Q1 Interim Financial Report.

Period ended 30 September 2026

together.

In this report.

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togethermoney.com/investors

We're Together.

We've helped individuals, businesses, SMEs and property investors realise their property ambitions for over 50 years through a common-sense approach to lending.

Now, we're unlocking tomorrow, delivering against our strategy to drive sustainable growth and help more customers achieve their goals.

Led by...

Our purpose

We open doors and give everyone the opportunity to turn their ambitions into reality.

Our vision

To be the UK's finance partner of choice – powering progress by giving people a fair chance to bring their property ambitions to life.

Our mission

Using our expertise and common sense to build trusted relationships that help individuals and businesses thrive. We are passionate about empowering our colleagues to grow and investing in our communities.

Our products...

- **Buy to Let**
- **Commercial Term**
- **Bridging**
- **Residential**
- **Development**

Creating value for...


Businesses and SMEs


Property investors


Individuals and families

Why customers choose Together...

Customers come to Together because we help real people achieve their property ambitions, by making finance work for the real world.

- **Reputation & experience**
- **Trusted relationships**
- **Quality of service**
- **Certainty of funding**
- **Common sense decisions**

For further information on our business model, strategy and investment case, please see our **2026 Annual Report & Accounts**

Further analysis of our quarterly performance, including in relation to the Borrower Group is included within the **quarterly investor presentation.**

Interim management report.

Quarterly highlights

The directors present their Interim management report and the unaudited Interim condensed consolidated financial statements (Interim financial statements) for the three months ended 30 September 2026. These Interim financial statements are prepared for Together Financial Services Limited (the Company) and its subsidiaries, trading as Together (the Group).



Richard Rowntree

Group Chief Executive Officer

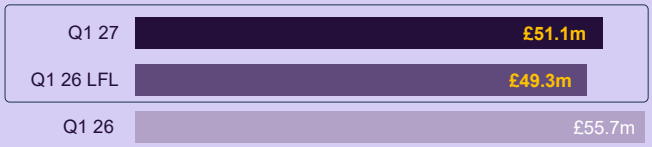
"Together has made a positive start to the financial year, growing our loan book by 9% to £8.7 billion and increasing like-for-like underlying profit before tax to £51.1 million.

Lending increased year on year, while arrears and cost of risk reduced, as we maintained our disciplined approach to underwriting and risk management.

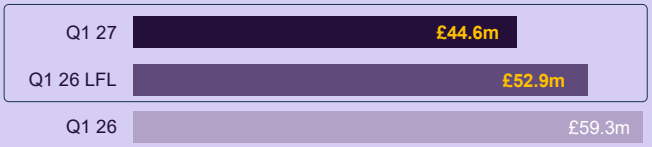
We continued to invest in our capabilities and infrastructure to build capacity and improve efficiency over time. Retaining the Customer Contact Association's (CCA) Global Customer Experience Excellence accreditation for a fourth year is a source of pride and recognises our continued commitment to supporting our customers."

Highlights for the quarter ended September 2026

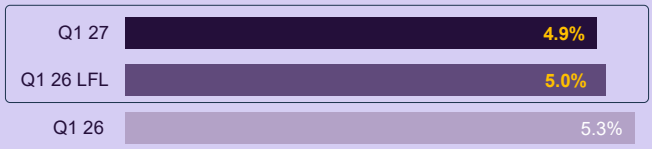
Underlying profit before tax



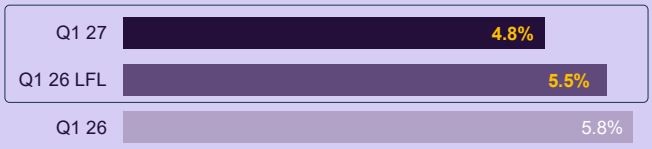
Profit before tax



Underlying net interest margin



Net interest margin



Loans and advances to customers

£8.7bn

Q1 26: £8.0bn

Weighted-average indexed LTV

57.1%

Q1 26: 55.7%

*Supporting calculations and methodology for underlying and like-for-like (LFL) measures are set out in the Alternative performance measures within the appendix.

Interim management report.

Financial review

Financial position

(£m)	As at 30 September 2026	As at 30 September 2025	As at 30 June 2026
Loans and advances to customers	**8,727.0**	7,999.7	8,522.1
Cash and cash equivalents	**335.4**	330.3	323.0
Fixed and other assets	**114.5**	66.9	80.5
Total assets	**9,176.9**	8,396.9	8,925.6
Borrowings	**7,982.9**	7,017.6	7,829.0
Other liabilities	**162.5**	132.5	145.4
Total liabilities	**8,145.4**	7,150.1	7,974.4
Total equity	**1,031.5**	1,246.8	951.2
Total equity and liabilities	**9,176.9**	8,396.9	8,925.6

Key performance indicators

	3 months ended 30 September 2026	3 months ended 30 September 2025[3]	Year ended 30 June 2026
Average monthly originations (£m)	**295.9**	270.6	291.4
Weighted average LTV of originations[1] (%)	**62.2**	60.0	61.5
Weighted average indexed LTV (%)	**57.1**	55.7	56.6
Shareholder funds (£m)[2]	**1,031.5**	892.3	951.2
Net debt gearing (%)	**87.8**	87.9	88.0

Loans and advances to customers have increased by 9.1% to £8,727.0m when compared with £7,999.7m at 30 September 2025, and 2.4% when compared with £8,522.1m at 30 June 2026.

Average monthly lending was £295.9m for the three-month period to 30 September 2026, higher than both the three months to 30 September 2025 of £270.6m and the three months to 30 June 2026 of £284.3m, in line with the Group's ambitious growth strategy. This represents the continued demand for the Group's differentiated service-led approach and products, whilst we continue to focus on lending at appropriate margins and prudent LTVs to protect against the risk of falls in property prices. The weighted average indexed LTV has been maintained at a conservative level of 57.1% (30 June 2026: 56.6%, 30 September 2025: 55.7%).

The Group's borrowings have increased by 13.8% to £7,982.9m when compared with £7,017.6m at 30 September 2025, and 2.0% when compared with £7,829.0m at 30 June 2026. This reflects the funding raised to support loan book growth and changes in the Group's funding structure. Further information on our borrowings and refinancing activity in the quarter is included in Note 9 to the financial statements.

Shareholder funds have increased by 15.6% to £1,031.5m compared with £892.3m at 30 September 2025 and by 8.4% compared with £951.2m at 30 June 2026, reflecting retained profits reinvested in the business.

Net debt gearing has marginally decreased to 87.8% (30 June 2026: 88.0%, 30 September 2025: 87.9%) with the Group continuing to monitor levels of gearing closely, in line with internal triggers and limits.

[1] Excludes further advances

[2] Shareholder funds are calculated as equity of £1,031.5m (30 September 2025: £1,246.8m, 30 June 2026: £951.2m) plus subordinated loans of £nil (30 September 2025: £25.5m, 30 June 2026: £nil) as they were fully repaid during the refinancing transaction less the LFL adjustment of £nil (30 September 2025: £380.0m, 30 June 2026: £nil). Further information on this adjustment is included in the Appendix.

[3] Metrics for the comparative periods are shown on a like-for-like (LFL) basis following the funding change in May 2026. Further information is included in the Appendix.

Interim management report.

Financial review continued

Quarterly financial performance (3-month period)

For the 3 months ended (£m)	30 September 2026	30 September 2025
Interest receivable and similar income	**225.5**	218.5
Interest payable and similar charges	**(121.8)**	(103.7)
Net interest income	**103.7**	114.8
Net fair-value gains/(losses) on derivatives	**1.0**	(0.1)
Net fee and other income	**2.7**	2.8
Operating income	**107.4**	117.5
Administrative expenses	**(43.5)**	(39.1)
Operating profit	**63.9**	78.4
Impairment losses	**(19.3)**	(19.1)
Profit before tax	**44.6**	59.3
Non-underlying items added back:		
Systems transformation expense (administrative expenses)	**5.3**	6.4
Modification adjustment on financial liabilities (net interest income)	**1.2**	(10.0)
Underlying profit before tax	**51.1**	55.7
PIK note LFL Adjustment (net interest income)	**–**	(6.4)
LFL Underlying profit before tax	**51.1**	49.3

Key quarterly performance indicators

For the 3 months ended (%)	30 September 2026	30 September 2025[1]
Net interest margin[2]	**4.8**	5.5
Underlying net interest margin[3]	**4.9**	5.0
Interest-cover ratio	**1.4:1**	1.5:1
Cost-to-income ratio	**40.5**	35.2
Underlying cost-to-income ratio[4]	**35.2**	32.4
Cost-to-asset ratio[2]	**1.92**	1.87
Underlying cost-to-asset ratio[5]	**1.69**	1.57
Cost of risk[2]	**0.89**	0.96

LFL underlying net interest income has increased by £6.5m to £104.9m (30 September 2025: £98.4m) as a result of sustainable loan book growth and maintenance of an attractive underlying net interest margin of 4.9% (30 September 2025: 5.0%). The underlying net interest margin has remained resilient despite changes in the interest rate environment, supported by the Group's disciplined pricing and funding strategies. Statutory net interest income, including a £1.2m unwind relating to the previously recognised modification gain of £10.0m in the comparative quarter for FY26, decreased by £11.1m to £103.7m (30 September 2025: £114.8m).

Underlying costs, which exclude our systems transformation expenditure, have increased to £38.2m (30 September 2025: £32.7m), mostly due to investing in additional colleagues to support our strategic growth ambitions. As a result, our underlying cost-to-income ratio has increased slightly to 35.2% (30 September 2025: 32.4%).

Cost of risk has reduced to 0.89% (30 September 2025: 0.96%) owing to book performance improvements. Further detail on expected credit losses, including the latest economic forecasts used, is set out in Note 8.

[1] Metrics for the comparative periods are shown on a like-for-like (LFL) basis following the funding change in May 2026. Further information on this adjustment is included in the Appendix.
[2] Note that these measures have been annualised to provide year-on-year comparisons.
[3] Net interest income excludes non-underlying items incurred in the period. During the current quarter, the Group recognised an unwind of a modification of £1.2m (30 September 2025: £10.0m modification gain). Net interest income has then been annualised to provide year-on-year comparisons.
[4] Underlying costs exclude £5.3m (30 September 2025: £6.4m) of costs relating to the Group's investment in systems transformation. Underlying net interest income excludes unwind of modification of £1.2m (30 September 2025: £10.0m modification gain). Note that these measures have been annualised to provide year-on-year comparisons.
[5] Underlying costs exclude £5.3m (30 September 2025: £6.4m) of costs relating to the Group's investment in systems transformation. Underlying costs have then been annualised to provide year-on-year comparisons.

Interim management report.

Risk review

The risk review provides an update on significant changes and developments since our Annual Report for the year ended 30 June 2026 and therefore should be read in conjunction with that report.

Principal risks and uncertainties

The principal risks and uncertainties the Group faces are those that it is inherently exposed to and those which management believes could significantly impact the performance of the Group. There have been no changes in our identified principal risks and uncertainties since the year ended 30 June 2026.

Strategic risk

Strategic risk is the risk of failure to achieve objectives that impact the long-term interest of stakeholders, or from an inability to adapt to the external environment.

The Group's strategy and approach to managing and mitigating strategic risk is materially unchanged from the Annual Report and Accounts for the year ended 30 June 2026.

Macroeconomic risk

During the first quarter of FY27, the UK economic environment remained uncertain. Ongoing global conflicts in Ukraine and the Middle East, combined with wider geopolitical tensions, continued to contribute to volatility in the financial markets, commodity prices, supply chains and inflation expectations. The uncertainty also influenced future interest rate expectations, as seen through fluctuations in the swap markets. Changes in consumer confidence can impact unemployment, disposable income and house prices, which are factored into the Group's expected credit loss modelling. The Group monitors the impact of economic changes on the Group's pricing and funding strategies, including hedging activity, as well as credit risk and other financial risks.

The Group has proven its resilience with a strong track record of navigating multiple economic cycles, underpinned by the Group's longstanding principle of low loan-to-value (LTV) lending, a stable and diverse funding structure, and a robust risk management framework designed to mitigate downside risks.

Below are three key macroeconomic factors that impact the markets in which we operate, and how the Group manages the risks whilst being agile to also realise opportunities.

Interest rates



Throughout the period, the Bank Rate remained at 3.75% with the Bank of England's MPC voting to increase the rate to 4.0% in November 2026. The ongoing geopolitical uncertainty has influenced expectations, with rate increases deemed likely. Strong price competition persists as mortgage lenders must adapt to recent changes in market rates. The current environment continues to present opportunities for Together as we offer greater flexibility and a more personalised level of service by assessing applications on a case-by-case basis, supporting customers who may not qualify with mainstream lenders. The Group actively adjusts its product offerings and funding strategies to meet customer needs while delivering sustainable returns.

Property prices



House prices have remained resilient despite the uncertain macroeconomic backdrop, supported by ongoing housing supply constraints and continued demand in many parts of the market. The UK House Price Index showed annual growth of 0.9% in the 12 months to August 2026, although varied by region, property type and customer segment. Challenges remain, including the localised property price falls, slower transaction volumes and uncertainty over the ongoing impact of higher borrowing costs on affordability. Together protects against these risks through its longstanding principle of lending at conservative LTVs, protecting against property price falls and supporting sustainable lending decisions.

Inflation



The rate of inflation in the UK remains elevated above the Bank of England's target of 2.0%, increasing to 3.5% for the 12 months to September 2026. Inflationary pressures contribute to persistent affordability and cost of living challenges for households and businesses. The Group has the tools to support customers who are facing cost pressures, focusing on delivering good customer outcomes and supporting vulnerable customers. When making lending decisions, the Group undertakes affordability and repayment assessments for its prospective customers, considering the impact of the higher cost of living and high interest rates, along with undertaking appropriate stress testing, supporting the sustainable and controlled growth of our loan book.

While the economic outlook continues to require careful management, the Group is well placed to support customers and help them realise their property ambitions.

Interim management report.
Risk review continued

Credit risk
Credit risk is the risk arising as a result of default by customers or counterparties due to failure to honour obligations when they fall due.

The Group is exposed to changes in the economic position of its customers, which may adversely impact their ability to make loan repayments. The level of this risk is driven by macroeconomic factors as well as by factors relating to specific customers, such as a change in the borrower's circumstances.

Credit risk also arises if the value of assets used as security for loans falls in value, given this is the primary source of recourse should a borrower fail to repay amounts due.

The Group's approach to managing and mitigating credit risk is materially unchanged from the Annual Report and Accounts for the year ended 30 June 2026. Note 8 to the Interim financial statements provides detail on expected credit losses for the period ended 30 September 2026. This note includes information on the use of macroeconomic scenarios, which are probability-weighted and allow our impairment provisioning to reflect impact of potential downside risk.

Liquidity risk
Liquidity risk is the risk that the Group is unable to access sufficiently liquid financial resources to meet the Group's financial obligations as they fall due. The approach to managing and mitigating liquidity risk is materially unchanged from the Annual Report and Accounts for the year ended 30 June 2026.

The Group monitors liquidity by reference to its total accessible liquidity (TAL), which comprises cash plus immediately accessible headroom in its funding facilities (subject to drawdown notice periods, asset eligibility and covenants), which includes the revolving credit facility and each of the private securitisations.

At 30 September 2026, TAL was £449.1m (30 June 2026: £439.9m, 30 September 2025: £447.6m), with cash balances of £335.4m at 30 September 2026 (30 June 2026: £323.0m, 30 September 2025: £330.3m). Not all cash is accessible at any one time due to securitisation requirements and covenant restrictions, and so accessible cash, which is just one component of TAL, is lower than the total cash balance.

A key management action to mitigate liquidity risk is the ability to control levels of new lending which could potentially increase cash held over time, depending upon the degree to which originations are restricted. The Group also benefits from a business model which is ordinarily cash-generative with a high level of redemptions and therefore cash inflows. Liquidity is monitored daily to ensure the Group can meet its financial obligations, including the outstanding pipeline of loan offers, as and when they fall due.

Some of the Group's funding is subject to financial covenants. Note 2 to the Interim financial statements provides further detail on the assessment of the going concern-basis of preparation. This includes an assessment of the risks presented to the Group by any potential breaches of lending covenants including potential mitigating actions.

One aspect of the Group's management of liquidity risk is to manage the maturity dates of its borrowings as discussed in the funding risk section.

Interim management report.
Risk review continued

Funding risk

Funding risk is the risk of being unable to access funding markets or to be able to do so only at excessive cost. This includes the risk of reduced funding options due to adverse conditions in the wholesale funding market, potentially caused by political and economic uncertainty, leading to the inability to secure additional funding for new business, or refinance existing facilities at an acceptable cost.

An overview of the Group's sources of funding is set out in the Annual Report and Accounts for the year ended 30 June 2026, and the Group's activities during the period to 30 September 2026 are included within the business review above. The approach to managing and mitigating funding risk is materially unchanged from the Annual Report and Accounts for the year ended 30 June 2026.

The weighted average maturity of the Group's existing debt facilities is 2.7 years at 30 September 2026 (30 June 2026: 2.9 years, 30 September 2025: 2.9 years). The Group has £1.6bn (30 June 2026: £1.1bn, 30 September 2025: £1.5bn) of undrawn facility headroom as at 30 September 2026. The Group has a strong track record of successful refinancing and raising new facilities which has continued during the period, as outlined in Note 9, and post period as outlined in Note 15.

The depth of maturity in the Group's existing debt facilities provides significant mitigation in respect of refinancing risk. Following the Together Asset Backed Securitisation 2022 - CRE-1 PLC facility being redeemed in October 2026, the next earliest maturity or call date is that of the Together Asset Backed Securitisation 2023 - 1ST1 PLC facility in April 2027, representing 2% of the Group's borrowings. The Group's depth of maturity is also highlighted with only 6% of the Group's total facilities at 30 September 2026 reaching their call date in the 12 months post balance sheet date.

Funding risk is mitigated through diversification of funding resources, maintenance of depth of maturity and the Group's ability to refinance ahead of the call dates, with refinancings during the period shown within Note 9 and post-period refinancings disclosed in Note 15.

Interest rate risk

Interest rate risk is the risk arising from the Group's exposure to movements in interest rates as a result of repricing mismatches between assets and liabilities that are either fixed or floating rate.

The Group's approach to managing and mitigating interest rate risk is materially unchanged from the Annual Report and Accounts for the year ended 30 June 2026.

The table below sets out the increase/(decrease) in profit before tax of an immediate increase and decrease of 0.5% and 1.0% in interest rates, based on the interest rates prevalent at 30 September 2026 and 30 September 2025 and before any mitigation or management actions and is representative of a 12-month period.

	30 September 2026 (£m)	30 September 2025 (£m)
1.0% decrease	**(11.4)**	(12.6)
0.5% decrease	**(5.7)**	(6.3)
0.5% increase	**5.7**	6.3
1.0% increase	**11.4**	12.6

The above interest rate risk sensitivity represents the movement taking into account the Group's contractual assets, liabilities, and derivatives and their maturity and repricing arrangements.

Note 7 to the Interim financial statements details the Group's use of derivatives to mitigate interest rate risk.

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 bond and securitisation structures, insufficient capital also gives rise to funding and liquidity risk. Capital risk includes the risk of excessive gearing. Regulatory capital requirements must also be met at all times within certain of the Group's subsidiaries.

The Group's approach to managing and mitigating capital risk is materially unchanged from the Annual Report and Accounts for the year ended 30 June 2026.

Note 2 to the Interim financial statements provides further detail on the assessment of the going concern basis of accounting. This includes an assessment of the risks to the Group arising from any potential breaches of lending covenants, including gearing tests, and potential mitigating actions.

Interim management report.
Risk review continued

Operational risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Operational risk includes execution risk in relation to the performance of the Group's systems transformation. As the business continues through its systems transformation, there is inherent increased operational risk as the business continues to operate existing processes and controls, whilst moving towards new lending and data platforms. There is heightened risk from operational risk events, i.e. when the new system is launched there are unforeseen difficulties, such as from system issues, inability to integrate to other systems, or business processes are not set up appropriately.

The Group's approach to managing and mitigating operational risk is materially unchanged from the Annual Report and Accounts for the year ended 30 June 2026.

Conduct and compliance risk

Conduct risk is the risk arising from business activities that fail to deliver appropriate and consistent outcomes to customers and other stakeholders. This risk can arise from the failure to define and embed an appropriate culture, colleague behaviours that are inconsistent with defined Group values, and from our business activities if they fail to deliver fair and appropriate outcomes to our customers. Failure to manage this risk sufficiently could result in reputational damage, regulatory sanction, or remediation programmes, and impact the Group's operating model. Further information can be found in Note 10.

Compliance risk is the risk arising from the failure to comply with existing or new legislation or regulations in the markets within which the Group operates. This includes the risk that the Group misinterprets regulation or legislation. This could include the risk of developing business practices and processes that do not adhere to, or are not in line with, the spirit of the law or regulation, leading to customer dissatisfaction or detriment, legal action against the Group and/or potentially fines from the regulator.

The companies within the Group's Personal Finance division undertake lending which is authorised and regulated by the Financial Conduct Authority (FCA).

The Group's approach to these risks remains materially unchanged from the Annual Report and Accounts for the year ended 30 June 2026.

Statement of directors' responsibilities.

We confirm that to the best of our knowledge:

- This set of unaudited interim financial statements has been prepared in accordance with UK-adopted International Accounting Standard (IAS) 34 Interim Financial Reporting, and
- The interim management report includes a fair review of the information required, being an overview of important events during the period of the financial year to the reporting date and a description of principal risks and uncertainties to the extent that they relate to the remainder of the financial year.



RC Rowntree
Chief Executive Officer
17 November 2026



CM Adams
Chief Financial Officer
17 November 2026

Directors

RM McTighe*	Chair
AT Higginson*	Deputy Chair
HN Moser	Executive Vice Chair
RC Rowntree	Chief Executive Officer
CM Adams	Chief Financial Officer
GD Beckett*	
W Bowser*	
RG Fearon*	
MC Flynn*	
JM Shaoul*	

*Non-executives

Secretary

AA Hankin

Interim financial statements.

Period ended 30 September 2026

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Condensed consolidated statement of comprehensive income (unaudited)

Period ended 30 September 2026

Unless otherwise indicated, all amounts are stated in £m

		Three months ended	
Income statement	Note	**30 September 2026**	30 September 2025
Interest receivable and similar income	4	**225.5**	218.5
Interest payable and similar charges	5	**(121.8)**	(103.7)
Net interest income		**103.7**	114.8
Fee and commission income		**3.3**	3.0
Fee and commission expense		**(1.2)**	(1.1)
Net fair-value gains/(losses) on derivatives	7	**1.0**	(0.1)
Other income		**0.6**	0.9
Operating income		**107.4**	117.5
Administrative expenses		**(43.5)**	(39.1)
Operating profit		**63.9**	78.4
Impairment losses	8	**(19.3)**	(19.1)
Profit before taxation		**44.6**	59.3
Taxation		**(11.7)**	(11.5)
Profit after taxation		**32.9**	47.8
Other comprehensive income			
Items that may be reclassified to the income statement			
Movement in the cash flow hedging reserve:			
Effective portion of changes in fair value of derivatives	7	**46.8**	18.9
Amounts reclassified to income statement		**1.6**	(8.3)
Deferred taxation on cash flow hedging reserve		**(1.0)**	(0.1)
Other comprehensive income for the period, net of tax		**47.4**	10.5
Total comprehensive income for the period		**80.3**	58.3

The results for the current and preceding periods relate entirely to continuing operations. The notes on pages 15 to 42 are an integral part of these interim financial statements.

Condensed consolidated statement of financial position (unaudited)

As at 30 September 2026

Unless otherwise indicated, all amounts are stated in £m

	Note	30 September 2026	30 September 2025	30 June 2026
Assets				
Cash and cash equivalents	6	**335.4**	330.3	323.0
Derivative assets held for risk management	7	**43.2**	10.5	10.3
Loans and advances to customers	8	**8,727.0**	7,999.7	8,522.1
Other assets		**21.1**	12.9	19.8
Current tax assets		**–**	–	3.6
Property, plant and equipment		**39.7**	27.7	36.1
Intangible assets		**0.8**	6.9	2.1
Deferred tax asset		**9.7**	8.9	8.6
Total assets		**9,176.9**	8,396.9	8,925.6
Liabilities				
Derivative liabilities held for risk management	7	**29.4**	21.5	23.7
Current tax liabilities		**0.6**	0.4	–
Borrowings	9	**7,982.9**	7,017.6	7,829.0
Provisions for liabilities and charges	10	**8.8**	4.6	7.1
Other liabilities		**123.7**	106.0	114.6
Total liabilities		**8,145.4**	7,150.1	7,974.4
Equity				
Share capital		**9.8**	9.8	9.8
Subordinated-shareholder-funding reserve		**–**	42.6	–
Cash flow-hedging reserve		**49.3**	(13.7)	1.9
Other reserves		**12.7**	12.7	12.7
Retained earnings		**959.7**	1,195.4	926.8
Total equity		**1,031.5**	1,246.8	951.2
Total equity and liabilities		**9,176.9**	8,396.9	8,925.6

The notes on pages 15 to 42 are an integral part of these interim financial statements.

Condensed consolidated statement of changes in equity (unaudited)

Interim period ended 30 September 2026

Unless otherwise indicated, all amounts are stated in £m

Three months to 30 September 2026	Share capital	Cash flow-hedging reserve	Other reserves	Retained earnings	Total equity
At beginning of period	**9.8**	**1.9**	**12.7**	**926.8**	**951.2**
Profit after taxation	**–**	**–**	**–**	**32.9**	**32.9**
Other comprehensive income	**–**	**47.4**	**–**	**–**	**47.4**
At end of period	**9.8**	**49.3**	**12.7**	**959.7**	**1,031.5**

Three months to 30 September 2025	Share capital	Subordinated-shareholder-funding reserve	Cash flow-hedging reserve	Other reserves	Retained earnings	Total equity
At beginning of period	9.8	43.2	(24.2)	12.7	1,147.0	1,188.5
Profit after taxation	–	–	–	–	47.8	47.8
Other comprehensive income	–	–	10.5	–	–	10.5
Transfer between reserves	–	(0.6)	–	–	0.6	–
At end of period	9.8	42.6	(13.7)	12.7	1,195.4	1,246.8

Other reserves consist of the following:

	Share premium	Merger reserve	Capital redemption reserve	Treasury share reserve	Share-based payment reserve	Total other reserves
As at 30 September 2026	**17.5**	**(9.6)**	**1.3**	**(2.6)**	**6.1**	**12.7**
As at 30 September 2025	17.5	(9.6)	1.3	(2.6)	6.1	12.7
As at 30 June 2026	17.5	(9.6)	1.3	(2.6)	6.1	12.7

The share capital, share premium, capital redemption and share-based payment reserves are all non-distributable. Subordinated-shareholder-funding from the Company's parent undertaking, Bracken Midco2 Limited, consisting of two interest-free loans totalling £68.1m due in 2036, were fully repaid during the prior year. This resulted in the derecognition of the associated equity classification as the subordinated-shareholder-funding reserve was reduced to nil.

The notes on pages 15 to 42 are an integral part of these interim financial statements.

Condensed consolidated statement of cash flows (unaudited)

Interim period ended 30 September 2026

Unless otherwise indicated, all amounts are stated in £m

	Note	Three months ended 30 September 2026	30 September 2025
Cash flows from operating activities			
Profit after taxation		**32.9**	47.8
Adjustment for non-cash items included in profit after taxation	12	**156.4**	136.8
Changes in operating assets and liabilities	12	**(216.8)**	(117.8)
Taxation paid		**(8.5)**	(9.5)
Net cash inflow/(outflow) from operating activities		**(36.0)**	57.3
Cash flows from investing activities			
Cash paid on purchase of property, plant and equipment		**(0.5)**	(0.3)
Proceeds from disposal of property, plant and equipment		**0.1**	0.5
Net cash inflow/(outflow) from investing activities		**(0.4)**	0.2
Cash flows from financing activities			
Drawdown of loan notes		**213.3**	274.3
Repayment of loan notes		**(602.9)**	(606.3)
Proceeds from issuance of loan notes		**562.9**	367.4
Interest paid		**(123.6)**	(87.2)
Purchase and cancellation of derivatives		**–**	5.1
Lease liability payments		**(0.9)**	(0.5)
Net cash inflow/(outflow) from financing activities		**48.8**	(47.2)
Net increase in cash and cash equivalents		**12.4**	10.3
Cash and cash equivalents at beginning of period		**323.0**	320.0
Cash and cash equivalents at end of period	6	**335.4**	330.3

At 30 September 2026, cash and cash equivalents includes £266.1m (30 September 2025: £267.8m, 30 June 2026: £231.5m) of restricted cash (see Note 6).

The notes on pages 15 to 42 are an integral part of these interim financial statements.

1. Reporting entity and general information

Together Financial Services Limited is incorporated and domiciled in the UK. The Company is a private company, limited by shares, and is registered in England (company number: 02939389). These financial statements are prepared for Together Financial Services Limited and its subsidiaries under the Companies Act 2006. The registered address of the Company is Lake View, Lakeside, Cheadle, Cheshire, SK8 3GW. The interim financial statements comprise Together Financial Services Limited and its subsidiaries ('the Group'). The Group is primarily involved in financial services.

2. Summary of material accounting policies

Basis of preparation

The unaudited Interim financial statements have been prepared in accordance with the UK-adopted International Accounting Standard (IAS) 34 Interim Financial Reporting. They do not include all the information required by the UK-adopted International Accounting Standards in full annual financial statements and should be read in conjunction with the annual report and consolidated financial statements for the year ended 30 June 2026 which were prepared in accordance with UK-adopted international accounting standards.

The information within this interim report relating to the period ended 30 September 2026 does not constitute statutory accounts as defined in section 434 of the Companies Act 2006. A copy of the Group statutory accounts for the financial year ended 30 June 2026 has been delivered to the Registrar of Companies. The auditor's report on those accounts was not qualified, did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying the report, and did not contain statements under section 498(2) or (3) of the Companies Act 2006.

Accounting policies and judgements

The accounting policies, presentation and methods of computation are consistent with those applied by the Group in its latest audited annual financial statements.

Presentation of risk disclosures

Disclosures under IFRS 7 Financial Instruments: Disclosures concerning the nature and extent of principal risks have been presented within the interim management report.

Climate-related matters

In making the judgements and estimates required for preparation of these interim financial statements, the directors have had regard to the potential impacts of climate-related factors. For the current reporting period, it has been judged that no material adjustment to the judgements or methods of estimation is required to reflect the potential impacts of climate-related matters, based upon the information available at the reporting date. For further information, please refer to the Sustainability section contained in the Annual Report and Accounts for the year ended 30 June 2026.

Going concern

In preparing these Interim financial statements, the directors have assessed the Group's ability to continue as a going concern. As part of the Group's ongoing monitoring and reforecasting, consideration has been given to the changing macroeconomic environment and outlook and specific consideration has been given to the following:

- financial performance and projections;
- liquidity, funding, capital and covenant considerations; and
- overall risk profile of the Group.

The Group's business model, being one which is ordinarily highly cash generative, operating in profitable market segments and lending at low average loan-to-value (LTV) ratios, provides mitigation against many downside risks. The factors listed above have an impact upon the results of the Group, to a greater or lesser degree, however, are not projected to cast significant doubt on the entity's ability to continue as a going concern.

The key risks which could cause doubt as to whether the Group could continue to operate as a going concern are judged to be primarily in relation to funding and liquidity. The Group has a diverse mix of funding sources, which are structured in order to reduce the risk to the Group. Funding and liquidity risks, including reverse stress testing to identify the point at which the Group would cease to be able to operate, are discussed below.

2. Summary of material accounting policies (continued)

Going concern (continued)

Funding

The Group has a diverse funding base to fund its activities and lending, utilising shareholder funds, private and public securitisation facilities, senior and second lien secured notes and a revolving credit facility to fund its activities and lending.

A key risk associated with wholesale funding is refinancing risk, where the Group has a proven track record of successfully refinancing borrowings. The depth of maturity in the Group's existing debt facilities provides significant mitigation in respect of refinancing risk. Following the redemption of Together Asset Backed Securitisation 2022 - CRE-1 PLC facility in October 2026, the next earliest maturity or call date is that of the Together Asset Backed Securitisation 2023-1ST1 PLC facility in April 2027, representing 2% of the Group's borrowings. The Group's depth of maturity is also highlighted with only 6% of the Group's funding at the period end reaching its call date in the next 12 months.

The Group has continued its existing strategy of refinancing facilities in advance of their contractual maturities. Further information on the Group's borrowings and maturities of these borrowings is included within Note 9.

Liquidity

The Group retains liquidity through managing its total accessible liquidity (TAL) within set risk appetite limits. For further information regarding our management of TAL, see the principal risk and uncertainties section of the interim management report.

The Group holds liquidity in the form of cash and can also access liquidity by drawing on the revolving credit facility (RCF) and through sales of eligible assets into our private securitisation warehouse facilities. In respect of the eligibility criteria and covenants, the Group may, in certain circumstances, seek waivers and/or amendments within the going concern assessment period. This could include, but is not limited to, impacts on covenants because of a deterioration in loan-book performance due to adverse economic conditions or reductions in property values.

If waivers or amendments are required but not agreed, and existing covenants are breached (and the breach is not rectified by using headroom in other facilities or through other remedies within a defined cure period), then the noteholders of the private securitisation facilities have the option to call a default of the facility.

If a facility defaults, then the cash inflows from the securitised asset pool for each facility are used to repay 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. This would delay and potentially reduce cash inflows ordinarily flowing to the Borrower Group as excess spread from each of the securitisations.

The risk of lower levels of cash inflows from redemptions can be mitigated by increasing the amount of liquid resources held as cash. The Group also holds significant cash balances to allow sufficient liquidity, with cash balances of £335.4m at 30 September 2026 (30 September 2025: £330.3m, 30 June 2026: £323.0m), of which £69.3m is unrestricted cash (30 September 2025: £62.5m, 30 June 2026: £91.5m) as shown in Note 6.

Stress testing has been performed in order to assess the extent to which these factors would have to detrimentally impact cash flows in order for the Group to be unable to meet its liabilities as they fall due, and the extent of any increase in credit losses which could result in covenant breaches on the Group's borrowings, as detailed in this note.

2. Summary of material accounting policies (continued)

Going concern (continued)

Stress testing

Aside from the private securitisations, the facilities within the Borrower Group, being the senior secured notes, second lien secured notes and the RCF, also include certain financial covenants including tests on gearing and minimum levels of interest cover in respect of the former and maintenance tests on gearing in respect of the latter.

To evaluate the Group's resilience in meeting these tests, a reverse stress scenario has been developed and was considered as part of the going concern assessment. The scenario assumes no cash flows are received from the securitisations from the point that they are assumed to default over a 6-month period; there is no access to drawdown funding from the private securitisations; no access to the wholesale funding markets is possible; and therefore, loan-origination volumes are limited to meeting pipeline commitments. This is considered by the directors to be an extreme outcome. However, due to the bankruptcy-remote nature of securitisations, the default of one or more private securitisation facilities would not mean that the Group could not continue to operate as a going concern. The Group could continue in such a scenario by servicing the loans funded by the Borrower Group. Stresses were applied to cash inflows to assess the ability to continue to service and repay borrowings as they fall due, and stresses on profitability were separately considered to assess the ability to comply with gearing and interest cover covenants.

The reverse-stress test scenario and its results showed that unrealistic reductions in expected cash inflows within the Borrower Group would be required for the Borrower Group not to be able to meet its liabilities as they fall due, within the going concern period. Even if actual experience approached the level of reductions judged unrealistic, further management actions could be taken to mitigate the impact. The Group has periodically repeated the reverse stress testing, which has continued to show significant headroom.

In addition, the potential impact of reductions in the level of profitability was assessed (as a proxy for a reduction in equity), using increases in expected credit losses as the primary driver, to determine the reduction which would result in the Group's gearing breaching the RCF covenant. The testing showed that profitability would have to fall by a substantial amount and the probability of such a severe outcome is considered remote.

The deployment of additional management actions could also mitigate the possible impacts, including but not limited to renegotiation of the terms of existing borrowings, raising alternative funding and measures to further reduce costs.

The Group has also considered the operational risks associated with the transformation programme and concluded that these do not have a material impact on the Group's going concern assessment for the next 12 months from the date of signing this report.

The directors are satisfied that the Group has adequate resources to continue in operation for the going concern assessment period ending 17 November 2027, which is 12 months from the date of signing this report.

3. Significant accounting judgements and key sources of estimation uncertainty

In preparing these Interim financial statements, the Group's management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the amounts reported for the Group's performance and financial position. Where possible, estimates and associated assumptions are based on historical experience, objective information, or other relevant factors and are reviewed at each reporting date. Actual results may differ from these estimates, and revisions to estimates are recognised prospectively. There has been no change to the significant accounting judgments and key sources of estimation uncertainty applied in these interim financial statements compared to those applied in the last annual report and consolidated financial statements for the year ended 30 June 2026.

Significant judgements in applying the Group's accounting policies

These significant judgements are those which the directors consider result in a significant risk of material adjustment in the carrying amounts of the Group's assets and liabilities within the next financial year.

a) Loan impairment allowance

The calculation of the Group's allowance for losses on its loans and advances to customers under IFRS 9 relies on the following key judgements:

- The incorporation of forward-looking information in the measurement of expected credit losses (ECL), in particular the economic variables driving credit risk and the number and relative weightings of the scenarios used;
- Determining the criteria for a significant increase in credit risk and indicators of credit impairment; and
- Determining where there is a requirement for post-model adjustment and determining inputs for the calculation of ECL where there is such a requirement.

Further detail on the judgements in respect of the measurement of ECL and sensitivities thereon is set out in Note 8 to the financial statements.

3. Significant accounting judgements and key sources of estimation uncertainty (continued)

Significant judgements in applying the Group's accounting policies (continued)

b) Modifications of financial liabilities

The Group, from time to time, conducts refinancing of funding facilities, which results in amendments to the contractual terms, in particular when refinancing private warehouse facilities. An assessment is undertaken to determine whether the terms of the new agreement are substantially different from the terms of the existing agreement, after considering changes in the cash flows arising from the modified terms and overall risk profile of the instrument. Where terms are substantially different, such modifications result in derecognition of the original loan, and the recognition of a new loan. Any difference between the carrying amount of the derecognised loan and the amortised cost of the new loan is recognised in the income statement as a gain or loss on derecognition. Where terms are not substantially different, the carrying value of the loan is adjusted to reflect the present value of modified cash flows discounted at the original EIR with any gain or loss arising from modification recognised immediately in the income statement. A gain was recognised in the prior period, with subsequent unwind impacting the current period, further details of this can be found in note 5. Details in respect of the Group's borrowings can be found in Note 9.

Key sources of estimation uncertainty

a) Loan impairment allowance

The Group utilises macroeconomic forecasts and other assumptions and estimates necessary for the calculation of ECL. Further detail on these estimates and assumptions and sensitivities thereon is set out in Note 8 to the interim financial statements.

b) Interest income recognition

Interest income is recognised using the effective interest rate ('EIR') method. The EIR of a financial instrument is the rate which exactly discounts the estimated future cash flows of the instrument to its carrying amount. In calculating the EIR, all contractual terms of the financial instrument are taken account of, including transaction costs and other premiums or discounts, but not expected credit losses.

The estimation of future cash flows requires the Group to estimate the expected behavioural lives of groups of assets. The Group uses models which draw upon the Group's actual historical experience; however, there is estimation uncertainty to the extent that future performance may not mirror that of the past. For loans with a fixed-rate period which revert onto a variable rate, income recognition is assessed for the fixed and variable period separately; therefore, no future income beyond that of the fixed-rate period is recognised as part of the EIR approach for fixed-rate lending.

The fees recognised on an EIR basis through interest income on loans and advances to customers are recognised based on expected weighted average behavioural lives. At 30 September 2026, the Group had £56.9m (30 September 2025: £50.2m, 30 June 2026: £55.4m) of deferred fees that are recognised over the expected behavioural life of the loan. A change in the weighted average life by +/- 10% leads to an impact on interest income on loans and advances to customers of a decrease of £1.3m and an increase of £1.2m respectively.

c) Fair value of derivatives held for risk management

The fair value of derivatives is the price that would be received to sell a derivative asset or paid to transfer a derivative liability in an orderly transaction between market participants at the measurement date. The valuations of these instruments are derived from models that use forecast future interest-related curves, and which are subject to estimation uncertainty. Further detail in respect of the assumptions and estimates involved in derivatives held for risk management purposes is set out in Note 7 to the interim financial statements.

4. Interest receivable and similar income

	Three months ended	
	30 September 2026	30 September 2025
Interest income calculated using the effective interest method		
On loans and advances to customers	**222.6**	215.5
Other interest and similar income		
On cash and cash equivalents	**2.9**	3.0
Total interest receivable and similar income	**225.5**	218.5

5. Interest payable and similar charges

	Three months ended	
	30 September 2026	30 September 2025
On borrowings calculated using the effective interest rate method	**119.6**	104.3
On lease liabilities	**1.1**	0.3
On derivatives in qualifying and discontinued hedging relationships	**1.1**	(0.9)
Total interest payable and similar charges	**121.8**	103.7

Included in interest payable and similar charges on borrowings for the three months ended 30 September 2026 is an unwind of a previously recognised modification gain of £1.2m (30 September 2025: £10.0m modification gain). This was in relation to a non-substantial modification of the Group's financial liabilities as a result of improved contractual terms of some of the Group's existing funding facilities.

Following the non-substantial modification, the gross carrying amount of the liability was updated to reflect the revised contractual cash flows, discounted at the original effective interest rate. The liability then unwinds in accordance with the effective interest rate method, with the resulting unwind recognised within interest payable and similar charges on borrowings.

6. Cash and cash equivalents

	30 September 2026	30 September 2025	30 June 2026
Unrestricted cash	**69.3**	62.5	91.5
Restricted cash	**266.1**	267.8	231.5
Total cash and cash equivalents	**335.4**	330.3	323.0

Restricted cash is held in securitisation vehicles for use in managing the Group's securitisation facilities. It is ring-fenced under the terms of the securitisation agreements and is not readily available. Within restricted cash, £88.3m (30 September 2025: £51.6m, 30 June 2026: £58.2m) represents amounts that could be accessed by the Group, for example by allocating additional eligible assets into the private securitisations. The balance of restricted cash represents amounts which are held within the securitisations for other purposes and may be accessible in the future, such as cash reserves or amounts paid over as deferred consideration.

All cash and cash equivalents held by the Group are denominated in pounds sterling.

7. Derivatives held for risk management

The Group applies both cash flow and fair value hedge accounting to manage interest rate and fair value risk. Further details on both are included within this note.

Derivative assets and liabilities

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

	30 September 2026		30 September 2025		30 June 2026	
	Assets	**Liabilities**	Assets	Liabilities	Assets	Liabilities
Interest-rate swaps – cash flow hedging	**43.2**	**(6.7)**	3.5	(21.5)	7.6	(21.5)
Interest-rate swaps – fair value hedging	**–**	**(22.7)**	7.0	–	2.7	(2.2)
Derivatives held for risk management	**43.2**	**(29.4)**	10.5	(21.5)	10.3	(23.7)

Fair value hedging

The Group applies fair value hedge accounting to manage exposure to changes in fair value from its senior and second lien secured notes. The Group separates the benchmark rate component of its senior and second lien secured notes as the hedged item, with this hedged item being included within the Group and Company's borrowings. This component is both separately identifiable and reliably measurable. The associated hedging instrument is an interest rate swap, with the notional amount remaining constant, in line with the hedged item.

The fair value movements of the hedging instrument and hedged item are expected to move inversely to each other, with any ineffectiveness, arising from mismatches in the tenor between the hedged item and the hedging instrument, as well as from credit valuation adjustment charges, to the extent that it occurs, being included within the income statement within 'net fair-value gains/(losses) on derivatives.

The below shows the notional, fair value, and changes in fair value during the period on the hedged item and the hedging instrument, as well as any hedge ineffectiveness in the period from fair value hedging:

Period ended 30 September 2026		**Notional**	**Fair value at period end**	**Changes in fair value during the 3 months ended 30 September 2026**
Hedged item	Senior and second lien secured notes	**(1,250.0)**	**23.5**	**23.8**
Hedging instrument	Interest rate swaps	**1,250.0**	**(22.7)**	**(23.2)**
Hedge ineffectiveness				**0.6**

Period ended 30 September 2025		Notional	Fair value at period end	Changes in fair value during the 3 months ended 30 September 2025
Hedged item	Senior secured notes	(950.0)	(7.0)	6.1
Hedging instrument	Interest rate swaps	950.0	7.1	(6.0)
Hedge ineffectiveness				0.1

Year ended 30 June 2026		Notional	Fair value at year end	Changes in fair value during the year
Hedged item	Senior and second lien secured notes	(1,250.0)	(0.3)	12.8
Hedging instrument	Interest rate swaps	1,250.0	0.5	(12.6)
Hedge ineffectiveness				0.2

The average fixed rate on swaps under fair value hedging for the period is 7.88% (30 September 2025: 7.68%, 30 June 2026: 7.88%).

7. Derivatives held for risk management (continued)

Cash flow hedging

The Group uses cash flow hedge accounting to mitigate interest rate risk on floating-rate liabilities in certain of its securitisation vehicles that are used to fund fixed rate lending. The hedging instruments are the interest rate swaps entered into, with the hedged item being the variable interest payments on the Group's loan notes which are included within borrowings.

The notional amounts on the interest rate swaps entered into in relation to floating rate liabilities are designated against a proportion of floating-rate notes funding fixed-rate mortgages, which 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.

Sources of hedge ineffectiveness primarily arise from mismatches in the tenor between the hedged item and the hedging instrument, as well as from credit valuation adjustment (CVA) charges. Any resulting ineffectiveness is recognised in the income statement within 'Net fair-value gains/(losses) on derivatives'.

The Group establishes the hedging ratio by matching the notional amount of the derivative with the corresponding floating-rate notes. In these hedging relationships, the main potential sources of ineffectiveness are:

- Repayment of the notes faster than the decline in the notional amount of the derivative;
- For interest-rate swaps, the inclusion of transaction costs or off-market interest rates in the fixed-rate leg;
- Changes in the credit risk of either party; and
- Differences in the expected maturity of the hedged item and the hedging instrument.

The average fixed interest rate on swaps under cash flow hedging is 4.12% (30 September 2025: 3.90%, 30 June 2026: 4.12%).

During the 3 month period, the Group transacted a number of swaps which resulted in net fair value gains of £1.0m (30 September 2025: £0.1m losses) due to hedge ineffectiveness and discontinued hedges. The Group's cash flow hedging relationships are otherwise generally highly effective, with other changes in the fair value of derivatives largely mirrored in hedging reserves.

The below shows the hedged item, hedging instrument, notional, and net derivative asset / (liability) from cash flow hedging:

30 September 2026		**Notional**	**Net derivative assets**
Hedged item	Loan notes	**(3,766.9)**	
Hedging instrument	Interest rate swaps	**3,766.9**	**36.5**

30 September 2025		Notional	Net derivative liabilities
Hedged item	Loan notes	(2,746.2)	
Hedging instrument	Interest rate swaps	2,746.2	(18.0)

30 June 2026		Notional	Net derivative liabilities
Hedged item	Loan notes	(3,704.1)	
Hedging instrument	Interest rate swaps	3,704.1	(13.9)

Movement in derivatives under cash flow hedging in the period

The below table reconciles the movements in derivatives under cash flow hedging in the period, including the impact of hedge effectiveness on the income statement and other comprehensive income.

Group	**30 September 2026**	30 September 2025	30 June 2026
Net cash flow derivative liabilities at beginning of the period	**(13.9)**	(23.3)	(23.3)
Effective portion of fair value changes recognised in other comprehensive income	**46.8**	18.9	22.0
Ineffectiveness recognised in income statement	**0.4**	(0.2)	2.6
Changes in fair value for calculating hedge ineffectiveness	**47.2**	18.7	24.6
Changes on settlement of interest, or its reclassification to interest payable, of continuing cash flow hedging relationships	**3.2**	(1.2)	2.6
Amounts paid / (received) on purchase of derivatives	**5.3**	(7.5)	(18.5)
Net gain / (release) on cancellation or novation of derivatives	**(5.3)**	(4.7)	1.6
Payments on discontinuance of hedging relationships	**–**	–	(0.9)
Net cash flow derivative assets / (liabilities) at end of the period	**36.5**	(18.0)	(13.9)

7. Derivatives held for risk management (continued)

Cash flow hedging (continued)

Movement in cash flow hedging reserve in the period

The below table reconciles the movements in the cash flow hedging reserve during the period.

Group	30 September 2026	30 September 2025	30 June 2026
Cash flow hedging reserve at beginning of the period	**1.9**	(24.2)	(24.2)
Effective portion of changes in fair value	**46.8**	18.9	22.0
Amounts reclassified to income statement	**1.6**	(8.3)	4.1
Amounts released on cancellation of derivatives	**–**	–	0.1
Deferred tax recognised on cashflow hedging reserve	**(1.0)**	(0.1)	(0.1)
Cash flow hedging reserve at end of the period	**49.3**	(13.7)	1.9

Of the above £49.3m (30 September 2025: £(13.7m), 30 June 2026: £1.9m) cashflow hedging reserve, £17.1m (30 September 2025: £(6.7m), 30 June 2026: £6.0m) relates to discontinued hedging relationships, with the rest relating to continuing hedging relationships.

Amounts reclassified to the income statement of £(1.6m) (30 September 2025: £8.3m, 30 June 2026: £(4.1m)) includes £1.7m (30 September 2025: £7.1m, 30 June 2026: £(1.5m)) in relation to discontinued hedging instruments.

The movements in the cash flow hedging reserve and balance sheet position for the period are driven by changes in fair value on the derivatives due to changing swap rates.

Fair value gains / (losses) in the period from cash flow hedging

The below table details the impact on the income statement of fair value gains/(losses) in the period from cash flow hedging:

	Three months ended	
Group	30 September 2026	30 September 2025
Hedge ineffectiveness	**0.4**	(0.1)
Amounts released on cancellation of derivatives through income statement	**–**	–
Fair value gains/(losses) in the period	**0.4**	(0.1)

Borrowings cash flow hedged by interest-rate swaps

The below table shows the carrying value of hedged items, change in FV for hedge ineffectiveness and the cash flow hedging reserve in relation to cash flow hedging of the hedged item.

30 September 2026	CV of liabilities	Changes in FV for hedge ineffectiveness	Cash flow hedging reserve
Continuing cash flow hedging relationships	**3,766.9**	**46.8**	**32.2**
Discontinued cash flow hedging relationships	**–**	**–**	**17.1**
Total	**3,766.9**	**46.8**	**49.3**

30 September 2025	CV of liabilities	Changes in FV for hedge ineffectiveness	Cash flow hedging reserve
Continuing cash flow hedging relationships	2,746.2	18.9	(7.0)
Discontinued cash flow hedging relationships	–	–	(6.7)
Total	2,746.2	18.9	(13.7)

30 June 2026	CV of liabilities	Changes in FV for hedge ineffectiveness	Cash flow hedging reserve
Continuing cash flow hedging relationships	3,704.1	22.0	(4.1)
Discontinued cash flow hedging relationships	–	–	6.0
Total	3,704.1	22.0	1.9

7. Derivatives held for risk management (continued)

Maturity profile of derivatives

The below table shows the contractual maturity of the derivative notional balances.

30 September 2026	<1 year	1-2 years	2-3 years	3-4 years	4-5 years	>5 years	Total
Cash flow hedging	**56.8**	**480.9**	**391.9**	**816.0**	**2,021.3**	**–**	**3,766.9**
Fair value hedging	**–**	**–**	**450.0**	**500.0**	**300.0**	**–**	**1,250.0**
Total derivative notional	**56.8**	**480.9**	**841.9**	**1,316.0**	**2,321.3**	**–**	**5,016.9**

30 September 2025	<1 year	1-2 years	2-3 years	3-4 years	4-5 years	>5 years	Total
Cash flow hedging	25.0	289.7	533.4	595.0	1,303.1	–	2,746.2
Fair value hedging	–	–	–	450.0	500.0	–	950.0
Total derivative notional	25.0	289.7	533.4	1,045.0	1,803.1	–	3,696.2

30 June 2026	<1 year	1-2 years	2-3 years	3-4 years	4-5 years	>5 years	Total
Cash flow hedging	13.1	407.6	586.2	1,194.8	1,502.4	–	3,704.1
Fair value hedging	–	–	450.0	500.0	300.0	–	1,250.0
Total derivative notional	13.1	407.6	1,036.2	1,694.8	1,802.4	–	4,954.1

8. Loans and advances to customers

	30 September 2026			
	Stage 1	Stage 2	Stage 3 and POCI	Total
Gross loans and advances	**6,659.8**	**1,451.4**	**828.9**	**8,940.1**
Allowance for expected credit losses	**(8.2)**	**(25.2)**	**(179.7)**	**(213.1)**
Loans and advances to customers	**6,651.6**	**1,426.2**	**649.2**	**8,727.0**
ECL coverage (%)	**0.1**	**1.7**	**21.7**	**2.4**

	30 September 2025			
	Stage 1	Stage 2	Stage 3 and POCI	Total
Gross loans and advances	6,018.1	1,269.2	915.5	8,202.8
Allowance for expected credit losses	(8.7)	(19.3)	(175.1)	(203.1)
Loans and advances to customers	6,009.4	1,249.9	740.4	7,999.7
ECL coverage (%)	0.1	1.5	19.1	2.5

	30 June 2026			
	Stage 1	Stage 2	Stage 3 and POCI	Total
Gross loans and advances	6,621.6	1,281.4	824.5	8,727.5
Allowance for expected credit losses	(9.0)	(20.3)	(176.1)	(205.4)
Loans and advances to customers	6,612.6	1,261.1	648.4	8,522.1
ECL coverage (%)	0.1	1.6	21.4	2.4

Gross balances of credit impaired loans include £15.0m (30 September 2025: £16.3m, 30 June 2026: £14.9m) of purchased or originated credit impaired (POCI) loans, which are presented net of lifetime ECL impairment provisions of £1.6m (30 September 2025: £1.6m, 30 June 2026: £1.6m).

Measurement of expected credit losses (ECL)

ECL model

The Group calculates its ECL using a statistical model based on probability of default (PD), 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. The calculation is based on statistical models that utilise both market and internal data, based on current conditions adjusted to take into account estimates of future conditions that will impact PD and estimates for customer payment behaviour. For development loans, PDs are assigned using a risk slotting approach which comprises a range of quantitative and qualitative criteria.
- LGD is an estimate of the likely 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 at the original effective interest rate of the loan for the average period for recovery of sale proceeds. The LGD calculation includes floors, i.e. minimum losses, which are assigned based on the LTV of the loan and the type of security and have been developed from historical data.
- 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 repayments of principal, contractual drawdowns of loan commitments, and the impact of missed payments which would be expected for an account in default.

ECL is calculated as the product of PD, LGD and EAD, discounted to the reporting date.

8. Loans and advances to customers (continued)

Measurement of expected credit losses (ECL) (continued)

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

- 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.
- 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. The determination of significant increases in credit risk is explained further, later in this section.
- Stage 3 instruments are credit impaired, and the loss allowance calculated as the lifetime ECL.

Improvements in credit quality may result in instruments moving categorisation, from stage 3 to stage 2 where they are no longer considered credit impaired or subsequently to stage 1 where the credit risk is no longer significantly increased compared with initial recognition. Such transitions generally occur only after the completion of a probationary period.

The Group undertakes back-testing and validation procedures in order to assess the reasonableness of assumptions and judgements applied in calculating ECLs. The results of these procedures are considered in determining the ongoing appropriateness of key judgements and inputs, which are subject to oversight from the Audit Committee. During the period, the Group has made no individually material adjustments to the model.

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. At 30 September 2026, post-model adjustments increased the total loan loss provision by £45.8m (30 September 2025: £52.2m, 30 June 2026: £48.2m). These total post model adjustments are made up of the following:

- Portfolio level post-model adjustments are made for potential risks that may emerge where additional coverage is judged to be appropriate at the time, where it is deemed to be not fully reflected in the ECL model. This includes additional coverage to capture macroeconomic uncertainty, identified risks in subsets of the loan book based on the previous performance of similar loans, and other identified model limitations. These adjustments total £14.4m at 30 September 2026 (30 September 2025: £13.4m, 30 June 2026: £10.4m).
- Specific loan post-model adjustments are made in relation to specific loans where further information on the loan becomes known that would require adjustments to be made to the ECL calculation, or where loans are pooled together due to model limitations. This includes incorporating latest information on the valuation of the security, including probability weighted outcomes, and specific changes to data parameters where more loan specific parameters are appropriate. The specific loan post-model adjustments total £31.4m at 30 September 2026 (30 September 2025: £38.8m, 30 June 2026: £37.8m).

The post model-adjustments are in addition to the modelled ECL of £167.3m (30 September 2025: £150.9m, 30 June 2026: £157.2m).

Significant increases in credit risk, forbearance and contract modifications

The Group monitors all financial instruments that are subject to credit risk to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase, then the Group measures the loss allowance based on a lifetime rather than a 12-month ECL, with these assets being recognised within stage 2. The Group uses qualitative and quantitative criteria including:

- A loan becoming 30 days or more past due;
- Certain qualitative indicators, such as those used in the servicing of the loan which indicate increased credit risk;
- Increases in internal risk scores on certain portfolio accounts;
- External credit bureau data signifying increases in credit risk for a customer;
- There is an increase in the lifetime PD of the loan since origination, which is judged to be significant; and
- Loans which exhibit certain indicators of increased credit risk, such as forborne accounts as described below, or specific accounts where stage overrides are made on a specific case basis.

The Group offers forbearance to assist customers who are experiencing financial distress and considers an account as forborne at the time a customer in financial difficulty is granted a concession. For accounting purposes, any gains or losses arising upon granting forbearance are usually not material because losses are already included in ECLs. Subsequently, the Group may determine after a probationary period that a restructuring has significantly improved credit risk such that the asset is moved back to stage 1.

8. Loans and advances to customers (continued)

Incorporation of forward-looking information

Variables

The Group uses forward-looking information in its measurement of ECL and in identifying significant increases in credit risk (discussed in the next section). The Group's statistical analysis of historical data has confirmed that the key economic variables that drive credit risk, and the ECL for the Group's financial instruments, are unemployment, the Bank of England's Base Rate ('the Bank Rate'), and changes in house prices. The Group has developed a range of future economic scenarios of these variables, drawing on external forecasts where appropriate.

Scenarios

The Group calculates ECL using macroeconomic scenarios, calibrated around a base case. This approach provides an ability to assess a range of economic uncertainty.

The base case is weighted at 60% (30 September 2025: 60%, 30 June 2026: 60%) and is therefore deemed to be the most likely macroeconomic outcome. As shown in the table on the following page, this scenario assumes further Bank Rate increases over the next year, some increases in the unemployment rate, and mixed growth in house prices.

There are two downside scenarios; downside and severe downside weighted at 10% and 10% respectively (30 September 2025: 10%, 10% respectively, 30 June 2026: 10%, 10% respectively). The downside scenarios assume faster reductions to the Bank Rate in a recessionary environment, with increasing unemployment and house price falls. The nature of the downside scenario is most closely aligned to the experience during the 2008 global financial crisis, with the severe downside economic scenario representing a severely stressed environment.

There is one upside scenario which is weighted at 20% (30 September 2025: 20%, 30 June 2026: 20%) which reflects the Bank Rate remaining high due to continued consumer confidence keeping inflation high compared to the base case, with unemployment falling faster and stronger house price growth.

Judgement is required to set the scenario weightings to consider the interaction between the severity of the scenarios and the weightings applied. Management has sought to assess the reasonableness of the probabilities by comparing the weighted average of each economic indicator with other available macroeconomic forecasts, in addition to benchmarking the base case scenario.

8. Loans and advances to customers (continued)

Incorporation of forward-looking information (continued)

To project the economic variables for the remaining term of each instrument, it is assumed that the forecasts used in all scenarios revert to our long-term base case forecast beyond a 10-year horizon.

The most significant assumptions used for the ECL estimate as at 30 September 2026, by economic indicator, until September 2030 were as follows:

Bank Rate (%)	Highest bank rate	Weighting	Dec 2026	Mar 2027	Jun 2027	Sep 2027	Sep 2028	Sep 2029	Sep 2030
Upside	5.5	20%	4.3	5.1	5.5	5.5	5.1	4.8	4.8
Base	4.3	60%	3.9	4.2	4.3	4.2	3.6	3.3	3.3
Downside	3.5	10%	3.5	3.0	2.6	2.4	2.3	2.3	2.3
Severe downside	3.3	10%	3.3	2.6	2.4	2.1	1.5	1.5	1.5
Weighted average			3.9	4.1	4.2	4.1	3.6	3.3	3.3

Unemployment rate (%)	% peak	Weighting	Dec 2026	Mar 2027	Jun 2027	Sep 2027	Sep 2028	Sep 2029	Sep 2030
Upside	5.0	20%	5.0	4.9	4.7	4.5	3.7	3.6	3.7
Base	5.4	60%	5.1	5.2	5.4	5.4	4.8	4.7	4.5
Downside	6.8	10%	5.5	5.8	6.2	6.5	6.8	6.8	6.6
Severe downside	7.4	10%	5.6	6.0	6.5	6.8	7.3	7.4	7.1
Weighted average			5.2	5.3	5.4	5.5	5.1	4.9	4.8

Annual change in house-price index (%)	Start to trough % change	Weighting	Dec 2026	Mar 2027	Jun 2027	Sep 2027	Sep 2028	Sep 2029	Sep 2030
Upside	n/a[1]	20%	1.6	1.5	1.7	3.2	5.3	8.3	6.4
Base	n/a[1]	60%	0.9	0.2	(0.5)	0.1	2.1	5.4	6.5
Downside	(8.7)	10%	(2.0)	(4.1)	(6.2)	(7.0)	(1.8)	0.9	6.9
Severe downside	(16.0)	10%	(3.2)	(6.1)	(8.9)	(10.5)	(4.2)	(2.1)	7.1
Weighted average			0.3	(0.6)	(1.5)	(1.1)	1.7	4.8	6.6

1. This scenario does not have a trough as HPI is forecast to increase across all future periods.

8. Loans and advances to customers (continued)

Incorporation of forward-looking information (continued)

The most significant assumptions used for the ECL estimate as at 30 September 2025, by economic indicator, until September 2029 were as follows:

Bank Rate (%)	Highest bank rate	Weighting	Dec 2025	Mar 2026	Jun 2026	Sep 2026	Sep 2027	Sep 2028	Sep 2029
Upside	5.5	20%	4.4	4.8	5.0	5.2	5.5	5.0	4.7
Base	4.0	60%	4.0	3.8	3.8	3.8	3.8	3.8	4.0
Downside	3.8	10%	3.8	3.4	3.0	2.6	1.8	1.8	1.8
Severe downside	3.6	10%	3.6	3.0	2.5	2.1	1.0	1.0	1.0
Weighted average			4.0	3.8	3.8	3.8	3.6	3.5	3.6

Unemployment rate (%)	% peak	Weighting	Dec 2025	Mar 2026	Jun 2026	Sep 2026	Sep 2027	Sep 2028	Sep 2029
Upside	4.6	20%	4.6	4.5	4.4	4.3	3.8	3.6	3.6
Base	5.0	60%	4.9	4.9	4.9	5.0	4.8	4.4	4.1
Downside	6.8	10%	5.3	5.5	5.8	6.0	6.7	6.8	6.5
Severe downside	7.4	10%	5.4	5.7	6.0	6.4	7.2	7.4	7.0
Weighted average			4.9	5.0	5.0	5.1	5.0	4.8	4.6

Annual change in house-price index (%)	Start to trough % change	Weighting	Dec 2025	Mar 2026	Jun 2026	Sep 2026	Sep 2027	Sep 2028	Sep 2029
Upside	n/a[1]	20%	3.4	3.5	4.6	5.3	5.8	7.6	6.5
Base	n/a[1]	60%	2.5	2.3	2.9	3.1	3.6	5.1	6.7
Downside	(9.4)	10%	(0.2)	(2.3)	(3.5)	(5.3)	(1.5)	(0.1)	7.1
Severe downside	(17.9)	10%	(1.4)	(4.3)	(6.5)	(9.0)	(4.4)	(3.3)	7.4
Weighted average			2.0	1.4	1.7	1.5	2.7	4.3	6.8

1. This scenario does not have a trough as HPI is forecast to increase across all future periods

8. Loans and advances to customers (continued)

Incorporation of forward-looking information (continued)

The most significant assumptions used for the ECL estimate as at 30 June 2026, by economic indicator, until June 2030 were as follows:

Bank Rate (%)	Highest bank rate	Weighting	Sep 2026	Dec 2026	Mar 2027	Jun 2027	Jun 2028	Jun 2029	Jun 2030
Upside	5.3	20%	4.3	5.0	5.3	5.3	5.3	5.3	5.3
Base	3.8	60%	3.8	3.8	3.8	3.8	3.3	3.3	3.3
Downside	3.4	10%	3.4	2.9	2.6	2.4	1.8	1.8	1.8
Severe downside	3.3	10%	3.3	2.6	2.3	1.8	1.0	1.0	1.0
Weighted average			3.8	3.8	3.8	3.7	3.3	3.3	3.3

Unemployment rate (%)	% peak	Weighting	Sep 2026	Dec 2026	Mar 2027	Jun 2027	Jun 2028	Jun 2029	Jun 2030
Upside	5.3	20%	5.3	5.3	5.2	5.0	4.0	3.6	3.7
Base	5.7	60%	5.5	5.7	5.7	5.6	5.1	4.7	4.5
Downside	7.1	10%	6.0	6.3	6.5	6.7	7.1	6.9	6.5
Severe downside	7.6	10%	6.1	6.5	6.8	7.1	7.6	7.5	7.1
Weighted average			5.6	5.8	5.8	5.8	5.3	5.0	4.8

Annual change in house-price index (%)	Start to trough % change	Weighting	Sep 2026	Dec 2026	Mar 2027	Jun 2027	Jun 2028	Jun 2029	Jun 2030
Upside	n/a[1]	20%	2.5	2.2	3.0	3.3	4.3	7.6	6.5
Base	n/a[1]	60%	2.0	1.2	1.1	0.6	1.3	4.8	6.7
Downside	(9.9)	10%	(1.1)	(3.5)	(5.1)	(7.0)	(2.7)	0.1	7.0
Severe downside	(17.6)	10%	(2.4)	(5.6)	(7.9)	(10.6)	(5.1)	(2.9)	7.3
Weighted average			1.3	0.3	0.0	(0.7)	0.9	4.1	6.7

1. This scenario does not have a trough as HPI is forecast to increase across all future periods.

8. Loans and advances to customers (continued)

Loss allowance movements in the period

The following tables analyse the movement of the allowance for expected credit losses during the 3-month periods ended 30 September 2026 and 30 September 2025.

	Three months ended 30 September 2026			
Loss allowance	**Stage 1**	**Stage 2**	**Stage 3 and POCI**	**Total**
Balance at beginning of period	**(9.0)**	**(20.3)**	**(176.1)**	**(205.4)**
Transfer to a 12-month ECL	**(1.5)**	**1.5**	**–**	**–**
Transfer to a lifetime ECL not credit impaired	**2.3**	**(3.1)**	**0.8**	**–**
Transfer to a lifetime ECL credit impaired	**–**	**2.4**	**(2.4)**	**–**
Net ECL remeasurement on stage transfer	**1.2**	**(3.2)**	**(2.5)**	**(4.5)**
Other changes in credit risk during the period	**(2.1)**	**(4.1)**	**(11.1)**	**(17.3)**
Impairment of interest income on stage 3 loans	**–**	**–**	**(5.5)**	**(5.5)**
New financial assets originated	**(0.5)**	**(0.2)**	**(0.6)**	**(1.3)**
Financial assets derecognised	**1.3**	**1.6**	**4.5**	**7.4**
Changes in models and risk parameters	**0.1**	**0.2**	**0.4**	**0.7**
Losses from movements in loss allowance[1]	**0.8**	**(4.9)**	**(16.4)**	**(20.5)**
Discounting release	**–**	**–**	**5.5**	**5.5**
Write-offs net of recoveries	**–**	**–**	**7.3**	**7.3**
Balance at end of period	**(8.2)**	**(25.2)**	**(179.7)**	**(213.1)**

	Three months ended 30 September 2025			
Loss allowance	Stage 1	Stage 2	Stage 3 and POCI	Total
Balance at beginning of period	(9.7)	(20.5)	(165.3)	(195.5)
Transfer to a 12-month ECL	(1.8)	1.8	–	–
Transfer to a lifetime ECL not credit impaired	1.7	(2.5)	0.8	–
Transfer to a lifetime ECL credit impaired	0.3	4.5	(4.8)	–
Net ECL remeasurement on stage transfer	0.8	(2.8)	(2.8)	(4.8)
Other changes in credit risk during the period	(1.1)	(2.4)	(16.1)	(19.6)
Impairment of interest income on stage 3 loans	–	–	(6.1)	(6.1)
New financial assets originated	(0.4)	(0.2)	(0.2)	(0.8)
Financial assets derecognised	1.2	2.0	5.5	8.7
Changes in models and risk parameters	0.3	0.8	2.0	3.1
Losses from movements in loss allowance[1]	1.0	1.2	(21.7)	(19.5)
Discounting release	–	–	6.1	6.1
Write-offs net of recoveries	–	–	5.8	5.8
Balance at end of period	(8.7)	(19.3)	(175.1)	(203.1)

[1] See “Impairment losses for the period” on the following page for a reconciliation of losses from movements in loss allowance to the income statement charge for the period.

8. Loans and advances to customers (continued)

Loss allowance movements in the period (continued)

The ECL allowance has increased by £7.7m to £213.1m in the three-month period ended 30 September 2026 (30 September 2025: £7.6m increase to £203.1m). This net movement in ECL allowance comprises a range of drivers, with the principal being:

- Changes due to accounts moving between stages have increased the provision by £4.5m (30 September 2025: £4.8m), which is the net impact of accounts moving into stage 3 through defaulting, moving into stage 2 due to having a significant increase in credit risk since origination, or moving back a stage after seeing credit quality improvements.
- Changes in models and risk parameters resulted in a decrease in the provision of £0.7m (30 September 2025: £3.1m). The main drivers of this change were updates to macroeconomic data based on latest actuals and forecasts, as well as updates to model parameters.
- Post model adjustments have been decreased by £2.4m (30 September 2025: £2.2m increase) in relation to both portfolio level and specific loan PMAs, included above within other changes in credit risk during the period.
- The impairment of interest income recognised on stage 3 loans of £5.5m (30 September 2025: £6.1m) was offset by the unwinding of discounting on expected cash flows of the same amount.
- Write-offs of fully impaired loans, net of recoveries, in the period resulted in a decrease in the provision of £7.3m (30 September 2025: £5.8m), following conclusions of recovery strategies on previously fully provided specific accounts.
- The remaining net £13.6m increase (30 September 2025: £9.5m increase) comprises increases in ECL during the life of loans, offset where allowances are released on loans which redeem and write-offs of fully impaired balances in the year. This increase has been driven by a growing loan book, some changes in arrears and defaults, changes to probabilities of default assigned to loans, and changes to security values through indexation and revaluations.

Impairment losses for the period

	Three months ended	
	30 September 2026	30 September 2025
Movements in loss allowance, charged to income	**20.5**	19.5
Amounts released from deferred income	**(0.2)**	–
Write-offs net of recoveries	**(1.0)**	(0.4)
Charged to the income statement	**19.3**	19.1

Impairment losses for the three-month period increased to a charge of £19.3m (30 September 2025: £19.1m) as shown above. The losses from movements in loss allowance are broken down in the table on the previous page.

8. Loans and advances to customers (continued)

Loans and advances movements in the period

The following tables set out changes in the gross carrying amount of loans and advances to customers that contributed to the changes in the loss allowance:

Movements in loans and advances to customers	Three months ended 30 September 2026			
	Stage 1	Stage 2	Stage 3 and POCI	Total
Balance at beginning of period	**6,621.6**	**1,281.4**	**824.5**	**8,727.5**
Transfer to a 12-month ECL	**196.1**	**(196.1)**	**–**	**–**
Transfer to a lifetime ECL not credit impaired	**(461.2)**	**491.7**	**(30.5)**	**–**
Transfer to a lifetime ECL credit impaired	**(5.4)**	**(93.3)**	**98.7**	**–**
New financial assets originated	**801.9**	**30.1**	**1.6**	**833.6**
Financial assets derecognised including write-offs	**(493.2)**	**(62.4)**	**(65.4)**	**(621.0)**
Balance at end of period	**6,659.8**	**1,451.4**	**828.9**	**8,940.1**

Movements in loans and advances to customers	Three months ended 30 September 2025			
	Stage 1	Stage 2	Stage 3 and POCI	Total
Balance at beginning of period	5,879.9	1,322.4	887.5	8,089.8
Transfer to a 12-month ECL	269.8	(269.8)	–	–
Transfer to a lifetime ECL not credit impaired	(422.0)	447.7	(25.7)	–
Transfer to a lifetime ECL credit impaired	(4.7)	(116.3)	121.0	–
New financial assets originated	742.1	5.6	1.0	748.7
Financial assets derecognised including write-offs	(447.0)	(120.4)	(68.3)	(635.7)
Balance at end of period	6,018.1	1,269.2	915.5	8,202.8

8. Loans and advances to customers (continued)

Significant accounting estimates

Key areas of estimation uncertainty in the ECL models are the macroeconomic scenarios used, and the calculations of loss given default and probability of default. The sensitivities below were performed by recalculating the impairment allowance by changing only those assumptions stated, and with all other variables unchanged. The impact of PMAs is not included in the analysis below.

Macroeconomic scenarios

The following table shows unweighted ECL when 100% probability was applied to each scenario as at 30 September 2026, 30 September 2025, and 30 June 2026.

	30 September 2026	
	Probability of the scenario	**Unweighted ECL**
Upside	**20%**	**174.2**
Base case	**60%**	**190.6**
Downside	**10%**	**281.6**
Severe downside	**10%**	**357.5**
Weighted average		**213.1**

	30 September 2025	
	Probability of the scenario	Unweighted ECL
Upside	20%	152.5
Base case	60%	184.3
Downside	10%	277.2
Severe downside	10%	342.8
Weighted average		203.1

	30 June 2026	
	Probability of the scenario	Unweighted ECL
Upside	20%	170.8
Base case	60%	186.2
Downside	10%	264.3
Severe downside	10%	330.8
Weighted average		205.4

Utilising multiple economic scenarios reflects the non-linearity of the forward-looking ECL approach.

Sensitivities can be derived from this table by applying different combinations of probabilities to the unweighted ECLs and comparing these with the weighted average which is the amount recorded within the statement of financial position.

Loss given default

The LGD model uses current security values and forecast HPI assumptions to project property values for each of the economic scenarios. An immediate and sustained 10% reduction in forecast house prices applied in each scenario (i.e. a 10% cut applied to the index in each forecast future period) would result in an increase in the impairment allowance of £24.5m at 30 September 2026 (30 September 2025: £31.3m; 30 June 2026: £26.4m); conversely, a 10% increase would result in a decrease in the impairment allowance of £18.3m at 30 September 2026 (30 September 2025: £23.5m; 30 June 2026: £20.2m).

Probability of default and probability of repossession given default

A 10% relative worsening of both PDs and PPGDs simultaneously (e.g. a 1.0% PD increasing to 1.1%) would increase the total impairment allowance by £6.6m at 30 September 2026 (30 September 2025: £6.5m; 30 June 2026: £6.0m). A 10% relative improvement of both PDs and PPGDs simultaneously (e.g. a 1.0% PD decreasing to 0.9%) would result in a decrease in the impairment allowance by £6.3m at 30 September 2026 (30 September 2025: £6.3m; 30 June 2026: £5.8m).

8. Loans and advances to customers (continued)

Significant accounting judgements

Key areas of judgement in the ECL models include judgements about which loans have been subject to a significant increase in credit risk since initial recognition and therefore should be classified as stage 2, with a resultant loss allowance based on a lifetime rather than a 12-month ECL.

The sensitivity below was performed by recalculating the impairment allowance by changing only the item stated, and with all other variables unchanged. This was performed at an account level and hence excludes post model adjustments.

	Increase in allowance		
Sensitivities	**30 September 2026**	30 September 2025	30 June 2026
Measure all loans in stage 1 using a lifetime ECL	**24.0**	18.6	24.3

9. Borrowings

	30 September 2026	30 September 2025	30 June 2026
Loan notes	**6,744.0**	6,035.1	6,570.5
Subordinated shareholder loans	**–**	25.5	–
Lease liabilities	**38.1**	26.9	35.4
	6,782.1	6,087.5	6,605.9
Senior secured notes	**950.0**	950.0	950.0
Fair value adjustment due to hedging on senior secured notes	**(16.0)**	7.0	(0.2)
	934.0	957.0	949.8
Second lien secured notes	**300.0**	–	300.0
Fair value adjustment due to hedging on second lien secured notes	**(7.5)**	–	0.5
	292.5	–	300.5
Debt-issuance costs	**(25.7)**	(26.9)	(27.2)
Total borrowings	**7,982.9**	7,017.6	7,829.0

9. Borrowings (continued)

Loan notes have the following features:

Loan facility	Established	Securitisation type	Facility type	Facility size* (£m)	Maturity or call date
ADALO Asset Backed Securitisation Limited	2024	Private funding	Revolving	100.0	Mar 2030
Brooks Asset Backed Securitisation 2 Limited	2025	Private funding	Amortising	34.2	Mar 2029
Delta Asset Backed Securitisation 2 Limited	2019	Private funding	Revolving	600.0	Dec 2028
Genesis Asset Backed Securitisation 1 Limited	2025	Private funding	Revolving	300.0	Dec 2029
Highfield Asset Backed Securitisation 1 Limited	2018	Private funding	Revolving	725.0	Dec 2029
Kingsway Asset Backed Securitisation Limited	2025	Private funding	Revolving	1,200.0	Jan 2029
Lakeside Asset Backed Securitisation Limited	2015	Private funding	Revolving	1,200.0	Nov 2028
Together Asset Backed Securitisation 2023 - 1ST1 PLC	2023	Public securitisation	Amortising	216.5	Apr 2027
Together Asset Backed Securitisation 2023 - 1ST2 PLC	2023	Public securitisation	Amortising	224.0	Sep 2027
Together Asset Backed Securitisation 2024 - 2ND1 PLC	2024	Public securitisation	Amortising	128.5	Jan 2028
Together Asset Backed Securitisation 2024 - 1ST1 PLC	2024	Public securitisation	Amortising	172.9	May 2028
Together Asset Backed Securitisation 2024 - 1ST2 PLC	2024	Public securitisation	Amortising	257.2	Sep 2028
Together Asset Backed Securitisation 2025 - 2ND1 PLC	2025	Public securitisation	Amortising	165.9	Jan 2029
Together Asset Backed Securitisation 14 2025 - 1ST1 PLC	2025	Public securitisation	Amortising	266.1	Oct 2029
Together Asset Backed Securitisation 15 2026 - 1ST1 PLC	2026	Public securitisation	Amortising	464.5	Jan 2030
Together Asset Backed Securitisation 16 2026 - 1ST1 PLC	2026	Public securitisation	Amortising	532.5	Jun 2030
Together Asset Backed Securitisation 2022 - CRE-1 PLC	2022	Public securitisation	Amortising	160.6	Oct 2026
Together Asset Backed Securitisation 2023 - CRE-1 PLC	2023	Public securitisation	Amortising	236.0	Nov 2027
Together Asset Backed Securitisation 2025 - CRE-1 PLC	2025	Public securitisation	Amortising	392.5	Apr 2029
Together Asset Backed Securitisation 2026-1 - CRE-6 PLC	2026	Public securitisation	Amortising	478.6	Jun 2030
Wilmslow Asset Backed Securitisation Limited	2025	Private funding	Revolving	386.9	Jan 2029

*Facility size refers to the total available facility size in the case of revolving facilities, whilst amortising facilities represent the actual external funding as at the period end.

9. Borrowings (continued)

In the case of the amortising facilities, the maturity date shown is the date of the option to call the facility and the facility size is shown as the amortised position at the balance sheet date. The maturity dates for revolving facilities include an amortisation period covering one year prior to the maturity date, except for Lakeside ABS which has no amortisation period.

The maturity date on the undrawn revolving credit facility (RCF) is October 2029 and has a total facility size of £142.5m.

The senior and second lien secured notes are initially measured at fair value, and subsequently measured at amortised cost, however they are subject to a fair value adjustment, for the hedged risk only, due to the adoption of fair value hedge accounting with respect to the interest rate swap of the bond. Accordingly, whilst the carrying value of the senior secured notes is £950.0m at the end of the quarter, this is subject to a fair value adjustment relating to the hedged risk of £16.0m, resulting in a closing balance of £934.0m at period-end. Additionally, whilst the carrying value of the second lien secured notes is £300.0m at the end of the quarter, this is subject to a fair value adjustment relating to the hedged risk of £7.5m, resulting in a closing balance of £292.5m at period-end.

Subordinated-shareholder-funding consisting of two interest-free loans totalling £68.1m due in 2036, were fully repaid during the prior year.

The Group has undertaken the following refinancing activity since the year ended 30 June 2026:

- In July 2026, the Group issued a further RMBS facility, Together Asset Backed Securitisation 16 2026 - 1ST1 PLC, raising £534.8m of external funding.
- In August 2026, the Group upsized its revolving LABS securitisation facility from £1,000.0m to £1,200.0m.
- In September 2026, the Group upsized its revolving GABS securitisation facility from £200.0m to £300.0m.

For funding and refinancing activity post period end, please see note 15.

Debt-issue costs, which consist of the prepaid fees in relation to the RCF, loan notes, senior secured notes and second lien secured notes, are deducted from the loan carrying amounts and charged to interest expense over the expected term of the facility or notes as appropriate.

9. Borrowings (continued)

Borrowings have the following maturities:

As at 30 September 2026	<1 year	1-2 years	2-5 years	>5 years	Total
Loan notes	1,151.1	956.9	4,636.0	–	6,744.0
Senior secured notes	–	–	934.0	–	934.0
Second lien secured notes	–	–	–	292.5	292.5
Lease liabilities	1.7	1.6	4.7	30.1	38.1
	1,152.8	958.5	5,574.7	322.6	8,008.6
Debt-issue costs	(3.4)	(3.5)	(15.3)	(3.5)	(25.7)
	1,149.4	955.0	5,559.4	319.1	7,982.9

As at 30 September 2025	<1 year	1-2 years	2-5 years	>5 years	Total
Loan notes	1,178.7	901.5	3,954.9	–	6,035.1
Senior secured notes	–	–	455.5	501.5	957.0
Subordinated shareholder loans	–	–	–	25.5	25.5
Lease liabilities	0.9	0.9	2.6	22.5	26.9
	1,179.6	902.4	4,413.0	549.5	7,044.5
Debt-issue costs	(4.0)	(4.0)	(14.7)	(4.2)	(26.9)
	1,175.6	898.4	4,398.3	545.3	7,017.6

As at 30 June 2026	<1 year	1-2 years	2-5 years	>5 years	Total
Loan notes	990.9	939.4	4,640.2	–	6,570.5
Senior secured notes	–	–	949.8	–	949.8
Second lien secured notes	–	–	–	300.5	300.5
Lease liabilities	1.4	1.3	3.8	28.9	35.4
	992.3	940.7	5,593.8	329.4	7,856.2
Debt-issue costs	(3.5)	(3.6)	(16.4)	(3.7)	(27.2)
	988.8	937.1	5,577.4	325.7	7,829.0

10. Provisions and contingent liabilities

Provisions

Quarter ended 30 September 2026	Customer provisions	Other provisions	Total
Balance at beginning of period	**0.2**	**6.9**	**7.1**
Charge / (release) for the period	**2.0**	**(0.1)**	**1.9**
Provisions utilised	**–**	**(0.2)**	**(0.2)**
Balance at end of period	**2.2**	**6.6**	**8.8**

Quarter ended 30 September 2025	Customer provisions	Other provisions	Total
Balance at beginning of period	0.1	4.4	4.5
Charge / (release) for the period	(0.1)	0.2	0.1
Provisions utilised	–	–	–
Balance at end of period	–	4.6	4.6

Year ended 30 June 2026	Customer provisions	Other provisions	Total
Balance at beginning of year	0.4	4.1	4.5
Charge / (release) for the year	(0.2)	3.2	3.0
Provisions utilised	–	(0.4)	(0.4)
Balance at end of year	0.2	6.9	7.1

As at 30 September 2026, the Group has recognised provisions of £8.8m (30 September 2025: £4.6m, 30 June 2026: £7.1m). Estimating the amount of provisions requires the exercising of judgement, with the amounts representing the best estimate of the amount required to settle or transfer the obligation at the reporting date.

As a financial services company, the Group is required to comply with relevant legislation and has processes in place to meet these standards and to manage any legal claims against the Group. Where such claims are received, the Group will investigate the facts and circumstances and will defend claims without merit. The above provisions substantially represent a provision for such legal claims.

Contingent liabilities

Fixed and floating charges

As at 30 September 2026, the Group's assets were subject to a fixed and floating charge in respect of £950.0m senior secured notes (30 September 2025: £950.0m, 30 June 2026: £950.0m) and £300.0m second lien secured notes (30 September 2025: £nil, 30 June 2026: £300.0m).

11. Financial instruments and fair values

The Group measures fair values using the following hierarchy, which reflects the significance of the inputs used in making the measurements:

Level 1: Quoted prices in active markets for identical assets or liabilities;

Level 2: Measurements derived from observable data, such as market prices or rates;

Level 3: Measurements relying on significant inputs not based on observable market data.

Financial instruments measured at fair value

The following table analyses the fair values as at the period end of financial instruments measured at fair value, analysed into different levels according to the degree to which they are based on observable inputs:

30 September 2026	**Level 1**	**Level 2**	**Level 3**	**Fair value**	**Carrying value**
Derivative assets/(liabilities) held for risk management – Interest-rate risk					
Derivative assets	**–**	**43.2**	**–**	**43.2**	**43.2**
Derivative liabilities	**–**	**(29.4)**	**–**	**(29.4)**	**(29.4)**

30 September 2025	Level 1	Level 2	Level 3	Fair value	Carrying value
Derivative assets/(liabilities) held for risk management – Interest-rate risk					
Derivative assets	–	10.5	–	10.5	10.5
Derivative liabilities	–	(21.5)	–	(21.5)	(21.5)

30 June 2026	Level 1	Level 2	Level 3	Fair value	Carrying value
Derivative assets/(liabilities) held for risk management – Interest-rate risk					
Derivative assets	–	10.3	–	10.3	10.3
Derivative liabilities	–	(23.7)	–	(23.7)	(23.7)

Financial instruments not measured at fair value

All the Group's other 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 and for borrowings. For loans and advances to customers and for borrowings, fair value is calculated based upon the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

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

30 September 2026	**Level 1**	**Level 2**	**Level 3**	**Fair value**	**Carrying value**
Financial assets					
Loans and advances to customers	**–**	**–**	**8,716.9**	**8,716.9**	**8,727.0**
Financial liabilities					
Borrowings	**1,229.7**	**3,696.0**	**3,086.1**	**8,011.8**	**7,982.9**

30 September 2025	Level 1	Level 2	Level 3	Fair value	Carrying Value
Financial assets					
Loans and advances to customers	–	–	7,989.6	7,989.6	7,999.7
Financial liabilities					
Borrowings	978.5	2,982.2	3,097.9	7,058.6	7,017.6

11. Financial instruments and fair values (continued)

Financial instruments not measured at fair value (continued)

30 June 2026	Level 1	Level 2	Level 3	Fair value	Carrying value
Financial assets					
Loans and advances to customers	–	–	8,534.9	8,534.9	8,522.1
Financial liabilities					
Borrowings	1,225.1	3,313.1	3,292.9	7,861.1	7,829.0

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 (at market rate). This rate is assumed to encompass the time value of money, plus a risk premium to account for the inherent uncertainty in the timing and amount of future cash flows arising from mortgage assets. Forecast principal repayments are based on redemption at maturity with an overlay for historical behavioural 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. A further adjustment is made to reflect expected credit losses over the life of each loan.

For borrowings, the fair value of senior and second lien secured notes is considered to be level 1, reflecting quoted prices. The fair value of the £500.0m SSNs 2031 is lower than the carrying value as the notes are trading at a discount to their par value as at 30 September 2026. The fair value of the £450.0m SSN 2030 is higher than the carrying value as the notes are trading at a premium to their par value as at 30 September 2026. The fair value of the £300.0m SLSNs 2032 is higher than the carrying value as the notes are trading at a premium to their par value as at 30 September 2026.

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 but where the margins payable are observable inputs only when they are issued or refinanced. These notes are classified as level 3 with publicly issued residential mortgage-backed securities classified as level 2. The revolving credit facility is classified as level 2 given this is a private facility without quoted market prices, but with observable inputs.

Lease liabilities 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 with investors, making allowance for the tenor and seniority of the loans.

12. Notes to the cash flow statement

	Three months ended	
	30 September 2026	30 September 2025
Adjustments for non-cash items in profit after tax:		
Interest payable	**121.8**	103.7
Impairment losses	**19.3**	19.1
Taxation	**11.7**	11.5
Provisions for liabilities and charges	**1.9**	0.1
Depreciation and amortisation	**2.7**	2.3
Net (losses)/gains on financial instruments	**(1.0)**	0.1
Total	**156.4**	136.8
Changes in operating assets and liabilities		
Increase in loans and advances to customers	**(224.2)**	(124.5)
(Increase)/decrease in other operating assets	**(0.4)**	0.9
Increase in other operating liabilities	**7.8**	5.8
Total	**(216.8)**	(117.8)
Additional information on cash flows from operating activities		
Interest income receipts	**192.0**	181.7

13. Related party transactions

Relationships

The Group has the following related parties:

a) Controlling party

All the voting shares of Together Financial Services Limited are controlled by Bracken Midco2 Limited, a company whose ultimate parent is Redhill Famco Limited, which is ultimately controlled by HN Moser, a director of Together Financial Services Limited. Besides the companies owned by Redhill Famco Limited, other entities owned by HN Moser and his close family members are deemed to be related parties and during the period or prior period transacted with the Company's subsidiaries as follows:

Entity	Nature of transactions
Bracken Property Company Limited	The Group pays operating lease and insurance costs to Bracken Property Company Limited for its provision of offices and other property management.
Charles Street Commercial Investments Limited (CSCIL), Charles Street Capital Limited (CSCL), and Charles Street Finance Holdings Limited (CSFHL)	The Group provides a range of certain operational, accounting, treasury, technology, legal, loan origination activities, loan servicing activities, and other support services to CSCIL, CSCL and CSFHL under a formal services agreement. The Group receives management fees in respect of those services.
Vavoom Vehicle Management Limited	The Group engages with Vavoom Vehicle Management Limited for the provision of vehicle hire services and vehicles made available through the Group's salary sacrifice scheme. Lease contracts are in place, and payments are made to Vavoom on commercial terms.

There are related party balances due to or from Sterling Properties Limited, Charles Street Commercial Investments Limited, and Charles Street Capital Limited at the period-end.

Balances due to or from the above entities are interest-free and repayable on demand, unless otherwise stated.

b) Parent companies

The Group transacted with the following parent company ultimately controlled by HN Moser:

Entity	Nature of transactions
Redhill Famco Limited	The Group recharged staff costs to Redhill Famco Limited during the period.
Bracken Midco2 Limited	The Group may pay dividends to its parent company, Bracken Midco2 Limited. No dividends were paid during the period.

c) Subsidiaries

The Company utilises its bank and bonds raised by a subsidiary company, to provide treasury funding to its lending subsidiaries. Interest is recharged among Group companies based on the Group's external cost of borrowings and the risk of the assets funded. The cost of equity funding is not charged. All amounts are repayable on demand.

d) Key management personnel

Key management personnel comprise directors of the Group and Parent.

There are other entities controlled by key management personnel which are deemed to be related parties and during the period or prior period transacted with the Company's subsidiaries as follows:

Entity	Nature of transactions
Waterfold Asset Management Limited	Waterfold Asset Management Limited provides property management services for properties repossessed or placed into LPA receivership by the Group. These expenses are subsequently recovered by recharging costs to customer accounts.

Balances due to or from the above entities are interest-free and repayable on demand, unless otherwise stated.

13. Related party transactions (continued)

Relationships (continued)

Transactions

The Group had the following transactions with related parties during the three-month period:

	Three months ended			
	30 September 2026		30 September 2025	
Group	Charge/(credit) to income or equity	Paid	Charge/(credit) to income or equity	Paid
Lease and insurance costs	**1.1**	**1.5**	0.5	0.5
Accounts payable transactions	**0.9**	**–**	–	2.2
Management fee	**(0.6)**	**–**	(0.8)	–
Related parties of HN Moser and close family members	**1.4**	**1.5**	(0.3)	2.7
Interest expense	**–**	**–**	0.5	–
Parent companies	**–**	**–**	0.5	–
Property management costs	**0.5**	**0.7**	0.3	0.4
Related parties of other key management personnel	**0.5**	**0.7**	0.3	0.4
Total related parties	**1.9**	**2.2**	0.5	3.1

Included within other assets are amounts owed by related parties of the Group of £4.2m (30 September 2025: £4.8m), mainly in respect of companies in which HN Moser is a director and shareholder. Included within this are amounts in relation to a director's loan of £0.6m (30 September 2025: £0.6m). The loan is interest-free and repayable on demand.

14. Commitments

The Group has commitments to extend credit which are not recorded on the balance sheet. This includes both the undrawn element of existing facilities and new commitments to lend.

At 30 September 2026, the Group had undrawn commitments to lend of £136.1m (30 September 2025: £163.1m, 30 June 2026: £129.6m). These relate mostly to lines of credit granted to existing customers for property development. 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.

The ECL on the undrawn elements of existing facilities is included within the total ECL held within net loans and advances to customers. ECL on commitments is included within the Group's loan loss allowance balance.

15. Events after the reporting date

In October 2026, the Group issued a commercial real estate MBS, Together Asset Backed Securitisation 2026-2 CRE-7 PLC (CRE7), raising £388.6m of external funding.

Also in October 2026, the Company paid a dividend of £20.0m to its parent undertaking, Bracken Midco 2 Limited.

Appendix

Alternative performance measures

In the reporting of financial information, we use certain measures that are not required under the UK adopted International Accounting Standards under which we report. These measures are consistent with some of those used by management to assess underlying performance. In addition, a number of non-IAS metrics are calculated which we consider to be helpful in understanding the performance of the Group.

These alternative performance measures have been defined below:

Like-for-like ('LFL') performance measures

The Group presents comparative like-for-like ('LFL') performance measures to provide additional insight into the underlying financial performance of the business. These measures adjust reported results to improve comparability between reporting periods by reflecting the impact of certain non-recurring, non-operational, and transaction-specific items in a consistent manner. Like-for-like performance measures are used by management to assess performance and support decision-making as they facilitate more meaningful comparisons between reporting periods.

In May 2026, the Group completed a refinancing transaction involving the issuance of £300m 8.5% Second Lien Secured Notes due in 2032, and the redemption of £380.0m PIK Toggle Notes issued by Bracken Midco1 PLC. As the refinanced debt is now held directly within the Together Group, certain statutory performance measures are impacted by the accounting treatment of the transaction.

To improve comparability between reporting periods, the LFL measures have been calculated as follows:

- Three months ended 30 September 2026: No adjustments are made to the reported results, as the refinancing transaction occurred before the period commenced.
- Three months ended 30 September 2025: Includes PIK Toggle Note interest payable to the income statement of £6.4m, increased borrowings of £380.0m being the principal amount of the PIK Toggle Notes, along with a reduction to equity of £380m.