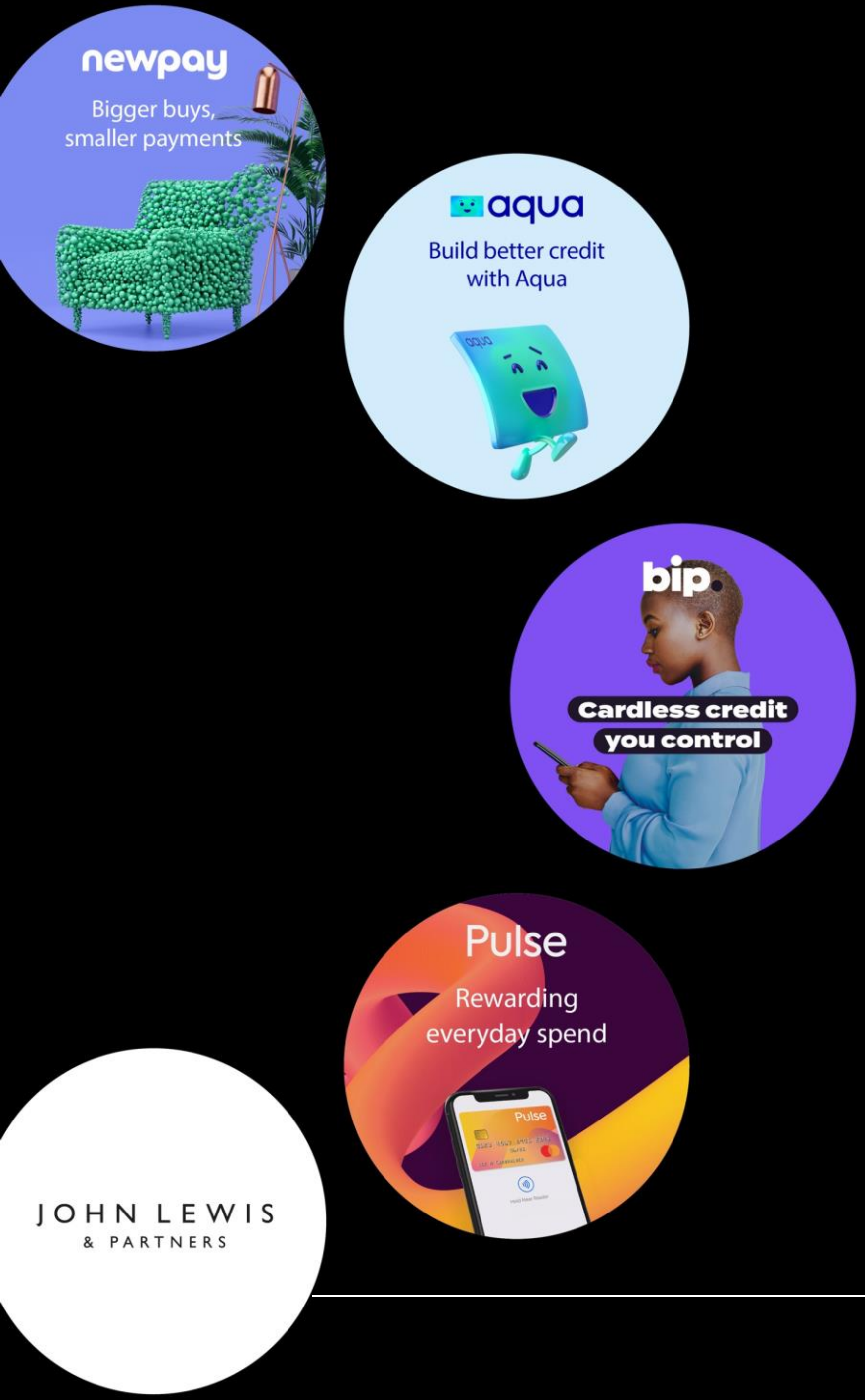

H1 2022
Earnings presentation

3rd August 2022

Replay (Available for 90 days)
+44 (0)207 136 9233
0800 032 9687 (UK)

Replay passcode
82067059

NewDay

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References to adjusted EBITDA throughout this Presentation in respect of periods commencing on or after 1 January 2022 are references to "Consolidated EBITDA" as defined in the legal documentation relating to the £425m Senior Secured Notes issued by NewDay BondCo plc on 25 January 2017 (the Senior Secured Debt) and the Super Senior Revolving Credit Facility entered into by the Company on 25 January 2017 (the Revolving Credit Facility) based on UK IFRS at the relevant time. However, references to "adjusted EBITDA" throughout this Presentation in respect of periods ended on or prior to 31 December 2021 (which have also been calculated in accordance with UK IFRS at the relevant time) are not the same as "Consolidated EBITDA" as defined in the legal documentation relating to the Senior Secured Debt and Revolving Credit Facility due to the fact that adjusted EBITDA for such periods excludes the performance of the Unsecured Personal Loans business. In addition, all ratios, baskets and calculations required under the terms of the Senior Secured Debt and Revolving Credit Facility are based on UK IFRS as in force as at 1 January 2021 (subject to certain adjustments permitted or required under the terms of the Senior Secured Debt and Revolving Credit Facility which, amongst other things, disregard the impact of IFRS 9 'Financial Instruments' and IFRS 16 'Leases'). As a result, such ratios, baskets and calculations may differ significantly from any ratios or figures which are contained in this Presentation. In particular, except where otherwise expressly stated to be the case, references to "Senior Secured Debt to adjusted EBITDA" and "adjusted EBITDA to pro forma cash interest expense" contained in this Presentation have been calculated (subject to certain adjustments) in accordance with UK IFRS as in force as at 30 June 2022 (or, in respect of periods ending prior to 30 June 2022, UK IFRS at the relevant time). As a result, such figures will differ significantly from the calculation of Consolidated Senior Secured Net Leverage Ratio and Fixed Charge Corporate Debt Coverage Ratio (as defined under the terms of the Senior Secured Debt and Revolving Credit Facility).

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Record profitability and receivables growth

£97M

Underlying PBT[1]
(28% growth on H1 2021)

21%

Receivables growth
(£3.5bn gross receivables)

427k

New customers
(incl. record D2C of 311k)

newpay

Newpay white labelled partnership signed with fast-growing online retailer

JOHN LEWIS & PARTNERS

Expected launch this month

THG

Newpay partnership signed

28.9%

Market leading cost:income ratio

Unsecured Loans

Launch of origination loans business with Antelope Loans[2]

bip.

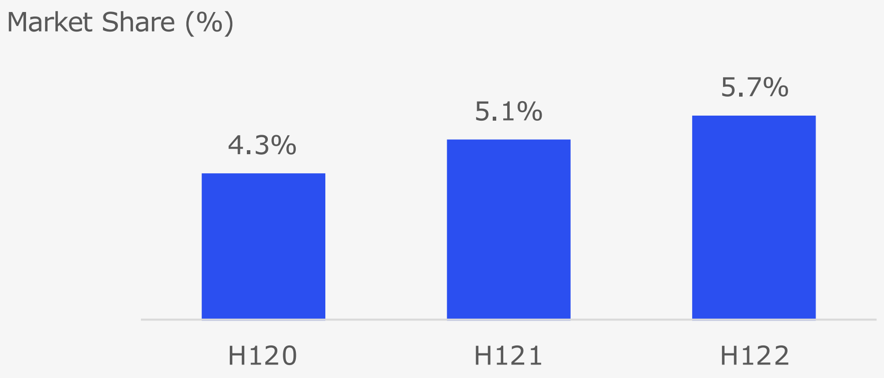
50k accounts & £32m receivables to date

- Scalable digital consumer credit engine
- Strong Customer Manifesto and corporate purpose
- Deep data and underwriting capability
- Continuous investment in product innovation
- Growing partnerships with e-tailers including regulated BNPL
- Strong financial management

1. Underlying PBT from continuing operations
2. Antelope Loans is a part of LC Financial Holdings group

We continue to grow our market share

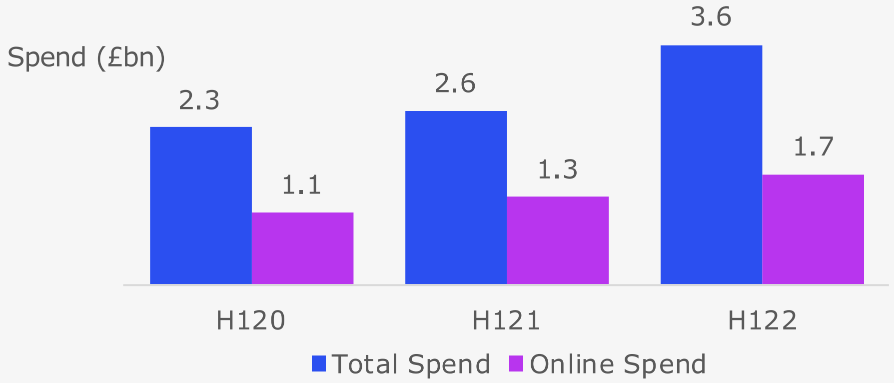
60bps increase in share of UK credit card receivables



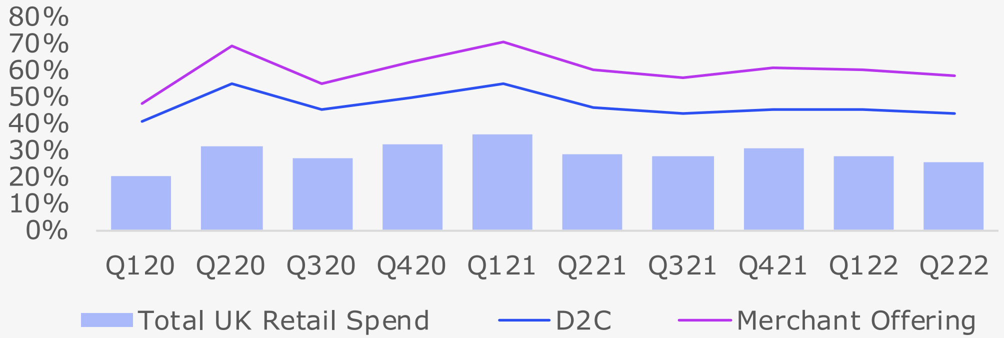
Share of UK credit card receivables[1] (%)

1-in-6 UK credit cards issued in last 12 months[2]

£3.6bn total spend, 38% higher than H121



Online spend as a percentage of total UK retail spend[3]



1. UK Credit Cards Bank of England data as at 30 June 2022. % share metrics calculated as total NewDay volumes as a proportion of Bank of England data credit card volumes. Total UK credit card market is £62bn at 30 June 2022 per Bank of England data, sitting within wider c.£74bn market (including Point of Sale lending)
2. Estimated based on eBenchmarkers data up to 31 May 2022. NewDay share includes NewPay originations
3. Office for National Statistics. Internet % of total retail spend

Customer outcomes remain at our core supported by continued innovation

2021

Launch of Bip, our digital cardless credit proposition

New machine learning powered credit model, enhancing customer underwriting capabilities

Re-carding of certain Founding Partner customers on to Pulse, a product with reward-rich benefits

newpay 1:many

Newpay multiple retailer proposition launched through Deko

Launch of in-app PayOnline, allowing customers the ability to instantly clear balances direct from their bank account

H1 2022

Full credit report, credit score simulations and history available at a single click through Aqua Coach

Improvements to persistent debt related journeys offering enhanced payment options

Build of Unsecured Loans capability to originate, disburse and transfer loans to 3rd party funder

Continued roll out of API integration to offer guaranteed pricing via key aggregators

Extension of our existing mobile app chat functionality to web

Personalised collections journeys for customers in need of financial assistance

Expected 12 month pipeline

Launch both card and Newpay white labelled products

JOHN LEWIS & PARTNERS

currys

newpay

Fast-growing online retailer

Mobile App Seamless journey from acquisition through to Instant Spend and servicing for all Brands

Migration to Gen11 customer management models and strategies

NewDay

Our D2C segment continues to perform strongly

311k

Record originations in H1

£2.3bn

Gross Receivables
29% increase vs H121

79%

Activity Rate[1]

>440k

Customers registered for Aqua Coach[2]

1. Average H1 active accounts/total accounts
2. Customers registered since launch of Aqua Coach

Our Merchant segment is at scale and evolving

2.8m

Customer accounts

£1.2bn

Gross Receivables

£600m+

Spend financed with our partners in last 12 months

4

Enterprise partners signed in last 12 months

Multi-product within a single, scalable platform

White-labelled Credit Cards

Flexible, digital credit

newpay

- Buy Now Pay Later
- 0% finance
- Instalment plans
- Revolving credit

Online & in-store capability

Founding partners

DEBENHAMS
HOUSE OF FRASER

Card partnerships

JOHN LEWIS & PARTNERS

amazon.com

Argos

Digital PoS finance

ao

newpay via DEKO

THG

currys

newpay Fast-growing online retailer

2023 launch

NewDay

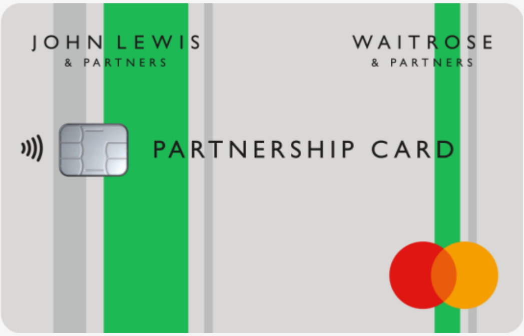
John Lewis merchant partnership launching in August

Top 10 UK retailer[1]

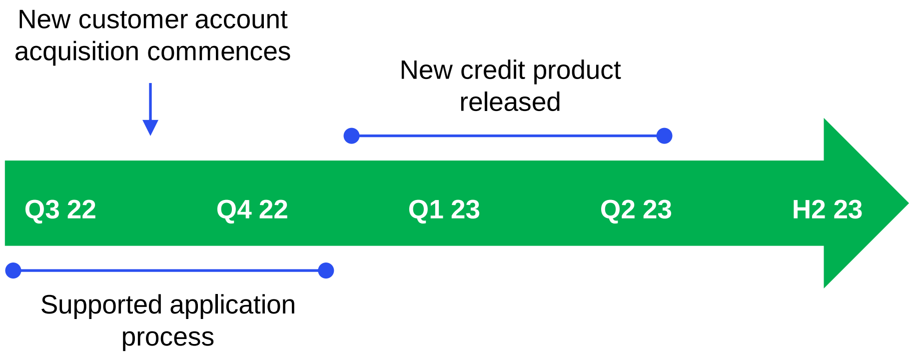
Supported application process for existing Partnership Card customers

Dedicated c.£650m bank facility to support JLP receivables

New co-branded credit card targeting wider customer base



Indicative timelines



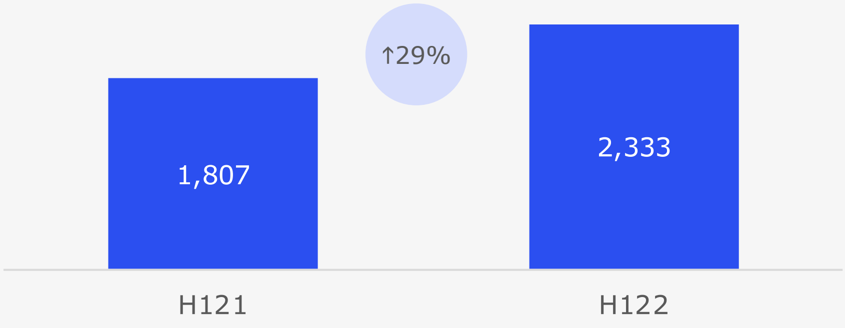
Opportunity for significant long-term benefits

- ✓ Diversifies customer base towards prime
- ✓ Digitalise customer journey
- ✓ Higher customer transaction volume and loyalty
- ✓ Delivers growth and attractive profit profile

1. Source: Statista

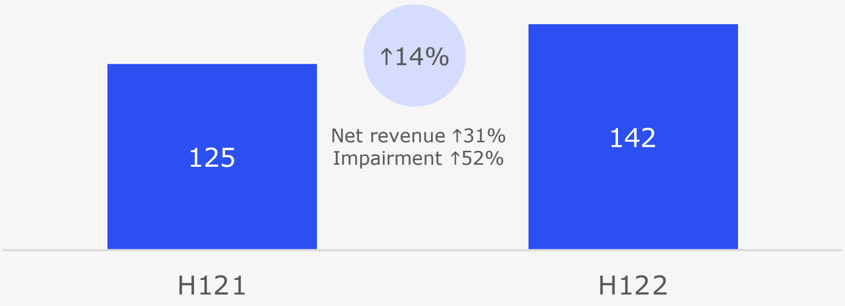
Increased receivables, driving higher underlying RAI

29% increase in D2C receivables since H121 compared to 10% market growth[1]



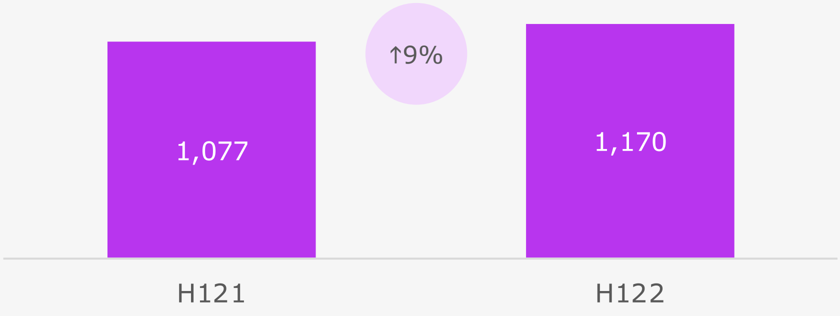
Period-end gross receivables (£m)

D2C RAI 14% higher than H121 reflecting the accounting cost of higher receivables growth on impairment



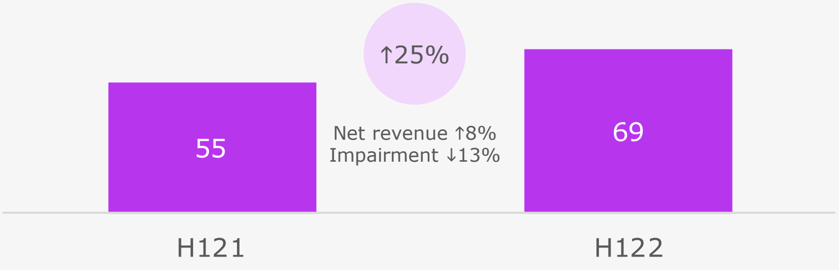
RAI (£m)

9% increase in Merchant Offering receivables since H121, broadly in line with market growth[1]



Period-end gross receivables (£m)

Merchant Offering RAI 25% higher than H121

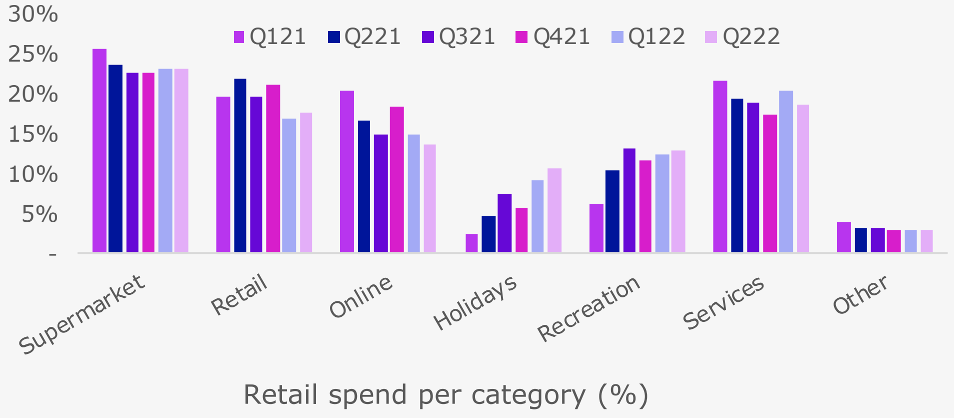


RAI (£m)

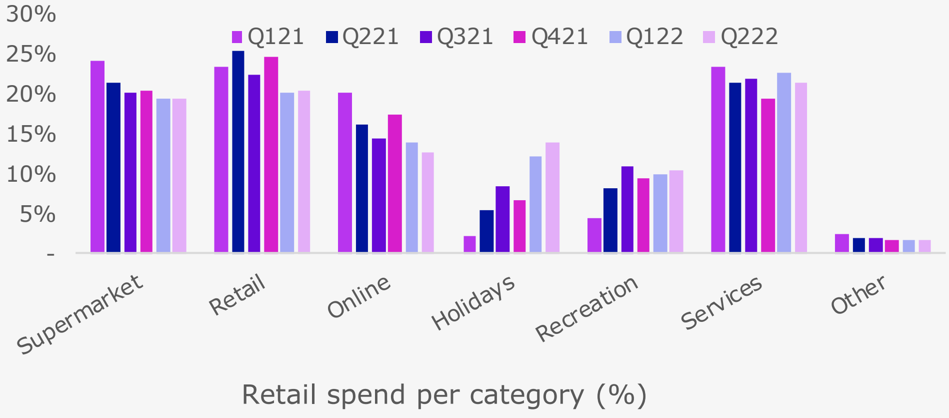
1. UK Credit Cards Bank of England data as at 30 June 2022

No significant change in customer spend trends despite inflationary pressures

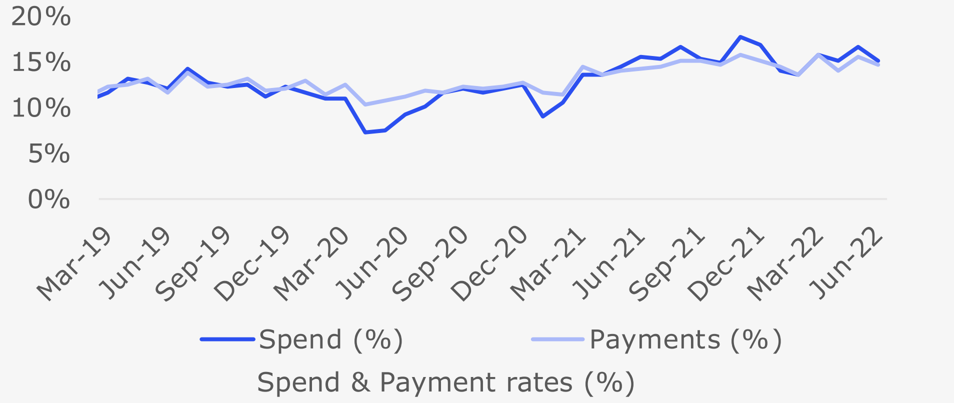
D2C spend levels remain strong across key segments



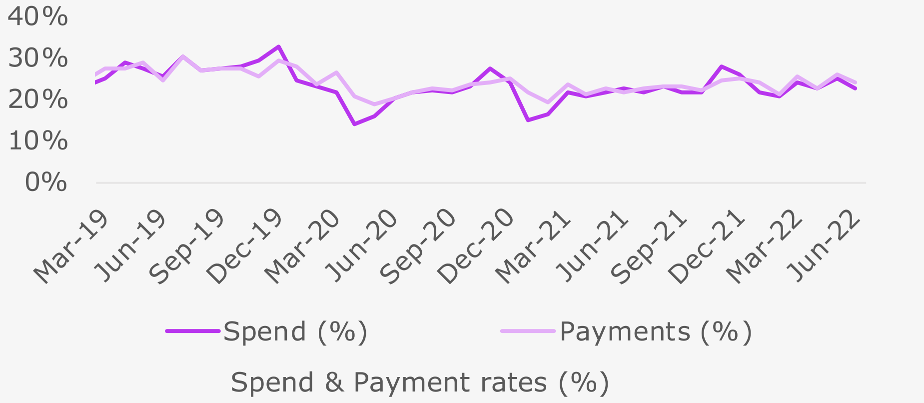
MO spend levels remain strong as discretionary spend on holidays and recreation continues to rise



No material change in net spend rates for D2C customers despite inflationary pressures



No material change in net spend rates for MO customers despite inflationary pressures



New Day

We are well placed to manage emerging macroeconomic risks

Customer pricing is typically linked to bank base rates where we can pass on rate movements	Our cost base is well controlled	Our affordability solutions allow us to monitor estimated disposable income and assess inflation impacts in real-time
Securitisation cost of funds rates linked to SONIA/SOFR	Inflationary pressures driving wage rises and increasing supplier costs…	Household disposable income under pressure…
…mitigated by hedging strategy	…offset by strong cost control	…monitored and managed
Natural hedge as we pass on rate movements to customers where possible[1]…	28.9% cost:income ratio (370bps below H121)	Range of forbearance options to appropriately support our customers[1]
…augmented by a hedge programme protecting against significant interest rate rises[1]	Contractual caps apply to major suppliers where possible, capping cost increases significantly below current RPI levels[1]	Affordability assessments based on diverse inputs and flexible, sophisticated modelling[1]

1. Actions taken by NewDay

NewDay

Our affordability models enable an agile response to the rising cost of living

Inputs from a variety of sources

Sophisticated modelling producing timely outputs

Innovative datasets allowing book segmentation

Appropriate, timely responses

- Cost of Living
- Income Rises
- NI Increases
- Mortgage Payments
- Rental Costs
- Cost of Credit

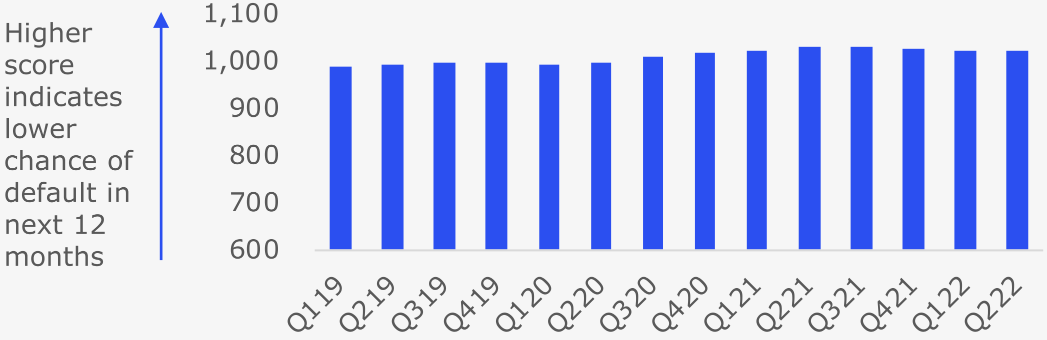
Innovative customer profiling based on over 50 datasets including over 20 years of history and data science techniques…

…allowing us to enrich our understanding of our customers and identify segments where additional conservatism is appropriate for estimated disposable income assessments

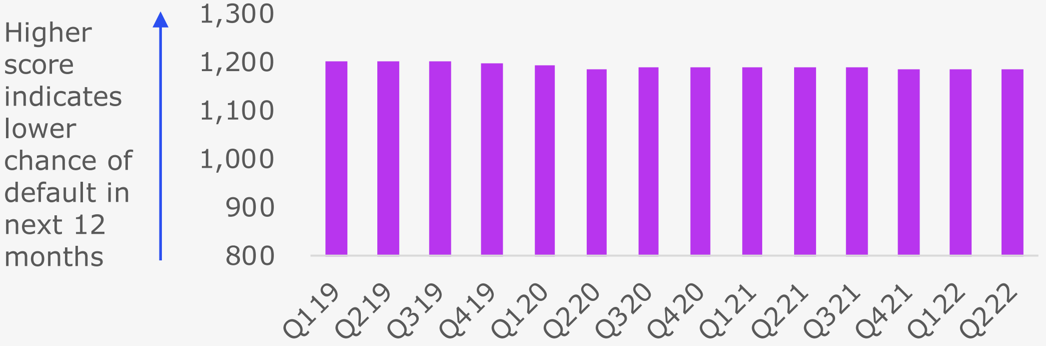
- Tightening of affordability criteria and initial credit limits for new customers
- Moved to the latest version of Customer Management bureau data and tightened growth strategies for existing customers
- Leveraging expansive forbearance toolkit to support customers where necessary
- Monitoring spending and payment dynamics along with credit risk and macroeconomic indicators on a timely basis

Credit indicators remain strong

Recent credit quality broadly flat in both D2C and Merchant Offering

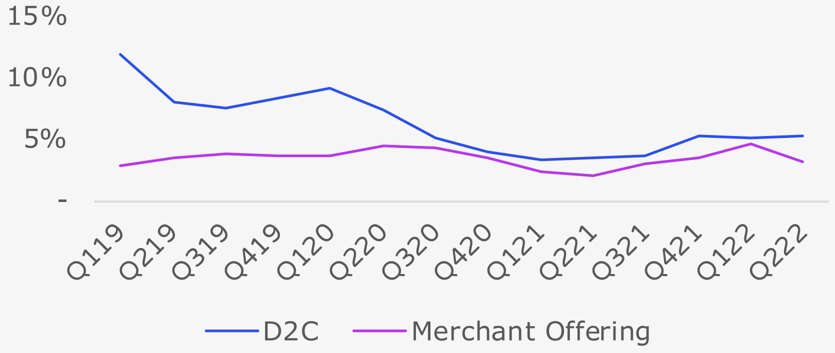


D2C Average Delphi Score[1]

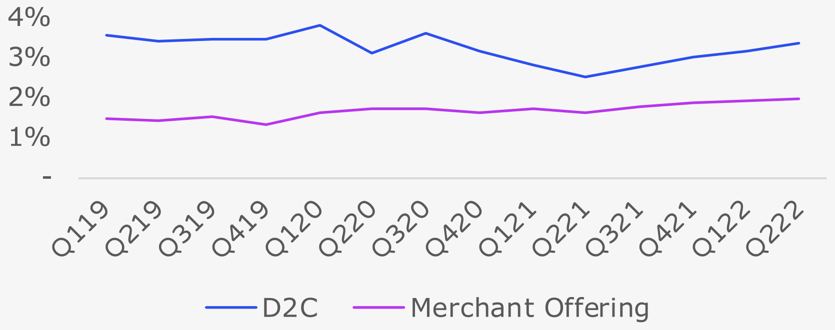


MO Average Delphi Score[1]

Early credit indicators normalising post-Covid and within expectations



% of customers with two or more missed payments after 6 months[2]

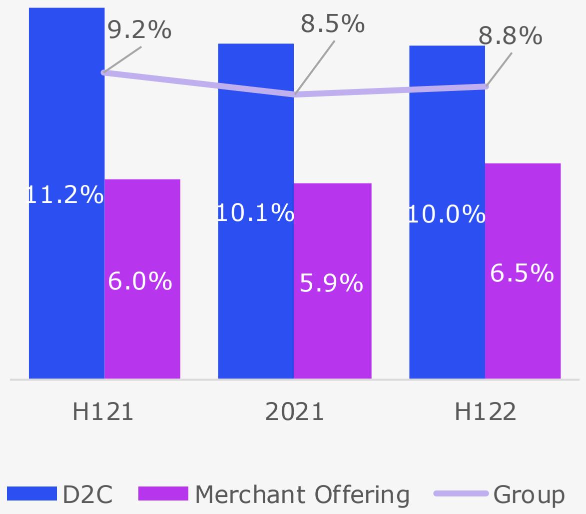


% of receivables entering delinquency

1. Experian Delphi for Customer Management AAM score, which predicts the likelihood of delinquency within the next 12 months.
2. This represents credit losses and excludes fraudulent balances

Lower charge-offs and higher coverage rates than pre-Covid levels

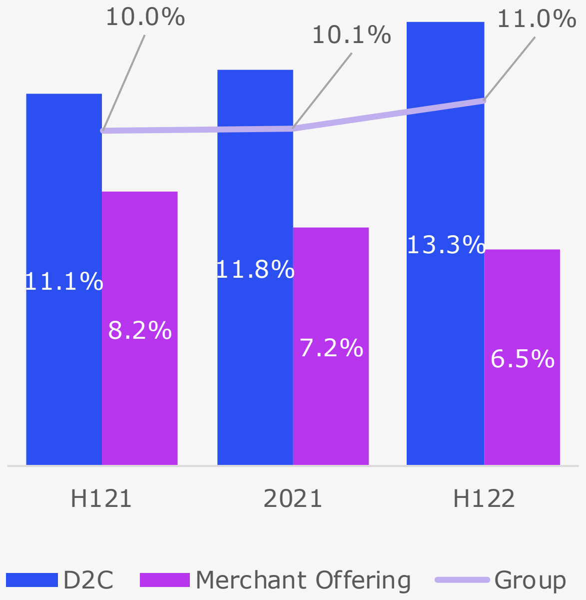
Charge-offs increased marginally by 30bps over 2021 but still 220bps lower than pre-Covid levels



Charge-off Rate (%)

	2019[1]	H122
Group (excl. UPL)	11.0%	8.8%

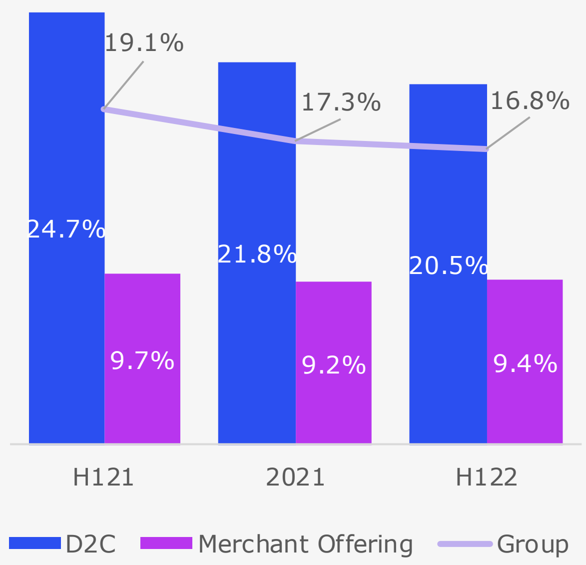
YoY increase in impairment due to impact of higher in-year receivables growth on provisioning



Impairment Rate (%)

	2019[1]	H122
Group (excl. UPL)	11.4%	11.0%

Coverage rate reduced by 50bps since year end but remains higher than pre-pandemic levels



Coverage Rate (%)

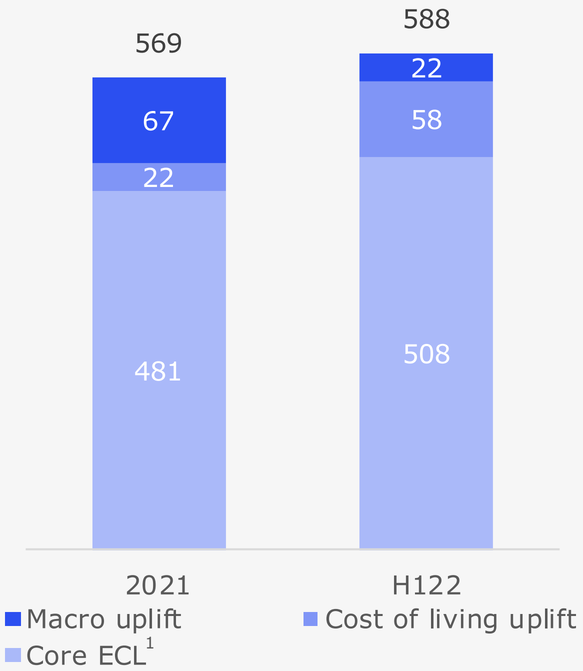
	2019[1]	H122
Group (excl. UPL)	14.2%	16.8%

1. 2019 rates used to illustrate pre-pandemic levels

NewDay

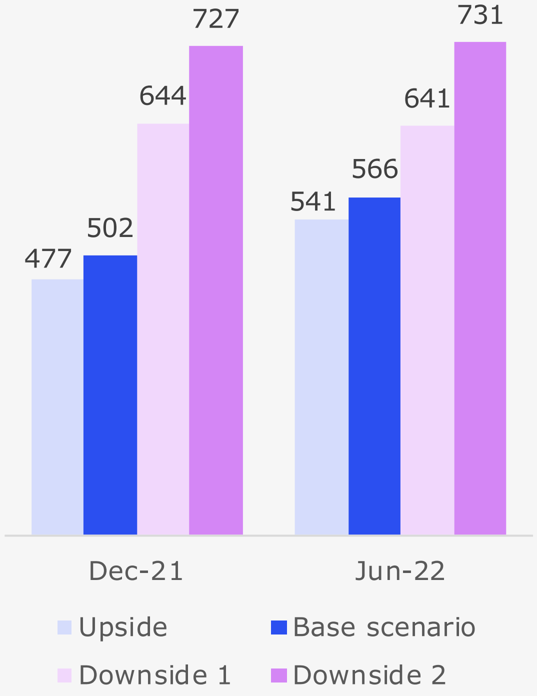
Marginal increase in ECL but higher coverage for costs of living

£19m increase in overall ECL since December 2021



ECL Allowance (£m)

ECL Base scenario has increased by £64m



ECL scenarios (£m)

Base scenario includes increased costs of living provisioning as macro uplift reduces with improved unemployment outlook

	Unemployment Peak	Unemployment 5 yr avg	ECL (£m) assuming 100%	Probability weighting
Jun-22				
Upside	3.9%	3.1%	541	5%
Base Scenario	4.1%	3.9%	566	70%
Downside 1	6.1%	5.1%	641	20%
Downside 2	8.1%	6.3%	731	5%

	Dec-21	Jun-22
Core ECL	481	508
Cost of living	22	58
Base Scenario	**502**	**566**
Macro uplift	67	22
ECL allowance	**569**	**588**
Coverage Rate	17.3%	16.8%

Macroeconomic scenarios (£m)

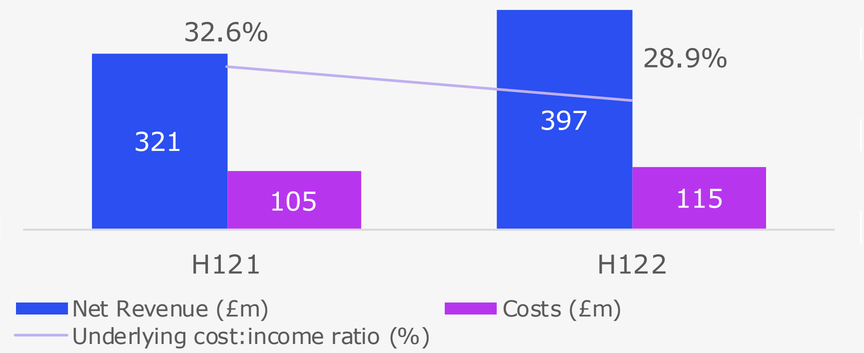
1. Core ECL is the Base Scenario excluding Cost of Living uplift

NewDay

Record profitability and strong cash generation

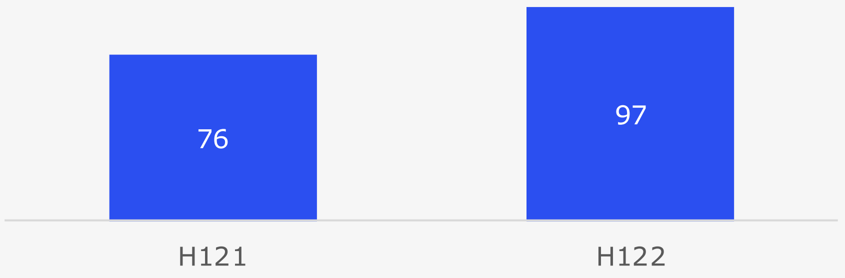
Underlying RAM[1] of 12.6% with underlying cost:income ratio falling below 30%

Underlying RAM (%)

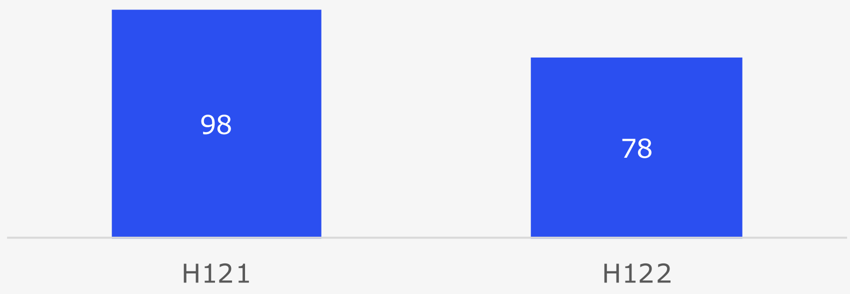


Underlying cost:income (%)

Record levels of profitability with continued strong cash generation



Underlying PBT from continuing operations (£m)

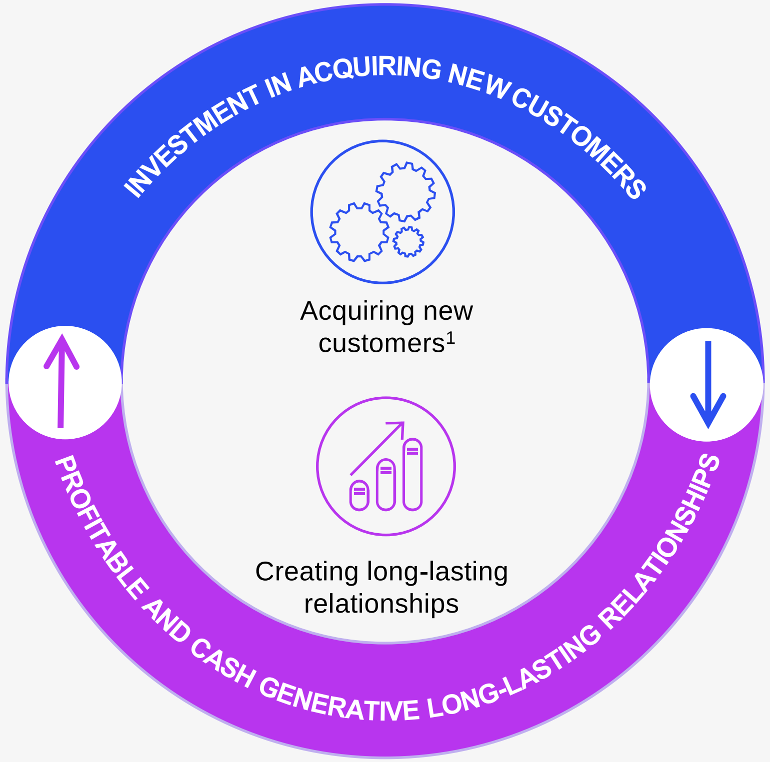


Free cash flow available for growth and debt service (£m)

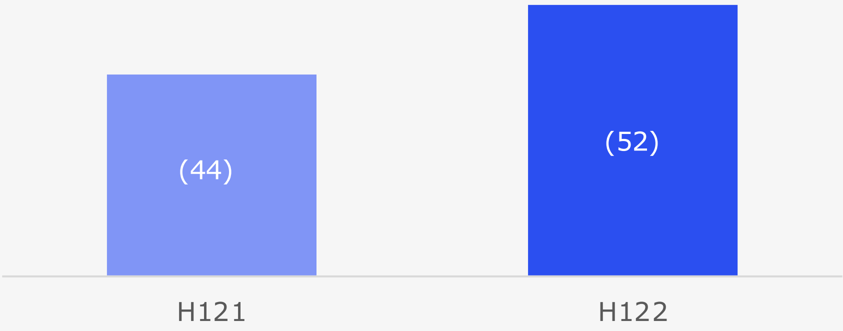
1. Underlying RAM calculated as Underlying risk-adjusted income over average receivables

New Day

Investment in new customers supported by higher returns from existing customers

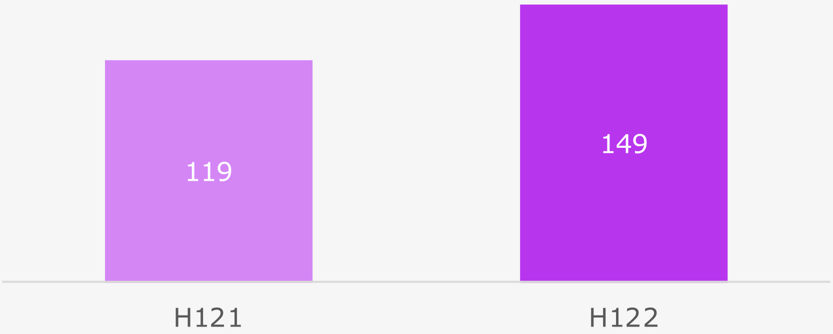


Higher investment in growing our customer base



Underlying PBT from continuing operations for new customers[1] (£m)

Higher PBT as our existing customer[2] base grows supported by strong customer retention



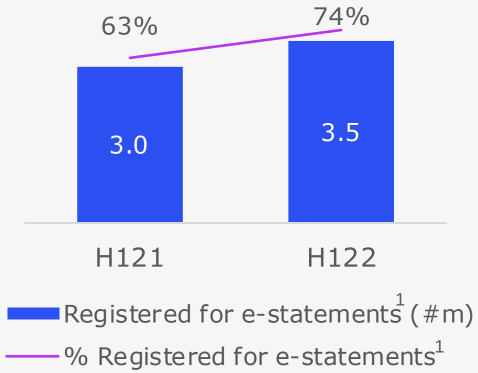
Underlying PBT from continuing operations for existing customers[2] (£m)

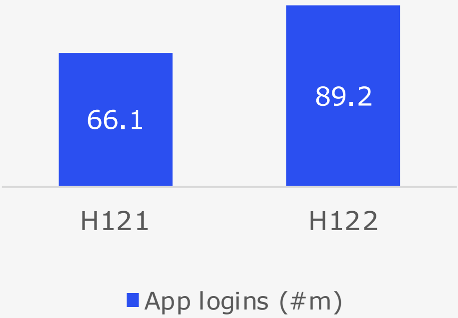
1. New customer defined as a rolling cohort of customers acquired within the previous 12 months
2. Existing customers defined as >12 months

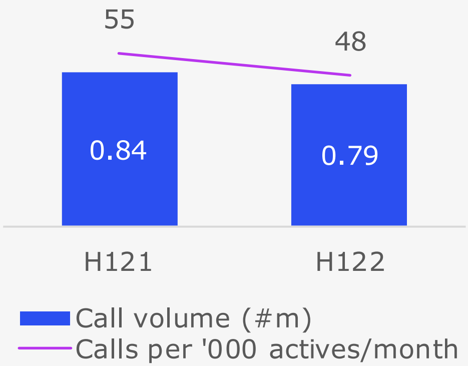
NewDay

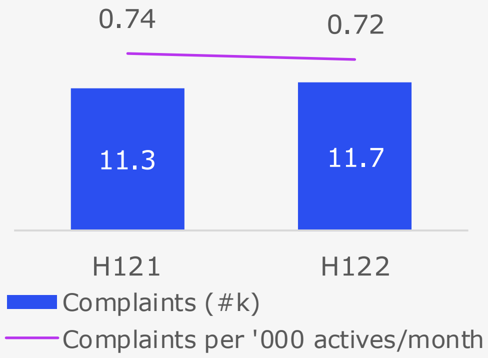
Improving cost efficiencies and overall customer experience

Increased automation driving cost efficiencies and improved customer satisfaction

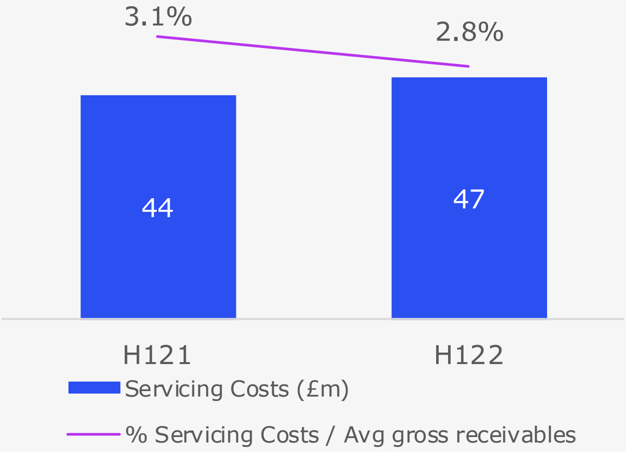








Servicing costs lower than 3% of average receivables alongside strong customer satisfaction metrics



+72
NES[2]
(H121: +73)

+73
NPS[2]
(H121: +68)

1. At period end
2. Net Easy Score/ Net Promoter Score (Half year averages)

NewDay

Record underlying PBT from continuing operations of £97m

£m	H121	H122	2021	LTM H122
Interest income	332	412	700	781
Cost of funds	(30)	(45)	(62)	(77)
Fee and commission income	18	30	48	59
Net Revenue	**321**	**397**	**686**	**763**
Impairment	(140)	(185)	(296)	(341)
Underlying risk-adjusted income	**180**	**212**	**390**	**422**
Servicing costs	(44)	(47)	(84)	(88)
Change costs	(21)	(24)	(44)	(48)
Marketing and partner payments	(15)	(21)	(42)	(48)
Collection fees	11	15	24	28
Contribution	**112**	**134**	**244**	**266**
Salaries, benefits and overheads	(36)	(37)	(72)	(72)
Underlying PBT from continuing operations	**76**	**97**	**172**	**194**
Add back: depreciation and amortisation	5	5	11	11
Adjusted EBITDA	**81**	**103**	**183**	**205**

Average gross receivables	2,799	3,373	2,931	3,209
Net Revenue margin (%)	22.9%	23.5%	23.4%	23.8%
Impairment (%)	10.0%	11.0%	10.1%	10.6%
Cost:income (%)	32.6%	28.9%	31.8%	29.9%
Underlying RAM (%)	12.9%	12.6%	13.3%	13.1%
Senior Secured Debt to Adjusted EBITDA			0.4x	0.4x
Adjusted EBITDA to pro forma cash interest expense			7.6x	8.5x

£397m
(H121: £321m)

Net Revenue
24% higher revenue than prior year predominantly driven by receivables growth

£185m
(H121: £140m)

Impairment
32% increase primarily driven by receivables growth

28.9%
(H121 : 32.6%)

Underlying cost:income
370bps lower as 24% Net Revenue growth surpasses 10% cost increase

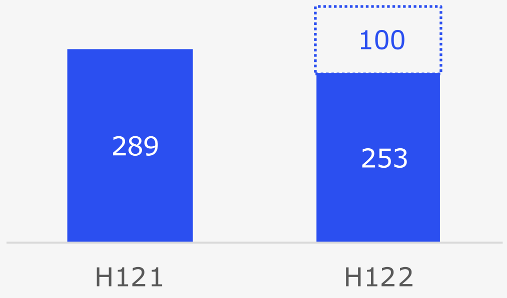
£97m
(H121: £76m)

Underlying PBT from continuing operations
28% higher than H121.
Record profitability, surpassing pre-pandemic levels

Cash generation despite investment in receivables growth

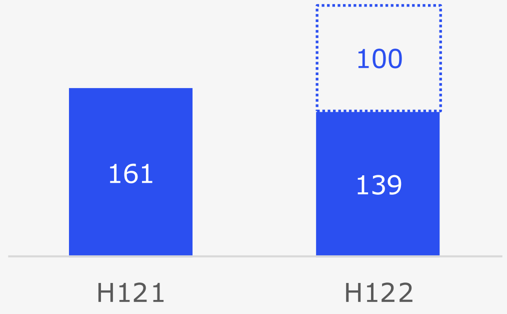
£m	H121	H122	2021	LTM H122
Adjusted EBITDA	**81**	**103**	**183**	**205**
Change in impairment provision	-	19	19	38
Adjusted EBITDA excl. provision	**81**	**122**	**202**	**242**
Change in working capital	28	(19)	17	(31)
PPI provision utilisation	(1)	(1)	(2)	(3)
Capital expenditure	(4)	(8)	(9)	(13)
Tax paid	(6)	(11)	(17)	(22)
Exceptional costs	-	(4)	(2)	(6)
FCF available for growth and debt service	**98**	**78**	**189**	**168**
(Increase) / decrease in gross receivables	(44)	(222)	(459)	(637)
Net financing cash flow[1]	(9)	176	390	575
FCF available for Senior Secured Debt interest	**45**	**32**	**119**	**106**
(Payback) of RCF	(30)	-	(30)	-
Repayment of High Yield Bond	-	-	(100)	(100)
Funding loan to parent[2]	(5)	(13)	(10)	(18)
Debt service - cash payments	(16)	(12)	(28)	(24)
Cash generated from discontinued operation	18	-	18	-
Underlying net increase in cash and cash equivalents	**13**	**7**	**(30)**	**(36)**
Net movement in funding overlap	40	-	(244)	(284)
Net increase in cash and cash equivalents (excl. restricted cash)	**52**	**7**	**(275)**	**(320)**
Movements in restricted cash	(12)	4	(6)	10
Net increase in cash and cash equivalents	**41**	**11**	**(280)**	**(310)**

Cash[1] £36m lower than prior period driven by £100m HYB repayment in July 2021



Cash and cash equivalents[1] (£m)

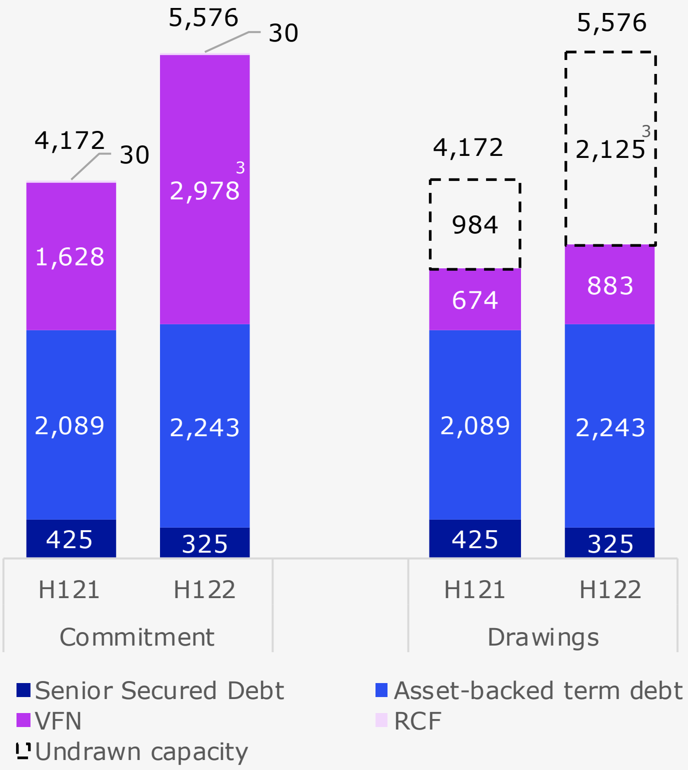
£139m of cash outside the securitisation vehicles. £21m decrease driven by £100m HYB repayment in July 2021



1. Excludes restricted cash. H1 2021 excludes cash held for repaying the 2018-1 D2C deal.
2. Payment to the Group's immediate parent company, Nemean MidCo Limited

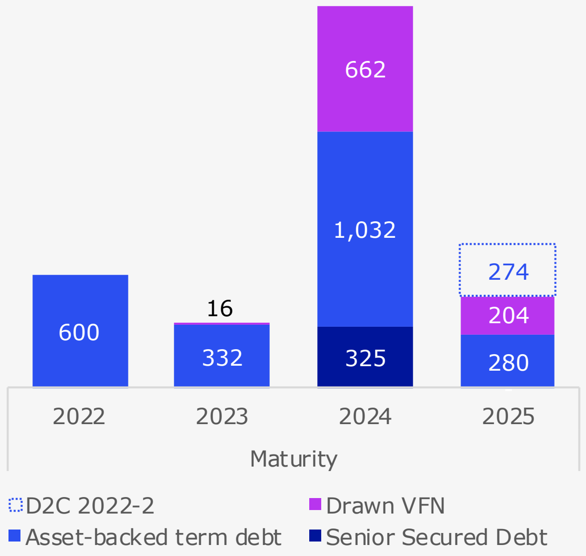
£2.1bn funding headroom[1] for future growth

Diverse and growing funding structures



Balance sheet debt[1] (£m)

One ABS deal re-financed in April 2022 with VFN headroom available to pay down deals maturing in Q4



Drawn balance sheet debt[2] (£m)

2022 ABS term debt maturity (£m)

D2C 2019-2	306	Nov-22
MO 2017-1	294	Dec-22
Total	**600**	

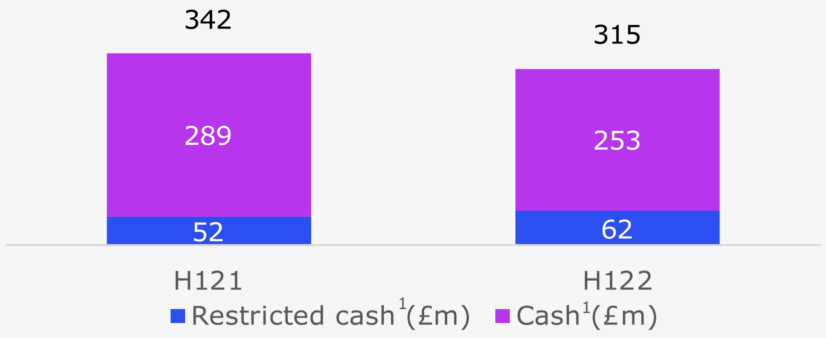
£274m D2C 2022-2 deal completed in July 2022, the proceeds of which were used to repay VFN borrowing. It is currently anticipated that the remaining ABS deals maturing in 2022 will be repaid by drawing on VFNs

1. £2,125m funding headroom includes VFN, RCF and specific JLP facility headroom
2. Excluding accrued interest
3. Includes £650m JLP funding facility but excludes D2C 2022-2 deal completed in July 2022. No funds drawn to date.

NewDay

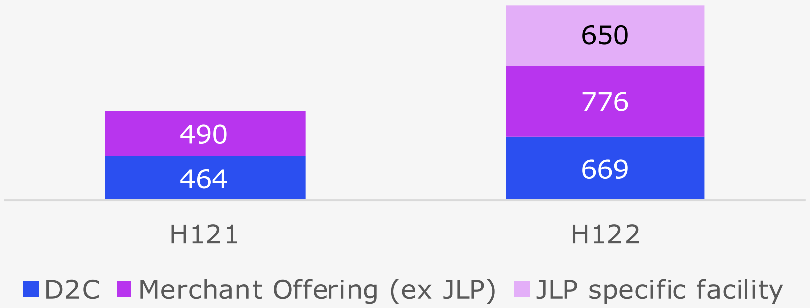
Strong cash position and substantial VFN headroom

Cash £26m lower than H121 after HYB £100m repayment in July 2021



Total Cash[1](£m)

Substantial VFN headroom (£2,095m) including £650m facility for the new partnership with John Lewis



VFN Headroom (£m)

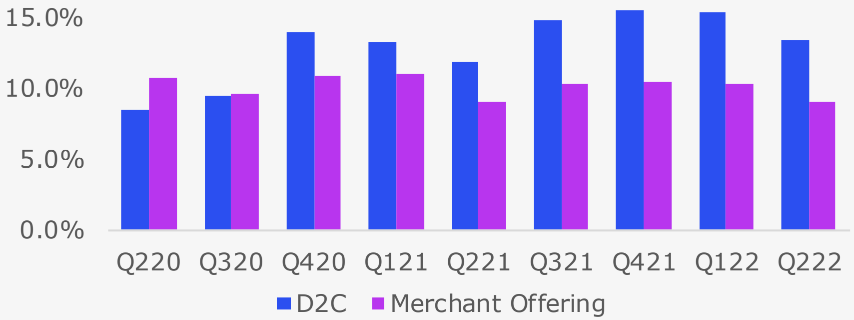
Advance Rates slightly increased year on year

D2C	Group	Merchant Offering
85.9%	**88.1%**	**92.7%**
(H121: 85.3%)	(H121: 87.1%)	(H121: 90.0%)

Advance Rates[2] excluding cash held for ABS refinance

1. H121 excludes £284m cash held for repaying the 2018-1 D2C deal.
2. Advance rates calculated based on the hedged currency position

Excess spread levels remain healthy, with D2C and Merchant Offering at 13.5% and 9.1% respectively



Excess spread: Key trigger across funding vehicles, broadly defined as debited interest and fee income and recoveries, less gross charge-offs, funding costs and senior fees including senior servicing fees, calculated on a 3 month average basis. Excess spreads shown exclude VFNs and Secondary Funding facilities as they are not directly comparable.

Appendix

Statutory Earnings

£m	H121	H122	2021	LTM H122
Underlying Profit from continuing operations	**76**	**97**	**172**	**194**
Senior Secured Debt interest and related costs	(19)	(13)	(31)	(25)
Other	-	(1)	-	(1)
Platform development costs	-	(4)	(2)	(6)
Fair value unwind	0	-	1	1
PPI	(5)	1	(5)	1
Amortisation of Acquisition intangibles	(29)	(28)	(57)	(56)
Profit before tax from continuing operations	**25**	**54**	**79**	**108**
Discontinued operation	3	-	3	-
Statutory PBT	**28**	**54**	**82**	**108**

Senior Secured Debt interest and related costs: includes the interest charge and other costs associated with the issuance and servicing of the Senior Secured Notes issued by NewDay BondCo plc on 25 January 2017 (the Senior Secured Debt) and the Super Senior Revolving Credit Facility entered into by the Company on 25 January 2017 (the Revolving Credit Facility)

Other: relates to non-recurring expenses incurred on specific projects that are not representative of underlying performance

Platform development costs: reflects expenses incurred to enhance the capabilities of the Group's in-house operating platforms. These costs relate to a one-off project expected to go fully live in 2025

Fair value unwind: reflects the amortisation of fair value adjustments on the Group's acquired receivables. The fair value adjustments were fully unwound at the end of 2021

PPI: reflects revisions to expected PPI remediation expenses including costs incurred from third parties that process customer complaints on behalf of the Group

Amortisation of Acquisition intangibles: represents the amortisation of the purchase price that was attributed to intangible assets arising on completion of the Acquisition

Discontinued operation: represents the results of the UPL segment which was discontinued in 2020 with the receivables portfolio subsequently being sold in Q1 2021

Contribution by segment

D2C income statement £m	H121	H122
Interest income	228	296
Cost of funds	(19)	(29)
Fee and commission income	12	22
Net Revenue	**221**	**289**
Impairment	(97)	(147)
Underlying risk-adjusted income	**125**	**142**
Servicing costs	(22)	(28)
Change costs	(10)	(13)
Marketing costs	(7)	(12)
Collection fees	7	10
Contribution	**93**	**100**
Average gross receivables	1,732	2,207
Net Revenue margin (%)	25.5%	26.2%
Impairment (%)	11.1%	13.3%
Underlying RAM (%)	14.4%	12.9%

Merchant Offering income statement £m	H121	H122
Interest income	104	116
Cost of funds	(10)	(16)
Fee and commission income	6	8
Net Revenue	**99**	**107**
Impairment	(44)	(38)
Underlying risk-adjusted income	**55**	**69**
Servicing costs	(22)	(20)
Change costs	(8)	(9)
Marketing and partner payments	(8)	(9)
Collection fees	5	5
Contribution	**22**	**36**
Average gross receivables	1,066	1,166
Net Revenue margin (%)	18.6%	18.4%
Impairment (%)	8.2%	6.5%
Underlying RAM (%)	10.4%	11.9%

Note: £(1)m of additional Contribution is included within the Platform Services segment (H121: £(3)m)

Balance Sheet

£m	H121	H122	2021
Gross receivables	2,884	3,502	3,286
Impairment provision	(550)	(588)	(569)
Other	114	133	128
Net receivables	**2,448**	**3,047**	**2,845**
Restricted cash	52	62	58
Cash	573	253	246
Intangible assets	183	131	154
Goodwill	280	280	280
Other assets	62	120	69
Total assets	**3,598**	**3,893**	**3,652**
Asset-backed term debt	2,091	2,246	2,192
Variable funding notes	675	884	709
Senior Secured Debt	435	335	335
PPI provision	9	5	8
Other provisions	5	5	3
Other liabilities	107	68	92
Total liabilities	**3,322**	**3,543**	**3,339**
Net assets	**276**	**350**	**312**

Fair value of total assets following the Acquisition in 2017 introduced £396m of intangible assets, primarily relating to the customer and retailer relationships, the brand, trade names and intellectual property. The carrying value of these assets was £106m at Jun-22

Asset-backed term debt represents the term series notes issued by the D2C and Merchant Offering master trust structures

Decrease in Senior Secured Debt year on year includes the repayment of £100m of HYB in 2021

Variable funding notes represents the debt drawn down under the five VFNs across the Group

New Day

Leverage and interest ratios

£m	H121	H122	2021	LTM H122
Adjusted EBITDA	**81**	**103**	**183**	**205**
Senior Secured Debt	425	325	325	325
Cash[1]	(289)	(253)	(246)	(253)
Net corporate Senior Secured Debt	**136**	**72**	**79**	**72**
Senior Secured Debt to Adjusted EBITDA			0.4x	0.4x
Senior corporate interest expense			**24**	**24**
Adjusted EBITDA to pro forma cash interest expense			7.6x	8.5x

The decrease in Senior Secured Debt represents the £100m HYB repayment in 2021

1. H121 excludes £284m cash held for repaying the 2018-1 D2C deal.

New Day

Glossary

ABS: Asset-backed security

Acquisition: The purchase by NewDay Group (Jersey) Limited of NewDay Group Holdings S.à r.l. and its subsidiaries on 26 January 2017

Active Customers: Customer with a balance of >£5 or a transaction made

Adjusted EBITDA: Earnings before Senior Secured Debt interest (and related costs), tax, depreciation and amortisation

Advance Rate: (ABS + VFN drawn debt)/Gross Receivables

Avg gross receivables: Average of gross receivables during the period/year

Cardless credit: Digital credit without a physical plastic card

Charge-off Rate: Charge-offs/Average Gross Receivables

Coverage Rate: ECL/Year-end Gross Receivables

Delinquency: A customer is considered delinquent if they have not made their contractual minimum payment by the date of their following monthly statement/cycle date

D2C (Direct to Consumer): Our business that markets credit products directly to consumers, comprising our own branded cards. Formerly referred to as 'Own-brand' and includes the Aqua, Fluid, Marbles and Bip brands

ECL: Expected Credit Loss

Excess spread: Key trigger across funding vehicles, broadly defined as debited interest and fee income and recoveries, less gross charge-offs, funding costs and senior fees including senior servicing fees, calculated on a 3-month average basis

FCF: Free cash flow

Impairment Rate: Impairment/Average Gross Receivables

Merchant Offering: Our business that partners with leading brands to offer credit products to customers, which includes carded loyalty platforms, revolving digital credit, retail finance, BNPL and bespoke credit solutions. Formerly referred to as as 'Co-brand'

N/M: Not meaningful

NP Secondary Funding Facility: NewDay Partnership Secondary Funding Facility

Retail spend: Total spend excluding cash, balance transfers, money transfers and refunds

RAI: Risk-adjusted income

RAM: Risk-adjusted margin

RCF: Revolving credit facility

Senior Secured Debt: Comprises the High Yield Bonds and RCF

Underlying PBT from continuing operations: Earnings before Senior Secured Debt interest (and related costs), tax and one-off items

UPL: Unsecured Personal Loans

VFN: Variable funding note

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NewDay