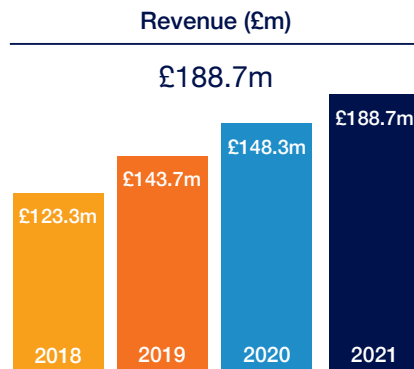


Financial review

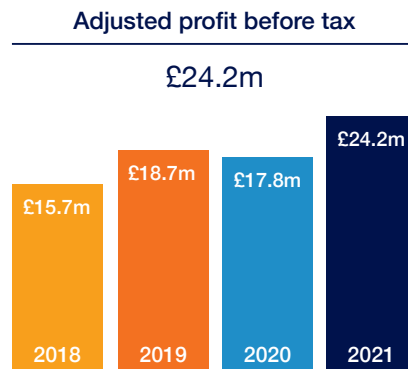
We measure the development, performance and position of our business against a number of key indicators:



Total income from all revenue streams.

Strategy/objective

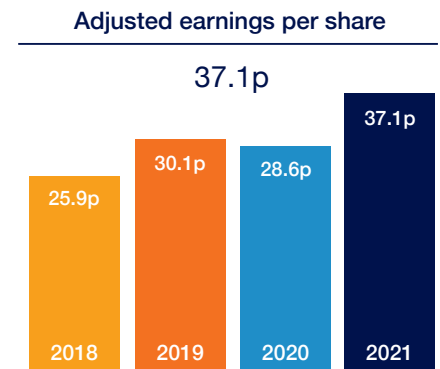
Shareholder value and financial performance.



Profit before exceptional items² and tax.

Strategy/objective

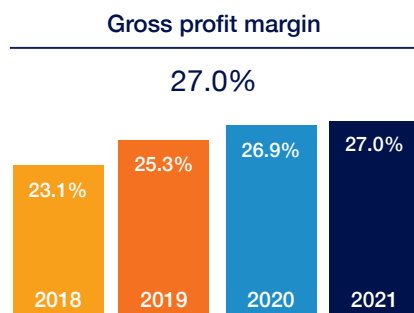
Shareholder value and financial performance.



Total comprehensive income attributable to equity holders of the Company, adjusted for exceptional items², divided by total number of ordinary shares.

Strategy/objective

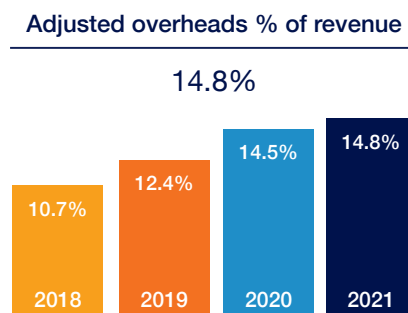
Shareholder value and financial performance.



Gross profit generated as a proportion of revenue.

Strategy/objective

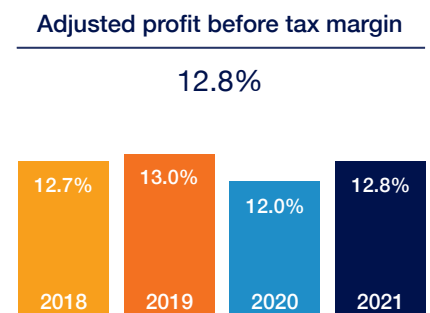
Managing gross margins.



Group's adjusted administrative expenses¹ as a proportion of revenue.

Strategy/objective

Operating efficiency.



Group's adjusted profit before tax² as a proportion of revenue.

Strategy/objective

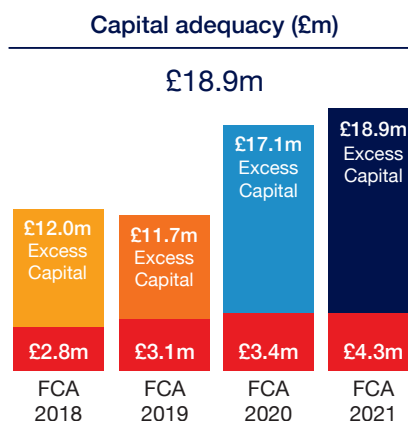
Shareholder value and financial performance.



The average number of active advisers³ for 2021 was 1,649 (2020 1,455)

Strategy/objective

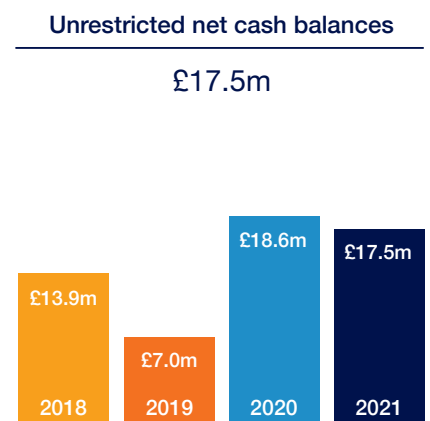
Increasing the scale of operations.



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

Strategy/objective

Financial stability.



Bank balances at 31st December available for use in operations.

Strategy/objective

Financial stability.

- Adjusted in 2021 and 2020 for £0.4m amortisation of acquired intangibles (2019: £0.2m). In 2021, overheads are adjusted for £1.0m of additional non cash operating expenses relating to the put and call option agreement to acquire the remaining 20% of First Mortgage (2020: £0.9m, 2019: £0.4m). In 2019, £0.4m of one off costs associated with the acquisition of First Mortgage were also adjusted.
- Adjusted profit before tax is stated before the items in (1) above and £0.3m of non cash fair value gains on financial instruments in 2021 and the loan write off and loan provision totalling £1.7m in 2020. Adjusted earnings per share is stated on the same basis, net of any associated tax effects.
- 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.