NewDay Group UK Limited

Company Number 10438970

Annual report and financial statements

31 December 2025

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General information

Directors

John Hourican
Rob Holt
Anthony Godsiff
Alison Reed
Davide Petrini
Giovanni Spingardi
Matthew Sabben-Clare
Vaibhav Piplapure

Company secretary

Stuart Whitty-Lewis

Registered office

7 Handyside Street
London
N1C 4DA

Solicitor

Slaughter and May
1 Bunhill Row
London
EC1Y 8YY

Auditor

KPMG LLP
1 St Peter's Square
Manchester
M2 3AE

Strategic report

The Directors present the annual report and the audited consolidated group and company financial statements of NewDay Group UK Limited (the “Company”) for the year ended 31 December 2025.

Incorporation and principal activity

The Company was incorporated and domiciled in England and Wales on 20 October 2016.

The principal activity of the Company is that of a holding company for investments in subsidiaries. The Company together with its subsidiaries constitutes the “Group”.

The principal activity of the Group is to provide an end-to-end technology platform, together with origination and servicing capabilities, across the full unsecured credit product lifecycle from acquisition through to servicing and collections. The Group’s main customers are NewDay Funding Transferor Ltd and NewDay Partnership Transferor PLC (the “Transferors”), although it also has partnerships with other organisations including Lloyds Banking Group and Debenhams.

Business developments

In September 2025, Cinven and CVC Capital Partners (CVC) agreed to sell NewDay’s portfolio of consumer credit receivables to funds managed by KKR (the “KKR acquisition”), a leading global investment firm. This resulted in KKR acquiring the entire share capital of NewDay Group (Jersey) Limited, the parent undertaking into which the Company’s financial statements were previously consolidated (the “predecessor NewDay group”). Immediately prior to the KKR acquisition, certain subsidiaries and subsidiary undertakings of NewDay Group (Jersey) Limited (including the entities comprising the Group) were carved out of the predecessor NewDay group to create a standalone origination and servicing group (“OpCo”). As a result, NewDay Group (Jersey) Limited together with its subsidiaries and subsidiary undertakings comprised a consumer receivable asset group (“AssetCo”) which includes the Transferors.

The Company is the parent of the group of companies forming OpCo which manages the consumer accounts of AssetCo. The underlying portfolios of consumer credit receivables will continue to be originated by NewDay Ltd and serviced by NewDay Cards Ltd – both of whom are Financial Conduct Authority (FCA) regulated – with beneficial title to the consumer credit receivables owned by AssetCo. As part of the KKR acquisition, the Company entered into an origination and servicing agreement to sell the beneficial title of newly originated accounts to AssetCo (the “AssetCo partnership”). These accounts will be securitised by AssetCo through the Transferors in the same manner as prior to the KKR acquisition.

As at 31 December 2025, the Group was jointly owned by funds managed by Cinven, CVC and KKR, with funds managed by KKR acquiring a 9.9% interest in the Group at the time of the KKR acquisition. On 18 February 2026, funds managed by KKR increased their investment in the Group to 50.1%.

Following the KKR acquisition and resulting reorganisation, the Company presents consolidated financial statements for the Group for the first time.

The Group’s revenue from the AssetCo partnership following the KKR acquisition is generated through: (i) origination fees from certain new account acquisitions; (ii) servicing fees (based on the value of receivables under service) for day-to-day account servicing; and (iii) incentive fees linked to receivables performance.

The Group continues to generate revenue outside the AssetCo partnership, including income from providing consumer lending technology and related services to third parties, such as Lloyds Banking Group and Debenhams. It also generates income from an originate-to-distribute unsecured personal loans partnership with Antelope Loans.

Strategic report (continued)

Strategy and business model

The Group originates and services consumer credit receivables, both directly to consumers through a number of its own brands (e.g., Aqua, Marbles, Fluid and Bip) and on behalf of retailers including John Lewis & Partners, Argos and AO. The Group's technology platform is highly scalable and integrates into customers' existing technology architecture to support their retail sales ambitions through the provision of credit, loyalty and other promotional programmes.

The Group provides end-to-end capabilities for regulated consumer credit products including credit cards, embedded finance, unsecured personal loans and Buy Now Pay Later (BNPL) options. These products provide near instant access to credit and flexible ways to pay. The Group has proven through-the-cycle credit risk management expertise and in-house data capabilities that support underwriting and operational excellence. Using rich data sets, the Group makes expert lending decisions on an individual consumer basis on behalf of its customers.

The FCA's Consumer Duty is embedded across the Group's processes and the Group regularly uses consumer feedback recorded through Net Easy Scores and transactional Net Promoter Scores to implement process improvements and deliver positive consumer outcomes.

The Group's competitive differentiation is built on several foundations, including: (i) the ability to provide customers with an end-to-end modular technology platform and specialised capabilities in digital origination, servicing and collections; (ii) experience servicing several million consumers; (iii) over 20 years history of underwriting near-prime credit; (iv) well recognised proprietary brands; and (v) a strong merchant proposition supported by the breadth of financing products and offers it can deliver.

The Group is also supported by a dedicated workforce powering the delivery of product and digital innovation. Its culture is one of inclusion, opportunity and excellence. The Group actively seeks to develop, retain and empower all colleagues to maximise their potential.

The Group's ambition is to strengthen its position as a high-quality, end-to-end originator and asset servicer. It is well placed to assess and capitalise on growth opportunities due to its advanced technology and credit expertise. Key strategic aims aligned to further value creation include:

- supporting customers' growth aspirations, both through new consumer account originations and responsible existing customer lending decisions while providing excellent service delivery;
- completing the build of the Group's in-house technology platform, including the migration of over 2 million Argos consumers on to the Group's platform in 2026;
- winning new platform-as-a-service opportunities with third parties;
- diversifying revenue streams through scaling off-balance sheet lending and servicing-as-a-service partnership opportunities; and
- increasing operational leverage, maintaining tight cost control and cash management discipline ensuring the business is well positioned to capitalise on market opportunities and to support its growth agenda.

These strategic priorities are underpinned by a commitment to strong governance, high-quality consumer outcomes and a robust control environment.

Strategic report (continued)

Key performance indicators (KPIs)

The Group uses a set of key performance indicators to monitor progress against its strategy and operating performance. These are listed in the table below. Further metrics regarding environmental matters are disclosed in the Streamlined Energy and Carbon Reporting section of the Directors' report.

Key performance indicator	Definition	2025	2024	Performance
Revenue	Revenue as per the statement of profit and loss	£378.8m	£373.2m	Revenue increased primarily due to higher fee income from the Transferors prior to the KKR acquisition as a result of higher AssetCo gross receivables.
(Loss)/profit before tax	(Loss)/profit before tax as per the statement of profit and loss	£(43.1)m	£54.8m	The loss for the year is mainly driven by a £56.4m impairment charge on intangible assets, higher personnel expenses to support the development of the platform and one-off discretionary payments following the KKR acquisition. Servicing costs also increased due to higher AssetCo gross receivables managed and transitional servicing costs on the Argos portfolio.
EBITDA	(Loss)/profit before tax after adding back finance income, finance expense, depreciation, amortisation, impairment of intangible assets and income/expense from derivative financial instruments	£57.6m	£108.9m	The lower EBITDA reflects higher personnel expenses and servicing costs reported in the loss before tax for the year (detailed above).
Unrestricted cash	Cash and cash equivalents per the statement of financial position less restricted cash for specific purposes or activities	£72.9m	£65.7m	The increase in unrestricted cash was driven by trading performance excluding non-cash impairment charges.
AssetCo gross receivables managed	Gross customer receivables of AssetCo at the period end	£5.5bn	£4.4bn	Gross AssetCo receivables increased primarily due to AssetCo's acquisition of the Argos store card portfolio supplemented by continued organic growth. The Argos portfolio will migrate on to the Group's platform in 2026.
Third parties benefiting from the Group's platform	Third parties that the Group provides origination, servicing and/or platform services to	5	5	A new multi-year origination and servicing agreement was signed with AssetCo in the year which aims to drive revenue growth.
Transactional Net Promoter Score	This reflects the average consumer feedback score when rating their experience on an interaction with us.	+80	+79	The score improved in 2025 through a continued focus on driving positive consumer outcomes. Investment in products and technology creates seamless interactions that are valued by consumers.
Employee engagement[1]	The overall engagement score from the most recent engagement survey	90%	87%	Engagement remained high reflecting the Group creating an environment that empowers colleagues to deliver their best.
Average number of full-time equivalent employees	Average number of full-time equivalent employees over the period	1,259	1,233	The increase in employee numbers supported the development and ongoing maintenance of the Group's technology platform.

[1] The employee engagement survey was conducted mid-year in 2025 whereas the 2024 employee survey was conducted at the year end.

Strategic report (continued)

Business review and future prospects

The Group reported a statutory loss after tax of £38.9m (2024: £24.4m profit) for the year ended 31 December 2025 predominantly driven by a £56.4m non-recurring impairment charge on intangible assets. The Group is expected to return to a sustainable profit trajectory from 2026 onwards once the remaining costs associated with completing its platform build have been incurred. The Group finished the year with net assets of £73.9m (31 December 2024: £(318.6)m) and increased unrestricted cash of £72.9m (31 December 2024: £65.7m) to support ongoing platform delivery and the 2026 migration activity.

Revenue increased to £378.8m (2024: £373.2m) primarily due to higher fee income earned from the Transferors prior to the KKR acquisition as a result of higher AssetCo gross receivables.

Servicing costs increased to £88.3m (2024: £68.5m) reflecting higher AssetCo gross receivables managed and transitional servicing costs on the Argos portfolio.

Total operating expenses increased to £303.6m (2024: £208.3m) and were mainly driven by a £56.4m impairment charge on intangible assets. The impairment resulted from a change in use of certain intangible assets and a subsequent revision to their forecast cash flows. Additionally, the Group incurred higher personnel expenses arising from the development and maintenance of the Group's technology platform, as well as one-off discretionary awards following completion of the KKR acquisition.

Finance income reduced to £28.7m (2024: £32.7m) and finance expense reduced to £56.5m (2024: £81.1m), both primarily due to the settlement of loan amounts outstanding with AssetCo as part of the restructuring for the KKR acquisition.

Total assets reduced to £240.0m (31 December 2024: £499.5m) primarily due to (i) the settlement of a receivable due from AssetCo in relation to the repayment of the Group's senior secured notes (the "Senior Secured Debt"), and (ii) the impairment write-down of intangible assets.

Total liabilities reduced to £166.1m (31 December 2024: £818.1m) primarily due to (i) the repayment of Senior Secured Debt, and (ii) a settlement of the loan note due from NewDay UK Limited to NewDay Group (Jersey) Limited following the KKR acquisition via a £303.6m capital contribution and a share issuance of £109.4m. See note 16 for further details.

There is no regulatory capital requirement for any entity within the Group other than NewDay Ltd owing to its status as an Authorised Payment Institution. As at 31 December 2025, NewDay Ltd's level of capital exceeded the minimum capital requirement, with headroom of £6.7m (31 December 2024: £8.3m).

As at 31 December 2025, the Group's cash balance totalled £112.4m (31 December 2024: £99.7m). This included £39.5m (31 December 2024: £34.0m) of restricted cash for safeguarding of credit balances or unallocated cash on consumer accounts and cash held in relation to originating credit on behalf of third parties. Unrestricted cash increased to £72.9m (31 December 2024: £65.7m). Net cash generated from operating activities was £253.3m (2024: £144.2m), primarily due to the settlement of amounts due from related parties as part of the KKR acquisition. Net cash used in investing activities of £12.5m (2024: £31.0m) represents investment in intangible assets. Net cash used in financing activities of £228.1m (2024: £77.7m) was driven by the repayment of the Senior Secured Debt. The Company also issued shares for proceeds of £15.4m.

Following the KKR acquisition, the Group underwent a period of transition to embed the necessary operational changes. The Group's profit and loss profile is expected to change in 2026 as the full-year impact of the post-acquisition operating model is reflected, including materially lower revenue as AssetCo assumes responsibility for the overarching investment strategy, capital allocation and risk appetite, alongside reduced financing costs following the repayment of debt. Near-term profitability will also be suppressed reflecting completion of a key technology build and migration of the Argos portfolio.

The Group approaches 2026 with a clear set of priorities and a scalable business model. These priorities include continued origination of new accounts, growth in consumer receivables serviced, disciplined cost management, and delivery of the remaining platform build and migration activities. Together, these initiatives are expected to support improved profitability, margin progression, and robust cash generation over the medium term.

The Group continues to closely monitor the current geopolitical environment. There is no direct exposure to the Group, but it does have indirect exposure, for example through rising energy prices and the cost of living.

Strategic report (continued)

Dividends

The Directors do not propose the payment of a dividend for the year ended 31 December 2025 (2024: £nil). In January 2026, the Company declared and paid an £8.2m dividend in connection with completion activities arising from the KKR acquisition.

Risk management framework

The Board is accountable for overall risk management and ensures the risk management framework is aligned to the Group's risk appetite and strategy as well as the overarching risk appetite approved by AssetCo in relation to the consumer credit receivables portfolios managed by the Group through the AssetCo partnership. The Board delegates responsibility for risk management oversight to the Board Audit and Risk Committee, which is informed by risk and controls reporting and uses quantitative and qualitative measures to monitor and challenge performance.

Risks are managed through a risk management framework which has been developed in line with the complexity of the business and is scalable for future growth. It is delivered through a three lines of defence operating model:

- 1st line of defence: Ensures appropriate day-to-day risk and control ownership within the business.
- 2nd line of defence: Ensures independent challenge and oversight provided to the Executive Committee and the Board by the Legal & Risk team.
- 3rd line of defence: Ensures additional assurance provided to the Board through the Group's internal audit function.

The risk management framework is embedded within the corporate governance structure and has a strong emphasis on effective guidance, oversight and challenge. It is underpinned by seven pillars.

1. Culture and strategy.
2. Risk appetite.
3. Governance and accountability.
4. Risk process and methodologies, including a risk assessment framework, quantitative modelling, change management (including new products and channels), risks aggregation and risk reporting.
5. Risk data and systems.
6. External risk factors.
7. Validation.

The Group sets risk appetite thresholds to ensure the business' strategy is delivered in a sustainable and responsible way and can anticipate and respond to emerging risks, cognisant of both internal and external influences. Risk appetite thresholds are also set to manage the consumer credit receivables portfolios within the risk appetite parameters set by AssetCo. Risk appetite thresholds aim to be proportionate and effective, targeting efforts where risk is greatest. Risk management is considered an integral part of business planning, service delivery, key decision-making processes and project and partnership governance.

Strategic report (continued)

Principal risks and uncertainties

The principal risks and uncertainties faced by the Group and how they are mitigated are listed below.

Principal risk and uncertainty	How the risk is mitigated
Strategic risk Strategic risk arises from adverse impacts because of a sub-optimal business strategy or business model. This could give rise to financial loss, reputational damage or failure to meet internal and/or public policy objectives. The Group has a customer, AssetCo, which generates the vast majority of its revenue. This leads to a risk of over-reliance on one customer.	The Executive Committee and business committees oversee strategic risks. This includes through an annual strategic review with the Board. The Group's multi-year origination and servicing contract with AssetCo can only be terminated in certain scenarios, which mitigates the strategic risk identified for the Group. The Group also has regular reviews with AssetCo to monitor performance and ensure it is in line with AssetCo's expectations. Additionally, the Group's strategy is to diversify its revenue streams by marketing its platform to new customers and through scaling off-balance sheet lending and servicing-as-a-service related opportunities. Whilst the diversification benefits are not currently significant the Group is targeting to grow this in the future.
Operational risk Operational risk is the risk of loss resulting from inadequate or failed processes, people and systems or from external events including fraud.	The Group uses operational resilience scenario testing to validate existing capabilities across systems and processes, driving continuous improvement to the Group's business services. There are also firm-wide identification and risk assessment processes in place, with experienced teams ensuring change governance and project management resources are allocated as required. Dedicated product teams ensure effective prioritisation of developments and updates to ensure long-term viability, stability and resilience. The Group also uses a supplier management framework enabling consistent and proportionate management of suppliers based on risk categorisation. This minimises the risk of third parties failing to deliver contracted services. The embedded preventative measures minimise the risk of negative outcomes for the business. In 2026, the Group shall migrate over 2 million Argos consumers on to its own consumer credit platform. This requires platform enhancements and functionality to be built that supports the overall completion of the platform build. Management is dedicating significant resource to the platform build and migration, and progress is regularly reviewed by the Board to ensure any impact on consumers is minimised.
Cyber risk Cyber risk is the risk of loss arising from unauthorised access to, or misuse of, information systems, technology or data. This could lead to leakage of sensitive information, loss of control over critical assets and reputational damage.	Cyber security defences are regularly tested with independent third-party agencies to provide insight into the Group's cyber security position, and to assess its ability to detect, report, and respond to security incidents, including ensuring they stay aligned with the changing threat environment. Additionally, the Group embeds general IT controls including physical security, access and configuration management, secure development, penetration testing and cyber security, therefore minimising the risk of cyber attacks and the potential loss of consumer data.

Strategic report (continued)

Principal risks and uncertainties (continued)

Principal risk and uncertainty	How the risk is mitigated
Regulatory and conduct risk The Group is exposed to risk around non-compliance with laws or regulations which could result in reputational damage or financial loss. Conduct risk is the risk of consumer harm arising from inappropriate culture, products, governance and processes. The Group retains legal title to accounts sold to AssetCo and therefore is exposed to the regulatory and conduct risk related to these accounts.	The Group performs consistent monitoring of upcoming regulatory developments, as well as policy and procedure reviews to ensure they remain up to date, compliant and adhered to. The Group also has the FCA's Consumer Duty embedded throughout its operations and the Board receives regular updates on related matters.
Financial risk Financial risk is the risk of inaccuracies in financial and management reporting, inadequate management of liquidity, funding and cash, and/or non-compliance with tax regulations.	The Group monitors levels of cash held to ensure that the business meets its current and future requirements, ensuring that it is able to meet its liabilities as they fall due. Continuous monitoring allows the Group to revise forecasts and prepare stress tests in response to prevailing economic conditions to ensure there is adequate working capital to meet its day-to-day operating requirements. The Group also operates a financial control framework which governs and provides independent review of processes and procedures across Finance by the second line of defence.
Credit risk Credit risk is the risk of loss arising from counterparty defaults, most significant of which is consumer defaults arising from the portfolio of accounts transferred to AssetCo.	All associated consumer balances reside on the balance sheet of AssetCo entities meaning AssetCo is primarily exposed to the risks associated with consumer defaults (except where losses are due to the Group's default). However, the Group's income is primarily dependent on the volume and performance of receivables it services for AssetCo. Risks arising from the underperformance of the portfolio are monitored with AssetCo through a regular servicing committee. This includes ensuring that new accounts originated through the AssetCo partnership are within appetite.
Macroeconomic risk Macroeconomic risk is the risk that adverse movements in the UK affect the anticipated returns and business strategy of the Group.	The Group continuously monitors the economic environment, performing regular impact assessments and stress scenarios with predetermined mitigating actions. This allows the Group to identify macroeconomic factors which may impact future economic returns or interrupt growth strategies.

The associated financial risks arising from these principal risks and uncertainties are detailed in note 21 of the financial statements.

The Board

The Board meets regularly to assess strategic opportunities including through an annual strategy review. The Board drives a consumer-first agenda including enhancing digital capabilities to create value. This includes receiving updates on how the Group is meeting its Consumer Duty obligations and remains focused on delivering good and fair outcomes for consumers. The Board also receives sustainability-related updates to ensure success is delivered in a sustainable manner. Further details of this are included throughout this strategic report and the Directors' report. The Board delegates relevant responsibilities to i) the Board Audit and Risk Committee to ensure risks and financial reporting considerations are identified and managed appropriately; and ii) the Board Remuneration and Nomination Committee to oversee specific remuneration and people related appointments, policies and practices.

Strategic report (continued)

Section 172(1) statement

The Directors have had regard to the matters set out in section 172(1) of the Companies Act 2006.

The Group's governance framework and organisational structure are defined to support the Group's purpose and business objectives, safeguard assets and promote success. The Directors delegate authority for the day-to-day management to the Chief Executive Officer (CEO) and Executive Committee. The CEO and Executive Committee approve and oversee execution of the Group's strategy and related policies. The Board reviews matters relating to financial and operational performance; business strategy; key risks; stakeholder-related matters; compliance; and legal and regulatory matters. This is supported through the consideration of reports and presentations provided at regular Board meetings. Agendas for Board and Board Committee meetings are structured to allow sufficient time for consideration and discussion of key matters and ad hoc meetings are scheduled where necessary.

Purpose and values are at the heart of employee engagement and the Group runs regular employee surveys with tailored follow-up actions on identified focus areas. The Group provides access to online learning and development tools for all colleagues and also has a programme of activities throughout the year covering inclusion and diversity, mental health and wellbeing.

The Group prioritises maintaining strong relationships with customers, consumers, suppliers and other stakeholders.

- Consumers: Individual credit account holders are central to the Group's purpose and it prioritises consumer satisfaction by continuously enhancing credit offerings and providing seamless consumer journeys. This is achieved in numerous ways including through monitoring consumer outcome forums to drive improvement initiatives, as well as the provision of credit building tools.
- Customers: The Group works closely with its customers to deliver modern, frictionless technology solutions to enhance product offerings and improve engagement with consumers. An important focus of the Group is to widen its consumer credit partnerships as well as its platform-as-a-service offering. This involves working closely with existing and prospective customers to understand their needs to deliver mutually beneficial and sustainable partnerships.
- Suppliers: The Group is committed to building long term, fair and transparent relationships with its suppliers, ensuring that it engages with entities sharing the Group's purpose and values.
- Regulators and governing bodies: The Group maintains open and transparent reporting and communication with regulators to stay abreast of and be involved in shaping potential developments. The Group ensures timely reaction to any new or amended regulations to ensure its business continues to be undertaken in a compliant and consumer-focused manner. This includes ensuring the FCA's Consumer Duty remains at the heart of the Group's business.
- Colleagues: Knowledge powers the business, which is why colleagues play such a key role in the Group's success. The Group offers a competitive and balanced rewards package that attracts and retains the best talent. Management actively engage with other employees through an all-colleague communication programme including regular town hall meetings, employee surveys and a programme of activities throughout the year covering inclusion and diversity, mental health and wellbeing. These allow the Board, through the Executive Committee, to review and share key information on employee-related matters and the internal and external factors affecting performance in a collaborative manner, empowering colleagues to voice their opinions and contribute to delivering on our ambitions. The Group offers online learning and development tools to all colleagues to support continuous learning and a focus on career growth, delivering content at scale with data-driven personalisation.
- Shareholders: The Group's shareholders are represented on the Board and have regular insight into the performance of the Group and can influence overall business strategy.

The Group believes in socially responsible business practices benefiting all stakeholders. This includes working with customers to widen financial inclusion and promote good credit behaviours. It also operates in an environmentally friendly and sustainable manner. The Group provides ongoing support to its charity partner, Family Action, reports relevant sustainability metrics to the Board and is a member of environmental organisations to share best practice.

The Group aims to act fairly, ethically and openly in everything that it does. It is committed to carrying out business responsibly, and this includes ensuring that slavery and human trafficking are not taking place in any part of the business or supply chain. The Group's Modern Slavery and Human Trafficking Statement is available on its website.

Strategic report (continued)

Section 172(1) statement (continued)

The Group's Supplier Code of Conduct is available on its website and outlines all the areas it expects suppliers to adhere to across all aspects of sustainability, including protecting the environment. Suppliers are required to actively reduce their carbon emissions and other negative environmental impacts and to provide updates on progress towards this requirement. The Group's streamlined energy and carbon reporting is detailed in the Directors' report.

By understanding the differing needs and concerns of stakeholders through proactive engagement, the Board ensures careful consideration of the potential impact of its decision-making on each stakeholder group. The Group is committed to considering the interests of all stakeholders in order to maximise its long-term success. An example of a decision taken by the Board in 2025 and how the interests of stakeholders were considered was the KKR acquisition. The KKR acquisition secured additional investment into AssetCo and supported the Group's aim to originate, and provide excellent service to, more consumer accounts. This was supported by a multi-year origination and servicing agreement that was signed with AssetCo, thereby securing the longer-term growth for the Group, its colleagues and partners. It also resulted in a return of equity to the Group's incumbent shareholders.

Employee matters

People policies are designed to promote equal opportunities and foster an inclusive culture. These comprehensive policies are updated annually and accessible on a Company-wide intranet. They provide colleagues with a clear understanding of responsibilities and expectations. The Group is dedicated to fostering equality of opportunity and a culture that values inclusion and diversity. Code of Ethics and Integrity policies outline the expected behaviours and standards for colleagues, while the People Policy and Anti-Harassment Policy reinforces the Group's commitment to preventing discrimination and maintaining an equitable workplace. The Grievance Policy provides clear processes for colleagues to raise issues or concerns. Allegations of discrimination or other policy breaches are handled through established procedures to ensure thorough investigation, with disciplinary action taken where appropriate.

The Group is committed to providing a comprehensive and competitive benefits package for all colleagues. An Employee Rewards Policy outlines key offerings, including salary, bonus schemes, pension plans, holiday allowances, flexible working options, enhanced parental leave, health and life insurance, income protection, and a variety of benefits that promote health and wellbeing. Additionally, Overtime, Time Off In Lieu, Standby, and Call Out policies specify allowances and compensation for colleagues required to work atypical hours.

The Group develops and looks to retain exceptional talent. To support this, it established robust performance and career management policies and procedures. These include a Learning and Development Policy; a Performance Management Policy, which ensures all colleagues receive bi-annual performance reviews; a Talent Acquisition Policy and Procedure to guarantee fair and unbiased candidate selection; and an Internal Recruitment Policy to encourage internal mobility and career progression.

Alongside strong engagement survey results, the Group received external recognition for colleague experience. The Group was recognised as 28th Best Place to Work among UK companies with more than 1,000 employees in 2025. The awards are based entirely on feedback current and former employees have voluntarily and anonymously shared on Glassdoor over the past year.

Strategic report (continued)

Employee matters (continued)

The Group is committed to gender equality. As at 31 December 2025, the Group employed 1,305 (31 December 2024: 1,292) colleagues and the proportion of females, split by seniority, is detailed in the following table.

	31 December 2025	31 December 2024
All colleagues	44%	44%
Executive Committee, Directors and Heads of functions	38%	33%
Executive Committee	20%	20%
Board	14%	22%

The Group's Gender Pay Gap Report is available on its website.

In December 2025, the Group announced an operational restructure to support long-term sustainability and improved customer outcomes which resulted in 44 employees being made redundant. Most of these changes were effective from 1 January 2026, although a small number of employees have contract end dates throughout 2026. The Group prioritised transparency throughout the process, ensuring open and honest communication, and provided support to affected colleagues.

On behalf of the Board

Anthony Godsiff
Director
10 September 2026

Directors' report

The Directors present their report for the year ended 31 December 2025.

Results and dividends

The audited financial statements and associated notes, for the year ended 31 December 2025 are set out on pages 22 to 52. The loss for the year after taxation for the Group was £38.9m (2024: £24.4m profit) as shown in the statement of profit and loss on page 22.

The Directors do not propose the payment of a dividend for the year ended 31 December 2025 (2024: £nil). In January 2026, the Company declared and paid an £8.2m dividend in connection with completion activities arising from the KKR acquisition.

Directors

The Directors who held office during the year and up to the date of this report were as follows:

- John Hourican, Executive Chairman
- Rob Holt, Chief Executive Officer (appointed on 1 April 2026)
- Anthony Godsiff, Chief Financial Officer (appointed on 1 April 2026)
- Alison Reed, Non-Executive Director
- Davide Petrini, an Investor Director from CVC (appointed on 14 October 2025)
- Giovanni Spingardi, an Investor Director from KKR (appointed on 18 February 2026)
- James Corcoran (resigned on 14 October 2025)
- Matthew Sabben-Clare, an Investor Director from Cinven
- Paul Sheriff (resigned on 30 June 2026)
- Peter Rutland (resigned on 14 October 2025)
- Rebecca Hunter (resigned on 14 October 2025)
- Rupert Keeley (resigned on 30 April 2026)
- Sir Michael Rake (resigned on 31 December 2025)
- Vaibhav Piplapure, an Investor Director from KKR (appointed on 30 September 2025)

On 1 April 2026, Rob Holt was appointed Chief Executive Officer taking over from John Hourican. John Hourican remains on the Board as Executive Chairman. In addition, on 1 April 2026, Anthony Godsiff was appointed Chief Financial Officer taking over from Paul Sheriff.

Company secretary

The Company secretary during the year and up until the date of approval of the financial statements was Stuart Whitty-Lewis.

Directors' insurance

Throughout the year, the Group maintained appropriate insurance cover to protect the Directors from liabilities that may arise against them personally in connection with the performance of their role.

Political donations

The Group did not incur any political expenditure or make any political donations to political parties, other political organisations, or any independent election candidates during the year.

Directors’ report (continued)

Streamlined Energy and Carbon Reporting (SECR)

Energy and emissions data for the Group is monitored centrally since it operates from premises and resources shared across the Group. As it is not practicable to disaggregate this information, SECR disclosures are presented at a Group level.

	2025	2024
Energy consumption used to calculate emissions (kWh)	1,850,513	1,911,724
Greenhouse gas emissions		
— Scope 1 emissions (tonnes of CO_2e)	73.9	95.3
— Scope 2 emissions, location-based - Electricity use (tonnes of CO_2e)	256.8	283.7
— Scope 2 emissions, market-based - Electricity use (tonnes of CO_2e)	0.0	0.0
— Scope 3 emissions, own operations (tonnes of CO_2e)	237.1	259.8
Intensity ratio: Tonnes of CO_2e per average FTE employee, location-based (own operations – Scope 1, 2 and 3)	0.5	0.5
Intensity ratio: Tonnes of CO_2e per average FTE employee, market-based (own operations – Scope 1, 2 and 3)	0.0	0.0

The methodology used to calculate the SECR metrics is in accordance with the principles of Greenhouse Gas (GHG) reporting protocol. The Group’s own operations are exclusively in the UK, however certain suppliers have operations outside the UK and therefore accurate data on the proportion of emissions and energy consumed in the UK compared to non-UK is not readily available and therefore not disclosed.

Energy efficiency actions taken in 2025 include moving to a green energy provider for electricity at the Group’s Bournemouth office and the implementation of reusable Huskee cups for drinks. The Huskee cups are manufactured using coffee waste and recyclable materials and have replaced single-use cups, helping to reduce waste.

Corporate governance statement

The Board is responsible for ensuring appropriate governance processes are in place for the size and nature of the Group’s business activities. The Board’s role and composition are regularly reviewed to ensure that they are well defined, appropriate and support the long-term development of the Group. The day-to-day responsibility for managing the Group’s business is delegated to the CEO who, supported by the Executive Committee, implements the decisions and policies approved by the Board and deals with matters within the ordinary course of business. The Board meets regularly to perform the activities defined in its terms of reference. The Board also delegates relevant activities to the Board Audit and Risk Committee, and the Board Remuneration and Nomination Committee.

The Section 172(1) statement in the strategic report provides further details of the Group’s governance arrangements.

As part of its corporate governance processes, the Group considers the Financial Reporting Council’s ‘Audit Committees and the External Audit: Minimum Standard’ and complies with requirements relevant to the size and complexity of the Group’s business. The Board Audit and Risk Committee reviews the integrity of the financial statements and assesses significant financial reporting issues, including challenging the appropriateness of the judgements made within them. The significant accounting judgements, estimates and assumptions used in the Group’s financial statements are shown in note 2.3 of the financial statements. The Board Audit and Risk Committee also reviews financial reporting for publication to ensure compliance with accounting policies and standards and that, taken as a whole, are fair, balanced and understandable.

Directors’ report (continued)

Business relationships and employee engagement

As described in the Section 172(1) statement in the strategic report, the Group is committed to ensuring it maintains strong relationships with all stakeholders including employees, and actively engages with them on an ongoing basis.

Matters covered in the strategic report

As permitted by Section 414c(11) of Companies Act 2006, the Directors have elected to disclose information required to be in the Director's report by Schedule 7 of The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 in the strategic report.

Going concern

The Group is dependent on the performance of AssetCo to fund new and existing accounts, and for the receipt of associated origination and servicing income. The Directors believe that the existing plans for and projections of business performance will be sufficient to allow the Group and Company to continue to meet its current obligations. The Directors have a reasonable expectation that the Group and Company have adequate resources to continue in operational existence for a period of at least twelve months from the approval of the financial statements.

The Directors have considered the impact of the UK economic outlook on the Group and Company including conducting scenario analysis of the potential impact on profitability and capital markets, and assessing the Group’s ability to maintain liquidity in such a scenario. This incorporates the Directors’ view of a severe but plausible scenario which includes an uplift in unemployment, inflation and base rates in line with the latest PRA stress forecast, as well as a limited ability to raise new financing. Considering the scenario analysis and the Group’s and Company’s current funding position, the Directors are not aware of any material uncertainties that may cast significant doubt upon the ability of the Group or Company to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis as outlined in the statement of Directors’ responsibilities.

Issuance of shares

The Company was incorporated on 20 October 2016 with an authorised share capital of one £0.01 ordinary share. On 26 January 2017, a further 50,000 ordinary shares were issued with a nominal value of £0.01 for £50,000.

As part of the KKR acquisition, the Company issued a further 124,749,999 ordinary shares with a nominal value of £0.01 per share for £124.7m. All shares issued are fully paid.

In January 2026, the Company completed a capital reduction which resulted in the number of ordinary shares being reduced to 1,000 ordinary shares with a nominal value of £0.01 per share.

Disclosure of information to the auditor

The Directors who held office at the date of approval of this Directors’ report confirm that, as far as they are aware, there is no relevant audit information of which the Company’s auditor is unaware, and the Directors have taken all of the steps that they ought to have taken as Directors to make themselves aware of any relevant information and to establish that the Company’s auditor is aware of that information. This statement is given and should be interpreted in accordance with the provisions of Section 418(2) of the Companies Act 2006.

Directors’ report (continued)

Independent auditor

The Group and the external auditor have safeguards in place to protect the independence and objectivity of the external auditor. KPMG LLP has been the auditor of the Company since its incorporation in 2016 (and since 2012 for relevant subsidiaries). The external auditor is not permitted to perform any work that might affect its objectivity and independence or create a conflict of interest with respect to the Group. The Board Audit and Risk Committee has procedures in place to determine the use of the external auditor for non-audit services. The amount paid to the external auditor is disclosed in note 6.

The Board Audit and Risk Committee reviewed and approved the annual external audit plan, including the methodology and risk identification processes used, and reviewed the findings of the external audit including key judgements and the level of challenge provided. The Board Audit and Risk Committee assesses the performance of the external auditor on an ongoing basis to ensure it is satisfied with the quality of the services provided. This includes consideration of the experience and capabilities of the external auditor, the delivery of their audit work in accordance with the agreed plan and the quality of their reports and communications.

The Board Audit and Risk Committee examined regulatory and legislative guidance around the tenure of the external auditor. Having considered this, along with the assessment of the effectiveness of the external auditor, the Board Audit and Risk Committee has recommended to the Board that KPMG LLP be reappointed as external auditor for the financial year ending 31 December 2026.

KPMG LLP has expressed its willingness to continue in office until the next annual general meeting. Pursuant to Section 489 of the Companies Act 2006, a resolution for the re-appointment of KPMG LLP will be proposed at the forthcoming annual general meeting of the Group.

These financial statements were authorised for issue on behalf of the Board.

Anthony Godsiff
Director
10 September 2026

Statement of Directors' responsibilities in respect of the annual report, strategic report, Directors' report and the financial statements

The Directors are responsible for preparing the annual report, strategic report, Directors' report and the Group and parent Company financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Group and parent Company financial statements for each financial year. Under that law they have elected to prepare both the Group and the parent Company financial statements in accordance with UK-adopted international accounting standards and applicable law.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and parent Company and of the Group's profit or loss for that period. In preparing each of the Group and parent Company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with UK-adopted international accounting standards;
- assess the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the parent Company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the Board

Anthony Godsiff
Director
10 September 2026

Independent auditor’s report to the members of NewDay Group UK Limited

Opinion

We have audited the financial statements of NewDay Group UK Limited (“the Company”) for the year ended 31 December 2025 which comprise the statements of profit and loss and other comprehensive income, statements of financial position, statements of changes in equity, statements of cash flows and related notes, including the accounting policies in note 2.

In our opinion:

- the financial statements give a true and fair view of the state of the Group’s and of the parent Company’s affairs as at 31 December 2025 and of the Group’s and parent Company’s losses for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (“ISAs (UK)”) and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The Directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the Company or to cease their operations, and as they have concluded that the Group and the Company’s financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements (“the going concern period”).

In our evaluation of the Directors’ conclusions, we considered the inherent risks to the Group’s business model and analysed how those risks might affect the Group and Company’s financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the Directors’ use of the going concern basis of accounting in the preparation of the financial statements is appropriate; and
- we have not identified, and concur with the Directors’ assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group or the Company’s ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group or the Company will continue in operation.

Independent auditor's report to the members of NewDay Group UK Limited (continued)

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of Directors, Those Charged With Governance, the Board Audit and Risk Committee (BARC), Internal Audit, and inspection of policy documentation as to the Group's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Group's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board and Board Audit and Risk Committee minutes.
- Considering remuneration incentive schemes and performance targets for management under the Group's Management Incentive Plan.
- Using analytical procedures to identify any unusual or unexpected relationships.
- Our forensic professionals assisted us in identifying key fraud risks. This included holding a discussion with the engagement partner, engagement manager, and assisting with designing relevant audit procedures to respond to the identified fraud risks.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that Group management may be in a position to make inappropriate accounting entries and the risk of bias in accounting estimates and judgements such as the uncertain tax provision. On this audit we do not believe there is a fraud risk related to revenue recognition because there is limited complexity and judgement applied in the calculation and recognition of revenue.

We also identified a fraud risk related to the probability weightings associated with the uncertain tax provision as these involve subjective judgement and may be adjusted in response to possible pressures to meet performance targets. In determining the audit procedures, we considered the results of our evaluation and testing of the operating effectiveness of some of the Group-wide fraud risk management controls.

We also performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those whose descriptions contained key words;
- Critically evaluating the business purpose of significant unusual transactions;
- Assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and
- Critically evaluating key judgements of the uncertain tax treatment calculation, with involvement of our corporation tax and transfer pricing specialists.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the Directors and other management (as required by auditing standards), and from inspection of the Group's regulatory and legal correspondence and discussed with the Directors and other management the policies and procedures regarding compliance with laws and regulations.

As the Group is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

Independent auditor's report to the members of NewDay Group UK Limited (continued)

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related Companies Act legislation), distributable profits legislation and taxation legislation, and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: conduct, bribery, money laundering and financial crime and certain aspects of company legislation recognising the financial nature of the Group's and parent company's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Strategic report and Directors' report

The Directors are responsible for the strategic report and the Directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the Directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge.

Based solely on that work:

- we have not identified material misstatements in the strategic report and the Directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Independent auditor’s report to the members of NewDay Group UK Limited (continued)

Other matter - prior period consolidated financial statements

As explained in note 2, the company did not previously prepare consolidated financial statements. Consequently ISAs (UK) require the auditor to state that the corresponding figures contained within the consolidated financial statements are unaudited. Our opinion is not modified in respect of this matter.

Directors’ responsibilities

As explained more fully in their statement set out on page 17, the Directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and parent Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor’s responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor’s report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC’s website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company’s members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company’s members those matters we are required to state to them in an auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company’s members, as a body, for our audit work, for this report, or for the opinions we have formed.

A Simpson

Alexander Simpson (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
1 St Peter’s Square
Manchester
M2 3AE
11 September 2026

Statements of profit and loss and other comprehensive income

		Group		Company	
		Year ended 31 December 2025	Year ended 31 December 2024	Year ended 31 December 2025	Year ended 31 December 2024
	Note	£m	£m	£m	£m
Revenue	3	378.8	373.2	-	-
Servicing costs	4	(88.3)	(68.5)	-	-
Gross profit		**290.5**	**304.7**	**-**	**-**
Personnel expense	5	(173.5)	(141.8)	(1.7)	(0.5)
Other operating expenses	6	(59.4)	(54.0)	(0.4)	-
Depreciation of property and equipment	13	(3.8)	(4.3)	-	-
Amortisation of intangible assets	14	(10.5)	(7.3)	-	-
Impairment of intangible assets	14	(56.4)	(0.9)	-	-
Total operating expenses		**(303.6)**	**(208.3)**	**(2.1)**	**(0.5)**
Operating (loss)/profit		**(13.1)**	**96.4**	**(2.1)**	**(0.5)**
Finance income	7	28.7	32.7	-	-
Finance expense	8	(56.5)	(81.1)	-	-
(Expense)/income from derivative financial instruments	12	(2.2)	6.8	-	-
(Loss)/profit before tax		**(43.1)**	**54.8**	**(2.1)**	**(0.5)**
Tax income/(expense)	9	4.2	(30.4)	0.1	0.1
(Loss)/profit after tax		**(38.9)**	**24.4**	**(2.0)**	**(0.4)**
Other comprehensive income		-	-	-	-
Total comprehensive (expense)/income for the year		**(38.9)**	**24.4**	**(2.0)**	**(0.4)**

The (loss)/profit is derived from continuing operations and all activities are based in the UK.

The notes on pages 26 to 52 form an integral part of these statutory financial statements.

Statements of financial position

		Group		Company	
	Note	As at 31 December 2025 £m	As at 31 December 2024 £m	As at 31 December 2025 £m	As at 31 December 2024 £m
Assets					
Cash and cash equivalents	10	112.4	99.7	-	-
Prepayments, accrued income and other assets	11	43.5	279.2	-	0.1
Derivative assets	12	-	3.4	-	-
Current tax assets		47.6	28.6	-	-
Deferred tax assets	9	6.7	0.6	-	-
Property and equipment	13	10.3	12.7	-	-
Intangible assets	14	19.5	75.3	-	-
Investment in subsidiaries	15	-	-	124.8	0.1
Total assets		**240.0**	**499.5**	**124.8**	**0.2**
Liabilities					
Debt issued and other borrowed funds	16	-	651.0	-	-
Trade payables, accruals and other liabilities	17	123.6	125.5	1.9	0.1
Derivative liabilities	12	0.1	2.1	-	-
Current tax liabilities	9	36.3	33.7	-	-
Deferred tax liabilities	9	3.6	3.6	-	-
Provisions	18	2.5	2.2	-	-
Total liabilities		**166.1**	**818.1**	**1.9**	**0.1**
Net assets/(liabilities)		**73.9**	**(318.6)**	**122.9**	**0.1**
Capital and reserves					
Share capital	19	1.2	-	1.2	-
Share premium	19	123.6	0.1	123.6	0.1
Capital contribution	19	303.6	-	-	-
Merger reserve	19	(320.3)	(320.3)	-	-
Retained (losses)/earnings		(34.2)	1.6	(1.9)	-
Total equity		**73.9**	**(318.6)**	**122.9**	**0.1**

The notes on pages 26 to 52 form an integral part of these statutory financial statements.

The financial statements and accompanying notes on pages 22 to 52 were approved by the Board of Directors on 10 September 2026 and signed on its behalf by:

Anthony Godsiff
Director

Company number 10438970

Statements of changes in equity

Group	Share capital	Share premium	Capital contribution	Merger reserve	Retained (losses)/ earnings	Total equity
	£m	£m	£m	£m	£m	£m
At 1 January 2024	-	0.1	-	(320.3)	(24.1)	(344.3)
Total comprehensive income for the year	-	-	-	-	24.4	24.4
Equity-settled share-based payment	-	-	-	-	1.3	1.3
At 31 December 2024	**-**	**0.1**	**-**	**(320.3)**	**1.6**	**(318.6)**
Issuances of ordinary shares	1.2	123.5	-	-	-	124.7
Capital contribution[2]	-	-	303.6	-	-	303.6
Total comprehensive expense for the year	-	-	-	-	(38.9)	(38.9)
Equity-settled share-based payment	-	-	-	-	3.1	3.1
At 31 December 2025	**1.2**	**123.6**	**303.6**	**(320.3)**	**(34.2)**	**73.9**

Company	Share capital	Share premium	Retained (losses)/ earnings	Total equity
	£m	£m	£m	£m
At 1 January 2024	-	0.1	0.4	0.5
Total comprehensive expense for the year	-	-	(0.4)	(0.4)
At 31 December 2024	**-**	**0.1**	**-**	**0.1**
Issuances of ordinary shares	1.2	123.5	-	124.7
Total comprehensive expense for the year	-	-	(2.0)	(2.0)
Equity-settled share-based payment	-	-	0.1	0.1
At 31 December 2025	**1.2**	**123.6**	**(1.9)**	**122.9**

The notes on pages 26 to 52 form an integral part of these statutory financial statements.

[2] In 2025, as part of the KKR transaction, NewDay Group (Jersey) Limited waived £303.6m of the intercompany loan which was due from NewDay UK Limited. The amount waived was recorded as a capital contribution in the Group accounts.

Statements of cash flows

	Note	Group		Company	
		Year ended 31 December 2025 £m	Year ended 31 December 2024 £m	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Operating activities					
(Loss)/profit after tax		(38.9)	24.4	(2.0)	(0.4)
Reconciliation of (loss)/profit after tax to net cash generated from operating activities:					
Tax (income)/expense	9	(4.2)	30.4	(0.1)	(0.1)
Finance income	7	(28.7)	(32.7)	-	-
Finance expense	8	56.5	81.1	-	-
Depreciation of property and equipment	13	3.8	4.3	-	-
Amortisation of intangible assets	14	10.5	7.3	-	-
Impairment of intangible assets	14	56.4	0.9	-	-
Fair value loss on financial instruments	12	1.4	5.2	-	-
Equity-settled share-based payment		3.1	1.3	0.1	-
Changes in operating assets and liabilities:					
Decrease in prepayments, accrued income and other assets		227.2	72.9	0.1	0.4
Increase in trade payables, accruals and other liabilities		-	18.9	1.9	0.1
Increase/(decrease) in provisions		0.3	(0.1)	-	-
Finance income received		31.1	32.4	-	-
Finance expense paid		(51.7)	(79.2)	-	-
Tax paid		(13.5)	(22.9)	-	-
Net cash generated from operating activities		**253.3**	**144.2**	**-**	**-**
Cash flows from investing activities					
Purchases of property and equipment	13	(1.4)	(1.3)	-	-
Investment in intangible assets	14	(11.1)	(29.7)	-	-
Investment in subsidiaries	15	-	-	(15.4)	-
Net cash used in investing activities		**(12.5)**	**(31.0)**	**(15.4)**	**-**
Cash flows from financing activities					
Repayment of debt issued and other borrowed funds	16	(241.6)	(74.9)	-	-
Proceeds from issuance of share capital	19	15.4	-	15.4	-
Payment of principal element of lease liabilities		(1.9)	(2.8)	-	-
Net cash used in financing activities		**(228.1)**	**(77.7)**	**15.4**	**-**
Net increase in cash and cash equivalents		12.7	35.5	-	-
Cash and cash equivalents at beginning of year		99.7	64.2	-	-
Cash and cash equivalents at end of year	10	**112.4**	**99.7**	**-**	**-**

The notes on pages 26 to 52 form an integral part of these statutory financial statements.

Notes to the financial statements

1. Corporate information

The Company was incorporated as a private company limited by shares and domiciled in England and Wales on 20 October 2016. The Company was registered as Nemean Holdco Limited and changed its name to NewDay Group UK Limited on 4 May 2017. The address of its registered office is on page 2 and the principal activities of the Group and Company are described in the strategic report.

The consolidated Group and Company financial statements for the year ended 31 December 2025 were authorised for issue by the Board of Directors on 10 September 2026.

2. Accounting policies

2.1 Basis of preparation

Statement of compliance

The consolidated Group and Company financial statements have been prepared in accordance with UK-adopted international accounting standards.

The financial statements of the Group and Company have been prepared on a historical cost basis except for derivative financial instruments which have been measured at fair value. The financial statements are presented in Sterling and all values are rounded to the nearest £0.1m, except where otherwise indicated.

Going concern

The Group is dependent on the performance of AssetCo to fund new and existing accounts, and for the receipt of associated origination and servicing income. The Directors believe that the existing plans for and projections of business performance will be sufficient to allow the Group and Company to continue to meet its current obligations. The Directors have a reasonable expectation that the Group and Company have adequate resources to continue in operational existence for a period of at least twelve months from the approval of the financial statements.

The Directors have considered the impact of the UK economic outlook on the Group and Company including conducting scenario analysis of the potential impact on profitability and capital markets, and assessing the Group's ability to maintain liquidity in such a scenario. This incorporates the Directors' view of a severe but plausible scenario which includes an uplift in unemployment, inflation and base rates in line with the latest PRA stress forecast, as well as a limited ability to raise new financing. Considering the scenario analysis and the Group's and Company's current funding position, the Directors are not aware of any material uncertainties that may cast significant doubt upon the ability of the Group or Company to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis as outlined in the statement of Directors' responsibilities.

Presentation of financial statements

The Group presents its balance sheet in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in note 22.

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet only when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liability simultaneously. Income and expenses are not offset in the statement of profit and loss unless required or permitted by an accounting standard or interpretation, and as specifically disclosed in the accounting policies of the Group.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. The subsidiaries are disclosed in note 24. The financial statements of the Group's subsidiaries are prepared for the same reporting period as the Company with the same accounting policies. Previously, the Company adopted an exemption to prepare consolidated financial statements and as such these are the first consolidated financial statements of the Company.

Subsidiaries are fully consolidated from the date that control is transferred to the Group. Control is achieved where the Group has the power to govern the financial and operating policies of an entity, has the exposure or rights to the variable returns from the involvement with the entity, and is able to use its power to affect the amount of returns for the Group.

All intra-Group balances, transactions, income and expenses are eliminated in full.

Notes to the financial statements (continued)

2.2 Summary of material accounting policies
(1) Foreign currency translation
The financial statements are presented in Sterling which is the presentational and functional currency of the Group and Company. The Group transacts mainly in Sterling. Transactions that are not Sterling denominated are recorded at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the relevant functional currency at the exchange rates ruling at the balance sheet date. Differences arising on translation are charged or credited to the income statement, except when deferred in equity as effective cash flow hedges.

(2) Recognition of income and expenses
Income and expenses are recognised to the extent that it is probable that economic benefits will flow to or from the Group and the amount can be reliably measured. The following specific recognition criteria must also be met before income or expenses are recognised.

(i) Revenue
In accordance with IFRS 15 'Revenue from Contracts with Customers', fee income is recognised when the Group satisfies its underlying performance obligation.

The Group provides operational services for the consumer credit receivables portfolios of AssetCo and receives fee income in return. Prior to the KKR acquisition, fee income was based on the value attributable to the activities performed for the predecessor NewDay group on an arm's length basis. Following the KKR acquisition, AssetCo assumes responsibility for the overarching investment strategy, capital allocation and risk appetite and therefore the fees due to the Group for origination and servicing activities were subject to a commercial renegotiation. Post-KKR acquisition, fee income is now split into three component parts: i) a fixed fee per new Direct to Consumer account originated and transferred to NewDay Funding Transferor Limited which is recognised on origination of the underlying account (in accordance with IFRS 9); ii) a fixed percentage of average gross receivables which is recognised monthly in relation to servicing activities; and iii) a fee based on the performance of those receivables each month which is also recognised monthly.

The Group also provides a consumer lending technology platform and related services to other third parties. The income from these partnerships is recognised in line with the requirements of IFRS 15, where relevant, when the performance obligations are satisfied.

(ii) Servicing costs
Servicing costs include costs associated with servicing consumer accounts. Certain servicing costs are subject to a netting arrangement whereby the expenses and income (rebates) relating to the same servicer are netted against each other. This is in line with the servicer agreement and reflects the intention of both parties to settle on a net basis. Some of the Group's servicing costs are prepaid and released to the statement of profit and loss over the period in which the service is provided. These amounts are included in prepayments and accrued income on the balance sheet.

(iii) Personnel expense
The Group applies IAS 19 'Employee Benefits' in its accounting for the relevant components of staff costs. Short-term employee benefits including salaries, accrued bonus, other incentive costs and social security are recognised over the period in which the employees provide the services to which the payments relate. Bonus and other incentive costs are recognised to the extent that the Group has a present obligation to its employees that can be measured reliably and are recognised over the period of service that employees are required to work to qualify for the benefits.

(iv) Share-based payment arrangements
In 2025, interests in Nemean Midco Limited, the Company's immediate parent undertaking, were issued to certain key management personnel and senior employees. In addition, certain key management personnel and senior employees were also issued interests in Solaris BidCo (Jersey) Limited. These participating interests are treated as equity-settled shares under IFRS 2 'Share-based Payment'. The cost of providing these interests is charged to the income statement over the vesting period of the award, with a corresponding increase in equity. The cost is based on the fair value of the awards at the grant date, which is calculated using a Monte Carlo simulation model.

Additionally, interests in Nemean Midco Limited were issued to certain key management personnel and senior employees in 2024 and sold in 2025. These interests were accounted for as equity-settled shares under IFRS 2.

Notes to the financial statements (continued)

2.2 Summary of material accounting policies (continued)
(v) Defined contribution pension plan
The contributions payable to the defined contribution pension plan are in proportion to the services rendered to the Group by its employees and are recorded in the statement of profit and loss as a personnel expense on an accruals basis.

(vi) Capitalisation of expenditure
Expenditure relating to specific projects is reviewed to determine whether the capitalisation criteria of IAS 16 ‘Property, Plant and Equipment’ and IAS 38 ‘Intangible Assets’ are met. The Group capitalises expenditure where the criteria are met and depreciates or amortises over the useful economic life of the asset.

(vii) Finance income and finance expense
Interest income and expense are recognised in the income statement using the effective interest rate (EIR) method. The EIR is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying value of the financial assets; or
- the amortised cost of the financial liability.

When calculating the EIR for financial instruments the Group estimates future cash flows considering all contractual terms of the financial instrument but not expected credit losses. The calculation of the EIR includes transaction costs and fees and points paid or received that are an integral part of the EIR. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or liability.

In calculating interest income and expense, the EIR is applied to the gross carrying value of the asset or to the amortised cost of the liability.

(viii) Dividend income
Dividend income is recognised in the income statement when the Company’s right to receive payment is established.

(3) Tax
Income tax comprises current tax, deferred tax and tax provisions for uncertain tax positions.

(i) Current tax
Current tax assets and liabilities arising in current and prior periods are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current tax relating to items recognised directly in equity is also recognised in equity and not in the income statement.

(ii) Deferred tax
Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Deferred tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- where the deferred tax assets relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, where deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

Notes to the financial statements (continued)

2.2 Summary of material accounting policies (continued)
The carrying value of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised directly in equity are also recognised in equity and not in the income statement. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same tax authority.

(iii) Uncertain tax positions
The Group deems an uncertain tax position to exist when it considers that ultimately, in the future, the amount of profit subject to tax may be greater than the amount initially reflected in its income tax returns. A tax provision for uncertain tax positions is recognised when it is considered probable that, upon examination of the uncertainty by a relevant tax authority, it is more likely than not that an economic outflow will occur. Provisions reflect the Group's best estimate of the ultimate liability based on its interpretation of tax law, precedent and guidance, informed by external tax advice where necessary. Changes in facts and circumstances underlying these provisions are reassessed at each balance sheet date, and the provisions are remeasured, as required, to reflect current information.

The approach taken to measurement takes account of whether the uncertain tax position is a discrete position reviewed in isolation from any other position, or one of several items which are expected to be reviewed concurrently and resolved simultaneously with a tax authority. The Group's measurement of provisions is based on a probability-weighted estimate of the additional profit that will become subject to tax. Where several items are expected to be reviewed and resolved together, the Group will take into account not only the merits of its position in respect of each particular item but also the overall level of provision across all the items that are expected to be resolved at the same time. In assessing provision levels, it is assumed that tax authorities will review with all facts fully and transparently disclosed.

(4) Financial instruments
(i) Date of recognition
Financial instruments are recognised on the trade date, which is the date on which the Group becomes a party to the contractual provisions of the instrument and are initially measured at fair value.

(ii) Classification and derecognition of financial assets
IFRS 9 'Financial Instruments' contains three principal classification categories for financial assets: measured at amortised cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL). Classification is based on the business model in which a financial asset is managed and the contractual cash flow characteristics of the financial instruments (whether these are solely payments of principal and interest or not).

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired;
- the performance of the asset suggests there is no reasonable expectation of its recovery and it is therefore written off; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either:
    - the Group has transferred substantially all the risks and rewards of the asset; or
    - the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Notes to the financial statements (continued)

2.2 Summary of material accounting policies (continued)
The Group originates consumer credit card/account receivables and transfers their beneficial interest to AssetCo immediately after origination. The Group retains the legal title to the associated accounts and continues to provide servicing activities on them. As per the requirements of IFRS 9, the Group performs a derecognition assessment on the associated financial instruments to assess whether they should be retained on its balance sheet or derecognised either partially or in full. This includes an assessment as to whether the Group has transferred the rights to receive the cash flows from the transferred instrument and/or the Group has assumed an obligation to pay the cash flows to AssetCo that meets the pass-through requirements.

If either condition is met, then the Group performs both a qualitative and quantitative assessment as to whether it has transferred substantially all risks and rewards of ownership of the assets to AssetCo. On a quantitative basis, it is assumed that this happens if the Group retains less than 10% of the risks and rewards post transfer. The post-transfer quantitative risks and rewards relate to the servicing and incentive fee income that the Group earns from AssetCo, which is a small proportion of the overall cash flows from the transferred underlying financial assets. The outcome of this assessment shows that i) the Group no longer retains the right to the cash flows or has assumed an obligation to pay it to AssetCo; ii) the risks and rewards are substantially transferred from a qualitative perspective; and iii) the quantitative retention of cash flows is below the 10% threshold.

Accordingly, the assets are derecognised from the Group's balance sheet.

For other financial instruments excluding those immediately transferred to AssetCo, the Group's business model objective is to hold assets to collect the contractual cash flows. Any financial asset sales are incidental to the objective of the business model. The Group has assessed the contractual cash flow characteristics of such financial assets to be consistent with a basic lending arrangement, being cash flows that are predominantly payments of principal and interest on the principal amount outstanding. Accordingly, the Group's non-derivative financial assets are classified as measured at amortised cost. The Group's derivative financial assets are measured at FVTPL and the Group does not apply hedge accounting.

The classification and subsequent measurement of financial assets changes at the start of the next reporting period after the objective of the Group's business model associated with those financial assets changes.

(iii) Classification and derecognition of financial liabilities
Non-derivative financial liabilities are held at amortised cost and derivative financial liabilities are measured at FVTPL.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in the income statement. Where the contractual terms of an existing financial liability are renegotiated, and the renegotiation does not result in derecognition of the financial liability, the Group recalculates the gross carrying amount and recognises a modification gain or loss in interest and similar expense. The gross carrying amount of the financial liability is recalculated as the present value of the renegotiated contractual cash flows that are discounted at the financial liability's original effective interest rate.

(5) Impairment of financial assets
Financial assets carried at amortised cost
For financial assets carried at amortised cost, the Group assesses impairment on a collective basis for all financial assets that are not individually significant.

IFRS 9 prescribes a forward-looking expected credit loss (ECL) model for financial assets measured at amortised cost. An impairment provision is recognised on origination of a financial asset, based on its expected credit loss. Under IFRS 9, expected loss allowances are measured on either of the following bases:

- 12-month ECLs. These are ECLs that result from possible default events within the 12 months after the reporting date; and
- lifetime ECLs. These are ECLs that result from all possible default events over the expected life of a financial instrument.

Notes to the financial statements (continued)

2.2 Summary of material accounting policies (continued)
Lifetime ECL measurement applies if the credit risk of a financial asset at the reporting date has increased significantly since initial recognition (including those which are credit-impaired) or if it was purchased or originated credit-impaired (POCI), otherwise the 12-month ECL measurement applies.

Financial assets where 12-month ECL is recognised are classified as ‘stage 1’; financial assets that are considered to have experienced a significant increase in credit risk since initial recognition but are not credit-impaired, are classified as ‘stage 2’; and financial assets for which there is objective evidence of impairment, so are considered to be in default or otherwise credit-impaired, are classified as ‘stage 3’.

(6) Derivatives
Until the end of 2025, the Group used derivative financial instruments, namely interest rate swaps and a cap, to manage the interest rate risks arising from AssetCo’s debts. No transactions of a speculative nature were undertaken. The swaps were accounted for as FVTPL and the Group did not apply hedge accounting to these derivatives. The swaps were terminated as a result of the KKR acquisition. The cap expired in 2026 and had an immaterial value which was also being recorded as FVTPL and did not have hedge accounting applied to it.

The Group uses foreign exchange forward contracts to manage foreign exchange risks arising from supplier invoices denominated in US Dollars. The associated derivative financial instruments are accounted for as FVTPL and the Group does not apply hedge accounting.

(7) Cash and cash equivalents
Cash and cash equivalents comprises unrestricted cash and restricted cash. Unrestricted cash is non-restricted current accounts and amounts due on demand or with an original maturity of three months or less. Restricted cash represents i) credit balances or unallocated cash on consumer accounts which are serviced by the Group, ii) cash collected on behalf of AssetCo from underlying consumer accounts and therefore due to AssetCo, and iii) cash held in a pre-funded bank account which is used for originating loans on behalf of other parties.

(8) Property and equipment
Property and equipment is stated at cost, excluding the costs of day-to-day servicing, less accumulated depreciation and accumulated impairment losses. Changes in the expected useful economic life are accounted for by changing the depreciation period or method, as appropriate, and are treated as changes in accounting estimates.

Depreciation is calculated using the straight-line method to write down the cost of property and equipment to their residual values over their estimated useful economic lives. The estimated useful economic lives are as follows:

- Computer equipment 3 - 5 years
- Fixtures and fittings 3 - 5 years
- Leasehold improvements over the lease term

Property and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying value of the asset) is recognised in other operating expenses in the statement of profit and loss in the period in which the asset is derecognised.

(9) Intangible assets
The Group’s intangible assets are internally generated primarily including computer software and core operating platforms. These assets are capitalised as an intangible asset based on the costs incurred to acquire, develop and bring it into use. An intangible asset is recognised only when an asset is created that can be identified, its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Group. Expenditure incurred in relation to scoping and researching the build of an asset as part of a project is expensed as incurred.

Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. The useful economic lives of intangible assets are assessed to be either finite or infinite. Intangible assets with finite lives are amortised over their useful economic life. Amortisation is calculated using the straight-line method to write down the cost of intangible assets to their residual values over their estimated useful economic lives, which are generally estimated to be between three and 10 years.

Changes in the expected useful economic life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, and they are treated as changes in accounting estimates.

Notes to the financial statements (continued)

2.2 Summary of material accounting policies (continued)
The Group has no intangible assets with an infinite useful economic life. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

Intangible assets are assessed for indications of impairment at each balance sheet date, or more frequently where changes in circumstances exist. The carrying value of assets is compared to their recoverable amount, being the higher of the fair value less costs to sell and their value in use. Any impairment is recognised immediately in the statement of profit and loss.

See note 2.3 for further details on the significant accounting judgements, estimates and assumptions that affect the carrying value of intangible assets.

(10) Impairment of non-financial assets
The Group assesses, at each reporting date, whether there is an indication that a non-financial asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use. Where the carrying value of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised.

The reversal is limited so that the carrying value of the asset does not exceed its recoverable amount, nor exceeds the carrying value that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised for the asset in prior periods. Such reversal is recognised in the statement of profit and loss.

(11) Leasing
(i) Lease liability
All leases where the Group is a lessee, other than those that are less than 12 months in duration or are low value which the Group has elected to treat as exempt, require a lease liability to be recognised on the balance sheet on origination of the lease. The lease liability is initially measured at the present value of the contractual lease payments payable over the lease term discounted at the rate implicit in the lease if that can be readily determined or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Subsequently settled lease payments reduce the lease liability and an interest expense is recognised in the income statement as the discount is unwound. Each lease payment is allocated between payments of the principal element of the lease liability and interest payments within the consolidated statement of cash flows.

(ii) Right-of-use asset
For each lease liability, a corresponding right-of-use asset is recorded in the balance sheet. The right-of-use asset is measured at cost comprising the following:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

The right-of-use asset is subsequently depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis and recorded as an expense in other operating expenses. All the Group's right-of-use assets relate to property leases.

(12) Investment in subsidiary undertakings
The Company's equity investments in its subsidiary undertakings are recorded at cost less impairment. At each reporting date an assessment is undertaken to determine whether there is any indication of impairment.

In April 2017, the Group acquired NewDay Holdings Ltd and its subsidiaries from NewDay Group Holdings S.à r.l. This transaction was a business combination among entities under common control and the Group elected to apply carried forward book value accounting to the combination. This resulted in a merger reserve which represented the difference between the consideration and the share capital and premium of NewDay Holdings Ltd at the date of the transaction. See note 19 for further details.

Notes to the financial statements (continued)

2.2 Summary of material accounting policies (continued)
(13) Provisions
Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources representing economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

(14) Ordinary shares
The Group applies IAS 32 'Financial Instruments: Presentation' to determine whether funding is either a financial liability or equity.

Issued financial instruments or their components are classified as liabilities if the contractual arrangement results in the Group having a present obligation to either deliver cash or another financial asset, or a variable number of equity shares, to the holder of the instrument. If this is not the case, the instrument is generally an equity instrument and the proceeds are included in equity, net of transaction costs.

Ordinary shares are classified as equity. Dividends on ordinary shares are recognised as a liability and deducted from equity when they are approved by the Company's shareholders. Interim dividends are deducted from equity when they are declared and are therefore no longer at the discretion of the Company. Dividends for the year that are approved after the reporting date are disclosed as a post balance sheet event.

2.3 Significant accounting judgements, estimates and assumptions
The preparation of the consolidated Group and Company financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities at the balance sheet date and the reported amounts of income and expenses during the reporting period. The most significant uses of judgements, estimates and assumptions are detailed below, and within note 9 for taxation.

(1) Revenue recognition
Servicing fee income is charged by NewDay Cards Ltd to the credit card portfolios held by AssetCo. Prior to the KKR acquisition, the key judgement behind this revenue stream was in relation to the value attributable to the activities performed for the predecessor NewDay group on an arm's length basis. After completion of the KKR acquisition, the outstanding service fees from the previous arrangement were settled. Following the KKR acquisition, AssetCo assumes responsibility for the overarching investment strategy, capital allocation and risk appetite and therefore the fees due to the Group for origination and servicing activities were subject to a commercial renegotiation. The new servicing fee income arrangement is not considered a significant accounting judgement, estimate or assumption.

(2) Impairment of intangible assets
As at 31 December 2025, the reported carrying value of the Group's intangible assets was £19.5m (31 December 2024: £75.3m). At each reporting date, the Group is required to assess whether there is any indication that the assets may be impaired. If there is an indication that an asset may be impaired, the asset's recoverable amount must be calculated and the carrying value should be reduced to the recoverable amount should it be lower.

In 2025, the Group reviewed all available information that may indicate whether its intangible assets are impaired. A change in use of certain intangible assets resulting from a strategic review of the Group was deemed an impairment indicator. Accordingly, the Group performed a value in use assessment on impacted intangible assets (since the fair value less costs to sell was deemed to be lower) by reference to the present value of expected future cash flows from the underlying assets. The key judgements or assumptions included in this were the cash flows and discount rate.

- Cash flows were taken from the Group's Board-approved 5-year budget which has inherent judgements regarding the net cash flows of the Group. Such cash flows could vary in different economic environments or if business strategy changes.
- The discount rate was based on the weighted average cost of capital, being 15.1%. This rate was calculated using observable inputs specific to the Group. The inferred pre-tax discount rate from the impairment review was 20.1%.

The value in use assessment resulted in a £56.4m impairment charge and the associated intangible assets were written down to £14.6m, being the recoverable amount at the date of the impairment assessment.

See note 14 for further details of the Group's intangible assets.

Notes to the financial statements (continued)

2.4 Standards issued but not yet effective

The amendments below have been issued by the International Accounting Standards Board and are relevant to the Group and Company but have not been adopted early.

- IFRS 18 ‘Presentation and Disclosure in Financial Statements’. The new standard aims to provide greater consistency in presentation of the income and cash flow statements, and more disaggregated information. Also, certain management performance measures (MPMs) will now form part of the audited financial statements. The Group and Company are assessing the impact of the new standard.
- Amendments to IFRS 9 ‘Financial Instruments’. The amendments provide more guidance on when to recognise or derecognise financial assets and financial liabilities, particularly when they are settled using electronic payment systems. The amendments are not expected to have a significant impact on these financial statements.
- Annual Improvements to IFRS Accounting Standards. The annual improvements process aims to improve the clarity and internal consistency of certain IFRS Accounting Standards. The amendments are not expected to have a significant impact on these financial statements.

3. Revenue

	Group		Company	
	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Servicing fees	66.8	-	-	-
Incentive fees	6.4	-	-	-
Origination fees	5.7	-	-	-
Senior servicing fees	168.1	205.6	-	-
Junior servicing fees	118.7	161.6	-	-
Other fee income	13.1	6.0	-	-
	378.8	**373.2**	**-**	**-**

The Group provides operational services for the consumer credit receivables portfolios of AssetCo and receives fee income in return. Prior to the KKR acquisition, the fee income was driven by the performance of the credit card portfolio of the Transferors and was calculated in two parts; a senior servicing fee derived from the total volume of credit card receivables and a junior servicing fee based on a share of the Transferors’ profits in accordance with the transfer pricing documentation and any additional costs incurred by the Group on behalf of the Transferors. Following the KKR acquisition, AssetCo assumes responsibility for the overarching investment strategy, capital allocation and risk appetite and therefore the fees due to the Group for origination and servicing activities were subject to a commercial renegotiation. Post-KKR acquisition, servicing fees are split into three component parts, as defined by the Origination and Servicing Agreement (OSA) with AssetCo, being: i) a fixed percentage of average gross receivables (the “servicing fees”); ii) a fee based on the performance of those receivables each month (the “incentive fees”); and iii) a fixed fee per newly originated Direct to Consumer (D2C) account (the “origination fees”).

Applying IFRS to the OSA, origination fees fall under the scope of IFRS 9 since they relate to the origination of a financial instrument. The income earned from origination activities is recognised immediately when the services are performed. The servicing fees and incentive fees fall under the scope of IFRS 15. Under IFRS 15, the OSA defines two distinct performance obligations, being: i) origination services; and ii) servicing and support services.

The transaction price allocated to origination services, which is accounted for under IFRS 9, is the origination fee. The origination fee becomes due and payable by AssetCo once the account is originated.

The transaction price allocated to servicing and support services is the servicing and incentive fees. Servicing and support services revenue is recognised consistently with the nature of the services provided. Specifically, it is recognised monthly as such services are being provided which is generally in line with the amount of average outstanding receivables under service.

Notes to the financial statements (continued)

3. Revenue (continued)
All fees from the OSA are generally settled monthly in arrears and consequently there is limited uncertainty about their amount and recoverability. Fee income earned by the Group from AssetCo at the year end but not yet paid is detailed in note 11.

Other fee income mainly relates to fees earned from providing digital platform solutions and account origination activities to third parties.

Total revenue recognised under IFRS 15 was £369.6m (2024: £370.0m) for the year.

4. Servicing costs

	Group		Company	
	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Servicing and similar costs	58.1	46.2	-	-
Advertising and marketing	30.2	22.3	-	-
	88.3	**68.5**	**-**	**-**

5. Personnel expense

	Group		Company	
	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Wages and salaries	125.3	112.8	1.6	0.5
Social security costs	18.0	12.2	-	-
Defined contribution pension contributions	9.2	8.4	-	-
Redundancy costs	4.4	0.6	-	-
Share-based payment charge	3.1	1.3	0.1	-
Other staff costs	13.5	6.5	-	-
	173.5	**141.8**	**1.7**	**0.5**
Average number of full-time equivalent employees	1,259	1,233	-	-
Number of full-time equivalent employees as at 31 December	1,274	1,254	-	-

The aggregate remuneration of the Directors during the year was as follows:

	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Remuneration paid to Directors in respect of qualifying services	4.2	4.2
Employer contributions to pension schemes (including cash paid in lieu)	0.2	0.2
Amounts payable under long-term incentive plans	81.1	3.2

Notes to the financial statements (continued)

5. Personnel expense (continued)
Remuneration for the Directors is borne by NewDay Cards Ltd (for the Executive Directors) and NewDay Group UK Limited (for the Non-Executive Directors). The highest paid Director was a Non-Executive Director and founder, who received aggregate remuneration of £63.0m (2024: £3.1m). This included £62.9m for amounts payable under long-term incentive plans (2024: £3.0m). Five Directors received payments under long-term incentive plans (2024: five). See note 24 for related party transactions with key management personnel.

During the year shares in Nemean Midco Limited, the Company's immediate parent undertaking, and Solaris BidCo (Jersey) Limited were issued to certain key management personnel and senior employees. These participating interests are treated as equity-settled shares under IFRS 2 'Share-based Payment'. Whilst the investments by key management personnel and other senior employees were made at unrestricted market value, it is necessary to consider the total fair value of the shares at the date of issue in accordance with IFRS 2. The total fair value of the shares issued to key management personnel and other senior employees was estimated as £11.1m compared to a total purchase price paid by key management personnel and other senior employees of £3.7m. As a result, the difference between these amounts will be charged to the income statement over the estimated vesting period. Loans totalling £0.6m were provided by Nemean Midco Limited to certain key management personnel and other senior employees to fund the acquisition of the shares acquired.

Other staff costs mainly relates to the discretionary awards paid on completion of the KKR acquisition.

In December 2025, the Group announced an operational restructure which resulted in 44 employees being made redundant. The majority of these changes were effective from 1 January 2026, although a small number of employees have various contract end dates throughout 2026.

6. Other operating expenses

	Group		Company	
	Year ended 31 December 2025 £m	**Year ended 31 December 2024 £m**	**Year ended 31 December 2025 £m**	**Year ended 31 December 2024 £m**
IT and communications	30.2	29.5	-	-
Project expenses	15.4	8.0	-	-
Professional fees	5.5	8.5	0.4	-
Administrative and other costs	8.3	8.0	-	-
	59.4	**54.0**	**0.4**	**-**

Fees incurred for the audit of consolidated Group and Company financial statements were £0.4m. Fees incurred for the audit of the financial statements of the Company's subsidiaries were £0.9m. The Group did not prepare consolidated Group financial statements for 2024 because it was not required to. Additionally, fees paid to the Company's auditor for non-audit services provided to the Group amounted to £0.1m (2024: £nil).

7. Finance income

	Group		Company	
	Year ended 31 December 2025 £m	**Year ended 31 December 2024 £m**	**Year ended 31 December 2025 £m**	**Year ended 31 December 2024 £m**
Interest income from debt arrangements held with related parties	26.4	30.4	-	-
Interest income from banks	2.3	2.3	-	-
	28.7	**32.7**	**-**	**-**

The debt arrangements held with related parties were settled as part of the KKR acquisition.

Notes to the financial statements (continued)

8. Finance expense

	Group		Company	
	Year ended 31 December 2025 £m	**Year ended 31 December 2024 £m**	**Year ended 31 December 2025 £m**	**Year ended 31 December 2024 £m**
Interest and similar expense on debt issued and other borrowed funds	26.6	30.4	-	-
Interest expense on amounts owed to related parties	28.1	43.8	-	-
Other	1.8	6.9	-	-
	56.5	**81.1**	**-**	**-**

The debt issued and other borrowed funds and the amounts owed to related parties were settled as part of the KKR acquisition.

Other includes £1.1m (2024: £6.3m) of interest arising on uncertain tax position provisions and £0.6m (2024: £0.4m) representing the interest expense arising from the unwind of lease liabilities required under IFRS 16.

9. Tax

	Group		Company	
	Year ended 31 December 2025 £m	**Year ended 31 December 2024 £m**	**Year ended 31 December 2025 £m**	**Year ended 31 December 2024 £m**
Current tax expense/(income)	1.9	28.8	(0.1)	(0.1)
Deferred tax (income)/expense	(6.1)	1.6	-	-
Total tax (income)/expense	**(4.2)**	**30.4**	**(0.1)**	**(0.1)**

As at 31 December 2025, the enacted UK corporation tax rate was 25% (31 December 2024: 25%) and the average UK corporation tax in the year was 25% (2024: 25%). The tax reconciliation is shown below.

	Group		Company	
	Year ended 31 December 2025 £m	**Year ended 31 December 2024 £m**	**Year ended 31 December 2025 £m**	**Year ended 31 December 2024 £m**
(Loss)/profit before tax	(43.1)	54.8	(2.1)	(0.5)
Tax (credit)/charge at average UK corporation tax rate of 25% (2024: 25%)	(10.8)	13.7	(0.5)	(0.1)
Effects of:				
- Disallowable items and allowable deductions	4.7	3.6	-	-
- Prior year adjustment	0.4	(4.6)	-	-
- Provision for uncertain tax positions	1.5	17.7	-	-
- Group relief	-	-	0.5	0.1
- Payment for Group relief	-	-	(0.1)	(0.1)
Total tax (income)/expense	**(4.2)**	**30.4**	**(0.1)**	**(0.1)**

There were no amounts of tax recognised through the statement of other comprehensive income in the year (2024: £nil).

Notes to the financial statements (continued)

9. Tax (continued)
As at 31 December 2025, the Group recognised deferred tax assets of £6.7m (31 December 2024: £0.6m). This balance includes £6.3m (31 December 2024: £nil) in relation to unused tax credits and £0.4m (31 December 2024: £0.6m) in relation to temporary differences on property and equipment.

The Group recognised deferred tax assets in relation to unused tax credits because it is probable that future taxable profits will be generated to utilise these tax credits.

As at 31 December 2025, the Group recognised deferred tax liabilities of £3.6m (31 December 2024: £3.6m). This balance arose from temporary differences on intangible assets.

The 31 December 2025 deferred tax balances have been calculated based on the 25% tax rate (31 December 2024: 25%), reflecting the expected timing of the reversal of the related temporary differences.

Uncertain tax positions
The scale of the Group's business means it is periodically subject to reviews and enquiries from His Majesty's Revenue and Customs (HMRC). The Group deems an uncertain tax position to exist when it considers that ultimately, in the future, the amount of profit subject to tax may be greater than the amount initially reflected in its income tax returns. A tax provision for uncertain tax positions is recognised when it is considered probable that, upon examination of the uncertainty by HMRC, it is more likely than not that an economic outflow will occur. Provisions reflect the Group's best estimate of the ultimate liability based on its interpretation of tax law, precedent and guidance, informed by external tax advice where necessary. Changes in facts and circumstances underlying these provisions are reassessed at each balance sheet date, and the provisions are remeasured, as required, to reflect current information.

As at 31 December 2025, the Group recognised a provision for uncertain tax positions of £36.3m (31 December 2024: £33.7m) relating to enquiries around a number of aspects of tax associated with the Group's structure, in particular transfer pricing arrangements between onshore and offshore entities in the predecessor Group. The Group's provision is its best estimate of the probability-weighted exposure based on the circumstances prevailing at the period end. The key judgements involved in the calculation of the provision are:
- the number and nature of the scenarios representing the possible outcomes;
- the probability weightings associated with each of these scenarios; and
- the economic outflow associated with each scenario.

The probability-weighted assessment included eight scenarios and consideration that certain scenarios are interlinked and others are mutually exclusive.

Certain scenarios could result in a material increase in the potential outflow in excess of the provision held as at 31 December 2025. Conversely, the provision held is in excess of the potential outflow in five out of the eight scenarios in the assessment which could lead to a material reduction in the potential outflow (or no outflow at all) if certain scenarios prevail. The probability assigned to the scenario which results in no outflow at all is remote.

A 10 percentage point increase or decrease in the probability weighting associated with the scenario where the Group unsuccessfully defends all outcomes, reweighted equally across all other scenarios, could result in a provision increase or decrease of £7.2m (31 December 2024: £6.7m) respectively. Therefore, considering the high degree of estimation uncertainty involved, there is a risk of an adjustment to the provision within the next 12 months, where the range of possible outcomes is material. The Group will continue to update its probability-weighted assessment based upon information available at each balance sheet date.

Notes to the financial statements (continued)

10. Cash and cash equivalents

	Group	
	As at 31 December 2025 £m	As at 31 December 2024 £m
Unrestricted cash	72.9	65.7
Restricted cash for safeguarding	26.6	25.4
Restricted cash for specific activities	12.9	8.6
	112.4	**99.7**

Cash and cash equivalents are held with UK based large retail banks.

Restricted cash for safeguarding represents credit balances or unallocated cash on consumer accounts which are serviced by the Group. Restricted cash for specific activities represents cash which is owed to AssetCo and cash held for originating loans on behalf of other parties.

The Company held no cash and cash equivalents during the year (2024: £nil).

11. Prepayments, accrued income and other assets

	Group		Company	
	As at 31 December 2025 £m	As at 31 December 2024 £m	As at 31 December 2025 £m	As at 31 December 2024 £m
Prepayments and accrued income	14.4	12.8	-	-
Other receivables	2.6	5.2	-	-
Amounts due from related parties	26.5	261.2	-	0.1
	43.5	**279.2**	**-**	**0.1**

Amounts due from related parties includes OSA fees due from AssetCo that are accrued but not yet paid as at 31 December 2025 and amounted to £26.0m.

As part of the KKR acquisition, the loan due from NewDay Jersey (Group) Limited in relation to the Senior Secured Debt issued externally by NewDay BondCo Limited was fully repaid (31 December 2024: £216.1m).

12. Derivative financial instruments

	As at 31 December 2025			As at 31 December 2024		
	Notional amount	Assets	Liabilities	Notional amount	Assets	Liabilities
Group	£m	£m	£m	£m	£m	£m
Foreign exchange forwards	18.9	-	0.1	-	-	-
Interest rate caps	688.0	-	-	688.0	0.4	-
Interest rate swaps	-	-	-	635.0	3.0	2.1
	706.9	**-**	**0.1**	**1,323.0**	**3.4**	**2.1**

Until the end of 2025, the Group used derivative financial instruments, namely interest rate swaps and a cap, to manage the interest rate risks arising from AssetCo's debt issued. The swaps were terminated as a result of the KKR acquisition. They were accounted for as FVTPL and the Group did not apply hedge accounting to them. The cap expired in 2026 and was also being recorded as FVTPL and did not have hedge accounting applied to it.

The Group also uses foreign exchange forward contracts to manage foreign exchange risks arising from supplier invoices denominated in US Dollars. The associated derivative financial instruments are accounted for as FVTPL and the Group does not apply hedge accounting.

The following table shows the movement in notional amounts of the derivative financial instruments.

Notes to the financial statements (continued)

12. Derivative financial instruments (continued)

Group	Foreign exchange forwards £m	Interest rate caps £m	Interest rate swaps £m
At 1 January 2024	-	-	735.0
Issued	-	688.0	-
Settled	-	-	(100.0)
At 31 December 2024	**-**	**688.0**	**635.0**
Issued	31.8	-	250.0
Settled	(12.9)	-	(885.0)
At 31 December 2025	**18.9**	**688.0**	**-**

The following table shows the amounts recognised in the statement of profit and loss arising from the derivative financial instruments.

Group	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Movement in fair value of instruments	(1.4)	(5.2)
Realised (expense)/income from contracts including on termination	(0.8)	12.0
(Expense)/income from derivative financial instruments	**(2.2)**	**6.8**

Realised (expense)/income from the swap contract represents the net cash (settled)/received in respect of holding the derivative contracts.

The Company does not hold any derivative financial instruments.

13. Property and equipment

Group	Computer equipment £m	Fixtures and fittings £m	Leasehold improvements £m	Right-of-use asset £m	Total £m
Cost at 1 January 2025	3.9	3.9	8.2	24.5	40.5
Additions in the year	1.3	0.1	-	-	1.4
Disposals in the year	(0.9)	-	-	(0.3)	(1.2)
Cost at 31 December 2025	**4.3**	**4.0**	**8.2**	**24.2**	**40.7**
Depreciation at 1 January 2025	(3.1)	(3.7)	(6.7)	(14.3)	(27.8)
Charges for the year	(0.6)	(0.1)	(0.7)	(2.4)	(3.8)
Disposals in the year	0.9	-	-	0.3	1.2
Depreciation at 31 December 2025	**(2.8)**	**(3.8)**	**(7.4)**	**(16.4)**	**(30.4)**
Net book value at 31 December 2025	**1.5**	**0.2**	**0.8**	**7.8**	**10.3**
Net book value at 31 December 2024	0.8	0.2	1.5	10.2	12.7

The right-of-use assets consist solely of land and buildings leased by the Group. The total cash outflow in the year arising from right-of-use leases was £2.5m (2024: £3.2m).

The Company held no property and equipment during the year (2024: £nil).

Notes to the financial statements (continued)

14. Intangible assets

Group	Internally generated intangibles £m	In-progress internally generated intangibles £m	Total £m
Cost at 1 January 2025	72.7	29.9	102.6
Additions/(transfers to internally generated intangibles)	36.0	(24.9)	11.1
Impairment	-	(3.2)	(3.2)
Cost at 31 December 2025	**108.7**	**1.8**	**110.5**
Amortisation at 1 January 2025	(27.3)	-	(27.3)
Charge to the income statement for the year	(10.5)	-	(10.5)
Impairment	(53.2)	-	(53.2)
Amortisation at 31 December 2025	**(91.0)**	**-**	**(91.0)**
Net book value at 31 December 2025	**17.7**	**1.8**	**19.5**
Net book value at 31 December 2024	45.4	29.9	75.3

Internally generated intangibles primarily include computer software and core operating platforms. These assets are amortised over a three to 10-year period. In-progress intangibles mainly relate to new software modules being designed and built internally to enhance the digital capabilities of the Group's platform.

As at 31 December 2025, the Group has reviewed all available information that may indicate its intangible assets are impaired, including the assessment of any impairment triggers and a calculated value in use by reference to the present value of expected future cash flows from the underlying assets. This resulted in a £56.4m impairment charge, see note 2.3 for further details of the impairment assessment.

Research and development expenditure recognised in the income statement during 2025 was £70.3m (2024: £54.8m).

The Company held no intangible assets during the year (2024: £nil).

Notes to the financial statements (continued)

15. Investment in subsidiaries

	£m
As at 1 January 2024 and 31 December 2024	0.1
Purchase of additional shares issued by NewDay UK Limited	124.7
As at 31 December 2025	**124.8**

The Company has a 100% share of the ordinary shares of NewDay UK Limited and NewDay BondCo Limited. On 21 October 2016, the Company acquired 100% of the issued share capital of NewDay UK Limited for consideration of £0.01. On 7 November 2016, the Company also acquired 100% of the issued share capital of NewDay BondCo Limited for consideration of £50k.

As part of the KKR acquisition, the following two transactions occurred.

- A loan previously issued by NewDay UK Limited to NewDay Group (Jersey) Limited was transferred to the Company. This was executed by NewDay UK Limited issuing shares with a value of £109.4m to the Company, being the value of the outstanding loan at that date. The loan was subsequently settled by the Company through a share issuance to NewDay Group (Jersey) Limited for £109.4m.
- The Company made a separate share issuance totalling £15.4m with the cash being subsequently used to subscribe for additional shares in NewDay UK Limited.

The Directors have considered the carrying value of the investments. NewDay UK Limited is funded primarily through its subsidiary and fellow subsidiary undertakings. The Directors' assessment of the value in use of NewDay Cards Ltd, NewDay UK Limited's main trading subsidiary, has led the Directors to conclude that the investment is not impaired at the end of the reporting period. The investment in NewDay BondCo Limited is immaterial.

Dividend income amounted to £nil during the year (2024: £nil).

16. Debt issued and other borrowed funds

	Group	
	As at 31 December 2025 £m	**As at 31 December 2024 £m**
Senior Secured Debt	-	216.1
Debt arrangements issued to related parties	-	434.9
Debt issued and other borrowed funds	**-**	**651.0**

In 2025, the Senior Secured Debt was fully repaid as a result of the KKR acquisition.

Debt arrangements issued to related parties consisted of a loan note due from NewDay UK Limited to NewDay Group (Jersey) Limited (the previous immediate parent of the Company). As part of the KKR acquisition, the loan note was fully settled through the transactions listed below.

- Part of the outstanding loan note amounting to £303.6m was contractually waived by NewDay Group (Jersey) Limited. This was deemed a capital contribution by NewDay Group (Jersey) Limited acting in its role as the parent company.
- The remaining value of the loan note was transferred to the Company from NewDay UK Limited. This was executed by NewDay UK Limited issuing shares with a value of £109.4m to the Company, being the value of the outstanding loan at that date. The loan was subsequently settled by the Company through a share issuance to NewDay Group (Jersey) Limited for £109.4m.

The Company had no debt issued and other borrowed funds.

Notes to the financial statements (continued)

16. Debt issued and other borrowed funds (continued)
A reconciliation of debt issued and other borrowed funds movements for the Group during the year is detailed in the following table.

Group	As at 1 January 2025 £m	Cash flows: Proceeds from debt issued £m	Cash flows: Repayment of debt issued £m	Non-cash movements £m	As at 31 December 2025 £m
Senior Secured Debt	216.1	-	(213.9)	(2.2)	-
Debt arrangements issued to related parties	434.9	-	(27.7)	(407.2)	-
Debt issued and other borrowed funds	**651.0**	**-**	**(241.6)**	**(409.4)**	**-**

Group	As at 1 January 2024 £m	Cash flows: Proceeds from debt issued £m	Cash flows: Repayment of debt issued £m	Non-cash movements £m	As at 31 December 2024 £m
Senior Secured Debt	240.7	-	(24.5)	(0.1)	216.1
Debt arrangements issued to related parties	489.1	-	(50.4)	(3.8)	434.9
Debt issued and other borrowed funds	**729.8**	**-**	**(74.9)**	**(3.9)**	**651.0**

In 2025, the non-cash movements relating to debt arrangements issued to related parties included a £413.0m capitalisation of the loan note into ordinary shares. Other non-cash movements also include movements in accrued interest.

The scheduled maturities of debt issued and other borrowed funds are shown in the following table.

	Group: As at 31 December 2025 £m	Group: As at 31 December 2024 £m
Less than one year	-	-
Between one and two years	-	216.1
Between two and five years	-	434.9
	-	**651.0**

Notes to the financial statements (continued)

17. Trade payables, accruals and other liabilities

Group	Group		Company	
	As at 31 December 2025 £m	**As at 31 December 2024 £m**	**As at 31 December 2025 £m**	**As at 31 December 2024 £m**
Trade payables and accruals	79.2	77.8	0.4	-
Lease liabilities	8.7	10.6	-	-
Amounts due to related parties	20.1	21.4	-	-
Amounts due to Group entities	-	-	1.5	0.1
Other payables	15.6	14.5	-	-
Pension contributions	-	1.2	-	-
	123.6	**125.5**	**1.9**	**0.1**

Amounts due to related parties and Group entities are unsecured and have no fixed date for repayment. No interest is charged on these amounts.

Lease liabilities consist of leases held by the Group for land and buildings. The scheduled maturity of the Group's leases is shown in the following table.

Group	As at 31 December 2025 £m	As at 31 December 2024 £m
Less than one year	1.9	1.9
Between one and two years	0.7	1.9
Between two and five years	2.4	2.3
More than five years	3.7	4.5
	8.7	**10.6**

18. Provisions

Group	Total provisions £m
As at 1 January 2024	2.3
Arising during the year	0.2
Utilised during the year	(0.3)
As at 31 December 2024	**2.2**
Arising during the year	0.8
Utilised during the year	(0.5)
As at 31 December 2025	**2.5**

The Group is, from time to time and in the normal course of business, subject to a variety of legal or regulatory claims, actions or proceedings. When such circumstances arise management provides for its best estimate of cost where an outflow of economic resources is considered probable. The provision on the balance sheet reflects the Director's current view of the expected future liability using management's best judgement regarding future developments. The nature and inherent uncertainty relating to these judgements and estimates means that the forecast outcome may be different to the actual economic outflow. As at 31 December 2025, the Group's provisions constituted several individually immaterial items of this nature.

As at 31 December 2025, a dilapidation provision of £1.8m (31 December 2024: £1.8m) is held for remediation works to the Group's offices when the leases expire.

The Company held no provisions during the year ended 31 December 2025 (2024: £nil).

Notes to the financial statements (continued)

19. Share capital and reserves

	Group		Company	
	As at 31 December 2025 £m	**As at 31 December 2024 £m**	**As at 31 December 2025 £m**	**As at 31 December 2024 £m**
Share capital	1.2	-	1.2	-
Share premium	123.6	0.1	123.6	0.1
Capital contribution (note 16)	303.6	-	-	-
Merger reserve	(320.3)	(320.3)	-	-
Retained (losses)/earnings	(34.2)	1.6	(1.9)	-
	73.9	**(318.6)**	**122.9**	**0.1**

Share capital and premium

	Issued share capital	
Company called up and fully paid share capital	**Number of shares**	**Nominal value £**
As at 31 December 2024	50,001	500.01
Issuances of ordinary shares	124,749,999	1,247,499.99
As at 31 December 2025	**124,800,000**	**1,248,000.00**

The Company was incorporated on 20 October 2016 with an authorised share capital of one £0.01 ordinary share. On 26 January 2017, a further 50,000 ordinary shares were issued at a par value of £0.01 each for an aggregate nominal value of £50,000.

As part of the KKR acquisition, the following two transactions occurred.

- A loan issued by NewDay UK Limited to NewDay Group (Jersey) Limited was transferred to the Company. This was executed by NewDay UK Limited issuing shares with a value of £109.4m to the Company, being the value of the outstanding loan at that date. The loan was subsequently settled by the Company through a share issuance to NewDay Group (Jersey) Limited for £109.4m.
- The Company made a separate share issuance totalling £15.4m with the cash being subsequently used to subscribe for additional shares in NewDay UK Limited.

The impact of both these transactions resulted in the number of issued shares increasing by 124,749,999 at a par value of £0.01 each. The aggregate nominal value of these issuances was £124.7m with £1.2m allocated to share capital and £123.5m allocated to share premium. All shares issued are fully paid.

Merger reserve

The merger reserve arose on a restructuring of the predecessor NewDay group in 2017. In April 2017, the Group acquired NewDay Holdings Ltd and its subsidiaries from NewDay Group Holdings S.à r.l. for consideration of £483.7m. This transaction was a business combination among entities under common control and, in line with the requirements of IFRS, the Group elected to apply carried forward book value accounting to the combination. This resulted in a merger reserve of £320.3m which represented the difference between the consideration and the share capital and premium of NewDay Holdings Limited at the date of the transaction.

Capital management

The Group manages its capital structure and adjusts it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Group may return capital to shareholders or issue capital securities. The objectives, policies and processes are under regular review by the Directors. The Group also maintains an actively managed capital base to cover risks inherent in the business, and specifically for NewDay Ltd, to meet the capital adequacy requirements of the FCA under the Payment Services Regulations (2017) for Authorised Payment Institutions. During the year the Group complied with its externally imposed capital requirements.

The Company has no authorised capital other than its issued capital. These shares rank equally in respect of rights attached to voting, dividends and in the event of winding up of the Company. No dividends were paid during the year (2024: £nil).

Notes to the financial statements (continued)

20. Fair value of financial instruments

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: other techniques for which all inputs, other than observable unadjusted quoted prices included within level 1, which have a significant effect on the recorded fair value are observable, either directly or indirectly; and
- Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The Group's derivative financial instruments are recognised at fair value and are classified as level 2 (31 December 2024: level 2) as they are not traded in an active market and their fair value is therefore determined by discounting expected future cash flows using interest rate yield curves prevailing at the year end.

Fair value of financial instruments carried at cost

Set out below is a comparison, by class, of the carrying values and fair values of the Group's financial instruments. During the year there have been no transfers between levels (2024: none).

Group As at 31 December 2025	Level 1 £m	Level 2 £m	Level 3 £m	Carrying value £m	Fair value £m
Financial assets					
Cash and cash equivalents	-	112.4	-	112.4	112.4
Prepayments, accrued income and other assets	-	29.1	-	29.1	29.1
Total financial assets	**-**	**141.5**	**-**	**141.5**	**141.5**
Financial liabilities					
Trade payables, accruals and other liabilities	-	(123.6)	-	(123.6)	(123.6)
Total financial liabilities	**-**	**(123.6)**	**-**	**(123.6)**	**(123.6)**

Group As at 31 December 2024	Level 1 £m	Level 2 £m	Level 3 £m	Carrying value £m	Fair value £m
Financial assets					
Cash and cash equivalents	-	99.7	-	99.7	99.7
Prepayments, accrued income and other assets	-	266.4	-	266.4	266.4
Total financial assets	**-**	**366.1**	**-**	**366.1**	**366.1**
Financial liabilities					
Debt issued and other borrowed funds	-	(216.1)	(434.9)	(651.0)	(663.7)
Trade payables, accruals and other liabilities	-	(124.3)	-	(124.3)	(124.3)
Total financial liabilities	**-**	**(340.4)**	**(434.9)**	**(775.3)**	**(788.0)**

Cash and cash equivalents

Cash and cash equivalents have a short-term maturity (usually less than three months) and it is assumed that their carrying value approximates to their fair value as a result of their short time horizon to maturity. These have been classified as level 2 because these items can be repriced using market observable inputs.

Notes to the financial statements (continued)

20. Fair value of financial instruments (continued)
Prepayments, accrued income and other assets
This consists of amounts due from related parties and other receivables. The fair value of other assets approximates to their carrying value because there have been no significant changes to market conditions that would have caused a difference between these two values, and their short time horizon to maturity. These have been classified as level 2 because these items can be repriced using market observable inputs.

Debt issued and other borrowed funds
Debt issued consisted of the Senior Secured Debt and a loan note due to NewDay Group (Jersey) Limited. Both were settled in 2025 as part of the KKR transaction. For the Senior Secured Debt, an observable market price was available; however, such debt was not actively traded, therefore the fair value was estimated using prices quoted by banks and as such was classified as level 2. The loan note due to NewDay Group (Jersey) Limited could not be repriced using observable data and therefore was classified as level 3.

Trade payables, accruals and other liabilities
This largely comprises amounts due to related parties and accounts payables. The fair value of such liabilities approximates to their carrying value because there have been no significant changes to market conditions that would have caused a difference between these two values, and their short time horizon to maturity. These have been classified as level 2 because these items can be repriced using market observable inputs.

21. Risk management
21.1 Introduction
Risk is inherent in the Group's activities, but is managed through a process of ongoing identification, measurement and monitoring, with respect to pre-determined risk appetite settings and other controls performed by the Board and risk appetite parameters set by AssetCo.

Sound risk management is critical to ensure the Group meets its regulatory requirements and delivers on the strategic and financial goals agreed with shareholders, whilst also preserving the Group's brand and reputation. The financial risks faced by the Group include:

- credit risk;
- liquidity, funding and cash management risk; and
- regulatory, conduct and operational risk.

Additionally, the Group has a customer, AssetCo, which generates the vast majority of its revenue. This leads to a risk of over-reliance on one customer. The Group has a multi-year origination and servicing contract with AssetCo that is only cancellable under certain conditions, which mitigates strategic risk to the Group. The Group also has regular reviews with AssetCo to monitor performance and ensure it is in line with AssetCo's expectations. Additionally, the Group's strategy is to diversify its revenue streams by marketing its platform to new customers.

Risk measurement and reporting systems
Risks are measured, monitored and reported to ensure the Group can effectively manage the risks it faces. The Group has a definition and categorisation model that forms a key part of risk management. The Group uses qualitative and quantitative methods (including the use of statistical models) to compute both expected and unexpected losses. Monitoring and control processes are set by the Board and subsequently delegated down ultimately to all employees. Information is compiled from all parts of the business in order to identify, analyse and control risks on a timely basis.

21.2 Credit risk
The Group is exposed to credit risk through its financial assets. The Group's ability to meet its payments relies upon the recoverability of these assets. The maximum credit risk exposure of the Group is shown in the following table.

	As at 31 December 2025 £m	As at 31 December 2024 £m
Cash and cash equivalents	112.4	99.7
Prepayments, accrued income and other assets	29.1	266.4
Derivative assets	-	3.4
	141.5	**369.5**

No impairment has been recognised in respect of any financial assets and no financial assets were past due.

21. Risk management (continued)

21.3 Liquidity, funding and cash management risk

The Group's exposure to liquidity risk is predominantly driven by its ability to settle liabilities as and when they fall due. The Group actively monitors its cash requirements against its actual and forecast cash reserves. The table below summarises the maturity profile of the undiscounted cash flows of the Group's financial liabilities as at 31 December 2025.

	As at 31 December 2025					
	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
Group	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
Financial liabilities						
Trade payables, accruals and other liabilities	-	(115.5)	(1.8)	(4.6)	(4.1)	(126.0)
Derivative financial liabilities	-	(0.1)	-	-	-	(0.1)
	-	**(115.6)**	**(1.8)**	**(4.6)**	**(4.1)**	**(126.1)**

	As at 31 December 2024					
	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
Group	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
Financial liabilities						
Debt issued and other borrowed funds	-	(16.6)	(50.7)	(724.4)	-	(791.7)
Trade payables, accruals and other liabilities	-	(114.4)	(1.9)	(2.5)	(8.6)	(127.4)
Derivative financial liabilities	-	(0.1)	(0.8)	(1.1)	-	(2.0)
	-	**(131.1)**	**(53.4)**	**(728.0)**	**(8.6)**	**(921.1)**

21.4 Regulatory, conduct and operational risk

Regulatory risk is the risk of regulatory sanction, material financial loss or reputational damage if the organisation fails to design and implement operational processes, systems and controls such that it can maintain compliance with all applicable regulatory requirements.

Conduct risk is the risk of consumer detriment arising from inappropriate culture, products and processes. Conduct risk can arise through the design of products that do not meet consumers' needs, mishandling complaints where the Group has behaved inappropriately towards consumers, inappropriate sale processes and exhibiting behaviour that does not meet market or regulatory standards. Avoiding poor consumer outcomes requires focus on treating consumers fairly including ensuring affordability and sustainability of lending and handling vulnerable consumers sensitively.

Operational risk is the risk that the processes that the Group relies on and the third parties that the Group engages with to service its portfolio suffer failures, system outages or general underperformance.

The Group mitigates regulatory, conduct and operational risk through regular reporting to the Executive Committee and Board, to ensure operational and conduct issues are appropriately considered. This includes monitoring consumer complaints, implementing process improvements and ensuring adherence to service standards.

Notes to the financial statements (continued)

22. Maturity analysis of assets and liabilities
The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Group	As at 31 December 2025 < 12 months £m	As at 31 December 2025 > 12 months £m	As at 31 December 2025 Total £m	As at 31 December 2024 < 12 months £m	As at 31 December 2024 > 12 months £m	As at 31 December 2024 Total £m
Assets						
Cash and cash equivalents	112.4	-	112.4	99.7	-	99.7
Prepayments, accrued income and other assets	42.4	1.1	43.5	278.6	0.6	279.2
Derivative assets	-	-	-	3.0	0.4	3.4
Current tax assets	13.4	34.2	47.6	27.4	1.2	28.6
Deferred tax assets	-	6.7	6.7	-	0.6	0.6
Property and equipment	-	10.3	10.3	-	12.7	12.7
Intangible assets	-	19.5	19.5	-	75.3	75.3
Total assets	**168.2**	**71.8**	**240.0**	**408.7**	**90.8**	**499.5**
Liabilities						
Debt issued and other borrowed funds	-	-	-	-	(651.0)	(651.0)
Trade payables, accruals and other liabilities	(111.8)	(11.8)	(123.6)	(116.8)	(8.7)	(125.5)
Derivative liabilities	(0.1)	-	(0.1)	-	(2.1)	(2.1)
Current tax liabilities	-	(36.3)	(36.3)	-	(33.7)	(33.7)
Deferred tax liabilities	-	(3.6)	(3.6)	-	(3.6)	(3.6)
Provisions	(1.5)	(1.0)	(2.5)	(0.4)	(1.8)	(2.2)
Total liabilities	**(113.4)**	**(52.7)**	**(166.1)**	**(117.2)**	**(700.9)**	**(818.1)**

Notes to the financial statements (continued)

23. Contingent liabilities and commitments
The Group is subject to extensive and comprehensive regulation. The Group must comply with numerous laws and regulations, including the FCA handbook and Consumer Credit Act, which significantly affects the way it conducts business. Whilst the Group believes there are no unidentified areas of failure to comply with these laws and regulations which would have a material impact on these financial statements, there can be no guarantee that all issues have been identified.

Legal and regulatory matters
In the ordinary course of business, the Group is subject to complaints and legal proceedings brought by or on behalf of external parties including consumers. These can relate to legal, compliance, conduct or other regulatory matters (amongst others) of which some are beyond the Group's control. Where material, such matters are periodically reassessed, with the assistance of external professional advisers where appropriate, to determine the likelihood of the Group incurring a liability. In those instances where it is concluded that it is more likely than not that a payment will be made, a provision is established based on management's best estimate of the amount required at the relevant balance sheet date. In some cases, it will not be possible to form a view, for example because the facts are unclear or because further time is needed to assess properly the merits of the case, and no provisions are held in relation to such matters.

Tax authorities
The scale of the Group's business means it is periodically subject to reviews and enquiries from HMRC. The Group deems an uncertain tax position to exist when it considers that ultimately, in the future, the amount of profit subject to tax may be greater than the amount initially reflected in its income tax returns. See note 9 for further details of provisions regarding uncertain tax positions.

In addition to tax matters referred to in note 9, the Group is in discussions with HMRC regarding the classification of certain contractors under IR35 legislation, which determines whether individuals engaged via employment agencies should be treated as employees for tax purposes. The discussions are ongoing and the outcome remains uncertain. If HMRC concludes that a claim should be against the Group (rather than the employment agencies) and that contractors were misclassified, the Group may be liable for additional tax and National Insurance contributions. At present, it is not considered probable that an outflow of resources will be required, therefore no provision has been included in the financial statements. If HMRC were to challenge, this could result in a material outflow, however the Group holds insurance cover that may mitigate any financial exposure arising from this matter to an immaterial level. The Group continues to engage with HMRC and will reassess the likelihood of a probable outflow based upon information available at each balance sheet date.

The Group is subject to other enquiries and examinations, requests for information, audits and investigations by HMRC. The Group cooperates in relation to these matters on an ongoing basis. Following the KKR acquisition and reflecting changes in the servicing arrangements, the Group's transfer pricing arrangements changed with effect from 30 September 2025. Transfer pricing is inherently judgemental and given its subjective nature, different parties may reasonably arrive at different conclusions regarding the appropriate arm's length pricing of arrangements. Management has considered this risk, including the potential for challenge by tax authorities, and has undertaken an assessment of the revised arrangements. Based on that assessment and external advice obtained, management believes that the revised transfer pricing arrangements reflect appropriate arm's length remuneration for the activities performed by the Group. At the present time, the Group does not expect the ultimate resolution of any HMRC enquiries to have a material adverse effect on the Group's financial position. However, in light of the uncertainties involved in such matters and the judgement involved, there can be no assurance that the outcome of a particular matter or matters will not be material to NewDay Group UK Limited's results, operations or cash flows for a particular period, depending on, among other things, the amount of the loss resulting from the matter(s) and the amount of profit otherwise reported for the reporting period.

Notes to the financial statements (continued)

24. Related party disclosures
Key management personnel
Key management personnel refers to the Executive Committee and the Non-Executive Directors of the Group. The Company employs the Group's Non-Executive Directors. The following table details the transactions with key management personnel during the year.

	Year ended 31 December 2025	Year ended 31 December 2024
Group	**£m**	**£m**
Short-term employee benefits	7.7	8.8
Long-term incentive plans	102.2	3.8
Company		
Short-term employee benefits	0.4	0.4
Long-term incentive plans	81.1	3.2

Prior to the KKR acquisition, certain key management personnel and senior employees held interests in Nemean Midco Limited and Nemean Topco Limited. The KKR acquisition resulted in the disposal of the majority of these interests. Through a series of transactions, key management personnel and certain senior employees exchanged their holdings of shares and debt securities issued by Nemean Midco Limited and Nemean Topco Limited for (i) shares in Nemean Midco Limited, (ii) a pro-rata share of the cash proceeds received following the KKR acquisition, and (iii) a pro-rata share of potential future cash proceeds payable in connection with the KKR acquisition dependent on the fulfilment of certain conditions. The value of the shares in Nemean Midco Limited and cash proceeds received by certain key management personnel as a result of the KKR acquisition for the year ended 31 December 2025 was, in aggregate, £102.2m. Certain key management personnel and senior employees reinvested a portion of the cash proceeds received in shares in Nemean Midco Limited and Solaris BidCo (Jersey) Limited – see note 5 for further details. Investments in participating interests were made at fair value.

Certain members of key management personnel hold credit agreements issued by the Group through normal consumer-facing business activities and products (e.g. an Aqua credit card). All transactions and balances on such agreements are subject to standard commercial interest rates on an arm's length basis.

Group
The Group receives servicing income from AssetCo in connection with the origination and servicing of the associated credit card portfolios. The total fees earned in the year were £365.7m (2024: £367.2m). As at 31 December 2025, the Group was due servicing fees from AssetCo amounting to £26.0m (31 December 2024: £34.3m).

Additionally, the Group had other amounts due from AssetCo amounting to £0.5m (31 December 2024: £226.9m) as at 31 December 2025. As part of the KKR acquisition, the loan due from NewDay Jersey (Group) Limited in relation to the Senior Secured Debt issued externally by NewDay BondCo Limited was fully repaid (31 December 2024: £216.1m). In 2025, interest and similar income on the loan amounted to £26.4m (2024: £30.4m).

As at 31 December 2025, the Group had balances of £20.1m (31 December 2024: £21.4m) due to AssetCo mainly in relation to restricted cash held on behalf of AssetCo arising from collections from its consumers.

As part of the KKR acquisition, the loan note due from NewDay UK Limited to NewDay Group (Jersey) Limited was fully settled (31 December 2024: £434.9m) via a £303.6m capital contribution and a share issuance of £109.4m. See note 16 for further details. In 2025, interest and similar expense on the loan amounted to £28.1m (2024: £43.8m).

Certain members of key management personnel are also directors of NewDay Group Limited (previously known as NewDay Group PLC). The Group paid for certain expenses on behalf of NewDay Group Limited and as such was owed these amounts. In 2025, the Group received £0.1m of cash to settle the outstanding balance.

Notes to the financial statements (continued)

24. Related party disclosures (continued)

Company

As at 31 December 2025, the Company reported a £1.4m liability (31 December 2024: £0.1m asset) due to NewDay Cards Ltd in respect of Non-Executive Directors personnel expenses. Additionally, the Company reported a £0.1m liability (31 December 2024: £0.1m liability) due to NewDay BondCo Limited for the investment in its subsidiary.

As part of the KKR acquisition, the following two transactions occurred.

- A loan previously issued by NewDay UK Limited to NewDay Group (Jersey) Limited was transferred to the Company. This was executed by NewDay UK Limited issuing shares with a value of £109.4m to the Company, being the value of the outstanding loan at that date. The loan was subsequently settled by the Company through a share issuance to NewDay Group (Jersey) Limited for £109.4m.
- The Company made a separate share issuance to Nemean Midco Limited totalling £15.4m with the cash being subsequently used to subscribe for additional shares in NewDay UK Limited.

Consolidated subsidiaries

The consolidated financial statements include the financial statements of the subsidiaries detailed below.

	Country of incorporation	Share class held as at 31 December 2025	% equity interest as at 31 December 2025	Share class held as at 31 December 2024	% equity interest as at 31 December 2024
NewDay BondCo Limited[3]	UK	Ordinary	100%	Ordinary	100%
NewDay UK Limited	UK	Ordinary	100%	Ordinary	100%
NewDay Holdings Ltd	UK	Ordinary	100%	Ordinary	100%
NewDay Intermediate Holdings Ltd	UK	Ordinary	100%	Ordinary	100%
NewDay Technology Ltd	UK	Ordinary	100%	Ordinary	100%
NewDay Cards Ltd	UK	Ordinary	100%	Ordinary	100%
NewDay Ltd	UK	Ordinary	100%	Ordinary	100%
NewDay Reserve Funding Ltd[4]	UK	Ordinary	100%	Ordinary	100%

The principal place of business for the subsidiaries listed above is the UK and their registered address is 7 Handyside Street, London, N1C 4DA.

Parent entities

The Company's immediate parent is Nemean Midco Limited and, as at 31 December 2025, this entity was also the ultimate parent undertaking. In February 2026, following KKR increasing its ownership to 50.1%, the ultimate parent undertaking changed to Solaris Holdco (Jersey) Limited, a company owned by funds managed by KKR. Both entities are private limited companies incorporated in Jersey.

As at 31 December 2025, the Group was jointly owned by Cinven, CVC and KKR. In September 2025, KKR acquired a minority stake of 9.9% in the Group and as such holds governance rights, including board representation, giving KKR significant influence over strategic and operational activities. In February 2026, KKR increased its ownership stake to 50.1% resulting in KKR being the majority owner of the Group. As part of the KKR acquisition, the Group entered into a multi-year origination and servicing agreement with AssetCo to sell the beneficial title of newly originated receivables in relation to the existing consumer credit receivables portfolios to AssetCo.

25. Post balance sheet events

In January 2026, the Company completed a capital reduction which resulted in share capital and share premium being reduced from £124,800,000 to £10 of share capital. The capital reduction was credited to retained earnings. On completion of the capital reduction, the Company declared and paid an £8.2m dividend to Nemean Midco Limited.

In February 2026, KKR increased its ownership stake in the Group resulting in KKR being the majority owner of the Group. See note 24 for further details.

In April 2026, the Group entered into a £20.0m revolving credit facility agreement with a three-year term.

[3] In February 2026, this entity was re-registered as a private limited company and changed its name from NewDay BondCo PLC.

[4] This entity was dormant in the current and prior year.