Begbies Traynor Group

Complementary acquisitions add to growth thesis

26 November 2025

Begbies has announced two acquisitions this week for a maximum consideration of £9.25m, adding to its property advisory and transactional services division, Eddisons. In keeping with Begbies' strategy for value-accretive acquisitions that add services or geographies, Begbies is paying c.1.0x EV/Sales for an additional c.4% of sales. Trading on under 10x cal 2026 PER we continue to believe Begbies is materially undervalued.

£8.25m acquisition of Kirkby Diamond real estate consultancy…

The acquisition of Kirkby Diamond LLP and Kirkby Diamond Property Management, (together "Kirkby Diamond") adds five, complementary, office locations along the M1 corridor (Milton Keynes, Bedford, Luton, St Albans and Enfield) and all 62 staff will join Begbies Traynor. Kirkby Diamond generates a run rate of £6.2m revenues and normalised pre-tax profits of £1.1m, a 17.7% margin, and thus will add c. 4% to Begbies' FY27E group forecasts once consolidated. In keeping with prior acquisitions, Begbies is paying £5m initial consideration (£3.5m cash and 1.3m shares) and a 3 year earn out of £1.5m for maintaining current financial performance and a further £1.75m subject to profit-enhancing financial performance. At the £6.5m valuation for maintaining performance, Begbies is paying just over 1.0x EV/Sales and just under 6.0x EV/PBT.

…and £1m acquisition of Network Auctions

In addition, Begbies Traynor has announced the acquisition of an online national property auctions business, Network Auctions, to complement its existing auctions business. With five staff and annualised revenue of c.£0.6m, Begbies is paying £0.5m cash (0.8x EV / Sales) and a further £0.5m subject to revenue growth targets.

A highly profitable and cashflow generative company on under 10x PER

Acquisitions are a key part of Begbies' strategy, as we discussed in our in-depth report "Diversification and track record merit higher ratings". Moreover, as described in last week's report "Diversified advisory portfolio drives robust growth" we forecast that Begbies will generate over £16m FCF pre-acquisitions per annum, so has capacity for these acquisitions, and potentially more.

Key financials & valuation metrics

Year to 30 April (£m)	2024	2025	2026E	2027E	2028E
Revenue	136.7	153.7	164.3	171.6	179.3
Revenue growth (%)	*12.2*	*12.4*	*6.9*	*4.4*	*4.5*
Adj. PBT	22.0	23.5	24.2	25.7	27.3
Adj. PBT margin (%)	*16.1*	*15.3*	*14.7*	*15.0*	*15.2*
Adj. diluted EPS (p)	9.9	10.5	10.8	11.5	12.2
Dividend per share (p)	4.0	4.3	4.4	4.7	5.0
Free cashflow pre acquisitions	12.4	19.4	16.2	16.9	17.3
Free cashflow post acquisitions	3.9	10.0	10.8	12.1	16.9
Net cash / (debt) * /Adj. EBITDA (x)	(0.5)	(0.3)	(0.2)	(0.1)	(0.2)
EV / Sales (x, calendarised)		1.2	1.1	1.1	
PER (x, calendarised)		10.0	9.6	9.0	
Dividend yield (%, calendarised)		4.1	4.3	4.6	
Free cashflow* yield (%, calendarised)		9.7	9.4	9.7	

*Note: * pre-acquisition payments, Source: Company data, Equity Development, Priced as at 25 Nov 2025*

Company data

EPIC	BEG
Price (last close)	107.5p
52 weeks Hi/Lo	127p/88p
Market cap	£172m
ED Fair Value / share	150p
Net cash / (debt) 2025A	£(9)m
Avg. daily volume (3m)	339k

Share price, p

Source: Investing.com

Description

Begbies Traynor Group ("Begbies") is a leading financial and real estate advisory firm.

A multi-disciplinary national team of over 1,300 colleagues (1,185 FTE) from 45 local offices and four offshore offices handle the largest number of corporate insolvency and restructuring appointments in the UK, as well as providing market-leading services in corporate finance, financial advisory, valuations and property consultancy.

Next event

H126 results 9th December 2025

Caroline Gulliver (Analyst)
0207 065 2690
caroline.gulliver@equitydevelopment.co.uk

Andy Edmond
0207 065 2691
andy@equitydevelopment.co.uk

Contacts

Andy Edmond
Direct: 020 7065 2691
Tel: 020 7065 2690
andy@equitydevelopment.co.uk

Hannah Crowe
Direct: 0207 065 2692
Tel: 0207 065 2690
hannah@equitydevelopment.co.uk

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