ISSUED 25 September 2026

PLATFORM SECTOR

AJ Bell Investcentre

FINANCIAL STRENGTH ASSESSMENT

Analysis by AKG Financial Analytics Ltd
Accessible • Comparative • Independent

ABOUT THIS FINANCIAL STRENGTH ASSESSMENT

This AKG report and the analysis and ratings contained within it provide assessment of financial strength and associated considerations. Financial Strength is focused on the ability of a company to deliver ongoing operational capability in the interest of its customers and in line with their fairly held expectations. AKG's perspective in the assessment of financial strength is wholly that of a customer of a product or service. From that foundation, this analysis is specifically designed to inform financial advisers and assist in their required understanding of a company's operational financial strength.

Given the underlying customer perspective, the financial strength of companies needs to be focused at an operational level, specifically on the company that is effecting the product or service that a customer is selecting. This is important, because from the customer's perspective it is that company that needs to survive in a form that maintains the requisite operational characteristics to meet their fairly held requirements. And it is thus at this level that the selection needs of the customers' advisers must be met. This contrasts to credit rating, which will be undertaken at group or parent company level where investment or debt placement etc. is made.

Further details on how analysis is undertaken is provided at the end of this report and may also be obtained from AKG.

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Rating & Assessment Commentary

RATINGS

Overall Financial Strength

AKG A
FINANCIAL STRENGTH RATED
PLATFORM SECTOR SUPERIOR
AJ BELL PLC

Supporting Ratings

	Service	Image & Strategy	Business Performance
AJ Bell plc	★★★★★	★★★★★	★★★★★

SUMMARY

- AJ Bell plc is one of the UK's leading investment platform businesses, operating across both advised and direct-to-consumer (D2C) markets and reporting total platform Assets under Administration (AuA) of £121.5bn and approximately 762,000 platform customers as at 30 June 2026
- The Adviser platform AuA at this date had increased to £70.1bn [30 September 2025: £62.4bn] supported by gross inflows of £6.5bn and net inflows of £1.3bn during the period
- The continued gains in AuA and customer numbers reflect the effectiveness of ongoing investment in brand, marketing and proposition development
- Service remains a key strength also, with the interim statements at 31 March 2026 recording a Trustpilot rating of 4.9 stars, customer retention of 94.6% and strong service metrics despite increased levels of platform activity
- The decision to discontinue the AJ Bell Touch app and integrate its capabilities into AJ Bell Investcentre platform after adviser feedback reflected management's focus on a unified adviser proposition and operational efficiency
- AJ Bell plc continued to demonstrate strong underlying trading, with profit before tax (PBT) in 2025 increasing by 22% to £137.8m, and the underlying PBT in the first half of 2026 up by 15% to £79.0m vs. H1 2025
- The business returned surplus capital to its shareholders during the 2025 financial year by way of dividends (totalling £52.3m) and share buybacks (totalling £44.6m), with a further £7.9m repurchased after the year end
- AJ Bell plc stated that £50m of shares would be repurchased during the 2026 financial year and in its interim statement 31 March 2026 announced a further £15m buyback
- In November 2025, AJ Bell completed the sale of its Platinum SIPP and SSAS business with initial consideration of £18.5m and total consideration of up to £25m, with these proceeds further supporting this capital position
- As at year end 30 September 2025, the AJ Bell Prudential Consolidation Group (PCG) reported own funds of £97.7m against an Own Funds Requirement (OFR) of £62.2m, providing OFR coverage of 157%, while capital resources remain entirely Common Equity Tier 1 (CET1); coverage had risen to 230% as at 31 March 2026
- Governance and risk oversight remain supported through an established committee structure, Enterprise Risk Management (ERM) Framework, ICARA process and three lines of defence model

COMMENTARY

Financial Strength Ratings

AJ Bell plc

The AJ Bell group continues to demonstrate strong financial resilience supported by robust profitability, significant cash generation and a substantial regulatory capital surplus with a strategy to return surplus capital to shareholders. The AJ Bell PCG reported own funds of £97.7m at 30 September 2025 against an OFR of £62.2m, resulting in capital coverage of 157%. Capital resources comprised entirely CET1 capital, and remained comfortably above regulatory requirements despite shareholder distributions and share buyback activity.

The group's capital position is supported by strong underlying profitability, limited balance sheet complexity and the absence of financial leverage. The group generated operating cash flows of £86.5m during the 2025 financial year and reported cash and cash equivalents of £188.2m as at 30 September 2025.

The ICARA framework incorporates stress testing, recovery planning and wind-down assessments designed to ensure capital and liquidity remain appropriate under a range of adverse scenarios. The business continues to invest in technology, operational resilience and risk management and this further supports the sustainability of the business model. Overall, strong capital resources, high levels of liquidity, resilient cash generation and continued profitability support the maintenance of financial strength.

Service Rating

Service remains a key component and a significant strength of AJ Bell's platform proposition and an important differentiator within both the advised and D2C markets. Customer retention remained strong at 94.6% during the first half of 2026 [2025 year end: 94.1%] while Trustpilot ratings remained at 4.9 stars in this period. The platform continues to deliver high service standards despite substantial increases in customer numbers and activity levels; approximately 7.5 million trades were processed during HY26 while 94% of calls were answered within 20 seconds.

Increased automation, digitalisation and operational efficiencies have enabled customer activity to increase materially without proportional growth in operational staffing levels. Continued investment in customer experience, adviser functionality, digital engagement and service delivery is leading to enhancements to platform journeys, adviser tools, automation and customer communications, and this supports future scalability whilst maintaining service quality. The business is demonstrating ongoing investment to support these strong service metrics.

Image & Strategy Rating

AJ Bell benefits from a strong market position within the UK platform sector (third largest by AuA) and continues to grow market share across both advised and D2C channels. The business operates a dual-channel strategy which provides diversification across customer groups while supporting multiple avenues of growth.

The business has continued to invest significantly in brand awareness, marketing capability and proposition enhancement. The launch of the "Feel good, investing" campaign and subsequent increase in customer acquisition demonstrate the effectiveness of this investment, and this has since been supplemented by "Feel good, advising", launched in May 2026.

AJ Bell launched AJ Bell Touch in June 2025, as a mobile app-based platform designed to help financial advisers deliver streamlined services to clients with simpler requirements. A strategic decision to discontinue AJ Bell Touch in May 2026 and instead integrate its technology and functionality into AJ Bell Investcentre reflected adviser feedback and supports the development of a more unified platform proposition. Long-term growth opportunities remain substantial, with management continuing to highlight significant assets remaining off-platform across the UK savings and investment market. Ongoing investment in technology, integrations, artificial intelligence, targeted support capabilities and proposition enhancement supports future growth ambitions.

Business Performance Rating

The AJ Bell platform business saw continued growth during 2025 and into 2026. Advised platform assets increased to £62.4bn at 30 September 2025 year end [2024: £56.1bn], supported by gross inflows of £7.0bn, net inflows of £1.7bn and favourable market movements of £4.6bn.

Total platform AuA increased to £108.2bn [2024: £92.2bn], while customer numbers increased by 18% to approximately 657,000. Net total platform inflows increased to £7.5bn [2024: £6.1bn], supported by growth across both advised and direct-to-consumer channels.

Group revenue increased by 18% to £317.8m [2024: £269.4m], while PBT increased by 22% to £137.8m [2024: £113.3m]. The improvement reflects growth in recurring revenues, dealing activity and customer numbers together with the benefits of operational scale. The revenue is generated across three streams:

- recurring fixed fees increased by 1% to £32.5m [2024: £32.1m], reflecting higher pension administration revenue from advised platform customers
- recurring ad valorem revenue grew by 15% to £232.4m [2024: £202.0m] driven by increased custody fee income (related to higher average AuA) and net interest income (higher total average customer cash balances)
- transactional fees rose by 50% to £53.0m [2024: £35.3m] driven by higher dealing activity (reflecting a return to long-term average levels and an increase in FX activity, as customers responded to heightened volatility in global equity markets)

Total administrative expenses (excluding exceptionals) increased by 18% to £184.7m, with 9% of this relating to business investment into areas such as people, technology and brand, to support significant growth aspirations. Staff costs across all categories rose by 20%, up £15.9m, reflecting increased capacity to support growth and to continue to reward staff. Distribution costs increased by 23% to £36.6m [2024: £29.8m] of which 21% was related to investment into delivering a multi-channel advertising campaign, alongside additional spend in digital marketing capabilities, again supporting customer growth and inflows.

Technology costs increased by 17% to £55.1m [2024: £47.1m] of which 15% was investment in change delivery to enable accelerated platform enhancements as well as implementing further automation in the advised propositions.

Whilst many initiatives resulted in short term increases in costs, many are strategic to ensure scalability in the long term; and there is some offsetting from efficiency savings delivered. Certain costs were also allocated to improving operational resilience and cyber defences.

Business performance remained strong into the first half of 2026 (HY26), supported by continued customer growth, record inflows and increasing profitability. Platform customer numbers increased from 644,000 at 30 September 2025 to 723,000 at 31 March 2026. Platform AuA increased from £103.3bn to £108.7bn during the same period, supported by record net inflows of £4.2bn and positive market movements. This saw revenue increase by 19% to £183.0m compared to HY25 while underlying PBT increased 15% to £79.0m.

The business continues to benefit from operational scale, diversified revenue streams and a highly cash-generative model. Although investment in marketing, technology and proposition development has accelerated, profitability remains strong. Continued growth in customers, assets, revenues and profits supports AJ Bell's position as one of the leading platform operators in the UK market, the third largest in terms of platform AuA.

AJ Bell plc returned surplus capital to its shareholders during the 2025 financial year by way of dividends (totalling £52.3m) and share buybacks (totalling £44.6m). Up to £50m of further share buybacks was announced for the current financial year, plus an additional £15m announced at the 31 March 2026 interims. In November 2025, AJ Bell completed the sale of its Platinum SIPP and SSAS business with initial consideration of £18.5m and total consideration of up to £25m, with these proceeds to be used to further support the group's capital allocation strategy.

Company Analysis: AJ Bell plc

BASIC INFORMATION

Company and Group Background

AJ Bell plc is one of the UK's leading investment platform businesses, serving both advised and D2C customers. The group administers investments through a range of FCA-regulated entities including AJ Bell Management Ltd (AJBML), AJ Bell Securities Ltd and AJ Bell Asset Management Ltd. Founded in 1995, AJ Bell has grown from a specialist pension administrator into a significant participant within the UK platform market and listed on the London Stock Exchange in 2018.

AJBML remains an important operating entity within the wider group as SIPP operator and administrator, supporting the delivery of retirement products and services across both advised and D2C propositions.

Senior Management Team

The AJ Bell plc Executive Committee provides depth of experience across platform operations, technology, finance, risk management, investments, marketing and distribution. Recent leadership developments included the appointment of Stephen Vowles as Chief Marketing Officer, Ryan Hughes as Managing Director of AJ Bell Investments, Charlie Musson as Chief Product Officer and Annie Hale as Group People Officer. Responsibilities previously undertaken by Roger Stott have been redistributed across the leadership structure.

The management team continues to demonstrate the capability to support growth across multiple business lines while overseeing significant investment in technology, operational scalability, brand development and proposition enhancement.

BUSINESS STRUCTURE & OPERATIONS

Governance and Risk

AJ Bell operates within a well-established governance framework supported by Board oversight and a comprehensive committee structure. Key governance committees include the Audit Committee, Risk & Compliance Committee, Remuneration Committee, Nomination Committee and Disclosure Committee. These bodies oversee financial reporting, risk management, regulatory compliance, remuneration and governance matters.

Risk management is embedded throughout the organisation and operates through a three lines of defence model, providing clear accountability for risk ownership, independent oversight and assurance. Risk and Compliance, Internal Audit and executive risk forums support the effectiveness of the control environment where the ERM framework incorporates defined risk appetites, risk monitoring, key risk indicators, executive oversight and independent assurance activities.

The ICARA process remains central to prudential risk management and incorporates capital adequacy assessment, stress testing, scenario analysis, recovery planning and wind-down assessment. Key risks monitored include operational resilience, cyber security, regulatory compliance, third-party dependencies, financial crime, conduct risk and technology-related risks. Continued investment in governance, resilience and control capabilities supports the group's ongoing growth and regulatory obligations.

Technology and Administration

Technology remains a key enabler of AJ Bell's operating model and long-term growth strategy. The business operates a hybrid technology architecture combining proprietary user interfaces and integration capabilities with outsourced core administration systems. This model is intended to provide scalability, flexibility and cost-effective administration. During 2025, AJ Bell continued to invest in technology, automation and digital capability, with development activity focused on platform enhancements, adviser functionality, customer-facing digital services and operational efficiency initiatives.

The business is increasingly utilising automation and AI technologies to support operational effectiveness, workflow management and process improvement, allowing it to support increased customer activity levels. The technology environment includes enhanced integration architecture, microservices capability and an internally developed GenAI platform intended to support product development, operational efficiency and customer engagement.

Operational resilience remains a strategic priority and is supported through infrastructure investment, cyber security capabilities, testing programmes, supplier oversight and disaster recovery arrangements.

STRATEGY

Product and Distribution Strategy

AJ Bell's product and distribution strategy is centred on providing investment, platform and retirement solutions through both advised and D2C channels. The platform proposition includes SIPPs, ISAs, Lifetime ISAs (LISAs) and GIAs together with access to funds, equities, investment trusts, ETFs and cash savings solutions. AJBML remains an important component of the retirement proposition through its role as SIPP operator and administrator.

Management continues to develop proposition functionality for both advisers and consumers. Recent developments have included enhanced adviser tools, trust solutions, onshore bond links, expanded investment solutions and ongoing work surrounding targeted support capabilities.

During 2025, AJ Bell launched AJ Bell Touch, a simplified mobile-led proposition designed for the adviser market. The proposition was intended to broaden the group's adviser offering while supporting efficiency and client engagement; however, following adviser feedback, AJ Bell discontinued AJ Bell Touch in May 2026 and elected to integrate its technology and functionality into AJ Bell Investcentre; management believes this approach better supports adviser efficiency and proposition development.

Distribution is supported by adviser relationships, digital marketing, brand investment and customer retention initiatives. Continued growth in customer numbers and net inflows indicates that the strategy remains effective.

KEY COMPANY FINANCIAL DATA

Last 3 reporting periods up to 30 September 2025

Own Funds Disclosures

	Sep 23 £m	Sep 24 £m	Sep 25 £m
Available own funds	119.7	122.8	97.7
Own funds requirement (OFR)	53.9	59.6	62.2
Excess own funds	**65.7**	**63.3**	**35.5**
OFR coverage ratio (%)	222	206	157

The business reports as the AJ Bell PCG under the IFPR. The PCG reported available Own Funds of £97.7m as at 30 September 2025 against an OFR of £62.2m, resulting in excess own funds of £35.5m and an OFR coverage ratio of 157%. Capital resources comprise entirely CET1 capital and continue to provide a substantial surplus above regulatory requirements. Capital adequacy is monitored through the group's ICARA framework, incorporating stress testing, recovery planning and wind-down assessments.

Own Funds reduced year on year, notwithstanding an increase in consolidated balance sheet net assets to £217.5m [2024: £204.0m]. The reduction was largely due to an increased level of deductions to CET1 capital in the form of foreseeable dividends and foreseeable share repurchases, which in 2025 were £39.4m and £60.6m respectively [2024: £34.0m and £30.0m respectively].

Statement of Financial Position

	Sep 23 £m	Sep 24 £m	Sep 25 £m
Assets	234.3	288.9	303.1
Current liabilities	(55.3)	(70.8)	(73.1)
Long-term liabilities	(13.0)	(14.1)	(12.5)
Net assets	166.0	204.0	217.5

Statement of Changes in Equity

	Sep 23 £m	Sep 24 £m	Sep 25 £m
Equity at start of period	**133.4**	**166.0**	**204.0**
Movement due to:			
Share capital and premium	(2.0)	0.0	(44.4)
Retained earnings	34.9	36.9	52.8
Other	(0.3)	1.1	5.1
Equity at end of period	**166.0**	**204.0**	**217.5**

Total assets increased to £303.1m at 30 September 2025 from £288.9m in the previous year, and with current long term liabilities relatively stable year on year, net assets increased to £217.5m [2024: £204.0m]. Continued profitability and retained earnings generation in the year more than offset shareholder distributions through dividends (£52.3m) and share buybacks (£44.6m). The business continued to generate sufficient earnings to support investment, regulatory capital requirements and shareholder returns whilst maintaining a strong equity base.

Income Statement

	Sep 23 £m	Sep 24 £m	Sep 25 £m
Revenue	218.2	269.4	317.8
Other operating income	0.0	0.0	0.0
Operating expenses	(132.0)	(162.2)	(185.9)
Operating profit (loss)	**86.2**	**107.3**	**132.0**
Other gains (losses)	1.4	6.0	5.9
Profit (loss) before taxation	**87.7**	**113.3**	**137.8**
Taxation	(19.4)	(29.0)	(32.7)
Profit (loss) after taxation	**68.2**	**84.3**	**105.1**
Other comprehensive income	0.0	0.0	0.0
Dividends	(33.3)	(47.4)	(52.3)
Retained profit (loss)	**34.9**	**36.9**	**52.8**

Financial Ratios

	Sep 23 %	Sep 24 %	Sep 25 %
Operating margin	40	40	42
Pre-tax profit margin	40	42	43
Employee costs as a % of revenue	25	30	30

Revenue increased by 18% to £317.8m during the 2025 financial year, supported by higher platform assets, increased customer activity and growth in recurring revenues. Operating profit increased to £132.0m while PBT increased to £137.8m. PAT rose to £105.1m. Profitability metrics remained strong during the year, as the business continued to benefit from a scalable operating model, diversified revenue streams and strong customer growth.

Statement of Cash Flows

	Sep 23 £m	Sep 24 £m	Sep 25 £m
Net cash generated from operating activities	101.4	96.3	86.5
Net cash used in investing activities	(1.1)	4.0	4.4
Net cash used in financing activities	(38.0)	(49.9)	(99.3)
Net increase (decrease) in cash and cash equivalents	**62.3**	**50.3**	**(8.5)**
Cash and cash equivalents at end of period	146.3	196.7	188.2

Assets under Administration (AuA)

	Sep 23 £bn	Sep 24 £bn	Sep 25 £bn
Assets at start of period	69.2	76.1	92.2
Inflows	9.5	13.4	16.0
Outflows	(5.4)	(7.3)	(9.8)
Net market and other movement	2.8	10.0	9.8
Assets at end of period	**76.1**	**92.2**	**108.2**
Growth rate (%)	10	21	17
Net inflows as % of opening AuA	6	8	7

Cash generation remained robust during 2025, with £86.5m generated from operating activities. Cash and cash equivalents remained substantial at £188.2m despite significant shareholder distributions through dividends and share buybacks - the reduction in year-end cash balances relative to the prior year was primarily attributable to capital returns rather than any deterioration in underlying cash generation.

The AuA table shows the total AJ Bell plc platform and non-platform businesses combined. Within this, advised platform assets increased to £62.4bn at September 2025. Growth was supported by record net inflows, strong customer acquisition and positive market movements. Platform customer numbers increased to 644,000 as at September 2025 [2024: 542,000]. Adviser gross inflows increased to £7.0bn during the year [2024: £6.5bn], and outflows were £5.3bn [2024: £4.3bn] resulting in net inflows equivalent to 3.0% of opening AuA.

Guide

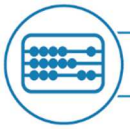


INTRODUCTION

For over 30 years, AKG has assessed the financial strength of financial services firms from the perspective of financial advisers and their clients. Assessments focus on the operational entity responsible for delivering the relevant product or service, reflecting the requirement for that company to remain viable in order to meet customers' fairly held expectations.

Assessments are undertaken on a sector basis, comparing companies within relevant peer groups to support adviser selection between competing propositions. AKG's approach is underpinned by a balanced scorecard of financial, operational and strategic measures, drawing on public information and, where applicable, direct company engagement.

This is a participatory assessment.



RATING DEFINITIONS

Overall Financial Strength Rating

The Overall Financial Strength Rating provides an indication of a company's ability to deliver sustained operational provision of its products or services, assessed from the perspective of financial advisers and their clients. The rating reflects the company's business mix and relative position within its sector, taking into account relevant financial, operational, management and strategic factors, including parental strength and the likely attitude towards supporting the company.

Rating Scale	A	B+	B	B-	C	D	▣
	Superior	Very Strong	Strong	Effective	Challenged	Very Challenged	Not applicable

Supporting Ratings

The Service Rating assesses the quality of service provided by the organisation to the intermediary market, taking into account service performance, external and internal benchmarking, investment in service capability and feedback from intermediaries.

The Image & Strategy Rating assesses how effectively the organisation positions and distributes its products, and the extent to which its strategy is coherent, sustainable and aligned with its operating environment and target markets.

The Business Performance Rating assesses how the organisation has performed relative to sector peers, based on recent financial and operational outcomes, market positioning and relevant external developments.

All ratings utilise the following scale:

Rating Scale	★★★★★	★★★★	★★★	★★	★	▣
	Excellent	Very Good	Good	Adequate	Poor	Not Rated

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