

Valuation Webinar

September 2025

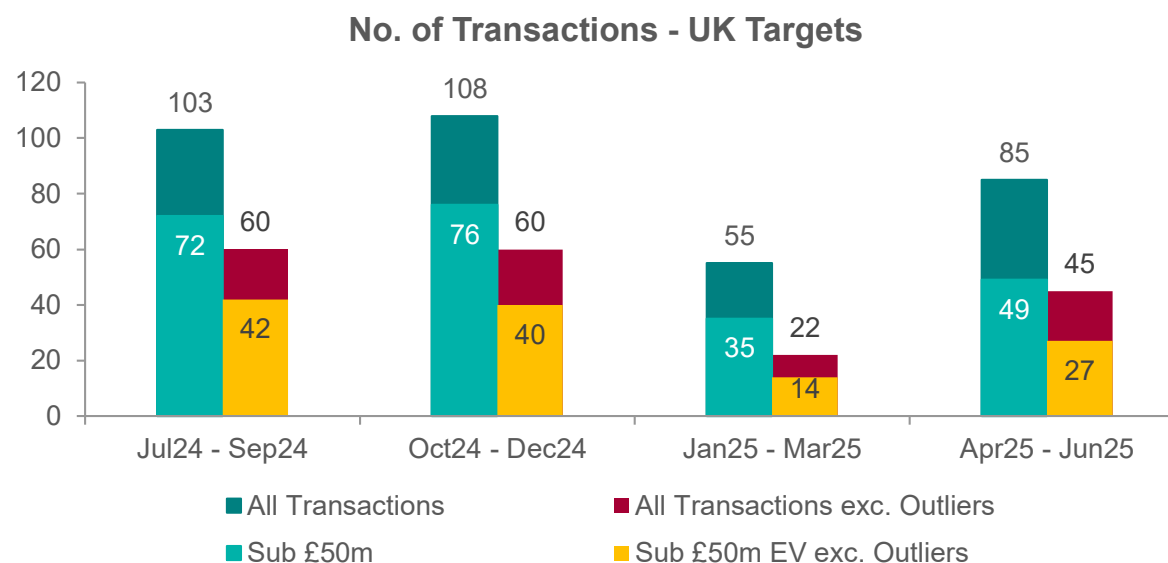
Between July 2024 and June 2025, there were 351 reported UK acquisitions with reported EBITDA multiples made by trade and PE.

Of these, 187 were profitable, reported an EBITDA multiple and were not considered outliers (Multiple >25x).

Q4 2024 had the most transactions at 108.

Q1 2025 had the fewest transactions at 55.

Fluctuation in M&A transactions with UK-based targets

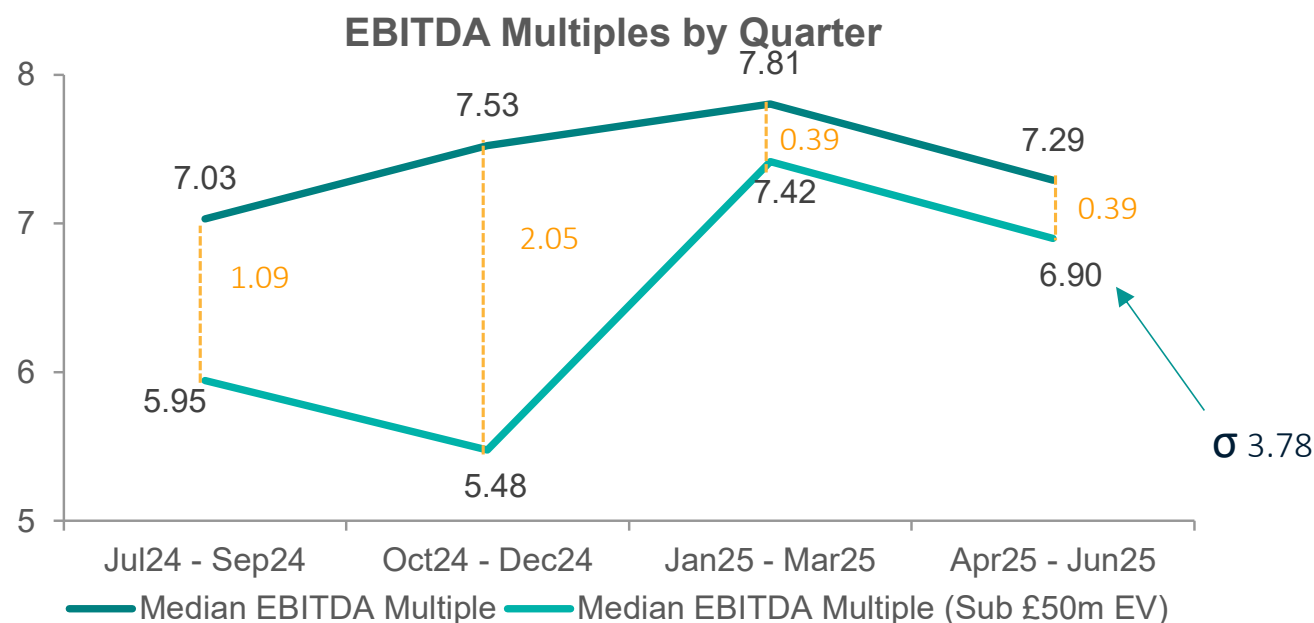


Outliers are companies that did not report an EBITDA multiple, were loss-making or had an EBITDA multiple in excess of 25x.

EBITDA multiples have remained relatively steady at an overall level between 7.03x and 7.81x.

However EBITDA multiples for sub £50m EV transactions have shown a notable increase in the last two quarters, closing the gap.

Variation in EBITDA Multiples between all deals and the sub £50m EV deals closed in the last year

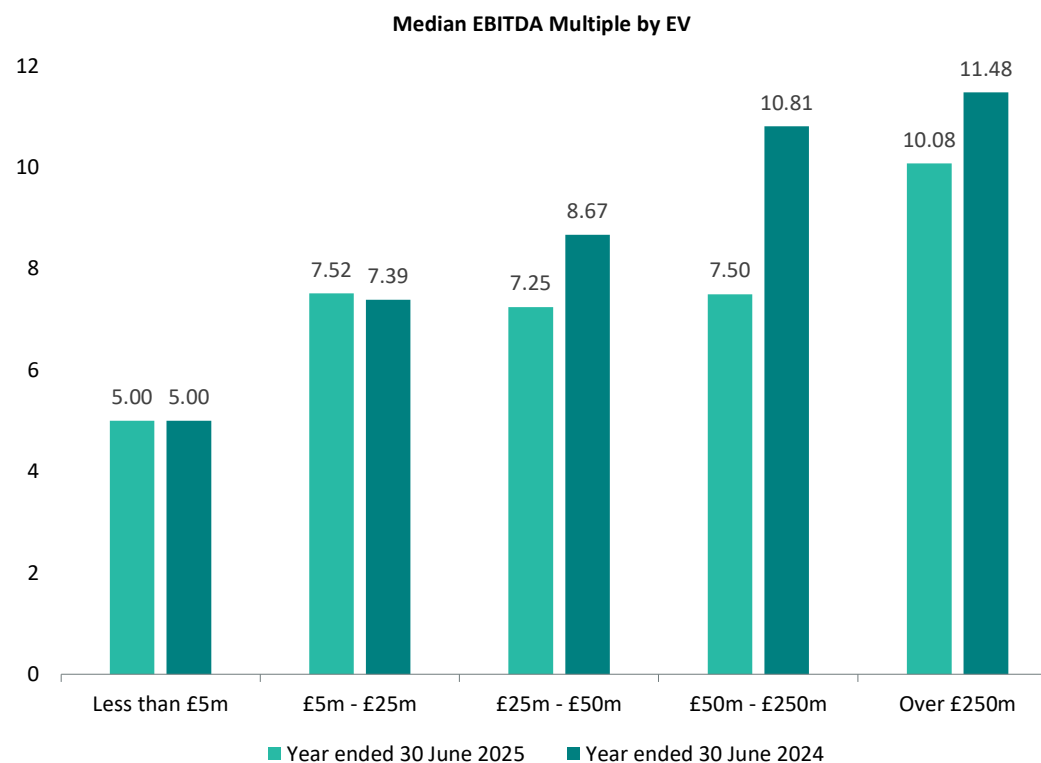


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The normal expectation is that a larger company would warrant a higher EBITDA multiple than its smaller counterparts due to factors such as greater market share and pricing power.

This valuation gap is evidenced by the multiples achieved by the various EV bands in the chart opposite.

Growing EBITDA has an outsized impact on valuations however 5x EBITDA remains common for smaller businesses



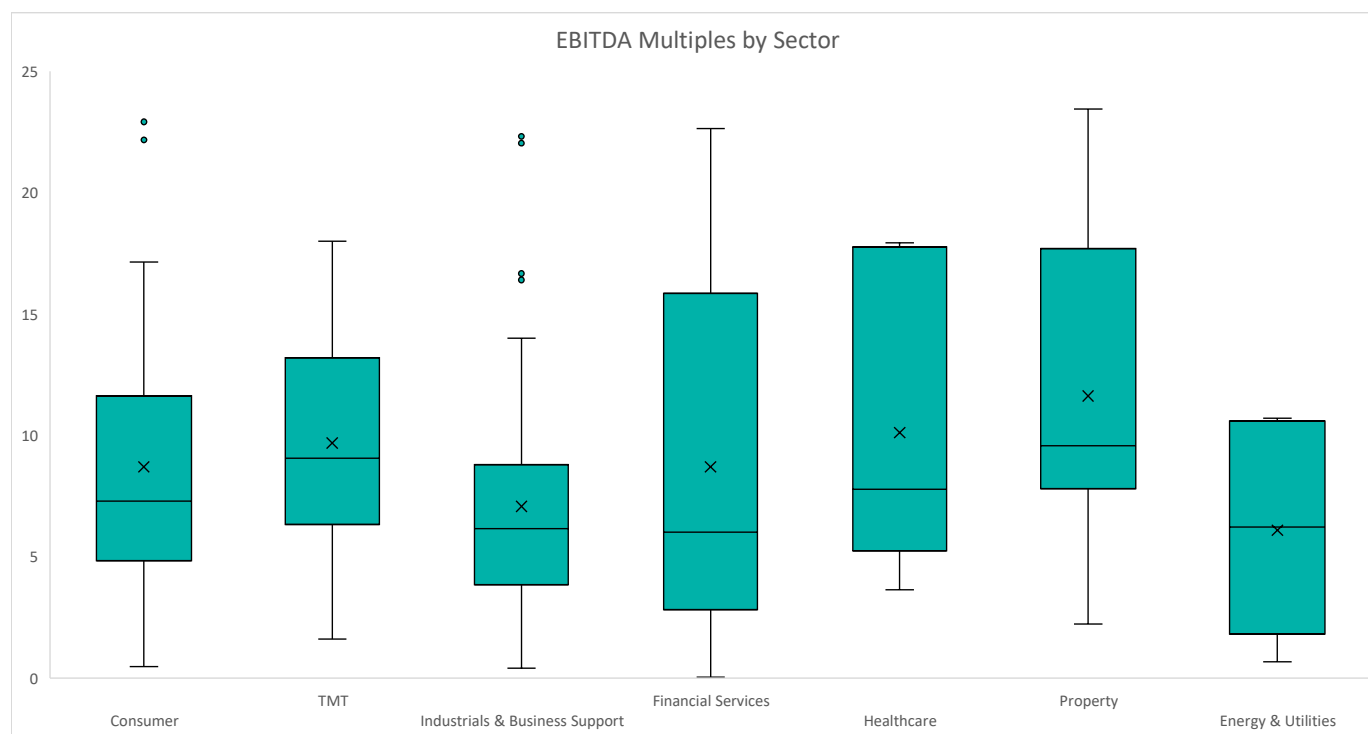
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After removing outliers, most sectors show a wide spread within individual industries.

Companies in the property industry achieved the highest median EBITDA multiple at 9.57x.

TMT companies also remain highly valued with a median multiple of 9.05x EBITDA.

High levels of volatility persist in most sectors



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Overseas transactions are typically reserved for the most valuable companies – in part due to the complexity of completing the deal and managing operations in a foreign jurisdiction.

Of 123 transactions valued at under £50m EV, just 7% were acquired by an overseas entity compared with over 22% of all UK-based targets.

US continues to dominate overseas acquisitions of UK firms

Acquirer Country	No. of Transactions	Median EV	No. of Transactions (Sub £50m EV)	Last Webinar's Median EV
UK	273	£7,500,000	115	£6,625,000
US	39	£335,155,000	0	£242,015,000
Canada	4	£80,100,000	1	£14,480,000
India	3	£21,000,000	1	£64,980,000
Sweden	5	£22,036,000	1	£230,000,000
Denmark	3	£588,000,000	0	£424,000,000
Other	24	£55,500,000	5	£47,000,000
Total	351	£12,000,000	123	£12,000,000

Limitations

We note that the data analysis may be naturally limited in some respects.

Financial information may be incomplete for some entries – Our sources of information are limited to the disclosures made by either party in a particular transaction, or through investigative journalism conducted by our data providers or other reputable news source in discussion with either company participating in the transaction.

Financial information is subject to restatement – A subject company may restate various financial data at a date later than the analysis was conducted.

Various deals may not be captured by the above search criteria – Reasonable efforts have been made to ensure that the entries included within the dataset are appropriate, but we cannot ensure that all relevant details are captured, as this is influenced by the classification techniques of our data providers and by the disclosures made by transacting companies.

Previous deal data may not be indicative of future market trends – Valuations (and multiples) may fluctuate with the economic cycle.

Adjustments made to Enterprise Value are subjective – The adjustments made to the Enterprise Value to arrive at Equity Value will depend on the particular companies and transactions in a number of respects.



Thanks for joining

Simon Blake

Board Member and Partner

e: simon.blake@pricebailey.co.uk

m: 07702 665342



Chand Chudasama

Partner

e: chand.chudasama@pricebailey.co.uk

m: 07824 145475



Eleanor Lothian

Senior Manager

e: eleanor.lothian@pricebailey.co.uk

d: 01223 941358



Bishop's Stortford	+44 (0) 1279 155888
Cambridge	+44 (0) 1223 565035
Caribbean	+44 (0) 800 434 6460
City of London	+44 (0) 20 7065 2660
Dubai	+44 (0) 800 048 5631
Ely	+44 (0) 1353 662892
London Baker Street	+44 (0) 20 7487 4870
London Mayfair	+44 (0) 20 3909 0480
Newmarket	+44 (0) 1638 666160
Norwich	+44 (0) 1603 709330
Oxford	+44 (0) 1865 639440
Peterborough	+44 (0) 1733 343275
Sawston	+44 (0) 1223 578787