



Eclipse Topco Limited

Annual Report

For the year ended 31 December 2025



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1.

Financial and performance highlights

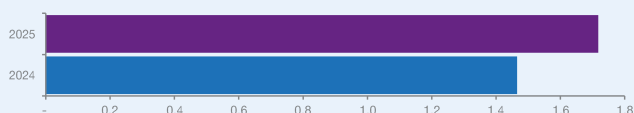
1.1 Financial and performance highlights

Financial highlights

£1.72bn

(2024: £1.47bn)

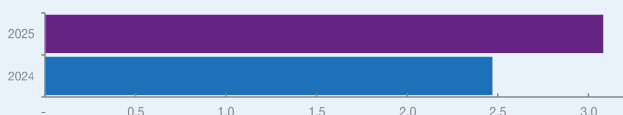
Originations



£3.08bn

(2024: £2.47bn)

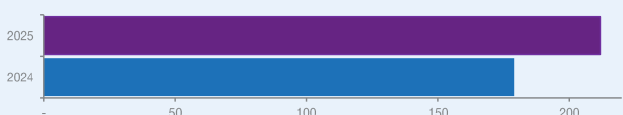
Assets under management



£211.9m

(2024: £179.1m)

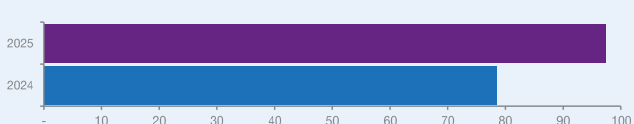
Revenue



£97.4m

(2024: £78.4m)

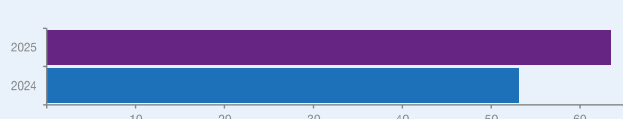
Net operating income



£63.4m

(2024: £53.1m)

Underlying EBITDA



Performance



Strategy - successful delivery of strategic aims, with growth in Residential AUM and successful launch of Commercial lending division.



Results - Record underlying EBITDA with continued growth in assets under management (AUM) across all products.



Pricing - Stable product margins and continued low arrears rates despite continued macro-economic stress.



Credit - Stable and conservative approach to credit reflected in very low credit losses suffered.



Service - Continued focus on service delivery and product innovation, delivering good value services and products across the property development lifecycle and with a product range to support our customers' needs.



Liquidity - Active and prudential management of liquidity (see Principal Risks and Uncertainties).



ESG - Ongoing development of ESG with the creation of a number of employee led forums to drive initiatives within the organization.

1.1 Financial and performance highlights (continued)

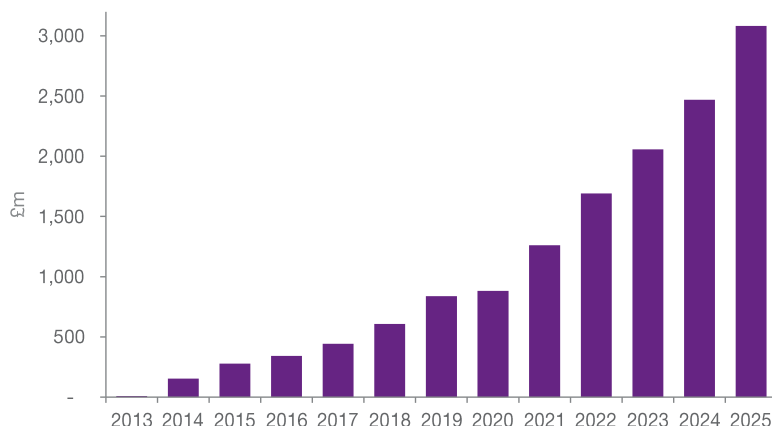
Assets under management

The Group's AUM grew by 24.8% (2024: 20.1%) to £3.08bn, reflecting continued strong momentum across Short Term and Term lending, both on and off-balance sheet.

This represents a further step-change in scale, with AUM having more than doubled since 2021, underlining the strength of the Group's diversified lending platform and consistent execution of its growth strategy.

Growth during 2025 was balanced across Short Term and Term lending, with a notable evolution in product mix. Term lending AUM increased by 29.2% to £1,889m, driven primarily by the continued scaling of the Residential mortgage proposition.

Overall, the AUM mix continues to develop in line with the Group's strategy, with an increasing proportion of longer-term, lower-margin mortgage products with recurring income, complementing the Group's established Short Term specialist lending capabilities.



	2023 £m	2024 £m	2025 £m
On-balance sheet			
Bridging loans	382	426	446
Development finance	160	145	249
Buy-to-let mortgages	491	630	791
Second charge mortgages	370	452	445
Residential mortgages	26	110	325
Commercial mortgages	-	-	16
Accounting adj [*]	(31)	(19)	(8)
Gross loans and advances to customers	1,398	1,744	2,264
Development finance - Undrawn limits	160	175	192
On-balance sheet AUM	1,558	1,919	2,456
Off-balance sheet			
Bridging loans	250	236	266
Buy-to-let mortgages	225	286	299
Development finance	13	17	14
Residential mortgages	3	3	17
Second charge mortgages	-	-	20
Gross loans and advances to customers	491	542	616
Development finance - Undrawn limits	8	9	10
Off-balance sheet AUM	499	551	626
Total AUM	2,057	2,470	3,082

* The accounting adjustment relates to acquisition adjustments required under IFRS, to reconcile to the financial statements.

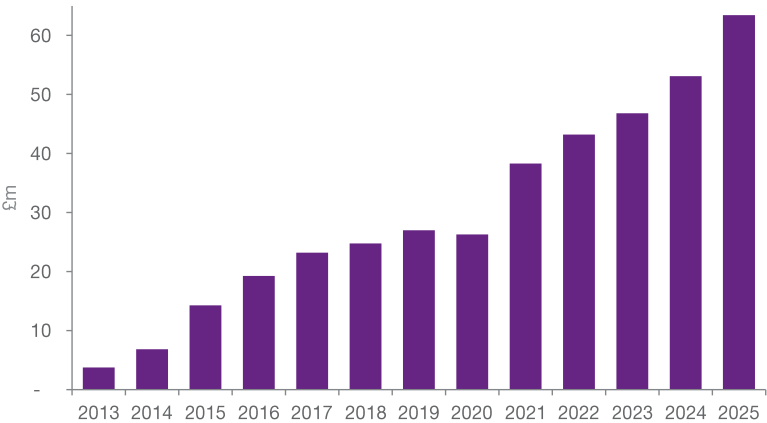
1.1 Financial and performance highlights (continued)

Underlying EBITDA

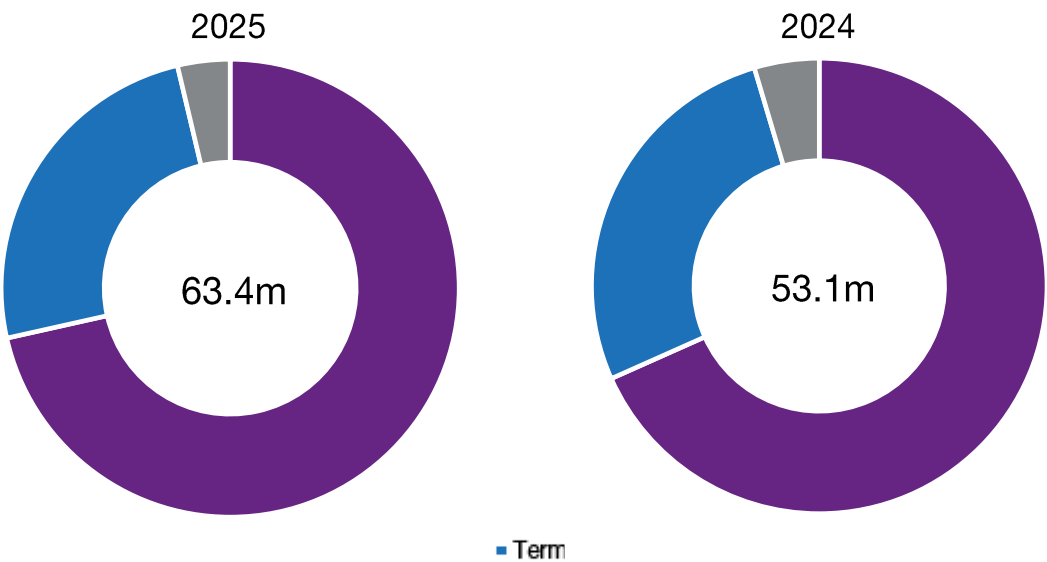
In step with the growth in AUM, the Group's underlying EBITDA has grown consistently over recent years, reaching a record £63.4m in 2025 (2024: £53.1m). This performance reflects the scaling of the loan book, stable margins and continued operating leverage.

Underlying EBITDA growth during the year was delivered across all lending divisions, reflecting a balanced and diversified earnings base. The strong contribution from Term lending, particularly Residential mortgages, supported earnings growth and enhanced the quality and predictability of income, consistent with the Group's strategy.

Short Term lending continued to generate strong absolute profits, supported by disciplined pricing, low credit losses and established broker relationships. The combination of Short Term, higher-margin products and longer-term, recurring income streams from Term lending continues to underpin resilient underlying EBITDA performance.



The underlying EBITDA profile therefore reflects strong growth over time across all divisions, supporting stable, recurring earnings from Term lending, while preserving the flexibility and returns associated with specialist Short Term lending.



2.

Strategic report



2.1 Chairperson's statement



I am delighted to report another year of growth, with both AUM and underlying earnings increasing, reflecting the continued execution of the Group's strategy and disciplined operating model.



The Group continues to demonstrate a resilient and profitable business model, underpinned by a diversified product range that supports customers across multiple points in the property lifecycle. Our specialist and nimble approach, combined with a well-established and diversified funding platform, provides both operational flexibility and resilience through varying market conditions.

The Group's strategy includes the scaling of Term lending origination through a combination of product strategy and service excellence, delivered by strong sales distribution relationships. Investment made during 2024 to enhance our Residential mortgage proposition has translated into strong momentum during 2025, with Residential AUM increasing by £229m to £342m, reflecting growing recognition of the proposition by brokers and customers.

In 2025 we launched our latest product, term Commercial mortgages. This launch represents a natural extension of the Group's existing Short Term commercial lending capabilities and is aligned with our strategy of expanding into adjacent product areas where we can deploy our underwriting expertise and service-led approach. The Commercial mortgage market is a growing market and remains underserved by the current providers, and early performance following launch has been encouraging.



2.1 Chairperson's statement (continued)

Our diversified offering, and deep understanding of customer needs, continues to underpin our specialist proposition and is supported by a stable and experienced management team and a robust and resilient financing strategy.

The Group continues to take a proactive stance to liquidity, ensuring that financing remains diversified with significant liquidity reserves maintained. During the year, we further enhanced the diversity, capacity and tenor of our funding, which included the extension of two facilities, two new warehouse facilities to support our Term and Commercial lending propositions, and two public securitisations.

During the year, we continued to strengthen and diversify our Executive Management team with the appointment of a new Regional Director in Manchester who is also leading our Commercial proposition. We also invested in our People Team with the appointment of a new Chief People Officer to support the continuous development and engagement of our employees.

We have thriving Employee Forums covering Colleagues, Charity, Equality, diversity, and inclusivity (EDI), and Environment, who are responsible for leading initiatives across the Group. Our annual awards ceremony is linked to Enra values and rewards those employees that have been chosen by their peer group as representative of those values. We continue to support ESG and charitable activities, both through time-off to employees to support charitable activities, monetary contributions and initiatives to support local foodbanks.

The Group enters 2026 well positioned for continued growth, supported by a disciplined approach to credit, pricing and liquidity, and a continued focus on delivering excellent customer outcomes. Subsequent to the year end, macro-economic conditions have deteriorated with volatility in interest rate swaps, as a direct result of the war in the Middle East. The Group remains alert to these conditions at the same time as continuing to serve those customers requiring finance solutions.

I would like to thank all our stakeholders, customers, suppliers, and employees, alongside the executive team, for all their contribution to another successful year.

30 April 2026





2.2 Chief Executive Officer's review



Enra delivered another record year across origination, AUM and EBITDA, with underlying EBITDA increasing 19.4% to £63.4m (2024: £53.1m). This performance reflects the continued execution of our strategy, focused on disciplined growth across a diversified product suite, delivered through specialist expertise, prudent underwriting and service-led distribution.



Assets under management increased by 24.8% to £3.08bn (2024: £2.47bn). Growth was balanced across Short Term and Term lending, with particularly strong momentum in Residential mortgages following investment in product design, systems and distribution during 2024.

Origination in our Term mortgages increased by 26.4% to £0.67bn (2024: £0.53bn), with particularly pleasing growth in our Residential mortgages. Residential originations benefitted from improved process efficiency, enhanced broker engagement and a scalable operating platform. Short Term lending origination in the year grew 9.6% to £1.03bn (2024: £0.94bn). Within Short Term lending, Development Finance origination had a lower growth rate as professional developers remain cautious in a still challenging outlook for both valuation levels and transaction volumes, but the Group continued to support developers by offering both construction finance and bridging finance post completion of developments. Credit discipline remained unchanged, with underwriting standards maintained throughout the cycle.

The Group also launched its term Commercial mortgage proposition. While still in its early stages, early performance has been encouraging and is consistent with our strategy of extending into adjacent product areas where we can deploy existing expertise and relationships. The proposition builds on our established Short Term commercial lending capabilities and addresses an underserved segment of professional investors and owner-occupiers.

A core element of the Group's strategy is to grow both our short-term and term lending propositions, reflecting the breadth of customer needs we serve across the property lifecycle. Alongside this, the Group intends over time to increase the proportion of term lending within the overall product mix, driven by the continued scaling of Residential mortgages and the expansion into Commercial mortgages.



63.4m
Underlying
EBITDA



3.08bn
AUM



1.72bn
Origination



285
Employees



14,500
Customers

2.2 Chief Executive Officer's review

Short-Term lending, remains a central contributor to the Group's performance, delivering attractive risk-adjusted returns, strong customer engagement and repeat business. In parallel, the growing contribution from longer-dated term lending products enhances earnings quality and balance-sheet resilience. Together, this balanced approach supports sustainable growth while preserving flexibility across market cycles.

Maintaining a diversified, long-dated and cost-effective funding platform remains a strategic priority. The Group has expanded the quantum, diversification and duration of its financing arrangements during the year, reducing the cost of finance in the process. At the year end the Group had facilities of £3.7bn across 15 independent funding arrangements. During the year funding activities included extending the duration of two facilities, agreeing two new facilities supporting Term and Commercial lending products, and executed two public securitisations, which were two of the leading transitions in the UK RMBS market.

The Group's approach to credit remained rigorous throughout the year, reflected in continued low levels of arrears and defaults. Despite an ongoing challenging macro-economic environment, only 0.88% of customers were in arrears at the end of the year (2024: 0.78%). Actual realised credit losses remained immaterial, and our servicing teams continue to engage proactively with customers requiring support, tailoring solutions to individual circumstances and regulatory expectations.

Continued investment in proprietary technology remains a core strategic enabler for the Group. In 2024 the Board approved a significant investment to create a new origination technology platform, which will deliver a modern e-commerce journey and direct API-integration options for our intermediaries, together with a new rules engine supported credit environment for our underwriting teams. The new platform is designed to incorporate a range of third-party data sources to reduce keying time for brokers and increase the use of data and analytics, which in turn will reduce time taken on administrative and validation tasks for underwriting staff. The system makes use of the latest technology best-practices, incorporating a cloud-native architecture, infrastructure-as-code, an API-centric loosely coupled service design, and limited use of AI. During 2025 the development progressed in line with plan, the broker portal journey was completed in Q1 2026 and has been delivered into testing, and the project platform is on track for live launch in H2 2026. Ultimately the new system will provide a firm foundation for future growth by delivering a scalable, robust technology platform enabling a better customer experience for intermediaries, a highly controlled credit environment with greater risk oversight, and cost-efficient workflow automation. As volumes continue to grow, this investment is expected to deliver operating leverage, supporting margin resilience while maintaining strong governance and risk oversight.

Employees remain central to our success. During 2025, we invested further in our people capability with the appointment of a Chief People Officer, reinforcing our focus on colleague engagement, training and development. Colleague engagement remained strong, and internal development opportunities continued to support talent retention and succession. During the year, 17% of colleagues progressed through internal development opportunities (2024: 14%), supporting continuity and capability building across the Group. To support growth in northern regions we opened a new office in Manchester which is led by a new Regional Director with over 30 years' experience in specialist mortgages. This investment enhances regional coverage and provides dedicated leadership for the Group's Commercial proposition.

Delivering good customer outcomes and operating responsibly remain embedded within the Group's strategy. The ongoing integration of Consumer Duty standards, together with continued progress across our ESG priorities, supports sustainable growth and reinforces the long-term resilience of the franchise. Management views these areas as fundamental to maintaining trust with customers, regulators, funding partners and investors.

The recent escalation in hostilities between the United States and Iran, which has resulted in large-scale military strikes across the region, has increased global geopolitical uncertainty. Although the Group has no direct exposure to the affected regions, there are secondary impacts on UK macroeconomic conditions, including higher and more volatile interest rates and the potential for higher inflation. Management are confident that our diversified product mix, resilient funding platform and experienced team will ensure that the Group remains well positioned to continue growing both in its established propositions and its newer products.

Looking ahead, management remain focused on delivering disciplined, risk-adjusted growth, prioritising segments where the Group can deploy its underwriting expertise and funding advantage most effectively. In the near term, this includes the continued scaling of Term, particularly Residential, and Commercial Lending, while preserving the flexibility and margin contribution of our Short-Term lending propositions. Capital efficiency, funding diversity and credit discipline will remain central to decision-making as the business continues to evolve in scale and mix. Continued investment in technology, people and governance will support scalability, regulatory compliance and consistent customer outcomes.

30 April 2026



2.3 Strategic management

Principal Activities

The principal activity of the Company is that of a holding company.

The Group's trading operations are undertaken via its wholly owned subsidiary, Enra Specialist Finance Limited, and its subsidiaries ("Enra Specialist Finance" or "Enra" or "Enra Group"). The Enra Group is a vertically integrated specialist finance business, engaged in the origination, distribution, funding and servicing of property-backed lending products, alongside asset management and advisory services.

Our vision, mission and values

Our vision is to be the UK's leading provider & distributor of specialist finance. Our mission is to provide reliable, well-designed specialist finance solutions to property investors, developers, landlords and homeowners, delivered with consistency, expertise and strong customer outcomes.

Our values are represented by CREDIT; Customers, Results, Energy, Development, Invent, Teamwork. These values underpin decision-making across the Group, including product design, credit appetite, colleague development and customer servicing.

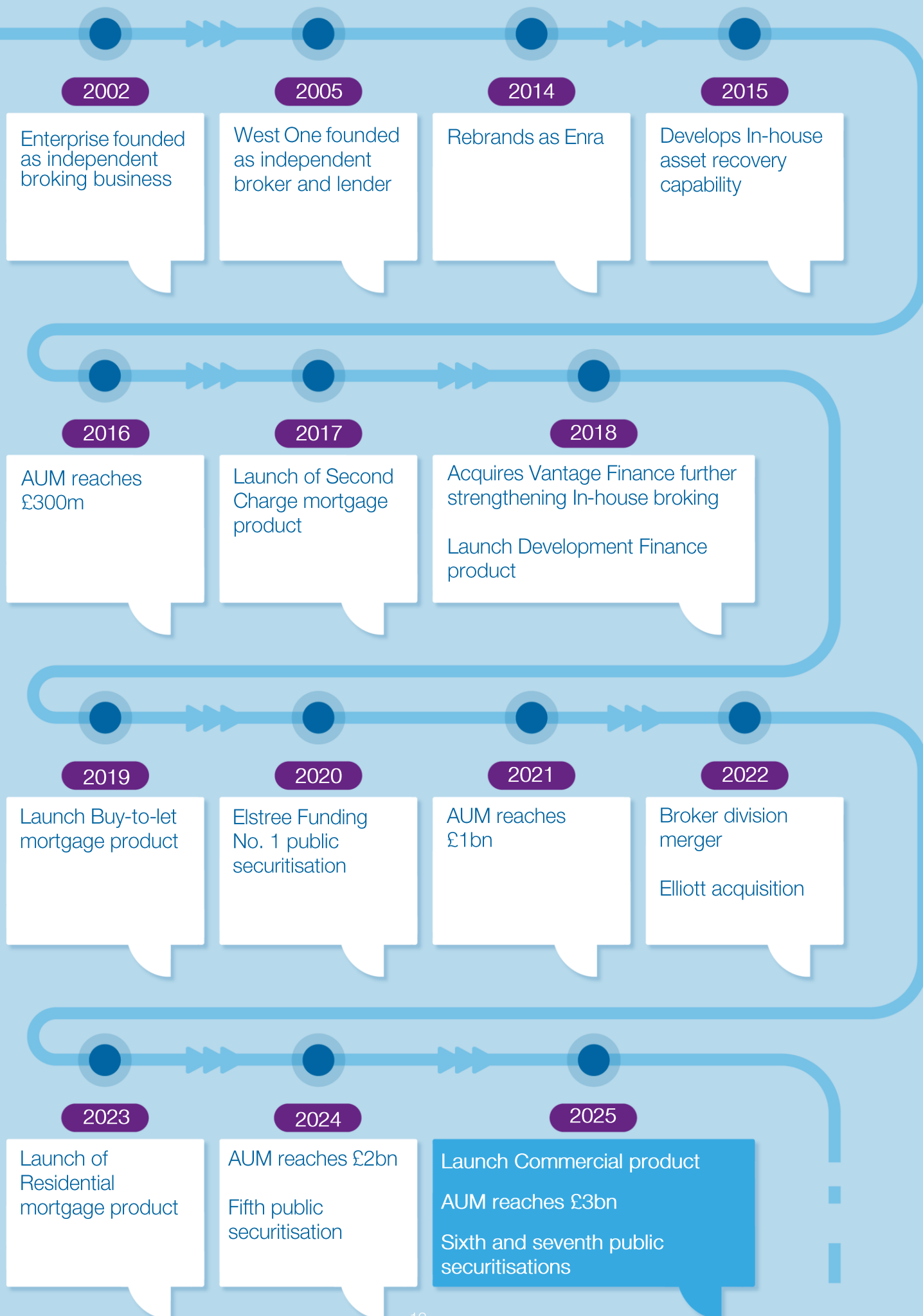
Business model and strategy

The Group's strategic objective is to be the UK's leading non-bank specialist finance platform, characterised by resilient earnings, disciplined risk management and high-quality customer outcomes.

This is delivered by strengthening our core positions in existing specialist lending markets, while selectively extending into adjacent product areas where the Group can deploy established underwriting expertise, distribution capability and servicing infrastructure. The strategy is designed to generate high-quality earnings through a balanced mix of Short Term, higher-margin products and longer duration Term lending that provides recurring income and funding efficiency.

The Group has created a vertically integrated business model, developed progressively over more than two decades, enabling full value-chain capture and seamless customer journey.

Group timeline



2.3 Strategic management (continued)

Business model and strategy (continued)

Lending

The lending brand, West One, targets segments in which it has detailed product expertise and, in particular, where it can provide an end-to-end solution to customers, including progression across complementary products over the property lifecycle. This approach allows the Group to re-assess risk at multiple points in the lending lifecycle and capture income across origination, funding and servicing activities, while maintaining consistent credit standards. It offers customers the benefit of an in-house exit option, for performing borrowers, generating a high proportion of repeat borrowers. Alongside property professionals West One also offers specialist solutions to retail customers who are underserved by the mainstream banks.

Lending is split between:

- Short Term lending, comprising Bridging and Development Finance
- Term lending, comprising Buy-to-let, Second Charge and Residential mortgages
- Commercial lending, providing term Commercial mortgages.

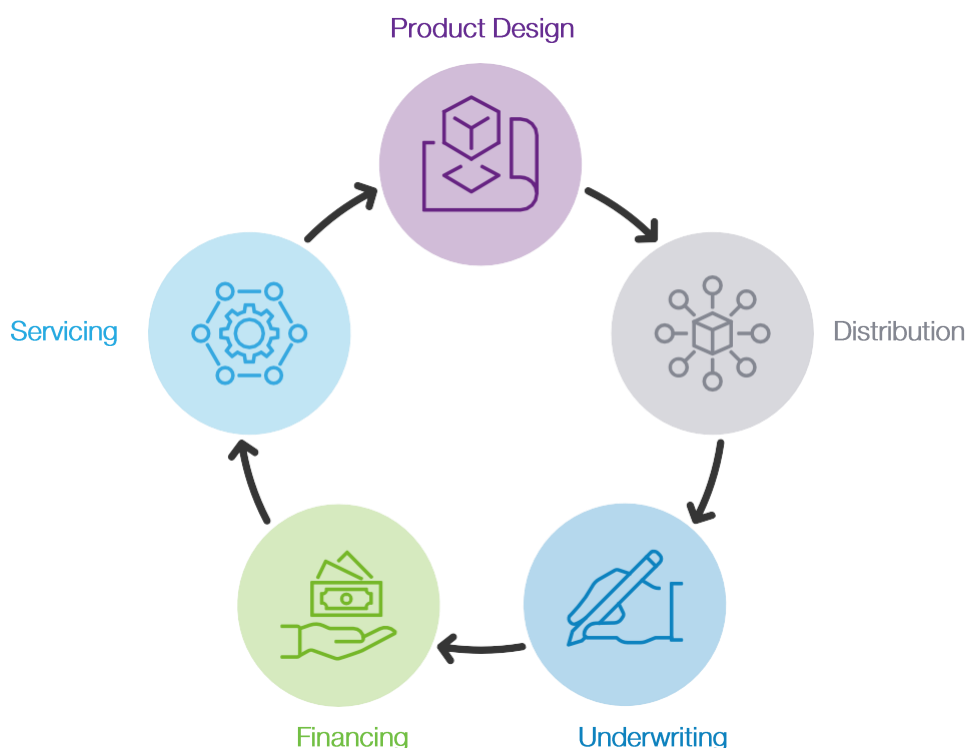
Lending is undertaken both on-balance sheet and off-balance sheet, reflecting customer requirements, funding strategy and return objectives. Off-balance sheet lending is executed via the Group's investor base for Short Term lending and via forward flow arrangements for Term lending. This structure enables efficient use of capital, diversification of funding sources and fee income generation, while maintaining consistent underwriting standards.

Broking

The Group's broking brand, Aria Finance, provides advisory and packaging services to brokers, other intermediaries & direct to the consumer, operating within both the mainstream and specialist mortgage market. The broking platform is strategically important to the Group, supporting distribution, market insight and customer access, while strengthening relationships with funders and lending partners.

Vertically integrated in-house model

The Group operates via a vertically integrated business model enabling full value-chain capture across product design, distribution, underwriting and servicing and funding.



2.3 Strategic management (continued)

Business model and strategy (continued)

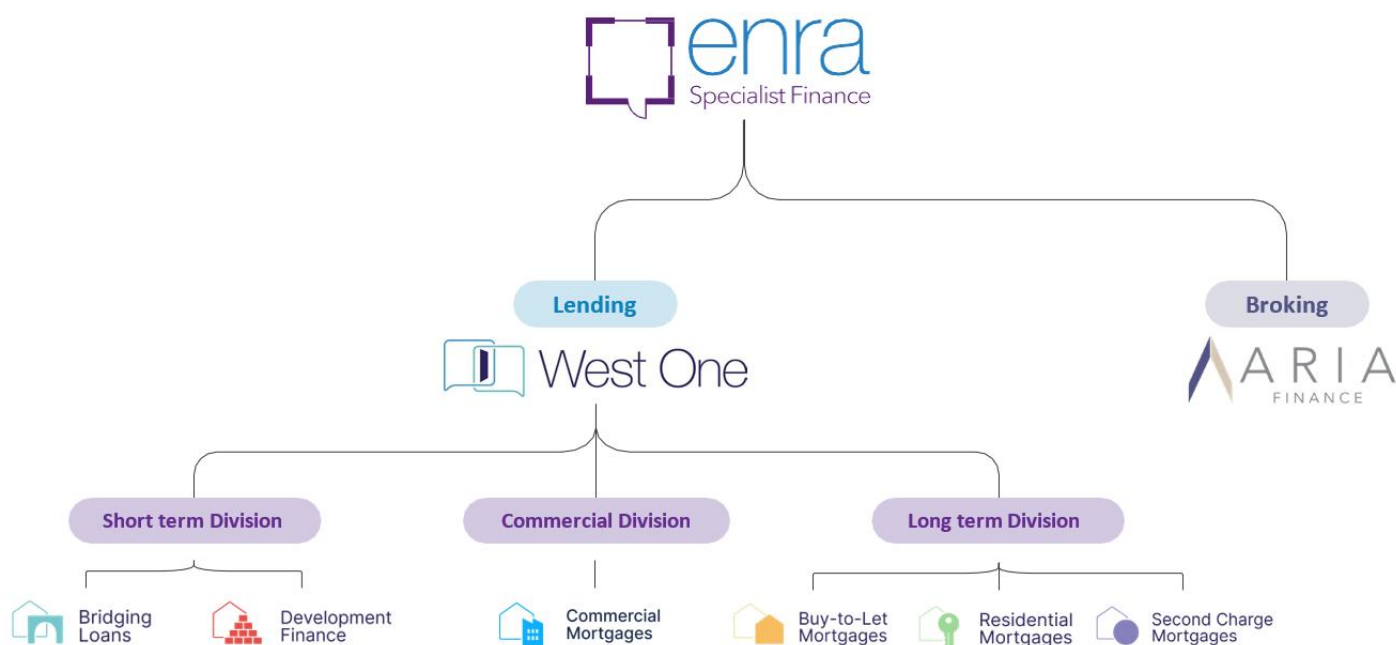
Vertically integrated in-house model (continued)

Core lending, underwriting and servicing capabilities are undertaken in-house, allowing feedback from portfolio performance to inform product design, pricing and underwriting discipline. This structure supports consistent risk management, regulatory compliance and tailored servicing for customers with more complex needs.

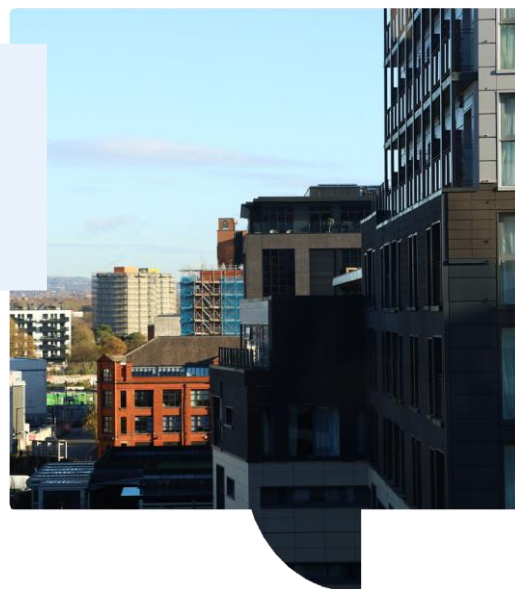
Overlaying the strategy is continued investment into people, processes, and infrastructure to achieve a scalable, secure, and compliant operating platform. This investment supports controlled growth, operational resilience and sustainable development for customers, colleagues and suppliers.

Core brands

The Group's subsidiaries operate under the following brands:



Enra Specialist Finance is a leading provider, distributor and manager of specialist loans in the UK.



Our Brands

Lending



West One

West One is a multi-product specialist lender. As one of the UK's leading specialist lenders, West One is renowned for offering one of the most comprehensive and competitive lending portfolios in the UK offering funding for Development Finance, Bridging loans, Commercial mortgages, Buy-to-let, and Residential mortgages (first and second charge). The multi-award-winning team have a wealth of experience and are committed to working with brokers to create funding solutions for even the most complex cases.



Broking

ARIA
FINANCE

Aria Finance is a specialist distributor of a wide range of commercial and residential property finance products, renowned for supplying excellent service and creative, flexible solutions for its clients. Working with a range of lenders the Aria team combines years of experience, and deep expertise to cut through complexity and secure access to specialist finance through a service you can trust.



2.4 Review of the year

Business review

Overview

The Group delivered a resilient and disciplined trading performance in 2025, achieving growth across lending and broking while continuing to invest in people, systems and distribution. Assets under management (“AUM”) increased 24.8% to £3.08bn, supported by originations of £1.72bn and disciplined pricing across products. Growth was balanced between Short Term and Term lending, with increased contribution from Residential mortgages following investment in 2024.

Underlying EBITDA rose 19.4% to a record £63.4m, while net operating income increased to £97.4m. The Group reported a profit before tax of £1.0m, reflecting strong underlying operating performance before shareholder financing costs, consistent with the Group’s capital structure.

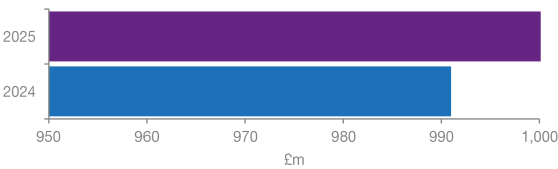
Operating environment

Specialist mortgage markets remained active during 2025 despite elevated interest rates and subdued transaction volumes in certain segments of the property market. The Group’s diversified product suite, service-led distribution model, and prudent credit discipline supported continued momentum, with growth in both Short Term and Term lending, with early traction in Commercial mortgages following late-year launch.

Divisional performance

Short Term lending (Bridging and Development Finance)

The Short Term division services retail customers using bridging finance for traditional purposes such as chain breaks and property refurbishment, and professional property investors who value bespoke structuring and rapid execution.

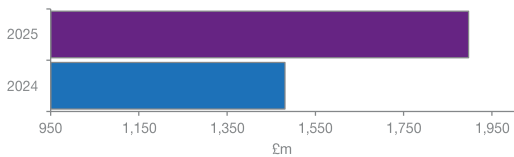


Short Term lending performed resiliently during the year, benefiting from fast decisioning, experienced underwriters and established intermediary relationships. During the year, the Group aligned Bridging and Development Finance under unified leadership, enhancing consistency across underwriting, origination and servicing.

Short Term AUM increased 16.8% to £1,177m, with development finance origination growing more modestly as professional developers remained selective in a challenging macro-economic environment. Credit quality remained strong, with no relaxation of underwriting standards.

Term lending (Buy-to-let, Second charge and Residential)

All Residential lending is secured against customers’ homes with the primary purposes being purchases, remortgages, home improvements and debt consolidation.

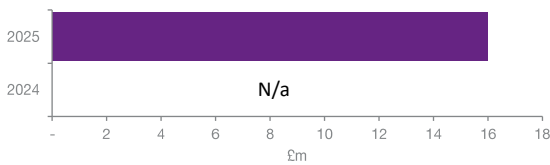


The Residential first-charge proposition scaled in line with expectations following the investment in product capability, systems and distribution during 2024, across both originations and AUM. Term AUM increased 29.2% to £1,889m, with Buy-to-Let steady despite a challenging fiscal environment for landlords and greater emphasis on refinancing. Second charge remained selective and disciplined. Across the division, pricing discipline and underwriting standards remained consistent, with arrears and defaults stable and low.

Commercial lending

The Group launched its term Commercial lending proposition in late 2025, extending our adjacency to Short Term commercial lending.

While still in its early stages, initial performance has been encouraging, supported by our relationship-led underwriting approach and seamless integration with Short Term lending, The market remains structurally underserved by mainstream lenders, aligning with the Group’s specialist proposition.



2.4 Review of the year (continued)

Business review (continued)

Divisional performance (continued)

Broking Division (Aria Finance)

Aria Finance continued to grow packaged volumes and delivered specialist advice across complex residential and commercial cases.

The broking platform provides a valuable service to both customers seeking a more bespoke or specialist product and to brokers requiring expert packaging services. It also provides strategic insight into the wider market, providing intelligence that helps to develop the lending proposition.

Credit quality

Credit performance remained consistently strong. Actual realised losses were £0.3m (2024: £0.2m). The Group's impairment allowance stood at £6.9m (2024: £4.7m), equating to a stable expected credit loss ("ECL") coverage ratio of 0.3% (2024: 0.3%).

Arrears and defaults remained low across all portfolios, reflecting disciplined underwriting, proactive servicing and resilient collateral positions.

Funding, liquidity and interest rate management

A key strategic objective is to maintain diversified financing with long duration. In line with this strategy, during 2025 the Group expanded and extended two financing facilities, entered into two new term warehouse facilities, and executed two public securitisations during the year.

Treasury continued to manage interest rate risk through hedging of fixed-rate mortgage exposures, supporting margin stability. The Group maintained significant excess liquidity throughout the year, supporting ongoing loan book growth and operational resilience.

People, systems and operating platform

The Group opened a new office in Manchester to strengthen regional coverage and support growth in Commercial mortgages. A new People Director was appointed to reinforce focus on colleague engagement, development and retention.

Technology investment accelerated during the year, including continued development of the in-house origination platform and enhanced data capabilities, supporting scalability, operational efficiency and regulatory compliance.

2.4 Review of the year (continued)

Financial review

Financial performance

The Group successfully navigated a more competitive environment during 2025, delivering growth across both Short Term and Term lending while maintaining disciplined margin management. Net interest margin remained stable at 4.1% (2024: 4.1%) reflecting disciplined product pricing, active interest rate risk management and a consistent approach to funding and hedging, despite continued investment in new products, people and systems.

Revenue increased 18.3% to £211.9m (2024: £179.1m), driven primarily by loan book growth and increased interest income.

Underlying EBITDA reached record levels in 2025 at £63.4m (2024: £53.1m). Profit before taxation was £1.0m (2024: loss of £10.7m), after deducting finance costs, including the interest expense on shareholder loan notes of £35.5m (2024: £34.0m) and preference shares of £5.8m (2024: £5.3m).

The cost-to-income ratio improved to 33.8% (2024: 34.6%), reflecting operating leverage as revenue growth outpaced cost increases, discipline despite investment in the new Commercial mortgage product and technology.

	2025 £m	2024 £m
Interest income	183.2	155.5
Interest expense (excluding finance costs)	(100.8)	(92.0)
Net interest income	82.4	63.5
Net fees and other income	18.5	16.5
Impairment loss expense on financial assets	(3.5)	(1.6)
Net operating income	97.4	78.4
Administration expenses, amortization and depreciation	(32.9)	(27.1)
Operating profit	64.5	51.3
Amortization of acquired customer relationships and exceptional expenses	(12.2)	(13.9)
Finance costs	(51.3)	(48.1)
Profit/(loss) before taxation	1.0	(10.7)

The key performance indicators in relation to the Group's financial performance are:

	2025	2024
Revenue	211.9	179.1
Net interest margin (%)	4.1%	4.1%
EBITDA (£m)	66.1	53.1
Underlying EBITDA (£m)	63.4	53.1
Cost to income ratio (%)	33.8%	34.6%
Cost of risk (%)	0.18%	0.10%

The Alternative performance measures appendix sets out how these performance measures are calculated.



Enra performed strongly during 2025 with underlying EBITDA up 19.4% on 2024.

2.4 Review of the year (continued)

Financial review (continued)

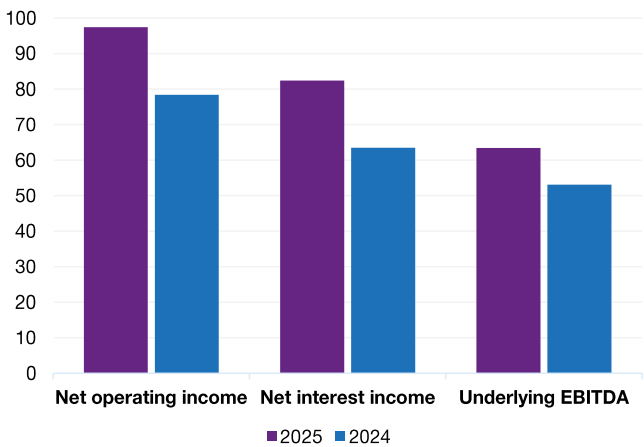
Financial performance (continued)

Net operating income

Net operating income increased to £97.4m (2024: £78.4m), reflecting the continued growth in interest and fee-earning assets, disciplined pricing and stable funding costs.

Net interest margin remained within strategic targets across individual products, although the increasing proportion of lower-margin Term lending continues to exert downward pressure at the Group level, consistent with strategic expectations.

Underlying EBITDA is stated after an investment of £0.9m in the launch of our Commercial mortgage product (2024: investment in Residential mortgage product £1.7m). These investments are expensed as incurred and are expected to support future earnings growth as the propositions scale.



Consistent and steady growth in Group's net interest income, net operating income and underlying EBITDA, with continued investment in new products to support strategic ambitions of diversified

Administrative expenses

Administrative expenses increased in line with business growth and continued investment in people, systems and new products. Cost discipline remains an operational priority, with targeted investment designed to support scalable growth whilst maintaining a stable cost-to-income ratio at 33.8% (2024: 34.6%).

Underlying EBITDA

Underlying EBITDA reached record levels in 2025 at £63.4m (2024: £53.1m). EBITDA growth reflects increased net interest income, disciplined operating costs and continued low credit losses.

Profit/(loss) before taxation

Profit before taxation improved to £1.0m (2024: loss of £10.7m) primarily reflecting higher underlying EBITDA, partially offset by finance costs, including the non-cash paid interest expense on shareholder loan notes of £35.5m (2024: £34.0m) and preference shares of £5.8m (2024: £5.3m). Excluding interest on shareholder debt and preference shares the profit before taxation increased 47.9% to £42.3m (2024 £28.6m).

2.4 Review of the year (continued)

Financial review (continued)

Financial position

The results for the year are summarised below:

	2025 £m	2024 £m
Cash	129.1	121.0
Derivative financial assets	7.0	26.0
Loans and advances to customers	2,244.5	1,723.7
Fixed and other assets	56.9	80.7
Goodwill and intangible assets	197.0	207.1
Total assets	2,634.5	2,158.5
Derivative financial liabilities	2.4	-
Other liabilities and deferred tax liability	32.5	32.7
Borrowings	2,603.5	2,114.9
Preference shares	55.1	49.3
Total liabilities	2,693.5	2,196.9
Total equity	(59.0)	(38.4)
Total equity and liabilities	2,634.5	2,158.5

The key performance indicators in relation to the Group's financial position are:

	2025	2024
Originations (£bn)	1.72	1.47
Assets under management (£bn)	3.08	2.47
Gross loans and advances to customers (£m)	2,263.9	1,743.8
Gross loans and advances to customers growth (%)	29.8	24.7
Weighted average indexed LTV (%)	65.3	64.0
Shareholder funds (£m)	264.2	328.5

The Alternative performance measures appendix sets out how these performance measures are calculated.

Loans and advances to customers and impairment provisions

Gross loans and advances to customers increased by 29.8% in 2025 (2024: 24.7%) to £2,263.9m, reflecting strong origination activity across both Short Term and Term lending. Loans managed off-balance sheet grew by 13.7% (2024: 10.4%) to £0.63bn (2024: £0.55bn), supporting capital efficiency while maintaining consistent underwriting standards.

The Group continues to take a disciplined approach to growth, focusing upon growth only where both risk and economic returns meet its hurdle rates. Actual realised credit losses remained low at £0.3m (2024: £0.2m) reflecting disciplined underwriting, proactive servicing and strong collateral performance. The Group recognised impairment allowances of £6.9m at December 2025 (December 2024: £4.7m), equating to an expected credit loss coverage ratio of 0.3% (2024: 0.3%), which remained stable year on year despite loan book growth.

Borrowings

The Group's borrowings increased to £2.6bn (2024: £2.1bn), reflecting the expansion of the loan book and increased utilisation of warehouse and securitisation funding. Funding diversification and maturity profile continued to strengthen during the year.

2.4 Review of the year (continued)

Financial review (continued)

Financial position (continued)

Cash and cash flow

The Group maintained appropriate liquidity headroom to support ongoing growth and operational resilience. Capitalised investment in internally developed software increased to £2.8m (2024: £2.3m), reflecting accelerated delivery of the in-house origination platform and supporting infrastructure.

Equity and shareholder funds

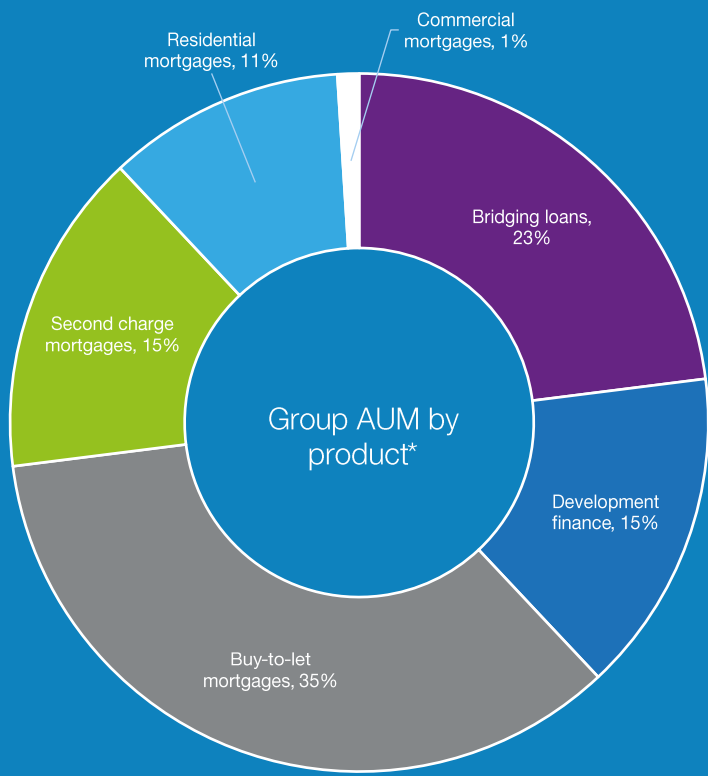
On the balance sheet date, the Group's liabilities exceeded its assets by £59.0m (2024: £38.4m). The Group has significant finance in place from shareholders, in the form of shareholder loan notes and accrued interest totaling £268.1m (2024: £317.6m), and preference shares of £55.1m (2024: £49.3m), which are not repayable until 2030. Shareholder funds, defined as equity together with shareholder loan notes and preference shares (including interest accrued), decreased by £64.3m during the year to £264.2m (2024: £328.5m). This reduction reflects the Group's continued generation of surplus capital, which enabled the repayment of £85.0m of shareholder loan notes during the year. No dividends were paid or proposed in respect of the period.



2.4 Review of the year (continued)

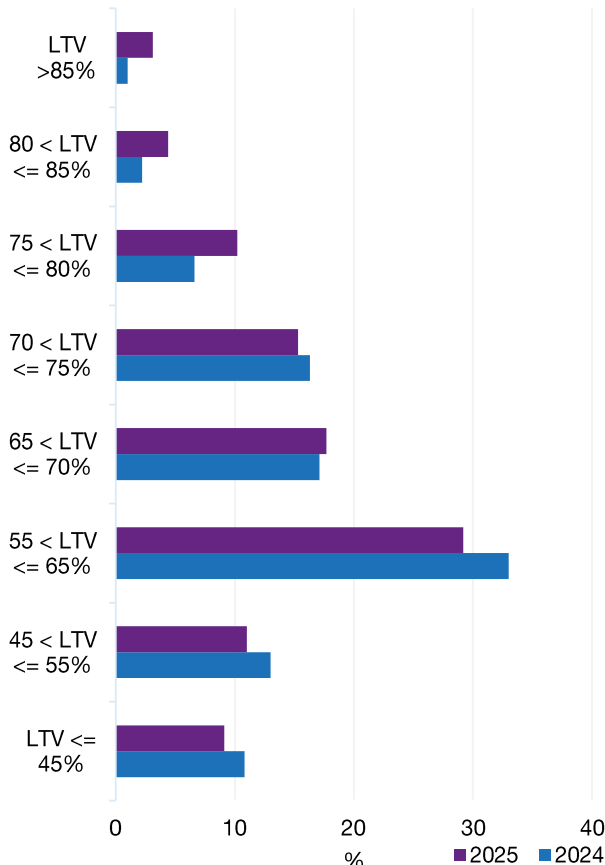
Increasing Loan Pool Diversification

Strategy to diversify participation into longer duration Term and Commercial mortgage products developing in line with plan.



*Includes off-balance sheet

On-balance sheet lending: Controlled LTV levels together with focus on affordability limited credit losses to £0.3m (2024: £0.2m).





Close attention to credit is at the heart of our underwriting

Over **82%** of lending has an LTV <=75%



2.4 Review of the year (continued)

Outlook

The Group enters 2026 from a position of financial and operational strength, supported by continued momentum in originations and AUM and a disciplined approach to pricing, credit and liquidity management.

Over the medium term, specialist mortgage markets are likely to remain resilient, driven by ongoing demand from property investors, refinancers and homeowners underserved by mainstream lenders. In this environment, the Group will continue to prioritise sustainable risk-adjusted returns, maintaining its methodical approach to product pricing and underwriting, and competing through expertise, service quality and portfolio diversification, rather than price alone.

Growth in Term Lending, and the newly launched Commercial division is expected to contribute increasingly to the Group's earnings and AUM mix, as the investments made over 2024 and 2025 in product development, people and distribution mature. The Residential mortgage proposition continues to scale, supporting deeper penetration of owner-occupier and specialist borrowing segments while maintaining conservative credit standards.

The Group will also maintain a strong focus on management of liquidity following the extension of warehouse capacity and duration during 2025. Ongoing management of liquidity, interest rate risk and minimum product pricing, underpinned by oversight from ALCo, will remain central to supporting growth while protecting margins and balance-sheet resilience.

Investments in technology, systems and data capabilities, including the in-house origination platform and enhancements to servicing infrastructure, will continue to be progressed in a controlled manner, supporting improved scalability, operational efficiency, enhanced data insight and consistent customer outcomes. Continued investment in people and capability development will further support sustainable growth and operational resilience.

The Group continues to monitor macro-economic and geopolitical developments, including the recent escalation in hostilities between the United States and Iran, which may influence funding markets, interest rates and customer behaviour, and incorporates stress assumptions within its planning and risk management processes. The immediate impact is more volatile and higher interest rates, which have the potential, if sustained, to impact customer requirements for finance. However the Group benefits from a diversified product set and has experience successfully navigating similar environments whilst continuing to grow.

While recognising the potential for macro-economic volatility, the Group remains confident in its ability to adapt through disciplined risk management, a diversified funding platform, and an experienced management team.

2.5 Environment, social and corporate governance

Overview of ESG Governance

Environmental, Social, and Governance (ESG) principles remain embedded within the Group's operations, and we remain committed to serving the interests of our broader stakeholder community, including our employees, our customers, and the environment. Our continuing commitment to ESG reflects our dedication to responsible business practices, transparency, and ethical governance.

The Board has overall responsibility for ESG, with the Chief Operating Officer the individual responsible for the ESG strategy and its operation through 2025. The Group recruited a Chief People Officer midway through 2025 who will assume responsibility for ESG matters from 2026 onwards.

During 2025 our individual ESG sub-committees covering Diversity, Charity, Environment, and Colleague Engagement have delivered a range of activities under the guidance of our ESG committee. The sub-committees continue to drive broad engagement with the ESG agenda across all levels of the Group with colleagues directly involved in planning and delivering ESG activities.

ESG strategy

The Group's ESG Strategy continues to focus on five distinct pillars:



2.5 Environment, social and corporate governance (continued)

ESG strategy (continued)

Our corporate values continue to be represented through the “CREDIT” value framework.



Customers

Our values deliberately place primary emphasis on Customers, and the Group continues to seek competitive advantage through delivering a higher level of service than our competitors to ensure our customers can access well-designed financial products that offer fair value, as well as appropriate support throughout the origination and servicing lifecycle. As planned, Throughout 2025 we delivered continuous improvements to Consumer Duty management information – which is transmitted to relevant governance committees in line with our governance framework, and we expect further work on this through 2026 as we continue to refine our approach in this area. We continue also to pay close attention to customers exhibiting signs of vulnerability with bespoke training delivered to our colleagues in the Servicing department.

The volume of complaints, and their root-cause themes, continue to be a useful barometer of the quality of the Group’s customer interactions. During 2025 we experienced a slight uptick in overall complaints volume. Part of this is attributable to growth in the absolute number of customers we serve, however we also saw the complaints per 1,000 increase slightly from 10.5 (2024) to 14.8 (2025). Whilst a very small increase, it is still a trend we aim to arrest quickly. Analysis has already been conducted into root-causes, and a notable driver was operational constraints within the broader mortgage journey, and in particular our conveyancing partners, which arose due to the rapid growth in our Residential mortgage proposition. We have taken measures to address capacity constraints and we would hope complaints will moderate over 2026. More encouragingly we continue to see very low rates of referral of complaints to the FOS, and particularly low rates of referred complaints being upheld, the upheld rate fell from 25.0% (2024) to 16.7% (2025). We continue to seek customer feedback proactively across all business lines through the Feefo platform with scores remaining in line with last year. We have also increased our reactive engagement with customers leaving reviews across a range of other internet channels to ensure that we are recognizing feedback across as broad a spectrum as possible and acting upon it to improve our business.

Colleagues

The ESG Strategy continues to place great emphasis on colleague attraction, engagement, training & development, and retention. Testament to this is the investments made in our People Team in 2025 with the addition of both a Chief People Officer (CPO) to lead the team as well as an internal recruitment resource to give us more direct control over our resource pipeline to power further growth. The CPO has a number of strategic objectives across the employee lifecycle in 2026, but the key focus is on reducing recruitment timelines and costs, improving colleague engagement and retention, and developing a more structured training framework for the firm. Colleague engagement across the Group remains high with positive responses in the annual survey and an engagement score broadly in line with previous years (77% in 2025 vs. 78% in 2024).

We remain committed to building and maintaining a diverse workforce We are signatories to the Women-in-Finance charter and remain committed to reducing the gender pay gap further through retaining female colleagues in the upper quartiles of the group and recruiting when turnover permits. Over the last five years our gender pay gap has reduced steadily from 34% (2020) down to 25% (2025). Our ethnic diversity remains ahead of the local area, at year-end 2025 40% of our colleagues were non-white versus 29% in the Watford area (2021 census). The Remuneration Committee monitor both diversity and gender pay as part of the annual review process.

2.5 Environment, social and corporate governance (continued)

ESG strategy (continued)

Community

The Group's Charity Committee has grown in scope through 2025 with additional charity partners added, the introduction of a dedicated additional volunteering day to our benefits package to enable colleagues to deliver value in the community, and continuing support for our main charity partners (Motor Neurone Disease Association and Spread a Smile).

As in previous years our colleagues have attended Spread a Smile events as helpers, packed Easter Eggs, wrapped Christmas presents and involved themselves in a range of other good causes. We have also continued to work closely with local suppliers throughout the year, deepening relationships with a local foodbank combining donations of leftover food from catering events, with proactive donations of necessary goods from colleagues. We remain committed to generating a positive impact on our local community with a series of further initiatives planned for 2026.

Environment

Product

As part of the Group's responsible lending practices, climate-related factors are incorporated into the underwriting process alongside traditional credit, valuation and collateral assessments. The underwriting teams consider environmental risks that may affect the long-term viability, value and resilience of the secured property, including exposure to flood zones, coastal erosion, severe weather patterns and other climate-related impacts. These factors form part of the Group's broader risk assessment framework and are integrated into the decision-making process to ensure that lending decisions remain prudent, sustainable and aligned with the Group's long-term risk appetite. This reflects the Board's recognition of climate risk as one of several emerging risks considered within the overall risk management framework.

Operating environment

In 2025 the Group's has continued to reduce its carbon footprint through working closely with the landlord of our head-office building in Watford. We remain committed to exploring opportunities for further improvements although we are nearing the limits of what is possible to refine within the context of a simple, UK-domiciled, office-based organisation. The next ESOS audit, planned in 2026, will provide further direction on possible avenues for improvement.

In 2025 the Group also expanded into Manchester with an 8-desk serviced office rental in Q3 2025. This is excluded from the ESG statistics below given its small scale, the short exposure through the year, and the lack of data available in a serviced-office context. In 2026 we expect to expand our footprint in Manchester and this will be accounted for in the forthcoming ESOS audit as well as SECR reporting from 2026 onwards.

Progress continues to be positive with our overall energy consumption trending downwards despite an increase in employees over the course of 2025. Our TCO2e metric has fallen again both in absolute terms and as measured by the intensity ratio (total emissions per FTE).

As the table below shows, we reduced emissions in the year. This was primarily driven a reduction in electricity consumption through a concerted campaign to power down the office overnight, aided by a shift to laptop computers for all colleagues resulting in no computers left in the office. Grey fleet emissions increased slightly due to an increase in sales headcount, we intend to monitor this ongoing and explore the feasibility of an electric fleet solution.

2.5 Environment, social and corporate governance (continued)

ESG strategy (continued)

ESG measurements

Methodology and assumptions

The Group has taken guidance from the UK Government Environmental Reporting Guidelines (March 2019), the GHG Reporting Protocol - Corporate Standard, and from the UK Government GHG Conversion Factors for Company Reporting document for calculating carbon emissions. Energy usage information (gas and electricity) has been obtained directly from our energy suppliers and half-hourly (HH) data, where applicable, for the HH supplies (there was no estimation profiling required). Transport mileage data was obtained from expense claims submitted for the grey fleet. CO₂e emissions were calculated using the appropriate emission factors from the UK Government GHG conversion information.

Results

Environment	Units	2021	2022	2023	2024	2025	YoY variance
Carbon Emission							
Gross Total Emissions (TCO ₂ e)	Tonnes CO ₂ e	169	140	114	108	107	-1
Scope 1	Tonnes CO ₂ e	10	36	20	20	23	3
Scope 2	Tonnes CO ₂ e	101	39	37	26	22	-4
Scope 3	Tonnes CO ₂ e	58	65	57	62	62	0
Offset	Tonnes CO ₂ e	-	-	-	-	-	-
Net Total Emissions (TCO₂e)	Tonnes CO₂e	169	140	114	108	107	-1
Net Total FTE Intensity Ratio	Number	0.91	0.68	0.56	0.43	0.36	-0.07
Energy							
Energy Consumption (GWh)	GWh	0.73	0.63	0.52	0.49	0.51	0.02
Energy Consumption / FTE (kWh)	GWh	4.50	3.03	2.56	2.00	1.69	-0.31
Social	Units	2021	2022	2023	2024	2025	YoY variance
Colleagues - Engagement & Attraction							
# Average FTE Count in Year	Number	161	196	206	247	282	35
% Colleague Engagement Score	Percentage	82.0%	78.0%	78.0%	78.4%	77.0%	-1.4%
% Voluntary Turnover	Percentage	22.4%	25.2%	23.8%	13.2%	23.0%	9.8%
% Absence through sickness	Percentage	1.0%	1.3%	1.2%	1.2%	1.4%	0.2%
Colleagues - DE&I							
% Women on SMT	Percentage	27.3%	27.3%	30.4%	26.9%	29.2%	2.3%
% Non-White on SMT	Percentage	11.1%	9.1%	8.7%	7.7%	8.3%	0.6%
% Female of Top Quartile	Percentage	23.9%	18.9%	21.6%	23.9%	23.3%	-0.6%
% Minority Ethnic of Top Quartile	Percentage	21.7%	19.2%	23.5%	33.8%	31.5%	-2.3%
% Mean Avg. Gender Pay Gap	Percentage	33.7%	35.3%	35.9%	27.2%	25.5%	-1.7%
% Mean Avg. Minority Ethnic Pay Gap	Percentage	19.7%	16.9%	12.8%	18.6%	18.7%	0.1%
Customers							
Lender Complaints / 1000 customers	Number	8.7	7.5	8.2	10.5	14.8	4.3
Received FOS complaints	Number	-	7	11	8	12	4
Upheld and partially upheld FOS complaints	Number	1	0	3	2	2	0
FOS upheld and partially upheld rate	%	11.1%	0.0%	27.3%	25.0%	16.7%	-8.3%
Feefo Score	Number	4.8	4.4	4.9	4.8	4.8	-0.05

2.6 Section 172(1) statement

The directors of the Company present this statement in accordance with Section 172(1) of the Companies Act 2006, which sets out the duty of directors to promote the success of the Company for the benefit of its members as a whole. In doing so, the directors must have regard to a broad range of stakeholder, environmental and governance considerations. This statement explains how the directors have discharged those duties during the year ended 31 December 2025.

Promoting the long-term success of the Group

The long-term success of the Group underpins all Board decisions. The directors continued to focus on building a sustainable, diversified business. Key long-term developments during the year included the launch of the Group's Commercial division, ongoing growth in assets under management, particularly in Residential lending, and continued investment in internal technology platforms and scalable processes.

Strategic discussions held throughout the year considered projected financial performance, funding diversification, credit risk, capital requirements and operational resilience in order to ensure that decisions taken were aligned to the long-term interests of the business.

Engagement with employees

The directors recognise the significant contribution of colleagues to the success of the Group. During 2025, the Group strengthened its people leadership structure through the appointment of a new Chief People Officer and continued to invest in training, development and internal mobility opportunities. Employee engagement remained high, supported by the Group's values and various employee-led committees covering colleague engagement, diversity and inclusion, charity and environmental initiatives. The Board received regular updates on culture, talent development, workforce insights and Consumer Duty training to ensure that people-related decisions reflected the interests and well-being of employees.

Fostering relationships with customers, suppliers and other stakeholders

Maintaining strong, transparent relationships with customers, suppliers, funding partners and other stakeholders remained a priority during the year. Customer outcomes continued to be monitored through enhanced Consumer Duty reporting, complaint analysis and product governance oversight. The Group recorded a low Financial Ombudsman Service uphold rate and maintained strong customer satisfaction. Engagement with suppliers and partners, including technology providers, conveyancers and brokers, was supported through regular performance reviews and third-party risk management. The Group also strengthened relationships with lenders and funding counterparties through two successful public securitisations and increased warehouse capacity, ensuring diversified and sustainable funding.

Considering the impact on the community and the environment

The directors consider the wider societal and environmental impact of the Group's activities. During the year, the Group expanded its charitable initiatives through employee volunteering and long-term partnerships with charitable organisations.

Environmental management continued to focus on reducing energy consumption, promoting responsible use of office space and preparing for the next ESOS audit. Despite increased headcount, the Group achieved reductions in key environmental metrics, reflecting ongoing commitment to operational efficiency and sustainability.

Maintaining a reputation for high standards of business conduct

High standards of business conduct remain central to the Group's strategy and governance. The Group operated within a robust governance framework supported by the three lines of defence model, with oversight from the Board, Audit and Risk Committee and a range of specialist management committees. The directors oversaw the maintenance of strong credit discipline, with very low credit losses, and ensured that all lending, servicing and product governance frameworks remained aligned to regulatory expectations, including the Financial Conduct Authority's Consumer Duty. Regular compliance monitoring, horizon scanning and risk assessment supported the Group's reputation for responsible and transparent business practices.

2.6 Section 172(1) statement (continued)

Acting fairly between members of the company

The directors are committed to ensuring fair treatment of all shareholders. Decisions relating to capital structure, funding and investment were taken with consideration for their implications across all classes of shareholder. During the year, the Group repaid £85 million of shareholder loan notes with lower cost long term debt, improving the long-term capital position. No dividends were declared, reflecting the Board's prudent assessment of economic conditions and the Group's strategic funding priorities. The Board continues to ensure that all shareholders receive clear reporting and fair consideration in the decision-making process.

Integration of Section 172 duties into board governance

Section 172 considerations form an integral part of Board governance. Board agendas include regular reviews of stakeholder matters, employee insights, customer outcomes, funding and liquidity, risk management and ESG developments. Significant decisions taken during the year included the investment in technology, expansion of funding facilities, launch of new lending products and enhancements to risk and compliance frameworks. In each case, the Board assessed long-term implications and stakeholder impacts to ensure full alignment with statutory duties.

The directors believe that the actions taken throughout 2025 demonstrate their commitment to promoting the long-term sustainable success of the Company and to acting responsibly, transparently and with regard for the interests of all stakeholders.

This Section 172(1) statement forms part of the Strategic Report and was approved by the Board of Directors on 30 April 2026.

Approval of strategic report

This strategic report was approved by the Board and signed on its behalf.



Ms. E Gestetner
Director
30 April 2026

3.

Risk management

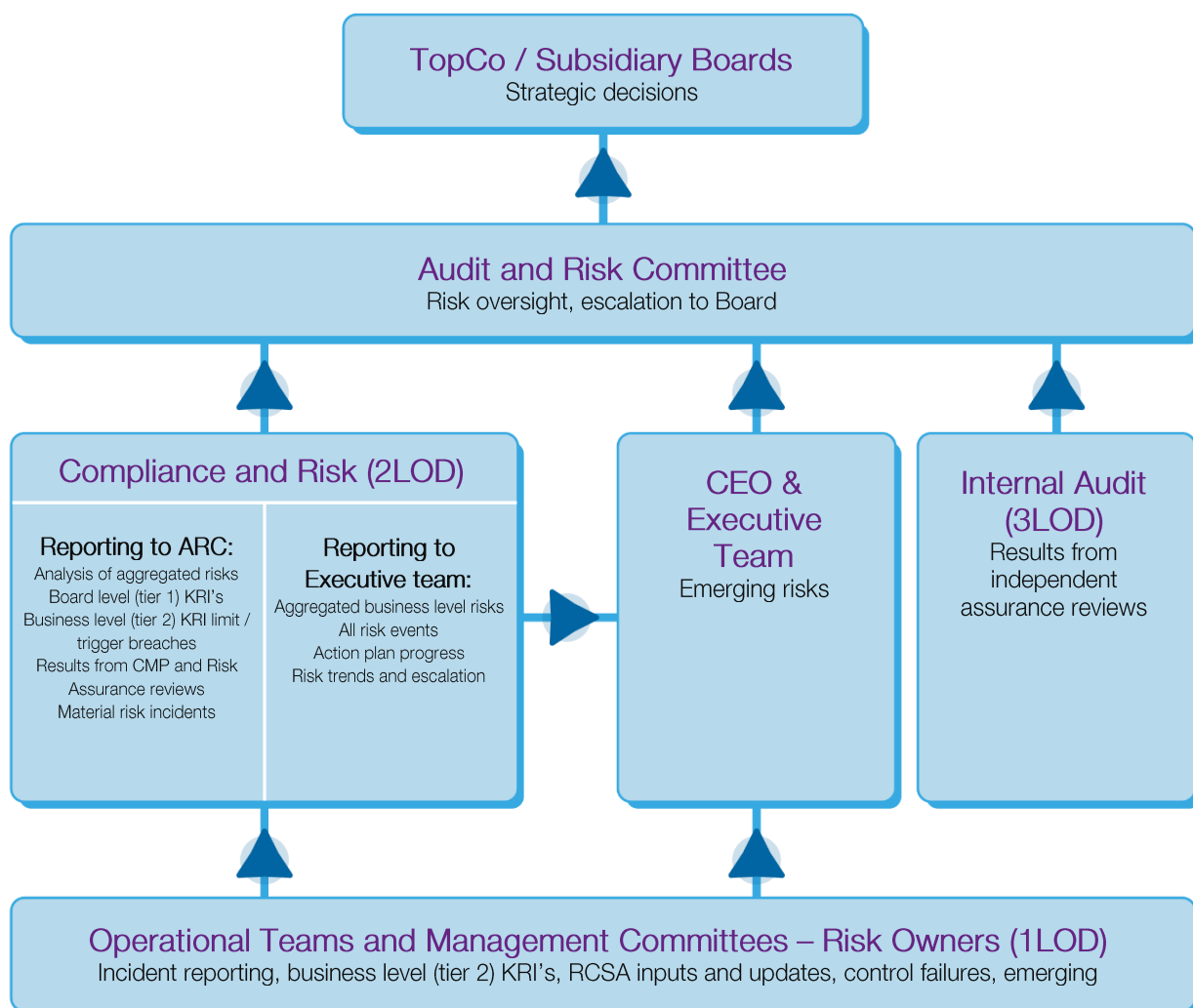
3.1 Risk Management Overview

Approach to risk management

In delivering its strategy, Enra faces a range of risks arising from its activities and operating environment. These risks are managed through an enterprise wide risk management framework that supports the identification, assessment, mitigation, oversight and reporting of risk across the business. The framework is proportionate to the size, complexity, and nature of Enra's operations and is designed to adapt to changes in market conditions and the wider external environment. It establishes clear structures, responsibilities, and governance arrangements to ensure risks are managed in a consistent, transparent, and effective manner.

Risk governance

Enra operates a risk governance framework aligned to its size and strategic priorities, based on the three lines of defence model. Risk ownership resides within the business, supported by second line independent oversight from the Compliance and Risk function, third line independent oversight from the internal audit function and strong leadership from the Board. This structure promotes transparency, accountability, and informed risk-taking.



3.1 Risk Management Overview

Risk Management Principles

Enra's approach to risk management is underpinned by a set of clear principles that guide how we identify, assess, manage, and monitor risks across the business, these are summarised below:

- We operate within a clearly defined risk appetite, which is embedded within our processes and aligned with our strategic objectives. This ensures that risk management supports effective decision-making while enabling the business to pursue its goals in a controlled and sustainable manner.
- We apply a structured and systematic approach to risk management, ensuring that risks are identified, assessed, managed, and monitored consistently across the organisation. Our framework is proportionate and tailored to our culture, and to the nature, scale, and complexity of our operations.
- Our risk management processes are inclusive and involve relevant stakeholders, ensuring that material risks are appropriately considered in decision-making. We recognise that risk management is a dynamic and iterative process and adapt our approach in response to changes in the internal and external environment, emerging risks, and areas of uncertainty.
- We make risk management decisions using the best available information, while acknowledging that uncertainty is inherent in business activities.
- We recognise that effective risk management depends significantly on the behaviours and actions of our people. We promote a strong risk-aware culture that emphasises ethical conduct, transparency, and open communication, supported by appropriate training, clear accountability, and adaptability.
- We are committed to the continuous improvement of our risk management framework through ongoing monitoring, learning from experience, and the enhancement of our processes over time.

Risk culture

Enra believes that a strong risk culture is one in which the behaviours and actions of our people are aligned with our strategy, values, policies, and procedures, and where risks are taken in an informed, responsible, and proportionate manner. Enra fosters a strong and effective risk culture across the business through the following:

- **Leadership Commitment:** Our senior management demonstrates a clear commitment to effective risk management and promotes a positive and proactive approach to risk, while ensuring compliance with all applicable laws, regulations, and internal standards.
- **Openness and Transparency:** We promote openness and transparency in the identification, escalation, and reporting of risks, incidents, and near-misses. We encourage risk reporting without fear of blame, with a focus on learning from events and preventing recurrence.
- **Training and Development:** We are committed to ensuring that individuals responsible for managing risks are appropriately trained and equipped with the knowledge and tools required to identify, assess, manage, and mitigate risks effectively. This includes initial training for new risk owners and annual refresher training to maintain awareness of current risk management practices and regulatory expectations.
- **Risk Ownership and Accountability:** We empower risk owners to take accountability for the risks within their areas of responsibility, including through risk and control self-assessments, which enhance risk awareness and strengthen ownership of controls.
- **Appropriate Risk-Taking:** Appropriate risk-taking is recognised through our performance and appraisal processes, ensuring that our core values are embedded within our approach to risk management.
- **Values and Conduct:** Our values and code of conduct underpin our culture and support alignment between performance, risk, and reward, helping to ensure that good customer outcomes are consistently delivered.

Risk appetite

Enra recognises that the acceptance of risk is an inherent part of conducting business and is necessary to support the delivery of its strategic objectives. Our risk appetite sets out the nature and level of risk that we are prepared to accept, manage, or avoid in the pursuit of those objectives.

3.1 Risk Management Overview

Risk appetite (continued)

Risk appetite is articulated through formal Risk Appetite Statements for each principal risk. These statements define the purpose and relevance of the risk, describe key exposures, and set out the appetite, limits, and tolerances within which the business operates. They also summarise the key controls and governance arrangements in place to manage each risk.

Risk appetite is expressed using a combination of qualitative indicators, such as risk posture descriptors, and quantitative measures, including defined thresholds and limits. Responsibility for the oversight of risk appetite sits with the boards of each subsidiary, typically through their Audit and Risk Committees, with Group-level oversight applied where appropriate.

Risk appetite is reviewed on a regular basis to ensure it remains appropriate in light of changing market conditions, strategic developments, and Enra's evolving risk capacity.

Risk universe and taxonomy

Enra is exposed to a range of risks in pursuit of its objectives. These risks are captured within the Group's risk universe, which is structured across two levels. All level 1 and level 2 risks are clearly defined to ensure a consistent approach to risk identification, assessment, and management across the business. Risk appetite is specifically set for principal risks (level 1).

3.2 Principal Risks and Uncertainties

Principal risks are those that could have the greatest impact on Enra's ability to achieve its strategic objectives and maintain operational resilience. These risks are subject to ongoing monitoring, are overseen at a senior level, and are managed through robust mitigation strategies applied across the business. The principal risk categories set out below have been identified as part of Enra's Enterprise Risk Management framework. They are clearly defined to promote a shared understanding and consistent approach to risk management across the organisation.

Strategic risk

Strategic risk is the risk of failing to achieve objectives that affect the long-term interests of stakeholders, or an inability to adapt to the external environment. This includes ensuring that the proposition, products, and services remain relevant, embedding appropriate governance, prioritising change, and managing external partnerships effectively. agreed description.

Exposures

Enra is exposed to a range of risks that could affect its ability to achieve its strategic objectives. These include the potential for ineffective or inefficient implementation of the agreed strategy, misalignment in business planning that could result in a loss of corporate direction, and shortcomings in the application of the Enterprise Risk Management framework, including risk mitigation, allocation of responsibilities, and the three lines of defence model. The business also recognises the risk of not meeting the expectations of current or future investors and stakeholders, the impact of increased competition or disruptive market entrants on its competitive advantage and distributor relationships, and reputational risks arising in one part of the business that could affect the wider Group. Additional risks include unforeseen market, operational, regulatory, or financial challenges and insufficient strategic resource planning.

Risk Mitigating and monitoring

Enra mitigates strategic risk through a structured and proactive approach to planning, monitoring, and governance. This includes an annual strategy day and a five-year budgeting cycle, which together provide a framework for setting long-term objectives and allocating resources effectively. In addition, the Board reviews the Group's performance and market developments on a monthly basis, with Product Managing Directors invited to present updates at least annually, ensuring that the Board is fully informed of business performance and market trends.

The business also maintains a formal succession plan, which is regularly reviewed and monitored by the Board to ensure continuity of leadership and the ongoing capability to deliver its strategic objectives. These processes collectively support informed decision-making, reinforce corporate direction, and help Enra manage potential threats to its long-term success.

Credit risk

Credit risk is the risk that borrowers are unable or unwilling to meet their financial obligations in accordance with agreed terms.

Exposures

The firm is exposed to a broad range of credit risks across its underwriting, and portfolio management functions. These risks stem from the possibility that borrowers may be unable or unwilling to meet their financial obligations in accordance with agreed terms, leading to financial loss and possible operational disruption, and reputational harm.

Maintaining high credit quality is essential to support the Group's financing objectives. A decline in credit performance may impair the firm's ability to access capital markets, resulting in increased funding costs, reduced liquidity, and difficulty securing future financing. Additionally, deteriorating credit quality can lead to higher regulatory capital requirements, further constraining the firm's financial flexibility. Effective credit risk management is therefore critical to sustaining financial resilience and funding capacity.

The recent escalation of conflict between the United States and Iran has increased global economic and market volatility, particularly through higher energy prices, supply-chain disruption and reduced GDP growth expectations in major economies. These conditions heighten credit risk by weakening borrower affordability, while broader financial markets have shown increased stress and declining confidence following the outbreak of the conflict. Although the Group has no direct exposure to the region, the potential indirect impact on UK borrowers, through higher inflation and interest rates, increased operating costs and tighter financial conditions, is monitored within the Group's credit risk assessment and stress-testing processes. See note 29 for additional details.

3.2 Principal Risks and Uncertainties

Credit risk (continued)

Risk Mitigating and monitoring

Enra undertakes a comprehensive range of actions to manage and mitigate credit risk across its lending activities. Key measures include regular loan book performance reviews, responsible lending policies and procedures which consider affordability, loan to value and repayment strategies across all product groups, and the use of stress testing and scenario analysis to estimate potential impairment losses.

The firm applies a robust governance framework, including mandate structures, concentration limits on on-balance-sheet exposures, and a Credit Committee. Operational safeguards include anti-fraud systems, insurance coverage, and ongoing monitoring of surveyor reports to assess construction risk.

Enra also ensures strong expertise and oversight within its lending processes, through staff training, a verified panel of valuers and internal valuation oversight. Additional controls include key risk indicators (KRIs), quality assurance reviews within the first line of defence, and independent re-underwrite audits.

These measures collectively provide a structured, multi-layered approach to credit risk management, ensuring risks are identified, monitored, and mitigated in line with the Enra's credit risk appetite.

Liquidity risk

Liquidity risk is the risk that the firm does not have sufficient financial resources to meet its commitments as they fall due or is unable to fund operations or its business growth aspirations or can do so only at excessive cost.

Exposures

The firm is exposed to significant liquidity risks across various areas of its business, including funding operations, managing cash flow, and maintaining financial flexibility. These risks arise from potential imbalances between liquid assets and liabilities, challenges in maintaining sufficient liquidity to support ongoing lending activities, operational expenses, and repayment obligations. The firm's exposure also includes reliance on timely access to affordable and diversified funding sources, as well as the need for robust planning and liquidity risk management to ensure the continued availability of funding under both normal and stressed conditions.

The Group manages its cash and borrowing to meet its working capital requirements, maximise interest income and minimise interest expense as effectively as possible. Debt facilities are maintained to facilitate the growth of the Group's loan book. See note 29 for additional details.

Risk Mitigating and monitoring

Liquidity risk is managed in line with the firm's Liquidity Risk Policy, which sets out key principles, limits, and governance for maintaining adequate liquidity. Oversight is provided by the Asset and Liability Committee (ALCo) and Audit and Risk Committee (ARC), which regularly reviews liquidity positions, forecasts, funding plans, and stress testing results to ensure alignment with risk appetite and business strategy. Controls set out in the liquidity policy include liquidity buffers, forecasting, diversification of funding sources, stress testing and contingency planning to ensure resilience under normal and stressed conditions.

3.2 Principal Risks and Uncertainties

Interest rate risk

Interest rate risk is the risk of adverse movements in the overall level of interest rates. It arises from mismatches in the timing of repricing of assets and liabilities. It includes the risks arising from imperfect hedging of exposures and the risk of customer behaviour driven by interest rates.

Exposures

Enra is exposed to interest rate risk through a number of channels that may affect earnings, funding costs, balance sheet structure, and the effectiveness of hedging activities. The principal sources of exposure include differences in the timing of interest rate resets between assets and liabilities, which can create volatility in income or funding costs, as well as residual risk where hedging does not fully align with underlying exposures.

Changes in interest rates can also influence customer behaviour, including the timing of loan repayments and refinancing activity. These behaviours may affect expected cash flows and reduce the predictability of income, with potential implications for hedging effectiveness. In addition, the business is exposed to pipeline risk where forecasted mortgage volumes, conversion rates, or completion timings differ from expectations, potentially resulting in hedging costs being incurred without the corresponding assets.

Enra is also subject to basis risk where funding costs linked to SONIA may not move in line with income generated from assets linked to base rate or standard variable rates.

The business actively manages these exposures through robust governance, stress testing and scenario analysis, disciplined pipeline management, and prudent hedging strategy, supporting financial stability and sustainable performance. See note 29 for additional details.

Risk Mitigating and monitoring

The business operates a range of controls to manage interest rate and market risks and to ensure that exposures remain within its approved risk appetite. These controls are embedded within the Group's financial management and governance framework and are subject to regular oversight.

Key measures include a defined hedging strategy to manage exposure to interest rate movements, alongside robust modelling of customer behaviours such as prepayments, early redemptions, and loan conversions. These models are regularly reviewed and benchmarked against both internal experience and external market data to ensure their ongoing accuracy and relevance.

Enra also maintains strong pipeline management controls to monitor future lending volumes and funding requirements. Interest rate risk is assessed through detailed modelling and scenario analysis, enabling the business to understand the potential impact of changes in market conditions and to take timely mitigating actions where required.

Oversight of these risks is provided through regular reporting to the Asset and Liability Committee (ALCo) and the Audit and Risk Committee, ensuring that exposures, assumptions, and mitigation strategies are subject to appropriate challenge and governance.

3.2 Principal Risks and Uncertainties

Capital risk

Capital risk is the risk that the firm's capital becomes insufficient to operate effectively, including meeting minimum regulatory requirements and supporting the firm's strategic goals.

Exposures

A capital risk event arises when the firm has insufficient capital resources to support its strategic objectives and plans, and to meet both regulatory and external stakeholder requirements and expectations. This could arise due to a depletion of the firm's capital resources as a result of the crystallisation of any of the risks to which it is exposed, or through a significant increase in risk weighted assets as a result of rule changes or economic deterioration. Alternatively, a shortage of capital could arise from an increase in the minimum requirements for capital. The firm's capital management approach is focused on maintaining sufficient and appropriate capital resources across all regulated levels of its structure in order to prevent such exposures while optimising value for shareholders. See note 29 for additional details.

Risk Mitigating and monitoring

The business undertakes a range of measures to support prudent capital management and ensure ongoing compliance with regulatory requirements. Capital adequacy is assessed annually through a formal planning process, which evaluates capital requirements against minimum regulatory standards and includes stress scenario analysis to assess the firm's ability to maintain adequate capital under adverse conditions. This assessment is complemented by a forward-looking view of capital needs, reflecting Enra's strategic plans and projected growth.

Annual capital plans are reviewed and approved by the Board, with any potential capital shortfalls identified and addressed through appropriate management actions. Capital adequacy is monitored on an ongoing basis through regular calculation and review of risk-weighted assets, ensuring that sufficient capital buffers are maintained.

Dividend distributions are subject to Board approval and are considered in the context of the firm's overall capital position and financial strength. In addition, capital stress testing is undertaken as part of the annual budgeting process, including scenarios reflecting economic downturns and increased credit losses. Senior management and the Board receive regular reporting on capital adequacy, liquidity, and risk exposures, providing effective oversight and supporting timely and informed decision-making.

Model risk

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

Exposures

The firm's increasing use of models to inform key business decisions as well as the increasing complexity of models invariably increases the firm's potential exposure to model risk. Inadequate or flawed design and implementation, and inappropriate use of models could lead to adverse consequences that pose risks to the safety and soundness of firms and overall financial stability.

Risk Mitigating and monitoring

Enra maintains a robust framework to manage model risk, with clear Board-approved governance and executive oversight by the CFO. A central model inventory, supported by risk-based tiering, ensures the firm prioritises high-risk models for validation and monitoring. Annual independent reviews, periodic assumption checks, and a formal process for post-model adjustments provide additional assurance. Controls over model access, recovery times, and contingency plans further support the resilience and reliability of the firm's models.

3.2 Principal Risks and Uncertainties

Operational risk

Operational risk is the risk of business disruption, and/or losses, resulting from inadequate or failed internal processes, people, systems, or from external events.

Exposures

The business's key operational exposures include the risk of breakdowns in operational processes, controls, or procedures particularly as the business grows in scale and complexity. The business is also exposed to financial control weaknesses, which may lead to misstatements, inefficiencies, or poor decision-making due to inadequate systems or the improper application of accounting policies. A further risk arises from delays or deficiencies in the production of timely, accurate, and insightful management information, which may impair the business's ability to monitor risks or make sound strategic decisions.

The business also faces exposure from people-related risks, including the inability to attract, retain, or effectively manage skilled and competent employees. This includes challenges such as resourcing gaps in key areas, high turnover, insufficient training, or poor talent management, all of which can weaken operational capability and compliance oversight. The business is also vulnerable to internal and external fraud, including misconduct, theft, falsification of records, or fraudulent activity by third parties.

There is also a heightened exposure to key person risk, where the loss of individuals in senior or specialist roles could significantly impact the business's income or ability to operate. Given the reliance on counterparties and critical third-party suppliers, the business remains exposed to weaknesses in its supply chain, including inappropriate onboarding, insufficient oversight, non-compliance, or over-dependence on a single provider as well as risks arising from the use of third-party systems and technology platforms, including performance issues, service availability, cybersecurity vulnerabilities, and inadequate resilience or recovery capabilities.

In addition, the business is exposed to information security risks stemming from inadequate data protection, human error, or misconduct, which may result in unauthorised access to or misuse of sensitive information. Lastly, the business faces exposure to change control failures, particularly in the execution of non-technology-related changes, where ineffective planning or governance may lead to delays, increased costs, or poor-quality outcomes.

Climate and sustainability risk

Climate and sustainability-related risks are recognised as emerging risk factors within the Group's operational risk framework. These risks arise from the potential impact that environmental change, shifting sustainability expectations and increasing regulatory focus may have on the Group's operations, systems, supplier relationships and credit activities. They include both physical risks, such as more frequent severe weather events that may affect the condition or value of secured properties, and transition risks, such as evolving environmental standards, customer expectations and regulatory requirements relating to climate impact disclosures.

While climate risk is not currently considered a principal standalone risk for the Group, it is integrated into existing operational risk assessments and control processes. This includes consideration of climate-related factors within underwriting assessments, property valuations and due diligence, as well as regular horizon-scanning to ensure the Group can respond to developing regulatory expectations and market practices. The Board and management committees continue to monitor climate and sustainability-related developments to ensure that the Group's operations, lending practices and risk management remain resilient and aligned with the Group's long-term strategic objectives.

Risk Mitigating and monitoring

Enra manages operational risk through a combination of governance, controls, and resilience measures. Management committees, including ExCo and key business area forums, oversee and continuously monitor operational risks. Risk and control self-assessments empower risk owners to understand and manage risks within their areas of accountability.

Operational resilience is supported by a comprehensive business continuity framework, including disaster recovery plans for all business units, regularly tested to ensure effectiveness. Policies and procedures are maintained centrally to communicate management expectations, covering operational integrity, risk management, compliance, information security, and human resources. Standard operating procedures, staff training, and competence programs ensure employees can identify, manage, and mitigate operational risks effectively. A structured incident management process captures and addresses unexpected deviations, identifying root causes, mitigating impact, and preventing recurrence, supporting continuous improvement in operational resilience.

3.2 Principal Risks and Uncertainties

Technology risk

Technology risk is the risk of disruption to a business service or process due to an internal IT asset or service becoming unavailable or due to malicious activity (including a cyber-attack). The risk to business objectives or future growth trajectory by failing to ensure that system requirements are aligned and fit for purpose.

Exposures

The business is exposed to a range of technology-related risks that could impact operational resilience, customer trust, regulatory compliance, and the delivery of strategic objectives. These risks include cyber and information security threats, system availability and scalability challenges, and risks associated with the delivery of technology change.

Cyber and information security risks arise from the potential for unauthorised access to systems or data, which could result in data loss, financial or regulatory penalties, and reputational damage. The availability and performance of critical systems are also essential to the effective operation of the business, and service disruption or insufficient system scalability could lead to operational inefficiencies, customer dissatisfaction, or revenue impacts.

In addition, the business faces technology change risk associated with the delivery of system enhancements and transformation initiatives. Failure to deliver these initiatives to the required standard, within agreed timeframes or budgets, could adversely affect operational performance and strategic execution.

Risk Mitigating and monitoring

The firm maintains a mature and layered control environment designed to mitigate the above exposures. While it recognises that certain risks, particularly cyber threats, cannot be fully eliminated, it is committed to reducing their likelihood and impact through a combination of technical, procedural, and strategic measures. Key elements of the firm's control framework include:

- Continuous monitoring of agreed limits and triggers through automated dashboards and regular audits. If a risk trigger is activated, an immediate incident response is initiated, and escalation procedures are followed to ensure the risk remains within defined limits.
- Preventative and detective controls such as secure network architecture, penetration testing, and 24/7 SOC monitoring
- Governance and policy frameworks including formal information security policies, access controls, and structured software development practices
- Operational resilience measures such as recovery planning, infrastructure scalability, and incident response protocols
- Human-centric controls including cyber awareness training, role-based access, and physical security safeguards
- Risk transfer mechanisms such as cyber insurance and contractual liability provisions with third-party providers

Conduct risk

Conduct risk is the risk that the firm's culture, business activities, behaviours and actions result in poor outcomes and detriment for customers and/or damage to consumer trust and integrity of the markets in which it operates.

Exposures

The business faces significant conduct risks, which affect all aspects of its operations from its distribution, sales activity, underwriting, customer service, collections activity, complaint handling, use of third-party suppliers and its brokering and advising activities and all types of customers.

The introduction of the FCA's Consumer Duty regulation has increased expectations in relation to customer outcomes, including how the business demonstrates, monitors and measures them.

There is a considerable focus from the regulator on the treatment of customers in financial difficulty and those with characteristics of vulnerability, to ensure good outcomes, and the business continues to apply significant focus on its treatment of all customers in these areas. While unregulated commercial products fall outside the scope of consumer regulation, poor practices or outcomes in this area can still significantly damage consumer trust and undermine the integrity of the markets in which the business operates.

3.2 Principal Risks and Uncertainties

Conduct risk (continued)

Risk Mitigating and monitoring

The business undertakes a range of mitigating actions to manage conduct risk and has established a conduct risk policy that sets out how this risk is managed across the business.

Enra fosters a strong risk-aware culture underpinned by clear values and ethical standards. Governance structures ensure accountability for customer outcomes, with oversight of product design, staff behaviour, and business practices. Quality assurance, monitoring frameworks, and management information provide ongoing visibility, enabling the business to identify issues promptly and maintain high standards of conduct and customer care.

Compliance risk

Compliance risk is the risk of failure to identify, assess, correctly interpret, comply with, or manage regulatory and/or legal requirements, including ineffective legal documentation.

Exposures

The firm recognises the critical importance of adhering to a broad range of legal and regulatory requirements, ensuring compliance with all relevant laws and regulations. This includes, but is not limited to, the risk of failing to detect, understand, or comply with Financial Conduct Authority (FCA) regulations, data protection laws (such as GDPR), financial crime prevention regulations (including anti-money laundering, terrorist financing, bribery and corruption, and fraud prevention), health and safety standards, employment practices laws, and other legal obligations like contractual performance and liability breaches.

Non-compliance with these laws and regulations exposes the firm to significant legal, financial, and reputational risks, including penalties, litigation, and operational disruptions. The firm must maintain robust systems and controls to detect and address potential compliance gaps, proactively managing legal risks across all business areas, from financial crime prevention to employment practices and corporate governance.

Risk Mitigating and monitoring

The business undertakes a range of mitigating actions to manage compliance risks comprising:

- Horizon scanning to determine new legislation and regulation the business is subject to
- Policies for the prevention of financial crime, data protection adherence and employment practices and health and safety policies are contained in the employee handbook
- Mandatory compliance training which incorporates all nature of compliance risks including, prevention of financial crime, data protection, health and safety, employment practices, key FCA regulatory requirements
- Quality assurance frameworks that evaluate areas of the business that pose the highest compliance risks
- Appointed solicitors providing legal advice and counsel in respect of loan documentation and other contractual obligations
- HR consultants providing advice on HR and H&S matters

During the year, the business also focused on preparing for the forthcoming “failure to prevent fraud” offence introduced under the Economic Crime and Corporate Transparency Act 2023. This has increased emphasis on fraud risk assessment, prevention controls, staff training, and oversight of third parties. These actions further strengthen the firm’s financial crime framework and support compliance with evolving regulatory expectations.

Emerging risks

Enra adopts a proactive and forward-looking approach to identifying and monitoring emerging risks that could impact its strategic and operational objectives. This enables the business to remain resilient, respond effectively to change, and support informed decision-making in an evolving external environment. As part of this approach, Enra regularly assesses emerging risks across a number of key areas, including climate and environmental risk. This includes consideration of physical climate risks, as well as risks arising from economic, regulatory, and transition-related developments, which may affect Enra’s operations, counterparties, and long-term strategic position.

4.

Corporate governance

4.1 Board and committee structure

Governance structure

The Group's governance model clearly delineates the responsibilities of the Board, Independent Chairperson and Subsidiary Boards. The governance model is supported by a Risk Management Framework that deploys a detailed and considered methodology to govern the major risks faced by the business. Both the governance model & the risk management framework are well-documented and reviewed annually.

Internal Audit

The Internal Audit function is outsourced and reports to the ARC. Internal Audit provides quarterly updates to the ARC on any findings from audit reviews and related actions. During the year, the internal auditors have undertaken four (2024: four) reviews in accordance with a risk-based internal audit programme.



4.2 Committees

Remuneration & Appointment Committee (RemCo)

The Remuneration & Appointment Committee is Chaired by the Group's Non-Executive Chairperson, Mr. P Prebensen. Its members include Mr. R Monahan, Mr. E Buggea, Mr. P Prebensen and Mr. D Waters. RemCo considers on behalf of the Board, Executive Director, and Senior Executive remuneration, including the design of performance related remuneration. No person is present when his or her remuneration is being discussed.

The Committee also oversees the process for appointments to the Board and ensures that plans are in place for orderly succession to both the Board and Senior Management positions. The Committee meets at least annually and more frequently if required. The Committee also oversees any discretionary payments across the Group with all incentive schemes approved by both Subsidiary Boards and the Head of Compliance.

Audit and Risk Committee (ARC)

The Audit and Risk Committee is responsible for discharging governance responsibilities in respect of audit, risk, and internal control.

The Committee is chaired by a non-executive director of Eclipse Topco Limited, Mr. M Preston. Its members include Mr. M Preston, Mr. R Monahan, Mr. E Buggea, Ms. E Gestetner, Mr. S Hogg, and Mr. D Waters.

ARC has responsibility for both the monitoring, the effectiveness of the audit & financial controls, and the risk function within the group. Key Responsibilities are set out below:

Audit & financial control:

- ✔ Primary responsibility for making recommendations to the Board in relation to the appointment, re-appointment, removal, or selection of the external auditor.
- ✔ Meeting with the external auditor before the start of each annual audit to consider the nature and scope of the audit and to satisfy itself that the overall work plan is appropriate.
- ✔ Monitoring the integrity of the financial statements, ensuring that the Group & its subsidiaries' accounting policies are both appropriate and compliant and that taken as a whole, accounts are fair, balanced, and understandable.
- ✔ Review and monitor management's responsiveness to the external auditor's findings and recommendations and review any audit representation letters.
- ✔ Oversight of internal audit function and approval of the plan.

Risk function:

- ✔ Review and provide oversight of the Group Companies internal controls, including but not limited to financial controls, and the Group Companies risk management system. This will include receiving reports from management on the effectiveness of these systems and the conclusions of any internal or external testing undertaken.
- ✔ Consider the level of assurance it has received on these systems, and whether it is sufficient to help the Board satisfy itself that they are operating appropriately.
- ✔ Oversight of risk register to ensure that the Group's risk remains within overall risk appetite.
- ✔ Monitor the level of complaints and operational losses.
- ✔ Monitor assurance with company policies and ensure adherence to external codes of conduct and regulations.
- ✔ Review any compliance risks escalated from Subsidiary Board meetings.
- ✔ Monitor liquidity levels and interest rate risks and any matters escalated from ALCo.
- ✔ Monitor credit risk and credit analytics

Whistleblowing Arrangements

The ARC will review the arrangements by which staff of the Company may, in confidence, raise concerns about possible improprieties in relation to financial reporting and other matters. ARC's objective being to ensure that arrangements are in place to ensure an effective and proportionate investigation of any such incidents.

4.2 Committees (continued)

Subsidiary Boards

Each Subsidiary Board has a responsibility for setting its culture, values, and business plans to show how they intend to achieve the TopCo Board's Strategy and objectives, and to ensure the necessary resources are in place. The Subsidiary Boards delegates responsibility for oversight of risk to the ARC. The Subsidiary Boards also have a general duty to ensure that each Subsidiary operates within its relevant laws, rules and guidance issued by relevant regulatory authorities. Each Subsidiary Board's role is to safeguard the interests of its customers.

CEO

The CEO is responsible for the day-to-day running of the Group. The CEO is also responsible for setting up an appropriate structure that will provide adequate oversight of the risks and management performance of each part of the business. The CEO leads the Executive Directors and senior managers and is responsible for the operational management of the Group on behalf of the respective Boards on a day-to-day basis.

Management Committees

The business has continued to evolve the operation of management committees with the enhancement and consolidation of existing product governance within a new Product Governance Committee. Management committees are not formal sub-committees of the Board, although reports on their activities are given to the Board and Board Committees by Executive Directors.

The management committees in operation through the year included:

- Executive Committee (ExCo)
- Asset & Liability Committee (ALCo)
- Product Governance Committee (PGC)
- Credit Committee
- Servicing Committee
- Compliance Risk Forum
- Management Meeting

ExCo

ExCo is an informal weekly management meeting tasked with managing the day-to-day activities of the business. It operates alongside an informal monthly management meeting, which is tasked with reviewing performance, promoting staff development, and acting as a communication forum for the senior management team.

ALCo

The objective of ALCo is to govern asset & liability management to achieve the Group's commercial objectives and manage the associated risks within the Group's risk appetite. The key areas of focus are Liquidity Management, Interest Rate Risk Management and Minimum Product Pricing.

PGC

The purpose of the PGC is to provide oversight and governance of the products and services offered by the Group to ensure that all products and services comply with applicable regulations and that they deliver an appropriate commercial outcome for the Group. The PGC ensures that prior to launching any new product, an adequate assessment of the new product has been carried out considering as a minimum identification of the target market, product design, distribution strategy, pricing, fair value, consumer support and understanding, data protection, financial crime, and process changes. The PGC ensures that the existing product catalogue is managed appropriately so that products are designed in line with the target market, that the distribution remains appropriate, and that the product continues to deliver fair value to customers.

4.2 Committees (continued)

Management Committees (continued)

Credit Committee

The Credit Committee oversees and manages the Credit Risk appetite of all lending divisions across the Group to ensure the Group acts to deliver good retail customer outcomes by lending responsibly. Specific areas covered include, analysing and reporting on the performance of the loan portfolio, approving and reviewing the Responsible Lending Policy and associated documents for each lending division, setting and reviewing group's individual lending mandate limits across the different lending divisions, setting and reviewing the Group's Affordability Model, setting and reviewing the Group's Stress Test policy, reviewing any exceptions to policy, reviewing any arrears trends identified and reviewing mandate audit results.

Servicing Committee

The purpose of the Servicing Committee is to oversee the Servicing activities of the business to ensure that servicing activities are conducted with the necessary skill, care, and attention to deliver good customer outcomes and to manage the risks and commercial requirements of the business. In particular, the Servicing Committee will oversee portfolio performance, risk management and servicing policy.

Compliance Risk Forum

The Compliance Risk Forum reviews and reports quarterly on each regulated entity, covering data protection, conduct and consumer duty MI, regulatory and financial risk.

Management Meeting

Management meetings are informal and are held monthly with the senior management team to provide a communication forum whereby key messages can be cascaded and to promote best practice and cross-learning across the Group.

4.3 Directors' Report

The directors present their report and the audited consolidated financial statements of the Group for the year ended 31 December 2025.

Principal activities

The principal activity of the Company is that of a holding company. The Group’s trading operations are undertaken via its wholly owned subsidiary, Enra Specialist Finance Limited, and its subsidiaries (“Enra Specialist Finance” or “Enra” or “Enra Group”). The principal activities of the Enra Group are the distribution and provision of specialist finance services.

The Company is a private company limited by shares and is incorporated and domiciled in England, UK. The address of its registered office is C/O Enra Specialist Finance, The Edward Hyde Building, 38 Clarendon Road, Watford, Hertfordshire, WD17 1JW.

Directors

The directors of the Company who were in office during the year and up to the date of signing the financial statements were:

	Mr. R Monahan		Mr P Prebensen		Mr M Preston		Mr. D Waters
	Ms E Gestetner		Mr S Hogg		Mr. E Buggea		



4.3 Directors' Report (continued)

Going Concern

The Directors have undertaken a Going Concern assessment, including a review of geopolitical uncertainty and continued stresses that customers are facing from higher interest rates and inflation. The Directors have considered the information contained in the financial statements, the latest business plan, profit forecasts and liquidity projections. These forecasts have been subject to sensitivity tests. The stress scenarios included severe but plausible downside scenarios to satisfy the Directors that the business will be able to meet its liabilities as they fall due over the coming year. Further details of this assessment are set out in Note 2.3 to the financial statements.

As a result, the Directors are satisfied that the Group and the Company have adequate resources to continue to operate as a going concern for a period of at least 12 months from the date of this report and have prepared the financial statements on that basis.

Statement of Directors' Responsibilities in Respect of the Financial Statements

The directors are responsible for preparing the Annual Report in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the group financial statements in accordance with UK-adopted international accounting standards and the company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, 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 company and of the profit or loss of the group for that period. In preparing the financial statements, the directors are required to:

- ✓ select suitable accounting policies and then apply them consistently.
- ✓ state whether applicable UK-adopted international accounting standards have been followed for the group financial statements and United Kingdom Accounting Standards, comprising FRS 101 have been followed for the company financial statements, subject to any material departures disclosed and explained in the financial statements.
- ✓ make judgements and accounting estimates that are reasonable and prudent; and
- ✓ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The directors are responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

4.3 Directors' Report (continued)

Directors' confirmations

In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the group's and company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the group's and company's auditors are aware of that information.

Matters Covered in the Strategic Report

The Board is responsible for identifying principal risks and for proposing suitable mitigating strategies. This has been addressed in the Strategic Report, and Risk Management section, along with a full review of the position and performance of the Group and Company for the year and dividends paid or proposed. Corporate governance matters and the future development aspirations of the Group have also been disclosed in the Strategic Report.

The directors understand the importance of their section 172 duty to act in good faith to promote the success of the Company. When making decisions, the interests of any key relevant stakeholders will always be considered by the Group's Executive Committee, including employees, suppliers, customers, investors, the community, and the environment.

Directors' indemnities

The Company has made qualifying third party indemnity provisions for the benefit of its directors which was in force during the year and remain in force at the date of this report.

Post balance sheet events

The Directors have evaluated subsequent events from the date of the financial statements through to the date the financial statements were signed.

In April 2026, the Group completed its eighth public securitisation, Elstree 2026-1 MIX PLC, securitising a portfolio of first and second charge mortgage loans originated by West One Secured Loans Limited, a wholly owned subsidiary of the Group. In April the Group also called the Elstree Funding No. 3 PLC securitisation.

Independent Auditors

The independent auditors, PricewaterhouseCoopers LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Approval of directors' report

This report and the accompanying financial statements were approved by the board and signed on its behalf.



Ms. E Gestetner
Director

Date 30 April 2026

5.

Audit report and financial statements

5.1 Independent auditors' report to the members of Eclipse Topco Limited

Report on the audit of the financial statements

Opinion

In our opinion:

- Eclipse Topco Limited's group financial statements and parent company financial statements (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 profit and the group's cash flows for the year then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise:

- the Consolidated Statement of Financial Position as at 31 December 2025;
- the Company Statement of Financial Position as at 31 December 2025;
- the Consolidated Statement of Comprehensive Income for the year then ended;
- the Consolidated Statement of Changes in Equity for the year then ended;
- the Company Statement of Changes in Equity for the year then ended;
- the Consolidated Statement of Cash Flows for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the parent company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

5.1 Independent auditors' report to the members of Eclipse Topco Limited (continued)

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and the Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and the Directors' Report for the year ended 31 December 2025 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and parent company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities in Respect of the Financial Statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also 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.

In preparing the financial statements, the directors are responsible for assessing the group's and the 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 the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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 an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

5.1 Independent auditors' report to the members of Eclipse Topco Limited (continued)

Responsibilities for the financial statements and the audit (continued)

Auditors' responsibilities for the audit of the financial statements (continued)

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to relevant FCA regulations, UK corporation tax and companies act reporting regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inappropriate journal entries to increase EBITDA and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with management and directors, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Evaluation of design and implementation of management's controls to prevent and detect irregularities;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations; and
- Designing audit procedures to incorporate unpredictability around the nature, timing and extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the parent company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

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

- we have not obtained all the information and explanations we require for our audit; or
- 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
- certain disclosures of directors' remuneration specified by law are not made; or
- the parent company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Christopher Dalton (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Watford
30 April 2026

5.2 Consolidated Statement of Comprehensive Income

	Note	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Interest income	5	183.2	155.5
Interest expense (excluding finance costs)	6	(100.8)	(92.0)
Net interest income		82.4	63.5
Fees and commission income		25.2	19.7
Fees and commission expense		(6.1)	(4.3)
Other income		3.5	3.9
Other expense		(4.1)	(2.8)
Impairment loss expense on financial assets		(3.5)	(1.6)
Net operating income		97.4	78.4
Administration expenses		(31.3)	(25.3)
Amortisation and depreciation		(1.6)	(1.8)
Operating profit	7	64.5	51.3
Amortisation of acquired customer relationships	20	(12.2)	(12.2)
Exceptional expense	9	-	(1.7)
Profit before financing costs and taxation		52.3	37.4
Finance costs	12	(51.3)	(48.1)
Profit/(loss) before taxation		1.0	(10.7)
Taxation	13	0.3	3.0
Profit/(loss) after taxation		1.3	(7.7)
OTHER COMPREHENSIVE INCOME AND EXPENSE			
Items that may be reclassified to the income statement			
<i>Movement in the cash flow-hedging reserve:</i>			
Effective portion of changes in fair value of derivatives		(17.3)	9.6
Amounts reclassified to income statement		(4.6)	(4.9)
Other comprehensive (loss)/income for the year, net of tax		(21.9)	4.7
Total comprehensive loss for the year		(20.6)	(3.0)

All results derive from continuing operations.

5.3 Consolidated Statement of Financial Position

	Note	As at 31 December 2025 £m	As at 31 December 2024 £m
Assets			
Cash and cash equivalents	15	129.1	121.0
Derivative financial assets	16	7.0	26.0
Loans and advances to customers	17	2,244.5	1,723.7
Other assets	18	52.2	75.2
Property and equipment	19	4.7	5.5
Goodwill and other intangible assets	20	197.0	207.1
Total assets		2,634.5	2,158.5
Liabilities			
Derivative financial liabilities	16	2.4	-
Other liabilities	22	21.3	18.4
Borrowings	23	2,603.5	2,114.9
Preference shares	24	55.1	49.3
Deferred tax liability	26	11.2	14.3
Total liabilities		2,693.5	2,196.9
Equity			
Share capital	27	0.5	0.5
Cash flow hedging reserve		(35.8)	(13.9)
Accumulated losses		(23.7)	(25.0)
Total equity		(59.0)	(38.4)
Total equity and liabilities		2,634.5	2,158.5

The notes on pages 60 to 112 form an integral part of these financial statements.

The financial statements on pages 54 to 112 were approved and authorised for issue by the board and were signed on its behalf:



Ms. E Gestetner
Director

Date 30 April 2026

Company Registration No. 13938905

5.4 Company Statement of Financial Position

	Note	As at 31 December 2025 £m	As at 31 December 2024 £m
Assets			
Other assets	18	0.5	49.1
Investments in subsidiaries	21	244.1	244.1
Total assets		244.6	293.2
Liabilities			
Other liabilities	22	3.0	2.4
Borrowings	23	268.1	317.6
Preference shares	24	55.1	49.3
Total liabilities		326.2	369.3
Equity			
Share capital	27	0.5	0.5
Accumulated losses		(82.1)	(76.6)
Total equity		(81.6)	(76.1)
Total equity and liabilities		244.6	293.2

These financial statements do not include a separate Statement of Comprehensive Income for the Company, as permitted by Section 408 of the Companies Act 2006. The Company's loss for the year is disclosed in Note 14.

The notes on pages 60 to 112 form an integral part of these financial statements.

The financial statements on pages 54 to 112 were approved and authorised for issue by the board and were signed on its behalf:



Ms. E Gestetner
Director

Date 30 April 2026

Company Registration No. 13938905

5.5 Consolidated Statement of Changes in Equity

	Note	Share capital £m	Cash flow hedging reserve £m	Accumulated losses £m	Total £m
At 1 January 2025		0.5	(13.9)	(25.0)	(38.4)
Profit for the year		-	-	1.3	1.3
Effective portion of changes in fair value of derivatives	16	-	(17.3)	-	(17.3)
Amounts reclassified to income statement	16	-	(4.6)	-	(4.6)
Total comprehensive loss for the year		-	(21.9)	1.3	(20.6)
At 31 December 2025		0.5	(35.8)	(23.7)	(59.0)

	Note	Share capital £m	Cash flow hedging reserve £m	Accumulated losses £m	Total £m
At 1 January 2024		0.5	(18.6)	(17.3)	(35.4)
Loss for the year		-	-	(7.7)	(7.7)
Effective portion of changes in fair value of derivatives	16	-	9.6	-	9.6
Amounts reclassified to income statement	16	-	(4.9)	-	(4.9)
Total comprehensive loss for the year		-	4.7	(7.7)	(3.0)
At 31 December 2024		0.5	(13.9)	(25.0)	(38.4)

5.6 Company Statement of Changes in Equity

	Note	Share capital £m	Accumulated losses £m	Total £m
At 1 January 2025		0.5	(76.6)	(76.1)
Loss for the year	14	-	(5.5)	(5.5)
Total comprehensive loss for the year		-	(5.5)	(5.5)
At 31 December 2025		0.5	(82.1)	(81.6)

	Note	Share capital £m	Accumulated losses £m	Total £m
At 1 January 2024		0.5	(42.4)	(41.9)
Loss for the year	14	-	(34.2)	(34.2)
Total comprehensive loss for the year		-	(34.2)	(34.2)
At 31 December 2024		0.5	(76.6)	(76.1)

5.7 Consolidated Statement of Cash Flows

	Note	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Cash flows from operating activities			
Profit/(loss) before taxation		1.0	(10.7)
Adjustments for non-cash items included in profit/(loss) before tax:			
Shareholder loan note and preference share interest		41.9	39.7
Depreciation of tangible fixed assets	19	0.9	0.9
Amortisation of intangible assets – software development	20	0.7	0.9
Amortisation of intangible assets – customer relationships	20	12.2	12.2
Changes in operating assets and liabilities:			
Increase in loans and advances to customers		(503.3)	(339.6)
Decrease/(increase) in other assets		0.1	(32.3)
Increase in other liabilities		10.3	14.0
Cash used in operations		(436.2)	(314.9)
Income taxes paid		(2.4)	(1.3)
Net cash outflow from operating activities		(438.6)	(316.2)
Cash flows from investing activities			
Purchase of property and equipment	19	(0.1)	(0.1)
Purchase of intangible assets	20	(2.8)	(2.3)
Net cash used in investing activities		(2.9)	(2.4)
Cash flows from financing activities			
Payment of lease rentals		(0.7)	(0.9)
Interest paid		(7.4)	(7.9)
Proceeds from borrowings		1,778.0	1,332.1
Repayment of borrowings		(1,235.3)	(974.4)
Repayment of Shareholder Loan notes		(85.0)	-
Net cash generated from financing activities		449.6	348.9
Net increase in cash and cash equivalents		8.1	30.3
Cash and cash equivalents at beginning of year	15	121.0	90.7
Cash and cash equivalents at end of year	15	129.1	121.0

5.8 Notes to the Financial Statements

1. Company information

The Company's principal place of business and its registered office is C/O Enra Specialist Finance, The Edward Hyde Building, 38 Clarendon Road, Watford, Herts, WD17 1JW.

The principal activity of the Company is that of a holding company. The Group's trading operations are undertaken via its wholly owned subsidiary, Enra Specialist Finance Limited, and its subsidiaries ("Enra Specialist Finance" or "Enra" or "Enra Group"). The principal activities of the Enra Group are the distribution and provision of specialist finance services.

2. Summary of material accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

2.1. Basis of preparation

The financial statements have been prepared under the historical cost basis except for certain financial assets and liabilities (including derivative instruments), which have been measured at fair value. The accounting policies have been applied consistently.

The Group consolidated financial statements have been prepared on a going concern basis in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

The Company financial statements have been prepared on a going concern basis in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and in conformity with the Companies Act 2006.

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers
- the requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases. The requirements of paragraph 58 of IFRS 16, provide that the disclosure of details in indebtedness relating to amounts payable after 5 years required by company law is presented separately for lease liabilities and other liabilities, and in total.
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1.
 - paragraph 73(e) of IAS 16 Property, Plant and Equipment.
 - paragraph 118(e) of IAS 38 Intangible Assets.
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.
- the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

5.8 Notes to the Financial Statements (continued)

2. Summary of material accounting policies (continued)

2.2. Basis of consolidation

Control framework and consolidation of structured entities

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and could affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power of the investee (rights that give it the ability to direct the relevant activities of the investee).
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect the returns.

There is a presumption that a majority of voting rights results in control. The Group reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Securitisation entities

Where the Group securitises its own financial assets, this is achieved via sale of these assets to a special purpose entity (SPE), which in turn issues securities to investors. SPEs used to raise funds through securitisation transactions are consolidated into the Group's operations as if they were wholly-owned subsidiaries. Financial assets transferred to SPEs under securitisation agreements are not derecognised by the Group because it retains the risks and rewards of ownership, and all financial assets and liabilities related to the SPE continue to be held on the Group's consolidated statement of financial position. The consolidation of securitisation entities is identified as a critical judgment per Note 3.2.

At 31 December 2025 the Group consolidated the following SPEs in which it does not hold an equity share:

Entity name	Principal Activities
WOSL SPV IV Limited	Warehouse Securitisation vehicle
WOSL SPV V Limited	Warehouse Securitisation vehicle
WOSL SPV VI Limited	Warehouse Securitisation vehicle
WOSL SPV VII Limited	Warehouse Securitisation vehicle
West One No.3 Limited	Warehouse Securitisation vehicle
Elstree Funding No.2 Holdings Limited	Holding Company (active proposal to strike off)
Elstree Funding No.2 PLC	Public Securitisation vehicle (in liquidation)
Elstree Funding No. 3 Holdings Limited	Holding Company
Elstree Funding No. 3 PLC	Public Securitisation vehicle
Elstree Funding No. 4 Holdings Limited	Holding Company
Elstree Funding No. 4 PLC	Public Securitisation vehicle
Elstree Funding No. 5 Holdings Limited	Holding Company
Elstree Funding No. 5 PLC	Public Securitisation vehicle
Elstree 2025-1 1 st Holdings Limited	Holding Company
Elstree 2025-1 1 st PLC	Public Securitisation vehicle
Elstree 2025-2 1 st Holdings Limited	Holding Company
Elstree 2025-2 1 st PLC	Public Securitisation vehicle

Elstree 2026-1 MIX PLC and Elstree 2026-1 MIX Holdings Limited were both incorporated in January 2026.

5.8 Notes to the Financial Statements (continued)

2. Summary of material accounting policies (continued)

2.2 Basis of consolidation (continued)

Section 479a exemptions

In accordance with section 479a of the Companies Act 2006 whereby the subsidiary may dispense with an audit in respect of the financial year ended 31 December 2025, the Company agreed to the exemption of the following companies:

- Aria Finance Limited
- Enra Development Bond Co Limited
- West One Development Finance Holdings Limited
- West One Development Finance Midco Limited
- West One Secured Loans Holdings Limited

2.3. Going concern

The Group and Company financial statements have been prepared on a going concern basis, as the Directors have a reasonable expectation that the Group and the Company have adequate resources to continue in operational existence for at least the next 12 months from the date of approval of the financial statements.

In forming this view, the Directors have considered the Group's financial performance, liquidity position, funding arrangements, principal risks and mitigating actions available. The assessment incorporates the latest Board-approved business plan, updated profit and cash flow forecasts, and detailed liquidity projections, all of which have been subjected to severe but plausible downside scenarios. These scenarios reflect potential shocks to origination volumes, interest rate movements, credit losses, collateral valuations and funding market conditions.

During 2025, the Group delivered another strong operational performance, including growth in AUM to £3.08bn, net interest income of £82.4m, underlying EBITDA of £63.4m, and continued low realised credit losses of £0.3m, demonstrating resilience in adverse market conditions. The Group also expanded and extended its warehouse financing facilities and executed two public securitisations, strengthening funding diversification and maintaining significant excess liquidity to support operations and future growth.

The Directors have also accounted for the recent escalation in hostilities between the United States and Iran, which has resulted in large-scale military strikes across the region and increased global geopolitical uncertainty. Although the Group has no direct exposure to the affected regions, the Directors evaluated the potential for secondary impacts on UK macroeconomic conditions, credit markets and wholesale funding availability. Based on currently available information, no material adverse impact is expected over the going concern horizon, and funding and liquidity remain robust.

Capital

On the balance sheet date, the Group's liabilities exceeded its assets by £59.0m (2024: £38.4m). However, the Group has significant finance in place from shareholders, in the form of shareholder loan notes totaling £268.1m (2024: £317.6m), and preference shares of £55.1m (2024: £49.3m), which are not repayable until 2030. Shareholder funds, defined as equity together with shareholder loan notes and preference shares (including interest accrued), decreased by £64.3m during the year to £264.2m (2024: £328.5m). This reduction reflects the Group's continued generation of surplus capital, which enabled the repayment of £85m of shareholder loan notes during the year. No dividends were paid or proposed in respect of the period.

Funding

The Group retains a diverse mix of funding sources, providing a high level of funding optionality, and has a sound track record of maintaining depth of maturity through regular public securitisations and proactively refinancing of facilities well in advance of their contractual maturity dates. The Group and the Company maintain an active dialogue with its lenders who continue to be supportive.

5.8 Notes to the Financial Statements (continued)

2. Summary of material accounting policies (continued)

2.3 Going concern (continued)

Liquidity

The Group holds liquidity in the form of cash and can also access liquidity by drawing on the revolving credit facility (RCF) and through the sales of eligible assets into private securitisation warehouse facilities. If a facility defaults, then the cash inflows from the securitised asset pool are used to pay the interest and principal of the most senior loan notes, with deferred consideration and any interest payment of the subordinated notes due to the originators deferred until such time as all the liabilities ranking more senior are repaid in full.

The Group had unrestricted cash reserves of £83.4m (2024: £78.4m) to provide sufficient liquidity.

2.4. Interest income and expense

Interest income and expense are recognised for all financial instruments measured at amortised cost using the effective interest method. The effective interest rate (EIR) is the rate that, at the inception of the instrument, discounts its estimated future cash payments or receipts to the net carrying amount of the financial instrument.

The Group applies an EIR approach, under which the fixed-rate and reversionary-rate elements of each loan are identified and accounted for separately. Where loans contain an initial fixed-rate period followed by a contractual reversionary rate, the Group determines the EIR for each component based on its own distinct pattern of expected cash flows. The fixed-rate element and the reversionary element therefore each have separate EIR calculations, reflecting differences in contractual terms, interest recognition profiles and expected behavioural repayment characteristics.

When calculating the effective interest rate, the group considers all contractual terms of the financial instrument but does not consider future credit losses except for assets which are credit-impaired on origination. For assets purchased or originated credit impaired a credit-adjusted effective interest rate is calculated using estimated future cash flows including expected credit losses. The calculation includes all fees, transaction costs, and other premiums or discounts that relate to the origination of the instrument.

Interest on impaired financial assets is recognised at the original effective interest rate applied to the carrying amount as reduced by an allowance for impairment.

2.5. Fees and commission income and expense

Fees and commission that are an integral part of the effective interest rate of a financial instrument, such as procurement fees paid to introducers, are recognised as an adjustment to the contractual interest rate and recorded in interest income or expense.

Fees and commissions that are not an integral part of the effective interest rate of a financial instrument are recognised as revenue in accordance with the principles of IFRS 15. These amounts are recognised when the Group satisfies its performance obligations by transferring the related services to the customer, in an amount that reflects the consideration to which the Group expects to be entitled. These items primarily consist of fees earned by the broking division, application fees, purchase fees, management and servicing fees.

Management and servicing fees are earned monthly from our portfolio of off-balance sheet loans under management by the Group. Management fees are based upon pre-agreed percentages of the interest income earned on the underlying loans, on a loan-by- loan basis and servicing fees are based on a pre-agreed percentage of loans under management.

2.6. Finance costs

Finance costs represent interest and other funding costs at the Group level, not related to customer lending, along with the interest cost on lease liabilities.

Shareholder loan note interest represents amounts charged on funding loans from related parties as disclosed. Loan note interest is recognised using the effective interest method, in accordance with the terms of the loan (see Note 23).

5.8 Notes to the Financial Statements (continued)

2. Summary of material accounting policies (continued)

2.7. Taxation

Tax on the profit or loss for the period comprises current and deferred tax. Current and deferred tax items are recognised in the income statement except tax on items that are recognised in other comprehensive income shall be recognised in other comprehensive income, and tax on items that are recognised directly in equity shall be recognised in equity.

Current tax is the expected tax payable on the taxable profit for the year. Taxable profit differs from profit before tax as reported in the consolidated income statement because it excludes certain items of income and expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is the tax expected to be payable or recoverable on temporary differences between the carrying amounts of the assets and liabilities in the financial statements and the corresponding amounts used for taxation purposes and is accounted for using the balance sheet liability method. Deferred tax assets and liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled, or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

2.8. Property and equipment

Plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses. Cost comprises the aggregate amount paid, and the fair value of any other consideration given to acquire the asset and includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all property, plant, and equipment, other than land, over its expected useful life as follows:

Leasehold improvements	Straight-line over lease term
Right of use assets	Straight-line over lease term
Other fixed assets	30% straight-line

The carrying values of property and equipment are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable and are written down immediately to their recoverable amount. Useful lives and residual values are reviewed annually and where adjustments are required these are made prospectively.

2.9. Intangible assets

Intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment allowances. The estimated useful life of at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Internally generated software development

Expenditure relating to computer software incurred in respect of individual projects is capitalised only if all the following conditions are met:

- the intangible asset is technically feasible;
- an intangible asset is created that can be separately identified;
- the Group is deemed to have control over the intangible asset;
- it is probable that the intangible asset created will generate future economic benefits; and
- the development cost of the intangible asset can be measured reliably.

This type of expenditure is amortised on a straight-line basis over the expected useful life of the asset of 3 years.

Where the above conditions for recognition are not met, development expenditure is recognised as an expense in the period in which it is incurred.

5.8 Notes to the Financial Statements (continued)

2. Summary of material accounting policies (continued)

2.9 Intangible assets (continued)

Acquired customer relationships

Customer relationships are comprised of broker and customer relationships recognised on acquisition of the Galene Topco Limited group and amortised on a straight-line basis over seven years.

All intangible assets are reviewed for indications of impairment at least annually. If impairment is indicated, the asset's recoverable amount (being the greater of fair value less cost to sell and value in use) is estimated. Value in use is calculated by discounting the future cash flows generated from the continuing use of the asset. If the carrying value of the asset is more than the recoverable amount, an impairment charge is recognised in the income statement.

2.10. Goodwill

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed.

After initial recognition, goodwill is measured at cost less accumulated impairment losses, if any. For the purposes of impairment testing, goodwill is allocated to each of the Company's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss in the statement of comprehensive income. An impairment loss recognised for goodwill is not reversed in subsequent years. On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

2.11. Investments in subsidiaries

The Company classifies controlling interests (see Note 2.2) in corporate entities as investments in subsidiaries. Investments in subsidiaries are stated at cost less any provision for impairment. Investments are assessed for impairment on at least an annual basis, or as and when impairment triggers are identified.

2.12. Impairment of non-financial assets

The Group assesses at the end of each reporting period whether there is objective evidence that a non-financial asset or group of assets is impaired. A non-financial asset or group of assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss' event) and that loss event (or events) has an impact on the estimated future cash flows of the financial or non-financial asset or group of assets that can be reliably estimated.

The recoverable amount, being the higher of fair value less cost to sell, or dispose of, and value in use, is determined for any assets for which an indication of impairment is identified or for assets where annual impairment testing is required. If the recoverable amount of an asset is less than its carrying value, the asset is considered impaired and the carrying value of the asset is reduced to its recoverable amount.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less cost to sell, an appropriate valuation model is used.

Impairment losses are recognised as an expense in the consolidated statement of comprehensive income in the year in which they are identified. An impairment loss recognised in prior periods for an asset other than goodwill shall be reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. Impairment losses relating to goodwill are not reversed in future periods.

5.8 Notes to the Financial Statements (continued)

2. Summary of material accounting policies (continued)

2.13. Financial instruments

2.13.1. Financial assets

The Group's financial assets are initially recognized initially at fair value plus any directly attributable transaction costs.

The Group classifies its financial assets based on the business model and contractual cash flow characteristics of the financial assets. Under IFRS 9, the Group classifies financial assets into one of the following categories:

- Amortised cost – the assets are held within a business model whose objective is to hold the assets in order to collect contractual cash flows, and where the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
- Fair value through other comprehensive income (FVOCI) – assets held in a business model in which the assets are realized either by collecting the contractual cash flows or by the sale of the assets and where the contractual terms of the financial assets give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

The Group's financial assets, except derivatives, are classified as measured at amortised cost, being the gross carrying amount less expected impairment allowance, using the effective interest rate method

The Group's business model for its financial assets is to hold them to collect contractual cash flows, with sales of mortgage loans and advances to customers only made internally to consolidated special purpose entities for the purpose of recognised the issuance of loans. The loans' cash flows are consistent with a basic lending arrangement, the related interest only including consideration for the time value of money, credit and other basic lending risks, and a profit margin consistent with such an arrangement. Cash and cash equivalents also meet these conditions and accordingly management has classified all the Group's financial assets (except for derivatives) as measured at amortised cost.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset have expired or where substantially all the risks and rewards of ownership have been transferred.

The Group sometimes renegotiates or otherwise modifies the contractual cash flows of loans to customers. The Group then assesses whether the new terms are substantially different from the original ones. If the terms of an asset are substantially different, it is recognised and a new asset recognised at its fair value using its new effective interest rate. If the terms are not substantially different, the Group recalculates the gross carrying amount using the original effective interest rate and recognises a modification gain or loss in the income statement. Such modifications typically arise from forbearance because of financial difficulties of the borrower, and any gain or loss is included in impairment losses. A modified loan's credit risk is assessed to see if it remains higher than on initial recognition for the purposes of calculating expected credit losses.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short-term deposits with an original maturity of three months or less.

Where cash is not freely available for the Group to use for its general purpose it is disclosed as restricted cash, this includes cash held in reserve accounts for the securitisation vehicles.

Impairment of financial assets

The Group recognises loss allowances for expected credit losses (ECLs) on loans and advances to customers and any exposures arising from loan commitments. ECLs are an unbiased and probability-weighted estimate of the present value of credit losses discounted over the expected life of an instrument at its original effective interest rate (EIR). Credit losses for financial assets are the difference between the contractual cash flows and the discounted cash flows expected to be received.

The Group considers whether financial assets are credit impaired at each reporting date. A financial asset is credit impaired when one or more events that have a detrimental impact on its estimated future cash flows have occurred.

5.8 Notes to the Financial Statements (continued)

2. Summary of material accounting policies (continued)

2.13. Financial instruments (continued)

2.13.1. Financial assets (continued)

Impairment of financial assets (continued)

Evidence of credit impairment includes:

- Significant financial difficulty of the borrower
- Breach of contract such as default, or becoming past due
- The granting of concessions to the borrower that the Group would not otherwise consider
- It becoming probable that the borrower will enter bankruptcy or other financial reorganisation.

For financial instruments on which credit risk has not increased significantly since initial recognition, the Group measures loss allowances at an amount equal to the 12-month ECL, being the portion of lifetime ECL of those default events expected to arise within 12 months of the reporting date, weighted by probability of that event occurring. For all other financial instruments loss allowances are measured at an amount equal to the full lifetime ECL, being the lifetime ECL arising from all default events that may occur over the life of the instrument, probability weighted. The latter category of instruments includes those that have objective evidence of impairment at the reporting date.

Besides instruments that become credit impaired on entering default, lifetime ECLs are also used for any that are credit impaired on origination. If, due to the financial difficulties of the borrower, the terms of a financial asset are renegotiated or modified, or the asset is replaced with a new one, then an assessment is made of whether the asset should be derecognized. A loan to a borrower granted such concessions due to forbearance is evaluated to determine whether it is credit impaired or to have experienced a significant increase in credit risk. If this is the case a loss allowance will be recognised equivalent to the full lifetime ECL. If there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment, the loss allowance on the new asset will be based on a 12-month ECL.

Interest income is recognised at the effective rate on the gross carrying amount of a financial asset, before allowance for impairment, except for those assets which are credit impaired, for which interest income is recognised on the carrying amount net of the allowance for impairment.

Loans are written off when the Group expects no further recovery, and the amount of the loss has been determined. The Group may continue to apply enforcement activities for loans written off and any subsequent recoveries are recognised as impairment gains in the income statement. Loss allowances for ECL are presented in the statement of financial position as a deduction from the gross carrying amount of financial assets measured at amortised cost and as a provision in the case of loan commitments.

Measurement of ECL

The ECL calculation is a product of an individual loan's probability of default (PD), and loss given default (LGD) and exposure at default (EAD).

While loans and advances to customers are considered a single asset class for disclosure and classification purposes, the Group applies distinct ECL methodologies to its Bridging, Development Finance and Term and Commercial loan portfolios to reflect the differing behavioural characteristics, repayment profiles, and risk drivers associated with each product type. These tailored approaches ensure that ECL calculations appropriately capture the specific credit risk features inherent in each segment of the portfolio.

5.8 Notes to the Financial Statements (continued)

2. Summary of material accounting policies (continued)

2.13. Financial instruments (continued)

2.13.1. Financial assets (continued)

Impairment of financial assets (continued)

Forward-looking macroeconomic scenarios

The ECL model applies four macroeconomic scenarios, baseline, upside, downside and severe downside, each reflecting different potential economic environments, and each assigned a probability weight. The economic scenarios and probability weights are reviewed internally to ensure that they are plausible and consistent with economic outlooks used for other purposes.

For the PD component, the Group converts its through-the-cycle (TTC) PDs to point-in-time (PiT) PDs by applying a forward-looking adjustment derived from a macroeconomic regression model that links historic default behaviour to key economic variables, including GDP, unemployment and the Bank of England base rate. The model produces a scenario-specific forward-looking adjustment that is applied to the TTC PD, which directly responds to the changing economic conditions of the scenarios. For the LGD component, the same macroeconomic scenarios are used to forecast regional house price indices (HPI), which are applied to project collateral values at the expected point of sale.

The PD and LGD outputs for each scenario are then combined with EAD estimates, and the resulting ECLs are probability-weighted across all scenarios to produce an unbiased and forward-looking estimate of credit losses. This approach ensures that the ECL calculation appropriately reflects both current economic conditions and the potential impact of future macroeconomic changes.

Purchased or originated credit-impaired (POCI) financial assets

POCI financial assets are assets that are credit-impaired on initial recognition. For POCI assets, lifetime ECL are incorporated into the calculation of the effective interest rate on initial recognition. Consequently, POCI assets do not carry an impairment allowance on initial recognition. The amount recognised as a loss allowance after initial recognition is equal to the changes in lifetime ECL since initial recognition of the asset.

2.13.2. Financial liabilities

The Group's financial liabilities, which largely consist of borrowings, are all classified as measured at amortised cost, recognised initially at fair value, less any directly attributable transaction costs.

Financial liabilities are recognised when their contractual obligations are discharged, cancelled, or have expired. An exchange of financial liabilities with substantially different terms or a substantial modification to the terms of an existing financial liability is treated as an extinguishment of the original liability and the recognition of a new one. All gains or losses on non-substantial modifications, calculated as a change in the net present value of future cash flows using the original effective interest rate, are recognised immediately in the income statement.

2.14. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of a liability reflects its non-performance risk.

When available, the Group measures the fair value of an instrument using the quoted price in an active market for the instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an on-going basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all the factors that market participants would consider in pricing a transaction. The Group classifies disclosed fair values according to a hierarchy that reflects the significance of observable market inputs.

5.8 Notes to the Financial Statements (continued)

2. Summary of material accounting policies (continued)

2.15. Derivative financial instruments and hedging accounting

Derivative financial instruments

The Group uses interest rate swaps to manage its exposure to interest rate risk. The Group does not hold or issue derivative financial instruments for trading.

Derivative financial instruments are initially recognised at fair value on the date that a derivative contract is entered into, and they are subsequently remeasured to their fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument and, if so, the nature of the item being hedged.

Hedge accounting

The Group has elected to apply hedge accounting under IFRS 9.

When transactions meet the criteria specified in IFRS 9, the Group can apply three types of hedge accounting, either hedges of the changes in the fair value of the financial asset or liability (fair value hedge accounting) or hedges of variability in cash flows of the financial asset or liability (cash flow hedge) or net investment hedging. The Group currently applies cash flow hedge accounting.

At inception of the hedge relationship, the Group documents the economic relationship between hedging instruments and hedged items, including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The Group documents its risk management objective and strategy for undertaking its hedge transactions.

The fair value of derivative financial instruments designated in hedging relationships are disclosed in note 16. Movement in the hedging reserve in shareholders' equity is shown in the Statement of Changes in Equity.

Fair value and cash flow hedges may have residual ineffectiveness. Ineffectiveness is the extent to which changes in the fair value of the hedging instrument fail to offset changes in the fair value of the hedged item. Ineffectiveness is recognised in the income statement as it occurs. Sources of ineffectiveness include:

- differences in the size and timing of future expected cash flow of the hedging instruments and hedged item.
- differences in the curves used to value the hedging instrument and hedged item.
- unexpected changes to the hedged item; or
- the designation of off-market derivatives.

Cash flow hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the cash flow hedge reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, within other gains/losses.

The fair value movements deferred in the cash flow hedge reserve are subsequently 'recycled' to the income statement in the period when the underlying hedged risk item impacts the income statement. If the cash flow hedge relationship ceases to meet the effectiveness criterion required for hedge accounting and the hedged cash flows are still expected to occur, the deferred derivative fair value movement is held in other comprehensive income until the underlying hedged item is recognised in the income statement.

5.8 Notes to the Financial Statements (continued)

2. Summary of material accounting policies (continued)

2.16. Leased assets

The Company as a lessee

The Company assesses whether a contract is or contains a lease, at inception of a contract. The Company recognises a right of use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease.

Lease payments included in the 'Trade and other payables' of the lease liability comprises of fixed lease payments (including in substance fixed payments), less any lease incentives.

The lease liability is included in 'Creditors' on the Statement of Financial Position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The right of use assets comprises the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right of use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right of use asset reflects that the Company expects to exercise a purchase option, the related right of use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right of use assets are included in the Property and equipment line in the Statement of Financial Position.

The Company applies IAS 36 to determine whether a right of use asset is impaired and accounts for any identified impairment loss as described in Note 2.12.

As a practical expedient, IFRS 16 permits a lessee not to separate non lease components, and instead account for any lease and associated non lease components as a single arrangement. The Company has used this practical expedient.

2.17. Foreign currency translation

The Group's financial statements are presented in GBP, which is also the Group's functional currency. All transactions, except for a small number of supplier invoices, occur in GBP.

2.18. Dividend distribution

Dividend distributions to the Group's shareholders are recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Group's shareholders. No dividends were paid or approved during the period.

2.19. Exceptional items

Exceptional items are disclosed separately in the financial statements, where it is necessary to do so to provide further understanding of the financial performance of the Group. They are items that are material, either because of their size or their nature, or that are non-recurring.

5.8 Notes to the Financial Statements (continued)

3. Critical accounting estimates and judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3.1 Critical accounting estimates

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The significant estimates are addressed below:

- (a) **Loan impairment allowance** – Provisions for impairment of loans and advances are based on the expected credit loss model of IFRS 9. The Group utilises macroeconomic forecasts and the other assumptions and estimates necessary for the calculation of ECL (further details are set out in Note 17).

3.2 Critical judgments

Consolidation of structured entities – The Group makes investments in associated public and private securitisation entities by retaining 5% of the total notes issued by a public securitisation entity and a subordinated loan for a private securitisation entity, in addition to retaining the rights to residual income from mortgage loans held in the securitisation entities. The Group is exposed to a variable return from these securitisation entities. The Group holds the legal title to the mortgages held in the securitisation entities and makes management decisions on their behalf including setting of variable mortgage interest rates and the mortgage collections strategy. The power of the Group over the management and / or return of the structured entities has resulted in the structured entities being consolidated into the Group. There are no material unconsolidated structured entities.

4. Changes in accounting policy

New standards that the Group has applied from 1 January 2025

Standards and amendments to standards applicable to the Group that became effective during the year are listed below:

- Amendments to IAS 21 - Lack of Exchangeability.

The amendment listed above did not have any material impact on these financial statements.

Standards issued not yet effective

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2025 reporting periods and have not been early adopted by the Company, these are listed below:

- Amendments to IFRS 9 and IFRS 7 - Amendments to the Classification and Measurement of Financial Instruments (effective for annual periods beginning on or after 1 January 2026)
- IFRS 19 Subsidiaries without Public Accountability: Disclosures (effective for annual periods beginning on or after 1 January 2027)
- IFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027)
- Amendments to IAS 21 – Translation to a Hyperinflationary Presentation Currency (effective for annual periods beginning on or after 1 January 2027)

None of these are expected to have a material impact on these financial statements in the current or future reporting periods and on foreseeable future transactions.

5.8 Notes to the Financial Statements (continued)

5. Interest income

Group	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Interest on loans and advances to customers	183.2	155.5
	183.2	155.5

6. Interest expense (excluding finance costs)

Group	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
On borrowings	116.6	111.4
On derivatives in qualifying hedging relationships	(15.4)	(21.2)
Hedge accounting - amortisation of cash flow hedge reserve	(4.6)	(4.9)
Hedge accounting - ineffectiveness	4.2	6.7
	100.8	92.0

7. Operating profit

Group	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Depreciation of tangible fixed assets	0.9	0.9
Amortisation of intangible fixed assets	0.7	0.9
	1.6	1.8

8. Auditors' remuneration

Group	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Fees paid for the audit of the Company and consolidated accounts	0.1	0.1
Fees paid for the audit of the Company's subsidiaries and SPVs	0.7	0.6
Audit-related assurance services	0.3	0.3
	1.1	1.0

5.8 Notes to the Financial Statements (continued)

9. Exceptional expense

Group	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Corporate transactional fees	-	0.4
Release of amortized set-up fees relating to previous funding structure	-	1.3
	-	1.7

Exceptional corporate transaction fees in 2025 relate to the refinancing of other loans and repayment of shareholder loan notes during the year. Exceptional corporate transaction fees in 2024 relate to group reconstruction costs of taking out old holding companies no longer required by the overall group. The exceptional release of amortised set-up facilities fees in 2024 related to a funding facility terminated early.

10. Staff costs

Group	Year ended 31 December 2025 No.	Year ended 31 December 2024 No.
Total average monthly number of employees during the year:		
Broking	44	39
Short term lending	37	27
Long term lending	81	59
Commercial lending	7	-
Central functions	118	114
	287	239

Group	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Staff costs for the year:		
Wages and salaries	19.0	15.6
Social security costs	2.6	1.9
Other pension costs	0.5	0.4
	22.1	17.9

Staff costs are included within administration expenses.

The Company had no employees during the year and the remuneration of the directors was paid by another group company during the year, and no recharge was made to the company in this regard.

5.8 Notes to the Financial Statements (continued)

11. Directors' remuneration

Group	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Emoluments	2.4	1.9
Company contribution to personal pension schemes	-	-
	2.4	1.9

Group	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
In respect of the highest paid director		
Aggregate emoluments	1.5	1.1
Company contribution to personal pension schemes	-	-
	1.5	1.1

12. Finance costs

Group	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Other loan interest payable	9.8	8.6
Interest expense on lease liabilities	0.2	0.2
Shareholder loan note interest	35.5	34.0
Preference share interest	5.8	5.3
	51.3	48.1

5.8 Notes to the Financial Statements (continued)

13. Taxation

Group	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Tax credit in the income statement		
<i>Current income tax:</i>		
Corporation tax	2.5	0.1
Adjustments in respect of prior periods	0.3	(0.1)
Total current income tax	2.8	-
<i>Deferred tax:</i>		
Origination and reversal of temporary differences	(3.1)	(3.0)
Total deferred tax	(3.1)	(3.0)
Taxation	(0.3)	(3.0)

Reconciliation of the total tax credit

The tax credit in the income statement for the year is higher than the standard rate of corporation tax in the UK of 25% (2024: 25%).

The differences are reconciled below:

Group	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Profit/(Loss) before taxation	1.0	(10.7)
Tax calculated at UK standard rate of corporation tax of 25% (2024: 25%)	0.2	(2.7)
Effects of:		
Capital allowances in excess of depreciation	(0.1)	(0.1)
Non-deductible loan note interest	0.7	0.8
Expenses not deductible for tax purposes	1.7	2.1
Adjustments in respect of prior periods	0.3	(0.1)
Deferred tax adjustment	(3.1)	(3.0)
Total tax credit reported in the income statement	(0.3)	(3.0)

14. Company loss for the financial year

As permitted by section 408 Companies Act 2006, the holding company's statement of comprehensive income has not been included in these financial statements. The loss for the financial year is made up as follows:

	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Company's loss for the financial year	(5.5)	(34.2)
	(5.5)	(34.2)

5.8 Notes to the Financial Statements (continued)

15. Cash and cash equivalents

Group	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Unrestricted cash	83.4	78.4
Restricted cash	45.7	42.6
Total cash and cash equivalents	129.1	121.0

Restricted cash relates to cash held in reserve accounts for the securitisation vehicles. All cash and cash equivalents held by the Group are denominated in pounds sterling.

16. Derivative financial assets and liabilities

The Group applies hedge accounting for its strategy of cash flow hedging the interest-rate risk on floating-rate liabilities.

Cash flow hedging

Cash flow hedges of interest rate risk relate to hedges of exposures to variability in future interest payments due to the movement in SONIA benchmark interest rates. This variability in cash flows is hedged using interest rate swaps, which convert variable cash flows into fixed. For these cash flow hedge relationships, the hedged items are variable interest rate cash flows arising from floating rate financial liabilities with interest rates linked to SONIA. The variability in cash flows due to movements in the SONIA benchmark interest rate is hedged; this risk component is identified using the Groups risk management process and encompasses the majority of cash flow variability risk.

The Group establishes the existence of an economic relationship between the hedged item and the hedging instrument when the hedged exposure closely aligns with the receive floating leg of designated interest rate swaps. This alignment is determined by closely matching the notional amounts in each time bucket, ensuring the reference benchmark interest rate and payment frequency are identical. The notional amounts of the interest rate swaps are designated against a proportion of floating-rate notes that fund the fixed-rate mortgages, and these amounts decrease over time in accordance with the anticipated repayment of the mortgages.

The effectiveness of this strategy is assessed by comparing the changes in fair value of the interest-rate derivatives with changes in the fair value of the hedged floating-rate notes using the hypothetical-derivative method.

The Group establishes the hedging ratio by matching the notional amount of the derivative with the corresponding floating-rate notes, resulting in a hedge ratio of 1:1. The Group's policy is to maintain a hedge ratio within 90-110% across all term products and durations.

These liabilities fund portfolios of mortgage assets, some of which pay fixed rates of interest, and to address the resultant risk of mismatches in the cash flows, the Group may enter into interest-rate swaps. The notional amounts of these derivatives are designated against a proportion of floating-rate debt funding fixed-rate mortgages and decline over time in line with the expected repayment of the mortgages.

The effectiveness of this strategy is assessed by comparing the changes in fair value of the interest-rate derivatives with changes in the fair value of the hedged floating-rate notes and uses the hypothetical-derivative method.

The main sources of ineffectiveness in the cash flow hedges of interest rate risk are:

- The securitisation process can lead to a break in hedge accounting and re-designation of an off-market swaps
- The inclusion of transaction costs or off-market interest rates in the fixed-rate leg
- The counterparty credit risk impacting the fair value movements of the hedging instruments, but not the hedged item.

Differences in the expected maturity of the hedged item and the hedging instrument.

5.8 Notes to the Financial Statements (continued)

16. Derivative financial assets and liabilities (continued)

The following table analyses derivatives held for risk-management purposes by type of instrument:

Group	2025	2024
Derivative financial asset	£m	£m
<i>Derivatives designated as hedging instruments</i>		
Interest rate swaps – cash flow hedges	7.0	26.0
Total derivatives designated as hedging instruments	7.0	26.0

Group	2025	2024
Derivative financial liabilities	£m	£m
<i>Derivatives designated as hedging instruments</i>		
Interest rate swaps – cash flow hedges	(2.4)	-
	(2.4)	-

For the valuation of derivative financial instruments, a discounted cash flow model is used based on the year end interest rate yield curve. The yield curve is the primary determinant of the valuation. Consequently, the Group deems all its interest rate swaps to be Level 2.

The notional amount of the interest rate swaps was:

Group	2025 Notional amount £m	2024 Notional amount £m
<i>Derivatives designated as hedging instruments</i>		
Interest rate swaps – cash flow hedges	1,775.3	1,353.8
Total derivatives designated as hedging instruments	1,775.3	1,353.8

The following table sets out the maturity profile and average interest rate of hedge accounting strategies.

2025 Notional amount	Up to 1 month	1 to 3 months	3 months to 1 year	1 to 4 years	4 to 5 years	Greater than 5 years	Total
Interest rate swaps (£m)	21.6	8.9	256.9	672.2	809.3	6.4	1,775.3
Weighted average interest rate (%)	4.2	4.0	2.3	3.2	3.6	3.6	3.3

2024 Notional amount	Up to 1 month	1 to 3 months	3 months to 1 year	1 to 4 years	4 to 5 years	Greater than 5 years	Total
Interest rate swaps (£m)	-	1.7	225.2	246.9	875.1	4.9	1,353.8
Weighted average interest rate (%)	-	5.3	4.7	1.9	3.2	3.8	3.2

5.8 Notes to the Financial Statements (continued)

16. Derivative financial assets and liabilities (continued)

The following table shows an analysis of the cash flow hedge reserve.

2025	Cash flow hedge reserve			
	Carrying amount of hedged liabilities	Change in fair value of hedged item in the year used for ineffectiveness measurement	Continuing hedges	discontinued hedges
	£m	£m	£m	£m
Cash flow hedge:				
Variable rate liabilities linked to SONIA	1,775.3	(21.1)	(16.5)	(4.6)
	1,775.3	(21.1)	(16.5)	(4.6)

2024	Cash flow hedge reserve			
	Carrying amount of hedged liabilities	Change in fair value of hedged item in the year used for ineffectiveness measurement	Continuing hedges	discontinued hedges
	£m	£m	£m	£m
Cash flow hedge:				
Variable rate liabilities linked to SONIA	1,353.8	4.7	9.6	(4.9)
	1,353.8	4.7	9.6	(4.9)

5.8 Notes to the Financial Statements (continued)

17. Loans and advances to customers

Loans and impairments by stage and product

2025 Group	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m
Gross loans and advances to customers	2,181.5	49.4	33.0	2,263.9
Less retained interest received in advance	(12.5)	-	-	(12.5)
Net Loans and advances to customers	2,169.0	49.4	33.0	2,251.4
Less allowance for impairment losses	(3.5)	(0.5)	(2.9)	(6.9)
Loans and advances to customers	2,165.5	48.9	30.1	2,244.5
ECL coverage (%)	0.2	1.0	8.8	0.3

2024 Group	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m
Gross loans and advances to customers	1,655.2	59.0	29.6	1,743.8
Less retained interest received in advance	(15.4)	-	-	(15.4)
Net Loans and advances to customers	1,639.8	59.0	29.6	1,728.4
Less allowance for impairment losses	(1.7)	(0.3)	(2.7)	(4.7)
Loans and advances to customers	1,638.1	58.7	26.9	1,723.7
ECL coverage (%)	0.1	0.5	9.1	0.3

The retained interest received in advance balance relates to bridging loans where the interest is retained at inception and deducted from the gross loan advanced to the borrower. The retained interest is deferred and recognised as part of the effective interest rate calculation over the life of the loan.

The overall provision is in line with the prior year and growth in receivable balances, as demonstrated by the total ECL coverage percentage.

The maturity of Gross Loans and advances as follows:

Group	2025 £m	2024 £m
Less than one year	468.8	467.1
Later than one year and not later than five years	151.4	116.2
More than five years	1,643.7	1,160.5
	2,263.9	1,743.8

An analysis of the types of Gross Loans and advances is set out below:

Group	2025 £m	2024 £m
Short term loans (Bridging and Development finance)	695.4	571.1
Commercial mortgage assets	16.1	-
Term mortgage assets (2nd Charge, Buy-to-let and Residential mortgages)	1,552.4	1,172.7
	2,263.9	1,743.8

All loans and advances are secured against property assets in the United Kingdom.

5.8 Notes to the Financial Statements (continued)

17. Loans and advances to customers (continued)

Bridging loans generally have a contractual term of less than one year although a small number of loans have a maturity of up to three years. Development Finance loans usually have a contractual maturity of not more than 24 months with a maximum maturity of 30 months. Term and Commercial mortgages have a contractual term of between three and forty years.

All borrowers are required to make monthly payments, except where interest is retained on origination and applied to the account monthly, and in the case of development loans, and a small number of bridging loans, where interest is accrued and paid on redemption.

Borrowers are entitled to settle the loan at any point, however early repayment charges may apply on certain fixed rate loans. The Group applies strict credit criteria and detailed underwriting and risk management procedures to its lending. This is to ensure a loan book of the highest possible quality.

Analysis of Stage 2 loans

Ageing of past due but not impaired Gross Loans and Advances is as follows:

Group	2025 £m	2024 £m
0-30 days	17.2	36.7
31-60 days	24.6	17.7
61-90 days	7.6	4.6
	49.4	59.0

The loan to value (LTV) on loans past due but not impaired remains healthy and are consistent with the Group's credit policy. The Group's servicing department is actively engaged with these borrowers to facilitate timely redemption.

Analysis of Stage 3 loans

Ageing of past due and impaired Gross Loans and Advances is as follows:

Group	2025 £m	2024 £m
0-30 days	4.6	4.3
31-60 days	0.2	4.4
61-90 days	0.4	1.0
> 90 days	27.8	19.9
	33.0	29.6

5.8 Notes to the Financial Statements (continued)

17. Loans and advances to customers (continued)

Measurement of expected credit losses (ECL)

Basis of provision - ECL model

The Group considers whether financial assets are credit impaired at each reporting date. The Group calculates its ECL using a statistical model based on probability of default (PD), and loss given default (LGD), and exposure at default (EAD):

- PD: is an estimate of the likelihood of default over a given time horizon, estimated at a point in time (PIT). The calculation is based on statistical models that utilize both market and internal data.
- LGD: is an estimate of the loss in the event of a default. The expected loss amounts vary according to loan-to-value (LTV) ratios and future collateral prices. The estimates are based on the Group's history of recovery rates, calculated as forced-sale discounts, and the probability of repossession given default (PPGD), discounted for the average period for the recovery of sale proceeds.
- EAD: is an estimate of the expected gross carrying amount at a future default date. EAD is based on the current loan amount adjusted for expected repayment of principal and drawdowns of loan commitments.

ECL is calculated at an individual loan level as the product of PD, LGD and EAD, discounted to the reporting date.

In accordance with IFRS 9, the Group uses a three-stage model for impairment based on changes in credit quality since initial recognition:

- Stage 1: A financial instrument not credit-impaired on initial recognition is classified in stage 1. The loss allowance for such instruments is calculated as the portion of lifetime ECL of those default events expected to occur within 12 months of the reporting date, weighted by the probability of that default occurring.
- Stage 2: An instrument moves to stage 2 if there is an increase in its credit risk that is significant but not such that the instrument is considered credit impaired. The loss allowance for stage 2 instruments is calculated as the lifetime ECL.
- Stage 3: instruments are credit impaired, and the loss allowance calculated as the lifetime ECL.

Improvements in credit quality may result in instruments moving categorization, from stage 3 to stage 2 where they are no longer considered credit impaired or to stage 1 where the credit risk is no longer significantly increased compared with initial recognition.

Post-model adjustments

The Group makes post-model adjustments to its ECL provision where appropriate to reflect factors or risks that are not judged to be fully reflected in the model, which may be done at a portfolio level, as well as in respect of specific loans.

Specific loan post-model adjustments are made in relation to specific loans where further information on the loans becomes known that would require adjustments to be made to the ECL calculation for that loan to reflect the risk identified. This includes incorporating the latest information on the valuation of the security.

Incorporation of forward-looking information

Variables

The Group uses forward-looking information in its measurement of ECL. The key economic variables with the most significant impact on the calculation of the ECL for the Group's financial instruments, are macroeconomic variables, in particular GDP, unemployment, Bank Rate, and changes in house prices. The Group has applied a range of future economic scenarios of these variables, drawing on external forecasts where appropriate.

5.8 Notes to the Financial Statements (continued)

17. Loans and advances to customers (continued)

Scenarios and weightings

The Group calculates ECL using macroeconomic scenarios, calibrated around a base case. In the year, the Group has used 4 scenarios, with one upside and two downside scenarios.

The base case scenario, which is weighted at 55%, is considered to represent the most likely macroeconomic outlook. Under this scenario, UK real GDP growth is expected to remain modest in the near term, reflecting ongoing fiscal consolidation, elevated interest rates by historical standards and weak global demand. Annual GDP growth is forecast to be approximately 1–1.5%, with a gradual improvement from 2027. Longer-term growth is constrained by structural factors, including subdued productivity growth and demographic pressures, and no material recession is assumed under the baseline scenario. Labour market conditions are expected to continue easing, with employment growth weakening and the unemployment rate rising modestly to just above 5% in 2026, before stabilising. Softer labour market conditions are expected to reduce upward pressure on nominal wage growth. Inflation is assessed to have peaked and is forecast to decline gradually, supported by easing energy prices and weaker demand conditions. Headline CPI inflation is expected to return towards the Bank of England's 2% target during 2026, with core inflation continuing to trend lower. Monetary policy is expected to ease gradually, with the Bank of England policy rate forecast to fall progressively to slightly below 3% over the medium term, reflecting residual inflation risks and estimates of the neutral rate. Long-term gilt yields are expected to remain elevated in the near term before declining gradually. UK residential property prices are forecast to grow modestly over the forecast period. Structural housing supply constraints persist; however, affordability pressures arising from higher mortgage rates and recent tax measures are expected to limit near-term house price growth. The baseline does not assume a material or disorderly correction in the housing market.

The baseline scenario incorporates continued geopolitical and trade-related uncertainty, including the assumption that US trade tariffs remain moderately elevated but below levels applied to other European economies. The Russia-Ukraine conflict is assumed to continue without a lasting resolution, but without material escalation that would significantly disrupt energy supply or financial markets. Middle East tensions are assumed to remain contained, with no broad regional conflict, and without a significant adverse impact on global energy markets. Energy prices are therefore assumed to remain close to multi-year lows in real terms, supporting gradual disinflation.

There is one upside scenario, which is weighted 10%. This scenario assumes that the trade war quickly de-escalates and the intensive phase of the war in Ukraine ends. This results in a boost to aggregate demand and expansion of aggregate supply. On the demand side, these positive developments relieve recession concerns, causing an uptick in consumer and business sentiment. On the supply side, improved energy security, a total removal of supply bottlenecks, and efficiency gains driven by the government's regulatory reforms and green investment program usher in a period of rapid productivity growth. The strong economy consolidates support for the government, which further supports effective reforms and investment.

There are two downside scenarios, downside and severe downside, weighted 25% and 10%, respectively. The downside scenario assumes global growth is weak and sentiment in Europe worsens thanks to renewed trade tensions. With the calmer period in U.S. trade policy over, firms realise that the rules of the game will continue to change and decide to scale back investment plans and cut their workforce, pushing the economy into a mild recession. The BoE does not react fast enough to accommodate a faltering economy.

The severe downside scenario sees sentiment in Europe turn down sharply amid increasing concerns around global growth, largely driven by a new phase in the U.S. trade war. Geopolitical tensions rise on fears that the war in Ukraine will spill over into neighbouring states and tensions between China and the U.S. increase, leading to temporary barriers to shipping along the Taiwan Strait and to bans on exports of critical components. Political risks in Europe intensify and pressure sovereigns. The resulting increase in risk aversion results in a selloff in global financial markets that sets the scene for a moderate but lengthy recession. The BoE does not act fast enough to accommodate the slumping economy.

Judgement is required to set the scenario weightings to consider the interaction between the severity of the scenarios and the weightings applied.

5.8 Notes to the Financial Statements (continued)

17. Loans and advances to customers (continued)

Scenarios and weightings (continued)

The most significant macroeconomic inputs, as at 31 December 2025, used for the ECL estimate are as follows:

Bank rate (%)	Weighting	2026	2027	2028	2029	2030
Upside	10%	3.6	3.3	3.0	2.7	2.5
Base	55%	3.4	2.9	2.8	2.7	2.5
Downside	25%	2.9	1.8	2.4	2.6	2.5
Severe downside	10%	2.7	1.2	1.2	1.5	1.8
Weighted average		3.2	2.5	2.5	2.5	2.4

GDP (%)	Weighting	2026	2027	2028	2029	2030
Upside	10%	3.6	2.7	1.6	1.7	1.9
Base	55%	1.0	1.5	1.6	1.7	1.7
Downside	25%	(1.4)	0.6	2.6	1.7	1.8
Severe downside	10%	(2.2)	(0.8)	2.9	2.2	1.7
Weighted average		0.4	1.2	2.0	1.8	1.7

Unemployment rate (%)	Weighting	2026	2027	2028	2029	2030
Upside	10%	4.7	4.2	4.1	4.2	4.4
Base	55%	5.1	5.0	5.0	4.9	4.9
Downside	25%	5.5	5.4	5.1	5.0	4.9
Severe downside	10%	6.3	7.6	7.7	7.3	6.7
Weighted average		5.3	5.3	5.2	5.1	5.0

Annual change in house-price index (%)	Weighting	2026	2027	2028	2029	2030
Upside	10%	10.1	10.6	1.0	(2.1)	(0.9)
Base	55%	1.7	2.4	1.7	1.8	2.3
Downside	25%	(2.6)	(1.9)	2.5	1.6	2.0
Severe downside	10%	(4.8)	(9.0)	(2.0)	3.5	5.7
Weighted average		0.8	1.0	1.5	1.5	2.2

5.8 Notes to the Financial Statements (continued)

17. Loans and advances to customers (continued)

Scenarios and weightings (continued)

The most significant macroeconomic inputs, as at 31 December 2024, used for the ECL estimate are as follows:

Bank rate (%)	Weighting	2025	2026	2027	2028	2029
Upside	10%	4.5	3.4	2.7	2.5	2.5
Base	55%	4.3	3.3	2.5	2.5	2.5
Downside	25%	3.9	2.4	2.2	2.5	2.5
Severe downside	10%	3.6	1.7	1.2	1.6	1.9
Weighted average		4.2	2.9	2.3	2.4	2.4
GDP (%)	Weighting	2025	2026	2027	2028	2029
Upside	10%	4.2	2.7	1.7	1.7	1.9
Base	55%	1.7	1.5	1.7	1.7	1.7
Downside	25%	-0.7	0.6	2.7	1.7	1.8
Severe downside	10%	-1.8	-0.9	3.1	2.1	1.6
Weighted average		1.0	1.2	2.1	1.7	1.7
Unemployment rate (%)	Weighting	2025	2026	2027	2028	2029
Upside	10%	3.9	3.7	3.7	4.0	4.2
Base	55%	4.4	4.5	4.6	4.6	4.7
Downside	25%	4.8	4.8	4.7	4.7	4.8
Severe downside	10%	5.5	7.1	7.3	7.1	6.5
Weighted average		4.5	4.7	4.8	4.8	4.9
Annual change in house-price index (%)	Weighting	2025	2026	2027	2028	2029
Upside	10%	10.5	11.7	2.6	-2.3	-1.3
Base	55%	2.0	3.5	3.4	1.6	1.8
Downside	25%	-2.2	-0.8	4.2	1.5	1.5
Severe downside	10%	-4.5	-8.0	-0.4	3.3	5.3
Weighted average		1.2	2.1	3.2	1.4	1.8

5.8 Notes to the Financial Statements (continued)

17. Loans and advances to customers (continued)

Movement in loss allowance

The following tables analyze the movement of the loss allowance during the year.

2025 Group	Stage 1 £m	Stage 2 £m	Stage 3 £m	POCI £m	Total £m
Balance at the beginning of the year	(1.7)	(0.3)	(2.7)	-	(4.7)
Transfer to Stage 1 (from 2 or 3)	-	-	0.2	-	0.2
Transfer to Stage 2 (from 1 or 3)	-	-	-	-	-
Transfer to Stage 3 (from 1 or 2)	-	0.1	(1.3)	-	(1.2)
New financial assets originated or purchased	(2.0)	(0.1)	(0.3)	-	(2.4)
Derecognition of financial assets	0.7	0.2	0.7	-	1.6
Change in model - risk parameters	0.8	(0.1)	1.7	-	2.4
Other changes	(1.3)	(0.3)	(1.2)	-	(2.8)
Balance at the end of the year	(3.5)	(0.5)	(2.9)	-	(6.9)

2024 Group	Stage 1 £m	Stage 2 £m	Stage 3 £m	POCI £m	Total £m
Balance at the beginning of the year	(2.2)	(0.1)	(2.9)	-	(5.2)
Transfer to Stage 2 (from 1 or 3)	0.1	-	-	-	0.1
Transfer to Stage 3 (from 1 or 2)	-	-	(1.0)	-	(1.0)
New financial assets originated or purchased	(1.0)	(0.2)	(1.4)	-	(2.6)
Derecognition of financial assets	1.0	0.1	2.3	-	3.4
Change in model - risk parameters	0.9	(0.8)	0.7	-	0.8
Other changes	(0.5)	0.7	(0.4)	-	(0.3)
Balance at the end of the year	(1.7)	(0.3)	(2.7)	-	(4.7)

The loss allowance increased by £2.2m in 2025 to £6.9m (2024: £4.7m). This net movement is principally in the Stage 1 provision, driven primarily by new originations.

5.8 Notes to the Financial Statements (continued)

17. Loans and advances to customers (continued)

Movement in gross carry amounts

The following tables analyze the changes in the gross carrying amount of loans and advances to customers.

2025 Group	Stage 1 £m	Stage 2 £m	Stage 3 £m	POCI £m	Total £m
Balance at the beginning of the year	1,655.2	59.0	29.6	-	1,743.8
Transfer to Stage 1 (from 2 or 3)	22.0	(19.1)	(2.9)	-	-
Transfer to Stage 2 (from 1 or 3)	(22.5)	23.1	(0.6)	-	-
Transfer to Stage 3 (from 1 or 2)	(15.6)	(9.0)	24.6	-	-
New financial assets originated or purchased	978.4	23.3	2.4	-	1,004.1
Derecognition of financial assets	(501.7)	(29.3)	(18.4)	-	(549.4)
Changes due to modifications that did not result in derecognition	65.7	1.4	(1.7)	-	65.4
Balance at the end of the year	2,181.5	49.4	33.0	-	2,263.9

2024 Group	Stage 1 £m	Stage 2 £m	Stage 3 £m	POCI £m	Total £m
Balance at the beginning of the year	1,320.1	52.8	23.3	2.1	1,398.3
Transfer to Stage 1 (from 2 or 3)	6.6	(6.4)	(0.2)	-	-
Transfer to Stage 2 (from 1 or 3)	(35.1)	35.3	(0.2)	-	-
Transfer to Stage 3 (from 1 or 2)	(13.6)	(1.0)	14.6	-	-
New financial assets originated or purchased	843.2	20.4	8.6	-	872.2
Derecognition of financial assets	(497.0)	(43.7)	(15.2)	(2.1)	(558.0)
Changes due to modifications that did not result in derecognition	31.0	1.6	(1.3)	-	31.3
Balance at the end of the year	1,655.2	59.0	29.6	-	1,743.8

Sensitivity analysis

Key areas of estimation uncertainty in the ECL models are the forecast macroeconomic scenarios used, and the calculations of loss given default and probability of default.

The following table shows unweighted ECL when 100% probability was applied to each scenario.

2025 Scenarios	Probability of scenario	Unweighted ECL
Upside	10%	3.4
Base case	55%	5.7
Downside	25%	8.2
Severe downside	10%	12.5
Weighted average		6.9

2024 Scenarios	Probability of scenario	Unweighted ECL
Upside	10%	1.9
Base case	55%	3.8
Downside	25%	5.9
Severe downside	10%	9.5
Weighted average		4.7

5.8 Notes to the Financial Statements (continued)

18. Other assets

Group	2025 £m	2024 £m
Deferred tax asset	-	-
Prepayments and accrued income	19.0	16.3
Other debtors	33.2	58.9
	52.2	75.2

Group	2025 £m	2024 £m
Maturity of other assets		
Less than one year	52.2	75.2
	52.2	75.2

Group Other debtors includes £22.5m (2024: £49.4m) of contributions to alternative investment funds used to temporarily fund off-balance loans. This balance is net of a provision of £7.0m (2024: £6.1m).

Company	2025 £m	2024 £m
Amount owed by Group companies	0.5	49.1
	0.5	49.1

Company	2025 £m	2024 £m
Maturity of other assets		
Less than one year	0.5	49.1
	0.5	49.1

5.8 Notes to the Financial Statements (continued)

19. Property and equipment

Group	Leasehold improvements £m	Right-of-use assets £m	Other Fixed assets £m	Total £m
Cost or valuation				
At 1 January 2025	2.0	6.6	0.8	9.4
Additions	0.1	-	-	0.1
At 31 December 2025	2.1	6.6	0.8	9.5
Accumulated depreciation				
At 1 January 2025	0.8	2.4	0.7	3.9
Depreciation charge	0.2	0.5	0.2	0.9
At 31 December 2025	1.0	2.9	0.9	4.8
Net book value				
At 31 December 2025	1.1	3.7	(0.1)	4.7

The right-of-use assets relate to office leases only.

Group	Leasehold improvements £m	Right-of-use assets £m	Other fixed assets £m	Total £m
Cost or valuation				
At 1 January 2024	2.0	6.6	0.7	9.3
Additions	-	-	0.1	0.1
At 31 December 2024	2.0	6.6	0.8	9.4
Accumulated depreciation				
At 1 January 2024	0.6	1.8	0.6	3.0
Depreciation charge	0.2	0.6	0.1	0.9
At 31 December 2024	0.8	2.4	0.7	3.9
Net book value				
At 31 December 2024	1.2	4.2	0.1	5.5

The right-of-use assets relate to office leases only.

5.8 Notes to the Financial Statements (continued)

20. Goodwill and other intangible assets

Group	Other intangible assets		Goodwill	Total
	Software Development £m	Customer Relationships £m	£m	£m
Cost				
At 1 January 2025	8.4	85.6	147.2	241.2
Additions	2.8	-	-	2.8
At 31 December 2025	11.2	85.6	147.2	244.0
Accumulated amortisation				
At 1 January 2025	5.7	28.4	-	34.1
Amortisation charge	0.7	12.2	-	12.9
At 31 December 2025	6.4	40.6	-	47.0
Net book value				
At 31 December 2025	4.8	45.0	147.2	197.0

Group	Other intangible assets		Goodwill	Total
	Software Development £m	Customer Relationships £m	£m	£m
Cost				
At 1 January 2024	6.1	85.6	147.2	238.9
Additions	2.3	-	-	2.3
At 31 December 2024	8.4	85.6	147.2	241.2
Accumulated amortisation				
At 1 January 2024	4.8	16.2	-	21.0
Amortisation charge	0.9	12.2	-	13.1
At 31 December 2024	5.7	28.4	-	34.1
Net book value				
At 31 December 2024	2.7	57.2	147.2	207.1

5.8 Notes to the Financial Statements (continued)

20. Goodwill and other intangible assets (continued)

Goodwill

Goodwill arose on the acquisition of the Galene Topco Limited group by Eclipse Financing Limited on 2 September 2022, which was considered as a single cash generating unit.

The Group tests goodwill for impairment annually or more frequently if there are indications that goodwill might be impaired. When testing for impairment, recoverable amounts for each operating investment are measured at the value in use by discounting the future expected cash flows. These calculations use post-tax cash flow projections for the Group based on Board approved budgets and management expectations. The period covered by the most recent financial budgets and forecasts is to the end of 2030 (2024: 2029). Management expect to be able to refinance the shareholder loan notes and preference shares repayable in 2030 as necessary. The discount rate used is 12% being the post-tax estimate based on the Group's cost of capital. The Directors believe that the post-tax discount rate used to discount post-tax cash flows results in an assessment materially like one that uses a pre-tax basis.

The measurement of value in use is sensitive to changes in these key assumptions and in assumptions about economic growth and market penetration that underpin the cash flow projections. Management has sensitised the key assumptions by increasing the discount rate to 15% and decreasing the expected cash flows by 15% and in this sensitised case no impairment was required.

The carrying value of the goodwill is considered to be no less than the recoverable amount as at 31 December 2025.

Other intangible assets

Other intangible assets comprise internally generated software development and customer relationships, which are amortised on a straight-line basis over three and seven years, respectively.

Customer relationships are comprised of direct customer and broker relationships recognised on acquisition of the Galene Topco Limited group. Amortisation charges relating to customer relationships are disclosed separately within the Group Statement of Comprehensive Income after operating profit.

Other intangible assets were reviewed for indications of impairment at the year end, with none identified.

21. Investments in subsidiaries

Company	2025 £m	2024 £m
Cost or valuation		
At beginning of year	244.1	244.1
At end of year	244.1	244.1
Impairment		
At beginning and end of year	-	-
Net Book Value		
At end of year	244.1	244.1

The Company's direct subsidiary is:

Direct subsidiary	Country of registration or incorporation	Class	Shares held %
Eclipse Midco Limited	England and Wales	Ordinary	100

5.8 Notes to the Financial Statements (continued)

21. Investments in subsidiaries (continued)

The aggregate amount of total equity and the results of both direct & indirect undertakings for the last relevant financial year were as follows:

		Total Equity 2025 £m	Total comprehensive income/ (expense) 2025 £m
	Principal activity		
Aria Finance Limited	Specialist broker and distributor	2.7	1.6
Eclipse Financing Limited	Intermediate holding company	46.3	(1.6)
Eclipse Midco Limited	Intermediate holding company	244.0	32.1
Enra Development Bond Co Limited	Dormant	-	-
Enra GP Limited	Dormant	-	-
Enra Specialist Finance Limited	Intermediate holding company	59.1	6.8
West One Bridging Limited	Dormant	-	-
West One Capital Limited	Dormant	-	-
West One Commercial Mortgages Limited	Commercial mortgage lending	5.1	(0.9)
West One Development Finance Holdings Limited	Intermediate holding company	-	-
West One Development Finance Limited	Short term finance	9.6	1.0
West One Development Finance MidCo Limited	Intermediate holding company	0.6	-
West One Loan Limited	Short term finance	105.0	41.9
West One Secured Loans Holdings Limited	Intermediate holding company	28.0	-
West One Secured Loans Limited	Term mortgage lending	66.3	13.4

The Group has an indirect shareholding of 100% in all these UK-incorporated subsidiaries.

The address for the registered office for its subsidiaries is 3rd floor, The Edward Hyde Building, 38 Clarendon Road, Watford, Hertfordshire WD17 1JW. The principal place of business for West One Commercial Mortgages Limited is Office 601, 111 Piccadilly, Manchester, M1 2HY. The principal place of business for all other subsidiaries is the same as the registered office.

In the directors' opinion, the carrying value of the investments is supported by the value of the underlying assets of the business and no indicators of impairment exist.

Certain securitisation entities also meet the control framework and are consolidated within the financial statements, these are disclosed in Note 2.2.

5.8 Notes to the Financial Statements (continued)

22. Other liabilities

Group	2025 £m	2024 £m
Trade creditors	0.7	0.9
Other creditors	6.0	2.7
Accruals and deferred income	14.6	14.8
	21.3	18.4

Maturity of other liabilities	2025 £m	2024 £m
Less than one year	21.3	18.4
	21.3	18.4

Other creditors primarily relate to payroll taxes and withholding taxes due. The directors consider the fair value of trade and other creditors to be equal to the carrying value as at the year end.

Company	2025 £m	2024 £m
Amounts owed to Group undertakings	2.9	2.2
Accruals and deferred income	0.1	0.2
	3.0	2.4

Maturity of other liabilities	2025 £m	2024 £m
Less than one year	3.0	2.4
	3.0	2.4

The amounts owed to group undertakings are unsecured, interest free and repayable on demand.

5.8 Notes to the Financial Statements (continued)

23. Borrowings

Group	2025 £m	2024 £m
Public Securitisation	1,262.2	958.9
Warehouse Securitisation	850.9	686.6
Other loans	229.5	154.5
Lease liabilities	4.4	5.1
Shareholders loan notes	257.2	305.6
Shareholders Loan notes Accrued Interest	10.9	12.0
	2,615.1	2,122.7
Debt issue costs	(11.6)	(7.8)
Total borrowings	2,603.5	2,114.9

Maturity of borrowings	2025 £m	2024 £m
Less than one year	206.0	303.0
Later than one year and not later than two years	338.8	344.5
Later than two years and not later than five years	1,500.2	1,109.2
Later than five years	558.5	358.2
Total borrowings	2,603.5	2,114.9

The Group had four public securitisations in issue at the start of the year, Elstree No. 2, and Elstree No. 3, Elstree Funding No. 4 and Elstree Funding No. 5. During the year the sixth and seventh securitisations, Elstree 2025-01 1st and Elstree 2025-02 1st were completed in March and October 2025, respectively. The notes issued under the public securitisations are listed and pay a fixed spread (between 0.7-5.4%) over SONIA initially until the call date, which occurs between 3-4 years from the date of issuance. At the call date the spread increases at a level between 1% and 1.4% above the initial level and the Residual Certificate Holder has the right to repurchase the loan portfolio. The securitisations have a legal maturity date at inception of more than 30 years. The loan notes are issued from the Issuing special purpose vehicle and are secured over the mortgage assets owned by the Issuer. Included within the public securitisation balance is £52.6m (2024: £21.6m) of securitisation loan notes held by the Group financed through repo arrangements.

The Group has also securitised a portion of its loan pool into (private) warehouse securitisations. The interest payable under debt issue within each warehouse is set at a fixed spread (between 0.9-2.6%) over SONIA and funding is secured against each of the relevant special purpose vehicles.

Other loans comprised of a term and revolving credit facility (RCF) of £229.5m (2024: £154.5m) are secured by way of a fixed and floating charge over the assets of Eclipse Financing Limited and its material subsidiaries, with interest based upon prevailing SONIA + margin. During the year the term and RCF facilities were refinanced with the same third party, with the term facility increasing by £75m and the term extending from September 2029 to August 2030.

Shareholders loan notes are repayable in 2030 or earlier if the Group is acquired by a third party. The notes bear interest at a fixed rate. During the year £85m of shareholder loan notes were repaid.

Debt issue costs, which consist of the prepaid fees in relation to borrowings, are deducted from the carrying amounts and charged to interest expense over the expected duration or term of the facility or notes as appropriate.

5.8 Notes to the Financial Statements (continued)

23. Borrowings (continued)

Company	2025 £m	2024 £m
Shareholders Loan notes	257.2	305.6
Shareholders Loan notes Accrued Interest	10.9	12.0
	268.1	317.6
Total borrowings	268.1	317.6

Maturity of borrowings	2025 £m	2024 £m
Later than two years less than five years	268.1	317.6
Total borrowings	268.1	317.6

24. Preference shares

Group and Company	2025 £m	2024 £m
Preference shares	53.1	47.5
Preference shares interest accrued	2.0	1.8
	55.1	49.3

The preference shares issued have no voting rights attached and are entitled to cumulative interest at a fixed rate per annum.

5.8 Notes to the Financial Statements (continued)

25. Leases

The Group holds rental leases for the trading premises.

Lease liabilities are due as follows:

Group	2025 £m	2024 £m
Not later than one year	0.7	0.7
Between one year and five years	3.2	3.1
Later than five years	0.5	1.3
	4.4	5.1

Contractual undiscounted cash flows are due as follows:

	2025 £m	2024 £m
Not later than one year	0.9	0.9
Between one year and five years	3.0	3.5
Later than five years	-	1.3
	3.9	5.7

The following amounts in respect of leases, where the Group is a lessee, have been recognised in profit or loss:

Group	2025 £m	2024 £m
Interest expense on lease liabilities	0.2	0.2
	0.2	0.2

The total cash outflow for leases during the year was £0.7m (2024: £0.9m). The Head Office lease has a 10-year term expiring in July 2031.

26. Deferred tax liability

Group	2025 £m	2024 £m
At the beginning of the year	14.3	17.3
Credited to income statement	(3.1)	(3.0)
At the end of the year	11.2	14.3

The deferred tax liability is made up as follows:

Group	2025 £m	2024 £m
Intangible recognised on acquisition	11.2	14.3
	11.2	14.3

The estimated amount to reverse from the deferred tax liability in the next 12 months is £3.1m (2024: £3.0m).

5.8 Notes to the Financial Statements (continued)

27. Share capital

Group and Company	2025 £m	2024 £m
Issued and fully paid during the year:		
251,119 Ordinary A shares of £1.00 each	0.3	0.3
39,281 Ordinary B shares of £1.00 each	-	-
31,345 Ordinary C1 shares of £3.00 each	0.1	0.1
40,937 (2024: 40,383) Ordinary C2 shares of £3.00 each	0.1	0.1
22,946 (2024: 22,759) Ordinary D shares of £0.02 each	-	-
	0.5	0.5

The authorised share capital is as per above, except for Ordinary C2 and D shares, where 47,020 and 25,007 are authorised, respectively. Each class of share A-D ranks pari passu in all respects except that:

- The holders of the Ordinary A shares have a perpetual privilege to a cumulative 75% of the voting rights, regardless of the percentage of Ordinary A shares in issue relative to all issued shares; and
- Ordinary C2, D and preference shares do not entitle the holder to voting rights.

28. Related party transactions

Relationships

The Company has the following related parties:

Controlling party

The Directors consider the ultimate controlling parties to be Elliott Associates L.P. and Elliott International L.P.

The Group has entered into a forward flow arrangement with Chetwood Financial Limited, whereby the Group sold to order newly originated mortgage assets, and serviced the loan pool. Chetwood Financial Limited is a remote legal entity, related by common ultimate control. At the balance sheet date £23.5m (2024: £66.8m) of secured loans and advances have been sold on origination during the year. A subsidiary of the Company, West One Secured Loans Limited, remains the servicer of these assets, which had a balance of £217.3m at the year end (2024: £218.7m). During the year Chetwood has been invoiced £0.5m (2024: £0.5m) in servicing and origination fees.

Parent company

The immediate parent undertaking of the Company is Eclipse Investors Limited, a company incorporated in the Cayman Islands. During the year £85m of shareholder loan notes were repaid by the Group to the parent. There were no other transactions in the year with the parent company other than the accrual of interest expense in relation to the shareholder loan notes.

Subsidiaries

Details of the Company's interest in its subsidiaries are disclosed in Note 21.

Key management personnel

Key management personnel comprise the directors of the Company, and their compensation is disclosed in Note 11.

Directors and staff are eligible to invest in off-balance sheet loans, on the same terms as third party investors.

5.8 Notes to the Financial Statements (continued)

28. Related party transactions (continued)

Transactions

As at the balance sheet date the Group had the following balances outstanding with its related parties:

Related Party	Type of balance	Relationship to Company	2025 Creditor £m	2024 Creditor £m
Mr D Waters	Preference Shares	Director	(28.7)	(30.1)
Ms. E Gestetner	Preference Shares	Director	(2.0)	(2.1)
Mr. S Hogg	Preference Shares	Director	(0.8)	(0.8)
Mrs. L Waters	Preference Shares	Partner of Director	(1.6)	(1.7)
Mr. P Prebensen	Preference Shares	Director	(0.6)	(0.6)
Eclipse Financing S.a.r.l	Shareholder loan notes	Shareholder	(292.7)	(317.6)
Eclipse Investor Limited	Shareholder loan notes	Shareholder	(11.4)	-

No further loans were made during the year in respect of shareholder loan notes and preference shares. During the year £85m of shareholder loan notes were repaid by the Group to the parent.

The outstanding balances above include the following interest accrued during the year:

Related Party	Type of balance	Relationship to Company	2025 Expense £m	2024 Expense £m
Mr. D Waters	Interest charged on preference shares	Director	(3.3)	(3.2)
Ms. E Gestetner	Interest charged on preference shares	Director	(0.2)	(0.2)
Mr. S Hogg	Interest charged on preference shares	Director	(0.1)	(0.1)
Mrs. L Waters	Interest charged on preference shares	Partner of Director	(0.2)	(0.2)
Mr. P Prebensen	Interest charged on preference shares	Director	(0.1)	(0.1)
Eclipse Financing S.a.r.l	Interest charged on shareholder loan notes	Shareholder	(35.5)	(34.0)
Eclipse Investor Limited	Interest charged on shareholder loan notes	Shareholder	(0.3)	-

5.8 Notes to the Financial Statements (continued)

29. Financial risk management

Credit risk

Credit risk is the risk that borrowers will not be able to meet their obligations as they fall due. Credit risk continues to be a core part of Board oversight. The Group has maintained a conservative risk profile throughout 2024 and 2025.

As a standard policy, all borrowers are subject to credit verification procedures. The loans provided by the Group are secured against property assets of the borrower with a maximum loan-to-value of 85% that reduces risk if a borrower is unable to repay a loan. The ageing of past due debt is shown in Note 17.

The Group is exposed to counterparty risk on its cash balances and derivatives used to hedge interest rate risk (see interest rate risk below). The Group holds its cash balances with a number of banks, all of which maintain a short-term credit rating of not less than A-1, per Standard & Poor ratings.

Maximum credit risk exposure

The Group's maximum exposure to credit risk is as follows:

Group	2025 £m	2024 £m
<u>Included within the statement of financial position:</u>		
Gross loans and advances to customers	2,263.9	1,743.8
Less: Bridging retained interest received in advance	(12.5)	(15.4)
Net loans and advances to customers	2,251.4	1,728.4
Less: allowance for impairment	(6.9)	(4.7)
Loans and advances to customers	2,244.5	1,723.7
Derivative financial assets	7.0	26.0
Cash and cash equivalents	129.1	121.0
Other assets	52.2	75.2
	2,432.8	1,945.9
<u>Not included within the statement of financial position:</u>		
Commitments to lend	289.0	311.5
Maximum exposure to credit risk	2,721.8	2,257.4

The Group's most material credit risk relates to its loans and advances to customers. The maximum exposure to credit risk increased to £2,721.8m (December 2024: £2,257.4m), principally due to the growth in the loan book.

5.8 Notes to the Financial Statements (continued)

29. Financial risk management (continued)

Credit risk (continued)

Collateral held

The Group enters into agreements with customers taking security for loan receivables over property assets. A key measure the Group uses in assessing credit risk is the ratio of the loan amount to the value of the underlying security (LTV). Valuations obtained on origination are updated by indexing using established regional house price indices to estimate the current security value and, in some cases, they are updated to reflect a more recent valuation of the security where this has been obtained. The table below shows gross loan balances by indexed LTV banding.

Group	2025 %	2024 %
LTV <= 45%	9.1	10.8
45 < LTV <= 55%	11.0	13.0
55 < LTV <= 65%	29.2	33.0
65 < LTV <= 70%	17.7	17.1
70 < LTV <= 75%	15.3	16.3
75 < LTV <= 80%	10.2	6.6
80 < LTV <= 85%	4.4	2.2
LTV >85%	3.1	1.0
Gross loans and advances to customers	100.0	100.0

The weighted average LTV per product has remained stable year on year.

Group	2025 %	2024 %
Bridging loans	60.8	56.6
Development finance loans	63.5	64.4
Commercial mortgages	66.8	-
Buy-to-let mortgages	70.0	68.7
2nd Charge mortgages	64.5	64.2
Residential mortgages	62.3	64.5
Weighted average LTV	65.3	64.0

Concentration of credit risk

The Group's lending portfolio is geographically diversified across the UK and sterling denominated.

The Group credit risk framework includes specific concentration metrics and limits, and the loan portfolios are continuously monitored against these.

5.8 Notes to the Financial Statements (continued)

29. Financial risk management (continued)

Funding, liquidity, and interest rate risk

Funding and liquidity risk

The Group manages its cash and borrowing to meet its working capital requirements, maximise interest income and minimise interest expense as effectively as possible. Debt facilities are maintained to facilitate the growth of the Group's loan book.

The following is an analysis of the gross undiscounted contractual cash flows payable on our financial liabilities, including expected future interest payments, based upon forecast market rates for floating rate instruments.

2025	Carrying value	Repayable on demand and up to one year	More than one year but not more than five years	More than five years	Total
	£m	£m	£m	£m	£m
Financial liabilities					
Trade creditors	0.7	0.7	-	-	0.7
Preference shares	55.1	-	93.7	-	93.7
Borrowings					
Public securitisation	1,262.2	269.1	1,137.1	-	1,406.2
Warehouse securitisation	850.9	43.3	448.2	646.1	1,137.6
Other loans	229.5	29.9	289.6	-	319.5
Lease liabilities	4.4	0.9	3.0	-	3.9
Shareholders loan notes	268.1	-	455.6	-	455.6
	2,670.9	343.9	2,427.2	646.1	3,417.2

2024	Carrying value	Repayable on demand and up to one year	More than one year but not more than five years	More than five years	Total
	£m	£m	£m	£m	£m
Financial liabilities - Group					
Trade creditors	0.9	0.9	-	-	0.9
Preference shares	49.3	-	87.0	-	87.0
Borrowings					
Public securitisation	958.9	220.8	839.5	-	1,060.3
Warehouse securitisation	686.6	371.9	82.7	411.5	866.1
Other loans	154.5	24.4	194.3	-	218.7
Lease liabilities	5.1	0.9	3.5	1.3	5.7
Shareholders loan notes	317.6	-	559.8	-	559.8
	2,172.9	618.9	1,766.8	412.8	2,798.5

The Group has a strong track record of successful refinancing and raising new facilities, both public and private. The depth of maturity in the Group's existing debt facilities provides significant mitigation in respect of refinancing risk at the reporting date. Further detail is set out in Note 23.

5.8 Notes to the Financial Statements (continued)

29. Financial risk management (continued)

Funding, liquidity, and interest rate risk (continued)

Interest rate risk

The Group is exposed to interest rate risk through the impact of rate changes on interest-bearing borrowings. The interest rates and terms of repayment of the Group's bank loans are disclosed in Note 23 to the financial statements.

The Group is exposed to interest rate risk on its group debt, and its term mortgage loan book due to a mismatch between the fixed and floating elements of its loan receivables and its funding. The Group's funding expense is charged on a floating rate basis whilst its loan receivables have a combination of fixed and floating rate terms. The Group is therefore exposed to increases in interest rates. To mitigate this risk the Group enters into derivative instruments to eliminate its exposure to any variations in interest rates. The derivatives are in the form of vanilla interest rate swaps. Hedging utilises assumptions regarding the repayment profile of loans hedged and if loan receivables are repaid early, or late residual interest rate risk remains in the mortgage book.

The Group is exposed to interest rate risk on its bridging loans as the company's borrowings are at a variable rate whereas most of its interest income is a fixed rate. Due to the short-term nature of bridging loans and the volatility in repayment rates, the Group has chosen to hedge only part of this exposure.

The Group is also exposed to basis risk between Sonia, which variable rate funding is linked, and base rate, which variable rate loans are linked to. At the current time, the impact of this basis risk is not considered material, and no hedging is undertaken.

The Board monitors the Group's exposure to interest rate risk to ensure that it is limited to agreed levels. For this reason, any change in the United Kingdom rates of interest will have a manageable effect on the profitability of the Group. The table below sets out the impact on profit before tax of an immediate decrease and increase of 0.5% and 1.0% in interest rates, based on the interest rates prevalent at the year-end dates and before any mitigation or management actions. The sensitivity presumes that there is no lag in the pass-on of rate changes to customers and it is calculated on a contractual basis.

Group	2025 £m	2024 £m
1.0% decrease	(0.5)	3.5
0.5% decrease	(0.3)	1.7
0.5% increase	0.5	(3.5)
1.0% increase	0.3	(1.7)

The above interest rate risk sensitivity represents the movement considering the Group's contractual assets, liabilities, and derivatives. The sensitivity remains linear beyond those percentages shown above. Note 16 to the Financial Statements details the Group's use of derivatives to mitigate interest rate risk.

Except for the Group's bank and loan note borrowings, the Group has no significant interest-bearing liabilities.

5.8 Notes to the Financial Statements (continued)

29. Financial risk management (continued)

Capital risk

Capital risk is the risk of failure to hold adequate capital buffers and to appropriately manage the Group's capital base to withstand the crystallisation of individual risks or a combined stress event. Given capital also comprises a material source of funding via subordination in public and private securitisation structures, insufficient capital also gives rise to funding and liquidity risk. Regulatory capital requirements must also always be met within certain of the Group's subsidiaries.

Current and forecast levels of Group capital are monitored and reported to the Board on a regular basis. Business planning and stress testing of forecasts is undertaken to ensure the Group has sufficient capital under normal and stressed scenarios.

The Group monitors capital on the basis of shareholder funds. On the balance sheet date, the Group's liabilities exceeded its assets by £59.0m (2024: £38.4m). However, the Group has significant finance in place from shareholders, in the form of shareholder loan notes totaling £268.1m (2024: £317.6m), and preference shares of £55.1m (2024: £49.3m), which are not repayable until 2030. Shareholder funds, defined as equity together with shareholder loan notes and preference shares (including interest accrued), decreased by £64.3m during the year to £264.2m (2024: £328.5m). This reduction reflects the Group's continued generation of surplus capital, which enabled the repayment of £85m of shareholder loan notes during the year. No dividends were paid or proposed in respect of the period.

Foreign currency risk

The Group has no material exposure to foreign currency risk. All the Group's sales and purchases are denominated in GBP.

5.8 Notes to the Financial Statements (continued)

30. Financial instruments

The Group's financial instruments are categorized below. It is, and has been throughout the year, the Group's policy that no trading in financial instruments is undertaken.

Financial instruments measured at fair value

	Group 2025 £m	Company 2025 £m	Group 2024 £m	Company 2024 £m
Financial assets				
Derivative financial assets	7.0	-	26.0	-
	7.0	-	26.0	-
Financial liabilities				
Derivative financial liabilities	2.4	-	-	-
	2.4	-	-	-

Derivative financial assets and liabilities are measured at fair value using Level 2 fair value hierarchy, derived from generally accepted valuation models that use forecast future interest-rate curves derived from market data.

Financial instruments not measured at fair value

	Group 2025 £m	Company 2025 £m	Group 2024 £m	Company 2024 £m
Financial assets				
Gross loans and advances	2,263.9	-	1,743.8	-
Cash and cash equivalents	129.1	-	121.0	-
Other financial assets	52.2	0.5	75.2	49.1
	2,445.2	0.5	1,940.0	49.1
Financial liabilities				
Trade creditors	0.7	-	0.9	-
Preference shares and interest accrued	55.1	55.1	49.3	49.3
Borrowings				
Public securitisation	1,262.2	-	958.9	-
Warehouse securitisation	850.9	-	686.6	-
Other loans	229.5	-	154.5	-
Lease liabilities	4.4	-	5.1	-
Shareholders loan notes and interest accrued	268.1	268.1	317.6	317.6
	2,670.9	323.2	2,172.9	366.9

All the Group's financial assets and liabilities, excluding derivative financial assets and liabilities, are held at amortised cost.

The carrying value is a reasonable approximation of fair value for all financial instruments other than for loans and advances to customers, borrowings, and preference shares. For loans and advances to customers, borrowings and preference shares, fair value is calculated based upon the present value of the future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

5.8 Notes to the Financial Statements (continued)

30. Financial instruments (continued)

Financial instruments not measured at fair value (continued)

The following table analyses the fair values of loans and advances, borrowings, and preference shares into different levels according to the degree to which the fair values are based on observable inputs:

	Level 1 2025 £m	Level 2 2025 £m	Level 3 2025 £m	Fair value 2025 £m	Carrying value 2025 £m
Financial assets					
Gross loans and advances to customers	-	-	2,290.7	2,290.7	2,263.9
Financial liabilities					
Borrowings	-	1,262.3	1,336.3	2,598.6	2,603.5
Preference shares and interest accrued	-	-	54.0	54.0	55.1

	Level 1 2024 £m	Level 2 2024 £m	Level 3 2024 £m	Fair value 2024 £m	Carrying value 2024 £m
Financial assets					
Gross loans and advances to customers	-	-	1,767.7	1,767.7	1,743.8
Financial liabilities					
Borrowings	-	958.9	1,152.5	2,111.4	2,114.9
Preference shares and interest accrued	-	-	48.8	48.8	49.3

The fair value of loans and advances to customers is based on future interest cash flows (at current customer rates) and principal cash flows discounted using the rate at which we most recently advanced similar loans (a market rate). Forecast principal repayments are based on redemption at maturity with an overlay for historical behavioral experience to take account of expected prepayment. The eventual timing of future cash flows may be different from the forecast due to unpredictable customer behaviour.

Other debtors includes £22.5m (2024: £49.4m) short-term investments and therefore discounting not expected to have significant impact and classified as Level 3.

For borrowings, the fair value of senior secured notes is considered to be level 2, reflecting quoted prices. The fair value of loan notes issued by private securitisations is estimated to be the carrying value because the notes track a floating rate of interest, these notes are classified as level 3. Other loans, preference shares, lease liabilities and shareholder loan notes are also classified as level 3. Market prices are not available for these loans and so fair value has been estimated by discounting the related expected future cash flows. As market rates are not observable for these loans, management has derived discount rates by reference to other arm's length transactions, making allowance for the tenor and seniority of the loans.

5.8 Notes to the Financial Statements (continued)

30. Financial instruments (continued)

Financial instruments maturity analysis

The maturity analysis of the financial liabilities is as follows:

2025

	Less than one year £m	More than one year but not more than five years £m	More than five years £m	Total £m
Financial liabilities - Group				
Trade creditors	0.7	-	-	0.7
Preference shares and interest accrued	-	55.1	-	55.1
Borrowings				
Public securitisation	211.0	1,051.3	-	1,262.3
Warehouse securitisation	-	292.9	558.0	850.9
Other loans	10.0	219.5	-	229.5
Lease liabilities	0.7	3.2	0.5	4.4
Shareholders loan notes and interest accrued	-	268.1	-	268.1
	222.4	1,890.1	558.5	2,671.0
Financial liabilities - Company				
Preference shares and interest accrued	-	55.1	-	55.1
Borrowings				
Shareholders loan notes and interest accrued	-	268.1	-	268.1
	-	323.2	-	323.2

2024

	Less than one year £m	More than one year but not more than five years £m	More than five years £m	Total £m
Financial liabilities - Group				
Trade creditors	0.9	-	-	0.9
Preference shares and interest accrued	-	49.3	-	49.3
Borrowings				
Public securitisation	174.3	784.6	-	958.9
Warehouse securitisation	132.1	197.6	356.9	686.6
Other loans	-	154.5	-	154.5
Lease liabilities	0.7	3.1	1.3	5.1
Shareholders loan notes and interest accrued	-	317.6	-	317.6
	308.0	1,506.7	358.2	2,172.9
Financial liabilities - Company				
Preference shares and interest accrued	-	49.3	-	49.3
Borrowings				
Shareholders loan notes and interest accrued	-	-	317.6	317.6
	-	49.3	317.6	366.9

5.8 Notes to the Financial Statements (continued)

31. Commitments

The Group has constructive and legal commitments to extend credit which are not recorded on the balance sheet, being the undrawn element of existing facilities, and new commitments to lend.

Group	2025 £m	2024 £m
Undrawn commitments to lend	289.0	311.5
	289.0	311.5

These relate mostly to lines of credit granted to existing development finance customers. These amounts are documented as uncommitted facilities but represent future funding amounts required by customers to complete the building of existing developments, subject to management approval. The amounts do not represent the amounts at risk at the reporting date but the amounts that would be at risk should the facilities be fully drawn upon and should the customer default.

32. Ultimate parent undertaking and controlling party

The immediate parent undertaking of the Company is Eclipse Investors Limited, a company incorporated in the Cayman Islands. The Directors consider the ultimate controlling parties to be Elliott Associates L.P. and Elliott International L.P.

Eclipse Topco Limited is the smallest and largest company to produce consolidated accounts for this group of companies.

33. Post balance sheet events

The Directors have evaluated subsequent events from the date of the financial statements through to the date the financial statements were signed.

In April 2026, the Group completed its eighth public securitisation, Elstree 2026-1 MIX PLC securitising a portfolio of first and second charge mortgage loans originated by West One Secured Loans Limited, a wholly owned subsidiary of the Group. In April the Group also called the Elstree Funding No. 3 PLC securitisation.

6.

Appendices

6.1 Alternative performance measures

In the reporting of financial information, certain measures as used that are not required under the UK adopted International Accepted Accounting Principles under which these financial statements are reported. These measures are consistent with some of those used by management to assess the underlying performance of the Group.

These alternative performance measures (APMs) have been defined below.

Revenue

The Group defines revenue as interest income plus fees and commission income and other income.

Group	2025 £m	2024 £m
Interest income	183.2	155.5
Fees and commission income	25.2	19.7
Other income	3.5	3.9
Revenue	211.9	179.1

Net interest margin (NIM)

Net interest income as a percentage of the average of the opening and closing net loans and advances to customers.

Group	2025 £m	2024 £m
Net interest income	82.4	63.5
Average net loans and advances to customers	1,989.9	1,557.3
NIM	4.1%	4.1%

Earnings before interest tax, depreciation, and amortisation (EBITDA)

Operating profit adding back amortisation and depreciation.

Group	2025 £m	2024 £m
Operating profit	64.5	51.3
Add back: Amortisation and depreciation	1.6	1.8
EBITDA	66.1	53.1

6.1 Alternative performance measures (continued)

Underlying earnings before interest tax, depreciation, and amortisation (Underlying EBITDA)

The Group uses the underlying EBITDA as a better representation of underlying performance. EBITDA has been adjusted as follows.

Group	2025 £m	2024 £m
EBITDA	66.1	53.1
Hedge accounting - amortisation of cash flow hedge reserve	(4.6)	(4.9)
Hedge accounting - ineffectiveness	4.2	6.7
Unwinding of fair value adjustment on acquisition	(11.3)	(11.3)
IFRS 16 Amortization and interest	(0.8)	(0.8)
Interest income - Impact of reversionary interest income	1.0	1.0
Holdco debt expense	8.7	9.3
Exceptional cost - Corporate transaction fee	0.1	-
Underlying EBITDA	63.4	53.1

The adjustments made to underlying EBITDA include:

- Hedge accounting: amortisation of cash flow hedge reserve – The Group employs a hedging strategy to minimize exposure to interest rate risk and applies cash flow hedge accounting, as described in accounting policy Note 2.15. As part of its financing activities the Group finances its lending activities within both public and private securitisation vehicles as outlined in Note 2.2. The hedging instrument is held within the securitisation vehicles. When financing activities are moved from one securitisation vehicle to another, hedging instruments are novated between securitisation vehicles, which may be treated as a discontinuation of hedge accounting. Resulting in the cumulative balance in the cash flow hedge reserve being recycled to the income statement, on a straight-line basis over the remaining life of the hedging instrument.
- Hedge accounting: hedging ineffectiveness – On re-designation of the hedging instrument following novation, ineffectiveness will arise, being the difference change in fair value of the hedging instrument and the new hypothetical derivative. Over the remaining life of the hedging instrument the amortisation and ineffectiveness net to nil, however in the intervening period it can create volatility, and therefore the Group removes the volatility in an adjustment to underlying EBITDA.
- Unwinding of fair value adjustment on acquisition – Relates to the unwinding of fair value adjustments relating to the acquisition of Galene Topco Limited, the previous parent company of Enra Specialist Finance, by Eclipse Financing Limited in September 2022.
- Interest income: Impact of reversionary interest income – The Group accounting policy is to recognise interest utilising the non-blended effective interest rate methodology. An alternative accounting treatment is to recognise interest using the blended effective interest rate methodology, which recognises the expected interest received over the entire expected life of a loan, including a higher rate of interest that is usually applied once a loan reaches the end of its fixed term (“reversionary income”). The reversionary income is set at a fixed margin over base rate, which means that the blended accounting methodology incorporates both the higher margin and expectations of interest rates at the time the loan reaches the end of its fixed term. The Board recognises that the incremental reversionary interest income will be partially offset by higher (or lower) interest costs which are at variable rate, which creates volatility in EBITDA, which is why the non-blended accounting approach has been adopted. The underlying EBITDA adjustment applies the effective interest rate methodology but only reflects the true benefits of higher reversionary interest income to better reflect the economic profit over the life of a loan.
- Holdco debt expenses – Relates to other loan interest payable included within interest expense.

6.1 Alternative performance measures (continued)

Cost of risk

Impairment charge expressed as a percentage of the average of the opening and closing gross loans and advances to customers.

Group	2025 £m	2024 £m
Impairment charge	3.5	1.6
Opening net loans and advances to customers	1,728.4	1,386.1
Closing net loans and advances to customers	2,251.4	1,728.4
Average net loans and advances to customers	1,989.9	1,557.3
Cost of risk	0.18%	0.10%

Cost to income ratio

Administrative expenses including depreciation and amortisation (excluding amortisation of acquired customer relationships) divided by net operating income.

Group	2025 £m	2024 £m
Administrative expenses and amortisation and depreciation	32.9	27.1
Net operating income	97.4	78.4
Cost to income ratio	33.8%	34.6%

AUM (Assets under management)

The Group defines AUM as the sum of

- the gross carrying amount of loans and advances to customers (including accrued interest, and gross of impairment provisions and fair value adjustments), as reported in the notes to the accounts in the Group's Financial Statements; and
- off-balance sheet assets, which represents the total amount of outstanding loans and advances (including accrued interest) that the Group originates but does not hold on its balance sheet, comprising those loans that are held by its off-balance sheet financing arrangements. Off-Balance Sheet Assets are not presented net of any impairment provisions relating thereto.

For Development Finance loans, the total facility limit is included, rather than just the drawn amount, as exposure is across the limit.

Shareholder funds

This is equity plus shareholder loan notes and preference shares, plus interest accrued.

Group	2025 £m	2024 £m
Equity	(59.0)	(38.4)
Shareholder loan notes and interest accrued	268.1	317.6
Preference shares and interest accrued	55.1	49.3
Shareholder funds	264.2	328.5

6.2 Glossary

Including alternative performance measures.

APMs	In accordance with ESMA Guidelines on Alternative Performance Measures ('APMs') the Board has considered what APMs are included in the Annual Report which require further clarification. An APM is defined as a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework. APMs included in the Annual Report are identified as non-GAAP measures and are defined within this glossary
ARC	The Company's Audit and Risk Committee
Assets under management (AUM)	The gross carrying amount of loans and advances to customers plus the gross carrying amount of off-balance sheet loans under management. For Development Finance loans, the total facility limit is included, rather than just the drawn amount.
Bank Rate	Bank of England Bank Rate, also known as Base Rate.
BTL	Buy-to-let.
Company	Eclipse Topco Limited, a private company limited by shares incorporated and domiciled in England, UK.
Development Finance	Development Finance loans are loans that we extend to finance the development of land or property primarily into residential units with repayments typically being made out of the sale of the units.
EBITDA	Earnings before interest, tax, depreciation and amortisation. The calculation is included as an APM.
EIR	Effective interest rate, i.e. the rate that, at inception of the instrument, discounts its estimated future cash payments or receipts to the gross carrying amount, in the case of financial assets, or to the amortised cost in the case of financial liabilities.
Enra	Enra Specialist Finance Limited
Enra Group	Enra Specialist Finance Limited and its subsidiaries
ESG	Environmental, Social and Governance
Expected credit loss (ECL)	ECLs are a probability-weighted estimate of the present value of credit losses discounted over the expected life of an instrument at its original effective interest rate. Calculated using a statistical model based on probability of default, loss given default and exposure at default.
FCA	Financial Conduct Authority
IFRS	International Financial Reporting Standards
KPIs	Key performance indicators
Loan to value (LTV)	The ratio of the carrying amount of a mortgage loan to the value of the property securing the loan.
Loss given default (LGD)	An estimate of the likely loss, as a percentage of the loan amount, in the event of a default.
Origination	The process of creating a loan(s) or mortgage(s).
Originations	The value of loans or mortgages created during a period. For Development Finance loans, the total facility limit is included, rather than the initial drawn amount.
Probability of default (PD)	An estimate of the likelihood of default over a given time horizon, estimated at a point in time.
RCF	Revolving credit facility
Shareholder funds	Equity plus shareholder loans notes and interest accrued. The calculation is included as an APM.
SONIA	SONIA is the effective reference for overnight indexed swaps for unsecured transactions in the Sterling market
SPV	Special Purpose Vehicle
Weighted average LTV	The weighted average indexed LTV of a loan portfolio is calculated by multiplying each LTV by the respective loan amount and then dividing the sum of the weighted LTVs by the total amount of loans.

6.3 Further information

Company details as shown below.

Directors	Mr. D Waters Ms. E Gestetner Mr. S Hogg Mr. P Prebensen (Chairman) Mr. R Monahan (Non-Executive Director) MR E Buggea (Non-Executive Director) Mr. M Preston (Non-Executive Director and Chairman of ARC)
Company Number	13938905
Registered Office	The Edward Hyde Building 38 Clarendon Road Watford Hertfordshire WD17 1JW
Independent Auditors	PricewaterhouseCoopers LLP Statutory Auditors 40 Clarendon Road Watford Hertfordshire WD17 1JJ
Business Address	The Edward Hyde Building 38 Clarendon Road Watford Hertfordshire WD17 1JW

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Enra Specialist Finance Limited is registered in England and Wales. Company Number: 08773012.
Enra Specialist Finance Limited is the parent company to each of the undernoted firms, with all firms having their Registered Office Address at: The Edward Hyde Building, 38 Clarendon Road, Watford, WD17 1JW.

Aria Finance Limited is authorised and regulated by the Financial Conduct Authority. Firm Reference Number: 302964.
Registered in England and Wales. Company Number: 04440152.

West One Loan Limited is authorised and regulated by the Financial Conduct Authority. Firm Reference Number: 510024.
Registered in England and Wales. Company Number: 05385677.

West One Secured Loans Limited is authorised and regulated by the Financial Conduct Authority. Firm Reference Number: 776026.
Registered in England and Wales. Company Number: 09425230.

West One Development Finance Limited is registered in England and Wales. Company Number: 11242570.
West One Commercial Mortgages Limited is registered in England and Wales. Company Number: 16476112.

