

What Is Your Business Actually Worth?

The honest guide every UK business owner should read
before speaking to a broker

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Most business owners think they know what their business is worth.

You've run the numbers in your head a hundred times. You've heard what similar businesses sold for. You've got a figure — probably a range — and you've quietly built a picture of what life looks like after the sale.

But there's a gap between what you think it's worth and what a buyer will actually pay. And that gap can be hundreds of thousands of pounds — sometimes millions.

You've spent decades building this. Early mornings, late nights, weekends missed, holidays cut short. You've carried the weight of payroll, customers, problems nobody else saw. What you've built is more than a balance sheet.

So the fear is real. What if the number comes back lower than you expected? What if a buyer doesn't see what you see? What if the people who helped you build it — your team, your managers — get treated as line items instead of people?

These are not irrational fears. They are the fears of someone who cares deeply about your life's work. And they deserve honest answers, not a sales pitch.

Imagine instead: a clear, fair valuation. A buyer who tells you the truth — even when the truth is uncomfortable. A process that respects your timeline, protects your confidentiality, and gives your team a permanent home. That's what a good exit looks like.

My name is Shepherd Ncube. I built Springbok Properties from a spare room in 2007 into one of the UK's largest property sales companies — 19,000+ clients, £20M+ revenue, 31 Gold Awards for customer service. I have been on both sides of the table. I know what it feels like to have someone put a number on your life's work.

That experience is why I started Springbok Business Acquisition. Not as a broker. Not as a fund with an exit timeline. As a permanent owner who understands what you've built and why it matters.

How Buyers Actually Think

Before any conversation about price, you need to understand how buyers arrive at a number. It is simpler than most people think.

The starting point is something called EBITDA — Earnings Before Interest, Tax, Depreciation and Amortisation. In plain English, it's the profit your business generates once you strip out financing costs, tax, and accounting adjustments.

Here's a simple example. If your business makes £800,000 profit per year after removing your salary, interest payments and one-off costs — that's your EBITDA.

The Multiple

A buyer takes your EBITDA and multiplies it by a number. That number is called the multiple.

A buyer might offer 4x that number — so £3.2M. Or 6x — so £4.8M. The difference between 4x and 6x on £800,000 EBITDA is £1.6 million.

The question is: what makes a buyer offer 6x instead of 4x?

That comes down to five factors. Each one either adds confidence or adds risk in the buyer's mind. More confidence means a higher multiple. More risk means a lower one.

The 5 Factors That Increase Your Multiple

1. A Management Team That Doesn't Need You

This is the single biggest driver of value. If your business can run without you for three months and nothing falls apart, you have something a buyer will pay a premium for.

Businesses that depend entirely on the owner are worth significantly less — often 1–2x less in multiple terms. A strong management team can lift a 4x business to a 6x business overnight.

2. Recurring or Contracted Revenue

Predictable income commands a higher price. If 60–80% of your revenue comes from contracts, subscriptions, or long-standing repeat customers, buyers see lower risk.

A business with £2M in contracted annual revenue is worth more than one with £2M in one-off project work — even if the profit margins are identical.

3. Clean, Well-Documented Accounts

Buyers pay less when they can't trust the numbers. If your accounts are audited, clearly categorised, and easy to follow, due diligence moves faster and the price stays higher.

Messy books don't just slow things down. They make buyers wonder what else might be hidden. Clean accounts signal a well-run business.

4. Customer Diversity

If one customer represents more than 20% of your revenue, buyers get nervous. Lose that customer and the business could lose a fifth of its income.

A spread of customers — where no single one accounts for more than 10–15% of revenue — gives a buyer confidence that the income is resilient.

5. A Clear Growth Story

Buyers don't just pay for what you've done. They pay for what comes next. If you can show a clear, credible path to growth — new markets, new products, operational improvements — the multiple goes up.

This isn't about wild projections. It's about showing that the next owner will do even better, because the foundations are already in place.

The 5 Factors That Quietly Destroy Your Value

1. Owner-Dependency

This is the biggest value killer. If you are the business — if clients call you directly, if only you can close the deals, if staff defer to you on every decision — the business isn't worth much without you.

The fix takes time. Start delegating now. Build a layer of management beneath you. A business that runs without its founder is worth dramatically more than one that doesn't.

2. Dirty or Inconsistent Accounts

Even honest businesses with messy books get lower offers. If your management accounts don't match your statutory accounts, or if personal expenses are tangled with business costs, buyers will mark down the price.

Get a good accountant to clean up the last three years. It is one of the highest-return investments you can make before a sale.

3. Customer Concentration

One big customer means one big risk. If that customer leaves, the EBITDA drops, the multiple drops, and the deal may not happen at all.

Diversify where you can. Even modest improvements — reducing your largest customer from 35% to 20% of revenue — can meaningfully improve your valuation.

4. Undisclosed Liabilities

Anything that surfaces in due diligence and wasn't mentioned will kill the deal or kill the price. Pending legal claims, environmental issues, tax disputes, outstanding warranties — disclose everything early.

Buyers expect imperfections. What they cannot tolerate is surprises. Honesty upfront protects your price.

5. No Plan for What Happens Next

Buyers want to know the handover is clean. They want to see a transition plan — who stays, who leads, how long you'll support the business after completion.

Your family wants to know too. A clear plan reassures everyone — your team, your customers, and the people at home — that this is a considered decision, not a rushed one.

Your Self-Calculation Worksheet

Use this simple framework to estimate a range for your business. It is a guide, not a formal valuation — but it will give you a starting point.

Step 1

Write your average annual EBITDA for the last 3 years:

£ _____

Step 2

Circle the description that best fits your business:

- Strong management team, recurring revenue, clean accounts
Likely multiple: 5–7x
- Some owner-dependency, mostly clean, growing
Likely multiple: 4–5x
- Heavy owner-dependency, variable revenue
Likely multiple: 3–4x

Step 3

Multiply your EBITDA by the multiple range:

£ _____ × _____ = £ _____ (your estimated range)

Step 4

What would change your multiple? (notes)

This is a guide, not a valuation. Real valuation requires a conversation. Book a confidential call to understand what Springbok Business Acquisition — or any serious buyer — would actually pay.

What to Do with the Number

Scenario 1: “The number is what I hoped”

Good. That means you’ve built something valuable and the market recognises it. Now the question is timing and preparation.

Give yourself 12 months. Use that time to strengthen your management team, tidy up your accounts, and document your processes. A well-prepared business sells faster, at a better price, with fewer problems in due diligence.

Scenario 2: “The number is lower than I expected”

This is more common than most people think. And it does not mean your business is failing. It means there are specific things dragging your multiple down.

The most common fixes — reducing owner-dependency, diversifying customers, cleaning up accounts — take 12 to 24 months. That is not a long time when the difference is hundreds of thousands of pounds.

Scenario 3: “I’m not ready yet”

That is completely normal. Most owners are not ready when they first check.

We’ve spoken with hundreds of business owners who weren’t ready when we first met. Some came back two years later having fixed the right things. The outcome was always better for the wait.

Knowing the number is never wasted. It gives you a target, a plan, and control over your timeline.

Why Direct Buyers Are Different from Brokers

How Most Brokers Work

Most business brokers charge upfront fees regardless of outcome. They take a retainer, then list your business alongside dozens of others, focusing on volume rather than finding the right buyer.

Some will flatter your valuation to win your instruction — quoting a high number to get you to sign, then managing your expectations downward once the process is underway.

Broker commissions typically run 6–10% of the deal value. On a £4M sale, that's £240,000 to £400,000 leaving your pocket.

What a Direct Buyer Offers

Springbok Business Acquisition is a direct buyer and permanent capital owner. We buy businesses to keep them — not to resell in three to five years.

One conversation, no auction. No broker commission — saving you 6–10% of the deal value. When we make an offer, we complete. We have the capital and the intent.

And your management team stays. They continue to run what they built, with the backing of a long-term owner who isn't looking for the exit.

Certainty matters. In a process full of unknowns, working with a direct buyer removes the biggest ones.

A Note from Shepherd

I built Springbok Properties from a spare room in 2007. By 2020 we had 19,000+ clients, £20M+ in revenue, and 31 Gold Awards for customer service. I know what it means to build something from nothing. I know what it means to have someone put a number on your life's work.

That's why I started Springbok Business Acquisition differently.

We don't buy businesses to sell them. We buy businesses to steward them — permanently. We hold forever. No exit timeline. No fund pressure. Just long-term ownership by people who understand what you built and why it matters.

When you speak with our team, you're speaking with the people who will own your business for the next 20 years. That changes the conversation.

I've sat where you're sitting. I've weighed the same questions. And I've learned that the best deals happen when both sides are honest from the start.

If you're thinking about what comes next for your business — whether that's now or in two years — I'd welcome the conversation.

What Happens When You Call

The process is straightforward. No hidden steps. No pressure.

- The call is 30 minutes. Confidential. No obligation.
- We'll ask about your business, your timeline, and what matters most to you.
- We'll give you an honest range — not a flattering number designed to win your instruction.
- If we're not the right buyer for you, we'll tell you. And we'll tell you who might be.
- No broker. No middleman. Just a direct conversation.

Most business owners tell us the same thing after the first call: "I wish I'd done this sooner."

Not because the number was what they wanted to hear. Because they finally had clarity.

Clarity about their options, their timeline, and the steps between here and their next chapter.

That clarity is free. It always has been.

You've spent years building something real.

The least you deserve is an honest conversation about what it's worth — and what comes next.

When you're ready, we're here.

Book a confidential call with our team

springbokacquisition.com/call

Springbok Business Acquisition

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