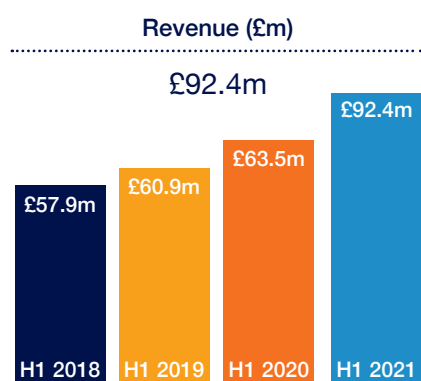


## ■ Financial review

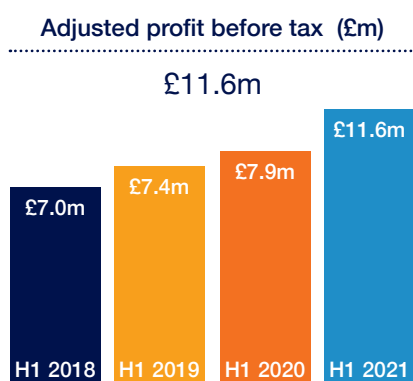
We measure the development, performance and position of our business against a number of key indicators:



Total income from all revenue streams.

Strategy/objective

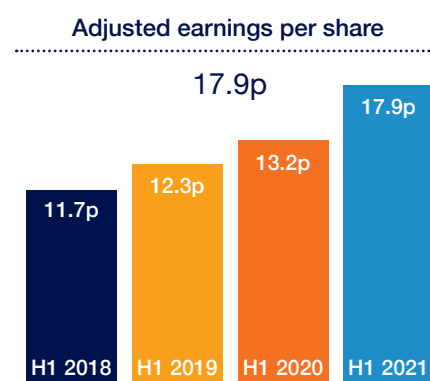
Shareholder value and financial performance



Profit before exceptional items<sup>2</sup> and tax.

Strategy/objective

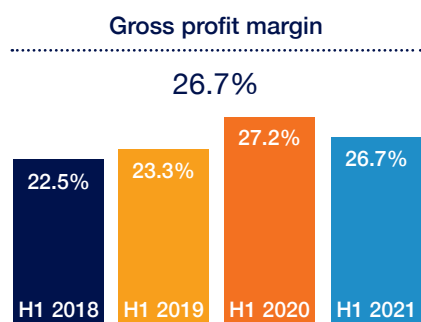
Shareholder value and financial performance



Total comprehensive income attributable to equity holders of the Company, adjusted for exceptional items<sup>2</sup>, divided by total number of ordinary shares.

Strategy/objective

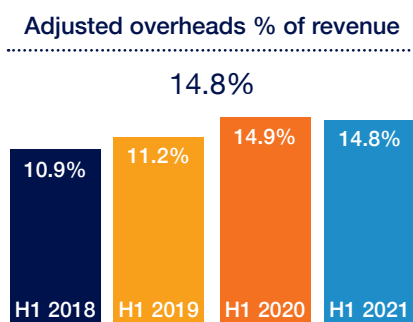
Shareholder value and financial performance



Gross profit generated as a proportion of revenue.

Strategy/objective

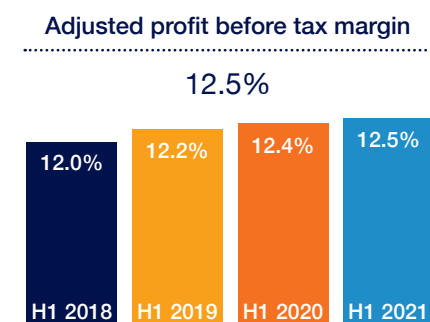
Managing gross margins



Group's administrative expenses<sup>1</sup> as a proportion of revenue.

Strategy/objective

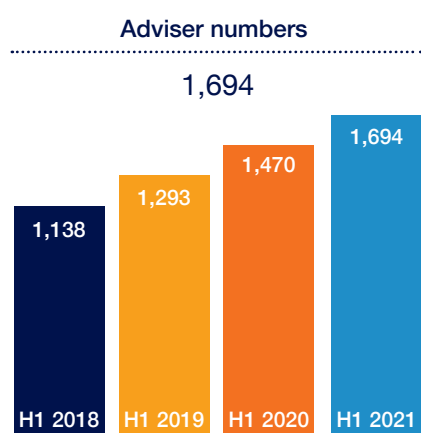
Operating efficiency



Group's adjusted profit before tax<sup>2</sup> as a proportion of revenue.

Strategy/objective

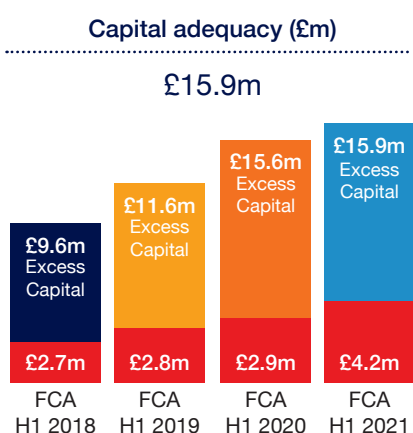
Shareholder value and financial performance



The average number of mainstream advisers<sup>3</sup> for H1 2021 was 1,584 (H1 2020: 1,396)

Strategy/objective

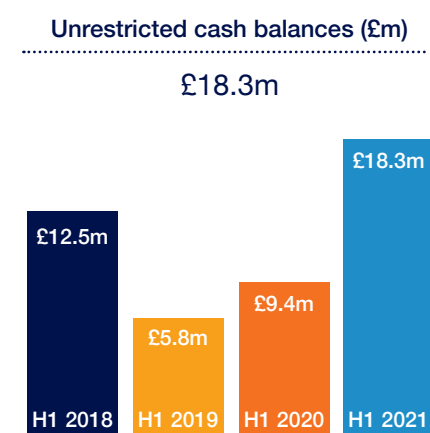
Increasing the scale of operations



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

Strategy/objective

Financial stability



Bank balances at 30 June available for use in operations.

Strategy/objective

Financial stability

<sup>1</sup> Adjusted in H1 2021 for £0.2m (H1 2020 £0.2m) amortisation of acquired intangibles and £0.6m (H1 2020 £0.4m) of additional non-cash operating expenses relating to the put and call option agreement to acquire the remaining 20% of First Mortgage. In H1 2019, £0.2m of one off costs associated with the acquisition of First Mortgage were also adjusted.

<sup>2</sup> Adjusted profit before tax is stated before the items in (1) above and the loan write off and loan provision totalling £1.7m and £0.5m of Government grant income in H1 2020 (net £1.2m). Adjusted earnings per share is stated before the items in (1) above and the loan write off and loan provision totalling £1.7m and £0.5m of Government grant income in H1 2020 (net £1.2m), net of any associated tax.

<sup>3</sup> Based on average number of mainstream advisers for the period. Mainstream advisers exclude directly authorised advisers, later life advisers, and advisers from associates in the process of being onboarded. In H1 2020 this did not include advisers on furlough.