IDEAS | PEOPLE | TRUST

Private Equity
Market Trends



Contents

	Page
Introduction	2
Northern Ireland market	3
Recent NI Transactions	4
NI Trends in Private Equity Investment	5
The Wider UK Deal Market	6
Contact us	8

BDO

Introduction

Private Equity investment enables entrepreneurial businesses to expand at speed, and clears the way for skilled and ambitious people to step up a gear.
If managed in the right way, Private Equity can be an exceptionally positive route to growth.



Brian Murphy
Managing Partner
BDO NI

Across the UK, the Private Equity market continues to demonstrate resilience, despite the ongoing geopolitical and macroeconomic uncertainty. At the heart of this resilience, is a greater emphasis on disciplined investment selection and thorough due diligence.

Northern Ireland has become an increasingly attractive destination for private equity investment, supported by a growing pool of investor-ready businesses, a highly skilled workforce and established strengths in advanced manufacturing, technology, business services and healthcare.

Historically reliant on traditional bank financing and reinvested profits, NI businesses are increasingly engaging with private equity as a means of accelerating growth, supporting acquisitions and facilitating succession planning.

As one of the region's most active advisory firms, BDO NI has developed strong relationships with local businesses and private equity investors, providing us with valuable market insight and the expertise needed to navigate the complexities of transactions in the local market.

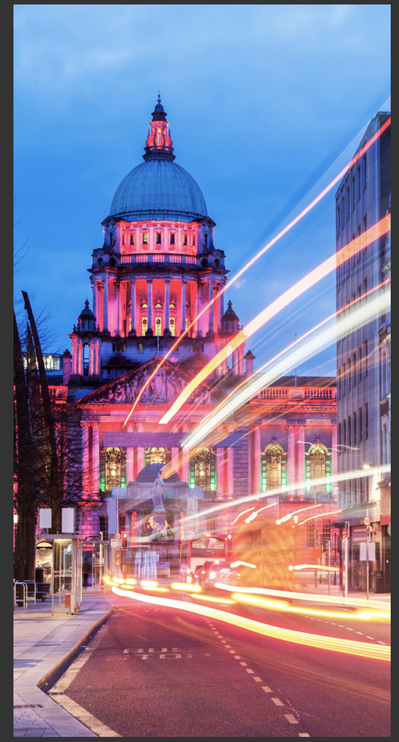


Northern Ireland

Northern Ireland's Business Environment

Northern Ireland has historically been characterised by a high proportion of small and medium-sized enterprises (SMEs), many of which are family-owned or founder-managed. Although conventional bank financing and reinvested profits have traditionally played significant roles in funding these businesses, private equity has emerged as an alternative source of capital for companies pursuing expansion.

Northern Ireland's established strengths in sectors such as advanced manufacturing, technology, business services and healthcare make the region an attractive market for private equity investors seeking opportunities to invest in established businesses with strong growth potential.



Private Equity Investors that are active in Northern Ireland

The private equity landscape in Northern Ireland comprises a combination of locally based investment firms, UK and Irish investors, and international private equity funds. Belfast based Cordovan Capital, Whiterock Capital Partners and Clarendon Fund Managers are the 3 most active local fund managers. Cordovan Capital are exclusively private equity investors, whereas, Whiterock and Clarendon offer both Debt and Equity funding options to businesses.

Other significant investors active in the region include BGF, which specialises in minority growth capital investments, as well as MML Capital, Sovereign Capital Partners, Ara Partners and Foresight Group, which have supported Northern Irish companies through buyouts and growth investments.

The British Business Bank and Invest NI also play an important role in supporting the wider investment ecosystem through regional investment programmes and commitments to locally focused investment funds.

Recent NI Transactions

▶ In November 2025, MML Keystone acquired a majority stake in Lisburn-based Lowe Rental, with Perwyn retaining a minority shareholding in the business. Lowe Rental is headquartered in Northern Ireland and is the global market leader in sustainable rental services, specialising in commercial refrigeration and catering equipment as well as kitchen and cold room infrastructure.
Perwyn achieved a 5.3x multiple on invested capital.

Lowe Rental to welcome new shareholder | Perwyn

▶ In August 2025, BGF invested growth capital in CWC group, a family owned specialist care provider based in County Down. First founded in 1983 by sisters-in-law, Monica Byrne and Imelda McGrady, CWC Group is a healthcare company providing high quality domiciliary, residential nursing and disability care across seven locations throughout Northern Ireland. BDO supported BGF on financial and tax due diligence.

▶ In February 2025, Ara Partners acquired Natural Wood Products from MML Ireland. Headquartered in Belfast, NWP has a leading position in the organic waste re-cycling market.

It manages 330,000 tonnes of organic waste annually across Ireland producing high quality peat free compost with significant benefits for soil health and carbon sequestration.

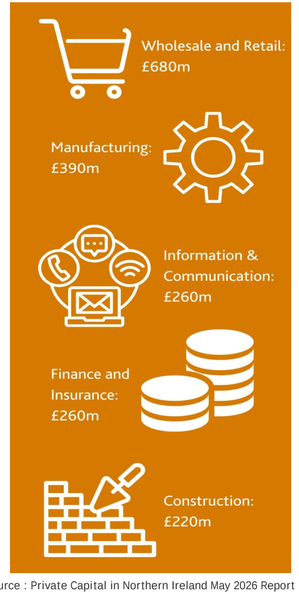
▶ Following its initial 2020 investment, BGF provided further capital to Mzuri Group in 2022. Founded in 1979, Mzuri Group is a leading window coverings group which designs, manufactures and distributes window coverings to customers in the UK, Europe and Australia.

The group, made up of 12 companies and employing over 1500 people, used the funding from BGF to boost growth and build its European sales and distribution.

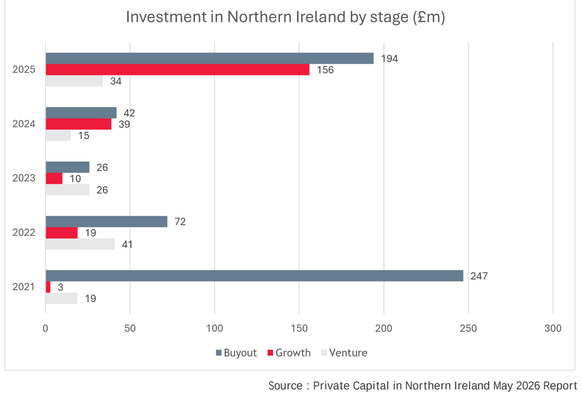
NI Trends in Private Equity Investment

Businesses backed by private capital make a significant contribution to the Northern Irish economy. In 2025, £3bn of Gross Domestic Product (GDP) was generated by private capital backed businesses in Northern Ireland.

Key sectors include:



Source : Private Capital in Northern Ireland May 2026 Report



Source : Private Capital in Northern Ireland May 2026 Report

The up-tick in PE investment comes off the back of the growing number of 'investor-ready businesses' in the region. Local businesses are having more productive interactions with advisory firms, such as BDO, and this has led to an increased focus on productivity and marketability which is drawing interest from investors in Great Britain, the Republic of Ireland and international markets.

Northern Ireland also benefits from a number of factors that make the region an attractive place to grow a business including – a highly educated workforce, access to world leading universities, readily available high-speed internet and improving infrastructure.

In terms of the types of businesses that investors are attracted to, Northern Ireland is recognised for its world class advanced manufacturing sector, whilst also displaying leadership positions in professional services, IT and scientific sectors. Focusing on developing our expertise in these sectors will likely drive even greater investment in the future.

The Wider UK Deal Market

The UK mid-market continues to support discerning M&A activity, with dealmakers pursuing growth through strategic acquisitions, value creation, and innovative financing structures. So far in 2026, BDO UK has advised on 153 deals, including 96 private equity backed transactions, reinforcing its position as a key facilitator of mid-market deals in the UK.

The current sentiment of private equity houses can be described as measured optimism. Geopolitical uncertainty and macroeconomic volatility persist, but firms continue to face pressure to deploy committed capital. The result is a market that is reopening, albeit with greater selectivity and discipline.

Across the industry, behaviour has already shifted. Deal processes are taking longer, diligence is deeper and investment committees are placing far greater emphasis on downside protection and execution risk.

This reflects a growing recognition that returns in the next cycle will be driven less by leverage and multiple expansion and more by operational delivery and clarity of value creation.

Four key themes we expect to shape private equity activity over the coming year include:

1. Disciplined Deployment of Capital

We expect sponsors to re-enter the market with greater conviction as exit pressure builds and pent-up demand accumulates. That sense of purpose will be grounded in stronger diligence, more robust scenario modelling and clearer operational plans.

2. Accelerated value creation from day one

Immediate value creation is now an expectation PE houses have become accustomed to, A credible 100-day plan has become a baseline requirement and Year 1 increasingly focused on delivery rather than design. Operational value creation will drive demand for operating partners with expertise in digital transformation, data analytics, pricing, supply chain optimisation and human capital management. Capabilities around AI integration are rapidly becoming essential.

3. AI: From theme to capability

Private equity firms are increasingly embedding AI across the investment lifecycle, from deal sourcing and diligence to portfolio monitoring and reporting. The firms that move beyond experimentation and integrate AI into core decision-making processes, both at fund and portfolio company level, are likely to build a meaningful competitive advantage over time.

4. Exits, readiness and fundamentals

We expect heightened exit activity in 2026 driven by improving financing conditions and the need to return capital. Secondary buyouts will remain common, trade buyers will re-engage more consistently, and IPOs may become viable for a limited number of high-quality assets. Preparation is critical. Exit readiness should be treated as a continuous discipline, with high-quality data, a clear equity story and demonstrable value creation now standard expectations.



FOR MORE INFORMATION:

Brian Murphy
Managing Partner
brian.murphy@bdoni.com

Lorraine Nelson
Partner & Head of Tax
lorraine.nelson@bdoni.com

David Warnock
Advisory Director
david.warnock@bdoni.com

Chris Hodgett
Tax Director
chris.hodgett@bdoni.com

This publication has been carefully prepared, but it has been written in general terms and should be seen as broad guidance only. The publication cannot be relied upon to cover specific situations and you should not act, or refrain from acting, upon the information contained therein without obtaining specific professional advice. Please contact BDO Northern Ireland to discuss these matters in the context of your particular circumstances. BDO Northern Ireland, its partners, employees and agents do not accept or assume any liability or duty of care for any loss arising from any action taken or not taken by anyone in reliance on the information in this publication or for any decision based on it. Any use of this publication or reliance on it for any purpose or in any context is therefore at your own risk, without any right of recourse against BDO Northern Ireland or any of its partners, employees or agents

BDO Northern Ireland, a partnership formed in and under the laws of Northern Ireland, is licensed to operate within the international BDO network of independent member firms. A list of partners' names is open to inspection at our registered office, Metro Building, 1st Floor, 6-9 Donegall Square South, Belfast, BT1 5JA.

BDO is the brand name of the BDO network and for each of the BDO Member Firms.

Copyright © October 2026 BDO NI All rights reserved. Published in the UK.

www.bdoni.com