



Vida Group Holdings Limited

Interim financial report

30 June 2025

Company Registration No. 09828204

Contents

Interim management report	3
Key performance indicators	3
Financial review	3
Going concern	5
Review report by the auditor to the Board of Directors of Vida Group Holdings Limited	6
Consolidated statement of comprehensive income	7
Consolidated statement of financial position	8
Consolidated statement of changes in equity	9
Consolidated statement of cash flows	10
Selected explanatory notes to the consolidated set of financial statements	11

Interim management report

This Interim Management Report has been prepared solely to provide the financial results for the half year to 30 June 2025 of Vida Group Holdings Limited (“the Group”). This report should not be relied upon for any other purpose.

Please see the Group’s most recent annual report for the year ended 31 December 2024 for detailed Strategic and Corporate Governance Reports.

Key performance indicators

The table below sets out key performance indicators, together with prior year performance data.

	Half year to 30 Jun 25	Year to 31 Dec 24	Half year to 30 Jun 24
Total mortgage book (£m)	1,847	1,859	1,760
Gross new mortgage lending (£m)	348	369	165
Net funding raised through retail deposits (£m) ¹	1,120	173	-
Net interest margin ²	2.13%	1.83%	1.73%
Cost to income ratio	63%	91%	90%

Financial review

We are pleased to report a profit before tax of £10.7 million for the 6 months to 30 June 2025 (H1 2024: £1.9 million), an improvement of £8.8 million. The profit compares favourably to the full-year profit before tax of £3.6 million for 2024. The Vida business has developed positively in the first half of 2025 since being authorised as a bank in November 2024.

Retail deposit inflows have been strong since their launch in December 2024 and this has provided a noticeable benefit to our funding structure and mortgage origination growth. We successfully executed the London Bridge Mortgages 2025-1 (“LBM2025-1”) securitisation in June 2025. £250 million of recent lending was sold generating a profit and realised a capital benefit. The profit has been booked across the net interest income, other operating income, net fair value gain on financial instruments and impairment losses lines in the consolidated statement of comprehensive income.

Lending

Originations grew to £348 million (H1 2024: £165 million) and were supplemented by retention lending volumes of £128 million (H1 2024: £98 million). After accounting for the asset sale of £250 million in June 2025, gross loans to customers decreased by 1.81% to £1,824 million in the first half of the year (31 Dec 2024: £1,857 million). Buy-to-Let (“BTL”) loans continued to make up the majority, 71%, of the loan book at the end of June 2025 (31 Dec 2024: 73%).

¹ Retail savings proposition was launched in November 2024.

² Net Interest Margin is calculated as Net Interest Income over Gross Loans to Customers on a 7- point average for half year and 13-point average for the year basis.

Funding

Vida has made a successful start to raising retail deposits with £1,120 million of net inflows being recorded in the first half of the year to bring the retail deposit book to £1,293 million at the end of June 2025. This success allowed us to fund the call of one securitisation and the repayment of the remaining warehouse funding notes earlier than had been previously anticipated. Another two calls have been funded subsequently to the period end - one in July and one in August.

At the end of June 2025, wholesale market funding liabilities had decreased to £1,214 million (31 Dec 2024: £1,917 million). In addition to the benefit of a more diversified funding base, Vida's cost of funds reduced in the first half of the year to 1.05% over SONIA compared to 1.46% over SONIA for the 2024 year. Asset encumbrance fell to 49% (31 Dec 2024: 92%) and the loan to deposit ratio was 143% (31 Dec 2024: 1,074%).

Liquidity

At the end of June 2025, the Group's Liquidity Coverage Ratio was 218% (31 Dec 2024: 1,045%), well in excess of the minimum of 100% set by the Prudential Regulation Authority. We expect that the ratio will fall further by the end of 2025 but will still be well above the regulatory minimum.

High Quality Liquid Asset balances increased to £758 million (31 Dec 2024: £220 million), comprising:

	June 2025	December 2024
	£m	£m
	(Unaudited)	(Audited)
UK Government securities	256	34
Supranational bonds	146	-
Money market deposits	343	165
Treasury bills	13	21
	<hr/> 758	<hr/> 220

Capital

The Group's Common Equity Tier 1 Ratio and Total Capital Ratio were 17.1% at the end of June 2025 (31 Dec 2024: 16.2%), comfortably above regulatory minima. Vida's investor, Pine Brook, has provided 99.7% (31 Dec 2024: 99.7%) of Vida's share capital which at the end of June 2025 stood at £241 million (31 Dec 2024: £241 million). The business is confident it will continue to benefit from the support of its core shareholder for the foreseeable future and may explore opportunities, subject to market conditions to further strengthen its capital base.

Operating income

Operating income improved to £30.8 million from £18.6 million in H1 2024, with part of the improvement coming from the LBM2025-1 asset sale. Net interest margin was 2.13% in H1 2025 (H1 2024: 1.73%). The increase in NIM reflected the lower cost of funds achieved with retail deposit funding.

Administrative expenses

Management invested in Vida's operating platform ahead of obtaining the banking licence in 2024 and in anticipation of growing the business in 2025 and, consequently, administrative expenses increased by 16.3% to £19.4 million (H1 2024: £16.7 million). Management has continued to actively control costs ensuring that any increases in expenditure represent an investment in the growth of the business and the cost to income ratio has improved to 63% (H1 2024: 91%).

Impairment charges

The credit quality of the book has continued to hold up well in the first half of 2025, with arrears levels remaining broadly steady. Loans more than three months in arrears represented 2.3% of the total portfolio balances (31 Dec 2024: 2.4%) with owner-occupied at 3.6% (31 Dec 2024: 4.3%) and BTL at 1.7% (31 Dec 2024: 1.7%).

Provisions increased to £5.4 million (31 Dec 2024: £4.9 million) with the provision coverage ratio increasing to 0.29% (31 Dec 2024: 0.26%). This increase was largely due to additional provisions made on some loans where the secured property was in possession and was after releasing £0.4 million of provisions held against loans sold as part of the LBM2025-1 asset sale

At the end of June 2025, there were 10 BTL loans with the secured property in possession (31 Dec 2024: 7) and 1 owner-occupied loan with the secured property in possession (31 Dec 2024: 2). There were 6 repossession sales during the first half of 2025 (31 Dec 2024: 16) which resulted in a charge of £0.2 million (H1 2024: £0.3 million charge).

Going concern

The directors are satisfied that the Group has sufficient resources to continue in operation for the foreseeable future, a period of not less than 12 months from the date of this report. The latest business plan forecasts ongoing profitability to ensure that the Group has sufficient capital resources. Stressed financial scenarios have also been reviewed. In all stressed cases, the Group can continue operating while meeting regulatory capital and liquidity requirements. Accordingly, they continue to adopt the going concern basis in preparing these condensed financial statements.



Anthony Mooney

Director

Company registration: 09828204

14 October 2025

Review report by the auditor to the Board of Directors of Vida Group Holdings Limited

We have reviewed the accompanying consolidated statement of financial position of Vida Group Holdings Limited as of 30 June 2025, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the six-month period then ended, and other explanatory notes. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with International Financial Reporting Standards ("IFRS"). Our responsibility is to express a conclusion on this interim financial information based on our review.

We conducted our review in accordance with International Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information does not give a true and fair view of (or "does not present fairly, in all material respects,") the consolidated financial position of the entity as at 30 June 2025, and of its consolidated financial performance and its consolidated cash flows for the six-month period then ended in accordance with IFRS.



Deloitte LLP

Statutory Auditor

Birmingham, United Kingdom

14 October 2025

Consolidated statement of comprehensive income

		Six months ended 30 June		Year ended 31 December
	Notes	2025 £'000 (Unaudited)	2024 £'000 (Unaudited)	2024 £'000 (Audited)
Interest income and similar income	1	85,577	77,743	156,114
Interest expense and similar charges	2	(65,177)	(62,901)	(123,575)
Net interest income		20,400	14,842	32,539
Other operating income	3	6,231	677	1,158
Net fair value gain on financial instruments	4	4,199	3,031	6,266
Net operating income		30,830	18,550	39,963
Administrative expenses	5	(19,435)	(16,707)	(36,225)
Operating profit before impairment		11,395	1,843	3,738
Impairment losses	6	(660)	15	(128)
Profit before taxation		10,735	1,858	3,610
Tax charge		(2,684)	(422)	(348)
Profit after taxation		8,051	1,436	3,262
Other comprehensive income				
Cash flow hedge reserve (losses)/gains	7	(6,070)	3,130	1,377
Tax on items in other comprehensive income	7	-	-	98
Total other comprehensive profit		1,981	4,566	4,737

Consolidated statement of financial position

		30 June		31 December
	Notes	2025	2024	2024
		£'000	£'000	£'000
		(Unaudited)	(Unaudited)	(Audited)
Assets				
Cash and cash equivalents		397,180	200,039	318,422
Debt securities	8	401,401	-	34,135
Loans to customers	9	1,846,786	1,759,564	1,858,979
Derivative financial assets	10	17,300	47,415	35,494
Other receivables	11	52,183	21,187	19,036
Deferred taxation asset		13,565	13,565	13,565
Retained notes		12,502	-	-
Property, plant and equipment		1,394	154	1,551
Intangible assets		1,740	2,476	2,190
Total assets		2,744,051	2,044,400	2,283,372
Liabilities				
Retail deposits	12	1,293,156	-	173,113
Amounts owed to credit institutions		53,247	71,497	74,253
Debt securities in issue	13	1,161,139	1,751,232	1,831,826
Derivative financial liabilities	10	18,491	1,073	636
Other liabilities	14	29,121	72,907	19,328
Corporation tax		3,027	431	247
Total liabilities		2,558,181	1,897,140	2,099,403
Shareholders' equity				
Share capital		240,567	204,029	240,567
Other reserves	7	1,622	9,526	7,871
Retained losses		(56,319)	(66,294)	(64,469)
Total shareholders' equity		185,870	147,261	183,969
Total liabilities and equity		2,744,051	2,044,401	2,283,372

Consolidated statement of changes in equity

	Called up share capital £'000	Share premium £'000	Retained earnings £'000	Other reserves £'000	Total £'000
Balance at 1 January 2025	240,567	-	(64,469)	7,871	183,969
Profit for the year	-	-	8,051	-	8,051
Tax on items in other comprehensive income	-	-	99	(196)	(97)
Amounts deferred to cash flow hedge reserve, net of tax	-	-	-	(6,053)	(6,053)
Total comprehensive income	-	-	8,150	(6,249)	1,901
Share issuance	-	-	-	-	-
Share-based payments	-	-	-	-	-
Balance at 30 June 2025	240,567	-	(56,319)	1,622	185,870

	Called up share capital £'000	Share premium £'000	Retained earnings £'000	Other reserves £'000	Total £'000
Balance at 1 January 2024	203,990	41	(67,729)	6,396	142,698
Profit for the year	-	-	3,262	-	3,262
Tax on items in other comprehensive income	-	-	-	98	98
Amounts deferred to cash flow hedge reserve, net of tax	-	-	-	1,377	1,377
Total comprehensive income	-	-	3,262	1,475	4,737
Share issuance	36,577	31	-	-	36,608
Share-based payments	-	(72)	(2)	-	(74)
Balance at 31 December 2024	240,567	-	(64,469)	7,871	183,969

Consolidated statement of cash flows

		Six months ended 30 June		Year ended 31 December
	Notes	2025 £'000 (Unaudited)	2024 £'000 (Unaudited)	2024 £'000 (Audited)
Net cash flows from operating activities	15	1,129,414	(45,960)	41,141
Purchase of property, plant and equipment		(40)	(10)	(57)
Expenditure on software development		(12)	(208)	(351)
Net cash flows from investing activities		(52)	(218)	(408)
(Repayment of)/proceeds from loan note issuance		(116,175)	483,036	569,167
Repayment of loans		-	(4,500)	(25,000)
Repayment of loan notes		(567,013)	(408,727)	(408,727)
Repayment of lease liabilities		(235)	(238)	(225)
Movement in debt securities		(367,265)	-	(34,135)
Other movements		84	11	(27)
Net cash flows generated from/(used in) financing activities		(1,050,604)	69,582	101,053
Net increase in cash and cash equivalents		78,758	23,404	141,786
Cash and cash equivalents at 1 January		318,422	176,636	176,636
Cash and cash equivalents at end of period		397,180	200,040	318,422

Selected explanatory notes to the consolidated set of financial statements

Please refer to the Group's most recent annual report for the year ended 31 December 2024 for notes to the consolidated financial statements that include accounting policies and significant accounting judgements.

1. Interest receivable and similar income

	Six months ended 30 June		Year ended 31 December
	2025	2024	2024
	£'000	£'000	£'000
	(Unaudited)	(Unaudited)	(Audited)
On financial assets held at amortised cost:			
Interest income on loans and advances to customers	67,109	53,693	111,421
Interest income on debt securities	1,278	660	1,188
On financial assets held at FVTPL ³ :			
Net income on derivative financial instruments	13,158	23,390	43,410
On financial assets held at FVOCI ⁴ :			
Interest income on debt securities	4,032	-	95
	<u>85,577</u>	<u>77,743</u>	<u>156,114</u>

2. Interest expense and similar charges

	Six months ended 30 June		Year ended 31 December
	2025	2024	2024
	£'000	£'000	£'000
	(Unaudited)	(Unaudited)	(Audited)
Interest expense and other charges	65,110	62,883	123,486
Interest on lease liabilities	67	2	73
IFRS 16 interest adjustment for variable lease components	-	16	16
	<u>65,177</u>	<u>62,901</u>	<u>123,575</u>

³ "FVTPL" - fair value through profit or loss

⁴ "FVTOCI" - fair value through other comprehensive income

3. Other operating income

	Six months ended 30 June		Year ended 31 December
	2025	2024	2024
	£'000	£'000	£'000
	(Unaudited)	(Unaudited)	(Audited)
Income from mortgage servicing	447	485	925
Income from product switch fees	12	186	227
Gain on sale/purchase of loan portfolio	5,772	6	6
	6,231	677	1,158

4. Net gain/(loss) from derivative financial instruments at fair value through profit or loss

	Six months ended 30 June		Year ended 31 December
	2025	2024	2024
	£'000	£'000	£'000
	(Unaudited)	(Unaudited)	(Audited)
Net gain/(loss) on derivative financial instruments	1,814	1,089	(39,960)
Net gain on assets held in fair value hedges	2,385	1,942	46,226
	4,199	3,031	6,266

5. Administrative expenses

	Six months ended 30 June		Year ended 31 December
	2025	2024	2024
	£'000	£'000	£'000
	(Unaudited)	(Unaudited)	(Audited)
Staff costs	11,015	9,474	20,069
Auditor's remuneration:			
Audit of the Company and consolidated financial statements	18	18	36
Audit of the Company's subsidiaries	474	357	803
Internal audit related assurance services	98	86	148
Lease commitment under IFRS 16	170	170	346
Operating lease rentals	2	22	38
Other administrative costs	7,658	6,580	14,785
	19,435	16,707	36,225

6. Movement in expected credit losses

	30 June		31 December
	2025	2024	2024
	£'000	£'000	£'000
	(Unaudited)	(Unaudited)	(Audited)
At 1 January	4,874	5,589	5,589
Charge/(release) for the period	1,040	(15)	(128)
Provisions released on loans sold during the period	(380)	-	-
Impairment losses	660	(15)	(128)
Provisions on loans purchased during the period	-	-	73
Written off in the period	(178)	(337)	(660)
	5,356	5,237	4,874

7. Other reserves

	30 June		31 December
	2024	2024	2024
	£'000	£'000	£'000
	(Unaudited)	(Unaudited)	(Audited)
	2025		
	£'000		
	(Unaudited)		
Cash flow hedge reserve	1,703	9,526	7,773
Fair value through OCI reserve	17	-	-
Deferred tax on gilts	(98)	-	98
	1,622	9,526	7,871
Cash flow hedge reserve movements:			
Balance at 1 January	7,773	6,396	6,396
Effective portion of changes in fair value of interest rate swaps	(2,774)	7,085	(5,370)
Amounts transferred to the Income Statement	(3,296)	(3,955)	6,747
	1,703	9,526	7,773

The cash flow hedge reserve is the cumulative net change in the fair value of the effective portion of the interest rate swaps used to hedge the mortgage pipeline. Amounts transferred to the Income Statement relate to the amortisation of fair value from de-designated hedges. The impact on other comprehensive income for the period was £(6,070)k (H1 2024: £3,130k).

8. Debt securities

	30 June		31 December
	2025	2024	2024
	£'000	£'000	£'000
	(Unaudited)	(Unaudited)	(Audited)
UK Government securities	255,670	-	34,135
Supranational bonds	145,731	-	-
	401,401	-	34,135

9. Loans to customers

	30 June		31 December
	2025	2024	2024
	£'000	£'000	£'000
	(Unaudited)	(Unaudited)	(Audited)
BTL loans	1,303,090	1,294,294	1,347,776
Owner-occupied loans	519,744	473,485	508,549
Second charge loans	767	898	881
	1,823,601	1,768,677	1,857,206
EIR asset	9,458	18,404	14,042
Deferred fees	(591)	(288)	(368)
Provision for impairment losses	(5,356)	(5,237)	(4,874)
	1,827,112	1,781,556	1,866,006
Fair value adjustment for hedged risk	19,674	(21,992)	(7,027)
	1,846,786	1,759,564	1,858,979

10. Derivative financial instruments

The fair values and notional amounts of derivative instruments held are set out in the following table:

30 June 2025			
	Notional amount £'000	Asset carrying value £'000	Liability carrying value £'000
Interest rate – not in a hedging relationship	185,000	579	44
Interest rate – fair value hedges	2,585,400	16,620	16,465
Interest rate – cash flow hedges	335,700	101	1,982
	3,106,100	17,300	18,491
30 June 2024			
	Notional amount £'000	Asset carrying value £'000	Liability carrying value £'000
Interest rate – not in a hedging relationship	-	-	-
Interest rate – fair value hedges	1,588,454	46,707	542
Interest rate – cash flow hedges	225,580	708	531
	1,814,034	47,415	1,073
31 December 2024			
	Notional amount £'000	Asset carrying value £'000	Liability carrying value £'000
Interest rate – not in a hedging relationship	60,000	16	-
Interest rate – fair value hedges	1,814,151	33,487	566
Interest rate – cash flow hedges	206,590	1,991	70
	2,080,741	35,494	636

£2,921m (H1 2024: £1,814m) of derivative instruments were designated in fair value hedge accounting relationships, where the hedged item notional amount was £2,921m (H1 2024: £1,814m), thus maintaining a hedge ratio of 1:1.

11. Other receivables

	30 June		31 December
	2025	2024	2024
	£'000	£'000	£'000
	(Unaudited)	(Unaudited)	(Audited)
Swap collateral	37,730	10,250	10,250
Deferred deal costs	3,253	6,479	5,787
Prepayments	1,551	1,474	1,549
Other receivables	9,649	2,984	1,450
	<u>52,183</u>	<u>21,187</u>	<u>19,036</u>

Other receivables at the half year included £6,944k (31 Dec 24: £273k) of accrued interest on debt securities.

12. Retail deposits

	30 June		31 December
	2025	2024	2024
	£'000	£'000	£'000
	(Unaudited)	(Unaudited)	(Audited)
Non-ISA	870,122	-	155,781
ISA	422,043	-	17,408
Fair value adjustment for hedged risk	991	-	(76)
	<u>1,293,156</u>	<u>-</u>	<u>173,113</u>

13. Debt securities in issue

Owner-occupied and Buy-to-Let mortgages are used as security for loan notes issued through the following vehicles:

	30 June		31 December
	2025	2024	2024
	£'000	£'000	£'000
	(Unaudited)	(Unaudited)	(Audited)
Warehouse funding:			
Belmont Green Funding 1 Limited	-	89,963	47,000
Belmont Green Funding 3 Limited	-	69,626	85,925
Belmont Green Funding 4 Limited	-	89,656	116,982
	-	249,245	249,907
Securitisation funding:			
Tower Bridge Funding 2021-2 PLC	108,942	137,401	129,950
Tower Bridge Funding 2022-1 PLC	160,734	189,273	177,598
Tower Bridge Funding 2023-1 PLC	95,309	238,996	123,271
Tower Bridge Funding 2023-2 PLC	-	369,737	316,539
Tower Bridge Funding 2024-1 PLC	247,622	281,580	269,161
Tower Bridge Funding 2024-2 PLC	265,789	285,000	280,501
Tower Bridge Funding 2024-3 PLC	282,743	-	284,899
	1,161,139	1,501,987	1,581,919
Total debt securities in issue	1,161,139	1,751,232	1,831,826

Asset-backed loan notes are expected to be repurchased by the Group from the outstanding Tower Bridge securitisations at the first call date. During the six-month period to 30 June 2025, the loan notes in Tower Bridge Funding 2023-2 PLC were repurchased by the Group and the Belmont Green Funding 1 Limited warehouse was closed.

After the half year reporting period and before the approval of this interim financial report, Vida Bank Limited exercised the Tower Bridge Funding 2023-1 securitisation call option on 21 July 2025 and the Tower Bridge Funding 2021-2 securitisation call option on 20 August 2025. These are non-adjusting events and are noted for information purposes only.

14. Other liabilities

	30 June		31 December
	2025	2024	2024
	£'000	£'000	£'000
	(Unaudited)	(Unaudited)	(Audited)
Loans	-	20,500	-
Accruals & payables	11,664	50,577	16,208
Lease liability	1,467	30	1,699
Other liabilities	15,990	1,800	1,388
Forward flow completion monies received in advance	-	-	33
	29,121	72,907	19,328

Other liabilities at half year included £15,291k (31 Dec 24: £nil) of amounts due for debt securities purchased pending settlement.

15. Net cash flows from operating activities

	Six months ended 30 June		Year ended 31 December
	2025	2024	2024
	£'000	£'000	£'000
	(Unaudited)	(Unaudited)	(Audited)
Profit for the period	8,051	1,437	3,262
Adjustments for non-cash items:			
Taxation credit for the period	2,684	421	250
Depreciation of property, plant and equipment	26	87	152
Amortisation of intangible assets	462	435	865
Amortisation of right of use asset	170	186	346
Movement in fair value hedge	(4,198)	(3,031)	(6,266)
	7,195	(465)	(1,391)
Changes in working capital:			
Decrease/(Increase) in loans to customers	38,894	(69,285)	(153,735)
Increase in retail deposits	1,118,977	-	173,189
(Decrease)/increase in amounts owed to credit institutions	(21,007)	27,061	29,817
Increase in receivables	(33,146)	(1,993)	(1,433)
Increase in accruals and payables	898	1,878	363
Increase in other liabilities	14,505	836	2,110
Net decrease/(increase) in derivatives and hedged items	3,099	(3,988)	(7,957)
(Decrease)/increase in tax liability	(1)	(4)	178
Cash flows from operations	1,122,219	(45,495)	42,532
Net cash flows from operating activities	1,129,414	(45,960)	41,141