AUGUST 2024

H1 2024
Results presentation

New Day

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In 2024, to aid understanding of performance, the Group revised its policy regarding the presentation of certain items in its management basis income statement. Interest income earned on the Group's cash deposits is now netted off against cost of funds in contrast to previous years when it was netted off against salaries, benefits and overheads. Additionally, certain partner payments related to interchange fees earned from portfolios which are subsequently passed through to a retail partner are now presented netted off against fee and commission income in contrast to previous years when they were shown within marketing and partner payments. Furthermore, in 2024 the Group also changed its methodology for calculating free cash flow available for growth and debt service to facilitate a better understanding of the Group's performance. Specifically, working capital now excludes movements in (i) daily settlement volumes at the period end and (ii) effective interest rate adjustments (and similar) reported within loans and advances to customers but excluded from gross receivables. Therefore, the 2023 comparatives on slides 4, 9, 10, 14, 15, 16, 21 and 22 have been re-presented for consistency.

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Return to customer account growth on the back of the UK economy stabilising, progressing against our strategic agenda

1. **At scale purpose-led consumer credit provider serving working Britain with >20 years underwriting experience**
2. **New customer accounts 36% higher than H1 2023. Near Prime new customer acquisition 65% higher than H1 2023**
3. **£83m underlying PBT (H1 2023: £97m). H1 2023 included a £22m reduction in expected credit loss allowance in relation to cost-of-living, £20m greater than H1 2024**
4. **Two ABS deals, totalling £651m placed externally, executed in 2024 and £24m of the High Yield Bond redeemed in August 2024**
5. **Continued investment in innovation of our digital platform capabilities, contributing to an improved underlying cost-income ratio of 30.9% (H1 2023: 31.1%)**
6. **Improved net revenue margin of 20.3% (H1 2023: 19.8%), providing a strong platform for growth**

296k
New customers
+36% vs H1 23

£4.3bn
Gross receivables
+2% vs H1 23

£2.8bn
Interest-bearing balances
+2% vs H1 23

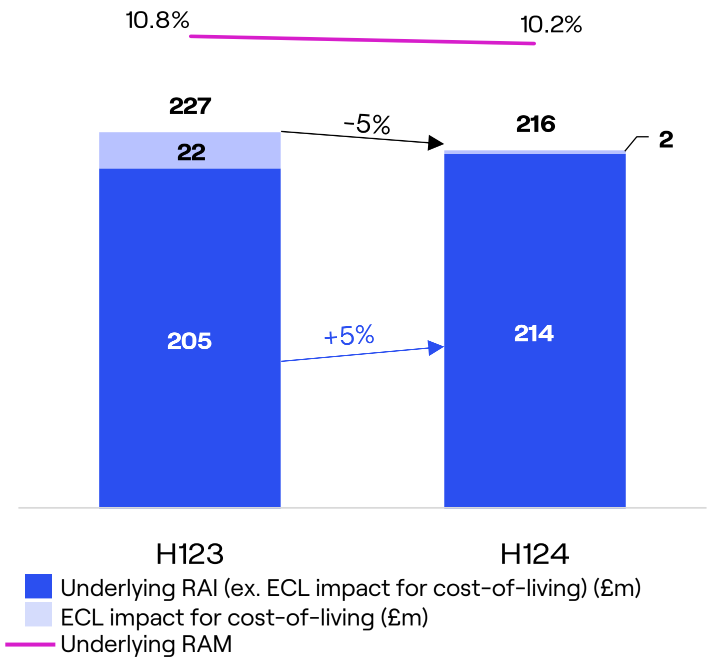
9.4%
Charge-off rate
(H1 23: 9.8%)

£70m
Cash balances[(1)]
(H1 23: £56m)

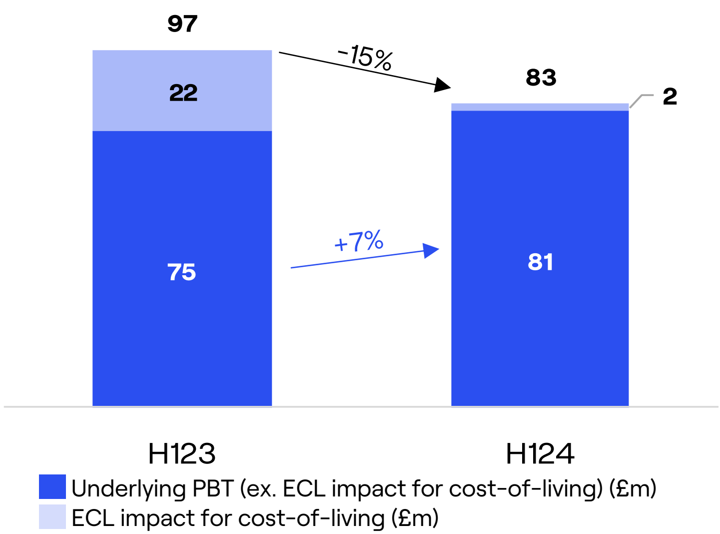
(1) Cash held outside securitisation structures. Excludes cash held for funding activities

£216m underlying risk-adjusted income and £83m underlying PBT. Cash balances increased £14m

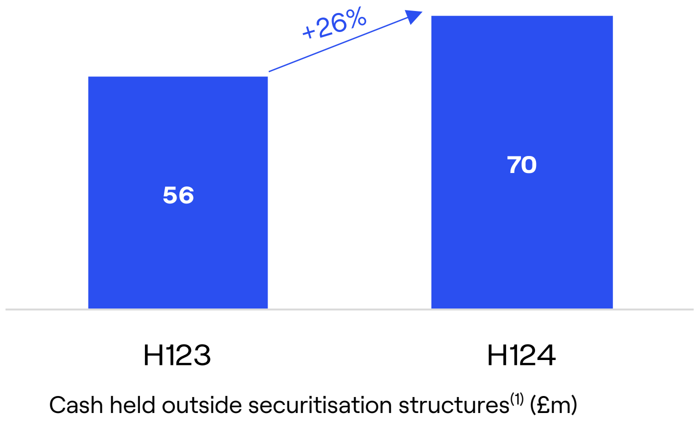
Underlying risk-adjusted income of £216m with 10.2% underlying RAM



Continued progress with underlying PBT of £83m. Core profitability up 7%



Cash balances increased by £14m on prior period



Note:
(1) Excludes cash held for funding activities

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NewDay offers multi-brand consumer finance powered by an in-house, modern and scalable technology platform

We help people move forward with credit

Credit

A range of revolving credit, innovative e-commerce and digital in-store product offerings

3.7m Customer accounts

£4.3bn Gross receivables

£2.8bn Interest-bearing balances

- Leading near-prime lender
- Providing credit to working Britain
- Encouraging financial responsibility

- Large scale retail programmes
- Embedded finance
- New partnership pipeline

Powered by NewDay's leading platform

Platform

Modern, cloud hosted, consumer credit platform

158m Transactions processed in H1 24

20x Tested for scale without any performance degradation

- Proprietary digital and data platforms
- Supports multiple forms of lending including revolving credit, embedded finance, point-of-sale and fixed term loans

Driving continued innovation on our digital platform at pace

Enhancements in last 12 months

First release of collections platform deployed – *enabling collections strategy using Machine Learning models*

Callsign live on select brands – *advancing the e-commerce journey for fraud detection*

PayOnline journey enhancements – *improving customer experience*

New complaints platform live – *improving customer interactions*

Open banking for acquisitions – *optimising how many customers we can responsible say yes to*

Aqua Coach Steps and Levels – *improving customers' understanding of their credit scores*

MVP for offers & discounts launched – *improving customer rewards through exclusive merchant offers*

Friends & Family launch for testing technology and lending partnership with LBG

Specific measures agreed with John Lewis & Partners - *improving programme trajectory and partnership collaboration*

Personal lending, in partnership with Antelope Loans, expanded to Partnership portfolios – *improving financial inclusion*

Launch of enriched transactions using Ethoca – *improving customer experience*

Relaunch of Debenhams acquisition channel – *improving product offering*

Next 12 months

- Replace legacy Risk Decision Engine with in-house decision-making tool
- Improve product offering e.g. instalment offers and instant spend
- Implement new embedded finance account management platform
- Launch and scale technology & lending partnership
- Launch technology partnership with Boohoo
- Extend use of Open Banking and roll out Callsign across brand estate
- Upgrade Fraud Case Management Portal & Platform

Our focus on ESG is embedded across our business

We help people move forward with credit

1.8m
customers improved their credit score over the past 12 months[1]

929K
customers signed up for *Aqua Coach* and *Credit Score* since launch

186K
customers were extended payment support in H1 24

We strive to create an exceptional experience for our colleagues

75%
Wellbeing Index in our employee engagement survey[2]

£2m+
contributed across our eight-year partnership with Family Action

76%
Inclusion and Diversity Index in our employee engagement survey[2]

We are an environmentally conscious and highly digital business

EcoVadis Gold Sustainability Rating

100%
renewable energy tariffs across our operations

Carbon neutral own operations across Scope 1 and 2 CO_2 emissions %

Strong and established corporate governance framework

Track record of UK Corporate Governance Code Compliance[3]

ISO 27001 Information Security Management certification

Mandatory ethics training for all colleagues annually

Strong customer satisfaction

Net Promoter Score

+78

H1 24
(H1 23: +67)

Net Easy Score

+77

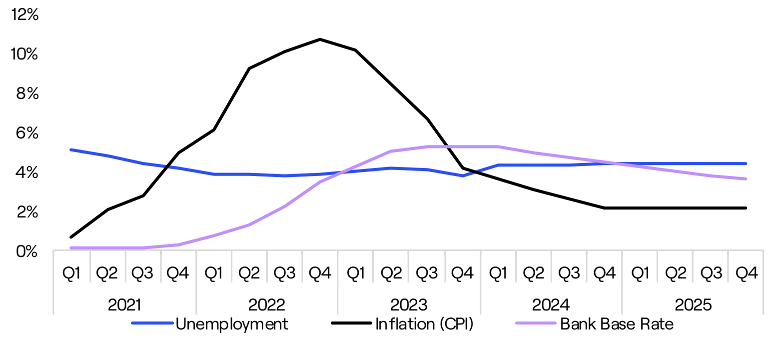
H1 24
(H1 23: +73)

Note:
(1) Last 12 months to May 2024.
(2) 2024 mid-year survey.
(3) Where deemed appropriate, considering the size, nature and share ownership of the Group

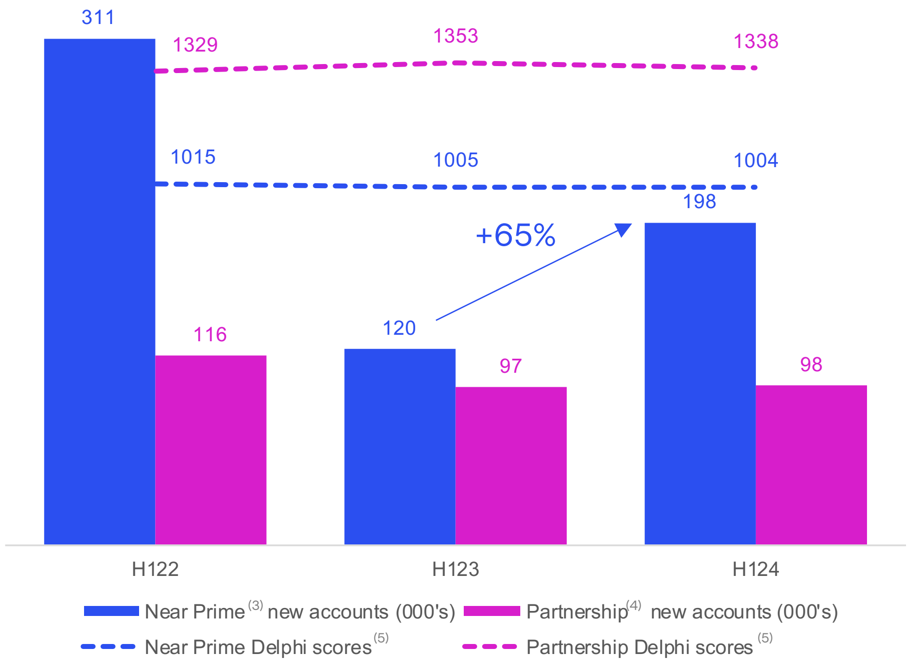
Stabilising economic backdrop supports increase in new customer acquisition

Strong demand for NewDay products in a stabilising economy

- c.20m[1] customers underserved within the UK financial market
- Impairment well controlled with > 20 years of underwriting experience
- Inflation reducing, unemployment rate stable, and base rate forecast to fall in H2 2024[2]



Accelerated customer acquisition in Near Prime[3] towards historical levels while remaining within risk appetite



Note:
(1) Per PWC "Overlooked and financially under-served" report
(2) Per HMT forecast – May Base (HMT mean Jan-April)
(3) Near Prime is made up of Aqua, Marbles, Fluid and Bip brands
(4) Partnership is made up of JLP, AO, Pulse, Debenhams, Argos and Newpay brands
(5) Experian Delphi for Customer Management AAM score, which predicts the likelihood of delinquency within the next 12 months. Historical scores have been updated following the migration from Gen9 to Gen11.

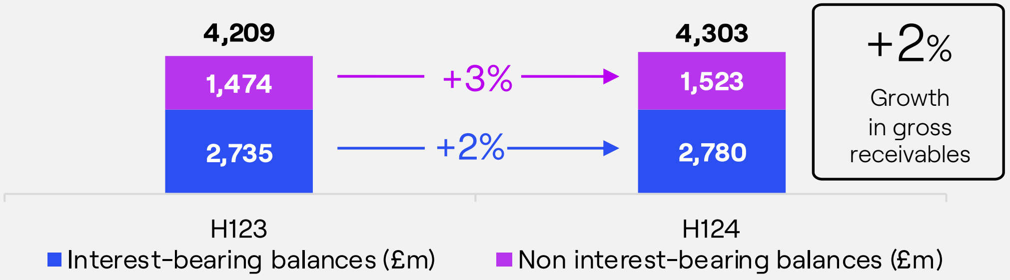
Growth in customer spend, receivables and interest-bearing balances

Customer spend increased

£7.5bn
Spend
(+2% vs H1 23)

£2.7k
Spend per active customer[1]
(+10% vs H1 23)

Modest growth in receivables and interest-bearing balances as new customer acquisition acceleration precedes balance build



Income growth is suppressed by higher cost of funds and normalised impairment

+7%	Growth in interest income (vs H1 23)
+20%	Growth in cost of funds (vs H1 23)
+14%	Increase in impairment charge (vs H1 23)
£216m	Underlying risk-adjusted income (-5% vs H1 23)

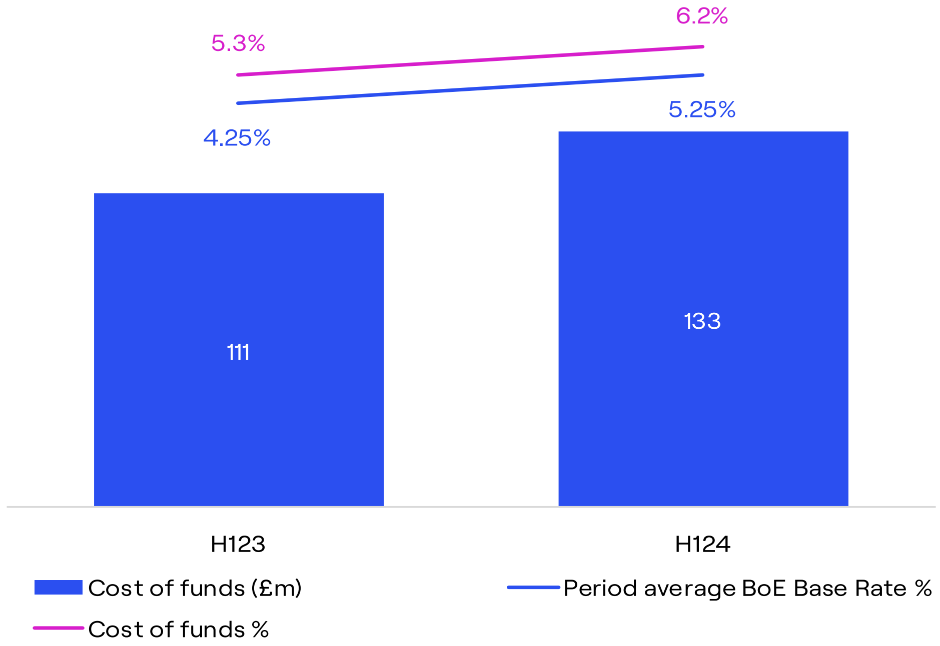
marbles	Market leader in near-prime credit
	Investing in new customers and engaging existing customers to drive future returns
LLOYDS BANKING GROUP	H2 2024 launch of technology and lending partnership with Lloyds Banking Group
JOHN LEWIS & PARTNERS	Specific measures agreed with John Lewis & Partners to improve the programme's trajectory

Note:
(1) Calculated as total spend divided by average active customers in the period

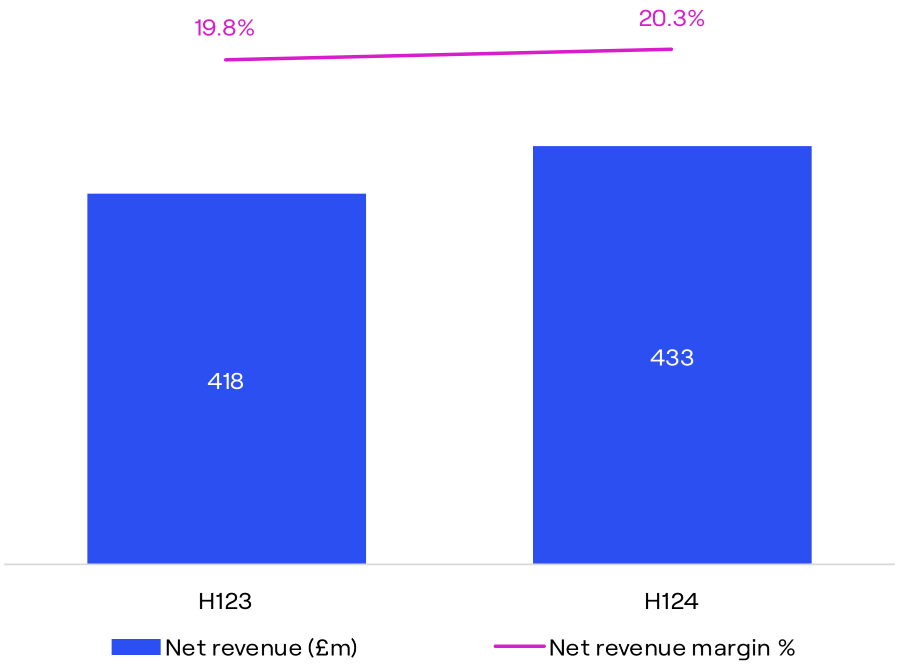
Please see footnote on page 4 which explains the Group's revised policy for the presentation of certain items in its management basis income statement and the subsequent re-presentation of 2023 comparatives.

Marginal increase in net revenue margin, despite higher funding cost environment

Bank of England's base rate increases drive 20% rise in NewDay's cost of funds



Marginal increase in net revenue margin as a large part of the cost of funds increases are responsibly passed on to customers



Note:
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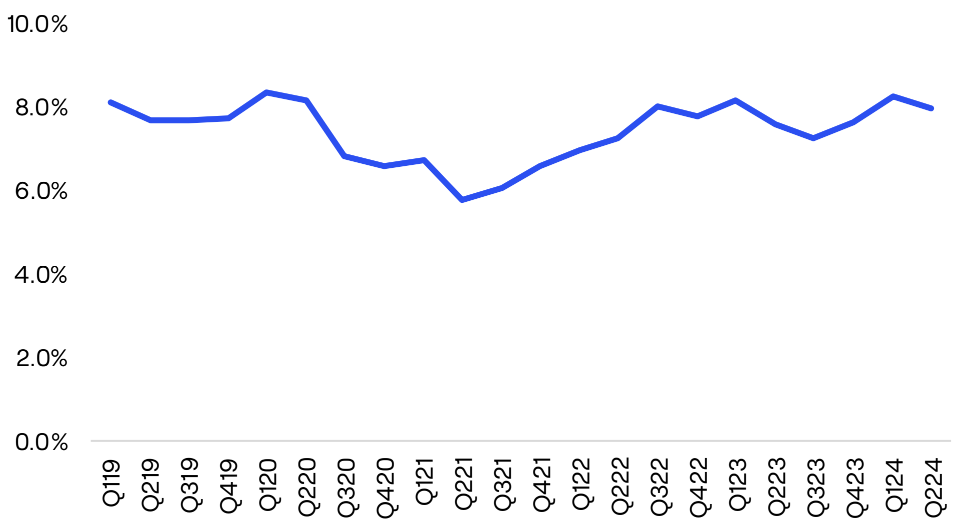
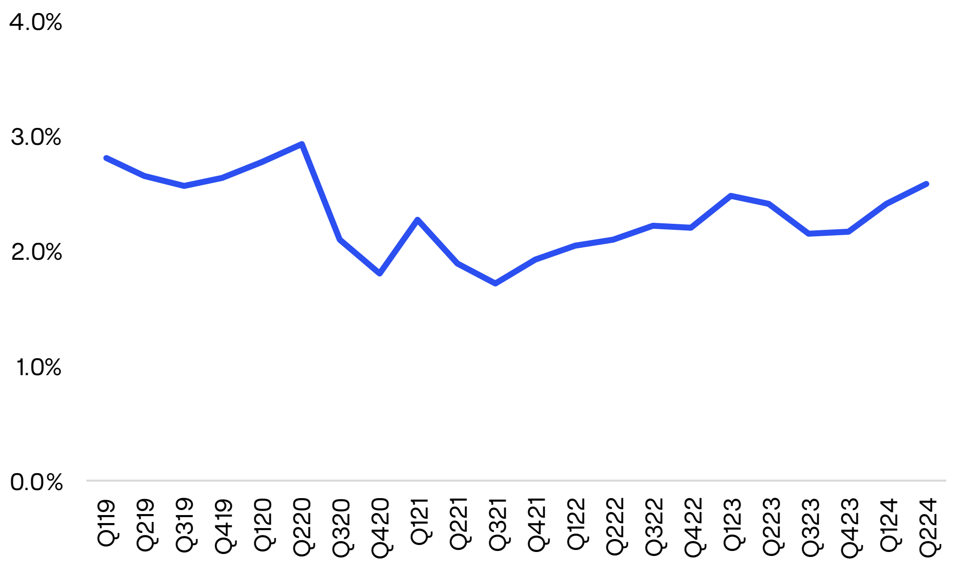
Arrears remain well controlled and in line with pre-Covid levels

Reduction in arrears is driven by seasonality and improved macroeconomic environment



% of balances in arrears (1)

90+ delinquency rates remain in line with pre-Covid levels

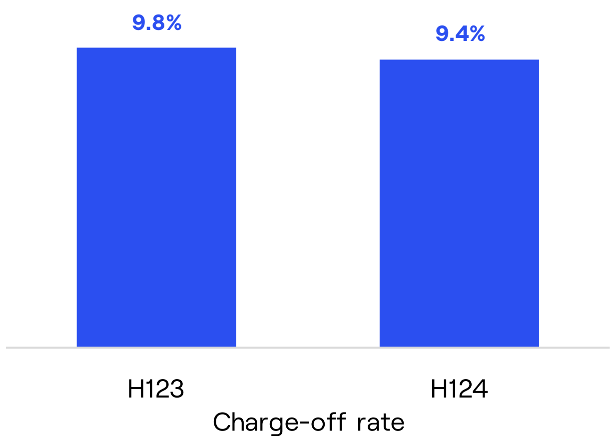


% of balances 90 days+ in arrears (2)

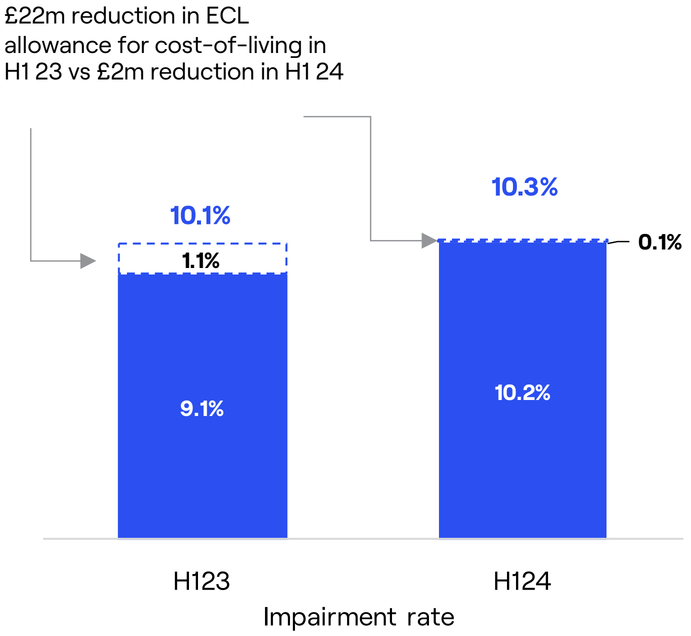
Note:
(1) Reflects total balances that are in arrears as a proportion of closing receivables.
(2) Reflects total balances that are 90 days or more in arrears as a proportion of closing receivables.

Impairment and coverage rates normalising as macroeconomic environment stabilises

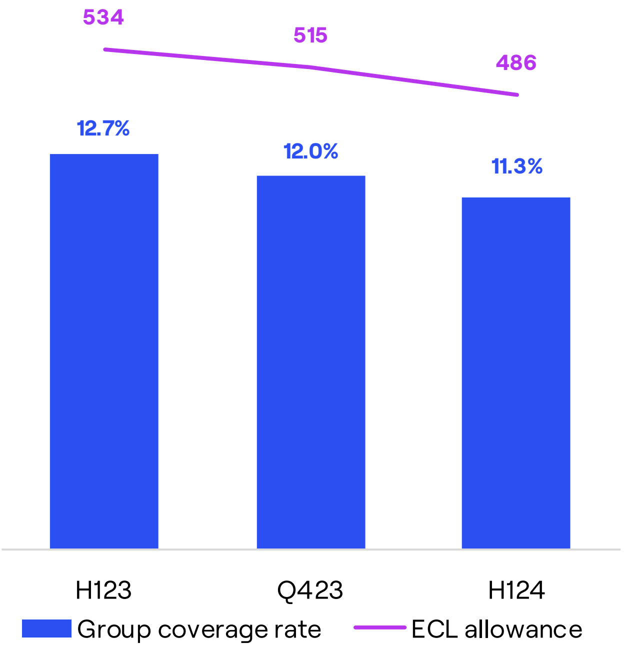
Charge-off rate decreased by 40bps as we pass the peak of the cost-of-living stress



Impairment rate 110bps higher. H1 23 included a £22m ECL allowance reduction for cost-of-living, £20m higher than H1 24

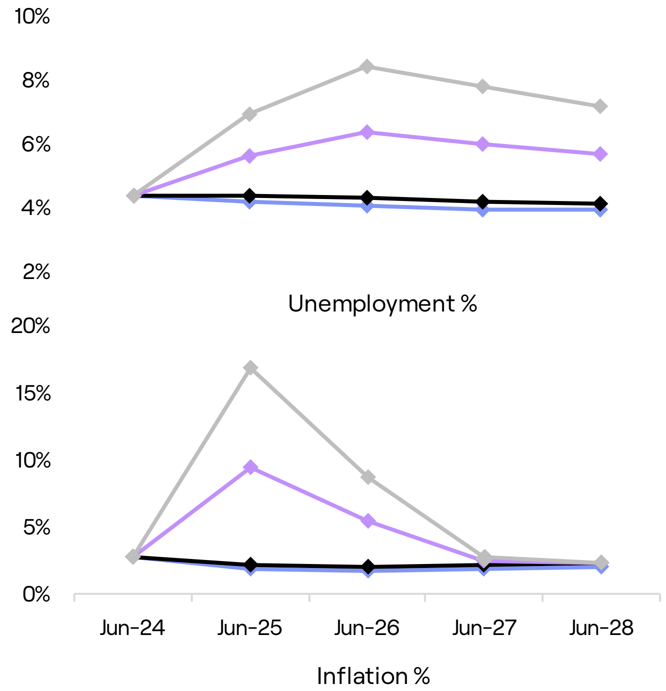


Coverage rate reduced 140bps from H1 23 due to improved macroeconomic outlook and debt sales strategy

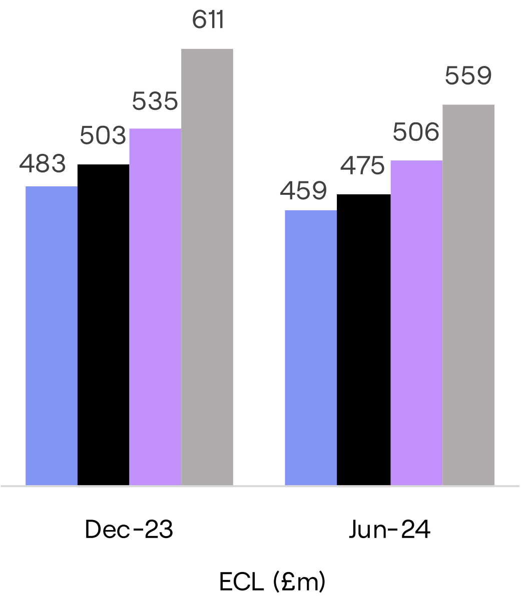


Decrease in ECL[1] driven by an improved credit outlook, following the peak of the cost-of-living pressures, and debt sales strategy

H1 2024 unemployment and inflation scenarios[1]



Reduction in ECL[1] driven by improved macroeconomic and credit outlook in addition to debt sales strategy



Upside | Base Scenario | Downside 1 | Downside 2

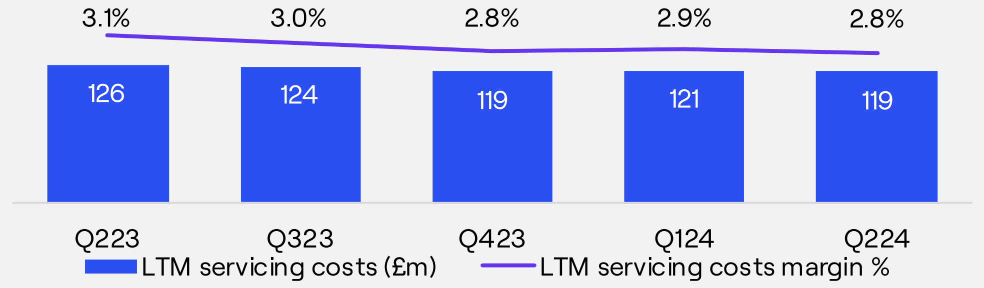
	Unemployment Peak	Unemployment 5 yr avg	ECL (£m) assuming 100% weighting	Probability weighting
Jun-24				
Upside	4.3%	4.0%	459	15%
Base Scenario	4.4%	4.3%	475	50%
Downside 1	6.5%	5.7%	506	30%
Downside 2	8.5%	7.2%	559	5%

	Dec-23	Jun-24
Core ECL[2]	501	475
Cost-of-living	2	-
Base Scenario	**503**	**475**
Macro uplift	12	11
ECL allowance	**515**	**486**

Note:
(1) Expected Credit Loss. Based on a panel of external forecasts taken from HM Treasury and the latest PRA stress forecast. The probability weighting applied to each scenario is based on management's best estimate of the likely occurrence of each scenario.
(2) Core ECL is the Base scenario excluding cost-of-living overlay.

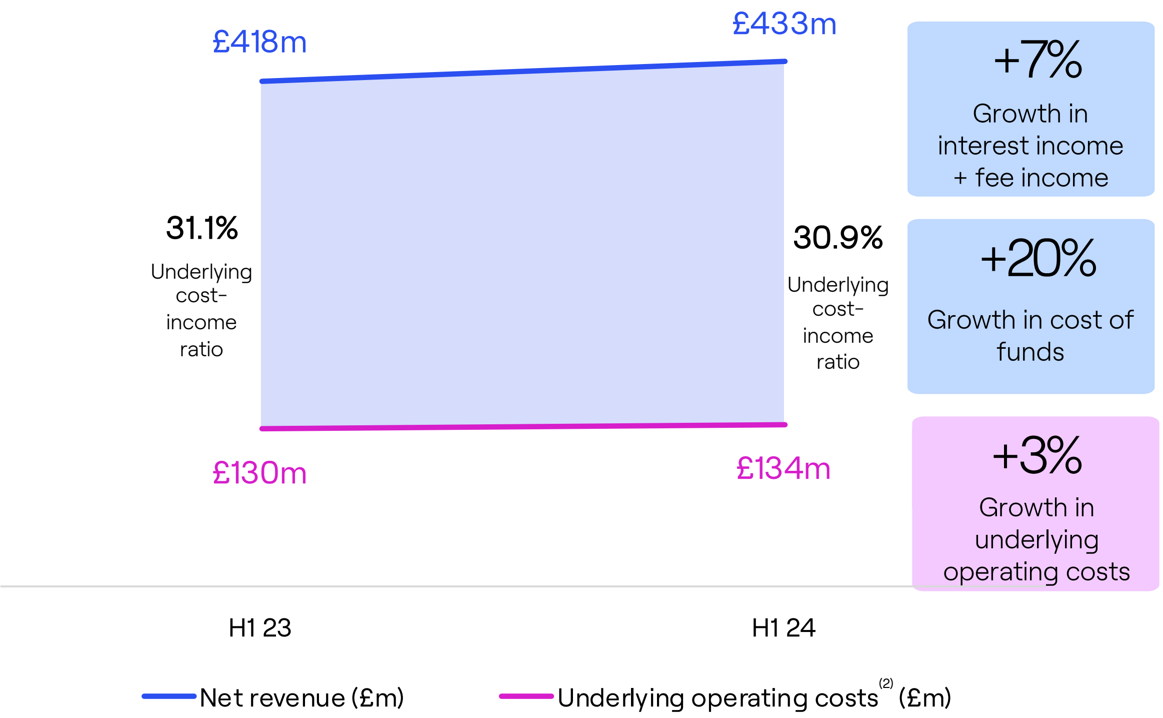
Costs well controlled in moderating inflationary environment

Improvement in servicing cost margin despite inflationary pressures



Continuous investment to improve technology capabilities and drive cost efficiencies

Marginal decrease in underlying cost-income ratio driven by lower operating costs partially offset by increased affordability claims



Note:
(1) Represents P&L charge, not cash spend.
(2) Underlying operating costs includes operational losses and affordability claims.
Please see footnote on page 4 which explains the Group's revised policy for the presentation of certain items in its management basis income statement and the subsequent re-presentation of 2023 comparatives.

Continued progress with underlying PBT of £83m

£m	H1 24	H1 23	%
Interest income	534	498	*7%*
Cost of funds	(133)	(111)	*(20%)*
Net interest income	**401**	**387**	*4%*
Fee and commission income	32	31	*4%*
Net revenue	**433**	**418**	*4%*
Impairment losses on loans and advances to customers	(217)	(191)	*(14%)*
Underlying risk-adjusted income	**216**	**227**	*(5%)*
Servicing costs	(64)	(65)	*1%*
Change costs	(26)	(23)	*(10%)*
Marketing and partner payments	(13)	(11)	*(17%)*
Collection fees	12	13	*(13%)*
Direct costs	(91)	(86)	*(7%)*
Contribution	**125**	**142**	*(12%)*
Salaries, benefits and overheads	(43)	(45)	*4%*
Underlying PBT	**83**	**97**	*(15%)*
Add back: depreciation and amortisation	6	6	*(7%)*
Adjusted EBITDA	**88**	**103**	*(15%)*
Gross receivables (£m)	4,303	4,209	*2%*
Average gross receivables (£m)	4,262	4,216	*1%*
Net revenue margin (%)	20.3%	19.8%	
Impairment rate (%)	10.2%	9.1%	
Underlying RAM (%)	10.2%	10.8%	
Underlying operating expenses (£m)	(134)	(130)	*(3%)*
Underlying cost-income ratio (%)	30.9%	31.1%	

Net revenue growth **+4%**

- 7% growth in interest income
- Cost of funds increased 20% due to higher rate environment
- Net revenue margin increased to 20.3%

Impairment charge **+14%**

- Impairment £26m higher. H1 2023 included a £22m reduction in ECL allowance in relation to cost-of-living, £20m greater than H1 2024
- Underlying credit performance remains stable with charge-off rate in H1 24 of 9.4% (H1 23: 9.8%)

Receivables growth **+2%**

- Renewed focus on customer growth with 296k new accounts onboarded in H1 24 (H1 23: 217k)

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Strong cash levels. FCF available for growth and debt service of £22m

	£m	H1 24	H1 23
	Adjusted EBITDA	**88**	**103**
A	Change in ECL allowance	(29)	(52)
	Adjusted EBITDA excl. change in ECL allowance	**59**	**51**
	Change in working capital	8	16
B	Capex, tax, other	(45)	(24)
	FCF available for growth and debt service	**22**	**44**
	Decrease in gross receivables(1)	6	43
C	OCA movements(2)	(2)	7
	Net financing cash flow	(74)	(85)
	FCF available for Senior Secured Debt interest	**(49)**	**9**
	Repayment of High Yield Bond and RCF	-	(30)
	Debt service - cash payments	(16)	(18)
D	Funding overlap	(208)	-
	Return paid on loan from immediate parent company(3)	(3)	(5)
	Net decrease in cash and equivalents (excl. restricted cash)	**(276)**	**(44)**
	Movements in restricted cash	2	3
	Net decrease in cash and equivalents	**(274)**	**(41)**
	Net increase in cash and equivalents (excl. funding overlap)	**(66)**	**(41)**

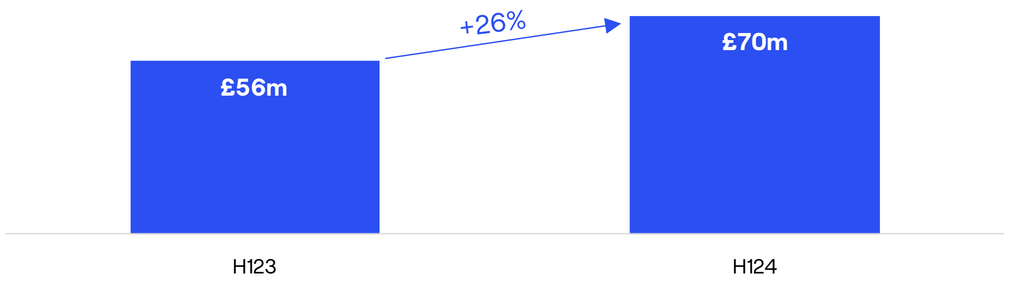
A H1 2023 included a £22m reduction in ECL allowance in relation to cost-of-living, £20m greater than H1 2024

B Increased investment in capital expenditure, restructuring costs and prior period tax refund drive adversity

C Timing differences in Operational Control Accounts (OCA) drive adversity

D £208m funding overlap held at December 2023 settled in H1 2024

Cash held outside securitisation structures(4) increased by £14m, driven by underlying cash generation

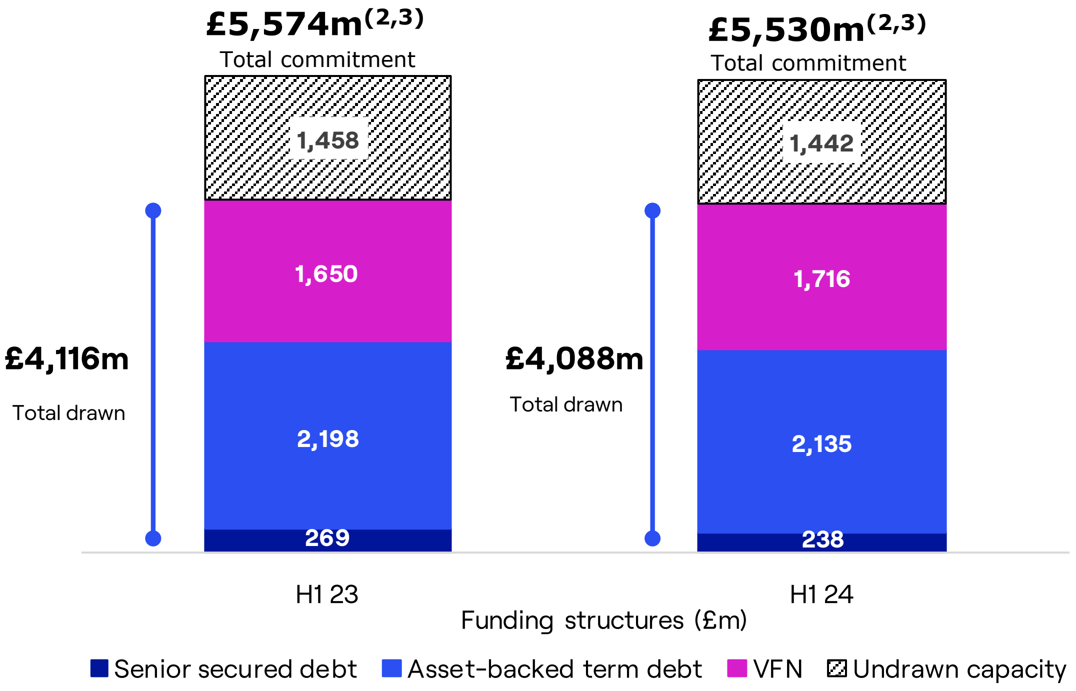


Note:
(1) Gross receivables are per the statutory definition and include EIR and accrued interest.
(2) Operational Control Accounts represent accounts whereby payments have been received from customers at the reporting date but not allocated to specific accounts.
(3) Payment to the Group's immediate parent company, Nemean Midco Limited.
(4) Excludes cash held for funding activities

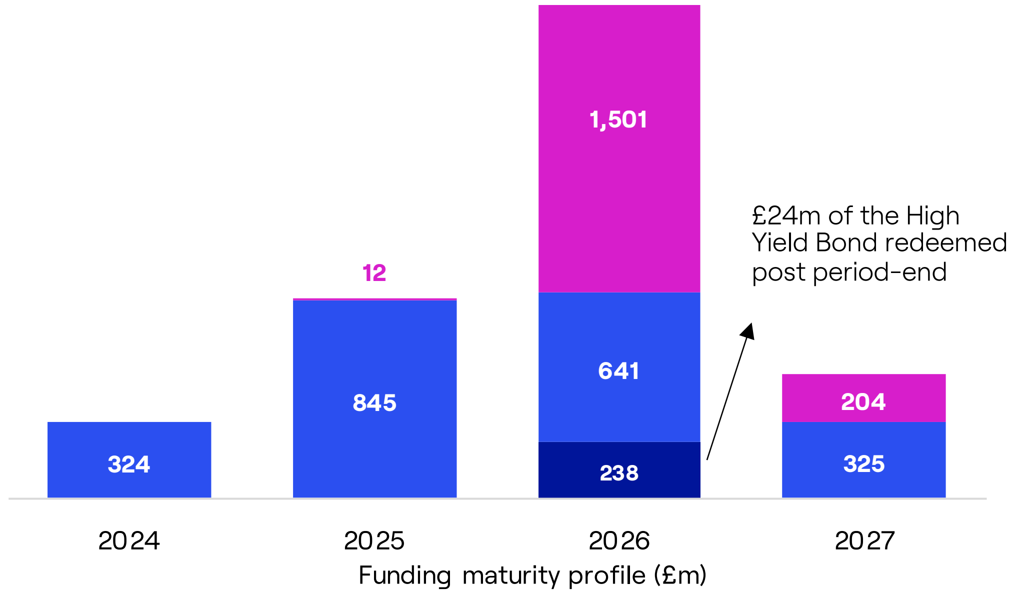
Please see footnote on page 4 which explains the Group's revised policy for the presentation of certain items in its management basis cash flow statement and the subsequent re-presentation of 2023 comparatives.

Significant funding headroom to support future growth. All ABS deals maturing in 2024 refinanced

£1.4bn headroom[(1)] for future growth and refinancing



Diverse funding structures with consistent maturity profile. Additional ABS deal completed in July 2024.



2024 ABS term debt maturity (£m)

Near Prime 2021-3	324	Nov-24

In July 2024, we completed an ABS deal which was used to pay down VFNs as well as the partial defeasement of the Near Prime Series 2021-3

Note:
(1) £1,442m funding headroom includes VFN and RCF
(2) Amounts shown are Balance Sheet carrying values except for Senior Secured Debt which excludes £8m discount on the new issuance
(3) Excluding accrued interest

Advance rates remain strong and excess spread levels are robust in public master trusts

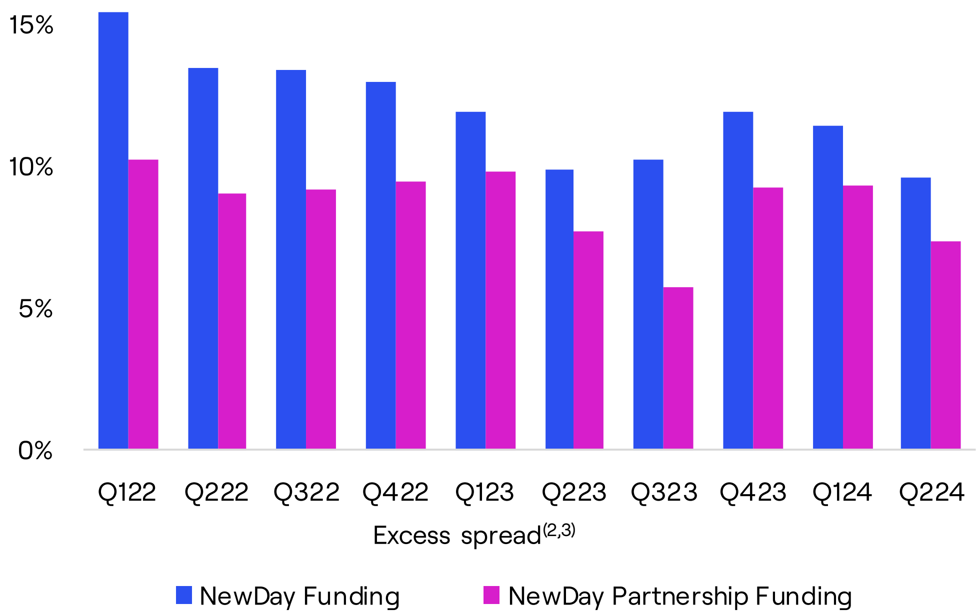
Efficient use of NewDay equity supported by multiple facilities ensures advance rates[1] remain strong

Group
89.3%
(H1 23: 90.9%)

NewDay Near Prime
87.8%
(H1 23: 88.8%)

NewDay Partnership
91.5%
(H1 23: 93.7%)

Excess spread[2,3] levels on public ABS structures remain robust after accounting for seasonality



Note:
(1) Advance rates stated are calculated using a hedged FX rate position
(2) Excess spread: Key trigger across funding vehicles, broadly defined as debited interest and fee income and recoveries, less gross charge-offs, funding costs and senior fees including senior servicing fees divided by average gross receivables calculated on a 3-month simple average basis. Excess spreads shown exclude VFNs and Secondary Funding facilities as they are not directly comparable.
(3) Excess spread on other NewDay Partnership Funding facilities c.1% lower during Q2 2024 than Partnership Funding ABS facilities in part owing to lower yield from John Lewis receivables.

Summary

1. At scale purpose-led consumer credit provider serving working Britain with >20 years underwriting experience
2. Accelerated new customer acquisition, 36% higher than H1 2023 with Near Prime acquisition 65% higher
3. £83m underlying PBT, continued progress against our strategic priorities
4. Two ABS deals, totalling £651m placed externally, executed in 2024 and £24m of the High Yield Bond redeemed in August
5. Continued investment in innovation on our digital platform capabilities, contributing to an improved cost-income ratio
6. Improved net revenue margin providing a strong platform for growth

Appendix

Detailed income statement

£m	H1 24	H1 23	%	LTM H1 24	2023
Interest income	534	498	*7%*	1,068	1,032
Cost of funds	(133)	(111)	*(20%)*	(263)	(241)
Net interest income	**401**	**387**	*4%*	**805**	**791**
Fee and commission income	32	31	*4%*	63	62
Net revenue	**433**	**418**	*4%*	**868**	**853**
Impairment losses on loans and advances to customers	(217)	(191)	*(14%)*	(429)	(404)
Underlying risk-adjusted income	**216**	**227**	*(5%)*	**438**	**449**
Servicing costs	(64)	(65)	*1%*	(119)	(119)
Change costs	(26)	(23)	*(10%)*	(43)	(40)
Marketing and partner payments	(13)	(11)	*(17%)*	(23)	(21)
Collection fees	12	13	*(13%)*	24	25
Direct costs	(91)	(86)	*(7%)*	(161)	(156)
Contribution	**125**	**142**	*(12%)*	**277**	**293**
Salaries, benefits and overheads	(43)	(45)	*4%*	(84)	(86)
Underlying PBT	**83**	**97**	*(15%)*	**193**	**207**
Add back: depreciation and amortisation	6	6	*(7%)*	12	12
Adjusted EBITDA	**88**	**103**	*(15%)*	**204**	**219**
Gross receivables (£m)	4,303	4,209	*2%*	4,303	4,309
Average gross receivables (£m)	4,262	4,216	*1%*	4,237	4,220
Net Revenue margin (%)	20.3%	19.8%		20.5%	20.2%
Impairment rate (%)	10.2%	9.1%		10.1%	9.6%
Underlying RAM (%)	10.2%	10.8%		10.3%	10.6%
Underlying operating expenses (£m)	(134)	(130)	*(3%)*	(245)	(242)
Underlying Cost-income ratio (%)	30.9%	31.1%		28.3%	28.3%

Note:
Please see footnote on page 4 which explains the Group's revised policy for the presentation of certain items in its management basis income statement and the subsequent re-presentation of 2023 comparatives.

Detailed cash flow statement

£m	H1 24	H1 23	LTM H1 24	2023
Adjusted EBITDA	**88**	**103**	**204**	**219**
Change in ECL allowance	(29)	(52)	(48)	(71)
Adjusted EBITDA excluding change in ECL allowance	**59**	**51**	**156**	**148**
Change in working capital	8	16	16	24
PPI provision payments	-	(5)	(0)	(5)
Capital expenditure	(21)	(13)	(38)	(30)
Tax paid	(12)	(1)	(20)	(9)
Platform development and other costs	(6)	(5)	(11)	(10)
Restructuring costs paid	(7)	-	(7)	-
Capex, Tax, Other	(45)	(24)	(76)	(54)
FCF available for growth and debt service	**22**	**44**	**96**	**118**
Increase/(decrease) in gross receivables	6	43	(95)	(57)
OCA movements	(2)	7	18	27
Net financing cash flow	(74)	(85)	20	10
FCF available for Senior Secured Debt interest	**(49)**	**9**	**39**	**97**
Repayment of High Yield Bond due 2024 (1)	-	(30)	(31)	(61)
Funding overlap - cash paid	(208)	-	(208)	-
Debt service - cash payments (2)	(16)	(18)	(33)	(35)
Funding overlap - cash raised	-	-	208	208
Return paid on loan from immediate parent company (3)	(3)	(5)	(6)	(8)
Net (decrease)/increase in cash and equivalents (excl. restricted cash)	**(276)**	**(44)**	**(30)**	**201**
Movements in restricted cash	2	3	4	6
Net (decrease)/increase in cash and equivalents	**(274)**	**(41)**	**(26)**	**207**
Net increase in cash and equivalents (excl. funding overlap)	**(66)**	**(41)**	**182**	**207**

Note:
(1) Senior Secured Debt repayment
(2) Senior Secured Debt interest paid
(3) Payment to the Group's immediate parent company, Nemean Midco Limited.
Please see footnote on page 4 which explains the Group's revised policy for the presentation of certain items in its management basis cash flow statement and the subsequent re-presentation of 2023 comparatives

Statutory earnings

£m	H1 24	H1 23	%	LTM H1 24	2023
Underlying PBT	**83**	**97**	**(15)%**	**193**	**207**
Senior Secured Debt interest and related costs	(18)	(20)	11%	(36)	(38)
Platform development costs	(6)	(5)	(10)%	(11)	(10)
Amortisation of Acquisition intangibles	(8)	(25)	68%	(33)	(51)
Restructuring costs	-	-	n.m.	(11)	(11)
Statutory PBT	**51**	**47**	**9%**	**102**	**98**

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

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

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

Restructuring costs: represents redundancy and related costs associated with the realignment of our operating structure at the end of the year and effective from 1 January 2024

Balance sheet

£m	H1 24	H1 23	2023
Gross receivables	4,303	4,209	4,309
ECL allowance	(486)	(534)	(515)
Other	87	129	126
Net receivables	**3,904**	**3,804**	**3,919**
Cash	240	270	516
Restricted cash	75	71	74
Intangible assets	90	95	83
Goodwill	280	280	280
Other assets	234	162	227
Total assets	**4,824**	**4,682**	**5,099**
Asset-backed term debt	2,140	2,203	2,514
Variable funding notes	1,721	1,656	1,647
Senior secured debt(1)	236	265	235
Provisions	7	9	5
Other liabilities	216	94	226
Total liabilities	**4,320**	**4,228**	**4,627**
Net assets	**504**	**454**	**471**
Tangible equity	**126**	**48**	**102**

Fair value of total assets following the Acquisition in 2017 introduced £396m of intangible assets, primarily relating to the customer and retailer relationships, the brand, trade names and intellectual property. The carrying value of these assets was £21m as at June 2024

Asset-backed term debt represents the term series notes issued by the NewDay Funding and NewDay Partnership Funding master trust structures

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

Tangible equity represents the net position of Net Assets, excluding Intangible Assets, Goodwill and the Hedging Reserve

Note:
(1) Senior Secured Debt includes accrued interest and the remaining unamortised balance of the discount the debt was issued at on origination.

Leverage and interest ratios

£m	H1 24	H1 23	LTM H1 24	2023
Adjusted EBITDA	**88**	**103**	**204**	**219**
Senior Secured Debt[1]	238	269	238	238
Cash	(240)	(270)	(240)	(516)
Net corporate Senior Secured Debt	**(2)**	**(2)**	**(2)**	**(278)**
Net Senior Secured Debt to Adjusted EBITDA [2]			0.0x	(0.3)x
Senior corporate interest expense			**32**	**32**
Adjusted EBITDA to pro forma cash interest expense			6.4x	6.9x

Note:
(1) Senior Secured Debt excludes accrued interest and the remaining unamortised balance of the discount the debt was issued at on origination .
(2) Represents ratio of net corporate senior secured debt to adjusted EBITDA excluding funding overlaps

Glossary

ABS: asset-backed security

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

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

Advance rate: (ABS + VFN drawn debt)/gross receivables

Charge-off rate: charge-offs/average gross receivables

Coverage rate: ECL/period-end gross receivables

Credit: this business provides unsecured credit products (including credit cards, digital revolving credit and point-of-sale finance) direct to consumers or in partnership with retail and consumer brands. The segment typically serves customers new to credit or that have a limited or poor credit history. The business also has a prime portfolio primarily through its partnership with John Lewis & Partners and certain other merchant partners. The segment also has certain other capital-light activities and several closed portfolios.

Delinquency: a customer is considered delinquent if they have not made their contractual minimum payment by the date of their following monthly statement/cycle date. Customers that are placed on a repayment plan, which allows the customer to repay less than their original contractual minimum monthly payment, and are up to date with their revised payment schedule are not counted as in delinquency or arrears

ECL: expected credit loss

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

FCF: free cash flow

Impairment rate: impairment/average gross receivables

N/M: not material

Near Prime: constitutes the NewDay brands formerly known as Direct to Consumer, namely Aqua, Marbles, Fluid and Bip

Partnership: constitutes the NewDay brands formerly known as Merchant Offering, namely John Lewis & Partners, AO, Pulse, Debenhams, Argos and Newpay brands

Platform: this business provides digital platform solutions for end-to-end servicing of unsecured credit products financed and owned by third parties, together with certain other capital-light activities

RAI: risk-adjusted income

RAM: risk-adjusted margin

RCF: revolving credit facility

Senior Secured Debt: comprises the High Yield Bonds and RCF

Underlying PBT: earnings before Senior Secured Debt interest (and related costs), tax and one-off items

VFN: variable funding note

Enquiries

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