

CROSS-BORDER M&A REVIEW

Bluebox Corporate Finance and Fladgate



UK M&A PERFORMANCE IN 2024

The cross-border M&A landscape is gaining renewed momentum in 2025, as dealmakers shift from the caution that marked 2024 to a more proactive pursuit of strategic growth. Improved inflation dynamics and the potential for interest rate cuts are gradually restoring access to financing, whilst international investors are finding UK assets increasingly attractive, with currency valuations and a more stable regulatory climate adding to the appeal. Corporations are revisiting previously delayed divestitures and portfolio realignments, whilst private equity firms, equipped with ample dry powder, are fuelling competition and placing upward pressure on valuations. With digital transformation, supply chain resilience, and sustainability high on the corporate agenda, market sentiment suggests a strong uptick in deal activity throughout the year.

However, rising geopolitical tensions and the implementation of heightened US tariffs in April have created additional layers of complexity for international dealmaking. The resulting trade tensions and increased uncertainty are impacting investor confidence and could disrupt cross-border deal flows. In this evolving landscape, careful due diligence and strategic risk assessment are more critical than ever. While the UK is emerging as a key hub for M&A growth in 2025, market participants should remain vigilant of external headwinds that could temper momentum.

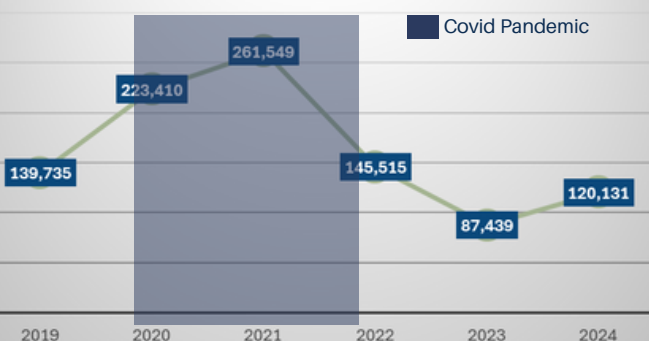
37% Increase in total UK M&A deal value in 2024 v 2023¹

3rd The UK was the 3rd most targeted country for M&A globally behind the USA and China³

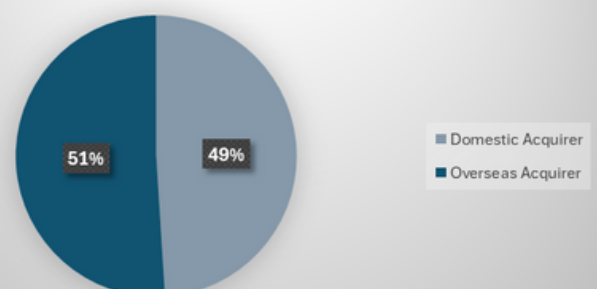
18% Increase in volume of UK-target private equity buy-out deals in 2024²

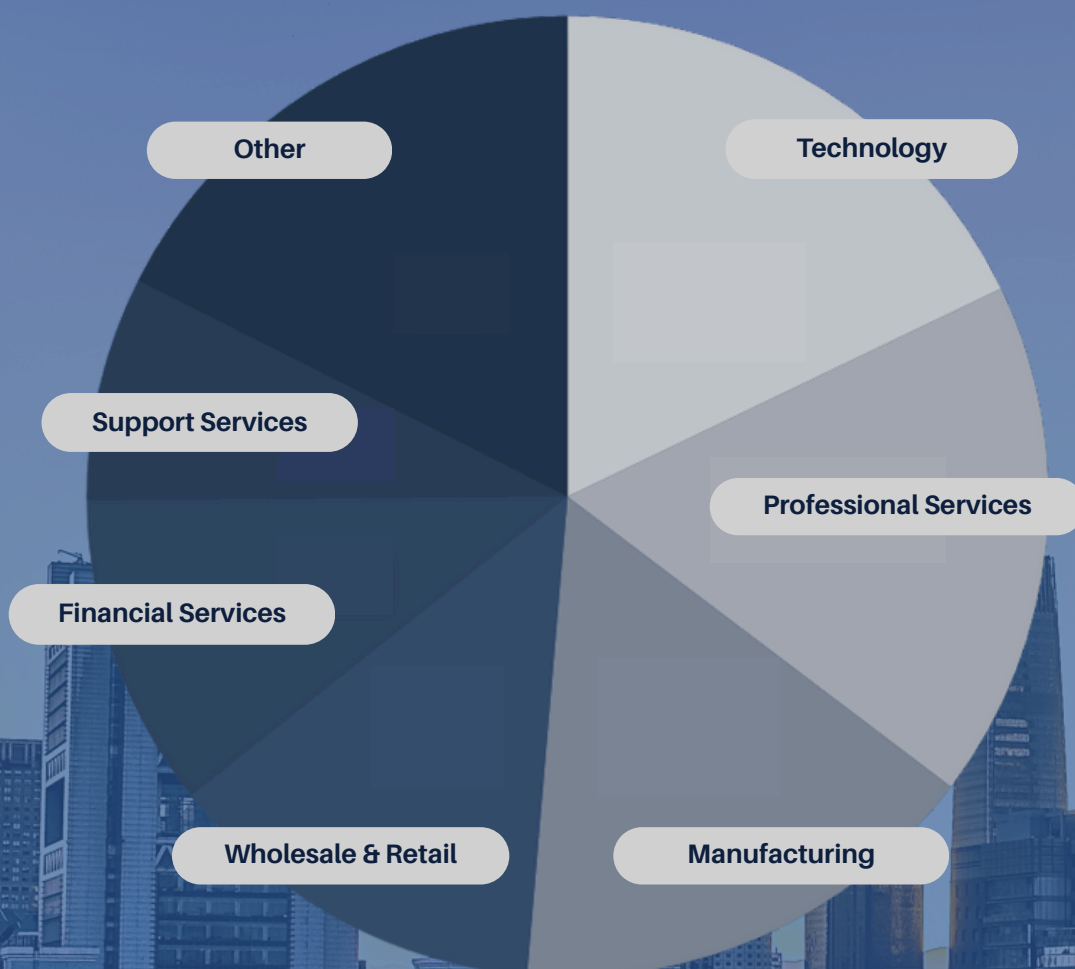
51% Percentage of UK target M&A involving an overseas acquirer³

Deal Value (£ millions)



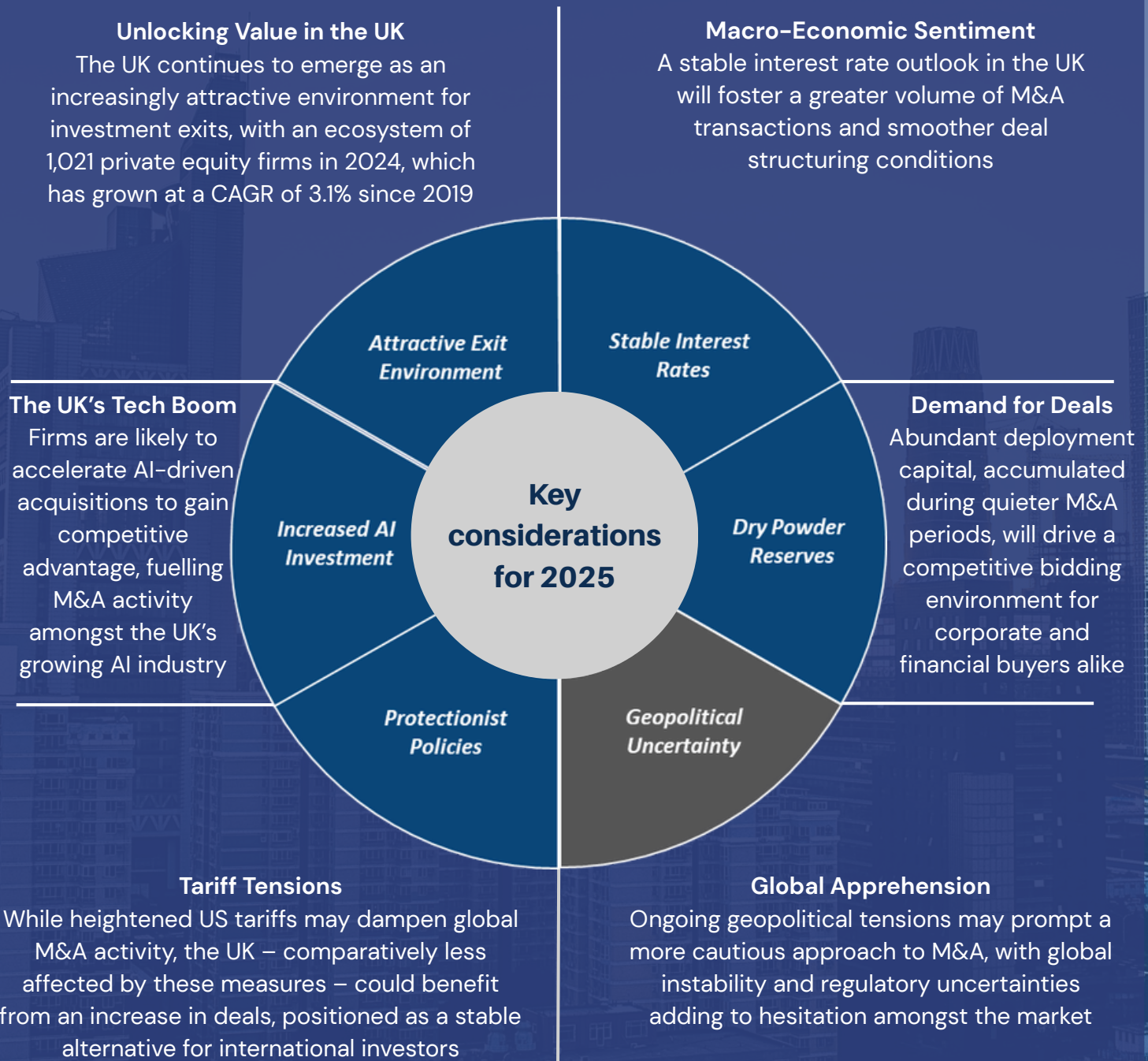
Percentage of UK M&A Involving an Overseas Acquirer



UK M&A Deals by Sector in 2024²Largest Completed Deals in 2025 to Date¹Most Active International Private Equity Firms in UK M&A in 2024¹

Firm	Origin	Deals in 2024	Areas of Focus in 2024
ARES	USA	31	Financial services
Charlesbank	USA	23	Financial services, information technology
TRESMARES CAPITAL	Spain	21	Consumer products and services
WATERLAND	Netherlands	21	Business services
TA ASSOCIATES	USA	19	Information technology

FACTORS INFLUENCING UK M&A IN 2025



WHAT ARE THE KEY LEGAL CONSIDERATIONS IN CROSS-BORDER M&A?

Cross-border M&A, where the buyer and target company are in different countries, involves many legal as well as commercial, cultural and jurisdictional complexities which require careful navigation. This article focuses on the legal complexities of selling a private company registered in England and Wales to an overseas buyer. Every buyer is different, but we have set out some of the common themes that we find tend to emerge when selling to an overseas buyer.

Choice of law: The main transaction document is the share purchase agreement (SPA). It is usually the buyer who drafts the SPA and for a target company incorporated in England and Wales, it is usual for the SPA to be under the laws of England and Wales. We often see overseas buyers wanting to draft the SPA under their local law – this complicates the transaction for the sellers, particularly as the sellers will then need lawyers in the buyer's jurisdiction in addition to their UK lawyers and they may find themselves being subject to a jurisdiction with a less stable and predictable framework than in the UK. Sellers of a target company in England and Wales should push for the SPA (and other main transaction documentation) to be drafted under the laws of England and Wales.

National Security and Investment Act: This act requires mandatory pre-notification of acquisitions and consolidations of control in 17 defined areas of the UK economy, as well as optional voluntary notification and a potential government call-in where national security could be impacted outside of those sectors. There are no exemptions relating to the size of the transaction or jurisdiction of the acquirer. Mandatory notifications must be made before the acquisition takes place and therefore qualifying sales need to be made conditional on receipt of clearance. When selling a business that operates in any of the 17 defined areas, sellers must ensure that buyers are aware of the applicability of this act as the notification must be made by the buyer (with significant assistance from the sellers).

Merger control: UK merger control is, unlike nearly all other equivalent systems elsewhere, 'voluntary'. As such, it is possible to complete a transaction which would qualify for oversight by the CMA, the UK's competition authority, without seeking any pre-completion competition clearance. However, the CMA can investigate and take remedial action where it becomes aware of any potentially troublesome transaction, even post-completion. In reality, it is therefore important to assess upfront (a) whether a potential deal could qualify for assessment by the CMA, and (b) if so, whether the CMA might raise any substantive concerns. This will then inform the requisite strategy as to what steps need to be taken to mitigate any risks of competition intervention.

Brexit: Brexit has added additional layers of regulatory complexity to M&A deals. The “one-stop shop” approach to merger clearance no longer exists meaning that clearance may be required by both the European Commission and the UK’s CMA (as well as any relevant competition authorities in other jurisdictions). Many of the other effects of Brexit will be specific to the business being sold and for the overseas buyer to establish (either through due diligence or their own experience) – for example, the UK and EU data protection regimes are no longer the same, tariffs and customs make the movement of goods between the UK and the EU more complex and expensive, and immigration law may affect the movement of employees post-completion.

Employees: Generally, UK employees do not have approval or consultation rights on an M&A transaction. This may well be different to what an overseas buyer has experienced, particularly if they are used to doing deals in Europe. However, if the deal is the sale of a business in the UK (rather than the shares in the company) then the Transfer of Undertakings (Protection of Employment) Regulations are likely to apply. This means that the employees’ jobs, and terms and conditions of employment, usually transfer over to the new company, and information and consultation may be required.

Currency risk: A cross-border deal usually involves currencies moving across borders and exchange risk. UK sellers should ensure that they are being paid in the currency that they want (usually pounds sterling) and the SPA does not allow for any other currencies to be used.

Approach to claims post-completion: Sellers should be aware that overseas buyers have varying approaches to claims post-completion. Warranty and indemnity claims are not common in the UK and it is not standard practice for there to be a retention or funds held in escrow post-completion to cover any such claims. Other countries, particularly the US, take a different approach with such claims and retentions being more standard practice. Warranty and indemnity (W&I) insurance is often used to bridge this gap in approaches between UK sellers and overseas buyers – W&I insurance has been a feature of sales to private equity for some time and we are increasingly seeing sales to corporates involving it too

Given the range of complexities involved in cross-border M&A, instructing advisers who are experienced in cross-border deals early in the process is key.



Written by **Tessa Trevelyan Thomas**
Partner at Fladgate

ABOUT BLUEBOX CORPORATE FINANCE

>50% Deals completed were cross-border transactions

>80% Deals completed with strategic trade buyers



60+ Deals completed

14 Team members

- Established in 2012, Bluebox was founded with a mission to provide independent advisory services to the lower mid-market
- Sector-agnostic approach, with expertise in consumer, technology, healthcare, and business services
- Comprehensive access to global investors

A SELECTION OF OUR INTERNATIONAL DEALS

  SOLD   Smart Building Solutions	  SOLD   Scheduling Software	  SOLD   MES Software
  SOLD   Venue & Event Management	  SOLD   Fire Safety Installation/Inspection	  SOLD   People Movement Consultancy

ABOUT FLADGATE

From start-up businesses to major listed companies and institutions, we help clients to realise their objectives, whether that means raising finance, expanding through merger, acquisition or joint venture, divesting businesses or launching in the UK.

Fladgate offers solutions – ideas and strategies born out of our understanding of our clients' businesses and their goals, and delivered efficiently and cost-effectively by teams that are committed to the success of the deal and in which partners play a leading role.

- Full service law firm ranked Band 1 for M&A deals from £10m to £100m in Chambers and Legal 500
- 109 partners with a further 120+ lawyers
- Based in London with 9 international desks and 18 languages spoken fluently

A SELECTION OF OUR INTERNATIONAL DEALS

EDGE MEDICAL 

SOLD

AddLife 

Medtech

LUMIVERO 

PURCHASED

risk decisions 

Software

GALLANT CAPITAL 

PURCHASED

fime 

Technology

DEEPER INSIGHTS 
now part of CISCO

SOLD

 CISCO 

AI

BLOOM 
EQUITY PARTNERS

PURCHASED

GRC International Group 
Our expertise, your peace of mind

Private equity/cyber-defence

GALLANT CAPITAL 

ACQUIRED

consult hyperion 
securing tomorrow's transactions

Technology

Contact Us

The Bluebox and Fladgate teams are highly experienced in providing specialised strategic advice to shareholders, entrepreneurs and management teams across all aspects of M&A, raising funds and enhancing a company's valuation. We tailor our approach to fit the specific needs of our clients, ensuring we deliver positive outcomes that build lasting value.

If you would like to discuss any of the matters raised in our paper or are seeking a broader conversation, then please do not hesitate to reach out to Jon and the team at Bluebox or the team at Fladgate

Bluebox®



Jon Rich

Managing Director
07939 533109

Jonathan.Rich@blueboxcfg.com



Cormac Malloy

Senior Manager
020 3924 5152

Cormac.Molloy@blueboxcfg.com



Ben Brookes

Analyst
020 3924 5156

Ben.Brookes@blueboxcfg.com

fladgate



Tessa Trevelyan Thomas

Partner
07811 608879

ttrevelyanthomas@fladgate.com



Anthony Shatz

Partner
07855 516365
ashatz@fladgate.com



David Harrison

Partner
07809 514624
dharrison@fladgate.com