vanquis

2026 HALF YEAR RESULTS

Investor Meet Company Presentation

4 AUGUST 2026
3PM

Agenda

1H26 Performance Summary and Outlook	Ian McLaughlin
Financial Guidance	Dave Watts
Conclusion	Ian McLaughlin
Q&A	Ian & Dave

1H26 Performance Summary and Outlook

Ian McLaughlin
Chief Executive Officer

Profitable growth continued in 1H26

1. **Profit before tax up 44% YoY at £8.9m,** above FY25 profit.
2. **24% balance growth YoY**, with 8% income growth.
3. **NIM and RAM reduction** reflects shift in balance growth product mix.
4. **Credit quality remains stable.**
5. **Cost discipline remains a priority**, with cost: income ratio reducing 9.4% to 53.1%.
6. **Low single digits ROTE.**
7. **Strong capital position**, enabling future growth plans.
8. **Progress** on serving the borrowing needs of the underserved **recognised by industry awards** for “Europe Best Bank Transformation” and “UK Best for Consumer Lending”.

	1H26	HoH % Change	YoY % Change
Gross customer interest-earning balances[1]	£3,054m	8%	24%
Net interest margin (NIM)[2]	15.0%	(1.2)%	(2.4)%
Risk-adjusted margin (RAM)[3]	9.3%	(0.5)%	(3.1)%
Cost: income ratio[4]	53.1%	(1.4)%	(9.4)%
Statutory Return on Tangible Equity (ROTE)[5]	**2.5%**	**0.8%**	**(0.6)%**
Common Equity Tier 1 (CET1) ratio[6]	15.6%	(0.9)%	(2.9)%

Continued operational delivery against our three priorities

Building strong foundations to deliver attractive shareholder returns in the medium term

Serve More

- **Grew Credit Card customers** and drove engagement via prize draws and Vanquis Rewards cashback.
- Developing **instalment lending alternatives** and a **prime upgrade Credit Card proposition** to retain high quality customers as they build financial resilience.
- **Expanded Vehicle Finance pricing points** offered to customers.
- **Grew 2CM customers by 30%** via our forward flow partners.
- Further increased **Snoop active users** and launched the **Snoop Savings dashboard**.

Serve Responsibly

- **UK Customer Satisfaction Index (CSI) Score increased to 83.2**, ahead of the industry benchmark of 82.0.
- **Achieved ServiceMark accreditation***, recognising customer service excellence.
- **Enhanced navigation and self-service functionality** in the new mobile app.
- Introduced a **Credit Card repayment calculator**.
- **Expanded "Not Yet" support**, identifying >£57m of annualised unclaimed benefits for >35k customers since January 2025.

Scale Profitably

Successfully migrated **all Credit Card customers** onto our new **award-winning mobile banking app.**

- Launched **new Credit Card customer onboarding journey**.
- **Expanded use of AI** across customer service, analytics, decisioning and colleague productivity.
  - Launched our **first customer facing AI agent.**

* Accreditation from the Institute of Customer Service

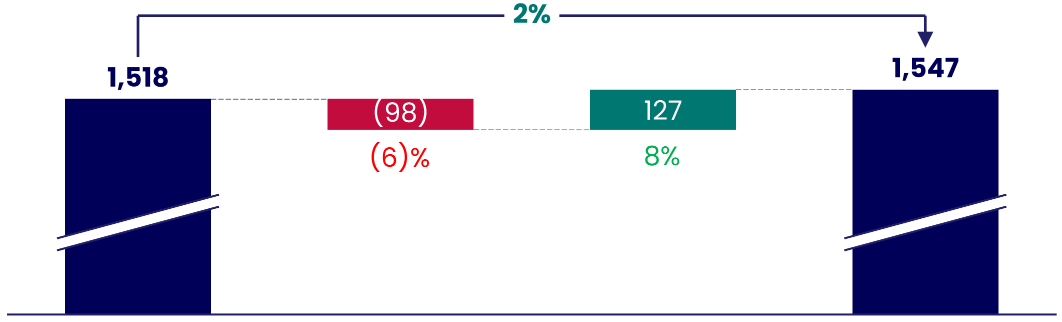
Impacts from increased macroeconomic uncertainty emerging in 2Q26

Two main headwinds:

1. *Lower utilisation from existing Credit Card customers than previously planned for*
2. *Increased IFRS9 macroeconomic impairment provision for higher unemployment forecast*

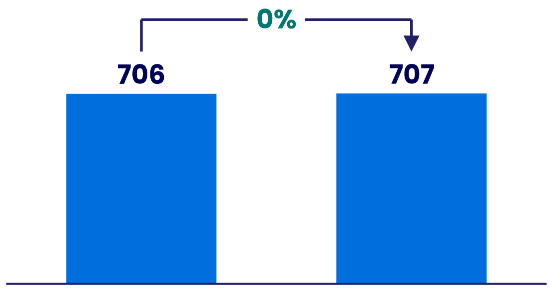
Gross customer interest earning balances (£m)[1]

Credit Cards



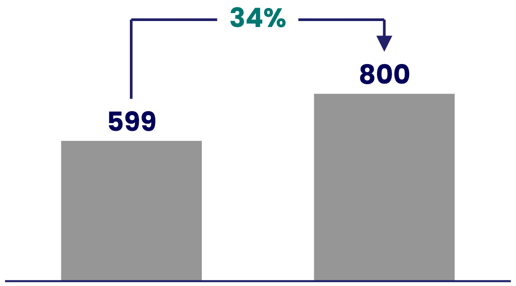
Asset yield	2H25: 26.5%			1H26: 25.5%

Vehicle Finance



2H25: 16.7%	1H26 17.4%

Second Charge Mortgages



2H25: 7.1%	1H26: 6.8%

1. **Lower than expected higher yielding existing customer balances**
   - More cautious customer behaviour, with reduced spending driving lower utilisation in higher yielding back book.
   - Trend consistent with the non-prime credit card market (industry spend down c.1% YoY)*.
   - Benefits from back book stimulation initiatives only partially mitigated impact (prize draws and Vanquis Rewards cashback).

2. **Absorbed £8.5m increase in IFRS9 macroeconomic impairment provision.**
   - Forecast that UK unemployment increases to a peak of 5.7% (DEC25 forecast: 5.1%).

Vehicle Finance:

- **Stable balances** in line with expectations.
  - Proactively managing new business growth ahead of the launch of the new IT platform later this year.
- **Improving asset yield** through repricing initiatives.

Second Charge Mortgages:

- **Strong balance growth** through long term forward flow origination agreements with partners.
- **Reduced asset yield,** driven by increased competition, albeit in a growing market.

Continued Credit Cards balance growth driven by new customers, which are initially lower yielding than existing customers

* Source: Visa Analytics

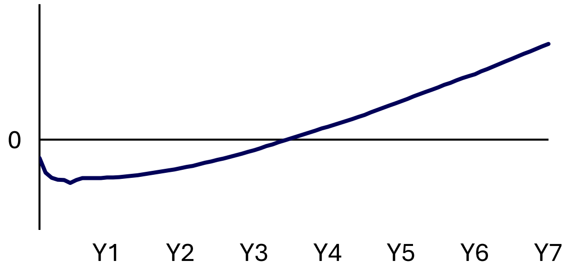
Improving Credit Card profitability from recent new customer growth

New customer growth since 2025 will deliver greater contribution to profits from 2027

Cumulative PBT of a typical customer (£)

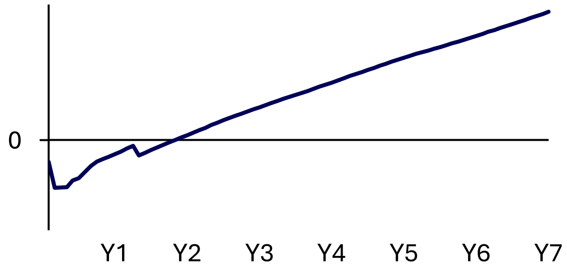
Credit Builder card

New customers become profitable after **3.5 years** after which profitability continues to grow.

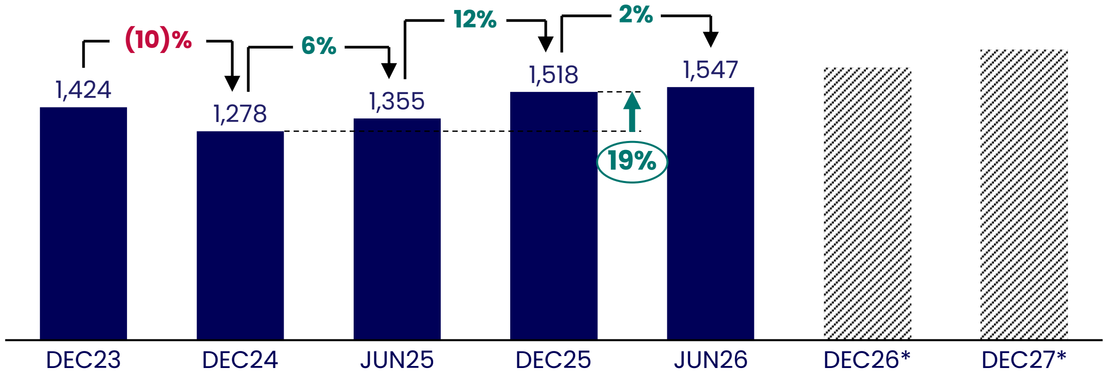


Balance Transfer (BT) card

New customers become profitable in **under 2 years** after the BT period ends.

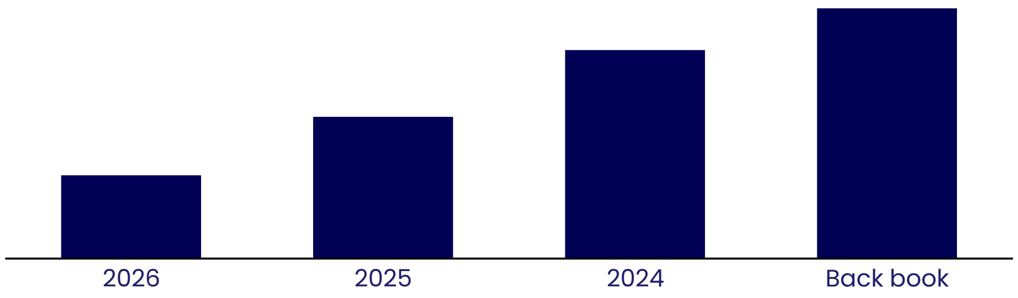


Gross customer interest earning balances trend (£m)[1]



- **Profitability will increase in 2027**
  - Balances reduced by 10% in 2024, resulting in lower maturing balances, and therefore profitability, in 2026.
- **Front book lending originated in 2025 (19% balance growth) starts to become profitable in 2027**, as 0% BTs and promotional products revert to interest earning balances.
  - Maturing BTs are revolving to interest earning balances in line with expectations.
- **Intend to grow balances in 2H26 at a similar rate to 2H25,** driven by new customer growth. Expect 2027 growth to be similar to 2026.
- **Asset yields improve each year as the balances mature.**

Current indicative asset yield of new customers by vintage (%)



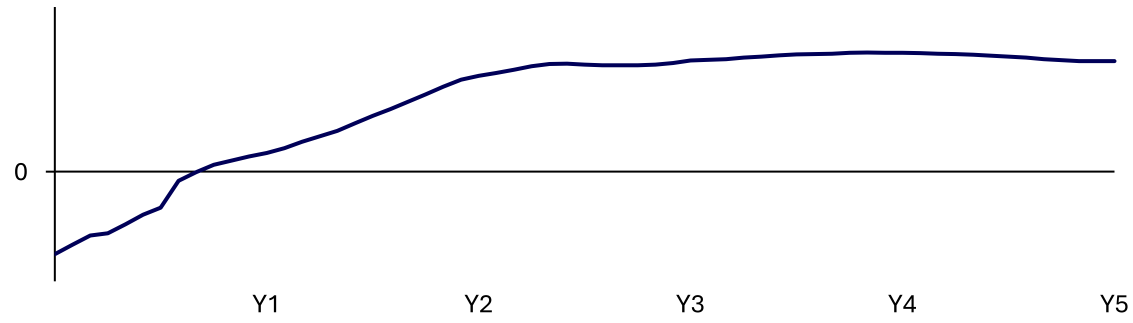
* Represents indicative growth

Vehicle Finance growth to resume from 2027

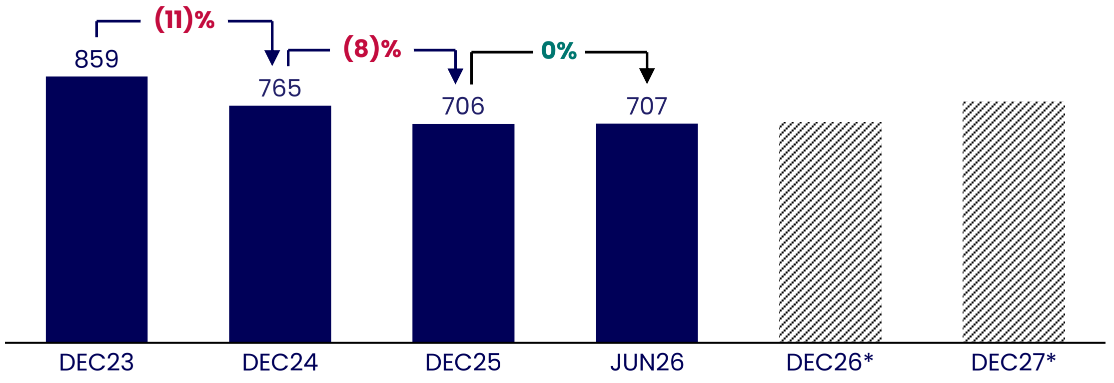
Improved profitability from 2027 post launch of the new onboarding and servicing platform, with new customers becoming profitable within the first year

Cumulative PBT of a typical customer (£)

New customers become profitable towards the **end of year 1**, with profitability maturing after c.2.5 years, consistent with the behavioral life of the customer.



Gross customer interest earning balances trend (£m)[1]



- **Continuing to moderate balance growth in 2H26**, as we complete the platform build as part of Gateway.
- **Increased balance growth expected during 2027**, driven by better connectivity to the broker network and improved speed of servicing.
- **Delivering further enhancements to underwriting strategies** and credit risk analytics.
- **More efficient operations** drives increased profitability.

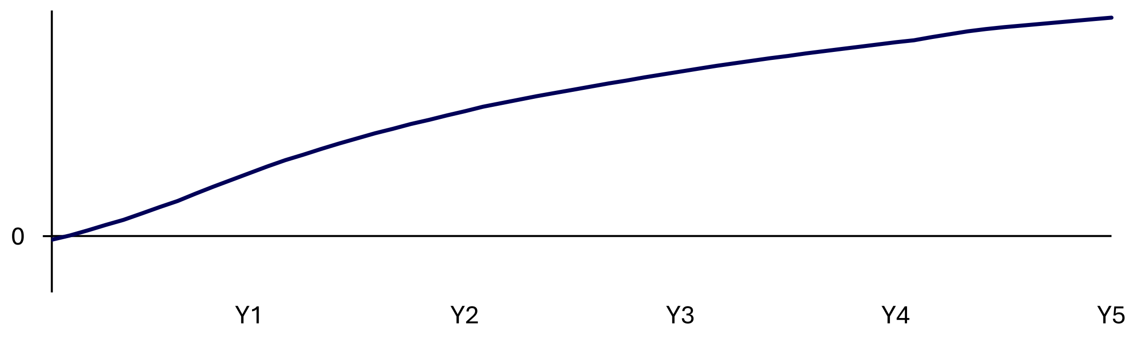
* Represents indicative growth

Strong 2CM growth continues, though competitor activity increasing

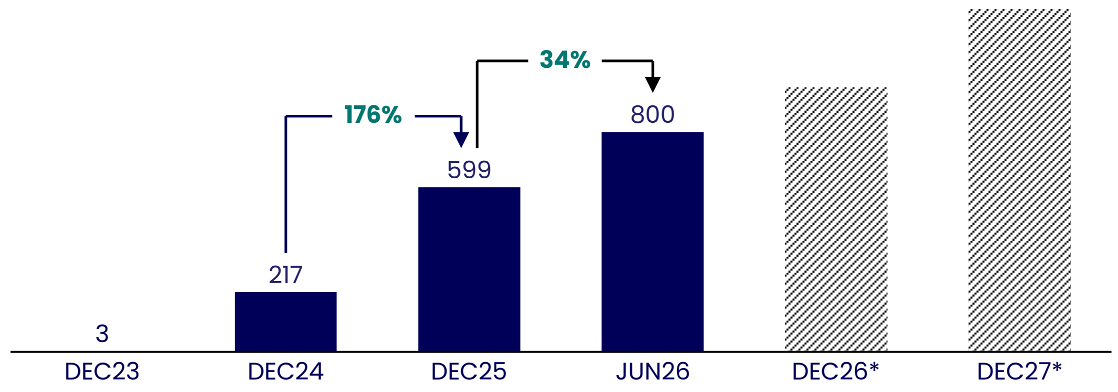
Growth via forward flow partners to continue at a similar rate, driving increased profitability despite competitive pressures, with new customers profitable from month one

Cumulative PBT of a typical customer (£)

New customers become **profitable from month one**, due to modest initial IFRS9 modelled impairment.



Gross customer interest earning balances trend (£m)[1]



- **Expect balance growth to continue at a similar rate** of c.£30m per month.
- Competitive dynamics putting **further downward pressure on asset yield.**
- **Growth continues to be accretive to mid-teens ROTE hurdle.**

* Represents indicative growth

Continuing to build a higher quality, more profitable business

The growth opportunity within the underserved addressable market underpins our confidence in the strategy

Confidence in the outlook supported by:

1. **Gateway technology transformation build remains on track** for completion in 2026.
2. **Greater transformation cost savings of £30-35m now expected**, driving lower operating costs in both 2026 and 2027.
3. **Further optimised liquidity and funding**, with access to cheaper retail deposit funding remaining a core strength.
4. **Capital optimisation completed** following Tier 2 issuance.
5. **Clarity on future capital requirements,** with an expected increase in capital capacity to support lending growth from 2027.
6. **On track to deliver our balance growth ambitions**, enabling us to serve the borrowing needs of the underserved UK adult population.

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Financial Guidance

Dave Watts
Chief Financial Officer

Updated financial guidance for 2026 and 2027

Guidance assumes impact on consumer confidence from uncertain macroeconomic environment continues; balance growth expected to be driven by increased new customer acquisition; combination moderates short term returns

	1H26 Actuals	FY26 Guidance	FY27 Guidance
Gross customer interest-earning balances[1]	£3,054m	>£3.3bn *(unchanged)*	>£3.7bn *(unchanged)*
Net interest margin (NIM)[2]	15.0%	c.14.5% *(c.15.5% previously)*	>13.0% *(c.14.5% previously)*
Risk-adjusted margin (RAM)[3]	9.3%	>8.5% *(>9.5% previously)*	>8.0% *(>9.0% previously)*
Cost: income ratio[4]	53.1%	Low 50s *(high 40s previously)*	Mid to high 40s *(mid 40s previously)*
Statutory ROTE[5]	**2.5%**	**Low single digits (low double digits previously)**	**Low double digits (mid-teens now expected in 2028)**
CET1 ratio[6]*	15.6%	>14.5% (unchanged)	>12.0%**
Dividend	-	Modest	

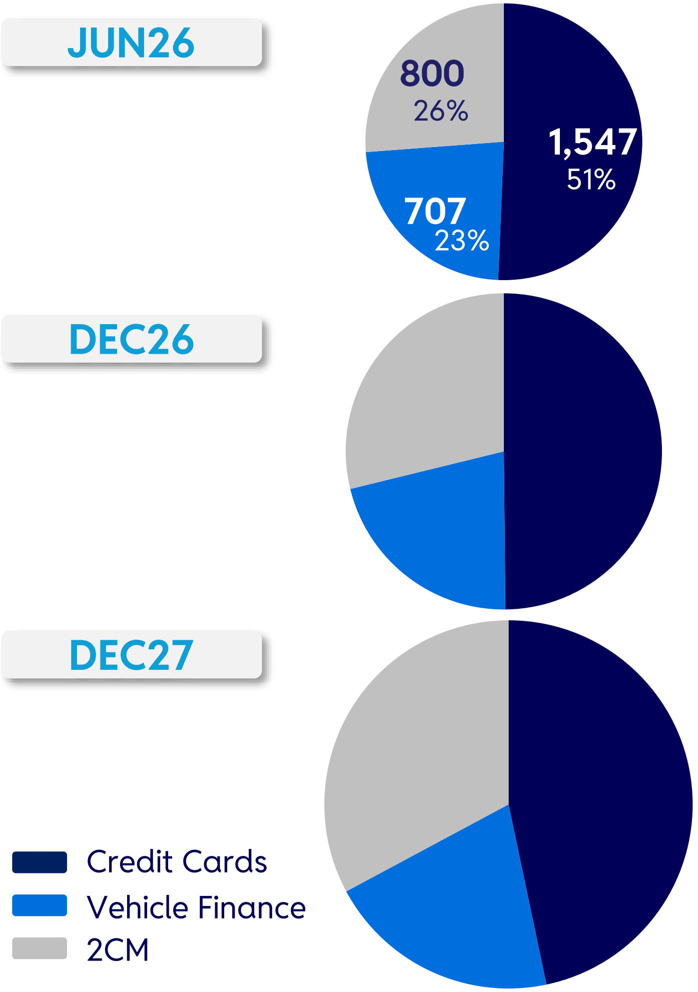
- **FY26 ROTE guidance impact of 2.4% driven by IFRS9 macroeconomic impairment provision** for higher unemployment.
- **Mid-teens ROTE in 2028** underpinned by further improvement in cost: income ratio as we continue to execute on our initiatives.
- Given confidence in the medium term outlook for the business, and assuming no significant deterioration in the UK economy, **the Board intends to re-establish a modest dividend with FY26 results**.

** Guidance subject to regulatory change*
*** Post Basel 3.1 and SDDT regime implementation from 1 January 2027*

Balances, margins and cost: income guidance

Balance growth guidance remains unchanged; as expected, mix of growth in 2CM and Credit Cards driving lower margins. NIM should stabilise post 2027, as Credit Card growth matures

Gross customer interest earning balances (£m)[1]



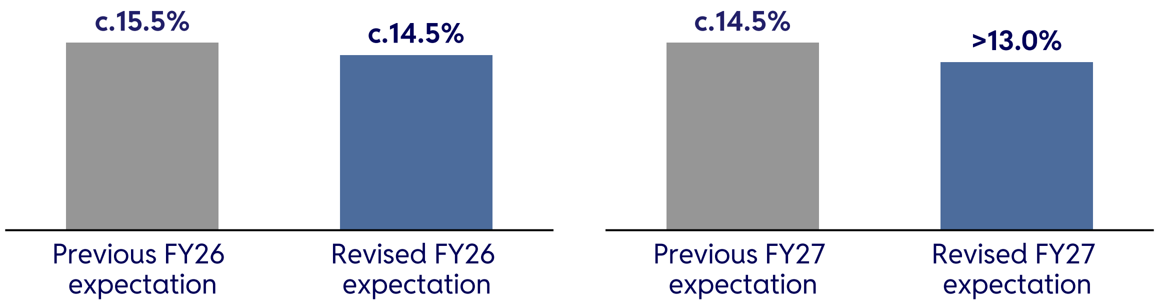
JUN26: £3,054m

DEC26: >£3.3bn

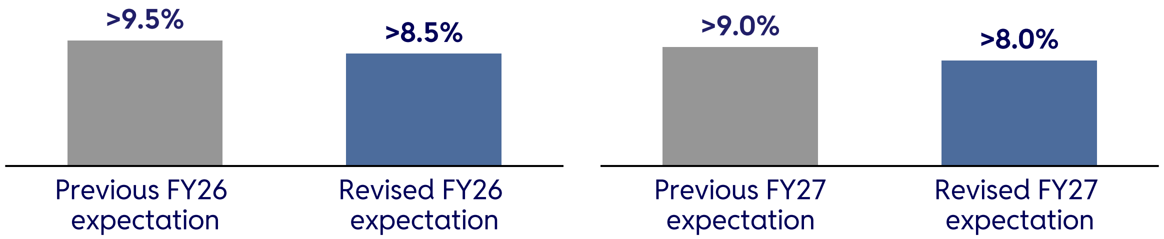
DEC27: >£3.7bn

- Balances in all products expected to grow.
- Share of 2CM balances expected to increase.

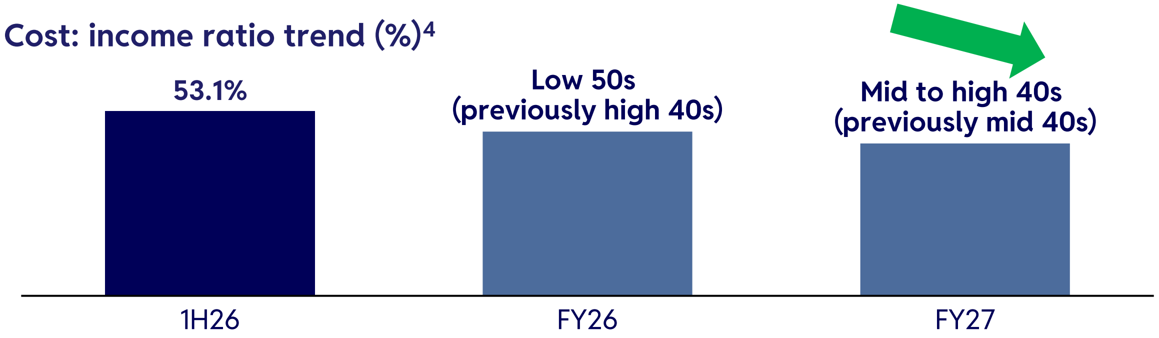
NIM trend (%)[2]



RAM trend (%)[3]



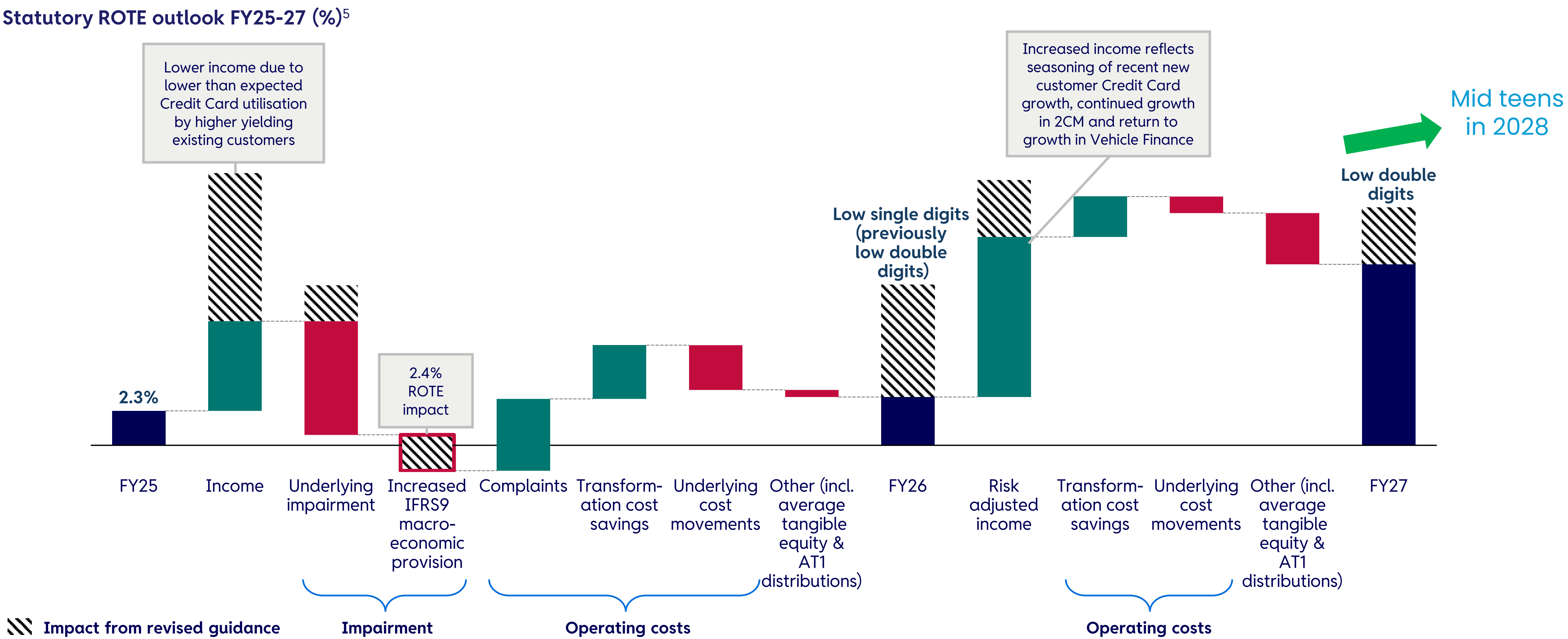
Cost: income ratio trend (%)[4]



Transformation cost savings	**£30-£35m from 2026 – 2028** (previously £23-£28m from 2026 – 2027)

Statutory ROTE guidance (illustrative walk)

ROTE impacted by reduced income from lower than expected Credit Card utilisation by existing customers and increased IFRS9 macroeconomic impairment provision

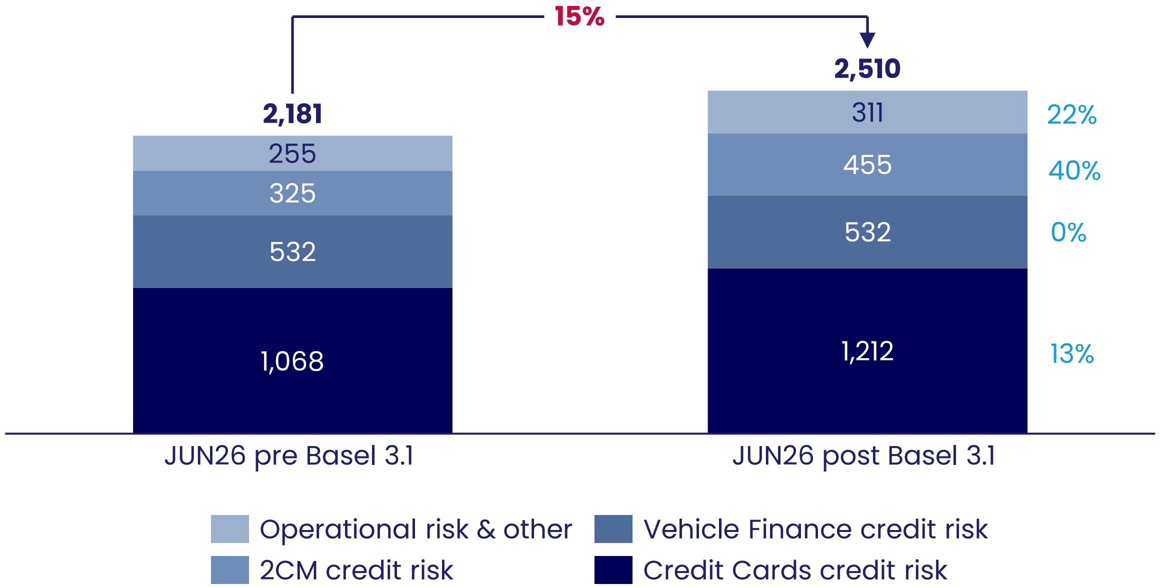


ROTE improvement in 2027 driven by increased profitability on recent new customer balance growth

Basel 3.1 and SDDT regime capital requirements from 1JAN27

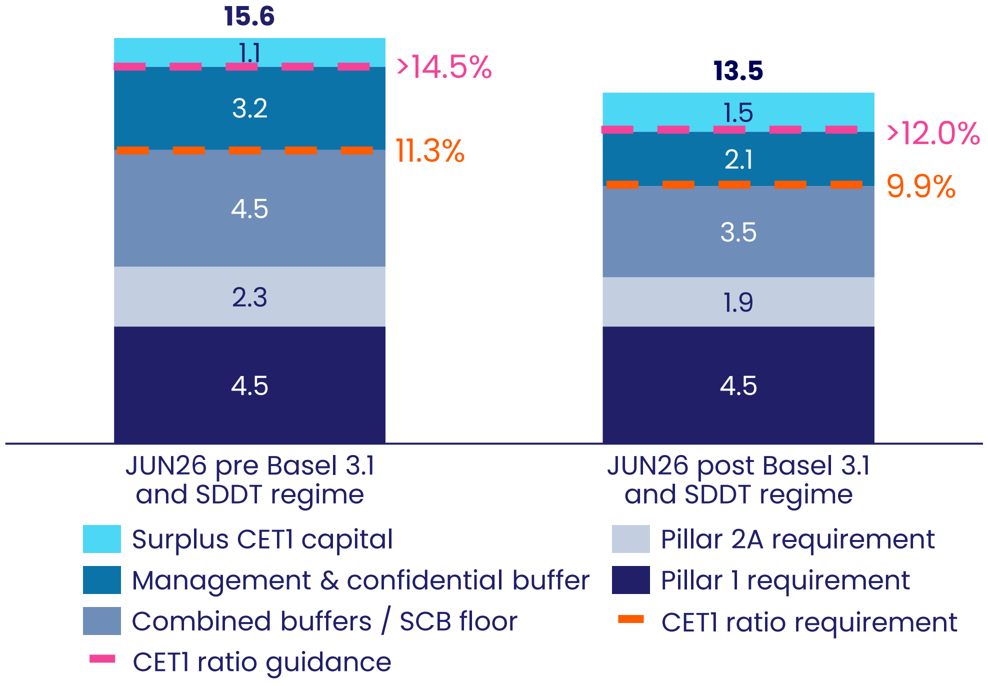
The Group expects to have additional surplus capital to support balance growth

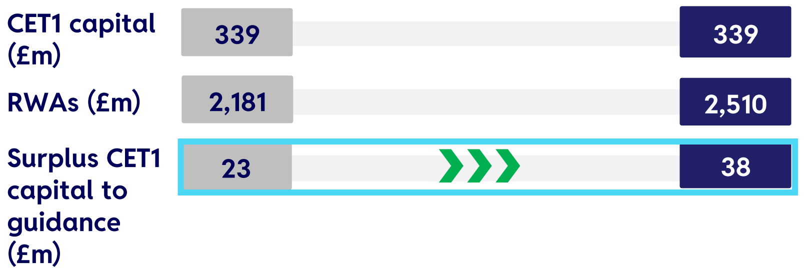
Increase in proforma RWAs from Basel 3.1 (£m/%)



- **Credit Card** increase driven by higher credit conversion factor on undrawn credit lines (0% currently, becoming 10%).
- **2CM** increase due to higher risk weighting on LTVs of 55% to 80% (35% currently, becoming 75%).
- **Operational risk** increase reflects new calculation methodology under the Standardised Approach.

CET1 ratio requirements* and surplus CET1 capital to guidance (%)





Surplus CET1 capital to guidance expected to increase by £15m to £38m on a JUN26 proforma basis post implementation of Basel 3.1 and the SDDT regime

* Transitional requirements (advised by the PRA in July 2026); formal CSREP review by the PRA expected in 2027

Conclusion

Ian McLaughlin

Progress continues despite macroeconomic headwinds

Driving the right actions to grow and deliver long term, sustainable profitability

1. **Improved PBT to £8.9m,** a higher PBT than FY25, despite an £8.5m increase in the IFRS9 macroeconomic provision.
2. **Grew balances by 8% in 1H26**, despite existing Credit Card customers acting cautiously by moderating spending.
3. **NIM and RAM movements a function of mix of growth** in Second Charge Mortgages and Credit Cards.
4. **Credit quality of the portfolio remains stable**.
5. **Cost discipline remains a priority**, delivering greater transformation savings of £30-35m while continuing to invest for the future.
6. **Liquidity and funding further strengthened.**
7. **Additional capital optimisation and increased capital capacity from 2027** to deliver balance growth.
8. **The Board intends to re-establish a modest dividend with FY26 results.***

Headwinds being absorbed but strong foundations built, giving confidence in the outlook

* Assuming no significant deterioration in the UK economy.

Q&A

Strategy remains focused on creating long term shareholder value

The opportunity to "Serve More", "Serve Responsibly" and "Scale Profitably" in the underserved UK market remains significant

What sets us apart

A large and underserved target addressable market

- Over half of UK adults face barriers to accessing mainstream credit. Vanquis has a significant opportunity to grow market share in our core products.

A proposition that helps customers to build financial resilience

- Offer lending, savings and money management solutions to address three core customer needs: healthy borrowing, controlled spending and the ability to build a financial safety net.

Cost effective funding model supports increased asset scale

- Retail deposits provide stable, low cost funding.

A modern, efficient and scalable technology platform

- Gateway enables digital first offerings and customer engagement.

Appendix

Footnotes

1	Gross customer interest-earning balances excludes post charge off assets and deferred acquisition costs, which are included in gross receivables.
2	Net interest margin is calculated as interest income less interest expense for the period as a percentage of average gross customer interest-earning balances for the 6 months ended 30 June and 31 December using a 7 point month end average.
3	Risk-adjusted margin is calculated as risk-adjusted income for the period as a percentage of average gross customer interest-earning balances for the 6 months ended 30 June and 31 December using a 7 point month end average.
4	Cost: income ratio is calculated as operating costs as a percentage of total income for the 6 months ended 30 June and 31 December.
5	ROTE is calculated as annualised statutory profit attributable to shareholders for the 6 months ended 30 June and 31 December as a percentage of average tangible equity for the 6 months ended 30 June and 31 December. Tangible equity is stated as equity after deducting the Group's pension asset, net of deferred tax, intangible assets and goodwill and AT1 notes.
6	The CET1 ratio is calculated as the ratio of the Group's Common Equity Tier 1 (CET1) capital as a percentage of the Group's risk-weighted assets measured in accordance with the CRR.

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Unless otherwise stated, information in this presentation was prepared as at 30 June 2026.

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