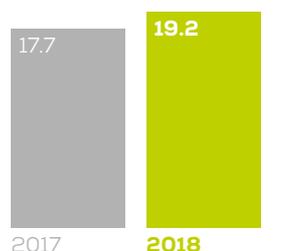


# Highlights

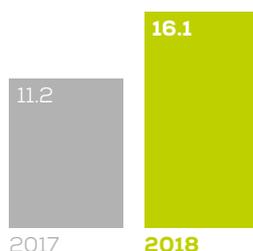
## Adjusted profit<sup>1</sup> (Before Tax)



**£19.2m**

+8.5%

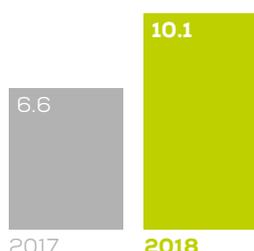
## Reported profit (Before Tax)



**£16.1m**

+43.8%

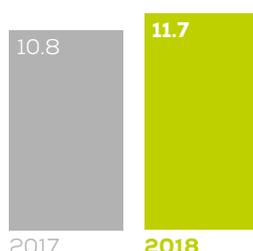
## Basic earnings per share (p)



**10.1p**

+53.0%

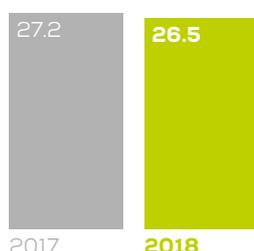
## Adjusted earnings per share (p)



**11.7p**

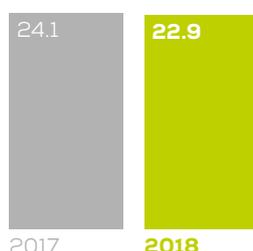
+8.3%

## Return<sup>1</sup> on equity (%)



**26.5%**

## Return<sup>1</sup> on assets (%)



**22.9%**

## Financial Highlights

- Continued strong performance with revenue up 17.1% to £116.6m (FY17: £99.6m)
- Adjusted profit before tax<sup>1</sup> increased by 8.5% to £19.2m (FY17: £17.7m); reported profit before tax increased by 43.8% to £16.1m (FY17: £11.2m)
- Total credit issued<sup>1</sup> increased by 21% to £174.4m (FY17: £144.1m), driven primarily by new territory builds
- Net loan book growth of 19% to £72.8m (FY17: £61.2m)
- Impairment as a percentage of revenue<sup>1</sup> for the period was 26.1% (FY17: 24.4%), remaining within our target range
- A 6% increase in customer numbers to 229,000 (FY17: 216,000)
- Secured additional funding in August 2017 to increase overall revolving facility from £25m to £40m
- Adjusted EPS increased by 8% to 11.7p (FY17: 10.8p); Basic EPS increased by 53% to 10.1p (FY17: 6.6p)
- Proposed final dividend of 4.8p (FY17: 4.3p)

## Operational Highlights

- Recruitment of c.600 agents and managers during the year, which translated into 463 territory builds in FY18
- 21,000 Morses Club Card customers, with £10.6m in loan balances (FY17: £3.9m)
- Technology continues to enhance Morses Club's offering, improving customer experience, driving efficiencies and productivity gains and supporting diversification into complementary product areas
- Received full Financial Conduct Authority ('FCA') authorisation

## Alternative performance measures

In reporting financial information, the Group presents alternative performance measures, 'APMs' which are not defined or specified under the requirements of IFRS. The Group believes that these APMs, which are not considered to be a substitute for or superior to IFRS measures, provide stakeholders with additional helpful information on the performance of the business. The APMs are consistent with how the business performance is planned and reported within the internal management reporting to the Board. Some of these measures are also used for the purpose of setting remuneration targets.

Each of the APMs used is set out in the glossary at the back of the statement on pages 98 to 99.

The Group makes certain adjustments to the statutory measures in order to derive APMs where relevant. The Group's policy is to exclude items that are considered to be significant in both nature and/or quantum and where treatment as an adjusted item provides stakeholders with additional useful information to assess the year-on-year trading performance of the Group.

<sup>1</sup> Definitions are set out in the Glossary of Alternative Performance Measures on pages 98 to 99