Knights Group Holdings

17 August 2026

Compelling bolt-on acquisition strengthens offer

Knights has announced the acquisition of THP Solicitors Limited in the attractive Thames Valley market for £2.4m initial cash consideration, and a further £1.6m over three years, subject to conditions. In our view this is a compelling, complementary acquisition that will add around 30 fee earners and strengthen the group's full service offering in Reading. Moreover, this is Knight's 30th acquisition in 15 years and is very much in-line with the group's growth strategy and position as the leading consolidator in the regional legal market. As evidenced by the group's 19% growth in Adj. PBT in FY26, Knights' impressive acquisition track record and organic growth is delivering remarkable, sustainable Adj. PBT growth (23.5% CAGR FY16-FY26). Hence, we believe Knights is significantly underrated, trading on only 5.7x cal 2027 PER and well below our Fair Value of 315p per share (equivalent to 10x cal 2027 PER).

£4m acquisition of THP Solicitors Limited ("THP"); to join Reading office

At Knights' FY26 results in July, management commented that the "*pipeline of opportunities*" is the "*healthiest*" it has seen for some time. The acquisition of THP confirms this. Operating from Reading and Henley, THP's strength in Private Wealth, Family and Real Estate law complements Knights' Business Services focus in Reading and adds to the group's full-service offering. Moreover, THP's staff are expected to join Knight's recently refurbished Reading office, making full use of the space, aiding a quick integration and saving rent on the existing office locations.

Profitable acquisition track record, funded from strong cashflow

Whilst no historic revenues or profits are disclosed, Knights has historically paid an average of 1.1x EV / Revenues and typically achieves a c.15% Adj. PBT margin post staff churn and synergies. This suggests incremental revenue from THP of c.£3m (adding just over 1% to group revenues) and potential incremental Adj. PBT of c.£0.5m. At this point we make no changes to our forecasts as the deal is expected to complete on 25 September with minimal net impact to Adj. PBT in FY27E.

Trading on only 5.7x cal 2027 PER; underrated for its quality growth

Offering highly profitable, cashflow generative growth and dividends, we see scope for a rerating.

Key financials & valuation metrics

Year to 30 April (£m)	2025A	2026A	2027E	2028E	2029E
Revenue	162.0	207.7	221.0	233.1	244.8
Revenue growth (%)	*8.0*	*28.3*	*6.4*	*5.5*	*5.0*
Adj. PBT	28.0	33.2	36.4	39.3	42.1
Adj. PBT margin (%)	*17.3*	*16.0*	*16.5*	*16.9*	*17.2*
Adj. diluted EPS (p)	22.9	27.1	29.8	32.2	34.4
Dividend per share (p)	4.8	5.6	6.0	6.4	6.9
Free cashflow pre acquisitions*	5.7	25.9	22.0	20.3	24.2
Free cashflow post acquisitions	(24.4)	9.5	14.6	13.3	21.9
Net cash / (debt) /Adj. EBITDA (x)	(2.8)	(2.3)	(2.0)	(1.8)	(1.5)
EV / Sales (x, calendarised)		1.3	1.2	1.2	
PER (x, calendarised)		6.2	5.7	5.3	
Dividend yield (%, calendarised)		3.3	3.5	3.8	
Free cashflow* yield (%, calendarised)		14.5	13.0	14.3	

*Note: * pre-acquisition payments, Source: Company data, Equity Development, Priced as at 14/8/26*

Company data

EPIC	KGH
Price (last close)	179p
52 weeks Hi/Lo	213p/147p
Market cap	£152m
ED Fair Value / share	315p
Net cash / (debt) 2026	£117m
Avg. daily volume (3m)	199k

Share price, p

Source: Investing.com

Description

Knights Group Holdings plc ("Knights") is a high-growth, legal and professional services business, ranked within the UK's top 50 largest law firms by revenue.

With over 1,100 fee-earning employees across 29 offices nationwide, Knights offers national scale but with a premium, regional focus. Revenues are diversified across corporate (63%), personal (24%) and specialist legal services (13%) (FY25).

Next event

H1'27 Trading update Nov 2026 (tbc)

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Knights: Why invest?

Investment Highlights

- A differentiated business model and impressive growth record with revenues rising from £9m in FY13 to £208m in FY26, a 27% CAGR.
- A proven active consolidator in the £4.0bn regional legal market, integrating 29 value-accretive acquisitions since IPO in 2018 and costing c.£180m, equivalent to just 1.1x EV/Sales and an average 9.4x EV/PBT post synergies.
- An increasingly diversified range of legal services with 63% from corporate (including 29% from real estate, FY25), 24% from personal (including 16% from Private Wealth) and 13% from specialist legal services.
- Sustainable, high, 16%-17% Adj. PBT margins leading to Adj PBT rising to £33.2m in FY26, a decade CAGR of 23.5%.
- Underlying high cash conversion post capex, funds acquisition and dividends.
- An experienced, founder-led management team at the helm.

Risk Factors

- As a people-led business, recruitment and retention of high-quality staff is key. Knights' track record of acquiring staff and retaining most is testament to its attractive "corporate" model.
- The deployment of AI-enabled systems could be seen as a risk, but Knights has years of experience in using technology to increase staff productivity. Knights has also recently appointed John Earl to the new role of Chief Information and Technology Officer and intends to further explore AI tools and platforms to enhance productivity, mindful that local relationships are key to its success.
- Diversification into other, specialist, niches of law, could bring increased risk.
- Integration risk for any future acquisitions, though Knights' excellent track record provides reassurance.
- Reputational brand risk, locally or regionally.
- A reduction in interest on client monies, which was 4.7% of revenues in FY26. We forecast a reduction to c.4% by FY29E but a sharper reduction would impact our profit forecasts (and vice versa).

Forecast Drivers

- Management's ambition is to double revenues in the medium term through organic growth and selective acquisitions.
- We forecast c.5.5% organic revenue growth p/a to reach c.£245m in FY29E. We do not explicitly forecast any further acquisitions but estimate that each £10m investment from free cashflow could add c.£10m revenues or 5% growth p/a. We do not yet include the acquisition of THP.
- We forecast Adj. PBT margins remaining above 16%, despite higher depreciation, amortisation and interest from recent growth investments, leading to 8.3% CAGR in Adj. PBT (FY26-FY29E) and free cashflow, pre-acquisitions, of c.£22m p/a.

Valuation Overview

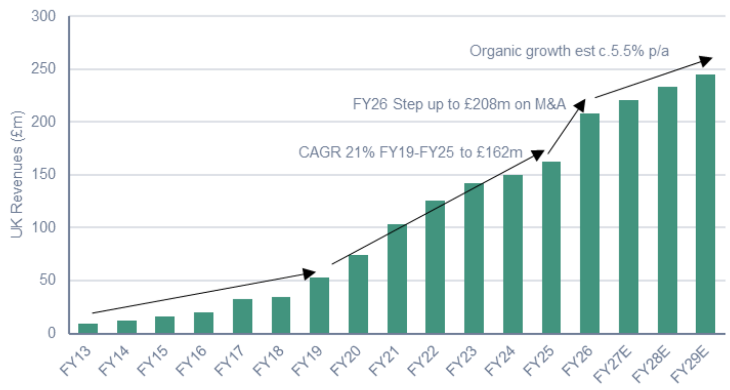
- Although Knights' share price has risen 70% from its low of 105p in December 2024, Knights is still significantly below its 2021-2022 trading range, despite being a bigger, more profitable business.
- Trading on only 1.2x EV/Revenues, c.5x EV / Adj. EBITDA and only 5.7x Adj. PER (our forecasts, all Calendar 2027E – "cal 2027E"), Knights is trading c.25%-40% below its professional services peers (on an average c.6.5x cal 2027 EV/EBITDA and c.10.5x cal 2027 PER).
- Reflecting the group's good momentum, **we reiterate our recently raised Fair Value of 315p/share**, equating to 7x EV/Adj. EBITDA, c.10x PER, a 7.5% FCF yield (pre-acquisitions) and a 2% dividend yield (all cal 2027E).

Knights' competitive advantage: A leading regional consolidator in the UK legal market

A unique corporate model attracts local firms to the group

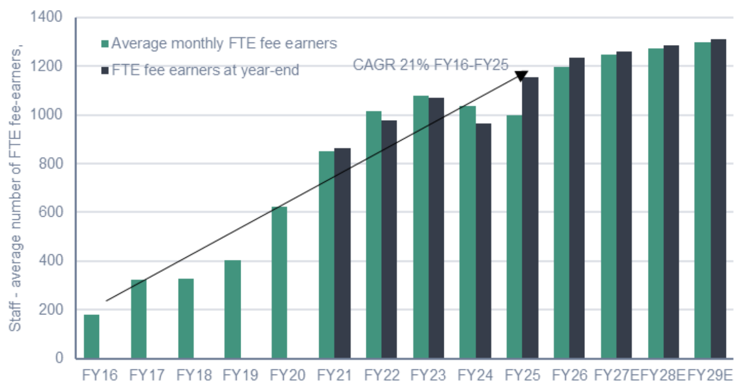
- Knights Group Holdings plc ("Knights") was bought in 2012 (when it was an LLP) by CEO David Beech and became the first legal firm to offer a different "corporate" model (see our initiation note for more details).
- Over the past 13 years, the group has grown revenues at an impressive 27% CAGR to reach £208m in FY26 through both organic growth and acquisitions.
- Acquisitions have also helped Knights expand from its core real estate and dispute resolution services, which accounted for 68% of revenues in FY18, to a broad range of services, with 56% coming from other services in FY25.
- Offering high PBT margins of 16%-17%, we anticipate Knights will continue its growth with 8.3% CAGR in Adj. PBT FY26-FY29E to c.£42m in FY29E, before any additional acquisitions.

An impressive track record of 27% CAGR FY13-FY26



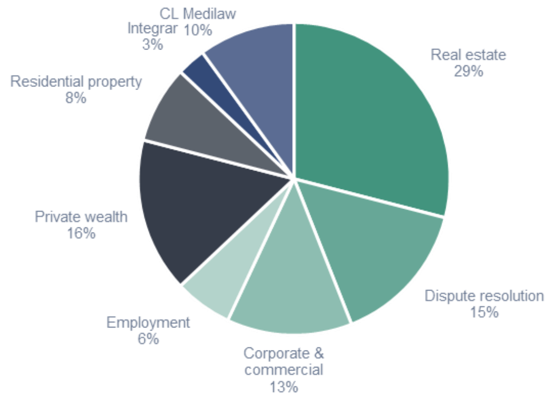
Source: Company data, Equity Development

…driven by 21% CAGR in staff



Source: Company data, Equity Development

…across a wide range of services, promoting collaboration



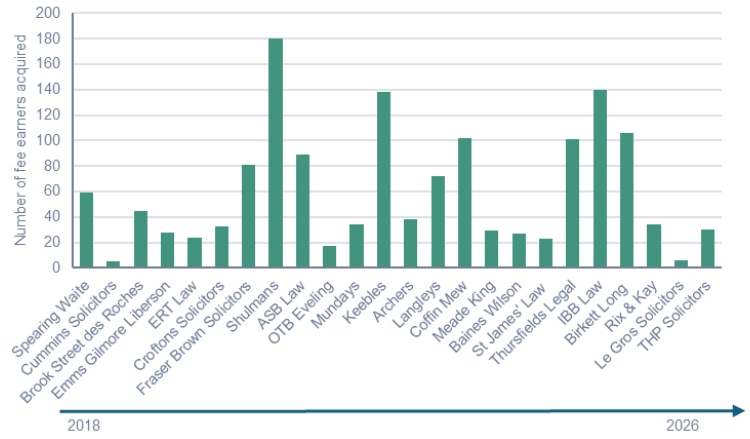
Source: Company data for FY25, Equity Development

Knights attracts high-quality professionals, organically and through acquisitions

Acquisitions have driven a tripling of staff since IPO

- As at April 2026 Knights had 1,144 FTE fee-earning professionals (comprising 499 Partners & Senior associates; 318 other-qualified professionals, 245 non-qualified professionals and 81 professionals in the re-mortgaging Integrar practice).
- Knights typically has good organic employee retention (more than one year) of c.90% (average FY18-FY26) and its consistent approach to acquiring high-quality local businesses has seen c.1,400 fee-earning professionals join the group through 28 acquisitions in the past 7 years since IPO (excluding THP).
- Some employee churn from acquisitions is expected (and is arguably desirable as Knights exits less profitable business), however, following a period of elevated churn in FY23-1H25, employee retention improved in 2H25 and FY26 back to 90%, helped by the investment in refurbished offices and strong employee engagement (employee NPS +46).

29 acquisitions in 8 years (including THP)…

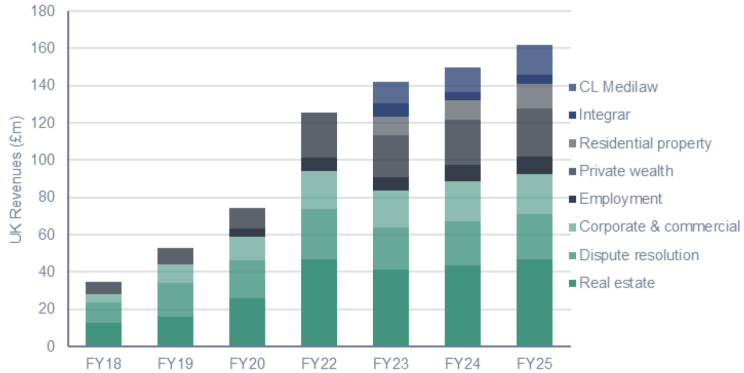


Source: Company data, Equity Development

…and building to 29 practice locations…

Note: Some offices merged in FY26; Source: Company data, Equity Development

…adding new services and cross-collaboration

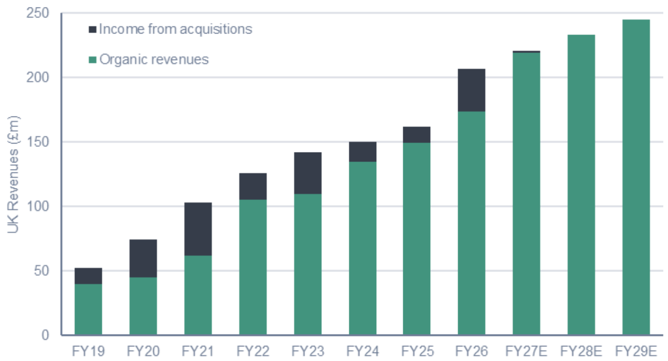


Source: Company data, Equity Development

An impressive track-record for value accretive acquisitions

Although we do not forecast acquisitions…

- It is worth noting that while management guides to acquisitions as a key part of the strategy we do not explicitly forecast any in our base case scenarios as they are theoretical beyond those already announced (THP not yet included).
- As the revenue chart below shows, acquisitions have contributed 22% to group revenues p/a on average (FY19-FY26), yet from FY27E we forecast mostly just organic growth of c.5% p/a.
- Knights' acquisitions to date have ranged in size, geographical location and range of services offered, and with c.200 firms operating regionally with revenues of £2m-£75m, there is plenty for Knights to go for.
- Knights has a robust balance sheet with FY26 net financial debt of £65m (1.3x Adj. EBITDA). This gives c.£94m headroom within its £159m RCF (extended to July 2029). We also forecast free cashflow post-acquisition payments of c.£15m p/a from FY27E. This gives Knights scope to continue investing. At its average 1.1x EV/Revenues valuation a c.£20m investment p/a could add c.£20m revenues and c.10% revenue growth p/a.



Source: Company data, Equity Development

…Knights' track record suggests more to come

Source: Company data, Equity Development

Knights' impressive track record of over 20 bolt-on acquisitions since IPO, costing £180m (c.1.1x EV/Revenues), consolidating regional markets

Date	Company	Region	Fee-earners	Consideration £m	Cash £m	Shares £m	Deferred/ contingent	EV/ Revenues	EV / PBT**	£k per fee-earner
Oct-18	Spearing Waite	Leicester	59	8.5	7.3	0.4	0.8	1.2	10.0	144
Jan-19	Cummins Solicitors	Leicester	5	1.6	1.3	0.3		2.0	16.7	315
Jan-19	Brook Street des Roches	Oxford	45	10.0	5.0	2.5	2.5	1.4	11.6	222
Nov-19	Emms Gilmore Liberson	Birmingham	28	4.7	1.4	1.7	1.7	1.2	9.8	168
Jan-20	ERT Law	Birmingham	24	1.8	0.9	0.9		0.9	7.5	75
Feb-20	Croftons Solicitors	Manchester	33	2.8	1.4	0.7	0.7	1.0	8.3	85
Feb-20	Fraser Brown Solicitors	Nottingham	81	8.3	2.8	3.0	2.4	1.1	12.3	102
Mar-20	Shulmans	Leeds	180	20.1	7.6	6.1	6.4	1.1	9.5	112
Mar-20	ASB Law	Crawley, Maidstone	89	8.5	7.3	0.8	0.4	0.7	7.7	96
Nov-20	OTB Eveling	Exeter	17	2.1	0.7	0.7	0.7	1.0	8.3	124
Mar-21	Mundays	Weybridge, Surrey	34	5.3	2.7	1.3	1.4	0.7	6.2	156
May-21	Keebles	Sheffield	138	11.5	4.9	3.5	3.1	0.9	8.8	84
Nov-21	Archers	Stockton-on-Tees	38	5.2	2.1	1.6	1.5	1.3	7.2	137
Jan-22	Langleys	York & Lincoln	72	11.5	5.3	2.8	3.5	0.8	10.2	160
May-22	Coffin Mew	Portsmouth, Southampton, Brighton & Newbury	102	11.5	5.5	1.0	5.0	1.0	15.8	113
Jan-23	Meade King	South-West: Bristol	29	2.1	1.5		0.6	0.8	7.6	72
May-23	Baines Wilson	Carlisle & Lancaster	27	3.4	2.4		1.0	1.1	7.0	125
May-23	St James' Law	North-East: Newcastle	23	1.8	0.5		1.3	0.7	10.1	76
Jul-24	Thursfields Legal	Worcester, Kidderminster, Solihull & Birmingham	101	12.5	7.5		5.0	1.1	6.2	124
Mar-25	IBB Law	Uxbridge, Reading, Ascot & Beaconsfield	140	30.0	21.0		9.0	1.3	9.3	214
May-25	Birkett Long	Colchester, Chelmsford & Basildon	106	16.6	10.0		6.6	1.1	13.9	157
Total			**1,371**	**£180m**	**£99m**	**£27m**	**£54m**	**1.1x**	**9.4x**	**£131k**

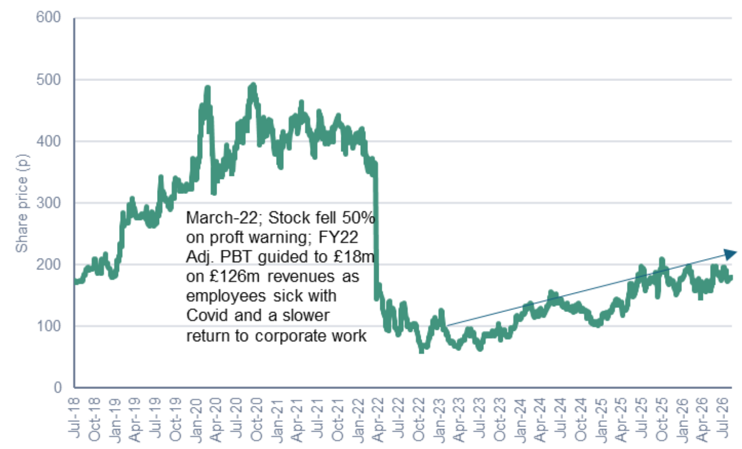
*Note: *post synergy EV/PBT estimated assuming 20% revenue churn and post synergy PBT margin guidance; In August 2025 Knights made two further small acquisitions of Rix & Kay (34 fee-earners) and Le Gros Solicitors (6) but terms were not disclosed; Source: Company data, Equity Development*

An undervalued, profitable and self-funded growth business

Business has recovered but its valuation has not

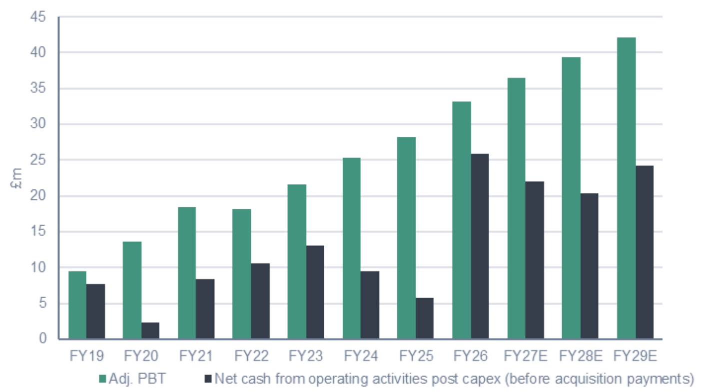
- Knights listed its shares on the AIM market in June 2018 with an IPO price of 180p and is part of the FTSE AIM 50 Index. Its share price reached a high of nearly 500p in 2020 but collapsed over 50% in March 2022 to c.150p from a Covid-induced profit warning (to £18m Adj. PBT in FY22, still a PBT margin of 14.4%). Knights' valuation multiples collapsed too (e.g. from an average of 3.8x EV/Sales in FY21 to 1.0x and from 15.3x EV/EBITDA in FY21 to 4.6x).
- Knights' current 179p share price, although up 27% since April, is still at odds with the group's significant growth to Adj. PBT of £33.2m in FY26 (margin of 16%) and underlying cashflow-generative growth outlook.
- Knights is also **significantly undervalued relative to peers**, trading on just 5.7x cal 27 PER versus a range of 4x-17x. We balance several valuation metrics to derive our 315p fair value and see scope for a significant rerating.

Knights' share price since IPO: looks on a path to recovery



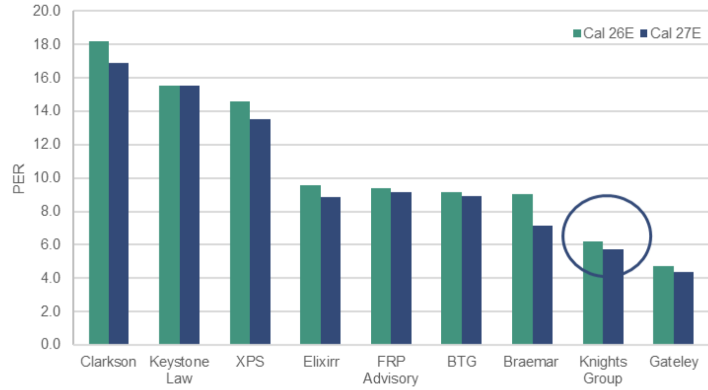
Source: Investing.com, Equity Development

Free cashflow supports acquisitions and dividend growth



Source: Company data, Equity Development

Knights' lowly PER of < 6x cal 2027



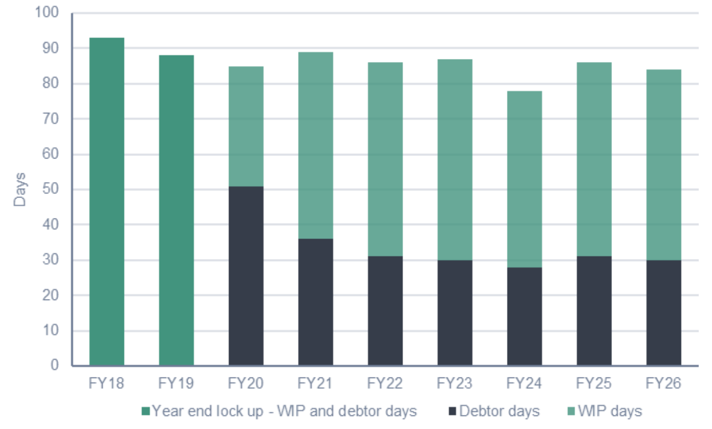
Source: Koyfin for consensus estimates, Equity Development

Cash generative with excellent working capital management

Financial discipline generates cash rewards

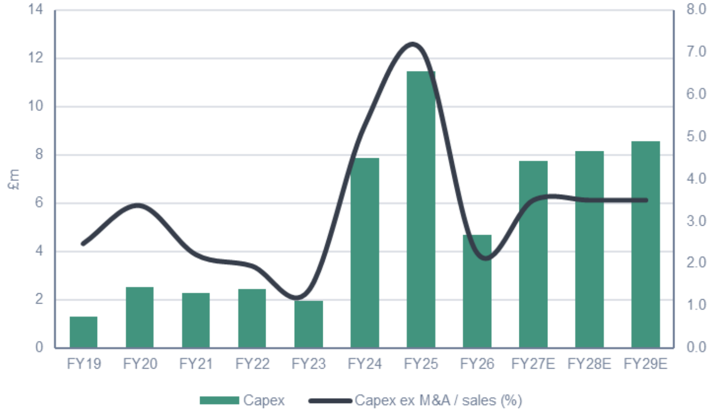
- One of Knights' key competitive advantages is its financial discipline and ability to collect fees in a timely manner. By applying its processes to acquired companies, Knights is able to improve working capital significantly – often halving "lock-up days".
- By end FY26 WIP days were 54 days (i.e. c.2 months) and debtors' days were an impressively low 30 days (i.e. c.1 month, versus an industry average of c.73). Hence, total "lock up days" were 84 (i.e. under 3 months). Often acquisitions join the group with four to six months' (or more) worth of lock up.
- Capex has historically been a low 2%-3% of revenues. FY24 and FY25 saw increase for the £15m office refurbishment and FY26 saw a return to £6m (£4.7m net of disposals). We forecast capex equal to 3.5% of revenues.

Lock up days still consistently low, despite acquisitions



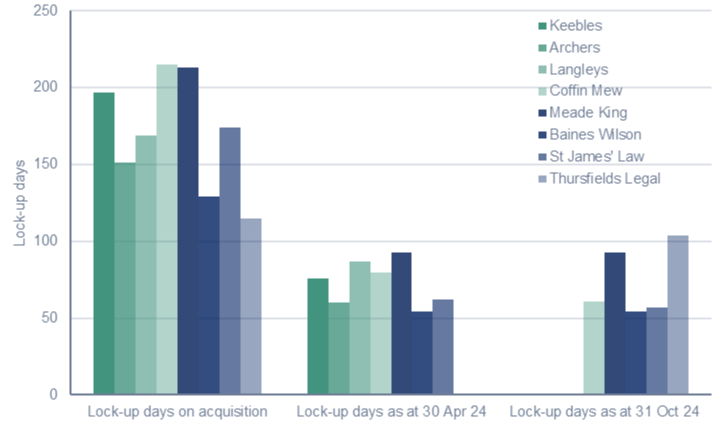
Source: Company data, Equity Development

FY26 Capex drops after office refurbishment completed



Source: Company data, Equity Development

Knights has more than halved lock-up days on acquisitions



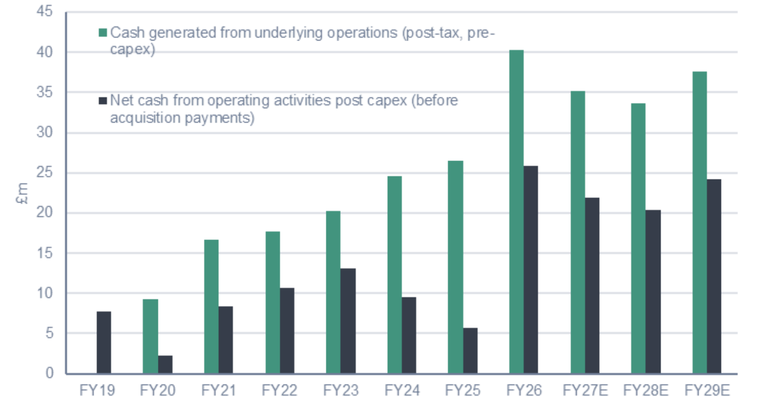
Source: Company data, Equity Development

High cash conversion funding acquisitions and dividends

High cashflow conversion funds growth and dividends

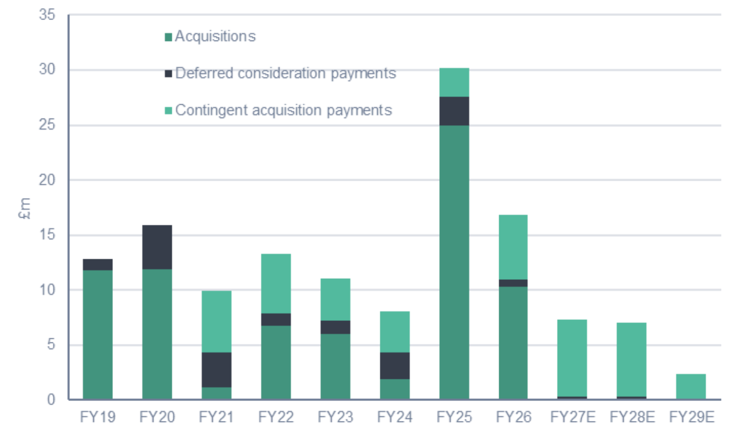
- In FY26, Knights' underlying cashflow conversion rose to a very impressive 163% (from 130% in FY25 and 111% FY19-FY25) based on underlying operating cashflow post tax (pre capex / acquisitions) to underlying PAT.
- This high cashflow generation, together with debt, has funded £175m of capex and acquisitions (FY19-FY26).
- Looking ahead, we forecast cumulative free cashflow, post-tax and £25m capex, of c.£67m over FY27E-FY29E. From this we anticipate c.£17m of acquisition payments (over 3 years) and c.£5m-£6m of dividend payments p/a, leaving c.£30m of cumulative net cashflow FY27E-FY29E.
- As already alluded to, we estimate that each £10m invested could add c.£10m revenues or c.5% revenue growth.

FY26 FCF rises to £26m before £17m acquisition payments



Source: Company data, Equity Development

..and acquisition spend has averaged £18m p/a FY19-FY26



Source: Company data, Equity Development

Dividends anticipated to rise to £5m-£6m p.a.

Source: Company data, Equity Development

Retained Fair value per share of 315p balances undemanding valuation metrics

- Our fair value per share of 315p takes into account several valuation metrics and equates to:
  - 1.7x cal 2027 EV / Revenues, reflecting Knights organic growth momentum and acquisition track record;
  - approximately 7x cal 2027 EV/EBITDA, similar to the sector average of c.6.5x, reflecting Knights' progress on reducing its leverage ratios and strong balance sheet with a recently extended RCF facility of £159m to July 2029;
  - approximately 10x cal 2027 PER (adj), similar to the sector average of c.10.5x, reflecting Knights' reduction in the relative size of its future contingent and deferred acquisition payments;
  - a cal 2027 dividend yield of c.2%, lower than the peer group average reflecting Knights' higher investment in growth; and
  - a cal 2027 FCF yield (pre-acquisition payments) of c.7.5% (our forecasts).
- Hence, we see significant potential for a re-rating towards our fair value, subject to the risks described earlier.

Comparable Company Valuation Metrics

Company	EV/Sales (x)		EV/ EBITDA (x)		Mkt cap / PBT (x)		PER (x)		DPS yield (%)		FCF yield (%)	
	Cal 2026	Cal 2027	Cal 2026	Cal 2027	Cal 2026	Cal 2027	Cal 2026	Cal 2027	Cal 2026	Cal 2027	Cal 2026	Cal 2027
BTG Consulting	1.0	1.0	5.3	5.0	7.7	6.2	9.2	8.9	4.7	4.7	9.3	10.7
Braemar	0.5	0.5	4.1	3.6	6.0	4.6	9.0	7.1	3.2	3.2	17.2	20.3
Clarkson	1.5	1.4	8.9	8.3	13.5	12.4	18.2	16.9	2.3	2.5	7.2	6.5
Elixirr	1.8	1.7	6.1	5.7	6.2	5.7	9.5	8.9	4.0	4.3	11.8	13.8
FRP Advisory	1.4	1.4	5.5	5.2	7.2	6.6	9.4	9.2	5.0	5.0	7.8	9.1
Gateley	0.5	0.5	3.2	3.0	4.2	3.1	4.7	4.3	9.1	10.3	14.5	21.5
Keystone Law	1.4	1.3	11.8	11.3	12.2	11.4	15.6	15.6	4.5	4.5	5.1	6.4
XPS	2.8	2.6	10.0	9.2	10.8	9.2	14.6	13.6	4.1	4.4	6.7	6.9
Average	**1.4**	**1.3**	**6.9**	**6.4**	**8.5**	**7.4**	**11.3**	**10.6**	**4.6**	**4.9**	**9.9**	**11.9**
Knights at 188p	**1.3**	**1.2**	**5.0**	**4.7**	**4.5**	**3.1**	**6.2**	**5.7**	**3.4**	**3.4**	**12.2**	**11.4**
Knights at 315p FV	**1.8**	**1.7**	**7.2**	**6.8**	**8.0**	**7.0**	**10.9**	**10.1**	**1.9**	**1.9**	**6.9**	**6.5**

Note: All profits are adjusted for exceptionals; all estimates are calendarised to a December year-end
Source: KoyFin, Equity Development (share prices at 14 August 2026)

Comparable Company Growth and Margin Metrics

Company	Share price	Market cap	Enterprise Value	2-year CAGR (%) 2025-Cal 2027E				EBITDA margin	PBT margin	Net debt / EBITDA
	p	£m	£m	Sales	EBITDA	PBT	EPS	Cal 26, %	Cal 26, %	Cal 26, x
BTG Consulting	107	173	184	5.8	5.7	41.7	4.4	19.8	12.8	0.3
Braemar	220	70	75	4.8	13.0	41.7	23.4	12.9	8.4	0.2
Clarkson	4,986	1,532	1,127	12.2	16.6	25.7	14.5	16.4	14.7	-3.2
Elixirr	630	317	341	15.6	16.5	17.2	9.7	30.0	27.4	0.4
FRP Advisory	119	289	259	4.1	4.4	17.2	4.1	26.1	22.2	-0.6
Gateley	55	74	94	3.8	8.0	11.8	8.7	14.6	8.9	0.7
Keystone Law	560	176	163	5.9	5.0	84.1	0.0	11.9	12.4	-0.9
XPS	332	674	793	8.0	7.6	19.3	6.6	28.5	22.4	1.5
Average				**7.5**	**9.6**	**32.3**	**8.9**	**20.0**	**16.2**	**-0.2**
Knights	**179**	**152**	**271**	**4.9**	**6.4**	**4.3**	**8.9**	**25.1**	**15.6**	**2.2**

Note: All profits are adjusted for exceptionals; all estimates are calendarised to a December year-end
Source: KoyFin, Equity Development (share prices at 14 August 2026)

Financial Forecast tables

- At this stage we make no changes to our forecasts for the acquisition of THP for initial consideration of £2.4m, due to complete on 25 September 2026 and funded from existing cash resources. We anticipate minimal net impact on FY27E Adj. PBT from the acquisition.

Key group growth and margin metrics

Year-end 30 April	2022A	2023A	2024A	2025A	2026A	2027E	2028E	2029E
Organic revenue growth (%)	1.8	-0.2	1.9	-0.3	7.0	5.5	5.5	5.0
Acquired revenue growth (%)	19.9	13.3	3.6	8.3	21.3	0.9	0.0	0.0
Revenue growth (%)	**21.7**	**13.1**	**5.5**	**8.0**	**28.3**	**6.4**	**5.5**	**5.0**
Gross profit growth (%)	22.7	11.3	6.2	11.8	27.5	6.6	5.7	5.2
Adj. EBITDA growth (%)	8.0	21.7	15.9	11.0	20.0	7.2	5.7	5.3
Adj. Operating profit (%)	0.9	23.0	19.8	13.0	19.0	7.7	5.9	5.3
Adj. PBT growth (%)	**-1.6**	**19.0**	**17.4**	**10.6**	**17.6**	**9.9**	**7.9**	**7.0**
Adj. EPS growth (%)	**-1.2**	**3.1**	**5.8**	**8.3**	**17.4**	**9.9**	**7.9**	**7.0**
DPS growth (%)	n/a	15.1	9.4	9.1	17.0	5.9	7.9	7.0
Gross profit margin (%)	49.3	48.5	48.8	50.5	50.2	50.3	50.4	50.5
Adj. EBITDA margin (%)	21.8	23.5	25.8	26.5	24.8	25.0	25.0	25.1
Adj. Operating margin (%)	16.3	17.7	20.1	21.0	19.6	19.9	20.0	20.0
Adj. PBT margin (%)	**14.4**	**15.2**	**16.9**	**17.3**	**16.0**	**16.5**	**16.9**	**17.2**
Fee earner costs as a % of revenues	50.7	51.5	51.2	49.5	49.8	49.7	49.6	49.5
Other staff costs as a % of revenues	10.5	10.7	10.8	10.8	11.0	10.8	10.7	10.6
Staff costs (adj.) as a % of revenues	**61.2**	**62.2**	**62.0**	**60.3**	**60.8**	**60.5**	**60.3**	**60.1**
Op costs excl D&A /sales (%)	**17.6**	**18.7**	**18.8**	**18.4**	**18.9**	**18.9**	**18.8**	**18.7**
Tax rate (adj.) (%)	10.1	19.9	26.1	26.6	25.6	25.6	25.6	25.6

Source: Company data, Equity Development

Divisional revenue analysis

Year-end 30 April (£m)	2018A	2019A	2020A	2021A	2022A	2023A	2024A	2025A
Real estate	13	16	26	0	47	41	43	47
Dispute resolution	11	18	20	0	27	23	24	24
Corporate & commercial	5	10	13	0	21	20	21	21
Employment	0	0	5	0	7	7	9	10
Corporate legal services	**28**	**44**	**64**	**0**	**101**	**91**	**97**	**102**
Private wealth	7	8	11	0	24	23	24	26
Residential property	0	0	0	0	0	10	10	13
Personal legal services	**7**	**8**	**11**	**0**	**24**	**33**	**34**	**39**
Integrar	0	0	0	0	0	7	4	5
CL Medilaw	0	0	0	0	0	11	13	16
Specialist legal services	**0**	**0**	**0**	**0**	**0**	**18**	**18**	**21**
Total revenues	**35**	**53**	**74**	**0**	**126**	**142**	**150**	**162**
Real estate	36	30	35		37	29	29	29
Dispute resolution	32	35	28		21	16	16	15
Corporate & commercial	13	19	17		16	14	14	13
Employment			6		6	5	6	6
Corporate legal services	**81**	**84**	**86**	**0**	**81**	**64**	**65**	**63**
Private wealth	19	16	14		19	16	16	16
Residential property						7	7	8
Personal legal services	**19**	**16**	**14**	**0**	**19**	**23**	**23**	**24**
Integrar						5	3	3
CL Medilaw						8	9	10
Specialist legal services						**13**	**12**	**13**
Total (% contribution)	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**

Source: Company data, Equity Development

Income statement: Revenue to Adjusted PBT

Year-end 30 April (£m)	2022A	2023A	2024A	2025A	2026A	2027E	2028E	2029E
Group revenue	**125.6**	**142.1**	**150.0**	**162.0**	**207.7**	**221.0**	**233.1**	**244.8**
Direct (fee-earner) costs	(63.7)	(73.2)	(76.8)	(80.2)	(103.4)	(109.8)	(115.6)	(121.2)
Gross profit	**61.9**	**68.9**	**73.2**	**81.8**	**104.3**	**111.2**	**117.5**	**123.6**
Other income and interest revenue	1.3	6.7	10.4	9.6	10.8	11.2	11.2	11.2
Operating (other staff) costs, Adj. ex D&A	(22.1)	(26.5)	(28.2)	(29.8)	(39.3)	(41.8)	(43.8)	(45.8)
Adj. EBITDA	**27.4**	**33.4**	**38.7**	**42.9**	**51.5**	**55.2**	**58.3**	**61.4**
Depreciation of PPE	(2.0)	(2.4)	(2.7)	(3.3)	(4.9)	(5.1)	(5.6)	(6.1)
Depreciation of ROUA	(4.8)	(5.7)	(5.6)	(5.2)	(5.8)	(6.0)	(6.2)	(6.3)
Amortisation	(0.1)	(0.1)	(0.2)	(0.1)	(0.1)	(0.1)	0.0	0.0
Depreciation & amortisation	**(7.0)**	**(8.2)**	**(8.5)**	(8.6)	(10.7)	(11.2)	(11.8)	(12.4)
Adj. Operating profit	**20.5**	**25.2**	**30.2**	**34.3**	**40.8**	**43.9**	**46.5**	**49.0**
Share of joint ventures					0.8	0.8	0.8	0.8
Interest on financial debt	(1.0)	(2.1)	(3.4)	(4.1)	(5.5)	(5.5)	(5.2)	(4.8)
Interest on lease liabilities	(1.4)	(1.5)	(1.5)	(2.2)	(2.9)	(2.8)	(2.8)	(2.9)
Other finance costs	0.0	0.1	0.1					
Interest receivable & other		0.0	0.0	0.3				
Finance costs	**(2.3)**	**(3.6)**	**(4.9)**	**(6.1)**	**(8.4)**	**(8.3)**	**(8.0)**	**(7.7)**
Adj. PBT	**18.1**	**21.6**	**25.3**	**28.2**	**33.2**	**36.4**	**39.3**	**42.1**

Source: Company data, Equity Development

Income statement: Adjusted PBT to EPS								
Year-end 30 April (£m)	**2022A**	**2023A**	**2024A**	**2025A**	**2026A**	**2027E**	**2028E**	**2029E**
Adj. PBT	**18.1**	**21.6**	**25.3**	**28.2**	**33.2**	**36.4**	**39.3**	**42.1**
Amortisation of acquired intangible assets	(3.8)	(3.4)	(3.6)	(4.0)	(5.3)	(5.3)	(5.3)	(5.3)
Contingent acquisition payments	(6.3)	(4.4)	(2.8)	(3.8)	(8.1)	(7.6)	(6.6)	(2.4)
Transaction costs	(1.0)	(1.0)	(1.5)	(2.0)	(3.5)	0.0	0.0	0.0
Redundancy and reorganisation staff costs	(2.1)	(1.4)	(1.3)	(2.5)	(2.0)	0.0	0.0	0.0
Loss/profit/impairment of assets/ROUA	(3.5)	(0.3)	(1.0)	(2.1)	(4.1)			
Share based payments	(0.4)				(0.0)			
Other		(0.0)	(0.0)	(1.1)	0.4			
Non underlying operating costs	(13.3)	(7.1)	(6.6)	(11.5)	(17.3)	(7.6)	(6.6)	(2.4)
Non underlying finance costs	0.0	(0.2)	(0.3)	(0.2)	(0.4)			
Non-underlying costs	**(17.1)**	**(10.7)**	**(10.5)**	**(15.7)**	**(23.0)**	**(12.9)**	**(11.9)**	**(7.7)**
PBT	**1.1**	**10.9**	**14.8**	**12.3**	**10.1**	**23.6**	**27.5**	**34.4**
Adj tax	(1.8)	(4.3)	(6.6)	(7.4)	(8.5)	(9.3)	(10.1)	(10.8)
Non-underlying tax	(1.7)	0.7	1.6	2.7	3.0	1.7	1.5	1.0
Tax	(3.6)	(3.6)	(5.0)	(4.7)	(5.5)	(7.7)	(8.5)	(9.8)
Adj. PAT	**16.3**	**17.3**	**18.7**	**20.6**	**24.7**	**27.1**	**29.3**	**31.3**
Reported PAT	**-2.5**	**7.3**	**9.8**	**7.6**	**4.6**	**15.9**	**18.9**	**24.6**
No of f/d shares (m)	84.1	86.5	88.6	89.8	91.0	91.0	91.0	91.0
Adjusted diluted EPS (p)	**19.4**	**20.0**	**21.1**	**22.9**	**27.1**	**29.8**	**32.2**	**34.4**
DPS (p)	**3.5**	**4.0**	**4.4**	**4.8**	**5.6**	**6.0**	**6.4**	**6.9**

Source: Company data, Equity Development

Cashflow statement

Year-end 30 April (£m)	2022A	2023A	2024A	2025A	2026A	2027E	2028E	2029E
Adj. EBITDA	**27.4**	**33.4**	**38.7**	**42.9**	**51.5**	**55.2**	**58.3**	**61.4**
Share based payments charge	0.8	1.2	1.1	1.2	1.3	1.4	1.5	1.6
Working capital movement	(2.5)	(5.2)	(3.5)	(5.1)	2.4	(4.9)	(8.6)	(6.4)
Tax paid	(4.1)	(2.4)	(5.4)	(5.8)	(6.2)	(7.7)	(8.5)	(9.8)
Interest paid on lease liabilities	(1.1)	(1.5)	(1.5)	(2.3)	(2.4)	(2.8)	(2.8)	(2.9)
Lease payments (principal)	(2.8)	(5.2)	(4.7)	(4.5)	(4.7)	(6.0)	(6.2)	(6.3)
Net cash from underlying op. activities	**17.7**	**20.3**	**24.6**	**26.5**	**41.8**	**35.2**	**33.6**	**37.6**
Underlying cash conversion as a % of PAT	*109*	*117*	*131*	*130*	*163*	*130*	*115*	*120*
Net financial interest paid	(1.0)	(2.1)	(3.0)	(3.9)	(6.1)	(5.5)	(5.2)	(4.8)
Non-underlying cash costs	(3.7)	(3.1)	(4.2)	(5.4)	(5.1)	0.0	0.0	0.0
Capex	(2.4)	(1.9)	(7.9)	(11.5)	**(4.7)**	**(7.7)**	**(8.2)**	**(8.6)**
Net cashflow pre acquisition payments	**10.7**	**13.1**	**9.5**	**5.7**	**25.9**	**22.0**	**20.3**	**24.2**
Contingent acquisition payments	(5.4)	(3.9)	(3.7)	(2.6)	(5.9)	(7.1)	(6.7)	(2.4)
Deferred acquisition payments	(1.1)	(1.2)	(2.4)	(2.6)	(0.6)	(0.3)	(0.3)	0.0
Acquisition costs	(6.8)	(6.0)	(1.9)	(25.0)	(10.3)			
…Net cash/debt acquired	(2.9)	(0.7)	(0.8)					
Acquisition consideration payments	**(16.2)**	**(11.8)**	**(8.9)**	**(30.2)**	**(16.8)**	**(7.4)**	**(7.0)**	**(2.4)**
Investment in joint venture			(2.6)					
Disposal of subsidiaries / discontinued ops		(1.1)			0.4			
Free cashflow post acquisitions	**(5.5)**	**0.2**	**(1.9)**	**(24.4)**	**9.5**	**14.6**	**13.3**	**21.9**
Dividends	(1.2)	(3.1)	(3.5)	(3.9)	(4.3)	(5.0)	(5.4)	(5.8)
Share buy backs / equity issues				(0.6)	(1.2)	(1.2)	(1.2)	(1.2)
Net cashflow	**(6.8)**	**(2.8)**	**(5.4)**	**(28.9)**	**4.0**	**8.4**	**6.7**	**14.9**

Source: Company data, Equity Development

Capex and acquisition metrics

Year-end 30 April (£m)	2022A	2023A	2024A	2025A	2026A	2027E	2028E	2029E
Capex	2.4	1.9	7.9	11.5	4.7	7.7	8.2	8.6
All acquisition payments	16.2	11.8	8.9	30.2	16.8	7.4	7.0	2.4
Capex & acquisition spend	**18.6**	**13.7**	**16.8**	**41.6**	**21.5**	**15.1**	**15.2**	**10.9**
Capex / revenues (%)	1.9	1.4	5.3	7.1	2.3	3.5	3.5	3.5
Acquisition spend / revenues (%)	12.9	8.3	5.9	18.6	8.1	3.3	3.0	1.0
Capex & acquisitions / revenues (%)	**14.8**	**9.7**	**11.2**	**25.7**	**10.4**	**6.8**	**6.5**	**4.5**

Source: Company data, Equity Development

Working capital metrics

Year-end 30 April (£m)	2022A	2023A	2024A	2025A	2026A	2027E	2028E	2029E
Debtor days	31	30	28	31	30			
WIP days	55	57	50	55	54			
Year-end lock up - WIP and debtor days	**86**	**87**	**78**	**86**	**84**			
Total lock-up days, no exclusions	**103**	**105**	**116**	**113**				
Contract assets % of RRR	25.3	26.9	26.8	28.2	26.1	26.1	26.1	26.1
Trade and other receivables % of RRR	27.2	22.0	22.0	22.3	21.1	21.0	20.9	20.8
Trade and other payables % of RRR	-17.2	-14.8	-13.4	-14.8	-17.1	-16.6	-14.4	-13.3
Working capital % of RRR	**35.2**	**34.1**	**35.4**	**35.7**	**30.1**	**30.5**	**32.6**	**33.7**
Working capital outflow as a % of RRR	-2.0	-3.6	-2.3	-2.8	1.1	-2.2	-3.7	-2.6

Note: "RRR" = run-rate revenues typically the same as revenues except in FY25 when defined as £181m; Source: Company data, Equity Development

Net debt metrics

Year-end 30 April (£m)	2022A	2023A	2024A	2025A	2026A	2027E	2028E	2029E
Gross financial debt	(33.2)	(33.3)	(40.6)	(70.7)	(71.5)	(71.5)	(71.5)	(71.5)
Net cash	4.1	4.0	5.5	5.9	6.0	14.4	21.1	36.0
Net financial cash / (debt)	**(29.1)**	**(29.2)**	**(35.2)**	**(64.8)**	**(65.4)**	**(57.1)**	**(50.4)**	**(35.5)**
Leases	(46.5)	(44.9)	(40.6)	(54.3)	(51.1)	(52.0)	(52.9)	(53.8)
Total net cash /(debt) incl leases	**(75.6)**	**(74.1)**	**(75.7)**	**(119.1)**	**(116.6)**	**(109.1)**	**(103.3)**	**(89.4)**
Net financial cash / (debt) / Adj. EBITDA (x)	(1.1)	(0.9)	(0.9)	(1.5)	1.3	1.0	0.9	0.6
Total net cash / (debt) / Adj. EBITDA (x)	**(2.8)**	**(2.2)**	**(2.0)**	**(2.8)**	**2.3**	**2.0**	**1.8**	**1.5**

Source: Company data, Equity Development

Balance sheet: Assets

Year-end 30 April (£m)	2022A	2023A	2024A	2025A	2026A	2027E	2028E	2029E
Property, plant and equipment	10.2	10.0	14.9	23.7	25.4	28.0	30.6	33.0
Right of use assets	40.7	38.2	34.0	46.6	42.1	43.0	43.9	44.8
Intangible assets incl goodwill	82.2	88.0	86.9	105.9	112.2	106.8	101.6	96.3
Other financial assets	1.1	1.7	4.2	3.3	1.6	1.6	1.6	1.6
Non-current assets	**134.2**	**137.9**	**140.0**	**179.5**	**181.3**	**179.5**	**177.7**	**175.8**
Contract assets (unbilled income)	31.8	38.2	40.2	51.0	54.3	57.7	60.9	63.9
Trade and other receivables	32.3	31.1	32.8	39.6	43.6	46.2	48.5	50.8
Other financial assets	1.3	0.3	0.4	0.4	0.4	0.4	0.4	0.4
Current tax assets	1.8	0.2	0.3	0.9	0.2	0.2	0.2	0.2
Cash & cash equivalents	4.1	4.0	5.5	5.9	6.0	14.4	21.1	36.0
Assets held for sale				1.3	0.1	0.1	0.1	0.1
Current assets	**71.3**	**73.8**	**79.1**	**99.0**	**104.6**	**118.9**	**131.2**	**151.4**

Source: Company data, Equity Development

Balance sheet: Liabilities								
Year-end 30 April (£m)	**2022A**	**2023A**	**2024A**	**2025A**	**2026A**	**2027E**	**2028E**	**2029E**
Bank overdraft & s/t loans	(0.4)	(0.2)	(0.5)	(0.9)	(0.3)	(0.3)	(0.3)	(0.3)
Lease liabilities	(5.3)	(6.3)	(5.2)	(5.7)	(6.0)	(6.0)	(6.0)	(6.0)
Trade payables and other liabilities	(21.4)	(20.8)	(19.9)	(26.7)	(35.4)	(36.6)	(33.5)	(32.4)
Deferred consideration	(1.2)	(2.4)	(2.6)	(0.6)	(0.9)	(0.9)	(0.9)	(0.9)
Contract liabilities	(0.2)	(0.2)	(0.2)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Provisions	(1.8)	(2.3)	(2.3)	(3.7)	(3.7)	(3.7)	(3.7)	(3.7)
Other incl liabilities held for sale	(0.4)			(0.9)	0.0	0.0	0.0	0.0
Current liabilities	**(30.7)**	**(32.3)**	**(30.7)**	**(38.5)**	**(46.3)**	**(47.5)**	**(44.4)**	**(43.3)**
Capital employed	**174.7**	**179.4**	**188.4**	**240.0**	**239.6**	**251.0**	**264.5**	**283.9**
Bank borrowings	(32.8)	(33.1)	(40.1)	(69.8)	(71.2)	(71.2)	(71.2)	(71.2)
Lease liabilities	(41.2)	(38.6)	(35.4)	(48.6)	(45.2)	(46.1)	(47.0)	(47.9)
Deferred tax liabilities	(8.3)	(8.4)	(8.3)	(11.2)	(10.6)	(10.6)	(10.6)	(10.6)
Provisions	(4.3)	(4.1)	(4.0)	(5.4)	(5.9)	(5.9)	(5.9)	(5.9)
Deferred consideration	(2.4)	(2.5)	(0.4)	(0.6)	(1.6)	(1.3)	(1.0)	(1.0)
Non-current liabilities	**(89.1)**	**(86.6)**	**(88.1)**	**(135.6)**	**(134.5)**	**(135.1)**	**(135.7)**	**(136.6)**
Net assets	**85.6**	**92.8**	**100.3**	**104.5**	**105.1**	**115.9**	**128.8**	**147.3**
Shareholders' funds	**85.6**	**92.8**	**100.3**	**104.4**	**105.1**	**115.9**	**128.8**	**147.3**

Source: Company data, Equity Development

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