This announcement contains inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018. The person responsible for this announcement is Emilie McCarthy, CFO.

18 March 2025

Mortgage Advice Bureau (Holdings) plc
("MAB" or the "Group")

Final Results for the year ended 31 December 2024

Mortgage Advice Bureau (Holdings) plc (AIM: MAB1), a leading technology-driven UK mortgage network and broker, is pleased to announce its final results for the year ended 31 December 2024.

Financial summary

	2024	**2023**	**Change**
Revenue	£266.5m	£239.5m	+11.3%
Gross profit / Margin	£81.9m / 30.7%	£70.2m / 29.3%	+16.7% / 1.4pp
Admin expenses / Admin expenses ratio*	£50.5m / 19.0%	£46.7m / 19.5%	+2.7% / -0.5pp
Adjusted PBT* / Adjusted PBT Margin*	£32.0m / 12.0%	£23.2m / 9.7%	+38.0% / +2.3pp
Statutory PBT / Statutory PBT Margin	£22.9m / 8.6%	£16.2m / 6.8%	+41.5% / +2.2pp
Adjusted diluted EPS*	39.2p	29.6p	+32.4% / +9.6p
Basic EPS	27.6p	23.6p	+17.0% / +4.0p
Adjusted cash conversion*	120%	119%	+1.0pp
Net debt* / Leverage*	(£9.7m) / 0.3x	(£15.2m) / 0.6x	+£5.5m / -0.3x
Proposed final dividend	14.8p	14.7p	+0.4% / +0.1p

Performance 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)
- Market share of new mortgage lending[1] up to 8.4% (2023: 8.3%)
- 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
- Revenue per mainstream adviser[2] up 12.3% to £138.7k (2023: £123.5k)

[1] Based on first charge mortgage completions, secured personal loans (second charge mortgages), later life lending mortgages and bridging finance.
[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.

** 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.*

Peter Brodnicki, Founder and Chief Executive, commented:

"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."

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About Mortgage Advice Bureau:

MAB is one of the UK's leading consumer intermediary brands and specialist networks for mortgage advisers.

Through its partner firms known as Appointed Representatives (ARs), MAB has approximately 2,000 advisers providing expert advice to customers on a range of mortgage, specialist lending, protection, and general insurance products. MAB supports its AR firms with proprietary technology and services, including adviser recruitment and lead generation, learning and development, compliance auditing and supervision, and digital marketing and website solutions.

For more information, visit www.mortgageadvicebureau.com

Chief Executive's Review

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 7.3% 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 futureproofing 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 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 associates and subsidiaries

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 topperforming 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 Truss 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.

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.

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 Board. 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.

- Green Mortgage growth: Green lending rebounded strongly in 2024, now representing 7.6% of total lending volume – a 75% year-on-year increase, with the strongest growth in Q4 2024. Uptake is more evenly split between new-build and older properties, and 73% of Green Mortgages now support house purchases.
- 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.

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 of2025 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 Truss 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.

Financial Review

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%**

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 favorable 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	178.3
Non - invested AR firms	1,442	98.9

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.

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 acquisitions 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.

Corporate Information

The financial information for the year ended 31 December 2024 and the year ended 31 December 2023 does not constitute the company's statutory accounts for those years.

The statutory accounts for the year ended 31 December 2023 have been delivered to the Registrar of Companies. The statutory accounts for the year ended 31 December 2024 will be delivered to the Registrar of Companies in due course.

The auditor's report on the accounts for the year ended 31 December 2024 and 31 December 2023 were unqualified, did not draw attention to any matters by way of emphasis, and did not contain a statement under sections 498(2) or 498(3) of the Companies Act 2006.

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.

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							
	Note	Share capital £'000s	Share premium £'000s	Capital redemption reserve £'000s	Share option reserve £'000s	Retained earnings £'000s	Total £'000s	Non-controlling interest £'000s	Total equity £'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).

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.

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

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	**IFRS2 Option Charge Accrual**	IAS19 Service Charge Accrual	IFRS2 Option Charge Accrual
	£'000	**£'000**	£'000	£'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

(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	2023
	£'000	£'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	2023
	£'000	£'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	2023
	£'000	£'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	2023
	£'000	£'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

Vita Financial Limited (Vita)

The costs relating to this acquisition for the period are made up as follow:

	2024	2023
	£'000	£'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	2023
	£'000	£'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.

Carrying value of redemption liability		**31 December 2024**			31 December 2023	
	Fluent	**Auxilium**	**Total**	Fluent	Auxilium	Total
	£'000	**£'000**	**£'000**	£'000	£'000	£'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	2023
	£'000	£'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	2023
	£'000	£'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.

	Note	**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	2023
	Number	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	2023
	£'000	£'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

	2024	2023
Finance Income	**£'000**	£'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	2023
Current tax expense	**£'000**	£'000
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 23)	**(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	2023
	£'000	£'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:						
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 (pre Software Capex spend) 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	2023
	£'000	£'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	Fixture & fittings	Computer equipment	Total
	£'000	£'000	£'000	£'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**

	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**

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**	**1253**	**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.

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**

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	2023
	£'000	£'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:

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.	**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	**0**	5
Cash balances	**714**	680	**179**	26
Current assets (exc. Cash balances)	**1,902**	1,295	**1,048**	1,127
Current liabilities	**(1,386)**	(1,202)	**(162)**	(53)
Non-Current liabilities and provisions	**(664)**	(794)	**0**	(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	2023
	£'000	£'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

	2024	2023
Reconciliation of movement in trade and other receivables to cash flow	**£'000**	£'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	2023
	£'000	£'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	2023
	£'000	£'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	2023
	£'000	£'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).

18 Trade and other payables

	2024	2023
	£'000	£'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	2023
	£'000	£'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.

	2024	2023
Reconciliation of movement in trade and other payables to cash flow	**£'000**	£'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)

19 Loans and borrowings

	2024	2023
	£'000	£'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:

	2024	2023
Bank loans	£'000	£'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

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.

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**

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	2023
	£'000	£'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	2023
	£'000	£'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	2023
	£'000	£'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)

	2024	2023
Reflected in the statement of financial position as follows:	**£'000**	£'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.

	Relationship	Commission received/(paid)		Balance of retained commissions*		Loans owed to MAB	
		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

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	2023
	£'000	£'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

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**

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

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
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.

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

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

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

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

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
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 7 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 7 for further details.		
Adjusted diluted earnings per share (exc. Software Capex Spend)	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

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
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
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
ESG	Environmental, Social and Governance
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
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
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)
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