



FULL YEAR 2025 RESULTS

26 FEBRUARY 2026
9AM



Agenda



Summary of FY25

Ian McLaughlin

FY25 Performance

Dave Watts

Strategy Update

Ian McLaughlin

Financial Guidance

Dave Watts

Conclusion

Ian McLaughlin

Q&A

Ian & Dave



Summary of FY25

Ian McLaughlin
Chief Executive Officer



FY25 Performance vs. Guidance

FY25 performance materially improved on FY24; achieving all points of guidance with accelerated balance growth

	FY24 Actuals	FY25 Guidance	FY25 Actuals	
Gross customer interest-earning balances ¹	£2,308m	>£2.7bn	£2,824m	✓
Net Interest Margin (NIM) ²	18.5%	>16.5%	16.8%	✓
Cost: income ratio ³	89.4%	High 50s	58.4%	✓
Statutory Return on Tangible Equity (ROTE)⁴	(32.1)%	Low single digits	2.3%	✓
Tier 1 ratio ⁵	18.8%	>17.5%	19.3%	✓

Returned to profitability and on track to deliver improved ROTE in 2026 & 2027

Accelerated balance growth and returned to profitability

Deployed capital for sustainable growth, while maintaining disciplined pricing and cost control

Significant progress on the strategic transformation of the bank

1. **Sustainably grown interest-earning balances** and optimised mix to maximise return on deployed capital.
2. **Made strong progress on the Gateway technology transformation programme**, which is substantively delivered and is on track to complete in 2026.
3. **Delivered ongoing transformation cost savings** and generated positive operating leverage.
4. **Continued customer resilience**, with strong credit quality reflecting responsible lending.
5. **Further developed our award-winning proposition** to meet customer needs.



FY25 Highlights

Improving customer proposition with enhancements to risk management

Initiatives

Customer proposition

Insightful risk management

What we have delivered

- Launched 66 new Credit Card product variants – Credit Builder and 0% promotional products.
- Expanded our flexible savings product range, including ISAs and the Snoop easy access account.
- Delivered a 12% increase in Snoop active users, including 43k Vanquis customers.
- Helped 20k customers identify £34m of annual benefit entitlements through the Fair Finance referral programme and recently launched our Vanquis Benefits Checker.
- Rebranded Vanquis as ‘the bank that’s got your back’.
- Developed new credit decisioning platform in Vehicle Finance and enhanced credit risk scorecards and affordability assessments in Credit Cards.

Key metrics

Gross customer interest-earning balances¹

£2,824m 22% ↑
(FY24: £2,308m)

Retail deposits

£2,984m 24% ↑
(FY24: £2,399m)

Customer numbers

1.77m 5% ↑
(FY24: 1.69m)

Snoop active users ('000)

328k 12% ↑
(FY24: 293k)

Vanquis customer satisfaction (CSI) score

83.7
(FY24: n/a)

FY25 Highlights

Technology transformation and operational efficiency on track

Initiatives

What we have delivered

Key metrics

Technology transformation

Operational efficiency

People

- Launched our new mobile app, improving customer experience.
- Centralised c.30 billion rows of customer data on a new IT platform.
- Delivered operational efficiency improvements across key processes through expanded use of digital tools, AI, and self-service.
 - Reduced complaint handling costs by 10% and fraud losses by 25%.
- Reduced our property footprint, including a 70%+ reduction in the office space of our Bradford headquarters.
- Improved colleague engagement, with a 73% trust score, meaning Vanquis is now certified as a Great Place to Work.

FY Technology and Operations cash investment spend

£26.5m 14% ↑
(FY24: £23.2m)

Group headcount (Full Time Equivalent)⁶

1,252 3% ↑
(FY24: 1,215)

Outsourced headcount

620 (28)% ↓
(FY24: 860)

FY transformation cost savings

£28.8m (41)% ↓
(FY24: £48.9m)

FY 'Great Place to Work' trust score (colleague engagement)

73% 13% ↑
(FY24: 60%)



FY25 Financial Performance

Dave Watts
Chief Financial Officer



Focused on creating long-term shareholder value

Driving sustainable, profitable growth

1. **Returned to profitability in 2025** driven by improved operational efficiency.
2. **Optimised our capital stack**, with additional capital deployed to accelerate balance growth.
3. **Credit quality remained strong**, reflecting continued customer resilience and responsible lending.
4. **Maintained cost discipline**, delivering ongoing cost savings while investing in the business, including in technology transformation via Gateway.
5. **Complaint costs were meaningfully lower**, particularly following the new FOS fee charging structure.
6. **Dynamically managed liquidity and funding** to minimise cost of funds.
7. **Have limited liability on motor finance commissions**, having recognised a £3.0m provision for the proposed FCA compensation scheme.

Driving continued operational efficiency and deploying capital in the most accretive opportunities to generate higher returns.

FY25 Group performance

Returned to profitability alongside accelerated balance growth within risk appetite

Income Statement	FY25 £m	FY24 ⁷ £m	Change %
Net interest income	418.4	407.9	3%
Non-interest income	36.5	38.5	(5)%
Total income	454.9	446.4	2%
Impairment charges	(181.1)	(185.3)	(2)%
Risk-adjusted income	273.8	261.1	5%
Operating costs	(265.5)	(399.1)	(33)%
Profit/(loss) before tax from continuing operations	8.3	(138.0)	
Tax (charge)/credit	(0.3)	17.4	
Profit/(loss) after tax from continuing operations	8.0	(120.6)	
Profit after tax from discontinued operations	0.7	1.3	(46)%
Statutory profit/(loss) after tax	8.7	(119.3)	
AT1 distributions (gross of tax)	(0.5)	-	100%
Statutory profit/(loss) attributable to shareholders	8.2	(119.3)	
Notable items			
Provision for motor finance compensation	(3.0)	-	
Goodwill write-off	-	(71.2)	
Transformation & other exceptional costs	-	(24.1)	
Amortisation of acquisition intangibles	-	(6.2)	
Vehicle Finance receivables review - <i>Income</i>	-	(4.5)	
Vehicle Finance receivables review - <i>Impairment</i>	-	(15.1)	
Other one-off cost items	-	(10.2)	
Total notable items	(3.0)	(131.3)	
Receivables			
	DEC25 £m	DEC24 ⁷ £m	Change %
Gross customer interest-earning balances¹	2,824	2,308	22%
Average gross customer interest-earning balances (excluding Personal Loans) ⁸	2,495	2,207	13%
Net receivables ⁹	2,691	2,155	25%

- **Net interest income** increased 3%, reflecting a 13% increase in average balances offset by lower NIM from Second Charge Mortgages (2CM) growth.
- **Impairment charges** decreased 2%, reflecting an underlying improvement in credit quality and the non-repeat of the impact of the Vehicle Finance (VF) receivables review.
- **Risk-adjusted income** improved 5% YoY (DEC25 vs DEC24).
- **Operating costs** reduced 33% reflecting the non-repeat of £111.7m of 2024 notable items, with costs excl. notable items down 9%.
 - Further transformation cost savings and reduced complaint costs were partially offset by growth, inflation and accruals for discretionary staff costs.
 - Excluding notable items, cost: income jaws were 11% YoY.
- **Profit before tax from continuing operations** of £8.3m.
- **Profit after tax from discontinued operations** related to the Personal Loans portfolio. The sale completed at the end of 1Q25.
- **£3.0m provision for motor finance compensation** was the only notable items in 2025.
- **Gross customer interest-earning balances** increased 22% YoY, reflecting increased balances in Credit Cards and 2CM.
- **Net receivables** increased 25%, reflecting lower-risk 2CM growth.

FY25 Group key performance metrics

Improving cost: income ratio driving low single digits ROTE

	FY25 %	FY24 ⁷ %	Change
Selected key metrics			
Asset yield ¹⁰	21.0	22.8	(1.8)
Net interest margin (NIM)²	16.8	18.5	(1.7)
Total income margin (TIM) ¹¹	18.2	20.2	(2.0)
Cost of risk ¹²	(7.3)	(8.4)	(1.1)
Risk-adjusted margin (RAM) ¹³	11.0	11.8	(0.8)
Cost: income ratio³	58.4	89.4	(31.0)
Average tangible equity (£m)	360	372	(3)%
Statutory ROTE⁴	2.3	(32.1)	34.4
Basic earnings per share (EPS) (p) ¹⁴	3.2	(46.7)	
Dividend per share (p)	-	-	-

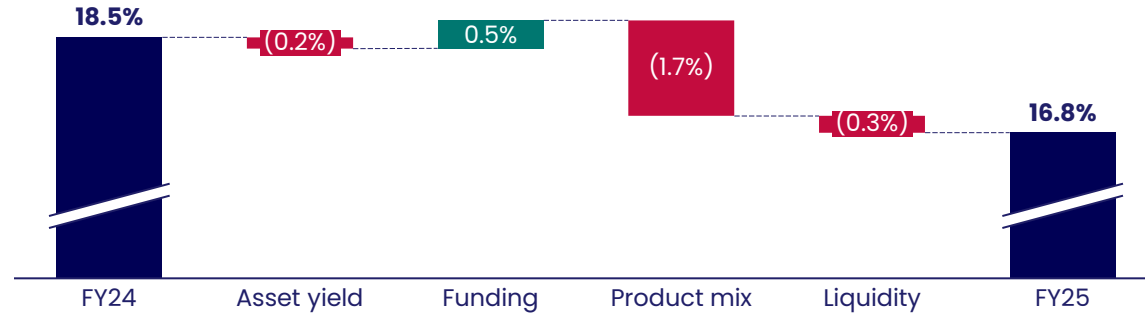
	DEC25 £m	DEC24 £m	Change
Capital, liquidity, funding and balance sheet metrics			
CET1 ratio¹⁵	16.5%	18.8%	(2.3)
Risk weighted assets (RWA) ¹⁶	2,073	1,835	13%
High quality liquid assets (HQLA) ¹⁷	998	947	5%
Liquidity coverage ratio (LCR) ¹⁸	306%	359%	(53)
Retail deposits	2,984	2,399	24%
Retail funding (% of all funding) ¹⁹	89.7%	85.6%	4.1
Tangible net asset value (TNAV)	358	358	-
TNAV per share (p) ²⁰	143	140	2%

- **Asset yield** decreased 1.8% YoY, reflecting lower yield on 2CM. Credit Cards yield reduced marginally, reflecting growth in 0% balance transfers (BTs) and promotional products, while VF yield improved.
- **NIM** reduced 1.7%, driven by the lower margin in 2CM, partially offset by lower cost of funds.
- **RAM** reduced 0.8%, driven by a 2.0% reduction in **TIM**, partially offset by 1.1% lower **cost of risk**.
- **Cost: income ratio** improvement reflected income growth, cost reductions and the non-repeat of notable items.
- **ROTE** of 2.3%, in line with FY25 guidance of low single digits.
- **CET1 capital ratio** reduced 2.3%, with earnings and the 40bps benefit from the Personal Loans portfolio sale more than offset by growth driving a 13% increase in RWAs.
- **Liquidity and funding** remained strong, while being managed more dynamically.
- **Retail deposits** growth was driven by a broader product range, including ISAs and the Snoop Easy Access branded product.

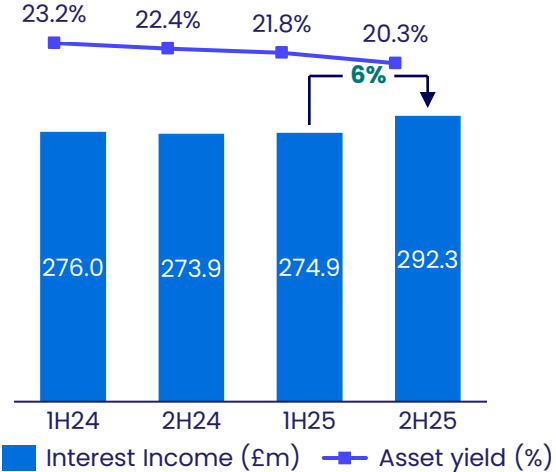
Net Interest Margin

Reduction reflects deliberate change in mix of balances by product

NIM drivers (%)²



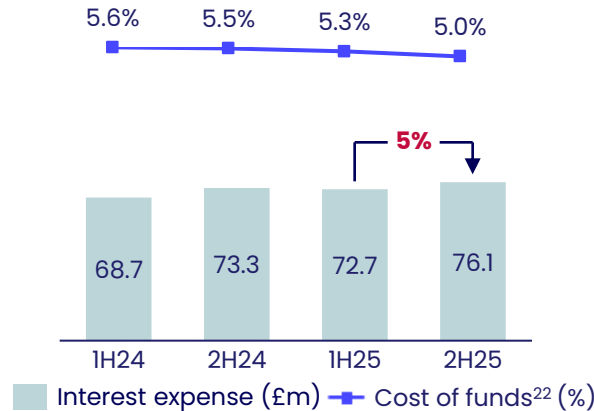
Interest income trend (£m)



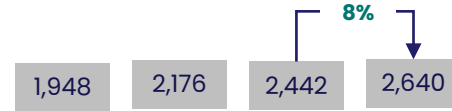
Average gross customer interest-earning balances (excluding Personal Loans)^{1, 8}



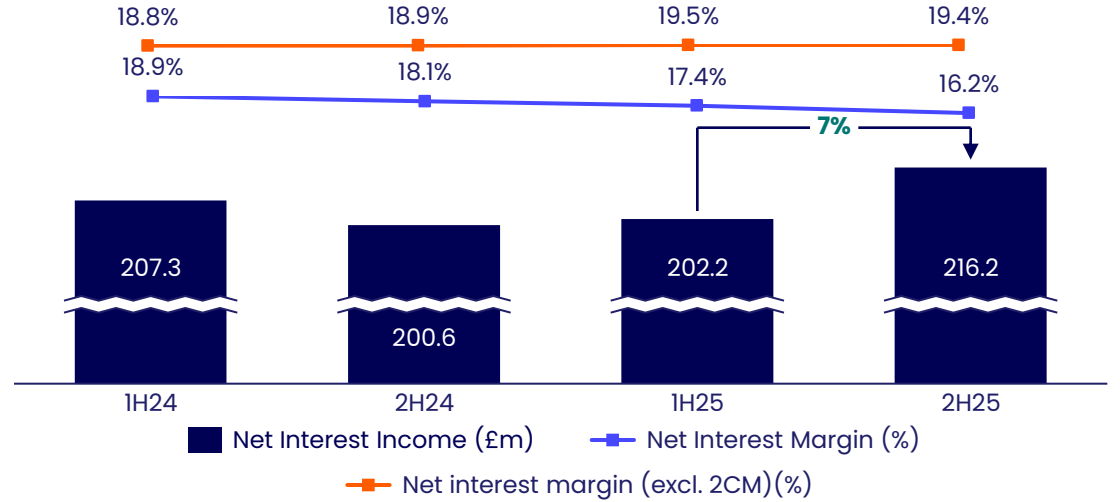
Interest expense trend (£m)



Average customer deposits²³



Net interest income trend (£m)

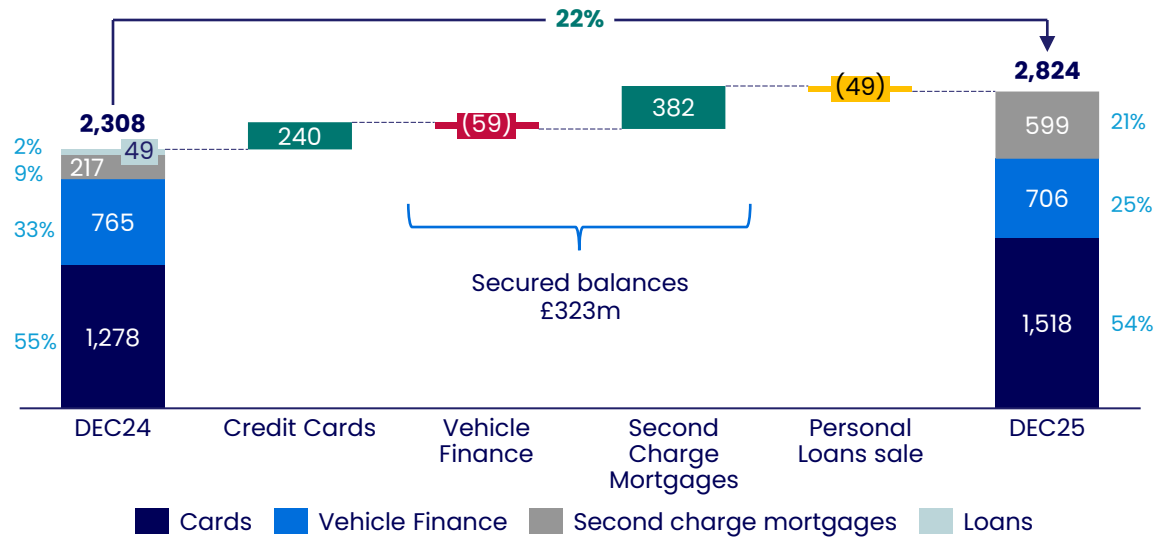


- **Interest income** increased YoY, driven by growth in 2CM and Credit Cards, along with pricing improvements in Credit Cards and VF. This was partially offset by lower VF balances.
- **Interest expense** increased YoY, reflecting increased funding requirements for balance growth, partially offset by the lower BoE base rate, reduced rate outlook and maturing fixed-term deposits being refinanced with lower interest rate savings products.
- **NIM** reduced 1.7% in line with expectations, due to growth in lower-margin, lower-risk 2CM.
 - Excluding 2CM, FY25 NIM increased 0.5% to 19.4%

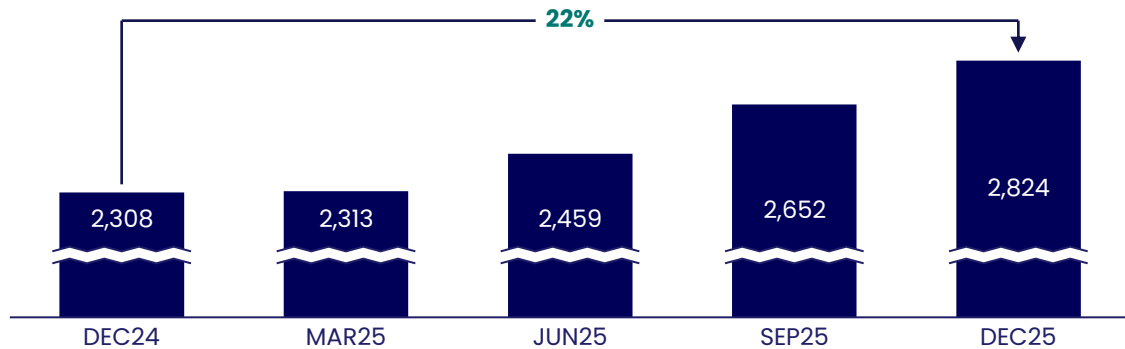
Gross customer interest-earning balances

Strong growth in Credit Cards and 2CM. Proactively managing new business growth in VF

Gross customer interest-earning balances movement (£m)¹



Gross customer interest-earning balances trend (£m)¹

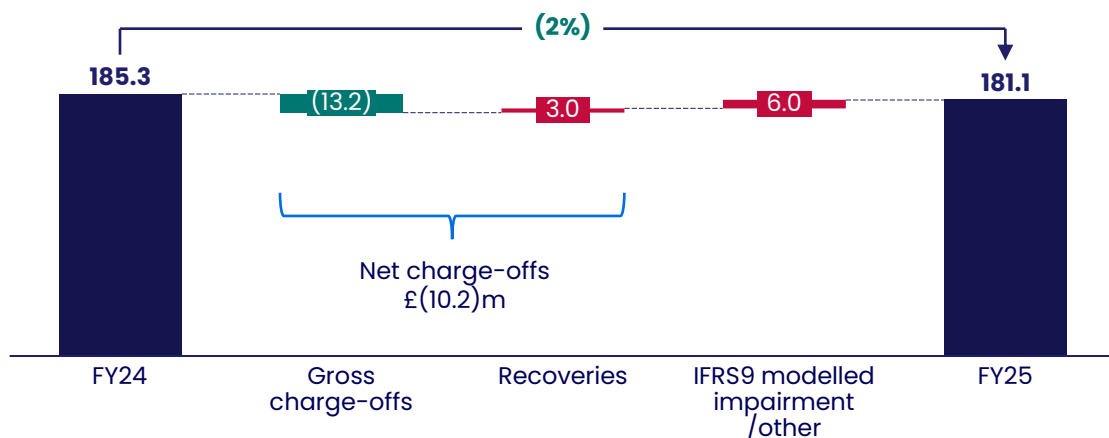


- **Gross customer interest-earning balances** increased 22% since DEC24, of which 6% in 4Q25.
- **Credit Card balances** increased 19%, reflecting both new customer acquisitions and increased card utilisation of existing customers following credit line extensions and risk-based repricing.
- **VF balances** decreased 8%, as new business growth was proactively managed while the new onboarding and servicing platform is developed.
- **2CM balances** continued to grow strongly via forward flow agreements with Interbridge Mortgages and Selina Finance.
- **Personal Loans portfolio sale** completed at the end of 1Q25.
- Overall, **increasing proportion of secured vs unsecured balances.**

Impairment charges

Reduced gross and net charge-offs reflects customer resilience and strong risk management

Impairment charges movement (£m)



Impairment charges (£m)

	FY25 £m	FY24 ⁷ £m	Change %
Gross charge-offs	(253.2)	(266.4)	(5)%
Recoveries	50.0	53.0	(6)%
Net charge-offs	(203.2)	(213.4)	(5)%
Net risk movements	(171.4)	(200.0)	(14)%
Releases due to write-offs & debt sales	183.5	224.2	(18)%
Other incl. impact of VF review in FY24 ²⁴	10.0	3.9	151%
IFRS9 modelled impairment/other	22.1	28.1	(21)%
Impairment charges	(181.1)	(185.3)	(2)%
Group cost of risk¹²	(7.3)%	(8.4)%	1.1
Credit Cards	(10.2)%	(9.4)%	(0.8)
Vehicle Finance	(5.6)%	(7.3)%	1.7
Second Charge Mortgages	(0.2)%	(0.3)%	0.1

Credit Cards

	FY25 £m	FY24 £m	Change %
Gross charge-offs	(174.2)	(215.8)	(19)%
Recoveries	41.9	51.4	(18)%
Net charge-offs	(132.3)	(164.4)	(20)%
IFRS9 modelled impairment/other	(7.3)	40.5	
Impairment charges	(139.6)	(123.9)	13%

Vehicle Finance

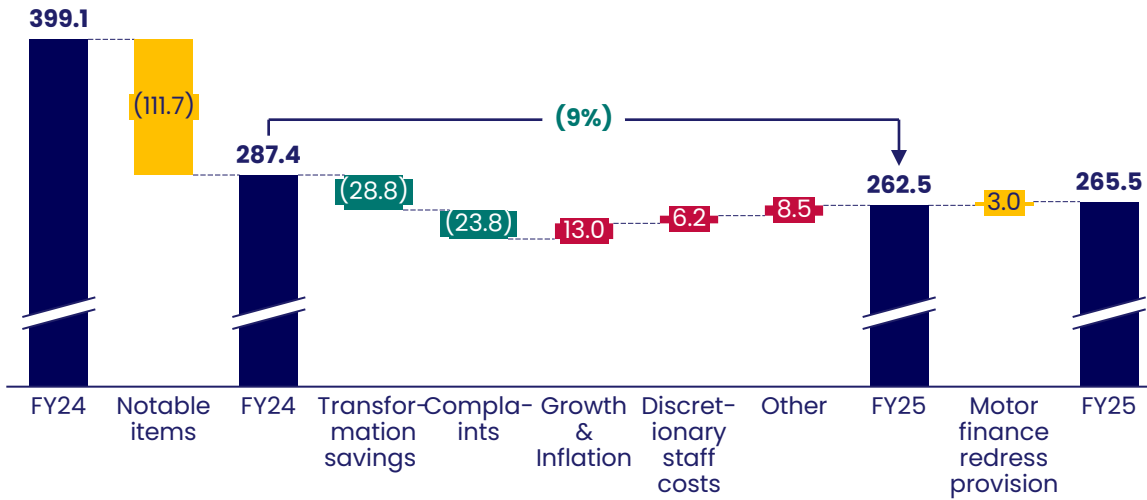
	FY25 £m	FY24 £m	Change %
Gross charge-offs	(79.0)	(374.9)	
Recoveries	8.1	24.7	
Net charge-offs	(70.9)	(350.2)	
IFRS9 modelled impairment/other	29.4	289.8	
Impairment charges	(41.5)	(60.4)	(31)%

- **Gross charge-offs** reduced 5% YoY, reflecting ongoing customer resilience.
 - **Credit Card gross charge-offs** reduced 19%, reflecting a gross charge-off rate of 12.7% (FY24: 16.4%).
- **IFRS9 modelled impairment** benefit reduced YoY.
 - **Net risk movements** reflect stage migrations and changes in post model adjustments (PMAs).
- **2025 cost of risk** across products in line with guided expectations.
 - **Credit Cards:** 10.2% against guidance of 10-14% (new guidance: 10-13%).
 - **VF:** 5.6% against guidance of 4-6% (new guidance: 5-7%).
 - **2CM:** 0.2% against guidance of <1% (guidance unchanged).

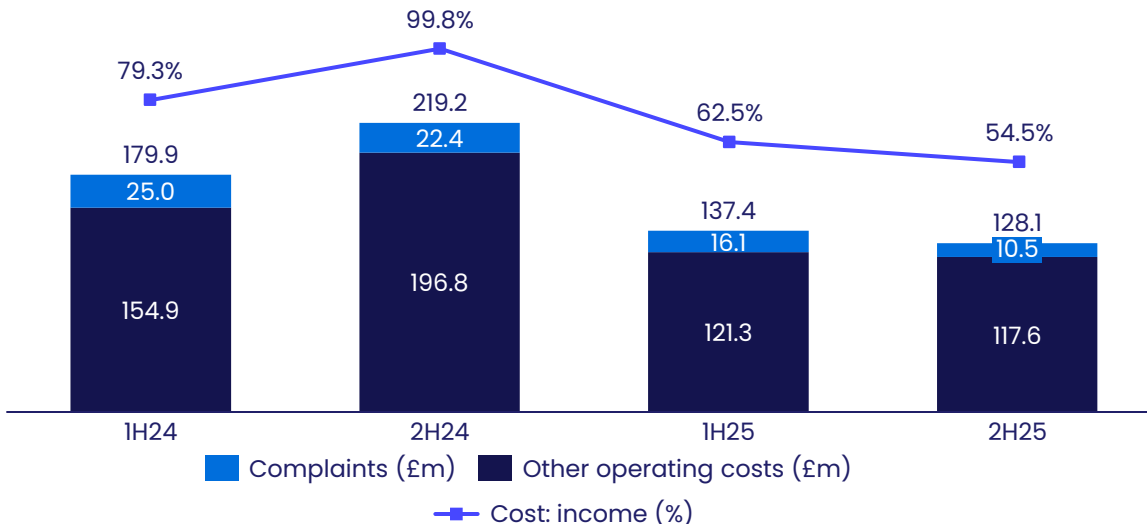
Operating costs

Cost discipline maintained, with transformation savings ahead of plan

Operating costs movement (£m)



Operating costs trend (£)



Costs by type (£m) & Full-time equivalent headcount (FTE) (#)

	FY25 £m	FY24 ⁷ £m	Change %
Cost by type (£m)			
Staff and outsourced people costs ²⁵	(130.6)	(128.6)	2%
Administrative ²⁶	(122.3)	(140.4)	(13)%
Depreciation, amortisation and write-offs	(9.6)	(18.4)	(48)%
Notable items	(3.0)	(111.7)	(97)%
Total operating costs	(265.5)	(399.1)	(33)%
<i>Of which complaint costs (see slide 43)</i>	<i>(26.6)</i>	<i>(47.4)</i>	<i>(44)%</i>
FTEs by area (#)⁶			
Customer facing & support	610	552	10%
Technology & change	382	400	(5)%
Functions & other	260	263	(1)%
Total FTE	1,252	1,215	3%

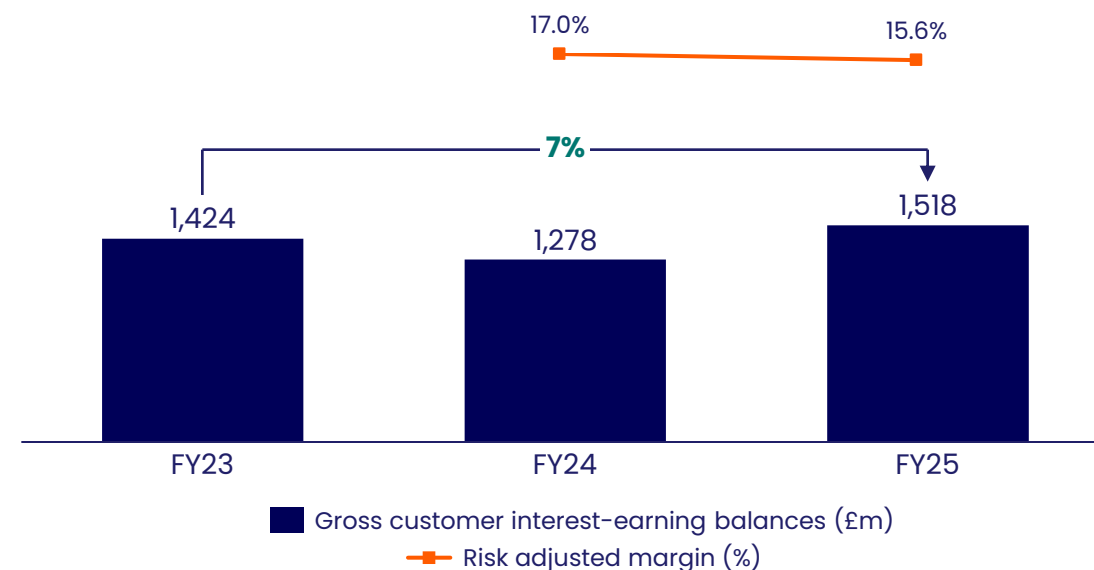
- **Delivered £28.8m of Transformation savings**, greater than the £15m committed in 2025.
- **Taken actions to realise saves from Gateway technology transformation in 2025** (previously expected in later years).
- **Lower outsourced people costs** with FTE reduced from 860 at DEC24 to 620 at DEC25.
- **Discretionary staff costs includes a bonus accrual in 2025** after no bonuses paid to staff in 2023 or 2024.

Credit Cards

Balances returned to above 2023 levels, having improved the quality of the portfolio

	FY25 £m	FY24 ⁷ £m	Change %
Interest income	370.8	365.7	1%
Interest expense	(51.6)	(53.2)	(3)%
Net interest income	319.2	312.5	2%
Non-interest income	33.3	35.0	(5)%
Total income	352.5	347.5	1%
Impairment charges	(139.6)	(123.9)	13%
Risk-adjusted income	212.9	223.6	(5)%
Operating costs	(174.7)	(193.5)	(10)%
Profit before tax	38.2	30.1	27%
Receivables and key metrics			
Gross customer interest-earning balances ¹	1,518	1,278	19%
Avg. gross customer interest-earning balances ⁸	1,367	1,313	4%
Gross receivables	1,554	1,310	19%
Expected credit losses	(170)	(160)	6%
Net receivables ⁹	1,384	1,150	20%
Asset yield (%) ¹⁰	27.1	27.9	(0.8)%
Net interest margin (%) ²	23.3	23.8	(0.5)%
Cost of risk (%) ¹²	(10.2)	(9.4)	(0.8)%
Risk-adjusted margin (%) ¹³	15.6	17.0	(1.4)%
Cost: income ratio (%) ³	49.6	55.7	(6.1)%
RWAs ¹⁶	1,122	944	19%
Customers ('000)	1,339	1,267	6%
Average balance (£)	1,115	990	13%
Average customer limit (£)	2,514	2,156	17%

Gross customer interest-earning balances (£m) & risk-adjusted margin (%)



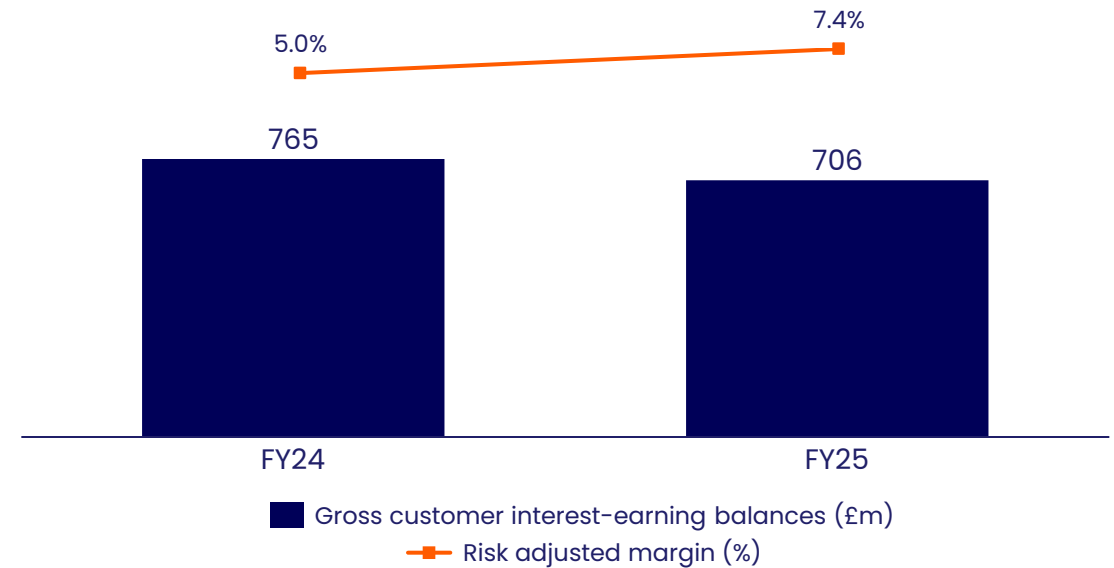
- **Gross customer interest-earning balances** increased 19%, reflecting both credit line increases of existing customers, and new customer growth following the release of new product variants.
 - **Customer numbers** increased 6%, while average customer limits and drawn balances also increased.
- **Asset yield and NIM** reduced lightly YoY due to growth in 0% products driving a reduction in **weighted average APR** to **33.7%** (DEC24: 37.4%).
 - Weighted average APR excl. 0% products increased to 39.6% (DEC24: 39.5%), driven by risk-based repricing.
- **RAM** decreased 1.4%, including a 0.8% increase in **cost of risk**, which at 10.2% was at the lower end of the 10-14% guided range (new guidance: 10-13%).

Vehicle Finance (VF)

Proactively managing new business growth, while margins improved

	FY25 £m	FY24 ⁷ £m	Change %
Interest income	123.9	133.1	(7)%
Interest expense	(28.2)	(31.4)	(10)%
Net interest income	95.7	101.7	(6)%
Total income	95.7	101.7	(6)%
Impairment charges	(41.5)	(60.4)	(31)%
Risk-adjusted income	54.2	41.3	31%
Operating costs	(66.9)	(80.1)	(17)%
Loss before tax	(12.7)	(38.8)	(67)%
Receivables and key metrics			
Gross customer interest-earning balances ¹	706	765	(8)%
Avg. gross customer interest-earning balances ⁸	737	825	(11)%
Gross receivables	762	832	(8)%
Expected credit losses	(73)	(97)	(25)%
Net receivables ⁹	689	735	(6)%
Asset yield (%) ¹⁰	16.8	16.1	0.7%
Net interest margin (%) ²	13.0	12.3	0.7%
Cost of risk (%) ¹²	(5.6)	(7.3)	(1.7)%
Risk-adjusted margin (%) ¹³	7.4	5.0	2.4%
Cost: income ratio (%) ³	69.9	78.8	(8.9)%
RWAs ¹⁶	573	615	(7)%
Customers ('000)	103	110	(6)%
Average loan value at origination (£)	9,285	8,909	4%
Notable items			
Vehicle Finance receivables review			
Income	-	(4.5)	
Impairment	-	(15.1)	

Gross customer interest-earning balances (£m) & risk-adjusted margin (%)



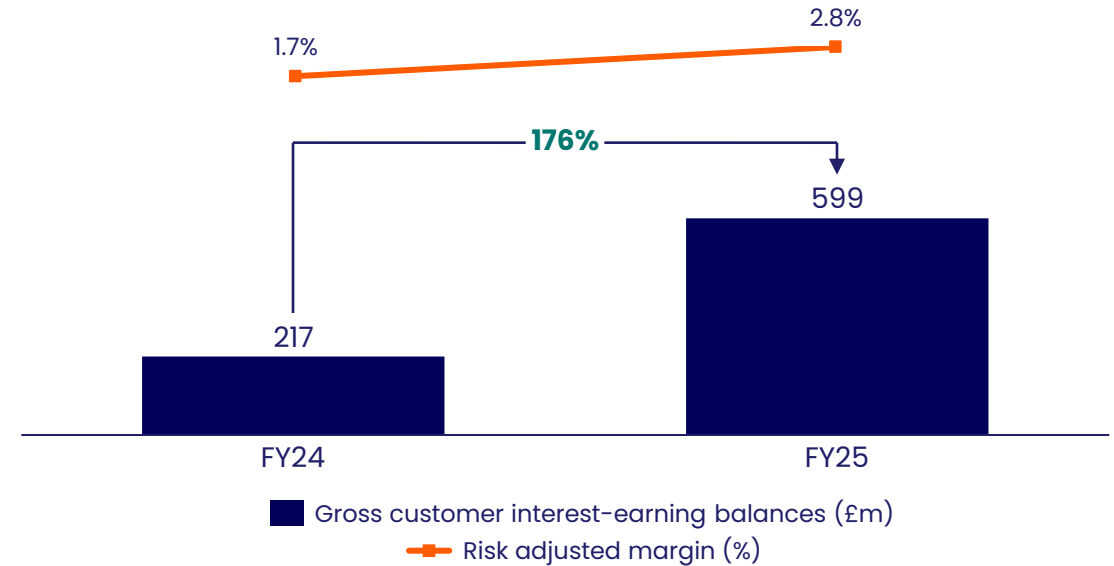
- **Gross customer interest-earning balances** reduced 8%, in line with expectations, while the new onboarding and servicing platform is built.
- **Asset yield and NIM** both improved YoY, driven by the weighted average APR increasing 0.7% to 29.1%.
- **RAM** improved to 7.4%, including a **cost of risk** of 5.6%, within the guided range of 4-6% (new guidance: 5-7%).
 - Greater clarity on the cost of risk following the VF receivables review last year.
- **Cost: income ratio** improved to 69.9% - focus going forward on improving the operational efficiency through the technology transformation via Gateway.

Second Charge Mortgages (2CM)

Continued strong growth in a growing market

	FY25 £m	FY24 ⁷ £m	Change %
Interest income	28.4	4.8	
Interest expense	(17.8)	(3.4)	
Net interest income	10.6	1.4	
Non-interest income	1.0	-	
Total income	11.6	1.4	
Impairment charges	(0.7)	(0.2)	
Risk-adjusted income	10.9	1.2	
Operating costs	(5.5)	(0.6)	
Profit before tax	5.4	0.6	
Receivables and key metrics			
Gross customer interest-earning balances ¹	599	217	
Avg. gross customer interest-earning balances ⁸	391	69	
Gross receivables	619	226	
Expected credit losses	(0.9)	(0.2)	
Net receivables ⁹	619	225	
Asset yield (%) ¹⁰	7.3	7.0	0.3%
Net interest margin (%) ²	2.7	2.0	0.7%
Cost of risk (%) ¹²	(0.2)	(0.3)	0.1%
Risk-adjusted margin (%) ¹³	2.8	1.7	1.1%
Cost: income ratio (%) ³	47.4	42.9	(4.5)%
RWAs ¹⁶	260	93	
Customers ('000)	9.9	3.7	
Average loan value at origination (£'000)	63.4	59.1	7%

Gross customer interest-earning balances (£m) & risk-adjusted margin (%)



- **Gross customer interest-earning balances** continued to grow at a similar monthly run rate, driven by forward flow origination agreements with partners.
- **NIM** increased 0.7%, driven by a higher asset yield and lower cost of funds.
- **Low cost of risk** given secured lending and weighted average LTV in the low 70s%, resulting in a **RAM** of 2.8%.
- **Capital efficient**, being a secured product with a lower risk weighting.
- Customers primarily using 2CM for **debt consolidation**.

Corporate Centre

Streamlined following reallocation of funding and operating costs to products

	FY25 £m	FY24 ⁷ £m	Change %
Interest income ²¹	44.1	46.3	(5)%
Interest expense	(51.2)	(54.0)	(5)%
Net interest income	(7.1)	(7.7)	(8)%
Non-interest income	2.2	3.5	(37)%
Total income	(4.9)	(4.2)	(17)%
Impairment charges	0.7	(0.8)	
Risk-adjusted income	(4.2)	(5.0)	(16)%
Operating costs	(18.4)	(124.9)	(85)%
Loss before tax	(22.6)	(129.9)	(83)%
Key metrics			
RWAs ¹⁶	118	183	(36)%
Snoop Customers ('000)	328	293	12%
Notable items			
	FY25 £m	FY24 £m	
Provision for motor finance compensation	(3.0)	-	
Goodwill write-off		(71.2)	
Transformation & other exceptional costs		(24.1)	
Amortisation of acquisition intangibles		(6.2)	
Other one-off cost items		(10.2)	
Total notable items	(3.0)	(111.7)	

- Corporate Centre includes:
 - Unallocated Treasury result** after product allocations
 - Interest income primarily reflects returns from the Group's Liquid Asset Buffer
 - Interest expense from unallocated Tier 2 capital is retained in Corporate Centre
 - Retail Savings business costs**
 - Snoop** income and costs
 - Immaterial or central items.
- The reduced Corporate Centre drag reflects the non-repeat of notable items.

Liquidity & Funding

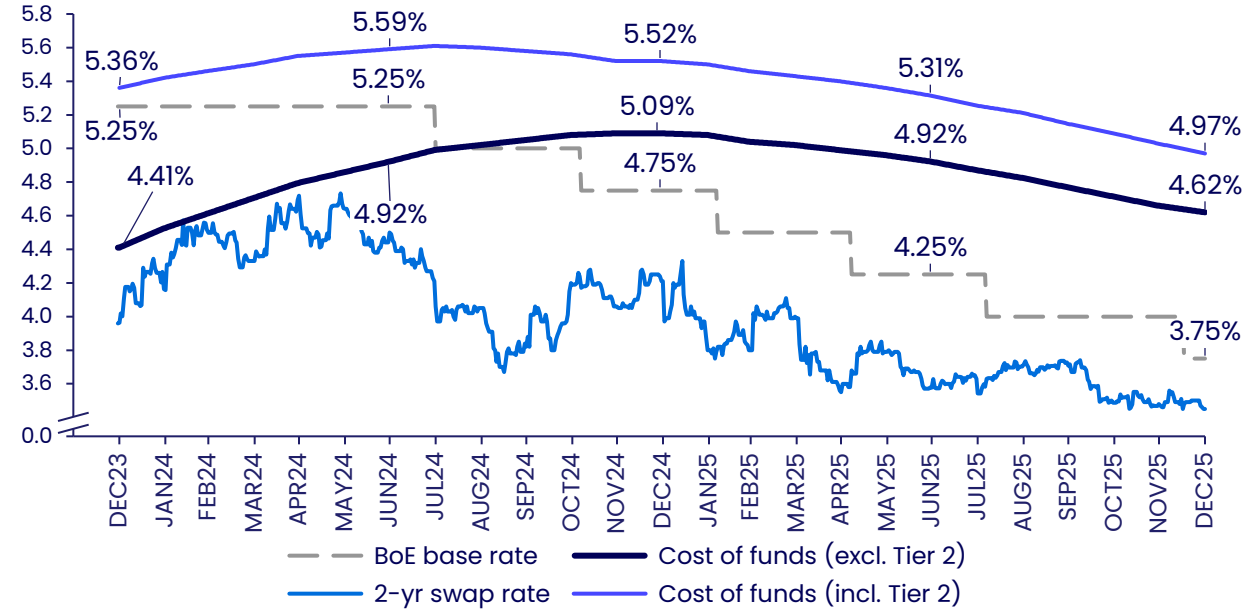
Dynamically managing liquidity and funding

Liquidity	DEC25 £m	DEC24 £m	Change
HQLA ¹⁷	998	947	5%
LCR ¹⁸	306%	359%	(53)
Excess HQLA over LCR ²⁷	653	667	(2)%

Funding ²⁸	DEC25 £m	%	DEC24 £m	%
Fixed-term savings	1,505	45.2%	1,415	50.5%
Fixed Individual Savings Accounts (ISAs)	503	15.1%	-	-
Retail notice accounts	437	13.1%	602	21.5%
Easy access accounts – Vanquis	241	7.2%	376	13.4%
Easy access accounts – Snoop	258	7.8%	-	-
Easy access and notice ISAs	40	1.2%	6	0.2%
Retail Deposits	2,984	89.7%	2,399	85.6%
Vehicle Finance securitisation	200	6.0%	200	7.0%
Tier 2 capital	142	4.3%	200	7.0%
Indexed Long-Term Repo (ILTR)	-	-	5	0.2%
Total on-balance sheet funding	3,326		2,804	

- **Highly liquid** with most of the surplus liquidity held in the BoE reserve account and the balance diversified into higher-returning UK Gilts (£250m purchased).
- **Continued optimisation of retail funding** through a broader and more diversified product range, including ISAs, and distribution reach through the Snoop brand.
- **99% of retail deposit balances covered** by the Financial Services Compensation Scheme (FSCS).

Group cost of funds²² vs benchmark interest rates (%)²⁹

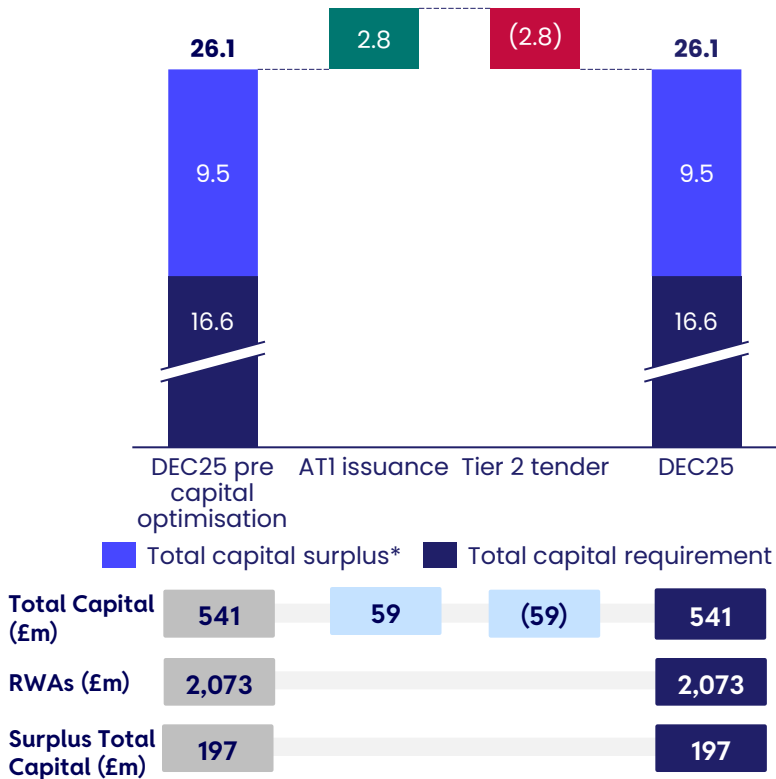


- **Decreased cost of funds** reflecting the lower BoE base rate, reduced rate outlook and maturing fixed-term deposits being refinanced with lower interest rate savings products.
- **Vehicle Finance securitisation** due for renewal in JUN26.
- Maintained regular access to the **Sterling Monetary Framework via the ILTR facility**.
- **Contingent liquidity** with Credit Card collateral pre-positioned with the BoE.
- **Tendered £58.5m on Tier 2 capital** in OCT25 alongside £60m AT1 issuance.

Capital optimisation

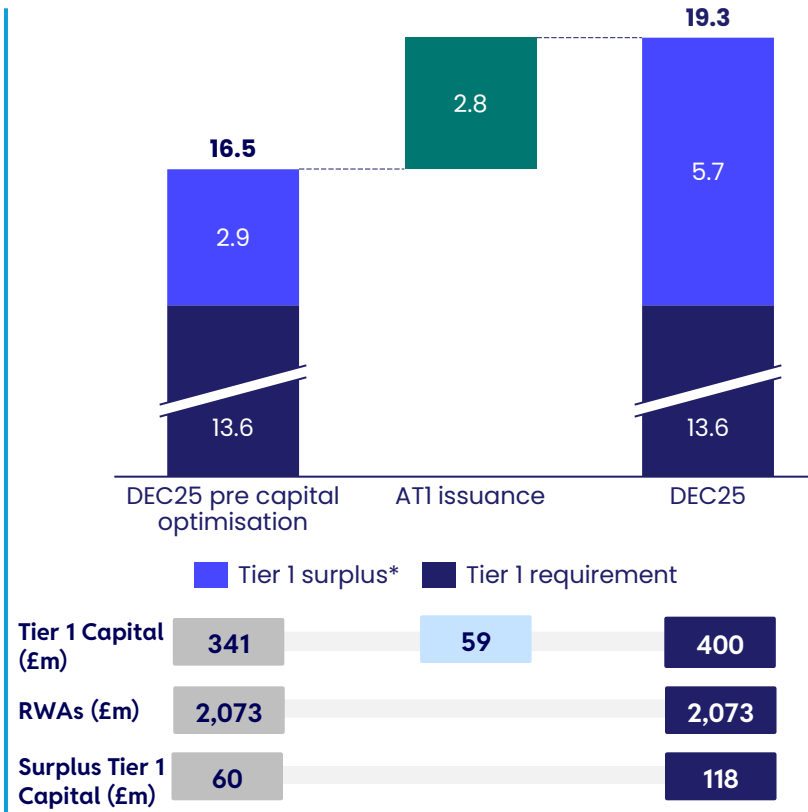
Capital stack optimised by utilising AT1 capacity and reducing Tier 2

Total capital ratio (%)³⁰



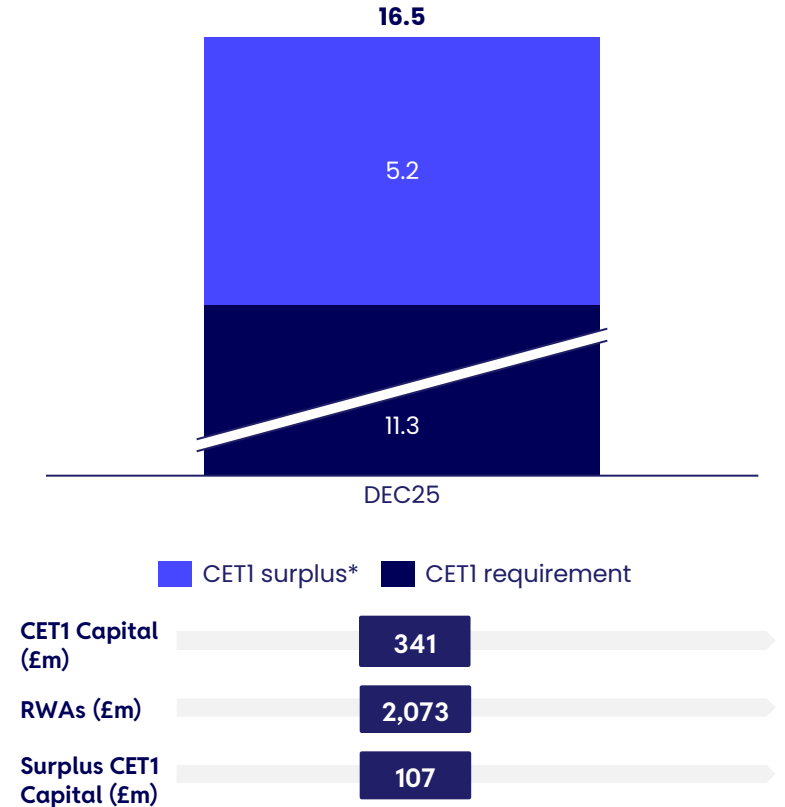
- Total capital ratio remained unchanged, with AT1 replacing Tier 2 capital.

Tier 1 ratio (%)⁵



- The Group's DEC25 pro-forma surplus Tier 1 capital increased from £60m to £118m.

CET1 ratio (%)¹⁵



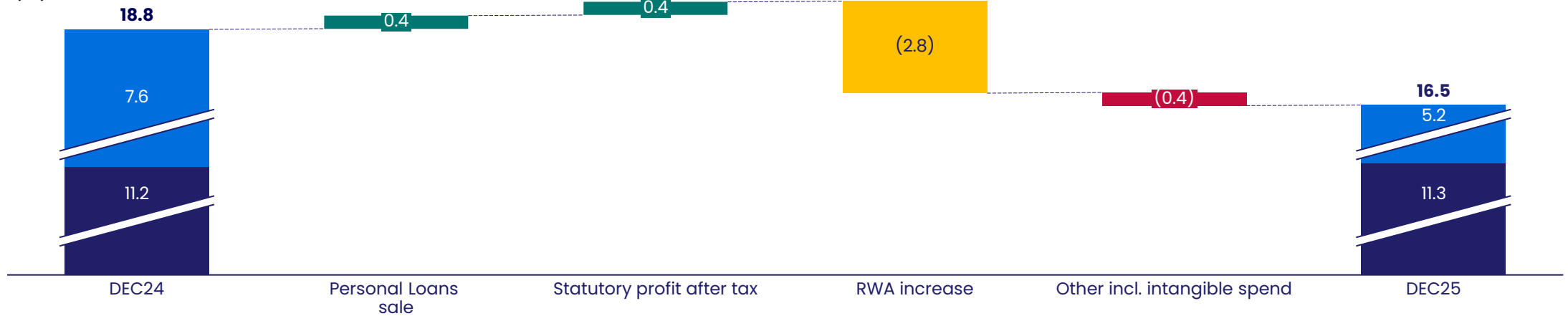
- The Group had a DEC25 CET1 capital surplus of 5.2% (£107m).

* Includes confidential and management buffers, subject to regulatory requirements.

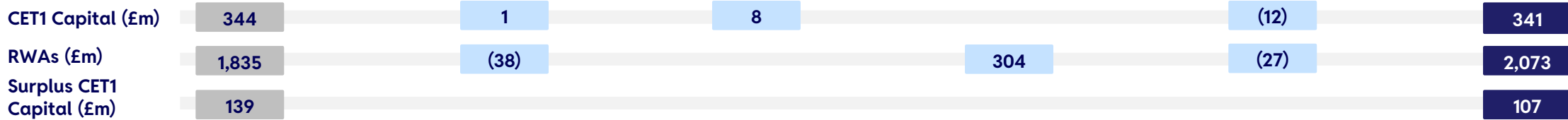
CET1 capital

Deployed capital for growth in 2025, with continued capital strength to deliver our plans

CET1 ratio (%)¹⁵



■ CET1 surplus* ■ CET1 requirement



- 40bps benefit from the **Personal Loans portfolio sale**.
- 40bps benefit from the **statutory profit after tax**.
- 280bps reduction from the £304m **RWA increase** reflecting the 25% growth in net receivables.
- **CET1 ratio 5.2% above the 11.3% regulatory minimum**, equating to a £107m surplus*.
- **The Group's capital requirements were reviewed by the PRA in 2H25** as part of the triennial CSREP review.

* Includes confidential and management buffers, subject to regulatory requirements.



Strategy Update

Ian McLaughlin



Our purpose and ambition

Serving the borrowing needs of the underserved UK adult population

Our Purpose

‘To deliver **caring banking** so our customers can make the most of life’s opportunities’.

Our Ambition

‘To be **the UK’s most trusted and inclusive specialist bank** by unlocking financial opportunity for underserved customers and helping them thrive.’



Our strategy

Reaching more customers, enabling responsible borrowing and financial resilience, and scaling efficiently to create sustainable long-term value



**Serve
More**

Reach more customers and deepen relationships across the underserved UK adult population.



**Serve
Responsibly**

Ensure our lending is affordable for customers, enabling them to build financial resilience, whilst supporting financial inclusion.



**Scale
Profitably**

Grow efficiently, optimise capital deployment and enhance long-term returns.

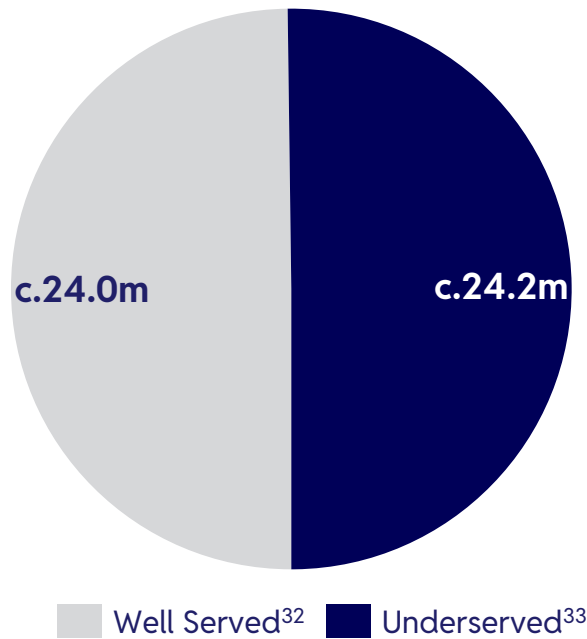


A significant and growing underserved UK adult population

Vanquis aims to serve the borrowing needs of underserved consumers and help them on a path to financial resilience

Experian analysis concludes there are **over 24 million underserved UK consumers** – over half the adult population with an active credit profile:

c.48.2m UK adult population with an active credit profile³¹



Independent research highlights why Vanquis matters:

“20.2 million adults in the UK are underserved, and a further 8.9 million are financially fragile.”
PwC & TotollyMoney (2022)

“17 million UK adults are unable to access mainstream loans or credit cards due to thin or impaired credit files. Of these, over 9 million were declined for credit in a single year, with poor credit history being the top reason at 38%”
Money and Pensions Advice Service (2023)

“More than 3 million people have borrowed from an unlicensed or unauthorised money lender in the last three years”
Fair4All Finance (2023)

“The UK’s non-prime lending market has shrunk by 34% since 2019, with loans to sub-prime borrowers down 76%.”
Financial Times (2024)

Meaningful opportunities within the underserved market via our core products, underpinning our growth plans and the longer-term opportunity

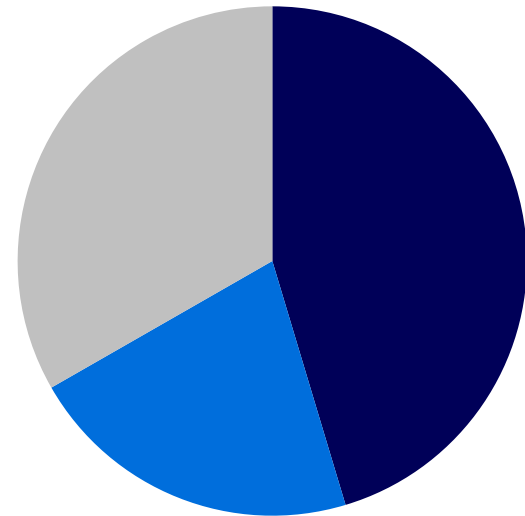
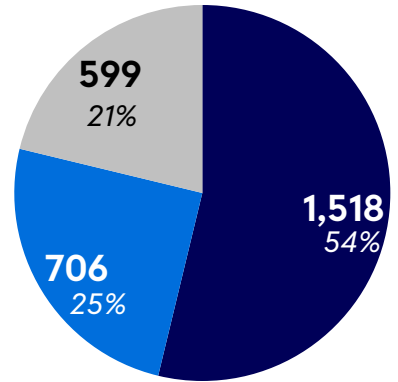
Market opportunity supports growth plans

Guiding to >£3.3bn in balances by the end of 2026, growing to >£3.7bn by 2027

2025

2027

- Credit Cards
- Vehicle Finance
- 2CM



>14% CAGR growth

- Balances in all products expected to grow.
- Proportion of 2CM balances expected to increase.

Gross customer interest-earning balances¹

£2.824bn

>£3.7bn

Risk-adjusted margin¹³:

11.0%

>9.0%

Credit Cards
Vehicle Finance
2CM

15.6%
7.4%
2.8%

Broadly similar RAM by product

Balances in all products expected to grow through to 2027. Increasing mix of 2CM expected to drive a reduction in RAM but attractive returns

Driving financial inclusion with responsible lending solutions

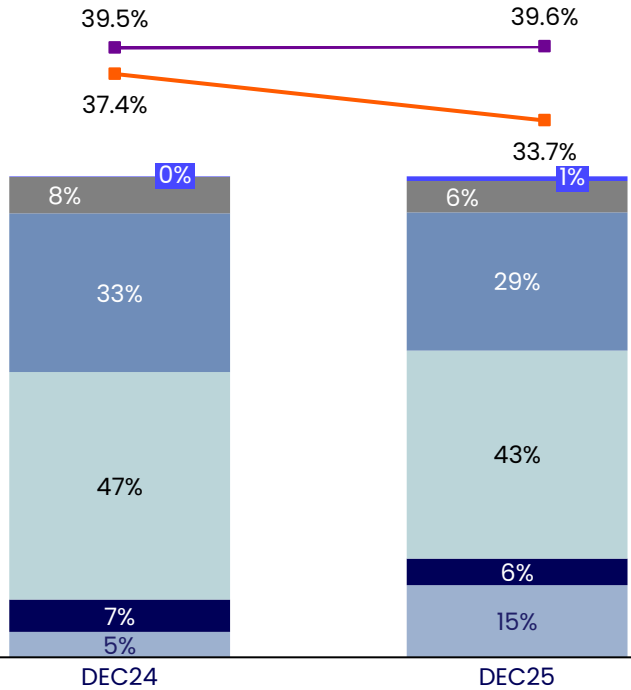


Existing products enable customers to build their financial resilience

Credit Cards

Expanded APR ranges through risk-based repricing

Portfolio mix (APR %)

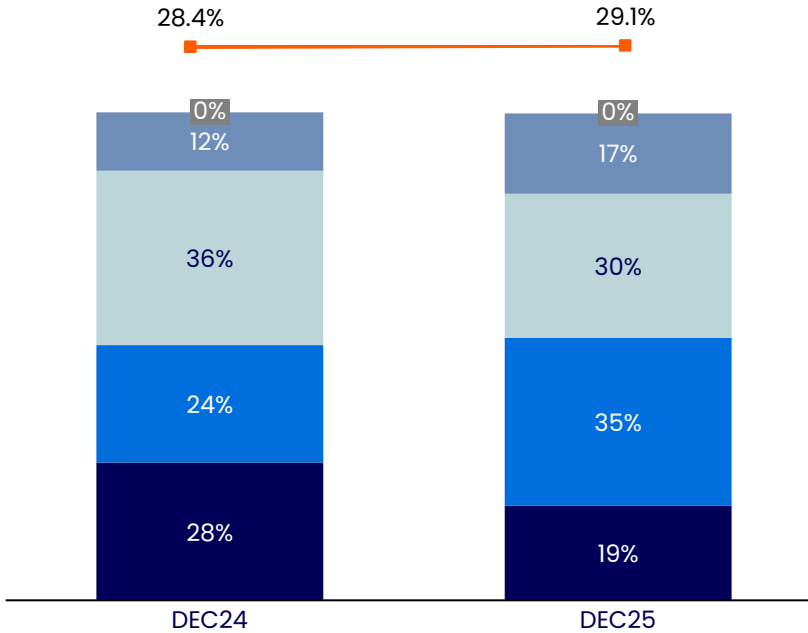


- >60%
- 40-49.9%
- <30%
- 50-59.9%
- 30-39.9%
- 0% products
- Weighted average APR (%)
- Weighted average APR excl. 0% products (%)

Vehicle Finance

Adjusted APRs following new credit decisioning engine

Portfolio mix (APR %)

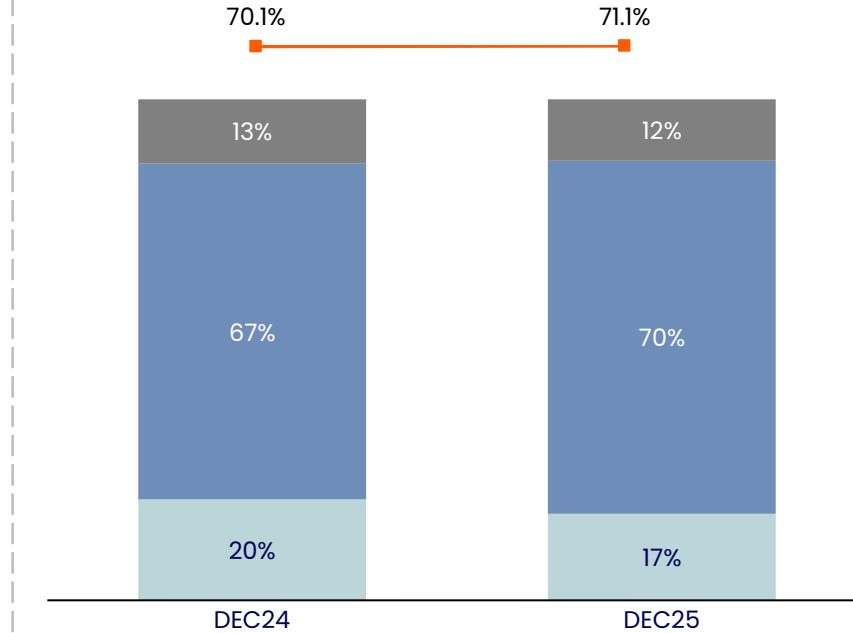


- >50%
- 40-49.9%
- 30-39.9%
- 20-29.9%
- <20%
- Weighted average APR (%)

Second Charge Mortgages

c.55% of customers using 2CM for debt consolidation with another c.25% using it for partial debt consolidation

Loan to value (LTV) (%)



- >=85%
- >55%
- <=55%
- Weighted average LTV (%)

Have strengthened customer affordability assessments and credit decisioning across all products

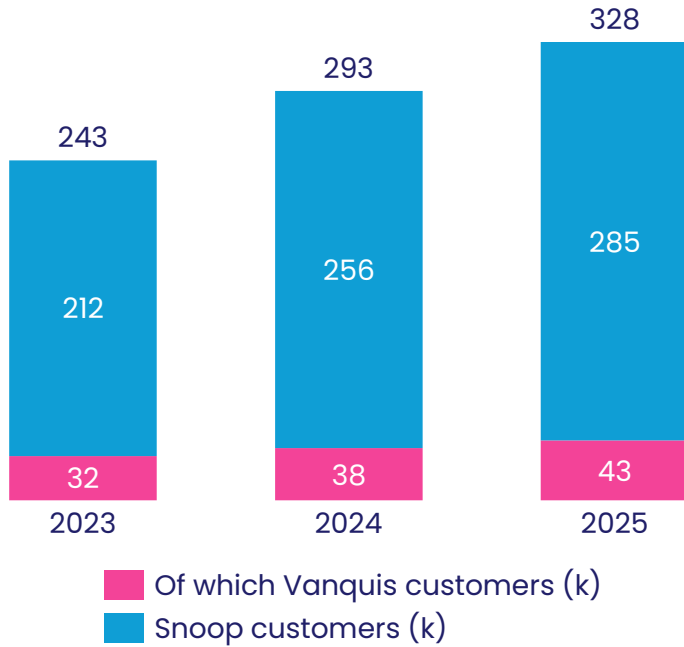
Building pathways to stronger financial health



Improving credit profiles via Snoop, 'not yet' partners and the Vanquis Foundation

Snoop

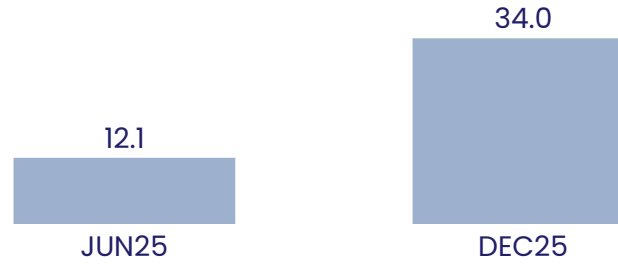
Snoop active users (k)



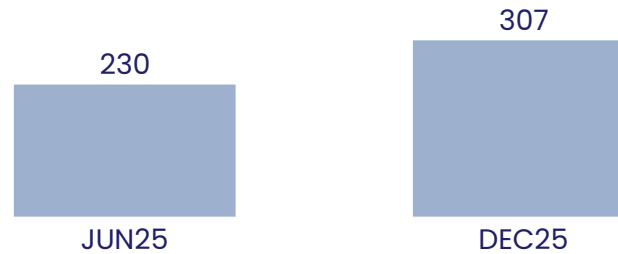
- Leveraging AI and open banking to help customers with money management.
- Customers can achieve average annual savings of c.£1.5k on household bills.
- Snoop branded easy access savings account.

Fair Finance ('not yet' partner)

Customer unclaimed benefits identified (£m)



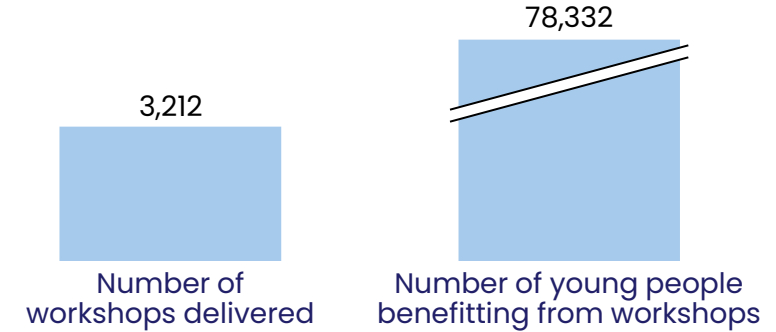
Loans extended to customers (£k)



- Referral scheme launched DEC24, with 20k customers referred to date.

Vanquis Foundation and other partners

Financial education workshops for young people via The Money Charity since 2013



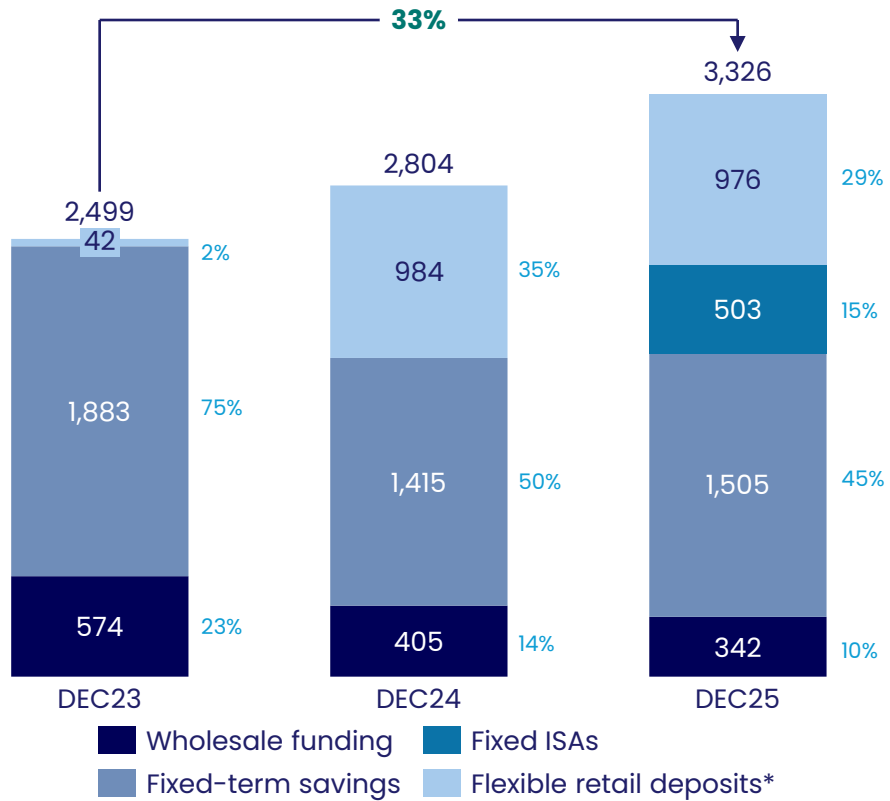
- The Vanquis Foundation donated £0.9m to charities in 2025, including National Numeracy, The Money Charity and Community Interest Companies such as IncomeMax and the Social Mobility Business Partnership.

Leveraging our deposit franchise to drive scalable growth



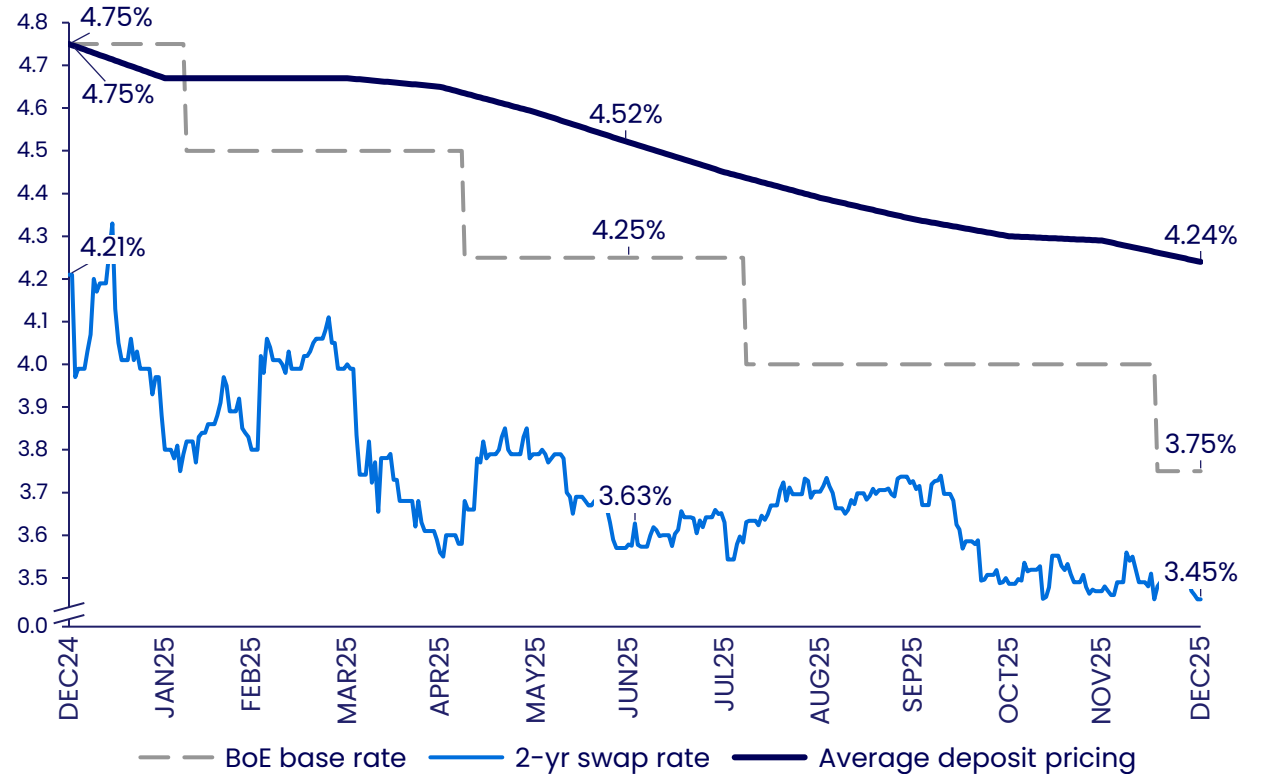
Banking licence provides a structural funding advantage over competitors

Funding mix (£m)²⁸



- Cost of funds from retail deposits lower than wholesale funding.
- Flexible retail deposits enable faster ability to reprice.

Average deposit pricing³⁴ vs benchmark interest rates (%)²⁹



Group cost of funds have reduced throughout 2025, reflecting the lower BoE base rate, reduced rate outlook and maturing fixed-term deposits being refinanced with lower interest rate savings products.

*Flexible deposits includes – Retail notice accounts, easy access accounts (Vanquis and Snoop) and easy access and notice ISAs

Gateway is the catalyst for long-term growth & innovation



Gateway substantively delivered and will complete in 2026

Key transformation achievements to date

IT Transformation	Gateway	Strategic data platform established, c.30bn rows of data loaded
		A single view of customer data in Salesforce
		First point of contact for all inbound voice calls implemented
		New customer security model implemented
		Processing of all new complaints
		SMS services moved to Salesforce
		Webchat customer service channel launched
		New mobile app available in app stores
		First agentic AI deployed
		Other IT Transformation
	All colleagues on single Microsoft platform	
	Single HR system for all colleagues	

What we will deliver in 2026

Gateway	New credit card origination and onboarding platform
	All customers migrated to the new mobile app
	New financial crime systems (customer screening & transaction monitoring)
	Chat generally available in app, with integrated Agentic AI agents
	Key card servicing processes (fraud & disputes, card management, credit line management, collections)
	New onboarding & servicing platform for Vehicle Finance
Continuous Tech Improvement	Snoop style money management features to be incorporated in the new mobile app
	Expanded use of analytical assistive and agentic AI
	Additional use-cases on the new data & analytics platform
	AI tools rolled out to all colleagues

Building a modern, efficient and scalable technology platform that enables digital first offerings, better customer engagement & accelerated speed to market for new products, features and services



Financial guidance

Dave Watts



Financial guidance out to 2027

Committed to delivering improved and sustainable long-term value for our shareholders

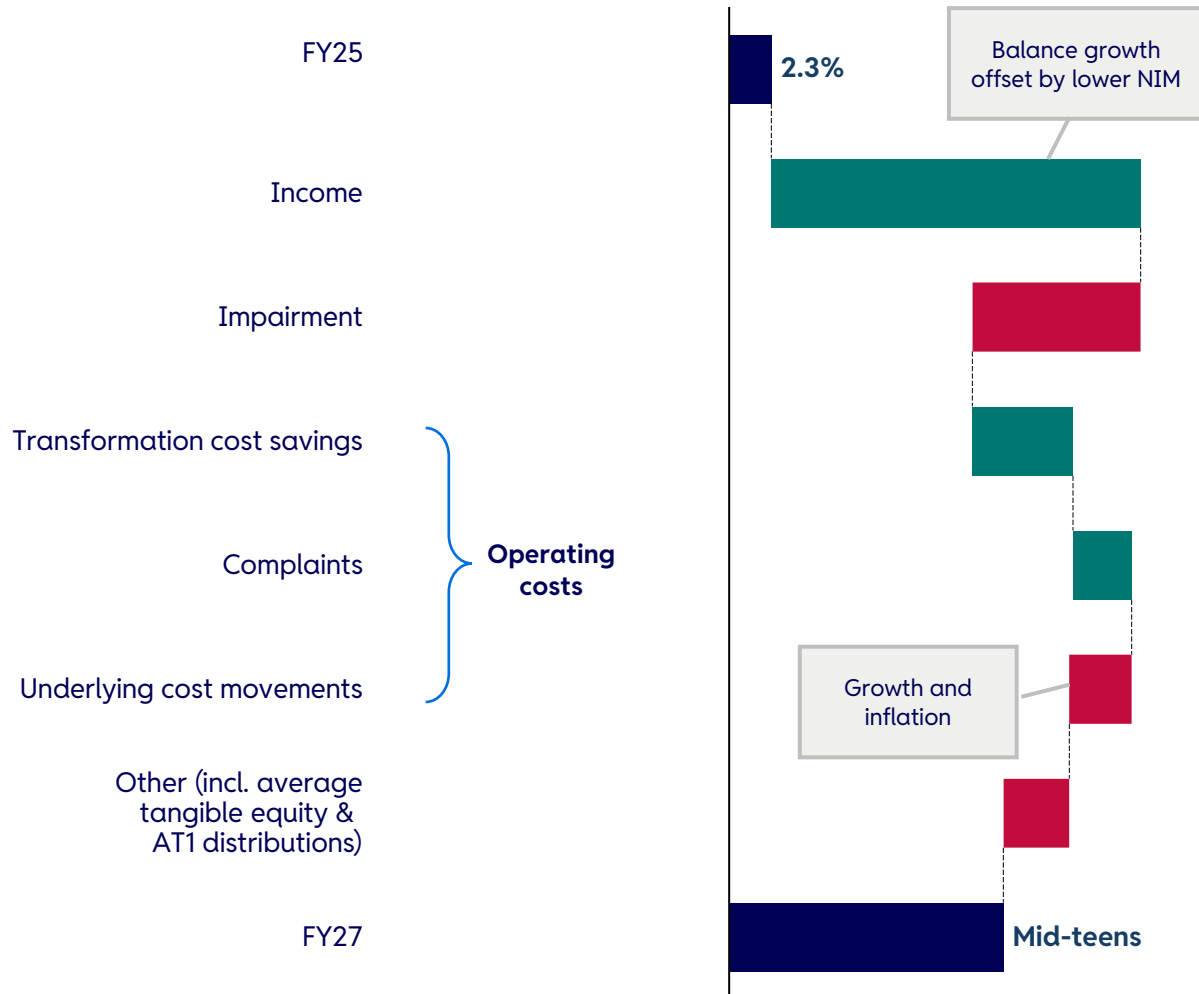
	FY25 Actuals	FY26 Guidance	FY27 Guidance
Gross customer interest-earning balances ¹	£2,824m	>£3.3bn <i>(c.£3.0bn previously)</i>	>£3.7bn
Net interest margin (NIM) ²	16.8%	c.15.5% <i>(>16% previously)</i>	c.14.5%
Risk-adjusted margin (RAM) ¹³	11.0%	>9.5%	>9.0%
Cost: income ratio ³	58.4%	High 40s <i>(low 50s previously)</i>	Mid 40s <i>(c.49% previously)</i>
Statutory ROTE ⁴	2.3%	Low double digits	Mid-teens
CET1 ratio ^{15*}	16.5%	>14.5%	

*Guidance subject to regulatory change

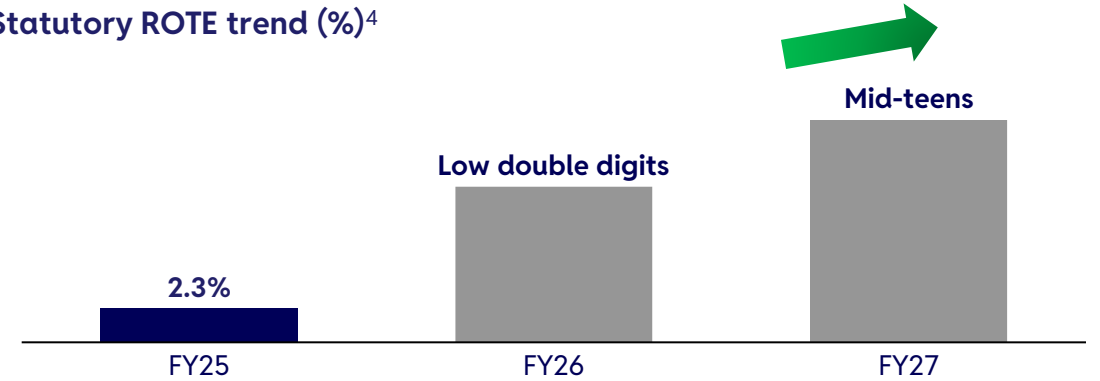
Statutory ROTE and cost: income ratio

Delivering meaningful improvement in ROTE and reduction in cost: income ratio

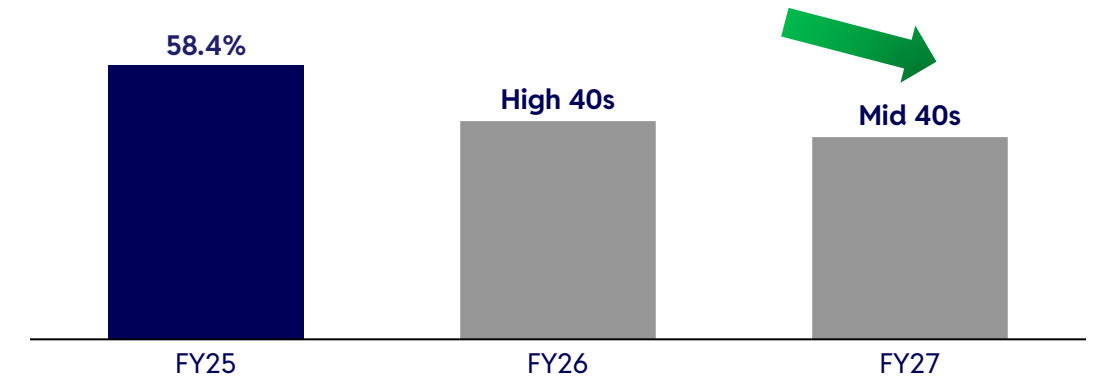
Statutory ROTE outlook FY25-27 (%)⁴



Statutory ROTE trend (%)⁴



Cost: income ratio trend (%)³



Transformation cost savings (£m)

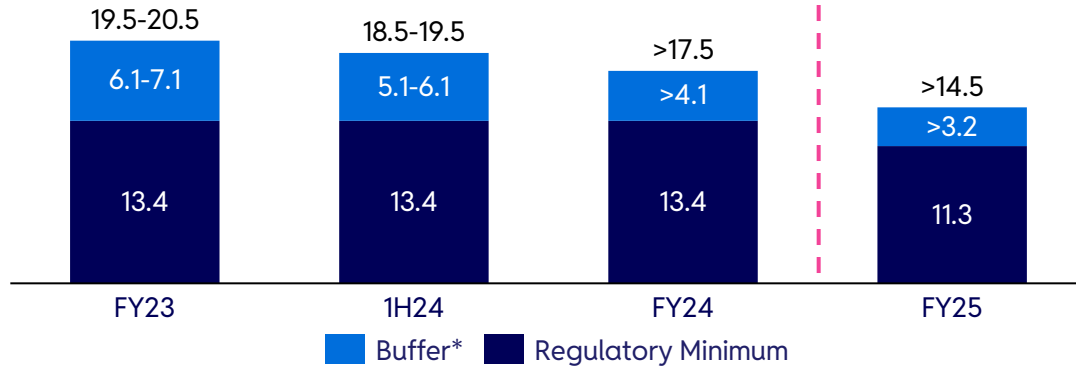


Capital management

Well positioned to deliver growth as the Group returns to organic capital generation

Robust capital position above regulatory minimums

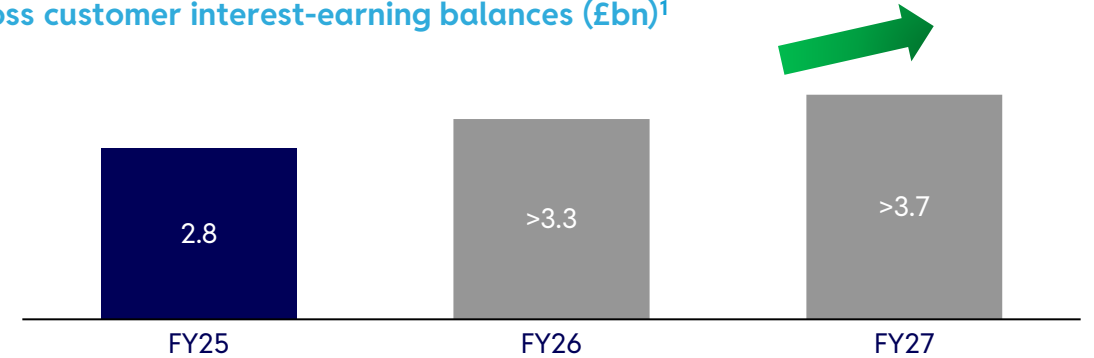
Tier 1 ratio guidance (%)⁵



CET1 ratio guidance (%)¹⁵

Capital being deployed for growth in the near term

Gross customer interest-earning balances (£bn)¹



- Capital guidance has been reducing in recent years reflecting:
 - A cleaner and more stable financial position
 - Lower risk mix of business.
- The Group's capital requirements were reviewed by the PRA in 2H25 as part of the triennial CSREP review.
- Capital guidance updated to a CET1 ratio following capital optimisation:
 - Issuance of £60m of AT1 in 4Q25, meaning the Group is no longer Tier 1 capital constrained.
- **As a result, the Group has reduced the CET1 ratio guidance to >14.5%.**
- This guidance remains subject to changes in regulatory requirements.

- Vanquis continues to build scale in the near-term to deliver its ROTE guidance of low double digits in 2026 and mid-teens in 2027, at which point the Group becomes meaningfully capital accretive.

The Board intends to reset the capital allocation framework and distribution policy following full delivery of the strategy in 2026.

* This includes confidential and management buffers, as appropriate.



Conclusion

Ian McLaughlin



Serve More. Serve Responsibly. Scale Profitably.

Our strategy is guided by a clear understanding of what sets us apart and how we will harness these strengths to deliver growth and sustainable profitability

What sets us apart

A large underserved market

- Over half of UK adults face barriers to accessing mainstream credit. Vanquis has a significant opportunity to grow market share in our core products.

A customer proposition to build financial resilience

- Offer lending, savings and money management solutions to address three core customer needs: healthy borrowing, controlled spending and the ability to build a financial safety net.

Cost effective funding model as we build scale

- Retail deposits provide stable, low-cost funding.

A modern, efficient and scalable technology platform

- Gateway enables digital first offerings and customer engagement.



This gives us confidence in the Group delivering low double digits ROTE in 2026 and mid-teens in 2027



Q&A





Appendix



Update on motor finance customer redress

Limited liability on motor finance commissions

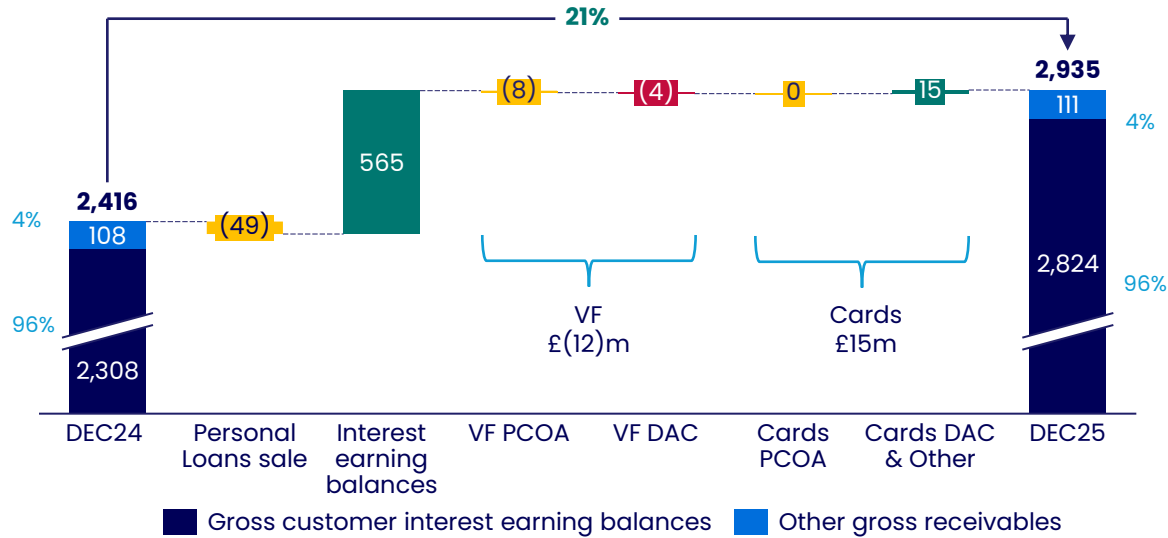
Update on the FCA's consultation on a compensation scheme

- Vanquis **did not participate in discretionary commission arrangements (DCAs)** and did not operate tied arrangements.
- The Group has **a limited number of credit agreements potentially subject to the FCA motor finance compensation scheme.**
 - The vast majority (c.98%) of commissions paid were not above 35% of the total cost of credit and 10% of the loan amount.
- As a non-prime lender, Vanquis **may rebut the presumption of customer loss** by demonstrating that the customer would not have secured a better deal elsewhere. In such cases, no redress would be due.
- The Group has **recognised a £3.0m provision** based on a number of probability weighted scenarios.
 - If the scheme proposals and assumptions included in the consultation are to be fully implemented, an additional liability of £4.0m may arise.
- Vanquis remains committed to ensuring customers receive appropriate redress where loss has occurred.

Gross and net receivables

Increase driven by interest-earning balance growth, with improved asset quality

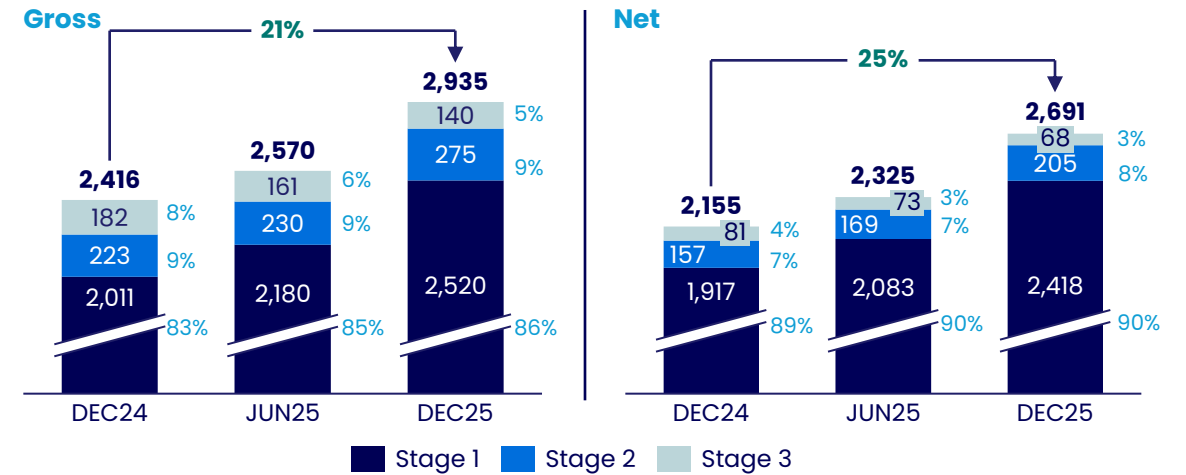
Gross receivables movement (£m)



Post Charge Off Assets (PCOA) (£m)

	Credit Cards	Vehicle Finance	Total
DEC24	5.9	17.3	23.2
Additions	2.7	7.9	10.5
Revaluation	-	(1.4)	(1.4)
Debt sales	(2.9)	(11.1)	(13.9)
Write-off	-	(2.8)	(2.8)
DEC25	5.7	9.8	15.5

Receivables by stage (£m)

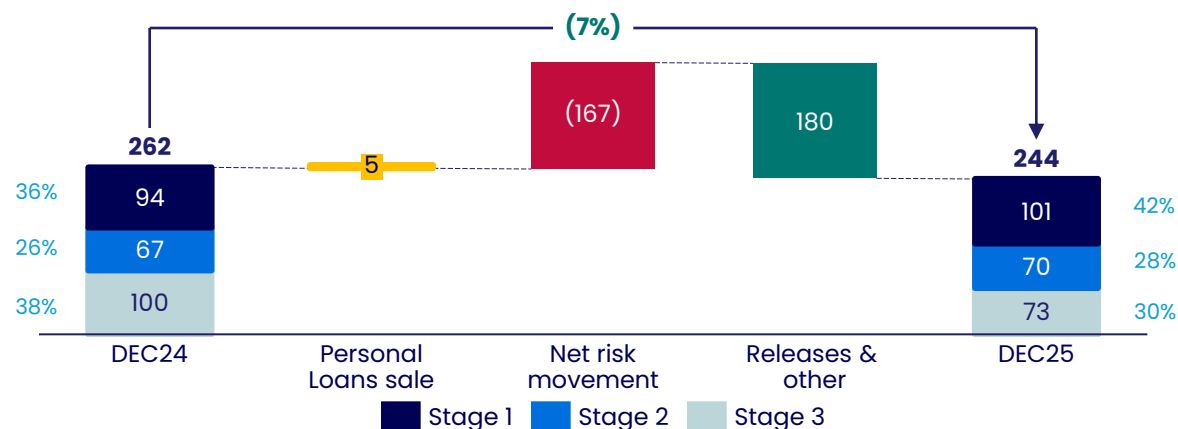


- **Other gross receivables** were broadly stable, with established debt sale programmes from both the Credit Cards and VF PCOA populations.
- **VF PCOA** reduced meaningfully following the completion of a number of debt sales.

Expected Credit Losses (ECL)

Reduced ECL despite growing receivables, reflecting responsible credit risk lending

ECL movement (£m)



ECL (£m)

	DEC25 £m	DEC24 £m	Change %
ECL brought forward	(262)	(580)	(55)%
Personal Loans sale	5	10	(50)%
Net risk movement	(171)	(200)	(14)%
Releases due to write-offs, debt sales & other	184	508	(64)%
ECL carried forward	(244)	(262)	(7)%
Gross receivables	2,935	2,416	21%
Net receivables ⁹	2,691	2,155	25%
Coverage ratio ³⁵	8.4%	10.8%	(2.4)

Gross receivables and coverage ratios by stage

	Gross receivables			Coverage ratio ³⁵		
	DEC25 £m	DEC24 £m	Proportion %	DEC25 %	DEC24 %	Change
Total	2,935	2,416		8.4	10.8	(2.4)
Stage 1	2,520	2,011	86%	4.1	4.7	(0.6)
Stage 2	275	223	9%	25.4	30.1	(4.7)
Stage 3	140	182	5%	51.9	55.2	(3.3)
Of which Credit Cards	1,554	1,310		11.1	12.2	(1.1)
Stage 1	1,352	1,137	87%	6.6	6.8	(0.2)
Stage 2	139	100	9%	35.7	40.4	(4.7)
Stage 3	63	74	4%	51.9	57.1	(5.2)
Of which Vehicle Finance	761	832		9.6	11.6	(2.0)
Stage 1	556	606	73%	2.4	3.0	(0.6)
Stage 2	129	120	17%	15.2	17.9	(2.7)
Stage 3	76	106	10%	52.5	53.9	(1.4)

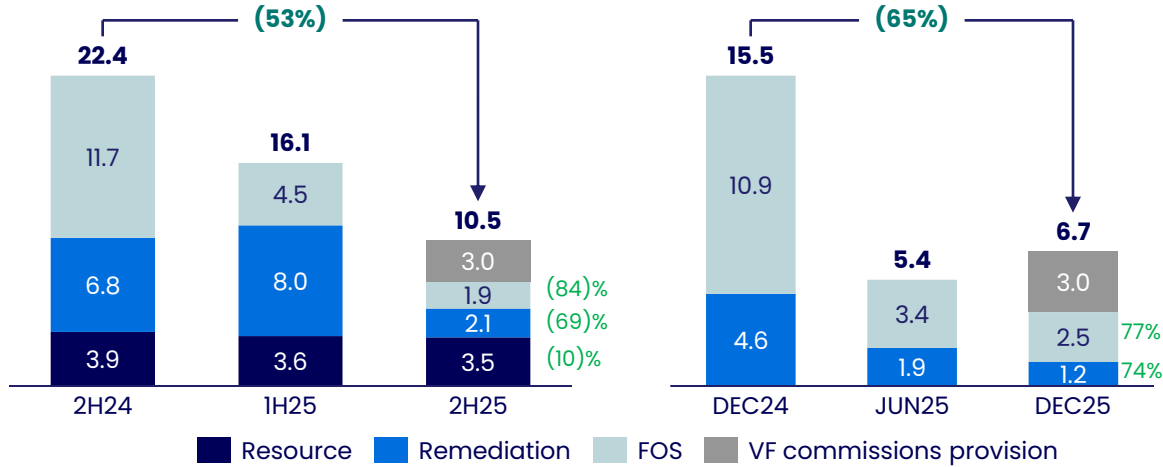
- **ECL** reduced 7%, as releases due to charge-offs and debt sales exceeded net risk movements.
- **Total coverage ratios** reduced, reflecting increased balances in Stage 1 and 2, and a reduction in Stage 3 balances.
- **Comfortable with current coverage ratios** based on a clearer understanding of the credit risk of the portfolios.

Complaint costs

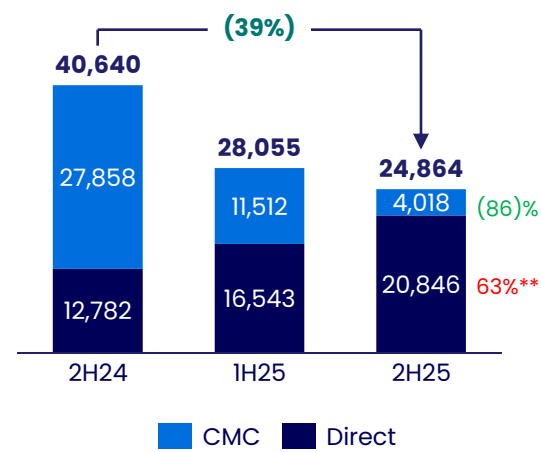
Meaningfully lower in 2025, driven by lower FOS referrals

Complaint costs (£m)

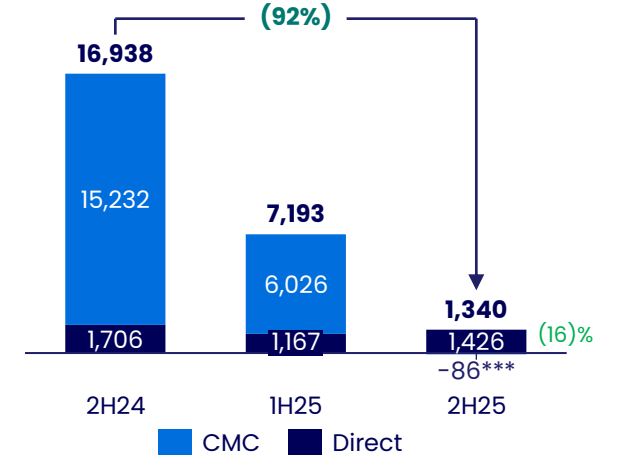
P&L charge



Total complaint volumes*

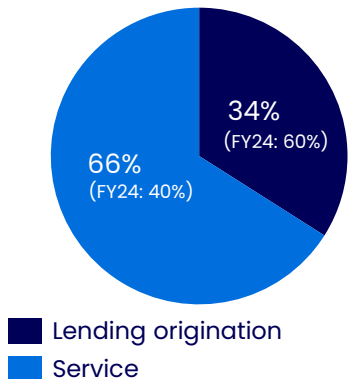


FOS referral volumes

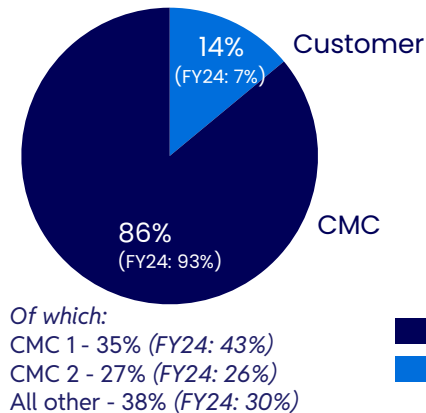


Complaint volumes

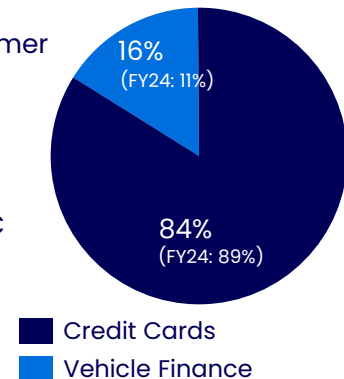
Complaint type



Lending origination complaint source



Lending origination product breakdown



Vanquis complaints uphold rates

	2H24 (%)	1H25 (%)	2H25 (%)
CMC	7	10	8
Direct	30	33	31
Total	16	19	27

FOS referral uphold rates

	2H24 (%)	1H25 (%)	2H25 (%)
CMC	11	12	11
Direct	36	33	32
Total	12	14	23

*Total complaint volumes exclude VF commission complaints that do not need to be assessed before 31 May 26. These complaints are subject to this extension pending the finalisation of the FCA motor finance compensation scheme.

** Increase primarily relates to lower value service complaints.

*** -86 CMC FOS referrals as a result of withdrawn claims.

Full year product contribution

	Cards		Vehicle Finance		2CM		Corporate Centre		Total	
	FY25 £m	FY24 ⁷ £m	FY25 £m	FY24 ⁷ £m	FY25 £m	FY24 ⁷ £m	FY25 £m	FY24 ⁷ £m	FY25 £m	FY24 ⁷ £m
Asset driven products										
Interest income	370.8	365.7	123.9	133.1	28.4	4.8	44.1	46.3	567.2	549.9
Interest expense	(51.6)	(53.2)	(28.2)	(31.4)	(17.8)	(3.4)	(51.2)	(54.0)	(148.8)	(142.0)
Net interest income	319.2	312.5	95.7	101.7	10.6	1.4	(7.1)	(7.7)	418.4	407.9
Non-interest income	33.3	35.0	-	-	1.0	-	2.2	3.5	36.5	38.5
Total income	352.5	347.5	95.7	101.7	11.6	1.4	(4.9)	(4.2)	454.9	446.4
Impairment charges	(139.6)	(123.9)	(41.5)	(60.4)	(0.7)	(0.2)	0.7	(0.8)	(181.1)	(185.3)
Risk-adjusted income	212.9	223.6	54.2	41.3	10.9	1.2	(4.2)	(5.0)	273.8	261.1
Operating costs	(174.7)	(193.5)	(66.9)	(80.1)	(5.5)	(0.6)	(18.4)	(124.9)	(265.5)	(399.1)
PBT from continuing operations	38.2	30.1	(12.7)	(38.8)	5.4	0.6	(22.6)	(129.9)	8.3	(138.0)
Gross customer interest-earning balances ¹	1,518	1,278	706	765	599	217	-	49	2,824	2,308
Net interest margin (%) ²	23.3	23.8	13.0	12.3	2.7	2.0	-	-	16.8	18.5
RWAs ¹⁶	1,122	944	573	615	260	93	118	183	2,073	1,835
Customers ('000) ³⁶	1,339	1,267	103	110	9.9	3.7	389	374	1,770	1,686

	Savings	
	DEC25	DEC24
Retail deposits (£m) ³⁷	3,020	2,428
Balance covered by FSCS (%)	99	96
Number of customers ('000)	81	57

- **Corporate Centre** gross customer interest-earning balances, RWAs and customer numbers include the Personal Loans portfolio, which is recognised as a discontinued operation.
- **Total Group customer numbers** de-duplicated for customers with more than one product.

Half year product contribution

	Cards		Vehicle Finance		2CM		Corporate Centre		Total	
	2H25 £m	1H25 £m	2H25 £m	1H25 £m	2H25 £m	1H25 £m	2H25 £m	1H25 £m	2H25 £m	1H25 £m
Asset driven products										
Interest income	191.8	179.0	61.0	62.9	17.4	11.0	22.1	22.0	292.3	274.9
Interest expense	(26.9)	(24.7)	(13.9)	(14.3)	(11.1)	(6.7)	(24.2)	(27.0)	(76.1)	(72.7)
Net interest income	164.9	154.3	47.1	48.6	6.3	4.3	(2.1)	(5.0)	216.2	202.2
Non-interest income	17.3	16.0	-	-	0.8	0.2	0.9	1.3	19.0	17.5
Total income	182.2	170.3	47.1	48.6	7.1	4.5	(1.2)	(3.7)	235.2	219.7
Impairment charges	(75.6)	(64.0)	(28.8)	(12.7)	(0.5)	(0.2)	(0.1)	0.8	(105.0)	(76.1)
Risk-adjusted income	106.6	106.3	18.3	35.9	6.6	4.3	(1.3)	(2.9)	130.2	143.6
Operating costs	(81.0)	(93.7)	(32.4)	(34.5)	(3.6)	(1.9)	(11.1)	(7.3)	(128.1)	(137.4)
PBT from continuing operations	25.6	12.6	(14.1)	1.4	3.0	2.4	(12.4)	(10.2)	2.1	6.2
Gross customer interest-earning balances ¹	1,518	1,355	706	733	599	371	-	-	2,824	2,459
Net interest margin (%) ²	22.8	24.0	12.9	13.1	2.6	3.0	-	-	16.2	17.4
RWAs ¹⁶	1,122	1,005	573	595	260	157	118	124	2,073	1,883
Customers ('000) ³⁶	1,339	1,290	103	105	9.9	6.3	389	368	1,770	1,704

	Savings	
	DEC25	JUN25
Retail deposits (£m) ³⁷	3,020	2,464
Balance covered by FSCS (%)	99	97
Number of customers ('000)	81	64

- **Corporate Centre** gross customer interest-earning balances, RWAs and customer numbers include the Personal Loans portfolio, which is recognised as a discontinued operation.
- **Total Group customer numbers** de-duplicated for customers with more than one product.

Receivables Reconciliation

Asset driven products	Cards		Vehicle Finance		2CM		Loans (discontinued operations)		Total	
	DEC25 £m	DEC24 £m	DEC25 £m	DEC24 £m	DEC25 £m	DEC24 £m	DEC25 £m	DEC24 £m	DEC25 £m	DEC24 £m
Gross customer interest-earning balances¹	1,518	1,278	706	765	599	217	-	49	2,824	2,308
<i>Adjustments:</i>										
Post charge off assets	6	6	10	17	-	-	-	-	16	23
Deferred acquisition costs	29	25	45	50	20	8	-	-	94	84
Other	2	1	0	-	-	-	-	-	2	1
Gross amounts receivable from customers (Gross receivables)	1,554	1,310	762	832	619	226	-	49	2,935	2,416
Expected credit losses	(170)	(160)	(73)	(96)	(1)	(0.2)	-	(5)	(244)	(262)
Reported amounts receivable from customers (Net receivables)	1,384	1,150	689	735	619	225	-	44	2,691	2,155

- **Gross customer interest-earning balances** are the customer receivables on which the Group charges interest to customers. These balances are used by the business for forecasting and the calculation of performance KPIs.
- **Post-charge-off assets** are balances previously impaired which continue to hold value.
- **Deferred acquisition costs** are capitalised under IFRS 9 upon origination of a loan (e.g. broker commissions, affiliate and partnership spend), which are then amortised over the duration of the loan (VF and 2CM) or modelled revenue curve (Credit Cards).
- **Other** comprises card holder plastic, chargebacks and late fee accruals, offset by amounts received but not applied to customer balances.

ROTE, EPS, TNAV Calculation

ROTE & EPS	FY25 £m	FY24 £m
Statutory profit/(loss) attributable to shareholders (A)	8.2	(119.3)
Ave. equity as per balance sheet	451	530
Ave. pension asset	(18)	(34)
Ave. deferred tax on pension asset	5	8
Ave. equity after pension asset impact	438	504
Ave. intangible assets	(63)	(66)
Ave. goodwill	(1)	(67)
Ave. AT1 notes	(14)	-
Average tangible equity (B)	360	372
ROTE (%) (A/B)	2.3	(32.1)
Weighted average number of shares (#m)(C)	254.0	255.5
EPS (p) (A/C)	3.2	(46.7)
TNAV	DEC25 £m	DEC24 £m
Equity as per balance sheet	487	441
Pension asset	(6)	(28)
Deferred tax on pension asset	2	7
Equity after pension asset impact	483	420
Intangible assets	(65)	(62)
Goodwill	(1)	(1)
AT1 notes	(59)	-
Tangible net asset value (D)	358	358
Closing number of shares (#m)(E)	250.3	255.5
TNAV per share (p) (D/E)	143	140

- **Balance sheet** item averages are based on average month end balances for the 13 months ending 31 December, using a 13-point average.
- **Deferred tax** assumed at 25.0%.
- **Closing and average number of shares** excludes shares held as part of the Employee Benefit Trust.

Summary Balance Sheet

	DEC25 £m	DEC24 £m
Assets		
Cash and cash equivalents	805	1,004
Investment securities	255	-
Amounts receivables from customers ³⁸	2,692	2,154
Pension asset	6	28
Intangibles	65	62
Goodwill	1	1
Derivative financial assets	4	-
Other assets	114	126
Total assets	3,942	3,375
Liabilities and equity		
Retail deposits ³⁷	3,020	2,428
Bank and other borrowings ³⁹	348	410
Trade and other payables	52	46
Derivative financial liabilities	6	2
Other liabilities	28	48
Total liabilities	3,454	2,934
Share capital	53	53
Share premium	276	276
Reserves	158	112
Total equity	487	441
Total liabilities and equity	3,942	3,375

- **Cash** includes the Liquid Asset Buffer held at the Bank of England.
- **Amounts receivables from customers** represent net receivables (see slide 14).
- **Pension asset** reduction reflects the preliminary results from the most recent Scheme valuation and updated market assumptions.
- **Derivative financial assets and liabilities** are used to manage the Group's interest rate risk.
- **Goodwill** relates to the acquisition of Snoop.
- **Other assets** include UK gilts held in the Liquid Asset Buffer, right of use assets, tax and other smaller items.
- **Retail deposits** are managed in line with Group funding requirements.
- **Bank and other borrowings** comprise the various non-retail funded balances, including Tier 2 debt, VF securitisation and other bonds.
- **Trade and other payables** relates to accruals including complaint costs expected to be paid out.
- **Reserves** increased due to the AT1 issuance and statutory profits, partially offset by negative pension movements net of tax.

Capital Composition

	DEC25 £m	DEC24 £m
Total equity	487	441
Pension asset	(6)	(28)
Deferred tax on retirement benefit asset	2	7
Goodwill	(1)	(1)
Intangible assets	(65)	(62)
Deferred tax on intangible assets	5	5
Deferred tax asset from losses	(20)	(18)
AT1 capital	(59)	-
Foreseeable distributions (on AT1 instrument)	(1)	-
CET1 capital	341	344
AT1 capital	59	-
Tier 1 capital	400	344
Tier 2 capital	142	200
Total regulatory capital	541	544
CET1 requirement	234	205
CET1 surplus	107	139
Tier 1 requirement	281	246
Tier 1 surplus	118	99
Total capital requirement	344	300
Total capital surplus	197	244
Risk-weighted assets¹⁶	2,073	1,835
CET1 ratio¹⁵	16.5%	18.8%
Tier 1 ratio ⁵	19.3%	18.8%
Total capital ratio ³⁰	26.1%	29.7%
Leverage exposure ⁴⁰	3,299	2,483
Leverage ratio ⁴¹	12.1%	13.9%

- **CET1 requirement** is 11.3% of RWAs, being 56.25% of the Group's Total Capital Requirement (TCR) plus combined buffers of 4.5%, but excluding any confidential or management buffers, as applicable.
- **Tier 1 requirement** is 13.6% of RWAs, being 75% of the Group's Total Capital Requirement (TCR) plus combined buffers of 4.5%, but excluding any confidential or management buffers, as applicable.
- **Total capital requirement** is 16.6%, being the Group's TCR (12.1%) plus the countercyclical capital buffer (2.0%) and capital conservation buffer (2.5%), but excluding any confidential or management buffers, as applicable.

Glossary

AI	Artificial Intelligence
APR	Annual Percentage Rate
AT1	Additional Tier 1
AVE / Ave.	Average
BoE	Bank of England
BT	Balance Transfer
CSREP	Capital Supervisory Review and Evaluation Process
Tier 1	Tier 1 capital / ratio
Tier 2	Tier 2 capital / ratio
CMCs	Claims Management Companies
DCA	Discretionary Commission Arrangements
ECL	Expected Credit Loss
EPS	Earnings Per Share
FCA	Financial Conduct Authority
FOS	Financial Ombudsman Service
FSCS	Financial Services Compensation Scheme
FTE	Full-time equivalent
FY	Financial Year
Group	Vanquis Banking Group plc and its subsidiary undertakings
HQLA	High-Quality Liquid Assets
IFRS	International Financial Reporting Standards
ILTR	Indexed Long Term Repo

ISA	Individual Savings Account
KPI	Key Performance Indicator
LCR	Liquidity Coverage Ratio
LTV	Loan To Value
NIM	Net Interest Margin
N/M	Not Meaningful
P&L	Profit & Loss Account
PAT	Profit After Tax
PBT	Profit Before Tax
PCOA	Post Charge Off Assets
PMA	Post Model Adjustment
PRA	Prudential Regulation Authority
RAM	Risk-adjusted Margin
ROTE	Return On Tangible Equity
RWA	Risk-Weighted Assets / Exposure Amounts
TCR	Total Capital Requirement
TIM	Total Income Margin
TNAV	Tangible Net Asset Value
Vanquis	Vanquis Banking Group plc
VF	Vehicle Finance
YoY	Year on Year
2CM	Second Charge Mortgages

Footnotes

1	Gross customer interest-earning balances excludes post charge off assets and deferred acquisition costs, which are included in gross receivables.	16	Risk-weighted assets are calculated by assigning a degree of risk expressed as a percentage (risk weight) to the on and off-balance sheet assets of the Group, an exposure representing the degree of operational risk of the Group's activities and any exposure amount required for market risk. RWAs are calculated in accordance with the applicable rules set out in CRR and the PRA Rulebook.
2	Net interest margin is calculated as interest income less interest expense for the period as a percentage of average gross customer interest-earning balances for the 12 months ended 31 December using a 13 point month end average.	17	Liquid assets (HQLA) are unencumbered assets, that are liquid in markets during a time of stress.
3	Cost: income ratio is calculated as operating costs as a percentage of total income for the 12 months ended 31 December.	18	The liquidity coverage ratio (LCR) refers to the proportion of highly liquid assets to net 30-day cash outflows, calculated in accordance with regulatory guidance.
4	ROTE is calculated as annualised statutory profit attributable to shareholders for the 12 months ended 31 December as a percentage of average tangible equity for the 12 months ended 31 December. Tangible equity is stated as equity after deducting average AT1 notes and the Group's pension asset, net of deferred tax, less intangible assets and goodwill.	19	Retail funding is calculated as total retail savings and deposit balances, excluding accrued interest, as a percentage of total committed funding.
5	The Tier 1 ratio is calculated as the ratio of the Group's Tier 1 capital as a percentage of the Group's risk-weighted assets measured in accordance with the CRR.	20	TNAV per share is calculated as closing tangible net asset value, divided by the period end number of shares in issue. Tangible net asset value is stated as equity after deducting AT1 notes and the Group's pension asset, net of deferred tax, less intangible assets and goodwill.
6	Number of full-time equivalent people working for the Group under contracts of employment (employee numbers).	21	Includes interest income from balances held on deposit including at the BoE, interest on UK gilts and net fair value gains on derivative financial instruments.
7	The presentation of the income statement and selected key metrics in this report is consistent with that in the Annual Report and Accounts for 31 December 2024, with the exception of the impact of the sale of the Personal Loans portfolio, which is now recognised as a discontinued operation and the re-segmentation of interest income, interest expense and operating costs by product. Further details are included in the 2024 re-presentation document at the following link: Vanquis-Banking-Group-2024-Re-presentation-Document.pdf .	22	Cost of funds is calculated as interest expense as a percentage of weighted average volume of funding drawn (excl. fees, IFRS16 and swaps), on an annualised basis.
8	Average gross customer interest-earning balances is based on the average of 13 months of gross customer-interest-earning balances.	23	Average customer deposits is based on the average of 13 months of customer deposit balances.
9	Net receivables are gross receivables less allowance account (ECL) provision.	24	Other included the net impact of the gross charge-offs, ECL release and creation of the PCOA related to the prior year VF receivables review.
10	Asset yield is calculated as interest income received from customers for the period as a percentage of average gross customer interest-earning balances for the 12 months ended 31 December using a 13-point month end average.	25	Staff and outsourced people costs include all costs in relation to employees and outsourced/resource, including wages, pensions, benefits, training and recruitment.
11	Total income margin is calculated as total income for the period as a percentage of average gross customer interest-earning balances for the 12 months ended 31 December using a 13-point month end average.	26	Administrative costs include, amongst other items: complaints, fraud, marketing, IT, property, legal, FCA and PRA levies, and customer management related costs.
12	Cost of risk is calculated as impairment charges for the period as a percentage of average gross customer interest-earning balances for the 12 months ended 31 December using a 13-point month end average.	27	Excess liquid assets are those HQLA in excess of the regulatory minimum requirement to meet the Liquidity Coverage Ratio of 100% of regulatory net cash outflows, calculated in accordance with regulation.
13	Risk-adjusted margin is calculated as risk-adjusted income for the period as a percentage of average gross customer interest-earning balances for the 12 months ended 31 December using a 13-point month end average.	28	Excludes accrued interest, arrangement fees, overdrafts and fair value adjustments for hedged risk.
14	Basic earnings per share is calculated as statutory profit after tax for the 12 months ended 31 December, divided by the weighted average number of shares in issue.	29	2-year swap is taken from UK OIS spot curve data published by the BoE.
15	The CET1 ratio is calculated as the ratio of the Group's Common Equity Tier 1 (CET1) capital as a percentage of the Group's risk-weighted assets measured in accordance with the CRR.	30	The total capital ratio is calculated as the ratio of the Group's total capital as a percentage of the Group's risk-weighted assets measured in accordance with the CRR.

Footnotes

31 Based on Experian Ascend credit bureau data as at 30 September 2025.

32 Customers who do not meet any of the below criteria are considered well-served by mainstream lenders.

Customers are classified as underserved if any of the following apply:

- Credit Risk Screening Score (CRS) below 1,000
 - Unemployed
 - Thin file
 - Insolvent
 - Informal arrangement in place
- 33**
- High indebtedness: Composite Indebtedness Index (CII) \geq 40
 - Active IVA (Individual Voluntary Arrangement)
 - County Court Judgment (CCJ) in the last 6 months
 - Missed payments
 - High CAIS balance: > £25,000
 - Arrears
-

34 Average deposit pricing reflecting the weighted average customer interest rate of deposits on book at each month end.

35 Coverage ratio is calculated as expected credit loss allowance divided by gross receivables, including directly attributable acquisition costs and post charge off assets.

36 Total customer numbers are presented net of cross product holding. Customer numbers by product are presented on a gross holding basis.

37 Retail deposits on the balance sheet include principal and accrued interest.

38 Amounts receivables from customers are presented net of fair value adjustment for portfolio hedged risk.

39 Bank and other borrowing are presented net of fair value adjustment for hedged risk.

40 Leverage exposure is a regulator-defined quantity that measures a bank's total assets and certain off-balance sheet items including derivatives and undrawn commitments on Credit Cards. Leverage metrics exclude central bank claims in accordance with the PRA's UK leverage framework.

41 Leverage ratio is the Tier 1 regulatory capital expressed as a proportion of the leverage exposure, which allows the PRA to assess the risk of excessive leverage in financial institutions.

Disclaimers

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The information in this presentation may include forward-looking statements. Forward looking statements, by their nature involve risk and uncertainty as they relate to future events and circumstances. Forward looking statements can be identified from the fact that they do not relate only to historical or current facts and , which they are based on assumptions, expectations, valuations, targets, estimates, forecasts and projections about future events. These can be identified by the use of words such as 'short term', 'medium term', 'long term', 'expects', 'aims', 'targets', 'seeks', 'anticipates', 'plans', 'intends', 'prospects' 'outlooks', 'projects', 'forecasts', 'believes', 'estimates', 'potential', 'possible', 'will', 'may', 'should' and similar words or phrases (including the negatives thereof). Forward looking statements can be made in writing but may also be made verbally by directors, officers or employees of the Group (including during management presentations) in connection with this presentation. These forward looking statements speak only as at the date they are made, reflect, at the time made, the Company's beliefs, intentions and current targets/aims and are inherently subject to significant known and unknown risks, uncertainties and assumptions about the Company and its subsidiaries (which together comprise the "Group") and its securities, investments and the environment in which it operates, which are difficult or impossible to predict and are beyond the Company's control. Forward looking statements may be affected by a number of factors including, without limitation the development of its the Group's business and strategy, any corporate activity undertaken by the Group, trends in its operating industry, changes to customer behaviours and covenant, macroeconomic and/or geopolitical factors, changes to its board and/ or employee composition, exposures to terrorist activity, IT system failures, cyber-crime, fraud and pension scheme liabilities, changes to law regulation and the interpretation thereof and/or changes to the policies and practices of the Bank of England, the PRA, the FCA, and/or other regulatory and governmental bodies, changes to accounting standards, the outcome of current and future legal proceedings and regulatory investigations inflation, deflation, interest rates, exchange rates, changes in the liquidity, capital, funding and/ or asset position and/or credit ratings of the Group, future capital expenditures and acquisitions.

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Unless otherwise stated, information in this presentation was prepared as at 31 December 2025.



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