

11 August 2025



NewDay BondCo plc

Group results for the six months ended 30 June 2025

The information in this announcement concerns the consolidated financial results of NewDay Group (Jersey) Limited ("NewDay", together with its subsidiaries and subsidiary undertakings, the "Group") – a wholly owned subsidiary of Nemean TopCo Limited and indirect parent company of NewDay BondCo plc.

Highlights

- Underlying profit before tax of £107m, up 30% (H1 2024: £83m).
- Statutory profit before tax of £17m (H1 2024: £51m) includes an ECL accounting charge of £50m required by IFRS on initial recognition of the £834m Argos Financial Services (AFS) store card portfolio.
- AFS portfolio performing strongly following acquisition in February 2025, comprising of £834m of gross receivables and 2.2m customers.
- Underlying risk-adjusted margin increased to 10.4% (H1 2024: 10.2%) with underlying risk-adjusted income up 15% at £249m (H1 2024: £216m).
- Improved underlying cost-income ratio of 27.0% (H1 2024: 30.9%).
- Gross receivables of £5.2bn, up 21% (30 June 2024: £4.3bn). Interest-bearing balances increased 19% to £3.3bn (30 June 2024: £2.8bn).
- Free cashflow available for growth and debt service of £78m (H1 2024: £12m)¹.
- Cash balances held outside the securitisation structures of £144m, up 104% (30 June 2024: £70m).
- Repayment of £100m principal of Senior Secured Notes on 4 August 2025
- £1.9bn (30 June 2024: £1.4bn) of headroom from committed facilities, providing the Group with a stronger funding and liquidity position. Two asset-backed securities deals executed in 2025 completing refinancing requirements for the year.

1. In Q4 2024, the Group changed its methodology for calculating free cash flow available for growth and debt service to align it closer to the statutory cash flow statement and facilitate a better understanding of the Group's performance. Accordingly, the H1 2024 comparatives of impacted metrics have been re-presented for consistency.

Commenting on performance for the period, John Hourican, Group CEO said:

NewDay delivered a strong first half, with underlying profit before tax up 30% to £107 million. The AFS portfolio, acquired in February for £754 million, is performing well and adds £834 million of receivables and 2.2 million customers, bringing total receivables to £5.2 billion across 5.9 million customer accounts.

We saw continued improvement in key metrics, including a higher underlying risk-adjusted margin of 10.4%, lower underlying cost-income ratio of 27.0%, and strong free cash flow of £78 million allowing us to redeem £100m principal of Senior Secured Notes post-period end.

We also extended key partnerships with John Lewis & Partners and AO and strengthened our liquidity position with £1.9 billion of facility headroom.

With a resilient model and clear strategy, we're well positioned for sustainable growth through the rest of 2025.

Summary of financial performance⁽¹⁾

£m	Six months ended 30 June		
	2025	2024	Variance (%)
Interest income	618.8	533.8	16%
Cost of funds	(135.7)	(132.7)	(2%)
Net interest income	483.1	401.1	20%
Fee and commission income	40.1	32.1	25%
Net revenue	523.2	433.2	21%
Impairment losses on loans and advances to customers	(274.5)	(216.8)	(27%)
Underlying risk-adjusted income	248.7	216.4	15%
Servicing costs	(66.7)	(64.1)	(4%)
Change costs	(20.9)	(25.5)	18%
Marketing and partner payments	(19.4)	(13.2)	(47%)
Collection fees	15.0	11.6	29%
Contribution	156.7	125.2	25%
Salaries, benefits, and overheads	(49.5)	(42.6)	(16%)
Underlying profit before tax	107.2	82.6	30%
Add back: underlying depreciation and amortisation	6.7	5.7	18%
Adjusted EBITDA	113.9	88.3	29%
Corporate debt interest and related costs	(18.9)	(17.6)	(7%)
Impairment losses on loans and advances to customers arising on the initial recognition of the AFS portfolio	(49.7)	-	
Platform development costs	(19.7)	(5.7)	(246%)
Depreciation and amortisation including amortisation of intangible assets arising on the Acquisition	(8.8)	(13.8)	36%
Statutory profit before tax	16.8	51.2	(67%)

Selected alternative performance measures and operational metrics

	Six months ended 30 June		
	2025	2024	Variance (%)
Gross receivables (£m)	5,213	4,303	21%
Average gross receivables (£m)	4,805	4,262	13%
Net revenue margin (%)	21.8%	20.3%	
Impairment rate (%)	11.4%	10.2%	
Charge-off rate (%)	9.3%	9.4%	
Underlying risk-adjusted margin (%)	10.4%	10.2%	
Underlying cost-income ratio (%)	27.0%	30.9%	
Servicing costs margin (%)	2.8%	3.0%	
Total accounts (m) ⁽¹⁾	5.9	3.7	59%
New accounts (000s)	2,510	296	748%
Advance rate (%) ⁽²⁾	89.7%	89.3%	

Notes:

- (1) This announcement excludes the financial results of Pay4Later Limited (in liquidation "P4L") and its subsidiaries. Following a strategic review of the business model of P4L (formerly trading as Deko), certain of P4L's activities were transferred to NewDay Technology Ltd over the course of 2024 with P4L and its subsidiaries being placed into liquidation in October 2024.
- (2) Reflects FX hedged view, which has also adjusted the prior year comparator.

Enquiries

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Results presentation

A webcast for analysts and investors will be held at 10:30 am (UK Time) on 11 August 2025. For video / listen-only and to ask written questions, please access via:

[NewDay H1 2025 Results](#) | [SparkLive](#) | [LSEG](#)

If you wish to view the presentation and participate in Q&A with management, please access via Zoom, using the link below:

[Registration](#) | [NewDay H1 2025 Results](#)

The presentation can be found at <http://www.newday.co.uk/investors>

About NewDay

NewDay is a leading digital consumer credit business in the UK, providing technology-enabled, highly flexible and innovative products directly to consumers and via its merchant relationships. The Group's product offering includes credit cards and digital revolving credit, both incorporating BNPL and instalment finance functionality.

NewDay operates multiple Direct to Consumer products through well-known brands, such as Aqua, Fluid, Marbles and Bip – the UK's first digital-only credit "card".

NewDay also offers white-labelled credit cards and embedded finance products in partnership with well-known brands such as John Lewis & Partners, AO and Argos. The Group's underwriting capability and over 20 years of experience enable it to say "yes" responsibly to more customers in the UK, making NewDay a merchant partner of choice for leading brands.

NewDay has a clear purpose: to help people move forward with credit. The business provides over five million customers with responsible access to credit. NewDay's leading, highly scalable digital platform alongside its proprietary credit-decisioning capability, enables it to innovate continually within the UK consumer finance sector, to unlock competitive advantages and develop products that meet customers' and merchants' changing needs.