MAB 2.0

2024 Results

Investor and Analyst presentation

March 2025

Mortgage Advice Bureau

Agenda

Mortgage Advice Bureau

Highlights

Financial highlights

Revenue
£267m +11%
2023: **£240m**

Gross profit margin
30.7% +1.4pp
2023: **29.3%**

Adjusted PBT[1]
£32.0m +38%
2023: **£23.2m**

Proposed dividend
28.2p +0.1p
2023: **28.1p**

Adjusted cash conversion[1]
120% +1pp
2023: **119%**

Net debt / leverage[2]
£9.7m / 0.3x 37%
2023: **£15.2m / 0.6x**

1. Adjusted PBT, Adjusted cash conversion and Net debt are calculated as per the Additional Performance Measures 'APMs' detailed within the Appendix
2. Net debt is loans and borrowings less unrestricted cash balances. Leverage is Net debt / EBITDA

Operational highlights

New mortgage completions[1]	+	Product Transfer completions[1]	=	Total mortgage completions
£20.2bn +9%		**£5.9bn** -10%		**£26.1bn** +4%
UK new mortgage completions: **+7%**		UK Product Transfer completions: **-9%**		2023: **£25.1bn**

Market share of new mortgage lending[2]	Mainstream adviser numbers[3]	Revenue per mainstream adviser
8.4% 0.1pp	**1,941** +1%	**£139k** +12%
2023: **8.3%**	14 March 2025: **1,985** 31 December 2023: **1,918**	2023: **£124k**

1. First charge mortgage completions. New mortgage completions exclude Product Transfers. Total mortgage completions include Product Transfers
2. Based on first charge mortgage completions, excluding secured personal loans (second charge mortgages), later life lending mortgages and bridging finance
3. 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

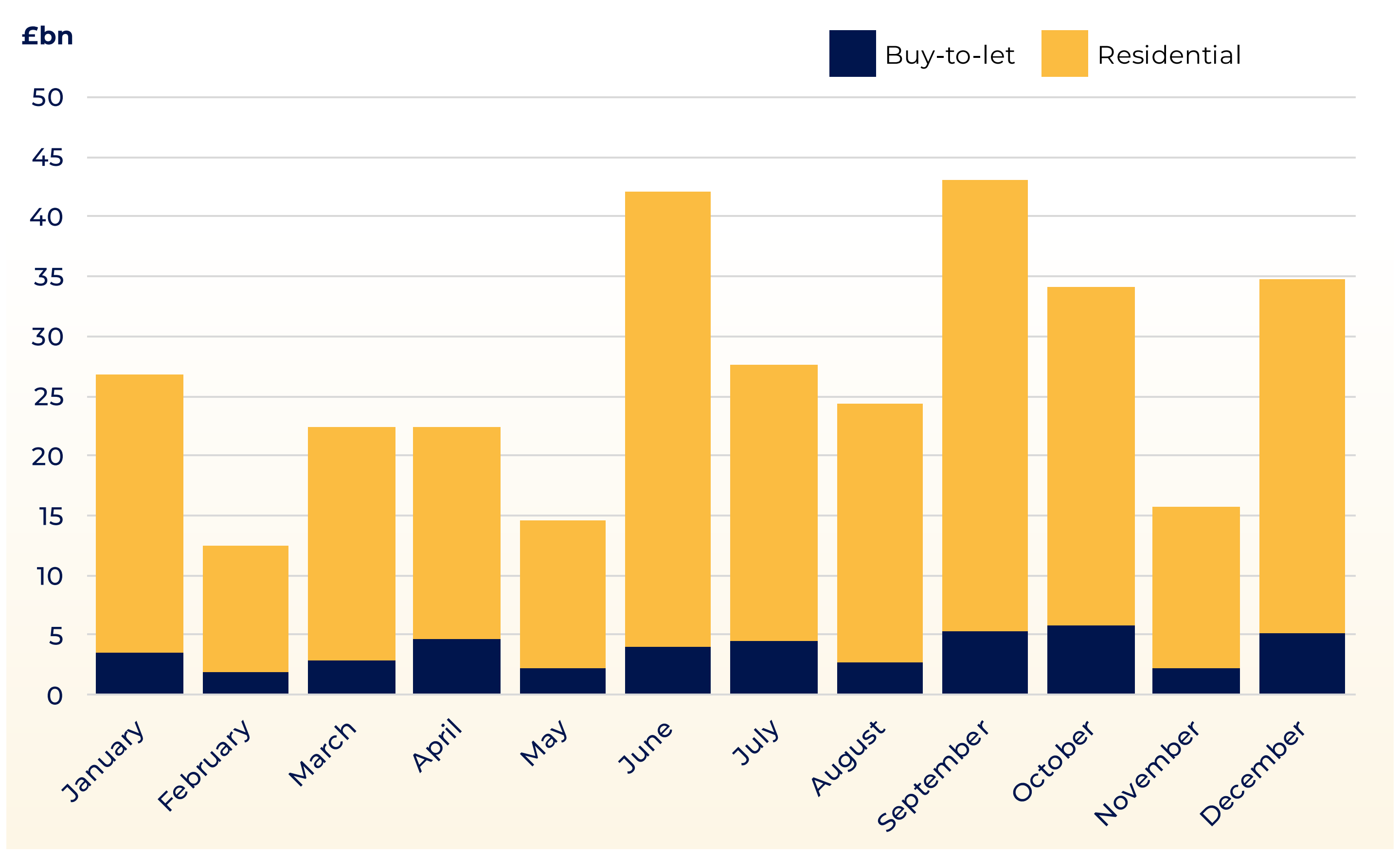
Market outlook

2025: UK Finance[1] forecasts 11% growth in new lending

YoY%	2025[1]
Purchase	+10%
Re-mortgage	+30%
Gross new lending	**+11%**
Product Transfers	**+13%**

- 25,000 mortgage products available, the highest on record[2]
- IMLA forecasts 17% growth in new lending in 2025

Potential £320bn mortgages needs refinancing in 2025[3]



1. UK Finance Forecasts published December 2024
2. Twenty7tec as at February 2025
3. Top 10 UK Lender

Structural tailwinds

Housing market	Recovering house transactions and record level of refinancing House prices expected to rise 3-5% p.a.
Intermediation	87% in new lending and ~50% in Product Transfers
Government agenda	Growth agenda, housing priority, 70% home ownership ‘target’
Regulatory agenda	Simplifying responsible lending to improve mortgage access and flexibility, e.g. affordability stress testing

IMLA, MAB estimates

Financial review

Income statement

£m	Group 2024	2023	% change
Revenue	**266.5**	**239.5**	*11.3%*
Commissions paid and other cost of sales	(184.6)	(169.4)	*9.0%*
Gross Profit	**81.9**	**70.2**	***16.7%***
Gross Profit margin	*30.7%*	*29.3%*	
Administrative expenses[1]	**(50.5)**	**(46.7)**	***8.2%***
Administrative expenses ratio	*19.0%*	*19.5%*	
Adjusted EBITDA[2]	**35.1**	**26.7**	***31.3%***
Adjusted EBITDA margin	*13.2%*	*11.2%*	
Adjusted PBT[2]	**32.0**	**23.2**	***38.0%***
Adjusted PBT margin	*12.0%*	*9.7%*	
Adjusted fully diluted EPS	**39.2p**	**29.6p**	***32.4%***

Commentary

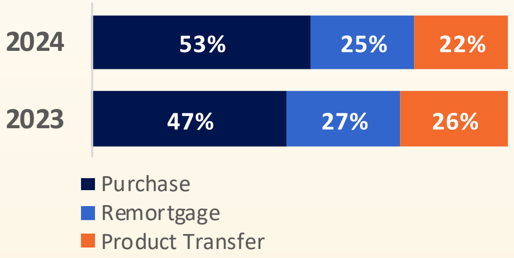
- 11% revenue growth in 2024, outpacing the 7% growth in UK gross mortgage lending
- Gross profit margins improved by 140bps, driven by cost rightsizing in Fluent, a higher house purchase mix, and increased contributions from higher-margin subsidiaries
- Administrative expenses increased by 8%, reflecting ongoing investment to support long-term growth
- Adjusted PBT grew by 38%, primarily due to the strong performance of our subsidiaries, in particular Fluent, which returned to profitability in 2024
- Adjusted fully diluted EPS was up 32% to 39.2p, reflecting the earning growth trajectory

1. Excluding £1.3m of capitalised software development costs for the Midas Platform, the administrative expense ratio remained stable at 19.4% (2023: 19.5%)
2. Adjusted EBITDA, Adjusted PBT, Adjusted basic EPS and Adjusted fully diluted EPS are calculated as per the Additional Performance Measures 'APMs' detailed within the Appendices

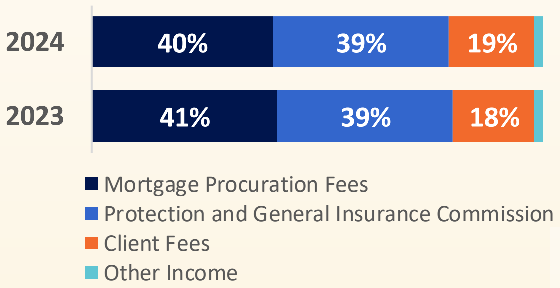
Revenue

Revenue source	Group		
	2024	**2023**	**% change**
Avg. number of mainstream advisers	**1,920**	1,940	***-1.0%***
Avg. revenue per mainstream adviser	**£138.7k**	£123.5k	***12.3%***
Mortgage Procuration Fees	**£105.8m**	£98.0m	*7.9%*
Protection and General Insurance Commission	**£104.7m**	£93.1m	*12.4%*
Client Fees	**£51.2m**	£43.4m	*18.1%*
Other Income	**£4.8m**	£5.0m	*-3.4%*
Total	**£266.5m**	£239.5m	***11.2%***

Business mix by lending value %



Group revenue %



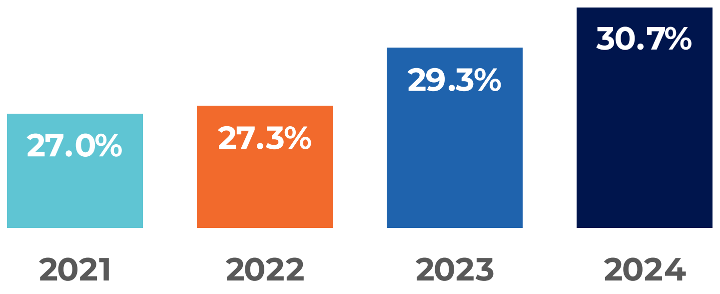
Commentary

- Revenue up 11% driven by strong performance in all 3 main revenue streams
- Higher house purchase mix contributed to increase in Protection revenue
- Mainstream adviser numbers remained stable, with modest growth in H2 2024
- Productivity gains more than offset slight adviser growth, with revenue per average mainstream adviser increasing 12% to £139K driven by:
  - ✓ A higher proportion of advisers in higher-productivity AR firms. Average revenue per adviser was ~80% higher in invested firms[1]
  - ✓ Greater technology adoption
  - ✓ Fewer new advisers (who typically take 6-9 months to reach full productivity)

1. First charge mortgage revenue (including procuration fee, insurance and GI commission, and client fees)

Financial KPIs – Income statement

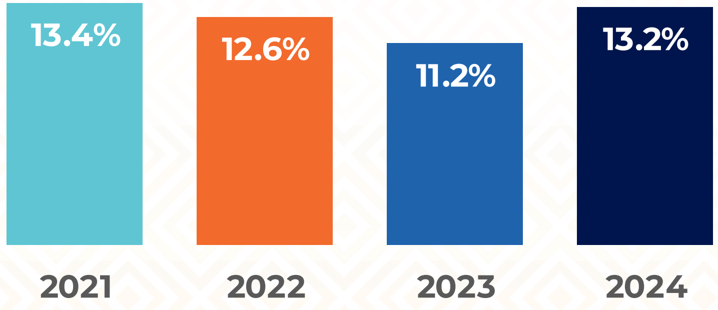
Gross profit margin: 30.7%



Higher purchase mix

Contribution from higher-margin subsidiaries

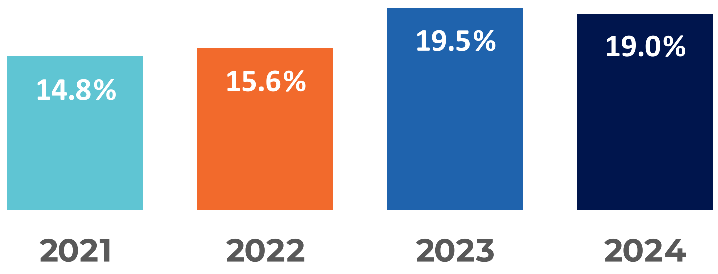
Adjusted EBITDA margin: 13.2%



Higher gross profit margin

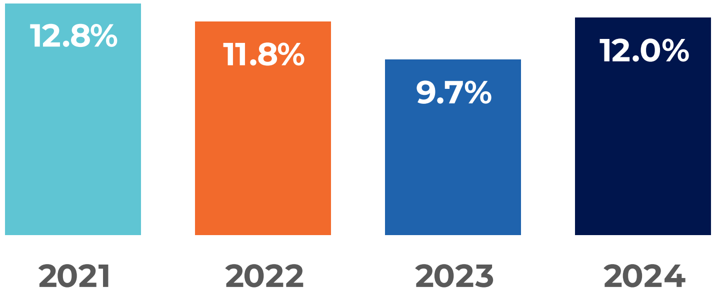
Administrative expenses increased by 8% as we invest for growth

Administration expenses ratio: 19.0%



Strategic investment in technology and people

Adjusted PBT margin: 12.0%

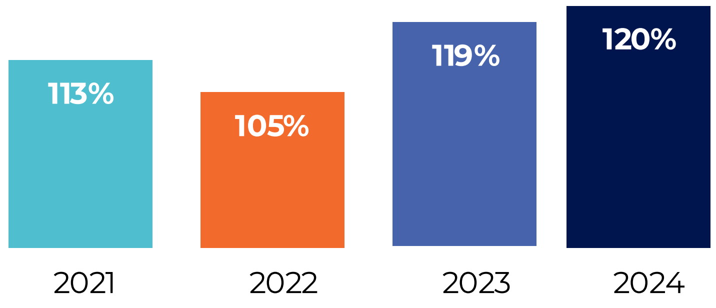


Adjusted PBT grew in line with EBITDA and improved income from associates

Adjusted EBITDA margin and Adjusted PBT margin, are calculated as per the Additional Performance Measures 'APMs' detailed within the Appendices, as a percentage of Revenue.

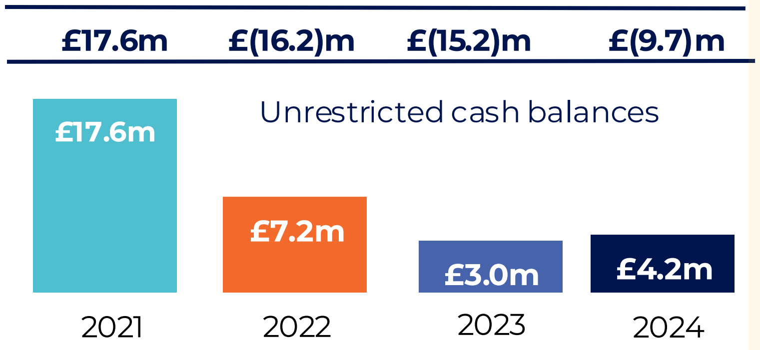
Financial strength and shareholder returns

Adjusted cash conversion[1]: 120%



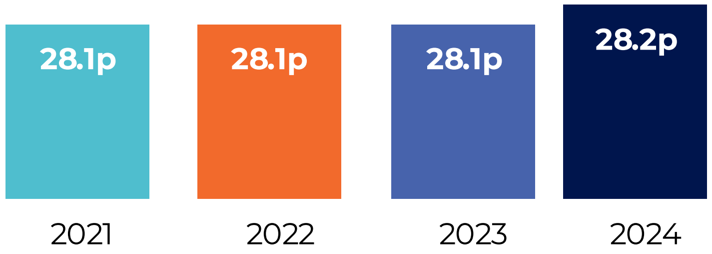
Consistent strong cash generation

Unrestricted cash balance / (net debt[2])



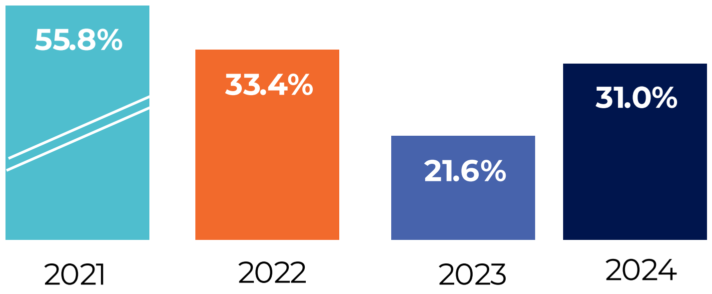
Strong balance sheet. Continue to reduce net debt position

Commitment to dividends: 28.2p



Dividend payout in line with historical policy to pay a minimum of 75% of adjusted net profit

Return on Capital Employed[3] 31.0%



ROCE is strong at 31.0%, significantly up from 2023, driven by improved profitability

1. Adjusted cash conversion is calculated as per the Additional Performance Measures ('APMs') detailed within the Appendices, stated as a percentage of adjusted operating profit
2. Net Debt is long term loans, draw down on the RCF, less unrestricted cash balances
3. Return on Capital Employed is Adjusted EBIT over average capital employed. 2022 includes equity issued to part-fund Fluent acquisition. 2023 reflects full year impact post Truss mini budget

Capital allocation 2024

1
Financial strength
Surplus regulatory capital of £43.0m (2023: £28.0m)
Net debt of £9.7m and 0.3x leverage (2023: £15.2m and 0.6x)

2
Organic growth investment
Strategic spend to future-proof MAB
£8.4m in 2024 includes £6.3m of technology spend, £1.6m digital marketing and £0.5m personnel

3
Ordinary dividend
Proposed final dividend of £8.6m to be paid in May 2025, bringing total dividend for 2024 to £16.5m

4
M&A
Purchased the remaining 20% stake in FMD for £9.4m

5
Surplus capital
No additional distributions in 2024

Strategy

MAB 2.0 Shaping the future of the Intermediary Sector

What defines MAB

- ✓ Our people
- ✓ Our Platform
- ✓ Lead Sources
- ✓ Best in class B2B2C model
- ✓ Our data strategy
- ✓ Most recognised intermediary brand
- ✓ Strategic M&A
- ✓ Exceptional business quality

Set for Accelerated Growth

The opportunity

- Scale local and national lead generation through digital engagement & insights
- Lead generation, technology / AI & data efficiency driving productivity
- Strategic M&A and consolidation and scaling of existing investments
- Transactional mortgage broker to property finance partner, generating lifetime customer value
- Digital brand reach will transform and future proof MAB

The benefits of AI

AI, an opportunity to generate leverage

MAB 2.0 medium term strategic objectives

2024		
£267m	Revenue	Double
12.0%	Adjusted PBT margin	>15%
120%	Adjusted cash conversion[1]	>100%
8.4%	Market share[2]	Double

1. Adjusted cash conversion is adjusted cash generated as a percentage of adjusted operating profit
2. Market share represents first charge mortgage completions, excluding secured personal loans (second charge mortgages), later life lending mortgages and bridging finance. Assumes 4% p.a. new mortgage lending growth and Product Transfer mix of gross mortgage lending consistent with 2024 mix

Foundations for MAB 2.0

CAPITAL MARKETS DAY 2025

- Team
- Board
- Advisers
- Investor relations
- Capital allocation model
- FTSE 250

Summary and Outlook

Mortgage Advice Bureau

Summary and outlook

- Organic adviser growth set to resume, with a continued focus on profitability driven by higher productivity levels
- By anticipating shifts in customer acquisition and retention, MAB continues to invest in futureproofing the business. This includes our ongoing strategic spend on technology and digital marketing, which will drive growth in 2025 and deliver increasing impact year-on-year
- Our higher-margin subsidiaries are fundamental to supporting the performance of our ARs, and we plan to scale them with significant organic growth in the coming years
- UK Finance forecasts an 11% rise in gross new lending this year, including £320bn of mortgages that needs refinancing in 2025
- Government focus on increasing homeownership will further support growth in housing transactions over the medium term
- The Board has set medium-term growth targets that reflect our ambition to scale MAB and deliver significant value for shareholders
- MAB is trading in line with expectations

Appendix I

Current TAM

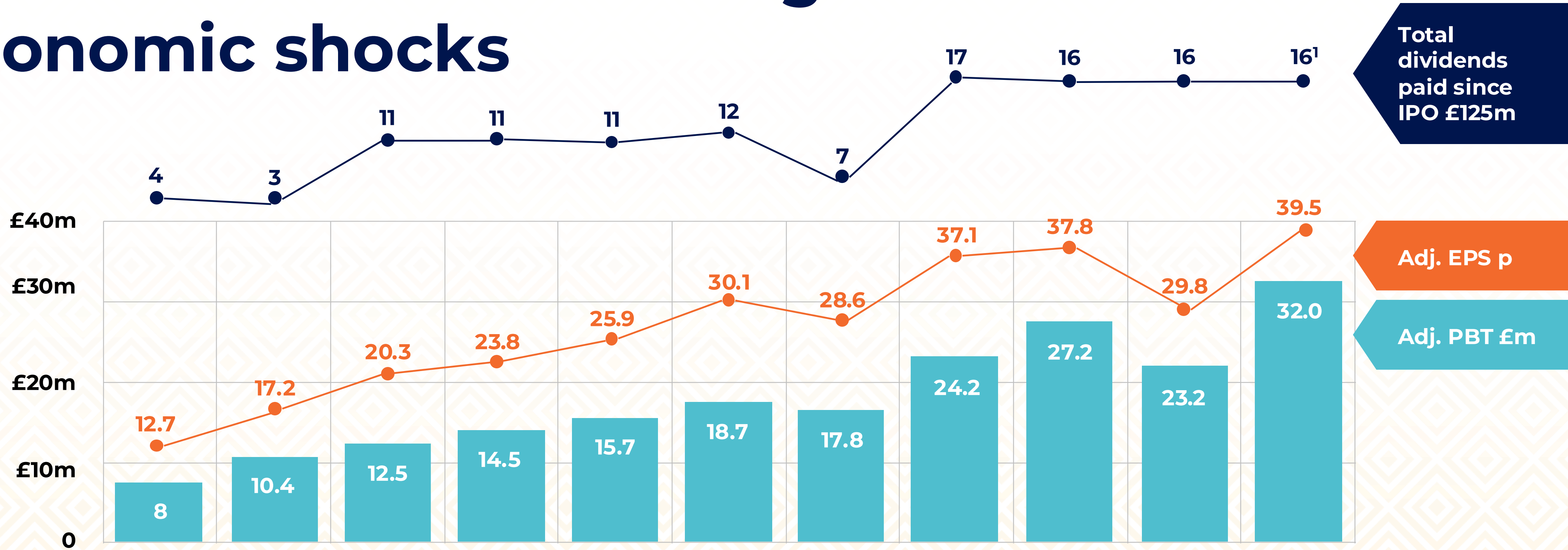
£500bn+ and growing

2025 Gross mortgage lending **£260bn (+11%)**
+ Product Transfers **£254bn (+13%)** [1]

Purchase £148bn	**Remortgage £76bn**	**Buy-to-let £32bn**	**Product Transfers £254bn**
+10% YoY	**+30% YoY**	**Flat**	**+13% YoY**
Pent-up demand Improved affordability FTB activity fuelled by high rental costs and punitive tax regime for BTL & 2nd homes	Improved affordability Stable/falling mortgage rates allow borrowers more time and certainty to re-mortgage (instead of PT) Large rump of mortgages maturing (from 2020/21 peak) Home improvements	Likely headwinds due to higher Stamp Duty Market increasingly concentrated on professional landlords Landlords need for optimum yield Large rump of mortgages maturing (from 2020/21 peak)	Large rump of mortgages maturing (from 2020/21 peak) 2023 maturities – large number of Truss era 2Y fixed rate products can now be re-financed at a far lower cost

1 UK Finance Mortgage Market Forecasts, published December 2024.
Note: Other Gross Mortgage Lending = £4bn (Further Advances). TAM is Total Addressable Market

Financial resilience through economic shocks



	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Net cash / (debt)	£5m	£8m	£11m	£13m	£14m	£7m	£19m	£18m	(£16m)	(£15m)	(£10m)
ND / EBITDA(x)	Net cash	Net cash	Net cash	Net cash	Net cash	Net cash	Net cash	Net cash	0.6x	0.6x	0.3x
			Brexit				Covid	Cost of living	Truss 'mini budget'	Rate hike cycle	New Labour Gov't

1 Dividends paid up to December 2024 (excludes final dividend in respect of 2024 that will be paid in May 2025)

Medium term opportunities

£100bn+

1	2	3
Current	**Medium Term**	**Long Term**
£500bn+ 2025	**+£100bn**	**MAB 3.0?**
House purchase re-finance	**Aspiring FTBs Later Life Lending**	**Breadth & diversification**

FCA is simplifying responsible lending

"We are taking steps today, and in the coming weeks, to improve access and flexibility for mortgage borrowers.

Today, we are reminding firms of the flexibility our rules provide. As interest rates fall the current market approach to interest rate stress testing may be unduly restricting access to otherwise affordable mortgages. To consider further improvements quickly, we will shortly launch a Call for Evidence on current and alternative approaches to stress testing."[1]

1. FCA letter to the Treasury. March 2025

Regulation & consumer duty

MAB's regulated activities include the provision of Mortgage Advice and Protection Advice and these activities are regulated by the Financial Conduct Authority (FCA)

Principle Firm (MAB)

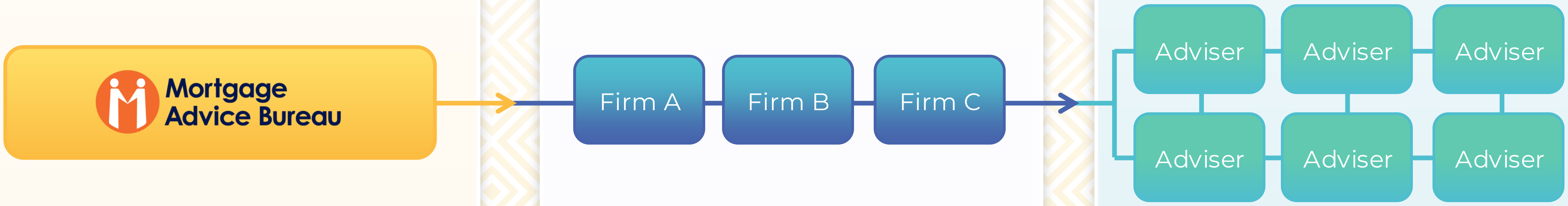
- Directly authorised by the FCA
- Holds overall responsibility for the regulated activities carried out by the ARs
- Provides support, supervision, and compliance oversight

AR Firms

- Carries out regulated activities on behalf of the principal firm
- Operates under the principal firm's authorisation
- Approved persons responsibility

Advisers

- Individuals are employed by the AR firm or self-employed
- Provide advice to clients
- Act under the supervision of the AR firm and ultimately the principal firm



Investment in M&A track record

Investment	Rationale	Shareholding	Current IRR (2024)
First Mortgage Direct	Telephony / New build	100%	>20%
Vita	Protection	75%	>20%
Auxilium	Protection	75%	>20%
Clear	Telephony / Network	49%	>20%
Meridian	New Build / Shared Own.	40%	>20%
Pinnacle	Surveys	49%	>20%
Sort Group	Conveyancing	43%	>20%
FMD North East	FMD Acquisition	37%	>20%
Heron	New Build	49%	Above WACC
The Mortgage Broker	Telephony	25%	Above WACC
Fluent	Digital / PCWs	84%	Below WACC
Evolve	New Build	49%	Below WACC

Success stories

- Invested in high return businesses with WACC > 20%
- Opportunities to increase ownership and therefore consolidating profits further

Fluent update

- Strategic decision to enter national lead sources, which is a key part of MAB 2.0 strategy
- Business turn around in 2024 (+£6m APBT contribution vs 2023)
- New leadership in place for first charge
- On track for accelerated growth

Alternative performance measures ("APMs")

Adjusted EBITDA (£m)	2024	2023
Gross Profit	81.9	70.2
Administrative Expenses	(50.5)	(46.7)
Depreciation	1.9	2.1
Amortisation	0.5	0.3
Share of profit from associates	1.3	0.8
Adjusted EBITDA	**35.1**	**26.7**

Adjusted Operating Profit (£m)	2024	2023
Operating Profit	24.7	14.0
Non-cash expenses relating to put and call option agreements	2.7	4.3
Amortisation of acquired intangibles	5.2	5.2
Acquisition costs	0.1	0.2
Loss/(Gain) on fair value measurement of financial instruments	-	0.2
Restructuring costs	-	0.5
Adjusted Operating Profit	**32.7**	**24.4**

Adjusted Profit Before Tax (£m)	2024	2023
Profit before tax	22.9	16.2
Non-cash expenses relating to put and call option agreements	2.7	4.3
Amortisation of acquired intangibles	5.2	5.2
Acquisition costs	0.1	0.2
Loss/(Gain) on fair value measurement of financial instruments	-	0.2
Restructuring costs	-	0.5
Unwinding of redemption liability	1.2	(3.3)
Adjusted Profit Before Tax	**32.0**	**23.2**

Adjusted Cash Generated (£m)	2024	2023
Cash generated from operating activities	38.6	29.7
Acquisition costs	0.1	0.2
Restructuring costs	-	0.5
Increase (Decrease) in loans to AR firms and associates	1.1	(0.8)
Increase in restricted cash balances	(0.6)	(0.7)
Adjusted Cash Generated	**39.2**	**29.0**

Adjusted Fully Diluted EPS (p)	2024	2023
Profit attributable to equity owners of parent company	27.4	23.4
Amortisation of acquired intangibles	7.4	6.2
Costs relating to Acquisition options	4.2	6.1
Acquisition costs	0.2	0.3
Loss/(Gain) on fair value measurement of financial instruments	-	0.3
Gain and unwinding of redemption liability	2.0	(5.8)
Restructuring costs	-	0.7
Tax effect on adjustments	(1.9)	(1.7)
Adjusted Fully Diluted EPS	**39.2**	**29.6**

Adjusted Basic EPS

Adjusted fully diluted EPS adjusted to remove the effects of potentially dilutive share option

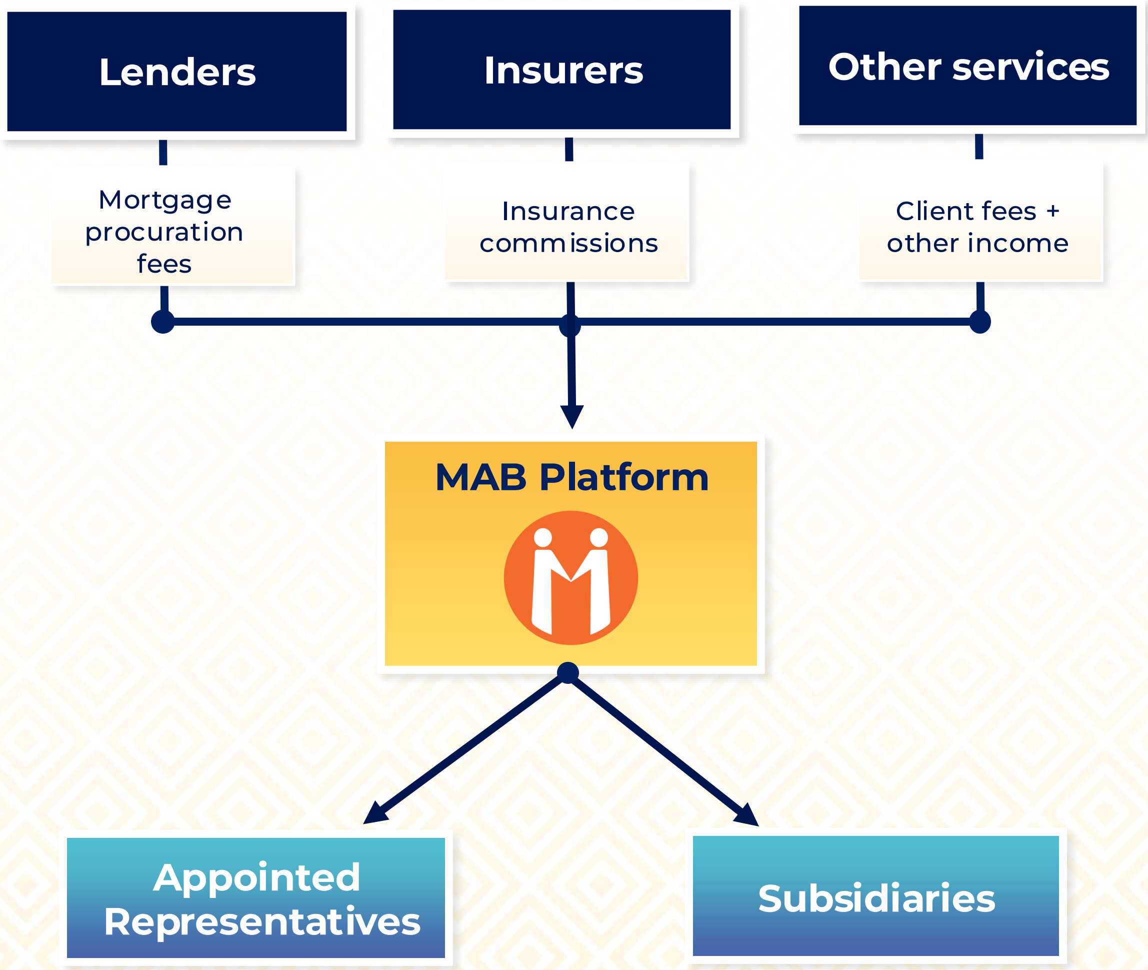
Appendix II – New investors

Mortgage Advice Bureau

About MAB

- Leading UK intermediary brand and specialist mortgage network
- Directly authorised by the FCA, MAB operates an Appointed Representative (AR) network providing expert mortgage advice to customers as well as on protection and general insurance products
- Arranging over £25bn mortgages p.a. (including product transfers)
- ~200 AR firms in MAB network and ~2,000 advisers UK-wide. Focus on quality firms that can grow with MAB as strategic partners
- Dominant position in the three largest lead sectors; estate agency, new build and price comparison websites
- Our proprietary technology (‘Platform’) is a major differentiator for ARs along with our expertise in customer acquisition and retention
- Our subsidiaries (Fluent, First Mortgage, Vita, Auxilium) and associates are well set to scale. With higher average productivity and profitability than our wider AR network, they are becoming increasingly significant contributors to the Group’s performance
- MAB 2.0: Set for accelerated growth, shaping the future of the intermediary sector

Revenue model



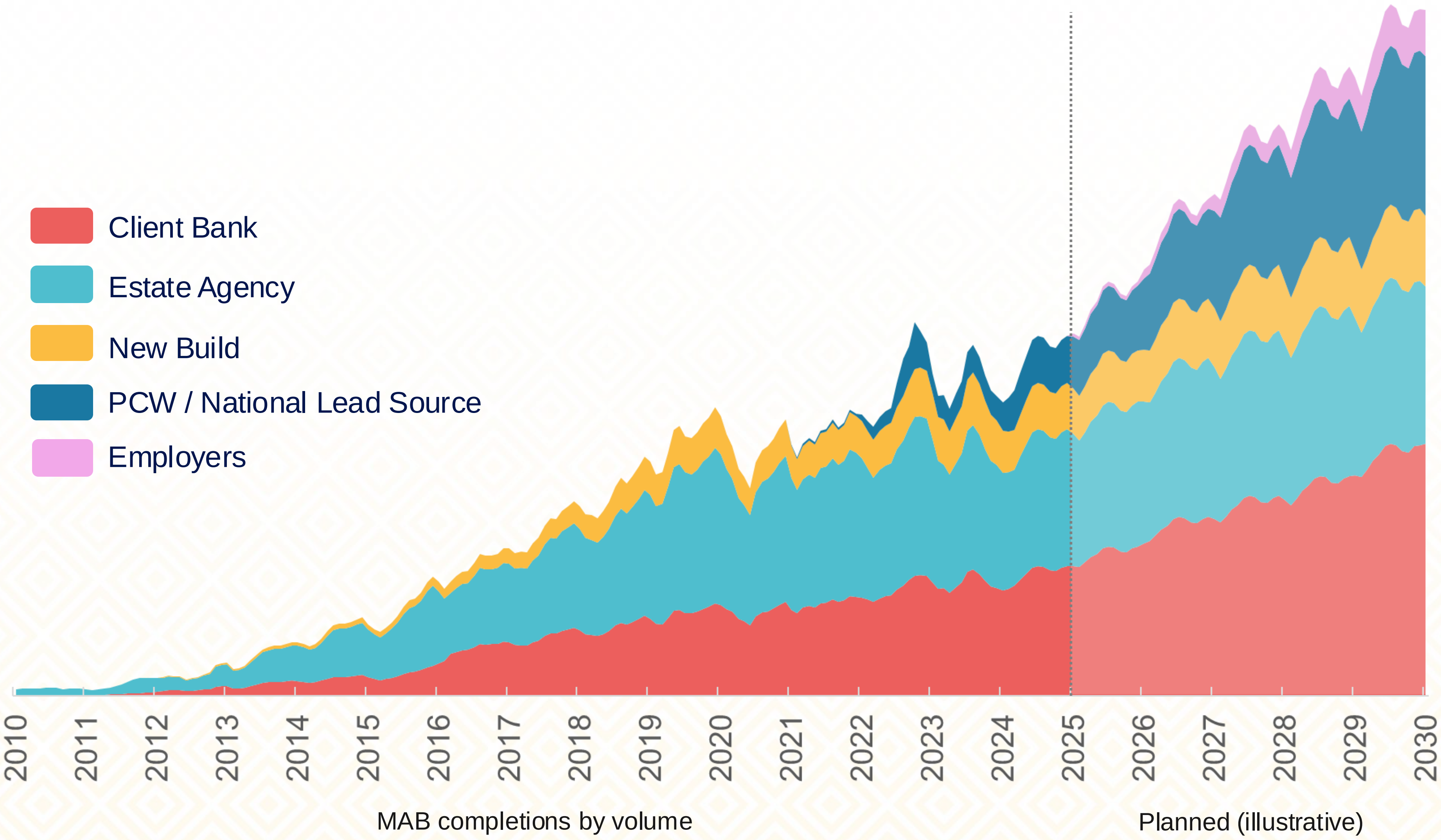
Types of mortgage transaction

- **Purchase**: Highest average case size and client fee and protection attachment rate. 4-6 months to complete and ~70% conversion
- **Remortgage**: Lower average case size, 4-6 weeks to complete and ~90% conversion
- **Product Transfer**: Lowest average case size, 1-2 weeks to complete and ~100% conversion

Margin considerations

1. Platform model – revenue share with AR firms. Lowest margins
2. Subsidiary businesses – cost of sales includes adviser costs with gross margins well above Group average. Highest margins

Establishing leadership in lead generation



MAB financial model

Revenue and profit resilience supported by a scalable platform model

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

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

Management bios

Peter Brodnicki, Founder & CEO

Peter and has led MAB from its formation in 2000 and overseen its growth and evolution to become the UK's leading intermediary mortgage brand

Ben Thompson, Deputy CEO

Ben joined MAB in 2018. He was previous CEO of ULS Technology and prior to that held senior positions at Legal & General Group Plc, where he ran their market-leading mortgage distribution business

Emilie McCarthy, CFO

Emilie joined MAB in 2024, bringing over 20 years of experience in finance, risk management, and global operations. She was previously CFO at CNBC International and CFO for Hult International Business School. She is a fellow Chartered Management Accountant

Disclaimer

Certain statements included or incorporated by reference within this announcement may constitute "forward-looking statements" in respect of the Group's operations, performance, prospects and/or financial condition. Forward-looking statements are sometimes, but not always, identified by their use of a date in the future or such words and words of similar meaning as "aims", "anticipates", "believes", "continues", "could", "due", "estimates", "expects", "goal", "intends", "may", "objectives", "outlook", "plans", "potential", "probably", "project", "seeks", "should", "targets", or "will" or, in each case, their negative or other variations or comparable terminology.

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