

Knights Group Holdings plc
("Knights", the "Company" or the "Group")

Full Year Trading Update

Strong profit increase, recruitment momentum and progress with acquisition strategy

Knights, the national legal and professional services business, today provides a trading update for the year ended 30 April 2025.

The Group anticipates full year revenue of c.£162.0m, an 8% increase on the prior year (FY24: £150.0m), with underlying PBT¹ expected to be c.£28.0m (FY24: £25.3m), representing an 11% increase in underlying profits and reflecting an improved margin. The expected profit of £28m is after deduction of share based payment charges of c.£0.5m relating to a new one-off executive share scheme introduced in November 2024.

The Group continues to show excellent working capital discipline, with debtor days² as at 30 April 2025 of 31 (FY24: 28 days) supporting the Group's strong balance sheet position at the year end. Net debt³ is expected to be c.£65m, (FY24: £35.2m) after c.£30m cash paid in relation to acquisitions.

The number of senior fee earners joining the business increased significantly on the prior year (52 new senior fee earners compared to 40 in the prior year), reflecting strong momentum in recruitment. Knights' national scale, strong reputation and uniquely collaborative culture are increasingly attractive to high calibre professionals across the UK regions. In addition, recognition of its corporate model, which is gaining popularity among professional services businesses, is building and offers a compelling alternative to the partnership model, particularly in the current economic environment.

During the year, the Group continued to execute its acquisition strategy. The acquisition of Thursfields, which completed in September, bolstered the Group's position as a leading legal and professional services business in the Midlands. The completion of its largest acquisition to date in April, IBB Law, saw Knights significantly strengthening its presence in the South East of England. These acquisitions are integrating well and performing as expected.

Post period end, the Group announced a further acquisition in the South East, which not only extended its legal services offering, but provided entry into wealth advisory, an area long considered attractive by the Group. The Group continues to consider selective acquisitions from its healthy pipeline of opportunities, in line with its value accretive acquisition strategy.

David Beech, CEO of Knights, said:

"During the year, Knights has made significant progress. It is now recognised as the UK's only legal services firm with true national scale, that retains a strong regional focus. I am particularly pleased with the uptick in fee earners joining the business during the year. As well as our scale, the reputation we have built for quality of service and a unique culture, allows us to recruit the highest quality talent to the business, which in turn, has driven this strong performance.

"With the Group experiencing a return to lower levels of churn in the second half of the financial year and positive momentum in the business continuing into the current year, we remain confident in delivering further growth in FY26."

Due to the timing of acquisitions around the year end and the additional financial reporting implications, Knights will announce its full year results in September 2025.

Notes

¹ Underlying PBT is before amortisation of acquired intangibles, non-underlying operating expenses, and non-underlying finance costs. Non-underlying operating expenses include transaction and onerous lease expenses in relation to acquisitions, contingent acquisition payments, disposal of acquired assets, along with one-off restructuring staff and professional expenses, mainly incurred on acquisitions, through streamlining support functions or strategic reorganisations.

² Debtor days are calculated on a count back basis using the gross debtors at the period end and compared with total fees raised over prior months.

³ Net debt includes cash and cash equivalents, borrowings and acquired debt but excludes lease liabilities.

Ends

Enquiries

Knights

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Notes to Editors

Knights is a fast-growing legal and professional services business, ranked within the UK's top 50 largest law firms by revenue. Knights was one of the first law firms in the UK to move from the traditional partnership model to a corporate structure in 2012 and has since grown rapidly. Knights has specialists in all key areas of corporate and commercial law and private client services. It is focussed on key UK markets outside London and currently operates from 28 offices locations in Ascot, Beaconsfield, Birmingham, Brighton, Bristol, Carlisle, Cheltenham, Chester, Exeter, Kings Hill, Leeds, Leicester, Lincoln, Manchester, Newcastle, Nottingham, Oxford, Reading, Portsmouth, Sheffield, Solihull, Stoke, Teesside, Uxbridge, Weybridge, Wilmslow, Worcester and York.

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