

KEYSTONE LAW

Keystone Law Group Plc

(‘Keystone’, the ‘Group’ or the ‘Company’)

Interim Results for the Six Months Ended 31 July 2026

- *Expect FY 2027 revenue to be comfortably ahead and profits to be materially ahead of current market expectations ⁽¹⁾*
- *Continued rollout and adoption of AI tools enhances Keystone’s technology platform*
- *Interim ordinary dividend of 9.6p and special dividend of 15p reflecting ongoing balance sheet strength and confidence*

Keystone, the premier tech-enabled platform law firm, is pleased to announce its interim results for the six months ended 31 July 2026 (‘H12027’ or the ‘Period’).

Financial Highlights:

- *Revenue growth of 22.5% to £66.3 million (H1 2026: £54.2 million)*
- *Revenue per Principal up 14.5% to £133.8k (H1 2026: £116.8k)*
- *Adjusted PBT up 31.3% to £9.6 million (H1 2026: £7.3 million) representing an adjusted PBT margin of 14.5% (H1 2026: 13.6%)*
- *Adjusted basic EPS of 23.1p (H1 2026: 17.8p)*
- *Cash generated from operations up 19.2% to £8.1 million (H1 2026: £6.8 million) with operating cash conversion of 95.6% (H1 2026: 104.2%)*
- *Strong balance sheet with net cash of £10.5 million (H1 2026: £6.5 million)*
- *Declared interim ordinary dividend of 9.6p per share and special dividend of 15p (H1 2026: interim ordinary dividend 7.5p)*

Operational Highlights:

- *Ongoing operational strength underpins high-quality sustainable growth*
- *Maintained solid recruitment activities despite ongoing geo-political uncertainty*
 - *148 new applicants in the Period (H1 2026: 164)*
 - *23 high-calibre new Principals added bringing total Principals to 501 (31 January 2026: 491), reinforcing Keystone’s brand and market position*
- *Principals continue to grow their Pods with net growth of 18 other fee earners in the Period bringing total fee earners to 682 (31 January 2026: 654)*
- *Extended AI capabilities with rollout of CoCounsel Legal, a professional-grade generative AI tool specifically designed for the legal industry, complementing additional AI tools deployed in FY2026*
- *Completed brand refresh, launching new website alongside the production of extensive marketing collateral*
- *Central office team continues to provide service delivery excellence*

Current Trading and Outlook:

- *The Group has made a positive start to H2 2027*
- *The Board now expects that Keystone will deliver FY 2027 revenue comfortably ahead and profits materially ahead of current market expectations⁽¹⁾,*

(1) Management understand market expectations prior to this announcement for FY2027 to be: revenue £123m, adjusted PBIT £13.8 and adjusted PBT £15.8m.

James Knight, Chief Executive Officer of Keystone, commented:

“I am extremely pleased with Keystone’s performance in the Period. Strong demand across the business, continued recruitment of high-calibre lawyers and disciplined investment in our platform have delivered excellent financial performance and further strengthened our market-leading position.

We continue to invest in our technology, brand and community, including the rollout of further market-leading AI tools, to ensure our lawyers have the infrastructure and support they need to grow and sustain successful practices. With a strong

first half and an encouraging start to H2, we remain confident in Keystone's ability to deliver sustainable long-term growth."

Analyst Briefing

A virtual meeting for sell-side analysts will be held virtually at 9.30 a.m. on Monday, 14 September 2026. Sell-side analysts wishing to attend this event can register via email at: keystonelaw@vigoconsulting.com

Retail Investor Presentation

Keystone's management team will provide a separate presentation and Q&A for retail investors at 1.00 p.m. on Tuesday, 15 September 2026.

The presentation will be hosted on the Investor Meet Company platform, where questions can be submitted pre-event up until 9.00 a.m. on the day before the meeting, or at any time during the live presentation.

Investors can register for free and subscribe to alerts on Keystone by visiting:

www.investormeetcompany.com/keystone-law-group-plc/register-investor

Investors who already follow Keystone on the Investor Meet Company platform will automatically be invited.

For further information please contact:

Keystone Law Group plc

James Knight, Chief Executive Officer

Ashley Miller, Finance Director

www.keystonelaw.com

+44 (0) 20 3319 3700

Panmure Liberum Limited (Nominated Adviser and Joint Broker)

Atholl Tweedie (Corporate Finance)

Rupert Dearden (Corporate Broking)

www.panmureliberum.com

+44 (0) 20 7886 2500

Investec Bank plc (Joint Broker)

Carlton Nelson

James Rudd

www.investec.co.uk

+44 (0) 20 7597 5970

Vigo Consulting (Financial Public Relations)

Jeremy Garcia

Fiona Hetherington

keystonelaw@vigoconsulting.com

+44 (0)207 390 0233

The information contained within this announcement is deemed to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("MAR").

Keystone (AIM: KEYS) the premier tech-enabled platform law firm. It is a highly scalable business with an organic growth strategy which has a proven record of delivering sustainable growth since its IPO in 2017. Ranked within the UK Top 100 law firms, Keystone provides conventional legal services in a £14bn addressable market through its differentiated platform model which has three defining characteristics:

- Lawyers have freedom, flexibility and autonomy, and are paid up to 75% of what they bill.
- Lawyers determine how, when and where they work, in contrast to the conventional law firm model.
- Lawyers are provided full infrastructure and support via its central office team, bespoke user-friendly IT platform, and network of colleagues and events.

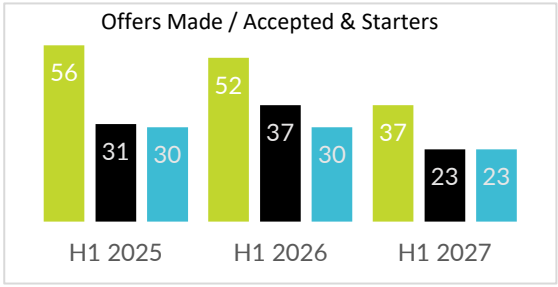
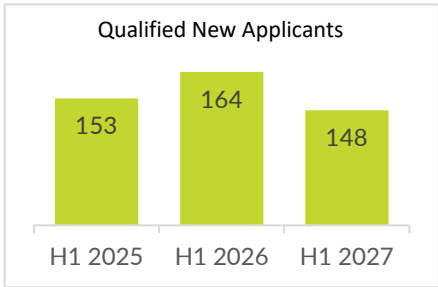
Keystone is a full-service law firm, with extensive experience across a wide range of sectors and specialisms. With over 500 high calibre self-employed Principal lawyers, supported by over 180 other fee earners, Keystone delivers dynamic services to its client base which ranges from fast growing start-ups to multinational corporations and high net worth individuals.

More information about Keystone can be found at www.keystonelaw.co.uk.

CHIEF EXECUTIVE OFFICER’S STATEMENT

I am delighted to report that the business has continued to trade strongly across the Period, delivering revenue growth of 22.5% and adjusted PBIT⁽¹⁾ growth of 31.6% year on year. We saw strong demand across the business, with activity in corporate and corporate restructuring over-indexing, which has driven revenue per Principal up to £133.8k, an increase of 14.5% on H1 2026. The strength of revenue growth has resulted in an increased adjusted PBIT margin of 12.3% (H1 2026: 11.4%), whilst the effect of interest rates being held has been that we have benefitted from net finance income of £1.5m, producing adjusted PBT⁽¹⁾ of £9.6m at a margin of 14.5% (H1 2026: £6.2m, 13.6%). The highly cash generative nature of our business model continues to underpin the high quality of earnings, with cash generated from operations increasing 19.2% to £8.1m.

The global geo-political uncertainty which has been persistent during the Period has resulted in a softer recruitment market, with candidate movement across the market reduced from the levels experienced during FY2026.



Against this backdrop we delivered a robust performance in attracting talent, adding 23 high calibre new Principals during the Period taking the total number of Principals to 501 (31 January 2026: 491). Furthermore, the strong demand within the business has underpinned the confidence of our lawyers to continue to recruit strongly into their Pods, with 23 new Pod members joining taking the total number of fee earners to 682 (31 January 2026: 654).

As reported in our FY 2026 annual report and accounts, our ongoing implementation and adoption of AI tools and solutions is a natural extension of our established IT strategy, and we continue to embrace the opportunities which this presents for our business. Applying innovative technology solutions which genuinely enhance the user experience of both our lawyers and clients is a part of the Keystone DNA. Having successfully deployed a secure enterprise grade version of ChatGPT and Claude as well as the Netdocuments generative AI tool during FY 2026, we have continued to extend the suite of AI tools available to our lawyers, successfully rolling out CoCounsel Legal (“CoCounsel”) during the Period. As a leading generative AI tool specifically designed to work for the legal industry, CoCounsel’s major differentiating factor is its ability to access not only open-source data but, more importantly, it accesses the extensive, market leading, legal knowledge databases owned by Thomson Reuters. This roll out builds on the successes of last year and we have seen an increasing level of uptake and utilisation of these AI solutions.

We firmly believe that it is only through the active promotion and ongoing training that the business will reap the full benefits of these tailored applications. Accordingly, we continue to invest in supporting both new and existing users to help them leverage the advantages these new solutions provide.

H1 2027 saw the culmination of our brand refresh project with the successful launch of our new website alongside the production of the extensive marketing collateral. This has significantly enhanced the visual perception of our brand, aligning it more accurately with the position which Keystone now occupies in the legal marketplace and amongst our peers.

Outside of these projects, the central office team has continued to drive the business forwards, delivering exceptional support to all aspects of our lawyers’ working lives. We continue to invest in all elements of the business to ensure that we remain the standout choice of those high calibre lawyers we wish to attract and retain. As the market leading Premier platform law firm, “business as usual” for Keystone’s central office team is a process of constant investment and improvement across all aspects of the business, underpinning the delivery of sustainable ongoing long-term success.

I would like to take this opportunity to thank my colleagues, both the lawyers and across the central office team, for their passion and dedication, which continues to drive the business forwards and has made these results possible.

Dividend and Capital Allocation

I am pleased to announce that the Board has declared an interim ordinary dividend of 9.6p per share as well as a special dividend of 15p per share. These dividends will be payable on 16 October 2026 to shareholders on the register on 25 September 2026, and the shares will go ex-dividend on 24 September 2026.

In May, we carried out a £1.5m on-market share buy-back programme. The objective of this programme was to buy sufficient shares to meet the Group's commitment under the Long Term Incentive Plan this year, thus avoiding any dilution that would otherwise arise through the issue of new shares. Having met these obligations, the small surplus of shares acquired (43,993 shares) were cancelled.

Summary and outlook

We are delighted with these strong results, underpinned by very strong financials, high quality, sustainable growth which continues to drive the business forwards and reinforces our market leading position.

We remain positive about our ongoing success, despite the global geo-political uncertainty which continues to persist.

In light of the successful performance of H1 2027, together with the encouraging start we have had to H2 2027, the Board now expects that Keystone will deliver revenue comfortably ahead and adjusted profits materially ahead of current market expectations⁽²⁾ for FY 2027.

James Knight

Chief Executive Officer

11 September 2026

(1) Adjusted PBIT and adjusted PBT are calculated using profit before tax and adding back amortisation in the prior period and share-based payments for all periods.

(2) Management understands current market expectations for FY 2027 to be revenue of £123m and adjusted PBIT and adjusted PBT of £13.8m and £15.8m respectively.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the period ended 31 July 2026

		6 months to July 2026 (Unaudited) £	6 months to July 2025 (Unaudited) £
	Note		
Revenue		66,348,606	54,151,537
Cost of sales		(49,435,074)	(40,358,020)
Gross profit		16,913,532	13,793,517
Trade receivables impairment		(1,108,171)	(265,266)
Corresponding reduction in trade payables		809,814	180,059
		(298,357)	(85,207)
Administrative expenses	2	(8,265,070)	(7,211,696)
Depreciation	2	(346,214)	(346,456)
Share-based payments	2	(392,136)	(408,852)
Other operating income		145,562	43,461
Operating profit		7,757,317	5,784,767
Finance income		1,766,223	1,578,727
Finance costs		(280,213)	(431,834)
Profit before tax		9,243,327	6,931,660
Corporation tax expense		(2,326,443)	(1,724,898)
Profit and total comprehensive income for the period attributable to equity holders of the Parent		6,916,884	5,206,762
Basic EPS (p)	1	21.8	16.5
Diluted EPS (p)	1	21.4	16.2

The above results were derived from continuing operations.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 July 2026

		31 July 2026	31 July 2025	31 January 2026
		(Unaudited)	(Unaudited)	(Audited)
	Note	£	£	£
Assets				
Non-current assets				
Property, plant and equipment				
– Owned assets		553,645	690,053	629,880
– Right-of-use assets		1,278,058	1,741,680	1,509,869
Total property, plant and equipment		1,831,703	2,431,733	2,139,749
Intangible assets		4,807,411	4,807,411	4,807,411
Investments		313,738	129,350	313,738
		6,952,852	7,368,494	7,260,898
Current assets				
Trade and other receivables	3	37,905,294	30,043,484	32,787,578
Corporation tax		–	–	37,179
Cash and cash equivalents		10,462,544	6,505,516	9,744,084
		48,367,838	36,549,000	42,568,841
Total assets		55,320,690	43,917,494	49,829,739
Equity and liabilities				
Equity				
Share capital		63,346	63,435	63,435
Share premium		9,920,760	9,920,760	9,920,760
Share-based payments reserve		607,086	968,590	1,411,055
Retained earnings		10,485,676	5,827,556	9,301,975
Equity attributable to equity holders of the Parent		21,076,868	16,780,340	20,697,225
Non-current liabilities				
Lease liabilities		819,194	1,320,595	1,072,496
Provisions		1,227,354	1,198,130	1,340,830
		2,046,548	2,518,725	2,413,326
Current liabilities				
Trade and other payables		30,983,653	23,942,119	26,124,340
Lease liabilities		594,848	594,848	594,848
Corporation tax liability		618,773	81,462	–
		32,197,274	24,618,429	26,719,188
Total liabilities		34,243,821	27,137,154	29,132,514
Total equity and liabilities		55,320,690	43,917,494	49,829,739

The interim statements were approved and authorised for issue by the Board of Directors on 11 September 2026 and were signed on its behalf by:

A Miller

Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 31 July 2026

	Attributable to equity holders of the Parent				
	Share capital	Share premium	Share-based payment reserve	Retained earnings	Total
	£	£	£	£	£
At 31 January 2025 (audited)	63,186	9,920,760	1,276,080	9,102,454	20,362,480
Profit for the period and total comprehensive income	—	—	—	5,206,762	5,206,762
Transactions with owners					
Share-based payments vesting	249	—	(716,345)	716,345	249
Share-based payments awards	—	—	408,852	—	408,852
Dividends paid	—	—	—	(9,198,002)	(9,198,002)
At 31 July 2025 (unaudited)	63,435	9,920,760	968,590	5,827,556	16,780,340
Profit for the period and total comprehensive income	—	—	—	5,853,214	5,853,214
Transactions with owners					
Share-based payments vesting	—	—	—	—	—
Share-based payments awards	—	—	442,468	—	442,468
Dividends paid	—	—	—	(2,378,798)	(2,378,798)
At 31 January 2026 (audited)	63,435	9,920,760	1,411,055	9,301,975	20,697,225
Profit for the period and total comprehensive income	—	—	—	6,916,884	6,916,884
Transactions with owners					
Share-based payments vesting	—	—	(1,196,105)	1,196,105	—
Share-based payments awards	—	—	392,136	—	392,136
Purchase of own shares into treasury	—	—	—	(1,510,556)	(1,510,556)
Cancellation of shares	(89)	—	—	—	(89)
Dividends paid	—	—	—	(5,418,732)	(5,418,732)
At 31 July 2026 (unaudited)	63,346	9,920,760	607,086	10,485,676	21,076,868

CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 31 July 2026

		6 months to July 2026 (Unaudited) £	6 months to July 2025 (Unaudited) £	Year ended 31 January 2026 (Audited) £
	Note			
Cash flows from operating activities				
Profit before tax		9,243,327	6,931,660	14,671,612
Adjustments to cash flows from non-cash items				
Depreciation	2	346,214	346,056	691,074
Share-based payments		392,136	408,852	851,320
Revaluation of investment		–	–	(184,388)
Finance income		(1,766,223)	(1,578,727)	(3,196,726)
Finance costs		280,213	431,834	788,676
		8,495,667	6,539,675	13,621,568
Working capital adjustments				
(Increase) in trade and other receivables		(5,117,716)	(1,717,939)	(4,462,033)
Increase in trade and other payables		4,859,313	1,956,881	4,139,102
(Decrease) / Increase in provisions		(113,475)	35,895	178,595
Cash generated from operations		8,123,789	6,814,512	13,477,232
Interest paid on client balances		(236,092)	(377,191)	(684,708)
Interest portion of lease liability		(44,121)	(54,643)	(103,968)
Corporation taxes paid		(1,670,492)	(1,670,492)	(3,675,873)
Cash generated from operating activities		6,173,084	4,712,186	9,012,683
Cash flows from/(used in) investing activities				
Interest received		1,766,223	1,578,727	3,196,726
Purchases of property, plant and equipment		(38,170)	(32,432)	(85,068)
Net cash generated from/(used in) investing activities		1,728,053	1,546,295	3,111,658
Cash flows from financing activities				
Proceeds from issue of ordinary shares		–	248	249
Proceeds from LTIP vesting shares issued from treasury		448	–	–
Purchase of own shares into treasury		(1,510,566)	–	–
Lease repayments		(253,827)	(251,383)	(490,878)
Dividends paid		(5,418,732)	(9,189,002)	(11,576,800)
Net cash (used in) financing activities		(7,182,677)	(9,440,137)	(12,067,429)
Net (decrease)/increase in cash and cash equivalents		718,460	(3,181,656)	56,912
Cash at 1 February		9,744,084	9,687,172	9,687,172
Cash at 31 July		10,462,544	6,505,516	9,744,084

NOTES TO THE INTERIM REPORT

1. GENERAL INFORMATION

The Company was incorporated as Keystone Law Group Limited on 13 May 2014 under the Companies Act 2006 (registration no. 09039092) and subsequently used as the vehicle to acquire Keystone Law Limited (the main trading company in the Group) and its subsidiaries on 17 October 2014. The Company was re-registered as a Public Limited Company on 10 November 2017. The Company was incorporated and is domiciled in England and Wales. The principal activity of the Group is the provision of legal services. The address of its registered office is: 48 Chancery Lane London WC2A 1JF.

The Interim Report is presented in Pounds Sterling, being the functional currency of the companies within the Group.

ACCOUNTING POLICIES

STATEMENT OF COMPLIANCE

The Interim Report has been prepared in accordance with the recognition and measurement principles of UK-adopted International Accounting Standards.

BASIS OF PREPARATION

The Interim Report does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The Group's statutory financial statements for the year ended 31 January 2026 have been filed with the Registrar of Companies. The auditor's report on those financial statements was unqualified and did not contain a statement under Section 498 (2) or (3) of the Companies Act 2006. The Interim Report information has been prepared in accordance with the recognition and measurement principles of UK adopted International Accounting Standards, and on the same basis, and using the same accounting policies, as used in the financial statements for the year ended 31 January 2026.

The Interim Report has not been audited or reviewed, in accordance with the International Standard on Review Engagement 2410 (UK) issued by the Financial Reporting Council ("FRC").

GOING CONCERN

The Interim Report has been prepared on a going concern basis as the Directors have reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. The Group has no debt, is strongly cash generative and has a strong trading performance. The Group's forecasts and projections show that the Group has sufficient resources for both current and anticipated cash requirements.

ACCOUNTING DEVELOPMENTS

There have been no new standards or interpretations relevant to the Group's operations applied in the Interim Report for the first time.

ADJUSTED PBT

Adjusted PBT is utilised as a key performance indication for the Group and is calculated as follows:

	6 months to July 2026 (Unaudited) £'000	6 months to July 2025 (Unaudited) £'000
Profit before tax	9,243	6,932
Share-based payments	392	409
Adjusted PBT	9,635	7,341

EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit for the period by the weighted average number of ordinary shares outstanding during the period. The weighted average number of shares in the period was 31,669,151 (H1 2026: 31,625,863) and the basic earnings per share was 21.8p (H1 2026: 16.5p). Diluted earnings per share is calculated by dividing the same profit by the weighted average number of ordinary shares, taking into account the dilution effect from grants made under the Long-Term Incentive Plan (32,255,277 ; H1 2026: 32,210,899). Diluted earnings per share was 21.4p (H1 2026: 16.2p).

The adjusted earnings per share was 23.1p (H1 2026: 17.8p), whilst the diluted adjusted earnings per share was 22.7p (H1 2026: 17.4p). Adjusted earnings are stated by making the same adjustments to earnings as those made in calculating adjusted PBT.

2. EXPENSES BY NATURE

	6 months to July 2026 (Unaudited) £	6 months to July 2025 (Unaudited) £
Expenses are comprised of:		
Depreciation – right-of-use assets	231,810	232,050
Depreciation – other	114,404	114,406
Staff costs	4,427,645	3,907,870
Share-based payments	392,136	408,852
Other administrative expenses	4,690,379	4,104,844
	9,856,374	8,768,022

Included within staff costs above are the costs of employed fee earners who are included within cost of sale (H1 2027: £852,954; H1 2026: £801,018).

3. TRADE AND OTHER RECEIVABLES

	31 July 2026 (Unaudited) £	31 July 2025 (Unaudited) £	31 January 2026 (Audited) £
Trade receivables	24,550,726	19,060,337	21,102,102
Provision for impairment of trade receivables	(6,675,704)	(5,497,587)	(6,675,704)
Net trade receivables	17,875,022	13,562,750	14,426,398
Accrued income	15,988,731	13,533,029	14,656,053
Prepayments	2,040,590	1,305,226	1,959,022
Unbilled disbursements	1,429,652	1,022,206	951,433
Reimbursement asset	330,975	478,311	538,148
Other receivables	240,323	141,963	256,524
Total current trade and other receivables	37,905,293	30,043,484	32,787,578
Net trade receivables average age (days) (unaudited)	33	33	35

4. DIVIDENDS

The Directors have declared an interim ordinary dividend of 9.6p per share and a special dividend of 15p per share (H1 2026: interim ordinary dividend of 7.5p per share). The dividends will be paid on 16 October 2026 to shareholders on the register on 25 September 2026, with the shares going ex-dividend on 24 September 2026. In accordance with IAS10 “events after the balance sheet date”, these dividends have not been reflected in the Interim Report.

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48 Chancery Lane London WC2A 1JF

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