

# BEEKS FINANCIAL CLOUD GROUP

## SOFTWARE AND COMPUTER SERVICES

14 August 2025

BKS.L

226p

Market Cap: £152.2m

### SHARE PRICE (p)



12m high/low

323p/186p

Source: LSE Data (priced as at prior close)

### KEY DATA

Net (debt)/cash	£7.0m (at 30/06/25)
Enterprise value	£145.3m
Index/market	AIM
Next news	Finals, October
Shares in issue (m)	67.4
Chairman	William Meldrum
CEO	Gordon McArthur
CFO	Fraser McDonald

### COMPANY DESCRIPTION

Beeks provides low-latency Infrastructure-as-a-Service (IaaS) for automated trading of financial products.

[www.beeksgroup.com](http://www.beeksgroup.com)

BEEKS FINANCIAL CLOUD GROUP IS A RESEARCH CLIENT OF PROGRESSIVE

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## Market Edge Intelligence: TAMtastic

Yesterday's release of Market Edge Intelligence marks the debut of the 'world's first AI/Machine Learning solution for passive monitoring of capital markets data directly at the network edge', according to Beeks. While other monitoring tools (Corvil) are available, this is the first specifically developed for this market and use case. This product creates expansion opportunities, widens TAM, and is a great price lever adding to the already substantial recurring revenue pool at Beeks.

- Market Edge Intelligence.** This is a new software AI analytics product developed throughout FY24 and FY25. Market Edge Intelligence is billed as 'bringing real-time AI analytics and predictive intelligence capabilities directly to colocation facilities'. By generating actionable insights (think: predictive alerts), looking at detecting infrastructure anomalies, capacity forecasting and real-time trading signal execution, the ROI will be based on cost savings and operational efficiencies. Of value to Beeks immediate Tier 1 and Tier 2 customers (buy-side firms, brokers, market makers, exchanges and venues), the product can be integrated in a variety of ways: part of Beeks Analytics, as a standalone solution to operate on a firm's own data, or as a hybrid integration with existing tools and APIs. So Market Edge Intelligence creates upsell opportunities, increases pricing power and adds to the substantial recurring revenue base.
- TAM expands.** As Market Edge Intelligence supports major exchange protocols, it is accessible beyond immediate Beeks' customers to financial services organisations worldwide. This expands TAM. Through the testing and early availability programme, the product has already received positive customer feedback.
- CEO Gordon McArthur comments:** "The launch of Market Edge Intelligence™ is a major milestone for the industry and a great example of how Beeks is using AI to push boundaries and transform market infrastructure."
- Investment case precis.** Beeks is established, profitable and growing, with a global opportunity, robust moat, improving unit economics and an experienced management team. Beeks IaaS is optimised for low-latency private cloud compute, connectivity and real-time analytics. Continued growth is predicated on customers migrating on-prem to cloud for cloud's cost, agility and security comparative advantages.

FYE JUN (£M)	2022	2023	2024	2025E	2026E
Revenue	18.3	22.4	28.5	36.8	39.5
Adj EBITDA	6.3	8.4	10.7	14.1	15.6
Fully Adj PBT	2.1	2.3	3.9	5.7	6.4
Fully Adj EPS (p)	4.5	4.0	6.4	7.4	8.4
EV/Sales (x)	7.9	6.5	5.1	3.9	3.7
EV/EBITDA (x)	23.0	17.3	13.5	10.3	9.3
PER (x)	50.3	57.1	35.5	30.6	27.0

Source: Company Information and Progressive Equity Research estimates.

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Please refer to important disclosures at the end of the document.

# Financial Summary: Beeks Financial Cloud Group

Year end: June (£m unless shown)

PROFIT & LOSS	2022	2023	2024	2025E	2026E
Revenue	18.29	22.36	28.49	36.80	39.50
Adj EBITDA	6.31	8.42	10.73	14.10	15.57
Adj EBIT	2.36	3.27	3.79	5.99	6.84
Reported PBT	0.07	(0.65)	1.46	3.03	4.31
Fully Adj PBT	2.06	2.33	3.90	5.67	6.44
NOPAT	2.50	3.59	5.53	7.25	7.93
Reported EPS (p)	1.42	(0.13)	3.11	3.62	5.30
Fully Adj EPS (p)	4.49	3.96	6.36	7.38	8.38
Dividend per share (p)	0.00	0.00	0.00	0.00	0.00
CASH FLOW & BALANCE SHEET	2022	2023	2024	2025E	2026E
Operating cash flow	4.61	7.12	9.83	11.95	14.29
Free Cash flow	(7.76)	(0.14)	3.27	2.91	5.38
FCF per share (p)	(11.53)	(0.20)	4.86	4.33	7.98
Acquisitions	0.00	0.00	0.00	0.00	0.00
Capex	(12.09)	(7.15)	(6.79)	(8.10)	(7.70)
Shares issued	14.76	0.00	0.00	0.00	0.00
Net cash flow	6.79	(2.33)	(0.76)	0.58	2.92
Overdrafts / borrowings	(2.30)	(3.42)	(1.12)	(1.12)	(1.12)
Cash & equivalents	10.16	7.84	7.70	8.27	11.20
Net (Debt)/Cash	7.86	4.41	6.58	7.15	10.08
NAV AND RETURNS	2022	2023	2024	2025E	2026E
Net asset value	30.76	32.79	37.50	38.30	46.15
NAV/share (p)	45.67	48.69	55.67	56.87	68.51
Net Tangible Asset Value	16.27	17.95	20.03	18.70	16.70
NTAV/share (p)	24.16	26.65	29.73	27.76	24.80
Average equity	22.26	31.77	35.14	37.89	42.21
Post-tax ROE (%)	9.2%	7.3%	11.1%	15.0%	15.3%
METRICS	2022	2023	2024	2025E	2026E
Revenue growth	N/A	22.2%	27.4%	29.2%	7.3%
Adj EBITDA growth	N/A	33.4%	27.4%	31.5%	10.4%
Adj EBIT growth	N/A	38.6%	16.1%	57.8%	14.2%
Adj PBT growth	N/A	13.3%	67.4%	45.5%	13.5%
Adj EPS growth	N/A	(11.8%)	60.6%	16.1%	13.5%
Dividend growth	N/A	N/A	N/A	N/A	N/A
Adj EBIT margin	12.9%	14.6%	13.3%	16.3%	17.3%
VALUATION	2022	2023	2024	2025E	2026E
EV/Sales (x)	7.9	6.5	5.1	3.9	3.7
EV/EBITDA (x)	23.0	17.3	13.5	10.3	9.3
EV/NOPAT (x)	58.2	40.4	26.3	20.0	18.3
PER (x)	50.3	57.1	35.5	30.6	27.0
Dividend yield	N/A	N/A	N/A	N/A	N/A
FCF yield	(5.1%)	(0.1%)	2.2%	1.9%	3.5%

Source: Company information and Progressive Equity Research estimates

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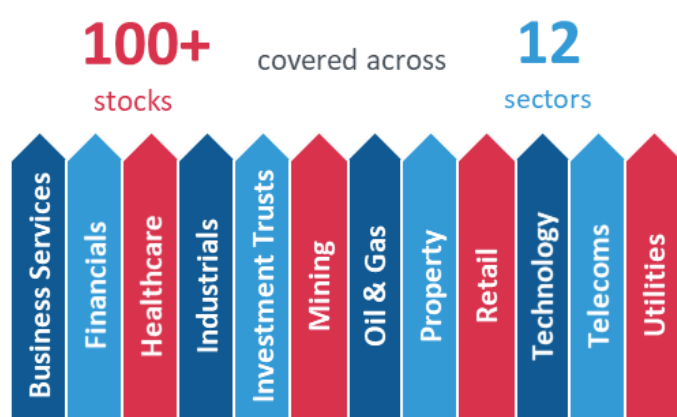
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