few reports of successful lender pushback in syndication and flexible features like portability increasingly common. All indications are that fresh M&A supply will be received with great interest by the loan markets in the short term. The coming weeks may reveal whether this proves to be a limited window of opportunity for P2P bidders or a prolonged recovery after recent disruptions. Watch this space!



Equity Capital Markets

This month, the **National Investment Fund of the Republic of Uzbekistan JSC** saw its Global Depositary Receipts (each representing 64,700 ordinary shares) admitted to the Official List and to trading on the LSE's Main Market, making it the first company from Uzbekistan to list equity on the LSE. UzNIF's market capitalisation on admission was approximately £1.44 billion.

May also saw **The Beauty Tech Group plc** (which completed its IPO in October 2025) announce a secondary placing of ordinary shares by existing shareholders by way of an accelerated bookbuild to institutional investors. Certain pre-IPO

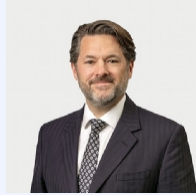
shareholders sold, in aggregate, ordinary shares – representing approximately 7.9% of TBTG's issued share capital – at a price of £3 per share (slightly above the IPO share price of £2.71 per share), generating gross proceeds of £26,389,605 for the selling shareholders.

From June 2026, the minimum free float requirement for inclusion in the FTSE UK Index Series will be reduced to 10% for non-UK incorporated companies, subject to all other inclusion criteria being met. This is a notable change for non-UK incorporated companies, for which the current minimum free float threshold is 25%, and will mean the threshold aligns across both UK and non-UK incorporated companies.

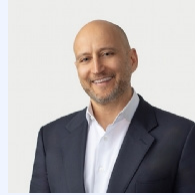
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