

UK200Group's SME Valuation Index 2021 recovers its multiples to that of pre-pandemic levels

Submitted by: UK200Group

Tuesday, 30 November 2021

We are delighted that even in these times of uncertainty, the UK200Group can rely on its member firms to deliver sufficient deals to produce and publish its widely anticipated annual Small and Medium Enterprises (SME) Valuation Index 2021.

This year's index shows a recovery of multiples to pre-pandemic levels. Following the volatility of the deal market in 2020, the success of the vaccine rollout alongside continued government support at the start of 2021 resulted in the easing of lockdown measures, allowing for economic growth and increased confidence to return to the SME M&A market. Deal volumes have remained strong throughout the period as capital continued to be available from corporates, Private Equity and banks with interest rates remaining low. A positive pandemic outcome for the deal market was the success of technology in supporting the demands of working remotely which has given some acquirers confidence to widen their geographical boundaries.

The UK M&A market experienced a significant increase in activity in the run up to the March 2021 budget due to the assumed changes to Capital Gain Tax which never transpired.

The UK200Group's SME Valuation Index shows the Median and Mean of the Price to Earnings Ratio (P/E) and EBITDA and the average deal sizes of SMEs. The Index has proved invaluable to SMEs, and to corporate financiers, forensic accountants, insolvency practitioners, investors, banks and tax planners who work with these enterprises.

The UK200Group's Corporate Finance Panel is made up of individuals from UK200Group member firms, who specialise in corporate finance within their companies. Together, the panel successfully gathers a generous number of deals throughout the organisation to produce this document for public awareness. The data provides key information on actual transactions involving the purchase or sale of UK businesses over this year with data from previous years available. Most importantly, the deal data provided by our Panel has been included in a format which allows comparability in a manner not available from publicly published data.

Speaking about the SME Valuation Index 2021, Simon Blake, Chair of the UK200Corporate Finance Expert Panel, says:

'I am delighted to present the latest update of the UK200Group SME Valuation Index, which is widely used for valuation of SME's for a variety of purposes, including Expert Witness and tax valuations. Many thanks to the UK200Group firms providing the data from deals that they have advised on over the past year, and thanks to MarktoMarket for assisting in the collation of the data.'

To view the UK200Group SME Valuation Index 2021, please click here (<https://bit.ly/31eFTHV>).

For more information on the UK200Group please visit our website www.uk200group.co.uk (<https://www.uk200group.co.uk/>) or for more information of Expert Panels, please Contact Dee Bates:

dbates@uk200group.co.uk or Laura Wiltshire: lwiltshire@uk200group.co.uk or call 01252 350733.

For more information about MarktoMarket's product click here (<https://bit.ly/3E7JyWd>) to visit their website or Contact Doug Lawson via email: doug@marktmarket.io.

UK200Group Limited is a company registered in England & Wales. Company Number 10634903. Registered office; The Hart Shaw Building, Europa Link, Sheffield, S9 1XU.

Disclaimer

UK200Group is an association of separate and independently owned and managed chartered accountancy firms and lawyer firms. UK200Group does not provide client services and it does not accept responsibility or liability for the acts or omissions of its members. Likewise, the members of UK200Group are separate and independent legal entities, and as such each has no responsibility or liability for the acts or omissions of other members.