

## Strategic change of name to BTG Consulting

2 February 2026

Reflecting a decade of excellent revenue growth across increasingly diversified advisory services, Begbies Traynor is changing its name to BTG Consulting plc. Under this new name, and with the recently enhanced management team, BTG Consulting is well placed for further profitable growth across its wide range of financial and real estate advisory services. Its latest Red Flag report shows a 44% increase in businesses in “critical” financial distress. Although BTG’s share price has recovered its summer decline, it still trades on less than 10x cal 2027 PER, c. 30% below its long-run average valuation multiples and below our 150p Fair Value.

### Strategic rebrand to reflect diversified advisory business

As we wrote in [Strategic diversification clearly paying off](#), BTG’s organic and acquired expansion has led to a decade of 13% revenue CAGR and a broad-based financial and real estate advisory business, with a new CEO, Mark Fry. The business includes eight service lines under two operating divisions. The restructuring and advisory division (70% of revenues in FY25) incorporates 1) restructuring services including administrations under sub-brand “BTG Begbies Traynor”, 2) deal advisory, 3) funding and insurance and 4) financial advisory services. The Real Estate division, under sub-brand “BTG Eddisons” (30% of FY25 revenues), consists of 1) valuations and asset advisory, 2) agency and auctions, 3) projects and developments and 4) property management and insurance services.

### Q4 25 Red Flag Alert shows 44% increase in “critical” financial distress

Meanwhile businesses are still struggling under the weight of higher wages and inflation, increased tax burdens, elevated interest rates and still weak consumer demand, suggesting a strong pipeline of work for BTG’s diversified services. BTG’s [latest Red Flag Alert](#) report shows a 44% yoy increase in businesses in “critical” financial distress to 67,369 (+21% on Q325). All 22 industries have been impacted with labour intensive, discretionary consumer-facing sectors showing the highest increases.

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

With profitable organic growth of 5%-6%, and free cashflow for both acquisitions and dividends, we see scope for a rerating. **Our fair value of 150p / share equates to a c. 6% cal 2026 FCF yield.**

#### Company data

EPIC	BEG
Price (last close)	118p
52 weeks Hi/Lo	127p/90p
Market cap	£191m
ED Fair Value / share	150p
Net cash / (debt) 2025A	£(9m)
Avg. daily volume (3m)	367k

#### Share price, p



Source: Investing.com

#### Description

BTG Consulting plc (“BTG”, formerly Begbies Traynor Group plc) 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

3Q26 trading update: late Feb 2026

#### Caroline Gulliver (Analyst)

0207 065 2690  
caroline.gulliver@equitydevelopment.co.uk

#### Andy Edmond

0207 065 2691  
andy@equitydevelopment.co.uk

#### Key financials & valuation metrics

Year to 30 April (£m)	2024	2025	2026E	2027E	2028E
Revenue	136.7	153.7	167.3	178.4	186.3
Revenue growth (%)	12.2	12.4	8.9	6.6	4.4
Adj. PBT	22.0	23.5	24.2	26.1	27.6
Adj. PBT margin (%)	16.1	15.3	14.4	14.6	14.8
Adj. diluted EPS (p)	9.9	10.5	10.7	11.6	12.2
Dividend per share (p)	4.0	4.3	4.5	4.8	5.1
Free cashflow pre acquisitions	12.4	19.4	11.1	16.5	17.7
Free cashflow post acquisitions	3.9	10.0	6.5	12.3	16.7
Net cash / (debt) * /Adj. EBITDA (x)	(0.5)	(0.3)	(0.3)	(0.2)	(0.1)
EV / Sales (x, calendarised)		1.3	1.2	1.1	
PER (x, calendarised)		11.1	10.4	9.8	
Dividend yield (% , calendarised)		3.7	4.0	4.2	
Free cashflow* yield (% , calendarised)		7.0	7.5	8.8	

Note: \* pre-acquisition payments, Source: Company data, Equity Development, Priced as at 30/01/26

## Overview of Investment Attractions

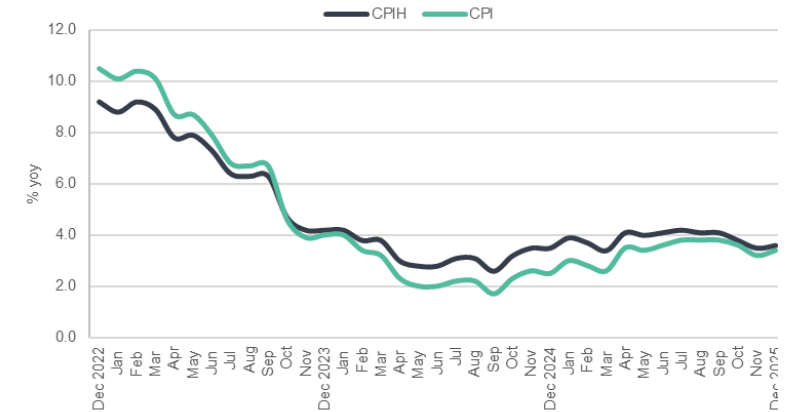
Investment Highlights	Risk Factors
<ul style="list-style-type: none"> <li>An impressive track record of growth with revenues tripling in the past decade to £153m in FY25, driven by both organic growth and successful acquisitions.</li> <li>This is testament to BTG's resilience and growth through the economic cycle and the group's ability to attract highly qualified and trusted professionals.</li> <li>An increasingly diversified business with c.45% of FY25 revenues from BTG's business and corporate finance advisory, property advisory and transactional services offer.</li> <li>Adjusted PBT has increased six-fold to c.£23.5m in FY25 (20% CAGR) and adjusted PBT margin has risen to over 15%, driving cumulative free cashflow pre acquisitions of over £75m (FY21-FY25). This ample free cashflow funds both value-accretive acquisitions and dividends (CAGR 7.5% since FY16).</li> <li>An experienced, incentivised and founder-led management team at the helm.</li> </ul>	<ul style="list-style-type: none"> <li>Although the group is more diversified than ever before, c.55% of revenues are from business recovery. If corporate insolvencies were to drop significantly from current levels, this would impact our organic revenue growth and profit margin assumptions (given operating deleverage). This would be partly offset by an anticipated cyclical increase in M&amp;A and corporate finance advisory and finance broking activity, and property transactional activity.</li> <li>As a people-led business, recruitment and retention of high-quality staff is key. BTG invests in its staff packages and training for its over 1,200 Full-time Equivalent (FTE) employees.</li> <li>Liquidity risk if asset realisations were impacted, however BTG has £35m of bank facilities, extendable until February 2029.</li> <li>Integration risk for any future acquisitions, though BTG's excellent track record provides reassurance.</li> </ul>
Forecast Drivers	Valuation Overview
<ul style="list-style-type: none"> <li>Management's ambition is to grow mid-term revenues to £200m from its existing service offer through organic growth and acquisitions, with further possible growth from acquisitions of complementary professional services businesses.</li> <li>We expect inflationary pressures, particularly the cost of labour following the Autumn 2024 and 2025 Budgets, to keep levels of corporate distress and insolvency elevated.</li> <li>We forecast c.5% organic revenue CAGR FY25-FY28E, together with c.3% contribution from the November 2025 acquisitions of Kirkby Diamond and Network Auctions to reach c.£185m revenues in FY28E. We do not forecast any further acquisitions but estimate that a 6% p/a revenue contribution from acquisitions would lead to over £200m of revenues in FY28E.</li> <li>We forecast Adj. PBT margins remaining c.14%-15% (despite national insurance increases impacting from FY26E) leading to c.5.5% Adj. PBT CAGR FY25-FY28E and free cashflow, pre acquisitions, of c.£17m p/a (FY27E-FY28E).</li> </ul>	<ul style="list-style-type: none"> <li>BTG is trading on only 1.1x EV/Revenues, 5.8x EV/Adj. EBITDA and under 10x PER (our forecasts, all Calendar 2027E – "cal 27E").</li> <li>This is a c.30% discount to the group's average multiples over the past nine years of 1.6x EV/Revenues, c.9x EV/Adj EBITDA and c.14x PER.</li> <li>It is also still a discount to our comparable valuation peers, despite offering similar, if not better, revenue and profit growth and similar high profit margins.</li> <li>BTG's balance sheet is also strong with c.£1m of net financial cash as at 30 April 2025 and leases of c.£12m. We forecast net debt incl leases / Adj. EBITDA of only 0.3x for FY26E. We estimate that future contingent consideration payments will be c.£7m, satisfied by December 2031.</li> <li><b>Our fair value of 150p / share</b> equates to a cal 26 FCF yield, pre acquisitions, of c.6%, a c.3% dividend yield, a c.13.5x PER, broadly in-line with long-run averages, with potential for a premium to these averages.</li> </ul>

## Business recovery to remain elevated as inflationary pressures remain

### Macro-economic backdrop still tough for companies

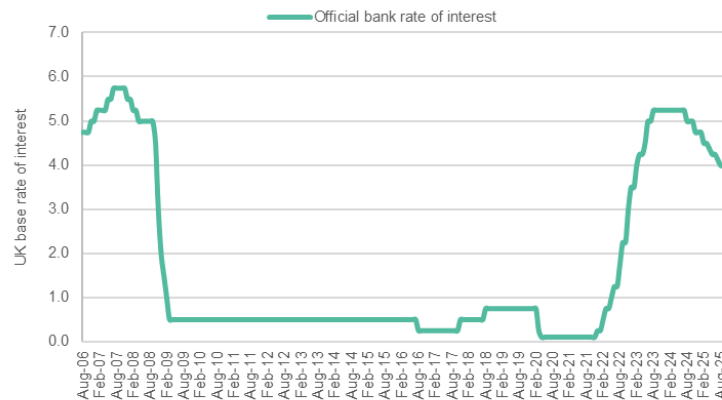
- Corporate insolvencies have reached a record c.24,000 p/a for three years (2023-2025), c.60% above the average of c.15,000 a year in 2014-2021...
- ...reflecting the challenges businesses have faced from the prolonged period of inflation (increasing labour costs, higher tax burden, higher interest rates).
- Moreover, levels of corporate distress have accelerated again, as evidenced in BTG's Q425 Red Flag Alert report which shows c.728,640 UK businesses in "significant" financial distress, up 11% on Q424 and 67,369 UK businesses in "critical" financial distress, up 44% on Q424.
- Labour-intensive, discretionary consumer companies (hotels, bars & restaurants, leisure & cultural activities) and real estate & property services businesses have been particularly impacted.

### Inflation persistent at 3.6% in December 2025



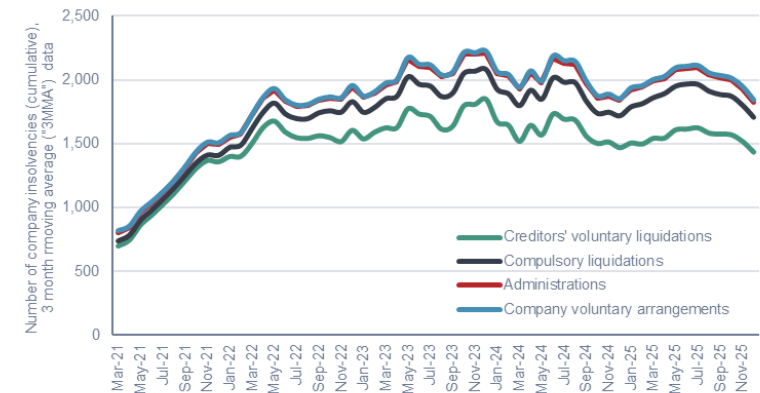
Source: Bank of England, Equity Development

### Interest rates falling, cut to 3.75% in December 2025



Source: ONS, The Insolvency Service, Equity Development

### An elevated level of insolvencies in 2025 for third year



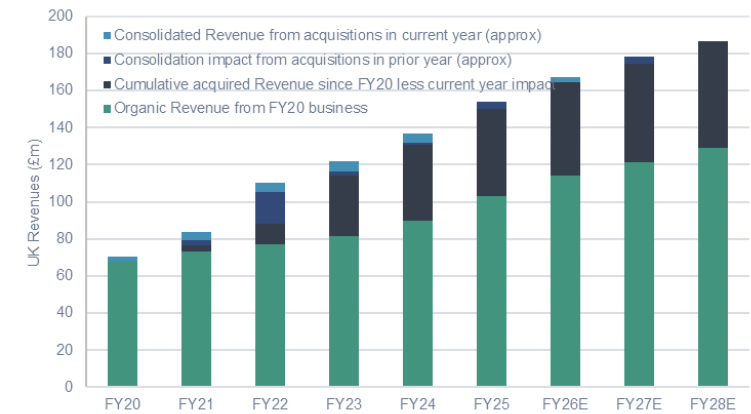
Source: ONS, The Insolvency Service, Equity Development

## An undervalued, profitable, cashflow generating growth story

### Professional services consolidator at a c. 30% discount

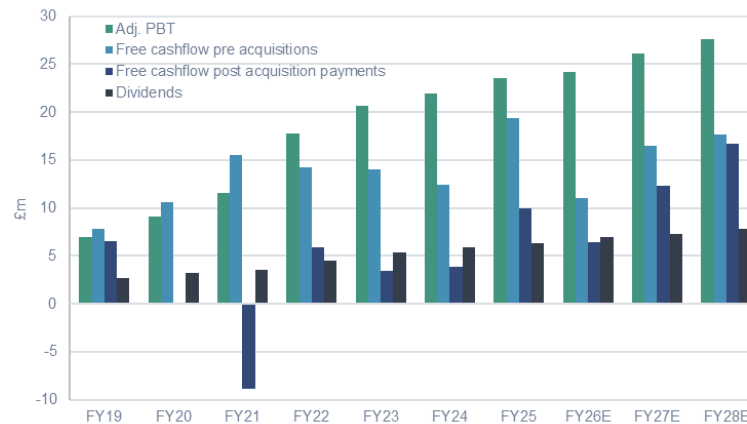
- BTG's vision is to extend the scale and quality of its chosen professional services by continuing to build the offer organically and through acquisitions.
- BTG's' acquisition success is admirable, investing c.£64m FY20-FY24 for revenues of c.£50m and pre-tax profits of c.£12.5m, with a further £34m of potential earn-out payments (but not all has been earned/or likely to be).
- Its financial discipline leads to a high c.15% Adj. PBT margin (FY25) and typically this converts into ample free cashflow.
- We forecast c.£45m of free cashflow pre-acquisitions FY26E-FY28E (c.25% of the current market cap), of which we estimate c.£7m will be paid out as deferred compensation, and we do not believe this attraction is reflected in BTG's current c.10x cal 27 PER and c.4% dividend yield.

### Diversified growth, boosted by acquisitions



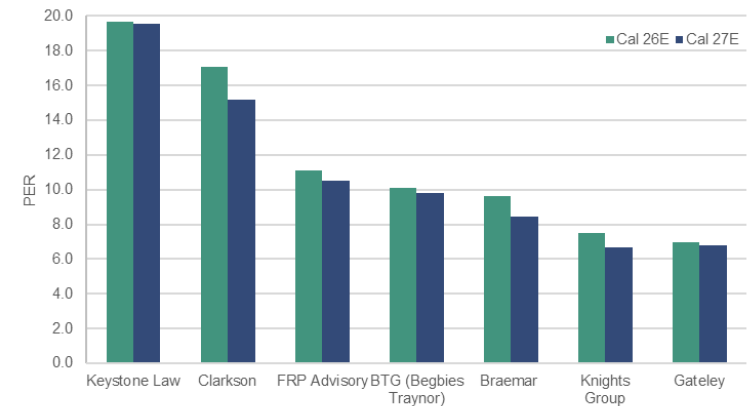
Source: Company data, Equity Development

### Free-cashflow supports acquisitions and dividend growth



Source: Company data, Equity Development

### BTG's PER of c.10x cal 27 undervalues its prospects



Source: Koyfin for consensus estimates, Equity Development

## Financial Forecast tables

- Following the group's H126 results in December, management confirmed it is confident in delivering FY26E market expectations (Adj. PBT range £23.7m-£24.9m).
- We updated our forecasts in December for the H126 results and the two recent acquisitions, which raised our revenue by 2%-4% and our Adj. PBT forecasts by 1%-2%.

### Key group growth and margin metrics

Year-end 30 April	2021A	2022A	2023A	2024A	2025A	2026E	2027E	2028E
Revenue growth (%)	18.9	31.2	10.7	12.2	12.4	8.9	6.6	4.4
Gross profit growth (%)	17.8	34.6	13.1	8.8	15.0	7.6	6.6	4.4
Adj. EBITDA growth (%)	22.4	19.8	10.5	7.4	11.1	1.8	7.1	4.9
Adj. Operating profit (%)	22.5	50.0	17.4	9.6	8.3	1.0	7.5	5.3
Adj. PBT growth (%)	25.8	54.3	16.3	6.4	6.9	2.8	8.2	5.7
Adj. EPS growth (%)	17.7	31.9	14.3	-1.4	5.6	2.4	7.7	5.7
DPS growth (%)	7.1	16.7	8.6	5.3	7.5	3.9	7.7	5.7
Gross profit margin (%)	42.4	43.5	44.4	43.1	44.0	43.5	43.5	43.5
Adj. EBITDA margin (%)	23.9	21.8	21.8	20.9	20.6	19.3	19.4	19.5
Adj. Operating margin (%)	14.8	16.9	17.9	17.5	16.9	15.6	15.8	15.9
Adj. PBT margin (%)	13.7	16.1	17.0	16.1	15.3	14.4	14.6	14.8
Op costs excl D&A /sales (%)	18.7	21.8	22.8	22.6	23.7	24.5	24.4	24.3
Tax rate (adj.) (%)	20.3	20.4	20.9	26.0	26.0	26.0	26.0	26.0

Source: Company data, Equity Development

Divisional revenue analysis								
Year-end 30 April (£m)	2021A	2022A	2023A	2024A	2025A	2026E	2027E	2028E
Business recovery and advisory	54.6	73.9	77.2	85.1	94	103	109	115
Corporate finance and finance broking	5.1	7.5	12.5	11.3	13	14	15	16
<b>Business recovery and advisory</b>	<b>59.7</b>	<b>81.4</b>	<b>89.7</b>	<b>96.4</b>	<b>107.3</b>	<b>117.1</b>	<b>124.0</b>	<b>130.2</b>
Commercial property management	2.6	2.8	3.0	3.5	3.9	4.1	4.2	4
Property consultancy (including valuations)	12.7	16.0	18.0	21.8	24.4	26.5	30.0	31
Asset sales	8.9	9.9	11.1	15.0	18.1	19.7	20.2	21
<b>Property advisory</b>	<b>24.1</b>	<b>28.6</b>	<b>32.1</b>	<b>40.3</b>	<b>46.4</b>	<b>50.3</b>	<b>54.4</b>	<b>56.1</b>
<b>Total UK revenue</b>	<b>83.8</b>	<b>110.0</b>	<b>121.8</b>	<b>136.7</b>	<b>153.7</b>	<b>167.3</b>	<b>178.4</b>	<b>186.3</b>
Business recovery and advisory	18.8	35.2	4.5	10.2	10.5	10.0	6.0	5.0
Corporate finance and finance broking	39.2	48.0	66.0	(9.7)	17.6	3.0	5.0	5.0
<b>Business recovery and advisory</b>	<b>20.3</b>	<b>36.3</b>	<b>10.2</b>	<b>7.5</b>	<b>11.3</b>	<b>9.1</b>	<b>5.9</b>	<b>5.0</b>
Commercial property management	5.3	8.1	7.6	18.6	10.0	4.0	3.0	3.0
Property consultancy (including valuations)	18.3	26.0	12.7	21.1	12.0	12.5	12.9	3.0
Asset sales	15.1	11.1	12.9	34.6	20.6	4.0	3.0	3.0
<b>Property advisory</b>	<b>15.6</b>	<b>18.6</b>	<b>12.3</b>	<b>25.6</b>	<b>15.0</b>	<b>8.3</b>	<b>8.3</b>	<b>3.2</b>
<b>Total UK revenue growth (%)</b>	<b>18.9</b>	<b>31.2</b>	<b>10.7</b>	<b>12.2</b>	<b>12.4</b>	<b>8.9</b>	<b>6.6</b>	<b>4.4</b>
Business recovery and advisory	65	67	63	62	61	62	61	62
Corporate finance and finance broking	6	7	10	8	9	8	8	8
<b>Business recovery and advisory</b>	<b>71</b>	<b>74</b>	<b>74</b>	<b>70</b>	<b>70</b>	<b>70</b>	<b>69</b>	<b>70</b>
Commercial property management	3	3	2	3	3	2	2	2
Property consultancy (including valuations)	15	15	15	16	16	16	17	17
Asset sales	11	9	9	11	12	12	11	11
<b>Property advisory</b>	<b>29</b>	<b>26</b>	<b>26</b>	<b>30</b>	<b>30</b>	<b>30</b>	<b>31</b>	<b>30</b>
<b>Contribution to UK revenue</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

Source: Company data, Equity Development

### Divisional profit and return analysis

Year-end 30 April (£m)	2021A	2022A	2023A	2024A	2025A	2026E	2027E	2028E
Business recovery and advisory services	14.7	21.0	24.3	25.5	28.4	29.2	30.9	32.5
Property advisory and transactional services	3.9	4.8	5.5	7.6	7.8	8.4	9.3	9.8
Unallocated corporate amounts	(6.2)	(7.2)	(8.0)	(9.2)	(10.3)	(11.5)	(12.1)	(12.6)
<b>Operating profit*</b>	<b>12.4</b>	<b>18.6</b>	<b>21.8</b>	<b>23.9</b>	<b>25.9</b>	<b>26.2</b>	<b>28.1</b>	<b>29.6</b>
Business recovery and advisory services	24.7	25.8	27.1	26.5	26.5	25.0	25.0	25.0
Property advisory and transactional services	16.1	16.9	17.2	18.9	16.8	16.8	17.1	17.4
Unallocated corporate amounts	(7.4)	(6.6)	(6.5)	(6.7)	(6.7)	(6.9)	(6.8)	(6.8)
<b>Operating profit* margin (%)</b>	<b>14.8</b>	<b>16.9</b>	<b>17.9</b>	<b>17.5</b>	<b>16.9</b>	<b>15.6</b>	<b>15.8</b>	<b>15.9</b>
Business recovery and advisory services	27.0	42.7	15.6	5.1	11.3	2.9	5.9	5.0
Property advisory and transactional services	0.4	24.9	14.2	38.1	2.2	8.3	10.2	5.0
Unallocated corporate amounts	16.4	16.9	10.1	15.7	11.6	11.8	5.3	4.2
<b>Operating profit* growth yoy (%)</b>	<b>22.5</b>	<b>50.0</b>	<b>17.4</b>	<b>9.6</b>	<b>8.3</b>	<b>1.0</b>	<b>7.5</b>	<b>5.3</b>
Business recovery and advisory services	80.5	76.6	79.5	70.9				
Property advisory and transactional services	5.4	5.0	3.0	8.6				
Unallocated corporate amounts	0.4	2.9	1.9	(1.1)				
<b>Consolidated net assets</b>	<b>86.3</b>	<b>84.5</b>	<b>84.3</b>	<b>78.4</b>				
Business recovery and advisory services	18.3	27.4	30.5	36.0				
Property advisory and transactional services	72.3	97.2	184.6	88.6				
<b>Operating profit* / y/e net assets (%)</b>	<b>14.4</b>	<b>22.0</b>	<b>25.9</b>	<b>30.5</b>				

Note: \* before non-underlying (amortisation and transaction) costs, Source: Company data, Equity Development

**Income statement: Revenue to Adjusted PBT**

Year-end 30 April (£m)	2021A	2022A	2023A	2024A	2025A	2026E	2027E	2028E
<b>Group revenue</b>	<b>83.8</b>	<b>110.0</b>	<b>121.8</b>	<b>136.7</b>	<b>153.7</b>	<b>167.3</b>	<b>178.4</b>	<b>186.3</b>
Direct costs	(48.3)	(62.2)	(67.7)	(77.8)	(86.0)	(94.5)	(100.7)	(105.2)
<b>Gross profit</b>	<b>35.6</b>	<b>47.8</b>	<b>54.1</b>	<b>58.9</b>	<b>67.7</b>	<b>72.9</b>	<b>77.7</b>	<b>81.1</b>
Other income	0.2	0.2	0.2	0.5	0.4	0.4	0.4	0.4
Operating costs, Adj. ex D&A	(15.7)	(24.0)	(27.8)	(30.8)	(36.4)	(41.0)	(43.5)	(45.3)
<b>Adj. EBITDA, pre SBP</b>	<b>20.1</b>	<b>24.0</b>	<b>26.6</b>	<b>28.5</b>	<b>31.7</b>	<b>32.3</b>	<b>34.6</b>	<b>36.3</b>
Share based payments	(1.0)	(1.6)	(1.3)	(0.6)	(1.3)	(1.4)	(1.4)	(1.4)
Depreciation of PPE	(0.8)	(1.0)	(1.1)	(1.1)	(1.3)	(1.7)	(2.0)	(2.2)
Depreciation of ROUA	(2.6)	(2.6)	(2.1)	(2.7)	(3.1)	(3.0)	(3.0)	(3.0)
Amortisation	(3.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.1)	(0.0)	(0.0)
Depreciation & amortisation	(6.6)	(3.9)	(3.4)	(4.0)	(4.5)	(4.7)	(5.0)	(5.2)
<b>Adj. Operating profit</b>	<b>12.4</b>	<b>18.6</b>	<b>21.8</b>	<b>23.9</b>	<b>25.9</b>	<b>26.2</b>	<b>28.1</b>	<b>29.6</b>
Interest on financial debt	(0.4)	(0.4)	(0.8)	(1.2)	(1.5)	(1.3)	(1.3)	(1.3)
Interest on lease liabilities	(0.4)	(0.4)	(0.3)	(0.7)	(0.8)	(0.7)	(0.7)	(0.7)
Other finance costs	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)		0.0	0.0
Interest receivable & other								
Finance costs	(0.9)	(0.8)	(1.2)	(1.9)	(2.4)	(2.0)	(2.0)	(2.0)
<b>Adj. PBT</b>	<b>11.5</b>	<b>17.8</b>	<b>20.7</b>	<b>22.0</b>	<b>23.5</b>	<b>24.2</b>	<b>26.1</b>	<b>27.6</b>

Note: \* before non-underlying (amortisation and transaction) costs, Source: Company data, Equity Development



**Income statement: Adjusted PBT to EPS**

Year-end 30 April (£m)	2021A	2022A	2023A	2024A	2025A	2026E	2027E	2028E
<b>Adj. PBT</b>	<b>11.5</b>	<b>17.8</b>	<b>20.7</b>	<b>22.0</b>	<b>23.5</b>	<b>24.2</b>	<b>26.1</b>	<b>27.6</b>
Acquisition consideration	(5.4)	(10.0)	(12.3)	(11.1)	(8.6)	(5.9)	(5.2)	(2.9)
Negative goodwill	0.2	2.0	4.3	0.8	0.1			
Acquisition costs	(0.4)	(0.2)	(0.4)	(0.3)				
Charge arising under Begbies put & call option	(0.9)							
<b>Transaction costs</b>	<b>(6.5)</b>	<b>(8.2)</b>	<b>(8.4)</b>	<b>(10.6)</b>	<b>(8.5)</b>	<b>(5.9)</b>	<b>(5.2)</b>	<b>(2.9)</b>
Amortisation of intangible assets on acquisition	(3.1)	(5.5)	(6.2)	(5.6)	(3.5)	(3.7)	(1.4)	(0.8)
<b>Non-underlying costs</b>	<b>(9.6)</b>	<b>(13.7)</b>	<b>(14.7)</b>	<b>(16.2)</b>	<b>(12.0)</b>	<b>(9.6)</b>	<b>(6.6)</b>	<b>(3.7)</b>
<b>PBT</b>	<b>1.9</b>	<b>4.0</b>	<b>6.0</b>	<b>5.8</b>	<b>11.5</b>	<b>14.6</b>	<b>19.5</b>	<b>23.9</b>
Adj tax	(2.3)	(3.6)	(4.3)	(5.7)	(6.1)	(6.3)	(6.8)	(7.2)
Non-underlying tax	0.6	(0.9)	1.2	1.4	0.9	1.5	1.3	0.8
Tax	(1.8)	(4.5)	(3.1)	(4.3)	(5.2)	(4.7)	(5.4)	(6.4)
<b>Adj. PAT</b>	<b>9.2</b>	<b>14.1</b>	<b>16.3</b>	<b>16.3</b>	<b>17.4</b>	<b>17.9</b>	<b>19.3</b>	<b>20.5</b>
Reported PAT	0.2	-0.5	2.9	1.5	6.3	9.8	14.1	17.5
No of f/d shares (m)	137.4	160.5	162.3	163.9	165.9	166.5	167.2	167.2
<b>Adjusted diluted EPS (p)</b>	<b>6.7</b>	<b>8.8</b>	<b>10.1</b>	<b>9.9</b>	<b>10.5</b>	<b>10.7</b>	<b>11.6</b>	<b>12.2</b>
<b>DPS (p)</b>	<b>3.0</b>	<b>3.5</b>	<b>3.8</b>	<b>4.0</b>	<b>4.3</b>	<b>4.5</b>	<b>4.8</b>	<b>5.1</b>

Note:: \* deemed remuneration under IFRS 3, Source: Company data, Equity Development

**Cashflow statement**

Year-end 30 April (£m)	2021A	2022A	2023A	2024A	2025A	2026E	2027E	2028E
<b>Adj. EBITDA, pre SBP</b>	<b>20.1</b>	<b>24.0</b>	<b>26.6</b>	<b>28.5</b>	<b>31.7</b>	<b>32.3</b>	<b>34.6</b>	<b>36.3</b>
Change in trade receivables*	(2.7)	(3.9)	(4.7)	(7.9)	(6.1)	(10.3)	(7.2)	(5.8)
Change in trade payables*	5.4	2.3	2.5	4.1	5.0	2.6	1.9	1.2
Change in provisions	(0.3)	0.4	(0.6)	(0.3)	0.0	0.0	0.0	0.0
Working capital movement	2.4	(1.2)	(2.7)	(4.1)	(1.1)	(7.7)	(5.3)	(4.7)
Tax paid	(2.3)	(3.6)	(5.3)	(6.7)	(4.4)	(6.3)	(5.4)	(6.4)
<b>Net cash from operating activities (pre-leases, capex)</b>	<b>20.2</b>	<b>19.2</b>	<b>18.5</b>	<b>17.7</b>	<b>26.2</b>	<b>18.3</b>	<b>23.9</b>	<b>25.2</b>
Net financial interest paid	(0.3)	(0.3)	(0.7)	(1.3)	(1.4)	(1.3)	(1.3)	(1.3)
Interest paid on lease liabilities	(0.5)	(0.5)	(0.4)	(0.8)	(0.8)	(0.7)	(0.7)	(0.7)
Lease payments (principal)	(2.7)	(3.2)	(2.4)	(1.9)	(2.9)	(3.0)	(3.0)	(3.0)
Capex	(1.2)	(1.0)	(1.0)	(1.5)	(1.8)	(2.3)	(2.4)	(2.5)
<b>Net cashflow pre acquisitions</b>	<b>15.5</b>	<b>14.2</b>	<b>14.1</b>	<b>12.4</b>	<b>19.4</b>	<b>11.1</b>	<b>16.5</b>	<b>17.7</b>
Acquisition costs	(0.4)	(0.2)	(0.4)	(0.3)				
Acquisition consideration payments net of cash acquired	(23.9)	(8.1)	(10.1)	(8.2)	(9.4)	(4.6)	(4.2)	(1.0)
<b>Free cashflow post acquisitions</b>	<b>(8.8)</b>	<b>5.9</b>	<b>3.5</b>	<b>3.9</b>	<b>10.0</b>	<b>6.5</b>	<b>12.3</b>	<b>16.7</b>
Dividends	(3.6)	(4.6)	(5.4)	(5.9)	(6.3)	(6.9)	(7.3)	(7.8)
Share buy backs / equity issues	20.9	0.5	0.2	(2.4)	(1.4)	(1.5)	(0.2)	
Other								
<b>Net cashflow</b>	<b>8.5</b>	<b>1.8</b>	<b>(1.7)</b>	<b>(4.4)</b>	<b>2.3</b>	<b>(2.0)</b>	<b>4.8</b>	<b>8.9</b>

Note: \* excluding deemed remuneration liabilities, Source: Company data, Equity Development

### Net debt metrics

Year-end 30 April (£m)	2021A	2022A	2023A	2024A	2025A	2026E	2027E	2028E
Gross financial debt	(5.0)	(5.0)	(5.0)	(7.0)	(7.0)	(7.0)	(7.0)	(7.0)
Net cash	8.0	9.7	8.0	5.6	7.9	5.9	10.7	19.6
<b>Net financial cash / (debt)</b>	<b>3.0</b>	<b>4.7</b>	<b>3.0</b>	<b>(1.4)</b>	<b>0.9</b>	<b>(1.1)</b>	<b>3.7</b>	<b>12.6</b>
Leases	(8.8)	(6.3)	(8.2)	(11.7)	(10.0)	(10.0)	(10.0)	(10.0)
<b>Total net cash /(debt) incl leases</b>	<b>(5.8)</b>	<b>(1.7)</b>	<b>(5.2)</b>	<b>(13.1)</b>	<b>(9.1)</b>	<b>(11.1)</b>	<b>(6.3)</b>	<b>2.6</b>
Net financial cash / (debt) / Adj. EBITDA (x)	(0.1)	(0.2)	(0.1)	0.1	0.0	(0.0)	0.1	0.3
Total net cash / (debt) / Adj. EBITDA (x)	0.3	0.1	0.2	0.5	<b>(0.3)</b>	<b>(0.3)</b>	<b>(0.2)</b>	<b>(0.1)</b>

Source: Company data, Equity Development

### Balance sheet: Assets

Year-end 30 April (£m)	2021A	2022A	2023A	2024A	2025A	2026E	2027E	2028E
Property, plant and equipment	2.1	2.0	2.0	2.2	3.0	3.6	4.0	4.3
Right of use assets	7.5	5.5	7.8	11.2	9.6	9.6	9.6	9.6
Intangible assets incl goodwill	77.9	75.3	73.4	72.4	69.1	65.3	63.9	63.1
Trade and other receivables (deemed remuneration)	4.0	4.2	5.2	2.8	2.8	3.0	3.2	3.4
<b>Non-current assets</b>	<b>91.4</b>	<b>86.9</b>	<b>88.3</b>	<b>88.6</b>	<b>84.5</b>	<b>81.6</b>	<b>80.8</b>	<b>80.4</b>
Trade and other receivables	44.9	49.7	55.6	63.3	70.0	80.0	87.0	92.7
Current tax assets	0.0	0.0	0.0	0.3	0.0	0.0	0.0	0.0
Cash & cash equivalents	8.0	9.7	8.0	5.6	7.9	5.9	10.7	19.6
<b>Current assets</b>	<b>52.8</b>	<b>59.4</b>	<b>63.6</b>	<b>69.2</b>	<b>77.9</b>	<b>85.9</b>	<b>97.7</b>	<b>112.3</b>

Source: Company data, Equity Development

### Balance sheet: Liabilities

Year-end 30 April (£m)	2021A	2022A	2023A	2024A	2025A	2026E	2027E	2028E
Bank overdraft & s/t loans								
Trade payables and other liabilities	(22.2)	(32.9)	(37.2)	(42.6)	(52.2)	(54.8)	(56.7)	(57.9)
Lease liabilities	(2.2)	(3.0)	(1.7)	(1.6)	(2.8)	(2.8)	(2.8)	(2.8)
Current tax liabilities	(1.9)	(2.6)	(1.8)	(1.1)	(1.0)	(1.0)	(1.0)	(1.0)
Provisions	(0.9)	(0.6)	(1.5)	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)
Other financial liabilities								
<b>Current liabilities</b>	<b>(27.2)</b>	<b>(39.0)</b>	<b>(42.2)</b>	<b>(46.3)</b>	<b>(57.0)</b>	<b>(59.6)</b>	<b>(61.5)</b>	<b>(62.7)</b>
<b>Capital employed</b>	<b>89.3</b>	<b>105.2</b>	<b>104.1</b>	<b>105.6</b>	<b>105.4</b>	<b>107.9</b>	<b>117.0</b>	<b>130.0</b>
Bank borrowings	(10.0)	(5.0)	(5.0)	(5.0)	(7.0)	(7.0)	(7.0)	(7.0)
Lease liabilities	(6.1)	(5.8)	(4.6)	(6.7)	(7.2)	(7.2)	(7.2)	(7.2)
Deferred tax liabilities	(5.7)	(5.5)	(8.0)	(7.4)	(6.5)	(5.0)	(5.0)	(5.0)
Provisions	(1.9)	(2.6)	(2.0)	(2.1)	(2.7)	(2.7)	(2.7)	(2.7)
Trade and other payables								
Other financial liabilities								
<b>Non-current liabilities</b>	<b>(23.8)</b>	<b>(19.0)</b>	<b>(19.6)</b>	<b>(21.2)</b>	<b>(23.4)</b>	<b>(21.9)</b>	<b>(21.9)</b>	<b>(21.9)</b>
<b>Net assets</b>	<b>65.6</b>	<b>86.3</b>	<b>84.5</b>	<b>84.3</b>	<b>82.0</b>	<b>86.1</b>	<b>95.1</b>	<b>108.1</b>
<b>Shareholders' funds</b>	<b>65.6</b>	<b>86.3</b>	<b>84.5</b>	<b>84.3</b>	<b>82.0</b>	<b>86.1</b>	<b>95.1</b>	<b>108.1</b>

Source: Company data, Equity Development

## Contacts

**Andy Edmond**

Direct: 020 7065 2691

Tel: 020 7065 2690

[andy@equitydevelopment.co.uk](mailto:andy@equitydevelopment.co.uk)

**Hannah Crowe**

Direct: 0207 065 2692

Tel: 0207 065 2690

[hannah@equitydevelopment.co.uk](mailto:hannah@equitydevelopment.co.uk)

**Equity Development Limited is regulated by the Financial Conduct Authority**

## Disclaimer

Equity Development Limited ('ED') is retained to act as financial adviser for its corporate clients, some or all of whom may now or in the future have an interest in the contents of this document. ED produces and distributes research for these corporate clients to persons who are not clients of ED. In the preparation of this report ED has taken professional efforts to ensure that the facts stated herein are clear, fair and not misleading, but makes no guarantee as to the accuracy or completeness of the information or opinions contained herein.

Any reader of this research should not act or rely on this document or any of its contents. This report is being provided by ED to provide background information about the subject of the research to relevant persons, as defined by the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005. This document does not constitute, nor form part of, and should not be construed as, any offer for sale or purchase of (or solicitation of, or invitation to make any offer to buy or sell) any Securities (which may rise and fall in value). Nor shall it, or any part of it, form the basis of, or be relied on in connection with, any contract or commitment whatsoever.

Research produced and distributed by ED on its client companies is normally commissioned and paid for by those companies themselves ('issuer financed research') and as such is not deemed to be independent as defined by the FCA but is 'objective' in that the authors are stating their own opinions. This document is prepared for clients under UK law. In the UK, companies quoted on AIM are subject to lighter due diligence than shares quoted on the main market and are therefore more likely to carry a higher degree of risk than main market companies.

ED may in the future provide, or may have in the past provided, investment banking services to the subject of this report. ED, its directors or persons connected may at some time in the future have, or have had in the past, a material investment in the Company. ED, its affiliates, officers, directors and employees, will not be liable for any loss or damage arising from any use of this document to the maximum extent that the law permits.

More information is available on our website [www.equitydevelopment.co.uk](http://www.equitydevelopment.co.uk)

Contact: [info@equitydevelopment.co.uk](mailto:info@equitydevelopment.co.uk) | 020 7065 2690