



Speciality Alloys and Advanced Materials Market

M&A activity in the UK speciality alloys and advanced materials sector is strong and expected to continue, with a focus on innovation, sustainability, and supply chain resilience. The UK market is set for significant growth and will be further enhanced by acquisitions.



> Key Highlights

Introduction

The UK speciality alloys and advanced materials market is experiencing robust growth, driven by increasing demand across sectors and a projected compound annual growth rate (CAGR) of 5.6% through 2030. Key drivers of this growth include growing demands in the aerospace, electric vehicle and renewable energy sectors.

However, the industry faces several challenges, including price fluctuations, a cautious view of the market from financial institutions, skilled worker shortages, elevated energy prices, and strict environmental and safety regulations.

Despite these challenges, this buoyant market is still attracting M&A activity. Entrepreneurs Hub recently completed a deal involving a supplier of speciality alloys to the defence, aerospace, and oil and gas sectors. See p5 for further details.

If you are considering succession or sale for your business then we would welcome you to join us for a confidential, no-obligation and free call to assess where you stand today and to discuss some of your potential options.

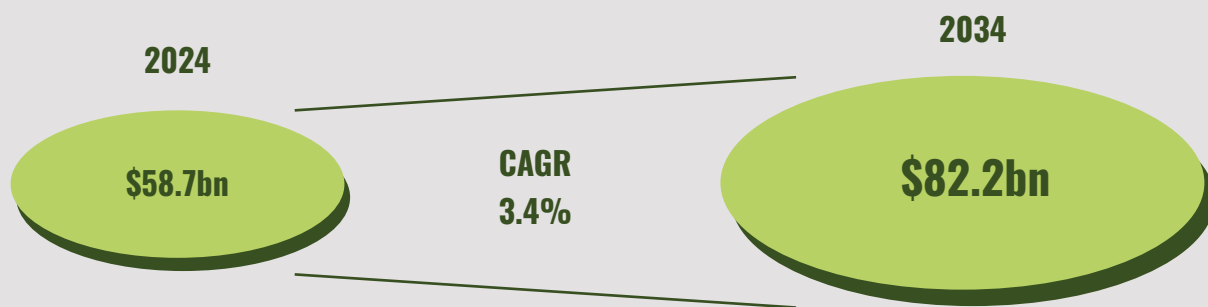


> Market Overview

Global Market

The Global Speciality Alloy Market is witnessing steady growth, driven by rising demand across the aerospace, medical, energy, and construction industries. The market was valued at \$58.7bn in 2024 and is **projected to reach \$82.2bn by 2034**, growing at a CAGR of 3.4%.

With advancements in alloy compositions and increasing application in high-performance environments, manufacturers are focusing on innovation and quality enhancement. As industries seek materials that offer superior strength, corrosion resistance, and performance, the speciality alloy sector is poised for long-term expansion.



European Market

Europe represents c. 24% of the global market and is expected to grow at a similar rate of 3.5% CAGR. Europe is expected to remain a key market driven by advanced manufacturing and aerospace demand, while APAC's growth is fuelled by rapid industrialisation and infrastructure development across emerging economies.

UK FOCUS

The UK advanced materials market generated a revenue of \$7.0bn in 2024, capturing a 3.5% share of the global market. However, it is projected to grow at a significantly faster rate of **5.6% CAGR** to reach approximately **\$10.3bn by 2030**.

This is expected to be driven largely by the fastest growing segment of the UK market - renewable energy.

➤ Growth Drivers and Challenges

Aerospace & Defence

The push for fuel efficiency and emission reduction is driving demand for lightweight, high strength alloys in the aerospace and defence sectors. This demand is driven by the need for materials that can withstand extreme conditions while maintaining performance and safety standards.

Automotive Innovation

The shift toward electric vehicles (EVs) increases the demand for speciality alloys that enhance battery efficiency and vehicle performance. Lightweight materials like aluminium-lithium alloys are essential for improving fuel efficiency and reducing emissions.

Technological Advancements

Innovations in additive manufacturing and advanced casting techniques enable the production of complex, high-performance alloy components. Companies like Alloyed are leveraging digital design and 3D printing to produce components for various sectors, including aerospace and automotive.

The medical industry's demand for titanium alloys has surged due to their biocompatibility and durability, making them ideal for implants and surgical instruments. Additionally, speciality alloys are increasingly used in high-end consumer electronics for their strength and aesthetic appeal.

Renewable Energy Expansion

The growth of renewable energy projects, such as wind and solar power, drives the need for corrosion-resistant and durable speciality alloys. These materials are crucial for components that must withstand harsh environmental conditions.

Sustainability Initiatives

Environmental regulations and a focus on recyclability encourage the development and use of eco-friendly practices. This shift aligns with global sustainability goals and the UK's Critical Mineral Strategy which emphasises responsible sourcing and recycling to reduce environmental impact.

Market Challenges

Fluctuations in the prices of raw materials and energy create financial uncertainty for manufacturers. In addition, financial institutions take a cautious approach towards commodity-related sectors, making growth challenging.

Additional challenges include shortages in skilled labour, the pressures of regulatory compliance, and global competition from markets with lower operating costs.

“The UK's speciality metal and advanced materials market is experiencing increased M&A activity despite these challenges. Growth opportunities remain a strong driver for acquisitions both in the UK and internationally.”

> Recent UK M&A Activity

Entrepreneurs Hub Case Study

This deal was completed in April 2025, at the request of our client and the buyer, identities have been withheld and remain confidential at the time of writing.

Entrepreneurs Hub were appointed by the owners of this supplier of speciality alloys to the Aerospace, Defence and Oil & Gas industries. The strategic aim of the sellers in this instance was twofold; they were keen to achieve a personal lifestyle change but were also equally concerned to ensure the business continued to thrive, providing security and development opportunities for their employees.

After a thorough process of preparation and research, Entrepreneurs Hub identified over 100 potential acquirers. Approximately 70% of these were international companies, with Europe and the USA making up the bulk of these.

Interest was strong from the UK with almost half of those requesting further details based here. Following further discussions and negotiations, competitive offers were received from a number of companies with valuations ranging from c. £5m to over £6m.



The acquisition was agreed with a buy-and-build investment group who saw great potential in the business and were prepared to back the existing management team and the company in its existing format. This was of strong interest to the sellers, helping them achieve both of their primary aspirations for the sale.

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Early on I met with a number of potential advisors, both large and small, and found that only one could truly deliver the right outcome and success. Entrepreneurs Hub provided a skilled team with a comprehensive approach, but more importantly, they were empathetic and trustworthy partners. These attributes are vital in the journey to exiting well and selling the business.

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> Recent UK M&A Activity

Selected UK acquisitions

Transaction Date	Transaction	Rationale
April 2025	Advised by Entrepreneurs Hub Ltd Acquired by Undisclosed under NDA	Enhance position in the aerospace and defence sector, leveraging the acquirers expertise in performance and growth to effectively scale the business and build on its excellent reputation for specialist alloys.
February 2025	Independent Forgings and Alloys Ltd Acquired by Trive Capital Management LLC	Strategically enhance position in the aerospace and defence manufacturing sector, leveraging IFA's advanced forging capabilities and expertise in multi-step production processes.
November 2023	Premier Hytemp Acquired by Souter Investments (via LBO)	Enhance position in the high-performance engineering and precision machining sector. The transaction supports long-term growth and operational scale, driving innovation, expanding international reach, and strengthening capabilities across key sectors including oil & gas, renewables, and power generation.
September 2022	PDQ Engineering Acquired by MBO	The management buy-out of PDQ Engineering by its long-standing leadership team strategically ensures continuity and operational independence, enabling the company to pursue targeted growth initiatives.
September 2021	Goodfellow Holdings Ltd Acquired by Battery Ventures L.P.	Strategic expansion of presence in the global speciality materials sector. This acquisition strengthens Battery Ventures' global reach, technical capabilities, and product diversification, positioning the company for accelerated growth in the research, development, and manufacturing markets.
June 2021	Offshore Stainless Supplies Ltd Acquired by Steel Dynamics Inc (NASDAQ: STLD)	Strengthening of position as the UK's leading stainless-plate processor. By leveraging OSSSL's expertise and inventory the deal enhances processing capabilities and supports growth across key industries like offshore, marine, and construction.

> UK M&A Outlook

**Global Value
by 2034**
\$82.2bn

**Europe
Market Share**
24%

**UK CAGR
2024-2030**
5.6%

Overview

The UK's speciality metal and advanced materials market is experiencing increased M&A activity, driven by demand for materials in aerospace, automotive, renewable energy, and electronics. Key drivers of this activity include innovation, sustainability, and operational efficiency.

Key Drivers of M&A Activity

Innovation & Technological Advancements

Companies are consolidating to boost R&D in lightweight alloys, rare earth metals, and composites to meet environmental standards and enhance performance.

Decarbonisation & Sustainability

With the UK's "net-zero" commitment, firms are investing in green technologies like recycling and processing of rare earth and critical metals.

Supply Chain Resilience

Acquisitions aim to secure stable supplies of essential materials, particularly for aerospace and defence sectors.

Sector-Specific M&A Trends

Aerospace & Defence: Focus on acquiring companies with specialised metal processing technologies for titanium, nickel alloys, and high-strength steel.

Electric Vehicles (EVs) & Battery Materials: High demand for lithium, cobalt, and advanced composites as EV production grows, leading to acquisitions in battery material production and recycling.

Semiconductor Materials: Growing need for high-purity materials like gallium, indium, and tantalum, spurring acquisitions to strengthen positions in the semiconductor supply chain.

Private Equity & Investment Funds

Entrepreneurs Hub is currently seeing significant interest from private capital buyers making competitive offers and completing deals. UK renewable energy and high-tech sectors with strong growth prospects are of particular interest to private equity firms.

> Conclusion

M&A activity in the UK speciality alloys and advanced materials sector is strong and expected to continue, with a focus on innovation, sustainability, and supply chain resilience. The market, particularly in the UK, is set for significant growth and this will be further supported by strategic acquisitions.

Entrepreneurs Hub have recent experience in this sector and if you would like to find out more about how we can help you as you consider, plan or pursue your exit strategy, please contact us.



Next Steps

Please let us know if you would like to speak with one of our Directors on a confidential and no-obligation basis.

We can discuss timing, preparing for sale, guide valuations, or just give you an honest opinion of where you're at.

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About Entrepreneurs Hub

Entrepreneurs Hub is a trusted M&A advisory firm with a focus on UK SME businesses. We are a highly experienced team who have been where you are - entrepreneurs, business owners, and board-level directors, we have bought companies, sold companies and advised hundreds of clients to do the same.

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