Mortgage Advice Bureau (Holdings) plc Annual Report 2024

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Annual Report 2024

Mortgage Advice Bureau

Strategic report

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MAB is one of the UK's leading consumer intermediary brands and specialist networks for mortgage advisers, with over 200 awards.

For more information please visit our website

www.mortgageadvicebureau.com/investor-relations

CEO COMMENT

PETER BRODNICKI
FOUNDER AND CHIEF EXECUTIVE

“MAB achieved strong financial growth in 2024 and, by doing so, maintained its long track record of outperformance and market share growth in all market conditions.”

Strategic spend on technology and digital marketing continued to increase, supporting our plans to deliver a higher level of sustainable growth and futureproof our operations. Aligning our business model to evolving customer preferences for research, advice and seamless transactions will enable advisers to access more potential customers and retain an increasing number of existing ones.

In February, we hosted a Capital Markets Day, during which my team and I set out MAB’s vision to become our customers’ leading financial partner through life’s key moments and demonstrated the significant progress we have made in adapting and evolving our business model to achieve a far wider consumer reach, drive greater lead flows, and increase productivity, efficiency, and margins.

MAB has been listed on AIM for just over a decade. During that time, we have built a market-leading, specialist network for mortgage advisers while returning over £125m in dividends to shareholders – greater than our market capitalisation at IPO. The Board is now evaluating the potential transition to the Main Market of the London Stock Exchange, which should provide access to a broader investor base and further enhance the Group’s market profile.

2025 has begun strongly and in line with expectations, with many AR firms anticipating growth in adviser numbers this year while maintaining a focus on increasing profitability through higher productivity. We also have the opportunity to scale our invested businesses and build upon the impressive adviser productivity levels they are already achieving to deliver strong and sustainable shareholder returns over the long term.”

Peter Brodnicki
Founder and Chief Executive

FINANCIAL HIGHLIGHTS

Revenue
£266.5m
(2023: £239.5m)
+11.3%

Gross profit / Margin
£81.9m / 30.7%
(2023: £70.2m/29.3%)
+16.7% / 1.4pp

Administrative / Admin expenses ratio*
£50.5m / 19.0%
(2023: £46.7m/19.5%)
+2.7% / -0.5pp

Adjusted PBT* / Adjusted PBT margin*
£32.0m / 12.0%
(2023: £23.2m/9.7%)
+38.0% / +2.3pp

Statutory PBT / Statutory PBT margin
£22.9m / 8.6%
(2023: £16.2m/6.8%)
+41.5% / +2.2pp

Adjusted diluted EPS*
39.2p
(2023: 29.6p)
+32.4% / +9.6p

Basic EPS
27.6p
(2023: 23.6p)
+17.0% / +4.0p

Adjusted cash conversion*
120%
(2023: 119%)
+1.0pp

Net debt* / Leverage*
(£9.7m) / 0.3x
(2023: (£15.2m)/0.6x)
+£5.5m / -0.3x

Proposed final dividend
14.8p
(2023: 14.7p)
+0.4% / +0.1p

For the purposes of this report, the expressions “Group”, “MAB”, “plc”, “we” and “us” means the Company and its subsidiaries and are used interchangeably. The expression “Company” means Mortgage Advice Bureau (Holdings) plc.

* In addition to statutory reporting, MAB reports alternative performance measures (“APMs”) which are not defined or specified under the requirements of International Financial Reporting Standards (IFRS). The Group uses these APMs to improve the comparability of information between reporting periods, by adjusting for certain items which impact upon IFRS measures, to aid the user in understanding the activity taking place across the Group’s businesses. APMs are used by the Directors and management for performance analysis, planning, reporting and incentive purposes. A summary of APMs used and their closest equivalent statutory measures is given in the Glossary of Alternative Performance Measures.

OPERATIONAL HIGHLIGHTS

Adjusted profit before tax (PBT) up 38.0% to

£32.0m

(2023: £23.2m)

Gross mortgage completions[1] (including Product Transfers) up 3.9% to

£26.1bn

(2023: £25.1bn)

Revenue per mainstream adviser[2] up 12.3% to

£138.7k

(2023: £123.5k)

Closing mainstream advisers[2] up 1.2% to

1,941

(2023: 1,918). The number of mainstream advisers[2] at 14 March 2025 was 1,985

Market share of new mortgage lending[1] up to

8.4%

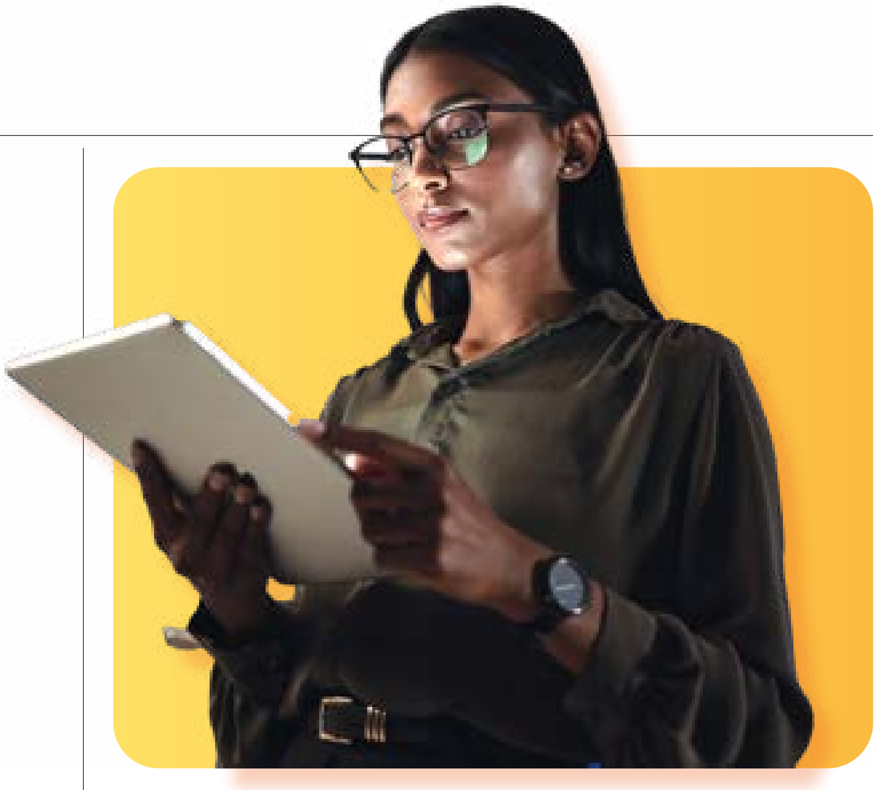
(2023: 8.3%)

1. Based on first charge mortgage completions, secured personal loans (second charge mortgages), Later Life Lending mortgages and bridging finance. Market share excludes Product Transfers.
2. Excludes directly authorised advisers, later life advisers without a mortgage and protection license, and advisers in the process of being onboarded who are not yet able to trade.

ABOUT US & OUR MARKET

Who we are and what we do

MAB is one of the UK's leading consumer intermediary brands and specialist networks for mortgage advisers. The Group consists of nearly 200 Appointed Representative firms (ARs) and approximately 2,000 advisers.



These advisers provide expert mortgage advice, assisting customers with home purchases, refinancing, and property investments. They also help homeowners secure funds for improvements and ensure financial protection for their homes and families against unforeseen events such as illness, property issues, or loss of life. Advisers act under the supervision of both their AR firm and MAB, which is directly authorised by the Financial Conduct Authority (FCA).

MAB offers its ARs access to a comprehensive range of mortgage lenders, along with a dedicated panel of protection providers and insurers. Beyond market access, MAB provides extensive support and services, including business consultancy, technology, adviser recruitment, compliance, training, and marketing, empowering ARs to grow and succeed.

MAB has always positioned itself as a strategic partner for growth-focused firms with strong leadership. Our proprietary technology ('MIDAS Platform') is a major differentiator, along with our expertise in customer acquisition and retention. These strengths enable us to attract and retain many of the UK's leading mortgage advice firms, reinforcing our reputation as a trusted industry partner.

MAB has historically benefited from strong lead flow in the estate agency and new build sectors. Around half of our ARs and their advisers operate under the MAB brand for their trading style, leveraging its reputation and market presence to drive business growth.

Beyond our AR network model, MAB has made selective investments and acquisitions to enhance its expertise and accelerate delivery of its strategy. This includes expanding into national digital lead sources such as MoneySuperMarket, Compare the Market, and ClearScore through the acquisition of Fluent in 2022.

This gives MAB a dominant position in the three largest lead sectors, with the Group arranging over £26bn of mortgages annually. MAB has an 8.4%[3] market share of UK gross mortgage lending. Through the continued development of our technology ('MIDAS Platform') and our industry-leading expertise in customer capture and nurture, we anticipate sustained growth, with more firms choosing to join MAB. Additionally, the enhanced features and functionality of our new MIDAS Platform significantly reduce the administrative workload traditionally associated with mortgage arrangements. By automating these tasks, advisers can focus on what they do best - providing expert guidance and support to their customers.

Through a combination of organic growth and selective mergers and acquisitions (M&A), we aim to capitalise on emerging opportunities and drive significant expansion. Our goal is to double both revenue and market share over the medium term, reinforcing our position as a market leader whilst shaping the future of the intermediary sector.

[3] Market share of new mortgage lending based on first charge mortgage completions, secured personal loans (second charge mortgages), Later Life Lending mortgages and bridging finance.

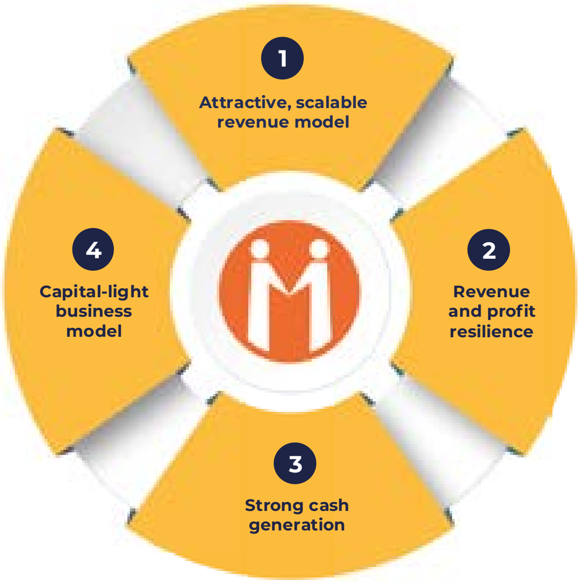
ABOUT US & OUR MARKET
CONTINUED

MAB FINANCIAL MODEL

MAB operates a scalable platform model with proven revenue and profit resilience.

		CAGR 2014-2024
1	Revenue	17%
	Adjusted PBT	14%
2	AR firms with contracts for 5+ years	>90%
	Yearly cases from existing clients	~40%
3	Cash conversion rate[1]	100%+
4	Dividends paid since IPO	£125m
	150% of market capitalisation at IPO	

1 Adjusted cash conversion is adjusted cash generated as a percentage of adjusted operating profit



1. Attractive, scalable revenue model

Our platform model is built on MAB retaining a share of the revenue generated by advisers within our AR firms. Revenue is derived by the following products:

Mortgage Procuration Fees (40% of 2024 revenue). These are paid to MAB by lenders either via the L&G Mortgage Club or directly to MAB.

Insurance Commissions (39% of 2024 revenue). From advised sales of protection and general insurance policies.

Client Fees (19% of 2024 revenue). Paid by the underlying customer for the provision of advice on mortgages and other loans.

Other Income (2% of 2024 revenue). From services provided to directly authorised entities, fees in relation to Later Life Lending and Wealth and ancillary services such as conveyancing and surveying.

Since the Company's IPO in 2014, we have achieved a 17% CAGR in revenue despite frequently challenging economic and geo-political conditions. This track record highlights our resilience and ability to thrive in all market environments.

2. Revenue and profit resilience

Nearly all our AR firms have contractually committed to working with MAB for a minimum of five years. These long-term partnerships provide excellent income security and visibility in contract, while enabling us to support these firms in scaling their operations and enhancing their resilience.

Whilst the housing market's health is relevant to MAB, approximately 45% of our annual approved mortgage cases come from refinancing. Our client retention is a strategic priority and our client bank expands each year as MAB and its ARs continue to generate strong lead flows, reinforcing long-term stability and growth.

3. Strong cash generation

All fees and commissions are paid directly to MAB. After deducting its share, MAB distributes the remaining revenues to AR firms, who then compensate their advisers and cover additional expenses such as lead sources.

Working capital dynamics are, therefore, very attractive, generating strong cash flow from operations and consistently achieving an adjusted cash conversion[1] rate of well over 100%.

4. Capital-light business model combined with highly profitable equity investments

MAB operates a capital-light AR platform model, maintaining a consistently modest net debt position and low leverage. This financial strength has enabled us to make selective equity investments in top-performing companies. We collectively refer to these subsidiaries and associates as our 'invested businesses'. Together, they provide MAB with enhanced revenue security and influence over operational and financial decisions.

Returns from these investments have been reinvested to enhance our value proposition, including advancements in technology and best practices, which also benefit our AR platform model.

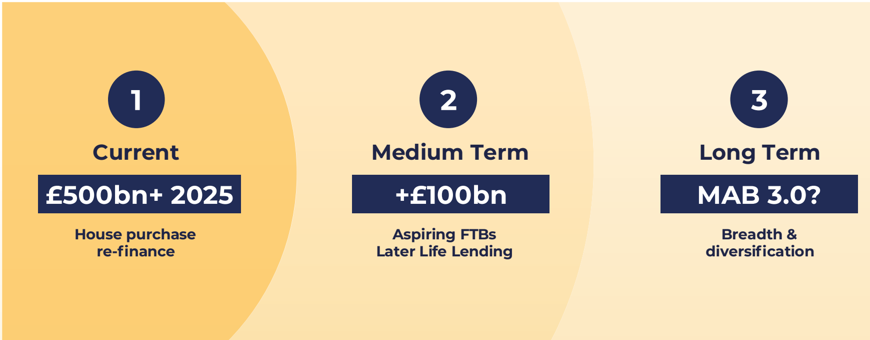
This hybrid model fosters a virtuous circle, driving operational efficiencies, synergies, and scalability while strengthening MAB's operating leverage. Since the Company's IPO, we have returned £125 million in ordinary dividends - equivalent to 150% of our IPO capitalisation - demonstrating our commitment to delivering strong shareholder returns.

ABOUT US & OUR MARKET
CONTINUED

Market Review

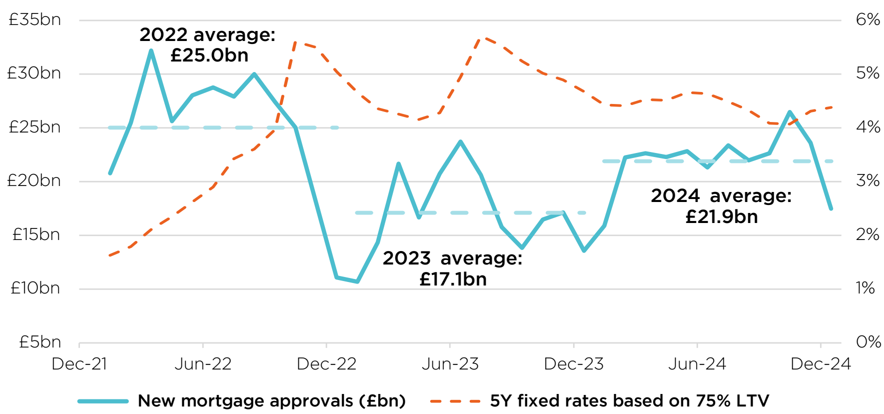
We estimate MAB's current total addressable market (TAM) exceeds £500bn annually. This includes gross purchase and remortgage lending of £260bn in 2025, along with £254bn in Product Transfers (source: UK Finance). Additionally, we see significant medium term growth opportunities from market innovation, including First Time Buyer support, Later Life Lending and our Resilient Homes initiative, which supports homeowners with energy efficiency improvements.

Current TAM | **£500bn+** and growing



2024 marked a recovery year following a softer market in 2023, when new mortgage approvals fell 32% in value compared to 2022 in the aftermath of the September 2022 mini budget. Mortgage approvals strengthened through 2024, ending the year 28% higher in value than 2023 but still 12% below 2022 levels.

New mortgage approvals and mortgage rates



Source: UK Finance, BoE

This resulted in £242bn of gross new mortgage completions in 2024, a 7% increase from 2023 but still 23% below the £313bn recorded in 2022. The purchase segment rose by 20%, reflecting some release of pent-up demand, while the remortgaging segment saw a slight decline as refinancing decisions continued to be deferred – though trends improved in the second half of the year. UK Finance[4] forecasts an 11% rise in gross new lending for 2025, which we view as a realistic expectation.

UK Gross new mortgage lending by segment, £bn[5]

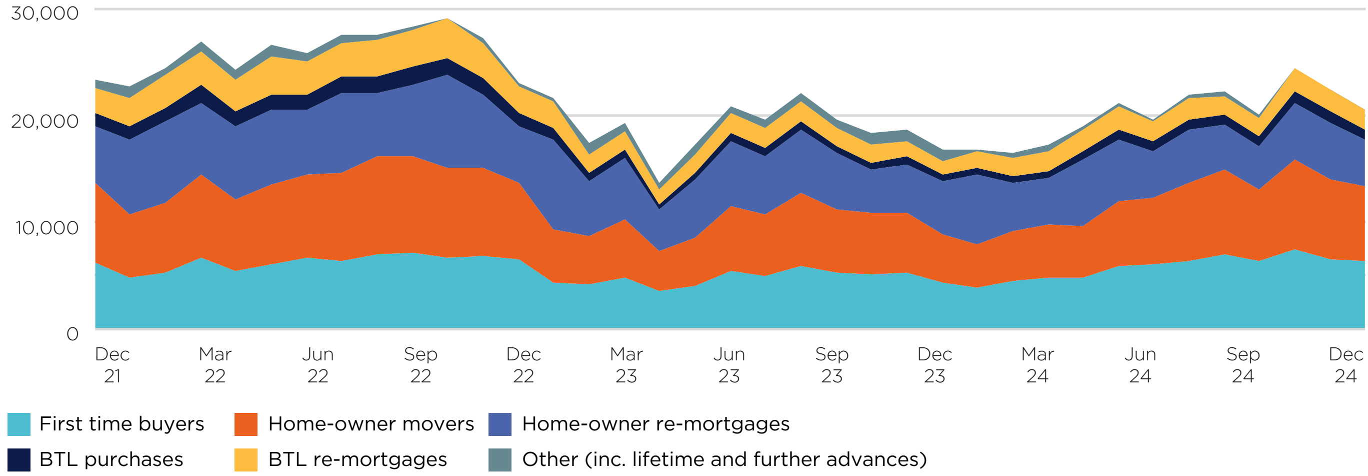
	2024	2023	%
Residential purchase	146	121	20%
BTL purchase	10	9	19%
Purchase segment	**156**	**130**	**20%**
Residential remortgage	60	65	-8%
BTL remortgage	23	21	12%
Remortgage segment	**83**	**86**	**-3%**
Other	3	10	
Total Mortgage completions	**242**	**225**	**7%**

Source: UK Finance

[4] UK Finance Mortgage Market Forecasts published December 2024.
[5] UK Finance regularly updates its actuals of gross new mortgage lending based upon the latest available data.

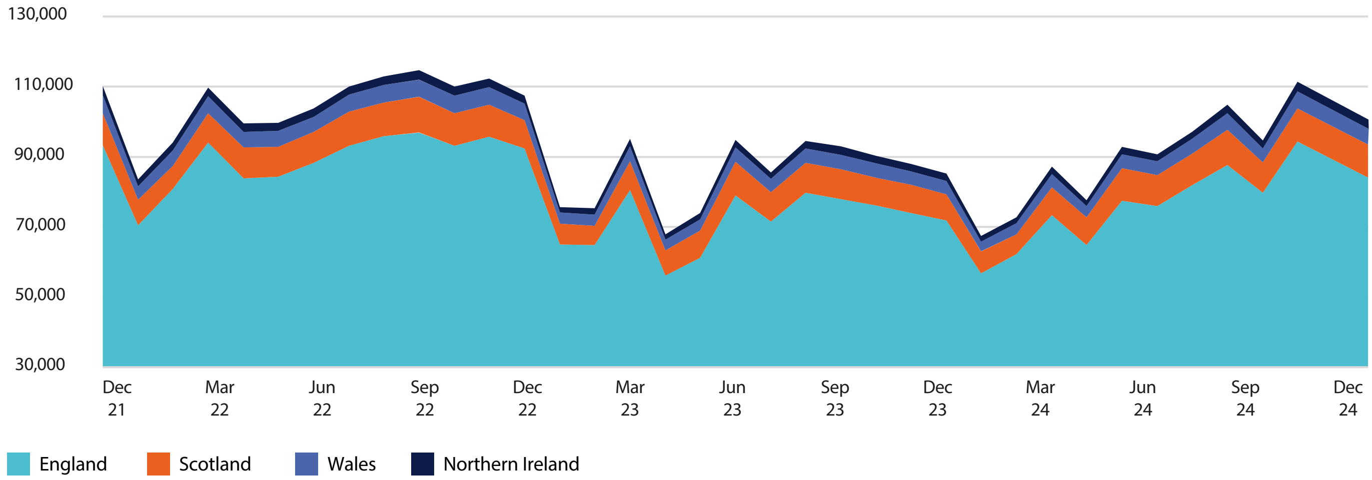
ABOUT US & OUR MARKET
CONTINUED

New mortgage lending by purpose of loan (£m)



UK property transactions increased by 8% in 2024, reaching 1.1m, highlighting the market's continued resilience. However, activity levels remain below the long-term pre-global financial crisis average of approximately 1.3m transactions per year. House prices rose by an average of 1.3% in 2024 compared to 2023, providing a modest boost to mortgage lending. UK Finance forecasts a 10% increase in purchase lending for 2025 as affordability improves.

UK property transactions by volume (000s)



Remortgaging activity remained subdued in 2024, as affordability constraints limited customers' ability to refinance on the open market. Product Transfers totalled £218bn, down 9% from 2023, with many borrowers opting to stay with their existing lenders. However, more fixed-rate products are set to expire in 2025 and with affordability improving, refinancing activity is expected to pick up. UK Finance forecasts a 30% increase in remortgage lending and 13% growth in Product Transfers in 2025.

The share of UK residential mortgage transactions facilitated by intermediaries (excluding Buy to Let, where intermediaries have a higher market share, and Product Transfers, where intermediaries have a lower market share) rose slightly to 87.4% in 2024 (2023: 86.7%), reflecting the continued demand for expert advice, choice, and support in an increasingly complex macroeconomic environment. The Intermediary Mortgage Lenders Association (IMLA) anticipates intermediary market share to grow further in 2025-26.

ABOUT US & OUR MARKET
CONTINUED

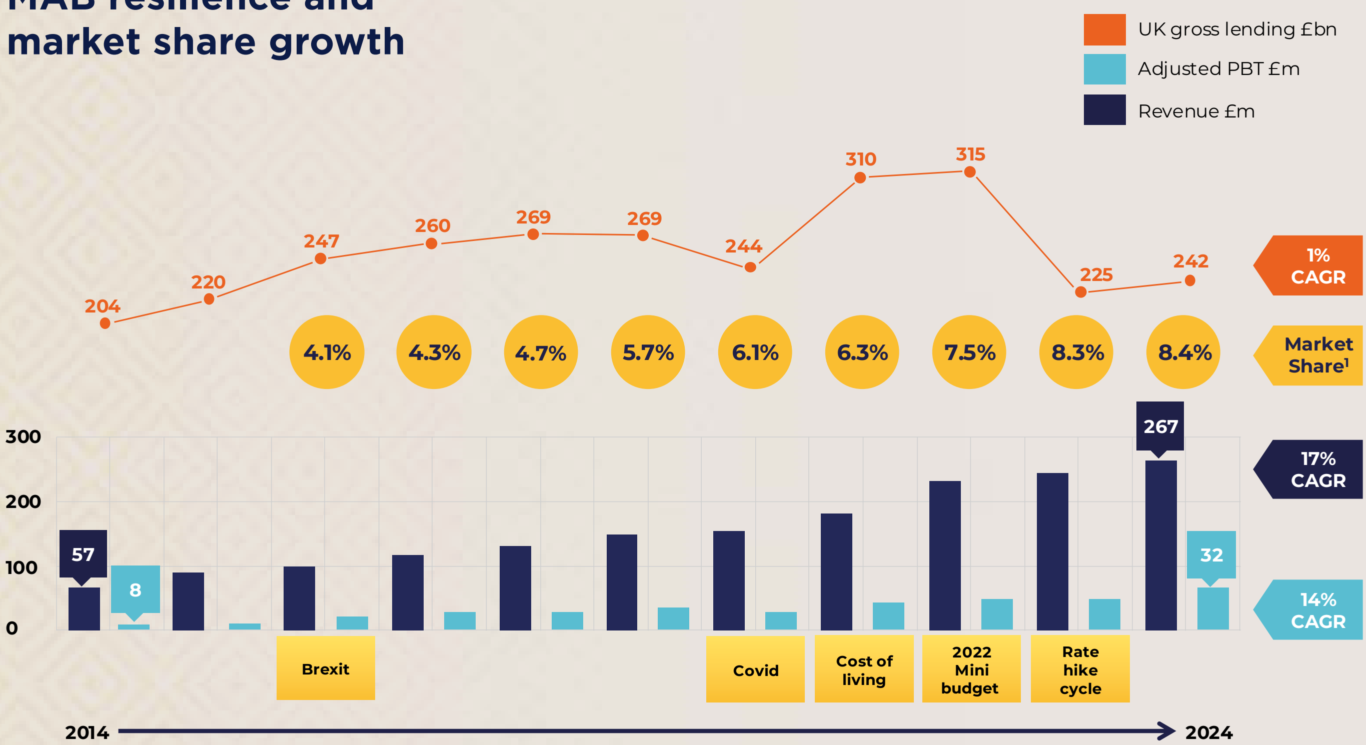
Our performance since IPO

Since the Company's IPO in 2014, we have achieved a 17% CAGR in revenue despite frequently challenging economic and geopolitical conditions. Our market share has increased each year to 8.4%[1] in 2024, highlighting our ability to grow and outperform the market in all conditions.

Ongoing investment in technology and lead generation continues to enhance the Group's resilience, efficiency and diversification. Additionally, MAB's selective investments and acquisitions have enabled expansion into new build, shared ownership and national digital lead sources, further strengthening its market position.

This strategy has proved highly complementary to our AR network model. Importantly, our strong revenue performance has translated into 14% CAGR in adjusted PBT over the same period.

MAB resilience and market share growth

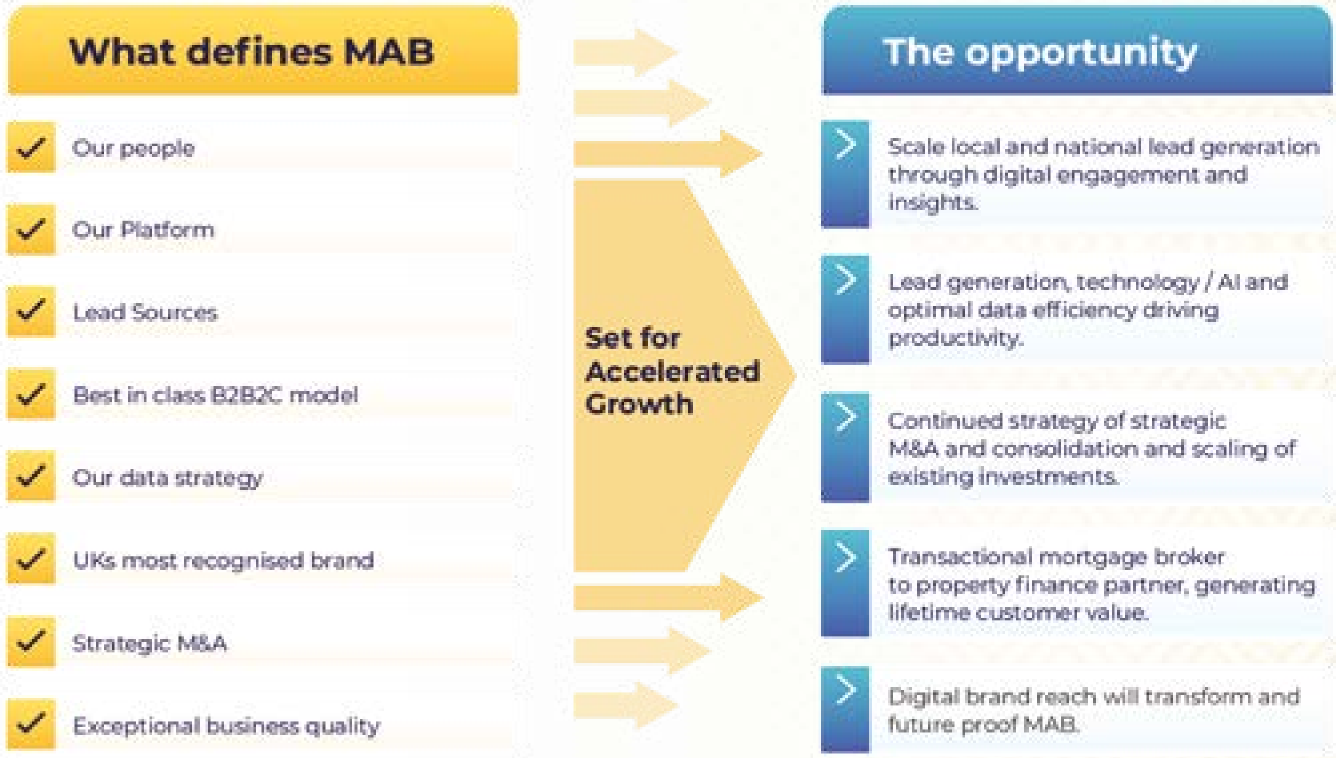


1 Market share represents first charge mortgage completions, excluding secured personal loans (second charge mortgages), later life lending mortgages and bridging finance

ABOUT US & OUR MARKET
CONTINUED

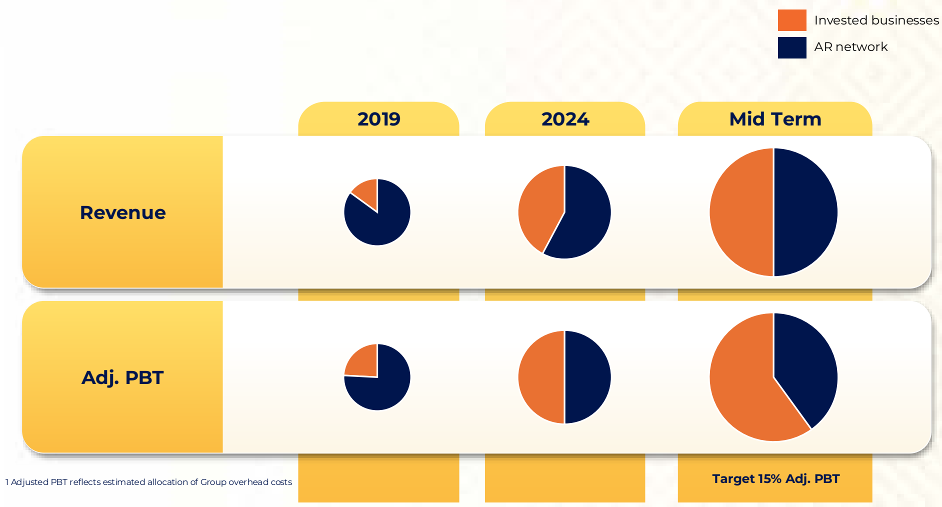
MAB 2.0: set for accelerated growth

We have laid the foundations for MAB 2.0, and our deliberate strategy – driven by continuous innovation and investment – positions us strongly for accelerated growth.



Improving quality of earnings through growth of invested businesses

Our invested businesses have become increasingly significant contributors to the Group's revenue and profit. With higher average productivity and profitability than our wider AR network, we expect the impact of our invested businesses to grow further. As we continue investing, we are building a more balanced, resilient, and profitable business for the long-term.



CHAIR'S STATEMENT

MIKE JONES
CHAIR

It is a pleasure to present my first Chair's statement at a time of continued success and ambition for the business. Over the past year, we have delivered a strong financial performance, reinforced our market leadership and demonstrated the value that we create for our customers and all our stakeholders.

Since joining the Board as an independent Non-Executive Director four years ago, I have witnessed first-hand the resilience and adaptability of MAB in navigating a rapidly evolving mortgage market. From the challenges of Covid and the cost-of-living crisis to the mini budget and interest rate fluctuations, the Group has remained steadfast in its strategy while continuing to invest in shaping the future of the intermediary sector for the benefit of customers.

2025 marks the start of the next stage of our journey, with a commitment to significant medium-term growth for the benefit of all our stakeholders. These ambitions were outlined by our Executive Team at our recent Capital Markets Day at the London Stock Exchange – this was an important milestone for MAB, coming just over a decade since we listed on AIM.

The Board is now evaluating the Company's potential transition to the Main Market, with the ambition of securing inclusion in the FTSE 250 Index. This step should open access to a broader investor base and further enhance the Group's market profile. However, we are committed to ensuring that any transition is both strategic and responsible, with timing dependent on continued strong performance.

2024 performance

Market expectations for interest rate cuts were postponed during the year, delaying the anticipated recovery in purchase and refinance activity. Despite this, UK gross mortgage lending rose by 7.3% in 2024[1] compared to 2023. Against this backdrop, our revenue grew by 11.3% to £266.5m - an impressive performance that reflects our strong market position. Our market share in first charge mortgage lending also increased to 8.4% (2023: 8.3%).

Adjusted PBT increased by 38.0% to £32.0m in 2024, including a higher level of strategic spend, positioning MAB more strongly for accelerated growth. Adjusted earnings per share was 39.2 pence on a fully diluted basis, an increase of 32.4% on 2023. The Group remains highly cash generative, with an adjusted cash conversion of 120%. Net debt at year end was a modest £9.7m reflecting our disciplined approach to financial management.

Strategic progress

In February 2025, the Company hosted a Capital Markets Day for shareholders and prospective investors. The event featured updates from the Executive Team – and from some of our Appointed Representatives - on strategy, growth plans, technology and lead generation initiatives. Further details can be found in the "Chief Executive review".

The Board has set ambitious medium-term growth targets, including plans to double both revenue and market share. We are confident that these targets are achievable.

Capital allocation framework and dividend policy

To support these growth objectives, the Board approved a new capital allocation framework, transitioning from the previous payout-based dividend policy to a progressive dividend policy that has no specific payout ratio target. This revised approach reflects our desire to optimise the mechanism by which capital is returned to shareholders and ensure sufficient capital is available to fund growth opportunities.

Surplus capital that is not required to fund organic business investment, ordinary dividends, or potential inorganic investment opportunities will be returned to shareholders as additional returns over and above ordinary dividends. Such distributions are expected to be made via share buybacks or special dividends.

The Board is pleased to recommend the payment of a final dividend for the year of 14.8 pence per ordinary share. This brings the total proposed dividend for the year to 28.2 pence per ordinary share (2023: 28.1p) a year-on-year increase of 0.4%. The final dividend will be paid, subject to shareholder approval, on 27 May 2025.

In respect of 2025, the Board currently expects to pay a dividend of approximately 50% of adjusted post-tax and minority interest profits. Approximately one-third of the expected full-year dividend being paid in November 2025, following the announcement of the Group's interim results. The remaining two-thirds will be paid, post approval, following our Annual General Meeting in May 2026. The Board is committed to a progressive dividend policy thereafter.

Environmental, Social and Governance (ESG)

MAB continues to strengthen its sustainability approach, focusing on: Environmental Leadership and Advocacy, Social Responsibility and Strong Governance and Oversight.

The ESG section of the Annual Report highlights the excellent progress we have made in 2024, including the launch of Resilient Homes - a pioneering initiative designed to connect homeowners with solutions to improve their homes' energy efficiency.

Board changes

I succeeded Katherine Innes Ker as Chair of the Group on 22 May 2024, having joined the Board in March 2021. I also chair the Group Risk Committee (GRC) and the Nomination Committee.

Rachel Haworth became an independent Non-Executive Director of the Company with effect from 1 May 2024. Rachel chairs the Remuneration Committee and serves on the Audit, Nomination and Group Risk Committees.

David Preece, Non-Executive Director, has decided not to seek re-election at the next AGM.
I would like to thank David for his enormous contribution to MAB as an Executive Director from 2004 to 2019 and as a Non-Executive Director since 2019.

The Board intends to add two additional Independent Non-Executive Directors.

Emilie McCarthy became Chief Financial Officer (CFO) of the Group with effect from 22 May 2024. Emilie succeeds MAB's previous CFO, Lucy Tilley, who I would like to thank for her significant contribution and commitment to the business over nine years.

Paul Gill, Chief Risk Officer, will be joining the Board as an Executive Director, subject to regulatory approval[1].

Looking ahead

2025 has begun on a positive note, with expectations of a steady increase in purchase transactions throughout the year. Refinancing is expected also to be a key driver of activity in both 2025 and into 2026. We are seeing growing optimism among many of our ARs and expect a return to organic growth in adviser numbers while also continuing to enhance adviser productivity.

I look forward to working with the Board to help MAB achieve its ambitious growth plans, and ensuring more customers can achieve their homeownership goals.

Mike Jones
Chair

17 March 2025

[1] Paul Gill was appointed to the Board on 18 March 2025

CHIEF EXECUTIVE REVIEW

PETER BRODNICKI
CHIEF EXECUTIVE OFFICER

Overview of 2024

2024 started positively, with lower mortgage rates fuelling optimism and expectations of rate cuts through the year. However, delays in these cuts slowed the anticipated rebound in house purchase and refinance activity during the first half of the year. Following the General Election in July, swap rates and mortgage pricing eased, only to climb again towards the year-end as markets digested Labour's first budget in 14 years, set against a backdrop of global uncertainty around US trade policy and inflation.

Despite these challenges, MAB achieved strong financial growth in 2024. Revenue for the year rose by 11.3% to £266.5m (2023: £239.5m), outpacing the 7% growth in UK gross lending over the same period[1]. Profitability, as measured by adjusted PBT, also saw a significant increase of 38.0%, rising from £23.2m in 2023 to £32.0m in 2024.

In 2024, MAB continued to invest in technology and digital marketing ('strategic spend') to drive organic growth. MAB remains well-positioned for sustainable growth and has proved to be resilient in adverse and subdued market conditions. We have a strong focus on future-proofing our business model to align with evolving customer preferences in how they research, receive advice and conduct transactions seamlessly. For us, how we grow is just as important as how fast we grow, and our deliberate strategy positions us uniquely to capitalise on the significant and growing opportunities we generate.

We maintain our focus on adviser productivity, achieving significant improvements in 2024. Productivity, as measured by revenue per adviser, increased by 12.3% from £123.5k to £138.7k over the period. Enhancing productivity remains a key priority, with technology and lead generation playing a crucial role in driving further operational efficiency and revenue growth.

Lead generation and lifetime customer value

MAB has been built on a foundation of providing exceptional service for introducer lead sources and their customers. We have further strengthened this commitment by investing in early customer engagement, data analytics and profiling, to gain deeper insights into the needs of both existing and future customers. These enhancements not only improve the customer experience but also drive greater lifetime value.

We have added digital lead generation to drive additional lead flow from existing lead sources, including early-stage researchers that are not yet ready to speak to an adviser. This enables us to guide customers on their journey to become mortgage-ready, enhancing early engagement and converting a greater percentage of opportunities into completed business. Through our proprietary technology ('MIDAS Platform'), we track the effectiveness of this approach. Customer referrals from existing lead channels have increased, and we continue to optimise this engagement strategy to maximise lead conversion.

Customer retention remains a key priority, with approximately 40% of our annual mortgage applications coming from returning customers who have transacted previously with MAB ARs. As the client bank continues to expand, so do retention opportunities, enabling our ARs to strengthen long-term relationships with customers and drive sustainable growth. To support this, in 2024, MAB invested in a 'Mortgage Monitoring' tool, which is primarily designed to help ARs be more successful at communicating with, and retaining, more customers. This has been rolled out across all our ARs and is particularly timely given the high volume of mortgage maturities forecast in 2025. This tool provides monthly updates to clients and continuously scans the market, alerting customers as to

[1] (Source: UK Finance)

when securing a new mortgage deal would be beneficial. This innovation is expected to enhance retention while delivering a superior customer experience at minimal cost.

National, local and organic lead sources

The acquisition of Fluent strengthened MAB's market position, providing access to national lead sources and new digital channels, including strategic partnerships with MoneySuperMarket and Compare the Market. Building on that foundation, we have continued to expand and enhance our national lead sources. Together, these partnerships enable us to engage with customers early in their research process, leveraging data-driven insights to tailor our services and enhance lead conversion.

Lead generation – acquiring new customers, retaining existing ones, and increasing customer lifetime value – remains a key point of differentiation for MAB. Combined with our 'MIDAS Platform' technology, lead generation is a critical driver of adviser productivity and AR growth, performance, and retention. As technology and Artificial Intelligence (AI) continue to evolve, they will play a pivotal role in how our partner firms acquire, retain, and maximise value for their customers.

We plan to continue investing in these areas, ensuring MAB's business remains futureproofed and continues to deliver strong, sustainable, and profitable growth over the long term.

Contribution from our invested businesses

MAB operates a capital-light AR platform model, maintaining a consistently modest net debt position and low leverage. This financial strength enables us to make selective equity investments in top-performing companies. We collectively refer to these subsidiaries and associates as our 'invested businesses'.

Returns from these investments have been reinvested to enhance our value proposition, including advancements in technology and best practices, which significantly benefit our AR platform model. This hybrid model fosters a virtuous circle, driving operational efficiencies, synergies, and scalability while strengthening MAB's operating leverage.

MAB has built a strong portfolio of associates and subsidiaries, having acquired minority and majority stakes as well as making full acquisitions. These strategic investments enhance our market position in key specialist areas, including new-build mortgages and digital customer lead generation, reinforcing our leadership and expanding our capabilities. These investments are complementary to, and supported by, the growth of our core platform AR model.

The contribution to Group revenue and profit from our invested businesses has grown significantly since 2019 and is expected to continue increasing. On 29 May 2024, MAB acquired the remaining 20% stake in our subsidiary First Mortgage Direct (FMD) for £9.3m.

Each acquisition is carefully aligned with a strategic objective. In 2022, our investment in Fluent marked a deliberate strategic move towards acquiring new customers through national and digital lead sources, including via Price Comparison Websites (PCW). The acquisition of Fluent was immediately followed by a very challenging macroeconomic period triggered by the 2022 mini budget. However, by focusing on returning the business to growth, we are pleased to report that Fluent delivered £4.4m in adjusted profit before tax (PBT) in 2024, an encouraging turnaround from a £1.1m loss in 2023. Fluent is now well-positioned for continued growth and plays a fundamental role in the Group's strategy for national lead sources.

We also plan to scale organically our invested businesses, increase our shareholdings, and streamline operations by consolidating them under unified brands where it is strategically beneficial to do so. The productivity and profitability of our invested businesses significantly exceeds those of our AR network, and we expect them to make an increasing contribution to the Group's overall performance and long-term growth.

Technology and AI

While many industry players are shifting away from in-house solutions, proprietary technology remains central to our strategy. Our continued investment in 'MIDAS Platform', our proprietary technology platform, strengthens our ability to optimise operational efficiency and drive revenue growth from new lead flow, lead nurture, customer retention, adviser productivity and customer lifetime value.

We firmly believe that technological advancement and AI will revolutionise our industry. By retaining control of our technology, we can innovate freely, develop tailored solutions, and seamlessly integrate with our chosen partners, ensuring we stay ahead in a rapidly evolving market.

MAB recognises the growing importance of early customer engagement, which often starts well before they are ready to transact. A key focus area of 'MIDAS Platform' is enhancing the technology experience for both Advisers and customers. We have already achieved significant time savings through innovations such as automated disclosures, document sharing, direct decision-in-principle, and a customer-facing fact find that enables pre-filled data. Our goal is to cut the time required to complete a house purchase mortgage in half by the end of 2025 and achieve a further meaningful reduction in the medium term, leveraging the additional benefits of AI.

Upcoming upgrades will further enhance AR efficiency and have the potential to boost adviser productivity, reinforcing our commitment to a faster, smarter, and more seamless mortgage process.

Our roadmap incorporates greater automation and AI functionality to drive growth and enhance operational efficiency across the business. These advancements will futureproof our model and reinforce our leadership position in the intermediary sector.

We see AI making a significant impact in four core areas:

1. **Lead triage and nurturing** – improving customer engagement and conversion.
2. **Advice** – leveraging a "guardian angel" tool to support both advisers and customers.
3. **Operational efficiency** – streamlining central processes to enhance productivity.
4. **Compliance and audit** – ensuring accuracy, consistency, and regulatory adherence.

By embracing these innovations, we are shaping the future of mortgage advice and customer experience.

Adviser productivity and growth

Adviser numbers and adviser productivity are key drivers of MAB's organic growth. Now that the housing and mortgage markets have stabilised and show signs of sustainable recovery, AR confidence is returning. As a result, we anticipate recruiting new ARs into our network, while existing ARs are expected to fill more adviser vacancies, driving overall adviser growth. We are also forecasting stronger adviser productivity.

Additionally, our invested businesses have significantly higher adviser productivity than the average of our AR network and by sharing best practices and enhancing AR productivity through improvements in the 'MIDAS Platform' and AI, we expect to elevate performance levels across the Group.

FCA Regulation

Consumer Duty

MAB is committed to delivering the right outcomes for customers in accordance with the FCA Consumer Duty rules. These regulations, which emphasise customer-centric practices, are embedded in our operations and actively overseen by senior leadership. This ensures we consistently uphold the highest standards of consumer protection, reinforcing trust and long-term customer relationships.

Pure Protection - Market Study

In August 2024, the FCA announced a market study into the Distribution of Pure Protection Products to Retail Customers. Delivering good customer outcomes has always been at the heart of MAB's strategy and culture. We view this as a positive initiative for the market, as clearer governance aligns with, and supports, our commitment to high standards, transparency, and customer-centric practices across the Group.

As with Consumer Duty, we fully support elevating industry standards. We believe that raising the bar will drive market consolidation, presenting a strategic opportunity for MAB.

CHIEF EXECUTIVE REVIEW
CONTINUED

Simplifying responsible lending and advice rules for mortgages

The FCA is taking steps to improve access and flexibility for mortgage borrowers. The regulator has reminded firms of the flexibility within its rules, particularly regarding affordability stress testing. Currently the stress testing applied by lenders prevents a significant number of renters from becoming First Time Buyers (FTBs). The FCA will very shortly launch a Call for Evidence on current and alternative approaches to stress testing.

In a pro-growth environment, and especially in a falling interest rate environment, we believe that any changes in this area will lead to more successful FTB applications. We welcome this move by the FCA.

Additionally, the FCA will soon consult on ways to make it easier for customers to:

- Remortgage with a new lender
- Reduce their overall cost of borrowing through term reductions
- Discuss their options with a firm outside of a regulated advice process

Throughout this work, the FCA will work closely with HM Treasury, the Bank of England, the Financial Policy Committee, and the Prudential Regulatory Authority. For a variety of reasons, we strongly welcome the FCA's focus on these matters and will closely monitor developments with interest.

Advancing MAB's sustainability strategy

MAB continues to enhance its sustainability approach, with a focus on:

- Environmental leadership and advocacy;
- Social responsibility; and
- Strong governance and oversight.

In 2024, our key activities included:

- Supporting energy-efficient homes through tailored advice and funding solutions.
- Promoting the adoption of 'Green Mortgages', by collaborating with lenders and advisers to increase accessibility and awareness.
- Enhancing internal climate risk governance by embedding ESG considerations into decision-making at all levels.

Resilient Homes

In 2024, MAB launched Resilient Homes, a pioneering initiative that connects homeowners with solutions to improve their homes' energy efficiency. Through MAB's Resilient Homes proposition, we provide our ARs with the means to help customers explore upgrade opportunities via trusted and fully vetted partners, assess the associated costs, secure financing solutions, and access mortgage and protection advice. With 11.5 million owner-occupied homes across England and Wales – representing 72% of all households – there is a significant opportunity to support energy efficiency improvements. Resilient Homes strengthens our AR proposition while positioning MAB as a key player in advancing the UK's net-zero ambitions.

Approximately 50% of MAB mortgage customers acquire or remortgage properties with an EPC rating of D or below. If just 2% of these customers chose to implement energy improvements such as solar panels with battery storage, MAB advisers would facilitate greenhouse gas reductions of approximately 868 tCO_2 annually. This impact equates to planting approximately 34,720 mature trees each year or eliminating four million miles of standard car travel.

CHIEF EXECUTIVE REVIEW CONTINUED

While the Green Mortgage market is still maturing, and many customers have yet to fully engage or afford home energy improvements, we firmly believe this market will scale significantly as environmental concerns, energy costs, and climate change pressures become increasingly compelling.

MAB is already well-positioned for this shift, offering a comprehensive end-to-end solution while actively engaging customers and providing tailored mortgage advice on this important topic.

Green Mortgage growth
Green Mortgages are lender-defined products that include an incentive for borrowers to either purchase an energy-efficient property or improve the energy efficiency of an existing property. After a challenging 2023, green mortgage lending rebounded strongly in 2024, accounting for 7.6% of total lending – a 75% increase in value compared to the previous year. Growth was particularly strong in Q4, driven by greater lender innovation and rising consumer demand. Notably, Green Mortgages are increasingly being used for both new-build and older properties, indicating a market shift towards retrofit-focused lending solutions.

ESG performance monitoring
MAB has strengthened its ESG reporting framework by introducing a refined set of sustainability key performance indicators (KPIs). These KPIs include energy efficiency metrics related to mortgages, community engagement measures, and social impact related measures, ensuring greater transparency and accountability. A baseline was established in 2024, with improvement targets to be defined in 2025.

Climate risk integration
MAB has strengthened its climate risk management approach by embedding sustainability within its governance structure and risk framework. The Sustainability Committee, which includes senior leadership and executive directors, provides oversight on ESG matters and reports directly to the Audit Committee. In addition, climate-linked performance incentives have been introduced for senior leadership, reinforcing MAB's commitment to long-term sustainability goals.

2024 sustainability highlights:

- Customer experience: Feefo rating increased to 5 stars, with Trustpilot at 4.7, reflecting consistently high satisfaction levels.
- Community engagement: Expanded social impact initiatives from 13 to 17, with increased funding of £50,000 directed towards charitable and community-led projects.
- Total carbon emissions increased marginally from 335 tCO_2e to 340 tCO_2e (market basis), driven by higher gas consumption for office heating. However, electricity consumption decreased by 11%, and zero waste to landfill was maintained at HQ.
- Through our Resilient Homes proposition, we continue to integrate certified retrofit services into mortgage advice, helping customers explore energy efficiency improvements.

MAB remains dedicated to embedding sustainability across all areas of the business, ensuring alignment with evolving regulations, industry standards, and market expectations. Looking ahead, we will continue to refine our ESG strategy to enhance impact and accountability while collaborating with industry partners to drive innovation in sustainable home financing.

Medium-term growth targets

The Board has set medium-term growth targets that reflect our ambition to scale MAB and deliver significant value for stakeholders:

- Double revenue from that achieved in 2024
- Adjusted PBT margin of >15%
- Adjusted cash conversion of >100%
- Double market share (new mortgage lending)

Capital Markets Day

In February 2025 we hosted a Capital Markets Day at the London Stock Exchange for shareholders, prospective investors and analysts. Founder and Chief Executive Officer (CEO) Peter Brodnicki, Deputy CEO Ben Thompson, Chief Financial Officer (CFO) Emilie McCarthy and Chief Risk Officer (CRO) Paul Gill led the presentations of MAB's vision, business model and strategy and medium-term growth targets.

The event included presentations on:

- Mortgage innovation opportunities;
- Customer acquisition and lifetime value;
- Platform model, scalability and performance;
- Regulation and Consumer Duty;
- Growth and capital allocation; and
- Insights from our ARs.

CHIEF EXECUTIVE REVIEW
CONTINUED

Consideration of move to Main Market

The Board continues to evaluate a potential transition to the Main Market, with the ambition of securing inclusion in the FTSE 250 index. This step should open access to a broader investor base and further enhance the Group's market profile. We are committed to ensuring that any transition is both strategic and responsible, with timing dependent on continued strong performance. Further updates will be provided as appropriate.

Current trading and outlook

We experienced increased mortgage activity through much of the second half of 2024, a trend we expect to continue through 2025. During this period, the cost of borrowing and mortgage rates declined from recent highs, as the Bank of England Base Rate began to fall – from 5.25% to 4.75% at the end of the year and to 4.5% in February this year.

While inflation remains lower, it remains a factor to watch. However, when combined with real wage increases, we anticipate an improvement in mortgage affordability for all borrowers.

The release of pent-up demand became evident in Q4 2024, with mortgage applications rising by 15% compared to Q4 2023. According to UK Finance, gross mortgage lending is forecast to grow by 11% in 2025, while Product Transfers are projected to rise by 13%.

Re-financing will be a key driver of activity in the second half of 2025 and into 2026, fuelled by a large volume of maturing mortgage deals during this period. This surge is driven by 5-year fixed mortgages from the post-pandemic boom, and 2-year fixed deals from 2022/23, which saw high volumes immediately following the 2022 mini budget. Many of these mortgages were secured at higher rates, prompting borrowers to seek better terms as rates continue to decline.

The housing market is showing signs of recovery as affordability improves, driven by increased buyer activity and a higher volume of new properties coming onto the market in late 2024 and into 2025. If mortgage rates remain stable or decline further, and market confidence continues to grow, we anticipate stronger purchase activity in 2025. While housing transactions are still below long-term averages, a recovery from current lows appears increasingly likely.

We support the Government's growth agenda and its push to increase new housing development in the UK. MAB has a strong track record in new-build mortgages, and as this sector gains momentum – potentially in late 2025 – it should provide a significant tailwind for the Group. Additionally, we welcome ongoing discussions by the Government and UK regulators on reviewing mortgage lending policies to help more renters transition into First-Time Buyers. MAB has long supported this initiative, and we are eager to see how it develops.

Finally, the rollout of new technology enhancements and lead-generation initiatives is set to drive further growth in 2025. Many AR firms anticipate an increase in adviser numbers, alongside a continued focus on profitability through higher productivity levels.

We are well placed to deliver another year of strong revenue and profit growth.

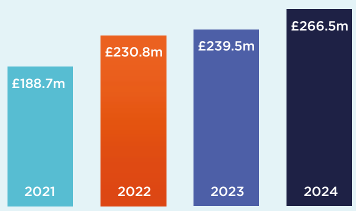
Peter Brodnicki
Chief Executive Officer

17 March 2025

FINANCIAL REVIEW

We measure the development, performance and position of our business against a number of key indicators:

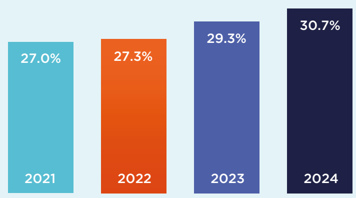
Revenue
£266.5m



Total income from all revenue streams.

Strategy/objective
Shareholder value and financial performance.

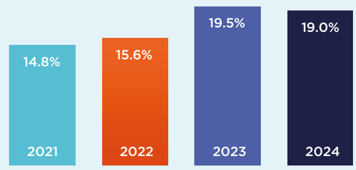
Gross Profit Margin (%)
30.7%



Gross profit generated as a proportion of revenue.

Strategy/objective
Managing gross margins.

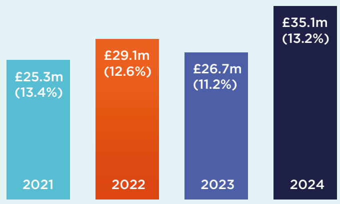
Administrative expenses ratio (%)
19.0%



Administrative expenses, depreciation and amortisation as a proportion of revenue.

Strategy/objective
Operating efficiency.

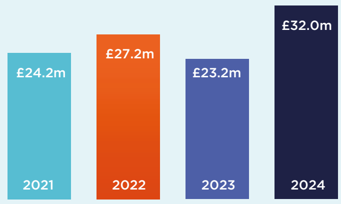
Adjusted EBITDA (Margin %)[1]
£35.1m (13.2%)



Earnings before interest, tax, depreciation and amortisation (Adjusted EBITDA as a proportion of revenue).

Strategy/objective
Shareholder value and financial performance.

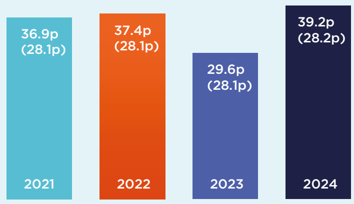
Adjusted PBT[1]
£32.0m



Adjusted profit before tax.

Strategy/objective
Shareholder value and financial performance.

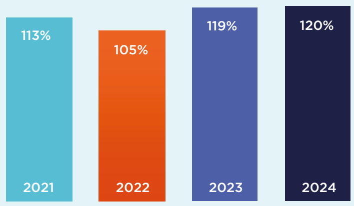
Adjusted Fully Diluted EPS (DPS)[1]
39.2p



Total comprehensive income attributable to equity holders of the Company, adjusted for exceptional items, divided by total number of fully diluted ordinary shares (Dividend per share).

Strategy/objective
Shareholder value and financial performance.

Adjusted Cash Conversion %
120%



Cash generated from operating activities adjusted for movements in non-trading items as a percentage of adjusted operating profit.

Strategy/objective
Financial stability.

Unrestricted cash balances / (Net debt)

Net cash / (debt)

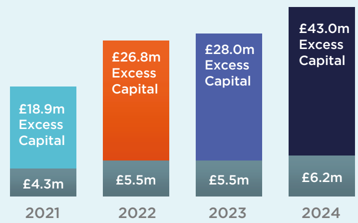
£17.6m £(16.2)m £(15.2)m £(9.7)m

Unrestricted cash balances

Bank balances at period end available for use in operations.

Strategy/objective
Financial stability.

Capital adequacy
£43.0m



Excess capital requirements over amounts required by the Financial Conduct Authority (FCA).

Strategy/objective
Financial stability.

[1] In addition to statutory reporting, MAB reports alternative performance measures ("APMs") which are not defined or specified under the requirements of International Financial Reporting Standards ("IFRS"). The Group uses these APMs to improve the comparability of information between reporting periods, by adjusting for certain items which impact upon IFRS measures, to aid the user in understanding the activity taking place across the Group's businesses. APMs are used by the Directors and management for performance analysis, planning, reporting and incentive purposes. A summary of APMs used and their closest equivalent statutory measures is given in the Glossary of Alternative Performance Measures.

FINANCIAL REVIEW
CONTINUED

EMILIE MCCARTHY
CFO

Revenue

The Group delivered strong growth in the year. Revenue was up 11.3% to £266.5m (2023: £239.5m) and continued to be generated from three core areas, as follows:

Income source (£m)	2024	2023	Change
Mortgage procuration fees	105.8	98.0	+7.9%
Protection and General Insurance (GI) commission	104.7	93.1	+12.4%
Client fees	51.2	43.4	+18.1%
Other income	4.8	5.0	-3.4%
Total	**266.5**	**239.5**	**+11.3%**

In addition, the business mix by lending value is set out below.

Business mix (%)	2024	2023	Change
Purchase	53%	47%	+6pp
Remortgage	25%	27%	-2pp
Product transfer	22%	26%	-4pp
Total	**100%**	**100%**	

This performance was driven by increases in all income areas and reflects a favourable shift in mortgage mix and continued focus on delivering great customer outcomes.

- Mortgage procuration fees rose by 7.9% to £105.8m, underpinned by a strong second-half performance and a higher proportion of house purchase transactions. The average mortgage size increased by 5.1% outpacing the average 1.3% rise in house prices between 2023 and 2024.
- Protection and General insurance commission grew by 12.4% to £104.7m, reflecting the key role that advisers play in enhancing customer outcomes and helping clients safeguard their homes – typically their most significant financial commitment. In 2024, the Protection attachment on approved mortgages remained at c38%.
- Client fees increased by 18.1% to £51.2m. This was driven by an increase in second charge mortgages within Fluent and greater house purchasing activity, which has a higher Client fee attachment rate.

The proportion of revenue from each income stream remained broadly consistent:

Income source	2024	2023
Mortgage procuration fees	40%	41%
Protection and General Insurance (GI) commission	39%	39%
Client fees	19%	18%
Other income	2%	2%
Total	**100%**	**100%**

Revenue per mainstream adviser (productivity)

Revenue per mainstream adviser grew 12.3% in 2024 from £123,500 to £138,700 driven by an increase in the proportion of advisers within our invested AR firms (who generate significantly above average revenue per adviser) – greater adoption of technology; and a reduction in the number of new advisers, who typically take 6-9 months to reach full productivity.

The productivity dynamic between invested and non-invested firms, particularly for first-charge mortgage products, is noteworthy.

In 2024, the first charge mortgage revenue (including procuration fee, protection and GI commission, and Client fees) per average mainstream adviser was c80% higher in invested firms than non-invested ARs.

	Average number of advisers	Productivity per adviser (£000s)
Invested AR firms	426	178
Non - invested AR firms	1,442	99

Gross profit and gross profit margin

Gross profit increased 16.7% to £81.9m (2023: £70.2m) with a gross margin improving 30.7% (2023: 29.3%). This growth was driven by a combination of operational efficiencies, an improved business mix, and contributions from high-margin subsidiaries.

The shift towards house purchases – where protection attachment rates are typically higher –further supported gross profit growth.

Margin expansion was also driven by the strong performance of MAB's higher-margin subsidiaries – FMD, Auxilium, and Vita. In these consolidated businesses, adviser employment costs are offset by retaining all revenue within the Group, resulting in gross profit margins well above our Group average. This emphasis on higher-margin subsidiaries is a core pillar of MAB's growth strategy, enabling continued investment in innovation, particularly in technology.

Fluent and FMD together contributed to a total margin improvement of £7.0m, Fluent accounting for £4.8m (c.41%) of the £11.7m increase, benefiting from the rightsizing of its cost base in H1 2023 and a higher lead conversion rate, with FMD accounting for £2.2m driven by a higher volume of Protection.

Administrative expenses

Administrative expenses increased by £3.8m (+8.2%) to £50.5m in 2024, reflecting ongoing investment in the Group's capabilities to support long-term organic growth.

During the year, £1.3m of software development costs relating to the 'MIDAS Platform' were capitalised for the first time, ensuring alignment between investment and future economic benefits. Adjusting for this capitalisation, the underlying administrative expense ratio remained broadly stable at 19.4%, compared to 19.5% in 2023.

The Group continues to invest strategically in technology and digital marketing, leveraging a combination of in-house expertise and third-party resources. These investments are expected to drive enhanced lead generation opportunities, greater operational efficiencies and therefore future revenue growth and future productivity.

The Group benefits from a relatively fixed cost base, where cost increases typically lag revenue growth, creating opportunities for operating leverage as the Group continues to scale.

FINANCIAL REVIEW
CONTINUED

Adjusted Profit Before Tax (PBT) and margin

Adjusted PBT increased by 38.0% to £32.0m (2023: £23.2m), with the adjusted PBT margin improving to 12.0% (2023: 9.7%). Excluding the capitalisation of 'MIDAS Platform' Capex, adjusted PBT was £30.7m, representing a 32.5% increase, with a corresponding margin of 11.5%.

The significant improvement in adjusted PBT margin was driven by a higher gross profit margin, combined with a broadly stable administrative expense ratio, reflecting the Group's ability to scale efficiently.

All areas of the business contributed to profit growth, with Fluent delivering a particularly strong performance, contributing £5.5m to the increase—clear evidence of the required business turnaround.

Adjusted profit before tax excludes costs associated with acquisitions and investments, including amortisation of acquired intangibles, non-cash operating expenses associated with the put and call option agreements on the Fluent and Auxilium acquisition and non-recurring restructuring costs.

Statutory profit before tax

Statutory profit before tax was £22.9m (2023: £16.2m), with £2.9m higher costs relating to acquisitions and investments offset by £0.5m of non-recurring restructuring costs in 2023. As a result, the margin on statutory profit before tax was 8.6% (2023: 6.8%).

Taxation

The effective tax rate on adjusted profit before tax is 25.3% (2023: 21.8%), primarily reflecting the full year impact of the increase in the prevailing UK corporation tax rate. The adjusted effective rate is broadly in line with the headline UK tax rate with non-deductible expenses being offset by untaxed profit from associates.

The tax charge of £6.8m (2023: £3.7m) represents an effective tax rate on statutory profit before tax of 29.7% (2023: 23.0%), which is higher than the headline UK corporation tax rate of 25% mainly due to disallowable acquisition related costs.

Earnings per share

In 2024, adjusted diluted earnings per share* was 39.2p (2023: 29.6p) and basic earnings per share increased to 27.6p (2023: 23.6p). In 2024 the 11.6p difference between adjusted and basic EPS is mainly due to £6.9m of acquisition related costs net of any tax impact attributable to the parent.

Dividend

The Board is pleased to propose a final dividend of 14.8.p per share (2023: 14.7p). This makes a proposed total dividend for the year of 28.2p per share (2023: 28.1p). This represents a cash outlay of £8.6m (2023: £8.4m). Following payment of the dividend, the Group will continue to maintain significant surplus regulatory reserves.

The record date for the final dividend will be 25 April 2025 and the payment date 27 May 2025. The ex-dividend date will be 24 April 2025.

As previously announced, the Board expects to pay a dividend of approximately 50% of adjusted post-tax and minority interest profits in 2025 and is committed to a progressive dividend policy thereafter.

Adjusted cash conversion

The Group's operations generate strong positive cash flow, as evidenced by the net cash from operating activities of £38.6m (2023: £29.7m). Adjusted cash conversion* was 120% (2023: 119%), which supports our expectation that adjusted cash conversion will continue to exceed 100%.

Capital adequacy

The Group enjoys significant headroom on the regulatory requirements of its regulated entities. The Group's regulatory capital requirement represents 2.5% of regulated revenue in regulated entities within the Group and increased to £6.2m at 31 December 2024 (2023: £5.5m) as a result of further growth in regulated activity. At 31 December 2024 the Group had headroom of £43.0m (2023: £28.0m) on its regulatory capital requirement, a 690% surplus.

Capital allocation

In February 2025 the Board approved a new capital allocation framework, transitioning from the previous payout-based dividend policy to a progressive dividend policy that has no specific payout ratio target. This revised approach reflects our desire to optimise the mechanism by which capital is returned to shareholders and ensure sufficient capital is available to fund growth opportunities.

The Group actively monitors its capital position, strategically allocating resources based on defined return criteria. Our capital allocation framework strikes a balance between funding growth initiatives and delivering returns to shareholders, as outlined below:

Financial resilience: Ensuring our regulated entities meet their capital requirements while maintaining a low level of Group leverage. In 2024 our surplus regulatory capital was £43.0m (2023: £28.0m) and our net debt was £9.7m (2023: £15.2m) equating to leverage of 0.3x (2023: 0.6x).

Organic growth investment: We define this as 'strategic spend', which we commit to future-proof MAB, including technology, AI, digital marketing and personnel. In 2024 the Group had a combined strategic spend of £8.4m, comprising £6.3m of technology spend (including £2.0m of Dashly minority acquisition investment), £1.6m of digital marketing spend and £0.5m spent on recruitment of new personnel.

Ordinary dividends: We expect to pay a combined £16.3m of dividends to shareholders in respect of 2024, with the final dividend payment expected on 27 May 2025.

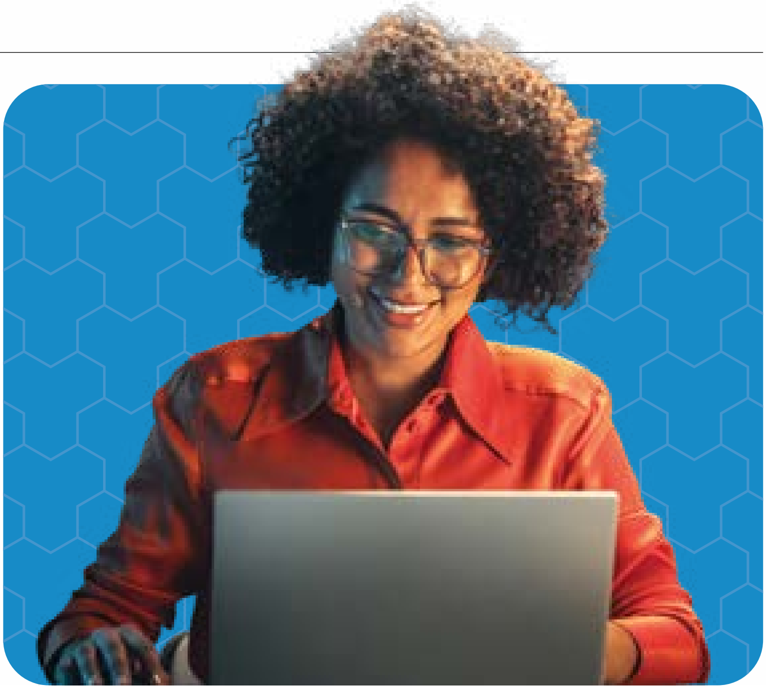
M&A: In 2024 we exercised the option to purchase the remaining 20% of FMD for a total cash consideration of £2.3m (plus £7.0m of shares issued) and £0.5m of deferred cash consideration paid to Fluent.

Surplus capital: In 2024 there were no additional distributions beyond ordinary dividends.

RISK MANAGEMENT

Our approach to risk management

Effective risk management is fundamental to our success. To ensure our approach is appropriate and robust, we have established an integrated Risk Management Framework (which is described below in more detail) that enables us to systematically identify, assess, monitor and manage risks arising from our activities.



The Group has a strong risk culture, which is central to this framework, fostering effective risk management that supports the Group in achieving its strategic objectives and delivering positive customer outcomes. Our Risk Management Framework, along with associated systems and controls, provides the Board with assurance that risks are managed appropriately and in line with the Board's defined risk appetite.

To support and reinforce this framework, the Board receives regular reports on risk management activities, providing assurance on the Group's risk position and the effectiveness of its systems and controls.

Risk Governance

The Board is responsible for overseeing risk management policies and practices, both directly and through its committees, including the Group Risk Committee (GRC). These policies are implemented through our Risk Management Framework, ensuring a structured approach to risk oversight. The Board also conducts an annual review and approval of our Statement of Risk Appetite, as outlined below.

Our Statement of Risk Appetite defines the types and levels of risk the Group is prepared to accept—or avoid—in pursuit of its strategic objectives, while ensuring compliance with regulatory requirements.

To maintain strong oversight, the Chief Risk Officer (CRO) provides regular updates on business-wide risks to the Board. The CRO reports directly to the CEO and the GRC, reinforcing accountability and transparency in risk reporting.

RISK MANAGEMENT CONTINUED

A well-established governance structure underpins our approach, ensuring clear lines of responsibility and accountability. This framework enables effective oversight, reporting, and challenge through the organisation, from the Board to its sub-committees, management and employees as shown in the table below:

AREA	RESPONSIBILITY
The Board	• Overall accountability for Risk Management within the Group.
Group Risk Committee (GRC)	• Approval of the Risk Framework, Statement of Risk Appetite and Principal Risks and Uncertainties. • Assess the effectiveness of the Risk Management Framework and effectiveness of systems and controls.
Risk & Compliance Committee (RCC)	• Oversight and challenge of the Risk Management Framework. • Review risks and outcome reporting, emerging risks and regulatory change.
First Line of Defence	• Ensuring risk management is part of business strategy and the culture within the Group. • Implementing and operating systems and controls to manage risk within appetite. • Identifying, assessing and reporting risks and incidents.
Second Line of Defence **(Risk Management Team)**	• Implementing and developing the Risk Management Framework across the Group. • Providing appropriate support, tools, training and policies to enable effective implementation of the framework across the Group. • Developing and maintaining a risk information suite to provide information to management on current and emerging risks for RCC and GRC. • Conduct independent oversight and challenge of risk related activities in line with the Combined Assurance Plan to challenge and test internal systems and controls.
All employees	• All employees have a requirement to comply with risk management policies and procedures.
Internal Audit	• Performing audits on the internal control environment in line with the Internal Audit Plan. • Identify and agree management actions. • Liaise with the Risk & Compliance functions to develop a risk based Combined Assurance Plan. • Report to RCC and the Audit Committee.

Risk management within the Group is overseen by the Board, which holds overall accountability. The Group Risk Committee (GRC) is responsible for approving the Risk Framework, Statement of Risk Appetite, and Principal Risks, while also assessing the effectiveness of risk management systems. The Risk & Compliance Committee (RCC) provides oversight and challenges the framework, reviewing regulatory changes and emerging risks.

At an operational level, the First Line of Defence ensures that risk management is embedded within the business strategy, implementing controls and reporting risks. The Risk Management Team, which sits in the Second Line of Defence, develops and maintains the Risk Management Framework, providing tools and oversight to support risk governance. All employees must adhere to risk policies, while Internal Audit independently evaluates internal controls, liaises with the RCC, and reports on audit outcomes to strengthen assurance.

Risk Management Framework

Throughout 2024, the Group has continued to invest in enhancing its risk management framework and resources, strengthening oversight and ensuring the effectiveness of the control environment. This framework enables the Group to monitor risks associated with its business activities, ensuring they remain within the Board's defined risk appetite. Any issues identified are addressed appropriately to maintain a robust risk posture.

The CRO, oversees the framework with the risk management team responsible for its day-to-day implementation and continuous improvement.

Risk appetite

Risk appetite defines the level and types of risk that the Group is willing to accept to achieve its strategic objectives. It is shaped by factors such as market conditions, personnel, technology, regulatory requirements, and internal policies.

The 'Statement of Risk Appetite' is reviewed and approved by the Board at least annually. It acknowledges that while the Group has minimal or no appetite for risk in certain areas, calculated risk-taking is necessary in others to support strategic objectives and growth.

The Risk Management Framework comprises of 5 pillars, *described below:*

RISK MANAGEMENT CONTINUED

1. Risk identification

The Risk Management Framework outlines the Group's approach to identifying risks, recognising that this is an ongoing process in a dynamic market influenced by evolving regulations, cyber and technology risks, and shifting customer expectations.

Once identified, risks are recorded within the Group's Risk Management System (RMS) and managed through the cyclical procedures outlined in the framework. To support the identification and mitigating actions, risks are categorised into six categories:

- Strategic and market
- Legal and regulatory
- Conduct
- Reputational
- Operational, and
- Financial.

2. Risk assessment

The Group's risk assessment framework, embedded within the RMS, ensures a consistent approach to evaluating risks.

Risk and control assessments are conducted regularly by risk owners, allowing the risk management team to assess and report on the strength of the Group's control environment. This process helps identify areas requiring additional attention and ensures that necessary remedial actions are effectively implemented.

3. Risk evaluation

Following risk assessment, the Group evaluates each risk based on its likelihood and potential impact. This evaluation informs decision-making at all levels, ensuring that risk responses are proportionate and aligned with business objectives. By using quantitative and qualitative analysis, the Group ensures that risks are prioritised effectively, with clear escalation processes in place.

4. Risk treatment

Once assessed and evaluated, risks are managed through appropriate mitigation strategies. This may involve implementing new controls, strengthening existing processes, transferring risk through insurance or contractual arrangements, or in some cases, accepting risk within agreed tolerances.

The risk management team works closely with business functions to ensure that treatment plans are actionable, practical, and aligned with regulatory requirements.

5. Risk reporting

The Risk Management Framework ensures clear visibility of the Group's top risks and ongoing mitigation efforts. Regular risk reporting provides insights into the Group's overall risk position, monitors the effectiveness of controls, and identifies emerging risks. This reporting is submitted to both the Risk & Compliance Committee (RCC) and the Group Risk Committee (GRC), ensuring Board-level oversight.

There has been continued investment in the risk management resources and systems and controls team over the past three years and the Group is focussed on a plan to ensure MAB moves towards a fully integrated risk management approach across all Group entities.

Future enhancements

Key risks and evolving changes in areas such as cyber threats, operational resilience, customer expectations, technological advancements, supply chain management and internal controls underscore the importance of a strong risk management culture across the Group. By embedding this culture, alongside robust reporting and adherence to the Risk Management Framework, the Board is assured that risk management is effectively integrated in daily operations.

In 2025, the Group will continue to refine its Risk Management Framework and reporting processes to align with evolving risks and strategic objectives. A key focus will be on further strengthening and embedding internal controls, enhancing oversight and reinforcing the challenge process to maintain the highest standards of risk governance.

Principal Risks and Uncertainties (PRUs)

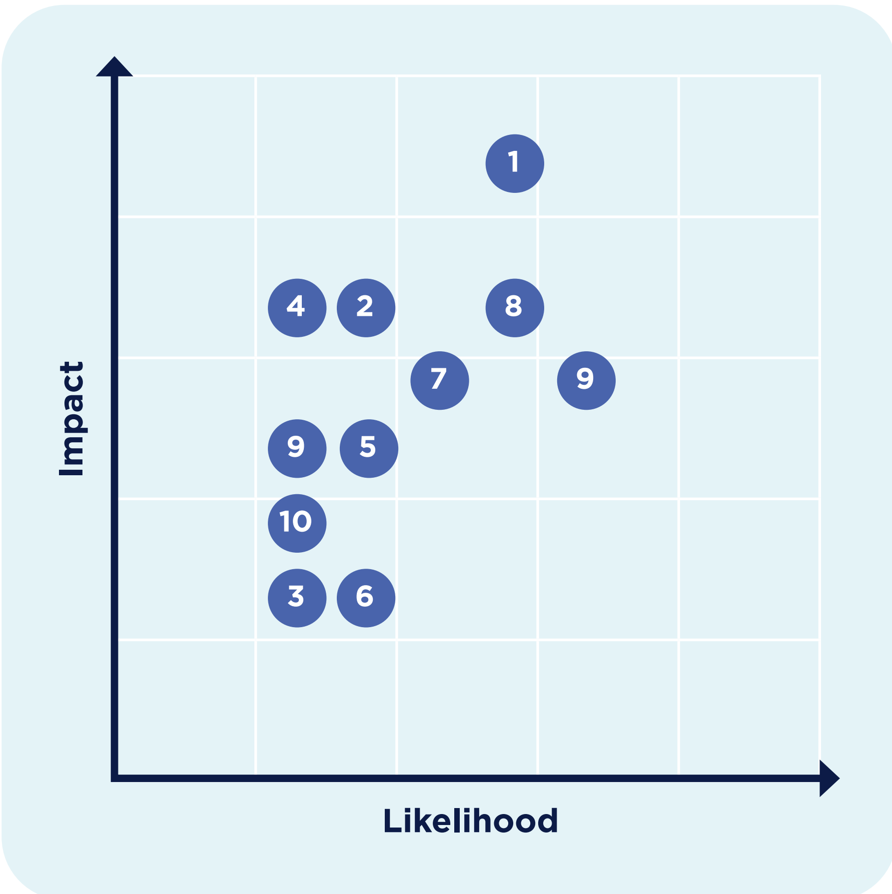
The Board has identified the Principal Risks and Uncertainties (PRUs) that could impact the Group's operations and its ability to achieve strategic objectives. Each risk is assigned a rating based on:

- The likelihood of it materialising at a level that could affect strategic objectives; and
- The potential impact on the Group should the risk crystallise.

This assessment considers the effectiveness of existing mitigating controls to ensure a balanced evaluation of risk exposure.

It is important to note that the identified risks are not exhaustive. As the business landscape evolves, new risks may emerge that have not yet been identified or assessed as materially significant. The Group remains committed to continuously monitoring and adapting its risk management approach to address emerging challenges.

Principal Risk & Uncertainties Heat Map



1. Geopolitical issues resulting in increasing global conflict
2. Macroeconomic
3. Climate Change
4. Regulatory Compliance
5. Consumer expectations and operating in a competitive market
6. Fraud
7. Cyber and Infosec
8. Infrastructure and its system
9. Supply chain dependencies
10. Brand and reputational performance

RISK MANAGEMENT CONTINUED

Risk Trend Matrix

- › Elevated Risk
- – Stable Risk
- ‹ Reduced Risk

The table below is the list of PRUs

	Key Mitigation / Controls:	2024 Activity:	Risk Trend
1. GEO-POLITICAL ISSUES RESULTING IN INCREASING GLOBAL CONFLICT			
STRATEGIC & MARKET			
Geopolitical tensions continue to pose risks to global trade, supply chains, market stability, and inflationary pressures. In particular, political shifts in the U.S. over the past 12 months have heightened uncertainty, increasing the likelihood of new challenges. These developments, alongside ongoing global conflicts and strained U.S.-China relations, could create additional challenges for businesses and customers alike.	• MAB Group conducts regular monitoring and horizon scanning of market conditions and works closely with industry trade bodies to ensure the best outcomes for customers and the industry. • MAB Group has no presence in the impacted regions, so the ongoing conflicts do not present a direct physical risk to the continuity of services.	Geopolitical risks remained a key concern throughout 2024. However, leveraging its experiences - particularly during the COVID-19 pandemic and the mini-budget - the Group has strengthened resilience measures, systems, and controls to operate effectively in a disrupted market environment. To ensure preparedness, the Group conducts regular going concern assessments, stress-testing financial resilience and leveraging lessons from past disruptions. By maintaining robust operating systems and risk controls, the Group remains well-positioned to navigate geopolitical uncertainties within the limits of its influence.	›
2. MACROECONOMIC			
STRATEGIC & MARKET			
The Group's performance is influenced by macroeconomic conditions affecting the UK housing market.	• Regular ongoing quality assurance activity within the first and second line of defence. • Strong relationships with lenders and providers to enable customers to have access to a broad range of products. • Going Concern Assessments are regularly performed to stress-test the Group's financial resilience against macroeconomic fluctuations.	The Group continues to regularly stress test its forecast through Going Concern Assessments and considers this against housing market changes and movements in Bank Base Rate. In the event of worsening economic conditions, the Group remains well-positioned to support existing and prospective customers, helping them navigate market challenges and maximise available opportunities. In 2024, the Group enhanced its management information capabilities, ensuring second-line oversight provides trend analysis and root cause identification. These improvements support proactive decision-making and help safeguard positive customer outcome.	–
3. CLIMATE RISK			
STRATEGIC & MARKET			
Climate change impacts the economy, housing market, and business operations through factors such as global warming, regulatory changes, evolving market expectations, and supply chain disruptions. The Group is committed to enhancing its ability to measure and manage climate risks, including monitoring its environmental impact. This risk is evaluated in the context of global climate events, market dynamics, and increasing regulatory expectations.	• The Group prioritises resilience, adaptation, and strategic alignment with shifting policies, market expectations, and investor priorities to address climate-related challenges. • MAB's Sustainability Committee, which reports to the Audit Committee and includes the Deputy CEO, CFO, and CRO, oversees all climate-related activities. This ensures climate risks are identified, integrated, and effectively managed across the business.	The Sustainability Committee was further embedded within the business as a core governance mechanism. Enhancements were made to the methodology for identifying, assessing, and managing climate-related risks, with an expanded scope to ensure MAB proactively adapts to the evolving impacts of climate change. For further details, please refer to the Climate Risk section of the "sustainability" section.	–

RISK MANAGEMENT CONTINUED

	Key Mitigation / Controls:	2024 Activity:	Risk Trend
4. REGULATORY COMPLIANCE			
LEGAL & REGULATORY			
The Group must comply with existing regulatory requirements while also anticipating, adapting to, and embedding new legislation, regulations, and industry standards. Failure to comply could result in reputational and financial damage, including potential sanctions from regulatory bodies such as the FCA (withdrawal of authorisations) and the Information Commissioner's Office (ICO) (imposition of censure and/or financial penalties).	• The Group maintains comprehensive policies and procedures to ensure adherence to regulatory requirements. • The Risk and Compliance team's activities provide assurance around new and existing regulation. • The Group engages in ongoing dialogue with key regulatory bodies and industry organisations to remain aligned with evolving expectations.	During 2024 we monitored and responded to all applicable regulatory publications while maintaining engagement with the FCA and our trade bodies on key regulatory matters. Following the implementation of Consumer Duty requirements, the Group enhanced its focus on delivering optimal customer outcomes, embedding these principles into business operations. This remains a key objective for 2025. Additionally, the Group Data Protection Officer and Data Protection team continue to oversee compliance with GDPR and ICO regulations, ensuring data protection standards are upheld.	›
5. CUSTOMER EXPECTATIONS AND OPERATING IN A COMPETITIVE MARKET			
CONDUCT			
The Group operates in a highly competitive market, where customer expectations are constantly evolving. To remain competitive, the Group must continue to adapt and innovate to meet the needs of both existing and prospective customers, as well as the strategic objectives of its ARs and Invested Businesses.	• The Group maintains strong relationships with its ARs and Invested Businesses to ensure collaboration to provide the best outcomes for them and their customers. • Ongoing investment in the Group's technology platform enhances the user experience for customers, ARs and advisers. • Customer outcome monitoring has matured to ensure that customers receive the right advice, services, and products tailored to their needs. • The Group is committed to delivering optimal customer outcomes through technology-driven transparency, efficiency, education, and improved understanding.	In 2024, the Group observed a significant increase in customer engagement through its secure customer portal. The platform's enhanced functionality now allows existing customers to view all their products in one place, combined with Mortgage Monitoring tools that support ongoing service and engagement. For the first time, the number of customers originating through the new platform exceeded the legacy system, marking a significant milestone in the Group's digital transformation. A strong focus on customer education remains a key driver, ensuring that both existing and prospective customers benefit from the right guidance. The Group aims to support customers at every interaction by combining digital innovation with expert advice at the point of need. Additionally, the Group is actively working with lenders on product design, ensuring that the market evolves to better support customer needs.	–

RISK MANAGEMENT CONTINUED

	Key Mitigation / Controls:	2024 Activity:	Risk Trend
6. FRAUD RISK			
LEGAL & REGULATORY			
There is a risk that the Group may be exposed to fraudulent activity by customers, AR firms, advisers, employees or unknown third parties.	• Comprehensive financial crime prevention framework - The Group has a dedicated Financial Crime team, responsible for fraud prevention, detection, and response. • Robust policies and reporting mechanisms - Policies are in place to ensure prompt internal and external reporting of suspicious activities, including whistleblowing procedures that provide employees and stakeholders with secure channels to raise concerns. • Delegated authorities and access controls - Strict role-based access controls and delegated financial authorities limit exposure to fraudulent transactions and ensure that financial activities align with industry standards. • Ongoing training and awareness - Regular fraud prevention training is provided to advisers, AR firms and employees, ensuring awareness of emerging fraud risks and best practices in financial crime prevention.	In 2024, the Group strengthened its fraud risk management by working closely with lenders and providers to identify, investigate and take appropriate action against potentially fraudulent activities. The Financial Crime team provided ongoing support to advisers by delivering training sessions and enhanced guidance materials. These initiatives focused on new and emerging fraud and financial crime trends, ensuring that risk awareness and compliance remain a key priority across the organisation.	‹
7. INFRASTRUCTURE AND IT SYSTEMS			
OPERATIONAL			
The Group's performance could be adversely impacted if the availability and/or security of its proprietary system, and other IT infrastructure, were compromised.	• MAB follows a defined system design / architecture process which includes sign off by the Design Authority forum. This process ensures consistency with MAB's core architecture principals, that include resilience and security by default. • Systems are monitored from both an availability and security perspective. Security monitoring also includes engagement with an external Security Operations Centre to provide remote monitoring, horizon scanning and advanced warning of emerging threats. • Systems are periodically tested to provide ongoing comfort that they are (a) resilient in the event of minor events, (b) recoverable in the event of an outage and (c) secure. • The RRC, which oversees risks associated with availability and security for the Group, is well established and focused on this area of risk.	In 2023/24 MAB carried out successful tests to prove the ability to recover our core broker systems in the event of a serious failure. The successful conclusion of these tests means that we have confidence that we can recover our broker systems completely, from backup, should a failure occur in our live environment. In 2024 MAB also added additional capabilities into our new system, MIDAS Platform, that enhance our ability to recover from individual service failures.	‹

RISK MANAGEMENT CONTINUED

	Key Mitigation / Controls:	2024 Activity:	Risk Trend
8. CYBER AND INFORMATION SECURITY			
OPERATIONAL			
A cyber-attack on the Group's systems could have significant consequences, including operational disruption, data breaches, financial loss, and reputational damage.	• Cyber Security Strategy & Threat Monitoring - MAB regularly reviews and enhances its cyber security strategy to address emerging threats. 24/7 real-time monitoring, intrusion detection, and incident response capabilities support early threat identification and mitigation. MAB additionally utilises 3rd party services, through a SOC (Security Operations Centre), to provide monitoring, alerting, horizon scanning and analysis of developing threats. • The new strategy for 2025-2028 incorporates oversight across the MAB Group to minimise cyber risk across all Group companies • Security Testing - MAB uses a combination of 3rd party software solutions and testing services to carry out regular security and penetration testing of our systems. • Access Controls & Data Protection - Strict identity and access management policy and protocols protect all key systems and sensitive data. • Employee Training & 3rd Party Risk Management - Regular cyber security awareness training helps reduce human error risks. Effectiveness of this testing is verified by the use of phishing training exercises. Additionally, the Group conducts cyber risk assessments of suppliers and partners to ensure security compliance. • Incident Response & Business Continuity - An incident response plan and disaster recovery framework are in place to minimise downtime and ensure business continuity in the event of a cyber incident. An external cyber forensic response company is held on retainer to minimise impact of any serious incident and reduce recovery time.	Throughout 2024, the Group continued to invest in strengthening its Cyber Security Strategy, implementing new systems and controls to enhance the maturity of its security posture. Investments were made in people, tools and technology to improve oversight, monitoring and testing, ensuring proactive mitigation against the ever-evolving cyber risk landscape. These efforts will continue into 2025 with the expansion of cyber security improvements across the Group, further reinforcing resilience against cyber threats and information security risks.	›

RISK MANAGEMENT CONTINUED

	Key Mitigation / Controls:	2024 Activity:	Risk Trend
9. SUPPLY CHAIN DEPENDENCIES			
OPERATIONAL			
Disruption to MAB's supply chain would likely cause operational, financial and reputational harm.	• The Group maintains strong relationships with key suppliers to ensure continued operational resilience. • The Group's operational resilience, procurement, and supply risk frameworks provide effective governance over this key risk area. • The RRC, which oversees supply chain risks, is well-embedded within the Group's governance, ensuring ongoing assessment and mitigation.	MAB implemented its Procurement policy promoting a fair and transparent procurement process and developed the supplier digital portal to improve supply chain visibility which enables the identification and reduction in potential supply chain risks and dependencies. This digital portal has a standardised approach to assess supplier financial stability, governance policies, data security and ESG considerations before engagement, strengthening risk oversight. The RCC carried out scenario testing on supply chain disruptions, focusing on hypothetical stress scenarios to assess the Group's ability to recover from potential disruptions. Additionally, the Group invested further in the RMS to enhance its understanding of supplier dependencies and key supply chain risks.	›
10. BRAND AND REPUTATIONAL PERFORMANCE			
REPUTATIONAL			
The quality of the Group's proposition, brand, continued growth, and the credibility of its ARs and advisers are key factors that directly impact reputation and brand performance. Ensuring high standards in customer service and market positioning is essential to maintaining trust and long-term success.	• The Group is committed to maintaining stronger relationships with existing customers, ensuring their mortgage and protection needs continue to be met. • Investment in cutting-edge digital tools enhances engagement with introducers, adds value to the customer journey and improves lead flow management. • The Group continuously improves its ability to nurture prospective customers, ensuring they receive the right guidance and advice at the right time.	Throughout 2024, the Group launched and enhanced branded and self-branded nurture journeys, enabling seamless customer progression from research and engagement to becoming mortgage customers. These enhancements have been integrated across CRM and digital nurture platforms to support customer retention and conversion. Additionally, the Group has developed and enhanced digital tools across introducer sites to strengthen customer relationships. Key priority digital tools have been re-developed to improve lead placement and outcome tracking, ensuring better alignment between customer needs and available products. Customers now benefit from our mortgage monitoring tools, helping them gain greater clarity on their mortgage options and enabling better financial decision-making.	–

Section 172(1) statement

The Directors of MAB consider that in conducting the business of the Company over the course of the year, they have complied with Section 172(1) of the Companies Act 2006 (the Act) by fulfilling their duty to promote the success of the Company and act in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole.

MAB's continued success depends on the support of all of our stakeholders. Building positive relationships with stakeholders who share our values is fundamental to achieving long-term, sustainable growth. By working together towards shared goals, we enhance our ability to deliver value.

To fulfil their duties, the Directors and senior management carefully consider the impact of decisions on all stakeholders, maintaining a long-term perspective and adhering to the highest standards of conduct and governance. Where appropriate, decisions are carefully discussed with relevant stakeholders to ensure transparency and alignment.

Reports are regularly made to the Board by the senior management team on strategy, performance and major decisions, ensuring that proper consideration is given to stakeholder interests in decision-making. This governance framework allows the Board and senior management to have due regard to the impact of decisions on the following matters outlined in Section 172(1) of the Act.

SECTION 172 FACTOR	APPROACH TAKEN
Consequences of any decision in the long-term	The Board is committed to ensuring sustainable, long-term growth while delivering strong financial performance. Every material decision is made with the long-term success of the business in mind. The Company's business model and strategy, outlined in the Strategy Report, are designed to support long-term value creation. Any amendments to this strategy require Board approval. At least annually, the Board reviews and approves a budget aligned with its strategic objectives, based on a three-year forecast model. Financial and non-financial key performance indicators (KPIs), as detailed in the Strategic Report, are reviewed at each Board meeting to assess the impact and effectiveness of decisions A long-term perspective also underpins the Board's approach to risk management, ensuring that potential risks to the business's sustained success are carefully considered. Our prudent financial leverage supports a balanced approach to dividend payments and employee remuneration, reinforcing financial stability and sustainable value for stakeholders.
Interests of employees	Our employees play a key role in executing our strategic objectives. The Board is committed to fostering a supportive and engaging work environment, investing in professional development and ensuring we maintain the capabilities necessary for long-term growth. The Directors' consideration of employee interests is detailed in the Environmental, Social, and Governance section of the Strategic Report.

RISK MANAGEMENT CONTINUED

SECTION 172 FACTOR	APPROACH TAKEN
Fostering business relationships with suppliers, customers and others	Engaging with our stakeholders is fundamental to our ethos as it strengthens our relationships and informs better business decisions. MAB's engagement with suppliers, clients, and other counterparties is outlined in the Environmental, Social, and Governance section of the Strategic Report. Our key counterparties include AR firms, mortgage and protection product providers, affinity partners, and other professional firms, with whom the senior management team has established long-standing relationships. For new material counterparties, due diligence is conducted before transacting to mitigate reputational and legal risks. The Company adheres to pre-agreed payment terms with all suppliers, ensuring fair and transparent business practices.
Impact of operations on the community and the environment	We continue to support our local communities, building on the success of the Mortgage Advice Bureau Foundation. Further details on our engagement with local communities and charitable activities during the year can be found in the People and Culture section of the Strategic Report. The Group's impact on the environment is limited due to the nature of the business operations, as outlined in the ESG section of the Strategic Report. However, the Board is committed to limiting the impact of business on the environment where possible.
Maintaining high standards of business conduct	The Board is committed to achieving and maintaining the highest standards of corporate governance, integrity and business ethics. Ensuring fair outcomes for customers, partners, and employees is central to our approach. The Group's Risk and Compliance function serves as the second line of defence, providing appropriate support, oversight and challenge to the activity undertaken by MAB and its AR firms. This ensures customer protection and good outcomes. Regular reports are reviewed by the Risk and Compliance Committee (RCC) and the Board Group Risk Committee (GRC) to scrutinise activities and provide assurance to the Board that the Company's strategic and growth objectives are met within our risk and compliance framework. To enhance governance, risk, and compliance, MAB has transitioned from a fully outsourced internal audit function to a co-sourced model. With the appointment of an Internal Audit Manager in January 2024, who reports directly to the Chair of the Audit Committee, MAB has strengthened its third line of defence. More details on risk management and internal controls can be found in the Risk Management section of the Strategic Report. MAB remains committed to fostering a strong relationship with regulators and is an active member of the Association of Mortgage Intermediaries (AMI). Through AMI, we engage with government, regulators, and policymakers to ensure the mortgage industry continues to meet the needs of customers and AR firms. The Group continuously monitors regulatory developments and, through its engagement with AMI and the regulator, is well positioned to anticipate and respond to changes. Further details on our Consumer Duty approach can be found in the Chief Executive Review section of the Strategic Report.

SECTION 172 FACTOR	APPROACH TAKEN
Acting fairly between members	The Board is committed to transparent and open engagement with shareholders, recognising the importance of maintaining an effective dialogue with major institutional investors, private shareholders, and employees. This commitment was demonstrated through our Capital Markets Day in February 2025. Further details on shareholder engagement can be found in the Chief Executive Review and ESG sections of the Strategic Report. The Board remains accessible to shareholders while ensuring compliance with relevant securities laws. The Independent Non-Executive Chair and other Non-Executive Directors are available for discussions as appropriate and attend the Annual General Meeting (AGM) to engage directly with investors. The investor relations programme facilitates structured engagement, typically following each half-yearly results announcement. In addition, the Group maintains open lines of communication with existing and potential investors, responding to requests and Company announcements throughout the year. Shareholder presentations are made available on the Company's website. The Company has a single class of shares, ensuring that all shareholders have equal rights.

Methods used by the Board

The Board fulfils its duties through a range of structured processes and engagements, including:

- Board meetings and strategy sessions – Regular meetings and dedicated strategy days are held to review all aspects of the business model, performance, and strategy, ensuring long-term sustainable success and assessing the impact on key stakeholders. The senior management team also conducts regular strategy sessions throughout the year.
- Decision-making in critical business matters – The Board convenes regularly and on an ad hoc basis to address time-sensitive matters such as acquisitions and other strategic investments.
- ESG oversight – The Board is responsible for the Company's ESG activities, as outlined in the Strategic Report, with Ben Thompson designated as the executive responsible for ESG.
- Specialist external advice – The Board engages external consultancy firms where appropriate, particularly for ESG, executive remuneration, and other specialist areas.
- Risk management – The Board's risk management framework, detailed in the Risk Management section of the Strategic Report, assesses short-, medium-, and long-term risks, ensuring mitigation plans are in place to protect the Company and its stakeholders.
- Defining purpose, values, and strategy – The Board sets the Company's purpose, values, and strategic direction, ensuring alignment with its culture, which is implemented by the senior management team.
- Shareholder engagement – The Board directly engages with shareholders through the AGM, while Executive Directors regularly meet with investors on both a scheduled and ad hoc basis.
- External assurance – The Company benefits from internal and external audits, as well as reports from brokers and advisers, ensuring robust governance and oversight.
- Director training and development – Ongoing training for existing Directors and structured induction programs for new Directors, as detailed in the Corporate Governance section of the Governance Report.

RISK MANAGEMENT
CONTINUED

Stakeholders

Engaging with our stakeholders is central to our ethos, strengthening relationships and informing better business decisions. This engagement enables us to deliver on our commitments and create long-term value.

The table below outlines how we consider and engage with each stakeholder group:

STAKEHOLDER	WHY WE ENGAGE	HOW WE ENGAGE AND OUTCOMES
Customers	We aim to be at the forefront of providing the best consumer outcomes.	• The quality of consumer outcomes has always been central to MAB's culture, and the implementation of the Consumer Duty has seen us further strengthen our focus and processes in this area. • Our enhanced focus on consumer outcomes encompasses the four pillars of Consumer Duty: (a) products and services; (b) price and value; (c) consumer understanding; and (d) consumer support; with an additional important pillar we decided to add relating to customer vulnerability. • Our digital solutions continue to improve, enhancing customers' choice of how they want to transact, whilst giving our ARs the tools to improve their productivity. • Customer feedback is a core component in our strategy to ensure consumers receive a first-class experience. We continue to monitor the feedback on the service our advisers provide via the online review company Feefo, where our rating increased to 5 stars, and 4.7 on Trustpilot, reflecting consistently high satisfaction levels. • We engage with customers via various surveys to better understand any concerns they may have and help shape our strategies, for instance in relation to the changing buy-to-let landscape and legislation around minimum EPC ratings.

RISK MANAGEMENT CONTINUED

STAKEHOLDER	WHY WE ENGAGE	HOW WE ENGAGE AND OUTCOMES
Appointed Representatives	Maintaining an active dialogue and supporting our AR partners is key to our business.	• We hold regular review meetings with each AR firm to set goals and objectives. Over the past year, we have enhanced our proposition to support AR partners, including later life permissions and a triage process to assess suitability for equity release within the mainstream mortgage market. Additionally, we have introduced new partnerships focused on non-regulated specialist mortgages such as commercial and development finance. • To foster collaboration, we introduced regular peer group meetings, allowing business partners to discuss key MAB initiatives, share ideas, and explore market trends. • We expanded our Learning & Development offering, organising nationwide roadshow events (both physical and virtual). Through our Tribe communication channel, we provide virtual roundtable events, adviser clinics, and video content, ensuring AR partners can share best practices effectively. • To support the implementation of the FCA's Consumer Duty, we carried out a review of our processes and policies, to ensure they were aligned with the new principle. We offer ongoing training, guidance and video resources to help AR firms navigate Consumer Duty obligations. Additionally, we conduct customer feedback call-outs on behalf of AR partners to provide real insights into the customer journey. • We strengthened our Academy adviser induction programme, incorporating mortgage and protection-only pathways in a flexible self-learning environment with daily trainer-led discussions, webinars, activities, and case studies. Our onboarding journeys have been accredited by the Princess Royal Training Awards for three consecutive years. • We introduced Tribe, a consistent communication hub where we share supportive content. Additionally, we launched a mortgage community focused on case placement support and broader industry collaboration. • We continued to improve the technology 'MIDAS platform' at the core of our business, based on the feedback of our ARs and advisers and trends in the market, significantly reducing the time required for each mortgage transaction and improving adviser efficiency. • We actively track consumer attitudes towards green mortgages and energy efficiency. Through our partnership with Effective Energy, we support AR firms in aligning with government energy efficiency targets for 2030.

RISK MANAGEMENT CONTINUED

STAKEHOLDER	WHY WE ENGAGE	HOW WE ENGAGE AND OUTCOMES
Suppliers	Strong and sustainable relationships with our suppliers and providers are fundamental to our long-term success. Similarly, disciplined procurement practices encourage better relationships and greater efficiencies.	• We hold regular roundtable events with our product providers and lead partners where topics such as business process improvements are discussed as a group. • We continue to focus our supply chain governance through enhanced systems and controls, and engagement with our third parties.
Shareholders	As owners of the Group, our shareholders play a vital role in our success, and we highly value their support and perspectives.	• We maintain an open and transparent dialogue with our shareholders through one-to-one meetings, group meetings, and the AGM. Discussions cover a broad range of topics, including financial performance, strategy, outlook, governance, and ESG (environmental, social, and ethical) practices. • Shareholder feedback and movements in our shareholder register are regularly reported to the Board, ensuring their views are considered in decision-making. • We provide detailed financial reports and business presentations at both the half-year and full-year results, ensuring shareholders remain well-informed.

RISK MANAGEMENT CONTINUED

STAKEHOLDER	WHY WE ENGAGE	HOW WE ENGAGE AND OUTCOMES
Employees	Our employees are our most valuable asset. Their immense knowledge, skills and experience are key to our success and are vital to ensuring we maintain the high standards of customer service.	• As a customer-centric business, we believe that delivering a customer-first proposition starts with investing in our employees. By fostering an equal, inclusive, and diverse workplace, we have created an environment that benefits customers, advisers, and business partners alike. • Our people strategy is borne from the understanding that having the right people, with the right skills, to create the right culture will enable the business to thrive. In 2024, we recruited our first Chief People Officer who, alongside the wider People team, has been integral to the enhancement and delivery of this strategy. • We offer something for everyone, with an authentic and welcoming culture coupled with our flexible benefits package and personalised learning options. Our colleagues feel not only recognised but accepted for who they are. • Our engagement rates are world class and are a great recognition for the hard work and dedication our People Team and Colleague Forums put in to make MAB a truly diverse organisation that values difference and embraces it. • We've ensured our colleagues feel supported inside and outside the workplace by consistently reviewing our policies, processes, and initiatives through a DEI lens. This empowers our workforce to thrive in an inclusive environment that caters to their needs, accessibility levels, and unique work styles. Recognising the importance of maintaining a healthy work-life balance, we continue to offer a hybrid working approach and deliver a range of work settings for our neurodiverse employees in our state-of-the-art head office.

RISK MANAGEMENT CONTINUED

STAKEHOLDER	WHY WE ENGAGE	HOW WE ENGAGE AND OUTCOMES
Communities	An important component of being a good corporate citizen is to recognise the role we can play in supporting the communities around us and implementing initiatives to do so.	• We engage with the communities in which we operate to build trust and understand the local issues that are important to them. A key area of focus is how we can support local causes and issues and partner with local charities and organisations at an individual office level to raise awareness and funds. • Our charity, The Mortgage Advice Bureau Foundation (Foundation) supports charitable projects that create awareness amongst MAB stakeholders of the growing needs of their local communities. • The impact of decisions on the environment both locally and nationally is considered and comprises a notable focus as part of our wider ESG related activity. • In 2024, MAB employees took advantage of our volunteering policy and gave 500 hours of their time to volunteer.
The Government and regulators	The evolving regulatory landscape has a direct and material impact on the day-to-day operation of our business.	• We continue to proactively engage with the Government and regulators through a range of industry consultations, forums, meetings and conferences to communicate our views to policy makers relevant to our business. • We have dedicated specialist Legal, Compliance and Risk experts with many decades of combined experience who are focused on ensuring we meet our regulatory obligations.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Sustainability at MAB

MAB recognises the urgent need to address climate change and the critical role businesses play in building a more sustainable future. Our approach is pragmatic and impact-driven, focusing on three key areas:

Environmental leadership and advocacy

As a financial services business overseeing approximately 200 independently operated firms, our environmental impact is primarily through Scope 3 emissions, which fall outside our direct control. We leverage our position as a trusted mortgage advice brand to drive large-scale emissions reductions by:

- Working closely with ARs, Introducers, and Business Partners to support UK built environment decarbonisation.
- Implementing our Resilient Homes proposition to facilitate homeowner access to energy efficiency improvements.
- Helping customers reduce reliance on utility providers, supporting both decarbonisation and financial wellbeing.

NON-FINANCIAL AND SUSTAINABILITY INFORMATION (NFSI) STATEMENT

At MAB, we prioritise responsible business practices that enhance customer value and long-term financial resilience. While our core focus remains on providing high-quality mortgage advice, we integrate sustainability considerations where they support positive customer outcomes.

- Resilient Homes Proposition - Our Resilient Homes initiative enables customers to explore energy efficiency improvements through a trusted referral partner. We ensure all claims are substantiated and assist customers in identifying suitable financing solutions.
- Climate Resilience & Risk Management - We assess climate-related risks that may impact property values and mortgage affordability. By staying informed and working with industry experts, we equip our advisers to help customers make sustainable, long-term financial decisions.
- Responsible Product Recommendation - Our mortgage advice remains wholly customer-centric, ensuring financial products are recommended based on suitability. While we consider sustainability-linked mortgages, we only recommend them when they align with customer needs.
- Operational Responsibility - We uphold strong governance, employee wellbeing, and responsible business practices, continuously seeking to improve efficiency and reduce our environmental impact.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE CONTINUED

Social responsibility

MAB serves a strong social purpose by helping people to finance homes and make informed decisions about major financial commitments. We:

- Ensure customers can protect their financial health and wellbeing;
- Foster an inclusive workplace;
- Promote financial literacy;
- Make mortgage advice more accessible for everyone; and
- Support communities through the MAB Foundation, which provided £70,523 in grants in 2024 and helped raise an additional £124,856 through Crowdfunder.

Strong governance and oversight

Sustainability is embedded in our governance structure through:

- A dedicated Sustainability Committee with senior leaders and executives;
- Regular leadership reviews of our sustainability strategy;
- Alignment with **our Mission:** "We help people fulfil their aspirations, by making key financial moments in life a simple, happy and reassuring experience"; and
- Support for **our Vision:** "To become the leading financial partner through life's key moments. By being an amazing place to work, providing an outstanding experience for our customers, transforming the industry with the best mortgage journey, having a positive social and environmental impact".

Sustainability disclosure index:

Regulation / Framework	Mandatory / Voluntary	Compliance Status	Relevant Section(s) in MAB Report
UK FCA ESG Disclosure Requirements (PS21/17, PS22/6, SDR & investment labels)	Mandatory for FCA-regulated entities	**Compliant**	Governance & Oversight, Stakeholder Engagement (Regulators) (p. 43)
UK Companies Act 2006 (SECR - Streamlined Energy and Carbon Reporting)	Mandatory	**Fully Compliant**	ESG Performance (Carbon Reduction), Scope 1, 2 & 3 Emissions (p. 49)
United Nations Sustainable Development Goals (SDGs)	Voluntary	**Well aligned**	SDG Prioritisation, Social Responsibility, Community Impact (p. 45)
Greenhouse Gas Protocol (GHG Accounting Standard)	Voluntary (Industry Standard)	**Fully Compliant**	Carbon Reporting (Scope 1, 2 & 3 Emissions), Market vs. Location-based reporting (p. 50)
UK Modern Slavery Act (MSA) Compliance	Mandatory	**Fully Compliant**	See our website
AIM Rule 26 (ESG Disclosures)	Mandatory for AIM-listed firms	**Fully Compliant**	Sustainability at MAB, Governance & Oversight, ESG Performance Metrics (p. 41)
Task Force on Climate-Related Financial Disclosures (TCFD)	Considered where relevant	**Well aligned**	Climate Risk Management, Governance, Strategy, Scenario Analysis (p. 55)
International Sustainability Standards Board (ISSB - IFRS S1 & S2)	Expected Mandatory (UK transition by 2026)	**Well aligned**	Climate-related Disclosures, Net Zero Strategy (p. 55)

Stakeholders

Engaging with our stakeholders strengthens relationships and informs business decisions, allowing us to fulfil our commitments effectively. The Board regularly reviews stakeholder feedback to stay aligned with key priorities and concerns.

Customers: prioritising outstanding outcomes

We are committed to delivering the best possible outcomes for our customers by providing high-quality advice and service. Key activities during the year:

- Embedded Consumer Duty principles further into our processes.
- Enhanced digital solutions to empower customers and improve adviser productivity.
- Incorporated customer feedback via Feefo and Trustpilot to refine service quality.
- Enriched website content on mortgages, sustainable living, first-time buying, and financial resilience.
- Conducted targeted surveys on First Time Buyer market and Energy Efficiency awareness.

Appointed Representatives (ARs): strengthening partnerships

We continue to enhance our support for ARs by investing in communication, learning, and industry engagement. Key initiatives included:

- Strengthened engagement through regular reviews, goal-setting, and tailored content.
- Expanded learning opportunities with Masterclasses, roadshows, and enhanced Academy induction.
- Achieved 92% activation on our "Tribe" communication platform and launched dedicated app.
- Delivered industry-leading events including the MAB Awards, Conference, and specialist events.
- Enhanced technology platform based on AR feedback and conducted annual green survey.

Suppliers: building sustainable and effective partnerships

We recognise that strong supplier relationships are essential for driving efficiency and long-term success. Our approach is based on:

- Integrated procurement into Risk Management for stronger governance and control.
- Strengthened supplier code of conduct with increased focus on environmental considerations.
- Implemented dedicated procurement portal to standardise processes and evaluate suppliers on financial stability, governance, data security and ESG factors.

Shareholders: transparent communication and strategic alignment

Our shareholders play a crucial role in our business, and we have a proactive investor relations programme to drive engagement with institutional and retail investors through:

- One-to-one meetings, group discussions, conferences and AGMs, covering financial performance, strategy, governance and ESG topics.
- Regular Board discussions on feedback from shareholder and advisers, ensuring investor perspectives inform decision-making.
- Analyst outreach to improve research coverage and awareness of MAB in the investment community.
- Providing detailed financial reports and presentations at the half-year and full-year stages, publishing information on our website (mortgageadvicebureau.com) and responding to enquiries.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE CONTINUED

In August 2024 we hired a Head of Investor Relations to coordinate our capital markets activities and investor engagement. In February 2025 we hosted a Capital Markets Day for shareholders and prospective investors. The event included updates on strategy, growth plans, technology and lead generation initiatives from our Executive Directors and members of our senior management team, as well as insights from some of our AR firms.

Colleagues: Fostering a Thriving and Inclusive Workplace

Our people are our greatest asset and we prioritise creating a workplace where they can thrive. Key initiatives included:

- Expanded Unity, our Employee, Diversity and Inclusion (ED&I) Steering Group, for stronger diverse representation.
- Provided learning opportunities through coaching, mentoring, and micro-learning.
- Embedded wellbeing initiatives including health calendar events and financial wellbeing clinics.
- Enhanced internal communication through our Chatter platform.

Communities: making a meaningful impact

We are committed to actively supporting local communities through volunteering, charitable funding, and environmental initiatives. Examples from 2024 include:

- Facilitated over 500 hours of colleague volunteering through paid leave initiative.
- Provided £70,523 in grants through the Mortgage Advice Bureau Foundation.
- Strengthened engagement through partnerships with British Airways, M&S, Sport England and Aviva.
- Received Charity Champion Award at the 2024 Money Marketing Awards.

Government & regulators: shaping a compliant and forward-thinking industry

The evolving regulatory landscape directly impacts our business, and we engaged proactively with Government and regulators during the year:

- Participated in consultations and forums to contribute to policy discussions.
- Maintained dedicated team of Legal, Compliance, and Risk experts.
- Refined policies to meet Consumer Duty requirements.
- Advocated and lobbied Government for stamp duty reform to support housing stock decarbonisation.

Media & industry trade bodies (IMLA and AMI): amplifying our industry voice

As a leading voice in the mortgage industry, we actively engage with media and trade bodies to influence discussions and share insights. Our 2024 highlights include:

- Engaged through press releases, interviews, and thought leadership.
- Collaborated with IMLA and AMI on industry trends and regulatory developments.
- Participated in industry events and working groups to shape the future of the mortgage sector.

By maintaining open and proactive engagement with our stakeholders, we ensure MAB continues to thrive while delivering positive outcomes for customers, partners, and society.

Advancing MAB's sustainability strategy

Establishing a Net Zero commitment

MAB is committed to achieving Net Zero through taking gradual, pragmatic steps based on:

- Alignment with the Science-Based Targets initiative (SBTi);
- The insights from our completed Energy Savings Opportunity Scheme (ESOS) assessment to develop a comprehensive roadmap; and
- Genuine emissions reductions within our operations, with limited reliance on offsets through external parties.

MAB is committed to achieving operational net zero (scope 1 & 2) by 2035 and decarbonisation of our value chain in line with the UK's broader 2050 commitment. This reflects our dedication to reducing emissions within our direct operations whilst also focussing on the broader decarbonisation of domestic properties and supporting sustainability efforts across our supply chain and industry partnerships.

This commitment reflects a considered approach - one that prioritises measurable impact over symbolic commitments. We believe sustainability strategies must be realistic, robust, and deliver meaningful outcomes. Our focus remains on areas where we can drive the greatest change - both within our operations and through the support we provide to our ARs and customers.

As part of our ongoing sustainability journey, MAB recognises the importance of aligning our efforts with globally recognised frameworks. In 2024, we built upon our 2023 Materiality Assessment by integrating insights from our workforce to identify which United Nations Sustainable Development Goals (SDGs) should be prioritised within our strategy.

Identifying our priority SDGs

To ensure a data-driven approach, we conducted an internal survey inviting all MAB colleagues to vote on the 17 SDGs, highlighting the areas where they believe MAB can drive the most meaningful impact. The results revealed a clear prioritisation of the following SDGs:

Table 1: MAB colleague SDG prioritisation 2024[1]

SDG[6]	VOTES	MAPPINGS TO MAB MATERIALITY
Goal 7. Affordable and Clean Energy	63%	• Incorporating social & environmental impact in our purpose. • Taking climate action. • Influencing social & environmental policy & regulation. • Advancing ESG issues in the mortgage industry (e.g. green mortgages).
Goal 3. Good Health and Well-being	47%	• Employee satisfaction & engagement. • Employee mental health & wellbeing. • Incorporating social & environmental impact in our purpose. • Charitable giving & community investments.
Goal 5. Gender Equality	44%	• Employee mental health & wellbeing. • Diversity equity & inclusion in the workplace. • Incorporating social & environmental impact in our purpose.
Goal 8. Decent Work and Economic Growth	41%	• Employee satisfaction & engagement. • Business ethics integrity and accountability. • Employee mental health & wellbeing. • Diversity equity & inclusion in the workplace.
Goal 9. Industry, Innovation and Infrastructure	40%	• Advancing ESG issues in the mortgage industry.

[6] UN 17 Sustainable Development Goals: Goal 1: No Poverty; Goal 2: Zero Hunger; Goal 3: Good Health and Well-being; Goal 4: Quality Education; Goal 5: Gender Equality; Goal 6: Clean Water and Sanitation; Goal 7: Affordable and Clean Energy; Goal 8: Decent Work and Economic Growth; Goal 9: Industry, Innovation and Infrastructure; Goal 10: Reduced Inequality; Goal 11: Sustainable Cities and Communities; Goal 12: Responsible Consumption and Production; Goal 13: Climate Action; Goal 14: Life Below Water; Goal 15: Life on Land; Goal 16: Peace and Justice Strong Institutions; Goal 17: Partnerships to achieve the Goal

ENVIRONMENTAL, SOCIAL AND GOVERNANCE CONTINUED

To maintain continuity between our SDG prioritisation and the previous materiality assessment - where we consulted both internal and external stakeholders - we mapped each priority SDG to the categories identified in our earlier materiality analysis.

Based on the voting results, the SDGs were plotted according to MAB's impact potential (see figure 1), and their importance to stakeholders, clearly visualising which Sustainable Development Goals the Group should aim to integrate into its future strategy and activities.

Internal materiality assessment

Figure 1: Internal Materiality Assessment 2024

MAB plans to consult with the wider stakeholder community in 2025 to gain a comprehensive understanding of where to focus its future sustainability efforts, based on its impact potential. However, the preliminary result clearly indicates that our historical (the MAB Foundation, office refurbishment, strengthened people engagement) and more recent (Resilient Homes) initiatives are already addressing some of the SDGs our internal stakeholders' would like us to prioritise.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE CONTINUED

Resilient Homes

In 2023, MAB recognised that while reducing its own GHG emissions remains important, a greater environmental impact could be achieved through its national reach and engagement with homeowners via its AR network.

Buildings in the UK emitted approximately 1.32tCO_2e per capita in 2021[7], with 26% of national emissions from this sector. With MAB Advisers completing around 140,000 mortgages annually, supporting even 1% of customers in improving energy efficiency could make a meaningful contribution to national decarbonisation efforts.

Over 50% of UK homes are rated EPC band D or lower (ONS, 2023[8]), resulting in avoidable energy costs. Despite growing customer interest in energy efficiency improvements, the Climate Change Committee (CCC) warns that the UK may struggle to meet its 2050 Paris Agreement commitments without better financing support for home decarbonisation.

The CCC recommends scaling up retrofits to 500,000 homes annually by 2025 and 1m homes per year by 2030[9]. Currently, only about 250,000 retrofits occur annually—far too few to upgrade all 29m inefficient homes by 2050. Even targeting only sub-EPC D properties would require retrofitting one home per minute until 2050, highlighting a significant market opportunity for financing solutions.

The proposition

To address this, MAB has developed an adviser-led proposition to accelerate adoption of renewable energy and home energy efficiency improvements. This integrated offering provides tailored recommendations, access to trusted retrofit specialists and financing advice. Our proposition partner Effective Energy Group was selected based on their proven track record, accreditations, and ability to serve both private customers and those eligible for government subsidies.

The service is integrated into MAB's mortgage advice process through system integration, reducing adviser workload while ensuring a positive customer experience. Where grants are not available, advisers will explore secured financing solutions to incorporate energy improvements into mortgages.

MAB Group will receive a commission for each pre-qualified referral conversion, the majority of which will be passed on to the referring adviser to incentivise engagement.

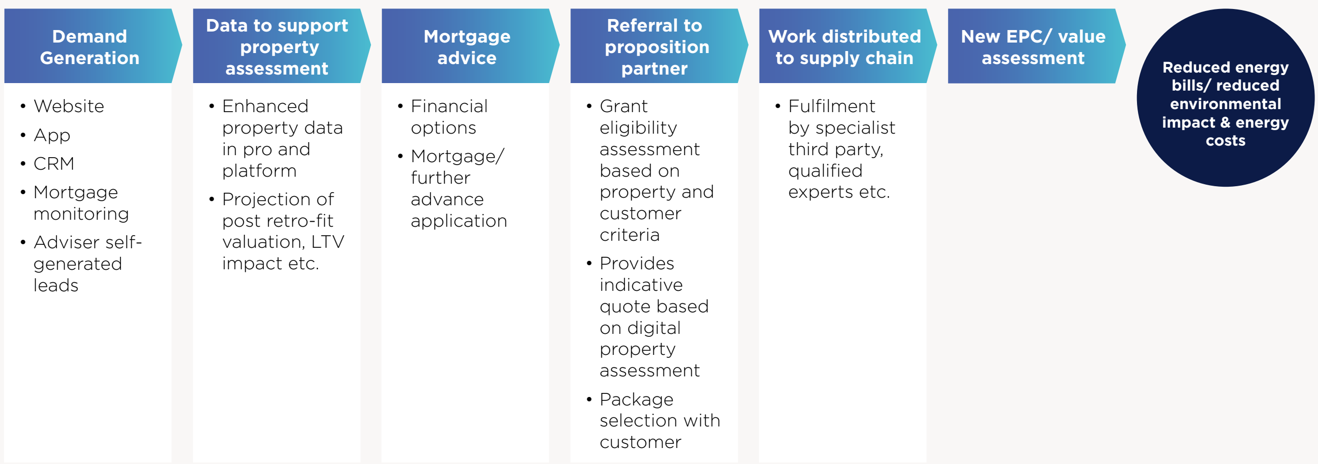


Figure 2: Resilient Homes value chain

7 https://www.climatewatchdata.org/embed/ghg-emissions?breakBy=countries&calculation=PER_CAPITA&chartType=line&end_year=2021&gases=all-ghg&regions=GBR&sectors=building&start_year=1990

8 Office for National Statistics. (2023). Energy efficiency of housing in England and Wales. https://www.ons.gov.uk/peoplepopulationandcommunity/housing/articles/energyefficiencyofhousinginenglandandwales/2023

9 https://www.theccc.org.uk/publication/2023-progress-report-to-parliament/

ENVIRONMENTAL, SOCIAL AND GOVERNANCE CONTINUED

Benefits

- **Homeowners** gain an accessible way to improve energy efficiency, potentially reducing bills and increasing comfort. The proposition removes key barriers including funding concerns, supplier validation, and understanding where to start.
- **Buy-to-Let Landlords** can futureproof properties against tightening regulations, potentially attracting more tenants and improving rental yields.
- **Lenders** benefit from improved customer affordability, as energy-efficient homes typically have lower running costs, reducing default risk. This supports lenders' sustainability objectives and reduces climate risk exposure in loan books.
- **Appointed Representatives** gain an enhanced advisory offering, reinforcing their trusted adviser role while aligning with increasing customer focus on sustainability. This supports Consumer Duty by ensuring advisers act in customers' best interests and mitigate foreseeable harm from energy price volatility.
- **The Environment** benefits as retrofitting inefficient homes delivers significant emissions reductions. Improvements in insulation, heating systems, regenerative electricity and ventilation could substantially cut residential emissions.

Impact potential

Since February 2023, MAB has been collecting EPC information for properties with active mortgage products and those recently expired. The EPC distribution across our active mortgage portfolio is illustrated below, with the left graph including properties where no EPC was found[10] and the right graph displaying only the distribution for properties with a valid EPC.

Based on the right graph (representing a conservative baseline), approximately 50% of MAB mortgage customers acquire or remortgage properties with an EPC rating of D or below[11]. If just 2% of these customers chose to implement basic energy improvements such as solar panels with battery storage, MAB Advisers would facilitate greenhouse gas avoidance of approximately 868 tCO_2 annually[12]. This impact equates to planting approximately 34,720 mature trees each year or eliminating 4m miles of standard car travel[13].

Over time, we will refine our impact assessment methodology based on actual retrofits initiated through our AR community and more granular property data.

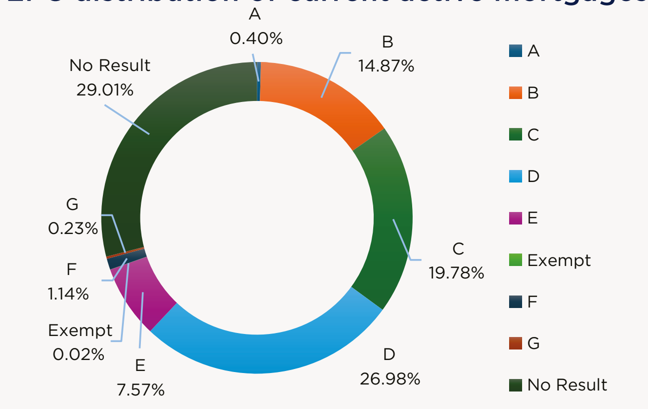


Figure 4: MAB active mortgages defined by product expiry date in the last 24 months, or in future

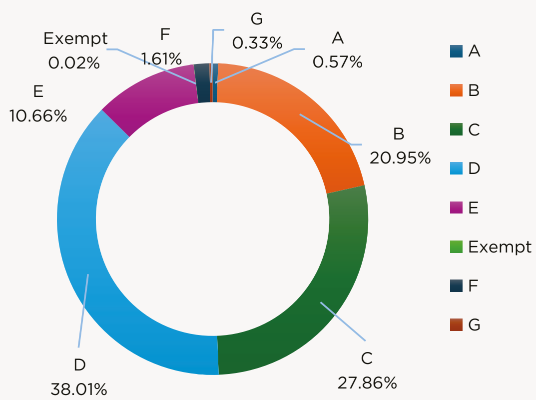


Figure 3: MAB active mortgage product EPC distribution excl. "no result"

[10] Note on EPC availability: Despite UK regulations requiring EPCs for property sales, some valid properties may not have retrievable certificates. These include new builds with predicted EPCs pending completion, properties unchanged in ownership since EPC requirements began, properties excluded from public registers, or cases where certificates have expired.

[11] Based on the EPC data held against currently active and recently expired (24 months) mortgages on MAB's record

[12] Assumptions:
- Average Carbon Emissions per Household: 2.7 tCO_2e per year.
- Average Household Electricity Usage: ~3,600 kWh/year.
- Solar Panel System Output: ~3,800 kWh/year (midpoint of typical UK generation).
- Grid Carbon Intensity: 0.149 kg CO_2/kWh.
- Annual Carbon Emissions avoided per Property with Solar + Battery: 620 kg CO_2 (0.62 tCO_2e).

[13] Assumptions: each mature tree absorbs 25 kg of CO_2 annually & the UK average for car emissions per mile equals 0.21kg CO_2

ESG performance

Carbon reduction (SECR)

Methodology

GHG emissions are quantified and reported in accordance with the Greenhouse Gas Protocol and the UK Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 as amended by the 2018 Regulations. Emissions calculations use DEFRA's UK Government GHG Conversion Factors for Company Reporting 2024.

Energy consumption data collection methods:

- Utility invoicing for natural gas and electricity consumption.
- Staff expense management systems for business mileage in employee-owned vehicles.
- Direct measurement where available, with estimations based on robust methodologies where necessary.

This disclosure covers Mortgage Advice Bureau (Holdings) plc and its subsidiaries: FMD, Fluent, and Vita, with 100% of emissions included regardless of ownership percentages, in line with the financial control approach under the GHG Protocol. Auxilium is excluded from reporting as it falls below the de minimis threshold due to its minimal environmental impact (two employees). Energy intensity is calculated as tCO_2e per full-time equivalent employee, using average headcount during the reporting period.

All material emission sources within our operational control have been included following a comprehensive materiality assessment in accordance with the GHG Protocol Corporate Standard. Currently, our carbon accounting methodology follows the GHG Protocol, and we are evaluating participation in CDP disclosure to further enhance transparency.

Reporting boundaries and limitations

Our operational boundaries include:

- Scope 1: Direct emissions from natural gas combustion in office heating systems.
- Scope 2: Indirect emissions from purchased electricity for business operations.
- Scope 3: Indirect emissions from employee-owned vehicles used for business travel.

Excluded emission sources (based on materiality assessment):

- Employee train and air travel (less than 1% of total emissions);
- Water consumption and treatment (less than 0.5% of total emissions); and
- Fugitive emissions from air conditioning units (estimated below materiality threshold).

For Scope 3 vehicle emissions calculations, UK national vehicle fleet composition data from the Department for Transport has been applied (60.4% petrol, 39.6% diesel), with no hybrid/electric vehicles assumed, ensuring conservative reporting in line with the precautionary principle.

MAB recognises the importance of assessing financed emissions and intends to explore alignment with the PCAF methodology to enhance transparency in home energy-related carbon impact.

Market-based and location-based reporting

In compliance with the GHG Protocol Scope 2 Guidance, we report electricity emissions using dual reporting methodology:

- Location-based: Reflects average emissions intensity of UK grid electricity.
- Market-based: Accounts for contractual instruments such as Renewable Energy Guarantees of Origin (REGOs).

MAB and FMD operate with 100% renewable electricity contracts backed by REGOs, while Fluent plans to transition following expiry of its current energy contract. We report both methodologies for transparency purposes.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE CONTINUED

Results

Table 2: GHG emissions 2024

		MARKET BASIS			LOCATION BASIS		
ENERGY CONSUMPTION AND ASSOCIATED GHG EMISSIONS (tCO^2e)		2023 RESTATED[14]	2024	CHANGE	2023	2024	CHANGE
Scope 1	Fuel consumption (gas office heating) (kWh)	495,556	612,801	24%	495,556	612,801	24%
	Associated GHG (tCO_2e)	91	112	23%	91	112	23%
Scope 2	Electricity consumption (office electricity) (kWh)	869,352	771,647	-11%	869,352	771,647	-11%
	Associated GHG (tCO_2e)	86	69	-20%	180	158	-12%
	Total Scope 1 & 2 emissions	177	181	2%	271	270	0%
Total Scope 1 and Scope 2	**In kWh**	**1,364,908**	**1,384,448**	**1%**	**1,364,908**	**1,384,448**	**1%**
	In tCO_2e	**177**	**181**	**2%**	**271**	**270**	**0%**
	Scope 1 and 2 intensity (tCO_2e/employee/yr)	**0.18**	**0.19**	**9%**	**0.27**	**0.29**	**7%**
Scope 3	Fuel consumption (own cars for business use) (miles)	546,827	559,938	2%	546,827	559,938	2%
	Fuel consumption (own cars for business use) (kWh)	661,206	671,302	2%	661,206	671,302	2%
	Associated GHG (tCO_2e)	158	159	1%	158	159	1%
	Fuel consumption Scope 3 emissions	158	159	1%	158	159	1%
	Scope 3 emissions intensity (tCO_2e/employee/yr)	0.16	0.17	6%	0.16	0.17	6%
Average employees	Including subsidiaries First Mortgage, Fluent and Vita	1001	936	-6%	1001	936	-6%

[14] The figures included within the GHG emissions table relating to 2023 market basis have been restated to reflect the omission of an applicable deduction relating to the renewal electricity tariffs which were in place for the period.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE CONTINUED

Key insights

- A marginal 1% increase in Total Carbon Emissions from 2023 to 2024 reflects the impact of a reduced headcount operating within the same facilities as in 2023. These figures also account for the restated 2023 data, which is 14% lower than previously disclosed, leading to a slight increase rather than a decrease.
- Electricity consumption decreased by 11% (kWh), contributing to a reduction in associated Scope 2 emissions.
- Gas consumption increased by 24%, driving a 23% rise in Scope 1 emissions. This increase reflects higher heating demand and may highlight opportunities to improve energy efficiency in line with the recommendations of the Energy Savings Opportunity Scheme (ESOS).
- We have achieved a 39% reduction in Scope 1 and 2 carbon intensity since 2021, reinforcing our commitment to decarbonisation in line with our science-aligned reduction targets.
- Business travel emissions increased marginally (+1%), reflecting a gradual return to in-person client meetings while maintaining our hybrid working policy. We have launched an electric vehicle salary sacrifice scheme to help employees reduce their environmental impact while traveling for business.

MAB carbon intensity in tCO2e

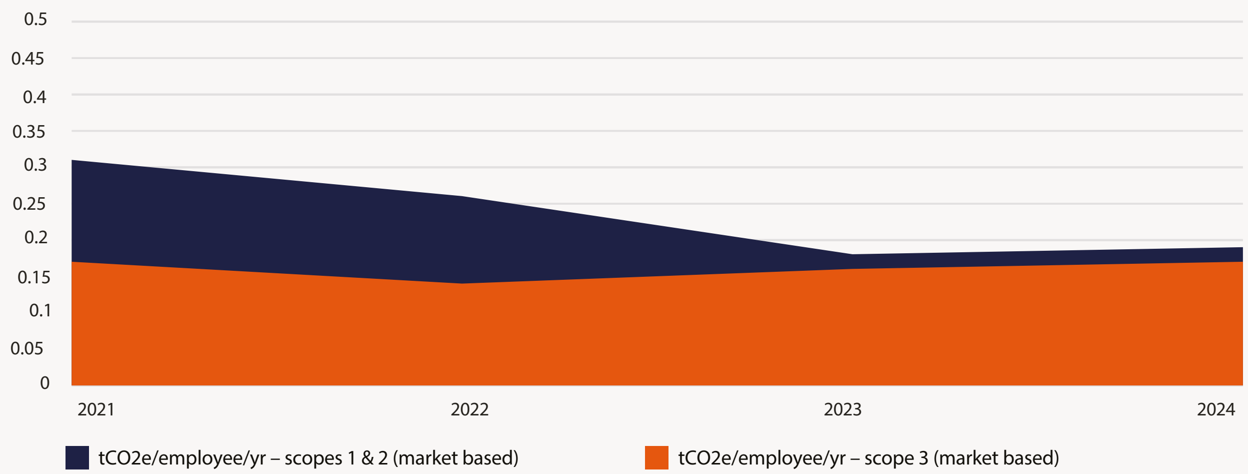


Figure 5: MAB carbon intensity history

Sustainability Key Performance Indicators (KPIs)

In 2024, MAB's sustainability committee, with guidance from our non-executive directors, significantly enhanced our ESG performance measurement framework. We developed a comprehensive set of KPIs aligned with industry standards to consistently monitor performance across all business areas. This year established our baseline measurements, with credible improvement targets to be set in 2025.

The enhanced framework includes new socio-economic diversity metrics (detailed in the People Report), EPC-related measures supporting UK housing stock decarbonisation, and metrics specific to our Resilient Homes initiative. Furthermore, we are looking to incorporate sustainability-related financial risks in alignment with sector-specific standards such as SASB in the following years.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE CONTINUED

Table 3: MAB Sustainability KPI's

CATEGORY	METRIC	UNIT	2023	2024	COMMENTARY
Community	Community projects supported	# of initiatives	**13**	**17**	
Community	Funding for community projects via Foundation	£ per annum	**£ 47,405**	**£ 50,000**	
Community	Total charitable contributions	£ per annum	**£ 113,000**	**£ 99,322**	Including subsidiaries
Customers	Customer satisfaction	Based on the ratings platform Feefo	**4.9**	**5**	Excluding subsidiaries
Customers	Customer satisfaction	Based on the ratings platform Trustpilot	**n.a.**	**4.7**	Excluding subsidiaries
Customers	Average EPC of Backbook (active mortgages)	Letter (A-G)	**n.a.**	**D**	Excluding subsidiaries
Customers	Client referrals for Energy Efficiency Upgrades	#	**n.a.**	**61**	Including subsidiaries
Environment	# of retrofits financed through MAB	#	**n.a.**	**0**	Including subsidiaries
Environment	Waste to landfill	% of all waste produced at HQ	**0%**	**0%**	Excluding subsidiaries
Environment	Fuel consumption (gas)	kwh	**495,556**	**612,801**	Including subsidiaries
Environment	Fuel consumption (electricity)*	kwh	**869,352**	**771,647**	Including subsidiaries
Environment	Associated GHG (Scope 1 & 2 combined)	tCO_2e	**177**	**181**	Including subsidiaries
Environment	Scope 1 & 2 carbon intensity	tCO_2e/employee/yr (market based)	**0.18**	**0.19**	Including subsidiaries
Environment	Scope 3 carbon intensity	tCO_2e/employee/yr	**0.16**	**0.17**	Including subsidiaries
Environment	Total carbon emissions	tCO_2e per annum	**335**	**340**	Including subsidiaries
Governance	# of Complaints	% of written volume	**0.30%**	**0.01%**	Including subsidiaries
Governance	Board composition	% of key roles female	**33%**	**33%**	Including subsidiaries
Governance	Whistleblowing	#	**0**	**0**	Including subsidiaries
People	Regretted leavers (voluntary turnover)	% employees	**7%**	**19%**	Excluding subsidiaries
People	Gender equality	% female senior managers	**42%**	**34%**	Excluding subsidiaries
People	ENPS	Employee Net Promoter Score	**n.a.**	**23**	Including subsidiaries
People	Engagement index	%	**n.a.**	**76%**	Including subsidiaries
People/ Community	Employee volunteering rate	hours (changed methodology from last year)	**392 hrs**	**500 hrs**	Excluding subsidiaries

For 2025, we plan to broaden KPI scope to ensure comprehensive group-wide coverage across all material subsidiaries.

ESG audit

In 2024, MAB conducted its first internal ESG audit to evaluate the embedding of ESG principles throughout our organisation and assess the effectiveness of measures implemented through our ESG Improvement Plan. This comprehensive review provided valuable insights into our current ESG governance, processes, and reporting frameworks.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE CONTINUED

While highlighting strong progress in key areas, it also identified opportunities for further integration and enhancement. These findings will inform the next phase of our ESG strategy, ensuring continuous improvement in sustainability performance and alignment with evolving regulatory and stakeholder expectations.

Green mortgage penetration

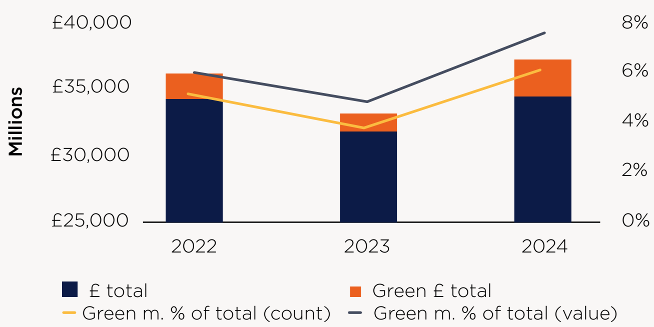
'Green mortgages' are lender-defined products that include an incentive for borrowers to either purchase an energy-efficient property or improve the energy efficiency of an existing property.

Following a challenging 2023 where green lending fell to below 5% of total lending volume, 2024 has seen a strong recovery with green lending now representing 7.6% of total lending volume - a 75% year-on-year increase. The most substantial growth occurred in Q4 2024.

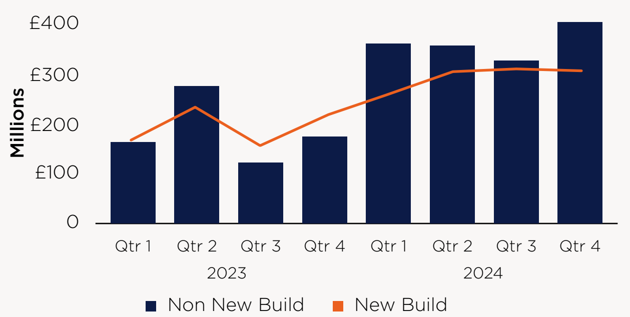
Our analysis reveals several encouraging trends:

- **More Balanced Distribution:** Green mortgages are now more evenly distributed between older and new-build properties, reflecting market innovation in products designed to incentivise retrofitting of existing housing stock.
- **Transaction Types:** Purchase transactions account for 73% of green mortgages, with remortgages at 27% and further advances at 0.1%. This suggests homebuyers are increasingly considering energy efficiency and green options at acquisition rather than solely when refinancing.
- **Market Segmentation:** The residential market remains the primary driver of green mortgage uptake, while the Buy-to-Let sector shows slower adoption, most likely indicating challenges in aligning landlord incentives for energy efficiency investments.

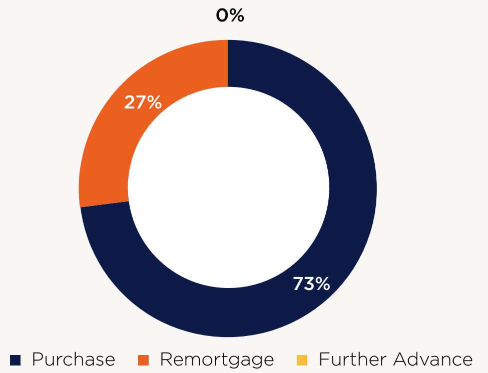
Green Mortgage Lending



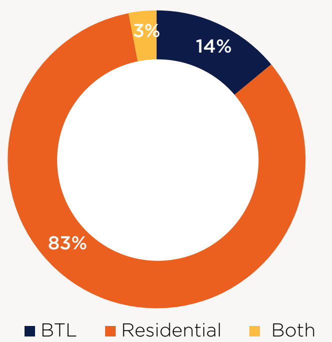
New Build vs non New Build split



Transaction types



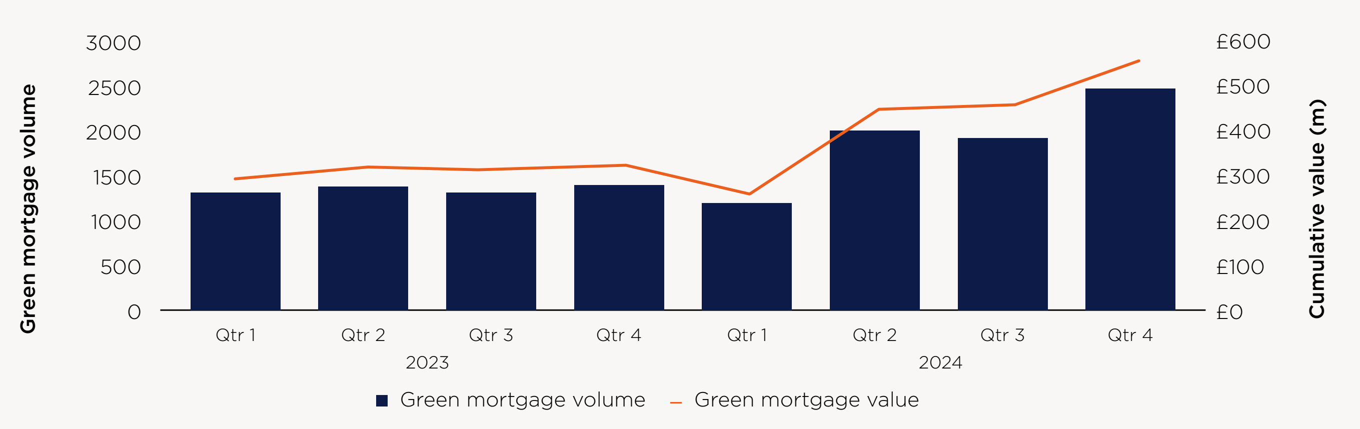
Subtypes



Both; Mortgage types that could be either residential or BTL (i.e. Bridging, Ported, etc.)

ENVIRONMENTAL, SOCIAL AND GOVERNANCE CONTINUED

- **Growth Trajectory:** Both green mortgage transaction volumes and total values show strong upward momentum throughout 2024, with Q4 reaching record highs - indicating growing market confidence and customer demand.



- **Industry Upskilling:** Concerted industry-wide efforts to enhance broker knowledge about green mortgages, EPCs and retrofit opportunities are showing results, with our latest Broker Green Mortgage Survey indicating increased confidence in client discussions on these topics.

MAB continues to support the UK housing stock decarbonisation through our 'Resilient Homes' proposition, offering customers access to certified retrofit services as part of our standard advice process. We remain committed to collaborating with lending partners to drive innovation in green mortgage products and advocate for coordinated cross-industry efforts to improve accessibility of retrofit solutions.

We are an active contributor to the Green Mortgage Advice Initiative (GMAI), an Association of Mortgage Intermediaries (AMI) programme supporting brokers in navigating the emerging green mortgage landscape while ensuring positive customer outcomes.

Future plans & next steps

To maintain momentum and achieve our sustainability goals, MAB will:

1. **Define a Science-Aligned Net Zero Pathway:** Building on our ESOS assessment findings and aligning with Science Based Targets initiative (SBTi) requirements.
2. **Transition to 100% Renewable Energy:** Expand renewable electricity adoption across all operations.
3. **Enhance Energy Efficiency:** Utilise ESOS assessment findings to establish decarbonisation pathways for facilities requiring optimisation.
4. **Expand Scope 3 Emissions Reporting:** Collaborate with suppliers and employees to improve data accuracy and granularity, focusing on business travel and upstream activities.
5. **Set Interim Carbon Reduction Targets:** Drive steady progress with realistic yet ambitious short-term goals.

MAB is committed to transparent reporting and measurable progress on our sustainability journey. Through continuous innovation and stakeholder engagement, we remain confident in achieving our Net Zero goals in line with our corporate strategy and stakeholder expectations.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE CONTINUED

Climate related disclosures

Governance

MAB embeds responsible business practices into financial decision-making, aligning with principles similar to PRI to promote sustainable outcomes for homeowners and partners. Our governance structure is central to managing climate risks and ensuring alignment with our broader risk framework. The Sustainability Committee oversees climate-related risks and opportunities, ensuring their effective integration into our business strategy.

The Sustainability Committee reports directly to the Audit Committee, providing clear oversight and accountability. ESG considerations are a standing agenda item at Board meetings, ensuring that climate-related risks and strategic opportunities receive high-level attention. The Board and Sustainability Committee regularly review ESG risks and opportunities, embedding sustainability into strategic decision-making, risk management and investor communications.

The committee comprises the Deputy CEO, CFO, CRO, Chief People Officer, Head of Legal, Head of Investor Relations, Head of Resilient Homes, and a Financial Accountant. Overall, the Board of Directors maintains responsibility for overseeing climate-related risks and opportunities.

To strengthen governance, MAB has introduced climate-linked performance incentives for senior leadership, aligning executive remuneration with key sustainability objectives - particularly driving the decarbonisation of the UK built environment.

Climate risk management

MAB approaches climate risk by adopting key principles from Green Leaves III while integrating best practices from the financial and housing sectors. As an AIM-listed company we adhere to Climate-Related Financial Disclosures (CRFD). While currently outside the scope of the Task Force on Climate-related Financial Disclosures (TCFD) requirements, we choose to align with selected recommendations that complement our sustainability strategy. In line with FCA ESG disclosure expectations, we assess climate risks through financial impact modelling, scenario analysis, and stress testing. These insights inform our business risk framework, governance, and adviser guidance.

Our climate risk framework incorporates structured methodologies for identifying, assessing, and mitigating climate-related risks. We place particular emphasis on credit risk arising from climate-related mortgage defaults, property devaluation and evolving lending criteria.

Strategy

MAB integrates climate risk into its overarching risk framework (GRC) to manage both risks and opportunities effectively. Our approach spans governance, risk management, and business planning, allowing proactive responses to emerging challenges.

While we have not yet implemented a formal double materiality framework, our risk assessment methodology - aligned with CRFD - provides a strong foundation for future enhancements. We assess climate risks through financial and operational lenses while considering broader regulatory and market developments.

Methodology

MAB employs a Source-Pathway-Receptor methodology to assess climate risks, acknowledging that extreme weather events and transition risks may impact operations over different time horizons:

- Source: We identify climate hazards (physical risks) and transition drivers (policy, technology, market shifts).
- Pathway: We analyse how these sources create exposure through various transmission channels.
- Receptor: We evaluate the ultimate impact on our business operations, revenue streams and stakeholders.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE CONTINUED

Our systematic approach identifies and assesses:

Physical Risks

- Acute risks: flooding, storms, and extreme weather events.
- Chronic risks: changing weather patterns, rising temperatures, and sea levels.

Transition Risks

- Regulatory shifts: including minimum EPC requirements and carbon taxation.
- Market evolution: changing customer demand for energy-efficient properties.
- Mortgage lending constraints: lenders' climate risk policies affecting criteria.

Prioritisation ensures that material risks, such as property devaluation and mortgage affordability, receives focused attention. This approach allows us to quantify potential impacts under various climate scenarios, informing our strategic response and mitigation planning.

Scenario analysis and resilience planning
To assess potential financial implications, we have aligned our scenario analysis with methodologies from:

- Bank of England CBES stress tests – analysing property devaluation, mortgage affordability, and default risks.
- EPC impact modelling – assessing government energy efficiency policies on property values.
- IPCC climate scenarios – incorporating physical risks such as extreme weather events and flooding.

Key considerations
- Properties with EPC D-G ratings may face reduced demand and lower valuations due to policy shifts (e.g., mandatory EPC C targets by 2035).
- Lenders are increasingly incorporating climate risk into mortgage pricing, affecting LTV ratios.
- Rising energy costs may affect affordability and increase default risks for lower-income households.
- Homes in flood-prone areas may become uninsurable, affecting resale value and mortgage servicing.
- However, opportunities exist for MAB to lead in green mortgage advice and the Resilient Homes initiative, effectively mitigating/ softening revenue risks.

High level climate risks for MAB
MAB typically uses an up-to-five-year time horizon for risk and financial planning. While our long-term strategy accounts for emerging climate risks beyond this period, our financial projections and immediate mitigation strategies are focused on the short- to medium-term outlook.

To understand how and when the identified risks impact MAB's revenue, we developed a heat map to outline a) the expected timing of specific risks and/or opportunities materialising, and b) the extent to which they are likely to affect MAB's mortgage procuration fee-linked revenue.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE CONTINUED

We include an excerpt from the analysis outcome, focussing on what we believe to be the most likely scenario (late action):

Significant adverse impact **Significant positive impact**

Risk/Opportunity Category	Risk Type	Scenario	Short-Term	Medium Term	Long-Term	Opportunity
Property Devaluation	Transition	Late Action				-
Increased Mortgage Defaults	Transition	Late Action				-
Stricter Lending Criteria	Transition	Late Action				-
Insurance Risk & Market Withdrawal	Physical	Late Action				-
Regulatory Intervention	Transition	Late Action				-
Reputational Risk	Transition	Late Action				-
Reduced Mortgage Transaction Volumes	Transition	Late Action				-
Government Climate Taxation Policies	Transition	Late Action				-
Financial Systemic Risk	Transition & Physical	Late Action				-
ESG Ratings Impact on Investor Decisions	Transition	Late Action				-
Energy-Efficient Home Financing	Transition	Late Action				Increased Income from retrofit
Sustainable Lending Practices	Transition	Late Action				Increased Mortgage volumes
Insurance Partnerships for Climate Adaption	Physical	Late Action				New protection segment
Government Incentives & Tax Benefits	Transition	Late Action				Demand stimulation for retrofit
Enhanced ESG Ratings & Investor Confidence	Transition	Late Action				Additional availability of Capital
Increased Market Share through Retrofit USP	Transition	Late Action				Increased Mortgage volumes
Operational Cost Savings Through Decarbonisations	Transition	Late Action				Utility bill savings

ENVIRONMENTAL, SOCIAL AND GOVERNANCE CONTINUED

The analysis highlights the following key insights:

1. **The 'No Action' Scenario** presents the highest risk across all categories, particularly regarding long-term systemic risks and financial exposure to mortgage market disruption.
2. **The 'Late Action' Scenario** demonstrates a significant reduction in risk compared to the 'No Action' scenario, particularly regarding mortgage defaults and financial systemic risks. Importantly, it also presents increased opportunities through:
   - Expansion of MAB's Resilient Homes initiative;
   - Stronger government policy on retrofit incentivisation;
   - Pressures to innovate in sustainable lending; and
   - Accelerated decarbonisation efforts.

   These factors will likely offset any adverse impact from materialising risks.
3. **The 'Early Action' scenario** mitigates most risks, reduces financial exposure, and helps maintain investor confidence. While it presents additional opportunities compared to other scenarios, the revenue impact would be less significant.

In all three scenarios, the cumulative positive impact of expanding the Resilient Homes proposition and potential government action is expected to offset, or at least minimise, the negative revenue implications from reduced housing stock, transaction volumes or changing criteria.

Our facilities are not deemed at risk from severe weather events to the extent that revenue would be negatively impacted. We have assessed them for heightened exposure to climate-related events, and the outcome indicates that either the likelihood of impact is minimal with adequate business continuity provisions exist, or our workforce is structured in a way that physical co-location at offices is not required.

Future commitments to strengthen our climate risk approach

At MAB, we acknowledge that climate risk is an evolving challenge that demands ongoing assessment, adaptation, and strategic action. While our current framework provides a strong foundation, we are committed to further strengthening our approach to ensure resilience against regulatory developments, financial risks, and environmental changes. The following commitments outline our plans to enhance our climate risk management strategy over the coming years.

- Ongoing Climate Risk Monitoring: Implementing a structured reassessment cycle every three years.
- Quantifying Financial Impact: Developing financial stress-testing models to assess potential revenue risks.
- Enhancing Climate Resilience: Introducing targeted adaptation measures for our operations and network.
- Deepening Lender Collaboration: Working with lenders to integrate climate risk into mortgage assessments.
- Equipping ARs with Knowledge: Providing training programmes and guidance on climate-related mortgage challenges.

Conclusion

MAB remains committed to embedding climate risk considerations into governance, strategy, and risk management. Our climate-related disclosures meet CRFD requirements for AIM-listed companies. While MAB is not directly responsible for financed emissions under PCAF guidelines, we support decarbonisation by influencing lending decisions through advisory services and promoting energy efficiency via our Resilient Homes proposition.

PEOPLE AND CULTURE

Overview

Our colleagues are integral to our success, and at MAB, we believe that an engaged and balanced workforce drives better outcomes for everyone. We recognise that our colleagues are vital in delivering our mission for our customers, and by supporting and engaging them we will drive strong and sustainable growth.

Our 'People Strategy', which was launched in 2024, is a key enabler in delivering our overall strategy at MAB. We are committed to building an agile, digital-first organisation that is fit for the future and has the right people, in the right roles, at the right time, guided by key principles:

- Deliver an outstanding colleague experience for everyone who works here.
- Source and develop the skills and talent that will give us the capability to fuel growth and innovation, ensuring that we are fit for the future.
- Develop diverse leaders who inspire growth and learning.
- Create an agile and inclusive culture led by trust.

OUR MAB PEOPLE STRATEGY

Our Mission – we help people fulfil their aspirations, by making key financial moments in life a simple, happy and reassuring experience – from home ownership and beyond

Our Vision – we want to become the leading financial partner through life's key moments – by being an amazing place to work, providing an outstanding experience for our customers, transforming the industry with the best mortgage journey, having a positive social and environmental impact.

The right roles

An agile organisation that's fit for the future

A cost effective, flat structure at all levels

Multiskilled, flexible teams to reduce key person risk

A clear strategy for Group alignment

Built with the customer in mind and an eye on future skills needs

The right people

EMPLOYEE OFFER

Everyone knows what to expect from MAB and what MAB expects in return

Everyone understands the moments that matter

We have clear and simple people processes

Our People team are visible and offer credible advice and guidance

TALENT MANAGEMENT

Talent is identified and nurtured

Early talent pipelines are developed

Coaching and mentoring is supported

Career pathways exist

Our strong brand is optimised to attract talent

LEARNING & DEVELOPMENT

Everyone can access learning and development to help them be their best self

New and aspiring leaders can access a toolkit

Leaders can access a development programme, MAB Leaders "Making a Difference"

PERFORMANCE MANAGEMENT

Everyone has clear objectives

Frequent feedback is shared

Ongoing measurement of the "What" and the "How"

High performance recognized

Development plans are robust and acted upon

The right culture

Bringing our behaviours to life

Inclusivity is understood and diversity is valued

Informative and engaging comms show how we listen and drive engagement in our business and it's future direction

Our leaders role model our behaviours

People Excellence – we will deliver an outstanding colleague experience throughout the colleague lifecycle

ESG – we will ensure that we are a responsible business that grows sustainably and makes a positive contribution to all our customers, shareholders, colleagues, suppliers and the local communities in which we operate, whilst minimising our environmental impact

**PEOPLE AND CULTURE
CONTINUED**

Colleague engagement

At MAB, we understand the importance of listening to our colleagues throughout their journey with us. We achieve this through focus groups, diversity forums and colleague engagement surveys ensuring that every voice is heard and valued.

Our latest, externally facilitated engagement survey provided valuable insights, highlighting both success to celebrate and areas of improvement.

We were delighted that 70% of colleagues participated, achieving an overall Engagement Score of 76%, and an Employee Net Promoter Score of +23, establishing a strong benchmark for the future.

We were particularly pleased that:

- 81% of colleagues feel proud to work at MAB.
- 90% of colleagues understand what is expected from them and how their role contributes to MAB's overall success.
- 82% feel empowered to make independent decisions, reflecting the genuine entrepreneurial spirit at MAB engrained in our culture.
- 90% of colleagues believe they collaborate effectively to achieve shared goals.

We remain committed to fostering an inclusive and engaging workplace, continuously listening, learning, and acting on colleague feedback through both formal and informal mechanism.

Lastly, we were extremely proud that MAB was recognised with the prestigious Best Inclusive Culture Award at the Barclays UK Mortgage Intermediary Diversity, Equity, and Inclusion Awards 2024, which is a testament to our strong colleague engagement.

PEOPLE AND CULTURE
CONTINUED

Learning and development

At MAB, we are committed to fostering a learning culture that empowers our colleagues with the skills, knowledge and mindset to embrace challenges and drive success.

Our continuous learning programme focuses on three key areas:

- Creating strong leadership - we support our leaders at MAB, equipping them with the skills to lead effectively and drive meaningful impact.
- Developing talent - we actively identify, nurture, and grow internal talent, ensuring colleagues reach their full potential.
- Effectively managing performance - we help our colleagues set meaningful objectives, engage in quality conversations and receive constructive feedback.

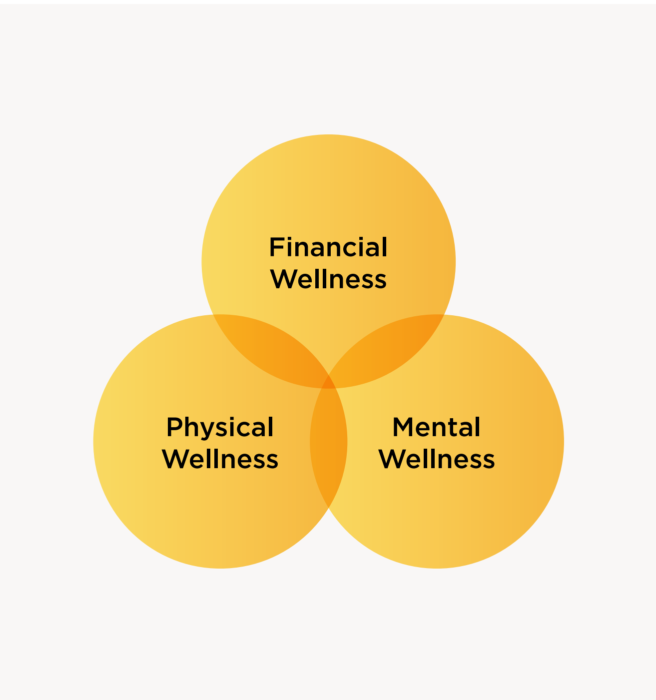
Our learning is delivered through a variety of formats to enhance accessibility and engagement:

- In person learning events,
- Virtual learning sessions,
- MAB Coaching and Mentoring programmes, and
- Micro-learning and learning bursts.

We will continue to evolve our learning approach by gaining a deeper understanding of our audience through targeted learning focus groups, feedback, and ongoing colleague dialogue.

Wellbeing

At MAB, we recognise that colleague wellbeing is essential to creating a positive work environment, minimising stress, enhancing job satisfaction, and enabling our people to thrive.



Our wellbeing strategy is built on three key pillars—financial, mental, and physical wellness—all underpinned by our organisational culture. Within these pillars, we provide a range of support, including:

- Employee Assistance Programme - A 24/7 phone and text helpline, counselling services, and enhanced wellbeing benefits for all colleagues.
- Financial Wellbeing Support - Early December and January pay dates to support colleagues during the costly festive season.
- Financial Wellbeing Clinics & Webinars - Covering mortgage advice, investment planning, and retirement guidance.
- Massage Therapy Sessions - Supporting stress reduction, improved circulation, and better sleep quality.

PEOPLE AND CULTURE
CONTINUED

Feedback from our latest colleague engagement survey has been extremely positive, reinforcing the importance of wellbeing initiatives to our colleagues.

Diversity, Equity, and Inclusion

At MAB, we believe that a diverse and inclusive workforce drives better outcomes for everyone. We are committed to creating a diverse and inclusive organisation that fosters an environment of belonging and inclusion for all.

We are committed to creating a workplace where everyone is treated with fairness, respect, and dignity, regardless of age, educational and professional background, disability, gender, gender re-assignment, marital status, race, ethnicity, religion and beliefs and sexual orientation. Over the last year we have:

- Appointed a female CFO to the Board to ensure that we continue our diversity of thinking at the most senior level.
- Continued to develop our colleague voice group including diverse representation from all areas of the business.
- Continued to put resource behind the ED&I Steering Group (Unity) to support all colleagues in feeling valued and able to reach their full potential.
- Utilised the MAB Apprenticeship Levy to develop both aspiring and existing female leaders into senior roles.
- Introduced a more gender balanced wording into our job adverts to support our continued unbiased recruitment.
- Appointed a female Chair to the MAB Foundation.
- Became members of the Diversity & Inclusion Finance Forum to support the creation of a more balanced and fair mortgage industry.
- Continued to review our flexible working policy to provide the most inclusive solutions.
- Enhanced our paternity pay above the government legal requirement.

Community and volunteering

As part of our ESG strategy, we are committed to supporting communities and charitable initiatives.

Since introducing our volunteering initiative in 2021, all colleagues have been given two days of paid leave to support a charity or organisation of their choice. In 2024, colleagues dedicated approximately 500 hours to volunteering, with many choosing to organise team events.

Our commitment to community engagement is further reflected in the work of the Mortgage Advice Bureau Foundation. Throughout 2024, MAB continued to fund and provide resources to the Foundation, a grant-giving charity supporting projects that create sustainable, positive change.

The Foundation provides grants ranging from £500 to £5,000 in three key areas:

- Health & Wellbeing - Supporting projects that enhance quality of life.
- Preventing & Relieving Poverty - Helping communities facing financial hardship.
- Environmental & Conservation - Promoting sustainable practices and reducing carbon footprints.

In 2024, the Foundation:

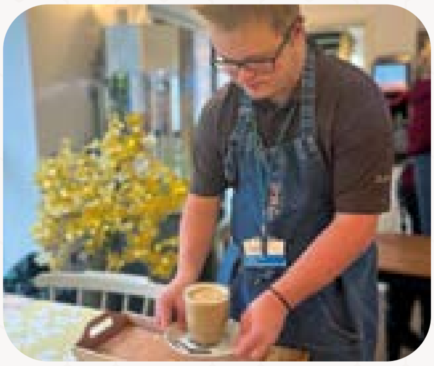
- Received 93 nominations for funding.
- Approved and funded 17 projects, granting a total of £70,523.
- Partnered with Crowdfunder, British Airways, M&S, Sport England and Aviva, helping projects raise £124,856 in additional funding.

Trustees

The Mortgage Advice Bureau Foundation is managed by a team of experienced trustees who oversee its governance and ensure alignment with its mission:

Andy Frankish	Trustee	CEO at MAB Foundation
Lucy Tilley	Trustee	Experienced CFO
Peter Brodnicki	Trustee	CEO at MAB Group
Ali Crossley	Trustee	Managing Director, Distribution at Legal and General
Esther Dijkstra	Trustee	Managing Director, Intermediaries at Lloyds Banking Group
Caroline Hill	Chair	Chief People Officer at MAB Group
Ben Thompson	Trustee	Deputy CEO at MAB Group

PEOPLE AND CULTURE CONTINUED



Case study – The Hamlett

The Hamlet Wigan supports young adults aged 19-25 with additional needs, helping them develop practical skills for their future. The initiative offers training in The Nest Café, Lakeside Printing, and The Woodlands retail outlets.

Thanks to a £5,000 grant from the MAB Foundation, The Nest Café was able to upgrade furniture and purchase a new barista machine, improving safety and reducing operating costs.

Case study – Flamingo Chicks

Flamingo Chicks' Library of Things encourages sustainable borrowing, enabling members to access DIY tools, recreational gear, and party supplies—all at no cost. The initiative has helped save an estimated 283,000 tonnes of waste and £6.2m for members.

A £2,250 grant from the MAB Foundation helped launch a new shop in Bristol, alongside a successful crowdfunding campaign that raised £12,649.

Award winning

In September 2024, MAB Foundation was honoured with the Charity Champion Award of the Year at the Money Marketing Awards. Judges praised MAB's commitment to raising awareness for community-driven causes and leveraging Crowdfunder partnerships to help charities raise more than just the initial grant funding.

Forward looking statements

The strategic report is prepared for the members of MAB and should not be relied upon by any other party for any other purpose. Where the report contains forward- looking statements these are made by the Directors in good faith based on the information available to them at the time of their approval of this report.

Consequently, such statements should be treated with caution due to the inherent uncertainties, including both economic and business risks underlying such forward-looking statements and information. The Group undertakes no obligation to update these forward-looking statements.

On behalf of the Board

Emilie McCarthy
Chief Financial Officer
17 March 2025

GOVERNANCE

IN THIS SECTION

BOARD OF DIRECTORS

The Board comprises three Executive and four Non-Executive Directors. A short biography of each Director is set out below.

COMMITTEE KEY

- A Audit
- R Remuneration
- N Nomination
- G GRC

MIKE JONES
NON-EXECUTIVE CHAIR

Aged 61

Mike joined Lloyds Bank plc in 1985 and retired from Lloyds Banking Group plc (LBG) at the end of 2020. He worked in various roles across the group, most recently as Managing Director, Intermediaries & Specialist Brands since 2010. His primary role was leading the Halifax, BM Solutions and Scottish Widows Bank business development teams, working with mortgage intermediaries across the UK. Mike chaired the LBG Housing Forum, the LBG Intermediary Conduct Forum and was responsible in the UK for Birmingham Midshires, Scottish Widows Bank and intelligent Finance. He was also responsible for LBG's European retail bank operating in Germany and The Netherlands, a role that continues as Chair of the Supervisory Board of Lloyds Bank GmbH following his appointment in March 2019. Mike was appointed as the Non-Executive Chair of Mortgage Advice Bureau (Holdings) plc in 2024.

COMMITTEES MEMBERSHIP

A R N G

PETER BRODNICKI
CHIEF EXECUTIVE OFFICER

Aged 62

As one of the founders of MAB in 2000, Peter has more than 35 years' experience in mortgage and financial services. Prior to founding MAB, he was with Legal & General for five years, where he held the position of Head of the Estate Agency Network, and also latterly as Recruitment Director. Peter's experience prior to Legal & General includes sales and management roles at Albany Life, before which he was at John Charcol. Peter has received a number of industry awards over the years, including Business Leader of the Year six times, Mortgage Strategist of the Year twice, and the Industry's Most Influential Person.

COMMITTEES MEMBERSHIP

N G

BEN THOMPSON
DEPUTY CHIEF EXECUTIVE OFFICER

Aged 55

Ben has been in financial services since 1986 and before joining MAB in 2018, he was Chief Executive Officer of ULS Technology, the AIM-listed provider of online B2B platforms for the UK conveyancing and financial intermediary markets. Prior to that, he held senior positions at Legal & General Group Plc, where he ran their market-leading mortgage distribution business, as well as the banking division. Before Legal & General, Ben held roles at Paymentshield, St. James's Place, Winterthur Life and TSB. He also has extensive experience in both retail and private banking, as well as in residential property, in particular estate agency.

COMMITTEES MEMBERSHIP

G

BOARD OF DIRECTORS CONTINUED

EMILIE MCCARTHY
CHIEF FINANCIAL OFFICER

Aged 44

Emilie McCarthy joined MAB in May 2024, bringing over 20 years of experience in finance, risk management, and global operations working in the UK and the US. She has previously served as CFO at CNBC International and Group CFO for Hult International Business School, where she led initiatives in revenue diversification, geographical expansion, and strategic transformation, while also honing her skills in crisis management and finance transformation programmes. She is a Fellow Chartered Management Accountant (CGMA FCMA). Emilie is also a dedicated community contributor, serving as an independent trustee for the Single Homeless Project charity.

COMMITTEES MEMBERSHIP

G

NATHAN IMLACH
SENIOR INDEPENDENT NON-EXECUTIVE DIRECTOR

Aged 55

Nathan is Chief Strategic Adviser to Mattioli Woods Limited, where his focus is on acquisitions and contributing to its future direction. He qualified as a Chartered Accountant with Ernst & Young, specialising in providing mergers and acquisitions advice to a broad range of quoted and unquoted clients in the UK and abroad. He is a Fellow of the Chartered Institute for Securities & Investment and holds the Corporate Finance qualification from the Institute of Chartered Accountants in England and Wales. Nathan is a Non-Executive Director of Custodian Property Income REIT plc, a UK real estate investment trust listed on the main market of the London Stock Exchange, and is a patron and former trustee of Leicester Grammar School Trust.

COMMITTEES MEMBERSHIP

A R N G

DAVID PREECE
NON-EXECUTIVE DIRECTOR

Aged 64

David joined MAB as an Executive Director in 2004 and retired as Chief Operating Officer in 2019, remaining on the Board as a Non-Executive Director. He has more than 40 years of experience in financial services and is an Associate of the Chartered Institute of Bankers. Prior to joining MAB, David's roles included Senior Manager at NatWest Group Financial Control, Head of Mortgage Operations at NatWest and Head of Membership Services at the Britannia Building Society.

COMMITTEES MEMBERSHIP

N G

RACHEL HAWORTH
INDEPENDENT NON-EXECUTIVE DIRECTOR

Aged 52

Rachel has operated in the financial services industry for over three decades in a number of executive and non-executive roles. She currently serves as a Non-Executive Director and Chair of the Remuneration Committee for Mansfield Building Society, and a Non-Executive Member of the Phoenix Independent Governance Committees covering the Phoenix, Standard Life, and ReAssure brands. Her executive experience includes HSBC First Direct, and more recently, Customer Experience Director for Coventry Building Society. Rachel's expertise spans strategy, marketing, digital transformation, risk management and cultural leadership, and she is a Fellow of the Chartered Institute of Marketing.

COMMITTEES MEMBERSHIP

A R N G

COMPANY INFORMATION

Company:	**Mortgage Advice Bureau (Holdings) plc**	
Directors:	**Mike Jones**	Non-Executive Chair
	Peter Brodnicki	Chief Executive Officer
	Ben Thompson	Deputy Chief Executive Officer
	Emilie McCarthy	Chief Financial Officer
	Nathan Imlach	Senior Independent Non-Executive Director
	Rachel Haworth	Independent Non-Executive Director
	David Preece	Non-Executive Director
Company secretary:	**Rory Gissane**	
Registered office:	**Capital House** Pride Place Pride Park Derby DE24 8QR	
Registered number:	04131569	
Nominated adviser and joint broker:	**Keefe, Bruyette & Woods, a Stifel Company** 4th Floor 150 Cheapside London EC2V 6ET	
Joint broker:	**Peel Hunt LLP** 100 Liverpool Street London England EC2M 2AT	
Auditor:	**BDO LLP** 55 Baker Street London W1U 7EU	
Solicitors:	**Norton Rose Fulbright LLP** 3 More London Riverside London SE1 2AQ	
Principal bankers:	**NatWest Bank plc** Cumberland Place Nottingham NG1 7ZS	
Registrars:	**Equiniti Limited** Aspect House Spencer Road Lancing West Sussex BN99 6DA	

DIRECTORS' REPORT

The Directors are pleased to present their report, along with the financial statements for the year ended 31 December 2024. For the purposes of this report, the expression "Company" means Mortgage Advice Bureau (Holdings) plc and the expression "Group" means the Company and its subsidiaries.

Results and business review

The Group's principal activity remains the provision of financial services, in particular the provision of mortgage advice and advice on protection and general insurance products. The Company itself operates as a non-trading holding company. A full review of the Group's business, operations, principal risks and outlook can be found in the Strategic Report on pages 23 to 40. The financial statements provide detailed explanation of the Group's financial performance on pages 100 to 149.

In 2024, the Group delivered strong financial growth:

- Group revenue increased by 11.3% to £266.5m.
- Adjusted profit before tax (PBT) grew by 38.0% to 32.0m.

The financial results are summarised in the Financial Review section of the Strategic Report on pages 18 to 22.

Dividends

The Board is pleased to propose a final dividend of 14.8p per share (2023: 14.7p), bringing the total proposed dividend for the year to 28.2p per share (2023: 28.1p). This represents 75% of the Group's annual adjusted post-tax and minority interest profits, equating a cash outlay of £8.6m (2023: £8.4m).

As the dividend was not an obligation at 31 December 2024, it has not been included in the Group financial statements. If approved, the final dividend will be paid on 27 May 2025 to ordinary shareholders on the register as of 25 April 2025.

Dividends paid during the year totalled £16.2m, covering the final dividend for the year ended 31 December 2023 and the interim dividend for the year ended 31 December 2024.

Going concern

The Directors have assessed the Group's financial prospects until 31 December 2026, considering the current operating environment, and impact of the ongoing geopolitical and macroeconomic uncertainties. The Directors' assessment includes a review of the approved Group plan, the principal risks and uncertainties as well as a review of profitability, cash flows, regulatory capital requirements and compliance with borrowing covenants under the Group's current debt facility.

Sensitivity analysis was conducted, applying severe but plausible stress tests to key assumptions related to business volumes, revenue mix, cash position, banking covenants and regulatory capital adequacy. This included reduction in business volumes between 15% and 20% across each business area within the Group. The Group's financial modelling shows that the Group should continue to be cash generative, maintain a surplus on its regulatory capital requirements and be able to operate within its current financing arrangements.

After evaluating this information, market and regulatory data, and leveraging the knowledge and experience of the Group and its markets, the Directors are comfortable that the Group will continue to generate positive cash flow, maintain regulatory capital surpluses, continue operate, comply with its existing financing arrangement and meet its liabilities as they fall due over this period. Accordingly, the Directors continue to adopt the going concern basis for the preparation of the financial statements.

Events after the reporting date

No material events occurred after the reporting date that would affect the understanding of the consolidated financial statements.

Directors

A list of the current serving Directors and their biographies is given on page 66.

As announced on 19 March 2024, Katherine Innes Ker, Non-Executive Chair, stepped down after the 2024 annual general meeting and did not seek re-election.

As announced on 15 January 2024, Lucy Tilley, Executive Director, stepped down as Director and Chief Financial Officer.

As announced on 23 April 2024, Rachel Haworth and Emilie McCarthy (Chief Financial Officer) were appointed as a Non-Executive Director and Executive Director respectively, and were elected at the 2024 annual general meeting.

DIRECTORS' REPORT
CONTINUED

All Directors intend to stand for re-election at the 2025 AGM, except David Preece, who has announced he will not seek re-election and step down as a Non-Executive Director.

Directors' indemnity

All Company Directors and Officers benefit from indemnity provisions within the Company's Articles of Association. Former Directors who have the benefit of an agreement for indemnity from the Company are Katherine Innes Ker, former Chair, Richard Verdin, former Non-Executive Director, Paul Robinson, former CFO, and Stephen Smith, former Non-Executive Director. Current Directors who have the benefit of an agreement for indemnity from the Company are David Preece, Nathan Imlach, Peter Brodnicki, and Ben Thompson. The Group also maintains Directors' and Officers' Liability Insurance.

Share capital

Mortgage Advice Bureau (Holdings) plc is a public limited company incorporated in England and Wales with shares quoted on the AIM market of the London Stock Exchange.

The Company's issued share capital during the year and as at 31 December 2024 is shown in note 23 to the Financial Statements. Save as agreed at a general meeting of the shareholders, the ordinary shares have pre-emption rights in respect of any future issues of ordinary shares to the extent conferred by section 561 of the Companies Act 2006.

There are no restrictions on the transfer of ordinary shares in the Company.

Rule 9 of the City Code

Under rule 9 of the City Code on Takeovers and Mergers (City Code), where any person acquires an interest in shares which carry 30% or more of the voting rights that person is normally required to make a general offer to all remaining shareholders of the Company to acquire their shares.

The Panel on Takeovers and Mergers considers two of the Directors (Peter Brodnicki and David Preece) as persons acting in concert for the purposes of the City Code. At 31 December 2024 the concert party held ordinary shares, in aggregate, representing 19.55% of the issued share capital of the Company.

Substantial shareholders

At 17 March 2025, the Company had been notified of the following interests representing 3% or more of its issued share capital:

Shareholder	Holding
Peter Brodnicki	17.95%
Liontrust Asset Management	13.94%
Octopus Investments	9.41%
Aberdeen	7.16%
Kayne Anderson Rudnick	6.22%
Liontrust Sustainable Investments	4.70%
M&G Investments	4.40%

Directors' interests

Directors emoluments, beneficial interests in the shares of the Company and their options to acquire shares are disclosed in the Directors' remuneration report. During the period covered by this report, no Director had a material interest in a contract to which the Company or any of its subsidiaries was a party (other than their own service contract) requiring disclosure under the Companies Act 2006. There are procedures in place to deal with any Directors conflicts of interest arising under section 175 of the Companies Act 2006 and such procedures have operated effectively.

Related party transactions

Details of related party transactions are given in note 26 to the Financial Statements.

Section 172(1) statement

The Directors of MAB consider that in conducting the business of the Company over the course of the year they have complied with section 172(1) of the Companies Act 2006 (the Act), by fulfilling their duty to promote the success of the Company and act in the way they consider, in good faith, would be the most likely to promote the success of the Company for the benefit of its members as a whole, having regard to the matters set out in s172(1)(a-f) of the Act.

Engagement with colleagues

Employee wellbeing and engagement is important to the Group, and we try to engage with the community in a meaningful and impactful manner.

More details on our engagement with colleagues can be found in the People and Culture section of the Strategic Report on pages 59 to 64.

Engagement with customers and suppliers

Details on how the Group has engaged with customers and suppliers during the year can be found in the Stakeholders section on pages 43 to 44 of the Strategic Report.

Engagement with community and charitable donations

Corporate social responsibility remains a key priority for MAB and the Group strives to engage meaningfully and impactfully with the communities in which it operates.

More details on our community engagement and charitable donations can be found in the People and Culture section of the Strategic Report on pages 59 to 64.

Political donations

The Group made no political donations during the year (2023: £nil).

Annual General Meeting

This year's annual general meeting of the Company (AGM) will be held on 21 May 2025. The notice of AGM is included with this document and contains further information on the business to be proposed at the meeting.

Principal risks and uncertainties

The Directors' view of the principal risks and uncertainties facing the business is summarised in the Strategic Report on pages 27 to 32.

Corporate governance

A full review of Corporate Governance appears on pages 72 to 79.

Auditor

BDO LLP, appointed as auditor in 2014, has expressed its willingness to continue in office. The Group remains satisfied with BDO LLP's independence and the adequacy of its safeguards.

A resolution for BDO LLP's reappointment will be proposed at the AGM on 21 May 2025.

As noted in the Audit Committee Report (pages 74 to 76), the Committee plans to establish a policy on audit tenure and tendering, in line with the revised QCA Code (November 2023).

Directors' statement as to disclosure of information to the auditor

All Directors who were members of the Board at the time of approving the Directors' report have taken all reasonable steps to make themselves aware of any relevant audit information and that to the best of each Director's knowledge and belief, there is no relevant audit information of which the Company's auditor is unaware.

On behalf of the Board

Emilie McCarthy
Chief Financial Officer

17 March 2025

CORPORATE GOVERNANCE

Introduction

The Board is committed to maintaining high standards of corporate governance, integrity and business ethics. In accordance with the AIM Rules, the Group is required to apply a recognised corporate governance code. To meet this requirement, the Board has adopted the Quoted Companies Alliance Corporate Governance Code (QCA Code), which outlines ten principles aimed at driving medium- to long-term value for shareholders and requires the Group to publish relevant disclosures.

We believe that strong governance is essential to the delivery of the Group's strategic objectives. We are committed to staying aligned with best practices, remaining attuned to regulatory developments, and continuously enhancing how we serve our customer's needs.

Further details on the Group's corporate governance arrangements are contained in the "corporate governance" section of the Company's investor website (www.mortgageadvicebureau.com/investor-relations).

Board composition and independence

Several changes were made to the composition of the Board during 2024, with Mike Jones succeeding Katherine Innes Ker as Non-Executive Chair at the 2024 Annual General Meeting, and the appointments of Emilie McCarthy as Chief Financial Officer on 22 May 2024 and Rachel Haworth as independent Non-Executive Director on 1 May 2024.

The Board is composed of three Executive Directors, three independent Non-Executive Directors, including the Chair, and one non-independent Non-Executive Director. The Directors' biographies on page 66 demonstrate a range of experience which is key to the success of the Group.

The Board considers three of the Non-Executive Directors to be independent of management and free from any relationship that could materially interfere with their ability to exercise independent judgement. As such, they provide a strong independent presence on the Board. The Board does not believe that the independent Non-Executive Directors' shareholdings compromise their independence. Nathan Imlach serves as the Senior Independent Director.

All Non-Executive Directors bring a diverse mix of skills and senior-level experience in business operations and strategy. Collectively, they provide the expertise and insight that support our strategic direction and reinforce our culture.

All Directors have access to the Company Secretary, Rory Gissane, who helps to ensure compliance with Board procedures and applicable rules and regulations. The Board meets at least seven times per year, with additional meetings scheduled as required. It serves as the principal forum for guiding the Group's strategic direction and decision-making.

Operation of the Board

The Board is accountable to shareholders for the effective management of the Group. It sets long-term objectives and commercial strategy, approves business plans, operating and capital budgets, and oversees preparation of the interim and annual financial statements.

The Board is responsible for considering and approving the Group's dividend policy, changes to its capital and financing structure, and significant transactions, including acquisitions and disposals. It ensures the maintenance of a sound system of internal control and risk management, oversees Board appointments and succession planning, sets the executive remuneration policy and remuneration arrangements for Directors and other senior managers, and establishes the terms of reference for Board committees. Other matters are delegated to management, with policies in place to ensure proper reporting to the Board.

The Company maintains appropriate insurance cover for legal action against the Company's Directors, though no coverage is provided in the event that a Director is found to have acted fraudulently or dishonestly.

The agenda and papers for Board meetings are distributed by the Company Secretary in a timely manner.

The roles of Chair and Chief Executive Officer are distinct, with clear division of responsibilities. The Chair's role is to ensure good corporate governance, leading the Board, overseeing it effectiveness in all aspects, setting the Board's agenda, ensuring full participation of all Directors in Board activities and decision-making, and facilitating communication with shareholders. As part of the Senior Managers and Certification Regime, which applies to the Company as a Financial Conduct Authority (FCA) regulated firm, the Chief Executive Officer, Deputy Chief Executive Officer and Chief Financial Officer each have clearly defined roles set out in a statement of responsibilities.

Together, they are responsible for overseeing the development and the delivery of the strategy approved by the Board, as well as the day-to-day operational and commercial management of the Group by the senior executive team. The Board is committed to continuously developing the corporate governance and management structures of the Group to ensure they meet the evolving needs of the business.

Upon appointment, Board members, particularly the Chair and Non-Executive Directors, disclose their commitments and agree to allocate the necessary time to discharge their duties effectively. The Board has reviewed the time commitments of each Director and is confident that each has sufficient capacity to fulfil their responsibilities for the Company. Any conflicts of interest are addressed in accordance with the Board's conflict of interest procedures.

All Executive and Non-Executive Directors retire and stand for re-election annually at the Annual General Meeting.

The Board aims to lead by example and act in the best interests of the Company. It is guided by a strong set of values outline in the Group's "MABology" behaviours framework, which are fundamental to achieving good customer outcomes and promoting business success. These values are at the heart of the Group's culture. The Board is committed to fostering a healthy corporate culture and conducts an annual staff survey to monitor progress in this area.

Induction, training and performance evaluation

All Directors stay informed on key issues and developments related to industry, financial, regulatory and governance matters. They regularly attend briefing seminars, conferences and industry forums, read trade publications, and participate in training courses or online learning to stay up-to-date on relevant topics. Where appropriate, the Board receives presentations from industry and professional experts. The Chief Executive Officer and Deputy Chief Executive Officer are regular participants at various industry-specific conferences, and the Chief Financial Officer participates in seminars on accounting, other financial and governance matters.

Additionally, the Non-Executive Directors hold other directorships and continually expand their skill sets through those connections. Regular and open communication ensures that relevant information is disseminated effectively with the Board as a whole. Every Director, upon appointment and throughout their service, is entitled to receive any training they deem necessary to fulfil their responsibilities effectively.

As required by the Senior Managers and Certification Regime, the Non-Executive Chair regularly assesses the continuing fitness and propriety of each Board member, along with their individual contributions, to ensure, amongst other things that:

- Their contribution is relevant and effective;
- They are committed; and
- Where relevant, they have maintained their independence.

Board evaluation

Throughout 2024, the Board continued to implement the conclusions and recommendations arising from the Board evaluation conducted in 2023. A summary of the findings from the review of the Board's performance and overall effectiveness, including its committees and the Chair, is outlined below. The changes made to the Board's composition in 2024 further strengthened its skills and expertise amongst the Directors.

The effectiveness evaluation process conducted in 2023 focused on the following areas:

- Composition, mix of skills and experience, diversity and inclusion;
- Procedures and operation of the Board and its committees;
- Culture and tone from the top;
- Stewardship and governance; and
- Strategy.

The evaluation confirmed that the Board understands its strengths and weaknesses and is able to respond effectively to changing market and business needs. The Board concluded that the composition of both the Board and its committees is appropriate, the procedures in place are effective, responsibilities are clearly divided, and the Directors possess the necessary skills, experience, independence and knowledge to enable the Board and its committees to effectively discharge their duties. The Board regularly reviewed its effectiveness throughout 2024, especially considering the changes made to its composition.

Induction programme

The Board has an induction programme to ensure that new Directors receive a formal introduction upon appointment. This includes an overview of the Group's activities, key business areas, governing law, corporate governance codes, strategy, financial and regulatory risks, the terms of reference of the Board and its committees, and the latest financial information. The programme also includes meetings with the Executive Directors, Company Secretary, members of senior management, as well as external advisers including the Company's nominated adviser and auditor as appropriate. Additionally, new Directors are given access to Board and committee papers and minutes.

Board committees

To assist in discharging its duties, the Board has delegated authority to four specialist committees: the Audit Committee, the Group Risk Committee, the Remuneration Committee and the Nominations Committee. The terms of reference for each committee are approved by the Board and reviewed annually. The Chair of each committee reports to the Board on any significant matters that fall outside the committee's delegated responsibility and authority.

Meetings and attendance

All Directors are expected to attend all Board meetings and meetings of committees of which they are members. In 2024, the number of Board meetings held was higher than scheduled as Board members met to consider potential acquisitions and investment opportunities.

Directors' attendance at meetings during the year was as follows:

Meetings attended (eligible to attend)	Board	Audit	Remuneration	Nominations	GRC
Katherine Innes Ker[1]	6 (7)	2 (2)	5 (5)	1 (1)	3 (3)
Peter Brodnicki	17 (17)	-	-	2 (2)	6 (6)
Nathan Imlach	17 (17)	5 (5)	7 (7)	2 (2)	6 (6)
Mike Jones[2]	16 (17)	5 (5)	7 (7)	2 (2)	6 (6)
David Preece	15 (17)	-	-	2 (2)	6 (6)
Lucy Tilley[3]	7 (7)	-	-	-	3 (3)
Ben Thompson	16 (17)	-	-	-	5 (6)
Rachel Haworth[4]	10 (11)	3 (3)	2 (2)	1 (1)	3 (4)
Emilie McCarthy[5]	9 (10)	-	-	-	3 (3)

Notes:
1 Katherine Innes Ker stood down as a Director at the 2024 AGM on 22 May 2024 and her attendance is shown up to that date.
2 Mike Jones succeed Katherine Innes-Ker as Chair after the 2024 AGM on 22 May 2024.
3 Lucy Tilley stood down as a Director at the 2024 AGM on 22 May 2024 and her attendance is shown up to that date.
4 Rachel Haworth was appointed as a Director on 1 May 2024.
5 Emilie McCarthy was appointed as a Director after the 2024 AGM on 22 May 2024.

Audit Committee

During 2024, the Audit Committee comprised Nathan Imlach (Chair), Mike Jones, Rachel Haworth (from 1 May 2024) and Katherine Innes Ker (until 22 May 2024). Nathan Imlach is a Chartered Accountant, and the Board is satisfied that all members of the committee have recent and relevant financial experience. The Group has considered the Financial Reporting Council's guidance that the committee should possess competence relevant to the financial services sector and has concluded that the committee, as a whole, meets this requirement. The Board believes the Audit Committee is independent, with all members being independent Non-Executive Directors.

The responsibilities of the Audit Committee are outlined in its terms of reference, with its key responsibilities being:

- To review the reporting of financial and other information to the shareholders of the Company and to monitor the integrity of the financial statements;
- To review the Group's accounting procedures and provide oversight of significant judgement areas;
- To review the effectiveness of the Group's internal financial systems and controls;
- To review the effectiveness of the external audit process and the independence and objectivity of the external auditor;

- To review audit fees and proposals for future years; and
- To report to the Board how it has discharged its responsibilities.

Committee meetings are typically attended by representatives from both the external and internal auditors. The Chief Executive Officer, Chief Financial Officer and Deputy Chief Executive Officer are invited to attend at the committee's discretion. Other senior executives from the Group may also be requested to attend. The Committee meets with the Chief Financial Officer not less than four times a year and meets with representatives of the external auditors, without management present, at least once a year.

There is cross membership between the Group Risk Committee and other Board committees to ensure that agendas are aligned, and key information is shared appropriately across the committees.

Activities during the year

The Audit Committee met four times during the year to consider significant financial and audit issues, the judgements made in connection with the financial statements, and to review the narrative within both the annual report and the interim report.

During the year the Audit Committee continued to monitor the internal audit function, which was delivered through a combination of RSM Risk Assurance Services LLP as an outsourced provider and the Group's internal audit team. The committee developed the Company's internal audit strategy and plan and oversaw the implementation of the recommendations of the internal audits.

Significant judgements and estimates

GOODWILL	
As set out in Note 14 to the Group financial statements, the Group had goodwill of £53.9m (2023: £53.9m). Under IAS 36, these balances are assessed annually for impairment. Impairment testing requires the application of judgement, largely around the assumptions that are built into the calculation of the value in use of the cash generating unit being tested for impairment.	The committee considered the impairment reviews carried out by management. These reviews focused on the assumptions underlying the calculation of the value in use of the cash generating units tested for impairment. Both management and the committee challenged the underlying cash flow assumptions, taking into account historical performance. This was further supported by a review of the Group's budgets and forecast model used to calculate the cashflows used in the calculation. The main assumptions reviewed by the committee were the achievability of long-term business plans and the discount rate used, as outlined in Note 14. These assumptions were subject to sensitivity analysis by management which was also reviewed by the committee. The committee concluded that the carrying values of goodwill included in the financial statements are appropriate.

VALUATION OF PUT AND CALL OPTIONS	
In 2022, the acquisitions of Fluent and Auxilium had put and call options associated with the acquisition of the minority interests at a future date. The valuation of the put and call options gives rise to key inherent risks with respect to management judgements and estimates, specifically around projected financial results.	For investments in subsidiaries with put and call options attached to them, the committee reviewed and challenged the budgets and forecast assumptions used in the model to calculate the valuation. The committee concluded that the present values of the put and call options included in the financial statements are appropriate, and the impact of changes in valuation have been correctly recognised.

CORPORATE GOVERNANCE CONTINUED

CLAWBACK LIABILITY

As detailed in Note 21, the Group recognises a refund liability under IFRS 15 for the estimated cost of repaying commission income received upfront on protection policies that may lapse in the four years following issue. This liability is an estimate and the actual timing and amount of future cash flows are dependent on future events.

The liability balance is calculated using a financial model that has been developed over several years. It incorporates several factors including the total 'unearned' commission (i.e. that could still be subject to clawback) at the point of calculation, the age profile of the commission received, estimates of future lapse rates, and the success of the ARs in preventing lapses and/or generating new income at the point of a lapse.

The committee considered and challenged the nature of the liability, the potential outcomes and the prior history of cancellations to assess whether the key judgements used to calculate the liability is prudent and appropriate.

The committee discussed with management the key elements of judgement to assure themselves of the adequacy and appropriateness of the provision. Following this discussion, the committee was satisfied that the judgements exercised were appropriate and that the liability was fairly stated in the financial statements.

USE OF ALTERNATIVE PERFORMANCE MEASURES

The Group has identified certain measures that it believes will assist in the understanding of the performance of the business. These measures are not defined under IFRS but can be used, provided that appropriate disclosure is made in the Annual Report and Accounts.

These are included within the Glossary of Alternative Performance Measures (APMs) on pages 150 to 152.

The committee considered the measures and determined that these APMs are deemed important by management as key indicators and comparables for assessing business performance. They are not substitute for, or superior to, any IFRS measures. The committee was also satisfied that the disclosure of the APMs was appropriate.

OTHER MATTERS

In addition to the above matters, the committee assessed whether each entity, as well as the Group as a whole, is a going concern.

The committee also reconsidered a number of other judgements made by management including IFRS 2 'Share-based payments', Investments in Associates, the impairment of trade and other receivables and the impairment of other Intangible Assets.

The committee considered the Group's going concern assessment and whether the forecast financial performance would result in an adequate level of headroom over the Group's available cash facilities. The committee also discussed the key assumptions underpinning the Group's forecast financial performance with management regularly during the year and considered a range of sensitivities to those forecasts, together with the feasibility and effectiveness of mitigating factors. The committee concluded there are no material uncertainties that cast doubt on the Group's ability to continue as a going concern and that the adoption of the going concern basis is appropriate.

The committee considered management's approach, proposed disclosures, assessment, and other factors in the judgements made by management and concluded that the judgements used were appropriate.

Internal audit

The internal audit function is responsible for providing assurance over the design and operational effectiveness of the internal controls related to the Group's key activities. During the year the internal audit function moved from being fully outsourced to being a co-source arrangement with the recruitment of an Internal Audit Manager.

The Group's internal audit activity follows a strategic, risk-based approach to cyclical audits, considering the Group's key strategic priorities and risks. This approach aims to provide assurance over key areas such as governance, risk management and control. During the year the internal audit function engaged in a number of activities, including:

- Developing the internal audit plan based on an analysis of the Group's corporate objectives, risk profile and assurance framework, as well as other factors such as emerging issues in the Group's sector;
- Delivering audits providing assurance over the Group's regulatory reporting, environmental, social, and governance (ESG), insurance, payroll, information technology general controls and key financial controls; and
- Developing a forward-looking plan to provide the Group with assurance over key risks facing the business and its sector as a whole in 2025, including training and competence and outsourcing. The plan is supplemented by additional reviews on core

business areas including information technology general controls as well as work due under a cyclical approach.

An Internal Audit tender process was performed during 2024 to review the market for the provision of the Group's co-sourced services, resulting in the appointment of Azets Holdings Ltd as new co-source provider for 2025.

As the third line of defence, the internal audit function (together with the external auditor in connection with its audit of the financial statements) builds risk awareness within the organisation by challenging the first and second lines of defence to continue improving the internal control framework.

External auditor

An analysis of fees payable to the external audit firm for both audit and non-audit services during the year is detailed in note 6 to the financial statements. The Company is satisfied that the external auditor remains independent in the discharge of its audit responsibilities.

The Committee also reviews the external auditor's management letter, with at least one formal presentation made annually by the auditor.

On auditor tendering, while the QCA Code does not lay down specific requirements for smaller quoted companies, larger listed companies are required to put their audit out to tender every ten years with an external auditor's tenure being limited to twenty years. In this light, the Committee intends to agree a policy on the frequency of tendering and the length of tenure of external auditors to ensure that the independence of the external auditor is, and is seen to be, safeguarded.

Remuneration Committee

During 2024, the Remuneration Committee comprised Rachel Haworth (Chair) (from 1 May 2024), Nathan Imlach, Mike Jones and Katherine Innes Ker (until 22 May 2024).

The Committee meets not less than twice a year, and more frequently as required. It is responsible for determining and reviewing the Group's executive remuneration policy and other benefits, ensuring that incentives are aligned to the delivery of the Group's strategic objectives and its terms of employment, including performance-related bonuses and share options. The committee also administers the operation of the share option and share incentive schemes established by the Company.

The members of the Remuneration Committee have no personal interest in the outcome of their decisions and aim to serve the interests of shareholders to ensure the continuing success of the Company. All members of the Remuneration Committee are independent Non-Executive Directors. The remuneration of the Non-Executive Directors is determined by the Executive Directors of the Board. No Director is permitted to participate in decisions concerning their own remuneration.

The committee met formally seven times during the year and with key items considered including:

- The Group's executive remuneration policy and its operation;
- Annual review of the Executive Directors' and senior managers' base salaries and bonus arrangements;
- The impact of the continuing cost-of-living crisis and support for colleagues, with a focus on the lower-paid;
- Benchmarking of Executive Directors' base salaries and total potential compensation by an external remuneration consultant on behalf of the committee;
- The remuneration package for the Chief Financial Officer;
- Awards to be granted under the share option and share incentives schemes operated by the Company; and
- Vesting of executive share options.

The committee continues to review the Group's long-term incentive plans to ensure it can continue to attract, retain and incentivise appropriately qualified staff to achieve its goals.

Further information about the committee and the Group's executive remuneration policy is as set out on pages 80 to 85 in the Directors' remuneration report.

Nominations Committee

During 2024, the Nominations Committee comprised Mike Jones (Chair from 22 May 2024), Peter Brodnicki, David Preece, Nathan Imlach, Rachel Haworth (from 1 May 2024) and Katherine Innes Ker (Chair and member until 22 May 2024).

The Committee is responsible for:

- Reviewing the size, structure and composition (including the skills, knowledge, experience and diversity) of the Board and to make recommendations to the Board with regard to any changes;
- Succession planning for both Executive and Non-Executive Directors and other senior executives in the Group; and
- Identifying and recommending to the Board for approval candidates to fill Board and senior management vacancies where required.

The committee works in close consultation with the Executive Directors, with its main priorities being the Board structure and composition, ensuring that the Board has the right skills and experience to fulfil its responsibilities, as well as management development and succession planning.

The Nominations Committee met once during the year to consider succession planning for the Executive Directors, to note appointments to and succession planning for the executive team, and to consider the succession planning for the Non-Executive Directors. The criteria for assessing the level of diversity at the Board and in the senior management team were broadened to include socio-economic background, nationality, educational attainment, gender and age, reflecting key principles within the QCA Code.

The current Board has three Executive Directors, three Independent Non-Executive Directors and one Non-Independent Non-Executive Director, including the Chair.

Board changes

Chair of the Board

Following the stepping down of Katherine Innes Ker as Non-Executive Chair and Director, Mike Jones was appointed as Non-Executive Chair at the conclusion of the 2024 AGM. Mike joined the Board in March 2021 and chairs the Group Risk Committee. Following his appointment as Non-Executive Chair, Mike also succeeded Katherine as the Chair of the Nominations Committee.

Chief Financial Officer

Emilie McCarthy joined the Board as a Director and as Chief Financial Officer on 22 May 2024, following the resignation of Lucy Tilley.

Independent Non-Executive Director

During 2024, the Nominations Committee oversaw the process to appoint an additional Non-Executive Director and on 1 May 2024, Rachel Haworth was appointed to the Board. Rachel has extensive experience in the financial services industry and upon her appointment as a Director was also appointed as the Chair of the Remuneration Committee and as a member of the Audit Committee, Nominations Committee and Group Risk Committee.

Group Risk Committee

The Group Risk Committee (GRC) is chaired by Mike Jones with all the Directors members of the committee. In 2022 the Group appointed Paul Gill as Chief Risk Officer, who attends GRC meetings.

The GRC met six times in 2024 to review and consider the following:

- All major Group-related existing and potential risks, including a review of the Group risk register, risk appetite and management framework, and any Risk and Compliance Committee escalations;
- The preparation for and implementation of the Consumer Duty regulation;
- Regulatory consultation papers and impending legislation changes;
- Senior Managers and Certification Regime;
- General Data Protection Regulation;
- Cyber security;
- Operational resilience;
- Mergers and acquisitions (M&A) activity;
- ESG matters including vulnerable clients, diversity, and other relevant regulatory themes;

- The effectiveness of the Group's procedures on whistleblowing, anti-bribery and corruption and anti-money laundering;
- Restructuring undertaken following the Fluent acquisition; and
- Other major risk considerations and relevant upcoming legislation.

Consumer Duty

The FCA published its final rules on the Consumer Duty in July 2022, with rules taking effect on 31 July 2023. The Board approved the Group's first Consumer Duty Annual Report in July 2024, which set out how the Group had progressed against the expectations of the FCA and met the requirements of the Consumer Duty. In December 2024, the FCA issued a publication which reflected their review of a range of Annual Consumer Duty reports and, following review and analysis of this report, the management team considers that the Group's first Consumer Duty Annual Report materially met the FCA's expectations and is continuing to focus on embedding the requirements. The Consumer Duty requires firms to deliver good outcomes in the following four areas:

- Product and services;
- Price and value;
- Consumer understanding; and
- Consumer support.

Throughout 2024, the GRC continued to receive regular updates from the Chief Risk Officer in relation to the ongoing Consumer Duty activity within the business, including monitoring completion of all actions resulting from the Annual Consumer Duty Board Report.

The Group has been actively engaged throughout in the work of the Association of Mortgage Intermediaries on the Consumer Duty and its requirements.

Communications with shareholders

The Board is committed to maintaining communication with the Company's shareholders. The principal methods of communication with private investors remain the annual report and financial statements, the interim report, the AGM and the Group's website (www.mortgageadvicebureau.com/investor-relations).

All Directors will normally attend each AGM, and shareholders are given the opportunity to ask questions. In addition, the Chief Executive Officer, Deputy Chief Executive Officer and Chief Financial Officer welcome dialogue with individual institutional shareholders to understand their views and feed these back to the Board. General presentations are also given to analysts and investors covering the annual and interim results, with prompt feedback being received by the Board through the Company's corporate brokers.

The Board aims to be open with shareholders and available to them, subject to compliance with relevant securities laws. The Chair and other Non-Executive Directors make themselves available for meetings as appropriate.

Internal control and risk management

The Board is ultimately responsible for the Group's system of internal control and for reviewing its effectiveness. Such systems are designed to manage rather than eliminate risks and can only provide reasonable, not absolute, assurance against material misstatement or loss.

The Directors believe that the Group has internal control procedures in place appropriate to the size and nature of the business. In accordance with the guidance of the Turnbull Committee on internal control, an ongoing process is in operation for the identification, evaluation and management of significant risks faced by the Group. The Board routinely reviews the effectiveness of the system of internal control and risk management to ensure controls react to changes in the nature of the Group's operations. There are two Board committees that review various risks: the Audit Committee and the Group Risk Committee. Further details of these committees are described on pages 74 and 79.

The Group maintains appropriate insurance cover and reviews the adequacy of the cover regularly, in conjunction with the Group's insurance brokers.

On behalf of the Board

Emilie McCarthy
Chief Financial Officer

17 March 2025

DIRECTORS' REMUNERATION REPORT

Remuneration Committee

The committee is responsible for the Group's policy on executive remuneration, including performance-related annual bonus and share option awards, other benefits, and terms of employment. The Committee also administers the operation of the share option and share incentive schemes established by the Company, including the Long-Term Incentive Plan (LTIP). The Committee operates under terms of reference approved by the Board.

The committee members as of 31 December 2024 were Rachel Haworth (Chair), Nathan Imlach and Mike Jones.

Remuneration Policy

The Group's remuneration policy seeks to reward employees for their expertise, responsibilities and performance, which are aligned with the long-term interests of shareholders and the cultural values of the Group. The objective is to attract, retain and appropriately incentivise high-performing individuals capable of achieving the Group's objectives and thereby enhance shareholder value. A substantial proportion of the overall package of compensation is directly linked to performance through participation in short- and long-term incentive schemes. Executive Directors receive other customary benefits such as pension contributions, death in service insurance, sick pay and private medical insurance.

During the year, the Committee reviewed the operation of the remuneration policy, assessing the appropriateness and effectiveness of the performance measures and the balance between the use of short- and long-term performance measures, which were the annual bonus and the LTIP.

For the Executive Directors, it was agreed that a maximum potential payout under the annual bonus of 150% of base salary and the maximum annual award under the LTIP of 150% of base salary remained appropriate in 2024. The Remuneration Committee considered including ESG-related metrics in the LTIP performance criteria but decided annual ESG targets continue to be the most suitable for the Group.

Remuneration activity

In 2024, MAB awarded an average pay rise of 4.2% across the Group, balancing easing - but still present - cost of living challenges with the need to retain and attract talent while safeguarding the financial well-being of its lowest-paid employees.

Salaries and Fees

Salaries for Executive Directors are reviewed annually, considering base pay increases for employees, levels of expertise, and the need to retain and motivate high-calibre individuals. Any changes to Directors' remuneration take effect on 1 January.

The Executive Directors determine the fees for the Non-Executive Directors, considering the Groups' size and complexity and the time commitment and responsibilities of the role. Non-executive directors do not receive bonuses and do not participate in share incentive schemes. They do not hold options, and no director is permitted to participate in decisions about their own remuneration.

In Q4 2024, the Committee commissioned an independent review of the current levels of Executive Director remuneration and benchmarked these against other companies of similar size and complexity.

Following the review of the current levels of remuneration, the following changes to the base salaries of the Executive Directors were proposed and implemented with effect from 1 January 2025 in line with the average salary increase across MAB:

- Peter Brodnicki, CEO - £463,500, an increase of 3.0%;
- Ben Thompson, Deputy CEO - £370,800 an increase of 3.0%; and
- Emilie McCarty, CFO - £309,000 an increase of 3.0%.

Annual base fees for the Non-Executive Directors were also increased from 1 January 2025 by 3%.

Annual Bonus 2024

The annual bonus 2024 was based on two criteria: Financial (Group adjusted PBT target) for 80% and achieving eight Personal Business Objectives (PBOs) for the remaining 20%.

Out of the eight PBOs, four were ESG objectives linked to good customer outcomes, the embedding of Consumer Duty, the Control Framework, and progress on Environmental initiatives. One PBO was based on service criteria, and three PBOs were focused on achieving the Group's technology roadmap, including the deployment of AI tools.

These performance targets reflect the Group's commitment to a robust governance framework that puts the customer first. They also reflect the significant work undertaken to implement Consumer Duty and advance our sustainability objectives. The targets were recommended by the Group Risk Committee and are measured with its input.

Performance against each PBO was assessed and independently verified by the Chief Risk Officer. A 100% achievement of the PBO's resulted in a payout of 30% of base salary for the Executive Directors, with CFO Emilie McCarthy's payout prorated from her joining date in May 2024.

The payout on the Group adjusted PBT element was 56% of base salary for the Executive Directors, with CFO Emilie McCarthy's payout prorated.

2024	Percentage of annual bonus	Percentage of Base Salary at Maximum Bonus	Bonus paid as a percentage of Base Salary
Adjusted PBT	80%	120%	56%
PBOs	20%	30%	30%

Annual Bonus 2025

In line with our strategic objectives for 2025, we are further enhancing the balanced scorecard approach to our annual bonus framework.

This approach ensures that our performance measures are closely aligned with the MAB Group strategy, targeting key objectives across customer growth, strategic goals, people and culture, and ESG initiatives.

Additionally, we are committed to aligning our workforce benefits through competitive benchmarking of our employee and executive offerings, ensuring we effectively attract, engage and retain top talent at MAB. This strategy not only supports organisational growth but also enhances employee satisfaction and strengthens stakeholder trust.

Long Term Incentive Plan

The Group has adopted the Mortgage Advice Bureau Executive Share Option plan as the LTIP to incentivise certain senior employees and directors.

In 2024, a total of 325,549 share options were issued (274,563 on 22 April 2024 and 50,986 on 24 May 2024) and granted to the Executive Directors and senior employees. The exercise of the options is subject to the achievement of a performance condition based on earnings per share (EPS) criteria and subject to achievement, these options will vest on 1 April 2027. The exercise price for these options is 0.1 pence, being the nominal cost of ordinary shares.

The 2021 LTIP award vested in April 2024. Half of the award was subject to an EPS performance condition measured over three financial years, while the other half was tied to a TSR performance condition measured over three years from the grant. The TSR condition was 71% achieved. However, the EPS targets were set before the unforeseen 2022 mini budget and its prolonged negative impact on the mortgage market, resulting in none of the EPS conditions being met. Consequently, the award vested at 35%.

Service Contracts

It is the Group's policy for all Executive Directors to have contracts of employment that contain a termination notice period not exceeding twelve months. The appointment of the Chief Executive Officer, Peter Brodnicki, continues until terminated by either party giving not less than twelve months' notice to the other party. The appointments of the Deputy Chief Executive Officer, Ben Thompson, and the Chief Finance Officer, Emilie McCarthy, continue until terminated by either party giving not less than six months' notice to the other party.

The Non-Executive Directors do not have service contracts. A Letter of Appointment provides for an initial period of 36 months and continues until terminated by either party by giving three months' prior written notice at any time after the initial 36-month period. All Directors are subject to annual re-election at the Annual General Meeting.

DIRECTORS' REMUNERATION REPORT CONTINUED

Total Figure of Remuneration for each director

The Director's remuneration payable in respect of the year ended 31 December 2024 was as follows:

	Basic salary and fees		Annual bonus		Pension contributions[1]		Benefits[2]		Long-term incentive plan[3]		Total	
	2024 £000s	2023 £000s	2024 £000s	2023 £000s	2024 £000s	2023 £000s	2024 £000s	2023 £000s	2024 £000s	2023 £000s	2024 £000s	2023 £000s
Executives												
Peter Brodnicki	**450**	410	**385**	51	**45**	41	**3**	2	**65**	263	**948**	769
Ben Thompson	**365**	272	**308**	34	**36**	32	**5**	3	**65**	263	**779**	606
Emilie McCarthy[4]	**202**	–	**157**	–	**18**	–	**2**	–	**–**	–	**379**	–
Lucy Tilley[5]	**119**	268	**–**	–	**12**	32	**1**	2	**–**	205	**132**	506
Sub-Total	**1,136**	950	**850**	85	**111**	106	**11**	8	**130**	732	**2,238**	1,881
Non-Executives												
Katherine Innes-Ker[6]	**71**	100	**–**	–	**–**	–	**–**	–	**–**	–	**71**	100
Mike Jones[7]	**85**	49	**–**	–	**–**	–	**–**	–	**–**	–	**85**	49
Nathan Imlach	**52**	49	**–**	–	**–**	–	**–**	–	**–**	–	**52**	49
Rachel Haworth[8]	**35**	–	**–**	–	**–**	–	**–**	–	**–**	–	**35**	–
Stephen Smith[9]	**–**	17	**–**	–	**–**	–	**–**	–	**–**	–	**–**	17
David Preece	**45**	42	**–**	–	**–**	–	**–**	–	**–**	–	**45**	42
Sub-Total	**288**	257	**–**	–	**–**	–	**–**	–	**–**	–	**288**	257
Total	**1,424**	1,207	**850**	85	**111**	106	**11**	8	**130**	732	**2,526**	2,138

1 Pension includes the cash value of Company contributions to defined contribution pension plans and cash payments in lieu of pension contributions.

2 The benefit package of each Executive Director includes the provision of life assurance, the option of private medical assurance under a Group scheme, and the option to participate in the Group's Share Incentive Plan which includes a matched element.

3 Total market price of shares under option vested during the year at their vesting date, less any option exercise price payable.

4 Emilie McCarthy was appointed after the 2024 AGM on 22 May 2024.

5 Lucy Tilley stepped down after the 2024 AGM on 22 May 2024.

6 Katherine Innes-Ker stepped down after the 2024 AGM on 22 May 2024.

7 Mike Jones succeed Katherine Innes-Ker as Chair after the 2024 AGM on 22 May 2024.

8 Rachel Haworth was appointed on 1 May 2024.

9 Stephen Smith stepped down after the 2023 AGM on 24 May 2023.

Director's Interests in Shares

As of 31 December 2024, the interest of the Directors in the Ordinary shares of the Company were:

Director	Ordinary shares of 0.1p	%
Peter Brodnicki	10,401,557	17.95
David Preece	924,800	1.60
Ben Thompson	93,516	0.16
Nathan Imlach	32,820	0.06
Mike Jones	3,292	0.01
Emilie McCarthy	3,265	0.01

Note: The Directors shareholdings include any shareholdings of trusts or family members deemed to be connected persons.

Interest in Options

The interests of the Directors during 2024 were as follows:

Director	Date Granted	Exercise Price (£)	At 1 Jan 2024	Granted during the year	Exercised during the year	Forfeited/ Not vested during the year	At 31 Dec 2024
Peter Brodnicki							
(2)	Apr-24	0.001	**-**	75,391	-	-	**75,391**
(3)	May-23	0.001	**83,146**	-	-	-	**83,146**
(4)	Jun-22	0.001	**36,262**	-	-	-	**36,262**
(5)	Apr-21	0.001	**19,766**	-	-	(12,753)	**7,013**
(6)	Jul-20	0.001	**37,108**	-	-	-	**37,108**
(7)	Jul-19	0.001	**33,717**	-	-	-	**33,717**
(8)	Apr-18	0.001	**9,957**	-	-	-	**9,957**
			219,956	75,391	-	(12,753)	**282,594**
Ben Thompson							
(2)	Apr-24	0.001	**-**	60,312	-	-	**60,312**
(3)	May-23	0.001	**55,230**	-	-	-	**55,230**
(4)	Jun-22	0.001	**24,097**	-	-	-	**24,097**
(5)	Apr-21	0.001	**19,766**	-	(7,013)	(12,753)	**-**
(6)	Jul-20	0.001	**37,108**	-	-	-	**37,108**
(7)	Jul-19	0.001	**33,717**	-	-	-	**33,717**
			169,918	60,312	(7,013)	(12,753)	**210,464**
Emilie McCarthy							
(1)	May-24	0.001	**-**	49,342	-	-	**49,342**
			-	49,342	-	-	**49,342**
Lucy Tilley							
(2)	May-23	0.001	**54,236**	-	-	(54,236)	**-**
(3)	Jun-22	0.001	**23,231**	-	-	(23,231)	**-**
(4)	Apr-21	0.001	**17,570**	-	-	(17,570)	**-**
(5)	Jul-20	0.001	**28,862**	-	-	-	**28,862**
(6)	Jul-19	0.001	**26,223**	-	-	-	**26,223**
(7)	Apr-18	0.001	**9,957**	-	-	-	**9,957**
			160,079	-	-	(95,037)	**65,042**

(1) Unapproved Option Scheme- First date exercisable is 2 April 2027, last date exercisable is 22 May 2032
(2) Unapproved Option Scheme- First date exercisable is 2 April 2027, last date exercisable is 21 April 2032
(3) Unapproved Option Scheme- First date exercisable is 2 April 2026, last date exercisable is 31 May 2031
(4) Unapproved Option Scheme- First date exercisable is 6 April 2025, last date exercisable is 6 June 2030
(5) Unapproved Option Scheme- First date exercisable is 1 April 2024, last date exercisable is 1 April 2029
(6) Unapproved Option Scheme- First date exercisable is 22 April 2023, last date exercisable is 22 July 2028
(7) Unapproved Option Scheme- First date exercisable is 1 July 2022, last date exercisable is 1 July 2027
(8) Unapproved Option Scheme- First date exercisable is 11 April 2021, last date exercisable is 10 April 2026

DIRECTORS' REMUNERATION REPORT CONTINUED

All LTIP awards are subject to a three-year service period from the date of the grant.

For the 2022 award, 50% is linked to the Company's growth in adjusted EPS over three financial years (the EPS performance condition), while the other 50% is tied to the Company's TSR growth over three years from grant (the TSR performance condition).

From 2023 onwards, awards are based solely on the EPS performance condition.

Vested and unvested LTIP awards are subject to a formal malus and clawback mechanism.

The following performance conditions apply to the outstanding LTIP awards with vesting occurring on a straight-line basis between threshold and maximum achievement.

2022 award:

Metric	Weighting (% of award)	Performance condition	Threshold	Maximum
Vesting (% of Maximum)			25%	100%
Adjusted EPS	50%	Compound annual growth rate in EPS	15%	26%
Total shareholder return (TSR)	50%	Compound annual growth rate in shareholder value	10%	20%

2023 award:

Metric	Weighting (% of award)	Performance condition	Threshold	Maximum
Vesting (% of Maximum)			25%	100%
Adjusted EPS	100%	Compound annual growth rate in EPS	5%	10%

2024 award:

Metric	Weighting (% of award)	Performance condition	Threshold	Maximum
Vesting (% of Maximum)			25%	100%
Adjusted EPS	100%	Compound annual growth rate in EPS	10.75%	21.50%

Note 27 to the financial statements contains details of all options granted to directors and employees as at 31 December 2024. All of the share options were granted for nil consideration.

Total Shareholder Return Performance Graph

The graph below illustrates the total shareholder return (TSR) for the period from 1 January 2015 to 31 December 2024 in terms of the change in value of an initial investment of £100 against the corresponding TSR in hypothetical holdings of shares in the FTSE AIM All Share Index.

DIRECTORS' REMUNERATION REPORT
CONTINUED

The Company is a member of the FTSE AIM All Share Index and considers this to be the most appropriate broad equity market index for measuring its relative performance.

The mid-market closing price of the Company's ordinary shares at 31 December 2024 was 610 pence and the range during the financial year was 544 pence to 946 pence.

None of the Directors had an interest in any contract of significance in relation to the business of the Company or its subsidiaries at any time during the financial year.

Employee Incentivisation and Reward

MAB is committed to providing an inclusive working environment and ensuring the fair reward of all employees, regardless of seniority across the business. In addition to the Executive Directors and senior management, the Committee considers wider workforce remuneration and reward.

Share Incentive Plan

The Mortgage Advice Bureau (Holdings) plc Share Incentive Plan (SIP) enables employees to buy shares in the Company at an effective discount to the London Stock Exchange price by having an amount deducted from pre-tax salary each month. In addition, the Company grants participating employees matching shares.

The Share Incentive Plan is continuing to be popular among our employees despite the cost-of-living crisis. Eligible employee participation stands at 35% (2023: 34%). The average monthly contribution in 2024 was £106 (2023: £110).

Shareholder Engagement

We take a keen interest in our shareholders' views on executive remuneration and welcome any feedback on the Directors' Remuneration Report. At the 2024 AGM, 99.9% of the votes cast were in favour of accepting the Remuneration Report.

This Remuneration Report will be subject to an advisory vote at the 2025 AGM. Our goal is to be clear and transparent in the presentation of this report, and I look forward to shareholders' support on this resolution.

On behalf of the Board

Rachel Haworth
Chair of the Remuneration Committee

17 March 2025

DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors are responsible for preparing the Directors' report, strategic report and the financial statements in accordance with applicable law and regulations.

UK company law requires the Directors to prepare Group and Company financial statements for each financial year. The Directors are required by the AIM Rules of the London Stock Exchange to prepare Group financial statements in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006 that are applicable to companies that prepare financial statements in accordance with IFRSs.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of the profit or loss of the Group for that period. In preparing each of the Group and Company financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether they have been prepared in accordance with UK adopted international accounting standard; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for ensuring the annual report and the financial statements are made available on a website. The maintenance and integrity of the corporate and financial information included on the Group's website is the responsibility of the Directors. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MORTGAGE ADVICE BUREAU (HOLDINGS) PLC

Opinion on the financial statements

In our opinion:

- The financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2024 and of the Group's profit for the year then ended;
- The Group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- The Parent Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- The financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Mortgage Advice Bureau (Holdings) Plc (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2024 which comprise Consolidated Statement of Comprehensive Income, Consolidated and Company Statement of Financial Position, Consolidated and Company Statement of Changes in Equity, Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of material accounting policy information.

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and UK adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the Parent Company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs

(UK)) and applicable law. Our responsibilities under those standards are further described in the

Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the Group and the Parent Company's ability to continue to adopt the going concern basis of accounting included:

- We have assessed the reasonableness of the assumptions within the Directors' forecast for liquidity and profitability for a period of 12 months from the signing of these accounts corroborating the inputs to supporting documentary evidence. This involved considering the base and stress scenarios testing undertaken by the Directors to support the Going concern assessment which included assumptions about the potential impact this could have on revenue (mainly from mortgage procuration fees, and protection and general insurance commissions) and possible cost saving measures relating to administration expenses.
- We examined the existing agreement of the Revolving Credit Facility and reviewed the nature of the facility, repayment terms, covenants and respective conditions. We assessed its continued availability to the Group through the going concern period and checked the completeness of the Directors' covenant assessment.
- We verified the mathematical accuracy of the going concern model for the period to 31 December 2026.
- We assessed the appropriateness of the duration of the going concern assessment period to 31 December 2026 and considered the existence of any significant events or conditions beyond this period based on our procedures on the Group's cash flow forecasts and from knowledge arising from other areas of the audit.

INDEPENDENT AUDITOR'S REPORT CONTINUED

- We assessed whether the capital and cash positions are adequate and whether the Group complies with its covenant requirements in both the base and stress scenarios.
- We considered whether there were any indicators of other sources of finance not considered by Directors in their assessment.
- We have reviewed publicly available information on the housing market and house price index to assess any impact on going concern.
- We assessed how the Directors have factored in the current macroeconomic scenario on the business, checking these had been appropriately considered as part of the Directors' going concern assessment.
- We reviewed the going concern disclosure in note 1 to the financial statements to assess that it gives a complete and accurate description of the Directors' assessment of going concern

Our Conclusions

The Directors' assessment forecasts that the Group will maintain sufficient liquidity throughout the going concern assessment period in the base case scenario and will not breach banking covenants. The liquidity position remained strong, and no covenant breaches were identified even in management's worst-case scenario.

There is a range of controllable mitigating actions available to the Directors, which can be implemented over the going concern assessment should the need arise.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and the Parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Overview

		2024	2023
Key audit matters	*Revenue recognition	✔	✔
	*Clawback liability	✔	✔
	**Valuation of put/call options over the purchase of non-controlling interests in subsidiaries	✖	✔
	***Goodwill Impairment assessment in relation to Fluent CGU	✖	✔
	*Clawback liability has been incorporated within the revenue recognition KAM as it is treated as a refund liability under IFRS 15.		
	**Valuation of put/call options over the purchase of non-controlling interests in subsidiaries was not assessed as a KAM in current year as the options are nearing the exercise date which reduces the uncertainties inherent in the valuation.		
	***Goodwill Impairment assessment in relation to Fluent Cash Generating Unit (CGU) is no longer a KAM in the current year because the prior year impairment indicators are no longer present and there is sufficient headroom between the value in use and carrying amount of the CGU.		
Materiality	*Group financial statements as a whole:* £1,150,000 (2023: £1,036,000) based on 5% of profit before tax (2023: on 5% of average profit before tax for the last three years).		

An overview of the scope of our audit

Our Group audit was scoped by obtaining an understanding of the Group and its environment, the applicable financial reporting framework and the Group's system of internal control. On the basis of this, we identified and assessed the risks of material misstatement of the Group financial statements including with respect to the consolidation process. We then applied professional judgement to focus our audit procedures on the areas that posed the greatest risks to the Group financial statements. We continually assessed risks throughout our audit, revising the risks where necessary, with the aim of reducing the Group risk of material misstatement to an acceptable level, in order to provide a basis for our opinion.

Components in scope

Mortgage Advice Bureau (Holdings) plc is a UK consumer intermediary brand and specialist network for mortgage advice offering mortgage and insurance brokering services on a local, regional and national level to UK consumers. The Group has 40 legal entities operating across the United Kingdom, 15 of these are dormant and not operational.

The Group's operations are solely based in the United Kingdom and it manages its operations from Derby. The Group's centralised functions include the Treasury functions and other aspects of internal controls such as the internal audit function.

The entities making up MAB Core component (as listed in the table below) are centrally managed by the Group finance team in Derby. For the purposes of financial reporting for this component, these entities are grouped together. They have the same processes and controls. The remaining entities are managed by local finance teams which report to the Group finance team for consolidation and decision making processes.

The Group's IT systems are decentralised and managed at component level.

In determining components, we have assessed which business units are linked in terms of the Group's operational and legal structure; the existence of common reporting and information systems; controls, financial information, personnel and other audit specific factors. For the purposes of our Group audit, we have identified six components within the group.

We performed risk assessment and planning procedures to determine which of the Group's components are likely to include risks of material misstatement to the Group financial statements, and the type of audit procedures to be performed at these components.

As part of performing our Group audit, we determined the components in scope as follows:

- We identified three components for which a full scope audit was applicable. These were determined to be MAB Core; FMD; and Fluent . These were considered to be in scope as they contained the largest percentage of either total revenue or total assets of the Group.
- We identified two components with accounts contributing to the specific group risk of material misstatement being Auxilium and Vita.
- We also identified the Parent Company as a component as it holds investments in subsidiaries.

For components in scope, we used a combination of risk assessment procedures and further audit procedures to obtain sufficient appropriate evidence. These further audit procedures included:

- Procedures on the entire financial information of the component, including performing substantive procedures; and
- Procedures on one or more classes of transactions, account balances or disclosures.

INDEPENDENT AUDITOR'S REPORT
CONTINUED

Procedures performed at the component level

We performed procedures to respond to Group risks of material misstatement at the component level that included the following.

COMPONENT	COMPONENT NAME	ENTITY	GROUP AUDIT SCOPE
1	Mortgage Advice Bureau (Holdings) plc (Parent Company)	Mortgage Advice Bureau (Holdings) plc	Statutory audit and procedures on the entire financial information of the component.
2	MAB Core	Mortgage Advice AB Limited, MAB (Derby) Limited, Capital Protect Ltd, Talk Ltd, and Mortgage Talk Ltd	Audit procedures on the entire financial information of the component.
3	Fluent	Fluent Bridging Ltd, Fluent Lifetime Ltd, Fluent Loans Ltd, Fluent Money Ltd, The Fluent Money Group Ltd, Fluent Mortgage Holdings Limited, Fluent Mortgages Horwich Ltd, Fluent Mortgages Limited, Project Finland Bidco Limited, and Project Finland Topco Limited	Audit procedures on the entire financial information of the component.
4	FMD	First Mortgage Direct Limited (FMD), First Mortgage Ltd (FML) and Property Law Centre Ltd (PLC)	Audit procedures on the entire financial information of the component.
5	Vita	Vita Financial Limited, BPR Protect Ltd, and Company Protection Ltd	Audit procedures on one or more classes of transactions and account balances.
6	Auxilium	Auxilium Group Limited and Auxilium Partnership Ltd	Audit Procedures on one or more classes of transactions and account balances.

The Group engagement team has performed all procedures directly, and has not involved component auditors in the Group audit

Procedures performed centrally

We considered there to be a high degree of centralisation of financial reporting and commonality of controls in relation to Goodwill, Valuation of put/call options over the purchase of non-controlling interests, Taxation and going concern. We therefore designed and performed procedures centrally in these areas.

Locations

The Group's operations are spread over a number of different geographical locations in the United Kingdom. We visited two out of a total of four locations. Our teams conducted procedures at the Group's locations in Derby and Bolton.

In addition, our team also worked remotely, holding calls and video conferences with finance teams from the components, and obtained digital information from components.

Changes from the prior year

We applied ISA (UK) 600 – Revised September 2022 in our audit of the Group financial statements. The revised standard introduced significant changes to how we plan and perform group audits. Particularly, it changed how an auditor approaches the identification of components, risk assessment process and how the audit procedures are planned and executed across components.

Under the old standard (ISA (UK) 600 – Revised November 2019), components in the audit process were classified as either significant or non-significant components. This classification was based on the size and risk profile of each component within the Group structure. In our prior year audit, we identified three significant components being MAB Core, FMD and Fluent Group and two non- significant components being Vita and Auxilium. In our assessment, we defined significant component as any components whose revenue contributed more than 15% of Group revenue and/or whose assets contributed more than 10% of Group assets.

INDEPENDENT AUDITOR'S REPORT CONTINUED

The scope of our audit in the current year was based on the Group risk and the source(s) of the risk in contrast to the designation of components as either significant or non-significant in the previous year. The components and rationale for grouping the components has been disclosed under the 'Components in scope' section of this report.

Climate change

Our work on the assessment of potential impacts of climate-related risks on the Group's operations and financial statements included:

- Enquiries and challenge of management to understand the actions they have taken to identify climate-related risks and their potential impacts on the financial statements and adequately disclose climate-related risks within the annual report;
- Our own qualitative risk assessment taking into consideration the sector in which the Group operates and how climate change affects this particular sector;
- Review of the minutes from the Board and Audit Committee meetings, Sustainability committee and other papers related to climate change and performed a risk assessment as to how the impact of the Group's commitment as set out in the Strategic report may affect the financial statements and our audit; and
- Making enquiries of management about the assumptions and climate risk considerations used in the going concern models and assessing the reasonableness of those assumptions.

The Group has explained in the Strategic report how it has reflected the impact of climate change in the financial statements. The Group did not identify any climate risk that would materially impact the carrying values of the Group's assets or has any other impact on the financial statements. These disclosures also explain where governmental and societal responses to climate change risks are still developing, and where the degree of certainty of these changes means that they cannot be taken into account when determining asset and liability valuations under the requirements of UK adopted international accounting standards. Our audit effort in considering the impact of climate change on the financial statements was focused on evaluating management's assessment of the impact of climate risk, physical and transition, and their climate commitments. As part of this evaluation, we performed our own risk assessment to determine the risks of material misstatement in the financial statements from climate change which needed to be considered in our audit. We also challenged the Directors' considerations of climate change risks in their assessment of going concern and viability and associated disclosures. Where considerations of climate change were relevant to our assessment of going concern, these are described above.

Based on our risk assessment procedures, we did not identify there to be any Key Audit Matters materially impacted by climate-related risks and related commitments.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT CONTINUED

KEY AUDIT MATTER	HOW THE SCOPE OF OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
Revenue recognition and clawback liability The Group's associated accounting policies are outlined in note 1. Detailed disclosures are included in Note 2.1(b), Note 3 and Note 21 to the financial statements. **Revenue recognition:** The Group's total revenue amounted to £267m at year end (2023: £240m). The Group's revenue comprises mortgage procuration fees, protection and general insurance commissions, client fees, and other income. Revenue is a key driver of return to investors and there is risk that there could be manipulation, fraud or omission of amounts recorded in the system. This risk affects all revenue streams except other income, which is simpler are less complex in nature. In addition, revenue journals are posted manually which provides a greater opportunity for data manipulation and increases the risk of material misstatements.	We performed the following procedures to address the key audit matters: **Revenue recognition:** • We assessed whether the Group's revenue recognition policies are in accordance with the applicable accounting standards. • We evaluated the design and implementation of controls for mortgage procuration fees, protection and general insurance commissions, and client fees in each component. • For a sample of commission income, we obtained the third-party statements supporting the transactions and traced back to cash receipts. • We recalculated a sample of the procuration fees using third-party statements obtained independently and agreed to cash received. • We agreed a sample of client fees to providers' statements and cash receipts. • For a sample of other income, we agreed these to cash receipts and provider statements. • For a sample of revenue transactions, we tested the completeness of revenue by agreeing transactions from bank statements to third-party statements, reconciliations and then to the ledger. • We assessed the completeness of revenue by checking revenue posted for the period before and after the year end. We agreed the revenue to underlying documents such as rebate reports, reclaims files and evidence of management's assessment of the point of revenue recognition. • We performed Risk Assessment Data Analytics (RADA) over MAB Core and Fluent components revenue by assessing trends and relationships between revenue and cost of sales. • For the Fluent component we performed a full reconciliation of revenue recorded to cash received with the involvement of our data specialists. • For journal entries posted to revenue that were unusual and met our defined risk criteria, we corroborated these to supporting documents and evidence of review and approval by management.

INDEPENDENT AUDITOR'S REPORT
CONTINUED

KEY AUDIT MATTER	HOW THE SCOPE OF OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
Clawback liability The Group's clawback liability amounted to £12.6m at year end (2023: £10.3m). As disclosed in Note 21, commission income received upfront on protection policies may be 'clawed back' within four years from the start of the insurance policy. The portion that is clawed back is referred to as clawback liability and is treated as a refund liability (under IFRS 15). This is posted as an adjustment to revenue. Management uses a model to determine the adjustment to revenue. The model uses four key inputs, being the commission potentially subject to clawback, the lapse and recovery rates and the residual time available to clawback. There is significant management judgement involved in determining the adjustments to lapse & recovery rates which may be adjusted by management based on the expected changes in the market conditions. The adjustments to lapse & recovery rates could result in inaccurate measurement and increased fraud risk in revenue. Specifically, a reduced lapse rate or an increase in the recovery rate adjustment may lead to an understatement of the clawback liability. For these reasons, we determined revenue recognition and clawback liability to be Key Audit Matters.	**Clawback liability:** • We assessed whether the accounting treatment adopted for the clawback liability was in line with the applicable accounting standard requirements. • We evaluated the design and implementation of the process relevant for the determination of the clawback liability. • We compared the data relating to unearned commission and lapse rate history to third-party statements. • We evaluated the reasonability of the lapse rate adjustment by performing an independent analysis of the Group's assumptions applied to the lapse rate against the market and economic factors such as inflation and interests rate changes. Further, we recalculated the lapse rates using the adjusted historical lapse rate as a basis. • We validated management's adjustment relating to the success of the Appointed Representatives in preventing lapses and/or generating new income at the point of a lapse (Recovery rate) by performing a recalculation of the recovery rate model using data analytics. • We performed sensitivity analysis over the recovery rate and the lapse rate to check the impact of any change in the rates on the clawback liability. • We performed sensitivity analysis by applying our independently calculated recovery and lapse rates and extending the different timeframes used by management. • We compared the actual amount of clawback during the current financial year to the liability raised in the previous financial year to assess management's ability to accurately estimate the claw back liability. **Key observations:** Based on the procedures performed, we consider the recognition and measurement of revenue and clawback liability to be reasonable.

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

INDEPENDENT AUDITOR'S REPORT CONTINUED

Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

	Group financial statements		Parent company financial statements	
	2024 £m	**2023 £m**	**2024 £m**	**2023 £m**
Materiality	£1,150,000	£1,036,000	£718,000	£332,000
Basis for determining materiality	5% of profit before tax of £23,09m.	5% of average profit before tax for the last three years.	5% of Total investments	
Rationale for the benchmark applied	Profit before tax was determined to be the most appropriate benchmark as the Group is listed with profit and dividends seen as the main interest of investors.	Average profit before tax was determined to be the most appropriate benchmark as the Group is listed with profit and dividends seen as the main interest of investors.	As the Parent Company is a holding company, it was considered appropriate to determine materiality based on Total investments. Total investments have increased from £6.65m to £14.4m in the current year as a result of the acquisition of the non-controlling interest in FMD of £4.97m and the Fluent growth shares of £1.04m.	
Performance materiality	£860,000	£777,000	£538,000	£249,000
Basis for determining performance materiality and rationale for the percentage applied	75% of materiality based on our risk assessment and our assessment of expected total value of known and likely misstatements.			

Component performance materiality

For the purposes of our Group audit opinion, we set performance materiality for each component of the Group apart from the Parent Company whose materiality and performance materiality are set out above, based on a percentage of between 30% and 65% of Group Performance Materiality (2023: 75% of Component Materiality) dependent on a number of factors including the size and our assessment of the risk of material misstatement of that component. Component performance materiality ranged from £258,000 to £559,000 (2023: 75% of Component materiality levels which ranged from £237,000 to £738,000).

Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of £60,000 (2023: £51,000). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

Based on the responsibilities described below and our work performed during the course of the audit, we are required by the Companies Act 2006 and ISAs (UK) to report on certain opinions and matters as described below.

Strategic report and Directors' report	In our opinion, based on the work undertaken in the course of the audit: • the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and • the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements. In the light of the knowledge and understanding of the Group and Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the Directors' report.
Matters on which we are required to report by exception	We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion: • adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or • the Parent Company financial statements are not in agreement with the accounting records and returns; or • certain disclosures of Directors' remuneration specified by law are not made; or • we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Group and the industry in which it operates;
- Discussion with management and those charged with governance and the Audit Committee; and
- Obtaining and understanding of the Group's policies and procedures regarding compliance with laws and regulations.

We considered the significant laws and regulations to be IFRS as adopted by the UK, UK tax legislation, AIM Listing Rules, the Financial Conduct Authority's (FCA) rules.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the Health and Safety legislation, the Anti- Bribery Act including fraud, corruption and bribery and Consumer Duty rules.

Our procedures in respect of the above included:

- Review of the Group's own assessment of the risks of non-compliance with laws and regulations, the internal controls established to mitigate these and whether this assessment was considered and approved by the Board;
- We made inquiries of the Chief Risk Officer and inspected the Group Risk Committee minutes;
- Involvement of our internal conduct risk regulatory expert to assist in assessing the impact of the conduct risk matters including considerations of recent issues in the industry and sector;
- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Involvement of tax specialists in the audit; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance, Audit Committee and internal audit regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to detecting and responding to the risks of fraud;
- Internal controls established to mitigate risks related to fraud;
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;

INDEPENDENT AUDITOR'S REPORT CONTINUED

- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- Considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these.

Based on our risk assessment, we considered the areas most susceptible to fraud to be revenue (including clawback liability) and management override of controls.

Our procedures in respect of the above included:

- Testing journal entries that met a defined risk criteria, including a sample of journal entries throughout the year by agreeing to supporting documentation;
- Involvement of forensic specialists in the audit to assist us in identifying fraud risks based on discussions of the circumstances of the Group and Parent Company, including consideration of fraudulent schemes noted in similar entities. The forensic specialists participated in the initial fraud risk assessment discussions and were consulted as required if further guidance was necessary;
- Assessing significant estimates made by management for bias;
- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- Enquiring of management and the Audit Committee for any instances of non-compliance with laws and regulation and any known or suspected instances of fraud;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reading minutes of meetings of those charged with governance and correspondence with the Financial Conduct Authority to check for any instances of non-compliance with applicable laws and regulations;
- In respect of the risk of fraud in relation to revenue recognition and in accounting estimates such as the clawback liability, performing the procedures as set out in the Key Audit Matters section of our report;
- Evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and
- At a component level, our procedures included inquiries of component management, journal entry testing and focused testing, including in respect of the key audit matter of revenue recognition.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Parent Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Parent Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

David Gonnelli
(Senior Statutory Auditor)

For and on behalf of
BDO LLP, Statutory Auditor
London, UK

17 March 2025

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

FINANCIAL STATEMENTS

IN THIS SECTION

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2024

	Note	2024 £'000	2023 £'000
Revenue	3	**266,537**	239,533
Cost of sales	4	**(184,636)**	(169,371)
Gross profit		**81,901**	70,162
Administrative expenses		**(50,511)**	(46,674)
Share of profit from associates	15	**1,315**	848
Costs relating to First Mortgage, Fluent and Auxilium options	5	**(2,732)**	(4,277)
Amortisation of acquired intangibles	5	**(5,160)**	(5,160)
Acquisition costs	5	**(89)**	(159)
Restructuring costs		**-**	(539)
Gain/(Loss) on fair value measurement of derivative financial instruments	15	**21**	(190)
Operating profit	6	**24,745**	14,011
Finance income	8	**585**	291
Finance expense	8	**(1,267)**	(1,427)
Unwinding of redemption liability	5	**(626)**	(1,183)
(Loss)/Gain on remeasurement of redemption liability	5	**(551)**	4,486
Profit before tax		**22,886**	16,178
Tax expense	9	**(6,804)**	(3,719)
Profit for the year		**16,082**	12,459
Total comprehensive income		**16,082**	12,459
Profit is attributable to:			
Equity owners of the Parent Company		**15,896**	13,467
Non-controlling interests		**186**	(1,008)
		16,082	12,459
Earnings per share attributable to the owners of the Parent Company			
Basic	10	**27.6p**	23.6p
Diluted	10	**27.4p**	23.5p
Adjusted measures			
Adjusted EBITDA		**35,103**	26,728
Adjusted profit before tax		**32,023**	23,200
Adjusted diluted earnings per share		**39.2p**	29.6p
Adjusted profit before tax (exc. software capex)		**30,745**	23,200
Adjusted diluted earnings per share (exc. software capex)		**37.6p**	29.6p

Further details of adjusted measures are provided within the Glossary of Alternative Performance Measures.

All amounts shown relate to continuing activities.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2024

	Note	2024 £'000	2023 £'000
Assets			
Non-current assets			
Property, plant and equipment	12	**5,047**	5,799
Right of use assets	13	**3,960**	2,283
Goodwill	14	**53,885**	53,885
Other intangible assets	14	**48,381**	51,474
Investments in associates and joint venture	15	**14,818**	12,301
Derivative financial instruments	15	**212**	302
Trade and other receivables	16	**1,089**	353
Deferred tax asset	22	**-**	719
Total non-current assets		**127,392**	127,116
Current assets			
Trade and other receivables	16	**9,763**	9,321
Cash and cash equivalents	17	**23,675**	21,940
Total current assets		**33,438**	31,261
Total assets		**160,830**	158,377
Equity and liabilities			
Share capital	23	**58**	57
Share premium	24	**55,163**	48,155
Capital redemption reserve	24	**20**	20
Share option reserve	24	**4,312**	6,045
Retained earnings	24	**14,109**	15,921
Equity attributable to owners of the Parent Company		**73,662**	70,198
Non-controlling interests		**1,433**	4,211
Total equity		**75,095**	74,409
Liabilities			
Non-current liabilities			
Trade and other payables	18	**2,979**	2,642
Redemption liability	5	**3,970**	2,793
Lease liabilities	13	**3,377**	1,805
Derivative financial instruments	15	**71**	183
Loans and borrowings	19	**8,735**	12,426
Deferred tax liability	22	**11,385**	11,417
Total non-current liabilities		**30,517**	31,266
Current liabilities			
Trade and other payables	18	**36,503**	35,225
Clawback liability	21	**12,591**	10,331
Lease liabilities	13	**843**	931
Loans and borrowings	19	**5,102**	5,824
Corporation tax liability		**179**	391
Total current liabilities		**55,218**	52,702
Total liabilities		**85,735**	83,968
Total equity and liabilities		**160,830**	158,377

The notes that follow form part of these financial statements. The financial statements were approved by the Board of Directors on 17 March 2025.

P Brodnicki
Director

E McCarthy
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2024

		Attributable to owners of the Parent Company							
		Share capital	Share premium	Capital redemption reserve	Share option reserve	Retained earnings	Total	Non-controlling interest	Total equity
	Note	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Balance as at 1 January 2023		57	48,155	20	4,511	15,154	67,897	7,548	75,445
Profit for the year		–	–	–	–	13,467	13,467	(1,008)	12,459
Total comprehensive income		–	–	–	–	13,467	13,467	(1,008)	12,459
Transactions with owners									
Acquisition of non-controlling interests	5	–	–	–	–	942	942	(1,487)	(545)
Share-based payment transactions	27	–	–	–	3,380	–	3,380	–	3,380
Current and deferred tax recognised in equity	9, 22	–	–	–	449	101	550	–	550
Reserve transfer	27	–	–	–	(2,295)	2,295	–	–	–
Dividends paid	11, 29	–	–	–	–	(16,038)	(16,038)	(842)	(16,880)
Total transactions with owners		–	–	–	1,534	(12,700)	(11,166)	(2,329)	(13,495)
Balance at 31 December 2023 and 1 January 2024		57	48,155	20	6,045	15,921	70,198	4,211	74,409
Profit for the year		**–**	**–**	**–**	**–**	**15,896**	**15,896**	**186**	**16,082**
Total comprehensive income		**–**	**–**	**–**	**–**	**15,896**	**15,896**	**186**	**16,082**
Transactions with owners									
Acquisition of non-controlling interests	5	**1**	**7,008**	**–**	**(2,544)**	**(1,730)**	**2,735**	**(2,735)**	**–**
Share-based payment transactions	27	**–**	**–**	**–**	**1,682**	**–**	**1,682**	**–**	**1,682**
Current and deferred tax recognised in equity	9, 22	**–**	**–**	**–**	**(692)**	**10**	**(682)**	**–**	**(682)**
Reserve transfer	27	**–**	**–**	**–**	**(179)**	**179**	**–**	**–**	**–**
Dividends paid	11, 29	**–**	**–**	**–**	**–**	**(16,167)**	**(16,167)**	**(229)**	**(16,396)**
Total transactions with owners		**1**	**7,008**	**–**	**(1,733)**	**(17,708)**	**(12,432)**	**(2,964)**	**(15,396)**
Balance at 31 December 2024		**58**	**55,163**	**20**	**4,312**	**14,109**	**73,662**	**1,433**	**75,095**

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 December 2024

	Note	2024 £'000	2023 £'000
Cash flows from operating activities			
Profit for the period before tax		**22,886**	16,178
Adjustments for:			
Depreciation of property, plant and equipment	12	**1,133**	1,225
Depreciation of right of use assets	13	**718**	857
Impairment of right of use assets	13	**-**	428
Amortisation of intangibles	14	**5,707**	5,470
Unwinding of loan arrangement fees	32	**68**	77
(Gain)/Loss from disposal of fixed assets	12	**(4)**	36
Share-based payments	27	**2,552**	4,429
Share of profit from associates	15	**(1,315)**	(848)
Loss/(Gain) on remeasurement of redemption liability	5	**551**	(4,486)
Unwinding of redemption liability	5	**626**	1,183
(Gain)/Loss on fair value movements taken to profit and loss	15	**(21)**	190
Dividends received from associates	15	**798**	403
Finance income	8	**(585)**	(291)
Finance expense	8	**1,267**	1,427
		34,381	26,278
Changes in working capital			
(Increase)/Decrease in trade and other receivables	16	**(1,178)**	1,432
Increase/ (Decrease) in trade and other payables	18	**3,168**	(283)
Increase in clawback liability	21	**2,260**	2,293
Cash generated from operating activities		**38,631**	29,720
Income taxes paid		**(6,599)**	(5,390)
Interest received		**585**	-
Acquisition of non-controlling interests	5	**(2,585)**	(592)
Net cash generated from operating activities		**30,032**	23,738
Cash flows from investing activities			
Purchase of property, plant and equipment	12	**(381)**	(932)
Direct costs relating to right of use remeasurement	13	**(45)**	-
Purchase of intangibles	14	**(2,614)**	(1,121)
Acquisition of associates	15	**(2,000)**	(469)
Net cash used in investing activities		**(5,040)**	(2,522)
Cash flows from financing activities			
Repayment of borrowings	19,32	**(4,350)**	(5,350)
Interest received		**-**	304
Interest paid		**(1,397)**	(1,312)
Principal element of lease payments	32	**(865)**	(907)
Acquisition of non-controlling interests	5	**(249)**	(593)
Dividends paid to Company's shareholders	11	**(16,167)**	(16,038)
Dividends paid to non-controlling interests		**(229)**	(842)
Net cash used in financing activities		**(23,257)**	(24,738)
Net increase/(decrease) in cash and cash equivalents		**1,735**	(3,522)
Cash and cash equivalents at the beginning of the period		**21,940**	25,462
Cash and cash equivalents at the end of the period		**23,675**	21,940

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2024

1 Accounting policies

Basis of preparation

The principal accounting policies adopted in the preparation of the consolidated financial statements are set out below. The policies have been consistently applied to all the years presented.

The consolidated financial statements are presented in Great British Pounds and all amounts are rounded to the relevant thousands, unless otherwise stated.

These financial statements have been prepared in accordance with UK-adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006 that are applicable to companies that prepare financial statements in accordance with IFRS.

The preparation of financial statements in compliance with adopted IFRS requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies. The areas where significant judgements and estimates have been made in preparing the financial statements and their effect are disclosed in note 2.

The financial statements have been prepared on a historical cost basis, except for derivative financial instruments that have been measured at fair value.

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report as set out earlier in these financial statements. The financial position of the Group, its cash flows and liquidity position are also set out in the Strategic Report as set out earlier in these financial statements.

The Group made an operating profit of £24.7m during 2024 (2023: £14.0m) and had net current liabilities of £21.4m as at 31 December 2024 (31 December 2023: £21.4m) and equity attributable to owners of the Group of £73.7m (31 December 2023: £70.2m).

Going concern

The Directors have assessed the Group's financial prospects until 31 December 2026, considering the current operating environment, and impact of the ongoing geopolitical and macroeconomic uncertainties. The Directors' assessment includes a review of the approved Group plan, the principal risks and uncertainties as well as a review of profitability, cash flows, regulatory capital requirements and compliance with borrowing covenants under the Group's current debt facility.

Sensitivity analysis was conducted, applying severe but plausible stress tests to key assumptions related to business volumes, revenue mix, cash position, banking covenants and regulatory capital adequacy. This included reduction in business volumes between 15% and 20% across each business area within the Group. The Group's financial modelling shows that the Group should continue to be cash generative, maintain a surplus on its regulatory capital requirements and be able to operate within its current financing arrangements.

After evaluating this information, market and regulatory data, and leveraging the knowledge and experience of the Group and its markets, the Directors are comfortable that the Group will continue to generate positive cash flow, maintain regulatory capital surpluses, continue operate, comply with its existing financing arrangement and meet its liabilities as they fall due over this period. Accordingly, the Directors continue to adopt the going concern basis for the preparation of the financial statements.

The impact of climate risk on accounting estimates

In preparing the financial statements, the Directors have considered the impact of climate change, taking into account the relevant disclosures in the Strategic Report, relevant legislation and regulations.

The Group has assessed climate-related risks, covering both physical risks and transition risks.

Many of the effects arising from climate change will be longer term in nature with an inherent level of uncertainty and have limited impact on accounting estimates for the current period.

Climate change may also have an impact on the carrying value of goodwill but the potential impact of climate related risks on the Group's impairment assessment is considered sufficiently remote at this point in time and therefore no sensitivity analysis has been performed.

Changes in accounting policies

New standards, interpretations and amendments effective for the year ended 31 December 2024

The Group applied a number of standards and interpretations for the first time in 2024 but these did not have an impact on the consolidated financial statements of the Group. The Group has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

Future new standards and interpretations

A number of new standards and amendments will be effective for future annual and interim periods, and therefore have not been applied in preparing these consolidated financial statements. At the date of authorisation of these financial statements, the following standards and interpretations, which have not been applied in these financial statements, were in issue but not yet effective:

IFRS S1 - General Requirements for Disclosure of Sustainability-related Financial Information

IFRS S2 - Climate-related Disclosures

IFRS S1 and IFRS S2 are not expected to have a material impact on the results of the Group other than to expand on climate related disclosures within the financial statements. It is anticipated that transition reliefs for comparative information prior to the first year of adoption will be utilised. At the time of preparing the most recent full year consolidated financial statements, a decision on the UK adoption of the IFRS Sustainability Standards hasn't been made and any decision on a date to adopt with a decision now been delayed to later on in 2025. We have decided not to voluntarily apply these standards within these financial statements.

IFRS 18 - Presentation and disclosure in financial statements

Management have not undertaken a detailed assessment of the impact of IFRS 18. Changes are only expected to impact the presentation and disclosure certain items within the consolidated financial statements.

IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures

Management have not undertaken a detailed assessment of the impact of the issued *Amendments to the Classification and Measurement of Financial Instruments* which amended IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures. Changes are only expected to impact the presentation and disclosure of certain items within the consolidated financial statements.

Current vs non-current classification

The Group presents assets and liabilities in the consolidated statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realised within twelve months after the reporting date.

All other assets are classified as non-current.

A liability is non-current when the Company has the right to defer settlement for at least 12 months after the end of the reporting date. All other liabilities are classified as current.

Due to their short-term nature, the carrying value of cash and cash equivalents, trade and other receivables approximates their fair value.

Basis of consolidation

Subsidiaries

Where the Company has control over an investee, it is classified as a subsidiary. The Company controls an investee if all three of the following elements are present: power over the investee, exposure to variable returns from the investee and the ability of the investor to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

The consolidated financial statements present the results of the Company and its subsidiaries as if they formed a single entity. Intercompany transactions and balances between Group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the acquisition method. In the consolidated statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date on which control ceases.

Non-controlling interests

The Group recognises non-controlling interests in an acquired entity either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. This decision is made on an acquisition-by-acquisition basis. For the non-controlling interests in First Mortgage Direct Limited, Project Finland Topco Limited, Vita Financial Limited and Aux Group Limited, the Group elected to recognise the non-controlling interests at its proportionate share of the acquired net identifiable assets and will be derecognised if the entity become a 100% owned subsidiary of the Group. There are no other non-controlling interests. See note 1 for the Group's accounting policies for business combinations.

Associates

Where the Group has the power to participate in, but not control the financial and operating policy decisions of another entity, it is classified as an associate where the Group holds between 20% and 49% of the voting rights or if evidence of significant influence can be clearly demonstrated. The Group regularly reassesses the circumstances of each associate to confirm that the treatment the classification as an associate remains appropriate. Associates are initially recognised in the consolidated statement of financial position at cost. Subsequently, associates are accounted for using the equity method, where the Group's share of post acquisition profits and losses and other comprehensive income is recognised in the consolidated statement of comprehensive income (except for losses in excess of the Group's investment in the associate unless there is an obligation to make good those losses).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

Accounting policies for equity-accounted investees have been adjusted to conform the accounting policies of the associate to the Group's accounting policies. Profits and losses arising on transactions between the Group and its associates are recognised only to the extent of unrelated investors' interests in the associate. The investor's share in the associate's profits and losses resulting from these transactions is eliminated against the carrying value of the associate.

Any premium paid for an associate above the fair value of the Group's share of the identifiable assets, liabilities and contingent liabilities acquired is capitalised and included in the carrying amount of the associate. Where there is objective evidence that the investment in an associate has been impaired the carrying amount of the investment is tested for impairment. More information on the assessment of impairment in associates is included in note 2.

Property, plant and equipment

Items of property, plant and equipment are initially recognised at cost. As well as the purchase price, cost includes directly attributable costs.

Depreciation is provided on all items of property, plant and equipment, except freehold land at rates calculated to write off the cost of each asset on a straight-line basis over their expected useful lives, as follows:

Freehold land	not depreciated
Freehold buildings	36 years
Fixtures and fittings	5 or 10 years
Computer equipment	3 years

Gains and losses on disposal are determined by comparing the proceeds with the carrying amount and are recognised in the consolidated statement of comprehensive income. The Directors reassess the estimated residual values and useful economic lives of the assets at least annually.

Other intangible assets

Intangible assets other than goodwill acquired by the Group comprise licences, the website software, acquired technology, customer and member relationships, lender and introducer relationships and trademarks and brands and are stated at cost less accumulated amortisation and impairment losses.

Software development can include both third party costs and internal staff costs. Software development is only capitalised once development of the intangible has commenced, where technical feasibility of the project has been confirmed, and where it is probable the asset will generate future economic benefits. All costs prior to this are expensed in the period. Software development assets that are not in use are tested for impairment on an annual basis.

Amortisation is charged to the consolidated statement of comprehensive income on a straight-line basis over the period of the licence agreements or expected useful life of the asset and is charged once the asset is available for use. The Group reviews the expected useful lives of assets with a finite life at least annually.

Amortisation, which is reviewed annually, is provided on intangible assets to write off the cost of each asset on a straight-line basis over its expected useful life as follows:

Licenses	6 years
Website	3 years
Software development	3 years
Acquired technology	10 years
Customer relationships	5 to 9 years
Trademarks and brands	3 to 11 years
Lender and introducer relationships	14 years
Member relationships	3 years

Impairment of non-financial assets

Impairment tests on goodwill and other intangible assets with indefinite useful economic lives are undertaken annually at the financial year end or whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Other intangible assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Where the carrying value of the asset exceeds its recoverable amount (i.e. the higher of value in use and fair value less costs to sell), the asset is written down accordingly.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the smallest group of assets to which it belongs for which there are separately identifiable cash flows, its cash generating units ("CGUs").

Goodwill is allocated on initial recognition to each of the Group's CGUs that are expected to benefit from the synergies of the combination giving rise to the goodwill.

Impairment charges are included in consolidated statement of comprehensive income except to the extent that they reverse gains previously recognised in other comprehensive income. An impairment loss for goodwill is not reversed.

Financial assets

In the consolidated statement of financial position, the Group classifies its financial assets at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows; and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

All other financial assets are classified as fair value through profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

Loans and trade receivables

Loans and trade receivables are non-derivative financial assets with fixed or determinable payments which arise principally through the Group's trading activities, and these assets arise principally to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions for trade receivables are recognised based on the simplified approach within IFRS 9 using the lifetime expected credit losses. During this process the probability of the non-payment of the trade receivables is assessed on an individual receivable balance. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised within cost of sales in the consolidated statement of comprehensive income. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Impairment provisions for loans to associates and other parties are recognised based on a forward-looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

Derivative financial instruments

Derivative financial instruments comprise option contracts to acquire additional ordinary share capital of associates of the Group. Derivative financial instruments are carried at fair value, with gains and losses arising from changes in fair value taken directly to the statement of comprehensive income. Fair values of derivatives are determined using valuation techniques, including option pricing models.

Financial liabilities

Trade and other payables are recognised initially at fair value and subsequently carried at amortised cost.

Loans and other borrowings

Loans and other borrowings comprise the Group's bank loans including any bank overdrafts. Loans and other borrowings are recognised initially at fair value net of any directly attributable transaction costs. After initial recognition, loans and other borrowings are subsequently carried at amortised cost using the effective interest rate method.

Leases

The Group leases a number of properties from which it operates and office equipment. Rental contracts are typically made for fixed periods of five to ten years, with break clauses negotiated for some of the properties.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Payments associated with short-term leases and leases of low value assets will continue to be recognised on a straight-line basis as an expense in the statement of comprehensive income.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date; and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the Group's incremental borrowing rate is used, being the rate that the Group would have to pay to borrow the funds necessary to obtain an asset of similar value to the right of use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received;

- where it does not have recent third-party financing, the Group uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group; and
- makes adjustments specific to the lease, e.g. term, country and security.

Right of use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability,
- any lease payments made at or before the commencement date less any lease incentives received, and
- any initial direct costs.

Right of use assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. The Group does not revalue its land and buildings that are presented within property, plant and equipment, and has chosen not to do so for the right of use buildings held by the Group.

Variable lease payments

When the Group is exposed to potential future increases in variable lease payments based on an index or rate, they are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right of use asset.

Extension and termination options

Termination options are included in a number of the leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of termination options held are exercisable only by the Group and not by the respective lessor.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

Remeasurement

The Group will remeasure a lease when there has been a contractual variation that amends the scope or length of the lease or in cases where there is a change in the Group's intention to exercise a break option or clause that exists in the contract. The lease liability will be remeasured using the new interest rate implicit in the lease or a revised incremental borrowing rate if the interest rate implicit in the lease isn't readily determined.

When the lease liability is remeasured, an equivalent adjustment is made to the right of use asset unless its carrying amount is reduced to nil, in which case any remaining amount is recognised within administrative expenses within the consolidated statement of comprehensive income.

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at the fair value on acquisition date, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the noncontrolling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as a liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with IFRS 9. Other contingent consideration that is not within the scope of IFRS 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in the consolidated statement of comprehensive income.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

Goodwill is capitalised as an intangible asset with any impairment in carrying value being charged to the consolidated statement of comprehensive income. Where the fair value of identifiable assets, liabilities and contingent liabilities exceed the fair value of consideration paid, the excess is credited in full to the consolidated statement of comprehensive income on the acquisition date.

Where goodwill has been allocated to the Group's cash-generating units and part of the operation within the unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash generating unit retained.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the subsequent acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

Where a business combination is for less than the entire issued share capital of the acquiree and there is an option for the acquirer to purchase the remainder of the issued share capital of the business and/or for the vendor to sell the rest of the entire issued share capital of the business to the acquirer, then the acquirer will assess whether a non-controlling interest exists and also whether the instrument(s) fall within the scope of IFRS 9 Financial Instruments and is/are measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with IFRS 9.

Options that are not within the scope of IFRS 9 and are linked to service will be accounted for under IAS 19 Employee Benefits and/or IFRS 2 Share-based Payments as appropriate.

IFRS 3 prohibits the recognition of contingent assets acquired in a business combination. No contingent assets are recognised by the Group in business combinations even if it is virtually certain that they will become unconditional or non-contingent.

Provisions

A provision is recognised in the statement of financial position when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Share capital

Financial instruments issued by the Group are treated as equity only to the extent that they do not meet the definition of a financial liability. The Company's ordinary shares are classified as equity instruments. Incremental costs directly attributable to the issue of new shares are shown in share premium as a deduction from the proceeds.

Revenue

The Group recognises revenue from the following main sources:

- **Mortgage procuration fees** paid to the Group by lenders either via the L&G Mortgage Club or directly.
- **Insurance commissions** from advised sales of protection and general insurance policies.
- **Client fees** paid by the underlying customer for the provision of advice on mortgages, other loans and protection.
- **Other Income** comprising income from services provided to directly authorised entities, fees in relation to Later Life Lending and Wealth and ancillary services such as conveyancing and surveying.

Mortgage procuration fees, insurance commissions and client fees are included at the amounts received by the Group in respect of all services provided. The Group operates a revenue share model with its trading partners and therefore commissions are paid in line with the Group revenue recognition policy and are included in cost of sales.

Mortgage procuration fees are recognised at a point in time when commission is approved for payment by the L&G Mortgage Club or direct from the lender, which is the point at which all performance obligations have been met as a contract has been arranged by a broker between the lender and the customer.

Insurance commissions are recognised at a point in time when a policy is agreed upon and accepted by both the customer and the insurer. Life insurance commissions are typically paid on an indemnity basis, spread over a four-year period. If a policy is cancelled within this indemnity period, a portion of the commission received will be subject to repayment to the provider.

A clawback liability is recognised for the expected level of commissions repayable with the liability movement recognised as an offset against revenue recognised in the period. More information on the clawback liability is included in note 2.1(b).

Client fees and Other income are recognised at a point in time when payment is received or when receipt is guaranteed. This ensures recognition only when it is certain that the performance obligation has been satisfied.

Taxation

Income tax comprises current and deferred tax. Income tax is recognised in the consolidated statement of comprehensive income.

Other than if it relates to items recognised directly in equity in which case it is also recognised directly in equity.

Current tax is the expected tax payable on the taxable income for the year using tax rates enacted or substantively enacted by the statement of financial position date and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets and liabilities are recognised for all taxable temporary differences, except for when:

- The difference arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that enough taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in profit or loss.

Deferred tax assets and liabilities are offset when the Group has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority on either:

- the same taxable Group company; or
- different company entities which intend either to settle current tax assets and liabilities on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets and liabilities are expected to be settled or recovered.

Segment reporting

An operating segment is a distinguishable segment of an entity that engages in business activities from which it may earn revenues and incur expenses and whose operating results are reviewed regularly by the entity's Chief Operating Decision Maker (CODM). The Board reviews the Group's operations and financial position as a whole and therefore considers that it has only one operating segment, being the provision of financial services operating solely within the UK. The information presented to the CODM directly reflects that presented in the financial statements and they review the performance of the Group by reference to the results of the operating segment against budget.

Operating profit is the profit measure, as disclosed on the face of the consolidated statement of comprehensive income, that is reviewed by the CODM.

During the period to 31 December 2024, there have been no changes from the prior year in the measurement methods used to determine operating segments and reported segment profit or loss.

Dividends

Dividends are recognised when they become legally payable. In the case of interim dividends to equity shareholders, this is when they are paid. In the case of final dividends, this is when they are approved by the shareholders.

Share-based payments

(a) Equity -settled transactions
Where equity-settled share options are awarded to employees, the fair value of the options at the date of grant is charged to the statement of comprehensive income over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether the market vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition has been satisfied.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the statement of comprehensive income over the remaining vesting period.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the statement of comprehensive income over the remaining vesting period.

(b) Acquisition related Cash-settled transactions
A liability is recognised for the fair value of cash-settled transactions. The fair value is measured initially at the date of the grant and is subsequently remeasured at each reporting date up to and including the settlement date. The fair value is expensed over the period until the vesting date with a corresponding increase in liabilities. The fair value is determined using a discounted net present value model, with estimates over service and performance conditions updated to reflect management's best estimate of the awards expected to vest at each reporting date.

2 Accounting estimates and judgements

2.1 Critical accounting estimates and judgements

The preparation of the financial statements requires estimates and assumptions to be made that affect the reported values of assets, liabilities, revenues and expenses. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised and in any future years affected. In applying the Group's accounting policies described above, the directors have identified that the following areas are the key estimates that have a significant risk of resulting in a material adjustment to the carrying value of assets and liabilities in the next financial year.

(a) Fair value of put and call options in connection with acquisitions
When the Group makes an acquisition of less than 100% of the entire issued share capital of an entity, in certain cases it has entered into a put and call option agreement to acquire the remaining share capital of that entity after a certain amount of time. The fair value of the put and call option will need to be determined in accounting for the instrument which involves certain estimates regarding the future financial performance of the entity, including EBITDA or profit before tax. The fair value of the options are recognised as either a Redemption Liability (see Note 5) or within accruals (see Note 18).

The carrying value of the liabilities relating to acquisition options, recorded within Note 18 under accruals, are as follows:

	2024		2023	
	IAS19 Service Charge Accrual £'000	**IFRS2 Option Charge Accrual £'000**	IAS19 Service Charge Accrual £'000	IFRS2 Option Charge Accrual £'000
First Mortgage Direct Ltd	**-**	**-**	1,925	–
Project Finland Topco Ltd	**-**	**1,055**	–	441
Aux Group Ltd	**-**	**289**	–	138
Total	**-**	**1,344**	1,925	579

Where amounts payable on exercise of the option are contingent upon continued employment, it is treated as remuneration accounted for under IFRS2 or IAS19. Any non-contingent element is treated as consideration and accounted for under IAS 32.

The sensitivity of the fair values to changes in the key assumptions are as follows:

Assumption	**Base assumption**	**Change in base assumption**	**Increase in liability £m**
Relevant financial performance metric - IFRS 2 option accrual	Various	+20.0% (proportionate)	0.7
Relevant financial performance metric - Redemption liability	Various	+20.0% (proportionate)	0.8

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

(b) Clawback liability

The liability relates to the estimated value and timing of repaying commission received up front on protection policies that may lapse in a period of up to four years following inception. The liability balance is calculated using a model that has been developed over several years. The model uses a number of factors including the total 'unearned' commission (i.e. that could still be subject to clawback) at the point of calculation, the age profile of the commission received, estimates of future lapse rates, and the success of the Appointed Representatives in preventing lapses and/or generating new income at the point of a lapse.

The key uncertainties in the calculation are driven by lapse rates and recovery rates. A 0.5% change (absolute) in lapse rates causes a £0.4m change in the liability. A 2% change (absolute) in the recoveries rate causes a £0.3m change in the liability. More information is included in note 21.

(c) Impairment of Goodwill

For the purposes of impairment testing Goodwill is grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units) with impairment test undertaken at least annually at the financial year end or whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Other intangible assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The recoverable amount of the assets is the higher of an asset's or CGU's fair value less cost of disposal and its value in use.

Value in use calculations are utilised to calculate recoverable amounts of a CGU. Value in use is calculated as the net present value of the projected pre-tax cash flows of the CGU in which the relationships, technology and brand is contained. The net present value of cash flows is calculated by applying a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to that asset.

The key assumptions used in respect of value in use calculations are those regarding growth rates and anticipated changes to revenues and expenses during the period covered by the calculations. Changes to revenue and expenses are based upon management's expectation and actual outcomes may vary. Forecast cash flows are derived from the Group's forecast model, extrapolated for future years, and assume a terminal growth rate of 2.5% (2023: 3.5%), which management considers reasonable given the Group's historic growth rates and its market share growth model.

The Group is required to test, on an annual basis, whether goodwill has suffered any impairment. The recoverable amount is determined based on value in use calculations. The use of this method requires the estimation of future cash flows and the choice of a discount rate in order to calculate the present value of the cash flows. Actual outcomes may vary. More information including carrying values is included in note 14.

2.2 Other Accounting Estimates and Judgements

The preparation of the financial statements requires estimates and assumptions to be made that affect the reported values of assets, liabilities, revenues and expenses. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised and in any future years affected. In applying the Group's accounting policies described above, the directors have identified that the following areas that are deemed as significant to the understanding of the financial statements but are not materially subjective to management assumptions.

(a) Impairment of other intangibles

For the purposes of impairment testing other intangible assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Other intangible assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The recoverable amount of the assets is the higher of an asset's or CGU's fair value less cost of disposal and its value in use.

Value in use calculations are utilised to calculate recoverable amounts of a CGU. Value in use is calculated as the net present value of the projected pre-tax cash flows of the CGU in which the relationships, technology and brand is contained. The net present value of cash flows is calculated by applying a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to that asset. The use of this method requires the estimation of future cash flows and the choice of a discount rate in order to calculate the present value of the cash flows with the actual outcomes likely to vary.

The key assumptions used in respect of value in use calculations are those regarding growth rates and anticipated changes to revenues and expenses during the period covered by the calculations. Changes to revenue and expenses are based upon management's expectation and actual outcomes may vary. Forecast cash flows are derived from the Group's forecast model, extrapolated for future years, and assume a terminal growth rate of 2.5% (2023: 3.5%), which management considers reasonable given the Group's historic growth rates and its market share growth model.

(b) Investments in associates

The Group is required to consider whether any investments in associates have suffered any impairment.

The Group uses two methods to test for impairment:

- Net Present Value of the next 5 year's projected free cash flow and terminal value; and
- Valuation of business on a multiple basis.

The use of both methods requires the estimation of future cash flows, future profit before tax and choice of discount rate. Actual outcomes may vary. Where the carrying amount in the consolidated statement of financial position is in excess of the estimated value, the Group will make an impairment charge against the investment value and charge this amount to the consolidated statement of comprehensive income under impairment and amount written off associates.

(c) Share options and Deferred Tax

Under the Group's equity-settled share-based remuneration schemes (see note 27), estimates are made in assessing the fair value of options granted. The fair value is spread over the vesting period in accordance with IFRS 2. The Group engages an external expert in assessing fair value, both Black-Scholes and Stochastic models are used, and estimates are made as to the Group's expected dividend yield and the expected volatility of the Group's share price.

Deferred tax assets include temporary timing differences related to the issue and exercise of share options. Recognition of the deferred tax assets assigns an estimate of the proportion of options likely to vest and an estimate of share price at vesting. The carrying amount of deferred tax assets relating to share options as at 31 December 2024 was £0.9m (2023: £1.4m). This has been presented net of other Group deferred tax liabilities in the consolidated statement of financial position.

3. Revenue

The Group operates in one segment being that of the provision of financial services in the UK. Revenue is derived as follows:

	2024 £'000	2023 £'000
Mortgage procuration fees	**105,760**	98,033
Protection and general insurance commission	**104,737**	93,144
Client fees	**51,180**	43,325
Other income	**4,860**	5,031
	266,537	239,533

4. Cost of sales

Costs of sales are as follows:

	2024 £'000	2023 £'000
Commissions paid	**145,668**	130,934
Fluent affinity partner payments	**15,466**	14,481
Movement in provision for impairment of trade receivables	**(118)**	(22)
Other cost of sales	**1,298**	1,214
Wages and salary costs	**22,322**	22,764
	184,636	169,371

5. Acquisition related costs, acquisition of non-controlling interests and redemption liability

First Mortgage Direct Limited (First Mortgage)

Put and call option

On 29 May 2024 Mortgage Advice Bureau Limited exercised its option to purchase the remaining 20% stake in First Mortgage for £9.3m. This was funded through £2.3m of cash consideration and a £7.0m equity share issue by the parent entity, Mortgage Advice Bureau (Holdings) plc. The £7.0m equity share issue resulted in clearing £2.7m of accumulated non-controlling interest, a reduction in retained earning of £1.7m and a transfer of £2.5m from the share option reserve. The option was accounted for under IAS 19 Employee Benefits and IFRS 2 Share-based Payments due to its link to the service of First Mortgage's Managing Director.

The costs relating to this acquisition for the period are made up as follows:

	2024 £'000	2023 £'000
Amortisation of acquired intangible assets	**367**	367
Option costs (IAS 19)	**412**	448
Option costs (IFRS 2)	**512**	409
Acquisition related costs	**47**	–
Total costs	**1,338**	1,224

The Fluent Money Group Limited (Fluent)

Deferred payments to non controlling interests

On 19 December 2023, Mortgage Advice Bureau Ltd acquired 8.1% of the ordinary share capital of Project Finland Topco Limited for £1,991,616 taking its shareholding to 84.3%. Half of the payment was made in 2023 and a further £498,000 was paid in December 2024. £249,000 has been included within cash flows used in operating activities and £249,000 as cash flows used in financing activities. The remaining deferred consideration of £498,000 is expected to be paid in December 2025 and is included in accruals within trade and other payables.

Put and call options

There is a put and call option over the remaining 15.7% of the issued share capital of Fluent which has been accounted for under IAS 32 Financial Instruments and IFRS 2 Share-based Payments, as respectively a proportion is treated as consideration under IAS 32, with the balance treated as remuneration under IFRS 2, because the amount payable on exercise of the option consists of a non- contingent element, and an element that is contingent upon continued employment of the option holders within the Group. The proportion accounted for under IAS 32 has been recognised as a redemption liability. There is also a put and call option over certain growth shares that have been issued to Fluent's wider management team that has been accounted for under IFRS 2 Share-based Payments as exercise is solely contingent upon continued employment.

The costs relating to this acquisition for the period are made up as follow:

	2024 £'000	2023 £'000
Amortisation of acquired intangible assets	**4,399**	4,399
Option costs (IFRS 2)	**1,657**	3,289
Redemption liability remeasurement (IAS 32)	**569**	(4,649)
Unwinding of redemption liability	**539**	1,123
Acquisition related costs	**42**	159
Total costs	**7,206**	4,321

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Vita Financial Limited (Vita)

The costs relating to this acquisition for the period are made up as follow:

	2024 £'000	2023 £'000
Amortisation of acquired intangible assets	**65**	65
Acquisition related costs	**–**	–
Total costs	**65**	65

Aux Group Limited (Auxilium)

Put and call options
There is a put and call option over the remaining 25% of the issued share capital of Auxilium which has been accounted for under IAS 32 Financial Instruments and IFRS 2 Share-based Payments, as respectively a proportion is treated as consideration under IAS 32, with the balance treated as remuneration under IFRS 2 because the amount payable on exercise of the option consists of a non- contingent element, and an element that is contingent upon continued employment of the option holder within the Group. The proportion accounted for under IAS 32 has been recognised as a redemption liability.

The costs relating to this acquisition for the period are made up as follow:

	2024 £'000	2023 £'000
Amortisation of acquired intangible assets	**329**	329
Option costs (IFRS 2)	**151**	131
Redemption liability remeasurement (IAS 32)	**(18)**	163
Unwinding of redemption liability	**87**	60
Acquisition related costs	**–**	–
Total costs	**549**	683

Redemption liability

At 31 December 2024, the expected cash flows relating to the redemption liability were remeasured resulting in a loss of £0.6m included within the consolidated statement of comprehensive income. £0.6m has been included within finance expenses relating to the unwinding of the redemption liability from the end of the prior year.

	31 December 2024			31 December 2023		
Carrying value of redemption liability	**Fluent £'000**	**Auxilium £'000**	**Total £'000**	Fluent £'000	Auxilium £'000	Total £'000
Balance as at 1 January	**2,402**	**391**	**2,793**	7,018	168	7,186
Purchase of additional non-controlling interest in Fluent	**–**	**–**	**–**	(1,090)	–	(1,090)
Loss/(Gain) on remeasurement	**569**	**(18)**	**551**	(4,649)	163	(4,486)
Unwinding of redemption liability	**539**	**87**	**626**	1,123	60	1,183
Balance as at 31 December	**3,510**	**460**	**3,970**	2,402	391	2,793

Total acquisition costs

The total costs relating to the four acquisitions above that are included in the consolidated statement of comprehensive income are as follows:

	2024 £'000	2023 £'000
Amortisation of acquired intangible assets	**5,160**	5,160
Option costs (IFRS 2 and IAS 19)	**2,732**	4,277
Acquisition related costs	**89**	159
Loss/(Gain) on remeasurement of redemption liability	**551**	(4,486)
Unwinding of redemption liability	**626**	1,183
Total costs	**9,158**	6,293

Total cashflows relating to purchases of non-controlling interests

The total amounts included in the consolidated statement of cash flows relating to the purchase of non-controlling interests are as follows:

	2024 £'000	2023 £'000
First Mortgage - exercise of option (operating activities)	**2,336**	–
Fluent - deferred consideration (operating activities)	**249**	592
Fluent - deferred consideration (financing activities)	**249**	593
Total Cashflows	**2,834**	1,185

6. Operating profit

Operating profit is stated after the following items:

	Note	**2024 £'000**	2023 £'000
Depreciation of property, plant and equipment	12	**1,133**	1,225
Depreciation of right of use assets	13	**718**	857
Impairment of right of use assets	13	**–**	428
Amortisation of acquired intangible assets	5	**5,160**	5,160
Amortisation of other intangible assets	14	**547**	310
Costs related to acquisition options	5	**2,732**	4,277
Cost related to acquisitions	5	**89**	159
Costs related to restructuring		**–**	539
(Gain)/Loss of fair value measurement of derivative financial instruments	15	**(21)**	190

Profits from associates are disclosed as part of the operating profit as this is the operational nature of the Group.

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	2024 £'000	2023 £'000
Auditor remuneration:		
Fees payable to the Group's auditor for the audit of the Group's financial statements	**820**	571
Fees payable to the Group's auditor and its associates for other services:		
Audit of the accounts of subsidiaries	**121**	66
Audit-related assurance services	**145**	133

7. Staff costs

Staff costs, including executive and non-executive Directors' remuneration, are as follows:

	2024 £'000	2023 £'000
Wages and salaries	**46,434**	43,186
Share-based payments (see note 27)	**2,552**	4,429
Social security costs	**5,168**	4,627
Defined contribution pension costs	**1,426**	1,750
Other employee benefits	**664**	738
Total staff remuneration	**56,244**	54,730
Capitalised staff costs	**1,912**	433
Staff costs included in the consolidated statement of comprehensive income	**54,332**	54,297

Staff costs are included in the consolidated statement of comprehensive income as follows:

	2024 £'000	2023 £'000
Cost of sales (see note 4)	**22,322**	22,764
Administrative expenses	**32,010**	31,477
	54,332	54,241

The average number of people employed by the Group during the year was:

	2024 Number	2023 Number
Executive Directors	**3**	3
Advisers	**247**	285
Compliance	**101**	106
Sales and marketing	**98**	110
Operations	**487**	497
	936	1,001

Key management compensation

Key management are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, which are the Directors of Mortgage Advice Bureau (Holdings) plc.

	2024 £'000	2023 £'000
Wages and salaries	**2,235**	1,387
Share-based payments	**(58)**	159
Social security costs	**335**	181
Defined contribution pension costs	**14**	11
Other employment benefits	**6**	4
	2,632	1,742

During the year retirement benefits were accruing to 3 Directors (2023: 2) in respect of defined contribution pension schemes.

The total amount payable to the highest paid Director in respect of emoluments was £1,015,000 (2023: £858,000).

The value of the Group's contributions paid to a defined contribution pension scheme in respect of the highest paid Director amounted to £nil (2023: £nil).

8. Finance income and expense

Finance income	**2024 £'000**	2023 £'000
Interest income on cash balances	**158**	51
Interest income on loans to franchises	**427**	240
	585	291
Finance expenses		
Interest expense	**1,199**	1,320
Interest expense on lease liabilities	**68**	107
	1,267	1,427

The interest expense mainly relates to the term loan and revolving credit facility (see note 19).

9. Income tax

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the consolidated statement of comprehensive income are:

	2024 £'000	2023 £'000
Current tax expense		
UK corporation tax charge on profit for the period	**6,809**	5,434
Total current tax	**6,809**	5,434
Deferred tax expense		
Origination and reversal of timing differences	**(48)**	(1,766)
Temporary difference on share-based payments	**43**	51
Effect of changes in tax rates	**-**	-
Total deferred tax (see note 22)	**(5)**	(1,715)
Total tax expense	**6,804**	3,719

The reasons for the difference between the actual charge for the year and the standard rate of corporation tax in the United Kingdom of 25% (2023: 23.52%) applied to profit for the year is as follows:

	2024 £'000	2023 £'000
Profit for the year before tax	**22,886**	16,178
Expected tax charge based on corporation tax rate	**5,722**	3,805
Expenses not deductible for tax purposes	**145**	115
Research & development	**43**	(48)
Share option differences	**713**	1,010
Deferred tax balances not previously recognised	**192**	-
Other differences	**6**	12
Fair value (gain)/loss on derivative financial instruments	**(5)**	45
Redemption liability movements	**294**	(777)
Profits from associates	**(329)**	(199)
Fixed asset differences	**-**	(207)
Short term timing differences	**-**	(22)
Utilisation of brought forward tax losses	**23**	(22)
Adjustments to prior years	**-**	7
Total tax expense	**6,804**	3,719

Options exercised during the period resulted in a current tax credit of £0.01m (2023: £0.1m) recognised directly in equity relating to the current tax deduction in excess of the cumulative share-based payment expense relating to these options.

For the year ended 31 December 2024 the deferred tax charge relating to unexercised share options recognised in equity was £0.4m (2023: £0.4m credit).

The standard rate of corporation tax for the period was 25% (2023: 23.52%) and the rate at which deferred tax has been provided is 25% (2023: 25%)

10. Earnings per share

Basic earnings per share are calculated by dividing net profit for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the period.

Basic earnings per share	2024	2023
Profit for the period attributable to the owners of the parent (£'000)	**15,896**	13,467
Weighted average number of shares in issue	**57,608,464**	57,090,793
Basic earnings per share (in pence per share)	**27.6**	23.6

For diluted earnings per share, the weighted average number of ordinary shares in existence is adjusted to include potential ordinary shares arising from share options.

Diluted earnings per share	2024	2023
Profit for the period attributable to the owners of the parent (£'000)	**15,896**	13,467
Weighted average number of shares in issue	**57,994,127**	57,434,053
Diluted earnings per share (in pence per share)	**27.4**	23.5

The share data used in the basic and diluted earnings per share computations are as follows:

Weighted average number of ordinary shares	2024	2023
Issued ordinary shares at the start of the year	**57,127,034**	57,030,995
Effect of shares issued during the period	**481,430**	59,798
Basic weighted average number of shares	**57,608,464**	57,090,793
Potential ordinary shares arising from options	**385,663**	343,260
Diluted weighted average number of shares	**57,994,127**	57,434,053

The reconciliation between the basic and adjusted figures is as follows:

	2024 £'000	2023 £'000	2024 Basic earnings pence	2023 Basic earnings pence	2024 Diluted earnings pence	2023 Diluted earnings pence
Profit for the period	**15,896**	13,467	**27.6**	23.6	**27.4**	23.5
Adjustments:						
Amortisation of acquired intangible assets	**4,263**	3,575	**7.4**	6.3	**7.4**	6.2
Costs relating to the First Mortgage, Fluent and Auxilium options	**2,434**	3,477	**4.2**	6.1	**4.2**	6.1
Costs relating to Fluent and Auxilium acquisitions	**89**	159	**0.2**	0.3	**0.2**	0.3
Loss on derivative financial instruments	**(21)**	190	**-**	0.3	**-**	0.3
Restructuring costs	**-**	412	**-**	0.7	**-**	0.7
Remeasurement and unwinding of redemption liabilities	**1,177**	(3,303)	**2.0**	(5.8)	**2.0**	(5.8)
Tax effect of adjustments	**(1,089)**	(966)	**(1.9)**	(1.7)	**(2.0)**	(1.7)
Adjusted earnings	**22,749**	17,012	**39.5**	29.8	**39.2**	29.6
Software capex spend	**(1,406)**	–	**(2.4)**	–	**(2.4)**	–
Software capex amortisation	**128**	–	**0.2**	–	**0.2**	–
Tax effect of software capex	**319**	–	**0.5**	–	**0.6**	–
Adjusted earnings (exc. Software capex)	**21,791**	17,012	**37.8**	29.8	**37.6**	29.6

The tax effect of adjustments used is based on the standard rate of corporation tax in the United Kingdom of 25% (2023: 23.52%) for any items that are subject to tax.

The adjusted earnings (exc. software capex) removes the impact of the Software Capex spend capitalised during the year.

The Group uses adjusted results as key performance indicators, as the Directors believe that these provide a more consistent measure of operating performance. Adjusted earnings is therefore stated before one-off acquisition costs and one-off restructuring costs, ongoing non-cash items relating to the acquisitions of First Mortgage, Fluent and Auxilium, fair value gains on financial instruments relating to options to increase shareholding in associate businesses and impairment of loans to related parties, net of tax.

11. Dividends

	2024 £'000	2023 £'000
Dividends paid and declared on ordinary shares during the period:		
Final dividend for 2023: 14.7p per share (2022: 14.7p)	**8,401**	8,384
Interim dividend for 2024: 13.4p per share (2023: 13.4p)	**7,766**	7,654
	16,167	16,038
Equity dividends on ordinary shares:		
Proposed for approval by shareholders at the AGM:		
Final dividend 2024: 14.8p per share (2023: 14.7p)	**8,578**	8,398
	8,578	8,398

The record date for the final dividend is 25 April 2025 and the payment date is 27 May 2025. The ex-dividend date will be 24 April 2025. The Company statement of changes in equity shows that the Company had positive reserves as at 31 December 2024 of £4.7m. There are sufficient distributable reserves in subsidiary companies to pass up to Mortgage Advice Bureau (Holdings) plc in order to pay the proposed final dividend. The proposed final dividend for 2024 has not been provided for in these financial statements, as it has not yet been approved for payment by shareholders.

12. Property, plant and equipment

	Freehold land and buildings £'000	**Fixture & fittings £'000**	**Computer equipment £'000**	**Total £'000**
Cost				
As at 1 January 2024	2,536	4,161	1,650	8,347
Additions	–	100	281	381
Disposals	–	–	(172)	(172)
As at 31 December 2024	**2,536**	**4,261**	**1,759**	**8,556**
Accumulated Depreciation				
As at 1 January 2024	461	1,050	1,037	2,548
Charge for the year	57	662	414	1,133
Disposals	–	–	(172)	(172)
As at 31 December 2024	**518**	**1,712**	**1,279**	**3,509**
Net book value as at 31 December 2024	**2,018**	**2,549**	**480**	**5,047**

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	Freehold land and buildings £'000	Fixture & fittings £'000	Computer equipment £'000	Total £'000
Cost				
As at 1 January 2023	2,536	3,681	1,515	7,732
Additions	–	535	397	932
Disposals	–	(55)	(262)	(317)
As at 31 December 2023	2,536	4,161	1,650	8,347
Accumulated Depreciation				
As at 1 January 2023	407	404	793	1,604
Charge for the year	54	666	505	1,225
Disposals	–	(20)	(261)	(281)
As at 31 December 2023	461	1,050	1,037	2,548
Net book value as at 31 December 2023	2,075	3,111	613	5,799
Net book value as at 31 December 2022	2,129	3,277	722	6,128

During the year proceeds from the disposal of assets totalling £4,000 were received over and above the carrying value (2023: £nil)

13. Right of use assets and Lease liabilities

This note provides information for leases where the Group is a lessee. The consolidated statement of financial position shows the following amounts on leases:

Right of use assets	**Land and buildings £'000**	**Office equipment £'000**	**Vehicles £'000**	**Total £'000**
As at 1 January 2024	2,186	97	–	2,283
Additions	–	–	149	149
Remeasurement	2,246	–	–	2,246
Depreciation	(670)	(35)	(13)	(718)
As at 31 December 2024	**3,762**	**62**	**136**	**3,960**

During the year direct costs of £45,000 relating to the remeasurement of right of use assets were incurred.

Lease Liabilities	**Land and buildings £'000**	**Office equipment £'000**	**Vehicles £'000**	**Total £'000**
As at 1 January 2024	2,634	102	–	2,736
Additions	–	–	149	149
Remeasurement	2,200	–	–	2,200
Interest expense	63	3	2	68
Lease payments	(880)	(39)	(14)	(933)
As at 31 December 2024	**4,017**	**66**	**137**	**4,220**

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Right of use assets	Land and buildings £'000	Office equipment £'000	Total £'000
As at 1 January 2023	3,747	125	3,872
Additions	–	13	13
Remeasurement	(317)	–	(317)
Impairment	(423)	(5)	(428)
Depreciation	(821)	(36)	(857)
As at 31 December 2023	2,186	97	2,283

Lease Liabilities	Land and buildings £'000	Office equipment £'000	Total £'000
As at 1 January 2023	3,822	125	3,947
Additions	–	13	13
Remeasurement	(317)	–	(317)
Interest expense	102	5	107
Lease payments	(973)	(41)	(1,014)
As at 31 December 2023	2,634	102	2,736

The present value of lease liabilities is as follows:

31 December 2024	**Within 1 year £'000**	**1-2 years £'000**	**2-5 years £'000**	**After 5 years £'000**	**Total £'000**
Lease payments (undiscounted)	1,098	794	1,743	1,962	5,597
Finance charges	(255)	(210)	(490)	(422)	(1,377)
Net present values	**843**	**584**	**1,253**	**1,540**	**4,220**

31 December 2023	Within 1 year £'000	1-2 years £'000	2-5 years £'000	After 5 years £'000	Total £'000
Lease payments (undiscounted)	997	792	1,005	81	2,875
Finance charges	(66)	(37)	(36)	–	(139)
Net present values	931	755	969	81	2,736

The following amounts are included in the consolidated statement of comprehensive income relating to leases:

	2024 £'000	2023 £'000
Depreciation of right of use assets	**718**	857
Impairment of right of use assets	**–**	427
Interest expense	**68**	107
Short term lease expense	**7**	79
Low value lease expense	**2**	2

The total cash flow for leases during the period was £0.9m (2023: £1.0m)

Extension and termination options

During the prior year, a break clause was exercised on one property. This resulted in a remeasurement of the associated lease liability of £317,000. An impairment assessment of the impacted right of use asset resulted in an impairment of £428,000 recognised in the consolidated statement of comprehensive income.

As at 31 December 2024, the carrying amounts of all other lease liabilities are not reduced by the amount of payments that would be avoided from exercising a break clause because it was considered reasonably certain that the Group would not exercise its right to break the lease. Total lease payments of £1,713,500 (2023: £85,000) are potentially avoidable were the Group to exercise break clauses at the earliest opportunity.

14. Intangible assets

Goodwill and identified intangible assets arising on acquisitions are allocated to the cash-generating unit of that acquisition. The Board considers that the Group has only one operating segment and now has five cash-generating units (CGUs). The goodwill relates to the following acquisitions:

- Talk Limited in 2012, and in particular its main operating subsidiary Mortgage Talk Limited (Mortgage Talk)
- First Mortgage Direct Limited (First Mortgage) in 2019
- Project Finland Topco Limited (Fluent) in 2022
- Vita Financial Limited (Vita) in 2022
- Aux Group Limited, and in particular its main operating subsidiary Auxilium Partnership Limited (Auxilium) in 2022

Goodwill	**2024 £'000**	2023 £'000
Cost		
As at 1 January and 31 December	**54,038**	54,038
Accumulated impairment		
As at 1 January and 31 December	**153**	153
Net book value		
As at 1 January and 31 December	**53,885**	53,885

Where the goodwill allocated to the CGU is significant in comparison with the entity's total carrying amount of goodwill this is set out below:

Goodwill	**Mortgage Talk £'000**	**First Mortgage £'000**	**Fluent £'000**	**Other[(1)] £'000**	**Total £'000**
Cost					
As at 1 January and 31 December 2024	4,267	11,041	36,974	1,756	54,038
Accumulated impairment					
As at 1 January and 31 December 2024	153	–	–	–	153
Net book value					
As at 1 January and 31 December 2024	**4,114**	**11,041**	**36,974**	**1,756**	**53,885**

(1) 'Other' companies comprises Vita and Auxilium.

Goodwill is deemed to have an indefinite useful life. Under IAS 36, "Impairment of assets", the Group is required to review and test its goodwill for impairment annually or in the event of a significant change in circumstances. The impairment reviews conducted at the end of 2024 concluded that there had been no impairment of goodwill.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

The key assumptions set out below and used in respect of value in use calculations are those regarding growth rates and anticipated changes to revenues and costs during the period covered by the calculations, based upon management's expectations, with the discount rates reflecting current market assessments of the time value of money and the risks specific to these assets, based on the Group's WACC. Revenue growth is based on past performance and management's expectation of growth rates in the markets in which it operates, and forecast costs are based on management's expectations of changes to the current structure of each CGU. The terminal value growth rate of 2.5% (2023: 3.5%) reflects the Group's market share growth model.

Goodwill arose on the acquisition of Mortgage Talk Limited and has since been allocated to the CGU of the Group as it existed prior to the impact of the subsequent four acquisitions listed above. Impairment testing for this CGU is carried out by determining recoverable amount on the basis of value in use, which is then compared to the carrying value of the assets of the CGU including goodwill. The value in use that has been determined exceeds the £4.1m (2023: £4.1m) carrying value of goodwill for this CGU and therefore no impairment of goodwill is required. Management has estimated future cash flows over a five-year period, which are based on extrapolated budget models which have been approved by the Board, and applied a discount rate of 11.3% (2023: 13.2%) and then applied a terminal value calculation, which assumes a growth rate of 2.5% (2023: 3.5%) in future cashflows, in order to estimate the present value of those cash flows in determining the value in use. Management believes that any reasonably possible changes to any of the key assumptions applied in determining the value in use would not cause the carrying amount of goodwill to exceed the present value of the estimated future cashflows.

The sensitivity of the value in use for all acquisitions to changes in the key assumptions are as follows:

Assumption	Base assumption	Change in base assumption	(Decrease) in value in use £m
Discount rate	11.3%	+1.0% (absolute)	(49.4)
Years 1-5 cash flows	Various	-5.0% (proportionate)	(82.7)
Long-term growth rate	2.5%	-1.0% (absolute)	(37.4)

From management's assessment no reasonable change in assumptions would result in an impairment of goodwill.

Other intangibles assets

	Licenses £'000s	Website £'000s	Software Development £'000s	Acquired Technology £'000s	Software Under Construction £'000s	Customer Relationships £'000s	Trademarks and Brand £'000s	Other Relationships £'000s	Total £'000s
Cost									
As at 1 January 2024	108	216	1,539	16,824	–	2,337	5,089	34,568	60,681
Additions	–	77	2,263	–	274	–	–	–	2,614
Disposals	(108)	–	–	–	–	–	–	–	(108)
As at 31 December 2024	**–**	**293**	**3,802**	**16,824**	**274**	**2,337**	**5,089**	**34,568**	**63,187**
Accumulated Amortisation									
As at 1 January 2024	108	51	314	2,525	–	1,070	1,163	3,976	9,207
Charge for the year	–	82	464	1,683	–	273	483	2,722	5,707
Disposals	(108)	–	–	–	–	–	–	–	(108)
As at 31 December 2024	**–**	**133**	**778**	**4,208**	**–**	**1,343**	**1,646**	**6,698**	**14,806**
Net book value as at 31 December 2024	**–**	**160**	**3,024**	**12,616**	**274**	**994**	**3,443**	**27,870**	**48,381**

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Other intangibles assets

	Licenses £'000s	Website £'000s	Software Development £'000s	Acquired Technology £'000s	Software Under Construction £'000s	Customer Relationships £'000s	Trademarks and Brand £'000s	Other Relationships £'000s	Total £'000s
Cost									
As at 1 January 2023	108	223	1,105	16,824	–	2,337	5,089	34,568	60,254
Additions	–	133	988	–	–	–	–	–	1,121
Disposals	–	(140)	(554)	–	–	–	–	–	(694)
As at 31 December 2023	108	216	1,539	16,824	–	2,337	5,089	34,568	60,681
Accumulated Amortisation									
As at 1 January 2023	108	140	610	842	–	797	680	1,254	4,431
Charge for the year	–	51	258	1,683	–	273	483	2,722	5,470
Disposals	–	(140)	(554)	–	–	–	–	–	(694)
As at 31 December 2023	108	51	314	2,525	–	1,070	1,163	3,976	9,207
Net book value as at 31 December 2023	–	165	1,225	14,299	–	1,267	3,926	30,592	51,474
Net book value as at 31 December 2022	–	83	495	15,982	–	1,540	4,409	33,314	55,823

Assets which are internally generated are solely within asset categories; Website, Software Development and Software Under Construction. Internally Generated Software Under Construction consists of proprietary software assets designed exclusively for use within the Group, these assets are tailored to enhance and streamline the customer journey, ensuring seamless interactions and operational efficiency.

During 2024 the Group has capitalised the MIDAS Platform development spend after management deemed that the criteria for recognition under IAS 38 has been met. This has resulted in £1,406,000 of spend capitalised (2023: £nil) with £81,000 (2023: £nil) of Platform development spend included in software under construction as the feature developed hasn't been released to the system and the features are expected to be released in 2025.

Individually Material Intangible Assets

Asset Description	**Asset Category**	**NBV as at 31 December 2024 £'000**	**NBV as at 31 December 2023 £'000**	**Amortisation End Date**
Fluent Money Limited - Technology	Technology/Software	**12,622**	14,305	July 2032
Fluent Mortgages Limited - Introducer Relationships	Other relationships	**10,258**	11,149	July 2036
Fluent Lifetime Limited - Introducer Relationships	Other relationships	**6,426**	6,985	July 2036
Fluent Money Limited - Lender Relationships	Other relationships	**5,754**	6,254	July 2036
Fluent Bridging Limited - Introducer Relationships	Other relationships	**5,165**	5,614	July 2036
Fluent Money Limited - Brand	Trademarks and brands	**2,682**	2,997	July 2033
First Mortgage Direct Limited - Customer Relationships	Customer relationships	**770**	990	July 2028
First Mortgage Direct Limited - Brand	Trademarks and brands	**662**	809	July 2029

15. Investments in associates and joint ventures

The investments in associates and a joint venture at the reporting date is as follows:

	2024 £'000	2023 £'000
At start of the period	**12,301**	11,387
Additions	**2,000**	469
Credit to statement of comprehensive income		
Share of profit	**1,315**	848
	1,315	848
Dividends received	**(798)**	(403)
At period end	**14,818**	12,301

The Group is entitled to the results of its associates in equal proportion to its equity stakes.

The carrying value of the Group's joint venture, MAB Broker Services PTY Limited, as at 31 December 2024 is £nil (2023: £nil). In the year ended 30 June 2024, MAB Broker Services PTY Limited reported a profit of AUD0.04m (2023: profit of AUD0.01m).

Acquisitions and disposals

2024

On 18 December 2024, Mortgage Advice Bureau Limited acquired 18.9% of the shareholding of Dashly Limited for a consideration of £2.0m. The Group is deemed to have significant influence as a result of various contractual arrangements and has been treated as an associate.

2023

On 26 May 2023, First Mortgage Direct Limited acquired a further 12% of M & R FM Limited for a consideration of £0.5m, bringing its total stake to 37%.

Summarised financial information for associates

The tables below provide summarised financial information for those associates and joint ventures that are material to the Group. The information disclosed reflects the amounts presented in the unaudited financial statements or management accounts of the relevant associates and joint ventures and not the Group's share of those amounts:

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2024

	Evolve FS Ltd £'000	Heron Financial Ltd £'000	Meridian Holdings Group Ltd £'000	Sort Group Limited £'000	Clear Mortgage Solutions Ltd £'000	M & R FM Limited £'000	Dashly Ltd £'000
Non-current assets	**34**	**593**	**664**	**770**	**82**	**69**	**2,683**
Cash balances	**296**	**267**	**1,457**	**2,907**	**1,074**	**1,894**	**682**
Current assets (exc. Cash balances)	**474**	**674**	**805**	**759**	**316**	**504**	**265**
Current liabilities	**(241)**	**(391)**	**(690)**	**(807)**	**(513)**	**(450)**	**(1,254)**
Non-Current liabilities	**(418)**	**(248)**	**(446)**	**(207)**	**(494)**	**(606)**	**(33)**
Revenue	**3,858**	**3,140**	**7,965**	**13,743**	**5,919**	**5,073**	**688**
Profit / (Loss) before taxation	**(83)**	**650**	**432**	**1,098**	**954**	**1,643**	**(1,095)**
Total comprehensive income	**(83)**	**488**	**324**	**779**	**716**	**1,249**	**(1,022)**
Carrying value of investment							
As at 1 January 2024	**2,905**	**2,757**	**1,566**	**2,195**	**1,021**	**1,402**	**–**
Increase in investment	**–**	**–**	**–**	**–**	**–**	**–**	**2,000**
Profit / (loss) attributable to the Group	**(152)**	**200**	**134**	**275**	**251**	**422**	**–**
Dividends received	**–**	**(293)**	**–**	**–**	**(271)**	**(185)**	**–**
At 31 December 2024	**2,753**	**2,664**	**1,700**	**2,470**	**1,001**	**1,639**	**2,000**

2023

	Evolve FS Ltd £'000	Heron Financial Ltd £'000	Meridian Holdings Group Ltd £'000	Sort Group Limited £'000	Clear Mortgage Solutions Ltd £'000	M & R FM Limited £'000
Non-current assets	29	221	1,974	649	24	53
Cash balances	420	552	1,076	2,295	1,097	1,073
Current assets (exc. Cash balances)	349	873	675	567	384	485
Current liabilities	(614)	(455)	(652)	(642)	(404)	(377)
Non-Current liabilities and provisions	(8)	(419)	(380)	(84)	(600)	(410)
Revenue	4,237	2,409	7,129	11,794	4,974	3,874
Profit before taxation	60	600	385	788	507	1,000
Total comprehensive income	48	497	289	673	416	802
Carrying value of investment						
As at 1 January 2023	2,882	2,638	1,497	1,936	864	906
Increase in investment	–	–	–	–	–	469
Profit attributable to the Group	23	244	69	259	213	249
Dividends received	–	(125)	–	–	(56)	(222)
At 31 December 2023	2,905	2,757	1,566	2,195	1,021	1,402

Individually immaterial associates and joint ventures

In addition to the interests in associates disclosed above, the Group also has interests in a number of individually immaterial associates and a joint venture that are accounted for using the equity method. The aggregate of the summarised financial information for these associates is shown below, along with the summarised financial information for the joint venture. The information disclosed reflects the amounts presented in the unaudited financial statements or management accounts of the relevant associates and the joint venture and not the Group's share of those amounts:

	2024 Associates £000	2023 Associates £000	**2024 Joint Ventures £000**	2023 Joint Ventures £000
Non-current assets	**765**	991	**-**	5
Cash balances	**714**	680	**179**	26
Current assets (exc. Cash balances)	**1,902**	1,295	**1,048**	1,127
Current liabilities	**(1,368)**	(1,202)	**(162)**	(53)
Non-Current liabilities and provisions	**(664)**	(794)	**-**	(111)
Revenue	**11,187**	8,893	**351**	406
Profit / (Loss) before taxation	**453**	(645)	**151**	11
Total comprehensive income	**359**	(675)	**145**	11
Profit / (Loss) attributable to the Group	**185**	(210)	**-**	-
Dividends received	**49**	-	**-**	-

All associates and joint venture prepare their financial statements in accordance with FRS 102 other than MAB Broker Services PTY Limited who prepare their financial statements in accordance with the Australian Accounting Standards. There would be no material difference to the profit attributable to the Group if the accounts of any of the associates were prepared in accordance with IFRS.

Unrecognised losses

The Group has discontinued recognising its share of losses from its joint venture as these exceed the carrying amount of the investment. The Group had unrecognised profits in the year of £70,000 (2023: £44,000) and cumulative unrecognised losses of £687,000 (2023: £757,000).

Derivative financial instruments

The put and call options are carried at fair value through profit or loss. The carrying values for the call options at 31 December 2024 have resulted in a financial asset of £211,000 (2023: £302,000) for Evolve FS Limited (Evolve) and £1,000 (2023: £nil) for Heron Financial Limited (Heron). The carrying value for the put option has resulted in a financial liability of £71,000 (2023: £182,000) for Heron at 31 December 2024.

The fair values of the option contracts have been calculated using an option valuation model. The key assumptions used to value the options in the model are the value of shares in the associate, the anticipated growth of the business, the option exercise price, the expected life of the option, the expected share price volatility of similar businesses, forecast dividends and the risk-free interest rate. The gains and losses relating to the derivative financial instruments is included within 'operating profit'. These financial instruments are categorised as Level 3 within the fair value hierarchy.

16. Trade and other receivables

	2024 £'000	2023 £'000
Trade receivables	**2,515**	2,028
Less provision for impairment of trade receivables	**(336)**	(454)
Trade receivables - net	**2,179**	1,574
Other receivables	**198**	924
Loans to related parties	**699**	201
Less provision for impairment of loans to related parties	**(15)**	(18)
Total financial assets other than cash and cash equivalents	**3,061**	2,681
Prepayments	**3,093**	1,895
Accrued income	**4,698**	5,098
Total trade and other receivables	**10,852**	9,674
Less: non-current - Loans to related parties	**(265)**	(77)
Less: non-current - Trade receivables	**(824)**	(276)
Current trade and other receivables	**9,763**	9,321

Reconciliation of movement in trade and other receivables to cash flow	2024 £'000	2023 £'000
Movement per trade receivables	**1,178**	(1,445)
Accrued interest movement	**-**	13
Total movement per cash flow	**1,178**	(1,432)

All amounts relating to accrued income at the end of 2022 (£5,273,000) and 2023 (£5,098,000) were received in the following year.

The carrying value of trade and other receivables classified at amortised cost approximates fair value.

Included within trade receivables are operational business loans to Appointed Representatives. The non-current trade receivables balances is comprised of loans to Appointed Representatives.

Also included in trade receivables are amounts due from Appointed Representatives relating to commissions that are refundable to the Group when policy lapses or other reclaims exceed new business. As these balances have no credit terms, the Board of Directors consider these to be past due if they are not received within seven days. In the management of these balances, the Directors can recover them from subsequent new business entered into with the Appointed Representative or utilise payables that are owed to the same counterparties and included within payables as the Group has the legally enforceable right of set off in such circumstances. These payables are considered sufficient by the Directors to recover receivable balances should they default, and, accordingly, credit risk in this respect is minimal.

In light of the above, the Directors do not consider that disclosure of an aging analysis of trade and other receivables would provide useful additional information. Further information on the credit quality of financial assets is set out in note 20.

Impairment provisions for trade receivables are recognised based on the simplified approach within IFRS 9 using the lifetime expected credit losses. During this process the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised within cost of sales in the consolidated statement of comprehensive income. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision. As at 31 December 2024 the lifetime expected loss provision for trade receivables is £0.3m (2023: £0.5m). The movement in the impairment allowance for trade receivables has been included in cost of sales in the consolidated statement of comprehensive income.

Impairment provisions for loans to associates are recognised based on a forward-looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised. In determining the lifetime expected credit losses for loans to associates, the Directors have considered different scenarios for repayments of these loans and have applied percentage probabilities to each scenario for each associate where applicable.

	2024 £'000	2023 £'000
As at 1 January	**454**	476
New impairment provisions in the year	**121**	–
Provision utilised in the year	**(239)**	–
Impairment provisions no longer required	**–**	(22)
As at 31 December	**336**	454

A summary of the movement in the provision for the impairment of loans to related parties is as follows:

	2024 £'000	2023 £'000
As at 1 January	**18**	2
Increase in existing provisions for impairment losses	**–**	16
Impairment provisions no longer required	**(2)**	–
As at 31 December	**16**	18

As at 31 December 2024 the lifetime expected loss provision for loans to associates is £0.0m (2023: £0.0m), with 12 month expected credit losses recognised for remaining associates.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivables mentioned above less collateral held as security. Details of security held are given in note 20.

17. Cash and cash equivalents

	2024 £'000	2023 £'000
Unrestricted cash and bank balances	**4,187**	3,022
Bank balances held in relation to retained commissions	**19,488**	18,918
Cash and cash equivalents	**23,675**	21,940

Bank balances held in relation to retained commissions earned on an indemnity basis from protection policies are held to cover potential future lapses in Appointed Representatives commissions. Operationally the Group does not treat these balances as available funds. An equal and opposite liability is shown within Trade and other payables (note 18).

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18. Trade and other payables

	2024 £'000	2023 £'000
Appointed Representatives retained commission	**19,488**	18,918
Other trade payables	**8,471**	7,644
Trade payables	**27,959**	26,562
Social security and other taxes	**1,799**	2,116
Other payables	**356**	169
Accruals	**9,368**	9,020
Total trade and other payables	**39,482**	37,867

	2024 £'000	2023 £'000
Current	**36,503**	35,225
Non-current	**2,979**	2,642
Total trade and other payables	**39,482**	37,867

Should a protection policy be cancelled within four years of inception, a proportion of the original commission will be clawed back by the insurance provider. The majority of any such repayment is payable by the Appointed Representative, with the Group making its own liability for its share of any such repayment. It is the Group's policy to retain a proportion of commission payable to the Appointed Representative to cover such potential future lapses; these sums remain a liability of the Group. This commission is held in a separate ring-fenced bank account as described in note 18.

The non-current portion of trade and other payables relates to Appointed Representative retained commission and accruals, see note 21.

As at 31 December 2024 and 31 December 2023, the carrying value of trade and other payables classified as financial liabilities measured at amortised cost approximates fair value.

Reconciliation of movement in trade and other payables to cash flow	**2024 £'000**	2023 £'000
Movement per trade and other payables	**1,615**	1,218
Accrued amounts relating to non-controlling interest purchase	**2,423**	(996)
Share-based payment accruals	**(870)**	(505)
Total movement per cash flow	**3,168**	(283)

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19. Loans and borrowings

	2024 £'000	2023 £'000
Bank loans	**13,837**	18,250
Total loans and borrowings	**13,837**	18,250
Less: non-current - Bank loans	**(8,735)**	(12,426)
Current loans and borrowings	**5,102**	5,824

A summary of the maturity of loans and borrowings is as follows:

Bank loans	2024 £'000	2023 £'000
Payable in 1 year	**5,102**	5,824
Payable in 1-2 years	**3,735**	3,750
Payable in 2-5 years	**5,000**	8,676
Total bank loans	**13,837**	18,250

In connection with the acquisition of Fluent, the Group entered into an agreement on 28 March 2022 with NatWest, in respect of a new term loan for £20m and a revolving credit facility for £15m (the Facilities Agreement), in order to part fund the cash consideration payable in relation to the acquisition. It is MAB's intention to repay the drawn down proportion of the revolving element of this debt facility as soon as practicable. In respect of the new facilities, the Group has given security to NatWest in the form of fixed and floating charges over the assets of Mortgage Advice Bureau Limited, Mortgage Advice Bureau (Derby) Limited, Mortgage Advice Bureau (Holdings) plc, First Mortgage Direct Limited, First Mortgage Limited, Project Finland Bidco Limited, Fluent Money Limited and Fluent Mortgages Limited.

Loan covenants

Under the terms of the Facilities Agreement, the Group is required to comply with the following financial covenants:

- Interest cover shall not be less than 5:1
- Adjusted leverage shall not exceed 2:1

The Group is required to comply with covenants on a quarterly basis and has complied with these covenants since the Facilities Agreement was entered into. There is no indication that the covenants will be breached in the foreseeable future and under IAS 1 the proportion not expected to be settled within a year has been treated as non-current.

20. Financial instruments - risk management

The Group is exposed through its operations to the following financial risks:

- Credit risk
- Liquidity risk
- Market risk

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

Principal financial instruments

- Trade and other receivables
- Derivative financial instruments
- Cash and cash equivalents
- Trade and other payables
- Loans and other borrowings

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A summary of financial instruments by category is provided below:

Financial assets	2024 £'000	2023 £'000
Cash and cash equivalents	**23,675**	21,940
Trade and other receivables (amortised cost)	**3,061**	2,681
Derivative financial instruments (FVTPL)	**212**	302
Total financial assets	**26,948**	24,923

Financial liabilities	2024 £'000	2023 £'000
Trade and other payables (amortised cost)	**8,827**	7,812
Loans and borrowings (amortised cost)	**13,837**	18,250
Accruals (amortised cost)	**9,368**	9,020
Redemption liability (Amortised cost)	**3,970**	2,793
Clawback liability (amortised cost)	**12,591**	10,331
Lease liabilities (amortised cost)	**4,220**	2,736
Derivative financial instruments (FVTPL)	**71**	183
Appointed representative retained commission (amortised cost)	**19,488**	18,918
Total financial liabilities	**72,372**	70,043

General objectives, policies and processes

The Board has overall responsibility for the determination of the Group's risk management objectives and policies, and designs and operates processes that ensure the effective implementation of the objectives and policies to the Group's finance function. The Board sets guidelines to the finance team and monitors adherence to its guidelines on a monthly basis.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below.

Credit risk

Credit risk is the risk of financial loss to the Group if a trading partner or counterparty to a financial instrument fails to meet its contractual obligations. The Group is mainly exposed to credit risk from loans to its trading partners. It is Group policy to assess the credit risk of trading partners before advancing loans or other credit facilities. Assessment of credit risk utilises external credit rating agencies. Personal guarantees are generally obtained from the Directors of its trading partners.

Quantitative disclosures of the credit risk exposure in relation to financial assets are set out below. Further disclosures regarding trade and other receivables are given in note 16.

Financial assets - maximum exposure	2024 £'000	2023 £'000
Cash and cash equivalents	**23,675**	21,940
Trade and other receivables (amortised cost)	**3,061**	2,681
Derivative financial instruments (FVTPL)	**212**	302
Total financial assets	**26,948**	24,923

The carrying amounts stated above represent the Group's maximum exposure to credit risk for trade and other receivables. An element of this risk is mitigated by collateral held by the Group for amounts due to them.

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Trade receivables consist of a large number of unrelated trading partners and therefore credit risk is not concentrated. Due to the large volume of trading partners the Group does not consider that there is any significant credit risk as a result of the impact of external market factors on their trading partners. Additionally, within trade payables are Appointed Representative retained commission amounts due to the same trading partners that are included in trade receivables; this collateral of £0.5m (2023: £0.2m) reduces the credit risk.

The Group's credit risk on cash and cash equivalents is limited because the Group places funds on deposit with National Westminster Bank plc (rated A), The Royal Bank of Scotland plc (rated A+), Barclays plc (rated A), HSBC Bank plc (rated AA-) and Bank of Scotland plc (rated A+).

Market risk

Interest rate risks

The Group's main interest rate risk arises from borrowings, both short term facilities and long-term debt, with floating interest rates that are linked to SONIA. The Group manages the risk by continually reviewing expected future volatility in UK interest rates and will consider entering into hedges as deemed appropriate to fix the floating interest rate. A maturity analysis of loans and borrowings is set out in Note 19.

Foreign exchange risk

As the Group does not operate outside of the United Kingdom and has only one investment outside the United Kingdom, it is not exposed to any material foreign exchange risk.

Liquidity risk

Liquidity risk arises from the Group's management of working capital. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due.

The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. The Group's trade and other payables are repayable within one year from the reporting date and the contractual undiscounted cash flow analysis for the Group's trade and other payables is the same as their carrying value. The contractual maturities of financial liabilities are as follows:

31 December 2024 (£'000)	**Within 1 year**	**1-2 years**	**2-5 years**	**After 5 years**	**Total**
Trade and other payables (amortised cost)	8,827	–	–	–	**8,827**
Loans and borrowings (amortised cost)	5,602	4,328	5,381	–	**15,311**
Accruals (amortised cost)	7,718	515	1,135	–	**9,368**
Redemption liability (amortised cost)	–	460	3,510	–	**3,970**
Clawback liability (amortised cost)	12,591	–	–	–	**12,591**
Lease liabilities (amortised cost)	1,098	794	1,743	1,962	**5,597**
Derivative financial instruments (FVTPL)	–	71	–	–	**71**
Appointed representative retained commission (amortised cost)	18,159	309	743	277	**19,488**
	53,995	**6,477**	**12,512**	**2,239**	**75,223**

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CONTINUED

31 December 2023 (£'000)	Within 1 year	1-2 years	2-5 years	After 5 years	Total
Trade and other payables (amortised cost)	7,812	–	–	–	7,812
Loans and borrowings (amortised cost)	6,508	4,588	7,555	–	18,651
Accruals (amortised cost)	7,305	1,046	669	–	9,020
Redemption liability (amortised cost)	–	–	2,793	–	2,793
Clawback liability (amortised cost)	10,331	–	–	–	10,331
Lease liabilities (amortised cost)	997	792	1,005	81	2,875
Derivative financial instruments (FVTPL)	–	183	–	–	183
Appointed representative retained commission (amortised cost)	17,991	49	700	178	18,918
	50,944	6,658	12,722	259	70,583

Appointed Representative retained commission does not have a definite maturity date and it is not possible to accurately estimate the repayment profile, other than when Appointed Representative firms are in the initial term of their contract. The Directors consider that the disclosed maturity profile is the most appropriate.

The Board receives annual 12-month cash flow projections based on working capital modelling as well as information regarding cash balances monthly. At the end of the financial year, these projections indicated that the Group expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances. Additionally, the Group has financial resource requirements set by its regulator, the Financial Conduct Authority. The Board has set a policy to ensure that adequate capital is maintained to ensure that these externally set financial resource requirements are exceeded at all times. Quarterly reports are made to the Financial Conduct Authority and submission is authorised by the Chief Financial Officer, at which time capital adequacy is reassessed.

Capital management

The Group monitors its capital which consists of all components of equity (i.e. share capital, share premium, capital redemption reserve, share option reserve and retained earnings). The Group manages its capital with the objective that all entities within the Group continue as going concerns while maintaining an efficient structure to minimise the cost of capital and deliver sustainable returns for shareholder in the form of distributions and capital growth through business performance.

The Group is subject to financial resource requirements set by its regulator, the Financial Conduct Authority, which we ensure has appropriate coverage at all times. The Excess Capital resources at 31 December 2024 was £43.0m (2023: £28.0m) with the Group expected to continue meeting all requirements based on the latest Going Concern assessment.

21. Clawback liability

	2024 £'000	2023 £'000
As at 1 January	**10,331**	8,038
Charged to the consolidated statement of comprehensive income	**2,260**	2,293
As at 31 December	**12,591**	10,331

The balance relates to refund liabilities for the estimated cost of repaying commission income received upfront on protection policies that may lapse in the four years following issue. Under the Group's revenue contracts with protection providers, if the policy is cancelled by the customer within a four-year period after the inception of the policy, then a proportion of the commission received upfront has to be repaid to the protection provider. While the exact timing of any future repayments (termed 'clawbacks') within the four-year period is uncertain, it has been estimated based on both data from protection providers and internal commission data that £5.2m (2023: £4.4m) of the liability would be payable after more than one year. The liability is based on the Directors' best estimate, using industry data where available, of the probability of clawbacks to be made.

A liability is recognised in the financial statements of nine of the Group's subsidiaries: Mortgage Advice Bureau Limited, Mortgage Advice Bureau (Derby) Limited, Capital Protect Limited, First Mortgage Limited, Fluent Mortgages Limited, Fluent Mortgages Horwich Limited, Vita Financial Limited, BPR Protect Limited and Auxilium Partnership Limited.

22. Deferred tax

Deferred tax is calculated in full on temporary differences using tax rates of 25% based on when the temporary differences are expected to unwind (2023: 25%).

The movement in deferred tax is shown below:

	2024 £'000	2023 £'000
Net deferred tax liability - opening balance	**(10,698)**	(12,862)
Recognised in the consolidated statement of comprehensive income	**5**	1,715
Deferred tax movement recognised in equity	**(692)**	449
Net deferred tax liability - closing balance	**(11,385)**	(10,698)

The deferred tax balance is made up as follows:

	2024 £'000	2023 £'000
Fixed asset timing differences	**(12,311)**	(13,355)
Other timing differences	**216**	295
Tax losses	**219**	1,138
Share-based payment	**491**	1,224
Net deferred tax liability	**(11,385)**	(10,698)

Reflected in the statement of financial position as follows:	**2024 £'000**	2023 £'000
Deferred tax liability	**(11,385)**	(11,417)
Deferred tax asset	**-**	719
Net deferred tax liability	**(11,385)**	(10,698)

23. Share capital

Issued and fully paid	**2024 £'000**	2023 £'000
Ordinary shares of 0.1p each	**58**	57
Total share capital	**58**	57

During the period 25,001 ordinary shares of 0.1p each were issued following partial exercise of options issued in 2020 and 2021 at no premium. 804,754 ordinary shares were also issued following the exercise of the option over the remaining 20% stake in First Mortgage Direct Limited, see note 5 for further details. As at 31 December 2024, there were 57,956,789 ordinary shares of 0.1p in issue (2023: 57,127,034).

24. Reserves

The Group's policy is to maintain an appropriate capital base and comply with its externally imposed capital requirements whilst providing maximum shareholder value.

The following describes the nature and purpose of each reserve within equity:

Reserve	Description and purpose
Share premium	Amount subscribed for share capital in excess of nominal value.
Capital redemption reserve	The capital redemption reserve represents the cancellation of part of the original share capital premium of the company at par value of any shares repurchased.
Share option reserve	The fair value of equity instruments granted by the Company in respect of share-based payment transactions and deferred tax recognised in equity.
Retained earnings	All other net gains and losses and transactions with owners (e.g. dividends) not recognised elsewhere.

There is no restriction on the distribution of retained earnings.

25. Retirement benefits

The Group operates several defined contribution pension schemes for the benefit of its employees and also makes contributions to self-invested personal pensions (SIPP). The assets of the schemes and the SIPP are held separately from those of the Group in independently administered funds. The pension expense represents contributions payable by the Group to the SIPP and amounted to £1.4m (2023: £1.7m). There were contributions payable to the SIPP as at 31 December 2024 of £0.3m (2023: £0.3m).

26. Related party transactions

The following table shows the total amount of transactions that have been entered into with related parties during the year and balances held with as at the year ended 31 December 2024 and 2023.

		Commission received/(paid)		Balance of retained commissions*		Loans owed to MAB	
	Relationship	**31 December 2024 £'000**	31 December 2023 £'000	**31 December 2024 £'000**	31 December 2023 £'000	**31 December 2024 £'000**	31 December 2023 £'000
Buildstore Limited	Associate	**(964)**	(830)	**51**	23	**10**	–
Sort Limited	Associate	**1,087**	1,512	**–**	–	**–**	–
Clear Mortgage Solutions Limited	Associate	**(5,998)**	(5,227)	**571**	595	**–**	–
Evolve FS Ltd	Associate	**(3,722)**	(3,976)	**277**	178	**–**	–
The Mortgage Broker Limited	Associate	**(1,614)**	(1,555)	**61**	67	**–**	5
Meridian Holdings Group Ltd	Associate	**(5,128)**	(3,541)	**485**	550	**–**	81
M & R FM Ltd	Associate	**(245)**	(3,332)	**284**	184	**–**	–
Heron Financial Limited	Associate	**(3,175)**	(1,776)	**118**	41	**267**	–
Pinnacle Surveyors (England & Wales) Ltd	Associate	**(306)**	–	**–**	–	**406**	100
MAB Broker Services PTY Limited	Joint Venture	**–**	–	**–**	–	**15**	15

* Balances in relation to retained commissions are to cover future lapses

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

During the period the Group received dividends from associate companies as follows:

	31 December 2024 £'000	31 December 2023 £'000
Clear Mortgage Solutions Limited	**271**	56
M & R FM Limited	**185**	222
Heron Financial Limited	**293**	125
Pinnacle Surveyors (England & Wales) Ltd	**49**	–
Total dividends received	**798**	403

27. Share-based payments

Mortgage Advice Bureau Executive Share Option Plan

The Group operates two equity-settled share-based remuneration schemes for Executive Directors and certain senior management, one being an approved scheme, the other unapproved, but with similar terms. For options granted before 2023, half of the options are subject to a total shareholder return (TSR) performance condition and the remaining half are subject to an earnings per share (EPS) performance condition. For options granted during 2023 and 2024, the options are subject to an earnings per share (EPS) performance condition. The outstanding options in the unapproved scheme vest and are exercisable as follows:

For options granted during 2018 and outstanding as at 1 January 2024:
100% based on performance to 31 March 2021, exercisable between 11 April 2021 and 9 April 2026.

For options granted during 2019 and outstanding as at 1 January 2024:
100% based on performance to 31 March 2022, exercisable between 1 July 2022 and 1 July 2027.

For options granted during 2020 and outstanding as at 1 January 2024:
100% based on performance to 31 March 2023, exercisable between 22 April 2023 and 21 July 2028.

For options granted during 2021 and outstanding as at 1 January 2024:
100% based on performance to 31 March 2024, exercisable between 1 April 2024 and 31 March 2029.

For options granted during 2022 and outstanding as at 1 January 2024:
100% based on performance to 31 March 2025, exercisable between 6 April 2025 and 6 June 2030.

For options granted during 2023 and outstanding as at 1 January 2024:
100% based on performance to 31 December 2025, exercisable between 1 April 2026 and 30 May 2031.

For options granted during the year:
100% based on performance to 31 December 2026, exercisable between 1 April 2027 and 30 May 2032.

The number and weighted average exercise price (WAEP) of, and movements in, share options during the year for the Mortgage Advice Bureau Executive Share Option Plan:

	2024 WAEP £	**2024 Number**	2023 WAEP £	2023 Number
Outstanding as at 1 January	**0.001**	**756,029**	0.001	576,003
Granted during the year	**0.001**	**325,549**	0.001	296,375
Exercised	**0.001**	**(25,001)**	0.001	(96,039)
Lapsed*	**–**	**(192,168)**	–	(20,310)
Outstanding as at 31 December	**0.001**	**864,409**	0.001	756,029
Exercisable as at 31 December	**0.001**	**224,596**	0.001	221,484

* Due to not fully vesting, retirement or leaving the Group.

On 22 April 2024 and 24 May 2024, 274,563 and 50,986 options over ordinary shares of 0.1 pence each in the Company, respectively, were granted to the Executive Directors and senior executives of the Group under the equity settled Mortgage Advice Bureau Executive Share Option Plan (the Options) at a fair value of £8.29 and £8.01 respectively. Exercise of the Options is subject to the service conditions and achievement of performance conditions based on total shareholder return and earnings per share criteria. Subject to achievement of the performance conditions, the Options will be exercisable 35 months and 34 months respectively from the date of grant. The exercise price for the Options is 0.1 pence, being the nominal cost of the Ordinary Shares.

Options exercised in April 2024 resulted in 25,001 ordinary shares being issued at an exercise price of £0.01. The price of the ordinary shares at the time of exercise were £9.22.

For the Options outstanding under the Mortgage Advice Bureau Executive Share Option Plan as at 31 December 2024, the weighted average remaining contractual life is 4.8 years (2023: 5.9 years). This is calculated on the basis of the final date that the options can be exercised.

The following information is relevant in the determination of the fair value of options granted during the year under the equity-settled share-based remuneration scheme operated by the Group.

	2024	2023
Option pricing model	**Black-Scholes**	Black-Scholes
Exercise price	**£0.001**	£0.001
Expected dividend yield*	**3.11%**	3.98%

* The expected dividend yield is the weighted average yield for the shares issued during 2024.

The options granted during 2024 are subject to performance criteria based solely on earnings per share performance. They have a vesting period of 2 years and 11 months and 2 years and 10 months based on the grant date of 22 April 2024 and 24 May 2024 from the date of grant and the calculation of the share-based payment is based on this vesting period respectively.

Share-based remuneration expense

The share-based remuneration costs for the period are made up as follows:

	2024 £'000	2023 £'000
Charge for equity settled schemes	**127**	177
National Insurance on equity settled schemes	**(330)**	(13)
Share incentive plan costs	**98**	143
Free shares awarded to employees	**337**	293
Charge for equity settled acquisition options	**1,555**	3,203
Charge for cash settled acquisition options	**765**	626
Total costs	**2,552**	4,429

Options exercised during the period resulted in a transfer from the Share option reserve to Retained earnings of £0.2m (2023: £0.4m) reflected in the consolidated statement of changes in equity.

28. Events after the reporting date

There were no material events after the reporting date which have a bearing on the understanding of these consolidated financial statements.

29. Non-controlling interest (NCI)

Set out below is summarised financial information for each subsidiary that has a non-controlling interest that is material to the Group.

The amounts disclosed for each subsidiary are their consolidated financial information before inter-company eliminations.

2024 **Summarised balance sheet**	**Project Finland Topco Limited £'000**
Current assets	**5,388**
Current liabilities	**(4,676)**
Current net assets	**712**
Non-current assets	**11,907**
Non-current liabilities	**(225)**
Non-current net assets	**11,682**
Net Group assets on consolidation	**30,911**
Net Assets	**43,305**
Accumulated NCI	**999**

Summarised statement of comprehensive income	**£'000**
Revenue	**41,734**
Profit for the period and total comprehensive income	**1,363**
Profit allocated to NCI	**214**
Dividends paid to NCI	**-**

Summarised cash flows	**£'000**
Cash flows from operating activities	**838**
Cash flows used in investing activities	**(331)**
Cash flows used in financing activities	**(484)**
Net increase in cash & cash equivalents	**23**

Net Group assets on consolidation included above relate to acquired intangible assets and associated deferred tax liabilities. The profit/(loss) for the period and total comprehensive income includes the amortisation of these acquired intangible assets and the associated movements in deferred tax.

2023 Summarised balance sheet	First Mortgage Direct Limited £'000	Project Finland Topco Limited £'000	Total £'000
Current assets	14,585	2,278	16,863
Current liabilities	(7,125)	(3,605)	(10,730)
Current net assets/ (liabilities)	7,460	(1,327)	6,133
Non-current assets	3,281	11,021	14,302
Non-current liabilities	(1,410)	(1,805)	(3,215)
Non-current net assets	1,871	9,216	11,087
Net Group assets on consolidation	1,349	35,218	36,567
Net Assets	10,680	43,107	53,787
Accumulated NCI	2,386	1,289	3,675

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

Summarised statement of comprehensive income	£'000	£'000	£'000
Revenue	22,602	37,521	60,123
Profit for the period and total comprehensive income	3,731	(7,772)	(4,041)
Profit allocated to NCI	781	(1,345)	(564)
Dividends paid to NCI	692	–	692

Summarised cash flows	£'000	£'000	£'000
Cash flows from operating activities	3,251	550	3,801
Cash flows used in investing activities	(516)	(594)	(1,110)
Cash flows used in financing activities	(3,909)	(875)	(4,784)
Net increase in cash & cash equivalents	(1,174)	(919)	(2,092)

30. Contingent Liabilities

The Group had no contingent liabilities as at 31 December 2024 or 31 December 2023.

31. Ultimate controlling party

There is no ultimate controlling party.

32. Notes supporting statement of cash flows

Cash and cash equivalents for purposes of the statement of cash flows comprises:

	Loans and borrowings £'000	**Leases £'000**	**Total £'000**
Balance as at 31 December 2022 and 1 January 2023	**23,407**	**3,947**	**27,354**
Cash Flows:			
Repayment of borrowings	(5,350)	–	(5,350)
Principal lease payments	–	(907)	(907)
Interest paid	(1,205)	(107)	(1,312)
Non-cash flows:			
New leases	–	13	13
Interest charged	1,320	107	1,427
Unwinding of loan arrangement fees	77	–	77
Lease remeasurement	–	(317)	(317)
Balance as at 31 December 2023 and 1 January 2024	**18,249**	**2,736**	**20,985**
Cash Flows:			
Repayment of borrowings	**(4,350)**	**–**	**(4,350)**
Principal lease payments	**–**	**(865)**	**(865)**
Interest paid	**(1,329)**	**(68)**	**(1,397)**
Non-cash flows:			
New leases and lease remeasurements	**–**	**2,349**	**2,349**
Interest charged to income statement	**1,199**	**68**	**1,267**
Unwinding of loan arrangement fees	**68**	**–**	**68**
Balance as at 31 December 2024	**13,837**	**4,220**	**18,057**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

Group companies

In accordance with Section 409 of the Companies Act 2006 a full list of subsidiaries, associates and joint ventures, the address of the registered office, effective percentage of equity owned and the associated nature of each business as at 31 December 2024 are disclosed below.

Subsidiaries

Company Name	Registered Address	Percentage of ordinary shares held (effective holding)	Nature of business
Mortgage Advice Bureau Limited	Capital House, Pride Place Pride Park, Derby, DE24 8QR	100	Provision of financial services
Mortgage Advice Bureau (Derby) Limited	Capital House, Pride Place Pride Park, Derby, DE24 8QR	100	Provision of financial services
Capital Protect Limited	Capital House, Pride Place Pride Park, Derby, DE24 8QR	100	Provision of financial services
Mortgage Talk Limited	Capital House, Pride Place Pride Park, Derby, DE24 8QR	100	Provision of financial services
Talk Limited	Capital House, Pride Place Pride Park, Derby, DE24 8QR	100	Intermediate holding company
MABWM Limited	Capital House, Pride Place Pride Park, Derby, DE24 8QR	100	Provision of financial services
First Mortgage Direct Limited	30 Walker Street, Edinburgh, EH3 7HR	100	Provision of financial services
First Mortgage Limited	30 Walker Street, Edinburgh, EH3 7HR	100	Provision of financial services
Property Law Centre Limited	30 Walker Street, Edinburgh, EH3 7HR	100	Provision of financial services
Mortgage Advice Bureau Australia (Holdings) PTY limited	Norton Rose Fulbright, Level 18, 225 George Street, Sydney, NSW 2000, Australia	100	Intermediate holding company
Mortgage Advice Bureau PTY Limited	Norton Rose Fulbright, Level 18, 225 George Street, Sydney, NSW 2000, Australia	100	Holding of intellectual property
Vita Financial Limited	1st Floor Tudor House, 16 Cathedral Road, Cardiff, CF11 9LJ	75	Provision of financial services
BPR Protect Limited	1st Floor Tudor House, 16 Cathedral Road, Cardiff, CF11 9LJ	75	Provision of financial services
Company Protection Limited	1st Floor Tudor House, 16 Cathedral Road, Cardiff, CF11 9LJ	56.3	Provision of financial services
Aux Group Limited	Capital House, Pride Place, Derby, England, DE24 8QR	75	Provision of financial services
Auxilium Partnership Limited	Capital House, Pride Place, Derby, England, DE24 8QR	75	Provision of financial services
Project Finland Topco Limited	102 Rivington House Chorley New Road, Horwich, Bolton, England, BL6 5UE	84.3	Intermediate holding company
Project Finland Bidco Limited	102 Rivington House Chorley New Road, Horwich, Bolton, England, BL6 5UE	84.3	Intermediate holding company
The Fluent Money Group Limited	102 Rivington House Chorley New Road, Horwich, Bolton, England, BL6 5UE	84.3	Intermediate holding company
Fluent Mortgages Holdings Limited	102 Rivington House Chorley New Road, Horwich, Bolton, England, BL6 5UE	84.3	Intermediate holding company
Fluent Mortgages Limited	102 Rivington House Chorley New Road, Horwich, Bolton, England, BL6 5UE	84.3	Provision of financial services

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

Subsidiaries

Company Name	Registered Address	Percentage of ordinary shares held (effective holding)	Nature of business
Fluent Mortgages Horwich Limited	102 Rivington House Chorley New Road, Horwich, Bolton, England, BL6 5UE	84.3	Provision of financial services
Fluent Lifetime Limited	102 Rivington House Chorley New Road, Horwich, Bolton, England, BL6 5UE	84.3	Provision of financial services
Fluent Money Limited	102 Rivington House Chorley New Road, Horwich, Bolton, England, BL6 5UE	84.3	Provision of financial services
Fluent Loans Limited	102 Rivington House Chorley New Road, Horwich, Bolton, England, BL6 5UE	84.3	Provision of financial services
Fluent Bridging Limited	102 Rivington House Chorley New Road, Horwich, Bolton, England, BL6 5UE	84.3	Provision of financial services
Mortgage Advice Bureau (UK) Limited	Capital House, Pride Place Pride Park, Derby, DE24 8QR	100	Dormant
Mortgage Advice Bureau (Bristol) Limited	Capital House, Pride Place Pride Park, Derby, DE24 8QR	100	Dormant
MAB (Derby) Limited	Capital House, Pride Place Pride Park, Derby, DE24 8QR	100	Dormant
L&P 134 Limited	Capital House, Pride Place Pride Park, Derby, DE24 8QR	100	Dormant
L&P 137 Limited	Capital House, Pride Place Pride Park, Derby, DE24 8QR	100	Dormant
Mortgage Talk (Partnership) Limited	Capital House, Pride Place Pride Park, Derby, DE24 8QR	100	Dormant
Financial Talk Limited	Capital House, Pride Place Pride Park, Derby, DE24 8QR	100	Dormant
Survey Talk Limited	Capital House, Pride Place Pride Park, Derby, DE24 8QR	100	Dormant
Loan Talk Limited	Capital House, Pride Place Pride Park, Derby, DE24 8QR	100	Dormant
MAB1 Limited	Capital House, Pride Place Pride Park, Derby, DE24 8QR	100	Dormant
MAB Private Finance Limited	Capital House, Pride Place Pride Park, Derby, DE24 8QR	100	Dormant
MAB Financial Planning Limited	Capital House, Pride Place Pride Park, Derby, DE24 8QR	100	Dormant
First Mortgage Shop Limited	30 Walker Street, Edinburgh, EH3 7HR	100	Dormant
First Mortgages Limited	30 Walker Street, Edinburgh, EH3 7HR	100	Dormant
Fresh Start Finance Limited	30 Walker Street, Edinburgh, EH3 7HR	100	Dormant

In accordance with Section 479A of the Companies Act 2006, Mortgage Advice Bureau (Holdings) plc is providing an audit exemption to the following subsidiaries for the year ending 31 December 2024:

Company Name	Company Registration Number
MABWM Limited	07090185
Mortgage Talk Limited	03571948
Talk Limited	05337682
First Mortgage Limited	SC177681

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

Company Name	Company Registration Number
Property Law Centre Limited	SC348791
Project Finland Bidco Limited	09960083
The Fluent Money Group Limited	09774736
Fluent Mortgages Holdings Limited	06763065
Fluent Mortgages Limited	05962939
Fluent Mortgages Horwich Limited	14127588
Fluent Lifetime Limited	11226852
Fluent Loans Limited	06890680
Fluent Bridging Limited	13198365
Company Protection Limited	14990690

Associates and joint ventures

Company Name	Registered Address	Percentage of ordinary shares held (effective holding)	Nature of business
CO2 Commercial Limited	Profile House, Stores Road, Derby, DE21 4BD	49	Property surveyors
Sort Group Limited	Burdsall House, London Road, Derby DE24 8UX	43.25	Conveyancing services
Buildstore Limited	NSB & RC Lydiard Fields, Great Western Way, Swindon SN5 8UB	25	Provision of financial services
Clear Mortgage Solutions Limited	114 Centrum House, Dundas Street, Edinburgh EH3 5DQ	49	Provision of financial services
MAB Broker Services PTY Limited	Level 5, 2 Elizabeth Plaza, North Sydney, NSW 2060	48.05	Provision of financial services
The Mortgage Broker Group Limited	Prospect House 1, Prospect Place, Derby, DE24 8HG	25	Provision of financial services
Meridian Holdings Group Limited	68 Pullman Road, Wigston, Leicester, LE18 2DB	40	Provision of financial services
Evolve FS Ltd	Unit 26-28 Brightwell Barns, 49 Waldringfield Road, Brightwell, Ipswich, Suffolk, IP10 0BJ	49	Provision of financial services
Heron Financial Limited	Moor Park Golf Club, Moor Park, Rickmansworth, Hertfordshire, England, WD3 1QN	49	Insurance agent and broker
M&R FM Ltd	14 Kensington Terrace, Gateshead, NE11 9SL	37	Provision of financial services
Dashly Limited	22 Charterhouse Square, London, England, EC1M 6DX	18.9	Technology platform

The reporting date for the Group's associates, as listed in the table above, other than Clear Mortgage Solutions Limited, MAB Broker Services PTY Ltd, and Dashly Limited is 31 December and their country of incorporation is England and Wales. The reporting date for Clear Mortgage Solutions Limited is 30 December and its country of incorporation is England and Wales. The reporting date for the Group's joint venture, MAB Broker Services PTY Limited, is 30 June and its country of incorporation is Australia. The reporting date for Dashly Limited is 27 February and its country of incorporation is England and Wales.

COMPANY STATEMENT OF FINANCIAL POSITION

as at 31 December 2024

The following parent entity financial statements are prepared under FRS 102 and relate to the Company and not to the Group. The statement of accounting policies which have been applied to these accounts can be found on page 148.

The Company is a non-trading holding company and has no employees. As permitted by section 408 of the Companies Act 2006 the Company has elected not to present its own profit and loss account for the year. The Company reported a profit for the financial year of £16.2m (2023: £16.0m).

	Note	2024 £'000	2023 £'000
Fixed assets			
Investments	3	**14,586**	8,565
Current assets			
Debtors	4	**45,341**	45,341
Net assets		**59,927**	53,906
Capital and reserves			
Called up share capital	5	**58**	57
Share premium accounts	6	**55,163**	48,155
Capital redemption reserve	6	**20**	20
Retained earnings	6	**4,686**	5,674
Total equity		**59,927**	53,906

The notes on pages 148 to 149 form part of these financial statements.

The financial statements were approved by the Board of Directors on 17 March 2025.

P Brodnicki
Director

E McCarthy
Director

COMPANY STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2024

	Share capital £'000	Share premium £'000	Capital redemption reserve £'000	Retained earnings £'000	Total Equity £'000
Balance as at 1 January 2023	57	48,155	20	2,470	50,702
Profit for the year	–	–	–	16,038	16,038
Total comprehensive income	–	–	–	16,038	16,038
Transactions with owners					
Share-based payments	–	–	–	3,204	3,204
Dividends paid	–	–	–	(16,038)	(16,038)
Transactions with owners	–	–	–	(12,834)	(12,834)
Balance as at 31 December 2023 and 1 January 2024	**57**	**48,155**	**20**	**5,674**	**53,906**
Profit for the year	–	–	–	16,167	16,167
Total comprehensive income	–	–	–	16,167	16,167
Transactions with owners					
Issue of shares	1	7,008	–	–	7,009
Share-based payments	–	–	–	1,556	1,556
Options exercise	–	–	–	(2,544)	(2,544)
Dividends paid	–	–	–	(16,167)	(16,167)
Transactions with owners	1	7,008	–	(17,155)	(10,146)
Balance as at 31 December 2024	**58**	**55,163**	**20**	**4,686**	**59,927**

NOTES TO THE COMPANY STATEMENT OF FINANCIAL POSITION

as at 31 December 2024

1. Accounting policies

Basis of preparation

The separate financial statements of the Company are presented as required by the Companies Act 2006 and have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland. The FRS 102 reduced disclosure framework has been applied and the Company meets the definition of a qualifying entity. The principal accounting policies are summarised below. They have all been consistently applied to all years presented.

The preparation of financial statements in accordance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies. Given the nature of the Company's business there are no critical accounting estimates or areas of judgement required in the preparation of the financial statements.

Cash flow statement

The cash flows of the Company are included in the consolidated cash flow statement of Mortgage Advice Bureau (Holdings) plc which is included in this annual report. Consequently, the Company is exempt under the terms of FRS 102 from publishing a cash flow statement.

Going Concern

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in the accounts.

Investments

Investments in subsidiaries are held at historical cost less provision for impairment. The carrying values of investments are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. Where the Company will settle a share-based payment transaction in respect of future consideration payable by a subsidiary for the purchase of a minority stake relating to an acquisition the cost of the share-based payment is capitalised.

Share capital

Financial instruments issued by the Company are treated as equity only to the extent that they do not meet the definition of a financial liability. The Company's ordinary shares are classified as equity instruments. Incremental costs directly attributable to the issue of new shares are shown in share premium as a deduction from proceeds.

Dividends

Dividends are recognised when they become legally payable. In the case of interim dividends to equity shareholders, this is when they are paid. In the case of final dividends, this is when they are approved by the shareholders.

Financial instruments

The Company makes little use of financial instruments other than intercompany balances and so its exposure to credit risk and cash flow risk is not material for the assessment of the assets, liabilities, financial position, and profit of the Company.

The Directors consider that there is no credit risk on intercompany balances.

2. Profit for the year

During the year the Company's only income was dividends receivable from its subsidiaries. The auditor's remuneration for audit and other services is disclosed in note 6 to the consolidated financial statements for the Group. Remuneration for the audit of the Company financial statements is borne by a subsidiary entity.

3. Investments

	Subsidiary undertakings £'000
Cost	
As at 1 January 2024	8,565
Additions	6,021
As at 31 December 2024	**14,586**
Net book value	
As at 31 December 2024	**14,586**
As at 31 December 2023	8,565

The list of subsidiaries is disclosed in the Group Companies Glossary. The investments made by the Group are disclosed in Note 15 of the Group Consolidated Financial Statements.

NOTES TO THE COMPANY STATEMENT OF FINANCIAL POSITION CONTINUED

4. Debtors

	2024 £'000	2023 £'000
Amounts due from Group Undertakings	**45,341**	45,341

Amounts due from Group undertakings are unsecured, interest free and have no fixed repayment term.

5. Share capital

Issued and fully paid	**2024 £'000**	2023 £'000
Ordinary shares of 0.1p each	**58**	57
Total share capital	**58**	57

During the period 25,001 ordinary shares of 0.1p each were issued following partial exercise of options issued in 2020 and 2021 at no premium. 804,754 ordinary shares were also issued following the exercise of the option over the remaining 20% stake in First Mortgage Direct Limited, see note 5 of the Group accounts for further details. As at 31 December 2024, there were 57,956,789 ordinary shares of 0.1p in issue (2023: 57,127,034).

6. Reserves

Reserve	**Description and purpose**
Share premium	Amount subscribed for share capital in excess of nominal value.
Capital redemption reserve	The capital redemption reserve represents the cancellation of part of the original share capital premium of the company at par value of any shares repurchased.
Retained earnings	All other net gains and losses and transactions with owners (e.g. dividends) not recognised elsewhere.

There is no restriction on the distribution of retained earnings.

7. Financial instruments and risk

The only financial assets of the Company is an amount due from other Group undertakings and therefore the Company is exposed to minimal financial risks. Details of the Group's management of the financial risk to which it is exposed are set out in note 22 of the financial statements for the Group.

8. Related party transactions

The Company has taken advantage of the exemption in s33.1A of FRS102 not to disclose transactions with group companies which are 100% owned.

GLOSSARY OF ALTERNATIVE PERFORMANCE MEASURES ("APMS")

for the Group's annual report and financial statements

Certain numerical information and other amounts and percentages presented have been subject to rounding adjustments. Accordingly, in certain instances, the sum of the numbers in a column or a row in tables may not conform exactly to the total figure given for that column or row or the sum of certain numbers presented as a percentage may not conform exactly to the total percentage given.

APM	Closest equivalent statutory measure	Definition and purpose
Income statement measures		
Administrative expenses ratio	None	Calculated as administrative expenses (which exclude amortisation of acquired intangible assets, acquisition costs incurred in the year and non- cash operating expenses relating to put and call option agreements) divided by revenue.
Adjusted EBITDA	None	Calculated as EBITDA before charges associated with acquisition and investments, and other adjusting items that the Group deems, by their nature, require adjustment in order to show more accurately the underlying business performance of the Group from period to period in a consistent manner. Charges associated with acquisition or investments in businesses include: • non-cash charges such as amortisation of acquired intangible assets and the effect of fair valuation of acquired assets, • non-cash operating expenses relating to put and call option agreements and cash charges including transaction costs, • fair value movements on deferred and contingent consideration, and • fair value movements on derivative financial instruments.

£m	2024	2023
Gross profit	**81.9**	70.2
Administrative expenses	**(50.5)**	(46.7)
Depreciation	**1.9**	2.1
Amortisation of other intangible assets	**0.5**	0.3
Share of profit from associates	**1.3**	0.8
Adjusted EBITDA	**35.1**	26.7

APM	Closest equivalent statutory measure	Definition and purpose
Adjusted EBITDA margin	None	Calculated as Adjusted EBITDA divided by revenue.
Adjusted operating profit	Operating profit	Calculated as operating profit before charges associated with acquisition and investments, and other adjusting items that the Group deems, by their nature, require adjustment in order to show more accurately the underlying business performance of the Group from period to period in a consistent manner. Charges associated with acquisition or investments in businesses include: • non-cash charges such as amortisation of acquired intangible assets and the effect of fair valuation of acquired assets, • non-cash operating expenses relating to put and call option agreements and cash charges including transaction costs, • fair value movements on deferred and contingent consideration, and • fair value movements on derivative financial instruments.

£m	2024	2023
Operating profit	**24.7**	14.0
Amortisation of acquired intangible assets	**5.2**	5.2
Acquisition costs	**0.1**	0.2
Non-cash operating expenses relating to put and call option agreements	**2.7**	4.3
Non-cash fair value losses on financial instruments	**–**	0.2
Restructuring costs	**–**	0.5
Adjusted operating profit	**32.7**	24.4

GLOSSARY OF ALTERNATIVE PERFORMANCE MEASURES ("APMS") CONTINUED

APM	Closest equivalent statutory measure	Definition and purpose
Adjusted profit before tax	Profit before tax	Calculated as profit before tax before charges associated with acquisition and investments, and other adjusting items that the Group deems, by their nature, require adjustment in order to show more accurately the underlying business performance of the Group from period to period in a consistent manner. Charges associated with acquisition or investments in businesses include: • non-cash charges such as amortisation of acquired intangible assets and the effect of fair valuation of acquired assets, • non-cash operating expenses relating to put and call option agreements and cash charges including transaction costs, • fair value movements on deferred and contingent consideration, and • fair value movements on derivative financial instruments.

£m	2024	2023
Profit before tax	**22.9**	16.2
Amortisation of acquired intangible assets	**5.2**	5.2
Acquisition costs	**0.1**	0.2
Non-cash operating expenses relating to put and call option agreements	**2.7**	4.3
Non-cash fair value losses on financial instruments	**-**	0.2
Restructuring costs	**-**	0.5
Unwinding of redemption liability	**1.2**	(3.3)
Rounding difference	**(0.1)**	(0.1)
Adjusted profit before tax	**32.0**	23.2

APM	Closest equivalent statutory measure	Definition and purpose
Adjusted tax expense	Tax expense	Calculated as tax expense before any tax impact of items adjusted in the Adjusted profit before tax APM

£m	2024	2023
Tax expense	**6.8**	3.7
tax impact of:		
Amortisation of acquired intangible assets	**1.3**	1.2
Acquisition costs	**0.0**	0.0
Restructuring costs	**-**	0.1
Rounding difference	**-**	0.1
Adjusted tax expense	**8.1**	5.1

APM	Closest equivalent statutory measure	Definition and purpose
Adjusted earnings	Profit after tax	Calculated as Adjusted profit before tax less Adjusted tax expense.

	Attributable to:		
2024 - £m	**Parent**	**NCI**	**Group**
Adjusted profit before tax	**30.4**	**1.6**	**32.0**
Adjusted tax expense	**(7.7)**	**(0.4)**	**(8.1)**
Adjusted earnings	**22.7**	**1.2**	**23.9**

	Attributable to:		
2023 - £m	Parent	NCI	Group
Adjusted profit before tax	20.7	2.5	23.2
Adjusted tax expense	(3.7)	(1.4)	(5.1)
Adjusted earnings	17.0	1.1	18.1

GLOSSARY OF ALTERNATIVE PERFORMANCE MEASURES ("APMS") CONTINUED

APM	Closest equivalent statutory measure	Definition and purpose
Adjusted profit before tax (exc. Software Capex)	Profit before tax	Calculated as Adjusted profit before tax with the Software Development costs (relating to Midas Platform) capitalised during the year reversed and charged to the income statement.

£m	2024	2023
Adjusted Profit before tax	**32.0**	23.2
Capitalised development costs	**(1.4)**	–
Amortisation of development costs	**0.1**	–
Adjusted profit before tax (exc. Software capex)	**30.7**	23.2

APM	Closest equivalent statutory measure	Definition and purpose
Adjusted profit before tax margin	None	Calculated as Adjusted profit before tax divided by revenue
Adjusted earnings per share	Basic earnings per share	Calculated as basic earnings per share before charges (net of tax) associated with acquisition and investments, and other adjusting items that the Group deems, by their nature, require adjustment in order to show more accurately the underlying business performance of the Group from period to period in a consistent manner. See note 10 for further details.
Adjusted diluted earnings per share	Diluted earnings per share	Calculated as diluted earnings per share (basic EPS, adjusting for the effects of potentially dilutive share options) before charges (net of tax) associated with acquisition and investments, and other adjusting items that the Group deems, by their nature, require adjustment in order to show more accurately the underlying business performance of the Group from period to period in a consistent manner. See note 10 for further details.
Adjusted diluted earnings per share (exc. Software Capex)	Diluted earnings per share	Calculated as adjusted diluted earnings per share with the Software Development costs capitalised during the year reversed and charged to the income statement.
Cash flow measures		
Adjusted cash generated	None	Adjusted cash generated is cash generated from operating activities adjusted for movements in non-trading items, including loans to AR firms and associates, cash transaction costs, and increases in restricted cash balances as a percentage of adjusted operating profit.

£m	2024	2023
Cash generated from operating activities	**38.6**	29.7
Acquisition costs	**0.1**	0.2
Restructuring costs	**-**	0.5
Increase in loans to AR firms and associates	**1.1**	(0.8)
Increase in restricted cash balances	**(0.6)**	(0.7)
Rounding differences	**-**	0.1
Adjusted cash generated	**39.2**	29.0

APM	Closest equivalent statutory measure	Definition and purpose
Adjusted cash conversion	None	Adjusted cash conversion is adjusted cash generated as a percentage of adjusted operating profit
Balance sheet measures		
Net debt	None	Loans and borrowings less unrestricted cash balances.
Leverage	None	Net Debt divided by Adjusted EBITDA, expressed as a multiple

GLOSSARY OF TERMS

AI	Artificial Intelligence
Appointed Representative, AR, or AR firm	An intermediary firm or person who is party to an agreement with a FCA regulated firm permitting them to carry out certain regulated activities
AR Agreement	Agreement governing the terms of the commercial relationship between MAB and an AR firm, and setting out how income from products sold by Advisers of the AR is split between MAB and the AR
Adviser	A person employed or engaged by an AR firm, carrying out mortgage and/or general or protection insurance advisory services to customers
AMI	Association of Mortgage Intermediaries
Base Rate	The Bank of England Base Rate is the interest rate that the Bank of England charges banks for secured overnight lending. It is the UK Government's key interest rate for enacting its monetary policy
Bridging finance	Short-term borrowing used to bridge a gap in funding until a property transaction completes
CBES	Climate Biennial Exploratory Scenario
CDP	Carbon Disclosure Project
CFRD	Climate-related Financial Risk Disclosure
Clawbacks	The right of insurers to reclaim some or all of the commission paid to an intermediary in the event premiums are not paid by the policy holder in the period during which the policy holder pays monthly premiums, typically 48 months for protection products for MAB
Client fee	A fee paid by the customer to the intermediary who has arranged the consumer's mortgage with a lender
Consumer Duty	The policy statement published by the FCA in July 2022, which aims to set higher and clearer standards of consumer protection
Corporate Social Responsibility	A type of business self-regulation that aims to contribute to societal goals by engaging in or supporting ethically-oriented practices (e.g. fundraising for charity)
Directly Authorised	An entity that is directly authorised by the FCA to carry out regulated activities
EPC	Energy Performance Certificate
ESG	Environmental, Social and Governance
ESOS	Energy Savings Opportunity Scheme
Execution only	Refers to a customer entering into a regulated mortgage contract without being given advice, or where the advice given by a firm has been rejected. This is effectively a self-service process
FCA	Financial Conduct Authority
FSCS	The Financial Services Compensation Scheme is the UK's statutory deposit insurance and investors compensation scheme for customers of authorised financial services firms
FTB	First Time Buyer
GDPR	The General Data Protection Regulation, a regulation in EU law on data protection and privacy
General insurance	Buildings and contents insurance and certain other non-life insurance products but excluding protection
GHG	Greenhouse Gas
Gross mortgage lending	New mortgage lending and Product Transfers
Help-to-Buy	UK Government incentives that aim to help first time buyers and those looking to move homes purchase a residential property. Help-to-Buy schemes include Equity Loans and Shared Ownership schemes

GLOSSARY OF TERMS CONTINUED

Intermediary, intermediary firm, or mortgage intermediary	A firm or individual who arranges mortgages with lenders on behalf of customers, (as opposed to a lender that the customer approaches directly). An intermediary is either directly authorised by the FCA or is an appointed representative of a directly authorised firm
IMLA	The Intermediary Mortgage Lenders Association is a trade association that represents the views and interests of UK mortgage lenders who are involved in the generation of mortgage business via professional financial intermediaries
Insurance or insurance products	Includes protection and general insurance
IR35	The UK's anti-avoidance tax legislation designed to tax disguised employment at a rate similar to employment
Later Life Lending	Refers to mortgage products aimed at those approaching or already in retirement, who are looking to release some of the equity in their home for a variety of reasons
Lifetime Mortgage	A type of Later Life Lending whereby no capital or interest repayments are made. Compounded interest is added to the capital throughout the term of the loan, which is then repaid by selling the property when the borrower dies or moves out
Mortgage Advice and Selling Standards	Policy statement issued by the FCA in February 2020 which sets out a package of remedies aiming to help consumers make better informed choices with regard to mortgages
Mortgages Market Study	Market study conducted by the FCA in 2019 as a precursor to the Mortgage Advice and Selling Standards policy statement
Mortgage panel or lender panel	A panel of mortgage lenders used by intermediaries
New build	Encompasses properties built by developers, custom build, self-build and affordable housing
New mortgage lending	Lending resulting from a mortgage completion in connection with a house purchase or a re-mortgage with a different lender to the customer's existing lender
PCW	Price Comparison Website
PPC	Pay-Per-Click
Procuration fee, or Mortgage procuration fee	A fee paid by a lender to the intermediary who has arranged a mortgage with the lender
Product transfer	The process of switching an existing mortgage product to a new one with the same lender
Protection insurance	Life insurance (including critical illness), family income protection and certain other insurance products (but excluding general insurance)
SASB	Sustainability Accounting Standards Board
SBTi	Science Based Targets initiative
SDG	Sustainable Development Goals
SECR	Streamlined Energy and Carbon Reporting
Secured personal loan	A loan that uses a property as security, also known as second charge mortgage
Service centres or telephone centres	MAB's regional telephone service centres operated by certain AR firms. The services provided by these centres include reviews of mortgage and related insurance products on an on-going basis with replacement or new products offered to customers, as appropriate
SM&CR	The Senior Manager and Certification Regime, a regime that aims to raise standards of governance, increase individual accountability and help restore confidence in the financial services sector
TCFD	Task Force on Climate-related Financial Disclosures

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