PRESS RELEASE
Secure Trust Bank PLC
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SECURE TRUST BANK PLC

Strong H1 performance; on track for FY 2026 guidance

Secure Trust Bank PLC ('STB' or the 'Group'), a leading specialist bank, today announces its interim results for the six months ended 30 June 2026.

CEO Ian Corfield said:

"In March this year, we set out a new set of strategic priorities and medium-term targets for delivery in FY 2028. I am pleased with the Group's growth in lending, profits and returns in the first half of 2026, which already reflects strong execution against our plans and reinforces confidence in our medium-term targets. The actions we have taken to reposition the Group for sustainable growth and improved returns are delivering results and strengthening our ability to serve customers better and create long-term value for shareholders. The Group remains on track to achieve its FY 2026 guidance."

Financial Summary[1]

	Six months to 30 June 2026	Six months to 30 June 2025	Change
Adjusted[2] profit before tax	**£31.3m**	£28.6m	9.4%
Total profit before tax	**£31.4m**	£22.3m	40.8%
Adjusted[2] return on required equity ('RORE[3]')	**14.5%**	13.9%	60 bps
Total return on average equity ('ROAE')	**12.3%**	9.2%	310 bps
Risk adjusted margin	**4.2%**	4.2%	-
Adjusted[2] cost income ratio	**46.5%**	45.5%	100 bps
Cost income ratio	**48.2%**	46.5%	170 bps
Adjusted[2] basic earnings per share	**126.4p**	112.2p	12.7%
Total basic earnings per share	**126.4p**	87.6p	44.3%
Interim dividend per share	**12.4p**	11.8p	5.1%
	30 June 2026	31 December 2025	Change
Net lending balances	**£3.5bn**	£3.3bn	4.9%
Common Equity Tier 1 ('CET 1') ratio	**14.3%**	12.9%	140 bps

2026 interim highlights[1]

- Adjusted[2] profit before tax increased by 9.4%, reflecting growth in net lending balances and stable risk adjusted margins

- Total profit before tax increased by 40.8%, reflecting improved profitability and reduced losses from the discontinued Vehicle Finance business
- Adjusted[2] RORE[3] increased by 60 bps due to income growth from a 4.9% increase in net lending, with growth in the Group's core product suite supported by new product initiatives
- Risk adjusted margin remained stable at 4.2% due to continued pricing discipline and a lower cost of risk at 0.9% (30 June 2025: 1.0%)
- Adjusted[2] cost income ratio of 46.5% is in line with 2026 guidance with £5.5 million of cost savings delivered in the first half of the year; annualised run rate of savings of £15 million[4]
- CET 1 ratio increased by 140 bps following the exit from Vehicle Finance
- Share buyback programme underway, expected to deliver £10 million by the end of 2026, with the first £5 million tranche complete

2026 guidance unchanged	Target
Net lending	8-10% growth
Risk adjusted margins	c. 10 bps improvement
Costs	Cost income ratio c.47%
Capital	Common Equity Tier 1 ratio c.13.5%
Distributions	Progressive dividend policy maintained Launch £10 million buyback programme
Discontinued activities	Break even profit before tax before adjusting items

Medium-term targets unchanged	
Annual growth in net lending	c.10%
Return on Average Equity	>16%

The Group has made good progress against its strategy and the new set of strategic priorities set out in March this year.

Targeted growth for higher returns

Product Expansion

- Secured partnerships with Magnet and Centrica British Gas in Retail Finance and 19 smaller home improvement retailers onboarded
- In Business Finance, £40 million of Bridging loans originated and newly formed Speciality Finance team generating H2 pipeline
- Launched new base rate tracker product and signed first deposit aggregator relationship

Effective Digital Solutions

- Bridging digital application portal launched
- Over 660,000 users registered for the Retail Finance app (31 December 2025: 475,000+)
- Enhanced automation in Savings, reducing time-to-market for new products

Capital Discipline

- £10 million share buyback programme received regulatory approval, with the initial £5 million tranche complete and the second £5 million tranche planned for H2
- 4.9% lending growth at stable risk adjusted margins

Footnotes:

1 Unless otherwise stated, metrics refer to continuing results, which include the Retail and Business Finance businesses and Central operations. Total results include continuing and discontinued activities. Discontinued activities include the Vehicle Finance business.

2 Adjusted metrics exclude adjusting items in the continuing business of £1.4 million in H1 2026 (H1 2025: £0.8 million). Adjusting items in H1 2026 comprised £0.9 million relating to the cost management programme and £0.5 million relating to changes in senior leadership. Adjusting items in H1 2025 comprised £0.8 million of one-off transformational and strategic costs.

3 Adjusted RORE normalises equity to the Group's 13.0% CET 1 ratio medium-term ambition and therefore excludes the impact of surplus capital.

4 Annualised run-rate savings are based on a reduction in full-time employees from c.845 to c.650 effective 1 July 2026 following the exit from Vehicle Finance.

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About STB

STB is an established, well-funded and capitalised UK retail bank with a more than 72-year trading track record. STB operates principally from its head office in Solihull, West Midlands. The Group's diversified lending portfolio focuses on two lending sectors, with multiple product verticals, supported by a strong deposits franchise:

(i) Business Finance, and

(ii) Retail Finance through its V12 brand.

Secure Trust Bank PLC is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Secure Trust Bank PLC, Yorke House, Arleston Way, Solihull, B90 4LH.

Certain key performance indicators and performance metrics represent alternative performance measures that are not defined or specified under IFRS. Definitions of these alternative performance measures, their calculation and an explanation of the reasons for their use can be found in the Appendix to the Interim Report.

All key performance indicators are presented on a continuing basis, unless otherwise stated. Adjusted metrics exclude certain non-recurring costs. Further information on adjusting items is included in the Financial Review and discontinued operations is included in Note 7 to the Interim Financial Statements.

'Secure Trust Bank PLC', 'STB' and the 'Group' refer to Secure Trust Bank PLC together with its subsidiaries.

Forward-looking statements

This document contains forward-looking statements about the business, strategy and plans of STB and its current objectives, targets and expectations relating to its future financial condition and performance. Statements that are not historical facts, including statements about STB's or management's beliefs and expectations, are forward-looking statements. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. STB's actual future results may differ materially from the results expressed or implied in these forward-looking statements as a result of a variety of factors. These include economic and business conditions, risks from failure of clients, customers and counterparties, market-related risks including interest rate risk, risks regarding market conditions outside STB's control, expected credit losses in certain scenarios involving forward-looking data, operational risks, legal, regulatory, or governmental developments, and other factors. The forward-looking statements contained in this announcement are made as of the date of this document, and (except as required by law or regulation) STB undertakes no obligation to update any of its forward-looking statements.

About us

Vision

To be the most trusted specialist lender in the UK

Purpose

To help more consumers and businesses fulfil their ambitions

Strategy

Targeted growth for higher returns

Strategic priorities

Product expansion Driving growth through diversification of product offering	**Effective digital solutions** Scalable, flexible technology enables efficiencies, widens distribution and enhances customer journey	**Capital discipline** Capital allocation decisions informed by business credit expertise and data insights

Our medium-term targets

c.10% Annual net lending growth	**> 16%** Return on average equity

Strengths

Specialist	**Expert**	**Diverse**	**Ambitious**

Values

Customer Focused	**Risk Aware**	**Future Orientated**	**Teamwork**	**Ownership**	**Performance Driven**

Stakeholders

Customers	**Shareholders and Investors**	**Employees**	**Business Partners**	**Regulators**	**Community and Society**

Chief Executive's statement

"Positive progress against strategic priorities; clear pathway to higher returns"

In March 2026, we set out our revised strategic priorities, focused on delivering targeted growth for higher returns. These priorities are underpinned by three pillars; product expansion, effective digital solutions and capital discipline. Alongside this, we announced two medium-term targets for delivery by FY 2028; over 16% return on average equity ('ROAE') supported by net lending growth at c.10% per annum.

The first half of 2026 has demonstrated clear progress against these priorities. Growth has been targeted, disciplined and quality-led, with new product pipeline opportunities converting and complementing continued momentum in existing products. Cost discipline remains central to delivering higher returns, and execution against our cost management programme is progressing well. Strategic investments are also underway as planned, supporting growth that is accretive to returns.

The sale of the Consumer Vehicle Finance business, with customers migrated in May, has further supported a robust capital position. As a result, we have commenced a £10 million share buyback programme to be delivered by the end of 2026, with the first £5 million tranche launched at the end of June 2026 and now complete. Taken together, the actions delivered in the period reinforce our strategy to reshape the Group into a more focused, higher-returning organisation with a strong platform for sustainable shareholder value creation.

Financial results[1]

Adjusted[2] profit before tax, which excludes costs relating to our cost management programme and senior leadership changes, has increased by 9.4% to £31.3 million (30 June 2025: £28.6 million). This reflected higher average lending balances, and a stable risk adjusted margin. Total profit before tax increased by 40.8% to £31.4 million (30 June 2025: £22.3 million), including an £11.9 million profit on sale of the Consumer Vehicle Finance business, resulting in a modest profit contribution from discontinued operations in the period.

Adjusted[2] operating costs increased from £36.3 million to £39.5 million, with adjusted[2] cost income ratio at 46.5% (30 June 2025: 45.5%), in line with 2026 guidance. The increase primarily reflects the reallocation of some central costs following the exit of Vehicle Finance and continued investment in growth initiatives. Operating costs were £40.9 million (30 June 2025: £37.1 million), including £1.4 million associated with the delivery of our cost management programme and senior leadership changes, which will help position the business to be fit for future growth and efficiency.

Net interest margin remained stable at 4.7% (30 June 2025: 4.7%), reflecting continued pricing discipline in the first half of the year. Asset quality improved in Business Finance, with impairment charges largely attributable to one legacy case. Retail Finance continued to deliver resilient credit performance and high-quality loan origination, despite a more challenging macroeconomic environment. Cost of risk improved to 0.9% (30 June 2025: 1.0%), with risk adjusted margin stable at 4.2% (30 June 2025: 4.2%).

The Group delivered 4.9% loan book growth to £3.5 billion (31 December 2025: £3.3 billion), leveraging a diversified product suite across a simplified set of lending divisions to deploy capital effectively. Growth was supported by our expansion into home improvements in Retail Finance and our Bridging proposition in Business Finance.

Following the sale of the Consumer Vehicle Finance business in February, funding requirements were lower in the first half of the year, leading to a reduction in deposits of 7.9% to £3.2 billion (31 December 2025: £3.5 billion). The sale also released £293.9 million of risk-weighted assets, with the capital redeployed in investment into our lending divisions and a share buyback programme. The Group maintains strong capital ratios, with the Common Equity Tier 1 (‘CET 1’) ratio increasing to 14.3% (31 December 2025: 12.9%), and c.30 bps of capital returned to shareholders through our share buyback programme and an interim dividend.

The actions taken in the first half of the year improved shareholder returns. Adjusted[2] return on required equity, which normalises equity to the Group’s 13.0% CET 1 medium-term ambition and therefore excludes the impact of surplus capital, was 14.5% (30 June 2025: 13.9%). Total return on average equity improved to 12.3% (30 June 2025: 9.2%), reflecting reduced losses from the now discontinued Vehicle Finance business.

The Board has approved an increased interim dividend of 12.4 pence per share (30 June 2025: 11.8 pence per share), in line with our progressive dividend policy, payable on 24 September 2026 to those shareholders on the register at the close of business on 28 August 2026.

Our unchanged 2026 guidance and medium-term targets are set out as follows, alongside our key performance indicators. Further details on our financial performance metrics and key performance indicators are included in the Financial review.

2026 guidance unchanged	
Net lending	8-10% growth
Risk adjusted margin	c.10 bps improvement
Costs	Cost income ratio c.47%
Capital	CET 1 ratio c.13.5%
Distributions	Progressive dividend policy maintained Launch £10 million buyback programme, subject to regulatory approval
Discontinued activities	Break even profit before tax before adjusting items

Medium-term targets unchanged	
Annual growth in net lending	c.10%
Return on average equity	>16%

Financial and non-financial Key Performance Indicators ('KPIs')[1]

	30 June 2026	30 June 2025	31 December 2025
Financial KPIs			
Loans and advances to customers (£ billion)	**3.5**	3.3	3.3
Why we measure this: Shows the growth in the Group's lending balances, which generate income			
Net interest margin (%)	**4.7**	4.7	4.7
Why we measure this: Shows the interest margin earned on the Group's lending balances, net of funding costs			
Risk adjusted margin (%)	**4.2**	4.2	4.2
Why we measure this: Shows the risk adjusted interest margin earned on the Group's lending balances, net of funding costs			
Adjusted[2] cost income ratio (%)	**46.5**	45.5	43.2
Why we measure this: Measures how efficiently the Group utilises its cost base, excluding non-recurring costs[2] to produce income			
Cost income ratio	**48.2**	46.5	45.2
Why we measure this: Measures how efficiently the Group utilises its cost base to produce income			
Cost of risk (%)	**0.9**	1.0	1.0
Why we measure this: Measures how effectively the Group manages the credit risk of its lending portfolios			
Adjusted[2] return on required equity (%)	**14.5**	13.9	15.1
Why we measure this: Measures the Group's ability to generate profit from the equity available to it, excluding non-recurring costs[2], normalised to the Group's 13% CET 1 ratio ambition			
Total return on average equity (%)	**12.3**	9.2	4.7
Why we measure this: Measures the Group's ability to generate profit from the equity available to it			
Common Equity Tier 1 ('CET 1') ratio (%)	**14.3**	12.6	12.9

Why we measure this: The CET 1 ratio demonstrates the Group's capital strength			
Non-Financial KPIs			
Customer Trustpilot ratings (Stars)	**4.8**	4.8	4.8
Why we measure this: Indicator of customer satisfaction with the Group's products and services			

Further explanation of the financial key performance indicators is discussed in the narrative within the Financial review.

Capital and funding

Funding requirements were lower during the period, and retail deposits remained the Group's principal source of funding. The Group remained well positioned to raise deposits in the market. The Group continued to use sale and repurchase agreements as part of its funding strategy, ending the period with a drawn balance of £175.0 million (31 December 2025: £200.0 million).

The Prudential Regulation Authority ('PRA') is expected to introduce the Basel 3.1 standards in January 2027. At the same time, the Strong and Simple capital regime for Small Domestic Deposit Taker ('SDDT') firms is expected to become available as an alternative to the full Basel 3.1 framework for smaller banks. The Group has assessed the expected impact of the Basel 3.1 and the PRA's SDDT Regime, and has reflected this assessment in its capital planning.

Strategic priorities

Our strategy of 'targeted growth for higher returns' is focused on delivering higher shareholder returns through three priorities: disciplined growth through product expansion; investment in digital solutions that improve efficiency, broaden distribution and strengthen customer journeys; and continued capital discipline through a robust capital allocation framework.

Product expansion

We operate in two large addressable lending markets and a sizeable deposit market, each of which provide meaningful opportunities for disciplined organic growth. By leveraging our established capabilities, distribution relationships, and operating platforms, we are expanding into adjacent products that are aligned with our risk appetite and accretive to returns.

In Retail Finance, we have demonstrated our ability to scale in our chosen point of sale consumer credit markets through a multi-sector retailer network of more than 800 partners. We are now applying this scale and operating leverage to the home improvements market, which we believe shares similar characteristics to our existing markets. As at the end of the period, we had signed 19 home improvement retailers and have subsequently secured two multi-year agreements with high-volume retailers, including Magnet and Centrica British Gas, with a strong pipeline of additional opportunities under development. This complements our existing diverse retailer network and strengthens our customer proposition, giving us access to c.1.3 million customers through household-name brands.

In Business Finance, we have fully recruited our Speciality Finance team and put in place the operational frameworks, including credit risk appetite and controls, to commence writing business. The team has a £35 million pipeline of opportunities, building on capabilities already established within our asset-based lending product line. Our Bridging product has launched, writing c.£40 million of deals in the first half of the year, demonstrating the agility and flexibility of the team to take advantage of market opportunities.

In Savings, we launched the Base Rate tracking notice account product in the second quarter, providing customers with a transparent pricing structure. In July, we signed a partnership with Hargreaves Lansdown as our first deposit aggregator relationship, making Secure Trust Bank savings products available to more than 2 million of their customers.

Effective digital solutions

Development of our Retail Finance eligibility checker commenced in the first half of the year. Once launched, it will provide customers with a transparent and easy to use service, helping them understand the products for which they may be eligible and the level of credit they may be able to access. This builds on the progress made through our Retail Finance app, which now has more than 660,000 registered customers (31 December 2025: 475,000+). Increased use of digital servicing, with 93.3% of customers managing their accounts online (31 December 2025: 91.6%), is improving customer journeys, while simplifying operations and supporting efficiency benefits.

In Business Finance, our Bridging portal is now live and supporting pipeline growth. By enabling digital application submissions, the portal improves processing efficiency and opens access to a significant untapped distribution channel, allowing our team to focus on the trusted relationships and specialist expertise that differentiate us in the market.

Process improvements and automation have significantly reduced the time to market for product updates in Savings. We now have the ability to relaunch products and carry out interest rate changes in under 90 minutes, compared with up to 48 hours previously. This improvement has increased operational agility, accelerated the delivery of customer enhancements, and enabled teams to respond more quickly to market demands.

During the first half of 2026, we completed the Vehicle Finance portfolio migration, enabling further technology simplification and legacy platform retirement. We also enhanced our enterprise data platform and expanded our use of AI such as the use of CourtCorrect to support complaint and dispute management. We have also taken further steps to progress modern payments and decisioning platforms to improve resilience, scalability and customer experience. Together, these initiatives support growth, efficiency and long-term technology capability.

Capital discipline

In accordance with our capital allocation framework, we launched an inaugural £10 million share buyback programme in June 2026. The programme reflects the Board’s confidence in the Group’s strategy, capital generation and long-term growth prospects. With an initial £5 million tranche complete, the Board intends to commence the second £5 million tranche in September 2026, when a further announcement will be made. The programme demonstrates our commitment to returning capital where it is value-accretive for shareholders.

Following the successful sale of our Consumer Vehicle Finance business in February 2026 and the completion of customer migration to the buyer’s loan servicer in May 2026, Group headcount has reduced from c.845 full-time employees at 30 June 2025 to c.650 full-time employees as at 1 July 2026. Our cost programme is designed to remove stranded costs associated with the former Vehicle Finance business and right size the cost base for the continuing Group. Runrate total cost savings from July 2026 are c.£15 million per annum, with total savings to be recognised in FY 2026 of c.£13.5 million. To achieve our target total cost savings of £25 million for FY 2028, we previously announced that an additional £12 million of total non-recurring costs would be incurred across 2026 to 2028, of which £1.8 million has been incurred by June 2026. Successful delivery of the cost programme will support our ambition to achieve a market-leading cost income ratio of 35-40% in the medium term.

Regulatory and legal developments

The Financial Conduct Authority's (‘FCA’) industry-wide compensation scheme, designed to reimburse customers who were treated unfairly by historical commission arrangements, is subject to legal challenge by four separate parties. The Upper Tribunal has suspended parts of the scheme, meaning firms are not currently required to calculate or pay redress until the legal process has concluded. Hearings are not expected to take place until late 2026 or early 2027. The Upper

Tribunal will review whether the FCA's proposed rules are lawful. While awaiting a decision, firms are expected to continue preparing the operational arrangements, identify relevant complaints and agreements, and gather supporting data. The Group has made no adjustment to the current provision and believes it remains adequately provided if the scheme were to be implemented in full.

Environmental, Social and Governance ('ESG')

Secure Trust Bank has undergone significant organisational change over the past year. Following the sale of the Consumer Vehicle Finance business, most Vehicle Finance colleagues have now left the Group. I would like to thank them for their contributions over many years, and for supporting a smooth transition with a continued focus on customer outcomes. I would also like to thank employees across the entire Group for their collaboration and professionalism during this period of change. Supporting our people remains a key component of our ESG agenda. Our key priority is now to ensure that our People strategy, under the stewardship of our new Chief People Officer, Vicki Baker, supports the Group's strategic ambitions, while fostering an inclusive, high-performing and adaptable workplace. We are focused on building a culture that enables transformation by encouraging agility, addressing challenges directly and maintaining a clear focus on outcomes that matter for the business and our customers.

The first half of 2026 also saw strong fundraising performance, with more than £85,000 raised for charities including Tŷ Hafan and Birmingham Children's Hospital. Colleagues across the Group continue to demonstrate a strong commitment to giving back and supporting work that can lead to meaningful change.

CFO succession

As announced in June, Rachel Lawrence will retire as Chief Financial Officer within the next 12 months. I would like to thank Rachel for the significant role she has played in transforming the Group. Alongside building a strong finance function, her strategic focus has been instrumental in simplifying the business, strengthening the capital position and positioning the Group for the next stage of strategic transformation. A process is underway to identify her successor, and Rachel will remain with the Group to support an orderly and seamless handover.

Outlook

The UK macroeconomic and political environment has remained volatile during the first half of the year. We continue to monitor the impact of global geopolitical tensions and domestic political developments on UK consumers and businesses. While the Group is not immune to external factors, credit quality and new business origination have remained resilient. We believe we are well placed to navigate current challenges and uncertainty, supported by our ability to make agile and disciplined decisions.

Our business model and customer proposition remains compelling. We operate in large addressable markets, with significant opportunities across our existing product suite and further potential to expand our customer base. Our continued focus on delivering operating leverage is expected to move the cost income ratio towards levels achieved by leading peers over the medium-term, providing a clear pathway to higher returns. The Group is now operating with a lower cost of risk, remains strongly capitalised and is actively returning capital through an ongoing value-accretive share buyback programme.

The first half of 2026 demonstrates clear execution against our strategic priorities and reinforces our confidence in the targets set out earlier in the year. We are laying the foundations to deliver our medium-term targets of c.10% annual net lending growth and return on average equity above 16%, while remaining on track against our 2026 guidance metrics.

Ian Corfield
Chief Executive Officer
Footnotes:

1. Unless otherwise stated, metrics refer to continuing results, which include the Retail and Business Finance businesses and Central operations. Total results include continuing and discontinued activities. Discontinued activities include the Vehicle Finance business.

2. Continuing adjusting items include £1.4 million of non-recurring costs: £0.9 million relates to the cost management programme and £0.5 million relates to senior leadership changes (30 June 2025: £0.8 million strategic investment).

Financial review

Income statement

	30 June 2026 Continuing £million	30 June 2026 Discontinued £million	30 June 2026 Total £million	Re-presented 30 June 2025 Continuing £million	Re-presented 30 June 2025 Discontinued £million	Re-presented 30 June 2025 Total £million
Interest income and similar income	149.4	0.4	149.8	149.4	38.4	187.8
Interest expense and similar charges	(70.6)	(2.6)	(73.2)	(76.4)	(12.4)	(88.8)
Net interest income	**78.8**	**(2.2)**	**76.6**	**73.0**	**26.0**	**99.0**
Fee and commission income	6.1	1.2	7.3	6.8	0.6	7.4
Fee and commission expense	–	(0.1)	(0.1)	(0.1)	–	(0.1)
Net fee and commission income	**6.1**	**1.1**	**7.2**	**6.7**	**0.6**	**7.3**
Operating income	**84.9**	**(1.1)**	**83.8**	**79.7**	**26.6**	**106.3**
Net impairment charge on loans and advances to customers	(14.7)	–	(14.7)	(14.9)	(16.0)	(30.9)
Other (losses)/gains	–	(0.1)	(0.1)	–	–	–
Fair value gains on financial instruments	0.6	–	0.6	0.1	–	0.1
Operating expenses	(40.9)	(9.2)	(50.1)	(37.1)	(16.1)	(53.2)
Profit/(loss) on disposal of loan portfolio	–	11.9	11.9	–	–	–
Profit/(loss) before income tax	**29.9**	**1.5**	**31.4**	**27.8**	**(5.5)**	**22.3**
Income tax (expense)/credit	(7.3)	(0.4)	(7.7)	(7.0)	1.4	(5.6)
Profit for the period	**22.6**	**1.1**	**23.7**	**20.8**	**(4.1)**	**16.7**
Basic earnings per share (pence)	120.6	5.8	126.4	109.1	(21.5)	87.6
Basic earnings per share (pence) – Adjusted	126.4	9.6	136.0	112.2	(17.3)	94.9

Continuing KPIs	30 June 2026 %	30 June 2025 %	Percentage point movement	31 December 2025 %
Net interest margin	4.7	4.7	–	4.7
Net revenue margin	5.1	5.1	–	5.2
Cost of funds	4.2	4.9	(0.7)	4.7
Adjusted cost to income ratio	46.5	45.5	1.0	43.2
Statutory cost to income ratio	48.2	46.5	1.7	45.2
Cost of risk	0.9	1.0	(0.1)	1.0
Risk adjusted margin	4.2	4.2	–	4.2
Adjusted return on required equity	14.5	13.9	0.6	15.1

Total return on average equity	12.3	9.2	3.1	4.7
Common Equity Tier 1 ('CET 1') ratio	14.3	12.6	1.7	12.9
Total capital ratio	16.6	14.8	1.8	15.2

Certain key performance indicators and performance metrics represent alternative performance measures that are not defined or specified under IFRS. Definitions of these alternative performance measures, their calculation and an explanation of the reasons for their use can be found in the Appendix to the Interim Report.

All key performance indicators are presented on a continuing basis, unless otherwise stated. Adjusted metrics exclude certain non-recurring costs. Further information on adjusting items is included in the Financial Review and discontinued operations is included in Note 7 to the Interim Financial Statements.

In the first half of 2026, the Group delivered continuing profit before tax of £29.9 million, up 7.6% on the prior period (30 June 2025: £27.8 million). Total profit before tax increased by 40.8% to £31.4 million (30 June 2025: £22.3 million), reflecting improved underlying performance and the profit recognised on the sale of the Consumer Vehicle Finance business.

On a continuing basis, net interest margin remained stable at 4.7% supported by 5.3% growth in average lending balances since 31 December 2025 (£3,184.3 million). Continuing operating costs increased by 10.2% to £40.9 million (30 June 2025: £37.1 million), or by 8.8% excluding adjusted items, resulting in an adjusted cost to income ratio of 46.5% (30 June 2025: 45.5%). Cost of risk improved by 0.1% to 0.9% (30 June 2025: 1.0%). The CET 1 ratio increased significantly to 14.3% (31 December 2025: 12.9%) following the sale of the Consumer Vehicle Finance business.

Total adjusted earnings per share rose from 94.9 pence per share to 136.0 pence per share. Total earnings per share rose from 87.6 pence per share (30 June 2025) to 126.4 pence per share. Detailed disclosures of earnings per ordinary share are shown in Note 6 to the Interim Financial Statements.

As a result of the increase in profit, total return on average equity increased from 9.2% (30 June 2025) to 12.3%. Adjusted return on required equity increased to 14.5% (30 June 2025: 13.9%).

The components of the Group's profit for the period are analysed in more detail in the following sections.

Continuing operations

Operating income

Operating income increased by 6.5% to £84.9 million (30 June 2025: £79.7 million). Net interest income on the Group's lending assets remains the largest component of operating income, increasing by 7.9% to £78.8 million (30 June 2025: £73.0 million). This was driven by a 5.3% growth in average net lending balances to £3,353.6 million (31 December 2025: £3,184.3 million).

The Group's net interest margin was maintained at 4.7% (30 June 2025: 4.7%) with the cost of funds reducing by 0.7 percentage points since the first half of 2025. The Bank of England Base Rate held at 3.75% during H1 2026 compared to H1 2025 where the rate started at 4.75% and ended the period at 4.25%.

Other income, which relates to net fee and commission income, decreased by 10.3% to £6.1 million (30 June 2025: £6.8 million) due to lower fees generated by Asset Based Lending.

Impairment charge

Impairment charges reduced by £0.2 million to £14.7 million (30 June 2025: £14.9 million) resulting in a small improvement to the cost of risk to 0.9% (30 June 2025: 1.0%). The H1 2026 charge included additional charges of £1.7 million from the refresh of macroeconomic inputs to the IFRS 9 Expected Credit Loss ('ECL') models, reflecting a worsening in the UK economic outlook in the first half of 2026. Despite this, the cost of risk remained stable across both divisions: Retail Finance maintained a cost of risk of 1.4% and Business Finance improved from 0.6% to 0.5% respectively. Retail Finance has continued to originate high-quality loans, while Business Finance is managing the credit risk of clients within a difficult trading environment.

The forecast economic assumptions within each IFRS 9 scenario, and the weightings applied, are set out in more detail in Note 10.1.1 to the Interim Financial Statements.

The Group has applied Expert Credit Judgements ('ECJs') underlays totalling £1.0 million to reduce IFRS 9 provisions (30 June 2025: £0.5 million) where management believes the IFRS 9 modelled output does not fully reflect current risks within the loan portfolios. Further details of these ECJs are included in Note 10 to the Interim Financial Statements.

Fair value and other gains on financial instruments

The Group has highly effective hedge accounting relationships and, as a result, recognised a small hedging ineffectiveness gain of £0.3 million (30 June 2025: £0.1 million loss) and £0.5 million gain (30 June 2025: £0.2 million loss) relating to hedge accounting inception and amortisation adjustments (see Note 4 to the Interim Financial Statements). The Group also recognised a £0.2 million loss (30 June 2025: £0.4 million gain) relating to interest rate swaps being entered into ahead of hedge accounting becoming available, which will reverse to the income statement over the remaining life of the swaps. During the first half of the year, the Group purchased UK Government Gilts which have been included within hedge accounting relationships.

Operating expenses

Operating expenses increased by 10.2% to £40.9 million (30 June 2025: £37.1 million), resulting in a cost income ratio of 48.2% (30 June 2025: 46.5%). The increase primarily reflects the reallocation of certain central costs following the exit of Vehicle Finance and continued investment in growth initiatives. Operating expenses include £1.4 million of non-recurring costs, comprising £0.9 million relating to the cost management programme and £0.5 million relating to senior leadership changes (30 June 2025: £0.8 million, strategic investment). Excluding these items, the adjusted cost income ratio was 46.5% (30 June 2025: 45.5%).

Discontinued operations

On 2 July 2025, the Group announced new lending in Vehicle Finance would cease. At 31 December 2025 the Vehicle Finance business was classified as discontinued, with the Consumer Vehicle Finance business being sold on the 25 February 2026 to funds managed by LCM Partners. The migration of customers successfully completed in May 2026. The sale of the Consumer Vehicle Finance business resulted in reduced interest income, however the Group continued to service the loan book until 31 May 2026 leading to a growth in fee and commission income to £1.2 million (30 June 2025: £0.6 million).

No further amounts have been recognised in respect of the FCA's industry wide compensation scheme for historical commission arrangements in the motor finance market, and which is subject to legal challenges (30 June 2025: £nil).

The sale of the Consumer Vehicle Finance portfolio generated a profit on sale of £11.9 million which included transaction costs, costs relating to the write-off of associated assets, onerous contracts, the impact of exiting hedge relationships and migration costs. In H2 2025 £0.6 million of transaction costs were incurred.

Taxation

The total effective tax rate was 24.5% which was broadly in line with the statutory rate (30 June 2025: 25.1%).

Adjusting items

	30 June 2026 £million	30 June 2025 £million	31 December 2025 £million
Continuing operations			
Senior leadership changes	0.5	–	2.5
Cost management programme	0.9	–	–
Strategic investment	–	0.8	0.8
Total continuing operations	**1.4**	**0.8**	**3.3**
Discontinued operations			
Motor finance commissions	–	–	16.4
Exit from Vehicle Finance	0.9	–	5.0
Borrowers in financial difficulty Vehicle Finance collections review	–	1.0	2.1
Total discontinued operations	**0.9**	**1.0**	**23.5**
Total adjusting items	**2.3**	**1.8**	**26.8**

Distributions to shareholders

The Board has approved an interim dividend of 12.4 pence per share (30 June 2025: 11.8 pence per share).

Balance sheet

Summarised balance sheet	30 June 2026 £million	30 June 2025 £million	31 December 2025 £million
Assets			
Cash and balances at central banks	317.5	385.9	528.1
Loans and advances to banks	20.8	28.8	36.8
Debt securities	101.5	–	1.0
Loans and advances to customers	3,456.6	3,272.2	3,295.8
Loans and advances to customers – Discontinued[1]	–	556.6	390.8
Fair value adjustment for portfolio hedged risk	0.8	6.3	7.3
Derivative financial instruments	0.4	6.6	0.2
Other assets	56.2	31.5	56.0
	3,953.8	**4,287.9**	**4,316.0**
Liabilities			
Due to banks	184.1	261.0	205.9
Deposits from customers	3,231.2	3,510.1	3,509.6
Fair value adjustment for portfolio hedged risk	(5.1)	4.7	4.7
Derivative financial instruments	–	2.6	0.1
Tier 2 subordinated liabilities	93.5	93.3	93.5
Other liabilities	61.0	42.1	127.9
	3,564.7	**3,913.8**	**3,941.7**

1. Vehicle Finance portfolio classified as 'Held for Sale' in 31 December 2025, and 'Loans and Advances to Customers' in June 2025.

New business

New lending for continuing businesses in the first half of 2026 decreased by 1.6% to £1,066.2 million (30 June 2025: £1,083.0 million), driven by Business Finance.

New business volumes	30 June 2026	30 June 2025	Change %
Retail Finance	751.9	708.1	6.2
Business Finance	314.3	374.9	(16.2)
Continuing businesses	**1,066.2**	**1,083.0**	**(1.6)**

Customer lending

Net lending from continuing operations grew by 4.9% to £3,456.6 million (31 December 2025: £3,295.8 million) with growth in both Retail Finance and Business Finance.

Retail Finance lending grew by £63.1 million or 4.3%, driven by strong demand from strategic partner retailers in the first half of 2026, particularly in furniture and supported by growth in new product initiatives such as home improvements. Business Finance grew by 5.3% to £1.9 billion (31 December 2025: £1.8 billion). Growth was driven by strong lending in Residential Investment and supported by strong momentum in our new Bridging proposition.

Further analysis of loans and advances to customers, including a breakdown of the arrears profile of the Group's loan books, is provided in Note 18 to the Interim Financial Statements.

Funding

Customer deposits reduced by 7.9% to £3,231.2 million (31 December 2025: £3,509.6 million), reflecting lower funding requirements following the sale of the Consumer Vehicle Finance business in the first quarter of 2026. Customer deposits comprise fixed-term bonds, ISAs, notice and access accounts, with the reduction primarily seen in fixed-term bonds. The Group also reduced drawings under sale and repurchase agreements to £175.0 million in H1 2026 (31 December 2025: £200.0 million).

Overall, the Group maintained a stable total funding ratio at 112.5% (31 December 2025:113.3%).

Tier 2 subordinated liabilities

Tier 2 subordinated liabilities represent £90.0 million of 10.5-year 13.0% Fixed Rate Callable Subordinated Notes, which qualify as Tier 2 capital.

Capital

Management of capital

The Group's capital management policy is focused on optimising shareholder value over the long term. Capital is allocated to achieve targeted risk adjusted returns while maintaining appropriate buffers above the minimum regulatory requirements.

Key factors influencing the management of capital include:

- the level of buffers and the capital requirement set by the Prudential Regulation Authority ('PRA');
- estimated credit losses calculated using IFRS 9 methodology
- new business volumes; and

- the product mix of new business.

Capital resources

Capital resources increased over the period from £428.4 million to £441.6 million. CET 1 capital increased by £16.9 million, primarily driven by total profit for the period of £23.7 million, partly offset by the 2026 interim dividend of £2.3 million and the first £5.0 million tranche of the share buyback programme. Tier 2 capital reduced by £3.7 million as capital eligibility decreased following the reduction in risk-weighted assets arising from the sale of the Consumer Vehicle Finance business.

Capital	30 June 2026 £million	30 June 2025 £million	31 December 2025 £million
CET 1 capital	381.7	367.1	364.8
Tier 2 capital[1]			
Subordinated liabilities	89.6	89.4	89.5
Less ineligible portion	(29.7)	(23.8)	(25.9)
Total Tier 2 capital	**59.9**	**65.6**	**63.6**
Total capital[2]	**441.6**	**432.7**	**428.4**
Total risk exposure	**2,663.6**	**2,916.8**	**2,827.5**
Capital ratios			
CET 1 capital ratio	**14.3**	**12.6**	**12.9**
Total capital ratio	**16.6**	**14.8**	**15.2**
Leverage ratio	**10.3**	**9.3**	**9.4**

1. Tier 2 capital, which is solely subordinated debt net of unamortised issue costs, is capped at 25% of total Pillar 1 and Pillar 2A requirements.

2. Total capital is the sum of CET 1 capital and Total Tier 2 capital.

Capital requirements

The Total Capital Requirement, set by the PRA, includes both the calculated requirement derived using the standardised approach and the additional capital derived in conjunction with the Internal Capital Adequacy Assessment Process ('ICAAP'). In addition, capital is held to cover generic buffers set at a macroeconomic level by the PRA. We have conducted our impact assessment of the Basel 3.1 and SDDT capital regime and the PRA have confirmed the Group's Pillar 2 capital requirements, effective from 1 January 2027, which is expected to be a temporary position until our next capital Supervisory Review and Evaluation Process.

	30 June 2026 £million	30 June 2025 £million	31 December 2025 £million
Total Capital Requirement	**239.7**	262.5	254.5
Capital conservation buffer (2.5%)	**66.6**	72.9	70.7
Countercyclical buffer (2.0%)	**53.3**	58.3	56.6
Total	**359.6**	**393.7**	**381.8**

The sale of the Consumer Vehicle Finance business during the first half of the year resulted in a reduction in risk weighted assets to £2,663.6 million at 30 June 2026 (31 December 2025: £2,827.5 million).

Liquidity

Management of liquidity

The Group uses a number of measures to manage liquidity risk. These include:

- the Overall Liquidity Adequacy Requirement ('OLAR'), which is the Board's view of the Group's liquidity needs, as set out in the Board-approved Internal Liquidity Adequacy Assessment Process ('ILAAP');
- the Liquidity Coverage Ratio ('LCR'), which is a regulatory measure that assesses net 30-day cash outflows as a proportion of High-Quality Liquid Assets ('HQLA');
- total funding ratio, as defined in the Appendix to the Interim Report; and
- HQLAs, which are held in the Bank of England Reserve Account and Gilts.

The Group met the LCR minimum threshold throughout the year, with the Group's average LCR being 208.6% (30 June 2025: 193.5%), based on a rolling 12-month end average.

Liquid assets

The Group continued to hold significant surplus liquidity above minimum requirements throughout the first six months of the year, managing liquidity by holding high quality liquid assets and predominantly retail funding to support lending. Liquid assets decreased to £433.9 million (31 December 2025: £560.8 million) reflecting liquidity held at the end of June 2026 to support pipeline funding requirements and fixed-term bond maturities. Within high-quality liquid assets, the Group held £101.5 million in UK Government Gilts (30 June 2025: £nil).

The Group maintains access to the Bank of England's Sterling Money Market Operations under the Sterling Monetary Framework and has drawn £175.0 million under sale and repurchase agreements (31 December 2025: £200.0 million). The Group has no liquid asset exposures outside of the United Kingdom and no amounts that are either past due or impaired.

Liquid assets	30 June 2026 £million	30 June 2025 £million	31 December 2025 £million
Aaa – Aa3	419.0	385.9	529.1
A1 – A2	14.9	26.9	31.7
Total	**433.9**	**412.8**	**560.8**

We continue to attract customer deposits to support balance sheet growth. The composition of customer deposits is shown in the table below:

Customer deposits	30 June 2026 %	30 June 2025 %	31 December 2025 %
Fixed-term bonds	**39**	44	43
ISAs	**40**	32	34
Access accounts	**20**	22	22
Notice accounts	**1**	2	1
Total	**100**	**100**	**100**

Business review

Retail Finance

We provide quick and easy digital finance options at the point of purchase.

	30 June 2026	30 June 2025	31 December 2025
New business (£million)	**751.9**	708.1	1,407.0
Loans and advances to customers (£million)	**1,529.6**	1,436.3	1,466.5
Net interest margin (%)	**6.7**	7.0	6.9
Risk adjusted margin (%)	**5.5**	5.8	5.8

What we do

- We provide a market-leading online e-commerce service to retailers, providing unsecured, interest-free and interest-bearing prime lending products to UK customers to facilitate the purchase of a wide range of consumer products, including furniture, jewellery, dental, leisure items and football season tickets. These retailers include a large number of household names.
- Products are available to purchase in store or online, using our market-leading origination platform, which provides fast decision making, with 90% of applications agreed in an average of six seconds.
- The customer proposition and the integrated platform support the growth of UK retailers and the real economy.

H1 2026 performance

- Retail Finance delivered another period of record new business lending, supporting lending balance growth of 4.3% to £1.5 billion (31 December 2025: £1.5 billion), providing flexible finance to c.1.3 million customers (31 December 2025: c.1.2 million).
- Retail Finance held 17.6% market share of new business[1] at 31 May 2026 (31 May 2025: 16.7%), supported by strong partnerships with both new and existing retailers.
- Growth continued to be focused on high-quality lending within furniture, jewellery and new initiatives in home improvements. Targeted repricing of high-volume retailers resulted in an expected modest reduction in net interest margin to 6.7% (30 June 2025: 7.0%).
- Asset quality remained resilient despite a worsening macroeconomic environment, with cost of risk stable at 1.4% (30 June 2025: 1.4%). Reflecting lower net interest margin, risk-adjusted margin was 5.5% (30 June 2025: 5.8%).
- Interest-free lending remained our primary lending product, accounting for 86.2% of balances during the period (30 June 2025: 87.0%).
- Digital engagement continued to grow, with mobile app registrations exceeding 660,000 customers (31 December 2025: 475,000+). Development of an eligibility checker is underway and will provide our customers with a transparent, easy-to-use service that supports informed borrowing decisions.
- We continue to see significant growth opportunities across our large addressable markets, particularly home improvements. Supported by our scalable, low-cost operating model, ongoing digital investment is expected to enhance conversion, strengthen customer engagement and support the development of future direct-to-consumer capabilities.
- Retail Finance is well positioned to navigate the new Buy Now, Pay Later regulatory landscape. The new requirements are closely aligned with the Group's existing approach to responsible lending.

1. Source: Finance & Leasing Association ('FLA'): New business values within retail store and online credit based on January to May. FLA total and Retail Finance new business of £3,408.1 million (1 January 2025 to 31 May 2025: £3,401.0 million) and £600.2 million (1 January 2025 to 31 May 2025: £568.0 million) respectively. As published on 17 July 2026.

Business Finance

We provide secured specialist lending solutions to property professionals and UK businesses.

	30 June 2026	30 June 2025	31 December 2025
New business (£million)	**314.3**	374.9	738.5
Loans and advances to customers (£million)	**1,927.0**	1,835.9	1,829.3
Net revenue margin (%)	**3.3**	3.2	3.2
Risk adjusted margin (%)	**2.9**	2.5	2.5

What we do

- We offer non-regulated, first charge property lending, asset-based lending and speciality lending solutions. We have five core product areas, supporting professional landlords, property developers, Small and Medium-size Enterprise ('SME') housebuilders and UK businesses seeking working capital solutions.
- We operate a multi-channel distribution model covering professional introducers, financial introducers, and direct and traditional brokers. We have a strong legacy of relationships with professional introducers and private equity houses.
- Our through-the-cycle approach and tailored underwriting allow us to structure facilities around the complex needs of our clients.
- Clients and partners benefit from a high-touch model with direct access to our decision-makers throughout the life of a facility.

H1 2026 performance

- Lending balances increased 5.3% to £1.9 billion (31 December 2025: £1.8 billion). Growth was driven by strong lending in Residential Investment and supported by momentum in our new Bridging proposition.
- Net revenue margin increased to 3.3% (30 June 2025: 3.2%) reflecting repricing of past due loans and early repayment charges, with lower fee income offsetting improved net interest margin.
- Improved asset quality and lower stage 3 provisions resulted in cost of risk reducing to 0.5% (30 June 2025: 0.6%), with impairment charges primarily attributable to a single legacy case. Combined with higher net revenue margin, this increased risk adjusted margin by 40bps to 2.9% (30 June 2025: 2.5%).
- Residential Investment lending comprised 72.9% of our portfolio, with a loan-to-value of 59.6%.
- The launch of our digital broker application portal in Bridging has created a more efficient and scalable operating model, enhancing broker experience while supporting broader distribution opportunities, with c.£90 million of enquiries submitted through the portal since its launch.
- During the first half of 2026, we strengthened the foundations for future growth through the development of new Bridging and Speciality Finance propositions, while building a robust pipeline across both core and emerging products. These initiatives position the business well to deliver further growth in the second half of the year and beyond.

Savings

We look after our customers' savings and provide a competitive return

	30 June 2026 £million	30 June 2025 £million	31 December 2025 £million
Total funds raised	**516.0**	1,093.6	1,797.9
Product split			
Fixed-term bonds	**1,249.4**	1,543.3	1,518.9
ISAs	**1,301.6**	1,131.8	1,181.2
Access accounts	**646.0**	780.7	770.2
Notice accounts	**34.2**	54.3	39.3
	3,231.2	3,510.1	3,509.6

What we do

- We offer a range of savings accounts that are purposely simple in design, with a choice of products from Access to 180-day notice, and six-month to seven-year fixed terms across both Bonds and ISAs.
- Our diversified savings product portfolio provides access to the majority of the UK personal savings market, enabling us to attract substantial liquidity pools. This breadth, combined with active pricing and product mix management, allows us to optimise funding volumes and cost of funds in line with our balance sheet and liquidity requirements.

H1 2026 performance

- The Bank of England has maintained the Base Rate at 3.75% throughout the first half of 2026, holding it steady in the April, June and July Monetary Policy Committee meetings due to ongoing inflationary pressures linked to the conflict in the Middle East.
- The sale of the Consumer Vehicle Finance business reduced the need for additional funding in the first quarter of 2026, with deposit balances in the first half of the year decreasing 7.9% to £3.2 billion (31 December 2025: £3.5 billion).
- The Financial Services Compensation scheme covers 97.6% (31 December 2025: 97.6%) of total deposits, giving customers the confidence that their savings are protected.
- The continued growth in term deposits to 80.0% (31 December 2025: 78.1%) provides greater funding stability, improving visibility over future funding requirements and supporting efficient liquidity management.
- We launched a Base Rate tracking notice account product in the second quarter, enabling customers to benefit from a transparent pricing structure. In July 2026, we signed a partnership with Hargreaves Lansdown as our first deposit aggregator relationship, making the Group's savings products available to more than 2 million of their customers.
- Through process improvements and automation, time to market for product updates and rate changes launches has reduced to under 90 minutes, compared with up to 48 hours previously.
- We see the Savings market as having large, untapped potential, and with widened distribution channels and new products coming in the second half of the year, our Savings franchise is well positioned to support our growth ambitions.

Market review

The Group operates exclusively in the UK and derives its revenue almost entirely from customers operating in the UK. As a result, the Group is particularly exposed to conditions in the UK economy. Customers' borrowing demand is influenced by, among other factors, UK property markets, employment levels, inflation, interest rates and consumer confidence. The economic environment and outlook affect demand for the Group's products, lending margins and the levels of loan impairment provisions.

As a financial services firm, the Group is subject to extensive and comprehensive regulation by governmental and regulatory bodies in the UK. The Group conducts its business subject to ongoing regulation by the Financial Conduct Authority ('FCA') and the Prudential Regulation Authority ('PRA'). The Group must comply with the regulatory regime across many aspects of its activities, including: the training, authorisation and supervision of personnel; systems; processes; product design; customer journey; and documentation.

Economic review

UK economic growth, measured by real annual UK Gross Domestic Product ('GDP'), was estimated at 0.6%[1] in the first quarter of the year, exceeding expectations and following growth of 0.1%[1] in the final quarter of 2025. Growth was supported by robust consumer spending, a rebound in the services sector and inventory stockpiling amid heightened geopolitical tensions. Economic activity was constrained in Q2[1] as the impacts of war in the Middle East and disruption to global energy and supply chains began to weigh on growth. The geopolitical situation remains highly uncertain. Although ceasefire discussions and efforts to establish new shipping arrangements in the Strait of Hormuz have reduced some immediate concerns, attacks on shipping and continued regional tensions have caused volatility in energy markets. Any sustained disruption to energy supply or trade routes is likely to push oil and gas prices materially higher and weigh on economic activity. Analysts continue to expect subdued economic performance through the remainder of 2026, reflecting prolonged inflationary pressures on household incomes and weaker business and consumer confidence. Assuming geopolitical tensions ease and energy markets stabilise, growth is expected to gradually recover, and analysts forecast UK GDP growth of 0.9% in 2026, and 0.8% in 2027[2]. Global GDP growth, supported by stronger US productivity expectations, is forecast to be 2.4% in 2026 and 3.1% in 2027[2].

Inflation remained below analyst expectations in 2026, with the Consumer Price Index rate at 2.6%[1] at the end of June 2026. Lower transport and food price inflation more than offset broader inflationary pressures, although the persistence of conflict-related disruption in energy markets has increased the risk of higher energy prices feeding through to household utility bills and business costs during 2026 and into 2027. The Bank of England held the Base Rate at 3.75% at the April, June, and July Monetary Policy Committee meetings, balancing weaker economic momentum with inflationary pressures from elevated energy and supply costs. Analyst forecasts currently assume no policy rate changes in 2026, while market pricing suggests a single rate increase[3].

The labour market remains soft, with the employment rate at 75.1%[1] (31 December 2025: 75.0%[1]). The labour market remains relatively weak despite an improvement in unemployment to 4.9%[1] (31 December 2025: 5.2%[1]). Vacancy levels remain low at 712,000, indicating ongoing restraint in hiring activity as businesses respond to economic and geopolitical uncertainty. Reflecting the expected impact of higher energy costs on business activity and hiring decisions, unemployment is forecast to rise to a peak of 5.7% in 2026[2] before gradually declining to a long-run rate of 4.3% from 2032[2] that remains elevated.

The housing market softened during the first half of 2026 as higher borrowing costs and economic uncertainty weighed on buyer confidence. Mortgage rates were volatile at the start of the year and peaked at around 5-6% in April. Since then, mortgage rates have stabilised, although housing market activity is expected to remain subdued in the near term. House prices are forecast to increase by 1.7% in 2026 and 0.7% in 2027[2].

The political backdrop also shifted during the period, with Andy Burnham becoming Prime Minister in July 2026. While the change in leadership initially prompted some market volatility, including higher Gilt yields and a modest weakening of sterling, markets subsequently stabilised. The market has since focused on the new administration's commitment to fiscal discipline, cost-of-living measures and policy continuity while awaiting further details on its longer-term economic agenda.

Retail Finance

Consumer demand remained resilient during the first half of 2026 despite softer consumer confidence and ongoing cost-of-living pressures. This resilience is reflected in consumer new business lending, which was 4%[4] higher in the first six months of 2026 than during the same period in 2025. Consumers remain value-conscious and continue to favour flexible ways to spread the cost of purchases, a trend expected to persist through the remainder of the year. For retailers, opportunities remain in combining digital innovation with clear, transparent, and supportive customer journeys. While cost-of-living pressures continue to influence spending behaviour, greater certainty around geopolitical and political developments may help support confidence during the second half of 2026.

From a regulatory perspective, Buy Now, Pay Later products have grown over recent years, prompting the introduction of new regulatory requirements designed to strengthen customer protection. The new framework applies to interest-free Buy Now, Pay Later (‘BNPL’) credit, which is repaid in 12 months or less. This type of BNPL is called Deferred Payment Credit and came into effect on 15 July 2026. The new requirements include clearer explanations, more transparency, affordability checks and stronger protections. These principles are already embedded within the service provided by Retail Finance, positioning the business well for the evolving regulatory landscape, with wider impacts on the industry yet to be seen.

Business Finance

The first quarter of the year saw encouraging momentum in business finance, with gross lending to SMEs increasing 16% compared to the first quarter of 2025[5]. Activity within the professional landlord market also strengthened, as demonstrated by the buy-to-let market lending increasing by 7% by value[5]. Looking ahead, some moderation in demand could emerge as increased supply chain costs feed through during the year, potentially tempering investment until there is clarity on near-term headwinds, with early indications shown by the modest increase in overdraft utilisation by SMEs in Q1[5]. Despite these headwinds, underlying business activity has remained resilient. Businesses continue to pursue investment and growth opportunities, supported by ongoing demand for finance, albeit at a more measured pace. A gradual improvement in economic conditions is expected to provide a supportive backdrop for business finance activity in 2026 and beyond, although demand may remain sensitive to ongoing uncertainty.

Government and regulatory

There have been a number of announcements that impact the Group and/or the markets in which it operates. The key announcements in the period to date are set out below.

Prudential regulation

At the beginning of the year, the PRA published final policy statements on Basel 3.1 implementation which comes into force on 1 January 2027. Key policies affecting the Group included: PS1/26 ‘Implementation of Basel 3.1: Final Rules’ which finalised the UK’s Basel 3.1 framework, covering credit risk, operational risk, disclosures and reporting; PS4/26 ‘Strong & Simple Framework’, which sets out the simplified capital regime and reporting requirements applicable to the Group as a Small Domestic Deposit Taker (‘SDDT’). The Group is well placed for the implementation of the new regime with an internal project team engaged to complete the transition in line with the PRA timelines in a controlled and governed environment.

On 15 January, a supervisory letter on UK Deposit Taker Priorities was published which highlighted the Basel 3.1 readiness of firms, as well as outlining the expectations of firms ahead of the Pillar 2 requirement rebasing exercise which involved an off-cycle data submission to supervisors. The Group successfully submitted the off-cycle data request and received external assurance over the interpretations of the new regime and production of the outputs – the Group has received its new capital requirements which will be effective from 1 January 2027. The PRA also confirmed a reduced supervisory approach to two-year Periodic Summary Meeting cycles. Other areas in the priorities letter included data risk with expectations of firms to demonstrate proactive investment in data architecture and validation processes to ensure accurate and timely regulatory submissions, and the Future Banking Data programme, which aims to modernise and streamline reporting requirements whilst working with banks to collectively devise a solution.

DP1/26 'Future of banking Data' was published in February, seeking feedback from firms on various trade-offs they would choose to help redefine the next generation of prudential reporting. The Group provided a response to this discussion paper; it is expected that the PRA will work with firms to develop a roadmap for pragmatic and incremental reforms.

A consultation paper was published in March, CP5/26 'Modernising the liquidity framework'. A key proposal for the Group is the requirement for stress scenarios with severe outflows within seven days to be included in the Group's Internal Liquidity Adequacy Assessment Process ('ILAAP'). A high-level impact analysis was shared to the Group's Assets and Liability Committee, which conveyed no significant changes to the Group's Liquidity Risk.

At the start of Q2 2026, the PRA published its Business Plan for 2026/27, which included key initiatives noted above for the Group, as well as updating regulatory thresholds, and operational resilience and incident reporting requirements. The Group continues to monitor developments across all of these key focus areas, including as outlined above.

Conduct regulation

During the first half of 2026, regulators maintained a strong focus on Consumer Duty, operational resilience, governance, and accountability. Key developments included the motor finance redress scheme, BNPL regulation, new operational incident reporting requirements, Consumer Credit Act reform proposals and increased scrutiny of Artificial Intelligence ('AI'), data governance, and cyber resilience. In addition, alongside the PRA, the FCA published Senior Manager and Certification Regime ('SM&CR') reforms. Across all sectors, regulators continued to emphasise good customer outcomes, evidence-based decision making and robust governance frameworks.

Consumer Duty has remained the FCA's primary focus with the Duty continuing to be embedded across the market with a focus on product design and governance, customer outcomes, consumer understanding and communications and support for vulnerable customers. The FCA's Year 2 Consumer Duty review showed progress has been made by firms, but further improvements are required.

The FCA's motor finance redress scheme remains a key focus for the Group. In March 2026, the FCA published its final and updated rules. However, due to legal challenges, the FCA has suspended those parts of the scheme where redress is due; the legal challenges are to be heard in either late 2026 or early 2027 by the Upper Tribunal. In the meantime, firms have been instructed to continue planning if a scheme progresses but also to commence planning if the scheme does not proceed and instead complaints are handled via existing complaint handling rules.

The FCA published its policy statement for the regulation of deferred payment credit. The Group has implemented the necessary changes. Further details are provided above.

The FCA, PRA and Bank of England published a new operational incident reporting regime to strengthen reporting requirements for firms who have material third party relationships; the requirements will come into force in early 2027. Regulators continue to focus on firms' ability to respond to operational disruption.

Several developments signalled significant future changes to consumer credit regulation, including a consultation on simplifying consumer credit financial promotions. The Government announced the next phase of Consumer Credit Act reform with the direction of travel towards a more FCA-led, Consumer Duty-aligned consumer credit framework.

Regulators have focused heavily on governance and accountability arrangements with phase 1 of SM&CR reforms published and efforts to reduce administrative burden while maintaining accountability which includes potential future reforms to certification requirements and maintaining focus on culture and governance.

The use of AI continues to be a growing regulatory theme with focus on AI risks and opportunities. The message from regulators is that AI is strategically important but must be deployed within existing governance and resilience frameworks.

Outlook

Looking ahead, the outlook remains characterised by heightened uncertainty. Ongoing conflict in the Middle East, disruption to energy and shipping markets and broader geopolitical tensions continue to pose risks to inflation and growth. Against this backdrop, UK economic growth is expected to remain modest, with consumer and business confidence sensitive to developments in energy markets, inflation and interest rates. Nevertheless, financial markets have remained broadly resilient, supported by expectations of fiscal discipline and the underlying strength of household and corporate balance sheets. Assuming geopolitical tensions stabilise, and energy market disruption gradually eases, economic conditions are expected to improve progressively through 2027.

From a regulatory perspective, the Group has made good progress in its preparations for the forthcoming capital regime changes. However, uncertainty continues to remain on the potential outcome of the legal challenges to the FCA's motor finance redress scheme. Customer payments are now not expected to commence until 2027.

Footnotes:

1. Source: Office for National Statistics, data as at 30 June 2026, unless otherwise stated.
2. Source: Oxford Economics
3. Source: Bloomberg
4. Source: FLA - Latest Consumer Finance Statistics – Finance & Leasing Association
5. Source: UK Finance

Principal risks and uncertainties

Risk management

Effective risk management is central to the Group's strategy and is underpinned by its Risk Aware value. This supports the protection of customers and the delivery of sustainable returns for shareholders. The Group remains focused on maintaining appropriate levels of capital, liquidity, operational control, while acting responsibly.

The Group's Chief Risk Officer is responsible for leading the Group's Risk function, which is independent from the Group's operational and commercial teams. The Risk function is responsible for designing and overseeing the embedding of appropriate risk management frameworks, processes and controls, to enable key risks to be identified, assessed, monitored, and accepted or mitigated in line with the Group's risk appetite. The Group's risk management practices are regularly reviewed and enhanced to reflect changes in its operating environment. The Chief Risk Officer is responsible for reporting to the Board on the Group's principal risks and how they are being managed against agreed risk appetite.

Further details of the Group's risk management frameworks, including risk appetite statements and governance can be found on the Group's website: www.securetrustbank.com/riskmanagement

Changes to the Group's risk profile

Changes in assessment of the Group's risk profile since the position reported in the 2025 Annual Report and Accounts are set out below.

Credit risk: Stable

Description: The risk of loss to the Group from the failure of clients, customers, or counterparties to honour fully their obligations to the firm, including the whole and timely payment of principal, interest, collateral, or other receivables.

Retail Finance Credit risk

Retail Finance continues to perform strongly from a credit risk perspective, demonstrating a stable customer risk profile with all core indicators (arrears, loss rates, provision metrics and credit quality) within appetite. Whilst increased 'Portfolio Health' monitoring was implemented at the start of the Iran Conflict which is being supplied monthly to the Executive Risk Committee, there has been no noticeable deterioration in any metrics that imply our customer base is under stress. There has been a slight improvement in early roll rates which is being driven by collections initiatives in addition to some targeted credit policy tightening at the start of the year on a small proportion of the portfolio. The portfolio will continue to be monitored closely and actions taken when necessary.

Business Finance Credit risk

While Business Finance customers continue to operate against a backdrop of economic uncertainty, with inflationary pressures and unemployment expected to increase through the second half of 2026, overall credit performance remains resilient across the Business Finance portfolio. Portfolio impairment metrics remain broadly stable and the Group continues to actively monitor customers most exposed to changing market conditions.

Lending on Investment, Development and Bridging products continues to perform satisfactorily at a portfolio level. Strong rental demand continues to support the portfolio. Stage 3 balances remain concentrated within a small number of relationships, with active refinancing and recovery strategies in progress. Provisions are maintained where appropriate and are reviewed regularly to reflect the latest information and expected recovery outcomes. Outside of these specific cases, the wider portfolio continues to demonstrate stable performance and remains well secured.

Asset Backed Lending is similarly performing satisfactorily at a portfolio level. Significant refinancing activity undertaken during the year has further strengthened overall portfolio quality and reduced higher-risk Stage 2 exposures. Whilst some customers continue to experience margin pressure from higher operating costs and subdued economic activity, this is well managed via the secured and highly structured nature of facilities.

Liquidity and Funding risk: Stable

Description: Liquidity risk is the risk that the Group is unable to meet its liquidity obligations as they fall due or can only do so at excessive cost. Funding risk is the risk that the Group is unable to raise or maintain funds to support asset growth, or the risk arising from an unstable funding profile that could result in higher funding costs.

The Group conducts regular and comprehensive liquidity stress testing to identify sources of potential liquidity strain and to check that the Group's liquidity position remains within the Board's risk appetite and prudential regulatory requirements.

The Group has maintained its liquidity and funding ratios in excess of regulatory and internal risk appetite requirements throughout the first half of the year. It continues to hold a significant level of high-quality liquid assets, primarily held as cash at the Bank of England, ensuring no material risk that liabilities cannot be met as they fall due. During 2026, the liquid asset buffer is being gradually diversified into other Liquidity Coverage Ratio ('LCR') eligible high-quality assets. Funding remains predominantly retail based and makes use of sale and repurchase agreements.

The Group maintains access to the Bank of England's Sterling Monetary Framework, including a reserves account.

Capital risk: Stable

Description: Capital risk is the risk that the Group will have insufficient capital resources to meet minimum regulatory requirements and to support planned levels of growth.

The Group continued to maintain adequate capital during the period, with all capital ratio measures remaining above applicable requirements. The Group's balance sheet and total risk exposure has reduced following the sale of the Consumer Vehicle Finance business in February 2026, increasing capital ratios and buffers above regulatory minimums. Capital planning and stress testing indicates that capital adequacy is expected to be maintained following the £5 million share buyback scheme announced on 22 June 2026.

We continue to monitor legal challenges and ongoing uncertainty related to the FCA's redress scheme for historical motor finance commissions, with any downside risk expected to be well below levels of stressed losses considered in the ICAAP.

The Group has assessed the impact of the Basel 3.1 rules and the PRA's Small Domestic Deposit Taker ('SDDT') Regime and has taken this into consideration as part of its capital planning. Work continues to ensure the Group is compliant by 1 January 2027.

Market risk: Stable

Description: Market risk is the risk to the Group's earnings and/or economic value from unfavourable market movements such as interest rates and foreign exchange rates.

The Group hedges any significant residual fixed rate positions, after internal matching of assets and liability profiles using interest rate swaps. These are hedge accounted for through fair value or cash flow hedges which are deemed highly effective.

Interest Rate Risk in the Banking Book ('IRRBB') is monitored by a range of Board risk appetite measures including Earnings at Risk ('EAR'), Market Value Sensitivity ('MVS') and Economic Value of Equity ('EVE'). The Group has remained within these risk appetite thresholds throughout the first half of the year and continues to enhance its risk identification, measurement, and mitigation for IRRBB.

The Group has a small exposure to foreign exchange risk through its Commercial Finance clients, all exposures are appropriately hedged. The Group does not operate a trading book.

Operational risk: Stable

Description: Operational risk is the risk that the Group may be exposed to direct or indirect loss arising from inadequate or failed internal processes, personnel and succession, technology/infrastructure, or from external factors.

The Group's operational risk processes and standards are defined in a formal Operational Risk Management Framework, which is aligned to the Basel Committee on Banking Supervision criteria for the sound management of operational risk.

The Group has met the regulatory expectations set out in PS21/3 Building operational resilience and continues to enhance its operational resilience with further embedding and testing. The robust oversight of third parties remains critical to overall resilience, and we have a well-established third-party framework to ensure effective oversight across the lifecycle of such relationships including contingency arrangements in the event of an exit scenario.

Technological developments, including AI, continue to accelerate and the Group has taken a holistic approach to managing AI Risk; ensuring associated risks and opportunities are fully understood, with the management of AI Risk being integrated into existing risk frameworks.

Model risk: Stable

Description: Model risk is the potential for adverse consequences from model errors or the inappropriate use of modelled outputs to inform business decisions.

The Group has an embedded Model Risk policy aligned to guidance from the PRA under SS1/23. In the period, there has been strong progress on developing improved model monitoring for high and medium-high risk models. Overall, the Group continues to embed stronger model governance.

Conduct and Compliance risk: Stable

Description: The risk that the Group's products and services, and the way they are delivered, or the Group's failure to be compliant with all relevant regulatory requirements, result in poor outcomes for customers or markets in which we operate, or harm to the Group. This could be as a direct result of poor or inappropriate execution of our business activities or behaviour from our employees.

The Group has implemented the Consumer Credit Product Sales Data reporting and required changes for Deferred Payment Credit, which came into force on 15 July 2026.

In relation to motor finance commissions redress, the Group progressed its implementation plans following the publication of the policy statement in March 2026, noting the legal challenges to the scheme received by the FCA. The Group is also progressing complaints which fall outside the scheme, in line with regulatory expectations.

Financial Crime risk: Stable

Description: The risk that the Group fails to implement effective systems and controls to detect, prevent, deter and report financial crime. Financial crime includes money laundering, terrorist financing, proliferation financing, financial sanctions, modern slavery, human trafficking, fraud (internal and external) and failure to prevent fraud, bribery and failure to prevent bribery, corruption, tax evasion or the facilitation of tax evasion, acquisitive crime and environmental crime.

The Group meets its obligations to reduce financial crime risk by maintaining a proportionate control environment, standards and procedures. We closely monitor changes to legal and regulatory requirements, enforcement cases, and criminal methodologies. These external factors mean that our financial crime risk management framework will continue to evolve in response.

Climate Change risk: Stable

Description: Climate change, and society's response to it, present risks to the UK financial services sector, with some of these only fully crystallising over an extended period. The Group is exposed to physical and transition risks arising from climate change.

The Group has established governance and oversight to support in the management of climate change risk and continues to assess its risk exposure to both the potential 'physical' effects of climate change and the 'transitional' risks from the UK's target to bring all greenhouse gas ('GHG') emissions to net zero by 2050.

The Group remains aligned with UK Listing Rule 16.3.23(R) and Task Force on Climate-related Financial Disclosures requirements, we are actively preparing for forthcoming regulatory developments to ensure our climate strategy remains resilient and fit for the future.

Information Security and Cyber risk: Stable

Description: The Group is highly reliant on IT platforms, and the data they contain to meet its service obligations to customers. The external cyber threat environment has elevated in recent years, with the trend expected to continue due to both geopolitical developments and the development of frontier AI models such as Mythos.

The Group deploys relevant technology controls and has invested in detection and response capabilities to manage these risks. The Group's Chief Information Security Office ('CISO') sits within the second line of defence, ensuring independent oversight and challenge of the operational delivery of these capabilities, with regular reporting to the Group's Board Risk Committee as to the adequacy and effectiveness of these arrangements.

Condensed consolidated statement of comprehensive income

		Unaudited 30 June 2026			Re-presented Unaudited 30 June 2025	
For the period ended	Note	Continuing £million	Discontinued £million	Total Group £million	Continuing £million	Discontinued £million
Income statement						
Interest income and similar income	3	149.4	0.4	149.8	149.4	38.4
Interest expense and similar charges	3	(70.6)	(2.6)	(73.2)	(76.4)	(12.4)
Net interest income	3	**78.8**	**(2.2)**	**76.6**	**73.0**	**26.0**
Fee and commission income		6.1	1.2	7.3	6.8	0.6
Fee and commission expense		–	(0.1)	(0.1)	(0.1)	–
Net fee and commission income	3	**6.1**	**1.1**	**7.2**	**6.7**	**0.6**
Operating income	3	**84.9**	**(1.1)**	**83.8**	**79.7**	**26.6**
Net impairment charge on loans and advances to customers	10	(14.7)	–	(14.7)	(14.9)	(16.0)
Other (losses)/gains		–	(0.1)	(0.1)	–	–
Fair value gains on financial instruments	4	0.6	–	0.6	0.1	–
Operating expenses		(40.9)	(9.2)	(50.1)	(37.1)	(16.1)
Profit/(loss) on disposal of loan portfolio	7	–	11.9	11.9	–	–
Profit/(loss) before income tax		**29.9**	**1.5**	**31.4**	**27.8**	**(5.5)**
Income tax (expense)/credit	5	(7.3)	(0.4)	(7.7)	(7.0)	1.4
Profit/(loss) for the period		**22.6**	**1.1**	**23.7**	**20.8**	**(4.1)**
Items that will be reclassified to the income statement						
Cash flow hedge reserve movements		(1.4)	–	(1.4)	(0.8)	–
Reclassification to the income statement		1.4	–	1.4	1.0	–
Taxation		–	–	–	(0.1)	–
Other comprehensive income for the period, net of income tax		**–**	**–**	**–**	**0.1**	**–**
Total comprehensive income/(expense) for the period		**22.6**	**1.1**	**23.7**	**20.9**	**(4.1)**
Profit/(loss) attributable to the equity holders of the Company		**22.6**	**1.1**	**23.7**	**20.8**	**(4.1)**
Total comprehensive income attributable to the equity holders of the Company		**22.6**	**1.1**	**23.7**	**20.9**	**(4.1)**
Earnings per share for profit attributable to the equity holders of the Company during the period (pence per share)						
Basic earnings per ordinary share	6	**120.6**	**5.8**	**126.4**	**109.1**	**(21.5)**
Diluted earnings per ordinary share	6	**114.4**	**5.5**	**119.9**	**105.0**	**(20.7)**

Condensed consolidated statement of financial position

As at the period ended	Note	Unaudited 30 June 2026 £million	Unaudited 30 June 2025 £million	Audited 31 December 2025 £million
ASSETS				
Cash and Bank of England reserve account		317.5	385.9	528.1
Loans and advances to banks		20.8	28.8	36.8
Debt securities		101.5	–	1.0
Loans and advances to customers	9	3,456.6	3,828.8	3,295.8
Fair value adjustment for portfolio hedged risk		0.8	6.3	7.3
Derivative financial instruments		0.4	6.6	0.2
Assets held for sale	9	–	–	390.8
Investment property		23.9	–	24.1
Property, plant and equipment		7.4	7.6	7.4
Right-of-use assets		4.0	1.7	4.4
Intangible assets		5.1	4.7	5.1
Current tax assets		3.4	1.9	2.6
Deferred tax assets		3.3	3.1	3.6
Other assets		9.1	12.5	8.8
Total assets		**3,953.8**	**4,287.9**	**4,316.0**
LIABILITIES AND EQUITY				
Liabilities				
Due to banks	11	184.1	261.0	205.9
Deposits from customers	12	3,231.2	3,510.1	3,509.6
Fair value adjustment for portfolio hedged risk		(5.1)	4.7	4.7
Derivative financial instruments		–	2.6	0.1
Lease liabilities		4.0	1.8	4.4
Other liabilities		34.3	31.7	98.0
Provisions for liabilities and charges	13	22.7	8.6	25.5
Subordinated liabilities	14	93.5	93.3	93.5
Total liabilities		**3,564.7**	**3,913.8**	**3,941.7**
Equity attributable to owners of the parent				
Share capital		7.6	7.6	7.6
Share premium		84.3	84.0	84.2
Other reserves		(7.2)	(1.8)	(1.9)
Retained earnings		304.4	284.3	284.4
Total equity		**389.1**	**374.1**	**374.3**
Total liabilities and equity		**3,953.8**	**4,287.9**	**4,316.0**

Condensed consolidated statement of changes in equity

Other reserves

Unaudited	Share capital £million	Share premium £million	Cash flow hedge reserve £million	Own shares £million	Retained earnings £million	Total £million
Balance at 1 January 2026	**7.6**	**84.2**	**–**	**(1.9)**	**284.4**	**374.3**
Profit for the six months to 30 June 2026	–	–	–	–	23.7	23.7
Other comprehensive income for the period, net of income tax	–	–	–	–	–	–
Total comprehensive income for the period	**–**	**–**	**–**	**–**	**23.7**	**23.7**
Purchase of own shares	–	–	–	(1.3)	–	(1.3)
Sale of own shares	–	–	–	0.9	–	0.9
Irrevocable instruction accrual	–	–	–	(4.9)	–	(4.9)
Loss on sale of own shares	–	–	–	–	(0.9)	(0.9)
Issue of shares	–	0.1	–	–	–	0.1
Dividends	–	–	–	–	(4.5)	(4.5)
Share-based payments	–	–	–	–	1.7	1.7
Balance at 30 June 2026	**7.6**	**84.3**	**–**	**(7.2)**	**304.4**	**389.1**

During the period, the Group announced the launch of an initial £5 million share buyback programme. As a result, a £5.0 million irrevocable instruction accrual was recognised in Own shares, with £0.1 million being settled as at 30 June 2026.

			Other reserves			
Unaudited	Share capital £million	Share premium £million	Cash flow hedge reserve £million	Own shares £million	Retained earnings £million	Total £million
Balance at 1 January 2025	**7.6**	**84.0**	**–**	**(2.2)**	**271.1**	**360.5**
Profit for the six months to 30 June 2025	–	–	–	–	16.7	16.7
Other comprehensive income for the period, net of income tax	–	–	0.1	–	–	0.1
Total comprehensive income for the period	**–**	**–**	**0.1**	**–**	**16.7**	**16.8**
Purchase of own shares	–	–	–	(0.2)	–	(0.2)
Sale of own shares	–	–	–	0.5	–	0.5
Loss on sale of own shares	–	–	–	–	(0.5)	(0.5)
Issue of shares	–	–	–	–	–	–
Dividends	–	–	–	–	(4.2)	(4.2)
Share-based payments	–	–	–	–	1.2	1.2
Balance at 30 June 2025	**7.6**	**84.0**	**0.1**	**(1.9)**	**284.3**	**374.1**

			Other reserves			
Audited	Share capital £million	Share premium £million	Cash flow hedge reserve £million	Own shares £million	Retained earnings £million	Total £million
Balance at 1 January 2025	**7.6**	**84.0**	**–**	**(2.2)**	**271.1**	**360.5**
Profit for the year to 31 December 2025	–	–	–	–	17.6	17.6

Other comprehensive income for the year, net of income tax	–	–	–	–	–	–
Total comprehensive income for the year	**–**	**–**	**–**	**–**	**17.6**	**17.6**
Purchase of own shares	–	–	–	(0.2)	–	(0.2)
Sale of own shares	–	–	–	0.5	–	0.5
Loss on sale of own shares	–	–	–	–	(0.5)	(0.5)
Issue of shares	–	0.2	–	–	–	0.2
Dividends paid	–	–	–	–	(6.4)	(6.4)
Share-based payments	–	–	–	–	2.6	2.6
Balance at 31 December 2025	**7.6**	**84.2**	**–**	**(1.9)**	**284.4**	**374.3**

Condensed consolidated statement of cash flows

For the period ended	Note	Unaudited 30 June 2026 £million	Unaudited 30 June 2025 £million	Audited 31 December 2025 £million
Cash flows from operating activities				
Profit for the period		23.7	16.7	17.6
Adjustments for:				
Income tax expense	5	7.7	5.6	9.9
Depreciation of property, plant and equipment		0.6	0.4	0.8
Depreciation of right-of-use assets		0.5	0.5	1.1
Amortisation of intangible assets		0.7	0.6	1.2
Impairment charge on loans and advances to customers	10	14.7	30.9	58.0
Share-based compensation		1.0	1.2	2.0
Provision for liabilities and charges	13	1.2	1.3	21.7
Profit on disposal of loan portfolio	7	(11.9)	–	–
Other non-cash items included in profit before tax		(0.4)	0.1	0.2
Cash flows from operating profits before changes in operating assets and liabilities		37.8	57.3	112.5
Changes in operating assets and liabilities:				
– loans and advances to customers		(175.5)	(251.2)	(159.0)
– loans and advances to banks and balances at central banks		(0.8)	(1.9)	(5.1)
– other assets		(0.3)	(0.8)	2.8
– deposits from customers		(278.4)	265.2	264.7
– provisions for liabilities and charges		(4.0)	(4.0)	(7.6)
– other liabilities		10.2	(7.5)	60.7
Income tax paid		(7.5)	(7.1)	(12.0)
Net cash (outflow)/inflow from operating activities		**(418.5)**	**50.0**	**257.0**
Cash flows from investing activities				

Consideration on sale of loan portfolio		326.2	–	–
Selling costs relating to the sale of loan portfolio		(1.0)	–	–
Purchase of investment property		–	–	(1.1)
Purchase of debt securities		(100.5)	–	(1.0)
Purchase of property, plant and equipment and intangible assets		(1.1)	(0.4)	(1.6)
Sale of property, plant and equipment and intangible assets		–	1.9	1.9
Net cash inflow/(outflow) from investing activities		**223.6**	**1.5**	**(1.8)**
Cash flows from financing activities				
Drawdown/(repayment) of amounts due to banks		3.7	2.3	(1.7)
Drawdown of sale and repurchase agreements		175.0	250.0	250.0
Repayment of sale and repurchase agreements		(200.0)	(125.0)	(175.0)
Repayment of Term Funding Scheme with additional incentives for SMEs		–	(230.0)	(230.0)
Purchase of own shares		(6.2)	(0.2)	(0.2)
Issue of shares		0.1	–	0.2
Dividends paid	8	(4.5)	(4.2)	(6.4)
Repayment of lease liabilities		(0.6)	(0.6)	(1.3)
Net cash outflow from financing activities		**(32.5)**	**(107.7)**	**(164.4)**
Net (decrease)/increase in cash and cash equivalents		**(227.4)**	**(56.2)**	**90.8**
Cash and cash equivalents at 1 January		559.8	469.0	469.0
Cash and cash equivalents at end of period	16	**332.4**	**412.8**	**559.8**

Interest received was £66.9 million (30 June 2025: £113.5 million, 31 December 2025: £227.0 million) and interest paid was £35.7 million (30 June 2025: £42.2 million, 31 December 2025: £65.2 million).

Notes to the Interim Financial Statements

1. Accounting policies

The principal accounting policies applied in the preparation of these Interim Condensed Consolidated Financial Statements (the ‘Interim Financial Statements’) are set out below. These policies have been consistently applied to all of the years presented, unless otherwise stated.

1.1. Reporting entity

Secure Trust Bank PLC is a public limited company incorporated in England and Wales in the United Kingdom (referred to as the ‘Company’) and is limited by shares. The Company is registered in England and Wales and has the registered number 00541132. The registered address of the Company is Yorke House, Arleston Way, Shirley, Solihull, West Midlands B90 4LH. The Interim Financial Statements, as at, and for the period ended 30 June 2026, comprises Secure Trust Bank PLC and its subsidiaries (together referred to as the ‘Group’ and individually as ‘subsidiaries’). The Group is primarily involved in banking and financial services.

1.2. Basis of presentation

The Interim Financial Statements do not constitute statutory accounts, as defined in section 434 of the Companies Act 2006, and have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006, United Kingdom-adopted International Accounting Standard 34 and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority. These Interim Financial Statements should be read in conjunction with the annual statutory consolidated financial statements (the 'Annual Report and Accounts') for the year ended 31 December 2025.

A copy of the statutory accounts for the year ended 31 December 2025 has been delivered to the Registrar of Companies. The auditor's report on those accounts was not qualified and did not contain statements under section 498(2) or (3) of the Companies Act 2006. The results for the periods ending 30 June 2026 and 30 June 2025 are unaudited.

The Interim Financial Statements have been prepared under the historical cost convention, as modified by the valuation of derivative financial instruments. The Interim Financial Statements are presented in pounds sterling, which is the functional and presentational currency of the entities within the Group. The Group has historically chosen to present additional comparatives for the prior financial year on a voluntary basis.

The preparation of the Interim Financial Statements, in conformity with International Financial Reporting Standards ('IFRS'), requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Interim Financial Statements, are disclosed in Note 2.

1.2.1. Going concern

The Interim Financial Statements are prepared on a going concern basis as the Directors are satisfied that the Group has adequate resources to continue in business for at least 12 months from the date of report. The Directors have assessed the Group's ability to continue to adopt the going concern basis of accounting, as required by accounting standards.

As disclosed in the 2025 Annual Report and Accounts, the Group considers a number of factors in making this assessment. This includes reviewing current and past performance, changes in the economic and regulatory environment, the risk profile of the business, operational resilience and possible future events that will impact the business. The Group also undertakes stress testing to ensure the adequacy of capital and liquidity under severe, but plausible stresses. The Board sets risk appetites designed to enable the Group to withstand stress and tail risk events.

Since the year-end, the Group has reviewed its principal risks to ensure they remain appropriate and relevant (for further details see Principal risks and uncertainties. There has been no significant deterioration in the risk profile of the Group and no new principal risks have arisen in the six-month period. In addition, the Group has reviewed its five-year profit and loss, net assets and capital forecasts to reflect actual performance in the year-to-date, strategic changes in the business plan and the impact of changes in the macroeconomic environment on its loan loss provisioning and business activities (the 'Reforecast'). Macroeconomic inputs to the Reforecast reflect increases in the forecast Base Rate of interest, which impact customer pricing and funding costs, and revised forecast economic variables, which impact IFRS 9 expected credit losses. The Group has no material direct exposure to recent changes in global geopolitical risks, the indirect impact of which is taken into account in the macroeconomic inputs referred to above. Under the Reforecast, the Board is satisfied that the Group can continue to operate within its capital and liquidity risk appetites for the next five years.

The 2026 Internal Capital Adequacy Assessment Process ('ICAAP') was approved by the Board in August 2026. Details of the Group's 2025 ICAAP are included in the 2025 Annual Report and Accounts. For the 2026 ICAAP, macroeconomic stress testing scenarios were based on information published by the Prudential Regulation Authority ('PRA') for small banks, and a combined idiosyncratic and macroeconomic (whole of market) stress was used as the basis for assessing the Group's PRA buffer requirement.

As the Group is a Small Domestic Deposit Taker ('SDDT'), the SDDT Capital rules will come into effect in conjunction with the Basel 3.1 rules on 1 January 2027. The 2026 ICAAP incorporated the SDDT capital framework, including an assessment of the Group's total capital requirements and the adequacy of the SDDT buffer under a combined idiosyncratic and macroeconomic stress scenario.

A streamlined Internal Liquidity Adequacy Assessment Process (‘ILAAP’) was approved by the Asset and Liability Committee (‘ALCO’) in June 2026. The streamlined approach reflected the expected implementation of the SDDT regime. This provides assurance that the Group can maintain liquidity resources that are adequate, both as to amount and quality, to ensure there is no significant risk that its liabilities cannot be met as they fall due. As part of the ILAAP, the Group reviews the liquidity risks to which it is exposed and assesses the quantum of liquid resources required to survive, and remain viable, under a severe, but plausible combined idiosyncratic and whole of market 90-day stress. The Group maintained liquidity levels in excess of its liquidity risk appetite and regulatory requirements throughout the year, and is forecast to continue to do so over the ILAAP planning horizon and going concern assessment period.

Taking into account the updates noted above, the Directors confirm they are satisfied that the Group has adequate resources to continue in business for at least 12 months from the date of the report. For this reason, they continue to adopt the ‘going concern’ basis for preparing the accounts.

1.3. Accounting policies

The accounting policies applied in preparing the unaudited Interim Financial Statements are consistent with those used in preparing the audited statutory financial statements for the year ended 31 December 2025.

1.3.1. Change in accounting policy: Exceptional items

The Group has transitioned to reporting solely on a statutory basis, removing adjustments in relation to redress programmes and costs associated with the exit from the Vehicle Finance business. These items were previously classified as exceptional items and are now presented as adjustments alongside other non-recurring costs, which include costs associated with our cost management programme, senior leadership changes and strategic investment programmes. These are discussed in the Interim Business Report.

The accounting policy for exceptional items is therefore no longer in place. As this is a change in accounting policy the comparatives have been re-presented however there is no impact on recognition, measurement or total profit and loss in any period presented in this report. The change reflects a change in presentation of the income statement and associated metrics.

1.3.2. Taxation

Taxes on profits in interim periods are accrued using the tax rate that will be applicable to expected total annual profits.

1.3.3. Standards in issue but not yet effective

New accounting pronouncements issued by the IASB with an effective date of 1 January 2027 include IFRS 18 ‘Presentation and Disclosure in Financial Statements’ which replaces IAS 1 ‘Presentation of Financial Statements’. IFRS 18 introduces additional disclosure obligations in relation to the structure of the income statement, management-defined performance measures, and the aggregation and disaggregation of financial information. IFRS 18 will have no impact on the Group’s net profit as it impacts neither recognition nor measurement.

The new standard will impact the presentation of the Group’s results as it requires that operating, investing and financing activities are presented separately. There will also be a change in the Group’s cash flow statement as IFRS 18 requires that the first line of the cash flow statement is operating profit. The Group is currently evaluating impacts and ensuring data readiness is adequate in anticipation of implementation.

2. Critical accounting judgements and key sources of estimation uncertainty

2.1. Judgements

No critical judgements were identified.

2.2. Key sources of estimation uncertainty

Key sources of estimations that could have a material impact on the Group's financial results, and are therefore considered to be key sources of estimation uncertainty can be found in:

- Note 10.1 Allowances for impairment of loans and advances to customers; and
- Note 13.1 Provisions for liabilities and charges

3. Operating segments

The Group is organised into two lending segments split between Retail and Business Finance which consists of the different products available, as disclosed below.

Retail Finance

- A market-leading online e-commerce service to retailers, providing unsecured lending products to prime UK customers to facilitate the purchase of a wide range of consumer products, including furniture, jewellery, dental, leisure items and football season tickets.

Business Finance

- Non-regulated, first charge property lending, asset-backed lending and speciality lending solutions. There are five core product areas, supporting professional landlords, property developers, Small and Medium-size Enterprise ('SME') housebuilders and UK businesses seeking term funding and working capital solutions.

During the first half of 2026, the Group aligned its internal reporting to the management structure merging the two businesses previously disclosed as Real Estate Finance and Commercial Finance as Business Finance. As a consequence, results for 30 June 2025 and 31 December 2025 have been re-presented to aid comparability.

Other

- This principally includes interest receivable from central banks and gilts, interest receivable and payable on derivatives and interest payable on deposits from customers, amounts due to banks and subordinated liabilities that are not recharged to the operating segments.

Discontinued operations

- In December 2025, the Vehicle Finance business was classified as discontinued. The business undertook hire purchase lending for used cars to prime and near-prime customers and Personal Contract Purchase lending into the consumer prime credit market, both secured against the vehicle financed. In addition, a Stocking Funding product was also offered, whereby funds were advanced and secured against dealer forecourt used car stock. In July 2025, the Group announced that it would cease new lending, and on 24 December 2025 the Group announced the sale of the Consumer Vehicle Finance business, which completed on 25 February 2026. For further information, see Note 7.

The Group's chief operating decision maker, the Executive Committee, regularly reviews these segments by looking at the operating income, size of the loan books and impairments. Interest expense is charged to the operating segments in accordance with the Group's internal funds transfer pricing policy. Operating expenses reflect costs incurred directly, and costs incurred centrally that are reallocated to the operating segment to which they can be directly attributed. Additionally, no balance sheet items are allocated to segments other than loans and advances to customers. All of the Group's operations are conducted wholly within the United Kingdom and geographical information is, therefore, not presented.

Unaudited 30 June 2026	**Retail Finance £million**	**Business Finance £million**	**Other £million**	**Total Continuing Operations £million**	**Discontinued Vehicle Finance £million**	**Total Group £million**
Interest income and similar income	78.4	63.0	8.0	149.4	0.4	149.8
Interest expense and similar charges	(29.7)	(35.9)	(5.0)	(70.6)	(2.6)	(73.2)
Net interest income	**48.7**	**27.1**	**3.0**	**78.8**	**(2.2)**	**76.6**
Fee and commission income	2.2	3.9	–	6.1	1.2	7.3
Fee and commission expense	–	–	–	–	(0.1)	(0.1)
Net fee and commission income	**2.2**	**3.9**	**–**	**6.1**	**1.1**	**7.2**
Operating income	**50.9**	**31.0**	**3.0**	**84.9**	**(1.1)**	**83.8**
Net impairment charge on loans and advances to customers	(10.4)	(4.3)	–	(14.7)	–	(14.7)
Other losses	–	–	–	–	(0.1)	(0.1)
Fair value gains on financial instruments	–	0.3	0.3	0.6	–	0.6
Operating expenses	(13.4)	(10.7)	(16.8)	(40.9)	(9.2)	(50.1)
Profit on disposal of loan portfolio	–	–	–	–	11.9	11.9
Profit/(loss) before income tax	**27.1**	**16.3**	**(13.5)**	**29.9**	**1.5**	**31.4**
Loans and advances to customers	**1,529.6**	**1,927.0**	**–**	**3,456.6**	**–**	**3,456.6**

Exceptional items have been reclassified to operating expenses for prior periods to aid comparability (See Note 1.3.1 for further details).

Unaudited 30 June 2025	Retail Finance £million	Business Finance £million	Other £million	Total Continuing Operations £million	Discontinued Vehicle Finance £million	Total Group £million
Interest income and similar income	76.9	58.7	13.8	149.4	38.4	187.8
Interest expense and similar charges	(29.3)	(36.6)	(10.5)	(76.4)	(12.4)	(88.8)
Net interest income	**47.6**	**22.1**	**3.3**	**73.0**	**26.0**	**99.0**
Fee and commission income	1.4	5.4	–	6.8	0.6	7.4
Fee and commission expense	–	–	(0.1)	(0.1)	–	(0.1)
Net fee and commission income	**1.4**	**5.4**	**(0.1)**	**6.7**	**0.6**	**7.3**
Operating income	**49.0**	**27.5**	**3.2**	**79.7**	**26.6**	**106.3**
Net impairment charge on loans and advances to customers	(9.5)	(5.4)	–	(14.9)	(16.0)	(30.9)
Fair value gains/(losses) on financial instruments	–	0.2	(0.1)	0.1	–	0.1
Operating expenses	(12.7)	(9.4)	(15.0)	(37.1)	(16.1)	(53.2)
Profit/(loss) before income tax	**26.8**	**12.9**	**(11.9)**	**27.8**	**(5.5)**	**22.3**
Loans and advances to customers	**1,436.3**	**1,835.9**	**–**	**3,272.2**	**556.6**	**3,828.8**

Audited 31 December 2025	Retail Finance £million	Business Finance £million	Other £million	Total Continuing Operations £million	Discontinued Vehicle Finance £million	Total Group £million
Interest income and similar income	157.2	119.8	24.8	301.8	70.2	372.0
Interest expense and similar charges	(59.7)	(73.5)	(17.5)	(150.7)	(22.7)	(173.4)
Net interest income	**97.5**	**46.3**	**7.3**	**151.1**	**47.5**	**198.6**
Fee and commission income	3.7	10.4	–	14.1	1.0	15.1
Fee and commission expense	–	–	–	–	(0.2)	(0.2)
Net fee and commission income	**3.7**	**10.4**	**–**	**14.1**	**0.8**	**14.9**
Operating income	**101.2**	**56.7**	**7.3**	**165.2**	**48.3**	**213.5**
Net impairment charge on loans and advances to customers	(19.2)	(12.2)	–	(31.4)	(26.6)	(58.0)
Other gains/(losses)	–	0.2	(0.1)	0.1	0.1	0.2
Fair value gains on financial instruments	–	–	0.1	0.1	–	0.1
Operating expenses	(24.3)	(18.2)	(32.2)	(74.7)	(53.0)	(127.7)
Loss on disposal of loan portfolio	–	–	–	–	(0.6)	(0.6)
Profit/(loss) before income tax	**57.7**	**26.5**	**(24.9)**	**59.3**	**(31.8)**	**27.5**
Loans and advances to customers	**1,466.5**	**1,829.3**	**–**	**3,295.8**	**390.8**	**3,686.6**

4. Fair value gains on financial instruments

	Unaudited 30 June 2026 £million	Unaudited 30 June 2025 £million	Audited 31 December 2025 £million
Fair value movement during the period – interest rate derivatives	(4.8)	(5.3)	(6.4)
Fair value movement during the period – hedged items	5.1	5.2	6.4
Hedge ineffectiveness recognised in the income statement	0.3	(0.1)	–
Inception and amortisation adjustment[1]	0.5	(0.2)	(0.5)
(Losses)/gains recognised on derivatives not in hedge relationships	(0.2)	0.4	0.6
	0.6	**0.1**	**0.1**

1. The inception and amortisation adjustment relates to amortisation of macro fair value hedge accounting relationships derecognised and the amortisation of the fair value adjustment of underlying hedged items at the time hedge accounting relationships commenced or were redesignated. Over the life of the hedged items these adjustments are expected to offset gains/losses on derivatives taken for hedging purposes before and after they are designated in hedge relationships. For those hedged items no longer in hedge relationships following the sale of the Consumer Vehicle Finance business, the offset will be included within the profit on disposal of loan portfolio line of the income statement.

5. Income tax expense

	Unaudited 30 June 2026 £million	Unaudited 30 June 2025 £million	Audited 31 December 2025 £million
Current taxation			

Corporation tax charge – current year	7.1	5.3	9.6
Corporation tax (credit)/charge – adjustments in respect of prior years	(0.1)	–	0.1
	7.0	5.3	9.7
Deferred taxation			
Deferred tax charge – current year	0.7	0.4	0.4
Deferred tax credit – adjustments in respect of prior years	–	(0.1)	(0.2)
	0.7	0.3	0.2
Income tax expense	**7.7**	**5.6**	**9.9**
Of which:			
Continuing	7.3	7.0	14.7
Discontinued	0.4	(1.4)	(4.8)

The tax for all of the periods above has been calculated at the current statutory rate, which is 25.0% for the six months ended 30 June 2026, the six months ended 30 June 2025, and year ended 31 December 2025.

6. Earnings per ordinary share

6.1. Basic

Basic earnings per ordinary share are calculated by dividing the profit attributable to equity holders of the parent by the weighted average number of ordinary shares as follows:

	Unaudited 30 June 2026	Unaudited 30 June 2025	Audited 31 December 2025
Profit attributable to equity holders of the parent (£million)	23.7	16.7	17.6
Weighted average number of ordinary shares (number)	18,744,476	19,071,558	18,678,740
Earnings per share (pence)	**126.4**	**87.6**	**94.2**

6.2. Diluted

Diluted earnings per ordinary share are calculated by dividing the profit attributable to equity holders of the parent by the weighted average number of ordinary shares in issue during the period, as noted above, as well as the number of dilutive share options in issue during the period, as follows:

	Unaudited 30 June 2026	Unaudited 30 June 2025	Audited 31 December 2025
Weighted average number of ordinary shares	18,744,476	19,071,558	18,678,740
Number of dilutive shares in issue at the period-end	1,014,730	734,552	1,089,891
Fully diluted weighted average number of ordinary shares	**19,759,206**	**19,806,110**	**19,768,631**
Dilutive shares being based on:			
Number of options outstanding at the period-end	1,668,298	1,722,763	1,688,791
Weighted average exercise price (pence)	254	142	162
Average share price during the period (pence)	1,343	588	804
Diluted earnings per share (pence)	**119.9**	**84.3**	**89.0**

7. Discontinued operations

On 25 February 2026, the Group completed the sale of its Consumer Vehicle Finance business to funds managed by LCM Partners for a consideration of £372.0 million, resulting in a profit on disposal of £11.9 million. The disposal forms part of the Group's strategic decision to simplify its operations and focus on its core banking activities. The Vehicle Finance business represented a separate major line of business and therefore met the definition of a discontinued operation under IFRS 5 in December 2025.

The consolidated statement of comprehensive income and Note 3 Operating segments presents the information required to be disclosed under IFRS 5 including:

- the post-tax profit or loss of discontinued operations;
- the revenue, expenses and pre-tax profit or loss of discontinued operations; and
- the related income tax expense

	Unaudited 30 June 2026 £million	Audited 31 December 2025 £million
Consideration less portfolio net lending balance	17.7	–
Selling costs	(1.0)	(0.6)
Other closure costs	(4.8)	–
Profit/(loss) on disposal of loan portfolio	**11.9**	**(0.6)**

The net cash inflow in relation to the sale of the Consumer Vehicle Finance business was attributable to discontinued operations, as shown below:

Net cash flows	Unaudited 30 June 2026 £million	Audited 31 December 2025 £million
Operating	–	45.8
Investing	326.2	–
Net cash inflow	**326.2**	**45.8**

8. Dividends

	Paid	Unaudited 30 June 2026 £million	Unaudited 30 June 2025 £million	Audited 31 December 2025 £million
2025 final dividend – 23.7 pence per share	May-26	4.5	–	–
2025 interim dividend – 11.8 pence per share	Sep-25	–	–	2.2
2024 final dividend – 22.5 pence per share	May-25	–	4.2	4.2
		4.5	**4.2**	**6.4**

The Directors have approved an interim dividend of 12.4 pence per share (30 June 2025: 11.8 pence per share). This will be paid on 24 September 2026 with an associated record date of 28 August 2026.

9. Loans and advances to customers

	Unaudited 30 June 2026	Unaudited 30 June 2025	Audited 31 December 2025
Gross loans and advances	3,508.0	3,936.3	3,341.3
Less: allowances for impairment of loans and advances	(51.4)	(107.5)	(45.5)
	3,456.6	**3,828.8**	**3,295.8**

31 December 2025	Loans and advances to customers £million	Assets held for sale £million	Total £million
Gross loans and advances	3,341.3	434.8	3,776.1
Less: allowances for impairment of loans and advances	(45.5)	(44.0)	(89.5)
	3,295.8	**390.8**	**3,686.6**

10. Allowances for impairment of loans and advances

Expected Credit Losses ('ECL') by stage and by business are disclosed below:

	Not credit-impaired		**Credit-impaired**			
Unaudited 30 June 2026	**Stage 1: Subject to 12-month ECL £million**	**Stage 2: Subject to lifetime ECL £million**	**Stage 3: Subject to lifetime ECL £million**	**Total provision £million**	**Gross loans and advances to customers £million**	**Provision cover %**
Retail Finance	13.6	9.1	11.9	34.6	1,564.2	2.2
Business Finance	0.8	0.3	15.7	16.8	1,943.8	0.9
	14.4	**9.4**	**27.6**	**51.4**	**3,508.0**	**1.5**

	Not credit-impaired		Credit-impaired			
Unaudited 30 June 2025	Stage 1: Subject to 12-month ECL £million	Stage 2: Subject to lifetime ECL £million	Stage 3: Subject to lifetime ECL £million	Total provision £million	Gross loans and advances to customers £million	Provision cover %
Retail Finance	12.9	8.5	9.1	30.5	1,466.8	2.1
Vehicle Finance:						
Voluntary termination provision	5.5	1.8	–	7.3		
Other impairment	10.4	7.6	32.4	50.4		
	15.9	9.4	32.4	57.7	614.3	9.4
Business Finance	1.2	0.8	17.3	19.3	1,855.2	1.0
	30.0	**18.7**	**58.8**	**107.5**	**3,936.3**	**2.7**

Audited **31 December 2025**	Not credit-impaired Stage 1: Subject to 12-month ECL £million	Not credit-impaired Stage 2: Subject to lifetime ECL £million	Credit-impaired Stage 3: Subject to lifetime ECL £million	Total provision £million	Gross loans and advances to customers £million	Provision cover %
Retail Finance	13.5	8.0	11.6	33.1	1,499.6	2.2
Business Finance	1.0	3.2	8.2	12.4	1,841.7	0.7
	14.5	**11.2**	**19.8**	**45.5**	**3,341.3**	**1.4**
Assets held for sale: Vehicle Finance:						
Voluntary termination provision	3.8	1.5	–	5.3		
Other impairment	6.9	8.6	23.2	38.7		
	10.7	10.1	23.2	44.0	434.8	10.1
	25.2	**21.3**	**43.0**	**89.5**	**3,776.1**	**2.4**

The impairment charge disclosed in the income statement can be analysed as follows:

	Unaudited 30 June 2026 £million	Unaudited 30 June 2025 £million	Audited 31 December 2025 £million
Expected credit losses: impairment charge	15.0	31.2	58.3
(Credit)/charge in respect of off-balance sheet loan commitments	(0.1)	–	0.1
Loans written off directly to the income statement	–	0.3	0.8
Unwind of discount	(0.2)	(0.6)	(1.2)
	14.7	**30.9**	**58.0**
Of which:			
Continuing	14.7	14.9	31.4
Discontinued	–	16.0	26.6

Total allowance for impairment above includes expert credit judgements (post-model adjustments) as follows:

	Unaudited 30 June 2026 £million	Unaudited 30 June 2025 £million	Audited 31 December 2025 £million
Specific underlays held against credit-impaired secured assets held within the Business Finance portfolio	(0.6)	(0.5)	1.9
Management judgement in respect of Vehicle Finance LGD	–	(2.5)	–
Other	(0.4)	(0.1)	(0.3)
Expert credit judgements applied to the IFRS 9 model results	**(1.0)**	**(3.1)**	**1.6**

Reconciliations of the opening to closing allowance for impairment of loans and advances are presented below:

Unaudited	**Not credit-impaired** **Stage 1: Subject to 12-month**	**Not credit-impaired** **Stage 2: Subject to**	**Credit-impaired** **Stage 3: Subject to**	**Total £million**

	ECL £million	lifetime ECL £million	lifetime ECL £million	
At 1 January 2026	25.2	21.3	43.0	89.5
(Decrease)/increase due to change in credit risk				
– Transfer to stage 2	(4.6)	11.9	(0.3)	7.0
– Transfer to stage 3	(0.1)	(7.1)	17.1	9.9
– Transfer to stage 1	1.7	(4.4)	–	(2.7)
Passage of time	(0.9)	1.5	1.1	1.7
New loans originated	7.6	–	–	7.6
Matured and derecognised loans	(4.4)	(2.2)	(0.8)	(7.4)
Changes to credit risk parameters	0.6	(1.7)	–	(1.1)
(Credit)/charge to income statement	(0.1)	(2.0)	17.1	15.0
Allowance utilised in respect of write-offs	(10.7)	(9.9)	(32.5)	(53.1)
30 June 2026	**14.4**	**9.4**	**27.6**	**51.4**

	Not credit-impaired		Credit-impaired	
Unaudited	Stage 1: Subject to 12-month ECL £million	Stage 2: Subject to lifetime ECL £million	Stage 3: Subject to lifetime ECL £million	Total £million
At 1 January 2025	29.6	15.9	66.3	111.8
(Decrease)/increase due to change in credit risk				
– Transfer to stage 2	(6.4)	19.5	(1.1)	12.0
– Transfer to stage 3	(0.1)	(11.6)	24.0	12.3
– Transfer to stage 1	2.7	(6.9)	–	(4.2)
Passage of time	(3.5)	2.0	3.8	2.3
New loans originated	8.2	–	–	8.2
Matured and derecognised loans	(1.7)	(0.8)	(3.5)	(6.0)
Changes to credit risk parameters	1.1	0.3	2.0	3.4
Other adjustments	2.9	0.3	–	3.2
Charge to income statement	3.2	2.8	25.2	31.2
Allowance utilised in respect of write-offs	(2.8)	–	(32.7)	(35.5)
30 June 2025	**30.0**	**18.7**	**58.8**	**107.5**

	Not credit-impaired		Credit-impaired	
Audited	Stage 1: Subject to 12-month ECL £million	Stage 2: Subject to lifetime ECL £million	Stage 3: Subject to lifetime ECL £million	Total £million
At 1 January 2025	29.6	15.9	66.3	111.8
(Decrease)/increase due to change in credit risk				
– Transfer to stage 2	(13.7)	40.0	(2.4)	23.9

– Transfer to stage 3	(0.2)	(24.2)	48.9	24.5
– Transfer to stage 1	6.8	(16.5)	–	(9.7)
Passage of time	(11.0)	3.6	5.2	(2.2)
New loans originated	15.6	–	–	15.6
Matured and derecognised loans	(2.6)	(1.6)	(3.0)	(7.2)
Changes to credit risk parameters	2.2	4.0	2.1	8.3
Other adjustments	5.0	0.1	–	5.1
Charge to income statement	2.1	5.4	50.8	58.3
Allowance utilised in respect of write-offs	(6.5)	–	(74.1)	(80.6)
31 December 2025	**25.2**	**21.3**	**43.0**	**89.5**

The tables above have been prepared based on monthly movements in the ECL.

Transfers between stages 1 to 2 or 1 to 3 relate to changes from 12-month PD (probability of default) to lifetime PD, and vice versa.

Passage of time represents the impact of accounts maturing through their contractual life, the associated reduction in PDs and the unwind of the discount applied in calculating the ECL.

Changes to credit risk parameters represent movements that have occurred due to the Group updating model inputs. This would include the impact of, for example, updating the macroeconomic scenarios applied to the models.

Other adjustments represent the movement in the Vehicle Finance voluntary termination provision.

Stage 1 'Allowance utilised in respect of write-offs' arise on Vehicle Finance accounts where borrowers have exercised their right to voluntarily terminate their agreements.

10.1. Key sources of estimation uncertainty

Estimations that could have a material impact on the Group's financial results in relation to ECL and are therefore considered to be key sources of estimation uncertainty are set out below.

The potential impact of the current macroeconomic environment has been considered in determining reasonably possible changes in key sources of estimation uncertainty, which may occur in the next 12 months.

The determination of both the PD and Loss Given Default ('LGD') require estimation, which is discussed further as follows.

10.1.1. Incorporation of forward-looking data

The Group incorporates forward-looking information into both its assessment of whether the credit risk of a financial asset has increased significantly since initial recognition and its measurement of expected credit loss by developing a number of potential economic scenarios and modelling expected credit losses for each scenario.

The macroeconomic scenarios used were provided by external economic advisers. The scenarios and weightings applied are summarised below:

Unaudited 30 June 2026		UK Unemployment Rate – annual average				UK HPI – movement from H1 2026			
Scenario	Weightings	Year 1 %	Year 2 %	Year 3 %	5-Year Average %	Year 1 %	Year 2 %	Year 3 %	5-Year Average %
Upside	20%	5.2	4.4	3.6	4.1	3.3	7.7	15.9	5.5
Base	50%	5.6	5.4	4.8	5.0	0.6	1.9	6.8	3.9

Downside	25%	6.4	7.0	7.0	6.7	(7.0)	(9.5)	(9.4)	0.8
Severe	5%	6.7	7.1	7.8	7.4	(12.5)	(18.1)	(21.9)	(1.9)

Unaudited 30 June 2026		**UK Base Rate – annual average**				**UK debt service ratio – annual average**			
Scenario	**Weightings**	**Year 1 %**	**Year 2 %**	**Year 3 %**	**5-Year Average %**	**Year 1 %**	**Year 2 %**	**Year 3 %**	**5-Year Average %**
Upside	20%	5.3	5.1	4.4	4.3	5.4	5.4	4.6	4.7
Base	50%	3.8	3.1	2.8	3.0	4.6	4.5	4.2	4.2
Downside	25%	2.4	1.8	1.8	1.9	4.1	4.3	4.2	4.1
Severe	5%	1.4	0.8	0.8	0.9	3.6	3.5	3.6	3.6

Unaudited 30 June 2026		**UK CPI – movement from H1 2026**			
Scenario	**Weightings**	**Year 1 %**	**Year 2 %**	**Year 3 %**	**5-Year Average %**
Upside	20%	3.8	6.4	9.1	12.8
Base	50%	2.7	4.5	6.7	10.5
Downside	25%	0.9	1.9	3.5	7.3
Severe	5%	(0.5)	–	1.2	5.0

Unaudited 30 June 2025		UK Unemployment Rate – annual average				UK HPI – movement from H1 2025			
Scenario	Weightings	Year 1 %	Year 2 %	Year 3 %	5-Year Average %	Year 1 %	Year 2 %	Year 3 %	5-Year Average %
Upside	20%	4.4	3.9	3.7	3.9	3.7	8.4	14.8	5.1
Base	50%	4.8	4.9	4.7	4.6	1.6	3.9	7.8	3.9
Downside	25%	5.6	6.5	6.8	6.4	(6.6)	(9.2)	(10.4)	0.3
Severe	5%	5.9	7.3	7.5	7.1	(12.3)	(18.5)	(23.2)	(2.6)

Unaudited 30 June 2025		UK Base Rate – annual average				UK debt service ratio – annual average			
Scenario	Weightings	Year 1 %	Year 2 %	Year 3 %	5-Year Average %	Year 1 %	Year 2 %	Year 3 %	5-Year Average %
Upside	20%	5.0	4.1	3.1	3.7	5.5	5.2	4.6	4.8
Base	50%	3.3	2.8	2.5	2.7	4.7	4.5	4.3	4.4
Downside	25%	2.6	1.8	1.8	1.9	4.5	4.3	4.3	4.2
Severe	5%	1.8	0.8	0.8	1.0	4.3	3.7	3.7	3.7

Unaudited
30 June 2025

Scenario	Weightings	UK CPI – movement from H1 2025 Year 1 %	Year 2 %	Year 3 %	5-Year Average %
Upside	20%	3.4	6.6	9.3	13.3
Base	50%	2.2	4.7	6.9	11.0
Downside	25%	0.6	2.0	3.9	7.7
Severe	5%	(0.6)	–	1.4	5.2

Audited
31 December 2025

		UK Unemployment Rate – annual average				UK HPI – movement from December 2025			
Scenario	Weightings	2026 %	2027 %	2028 %	5-Year Average %	2026 %	2027 %	2028 %	5-Year Average %
Upside	20%	4.6	3.9	3.6	3.9	4.5	10.3	17.9	5.4
Base	50%	5.0	4.8	4.5	4.6	2.4	5.8	10.8	4.1
Downside	25%	5.8	6.5	6.9	6.6	(5.9)	(7.5)	(7.6)	0.6
Severe	5%	6.1	7.2	7.7	7.1	(11.6)	(17.0)	(21.7)	(2.3)

Audited
31 December 2025

		UK Base Rate – annual average				UK debt service ratio – annual average			
Scenario	Weightings	2026 %	2027 %	2028 %	5-Year Average %	2026 %	2027 %	2028 %	5-Year Average %
Upside	20%	4.8	4.4	3.7	3.8	5.1	5.0	4.3	4.5
Base	50%	3.3	3.0	2.8	2.8	4.4	4.3	4.1	4.1
Downside	25%	2.4	1.8	1.8	1.9	4.1	4.1	4.0	3.9
Severe	5%	1.4	0.8	0.8	0.9	3.6	3.2	3.4	3.3

Audited
31 December 2025

Scenario	Weightings	UK CPI – movement from December 2025 2026 %	2027 %	2028 %	5-Year Average %
Upside	20%	3.5	6.9	9.8	2.8
Base	50%	2.7	5.3	7.6	2.3
Downside	25%	1.6	2.9	4.7	1.7
Severe	5%	0.6	1.1	2.5	1.2

The sensitivity of the ECL allowance to reasonably possible changes in scenario weighting (an increase in downside case weighting from the upside case and an increase in severe stress case weighting from the base case) has been assessed by the Group and determined as not material.

The Group recognised an impairment charge of £14.7 million (30 June 2025: £30.9 million, 31 December 2025: £58.0 million). Were each of the macroeconomic scenarios to be applied 100%, rather than using the weightings set out above, the increase/(decrease) on ECL provisions would be as follows:

Unaudited **30 June 2026** Scenario	**Retail Finance £million**	**Business Finance £million**	**Total Group £million**
Upside	(0.3)	(0.7)	(1.0)
Base	(0.1)	(0.4)	(0.5)
Downside	0.5	1.0	1.5
Severe	0.7	2.7	3.4

Unaudited **30 June 2025** Scenario	Vehicle Finance £million	Retail Finance £million	Business Finance £million	Total Group £million
Upside	(0.4)	(0.2)	(1.4)	(2.0)
Base	(0.2)	(0.1)	(0.8)	(1.1)
Downside	0.5	0.4	1.8	2.7
Severe	0.8	0.5	4.4	5.7

Audited **31 December 2025** Scenario	Vehicle Finance £million	Retail Finance £million	Business Finance £million	Total Group £million
Upside	(0.7)	(0.3)	(1.3)	(2.3)
Base	(0.4)	(0.3)	(0.7)	(1.4)
Downside	1.6	0.7	1.8	4.1
Severe	2.1	0.7	4.1	6.9

10.1.2. ECL-modelled output: Estimation of PDs

Sensitivity to reasonably possible changes in PD could potentially result in material changes in the ECL allowance for Retail Finance.

A 15.0% change in the PD for Retail Finance would immediately impact the ECL allowance by £4.6 million (30 June 2025: £3.9 million, 31 December 2025: £4.1 million).

These sensitivities reflect the levels of new business observed during the period.

Due to the relatively low levels of provisions in the Business Finance portfolio, sensitivity to reasonably possible changes in PD are not considered material.

10.1.3. Climate risk impact

The Group considers the impact of climate-related risks on the financial statements on an annual basis, in particular, climate change negatively impacting the value of the Group's security on Investment products due to the increased risk of flooding associated with climate change.

While the effects of climate change represent a source of uncertainty (in respect of potential transitional risks, such as those that may arise from changes in future government policy), the impact of all the climate change risks is considered to be low. Accordingly, the Group does not consider there to be a material impact on its judgements and estimates from the physical, transitional and other climate-related risks in the short term.

11. Due to banks

	Unaudited 30 June 2026 £million	Unaudited 30 June 2025 £million	Audited 31 December 2025 £million
Amounts due under the Bank of England's liquidity support operations			
Sale and repurchase agreements	175.0	250.0	200.0
Amounts due to other credit institutions	8.4	9.2	4.7
Accrued interest on sale and repurchase agreements	0.7	1.8	1.2
	184.1	**261.0**	**205.9**

12. Deposits from customers

	Unaudited 30 June 2026 £million	Unaudited 30 June 2025 £million	Audited 31 December 2025 £million
Fixed term bonds	1,249.4	1,543.3	1,518.9
Notice accounts	34.2	54.3	39.3
ISAs	1,301.6	1,131.8	1,181.2
Access accounts	646.0	780.7	770.2
	3,231.2	**3,510.1**	**3,509.6**

13. Provisions for liabilities and charges

	ECL allowance on off-balance sheet loan commitments £million	Other £million	Total £million
Balance at 1 January 2025	**0.9**	**10.4**	**11.3**
Charge to income statement	–	1.3	1.3
Utilised	–	(4.0)	(4.0)
Balance at 30 June 2025 (Unaudited)	**0.9**	**7.7**	**8.6**
Charge to income statement	0.1	20.4	20.5
Utilised	–	(3.6)	(3.6)
Balance at 31 December 2025 (Audited)	**1.0**	**24.5**	**25.5**
Charge to income statement	(0.1)	1.3	1.2
Utilised	–	(4.0)	(4.0)
Balance at 30 June 2026 (Unaudited)	**0.9**	**21.8**	**22.7**

ECL allowance on loan commitments

In accordance with the requirements of IFRS 9, the Group holds an ECL allowance against loans it has committed to lend, but have not yet been drawn. For the Business Finance portfolios, where a loan facility is agreed that includes both drawn and undrawn elements, and the Group cannot identify the ECL on the loan commitment separately, a combined loss allowance for both drawn and undrawn components of the loan is presented as a deduction from the gross carrying amount of the drawn component, with any excess of the loss allowance over the gross drawn amount presented as a provision. At 30 June 2026, 30 June 2025 and 31 December 2025, no provision was held for losses in excess of drawn amounts.

Other

Other includes:

- costs and redress relating historical motor commissions (see below for further details) and the Borrowers in Financial Difficulty Vehicle Finance collections review (which has been completed);
- provision for redundancy;
- onerous contracts;
- provision for fraud, which relates to cases where the Group has reasonable evidence of suspected fraud, but further investigation is required before the cases can be dealt with appropriately; and
- s75 Consumer Credit Act 1974 provision;

The Directors expect all provisions to be fully utilised within the next one to two years.

13.1. Key sources of estimation uncertainty

In January 2024, the Financial Conduct Authority ('FCA') launched a review of the historical use of discretionary commission arrangements ('DCAs') in the motor finance industry. The Vehicle Finance business sometimes operated these arrangements until June 2017, but stopped doing so well ahead of the FCA banning their use in January 2021. In October 2024, the Court of Appeal gave judgment in the cases of Hopcraft, Wrench and Johnson, which had wider implications for the legality of both fixed and DCA historical motor commissions. These were then appealed to the Supreme Court where, in August 2025, the Hopcraft and Wrench cases were overturned, however the Johnson case was upheld on the facts of that case.

At 31 December 2024, we undertook scenario analysis using different assumptions, which were probability weighted to estimate a potential exposure. In October 2025, the FCA issued a consultation paper providing further detail on its proposed redress approach, including significantly broadening the scope of the overall redress scheme, how unfairness would be assessed, the scheme's period and proposed redress methodology. As a result, the Group recognised a further provision of £16.4 million at 31 December 2025.

In March 2026, the FCA published its final and updated rules. In May 2026, four legal challenges were brought about the FCA's final rules. Following this, the Upper Tribunal ordered a partial suspension of the redress scheme on 2 July 2026. The challenges are expected to be heard in Q4 2026 or Q1 2027.

The Group has assessed the impact of the final rules and the current status of the partial suspension and has not made any further adjustment to its motor finance commission provision. However, the ultimate financial impact remains uncertain due to various factors, including the outcome of the legal challenges, and information and assistance required from vehicle dealers/brokers. As at 30 June 2026, the Group held a provision of £20.2 million (30 June 2025: £5.5 million, 31 December 2025: £21.5 million). If the FCA scheme were implemented in its entirety in its current form, the Group would expect to increase the provision for redress by a further £0.8 million.

14. Subordinated liabilities

	Unaudited 30 June 2026 £million	Unaudited 30 June 2025 £million	Audited 31 December 2025 £million
Notes at face value	90.0	90.0	90.0
Unamortised issue costs	(0.4)	(0.6)	(0.5)
Accrued interest	3.9	3.9	4.0
	93.5	**93.3**	**93.5**

The Fixed Rate Reset Callable Subordinated Notes due August 2033 are listed on the International Securities Market of the London Stock Exchange. This issuance is in line with the Group's funding strategy and supports the Group's stated medium-term growth ambitions.

- The notes are redeemable for cash at their principal amount on fixed dates.
- The Company has a call option to redeem the notes early in the event of a 'tax event' or a 'capital disqualification event', which is at the full discretion of the Company.
- Interest payments are paid at six-monthly intervals and are mandatory.
- The notes give the holders rights to the principal amount on the notes, plus any unpaid interest, on liquidation. Any such claims are subordinated to senior creditors, but rank pari passu, with holders of other subordinated obligations and in priority to holders of share capital.

The above features provide the issuer with a contractual obligation to deliver cash or another financial asset to the holders and, therefore, the notes are classified as financial liabilities.

Transaction costs that are directly attributable to the issue of the notes and are deducted from the financial liability and expensed to the income statement on an effective interest rate basis over the expected life of the notes.

The notes are treated as Tier 2 regulatory capital, which is used to support the continuing growth of the business, taking into account increases in regulatory capital buffers. The issue of the notes is consistent with the Group's capital management policy.

The Group paid interest of £5.9 million on subordinated liabilities during the period (30 June 2025: £5.9 million, 31 December 2025: £11.7 million), which is included in Net cash inflow from operating activities in the Condensed consolidated statement of cash flows.

15. Contingent liabilities and commitments

15.1. Contingent liabilities

15.1.1. Laws and regulations

As a financial services business, the Group must comply with numerous laws and regulations that significantly affect the way it does business. While the Group believes there are no material unidentified continuing areas of failure to comply with these laws and regulations, other than noted below, there can be no guarantee that all issues have been identified.

15.2. Credit commitments

Commitments to extend credit to customers were as follows:

	Unaudited 30 June	Unaudited 30 June	Audited 31 December

	2026 £million	2025 £million	2025 £million
Retail Finance	127.7	108.1	115.8
Business Finance	209.0	202.2	282.0
Discontinued: Vehicle Finance	–	2.2	–
	336.7	**312.5**	**397.8**

16. Cash flow statement

16.1. Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise the following balances with less than three months maturity from the date of acquisition.

	Unaudited 30 June 2026 £million	Unaudited 30 June 2025 £million	Audited 31 December 2025 £million
Cash and Bank of England reserve account	317.5	385.9	528.1
Loans and advances to banks	20.8	28.8	36.8
Less:			
Initial margin account	(5.9)	(1.9)	(5.1)
	332.4	**412.8**	**559.8**

The Group has no access to the initial margin account, so this amount does not meet the definition of cash and cash equivalents, and accordingly, they are excluded from the cash and cash equivalents.

16.2. Changes in liabilities arising from financing activities

All changes in liabilities arising from financing activities arise from changes in cash flows, apart from £0.1 million (30 June 2025: £nil, 31 December 2025: £0.1 million) of lease liabilities interest expense.

17. Related party transactions

There were no changes to the nature of the related party transactions during the period to June 2026 that would materially affect the position or performance of the Group. The nature and relative quantum of related party transactions has not changed in the six months ended 30 June 2026 in comparison to the year ended 31 December 2025. Details of the transactions for the year ended December 2025 can be found in the 2025 Annual Report and Accounts.

18. Management of credit risk

The Group takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Details of the management of credit risk can be found in the 2025 Annual Report and Accounts.

	Stage 1			Stage 2	Stage 3	Total
Unaudited 30 June 2026	£million	<= 30 days past due £million	> 30 days past due £million	Total £million	Total £million	£million
Retail Finance	1,466.6	80.3	3.7	84.0	13.6	1,564.2
Business Finance	1,729.3	117.7	–	117.7	96.8	1,943.8

Total drawn exposure	**3,195.9**	**198.0**	**3.7**	**201.7**	**110.4**	**3,508.0**
Off-balance sheet						
Loan commitments	334.0	2.7	–	2.7	–	336.7
Total gross exposure	**3,529.9**	**200.7**	**3.7**	**204.4**	**110.4**	**3,844.7**
Less:						
Impairment allowance	(14.4)	(7.6)	(1.8)	(9.4)	(27.6)	(51.4)
Provision for loan commitments	(0.9)	–	–	–	–	(0.9)
Total net exposure	**3,514.6**	**193.1**	**1.9**	**195.0**	**82.8**	**3,792.4**

	Stage 1			Stage 2	Stage 3	Total
Unaudited 30 June 2025	£million	<= 30 days past due £million	> 30 days past due £million	Total £million	Total £million	£million
Retail Finance	1,360.0	91.8	4.7	96.5	10.3	1,466.8
Business Finance	1,536.1	198.3	–	198.3	120.8	1,855.2
Vehicle Finance (discontinued)	500.9	47.7	19.2	66.9	46.5	614.3
Total drawn exposure	**3,397.0**	**337.8**	**23.9**	**361.7**	**177.6**	**3,936.3**
Off-balance sheet						
Loan commitments	304.7	7.8	–	7.8	–	312.5
Total gross exposure	**3,701.7**	**345.6**	**23.9**	**369.5**	**177.6**	**4,248.8**
Less:						
Impairment allowance	(30.0)	(11.3)	(7.4)	(18.7)	(58.8)	(107.5)
Provision for loan commitments	(0.9)	–	–	–	–	(0.9)
Total net exposure	**3,670.8**	**334.3**	**16.5**	**350.8**	**118.8**	**4,140.4**

	Stage 1			Stage 2	Stage 3	Total
Audited 31 December 2025	£million	<= 30 days past due £million	> 30 days past due £million	Total £million	Total £million	£million
Retail Finance	1,419.1	62.3	4.9	67.2	13.3	1,499.6
Business Finance	1,599.7	128.7	–	128.7	113.3	1,841.7
Total drawn exposure	**3,018.8**	**191.0**	**4.9**	**195.9**	**126.6**	**3,341.3**
Off-balance sheet						
Loan commitments	386.9	10.9	–	10.9	–	397.8
Total gross exposure	**3,405.7**	**201.9**	**4.9**	**206.8**	**126.6**	**3,739.1**
Less:						
Impairment allowance	(14.5)	(8.7)	(2.5)	(11.2)	(19.8)	(45.5)
Provision for loan commitments	(1.0)	–	–	–	–	(1.0)
Total net exposure	**3,390.2**	**193.2**	**2.4**	**195.6**	**106.8**	**3,692.6**

Audited 31 December 2025	Stage 1 £million	<= 30 days past due £million	> 30 days past due £million	Stage 2 Total £million	Stage 3 Total £million	Total £million
Assets held for sale:						
Vehicle Finance						
Gross exposure	328.4	53.1	18.5	71.6	34.8	434.8
Less: Impairment allowance	(10.7)	(5.3)	(4.8)	(10.1)	(23.2)	(44.0)
Total net exposure	**317.7**	**47.8**	**13.7**	**61.5**	**11.6**	**390.8**

18.1 Concentration risk

Management assesses the potential concentration risk from geographic, product and individual loan concentration. Due to the nature of the Group's lending operations, the Directors consider the lending operations of the Group as a whole to be well diversified. Details of the Group's loans and advances to customers and loan commitments by product is provided in Notes 3 and 15.2 respectively.

The Group's Investment, Development and Bridging products are secured against UK property only. The geographical concentration of these business loans and advances to customers, by location of the security, is as follows:

	Unaudited 30 June 2026 £million	Unaudited 30 June 2025 £million	Audited 31 December 2025 £million
Central England	129.6	153.2	134.2
Greater London	788.7	747.0	711.2
Northern England	197.1	125.1	176.0
South East England (excl. Greater London)	267.1	241.5	251.9
South West England	129.3	97.7	107.4
Scotland, Wales and Northern Ireland	83.7	100.8	94.6
Gross loans and advances to customers	**1,595.5**	**1,465.3**	**1,475.3**
Allowance for impairment	(10.8)	(17.8)	(8.4)
Total	**1,584.7**	**1,447.5**	**1,466.9**
Loan-to-value	**59%**	**58%**	**57%**

Under the Group's credit policy, Business Finance lends to a maximum loan-to-value of:

- 70% for investment loans;
- 60% for residential development loans[1];
- 65% for certain residential higher leveraged development loans[1], which is subject to an overall cap on such lending agreed by management according to risk appetite; and
- 65% for commercial development loans[1].

This remains unchanged from prior periods.

1. Based on gross development value.

19. Capital risk (unaudited)

Capital risk is the risk that the Group will have insufficient capital resources to meet minimum regulatory requirements to support the business. The Group adopts a conservative approach to managing its capital and at least annually assesses the robustness of the capital requirements as part of the Group's Internal Capital Adequacy Assessment Process ('ICAAP'). The Group has Tier 1 and Tier 2 capital resources, noting the regulatory adjustments required in the table below.

The following table shows the regulatory capital resources for the Group:

	Unaudited 30 June 2026 £million	Unaudited 30 June 2025 £million	Unaudited 31 December 2025 £million
Tier 1			
Share capital	7.6	7.6	7.6
Share premium	84.3	84.0	84.2
Retained earnings	304.4	284.3	284.4
Own shares	(7.2)	(1.9)	(1.9)
Goodwill	(1.0)	(1.0)	(1.0)
Intangible assets net of attributable deferred tax	(4.1)	(3.7)	(4.1)
Common Equity Tier 1 ('CET 1') capital before foreseeable dividend	**384.0**	**369.3**	**369.2**
Foreseeable dividend	(2.3)	(2.2)	(4.4)
CET 1 capital	**381.7**	**367.1**	**364.8**
Tier 2			
Subordinated liabilities	89.6	89.4	89.5
Less ineligible portion	(29.7)	(23.8)	(25.9)
Total Tier 2 capital[1]	**59.9**	**65.6**	**63.6**
Own funds	**441.6**	**432.7**	**428.4**
Reconciliation to total equity:			
Eligible subordinated liabilities	(59.9)	(65.6)	(63.6)
Cash flow hedge reserve	–	0.1	–
Goodwill and other intangible assets net of attributable deferred tax	5.1	4.7	5.1
Foreseeable dividend	2.3	2.2	4.4
Total equity	**389.1**	**374.1**	**374.3**

1. Tier 2 capital comprises solely subordinated debt, excluding accrued interest, capped at 25% of the Pillar 1 and 2A requirements as set by the PRA.

The Group's regulatory capital is divided into:

- CET 1 capital, which comprises shareholders' funds, after deducting qualifying intangible assets, which is net of attributable deferred tax; and
- Tier 2 capital, which is solely subordinated debt net of unamortised issue costs, capped at 25% of the capital requirement.

The Group operates the standardised approach to credit risk, whereby risk weightings are applied to the Group's on and off-balance sheet exposures. The weightings applied are those stipulated in the Capital Requirements Regulation.

The Group is subject to capital requirements imposed by the PRA on all financial services firms. The Group complied with these requirements across all reporting periods.

20. Fair value of loans and advances to customers and deposits from customers

The fair value of loans and advances to customers and deposits from customers is set out below.

	Unaudited Carrying amount 30 June 2026 £million	**Unaudited Fair value 30 June 2026 £million**	Unaudited Carrying amount 30 June 2025 £million	Unaudited Fair value 30 June 2025 £million	Audited Carrying amount 31 December 2025 £million	Audited Fair value 31 December 2025 £million
Loans and advances to customers	**3,456.6**	**3,444.2**	3,828.8	3,836.4	3,295.8	3,289.0
Deposits from customers	**3,231.2**	**3,241.8**	3,510.1	3,510.7	3,509.6	3,530.7

Derivatives are carried at fair value. All other financial assets and liabilities are carried at amortised cost.

Appendix to the Interim Report (unaudited)

Key performance indicators and other alternative performance measures

All key performance indicators are based on continuing operations, unless otherwise stated. Where appropriate, the resulting ratios for 30 June 2026 and 30 June 2025 are multiplied by 365/181 to give an annual equivalent comparable to the annual results:

(i) Continuing loans and advances to customers

A reconciliation of total loans and advances to customers to continuing operations loans and advances to customers is set out below:

	30 June 2026 £million	30 June 2025 £million	31 December 2025 £million
Loans and advances to customers	3,456.6	3,828.8	3,295.8
Assets held sale – Vehicle Finance	–	–	390.8
Total loans and advances to customers	**3,456.6**	**3,828.8**	**3,686.6**
Less discontinued loans and advances to customers:			
Vehicle Finance (sold during 2026)	–	(556.6)	(390.8)
Continuing loans and advances to customers	**3,456.6**	**3,272.2**	**3,295.8**

(ii) Continuing average equity

Continuing average equity is calculated by multiplying the percentage of the average of the monthly total Group equity balances over the total Group average risk-weighted assets ('RWAs'), by the continuing average RWAs.

	30 June 2026 £million	30 June 2025 £million	31 December 2025 £million
Total Group average equity	387.4	368.0	371.7
Total Group average RWAs	2,694.9	2,872.9	2,857.9

	14.4%	12.8%	13.0%
Continuing average RWAs	2,539.8	2,380.1	2,399.6
Continuing average equity	**365.1**	**304.9**	**312.1**

(iii) Net interest margin, net revenue and risk adjusted margin ratios

Net interest margin is calculated as net interest income for the financial period as a percentage of the average loan book. Risk adjusted margin is calculated as risk adjusted income for the financial period as a percentage of the average loan book. Net revenue margin is calculated as operating income for the financial period as a percentage of the average loan book. The calculation of the average loan book is the average of the monthly balance of loans and advances to customers, net of provisions, over seven or 13 months:

Continuing operations	**30 June 2026 £million**	30 June 2025 £million	31 December 2025 £million
Net interest income	78.8	73.0	151.1
Net fee and commission income	6.1	6.7	14.1
Operating income	84.9	79.7	165.2
Net impairment charge on loans and advances to customers	(14.7)	(14.9)	(31.4)
Risk adjusted income	70.2	64.8	133.8
Average loan book	3,353.6	3,135.2	3,184.3
Net revenue margin	**5.1%**	**5.1%**	**5.2%**
Net interest margin	**4.7%**	**4.7%**	**4.7%**
Risk adjusted margin	**4.2%**	**4.2%**	**4.2%**

Retail Finance	**30 June 2026 £million**	30 June 2025 £million	31 December 2025 £million
Net interest income	48.7	47.6	97.5
Net fee and commission income	2.2	1.4	3.7
Net impairment charge on loans and advances to customers	(10.4)	(9.5)	(19.2)
Risk adjusted income	40.5	39.5	82.0
Average loan book	1,476.2	1,377.8	1,405.6
Net interest margin	**6.7%**	**7.0%**	**6.9%**
Risk adjusted margin	**5.5%**	**5.8%**	**5.8%**

Business Finance	**30 June 2026 £million**	30 June 2025 £million	31 December 2025 £million
Net interest income	27.1	22.1	46.3
Net fee and commission income	3.9	5.4	10.4
Operating income	31.0	27.5	56.7
Net impairment charge on loans and advances to customers	(4.3)	(5.4)	(12.2)
Risk adjusted income	26.7	22.1	44.5

Average loan book	1,877.4	1,757.4	1,778.7
Net revenue margin	**3.3%**	**3.2%**	**3.2%**
Risk adjusted margin	**2.9%**	**2.5%**	**2.5%**

These ratios show the net return on our lending assets, with and without, adjusting for cost of risk.

(iv) Adjusted basic EPS

Adjusted basic EPS is calculated as the adjusted profit after tax for the financial period divided by the weighted average number of ordinary shares:

	30 June 2026 £million	30 June 2025 £million	31 December 2025 £million
Total profit after tax	23.7	16.7	17.6
Less: adjusting items after tax	1.8	1.4	23.0
Adjusted total profit after tax	25.5	18.1	40.6
Weighted average number of ordinary shares	18,744,476	19,071,558	18,678,740
Total adjusted basic EPS	**136.0**	**94.9**	**217.4**

Adjusted basic EPS is a measure of the Group's adjusted profit after tax attributable to the equity holders of the parent.

	30 June 2026 £million	30 June 2025 £million	31 December 2025 £million
Continuing profit after tax	22.6	20.8	44.6
Less: continuing adjusting items after tax	1.1	0.6	2.5
Adjusted continuing profit after tax	23.7	21.4	47.1
Weighted average number of ordinary shares	18,744,476	19,071,558	18,678,740
Continuing adjusted basic EPS	**126.4**	**112.2**	**252.2**

	30 June 2026 £million	30 June 2025 £million	31 December 2025 £million
Discontinued profit/(loss) after tax	1.1	(4.1)	(27.0)
Less: discontinued adjusting items after tax	0.7	0.8	20.5
Adjusted discontinued profit/(loss) after tax	1.8	(3.3)	(6.5)
Weighted average number of ordinary shares	18,744,476	19,071,558	18,678,740
Discontinued adjusted basic EPS	**9.6**	**(17.3)**	**(34.8)**

(v) Return on average equity

Total return on average equity is calculated as the total profit after tax for the financial period as a percentage of average equity. Adjusted return on average equity is calculated as the adjusted profit after tax for the financial period as a percentage of average equity. Average equity is calculated as the average of the monthly equity balances:

	30 June 2026 £million	30 June 2025 £million	31 December 2025 £million
Total profit after tax	23.7	16.7	17.6

Less: adjusting items after tax	1.8	1.4	23.0
Adjusted profit after tax	25.5	18.1	40.6
Average equity	387.4	368.0	371.7
Total return on average equity	**12.3%**	**9.2%**	**4.7%**
Total adjusted return on average equity	**13.3%**	**9.9%**	**10.9%**

Continuing return on average equity is calculated as the continuing profit after tax as a percentage of continuing average equity. Continuing adjusted return on average equity is calculated as the continuing adjusted profit after tax as a percentage of average continuing equity. Average equity is calculated as the average of the monthly equity balances:

	30 June 2026 £million	30 June 2025 £million	31 December 2025 £million
Continuing profit after tax	22.6	20.8	44.6
Less: continuing adjusting items after tax	1.1	0.6	2.5
Continuing adjusted profit after tax	23.7	21.4	47.1
Continuing average equity	365.1	304.9	312.1
Continuing return on average equity	**12.5%**	**13.8%**	**14.3%**
Continuing adjusted return on average equity	**13.1%**	**14.2%**	**15.1%**

Return on average equity is a measure of the Group's ability to generate profit from the equity available to it.

(vi) Return on required equity

Total return on required equity is calculated as the total profit after tax for the financial period as a percentage of required equity. Adjusted return on required equity is calculated as the adjusted profit after tax for the financial period as a percentage of required equity.

	30 June 2026 £million	30 June 2025 £million	31 December 2025 £million
Total profit after tax	23.7	16.7	17.6
Less: adjusting items after tax	1.8	1.4	23.0
Adjusted profit after tax	25.5	18.1	40.6
Total Group average RWAs	2,694.9	2,872.9	2,857.9
Required equity	350.3	373.5	371.5
Total return on required equity	**13.6%**	**9.0%**	**4.7%**
Total adjusted return on required equity	**14.7%**	**9.8%**	**10.9%**

Continuing return on required equity is calculated as the continuing profit after tax as a percentage of continuing required equity. Continuing adjusted return on required equity is calculated as the continuing adjusted profit after tax as a percentage of continuing required equity.

	30 June 2026 £million	30 June 2025 £million	31 December 2025 £million
Continuing profit after tax	22.6	20.8	44.6
Less: continuing adjusting items after tax	1.1	0.6	2.5

Continuing adjusted profit after tax	23.7	21.4	47.1
Continuing average RWAs	2,539.8	2,380.1	2,399.6
Continuing required equity	330.2	309.4	311.9
Continuing return on required equity	**13.8%**	**13.6%**	**14.3%**
Continuing adjusted return on required equity	**14.5%**	**13.9%**	**15.1%**

Return on required equity is a measure of the Group's ability to generate profit from equity, normalised to the Group's medium-term ambition of 13.0% CET 1 ratio and therefore excludes the impact of surplus capital.

(vii) Return on tangible equity

Total return on tangible equity is calculated as the total profit after tax for the financial period as a percentage of tangible equity. Adjusted return on tangible equity is calculated as the adjusted profit after tax for the financial period as a percentage of tangible equity. Tangible equity is calculated as equity less intangible assets:

	30 June 2026 £million	30 June 2025 £million	31 December 2025 £million
Total profit after tax	23.7	16.7	17.6
Less: adjusting items after tax	1.8	1.4	23.0
Adjusted profit after tax	25.5	18.1	40.6
Average equity	387.4	368.0	371.7
Less: average intangible assets	(5.1)	(4.8)	(5.1)
Tangible equity	382.3	363.2	366.6
Total return on tangible equity	**12.5%**	**9.3%**	**4.8%**
Total adjusted return on tangible equity	**13.5%**	**10.0%**	**11.1%**

Continuing return on tangible equity is calculated as the continuing profit after tax as a percentage of continuing tangible equity. Continuing adjusted return on tangible equity is calculated as the continuing adjusted profit after tax as a percentage of continuing tangible equity. Continuing tangible equity is calculated as continuing equity less intangible assets:

	30 June 2026 £million	30 June 2025 £million	31 December 2025 £million
Continuing profit after tax	22.6	20.8	44.6
Less: continuing adjusting items after tax	1.1	0.6	2.5
Continuing adjusted profit after tax	23.7	21.4	47.1
Average continuing equity	365.1	304.9	312.1
Less: average intangible assets	(5.1)	(4.8)	(5.1)
Continuing tangible equity	360.0	300.1	307.0
Continuing return on tangible equity	**12.7%**	**14.0%**	**14.5%**
Continuing adjusted return on tangible equity	**13.3%**	**14.4%**	**15.3%**

Return on tangible equity is a measure of the Group's ability to generate profit from the tangible equity available to it.

(viii) Cost to income ratio

Cost to income ratio is calculated as operating expenses for the financial period as a percentage of operating income for the financial period. Adjusted cost to income ratio is calculated as adjusted operating expenses for the financial period as a percentage of operating income for the financial period.

	30 June 2026 £million	30 June 2025 £million	31 December 2025 £million
Continuing operating expenses	40.9	37.1	74.7
Less: continuing adjusting items	(1.4)	(0.8)	(3.3)

Continuing adjusted operating expenses	39.5	36.3	71.4
Continuing operating income	84.9	79.7	165.2
Continuing cost to income ratio	**48.2%**	**46.5%**	**45.2%**
Continuing adjusted cost to income ratio	**46.5%**	**45.5%**	**43.2%**

The cost to income ratio measures how efficiently the Group is utilising its cost base to produce income.

(ix) Cost of risk

Continuing cost of risk is calculated as the net impairment charge on loans and advances to customers as a percentage of the average loan book:

	30 June 2026 £million	30 June 2025 £million	31 December 2025 £million
Net impairment charge on loans and advances to customers	14.7	14.9	31.4
Average loan book	3,353.6	3,135.2	3,184.3
Continuing cost of risk	**0.9%**	**1.0%**	**1.0%**

The cost of risk measures how effective the Group has been in managing the credit risk of its lending portfolios.

(x) Cost of funds

Cost of funds is calculated as the interest expense for the financial period expressed as a percentage of average loan book:

	30 June 2026 £million	30 June 2025 £million	31 December 2025 £million
Interest expense and similar charges	70.6	76.4	150.7
Average loan book	3,353.6	3,135.2	3,184.3
Continuing cost of funds	**4.2%**	**4.9%**	**4.7%**

The cost of funds measures the cost of money being lent to customers.

(xi) Funding ratio and loan to deposit ratio

The funding ratio is calculated as the total funding at the end of the period, divided by the loan book at the end of the period. The loans to deposit ratio is calculated as loans and advances to customers at the end of the period divided by deposits from customers at the end of the period:

	30 June 2026 £million	30 June 2025 £million	31 December 2025 £million
Deposits from customers	3,231.2	3,510.1	3,509.6
Sale and repurchase agreement	175.7	251.8	201.2
Tier 2 capital (including accrued interest)	93.5	93.3	93.5
Equity	389.1	374.1	374.3
Total funding	3,889.5	4,229.3	4,178.6
Total loans and advances to customers	3,456.6	3,828.8	3,686.6
Funding ratio	**112.5%**	**110.5%**	**113.3%**
Loan to deposit ratio	**107.0%**	**109.1%**	**105.0%**

The funding ratio and loan to deposit ratio measures the Group's excess of funding that provides liquidity.

(xii) Tangible book value per share

Tangible book value per share is calculated as the total equity less intangible assets divided by the number of shares in issue at the end of the period:

	30 June 2026 £million	30 June 2025 £million	31 December 2025 £million
Total equity	389.1	374.1	374.3
Less: Intangible assets	(5.1)	(4.7)	(5.1)
Tangible book value	384.0	369.4	369.2
Shares	18,777,309	19,073,729	18,715,773
Tangible book value per share	**£20.45**	**£19.37**	**£19.73**

Tangible book value is a measure of the Group's value per share.

Directors' responsibility statement

The Directors confirm that, to the best of their knowledge:

- the Interim Financial Statements have been prepared in accordance with United Kingdom-adopted International Accounting Standard 34 – 'Interim Financial Reporting', issued by the IASB and give a true and fair view of the assets, liabilities, financial position and profit of the undertakings included in the consolidation as a whole;

- the Interim Business Report includes a fair review of the information required by Section 4.2.7R of the Disclosure Guidance and Transparency Rules, issued by the Financial Conduct Authority (that being an indication of important events that have occurred during the first six months of the current financial year and their impact on the condensed financial statements and a description of the principal risks and uncertainties for the remaining six months of the financial year); and

- the Interim Business Report includes a fair review of the information required by Section 4.2.8R of the Disclosure Guidance and Transparency Rules, issued by the Financial Conduct Authority (that being disclosure of related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or the performance of the enterprise during that period; and any changes in the related party transactions described in the last Annual Report which could do so).

Approved by the Board of Directors and signed on behalf of the Board.

Ian Corfield
Chief Executive Officer

Rachel Lawrence
Chief Financial Officer

Independent review report to Secure Trust Bank PLC

Conclusion

We have been engaged by the Company to review the condensed set of financial statements in the Interim Financial Statements for the six months ended 30 June 2026, which comprises the: Condensed consolidated statement of comprehensive income; Condensed consolidated statement of financial position; Condensed consolidated statement of changes in equity; Condensed consolidated statement of cash flows; and related Notes 1 to 20.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the Interim Financial Statements for the six months ended 30 June 2026 is not prepared, in all material respects, in accordance with United Kingdom-adopted International Accounting Standard 34 and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Financial Reporting Council for use in the United Kingdom ('ISRE (UK) 2410'). A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in Note 1.2, the annual financial statements of the Group are prepared in accordance with United Kingdom-adopted international accounting standards. The condensed set of financial statements included within this Interim Financial Statements has been prepared in accordance with United Kingdom-adopted International Accounting Standard 34, 'Interim Financial Reporting'.

Conclusion relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit, as described in the Basis for conclusion section of this report, nothing has come to our attention to suggest that the Directors have inappropriately adopted the going concern basis of accounting or that the Directors have identified material uncertainties relating to going concern that are not appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410; however, future events or conditions may cause the entity to cease to continue as a going concern.

Responsibilities of the Directors

The Directors are responsible for preparing the Interim Financial Statements in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

In preparing the Interim Financial Statements, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting, unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the review of the financial information

In reviewing the Interim Financial Statements, we are responsible for expressing to the Group a conclusion on the condensed set of financial statements in the Interim Financial Statements. Our conclusion, including our conclusion relating to going concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion paragraph of this report.

Use of our report

This report is made solely to the Company in accordance with ISRE (UK) 2410. Our work has been undertaken so that we might state to the Company those matters we are required to state to it in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our review work, for this report, or for the conclusions we have formed.

Deloitte LLP

Statutory Auditor