



Recovery and Renewal



**Annual Report and Accounts
for the period ended 5 February 2026**



Welcome to the S&U Annual Report 2026

Founded in 1938, S&U’s mission is to provide Britain’s foremost motor, property bridging and specialist finance service. Since 1999 our Advantage motor subsidiary has provided finance for nearly **300,000** customers. In just nine years Aspen, our property finance business has transacted nearly **£800m** in secured loans.

S&U Mission Statement

In the complex and ever changing world of financial services, over the past near ninety years, S&U’s customers have relied on the company for one quality above all - TRUST. Trust is the golden seam which runs through everything we do

In practice it means:

T EAMWORK

In any business the guardians of integrity are its people, and their common pursuit of the highest standards.

R ESPECT

Loving your neighbour is not simply at the core of Christian values, but transcends our behaviour towards everyone whatever their race, gender, religion or personality.

U NDERSTANDING

Valuing every customer must be grounded in a clear understanding of their needs, wishes and circumstances; this guides the service we offer them.

S ERVICE

This is both the product and the proof of our understanding and respect for our customers, each other and our neighbours.

T RUTH

Honesty, integrity and transparency are the best guarantees of the way we treat all with whom we do business. If people trust S&U they will have confidence in the services we provide. The good business which results is our justified reward.

Our Values



Making the customer the heart of our business.



Respect for every customer and always treating customers fairly.



Conservative approach to underwriting and collections to enable sustainable growth.

Our Businesses



Motor Finance

Hire purchase motor finance for nearly 300,000 customers since 1999.



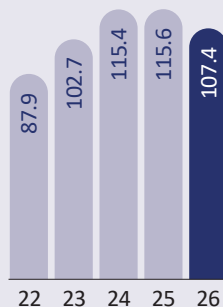
Property Bridging Finance

Launched in early 2017 and growing steadily to build on their significant success.

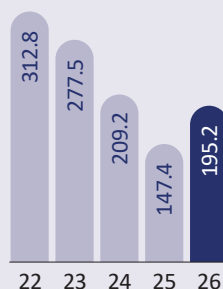


Highlights

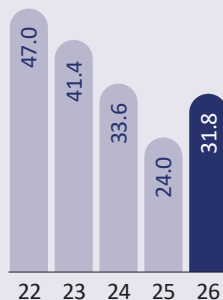
Revenue (£m)



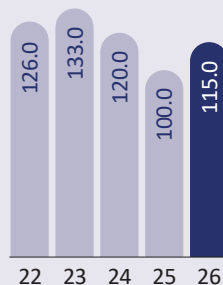
Basic EPS (p)



Profit before tax (£m)



Dividend Declared (p)



→ Read more in our **Business Review**
on pages 8 to 9

Contents

STRATEGIC REPORT

A1	Chairman's Statement	04
A2	Strategic Report	07
	A2.1 Strategic Review	07
	A2.2 Business Review	08
	A2.3 Funding Review	09
	A2.4 Principal Risks and Uncertainties	09
A3	Statements of Viability and Going Concern	11
A4	Corporate Social Responsibility	16
	A4.1 Employees	16
	A4.2 Community	16
	A4.3 Health and Safety and Diversity Policy	17
	A4.4 Climate Change	17
A5	Section 172 Statement	20
A6	Approval of Strategic Report	20

CORPORATE GOVERNANCE

B1	Board of Directors	22
B2	Directors' Remuneration Report	24
	B2.1 Report of the Board to the Shareholders on Remuneration Policy	24
	B2.2 Annual Remuneration Report	27
B3	Governance	36
	B3.1 Audit Committee Report	36
	B3.2 Corporate Governance	38
	B3.3 Compliance Statement	42
B4	Directors' Report	43
B5	Directors' Responsibilities Statement	45
C1	Independent Auditor's Report	46

THE ACCOUNTS

D1	The Accounts	52
	D1.1 Group Income Statement and Statement of Comprehensive Income	52
	D1.2 Balance Sheet	53
	D1.3 Statement of Changes in Equity	54
	D1.4 Cash Flow Statement	55
D2	Notes to the Accounts	56

OTHER INFORMATION

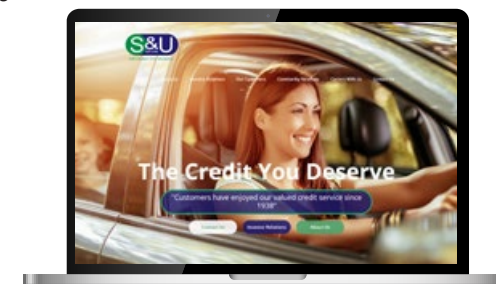
Financial Calendar	74
Officers and Professional Advisers	75

Scan the QR Code below to see more information on our website



Or go to:

www.suplc.co.uk





Group at a glance

Founded in 1938, S&U’s mission is to provide Britain’s foremost motor, property bridging and specialist finance service. Our loyal staff of over 250 serve more than 55,000 customers, numbers we plan to sustainably grow.



Motor Finance



Advantage finance remains the cornerstone of the S&U Group. Over more than two decades it has provided responsible finance for cars, vans, motorcycles and caravans for nearly 300,000 customers. Based in Grimsby, it employs more than 200 people. Close relationships with regulators and industry advocates like the Finance and Leasing Association allow it to play a leading role in promoting robust but pragmatic and customer friendly legislation.

To do this, it invests carefully in systems, processes and technology, including AI, enabling it to continuously improve and streamline its service to customers. In doubling down on this, it is creating a strong and sustainable platform for future growth.

Karl Werner
Chief Executive



Property Bridging Finance



Approaching its 10th year, Aspen has produced successive years of record results and is now an important contributor to the Group. It’s fair, consistent, reliable, and responsive service to brokers and borrowers alike has allowed it to grow without compromising underwriting standards. It reinforces this by investment in new award-winning products which attract a wide range of experienced developers, by new process technology and by intensive staff training which will maintain its competitive edge whatever the conditions in the residential property market it serves.

Ed Ahrens
Chief Executive



Strategic Report



IN THIS SECTION

A1	Chairman's Statement	04
A2	Strategic Report	07
	A2.1 Strategic Review	07
	A2.2 Business Review	08
	A2.3 Funding Review	09
	A2.4 Principal Risks and Uncertainties	09
A3	Statements of Viability and Going Concern	11
A4	Corporate Social Responsibility	16
	A4.1 Employees	16
	A4.2 Community	16
	A4.3 Health and Safety and Diversity Policy	17
	A4.4 Climate Change	17
A5	Section 172 Statement	20
A6	Approval of Strategic Report	20



A1 Chairman's Statement

I am pleased to confirm that the rebound in fortunes and profitability for S&U plc predicted last year is now coming to pass. Group profit for 2025/26 was £31.8m (2025: £24.0m) an increase of 32%.



Delivering strong results

Both Advantage, our motor finance division, and Aspen, our property lending business, have delivered strong results. Advantage has seen a significant recovery following the regulatory, legal and fiscal onslaught of the previous two years. Advances there are well ahead of last year, collection rates and loan book quality have significantly improved and margins strengthened; all this demonstrates a return to disciplined growth. Irrespective of recent events in the Middle East and their impact on energy costs and potentially interest rates, this trend fortunately continues. Indeed, at Advantage early signs are that, maintaining our strict affordability criteria to ensure that our customers only borrow what they can afford is actually reaping rewards as demand for the lower cost vehicles we finance grows.

Aspen has achieved yet another record year with gross receivables and income at historic highs. Like Advantage, this has been accompanied by good credit quality and sustained yield discipline. For Aspen, the implications of the Iranian conflict and its effect on the UK residential property market are more uncertain. In the credit column, demand from overseas investors for "safe" British assets is likely to continue. On the debit side, potentially higher interest rates may, whatever the significant underlying demand for housing, deter or delay development. Much depends on how long the war lasts.

In the meantime, S&U continues to plough its own furrow. The return to growth has seen Group receivables rise to £496.8m (2025: £435.8m) whilst net assets are up to just under £250m. Group gearing finished at 97.1% against 80.8% a year ago as a further £50m was invested and additional bank facilities secured to match this. This revival in the Group's profitability has taken place against a more positive environment in the markets which we serve but since the end of S&U's financial year, the war in the Middle East has had a significant impact on the cost of living, the trajectory of interest rates, and consumer confidence. Thus, whilst in December the Finance & Leasing Association (FLA) statistics showed the UK used car market up annually by 5% in volume, by February used car volumes had fallen slightly, although the market is still "resilient". Fortunately, demand is focussed on the more affordable vehicles which are Advantage's bread and butter. The proportion of used car purchases subject to finance continues to grow, an appetite reflected in the record 3.1million finance applications to Advantage last year, an increase of 18% on the previous year. The result was an increase in new agreements at Advantage of no less than 44% to 18,279 in 2025/26.

The impact on the residential property market served by Aspen has been more immediate. After what the RICS called a "tentative recovery"

at the start of 2026, demand from buyers spooked by the Middle East war fell by an annualised 13% in March, according to Zoopla. Government statistics showed residential transactions down 6% year on year in February although this was actually the highest monthly total since March 2025.

Both markets and policymakers are operating with limited visibility on the potential outcomes of the conflict in the Middle East, inevitably fueling uncertainty in the near future.

We are seeing greater stability and clarity in the regulatory environment, which has reduced the level of management time required at Advantage compared with the past two years. Most recently, the proposals by the Financial Conduct Authority (FCA) regarding the structure and scope of its redress schemes on motor finance commissions appear where applicable to Advantage, both affordable and manageable.

Furthermore, Advantage successfully concluded its engagement with the FCA which began in 2023 in April 2025. Customer relations and repayment rates have returned to their customary levels and latest Trustpilot ratings remain at a record 4.9 out of 5.0. Equally important are signs of a more consistent and predictable approach by both the FCA and its statutory offspring, the Financial Ombudsman Service. Whilst properly concerned with

their obligations to consumers, especially those deemed to be vulnerable, regulators increasingly appear to recognise their obligation to maintain an efficiently functioning finance market which attracts and provides finance for up to 17million citizens throughout the UK.

Although by no means guaranteed, this change in emphasis by the regulators should be confirmed by their forthcoming response to the House of Lords Report 133 of the 17th of June 2025 entitled "Growing Pains – clarity & cultural change required".

The report's 77 recommendations included the removal of ten key barriers to growth and international competitiveness. Many of these paralleled earlier proposals from the Government as part of the Leeds reforms, which argued that financial services regulations had gone too far in attempting to eliminate risk. The FCA will be reporting to the Select Committee on progress in these areas. This may herald a change in attitudes towards risk control and thereby reduce the risk premium which has deterred investment into UK financial services over the past decade. Certainly, a meeting I attended in January with senior FCA officials regarding such investment flows elicited a distinct unity of purpose and sense of cooperation, which was encouraging.



£31.8m
Profit before tax ("PBT")
(2025: £24.0m)



£107.4m
Revenue
(2025: £115.6m)



97.1%
Gearing
(2025: 80.8%)



£249.0m
Net Assets
(2025: £238.1m)

Advantage Finance

A rise of more than 41% in pre-tax profits to £23.4m (2025: £16.5m) was both well above budget and just one highlight of a very good year at Advantage, as it throws off the shackles of the regulatory intervention of recent times. Net receivables were up 12% at £317.1m (2025: £283.6m), the result of new loan deals at 18,279, an increase of 44% on the previous year. Furthermore, average loan size and margins increased throughout the year as Advantage welcomed back a slightly higher proportion of its traditional credit customers as well as adding a significant number in the stable self-employed sector.

Added to this, Advantage produced significant improvements in collection rates and credit quality, thus customer adherence to contracted repayments averaged 90.5% in the year (2025: 85.6%), ending in January 2026 at 93.1%. Customer arrears fell by just over 20% in the year. This contributed to a reduction in impairment which fell to £12.8m against £33.2m in 2025.

As important for our relations with our loyal customers, Advantage's success in dealing with people experiencing financial difficulties was evidenced in the now record 82% of successful outcomes on revised repayment arrangements throughout the year. In the last resort of repossession, car resale values recently reached 83% of trade.

A further highlight of Advantage's year saw the sign off from the FCA's s166 investigation which began in 2023. As expected, given Advantage's successful 26-year trading record and its excellent debt quality, the changes resulting from this protracted and detailed process were more evidential than substantive. The downside

of the process was the requirement to write to around 25,000 former customers; the vast majority of whom had been happy with our service and sought no redress whatsoever for it. Advantage carried out this process entirely inhouse, a tribute to the excellent pride in their work of all in the business.

Progress at Advantage has been much deeper and more long-lasting than ever before. Foundations for future growth have included a refinement of the credit scorecard and the introduction of new credit risk technology. Introduced in Q3, these helped to produce a record 6,800 new loan deals, providing proof of the Advantage's potential for significant growth.

To reinforce Advantage's growing debt quality, underwriting teams are constantly reviewing affordability calculations and repayment patterns to ensure that our credit criteria match our customers' repayment capabilities.

The year also saw the significant benefits anticipated from the use of Artificial Intelligence coming to fruition. Early projects involved collections efficiency, call recording and greater customer advisor productivity. AI should also offer new routes to markets through dealers and better integration with aggregators. AI is already allowing Advantage to more clearly focus on those customers who may require our guidance and help through their repayment journey.

Finally, the year ended with a flourish through a very successful debt sale involving £53m of aged and written-off book debt. Such sales enhance profit and also clear the decks for even higher levels of customer service in future.

Aspen Bridging

Aspen Bridging finance, our property lender, has delivered another set of record results. Profit before tax is £8.8m (2025: £7.2m), a 22% increase in a market for residential letting and development which has remained sluggish throughout the year. House price growth by year end has slowed to an annual 0.6%, leading Nationwide to describe the market as merely "resilient". Stamp duty changes led to a spike in transactions in March, although over the year as whole they saw a slight decline.

The lettings market which the government apparently see as a path to affordable homes was deflated by tax changes to rental income in April, and then by the Rental Rights Act which makes rent increases and reposessions more difficult.

Aspen's balance sheet nevertheless grew by nearly 33% in the year with net assets at just over £17m; receivables growth reached 18% to a record £179.7m. Borrowing required an additional £25m of funding to £162.2m at year end. ROCE remained at 11.2% for the year with yield on the loan book increasing slightly to 13.6%.

The year saw an excellent 40% increase in new loan deals from both the shorter-term bridging book and in a trebling of new loan deals in the newer and longer-term buy and bridge-to-let, 2 and 3-year products. By value advances rose by 18% as borrowers became more cautious as to loan size for Aspen's bridging products.

Aspen plans for substantial growth and is putting in place flexible funding arrangements to reflect this. This is despite the war in the Middle East creating uncertainty around interest rates and mortgage availability making market predictions difficult. The emphasis in the year ahead will also be on Aspen's productivity, efficiency and as usual, flexible reaction to a changing market.

In the meantime, the quality of Aspen's book remains very good. At year end, less than 10% of its 245 live loans were beyond term, well under budget. Total collection receipts were 20% up on last year and nearly 70% of loan deals settled within term – a record.

Aspen's staff continued to grow in number and ability. At present, nearly half of our employees have qualified as Certified Practitioners in Specialist Property Finance (CPSP) or achieved the Royal Institute of Chartered Surveyors Valuation (RICS) qualification. One member is taking a Masters in Real Estate, a higher level of qualification which we encourage.

During the year we welcomed to the Aspen Board Richard Coombs, Wayne Hicklin and Ian Miller-Hawes. This deserved recognition will allow the next generation of the company's leadership to make its presence felt even in a more challenging economic climate.



A1 Chairman's Statement

CONTINUED

Governance and Regulation

Recent decades have sadly seen an erosion of belief in the free enterprise system, a system which has led to unparalleled levels of prosperity and well-being into the 21st century. This has led to continual state intervention raising the share of gross national product the government controls, the level of regulations it uses and the taxation it demands to pay for this. "Governance" is shorthand for this process of intervention designed to reduce risk but instead simply reducing commercial returns. Thus 40 years ago, Britain regularly enjoyed between 2% and 3% annual growth and the rise in living standards this allowed. But over the past 20 years both in relative and absolute terms, UK growth rates have varied between feeble and non-existent thus over the same period, average living standards have actually declined. As a result, capital flows to the UK particularly to the previously dominant financial services sector, have gone into reverse.

Sadly, continual regulation often overseen by those who even the current Prime Minister has dubbed the army of "blockers and checkers" must accept their share of the blame. Reversing this and restoring the incentives for growth and the prosperity it brings is not best achieved through state initiatives, detailed directives or well-meaning ESG requirements. More effective by far is a climate of robust competition where consumers dominate through their transparent and flexible choice, conditioned only where necessary by state intervention. As the House of Lords Select Committee observed last year, the deeply embedded culture of risk aversion and high cost of compliance in the UK financial services industry has suffocated its growth.

Evidence is within S&U's own financial report. 40 years ago, it comprised 20 pages. This year's report will be 75 pages. The financial results of concern to the vast majority of our shareholders used to appear on page 8, they are now relegated to page 52, behind reams of well-meaning text purporting to prove community and consumer benefit. The latter plays little part in investment decisions or in attracting capital and hence little benefits the market of 17 million Britons we serve.

As the FCA's s166 process confirmed, S&U and Advantage in particular, have nearly 90 years' experience of offering service and care to their customers. Why? First, because for an organisation with a family and Christian ethos, it is right to do so. Second, because contented customers are the life blood of our sustainable commercial success. That ethos is exemplified by our own board. This year we are delighted to welcome two new members. Chris Freckelton has proved a success as Chief Financial Officer and becomes Group Finance Director. Finally, we welcome Karl Werner Chief Executive at Advantage Finance, who has steered the company through a tempestuous time emerging stronger, more focussed and energised than before. Both appointments are richly deserved.

Dividend

Although the company's share value has increased substantially over the past financial year, S&U can more directly and certainly reward shareholders through its dividend policy. In recent years, S&U has maintained a dividend cover ratio of between 1.3 and 2.3. This year, both the annual results and prospective trading suggest a final dividend of 45p per ordinary share (2025: 40p).

Total dividends for the year will therefore be £1.15 per share (2025: £1.00 per share). As usual, subject to shareholders approval at our AGM on 24th June, the final dividend will be paid on 24th July to shareholders on the register on 3rd July.

Treasury & Funding

The year ended with Group borrowing at £241.8m, an increase of just under £50m on 2025. Gearing rose to 97.1% from 80.8% last year. Comfortable headroom was maintained by securing an additional £50m of funding earlier this year. The year was characterised by greater cash demands from Advantage, as its book grew especially in H2. Aspen saw slower sales in H2 following excellent collections in H1 thus requiring an additional £25m of funding.

We see potential for additional investment this year of around £100m. The Group is therefore engaged in a refinancing exercise using securitised facilities which is anticipated to be finalised in Q2. This process has been well received by potential funders and should deliver more funding at better rates for the Group.

Current trading and Outlook

Just over 50 years ago, the then Leader of the Opposition, Margaret Thatcher, assured the nation that "the way to recovery is through profits." In recent times, British Governments of all colours, obsessed as they are with income distribution over wealth creation, have forgotten this, at S&U, we have not.

In a competitive environment, profit is the most reliable bellwether of our success in matching our products to our customers' needs and of our efficiency in doing so. The current recovery shows we are on the right track, but challenges and necessary improvements remain – alongside real opportunities for growth. The foundations for this are continually being made. With welcome stability from our political leaders and regulators, rewards will surely follow.

Anthony Coombs
Chairman

20 April 2026



A2 Strategic Report

Overview

The directors are required to publish a Section 172(i) statement showing how they have fulfilled their duties under the Companies Act 2006.

How S&U's directors do this is set out below in our Strategic and Business Review (A2), our Corporate Social Responsibility Review (A4), our Chairman's Statement (A1) and our Governance Section (B3). The Board has reviewed these documents, how they describe the company's decision-making processes and the issues which most inform S&U's business strategy. As a result, the Directors are confident firstly, that the report fully covers areas of relevant disclosure such as on Strategy, Employees, Stakeholders, Suppliers, Customers, Community and Ethics and secondly, that the extent of these disclosures is consistent with the size and complexity of the business.

A2.1 Strategic Review

S&U's purpose and vision is to maximise profit and returns to its shareholders in a sustainable and responsible way. This provides security for our employees, fairness for our customers, credibility for our financial and other partners and, ultimately, the ability to enhance the communities and environment in which we live, thus meeting our ESG responsibilities. S&U have set up an ESG committee under my chairmanship to progress these important matters.

S&U operates in two areas of specialist finance. The first and most established is Advantage Finance, based in Grimsby and engaged for the past two decades in the non-prime sector of the motor finance business. During those 26 years the remarkable success of Advantage has been reflected in an excellent profit record. This long experience has enabled Advantage to develop hire purchase products suitable for customers in lower and middle-income groups. Although decent and hardworking, some of these customers may have impaired credit records, which left them unable to access inflexible "mainstream" finance products. Advantage provides simple, clear products which these customers require.

As a result, Advantage currently now receives over 3m unique applications a year and has written nearly 300,000 customer loans since starting trading in 1999. The loans currently have an average original term of 4.7 years.

The success of Advantage, our motor financier, depends as ever upon three fundamental strengths. First is the enduring strength of the UK motor market. The latest Finance & Leasing Association (FLA) statistics show the UK used car market growing by 8% by value and 5% by volume in December 2025 and 57% of FLA members anticipate some increase in new business over the next year. Despite the gradual growth of the market for electric vehicles, the vast majority of Advantage customers still elect to purchase a good quality used petrol, diesel or hybrid vehicle.

Advantage's second strength is its experienced, sensitive and sophisticated under-writing. Backed by ever more historical information; Advantage uses this to analyse the likely circumstances of actual and potential customers. This year Advantage has updated its customer affordability process and its credit scoring system following s166 process which concluded in April 2025.

Advantage's third great strength is its customer relations. Advantage has always regarded its relationship with its customers as a partnership. A weaker UK labour market means that well intentioned customers occasionally require knowledgeable assistance, and forbearance, although, in the customer's interest that should be tempered by realism and clear guidance. Our team at Advantage are well trained and empathetic to the needs of their customers which is yielding greater success in affordable forbearance arrangements, which restore and improve customers' repayments and credit scores. They underpin our responsibility under Consumer Duty and are integral to Advantage's commercial success.

Whilst lending is on a fully secured basis, debt quality at Aspen, our property bridging lender also relies on the experience and reliability of the borrower. In addition to short-term bridging, Aspen has developed longer-term products and small-scale development finance which offer exciting opportunities for the SME builders whom Aspen serves.

Aspen values its security properties conservatively and keeps gross Loan to Values to an average 70% and the business now only considers experienced borrowers from the top three quality bands. Such caution is justified. Demand from such borrowers remains high and hence offers good growth in 2026, Aspen plans similar expansion this year.

"Mainstream" banks, including the newer "challengers", continue to lack the speed, flexibility and appetite to furnish the smaller, short-term loans in which Aspen specialises. Experience continues to show that technology, speed and a quality bespoke service – as well as price – are what give smaller entrants like Aspen their competitive edge.

Finally, the success of our businesses over nearly 90 years and three family generations of management is based on business philosophy. The identity of interest between management and shareholders, and consequent family ethos, has fused our ambition for growth with a conservative approach to both credit quality and funding.



A2 Strategic Report

CONTINUED

A2.2 Business Review

Operating Results

	Period ended 5 February 2026 £m	Year ended 31 January 2025 £m
Revenue	107.4	115.6
Cost of Sales – Impairment	(13.0)	(35.6)
Cost of Sales – Other	(23.6)	(16.4)
Gross profit	70.8	63.6
Administrative Expenses	(24.7)	(18.8)
Operating Profit	46.1	44.8
Finance Costs	(14.3)	(18.1)
Profit before Taxation before exceptional item	31.8	26.7
Exceptional item	–	(2.7)
Profit before Taxation ("PBT")	31.8	24.0
Taxation (note 12 in the accounts)	(8.1)	(6.1)
Profit after Taxation	23.7	17.9

Please note the businesses use financial and other key performance indicators such as new loan deals and other alternative performance measures set out in A2.1 and A2.2 within this Strategic Report – definitions for the alternative performance measures are given in note 1.14 to the financial statements.

Advantage Motor Finance

- PBT £23.4m (2025: £16.5m)
- New loan deals 18,279 (2025: 12,703) at £9,935 average advance (2025: £8,609)
- Revenue decreased by 10% to £83.0m (2025: £91.8m) following the contraction in the average loan book during the s166 review
- Impairment at £12.8m (2025: £33.2m) reflecting a decrease in customer arrears this year
- Administrative expenses increased by 32% reflecting increased staff and complaints costs and recognition of our FCA commission provision
- Net receivables increased by 12% to £317.1m (2025: £283.6m) reflecting higher lending volumes and average advances this year
- Return on Capital Employed ("ROCE") at 11.1% (2025: 9.0%)

Advantage had a year of revival following the conclusion of the s166 engagement in April 2025 with a return to higher lending volumes and higher levels of customer repayment, which in turn led to lower impairment provisions and higher net receivables. Within the higher volumes written there was a slightly higher proportion of higher quality lower margin new loan deals in H1, a trend which was subsequently reversed in H2 following the implementation of new scorecard and affordability models. Lower funding costs but higher overhead and cost of sales also affected profitability this year although overhead and cost of sales efficiency should improve as volumes increase further. During the prior year and after discussions with the regulator and skilled person, Advantage identified some customers who were adversely affected by its historic forbearance practices and had provided for total remediation and support costs of £2.7m as an exceptional item in last year's accounts. During the year Advantage has paid redress of £1.8m to affected customers and by the period end had completed its pre-agreed customer communication strategy. In the current year Advantage have also recognised a provision of £1.8m relating to the industry-wide FCA consultation on motor finance commissions. It has also concluded the sale of long-term written off accounts which has yielded £3.4m of debt sale proceeds, representing a gain on disposal of £2.5m which is included within the impairment charge.





Aspen Property Bridging Finance

- Record PBT at £8.8m (2025: £7.2m)
- 267 new loan deals (2025: 191) at £795k average gross advance (2025: £940k) and stable LTVs
- Record revenue up 3% to £24.4m (2025: £23.8m)
- Impairment at £0.2m (2025: £2.4m) following excellent collections and recoveries during the year.
- Administrative expenses increased by 36% reflecting increased investment in staff and funding costs
- Net receivables up to £179.7m (2025: £152.2m). Book quality good with a record 198 loans repaid or recovered this year (2025: 178)
- ROCE at 11.2% (2025: 11.5%)

Aspen achieved an excellent financial performance in a UK housing market best described in price and activity as sluggish. A fall in average loan advances was offset by improved volumes, slightly improved interest margins and good repayment quality. Cost of sales and overheads grew in line with advances this year and with expected growth in the future. The business enters the new financial year with 18% higher net receivables than a year ago and Aspen continue to successfully develop their introducer network, products and staff qualifications and experience.

A2.3 Funding and Balance Sheet Review

S&U has a strong balance sheet and with a revival in the Advantage motor finance receivables book this year, S&U net assets grew to £249.0m at 5 February 2026 (2025: £238.1m). Gearing increased from 80.8% to 97.1%. Existing rates of growth are predicted to require additional investment of near £100m next year. As a result, additional funding extending the Groups existing RCF facilities from £230m to £280m was secured in early January, taking total facilities to £330m, of which the Group is currently utilising £241.8m. At the same time the Group is in the process of arranging longer-term facilities, which will substantially increase our ability to finance the growth we envisage for the next five years.

A2.4 Principal Risks and Uncertainties

There have been no material changes in the principal risks and uncertainties in the last year, with the exception of the welcomed clarity provided by the UK Supreme Court case hearing and associated FCA Consultation on motor finance commission disclosure referred to in A2.4.3 below and in note 21.

A2.4.1 Consumer and Economic risks

The Group is involved in the provision of consumer credit, and it is considered that the key material risk to which the Group is exposed is the credit risk inherent in amounts receivable from customers. This risk is principally controlled through our credit control policies supported by

ongoing reviews for impairment. The value of amounts receivable from customers may also be subject to the risk of a severe downturn in the UK economy which might affect the ability of customers to repay.

The UK economy is currently experiencing a mixed economic landscape. Current UK growth has stalled, and the future path of inflation and interest rates is now uncertain; unemployment is rising and this could hinder our customers' repayment performance. However, property and used car prices are stable, which is conducive to good repayment quality in both of our businesses. Wars in the Middle East and in Ukraine threaten economic prospect both in the UK and globally. Nevertheless, our businesses operate solely in the UK, and Advantage and Aspen have historically been resilient through adverse macro-economic conditions. We therefore currently believe these risks are limited.

The Group is particularly exposed to the non-prime motor sector and to the value of the used vehicles which are our security. This risk is controlled through our credit control policies including loan to value limits and thorough ongoing monitoring. Loan to values are also controlled within our property bridging business although historically impairment rates in that market are low, mainly because loan to value calculations are conservative, interest is mainly retained upfront and loan periods average just over one year.

A2.4.2 Funding and Liquidity Risk

Funding and Liquidity risk relates to the availability of sufficient borrowing facilities for the Group to meet its liabilities as they fall due. This risk is managed by ensuring that the Group has a variety of funding sources and by managing the maturity of borrowing facilities so that sufficient funding is available for the medium term. Compliance with banking covenants is monitored closely so that facilities remain available at

all times. The current relatively low level of group gearing at 97.1% and the shorter-term nature of our property bridging business mean maturities of trading assets and liabilities can still be appropriately managed going forward. The Group's activities expose it to the financial risks of changes in interest rates and where appropriate the Group uses interest rate derivative contracts to hedge these exposures in bank borrowings. The Group has no such interest rate derivative contracts currently.

A2.4.3 Legal, Regulatory and Conduct Risk

The Group is subject to legislation including consumer credit legislation which contains very detailed and highly technical requirements. To fulfil its responsibilities in this area, the Group has procedures in place and employs dedicated compliance resource and specialist legal advisers to ensure compliance with this legislation. Advantage directors are prominent members of the Finance and Leasing Association's committees and, through them, regularly liaise with the FCA. Advantage also engages in regular "face to face" liaisons with the FCA and the relationship is excellent.

Regulatory Risk at Advantage is addressed by a strong compliance function and by the constant review and monitoring of Advantage's internal controls and processes, overseen by RSM, S&U's internal auditors. This process is buttressed by specific advice from Trade and other organisations, by RSM and by Shoosmiths, Advantage's specialist lawyers.

Keith Charlton is Chief Risk Officer of Advantage and plays a key role in managing and mitigating legal, regulatory and conduct risk within Advantage. Keith and his colleague Alan Tuplin who is the Chief Credit Risk Officer both have over 20 years of experience in non-prime motor finance. They work closely with our trade body, The Finance and Leasing Association.



A2 Strategic Report

CONTINUED

This year the FCA's focus has shifted to broker commissions and their disclosure which we refer to in more detail in note 1.13. This year has also seen an increase in the number of complaints to Advantage reaching the Financial Ombudsman Service at 1,572 versus 1,144 last year, with most of the increase relating to the activities of claims firms and claims lawyers targeting Advantage with meritless commission and affordability themed complaints. These have caused both a strain on the business as well as an unnecessary additional cost for each case. The proportion of these complaints which are upheld continues to be very low and one of the best in the industry at a rate of only 17%. However, they still take valuable resources to deal with, and we expect the fees imposed for claims management companies in April 2025 will continue to dampen complaints volumes.

Given Advantage's compliance record and the detailed operations above it is to be hoped that, in turn, the FCA will ensure an absolute clarity and identity of interpretation between itself and other regulators, particularly the Financial Ombudsman Service. Fair and effective regulation does require co-ordination and consistency.

Aspen Bridging operates in the unregulated bridging sector aimed at professional borrowers. It nevertheless operates high lending and operational standards and procedures, which are also subject to review under our internal audit program. As required for companies in this sector, it has also registered with FCA for Anti Money Laundering purposes.

The Group is also exposed to conduct risk in that it could fail to deliver fair outcomes to its customers which in turn could impact the reputation and financial performance of the Group. The Group principally manages this risk through Group staff training and motivation (Advantage is an Investor in People) and through detailed monthly monitoring of customer outcomes for compliance and treating customers fairly.

The Group is very proud of its excellent underwriting and fraud deterrence processes which it continues to develop. Advantage's underwriting capability, already state of the art in the motor finance industry, has been further refined during the year to give an even more comprehensive overview of customer circumstances, affordability and their income and expenditure.

A2.4.4 Operational Risk

The Group is also exposed to operational risk including the risk of not maintaining effective internal systems, organisation and staffing. Increased use of technology and close supervision by our staff has improved this systemic risk and the Company has Cybersecurity measures in place which are regularly tested. Real-time monitoring of the Group's IT capability is strictly maintained. This will both provide absolute assurance in line with IT's second line risk enterprise and offer still greater regulatory transparency.

A2.4.5 Risk Management

The 2024 UK Corporate Governance Code came into effect from 1 February 2025 and contained revisions which whilst important did not have a major impact on the Group. Under Provision 28 and 29 of the 2018 UK Corporate Governance Code, the Board is expected to establish procedures to manage risk, identify the principal and emerging risks the Company takes in order to achieve its strategic objectives and to oversee an effective internal control framework. This provision of the Code has been updated to the 2024 version of the Code with effect from 1 February 2026, which with it comes a significant new addition to include a formal declaration from the Board regarding the effectiveness of material internal controls. The Group is well progressed having identified its material controls and mapped them to the principal risks. The effectiveness of these controls will be monitored during the year and reported on in the 5 February 2027 annual report.

Although compliance with the Code is the responsibility of the Board as a whole, risk in particular is independently assessed by members of the Audit Committee. They receive regular reports, both from the management of Advantage Finance and Aspen Bridging and from S&U's external and internal auditors. These concern the effectiveness of the risk management and internal control systems, which during the year were determined by the Audit Committee to be operating effectively.

As outlined above, the Audit Committee oversees the work of RSM, S&U's Internal Auditors. The Committee meets regularly to receive specific reports on RSM's work. All Senior Management Regime designations include those S&U Board executive directors who also serve on the Advantage board. Expert challenge and oversight is also provided by our independent non-executive directors including Graham Pedersen who is a former regulator himself.



A3 Statements of Viability and Going Concern

The Group's business activities together with the factors likely to affect its future development, performance and position are set out above. The financial position of the Group, its cash flows, liquidity position, borrowing facilities, legal and regulatory risk position are set out in the financial statements and Strategic Report.

Statement of Viability

In assessing the viability of the Group as required by the UK Corporate Governance Code, the directors considered funding, business planning, financial forecasting and risk evaluation cycles and concluded that a three-year period was appropriate for viability assessment. The three-year period is consistent with the Group planning horizons.

The directors therefore considered the three-year period commencing 6 February 2026 and assessed the prospects of the company considering:

- the Group's current position as set out in these financial statements;
- the principal risks facing the Group as set out in A2.4;
- information regarding the current prospects of the Group; and
- current information regarding the economy and the markets the Group serves

The directors then reviewed the same three-year period commencing 6 February 2026 as to their reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over a three year period. They took into account:

- the impacts of different macroeconomic scenarios and whether any severe shock could threaten the Group's future performance, solvency or liquidity;
- funding and financial forecasts for this period and the underlying assumptions by considering the potential impact of the principal risks facing the Group, as set out in A2.4;
- analysis of key sensitivities which could affect profitability during the viability period; Assumptions made are clearly stated and additional scenarios are modelled to demonstrate the potential impact of risks and uncertainties on profitability and funding; and
- information regarding mitigating actions which can be taken.

Having considered all relevant information, the directors confirm that they have robustly assessed the principal risks facing S&U plc. From this assessment, the directors have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the three-year period commencing 6 February 2026, in line with the Group's financial projections as approved in April 2026.

Statement of Going Concern

In assessing the appropriateness of the going concern assumption, the directors are mindful of the need to effectively manage the Group's risks and internal controls. Details of the Group's financial risk management objectives, its financial instruments, and its exposures to credit risk, market risk, liquidity risk and economic risk are set out in the notes to the financial statements and in the principal risks and uncertainties noted in A2.4 above. The Group's objectives, policies and processes for managing its capital are described in the notes to the financial statements.

In considering all of the above the directors believe that the Group is well placed and has sufficient financial resources to manage its business risks successfully despite the current uncertain economic outlook.

After making enquiries, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Annual Report and Accounts of at least 12 months from the date of approval of the financial statements, in line with the Group's financial projections as approved in April 2026.





Our Customers



Case Study

A 47-year-old HGV driver renting privately in the North East applied for vehicle finance to purchase an Audi A5 S Line (£9,239). A full credit, affordability, and HPI check confirmed the loan was suitable and affordable.

After later advising of a change from weekly to monthly pay, which affected the timing of his next instalment, the customer contacted Advantage. An advisor reviewed the situation and adjusted the payment date to align with his new salary schedule.

During the call, the customer also shared concerns about potential housing changes. He was reassured that support would be available if needed.

He subsequently left a positive Trustpilot review, praising the advisor's compassion, professionalism, and efficiency in resolving his concerns.

“ 5 Star Trustpilot Review

I spoke to Mo about a change in circumstances and once again he represented advantage as kind, understanding and extremely helpful as always, spoke with compassion and answered every question and solved my worries within minutes, could not recommend advantage enough... Thanks again Mo.



Case Study

A 54-year-old council tenant in Peterborough, applied for vehicle finance to purchase a Ford KA purchase at £3,490, had her credit and affordability assessed, with an HPI search confirming no issues on the vehicle.

After losing her job due to a contract not being renewed, she contacted Advantage and was unable to make the next payment. Advantage updated her agreement to reflect her employment gap, split the next payment, and adjusted future dates to align with her new pay schedule.

She left a TrustPilot review praising Amy-Lea for her patience, understanding, and support during a stressful time.

5 Star Trustpilot Review

Amy-Leah was very understanding and patient with me on the phone and especially with me also being very upset and stressed on our call together as I have never ever in my last 40 years almost, had to make calls to all my priority bills and direct debits to try and explain all that has happened to me in last 6 weeks that i was so sorry but i couldn't pay my next month direct debit but only for this 1 monthly only as started a better job now this week. She was patient and Amy-Leah really is a credit to your customers and your Company. Thank you so much Amy-Leah I really appreciate all your help.





Our Customers

CONTINUED



Case Study

£2.6m gross loan at 75% LTV – Semi Commercial Bridge-to-Let and 3-day completion

A developer needed urgent funding to refinance a newly completed semi-commercial scheme in Bristol after delays with another lender. Aspen provided a £2.6 million facility on its Bridge to Let product in just three days, leveraging our award-winning in-house valuation expertise to ensure timely refinancing of the new-build block of eight flats and two retail units.

Written at 75% LTV, the facility gives the experienced developers – already engaged with Aspen on the funding of another asset in their portfolio – the flexibility to retain and let remaining units after the initial sales period.

“ Borrower Review

Aspen Bridging were absolutely brilliant. The underwriter helped me all the way through my bridging loan and made the whole process smooth and stress-free. They were always available, explained everything clearly, and went above and beyond to make sure things were done on time. I couldn't have asked for better support. I would highly recommend Aspen to anyone needing a bridging loan.



Case Study

£700k gross loan at 75% LTV – Stepped Rate & Dual Rep Legals for Foreign National

Aspen delivered a £700,000 bridge within 10 days for a foreign national purchasing a new-build apartment near Tower Bridge, where failure to complete would have resulted in the forfeiture of the borrower's deposit.

The facility was structured at 75% LTV on Aspen's stepped rate (initial 0.55% pm) over a 10-month term, with exit planned via refinance onto a BTL. By combining our Dual-Rep legal service and award-winning product, Aspen ensured the deal was funded within the required timeframe.

🗨️ Broker Review

Working with Aspen, their team completed our deal in a very short time and in a highly professional manner. They were extremely responsive and provided same-day answers to all of our questions. Throughout the entire process, the underwriter supported us with great professionalism and was always available to help, ensuring everything ran smoothly. We would confidently recommend Aspen to anyone.





A4 Corporate Social Responsibility

A4.1 Employees

Time of change and contrasting fortune often bring out the best in people as always, our staff throughout the Group have risen to the challenges of the past year. This reflects the loyalty and “family ethos” at S&U of which we have always been proud.

At Advantage our programs make use of the Government’s apprenticeship schemes. During the last business year, we have recruited and supported 5 employees with a formal apprenticeship. The qualifications range from a Level 3 Business Administration apprenticeship to a Level 6 Operations Management apprenticeship.

Advantage also supported staff to complete a number of professional qualifications during the year some of which are continuing into the new year, including AAT Level 4, Chartered Institute of Credit Management and Cilex Legal Executive.

Our average length of service at Advantage is 8 years, with 25% of staff having over 10 years’ service. Where consistent with Advantage’s operational needs, we allow flexible working and last year had over 30 requests for this.

The FCA Regulatory regime is now centred on our duty to the Customer. All employees within the Group are required to demonstrate appropriate knowledge, skills and competence particularly in customer facing roles. During the year Advantage continued to work in line with their Training & Competence Framework, which sets out how employees are trained and measured within their roles, and monthly reviews take place to assess competency for all staff within these departments. Over 1000 individual training courses were completed by staff over the year, these include internally developed training and a wide range of externally provided through FLA, FCA, MBL Seminars, ACAS, .Net and SAF for example. Many more hours of Continued Professional Development were recorded by our employees which demonstrates their commitment to keeping their skills and knowledge up to date and relevant.

Monthly competence reviews highlight areas of training needs and development for all employees. Advantage Finance is also an accredited Silver Investor in People and Accredited Investor in Wellbeing.

At Aspen we continue to invest heavily in training, development and professional growth, ensuring all employees receive appropriate initial and regular re-training.

This commitment is reflected in our continued support for professional qualifications at all levels. New junior staff are undertaking the Level 3 Certified Practitioner in Specialist Property Finance (CPSP), while members of the valuations team have successfully completed both the RICS Commercial and Residential Valuation Methodologies. A number of colleagues have also achieved AssocRICS status, further strengthening the depth and credibility of our valuation capability. In addition, Aspen staff completed AML training delivered by specialist compliance consultancy providers, ensuring robust regulatory knowledge across the business.

Employee engagement and community involvement remain important to Aspen. We continue to support our local communities through charitable and sporting initiatives, including a charitable golf day in aid of NICE, which encompasses the centre for movement disorders. We also support through the Keith and Celia Coombs Trust local charities for the disabled.

We also remain focused on nurturing future talent, continuing our strategy of offering opportunities to bright young people from local universities. Over the past 12 months, we have welcomed two graduates from Birmingham City University.

The Group’s policy is to give full and fair consideration to applications for employment by disabled persons, having regard to the nature of their employment. It goes without saying that a Group based on a family ethos has no truck with discrimination of any kind – except of course on the basis of performance. Further equality and diversity information is contained in the corporate governance report on page 40. People prosper and are promoted within S&U purely on merit. As required by legislation, we confirm that as an organisation, we respect and recognise human rights in all aspects of our business.

Formal reviews of performance take place bi-annually and all operations are reviewed on a monthly basis. We encourage staff to make suggestions for constructive change within the Group.

A4.2 Community

Our success at S&U depends upon our understanding the customers we serve. Where this may not be the case, we have well established policies for any who may wish to complain, routed to our Dispute Resolution Department in Grimsby or to our head office in Solihull. We are proud to enjoy high levels of customer satisfaction. Currently our Trustpilot ratings are 4.9 out of 5. In addition, this year Advantage were awarded the Good Business Pays – Fast Payers Award 2025, having consistently paid their suppliers (on average) in 27 days or less and paid 95% or more of their invoices on time. In the period to 5 February 2026, 448 out of 542 (83%) complaints were decided by the Financial Ombudsman Service in Advantage’s favour (year to 31 January 2025: 391 out of 464 or 84%) one of the best levels in the industry.

S&U supports its wider community through charitable giving and activities relating to fundraising. Whilst staff are regularly involved in their own charitable activities, S&U plc channels its philanthropic activities through The Keith Coombs Trust which this year celebrates its 14th anniversary. The Trust which Anthony Coombs chairs, but which has a Board of independent trustees, mainly gives to charities helping children with disabilities. Amongst other causes, last year the Company supported The National Institute for Conductive Education, which deals with adults and children with cerebral palsy, strokes and head injuries.

It is also working with Handicapped Children’s Action Group to provide equipment for disabled children. The Trust also supports the Marie Curie Hospice, which is close to its Solihull HQ, by sponsoring the Hospice’s costs for the 10th January every year – Keith Coombs birthday. During the past year the KC Trust donated £90,000 to these charities. In total, the past 14 years will have seen donations of over £1m to charity.

Advantage continued supporting their local charities by continuing to be a Corporate Partner of Women’s Aid. During the year, the staff and the business also supported Macmillan, Save The Children and St Andrews Hospice.



A4.3 Health and Safety and Diversity Policy

Although we recognise that diversity reporting is often based around a statistical analysis of our staff's racial origin, given our above long-standing policies, we consider that this can too often itself be divisive and potentially discriminatory. By recruiting the best people for the job, both enhance their self-esteem, irrespective of their background, racial or socio economic, and at the same time create an esprit de corps.

S&U takes its responsibilities towards the health, safety and good working environment of its employees very seriously. However, in the finance field it is not engaged in the kind of processes which compromise health and safety for either our staff or our visitors. Policy and processes are in place which uphold the highest standards of providing a healthy and safe workplace. It seeks to provide a congenial and productive working environment. During the year, Advantage opened the Pit Stop café, a new and popular break-out space for staff.

Recruitment and promotion decisions, whilst reflecting the social and racial makeup of the areas in which we operate, are always based on ability and aptitude, not according to any racial or gender stereotypes.

A4.4 Climate Change

S&U recognises the Government's Green Finance Strategy and is taking measures to reduce our carbon footprint and minimise and then eliminate carbon emissions so far as we are able directly to control them.

We therefore monitor and reduce those areas of emissions which we can most directly control in order to achieve net zero status by 2050.

As part of this, the Board monitors the type, age and stated emissions of the vehicles Advantage finances. Currently just over half of customers opt for diesel vehicles, whilst the proportion of fully electric vehicles, is at present very small. These proportions may change over the next decade.

Our ability to influence our customers environmental decisions at Aspen Bridging is equally constrained. Nevertheless, statutory requirements to publish Energy Performance Certificates for residential properties to let, as well as building regulation requirements for substantial refurbishments, will increasingly reflect our customers environmental responsibilities.

The Board also monitor the energy usage in our office buildings and have taken action to reduce this via the installation of solar panels in our Grimsby office.

The Company is pleased to present its fourth climate change report under the framework provided by the Task Force on Climate Related Financial disclosures ('TCFD'). In late 2023 this task force was disbanded and their work has been incorporated into the new standards IFRS S1 and IFRS S2 issued by the International Sustainability Standards Board, standards which will first become mandatory for UK companies for accounting periods starting after 1 January 2027.

A4.4a Governance

An ESG committee chaired by the Chairman Anthony Coombs and consisting of senior executives and the senior non-executive director meets on a regular basis. The Committee reports to the Board of directors of S&U plc which has overall oversight of the Group's work on climate change. This is now a regular Board agenda item and the Board consider climate when setting budgets, forming capex plans and setting strategy.

A4.4b Strategy

The Group will continue to identify opportunities to manage its scope 1, scope 2 and scope 3 business travel emissions and will continue to seek to directly reduce its contribution in these areas to climate change.

In addition, in order to off-set those scope 1, scope 2 and scope 3 (business travel emissions and emissions sources), which we are not at present able to reduce to zero, S&U plc group have for the past 4 years engaged Carbon Neutral Britain to measure, calculate and offset the organisation's carbon footprint. Our group emissions for the period ended 5.2.26 in scope 1, scope 2 and scope 3 (business travel emissions and emissions sources) are 141t CO₂e as shown in the table in A4.4d below. These emissions have been offset with Carbon Neutral Britain via their Woodland fund which supports Climate Fund, Reforestation and Woodland Management Projects.

The Group has also made progress in identifying opportunities to manage other indirect scope 3 emissions associated with the loan assets we finance for our customers. At Advantage, we provide the finance but not the vehicle itself, and our ability to influence the CO₂ emissions of the cars we finance is therefore limited. The average CO₂ emissions of the cars from our financed vehicles remained at 126.1 CO₂ g/km this year, but by working with customers and other companies in our supply chain we are looking to accelerate the reduction we saw last year. We continue to evaluate our requirements for reporting under IFRS S1 and S2 and our ability to measure and monitor indirect scope 3 requirements within the value chain. The ISSB has allowed some scope 3 reporting transition relief in this respect.

In order to assess the resilience of the Group's strategy, we have identified 2 climate scenarios being:

1. the global temperature increase is kept to below 2 degrees, or
2. climate change mitigation is slower and the global temperature increases by 2 to 4 degrees.

The Group has considered the risks relevant to each of these climate scenarios over the short, medium and long term, being the next year, the next 3 years and the next 5 years and beyond respectively.



A4 Corporate Social Responsibility

CONTINUED

Scenario 1

The risks the Group has identified under this climate scenario are mainly indirect over the long term, where stricter regulations and taxes to help keep global temperatures lower are applied in the UK and affect the used vehicle and property finance products which can be supplied to our customers and/or our customers’ affordable use and enjoyment of those products. The UK Government is committed to banning the sale of new diesel and petrol cars from 2030 with an opt out for some plug-in hybrids and we will continue to monitor this commitment and associated developments ahead of this date alongside the availability and affordability of used electric vehicles, in order to refine our strategy in a sustainable way for our customers.

Scenario 2

The risks the Group has identified under this climate scenario include the indirect risks over the long term mentioned for Scenario 1 as the UK makes change but global temperatures still rise further. Scenario 2 also includes more medium- and long-term direct risks too such as the increased flood and weather risk to our office buildings and to properties financed – these risks are mitigated by insurance and wider operational risk is mitigated by the business continuity plans we have in place.

The Group has assessed its strategy as resilient for the likely risk events arising under these two scenarios, with a minimal expected impact on the business.

A4.4c Risk Management

The Group identifies climate change risks through the ESG committee and the wider executive teams including the risk management teams of both our operating businesses, Advantage Finance Limited and Aspen Bridging Limited. Our biggest business Advantage Finance reports to the ESG committee. Climate risk is not currently considered a significant risk for the Group. At Aspen, potential climate risk factors like flood and subsidence are assessed through our underwriting policies and where appropriate met through insurance.

All our underlying global energy use is UK based and we will continue to take action in order to reduce these emissions and where that is not fully possible offset them. Solar panels on our office buildings in Grimsby and electric company vehicles are examples of where we have continued to manage energy usage this year.

The Group is keen to progress further opportunities to manage and reduce its impact on climate change over shorter term, medium term and longer-term planning horizons being the next year, the next 3 years and the next 5 years and beyond respectively. The climate related risks and opportunities we have identified as potentially having a material financial impact on the Group are as follows:

Risks with potential material financial impact	Related Opportunity	Planning Horizon
1. Potential for increased UK regulation and taxes affecting motor vehicles and their affordability for our loan customers	Continue to align our products in advance to meet evolving customer preferences and affordability in the light of planned regulatory and tax changes	Medium and Long Term
2. Potential for increased UK regulations relating to building and safety control at Aspen	Continue to monitor buildings financed as to their climate and safety credentials	Short, Medium and Long term

The potential financial impact of these risks and opportunities on the group would be reflected in the potential for reduced revenue or increased expenditure.





A4.4d Metrics and Targets

S&U's own direct environmental footprint is reported in the following table:

Greenhouse gas emissions data For period 1 February 2025 to 5 February 2026	Tonnes CO ₂ e	
	Period ended 5 Feb 2026	Year ended 31 Jan 2025
Scope 1 (Direct emissions)		
Combustion of fuel – Petrol & diesel used by company cars	25	15
Gas consumption	2	13
Scope 2 (Energy indirect emissions)		
Purchased electricity (location based)	42	47
Electric vehicle energy usage	5	10
Total Scope 1 and 2	74	85
Scope 3 (Other indirect emissions)		
Business travel not using owned/leased vehicles	35	19
Total Scope 1,2 and 3 (business travel)	109	104
Transmission and Distribution Losses	5	5
Well to Tank	27	21
Total Scope 1,2 and 3 (business travel emissions and emissions sources)	141	130
Company's chosen intensity measurement:		
Total normalised tonnes scope 1, 2 and 3 (business travel and emissions sources)		
CO₂e per £m turnover	1.3	1.1

For the period ending 5 February 2026, we did not achieve the target of below 1.3 total tonnes per £m turnover due to reduced electric vehicle usage and increased executive travel from head office to Advantage.

For the period ending 5 February 2026, the annual quantity of energy consumed by the group under scopes 1 and 2 was 248,831 kwh (31.1.25: 295,128 kwh).

For the year ending 5 February 2027, we are targeting below 1.3 normalised tonnes per £m turnover.

The methodology used to calculate our emissions is based on the "Environmental Reporting Guidelines: including mandatory greenhouse gas emissions reporting guidance" (June 2013) issued by the Department for Environment, Food & Rural Affairs ("DEFRA") and updated HM Government SECR guidance dated March 2019. We have also utilised DEFRA'S 2025 conversion factors within our reporting methodology. The emissions for period ended 5.2.26 were verified by Carbon Neutral Britain.

The 2023 data forms the baseline data for subsequent periods. In order to express our annual emissions in absolute and relative terms, we have used turnover in our intensity ratio calculation, as this is the most relevant indication of our growth and provides for a good comparative measure over time.

All emissions are UK only and there are no offshore emissions.

The Directors confirm that under listing rule UKLR 6.6.6R(8) we have included in the above report disclosures consistent with the 2017 Final TCFD Recommendations and Recommended Disclosures Implementing the Recommendations of the Task Force on Climate-related Financial Disclosures (version October 2021).



A5 Section 172 Statement

The Directors confirm they have considered their obligations under S172 of the Companies Act 2006 including their duty to promote the success of the company and how they have engaged with the following key stakeholders in the business:

1. Our Customers

S&U focuses on;

- i. making the customer the heart of our business; and
- ii. having respect for every customer and always treating customers fairly.

Key actions taken demonstrating how we do this are set out in section A2.1 above. The outcomes of this customer engagement are reflected in high customer satisfaction ratings (Trustpilot), low levels of complaints and above all the Group's success over the last two decades.

2. Our Employees

S&U maintains a family ethos for all those who work within it.

Key actions taken demonstrating how we do this are set out in section A4.1 above. The outcomes of this employee engagement are reflected in a streamlined management structure, high staff retention rates, high skill levels, positive reward and recognition and a strong culture of continuous improvement.

3. Our Business Partners

S&U continuously seeks to nurture and improve key business relationships with our key introducing brokers, dealers and key suppliers.

Key actions taken demonstrating how we do this are set out in our strategic report above. The outcomes of these key actions are reflected in the positive feedback and high retention rates for our partners and in the steady, sustainable and successful growth of the Group in the past two decades.

4. Our Investors and Funding Partners

S&U's significant family management shareholdings means an identity of interest between shareholders and the management of the company and together with help from trusted advisers maintains close relationships with investors, analysts and also with long term funding partners.

Key actions taken demonstrating how we do this are set out in section B3.2 of our corporate governance report and in section A2.3 of our strategic report. The outcomes of this investor engagement help underpin the total shareholder return graph on page 32. The outcomes of this funder engagement help the strong balance sheet and treasury position outlined in this annual report and accounts.

5. Our regulators and other statutory bodies

S&U has a strong compliance culture which is overseen by management and the audit committee with help from our internal auditors RSM.

Key actions demonstrating how we do this are set out in section B3.1 of our audit committee report. The outcomes of these actions have led to positive feedback from regulatory and other statutory bodies of which the Group is proud.

6. Our Community and Our Environment

S&U does not exist in a vacuum and prides itself on supporting the wider community and looking after its environment.

Key actions demonstrating how we do this are set out in section A4 of the strategic report. The outcomes of these key actions have led to a low environmental footprint and the community and charity support set out in section A4.2 above.

In assessing the Group's engagements within our 6 stakeholder areas above, the directors have also ensured such engagements reflect the Group's values, business model, key performance indicators and principal risks as set out in the strategic report above.

A6 Approval of Strategic Report

Section A of this Annual Report comprises a Strategic Report prepared for the Group as a whole in accordance with the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013.

Approved by the Board of Directors and signed on behalf of the Board.

Anthony Coombs
Chairman

20 April 2026



Corporate Governance



IN THIS SECTION

B1	Board of Directors	22
B2	Directors' Remuneration Report	24
	B2.1 Report of the Board to the Shareholders on Remuneration Policy	24
	B2.2 Annual Remuneration Report	27
B3	Governance	36
	B3.1 Audit Committee Report	36
	B3.2 Corporate Governance	38
	B3.3 Compliance Statement	42
B4	Directors' Report	43
B5	Directors' Responsibilities Statement	45
C1	Independent Auditor's Report to the Members of S&U plc	46



B1 Board of Directors

Executive



Anthony Coombs
MA (OXON)
Chairman

Joined S&U in 1975 and was appointed Managing Director in 1999 and then Chairman in 2008. He served as a Member of Parliament from 1987 – 1997 and was a member of the Government. He is a director and trustee of a number of companies and charities.

N



Graham Coombs
MA (OXON) MSc (Lon)
Deputy Chairman

Joined S&U after graduating from London Business School in 1976.



Jack Coombs
MA (OXON) ACA
Chief Operating Officer

Joined S&U in 2016 having previously qualified at PWC as a Chartered Accountant. Jack supports a number of charities and swam the Channel from England to France in 2011 to raise funds for Alzheimer's Research.



Chris Freckleton
ACA
Group Finance Director

Chris joined the S&U Group in 2025, having previously qualified at Deloitte where he gained considerable experience in the motor and speciality finance markets within which the Group operates



Karl Werner
CEO Advantage Finance

Karl has been in motor finance for over 20 years, including senior roles at MotoNovo Finance. Karl joined the S&U Group in 2023 as Advantage CEO.



Ed Ahrens
CEO Aspen Bridging

Ed has been in banking and speciality finance for over 30 years, including senior roles at Barclays, AIB and as a founding director of Vanquis Bank. Ed joined the S&U Group in 2014 as Group Strategic Development Director (GSDD) and then launched Aspen Bridging as CEO in 2017.

Key

N Nominations Committee **A** Audit Committee **R** Remuneration Committee



Non-Executive



Tarek Khat
MBE BA Economics & MBA
Non-executive

Tarek has over 25 years of experience in financial services including the co-founding of Crossbridge Capital, where he is Group CEO. He has held roles at Credit Suisse and JP Morgan, and in journalism with CNN and Fox News. Tarek has an MBA from Harvard Business School. Following distinguished service at the NSPCC, Tarek was awarded an MBE in 2021 for services to children and is currently Chair of the Board of Trustees of Centrepoin, the national homelessness charity.



Graham Pederson
Non-executive

Graham joined the Board of S&U in early 2015 and brings experience as a regulator at the Bank of England, Financial Services Authority and Prudential Regulation Authority and as a banker with detailed knowledge of the speciality finance sector.



Jeremy Maxwell
Non-executive

Jeremy brings expertise in digital innovation, marketing and customer experience from over 25 years in the retail and B2B distribution industries. In addition to other NED and advisory roles, he has held senior executive positions at Carpetright, Wolseley UK, Mothercare, Screwfix and B&Q.



Graham Wheeler
Non-executive

Graham brings over 40 years' experience in motor finance, consumer and business lending. His career included senior roles at GM, Barclays, GE Capital, and Volkswagen FS, where he was UK CEO for 11 years. Graham was Advantage's CEO from 2020 to 2024.



Manjeet Bhogal
ACMA CGMA
Company Secretary

Manjeet joined S&U in February 2019 and was appointed Company Secretary on 1st January 2024.

Key

N Nominations Committee **A** Audit Committee **R** Remuneration Committee



B2 Directors' Remuneration Report

This report has been prepared to comply with Schedule 8 of The Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2008, the Companies (Miscellaneous Reporting) Regulations 2018, as well as the Companies Act 2006 and other related regulations.

B2.1 Report of the board to the shareholders on remuneration policy

Introduction

On behalf of your Board, I am pleased to present our Directors' Remuneration Report for the period ended 5 February 2026.

The trading performance during 2025/26 marks a clear and material improvement across the Group, and the Remuneration Committee's approach to remuneration reflects this strengthened position.

Both divisions have delivered strong results. Advantage has demonstrated a significant recovery, with advances materially ahead of last year, improved collection rates, strengthened margins and credit quality, and a return to disciplined growth. Aspen has delivered another record year, with lending, receivables and revenues at historic highs, supported by robust credit performance and sustained yield discipline.

Group net receivables have increased meaningfully year-on-year, and the improvement in trading has been reflected in renewed market confidence and share price performance. This represents not only financial recovery but operational resilience following a period of regulatory and market disruption.

In this context, the Remuneration Committee will recognise strong financial delivery while maintaining discipline and proportionality. Bonuses will continue to be determined by reference to financial performance and the approved non-financial KPI framework, with up to 25% of performance assessment linked to governance, customer outcomes, environmental oversight and operational integrity. The non-financial element remains an integral and deliberate component of total performance assessment, not an adjunct.

ESG Measures and Context for 2025/26 (Aspen and Advantage)

During the year, both Aspen and Advantage demonstrated measurable progress against the Comprehensive Non-Financial Targets framework approved in 2024, with clear evidence of enhanced governance discipline, regulatory engagement and operational resilience.

Environmental and Sustainability

Aspen completed the implementation of its IT project to capture and monitor EPC ratings across its entire loan portfolio, enabling ongoing tracking of energy efficiency at entry and exit. The portfolio currently averages an EPC rating of 'C', with approximately 60% of properties rated C or above, positioning the business broadly in line with the Government's 2030 direction of travel. Travel policies were updated with the aim of reducing emissions through structured low-emission vehicle use, and working practices continue to reduce commuting impact and paper usage across both businesses.

Regulatory and Risk Governance

Advantage successfully progressed and embedded the S166 remediation programme, strengthening documentation standards, vulnerability processes and internal controls. Enhanced dialogue with regulators and auditors has improved governance transparency and control assurance. IFRS 9 oversight and ECL governance have been subject to increased Board and Audit Committee scrutiny, reinforcing prudential discipline.

Operational Resilience and Data Governance

Business continuity and disaster recovery processes were reviewed and tested. Cyber risk management and data oversight were embedded into regular committee reporting cycles, reflecting stronger operational risk governance.

People and Leadership

Both businesses maintained strong internal promotion records, continued investment in professional qualifications and training, and improved diversity balance across teams. ESG oversight is now formally embedded within committee structures, with defined reporting cadence and cross-functional ownership.

Collectively, these outcomes demonstrate that ESG considerations have become integrated into risk management, governance and executive accountability, rather than remaining narrative-led or discretionary.

This year's annual Directors' Remuneration Report sets out how the Remuneration Policy was applied during the period ended 5 February 2026 and provides details of amounts earned in respect of the period ended 5 February 2026. It also sets out how the Remuneration Committee has decided the Remuneration Policy will be operated for the year commencing 6 February 2026.

We intend for the Company's Remuneration Policy to be updated at least every 3 years. The Remuneration Policy was last updated in 2024 and a copy of this was published in full in the 2024 Annual Report and can also be found in the About us Governance section on our website at www.suplc.co.uk

2025/26 key decisions and pay outcomes

The aim of the Company's Remuneration Policy is to deliver simple and fair remuneration packages which are linked to both Group and personal performance, retention focussed and appropriate for the Company, its Shareholders and the directors.

For the period ended 5 February 2026 3 executive directors received no increase and the 2 key executives driving Aspen's excellent performance received exceptional higher increases, as noted below. This is below the average increases given to the wider workforce which averaged 10.0% in light of the continued difficult albeit easing inflationary cost of living environment for our employees.



After a review of market comparables, and after their excellent performances as executive directors of our growing Aspen Bridging subsidiary, it was decided to award Ed Ahrens a salary increase of 9.3% for the period ended 5 February 2026 and Jack Coombs a salary increase of 23% for the period ended 5 February 2026.

For the period ended 5 February 2026 fees had been increased by 2.5% for the non-executive directors and 3.4% for the senior non-executive director.

Group profit before tax increased from £24.0m in 2024/25 to £31.8m in 2025/26. This result derives mainly from improved repayments and reduced impairment at Advantage together with reduced regulatory and funding costs, alongside good performance at Aspen which narrowly missed budget. The Committee noted that this result in aggregate was above expectations and financial performance remains resilient and materially improved year-on-year. The Committee also assessed executive performance against the non-financial measures as part of the ESG and governance framework approved in 2024. These areas form up to 25% of the annual bonus performance assessment. We have taken this into account in the decisions taken regarding salaries with 3 of the 4 executives' salaries increasing for 2026/27 and regarding their bonuses where 2 of the 4 received 100% bonuses, with the two Aspen executives receiving 80% bonuses. There was no upwards or downwards Committee discretion applied to remuneration outcomes for the financial year.

Advantage's recovery is going from strength to strength, having returned to more normal levels of advances of 18,279 new motor finance agreements during the period ending 5 February 2026 (31.1.25: 12,073) and improved collections performance at 90.5% (31.1.25: 85.6%). As last year, our Advantage team has continued to work diligently to support customers in the more difficult circumstances they have faced. Looking forward, due to potential continued impacts from reduced inflation and used car price correction, we remain optimistic but cautious in our outlook and adopt our normal conservative approach to impairment provisions.

In its ninth year of operation, Aspen Bridging made 267 new loan facilities lending over £212m (31.1.25: 191 new loan facilities lending £180m). At the end of the year Aspen had 245 live loans amounting to net receivables of £180m (31.1.25: 176 live loans amounting to £152m) which reflects an almost annual turnover in the Aspen bridging book. Whilst political and economic uncertainties have and will continue to affect S&U, the Company has continued to demonstrate its historic ability to produce robust and resilient results.

Anthony Coombs and Graham Coombs

Based on the profit performance of the Group, the Remuneration Committee judged the level at which the annual bonus payments should be made. Group Profit Before Tax ("PBT") for the year of £31.8m was above budget and increased by 32% on the 2025 result. Therefore, the Remuneration Committee determined that for the financial period 2025/26 a bonus of £50,000 each would be awarded to Anthony Coombs and Graham Coombs in line with their target bonuses, due to the actual group PBT of £31.8m being above their on-target performance level of £30.85m group PBT. The Remuneration Committee therefore considers these annual bonus awards to be fair and reasonable and reflective of each director's achievement against performance targets set during the year.

Ed Ahrens

The Committee have considered Ed's management of the Aspen Bridging Finance team in light of the record Aspen PBT result of £8.8m for the period ended 5 February 2026. During the period Aspen has also made good strides in improving their environmental impact, their community engagement and their governance and leadership. The Committee judged the level at which the annual bonus payment should be made. For the financial period 2025/26 a bonus of £32,000 was awarded to Ed Ahrens which was below his normal target bonus of £40,000, given Aspen narrowly missed budget.

In May 2025 Ed Ahrens was granted 4,000 shadow share options under the new LTIP, as disclosed in last year's Directors Remuneration Report. The Remuneration Committee determined that half of these 4,000 shadow share options vested with reference to performance during the period ended 5 February 2026 with reference to the profit performance of Aspen and achievement against the PBT and ROCE based targets set for that period.

Jack Coombs

The Committee have considered Jack's significant contribution to the continued growth of Aspen Bridging, including growth during the period ended 5 February 2026, helping Aspen Bridging achieve a record PBT result of £8.8m. The Committee judged the level at which the annual bonus payment should be made. For the financial period 2025/26 a bonus of £40,000 was awarded to Jack Coombs which was below his normal target bonus of £50,000, given Aspen narrowly missed budget.

Key remuneration decisions and implementation of the Remuneration Policy for the year ending 5 February 2027

Remuneration implementation for the year ended 5 February 2027 will be in line with the Remuneration Policy. A copy of the full Policy as approved at the 2024 AGM is set out in the Annual Report and Accounts for the year ended 31 January 2024, which is available on the Company's website.

Salary increases, annual bonus and LTIP

The Remuneration Committee has now agreed salary increases for the year ended 5 February 2027 with 3 of the 4 executives' salaries increasing for 2026/27, one of which is receiving an exceptional higher increase, as noted below, whilst the other two executives are receiving increases just above the average wider workforce increase level (which averaged 3.3% in light of the easing inflationary environment for our employees). After a review of market comparables, and considering his broader role now as Chief Operating Officer of S&U, it was decided to award Jack Coombs a salary increase of 19% for the year ended 5 February 2027.



B2 Directors' Remuneration Report

CONTINUED

For the year ending 5 February 2027, where the target levels of performance set are achieved, the annual bonus has been set at £60,000 for Anthony Coombs, Graham Coombs and Jack Coombs, £30,000 for Ed Ahrens, £50,000 for Karl Werner* and £20,000 for Chris Freckelton*. Where the performance targets set are exceeded, the Remuneration Committee has the discretion to pay an increased annual bonus based on stretch performance targets to Ed Ahrens and Karl Werner*. The maximum amount payable will not exceed the maximum limits stated in the Remuneration Policy. The annual bonuses will continue to be mainly assessed against stretching divisional and group Profit Before Tax (PBT) targets and Return on Capital Employed (ROCE), although for the third year up to 25% of the annual bonus will now be assessed based on the achievement of specific non-financial targets. The Remuneration Committee aims to align these specific non-financial targets to the Company's KPI's in the areas of governance structures and environmental impact. The Committee believes Environmental, Social and Governance factors are critical to good business practice and are tied to the success and long-term sustainability of organisations across all sectors, and these will therefore be carefully considered when setting the non-financial targets for the annual bonus. In order for the bonuses to be paid in full, these stretching performance targets must be achieved and, if not fully met, the Remuneration Committee will determine the level of any reduced annual bonus payment.

The Committee intends to grant 1,000 shadow share options under the 2021 LTIP to Ed Ahrens, subject to achieving certain threshold Aspen PBT and ROCE targets for the year ending 5 February 2027 and 2,000 shadow share options under the 2021 LTIP to Ed Ahrens, subject to achieving certain stretch Aspen PBT and ROCE targets for the year ending 5 February 2027.

The Committee intends to grant 2,000 shadow share options under the 2021 LTIP to Karl Werner*, subject to achieving certain threshold Advantage PBT and ROCE targets for the year ending 5 February 2027 and 3,000 shadow share options under the 2021 LTIP to Karl Werner*, subject to achieving certain stretch Advantage PBT and ROCE targets for the year ending 5 February 2027.

The Committee intends to grant 1,000 shadow share options under the 2021 LTIP to Chris Freckelton*, subject to achieving certain threshold Group PBT and ROCE targets for the year ending 5 February 2027.

* Karl Werner was appointed a director of S&U plc on 9 February 2026 and Chris Freckelton on 20 April 2026 (after the 5 February 2026 year end).

For the period ending 5 February 2026, the Remuneration Committee considers that the significant shareholding held by Anthony Coombs, Graham Coombs and Jack Coombs similarly provides adequate alignment to shareholders and therefore no shadow share option awards are made to these directors.

Fees for the non-executive directors have now been increased by 6.8% to £43,000 and for the senior non-executive director increased by 6.1% to £45,000 for the year ending 5 February 2027.

The Remuneration Committee continues to welcome Shareholder feedback on remuneration decisions or on any issue related to executive remuneration. I commend this report to Shareholders and ask that you support the resolution to approve the Company's Annual Remuneration Report at the Company's AGM on 24 June 2026.

Tarek Khlat
Chairman of the Remuneration Committee

20 April 2026



B2.2 Annual Remuneration Report

This section covers how the Remuneration Policy was implemented in the period ending 5 February 2026. Certain elements of the Annual Remuneration Report are subject to audit, and this has been highlighted at the start of each section.

Remuneration Committee (this section is not subject to audit)

The Company has established a Remuneration Committee which is constituted in accordance with the recommendations of the Combined Code. The current members of the Remuneration Committee are Mr Graham Pedersen, Mr Jeremy Maxwell and Mr Tarek Khat, who are all independent non-executive directors. Biographical details of these directors are set out on page 22.

The Remuneration Committee is chaired by Mr Tarek Khat.

None of the Remuneration Committee has any personal financial interest, conflicts of interest arising from cross-directorship or day-to-day involvement in running the business. The Remuneration Committee makes recommendations to the Board.

The Remuneration Committee is responsible within the authority delegated by the Board for determining, implementing and operating the Remuneration Policy and for determining the specific remuneration packages for each of the executive directors. In particular, the Remuneration Committee has the following key responsibilities:

- determining and setting variable and performance-related pay, and the assessment of performance targets for executive directors;
- reviewing and approving the remuneration arrangements and fees for each individual director;
- reviewing and approving the remuneration arrangements and any payments for loss of office or severance packages for new directors and those stepping down as a director or ceasing to be a member of the senior management team; and
- reviewing and having regard to the general remuneration pay practices and policies across the wider workforce when setting executive pay.

In its role to implement and operate the Remuneration Policy for directors the Remuneration Committee considers;

- the need to attract, retain and motivate high quality individuals to optimise Group performance;
- the need for an uncomplicated link and clear line of sight between performance and rewards;
- the need for an appropriate balance between fixed and variable remuneration and short term and long-term rewards and alignment with shareholder interests;
- best practice and remuneration trends within the Company and the financial services industry;
- the requirements of the UK Corporate Governance Code and existing director contracts; and
- previous shareholder feedback and the interests of other relevant stakeholders and employees.

The Remuneration Committee's terms of reference were reviewed during the year and are available on our website www.suplc.co.uk.

Advisors to the Remuneration Committee

The Remuneration Committee is assisted in its work by the Chairman, Deputy Chairman and the Group Finance Director. The Chairman is consulted on the remuneration of those who report directly to him and also of other senior executives. No executive director or employee is present or takes part in discussions in respect of matters relating directly to their own remuneration.

During the year, the Remuneration Committee was also assisted in its work by KPMG LLP who provide advice and guidance on remuneration matters. The Remuneration Committee is comfortable that the KPMG team which provided advice to the Remuneration Committee was and is independent and that they did not have any connections with S&U plc that may have impaired their objectivity. The total fees paid to KPMG for the provision of independent advice during the period ended 5 February 2026 was £13,200. KPMG also provide taxation compliance and advisory services to the Group.

Attendance at meetings

Details of the number of Remuneration Committee meetings held during the year and attendance at those meetings is set out in the Governance section on page 41 of this Annual Report.



B2.2 Annual Remuneration Report

CONTINUED

Single Figure Tables (this section is subject to audit)

The table below sets out in a single figure the total amount of remuneration including each component received by each of the directors for the period ended 5 February 2026, together with comparative figures for the year ended 31 January 2025:

Executive Directors	Anthony Coombs £000		Graham Coombs £000		Chris Redford* £000		Jack Coombs £000		Ed Ahrens £000	
	2025/26	2024/25	2025/26	2024/25	2025/26	2024/25	2025/26	2024/25	2025/26	2024/25
Salaries and fees	385	385	370	370	108	260	185	150	235	215
Allowances and benefits	123	114	35	35	9	22	21	21	10	10
Pension Contribution	0	0	0	0	14	38	27	22	35	32
Total Fixed	508	499	405	405	131	320	233	193	280	257
Bonus	50	0	50	0	25	0	40	40	32	40
Shadow Share Incentive	0	0	0	0	0	0	0	0	41	44
Total Variable	50	0	50	0	25	0	40	40	73	84
Total	558	499	455	405	156	320	273	233	353	341

* Chris Redford resigned as Group Finance Director on 18 June 2025 following his planned retirement and was awarded a £25,000 discretionary bonus.

**Karl Werner and Chris Freckelton were appointed as directors of S&U plc on 9 February 2026 and 20 April 2026 respectively (after the 5 February 2026 year end) and so no remuneration is shown in the single figure table.

Non-Executive Directors	Tarek Khat £000		Graham Pederson £000		Graham Wheeler £000		Jeremy Maxwell £000	
	2025/26	2024/25	2025/26	2024/25	2025/26	2024/25	2025/26	2024/25
Salaries and fees	42	41	40	39	40	39	40	39
Total	42	41	40	39	40	39	40	39



Salaries & fees	The amount of salary / fees received in the period.
Allowances and benefits	The taxable value of benefits received in the period. These are company car or allowance, private fuel, life insurance and private medical insurance.
Pension	The pension figure represents the cash value of pension contributions received by the executive directors. This includes the Company's contributions to the defined contribution pension scheme and any salary supplement in lieu of a Company pension contribution.
Annual Bonus	Annual bonus is the value of the cash bonus earned in respect of the year. A description of the performance targets against which the bonus pay-out was determined is provided on page 30. The Remuneration Committee determined that no part of any bonus paid for the period ended 5 February 2026 would be deferred.
Share incentive plans (LTIP)	For the period ended 5 February 2026 figures for the value of nil cost options vesting in respect of performance under the shadow share incentive plan have been calculated as follows: • PBT and ROCE based performance targets for the period to 5 February 2026 were not met for Aspen; accordingly, the Remuneration Committee determined that 50% of the 4,000 shadow share options granted to Ed Ahrens vested in respect of achieving performance targets in the period to 5 February 2026. Although the above LTIP options would also have been subject to continued employment, we disclose the value of the shares vesting by reference to performance to 5 February 2026 which is £41,248 for Ed Ahrens (i.e. 2,000 shares vested by reference to performance). • We intend to grant further shadow share options in May 2025 based on the value of a total of 4,000 shares in S&U. These awards will be subject to a performance period which will commence on 6 February 2026 and will end on 5 February 2027. The share price at the start of the performance period was £23.80; if the share price were to increase by a further 50% between May 2026 and May 2029, then the share price of the awards would have increased to £35.70, representing an increase in the face value of Ed Ahrens' and Chris Freckelton's award of £11,900 and an increase in the face value of Karl Werner's award of £23,800. For the year ending 31 January 2025 comparative figures: 5,000 shadow share options were granted to Chris Redford of which 0% vested in respect of not achieving their performance targets in that year and 3,000 shadow share options were granted to Ed Ahrens in that year of which 100% vested in respect of achieving their performance targets in that year.



B2.2 Annual Remuneration Report

CONTINUED

Individual elements of remuneration (this section is subject to audit apart from the application of the Remuneration Policy to the individual elements of remuneration for the period ending 5 February 2026).

Base salary and fees

Base salaries for individual executive directors are reviewed annually by the Remuneration Committee and are set with reference to individual performance, experience and responsibilities within the Group as well as with reference to similar roles in comparable companies. Non-executive directors will continue to receive directors' fees in line with market practice. As disclosed in the Annual Report on Remuneration last year, for the period ending 5 February 2026, no salary increases were given to the executive directors, except where exceptional circumstances merited a higher increase, it was decided to award Jack Coombs and Ed Ahrens salary increases of 23.3% and 9.3% respectively.

For the year ending 5 February 2027, the Remuneration Committee has now agreed salary increases with 3 of the 4 executives' salaries increasing for 2026/27, one of which receiving an exceptional higher increase, as noted below. After a review of market comparables, and considering his broader role now as Chief Operating Officer of S&U, it was decided to award Jack Coombs a salary increase of 19% for the year ended 5 February 2027. The average increase for executives was above the increases given to the wider workforce.

The table below shows the base salary increases awarded for next year:

Executive director	Base salary as at 5 February 2026 £000	Base salary for year to 5 February 2027 £000	Increase %
Anthony Coombs	385	385	0.0
Graham Coombs	370	385	4.0
Jack Coombs	185	220	18.9
Ed Ahrens	235	245	4.3
Karl Werner*	n/a	310	n/a
Chris Freckelton*	n/a	210	n/a

* Karl Werner and Chris Freckelton were appointed as directors of S&U plc on 9 February 2026 and 20 April 2026 respectively (after the 5 February 2026 year end) and so no remuneration is shown in the table for base salary as at 5 February 2026.

Non-Executive Directors

The Remuneration Policy for non-executive directors is determined by the Board, in line with the Articles of Association. Fees reflect the responsibilities and duties placed upon non-executive directors whilst also having regard to market practice. The basic non-executive director fee was increased by 6.8% to £43,000 with effect from 5 February 2026. The basic senior non-executive fee was increased by 6.1% to £45,000 with effect from 5 February 2026. The non-executive directors do not participate in any of the Company's share incentive plans, nor do they receive any benefits, bonus or pension contributions.

	2024/25 £000	2025/26 £000	2026/27 £000
Non-executive director fees			
Basic fee	39.3	40.3	43.0
Additional fee for Senior Independent Non-executive director	2.0	2.1	2.0

Annual bonus

For the period ended 5 February 2026, annual bonuses for the executive directors were based on stretching Group or divisional PBT targets. The Committee also assessed executive performance against the non-financial measures as part of the ESG and governance framework approved in 2024. These areas form up to 25% of the annual bonus performance assessment. The table below sets out the maximum bonus opportunity that each of the executive directors could earn for the period ended 5 February 2026 together with the Group PBT targets and details of the actual bonus earned.

		Maximum annual bonus opportunity period ending 5 February 2026 £000	Bonus pay-out % of maximum	Actual bonus earned for the period ending 5 February 2026 £000
	Performance			
Anthony Coombs	Group PBT target	50	100	50
Graham Coombs	(£30.85m)	50	100	50
Ed Ahrens	Aspen Bridging PBT and ROCE target*	40	80	32
Jack Coombs	Aspen Bridging PBT and ROCE target	50	80	40

* Whilst the Remuneration Committee is aware that some shareholders wish to see detailed retrospective disclosure of bonus targets, it considers this inappropriate for the divisional PBT and Group and Divisional targets given that such targets are based on commercially sensitive information that the Board believes could negatively impact the Group's competitive position by providing our competitors with insight into our business plans and expectations, resulting in significant risk to future profitability and shareholder value. We will review annually this commercial sensitivity and consequent non-disclosure of the historic divisional PBT and Group and Divisional ROCE targets. However, we are committed to providing as much information as we are able to, in order to assist our investors in understanding how our incentive pay-outs relate to performance delivered. Details of the Group PBT targets are disclosed above.



Based on above target performance levels for S&U group in the period ended 5 February 2026 the Remuneration Committee determined bonuses of £50,000 each were payable to each of Anthony Coombs and Graham Coombs. Based on the below target performance levels for Aspen Bridging in the period ended 5 February 2026 the Remuneration Committee determined bonuses of £32,000 was payable to Ed Ahrens and £40,000 for Jack Coombs. The Committee considered the extent to which both financial and individual performance targets had been met in determining these bonuses.

Annual bonus in 2026/27

For the year ending 5 February 2027, where the threshold performance targets set are achieved, the annual bonus has been set at £60,000 for Anthony Coombs, Graham Coombs and Jack Coombs, £30,000 for Ed Ahrens, £50,000 for Karl Werner* and £20,000 for Chris Freckleton*. Where the target levels of performance set are exceeded, then based on stretch performance targets the Remuneration Committee has the discretion to pay an increased annual bonus to Ed Ahrens and Karl Werner* and the maximum amount payable will not exceed the maximum limits stated in the Remuneration Policy. The annual bonus will continue to be assessed predominantly against stretching Group and divisional PBT and ROCE targets, with up to 25% of the annual bonus also assessed against specific non-financial targets.

The Remuneration Committee considers that the actual annual bonus targets are commercially sensitive and should therefore remain confidential to the Company. They provide our competitors with insight into our business plans, expectations and our strategic actions. However, the Remuneration Committee will continue to disclose how the bonus pay-out delivered relates to performance against the Group PBT targets on a retrospective basis.

* Karl Werner was appointed a director of S&U plc on 9 February 2026 and Chris Freckleton on 20 April 2026 (after the 5 February 2026 year end).

Long Term Incentives – Long Term Incentive Plan (LTIP) 2021

Awards granted during the period

Ed Ahrens was awarded 3,000 nil cost shadow share options under the 2021 LTIP in May 2025 at a notional nil exercise price, subject to achieving specified stretch Aspen PBT and ROCE targets for the period ended 5 February 2026.

No other shadow share options were envisaged to be granted to S&U directors, and none were granted during the period ended 5 February 2026.

Awards vesting based on performance in respect the period ended 5 February 2026

An award of 2,000 shares vested based on performance for Ed Ahrens in respect of the period ended 5 February 2026 and has been included in the notes to the single figure tables on page 29 - the value of this award in the single figure tables is based on the previous 3 months' average share price as at 5 February 2026.

Awards for 2026/27

The Committee intends to grant 1,000 nil cost shadow share options under the 2021 LTIP to Ed Ahrens, subject to achieving certain threshold Aspen PBT and ROCE targets for the year ending 5 February 2027, 2,000 nil cost shadow share options under the 2021 LTIP to Ed Ahrens, subject to achieving certain stretch Aspen PBT and ROCE targets for the year ending 5 February 2027.

The Committee intends to grant 2,000 shadow share options under the 2021 LTIP to Karl Werner*, subject to achieving certain threshold Advantage PBT and ROCE targets for the year ending 5 February 2027 and 3,000 shadow share options under the 2021 LTIP to Karl Werner*, subject to achieving certain stretch Advantage PBT and ROCE targets for the year ending 5 February 2027.

The Committee intends to grant 1,000 shadow share options under the 2021 LTIP to Chris Freckleton*, subject to achieving certain threshold Group PBT and ROCE targets for the year ending 5 February 2027.

The LTIPs will normally become exercisable three years from grant, subject to the satisfaction of the performance conditions and the director remaining in employment. The Remuneration Committee considers that the targets are commercially sensitive and should therefore remain confidential to the Company. They provide our competitors with insight into our business plans, expectations and our strategic actions. However, the Remuneration Committee will continue to disclose how the LTIP vesting relates to performance against the Aspen, Advantage and Group PBT and ROCE targets on a retrospective basis.

The table below shows a comparison between the actual amounts paid or vested in the period ended 5 February 2026 and the amounts granted for the year ending 5 February 2027.

		Amounts actually paid or vested in the year 2026	Amounts granted in the year (subject to the achievement of performance conditions) 2027
Anthony Coombs	Bonus	£50,000	£60,000
	Shadow share options	–	–
Graham Coombs	Bonus	£50,000	£60,000
	Shadow share options	–	–
Jack Coombs	Bonus	£40,000	£60,000
	Shadow share options	–	–
Ed Ahrens	Bonus	£32,000	£30,000
	Shadow share options	2,000	1,000
Karl Werner*	Bonus		£50,000
	Shadow share options	n/a	2,000
Chris Freckleton*	Bonus		£20,000
	Shadow share options	n/a	1,000

* Karl Werner was appointed a director of S&U plc on 9 February 2026 and Chris Freckleton on 20 April 2026 (after the 5 February 2026 year end) and so no remuneration is shown in the table for 2026.



B2.2 Annual Remuneration Report

CONTINUED

For the period ended 5 February 2026, the Remuneration Committee considers that the significant shareholding held by Anthony Coombs, Graham Coombs and Jack Coombs provides adequate alignment to shareholders.

The Committee has determined that, as a matter of good governance and alignment with shareholder interests, 50% of the net-of-tax proceeds from any Shadow Share Option (SSO) grant, equivalent to 25% of the gross SSO entitlement, should be reinvested in the Company's shares within three months of vesting. While no formal minimum holding period will be imposed, the Committee expects that such shareholdings will be retained as a demonstration of long-term commitment to the Company. This approach reinforces executive alignment with sustainable shareholder value creation and reflects the Board's expectation of meaningful equity participation at senior levels.

Malus and Clawback provisions

The Remuneration Policy for executive and non-executive directors, which shareholders approved at the 2024 AGM contains specific malus and clawback provision for the annual bonus and LTIP awards as follows.

For up to two years following the payment of the annual bonus award, the Committee may require repayment of all or part of the bonus in the event of a material misstatement or error in assessing performance measures which has led to an overpayment of the bonus or in the event of dismissal due to gross misconduct in the bonus year or in the event of criminal behaviour. Some or all of any deferred award under the annual bonus may be clawed back (via a cancellation of the award) prior to vesting in equivalent circumstances.

During the vesting period of an LTIP award the Committee may clawback all or part of the award (via the cancellation of unvested awards) in the event of a material misstatement or error in assessing performance measures which has led to the award vesting to a greater degree than would otherwise have been the case or in the event of dismissal due to gross misconduct.

These provisions were not used in the period to 5 February 2026.

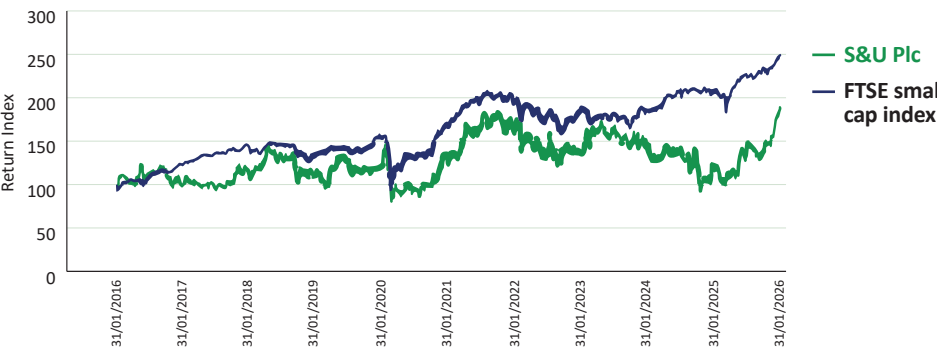
Total pension entitlements in 2025/26 (this section is subject to audit)

During the year the Group made contributions into a defined contribution scheme on behalf of Ed Ahrens, Jack Coombs and Chris Redford (or pays a salary supplement in lieu). None of the directors have accrued benefits under the defined benefit scheme.

Director	Defined contribution or salary supplement in lieu £000	Percentage of Salary %
Chris Redford	14	14.5
Ed Ahrens	35	15.0
Jack Coombs	27	15.0

Company performance – shareholder return graph (this section is not subject to audit)

The following graph shows the Company's Shareholder Return performance, compared with the performance of the FTSE Small Cap, over the past ten years. This comparator has been selected since it illustrates S&U's relative performance within their sector.



Executive Chairman Remuneration for the previous ten years (this section is not subject to audit)

The Group does not have a CEO, but the table below shows the detail required by the regulations for our executive chairman Mr Anthony Coombs:

Executive director	Single figure of remuneration	Annual bonus (% of maximum opportunity for the year)	Long term incentive (% of maximum number of shares for the year)
2026	558	100	n/a
2025	499	0	n/a
2024	467	0	n/a
2023	506	100	n/a
2022	469	100	n/a
2021	450	20	n/a
2020	427	33	n/a
2019	412	40	n/a
2018	387	0	n/a
2017	402	50	n/a



Percentage change in Executive Directors' Remuneration (this section is not subject to audit)

The table below sets out in relation to salary, taxable benefits and annual bonus the percentage increase in remuneration for executive directors and the wider workforce for the period ended 5 February 2026 and years ended 31 January 2025, 31 January 2024, 31 January 2023 and 31 January 2022.

Element	Anthony Coombs	Graham Coombs	Chris Redford	Jack Coombs*	Ed Ahrens**	Wider Workforce
Period to 5.2.26	%	%	%	%	%	%
Base salary	0.0	0.0	(41.5)	23.3	9.3	3.3
Allowances and benefits	7.9	0.0	(40.9)	0.0	0.0	n/a
Bonus	100.0	100.0	100.0	0.0	(20.0)	121.4
Year to 31.1.25						
Base salary	1.7	1.7	3.0	25.0	3.6	10.0
Allowances and benefits	29.5	0.0	0.0	(8.7)	11.1	n/a
Bonus	0.0	0.0	(100.0)	300.0	300.0	(39.9)
Year to 31.1.24						
Base salary	1.3	1.4	3.1	9.1	n/a	5.5
Allowances and benefits	7.3	2.9	0.0	2300.0	n/a	n/a
Bonus	(100.0)	(100.0)	(80.0)	(60.0)	n/a	(20.6)
Year to 31.1.23						
Base salary	3.8	3.8	5.4	10.0	n/a	9.0
Allowances and benefits	3.8	(2.9)	0.0	0.0	n/a	n/a
Bonus	66.7	66.7	0.0	150.0	n/a	6.6
Year to 31.1.22						
Base salary	0.0	0.0	0.0	n/a	n/a	3.0
Allowances and benefits	5.3	0.0	(15.4)	n/a	n/a	n/a
Bonus	100.0	100.0	100.0	n/a	n/a	186.9

** Jack Coombs was appointed a director of S&U plc on 14 April 2021, so no comparative data is available for the year 31.1.22.

** Ed Ahrens was appointed a director of S&U plc on 14 February 2023 (after the 31 January 2023 year end) and so no comparative data is available for the years to 31.1.24, 31.1.23 or 31.1.22.

Anthony Coombs received benefits and allowances of £123,000 in the period ending 5 February 2026 and £114,000 in the year ending 31 January 2025. Anthony Coombs earned a bonus of £50,000 for the period ending 5 February 2026 and received a bonus of £nil for the year ending 31 January 2025.

Graham Coombs received benefits and allowances of £35,000 in the period ending 5 February 2026 and £35,000 in the year ending 31 January 2025. Graham Coombs earned a bonus of £50,000 for the period ending 5 February 2026 and received a bonus of £nil for the year ending 31 January 2025.

Chris Redford received benefits and allowances of £9,000 in the period ending 5 February 2026 and £22,000 in the year ending 31 January 2025. Chris Redford earned a bonus of £25,000 for the period ending 5 February 2026 and earned a bonus of £nil for the year ending 31 January 2025.

Jack Coombs received benefits and allowances of £21,000 in the period ending 5 February 2026 and £21,000 in the year ending 31 January 2025. Jack Coombs earned a bonus of £40,000 for the period ending 5 February 2026 and earned a bonus of £40,000 for the year ending 31 January 2025.

Ed Ahrens received benefits and allowances of £10,000 in the period ending 5 February 2026 and £10,000 in the year ending 31 January 2025. Ed Ahrens earned a bonus of £32,000 for the period ending 5 February 2026 and earned a bonus of £40,000 for the year ending 31 January 2025.



B2.2 Annual Remuneration Report

CONTINUED

Chairman Pay Ratio (this section is not subject to audit)

The Group does not have a CEO, but the information below shows the detail required by the regulations for our executive chairman Mr Anthony Coombs.

In accordance with the UK Companies (Miscellaneous Reporting) Regulations 2018, the Company is required to disclose the ratio of the Chairman’s single total figure of remuneration to that of the Company’s UK employees across the Group at the 25th percentile (P25), median (P50), and 75th percentile (P75).

The Company has applied Method C to determine the pay ratios. The Company used existing UK payroll data for the relevant financial period and employees were ranked based on total remuneration received during the financial year. The employees whose pay was closest to the 25th, 50th and 75th percentiles were identified. No full-time equivalent adjustments were made, and remuneration reflects actual pay received during the year.

The Committee considers this method to be proportionate and appropriate given the structure of the Group’s UK workforce and the availability of payroll data.

For the period ended 5 February 2026, the ratios are set out below:

Year	Method	P25	P50	P75
2025/26	C	24:1	18:1	13:1

The Chairman’s single total figure of remuneration for the year was £558,000, as disclosed in the audited Directors’ Remuneration Report.

The remuneration for the identified UK employees at each percentile was

P25: £23,000

P50 (median): £31,000

P75: £41,000

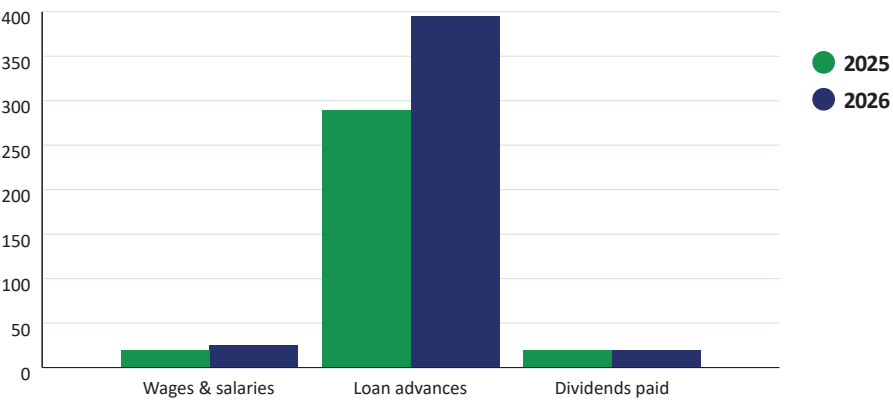
The Committee reviews workforce pay and conditions when setting executive remuneration. The Committee believes that the median pay ratio for 2025/6 is consistent with the reward and progression policies for the Company’s colleagues.

This is the first year in which the Company is required to disclose the CEO pay ratio under the Companies (Miscellaneous Reporting) Regulations 2018. Accordingly, no comparative figures are presented.

Relative Importance of Spend on Pay (this section is not subject to audit)

The graph below shows the relative importance of spend on pay against other cash outflows of the Group for the year ending 31 January 2025 and period ending 5 February 2026. Given the nature of the Group’s business, the other significant outflows for the Group are loan advances and dividends payable.

Annual expenditure January 2025 v January 2026 £m



Payments for loss of office (this section is not subject to audit) and to past directors

There were no loss of office payments made during the period ended 5 February 2026.

Statement of directors’ shareholding and share interests

The table below details the beneficial shareholdings and share interests of the directors as at 5 February 2026.

	Type	Total At 5 February 2026
Anthony Coombs	Shares	1,224,009
Graham Coombs	Shares	1,650,819
Ed Ahrens	Shares	3,000
Jack Coombs	Shares	1,677,147
Non-executive Directors		
Tarek Khat	Shares	–
Graham Penderson	Shares	–
Jeremy Maxwell	Shares	–
Graham Wheeler	Shares	–

In addition to the above holdings, Grevayne Properties Limited, a Company beneficially controlled by Anthony Coombs and Graham Coombs, holds 379,123 Ordinary Shares.

Karl Werner and Chris Freckelton were appointed as executive directors of S&U plc after the 5.2.26 year end, on 9.2.26 and 20.4.26, and at that date they held no S&U plc ordinary shares.



There are no share options held under the old LTIP 2010 scheme – there are no direct share interests arising under the new LTIP 2021 scheme agreed by shareholders at the AGM in 2021 as options which are granted under this new scheme are shadow share options only.

The Committee has determined that, as a matter of good governance and alignment with shareholder interests, 50% of the net-of-tax proceeds from any Shadow Share Option (SSO) grant, equivalent to 25% of the gross SSO entitlement, should be reinvested in the Company’s shares within three months of vesting. While no formal minimum holding period will be imposed, the Committee expects that such shareholdings will be retained as a demonstration of long-term commitment to the Company. This approach reinforces executive alignment with sustainable shareholder value creation and reflects the Board’s expectation of meaningful equity participation at senior levels.

There have been no changes to the above shareholdings and share interests between 5 February 2026 and the date of this report.

Shareholder vote on the 2025 Remuneration Report and 2024 Remuneration Policy (this section is not subject to audit)

The table below shows the voting outcome at the 18 June 2025 AGM for the 2025 Directors Remuneration Report (advisory) and the voting outcome at the 6 June 2024 AGM for the 2024 Remuneration Policy:

	Number of votes “For” and “Discretion”	% of votes cast	Number of votes “Against”	% of votes cast	Total Number of votes cast	Number of votes “withheld”
Annual Report on Remuneration 2025	6,173,160	95.77	272,392	4.23	6,445,552	283
Remuneration Policy 2024	6,401,507	96.83	209,787	3.17	6,611,294	327

The Remuneration Committee welcomed the passing of the resolutions and the support shown by those Shareholders who voted in favour and the Remuneration Committee has taken steps wherever practicable to understand Shareholder concerns when withholding their support.

Approval

This report section B2 of the Annual Report and Accounts including The Annual Remuneration Report was approved by the Board of Directors on 20 April 2026 and signed on its behalf by:

Tarek Khat
Chairman of the Remuneration Committee

20 April 2026



B3 Governance

B3.1 Audit committee report

Role and Responsibilities

The Audit Committee is a committee of the Board of Directors, made up of the 3 independent non-executive directors and Graham Wheeler, former CEO of Advantage whose expertise on motor finance issues is invaluable to the committee. Its main role is to assist the Board and protect the interests of shareholders by reviewing the integrity and appropriateness of the Group's financial information, the systems of internal controls and risk management and the audit process, both internal and external. The Committee continues to monitor developments in other areas in this regard, to ensure that its role is properly and appropriately applied and performed. The Committee is cognisant of the evolving audit landscape for listed companies and is helping the company develop and embed its evolving response to climate change including the work for the task force on climate related disclosures (TCFD). Tarek Khat, a member of the audit committee also serves on the Group's ESG and climate change committee.

Composition of the Committee and Meetings

The Company has established an Audit Committee which is constituted in accordance with the recommendations of the UK Corporate Governance Code. The members of the Committee are Mr G Pedersen, Mr J Maxwell, Mr T Khat and Mr G Wheeler, who are all non-executive directors. Biographical details of these directors are set out on page 23. The Committee is chaired by Mr G Pedersen. Meetings are held not less than twice a year and generally three times a year in conjunction with the interim and full year financial reports issued in October and April and an external and internal audit planning meeting in January. The external or internal auditors or individual members of the Audit Committee may request a meeting if they consider one is necessary and the Committee ensure that discussions are held with the external auditors without executive Board members present. During the period ending 5 February 2026 three meetings were held including Audit planning meetings.

Significant Matters related to the financial statements

The significant matters and areas of judgement considered by the Audit Committee in relation to the 5 February 2026 Financial Statements were as follows:

Impairment of receivables – Motor Finance – see also accounting policy 1.5 on page 57 and 1.13 on page 58

Receivables are impaired in Motor Finance based on the overall contractual arrears status and also the number of cumulative contractual monthly payments that have been missed in the last six months. Impairment is calculated using models which use historical payment performance and amounts recovered from security realisation to generate the estimated amount and timing of future cash flows from each arrears stage. In addition, and in accordance with the provisions of IFRS9 a collective provision is made for expected credit losses in the next 12 months in the remainder of the loan book which again references historical payment performance and amounts recovered.

Judgement is applied as to the appropriate point at which receivables are impaired and the level of cash flows that are expected to be recovered from impaired customers.

In order to assess the appropriateness of the judgements applied, an exercise is performed to assess the most recent performance of customers, including the cash collection and recovery performance of impaired customers. This is used to help forecast expected cash collections which are then discounted at the effective interest rate and compared to the carrying value of receivables at the yearend with the difference being the impairment provision.

In assessing the adequacy of the Motor Finance impairment provision, the Audit Committee considers, reviews and challenges;

- The work performed by management and by Forvis Mazars in auditing the data used and their challenge of the assumptions used by management; and
- The findings in light of current trading performance and expected future trading performance.

The Committee also reviewed revenue recognition within motor finance and the impairment, revenue recognition and strong receivables growth of our Property Bridging Finance business. There were no issues and areas of judgement considered significant by the Committee in relation to these areas.

Provision – Motor Finance FCA commission consultation – see also note 1.13

The Committee assessed the accounting judgement made relating to the FCA's final redress scheme rules on motor finance commissions. The Committee considered other independent views, including that of the external auditor, in assessing the provision recorded under the requirements of IAS 37. The Committee has also encouraged active engagement with the FCA on the consultation proposals and reviewed the submission made by Advantage in late 2025.



External Audit

The Committee formally reviews the effectiveness of the external auditors, Forvis Mazars LLP, and the Group's relationship with them. The review consists of a list of relevant questions, which it discusses with the Group Finance Director, before discussing them with external auditors.

As a result, the Committee concluded that the external audit process during Forvis Mazars LLP's fourth year as our auditors was effective this year. After a rigorous tender process Forvis Mazars LLP were formally appointed as group auditors at the AGM in May 2021, taking over from Deloitte LLP who had been Group Auditors since 2000.

The Audit Committee and Forvis Mazars have put in place safeguards to ensure that the independence and objectivity of the external auditor is maintained including governing the external auditor's engagement for non-audit services. In line with rules for public interest entities the provision of tax compliance services was placed with KPMG with effect from 1 February 2017 and we also use KPMG for guidance on directors' remuneration and reporting matters. Fees paid to the external auditor are shown in note 8 to the accounts. Overall the fees paid to the external auditor for non-audit services, which were approved by the Audit Committee, were £60,000 (2025: £45,000) and this was for the half year review of interim results and ESG KPI compliance verification under our revolving credit facility agreement. The audit committee have continued to monitor the quality of service they provided and their continuing independence. They examined Forvis Mazars transparency report which demonstrates how audit quality is maintained in line with the "Audit Quality Framework" issued by the professional oversight board of the Financial Reporting Council. They also considered Forvis Mazars' understanding of S&U plc's business, their access to appropriate specialists, and their understanding of the financial sector in which the Group operates.

In accordance with this policy the Audit Committee ensured no external service provided by the auditors involved it in management of functions or decision making or in influencing Management's view on the adequacy of internal controls or financial reporting. If it were to be material to the Group, any Corporate Finance or other advice that Forvis Mazars provided during the year would be reviewed by the Audit Committee to ensure that they did not compromise the auditing function of Forvis Mazars in any way.

Internal Audit

During the year, RSM have continued to provide internal audit services for the Group. An agreement, overseen by the Audit Committee, has been entered into with RSM who will be responsible for regular internal audits of the Group's Regulatory Controls, Customer Compliance, Risk Management and Governance Policy and Procedures.

The Committee considers that the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's performance, business model and strategy.

Graham Pedersen
Chairman of the Audit Committee

20 April 2026



B3.2 Corporate Governance

The 2024 UK Corporate Governance Code issued by the FRC was applicable for the whole of the financial period ended 5 February 2026 and contained revisions which whilst important did not have a major impact on the Group. Revisions to Provision 29 of the 2018 Code are effective from 6 February 2026 and the Group is well progressed having identified its material controls and mapped them to the principal risks. The effectiveness of these controls will be monitored during the year and reported on in the 5 February 2027 annual report. We report below on our adherence to the current 2024 UK Corporate Governance Code.

Narrative statement

The way in which we comply with the Code's Provisions or explain where we do not is described below in the five areas of "Board Leadership and Company Purpose, Divisions of Responsibilities, Composition, succession and evaluation, Audit risk and internal control and Remuneration." In addition, our Chairman's Statement provides guidance as to how we interpret the revised codes more flexible approach in giving clear reasons for any non-compliance within the provisions. The rationale for this includes a "Company's particular circumstances based on a range of factors, including the size, complexity, history and ownership structure."

In S&U's case this has always meant an identity of interest between major shareholders and the executive management of the Company. The requirement of the Code of Principles for Board's to "promote the long-term sustainability or success of the Company, generating value for shareholders and contributing to wider society" is sustained by this and by our consistent mantra of "steady, sustainable growth." Our mission statement is published on the inside front cover. Family investment and management has over nearly 90 years been reflected in ambition for growth and for new markets buttressed by a conservative approach to risk, to treasury activities and to return on capital employed. The same culture is seen in "work force engagements" through employment stability, good communications and a streamlined, non-bureaucratic, management structure, as a staple of S&U well before the Governance Code even existed.

This has inevitably meant some departure from the detailed Provisions of the Code which primarily focusses on larger companies, a more formal approach to employee relations, a shorter history to establish a proven responsible culture, and a divorce between equity and management. We have carefully explained the reasons for any departures and will hopefully, as the revised code requires, now see these considered by investors and their representatives "thoughtfully" and not evaluated in "a mechanistic way".

Leadership

During the year the Company was controlled through the Board of Directors which at 6 February 2026 comprised four executive and four non-executive directors. The Chairman is responsible for the running of the Board. He has to ensure that all directors receive sufficient relevant information on financial, business and corporate issues prior to meetings. He is also responsible for co-ordinating the Company's business and implementing Group strategy.

The Chairman and Deputy Chairman are jointly responsible for acquisitions outside the traditional business, the development of the business into new areas, and relations with the investing community, public and media.

Under Provision 9 of the Code it is recommended that the Chairman should be independent on appointment and should not have previously served as Chief Executive of the Company and under Provision 19 of the Code it is recommended that the Chairman should not remain in post beyond nine years from the date of their first appointment to the Board. Mr. Anthony Coombs was appointed Chairman in 2008 as part of an established succession plan reflecting the Coombs family's significant holding in S&U, the identity of interest between management and shareholders and the consequent success of the Company. As explained above this has been (and is perceived by the investing community) as a significant strength in the responsible, long-term strategic approach to S&U's development.

Mr. Coombs now serves as Executive Chairman and his responsibilities as Managing Director have been transferred to the Chief Executive of Advantage Finance and the Chief Executive of Aspen Bridging.

Under Provision 11 of the Code it is recommended that at least half the board excluding the chair should be non-executive directors whom the Board considers to be independent. The Board considers there are currently 3 independent non-executive directors (Tarek Khat, Graham Pedersen and Jeremy Maxwell) of the 7 directors excluding the chair so this is a departure from the Code and that composition of the Board is kept under review. Under Provision 24 of the code the audit committee should consist of independent non-executive directors and the S&U audit committee currently consists of 3 independent non-executive directors plus another non-independent non-executive director so this is a departure from the Code. Under Provision 21 of the Code there should be a formal Board performance review, its committees, the chair and individual directors – this performance review is currently informal which the Board considers to be appropriate and more cost effective. Under Provision 38 of the code, the pension contribution rates for executive directors, or payments in lieu, should be aligned with those available to the workforce. As listed in the directors' remuneration report there are a range of pension contribution rates for executive directors some of which are above those available to the workforce but these rates reflect benchmarked market norms for those executive directors.



The Board has a formal schedule of matters reserved to it and meets at least four times a year with monthly circulation of papers. It is responsible for overall Group strategy, acquisition and divestment policy, approval of major capital expenditure projects and consideration of significant financing matters. It monitors the exposure to key business risks and reviews the strategic direction of the business. This includes its code of conduct, its annual budgets, its progress towards achievement of those budgets and its capital expenditure programmes. The Board also considers environmental and employee issues and key appointments. It also ensures that all directors receive appropriate training on appointment and then subsequently as appropriate. The Board has established a Nomination Committee, an Audit Committee and a Remuneration Committee. Each Committee operates within defined terms of reference. Advantage Finance and Aspen Bridging are each managed by a separate board of directors. The minutes of the standing Committees will be circulated to and reviewed by the Board of Directors. Terms of reference for the Committees are available from S&U plc head office and on our website www.suplc.co.uk.

Graham Pedersen was appointed to the Board in February 2015 and brings a wealth of experience to the S&U Board both as a regulator and a banker. He has therefore served as a non-executive director on the Board for over nine years. Notwithstanding this length of service, the Board considers him to be independent due to his robust judgement and character and the invaluable balance and experience he has brought to the Board's deliberations. Tarek Khat, a Banker, FCA Approved Person and Wealth Manager of great experience was appointed to the Board in March 2016. He has also therefore served as a non-executive director on the Board for over nine years. Notwithstanding this length of service, the Board considers him to be independent due to his robust judgement and character and the invaluable balance and experience he has brought to the Board's deliberations. In January 2022, Jeremy Maxwell was appointed to the Board and brings broad expertise in digital innovation, marketing, commercial development and customer experience from over 25 years in the retail and B2B distribution industries. In February 2024, Graham Wheeler was appointed as a non-executive of the Board following his retirement as CEO of Advantage Finance. In his non-executive capacity Graham continues to bring the benefit of over 40 years of experience in the motor and finance sectors to the S&U Board.

The Nomination Committee, chaired by Jeremy Maxwell, comprises the four non-executive directors and Anthony Coombs, Group Chairman. The Audit Committee is made up of the four non-executive directors and is chaired by Graham Pedersen. The Remuneration Committee comprises Tarek Khat, Graham Pedersen and Jeremy Maxwell and is chaired by Tarek Khat.

Board Effectiveness and the work of the Nomination Committee

Our executive directors are appraised annually by the Chairman, the Deputy Chairman and the independent non-executives. The Chairman and the Deputy Chairman are appraised annually by the independent non-executives. The results of these appraisals are considered by the Remuneration Committee for the determination of their remuneration recommendations. During the year there was no external performance review of the Board but the performance of the Board and each of the Board Committees was reviewed by the Board with regard to the performance and achievements during the year. The performance of the Board and all three committees was self-assessed by the Board to be effective.

Our non-executive directors receive full updates on Company progress and relevant issues and bring their experience and sound judgement to bear on matters arising. The Chairman considers the effectiveness of each non-executive director annually.

Directors have both the time and experience to fulfil their responsibilities and none sit on other PLC boards. The Nomination Committee advises the Board on refreshment and succession planning, whilst independent recruitment consultants are used for important executive roles.

Shortly after the year end the Nomination Committee appointed

- Karl Werner, CEO of Advantage Finance, to the S&U Board. Karl has steered the company through a tempestuous time emerging stronger, more focussed and energised than before.
- Chris Freckelton, CFO, to the S&U Board. Chris has proved a success as Chief Financial Officer and becomes Group Finance Director.

The Nomination Committee will continue to monitor the availability of relevant skills and experience alongside its corporate governance responsibilities, in its further succession planning and when considering any future appointments to the Board. Whilst the Board notes the Code's focus on diversity, both Board and executive appointments are made purely on the basis of ability and temperament, irrespective of race, gender or sexual orientation.

Messrs Anthony Coombs, Graham Coombs, Ed Ahrens, Jack Coombs, Graham Pedersen, Tarek Khat, Jeremy Maxwell and Graham Wheeler being eligible offer themselves for re-election at the next Annual General Meeting. Tarek Khat, Graham Pedersen, Graham Wheeler and Jeremy Maxwell are non-executive directors and the Chairman has determined their performance to be both effective and committed.

The Senior Independent Director Tarek Khat provides a sounding Board and objective support for the Chairman and serves as an intermediary for the other directors when necessary.

The Company Secretary Manjeet Bhogal is available to provide advice and services to all Board members and is responsible for ensuring Board procedures are followed. All directors are also able to take independent advice in furtherance of their duties if necessary.



B3.2 Corporate Governance

CONTINUED

Accountability

Financial Reporting

Reviews of the performance and financial position of the Group are included in the Chairman's Report. The Board uses this, together with the Strategic Report within pages 7 to 10, to present a balanced and understandable assessment of the Company's position and prospects. The Directors' responsibilities in respect of the financial statements are described on page 45 and those of the auditor on page 50.

Internal Control

The Board acknowledges that it is responsible for the Group's system of internal control and for reviewing its effectiveness. Such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Group's internal control systems are reviewed regularly by management and by our independent internal auditors RSM with the aim of continuous improvement. Whilst the Board acknowledges its overall responsibility for internal control, it believes strongly that senior management within the Group's operating businesses should also contribute in a substantial way and this has been built into the process. The Audit Committee oversees the monitoring of the adequacy of the Group's internal controls and whistleblowing procedures.

There is an ongoing process for identifying, evaluating and managing the significant risks faced by the Group. The process has been in place for the period under review and up to the date of approval of the report and financial statements. The process is regularly reviewed by the Board including a review during the reporting period and accords with the guidance in the UK Corporate Governance Code.

The Board intends to keep its risk control procedures under constant review, particularly as regards the need to embed and maintain internal control and risk management procedures further into the operations of the business and to deal with areas of improvement which come to management's and the Board's attention.

As might be expected in a Group of this size, a key control procedure is the day-to-day supervision of the business by the executive directors, supported by the managers with responsibility for operating units and the central support functions of finance, information systems and human resources.

The executive directors are involved in the budget setting process, constantly monitor key statistics and review management accounts monthly, noting and investigating major variances. All significant capital expenditure decisions are approved by the Board as a whole.

The executive directors receive reports setting out key performance and risk indicators and consider possible control issues brought to their attention by early warning mechanisms, which are embedded within the operational units and reinforced by risk awareness training. The executive directors also receive regular reports from the credit control and health and safety functions, which include recommendations for improvement. The Audit Committee's role in this area is confined to a high-level review of the arrangements.

Relationship with Auditor

The Audit Committee has specific terms of reference which deal with its authority and duties. It meets at least twice a year with the external auditor attending by invitation and RSM as a regular attendee in order that the Committee can review the external and internal audit process and results. The Committee overviews the monitoring of the adequacy of the Group's internal controls and whistleblowing procedures, accounting policies and financial reporting and provides a forum through which the Group's external auditor reports to the non-executive directors. The Committee assists the Board in discharging its duties to ensure the financial statements meet legal requirements and also reviews the independence of the external auditor. This is assessed through examination of the nature and value of non-audit services performed during the year. The value of non-audit services is disclosed on page 37 and all non-audit service requirements are considered by the Group before an appointment is made. The non-audit services provided were ISRE 2410 for the half year review of interim results and ISAE 3000 limited assurance for the ESG KPI compliance verification.

Equality and Diversity

The Group is committed to ensuring that existing members of staff, job applicants, or workers are treated fairly in an environment which is free from any form of discrimination. The Group will always wish to ensure appointments reflect the best skills available for the role. As at 5 February 2026 14 women held 34% of senior management positions and women held 62% of other employee positions and during the period no female directors served on the Board. As at 5 February 2026 27 men held 66% of senior management positions and men held 38% of other employee positions and during the year nine male directors served on the Board. As at 5 February 2026 the Company had 12 employees of which two are women and ten are men including six S&U plc Directors, in total all eight of the S&U plc board of directors are men of which one is from a minority ethnic background. Data for these metrics has been collected from information provided by employees or held as part of company records.

The Board therefore confirms in accordance with UK listing rule 6.6.6R (9) that as at 5 February 2026 it had not met the targets for listed companies of at least 40% of the individuals on the board of directors being women and at least one of the senior board positions being a woman, due principally to other candidates having more particular skills and experience for the handful of recent appointments made. Whilst we believe appointments will continue to be made on relevant ability and experience, we would like to make better progress towards these targets and welcome more women to the Board. The Board confirms that it has met the target that at least one individual on its board of directors is from a minority ethnic background.



The tables required under Listing Rule 6.6.6R (10) as at 5 February 2026 are set out below:

	Number of board members	% of board	Number of senior positions on board	Number in executive management	% of executive management	% of all employees
Table of reporting on gender identity or sex						
Men	8	100%	3	19	58%	43%
Women	0	0%	0	14	42%	57%
Not specified or prefer not to say	0	0%	0	0	0%	0%
Table of reporting on ethnic background						
White British or other white	7	88%	2	32	97%	
Mixed/Multiple ethnic groups	0	0%	0	0	0%	
Asian/Asian British	0	0%	0	1	3%	
Black/African/Caribbean/Black British	0	0%	0	0	0%	
Other ethnic group including Arab	1	12%	1	0	0%	
Not specified or prefer not to say	0	0%	0	0	0%	

Board and Committee attendance

The attendance of individual directors at the regular meetings of the Board and its Committees during the period ended 5 February 2026 is shown in the table below:

Meeting attendance	Board	Nomination	Remuneration	Audit
Number of meetings	5	1	1	3
AMV Coombs	5	1	n/a	n/a
GDC Coombs	5	n/a	n/a	n/a
G Pedersen	5	1	1	3
T Khlal	5	1	1	3
JP Maxwell	5	1	1	3
J EC Coombs	5	n/a	n/a	n/a
EH Ahrens	5	n/a	n/a	n/a
TG Wheeler	5	0	n/a	3
CH Redford	2*	n/a	n/a	n/a

* Chris Redford resigned as Group Finance Director on 18 June 2025 following his planned retirement

Remuneration

The Remuneration Committee has specific terms of reference which deal with its authority and duties and these, together with details of how the Company has complied with the Remuneration provisions of the UK Corporate Governance Code, including malus and clawback provisions, are detailed in the Directors Remuneration Report on page 24.



B3.2 Corporate Governance

CONTINUED

Relations with Stakeholders

The Company continues to communicate with both institutional and private investors and responds quickly to all queries received verbally or in writing. All shareholders have at least twenty working days' notice of the Annual General Meeting at which all directors are introduced and are available for questions.

The Board is aware of the importance of maintaining close relations with investors and analysts for the Group's market rating. Positive steps have been taken in recent years to enhance these relationships. Twice yearly road shows are conducted by the Chairman and senior directors when the performance and future strategy of the company is discussed with larger shareholders. Queries from all shareholders are dealt with personally by the Chairman.

Members of the Board including the Chairman meet frequently with shareholders and conduct regular roadshows throughout the UK to present to current and future investors. Shareholder and Investor relations are managed in tandem with our joint Stockbrokers Peel Hunt and Berenberg who issue regular reports on these activities.

Mutual commitment and loyalty between the Company and its employees has under-pinned S&U's 87-year history. Both its size, with currently over 210 employees in Grimsby and over 40 in Solihull and its family ethos ensure that the "employee voice" is heard and heeded. Regular appraisals and feedback meetings are held and internal promotion is encouraged. As a result, staff retention rates are very high. Whistle-blower policies are in place at Advantage.

The size, history and culture of the company encourage participation of all directors and senior management and employee relations and make designated board members or workforce committees unnecessary.

Although, the S&U Group does not have a formal mechanism of staff engagement with the Board, staff in the major operating subsidiary, Advantage Finance, do actively participate in regular "cascade" meetings where business developments and resourcing are discussed. It is felt that such practices do allow proper workforce engagement to take place without the specific need to create a formal "Staff Consultative" committee structure.

B3.3 Compliance Statement

Throughout the period ended 5 February 2026 the company has discharged and met its responsibilities under the Principles and Provisions of the 2024 UK Corporate Governance Code and under the guidance attached to it. Where it has not followed provisions 9,11,19,21,24 and 38 of the code, "a clear rationale for the action" is also set out above.

Jeremy Maxwell
Chairman of the Nomination Committee

20 April 2026



B4 Directors' Report

The directors present their Annual Report and the audited financial statements for the period ended 5 February 2026 and for the period up to the date of signing these accounts on 20 April 2026.

The names of all of the directors who served during the year and up to the date of signing the accounts are shown in the directors' biographies on page 22. All the current directors served for the full period to 5 February 2026 with the exception of Karl Werner who was appointed to the Board on 9 February 2026 and Chris Freckelton who was appointed to the Board on 20 April 2026.

No political donations were made during the year (2025: £nil).

Dividends

Dividends of £12,748,000 (2025: £13,963,000) were paid during the year.

After the year end a second interim dividend for the financial year of £4,253,000 being 35.0p per ordinary share (2025: 30.0p) was paid to shareholders on 6 March 2026.

The directors now recommend a final dividend, subject to shareholders approval of 45.0p per share (2025: 40.0p). This, together with the interim dividends totalling 70.0p per share (2025: 60.0p) already paid, makes a total dividend for the year of 115.0p per share (2025: 100.0p).

Substantial shareholdings

At 10 April 2026, the Company had been notified of the following interests of 3% or more in its issued ordinary share capital (excluding those of the directors disclosed on page 34 of the Directors' Remuneration Report above): -

Shareholder	No of ordinary shares	% of Ordinary share capital
Jennifer Coombs	461,885	3.8%
Wiseheights Limited	2,420,000	19.9%

Capital structure

Details of the issued share capital, together with details of the movements in the Company's issued shared capital during the year are shown in note 23. The Company has one class of ordinary shares which carry no right to fixed income. Each ordinary share carries the right to one vote at general meetings of the Company. The cumulative preference shares carry 6% interest but do not carry voting rights.

There are no specific restrictions on the size of a holding nor on the transfer of shares, which are both governed by the general provisions of the Articles of Association and prevailing legislation. The directors are not aware of any agreements between holders of the Company's shares that may result in restrictions on the transfer of securities or on voting rights.

Changes in accounting policies

There were no significant changes in accounting policies this year.

Auditor

Each of the persons who is a director at the date of approval of the annual report confirms that; so far as each director is aware, there is no relevant audit information of which the Company's auditor is unaware; each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information. This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Forvis Mazars LLP have expressed their willingness to continue in office as auditor and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Post balance sheet events

On 30 March 2026 the FCA published its final scheme rules regarding motor finance commissions. This is an adjusting post balance sheet event and is disclosed in further detail in note 1.13, there are no other post balance sheet events.

Directors

Under article 154 of the Company's articles of association, the Company has qualifying third party indemnity provisions for the benefit of its directors and those of subsidiary company directors which remain in force at the date of this report. The two matters to report under the disclosure requirements of the Large and Medium-sized Companies and Groups (Report and Accounts) Regulations 2008, are that;

1. The Board may appoint a director during the year and until the dissolution of the next AGM as long as the maximum number of 15 directors is not exceeded.
2. The Board have the power to issue and allot up to 10% of the ordinary share capital of the company and to buy back up to 3,598,506 31.5% preference shares and up to 200,000 6% preference shares of the company.

The matter required to report under listing rule 9.8.4R is as follows:

1. The Company has a long-term incentive scheme (LTIP 2021) with awards of shadow share options which can only be cash settled. Details of awards under this scheme to directors are shown in section B2.2.



B4 Directors' Report

CONTINUED

Information presented in other sections

Certain information required to be included in the Director's report can be found in other sections of the Annual Report and Accounts as described below. All the information presented in these sections is incorporated by reference into this Director's report and is deemed to form part of this report.

- Information surrounding future developments is given in the Strategic Report and Chairman's Statement.
- Information surrounding engagement with customers, employees, business partners and others is given in the Strategic Report and S172 Statement.
- Disclosures concerning greenhouse gas emissions are given in Section A4.4 in the Strategic Report.
- Information about the Group's use of financial instruments is given in the note 25.

The Board confirms that the Annual Report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's performance, business model and strategy.

Approved by the Board of Directors and signed on behalf of the Board

Manjeet Bhogal
Company Secretary

20 April 2026



B5 Directors' Responsibilities Statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors are required to prepare the parent company (the "company") and Group financial statements in accordance with UK-adopted international accounting standards. Under company law the directors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company and the Group for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's and group's transactions and disclose with reasonable accuracy at any time the financial position of the company and group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Responsibility statement

We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with UK-adopted international accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the company and the undertakings included in the consolidation taken as a whole;
- the strategic report includes a fair review of the development and performance of the business and the position of the company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face; and
- the annual report and financial statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the company's performance, business model and strategy.

By order of the Board

Anthony Coombs
Chairman

20 April 2026

Chris Freckleton
Group Finance Director

20 April 2026



C1 Independent Auditor's Report to the Members of S&U Plc

Opinion

We have audited the financial statements of S&U plc (the 'parent company') and its subsidiaries (the 'group') for the period ended 5 February 2026 which comprise the group income statement and statement of comprehensive income, the balance sheet, the statement of changes in equity, cash flow statement and notes to the accounts, including material accounting policy information.

The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 5 February 2026 and of the group's profit for the period then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities and public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Our audit procedures to evaluate the directors' assessment of the group's and the parent company's ability to continue to adopt the going concern basis of accounting included but were not limited to:

- Undertaking an initial assessment at the planning stage of the audit to identify events or conditions that may cast significant doubt on the group's and the parent company's ability to continue as a going concern;
- Obtaining an understanding of the relevant controls relating to the directors' going concern assessment;
- Making enquiries of the directors to understand the period of assessment considered by them, the assumptions they considered and the implication of those when assessing the group's and the parent company's future financial performance;

- Challenging the appropriateness of the directors' key assumptions in their cash flow forecasts. This involved reviewing supporting and contradictory evidence in relation to these key assumptions and assessing the viability of mitigating actions within the directors' control;
- Assessing the historical accuracy of forecasts prepared by the directors;
- Reviewing regulatory correspondence, minutes of meetings of the Audit Committee and the Board of Directors, and post balance sheet events to identify events of conditions that may impact the group's and the parent company's ability to continue as a going concern;
- Considering the consistency of the directors' forecasts with other areas of the financial statements and our audit; and
- Evaluating the appropriateness of the directors' disclosures in the financial statements on going concern.

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

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

In relation to S&U plc's reporting on how it has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the director's considered it appropriate to adopt the going concern basis of accounting.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We summarise below the key audit matters in forming our opinion above, together with an overview of the principal audit procedures performed to address that matter and our key observations arising from those procedures.

This matter, together with our findings, was communicated to those charged with governance through our Audit Completion Report.



Key Audit Matter

Measurement of loan impairments on loans and advances to customers – 2026: £107.3m (31 January 2025: £118.2m).

Refer to note 1.5 for the accounting policy, note 1.13 for details of the key sources of estimation uncertainty and note 17 for relevant disclosures.

The estimation of expected credit losses (ECL) on loans and advances to customers is complex and inherently judgemental. The risk is concentrated on the following areas:

- **Complexity of model estimations and subjectivity of assumptions used in determining the probabilities of default (PD) and the loss given default (LGD)**
- **Significant increase in credit risk (SICR) – the qualitative and quantitative criteria are a key area of judgement within the ECL calculation since these criteria determine whether a 12 month or a lifetime provision is recognised**
- **The economic scenarios used to measure the ECL. The current economic environment characterised by high interest rate and greater volatility in used vehicle prices results in significant management judgement applied to determine the forward-looking variables used and their associated probability weighting.**

The risks and balances mentioned above relate to Advantage Finance Limited, a group subsidiary involved in vehicle financing.

Overall, the range of reasonable outcome could be material to the financial statements as a whole.

How our scope addressed this matter

Our audit procedures included, but were not limited to the following:

We performed end to end walkthroughs to identify the key systems, applications and controls used in the ECL processes and assessed the design and implementation of the key controls related to these processes.

With the support of our in-house credit modelling Quantitative solutions specialists, we:

- Assessed the compliance of the company impairment methodologies with IFRS 9 requirements
- Assessed the appropriateness and reasonableness of the key assumptions applied by management including PD, LGD and SICR criteria;
- Developed an independently built model to evaluate whether management's ECL methodology complies with IFRS 9 and to assess the reasonableness of the ECL model calibration, including management-determined probabilities of default (PDs); and
- Independently recalculated the ECL for all stage 3 loans including taking into consideration the completeness and accuracy of the key inputs, assumptions and the incorporation of forward-looking information;

Other key aspects of our substantive testing procedures included:

- Involving our in-house economist expert to review the forward looking macro-economic variables, probability weightings and scenarios used in the model;
- Performing testing over a sample of key inputs to the ECL such as arrears band and outstanding exposures;
- Assessing the integrity of data used in the calibration of the PD and LGD;
- Re-computing the provision for credit losses to ensure mathematical accuracy;
- Testing the appropriateness of the loan staging on a sample basis;
- Performing a stand back assessment of the resulting ECL estimates to assess their reasonableness; and
- Evaluating whether the disclosures appropriately reflect and address the uncertainty which exists when determining the expected credit losses.

Our observations

Based on the audit procedures performed, we found the resulting estimate of the loan impairment provision as of 5 February 2026 and the approach taken in respect of ECL are consistent with the requirements of IFRS 9 and that the judgements made were reasonable.



C1 Independent Auditor’s Report to the Members of S&U Plc

CONTINUED

Our application of materiality and an overview of the scope of our audit

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and on the financial statements as a whole. Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Group materiality

Overall materiality	£1.6m (31 January 2025: £1.2m)
How we determined it	5% of profit before tax (PBT) (31 January 2025: 5% of PBT)
Rationale for benchmark applied	We determined PBT to be the most appropriate benchmark to assess the performance of this profit-focused group.
Performance materiality	Performance materiality is set to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements in the financial statements exceeds materiality for the financial statements as a whole. We set performance materiality at £1.04m (31 January 2025: £0.78m), which represents 65% (31 January 2025: 65%) of overall materiality. In determining the performance materiality, we considered a number of factors, including the effectiveness of internal controls and the history of misstatement, and concluded that an amount toward the upper end of our normal range was appropriate.
Reporting threshold	We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £48,000 (31 January 2025: £40,000) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Parent company materiality

Overall materiality	£0.7m (31 January 2025: £0.7m)
How we determined it	1% net assets (31 January 2025: 1% net assets)
Rationale for benchmark applied	Net assets are used as the basis for materiality because the parent company is primarily a holding company for the trading components of the group, as such we consider net assets to reflect its holding activities.
Performance materiality	Performance materiality is set to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements in the financial statements exceeds materiality for the financial statements as a whole. We set performance materiality at £0.5m (31 January 2025: £0.5m), which represents 65% (31 January 2025: 65%) of overall materiality. In determining the performance materiality, we considered a number of factors, including the effectiveness of internal controls and the history of misstatement, and concluded that an amount toward the upper end of our normal range was appropriate.
Reporting threshold	We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £21,000 (31 January 2025: £21,000) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

As part of designing our audit, we assessed the risk of material misstatement in the financial statements, whether due to fraud or error, and then designed and performed audit procedures responsive to those risks. In particular, we looked at where the directors made subjective judgements, such as assumptions on significant accounting estimates.

We tailored the scope of our audit to ensure that we performed sufficient work to be able to give an opinion on the financial statements as a whole. We used the outputs of our risk assessment, our understanding of the group and the parent company, their environment, controls, and critical business processes, to consider qualitative factors to ensure that we obtained sufficient coverage across all financial statement line items.

Our group audit scope included an audit of the group and the parent company financial statements. Based on our risk assessment, all components of the group, including the parent company, were subject to full scope audit. This provided 100% coverage of group revenue, PBT, total assets and net assets.

All audit procedures across all entities were performed by the group engagement team. At the parent company level, the group audit team also tested the consolidation process and carried out analytical procedures to confirm our conclusion that there were no significant risks of material misstatement of the aggregated financial information.

Other information

The other information comprises the information included in the Report and Financial Statements other than the financial statements and our auditor’s report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other



information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, the part of the directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements and those reports have been prepared in accordance with applicable legal requirements;
- the information about internal control and risk management systems in relation to financial reporting processes and about share capital structures, given in compliance with rules 7.2.5 and 7.2.6 in the Disclosure Guidance and Transparency Rules sourcebook made by the Financial Conduct Authority (the FCA Rules), is consistent with the financial statements and has been prepared in accordance with applicable legal requirements; and
- information about the parent company's corporate governance code and practices and about its administrative, management and supervisory bodies and their committees complies with rules 7.2.2, 7.2.3 and 7.2.7 of the FCA Rules.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the:

- strategic report or the directors' report; or
- information about internal control and risk management systems in relation to financial reporting processes and about share capital structures, given in compliance with rules 7.2.5 and 7.2.6 of the FCA Rules.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements and the part of the directors' remuneration report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- a corporate governance statement has not been prepared by the parent company.

Corporate governance statement

The Listing Rules require us to review the directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to S&U plc's compliance with the provisions of the UK Corporate Governance Statement specified for our review.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit:

- Directors' statement with regards the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified, set out on page 11;
- Directors' explanation as to its assessment of the entity's prospects, the period this assessment covers and why the period is appropriate, set out on page 11;
- Director's statement on whether it has a reasonable expectation that the group will be able to continue in operation and meets its liabilities, set out on page 11;
- Directors' statement on fair, balanced and understandable, set out on page 44;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks, set out on page 11;
- The section of the annual report that describes the review of effectiveness of risk management and internal control systems, set out on pages 10; and;
- The section describing the work of the audit committee, set out on page 36.

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 45, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.



C1 Independent Auditor's Report to the Members of S&U Plc

CONTINUED

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the group and the parent company and their industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: breaches of the regulatory requirements of the Financial Conduct Authority ('FCA') and the Listing Rules.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Gaining an understanding of the legal and regulatory framework applicable to the group and the parent company, the industry in which they operate, and the structure of the group, and considering the risk of acts by the group and the parent company which were contrary to the applicable laws and regulations, including fraud;
- Inquiring of the directors, management and, where appropriate, those charged with governance, as to whether the group and the parent company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence with relevant licensing or regulatory authorities including the FCA;
- Reviewing minutes of directors' meetings in the year; and
- Discussing amongst the engagement team the laws and regulations listed above, and remaining alert to any indications of non-compliance.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation and the Companies Act 2006.

In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to those areas as described in our key audit matter, lease income recognised using the effective interest rate ('EIR') method, and significant one-off or unusual transactions.

Our procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing;

The primary responsibility for the prevention and detection of irregularities, including fraud, rests with both those charged with governance and management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

The risks of material misstatement that had the greatest effect on our audit are discussed in the "Key audit matters" section of this report.

A further description of our responsibilities is available on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Other matters which we are required to address

Following the recommendation of the audit committee, we were appointed by the Audit Committee on 4 August 2021 to audit the financial statements for the year ending 31 January 2022 and subsequent financial periods. The period of total uninterrupted engagement is five years, covering the years ended 31 January 2022 to 5 February 2026.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the group or the parent company and we remain independent of the group and the parent company in conducting our audit.

Our audit opinion is consistent with our additional report to the audit committee.

Use of the audit report

This report is made solely to the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

Pauline Pélissier (Senior Statutory Auditor)
for and on behalf of Forvis Mazars LLP Chartered Accountants and Statutory Auditor

30 Old Bailey, London, EC4M 7AU

20 April 2026



The Accounts



IN THIS SECTION

D1	The Accounts	52
	D1.1 Group Income Statement and Statement of Comprehensive Income	52
	D1.2 Balance Sheet	53
	D1.3 Statement of Changes in Equity	54
	D1.4 Cash Flow Statement	55
D2	Notes to the Accounts	56

OTHER INFORMATION

Financial Calendar	74
Officers and Professional Advisers	75



D1 The Accounts

D1.1 Group Income Statement

For the period ended 5 February 2026

	Note	5.2.26 £000	31.1.25 £000
From continuing operations			
Revenue	3	107,431	115,611
Cost of sales	4	(23,552)	(16,384)
Impairment charge	5	(13,032)	(35,571)
Gross profit		70,847	63,656
Administrative expenses	6	(24,683)	(18,826)
Operating profit	8	46,164	44,830
Finance costs	9	(14,348)	(18,118)
Profit before taxation before exceptional items		31,816	26,712
Exceptional item	11	–	(2,736)
Profit before taxation		31,816	23,976
Taxation	12	(8,103)	(6,063)
Profit for the year attributable to equity holders		23,713	17,913
Earnings per share			
Basic	14	195.2p	147.4p
Diluted	14	195.2p	147.4p

Statement of Comprehensive Income

	Note	Group 5.2.26 £000	Group 31.1.25 £000	Company 5.2.26 £000	Company 31.1.25 £000
Profit for the year attributable to equity holders		23,713	17,913	13,061	17,028
Actuarial loss on defined benefit pension scheme	30	(43)	(33)	(43)	(33)
Total Comprehensive Income for the year		23,670	17,880	13,018	16,995

Items above will not be reclassified subsequently to the Income Statement.



D1.2 Balance Sheet

As at 5 February 2026 Company registration No: 0342025

	Note	Group 5.2.26 £000	Group 31.1.25 £000	Company 5.2.26 £000	Company 31.1.25 £000
ASSETS					
Non-current assets					
Property, plant and equipment	15	2,885	2,527	234	287
Investments	16	–	–	1	1
Amounts receivable from customers	17	271,586	203,516	–	–
Other receivables and prepayments	18	–	–	241,500	197,500
Deferred tax assets	22	25	40	–	15
		274,496	206,083	241,735	197,803
Current assets					
Amounts receivable from customers	17	225,196	232,330	–	–
Other receivables and prepayments	18	1,525	1,427	76,280	72,870
Cash and cash equivalents		–	5,216	–	2,691
Current tax assets		–	–	40	–
		226,721	238,973	76,320	75,561
Total assets		501,217	445,056	318,055	273,364
LIABILITIES					
Current liabilities					
Bank overdrafts and loans	19	(296)	–	(387)	–
Trade and other payables	20	(4,832)	(3,295)	(688)	(674)
Current tax liabilities		(483)	(1,695)	–	(127)
Lease liabilities		(90)	(109)	(81)	(76)
Provisions for liabilities and charges	21	(2,602)	(2,272)	–	–
Accruals		(1,871)	(1,473)	(574)	(352)
		(10,174)	(8,844)	(1,730)	(1,229)
Non-current liabilities					
Borrowings	19	(241,500)	(197,500)	(241,500)	(197,500)
Lease liabilities		(92)	(183)	(64)	(144)
Financial liabilities	24	(450)	(450)	(450)	(450)
		(242,042)	(198,133)	(242,014)	(198,094)
Total liabilities		(252,216)	(206,977)	(243,744)	(199,323)
NET ASSETS		249,001	238,079	74,311	74,041
Equity					
Called up share capital	23	1,719	1,719	1,719	1,719
Share premium account		2,301	2,301	2,301	2,301
Profit and loss account		244,981	234,059	70,291	70,021
Total equity		249,001	238,079	74,311	74,041

The parent company's profit for the financial year after taxation amounted to £13,061,000 (31.1.25: £17,028,000).

These financial statements were approved by the Board of Directors on 20 April 2026.

Signed on behalf of the Board of Directors

AMV Coombs
Chairman

Chris Freckleton
Group Finance Director



D1.3 Statement of Changes in Equity

For the period ended 5 February 2026

Group	Note	Called up share capital £000	Share premium account £000	Profit and loss account £000	Total equity £000
At 1 February 2024		1,719	2,301	230,142	234,162
Profit for year		–	–	17,913	17,913
Other comprehensive income for year		–	–	(33)	(33)
Total comprehensive income for year		–	–	17,880	17,880
Dividends	13	–	–	(13,963)	(13,963)
At 31 January 2025		1,719	2,301	234,059	238,079
Profit for year		–	–	23,713	23,713
Other comprehensive income for year		–	–	(43)	(43)
Total comprehensive income for year		–	–	23,670	23,670
Dividends	13	–	–	(12,748)	(12,748)
At 5 February 2026		1,719	2,301	244,981	249,001

Company	Note	Called up share capital £000	Share premium account £000	Profit and loss account £000	Total equity £000
At 1 February 2024		1,719	2,301	66,989	71,009
Profit for year	10	–	–	17,028	17,028
Other comprehensive income for year		–	–	(33)	(33)
Total comprehensive income for year		–	–	16,995	16,995
Dividends	13	–	–	(13,963)	(13,963)
At 31 January 2025		1,719	2,301	70,021	74,041
Profit for year	10	–	–	13,061	13,061
Other comprehensive income for year		–	–	(43)	(43)
Total comprehensive income for year		–	–	13,018	13,018
Dividends	13	–	–	(12,748)	(12,748)
At 5 February 2026		1,719	2,301	70,291	74,311



D1.4 Cash Flow Statement

For the period ended 5 February 2026

	Note	Group 5.2.26 £000	Group 31.1.25 £000	Company 5.2.26 £000	Company 31.1.25 £000
Net cash (used in)/generated by operating activities	26	(21,502)	64,991	(34,059)	42,784
Cash flows used in investing activities					
Proceeds on disposal of property, plant and equipment		44	41	3	–
Purchases of property, plant and equipment	15	(883)	(726)	(47)	(2)
Net cash used in investing activities		(839)	(685)	(44)	(2)
Cash flows generated by/(used in) financing activities					
Dividends paid	13	(12,748)	(13,963)	(12,748)	(13,963)
Finance cost paid		(14,311)	(18,118)	(151)	(141)
Receipt of new borrowings		105,500	70,000	105,500	70,000
Repayment of borrowings		(61,500)	(96,000)	(61,500)	(96,000)
Decease in lease liabilities		(112)	(129)	(76)	(72)
Net increase/(repayment) in overdraft		296	(881)	387	–
Net cash generated by/(used in) financing activities		17,125	(59,091)	31,412	(40,176)
Net (decrease)/increase in cash and cash equivalents		(5,216)	5,215	(2,691)	2,606
Cash and cash equivalents at the beginning of year		5,216	1	2,691	85
Cash and cash equivalents at the end of year		–	5,216	–	2,691
Cash and cash equivalents comprise					
Cash and cash in bank		–	5,216	–	2,691

There are no cash and cash equivalent balances which are not available for use by either the Group or the Company (31.1.25: £nil).



D2 Notes to the Accounts

Period ended 5 February 2026

1. Accounting policies

1.1 General Information

S&U plc is a Company incorporated in England and Wales under the Companies Act and is a public company limited by shares. The address of the registered office is given on page 75 which is also the Group's principal business address. All operations are situated in the United Kingdom. S&U plc is the parent and the ultimate parent company of the group. S&U plc is a listed holding company and within the group the main operations are motor finance and property bridging finance.

1.2 Basis of preparation and consolidation

As a listed Group we are required to prepare our consolidated financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and UK-adopted international accounting standards. We have also prepared our S&U plc Company financial statements in conformity with the requirements of the Companies Act 2006 and UK-adopted international accounting standards. Under S404 of the Companies Act 2006, the parent company S&U plc has taken exemption from reporting its own income statement. These financial statements have been prepared under the historical cost convention.

The same accounting policies, presentation and methods of computation are followed in the financial statements as applied in the prior year, except for a change in reporting date and the movement in borrowings in the cashflow statement.

Historically the Group's subsidiary Advantage Finance has prepared accounts up to the 5th to consider the successful recovery of missed payments from customers at month-end, afforded to it under Section 390(3) of the Companies Act. Previously the Company and its subsidiary Aspen Bridging reported to the 31st and no adjustments were made to align these dates across the Group. For the current period the reporting date has been changed to the 5th February to capture all transactions up until this date across the Group, no change has been made to the accounting reference date. The prior period comparatives for the twelve-month period ended 31 January 2025 have not been adjusted because the amounts presented remain comparable.

In regards to the cashflow statement, following a reassessment of IAS 7 the movements are now shown on a gross rather than net basis, where the receipts and repayments are shown as two separate line items rather than combined. Additionally for the company-only cashflow statement finance income received is now included within operating activities rather than financing activities. Comparative figures for the prior periods have been represented to reflect these changes and they have no impact on cash and cash equivalents or the Group's financial position.

The consolidated financial statements incorporate the financial statements of the Company and all its subsidiaries for the period ended 5 February 2026.

As discussed in sections A3 and A2.4 of the strategic report and having considered the Group's forecasts, capital and liquidity, the current economic climate and operational challenges the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts of at least 12 months from the date of the approval of the financial statements, in line with the Group's financial projections as approved in April 2026.

There are no new standards which have been adopted by the group this year which have a material impact on the financial statements of the Group.

All companies within the Group are 100% owned and consolidated and the assets, liabilities, costs and revenues are fully consolidated. All intercompany balances and transactions are eliminated on consolidation.

At the date of authorisation of these financial statements the directors anticipate that the adoption in future periods of any other Standards and interpretations which are in issue but not yet effective, will have no material impact on the financial statements of the Group.

IFRS18 Presentation and Disclosure in Financial Statements will first mandatorily apply to S&U for the year ended 5 February 2028 – at point of implementation there should be no material impact on S&U as the changed reporting requirements under IFRS18 are presentational, although the full impact of this upcoming standard is still being assessed ahead of the effective date.

1.3 Financial assets and financial liabilities accounting policy

When initially recognising a financial asset, it is classified into one of the following three categories based on the group's business model for managing that asset and the asset's contractual cash flow characteristics:

- i. Amortised cost – a financial asset is measured at amortised cost if both of the following conditions are met:
 - a. The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
 - b. The contractual terms of the financial asset give rise on specified dates to cash flows that are payments of principal and interest on the principal amount outstanding.
- ii. Fair value through other comprehensive income – financial assets are classified and measured at fair value through other comprehensive income if they are held in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- c. Fair value through profit or loss – any financial assets that are not held in one of the two business models mentioned are measured at fair value through profit or loss.

The group has classified its financial assets and its financial liabilities as measured at amortised cost.

1.4 Revenue recognition

For motor finance, interest income is recognised in the income statement for all loans and receivables measured at amortised cost using the constant periodic rate of return on the net investment in the loans, which is akin to an effective interest rate (EIR) method. The EIR is the rate that exactly discounts estimated future cash flows of the loan back to the present value of the advance and hire purchase interest income is then recognised using the EIR. Acceptance fees charged to customers and any direct transaction costs are included in the calculation of the EIR. Option fees for arranging the transfer of ownership of the vehicle to customers at the end of the agreement are recognised and credited to the income statement when the service has been provided. For hire purchase agreements in Advantage Finance which are classified as credit impaired (i.e. stage 3 assets under IFRS 9), the group recognises revenue 'net' of the impairment provision to align the accounting treatment under IFRS 16 with the requirements of IFRS 9 and also with the treatment adopted for



similar assets in Aspen. Revenue starts to be recognised from the date of completion of the loan – after completion hire purchase customers have a 14-day cooling off period during which they can cancel their loan.

For property bridging finance, interest income is recognised in the income statement for all loans and receivables measured at amortised cost using the effective interest rate method (EIR) as per the requirements in IFRS 9. The EIR is the rate that exactly discounts estimated future cash flows of the loan back to the present value of the advance. Acceptance fees charged to customers and any direct transaction costs are included in the calculation of the EIR. Commission received from third party insurers for brokering the sale of title insurance products, for which the Company does not bear any underlying insurance risk, are recognised and credited to the income statement when the brokerage service has been provided. For loans which are classified as credit impaired (i.e. stage 3 assets under IFRS 9), Aspen recognises revenue ‘net’ of the impairment provision as required by IFRS 9.

1.5 Impairment and measurement of amounts receivable from customers

All customer receivables are initially recognised as the amount loaned to the customer plus direct transaction costs. After initial recognition the amounts receivable from customers are subsequently measured at amortised cost.

Amortised cost includes a deduction for loan loss impairment provisions for expected credit losses (“ECL”) assessed by the directors in accordance with the requirements of IFRS9.

There are 3 classification stages under IFRS9 for the impairment of amounts receivable from customers:

Stage 1: Not credit impaired and no significant increase in credit risk since initial recognition

Stage 2: Not credit impaired and a significant increase in credit risk since initial recognition

Stage 3: Credit impaired

The directors assess whether there is objective evidence that a loan asset or group of loan assets is credit impaired and should be classified as stage 3. A loan asset or a group of loan assets is credit impaired only if there is objective evidence of credit impairment as a result of one or more events that occurred after the initial recognition of the loan. Objective evidence may include evidence that a borrower or group of borrowers is experiencing financial difficulty or delinquency in repayments. Impairment is then calculated by estimating the future cash flows for such impaired loans, discounting the flows to a present value using the original EIR and comparing this figure with the balance sheet carrying value. All such impairments are charged to the income statement. Under IFRS 9 for all stage 1 accounts which are not credit impaired, a further collective provision for expected credit losses in the next 12 months is calculated and charged to the income statement.

Key assumptions in ascertaining whether a loan asset or group of loan assets is credit impaired include information regarding the probability of any account going into default (PD) and information regarding the likely eventual loss including recoveries (LGD). These assumptions and assumptions for estimating future cash flows are based upon observed historical data and updated to reflect current and future conditions. As required under IFRS9, all assumptions are reviewed regularly to take account of differences between previously estimated cash flows on impaired debt and the eventual losses.

For all loans in stages 2 and 3 a provision equal to the lifetime expected credit loss is taken. In addition, in accordance with the provisions of IFRS9 a collective provision for 12 months expected credit losses (“ECL”) is recognised for the remainder of the loan book which is Stage 1. 12-month ECL is the portion of lifetime ECL that results from default events on a financial asset that are possible within 12 months after the reporting date.

In our Motor Finance business, all loans 1 month or more in contractual arrears are deemed credit impaired and are therefore included in IFRS9 stage 3. This results in more of our net receivables being in stage 3 and the associated stage 3 loan loss provisions being higher than if we adopted a more prime customer receivables approach of 3 months or more in arrears. Our approach of 1 month or more in contractual arrears is based on our historical observation of subsequent loan performance after our customers fall 1 month or more in contractual arrears within our non-prime motor finance customer receivables book. The expected credit loss (“ECL”) is the probability weighted estimate of credit losses.

A PD/LGD model was developed by our Motor Finance business, Advantage Finance, to calculate the expected loss impairment provisions in accordance with IFRS9. Stage 1 expected losses are recognised on inception/initial recognition of a loan based on the probability of a customer defaulting in the next 12 months. This is determined with reference to historical data updated for current and future conditions. If a motor finance loan falls one month or more in contractual arrears, then this is deemed credit impaired and included in IFRS9 Stage 3. There are some motor finance loans which are up to date with payments but the customer is in some form of forbearance and we deem this to be a significant increase in credit risk and so these loans are included in Stage 2.

As required under IFRS9 the expected impact of movements in the macroeconomy is also reflected in the expected loss model calculations. For motor finance, assessments are made to identify the correlation of the level of impairment provision with forward looking external data regarding forecast future levels of employment, inflation, interest rates and used car values which may affect the customers’ future propensity to repay their loan. The macroeconomic overlay assessments for 5 February 2026 reflect that further to considering such external macroeconomic forecast data, management have judged that, whilst less than at 31 January 2025, there is currently still a heightened risk of an adverse economic environment for our customers. To factor in such uncertainties, management has included an overlay for certain groups of assets to reflect this macroeconomic outlook, based on estimated unemployment levels in future periods. As at 5 February 2026 we have not included inflation levels in our overlay as inflation has now stabilised and has not demonstrated a strong correlation with our recent loan book performance. As at 5 February 2026, we have not included an overlay for used vehicle prices as we assume that used vehicle prices will now remain stable – this is the same assumption as at 31 January 2025. Further sensitivity over this estimation uncertainty is provided in note 1.13.

Other than the changes to the approach mentioned above, there were no significant changes to estimation techniques applied to the calculations used at 5 February 2026.



D2 Notes to the Accounts

Period ended 5 February 2026 continued

1. Accounting policies continued

PD/LGD calculations for expected loss impairment provisions were also developed for our Property Bridging business Aspen Bridging in accordance with IFRS9. Stage 1 expected losses are recognised on inception/initial recognition of a loan based on the probability of a customer becoming impaired in the next 12 months. The Bridging product has a single repayment scheduled for the end of the loan term and if a bridging loan is not granted an extension and is still outstanding beyond the end of the loan term then this is deemed credit impaired and included in IFRS9 Stage 3. The Buy-to-Let and second phase of the Bridge-to-Let product is serviced by customers monthly, and these accounts are deemed credit impaired and included in IFRS9 Stage 3 at 90 days past due. Due mainly to the high values of property security attached to bridging loans, the bridging sector typically has lower credit risk and lower impairment than other credit sectors.

Assets in both our secured loan businesses are written off once the asset has been repossessed and sold and there is no prospect of further legal or other debt recovery action. Where enforcement action is still taking place, loans are not written off. In motor finance where the asset is no longer present then another indicator used to determine whether the loan should be written off is the lack of any receipt for 12 months from that customer.

1.6 Impairment of amounts owed by subsidiary companies to the parent company

These are initially recognised as the amount loaned to the subsidiary company. After initial recognition amounts owed by subsidiary companies to the parent company are subsequently measured at amortised cost. Amortised costs include any deduction for loan loss impairment provisions for expected credit losses in accordance with the requirements of IFRS9

1.7 Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation. Certain freehold property is held at previous revalued amounts less accumulated depreciation as the Group has elected to use these amounts as the deemed cost as at the date of transition to IFRS under the transitional arrangements of IFRS 1.

Depreciation is provided on the cost or valuation of property, plant and equipment in order to write such cost or valuation over the expected useful lives as follows;

Freehold Buildings	2% per annum straight line
Fixtures and Fittings - Computers	20% per annum straight line
Fixtures and Fittings - Other	10% per annum straight line or 20% per annum reducing balance
Motor Vehicles	25% per annum reducing balance
Right to Use Assets	Straight line over the normal term of the lease

Freehold Land is not depreciated.

1.8 Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

1.9 Preference shares

The issued 31.5% preference share capital is carried in the balance sheet at amortised cost and shown as a financial liability. The issued 6% preference share capital is valued at par and shown as called up share capital.

1.10 Pensions

The Group contributes as required to a defined benefit pension scheme. The defined benefit pension asset at the balance sheet date is calculated as the fair value of the plan assets less the present value of the defined benefit obligation. The scheme is currently in surplus but as the group has no ability to access this asset the surplus is capped at £nil. Actuarial gains and losses are recognised immediately in the financial statements.

The Group also operates several defined contribution pension schemes and the pension charge represents the amount payable by the Company for the financial year.

1.11 Investments

Investments in subsidiaries held as non-current assets are stated at cost less provision for any impairment.

1.12 Exceptional Items

Exceptional items are items unrelated to the core activities of the Group that are material to the Group's performance and are presented separately in the financial statements to enhance user understanding of these items and the underlying performance of the Group.

1.13 Critical accounting judgements and key sources of estimation uncertainty

In preparing these financial statements, the Company has made judgements, estimates and assumptions which affect the reported amounts within the current and next financial year. Actual results may differ from these estimates.

Estimates and judgements are regularly reviewed based on past experience, expectations of future events and other factors.

Critical accounting judgements

The following are the critical accounting judgements, apart from those involving estimations (which are dealt with separately below), that the Directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.



Significant increase in credit risk for classification in Stage 2

The Company's transfer criteria determine what constitutes a significant increase in credit risk, which results in a customer being moved from Stage 1 to Stage 2. Stage 2 currently includes customers who have a good payment record but have been identified as vulnerable by trained staff. Vulnerability can be driven by factors including health, life events, resilience or capability. All customer facing staff are trained to help recognise characteristics of vulnerability.

Key sources of estimation uncertainty

The directors consider that the sources of estimation uncertainty which have the most significant effect on the amounts recognised in the financial statements are those inherent in the consumer credit markets in which we operate relating to impairment as outlined in 1.5 above. In particular, the Group's impairment provision is dependent on estimation uncertainty in forward-looking assumptions on areas such as employment rates, inflation rates and used car and property prices.

The Group implemented IFRS 9 from 1 February 2018 by developing models to calculate expected credit losses in a range of economic scenarios. These models involve setting modelling assumptions, weighting of economic scenarios, the criteria of determining significant deterioration in credit quality and the application of adjustments to model outputs. We have outlined assumptions in our expected credit loss model in the current year. Reasonable movement in these assumptions might have a material impact on the impairment provision value.

Macroeconomic overlay for our motor finance business

For this overlay, the Group considers four probability-weighted scenarios in relation to unemployment rate: base, upside, downside and severe scenarios as follows:

	Upside		Severe		
	Base	(5% decrease)	Downside	(5% increase)	
Weighting	50%	15%	25%	10%	Weighted
Q1 2026	5.20%	3.64%	6.76%	7.80%	5.62%
Q1 2027	5.30%	3.71%	6.89%	7.95%	5.72%
Q1 2028	5.10%	3.57%	6.63%	7.65%	5.51%
Q1 2029	4.90%	3.43%	6.37%	7.35%	5.29%

An increase by 0.5% in the weighted average unemployment rate would result in an increase in loan loss provisions by £927,613. A decrease by 0.5% would result in a decrease in loan loss provisions by £927,613.

Used vehicle price sensitivity for our motor finance business

At the period ended 5 February 2026 and at the year ended 31 January 2025, we have assumed that used vehicle prices will remain stable after a period when used vehicle prices increased during years ended 31 January 2022 and 31 January 2023 and then decreased during year ended 31 January 2024. This assumption as at 5 February 2026 has been made after considering market trends and expectations but is uncertain. If used car prices were assumed to fall by 5% instead, then this would result in an increase in loan loss provisions of £1,456,083. If used vehicle prices were assumed to increase by 5% instead, then this would result in a decrease in loan loss provisions of £1,456,083.

Other accounting judgements

Expected loss sensitivity for our property bridging business

The PD/LGD expected loss impairment provision model calculations developed for our Aspen bridging business have been based on extrapolating an inherently low volume sample of historic defaults and losses to reflect the current receivables and current market conditions. If the probability of default were assessed to be 10% higher than these calculations, then this would result in an increase in loan loss provisions of £81,521. If the probability of default were assessed to be 10% lower than these calculations, then this would result in a decrease in loan loss provisions of £81,521.

FCA consultation on motor finance commission

The FCA has consulted on an industry-wide scheme to compensate motor finance customers who were treated unfairly, this covers motor finance agreements taken out between 6 April 2007 and 1 November 2024 where commission was payable by the lender to the broker. The FCA published its final rules on 30 March 2026 and has stated unfairness is where there is discretionary commission, high commission (where the commission is equal to or greater than 39% of the total cost of credit and 10% of the loan) or there was a tied arrangement with the broker. As previously stated our own subsidiary company Advantage Finance which offers motor finance, has never entered into any discretionary commission arrangements and has never operated 'first right of refusal' arrangements with brokers. Therefore, we are only captured by high commission cases. For such cases the FCA expects consumers to be compensated the average of what the FCA estimates the consumer has overpaid, or lost, and the commission paid, plus interest.

Significant challenge has been provided during the consultation phase and further judicial review cannot be ruled out; therefore, several scenarios have been included in the provision calculation and these have been probability weighted to determine an appropriate provision to be recognised. The estimated provision represents management's best estimate of the potential redress based on current information available and using a range of potential scenarios. The provision assessment also excludes any potential costs in relation to FOS referrals. At this stage it is not possible to reliably determine the number of customers that would go to FOS or the approach FOS will take in applying their fees.

1.14 Alternative Performance Measurements

- Return on average capital employed before cost of funds (ROCE) is calculated as the Operating Profit divided by the average monthly capital employed (unaudited) being total equity plus Bank Overdrafts plus Borrowings less cash and cash equivalents. For 25/26 Advantage ROCE is calculated as $\frac{£31,847}{£286,500} = 11.1\%$. For 24/25 Advantage ROCE is calculated as $\frac{£28,442}{£317,937} = 9.0\%$. For 25/26 Aspen ROCE is calculated as $\frac{£17,711}{£158,196} = 11.2\%$. For 24/25 Aspen ROCE is calculated as $\frac{£16,477}{£143,406} = 11.5\%$.
- Group gearing is calculated as the sum of Bank Loans and Overdrafts less cash and cash equivalents divided by total equity. At 5 February 2026 group gearing is therefore calculated as $\frac{£241,500+296}{£241,796+£249,001} = 97.1\%$. At 31 January 2025 group gearing is calculated as $\frac{£197,500-£5,216}{£192,284+£238,079} = 80.8\%$.



D2 Notes to the Accounts

Period ended 5 February 2026 continued

2. Segmental analysis

Analyses by class of business of revenue and profit before taxation from continuing operations are stated below:

	Revenue		Profit before taxation	
	Period ended	Year ended	Period ended	Year ended
	5.2.26	31.1.25	5.2.26	31.1.25
Operating segments	£000	£000	£000	£000
Motor finance	83,049	91,823	23,391	16,542
Property bridging finance	24,382	23,788	8,826	7,207
Central costs net of central finance income	–	–	(401)	227
Total per Group Income Statement	107,431	115,611	31,816	23,976

Analyses by class of business of assets and liabilities are stated below:

	Assets		Liabilities	
	Period ended	Year ended	Period ended	Year ended
	5.2.26	31.1.25	5.2.26	31.1.25
Operating segments	£000	£000	£000	£000
Motor finance	320,779	286,813	(163,372)	(135,862)
Property bridging finance	180,053	155,085	(162,985)	(142,215)
Central	385	3,158	74,141	71,100
Total per Group Balance Sheet	501,217	445,056	(252,216)	(206,977)

Depreciation of assets for motor finance was £368,000 (31.1.25: £375,000), for property bridging finance was £16,000 (31.1.25: £16,000) and for central was £97,000 (31.1.25: £91,000). Fixed asset additions for motor finance were £821,000 (31.1.25: £705,000), for property bridging finance were £15,000 (31.1.25: £19,000) and for central were £47,000 (31.1.25: £2,000).

The net finance credit for central costs was £2,993,000 (31.1.25: £2,992,000), for motor finance was a cost of £8,456,000 (31.1.25: £11,901,000) and for property bridging finance was a cost of £8,885,000 (31.1.25: £9,209,000). The tax credit for central costs was £61,000 (31.1.25: £99,000 charge), for motor finance was a tax charge of £5,934,000 (31.1.25: £4,150,000) and for property bridging finance was a tax charge of £2,229,000 (31.1.25: £1,814,000).

The significant products in motor finance are car and other vehicle loans secured under hire purchase agreements.

The significant products in property bridging finance are bridging loans secured on property.

The assets and liabilities of the Parent Company are classified as Central.

No geographical analysis is presented because all operations are situated in the United Kingdom.

3. Revenue

	Period ended	Year ended
	5.2.26	31.1.25
	£000	£000
Interest revenue and other income calculated using the effective interest method	104,384	112,673
Other fee income	3,047	2,938
Total revenue	107,431	115,611

4. Cost of sales

	Period ended	Year ended
	5.2.26	31.1.25
	£000	£000
Cost of sales – motor finance	20,795	14,063
Cost of sales – property bridging finance	2,757	2,321
Total Cost of sales	23,552	16,384

5. Impairment charge

	Period ended	Year ended
	5.2.26	31.1.25
	£000	£000
Loan loss provisioning charge		
Loan loss provisioning charge – motor finance	12,755	33,191
Loan loss provisioning charge – property bridging finance	277	2,380
Total impairment charge	13,032	35,571

6. Administrative expenses

	Period ended	Year ended
	5.2.26	31.1.25
	£000	£000
Administrative expenses – motor finance	17,653	13,391
Administrative expenses – property bridging	3,636	2,670
Administrative expenses – central	3,394	2,765
Total Administrative Expenses	24,683	18,826



7. Information regarding employees

	Group period ended 5.2.26 £000	Group year ended 31.1.25 £000	Company period ended 5.2.26 £000	Company year ended 31.1.25 £000
The monthly average number of persons employed by the Group was:				
Motor finance	215	212	—	—
Property bridging finance	31	25	—	—
Central	12	11	12	11
Total Group average number of employees	258	248	12	11

The monthly average employed by the company was 12 (31.1.25:11).

Staff costs (including directors):

	Group period ended 5.2.26 £000	Group year ended 31.1.25 £000	Company period ended 5.2.26 £000	Company year ended 31.1.25 £000
Wages and salaries	13,533	11,348	1,661	1,377
Social security costs	1,727	1,254	249	238
Pension costs for defined contribution scheme	646	614	43	42
Total Staff Costs	15,906	13,216	1,953	1,657

Directors' remuneration and details of the highest paid director are disclosed in the audited section of the Directors' Remuneration Report. No director or current employee is a member of the small historical defined benefit pension plan the details of which are contained in note 30 of these notes to the accounts.

8. Operating profit

	Period ended 5.2.26 £000	Year ended 31.1.25 £000
Operating profit from continuing operations is after charging/(crediting):		
Depreciation and amortisation:		
Owned and Right to Use assets	481	482
Profit on sale of fixed assets	—	(14)
Staff costs	15,906	13,216

The analysis of auditor's remuneration is as follows:

	Period ended 5.2.26 £000	Year ended 31.1.25 £000
Fees payable to the Group's auditor for the audit of the Company's annual accounts	60	50
Fees payable to the Group's auditor for other services to the Group		
The audit of the Company's subsidiaries	230	170
Total audit fees	290	220
Audit related assurance services	45	30
Other services	15	15
Total non-audit fees	60	45
Total	350	265

9. Finance costs

	Period ended 5.2.26 £000	Year ended 31.1.25 £000
31.5% cumulative preference dividend	141	141
Lease Liabilities	15	20
Bank loan and overdraft interest payable	14,192	17,957
Total Finance Costs	14,348	18,118

10. Profit of parent company

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the Parent Company is not presented as part of these accounts. The Parent Company's profit for the financial year after taxation amounted to £13,061,000 (31.1.25: £17,028,000).

11. Exceptional item

Motor Finance Forbearance Outcomes Review

Our motor finance subsidiary Advantage was included in the FCA's multi-firm Cost of Living Forbearance Outcomes review in 2023 and as a result the FCA concluded that enhancements were required to Advantage's approach to arrears management and the application of forbearance. We provided for anticipated total associated exceptional potential customer remediation costs and external support costs totalling £2.736m as an exceptional item during the year ended 31 January 2025.



D2 Notes to the Accounts

Period ended 5 February 2026 continued

12. Tax on profit before taxation

	Period ended 5.2.26 £000	Year ended 31.1.25 £000
Continuing operations		
Corporation tax at 25.0% (31.1.25: 25.0%) based on profit for the year	8,041	5,968
Adjustment in respect of prior years	47	(20)
	8,088	5,948
Deferred tax (temporary differences - origination and (reversal))	15	115
	8,103	6,063

The actual tax charge for the current and the previous year from continuing operations varies to the standard rate for the reasons set out in the following reconciliation.

	Period ended 5.2.26 £000	Year ended 31.1.25 £000
Profit on ordinary activities before tax from continuing operations	31,816	23,976
Tax on profit on ordinary activities at standard rate of 25.0% (31.1.25: 25.0%)	7,954	5,994
Factors affecting charge for the period:		
Expenses not deductible for tax purposes	60	54
Effects of other tax rates and permanent differences	42	35
Prior period adjustments	47	(20)
Total actual amount of tax	8,103	6,063

13. Dividends

	Period ended 5.2.26 £000	Year ended 31.1.25 £000
2nd Interim dividend paid for the year ended 31/1/2025 – 30.0p per Ordinary share (35.0p)	3,645	4,253
Final dividend paid for the year ended 31/1/2025 – 40.0p per Ordinary share (50.0p)	4,860	6,075
1st Interim dividend paid for the period ended 5/2/2026 – 35.0p per Ordinary share (30.0p)	4,253	3,645
Total ordinary dividends paid	12,758	13,973
6% cumulative preference dividend paid March and September	12	12
Credit for unrepresented dividend payments over 12 years old	(22)	(22)
Total dividends paid	12,748	13,963

A second interim dividend of 35.0p per ordinary share for the period ended 5 February 2026 was paid on 6 March 2026 totalling £4.3m and the directors are proposing a final dividend for the period ended 5 February 2026 of 45p per ordinary share totalling £5.5m. The final dividend will be paid on 24 July 2026 to shareholders on the register at close of business on 3 July 2026 subject to approval by shareholders at the Annual General Meeting on Wednesday 24 June 2026.

14. Earnings per ordinary share

The calculation of earnings per ordinary share ("EPS") from continuing operations is based on profit after tax of £23,713,000 (31.1.25: £17,913,000).

The number of shares used in the Basic EPS calculation is the weighted average number of shares in issue during the year of 12,150,760 (31.1.25: 12,150,760). There is a total of nil dilutive share options in issue (31.1.25: nil) and considering the appropriate proportion of these dilutive options the number of shares used in the Diluted EPS calculation is 12,150,760 (31.1.25: 12,150,760).

15. Property, plant and equipment

	Land and buildings £000	Motor vehicles £000	Fixtures and fittings £000	Right to use £000	Total £000
Group					
Cost					
At 1 February 2024	1,897	322	1,873	829	4,921
Additions	547	35	101	43	726
Disposals	–	(63)	(90)	–	(153)
At 31 January 2025	2,444	294	1,884	872	5,494
Additions	209	198	476	–	883
Disposals	(3)	(93)	(148)	–	(244)
At 5 February 2026	2,650	399	2,212	872	6,133
Accumulated depreciation					
At 1 February 2024	610	162	1,392	447	2,611
Charge for the year	109	43	167	163	482
Eliminated on disposals	–	(39)	(87)	–	(126)
At 31 January 2025	719	166	1,472	610	2,967
Charge for the year	111	72	197	101	481
Eliminated on disposals	(3)	(56)	(141)	–	(200)
At 5 February 2026	827	182	1,528	711	3,248
Net book value					
At 5 February 2026	1,823	217	684	161	2,885
At 31 January 2025	1,725	128	412	262	2,527

Included in the above is land at a cost of £22,000 (31.1.25: £22,000) which is not depreciated.

Included in Right to Use assets above, are leases now capitalised under IFRS16 which are depreciated over the normal term of the lease. The total cash outflow for these leases during the period to 5.2.26 was £126,000 (31.1.25: £192,000).



Company	Land and buildings £000	Motor vehicles £000	Fixtures and fittings £000	Right to use £000	Total £000
Cost					
At 1 February 2024	42	53	296	343	734
Additions	–	–	2	–	2
Disposals	–	–	–	–	–
At 31 January 2025	42	53	298	343	736
Additions	–	39	8	–	47
Disposals	–	(34)	–	–	(34)
At 5 February 2026	42	58	306	343	749
Accumulated depreciation					
At 1 February 2024	13	38	227	80	358
Charge for the year	–	4	18	69	91
Eliminated on disposals	–	–	–	–	–
At 31 January 2025	13	42	245	149	449
Charge for the year	–	12	17	68	97
Eliminated on disposals	–	(31)	–	–	(31)
At 5 February 2026	13	23	262	217	515
Net book value					
At 5 February 2026	29	35	44	126	234
At 31 January 2025	29	11	53	194	287

Included in the above is land at cost of £22,000 (31.1.25: £22,000) which is not depreciated.

The only asset included in Right to Use assets above is a lease of S&U and Aspen Solihull office premises which is now capitalised under IFRS16 which is depreciated over the normal term of the lease. The total cash outflow for this lease during the period to 5.2.26 was £88,000 (31.1.25: £88,000).

16. Investments and related party transactions

Company	5.2.26 £000	31.1.25 £000
Shares in subsidiary companies		
At historical cost less impairment	1	1

The principal subsidiaries of the Company, which are wholly owned directly by the Company, operate in Great Britain and are incorporated in England and Wales.

Subsidiary and registered number	Principal activity
Advantage Finance Limited (03773673)	Motor finance
Aspen Bridging Limited (10270026)	Property bridging finance

The following are wholly owned dormant subsidiaries of the group which take advantage of exemptions provided under s394a and s448a and do not prepare, file or have audited individual company accounts:

Advantage Motor Finance Limited (03773678), Advantage4u Limited (06691669), Advantage Direct Finance Limited (07037684), Advantage Partner Finance Limited (07036720), Advantage Asset Finance Limited (06691598), S&U Stores Limited (00448884) and Cash Kangaroo Limited (08435795).

All dormant subsidiaries are directly owned by S&U plc with the exception of Advantage Motor Finance Limited which is indirectly wholly owned via Advantage Finance Limited.

All companies in the Group have their registered office at 2 Stratford Court, Cranmore Boulevard, Solihull B90 4QT.

Related party transactions

Group

Transactions between the Company and its subsidiaries, which are related parties have been eliminated on consolidation and are not disclosed in this note. Transactions with the Company's pension scheme are disclosed in note 30. During the year the Group made charitable donations amounting to £90,000 (31.1.25: £60,000) via the Keith Coombs Trust which is a related party because Messrs GDC Coombs and AMV Coombs are trustees. The amount owed to the Keith Coombs Trust at the year-end was £12,000 (31.1.25: £nil) During the year the Group obtained supplies at market rates amounting to £4,930 (31.1.25: £4,544) from Grevayne Properties Limited a Company which is a related party because Messrs G D C and A M V Coombs are directors and shareholders. All related party transactions were settled in full when due.

Company

The Company received dividends from other Group undertakings totalling £13,400,000 (31.1.25: £16,900,000). During the year the Company recharged other Group undertakings for various administrative expenses incurred on their behalf. The Company also received administrative cost recharges from other Group undertakings. At 5 February 2026 the Company was owed £317,845,213 (31.1.25: £270,408,115) by other Group undertakings as part of an intercompany loan facility and owed £217,119 to S&U Stores Limited, a dormant group company (31.1.25: £217,119). All related party transactions were settled in full when due. Key management personnel, defined as the S&U Directors, compensation is disclosed on page 24 in the Directors Remuneration Report.



D2 Notes to the Accounts

Period ended 5 February 2026 continued

17. Amounts receivable from customers

	Group	
	5.2.26	31.1.25
	£000	£000
Motor finance hire purchase	424,411	401,792
Less: Loan loss provision motor finance	(107,282)	(118,166)
Amounts receivable from customers motor finance	317,129	283,626
Property bridging finance loans	182,303	155,083
Less: Loan loss provision property bridging finance	(2,650)	(2,863)
Amounts receivable from customers property bridging finance	179,653	152,220
Amounts receivable from customers total	496,782	435,846

Analysis by future date due

Due within one year	225,196	232,330
Due in more than one year	271,586	203,516
Amounts receivable from customers	496,782	435,846

Analysis of security

Loans secured on vehicles under hire purchase agreements	311,248	277,831
Loans secured on property	179,653	152,220
Other loans not secured		
(motor finance where security no longer present)	5,881	5,795
Amounts receivable from customers	496,782	435,846

Analysis of not impaired and impaired

Not impaired		
Neither past due nor impaired	420,934	355,566
Past due up to 3 months but not impaired	–	–
Past due over 3 months but not impaired	–	–
Impaired		
Past due up to 3 months	46,836	46,865
Past due over 3 months and up to 6 months	9,064	13,412
Past due over 6 months or default	19,948	20,003
Amounts receivable from customers	496,782	435,846

The credit risk inherent in amounts receivable from customers is reviewed as per note 1.5 and under this review the credit quality of assets which are neither past due nor impaired was considered to be good with the exception of 2,657 vulnerable customers who although not in arrears at 5.2.26 were assessed from a review of internal data to have a significant increase in credit risk (31.1.25: 1,727). Under IFRS9 therefore these customers although not in arrears are included in stage 2 at 5.2.26 with an increased impairment provision.

Analysis of loan loss provision and amounts receivable from customers (capital)

	Stage 1: Subject to 12 months ECL	Stage 2: Subject to lifetime ECL	Stage 3: Subject to lifetime ECL	Total
	£'000	£'000	£'000	£000
As at 5 February 2026				
Amounts receivable (capital)				
Motor finance	257,649	16,208	150,554	424,411
Property bridging finance	165,766	–	16,537	182,303
Total	423,415	16,208	167,091	606,714
Loan loss provisions				
Motor finance	(13,071)	(4,867)	(89,344)	(107,282)
Property bridging finance	(751)	–	(1,899)	(2,650)
Total	(13,822)	(4,867)	(91,243)	(109,932)
Amounts receivable (net)				
Motor finance	244,578	11,341	61,210	317,129
Property bridging finance	165,015	–	14,638	179,653
Total	409,593	11,341	75,848	496,782

	Stage 1: Subject to 12 months ECL	Stage 2: Subject to lifetime ECL	Stage 3: Subject to lifetime ECL	Total
	£'000	£'000	£'000	£000
As at 31 January 2025				
Amounts receivable (capital)				
Motor finance	221,442	9,811	170,539	401,792
Property bridging finance	141,476	–	13,607	155,083
Total	362,918	9,811	184,146	556,875
Loan loss provisions				
Motor finance	(13,258)	(2,904)	(102,004)	(118,166)
Property bridging finance	(1,001)	–	(1,862)	(2,863)
Total	(14,259)	(2,904)	(103,866)	(121,029)
Amounts receivable (net)				
Motor finance	208,184	6,907	68,535	283,626
Property bridging finance	140,475	–	11,745	152,220
Total	348,659	6,907	80,280	435,846

Collateral held

Motor finance – except for loans valued at £5.881m (31.1.25: £5.795m), where we are aware the security is no longer present, security is held on a used vehicle for each hire purchase motor finance agreement. As stated in note 1.13 above, valuing these used vehicles secured under our hire purchase agreements is uncertain as the condition and mileage of the used vehicle are unknown. We estimate the trade value of collateral held at 5.2.26 for motor finance loans currently in stage 3 was £64.1m (31.1.25: £82.4m) – these estimated values are stated before taking into account recovery and disposal costs.



Property bridging finance – the estimated value of first charge secured properties held under our bridging loan facility agreements at 5.2.26 is £265.3m (31.1.25: £246.3m). This includes £18.8m estimated value of properties secured which is held for loan agreements currently in Stage 3 (31.1.25: £16.7m).

Advances in both our motor finance business and our property bridging business are only made with collateral security and this is important in both these markets for the collectability of these loans – there have been no significant changes in the quality of collateral held during the year.

	Stage 1: Subject to 12 months ECL	Stage 2: Subject to lifetime ECL	Stage 3: Subject to lifetime ECL	Total provision
	£'000	£'000	£'000	£000
Loan loss provisions				
At 1 February 2024	22,229	1,323	83,437	106,989
Net transfers and changes in credit risk	(11,286)	1,434	26,699	16,847
New loans originated (stage at year-end)	5,204	642	12,878	18,724
Total impairment charge to income statement	(6,082)	2,076	39,577	35,571
Amounts netted off revenue for stage 3 assets	–	–	15,614	15,614
Utilised provision on write-offs	(1,888)	(495)	(34,762)	(37,145)
At 31 January 2025	14,259	2,904	103,866	121,029
Net transfers and changes in credit risk	(5,854)	1,236	(915)	(5,533)
New loans originated (stage at period-end)	7,463	1,687	11,949	21,099
Debt sale gain on disposal	–	–	(2,534)	(2,534)
Total impairment charge to income statement	1,609	2,923	8,500	13,032
Amounts netted off revenue for stage 3 assets	–	–	14,676	14,676
Utilised provision on write-offs	(2,046)	(960)	(39,204)	(42,210)
Debt sale proceeds	–	–	3,405	3,405
At 5 February 2026	13,822	4,867	91,243	109,932

There were no significant changes in the capital carrying value of amounts receivable from customers this year which contributed to changes in the loan loss provisions other than growth in new loans originated.

During the period Advantage executed a debt sale of old written-off or heavily provisioned customer agreements to an external third party and as a result has no continuing involvement with these receivables. Advantage received proceeds of £3.4m and after costs and provisions recognised a gain of £2.5m.

Internal rating values

A breakdown of the group gross receivables by internal credit risk rating is shown below

	Period ended 5.2.26 £000	Year ended 31.1.25 £000
Good quality	423,415	362,918
Satisfactory quality	16,208	9,811
Lower quality	129,384	144,859
Below standard	37,707	39,287
Total Amounts receivable (capital)	606,714	556,875

The Group manages credit risk by performing credit assessments at the time of customer onboarding. Customers are assigned a credit score at origination using a combination of external data and internal information. The Group does not maintain an ongoing internal credit risk rating system. Instead, credit risk is monitored on an ongoing basis using days past due, historical payment behaviour and forward-looking information.

18. Other receivables and prepayments

	Group		Company	
	5.2.26 £000	31.1.25 £000	5.2.26 £000	31.1.25 £000
Amounts owed by subsidiary undertakings	–	–	317,628	270,191
Other debtors	13	22	–	–
Prepayments and accrued income	1,512	1,405	152	179
	1,525	1,427	317,780	270,370

The Company has assessed the estimated credit losses for these intercompany loans and an impairment provision of £nil (2025: £nil) has been recognised. Amounts owed by subsidiary undertakings are categorised as Stage 1, against which no provision is recognised as the loan entities have sufficient expected cash flow to service their obligations and/or sufficient realisable net assets to sell in the event of a default.

Other than £120.0m of intercompany receivables from Advantage Finance Limited (31.1.25: £90.5m) and £121.5m of intercompany receivables from Aspen Bridging Limited (31.1.25: £107.0m), which are due after more than one year, the amounts owed by subsidiary undertakings have no fixed maturity date.

Under IFRS7, there are no amounts included in other receivables and prepayments which are past due but not impaired and no amounts which are impaired or have a significant increase in credit risk. The carrying value of trade and other receivables is not materially different to their fair value.



D2 Notes to the Accounts

Period ended 5 February 2026 continued

19. Borrowings including bank overdrafts and loans

	Group		Company	
	5.2.26	31.1.25	5.2.26	31.1.25
	£000	£000	£000	£000
Bank overdrafts and loans – due within one year	296	–	387	–
Bank and other loans – due in more than one year	241,500	197,500	241,500	197,500
	241,796	197,500	241,887	197,500

The carrying value of bank overdrafts and loans is not materially different to the fair value.

S&U plc had the following overdraft facilities available at 5 February 2026:

- a facility for £5 million (31.1.25: £5m) which is subject to annual review in June 2026.
- a facility for £2 million (31.1.25: £2m) which has no annual review date.

Total drawdowns of these overdraft facilities at 5 February 2026 were £296,000 (31.1.25: £nil).

S&U plc had the following revolving credit facilities available at 5 February 2026:

- a facility for £280 million (31.1.25: £230m) which is due for repayment in May 2027.

At 31 January 2025 S&U plc had revolving credit facilities of £230m which was due for repayment in May 2026.

S&U plc had the following term loan facilities available at 31 January 2025 and 5 February 2026:

- a facility for £50 million (31.1.25: £50m) - £25m of which is due for repayment in March 2028 and £25m is due for repayment in March 2029.

All the bank overdrafts facilities, revolving credit facilities and term loan facilities mentioned above incur interest at a variable rate.

The bank overdraft and loans are secured under a multilateral guarantee provided by S&U plc and its operating subsidiaries Advantage Finance Ltd and Aspen Bridging Ltd.

The Company is part of the Group overdraft facility and at 5 February 2026 was £387,000 overdrawn (31.1.25: £nil overdrawn). A maturity analysis of the above borrowings is given in note 25.

20. Trade and other payables

	Group		Company	
	5.2.26	31.1.25	5.2.26	31.1.25
	£000	£000	£000	£000
Trade creditors	967	1,139	73	136
Other creditors including commissions and remuneration payable	3,865	2,156	615	538
	4,832	3,295	688	674

The carrying value of trade and other payables is not materially different to the fair value.

21. Provisions for liabilities and charges

	Group			
	Warranties	5.2.26 Commission	Forbearance	31.1.25 Forbearance
	£000	£000	£000	£000
At 1 February 2025	–	–	2,272	–
Charge/(release) to income statement	596	1,794	(221)	2,736
Utilised	–	–	(1,839)	(464)
At 5 February 2026	596	1,794	212	2,272

Our motor finance subsidiary Advantage was included in the FCA's multi-firm Cost of Living Forbearance Outcomes review in 2023 and as a result the FCA concluded that enhancements were required to Advantage's approach to arrears management and the application of forbearance. We provided for anticipated associated exceptional potential customer remediation costs and external support costs totalling £2.736m (see also note 11) of which £2.30m has so far been incurred and £0.22m released leaving a provision of £0.21m carried forward at 5 February 2026.

In addition, Advantage has recognised a provision of £1.79m related to the FCA's final scheme rules on motor finance commissions, which was announced on 30 March 2026. The provision is determined by probability weighting several scenarios and includes the costs of running the proposed scheme.

Finally during the period Advantage executed a debt sale of old written-off or heavily provisioned customer agreements to an external third party. As part of the agreement, as is customary, is a requirement to repurchase ineligible accounts that were sold. Advantage has recognised a provision of £0.60m to account for this risk.

There are no provisions for liabilities and charges at a company-only level.



22. Deferred tax

Group	Accelerated tax depreciation £000	Shadow Share Options £000	Total £000
At 1 February 2024	(113)	268	155
Debit to income	–	(115)	(115)
At 31 January 2025	(113)	153	40
Debit to income	13	(28)	(15)
At 5 February 2026	(100)	125	25

Company

At 1 February 2024	(3)	33	30
Credit/(debit) to income	1	(16)	(15)
At 31 January 2025	(2)	17	15
Credit/(debit) to income	2	(17)	(15)
At 5 February 2026	–	–	–

Shadow share options are long term share based incentive instruments which will be settled in cash when exercised based on future share price and require achieving certain performance targets and are subject to continued employment conditions.

23. Called up share capital and preference shares

	5.2.26 £000	31.1.25 £000
<u>Called up, allotted and fully paid</u>		
12,150,760 Ordinary shares of 12.5p each (31.1.25: 12,150,760)	1,519	1,519
200,000 6.0% Cumulative preference shares of £1 each	200	200
Called up share capital	1,719	1,719

The 6.0% cumulative preference shares enable the holder to receive a cumulative preferential dividend at the rate of 6.0% on paid up capital and the right to a return of capital plus a premium of 10p per share at either a winding up or a repayment of capital. The 6.0% cumulative preference shares do not carry voting rights so long as the dividends are not in arrears.

24. Financial liabilities

Preference share capital	5.2.26 £000	31.1.25 £000
<u>Called up, allotted and fully paid</u>		
3,598,506 31.5% Cumulative preference shares of 12.5p each (31.1.25: 3,598,506)	450	450

The 31.5% cumulative preference shares entitle the holder to receive a cumulative preference dividend of 31.5% plus associated tax credit and the right to a return of twice the capital (2 lots of 12.5p) plus a premium of 22.5p per share on either a winding up or a repayment of capital. The rights of the holders of these shares to dividends and returns of capital are subordinated to those of the holders of the 6.0% cumulative preference shares. The 31.5% cumulative preference shares do not carry voting rights so long as the dividends are not in arrears.

25. Financial instruments

The Group and the Company's principal financial instruments are amounts receivable from customers, cash, preference share capital, bank overdrafts and bank loans.

The Group and the Company's business objectives rely on maintaining a well spread customer base of carefully controlled quality by applying strong emphasis on good credit management, both through strict lending criteria at the time of underwriting a new credit facility and continuous monitoring of the collection process. The motor finance hire purchase debts are secured by the financed vehicle. All financial assets are held at amortised cost.

As at 5 February 2026 the Group's indebtedness amounted to £241,796,000 (31.1.25: £197,500,000) and the Company's indebtedness amounted to £241,887,000 (31.1.25: £197,500,000). The Group gearing was 97.1% (31.1.25: 80.8%), being calculated as borrowings net of cash as a percentage of total equity. The Board is of the view that the gearing level remains conservative, especially for a lending organisation. The tables below on pages 85 and 86 analyses the Group and Company assets and liabilities into relevant maturity groupings based on the remaining period at the balance sheet date (to contractual maturity).

S&U plc has unused committed borrowing facilities at 5 February 2026 of £88.5m (31.1.25: £82.5m). The preference share capital financial liability of £450,000 has no maturity date and is classified as more than five years.

The average effective interest rate on financial assets of the Group at 5 February 2026 was estimated to be 21% (31.1.25: 23%). The average effective interest rate of financial liabilities of the Group at 5 February 2026 was estimated to be 7% (31.1.25: 8%). The average effective interest rate on financial liabilities of the Company at 5 February 2026 was estimated to be 7% (31.1.25: 8%).

Currency and credit risk

The Group has no material exposure to foreign currency risk. The credit risk inherent in amounts receivable from customers is reviewed under impairment as per note 1.5. It should be noted that the credit risk at the individual customer level is limited by strict adherence to credit control rules which are regularly reviewed. The credit risk is also mitigated in the motor finance segment of our business by ensuring that the valuation of the security at origination of the loan is within glasses guide and cap limits. The credit risk is also mitigated in the bridging property finance segment of our business by ensuring that the valuation of the security at origination of the loan is rigorously assessed and is within loan to value limits. As confirmation required under IFRS 8, no individual customer contributes more than 10% of the revenue for the Group. Group trade and other receivables and cash are considered to have no material credit risk as all material balances are due from highly rated banking counterparties.



D2 Notes to the Accounts

Period ended 5 February 2026 continued

25. Financial instruments continued

Interest rate risk

The Group's activities expose it to the financial risks of changes in interest rates and the Group uses interest rate derivative contracts where appropriate to hedge these exposures in bank borrowings.

There are no interest rate derivative contracts held at 5 February 2026 (31.1.25: none held). There is considered to be no material interest rate risk in cash, trade and other receivables, preference shares and trade and other payables.

The sensitivity analyses below have been determined based on the exposure to interest rates at the balance sheet date. The Group has low gearing for its sector and the directors consider a 1% and a 2% movement in interest rates to reflect the UK interest rate environment and to be appropriate for sensitivity analyses. For floating rate liabilities, the analysis is prepared assuming the liability outstanding at the balance sheet date was outstanding for the whole year.

If interest rates had been 1% higher/lower and all other variables were held constant, the Group's:

- profit for the year ended 5 February 2026 would decrease/increase by £1.7 million (31.1.25: decrease/increase by £1.5 million). This is mainly attributable to the Group's exposure on its variable rate borrowings.
- total equity would decrease/increase by £1.7 million (31.1.25: decrease/increase by £1.5 million). This is mainly attributable to the Group's exposure on its variable rate borrowings.

If interest rates had been 2% higher/lower and all other variables were held constant, the Group's:

- profit for the year ended 5 February 2026 would decrease/increase by £3.4million (31.1.25: decrease/increase by £3.0 million). This is mainly attributable to the Group's exposure on its variable rate borrowings.
- total equity would decrease/increase by £3.4million (31.1.25: decrease/increase by £3.0 million). This is mainly attributable to the Group's exposure on its variable rate borrowings.

Capital risk management

The Board of Directors assess the capital needs of the Group on an ongoing basis and approve all material capital transactions. The Group's objective in respect of capital risk management is to maintain a conservative "Group Gearing" level with respect to market conditions, whilst taking account of business growth opportunities in a capital efficient manner. "Group Gearing" is calculated as the sum of Bank Overdrafts plus Bank Loans less Cash and Cash Equivalents divided by Total Equity. At 5 February 2026 the Group gearing level was 97.1% (31.1.25: 80.8%) which the directors consider to have met their objective.

Although Advantage have not sold insurance products in recent years, they are required to hold a regulatory minimum capital figure of £5,000 in this regard. Throughout the year this Company has maintained a capital base greater than this requirement.

Fair values of financial assets and liabilities

The fair values of amounts receivable from customers, bank loans and overdrafts and other assets and liabilities with the exception of the junior preference share capital are considered to be not materially different from their book values. The junior preference share capital classified as a financial liability is estimated to have a fair value of £1.9m (31.1.25: £1.9m) but is considered more appropriate under IFRS to be included in the balance sheet at amortised cost.

Fair values which are recognised or disclosed in these financial statements are determined in whole or in part using a valuation technique based on assumptions that are supported by prices from observable current market transactions in the same instrument (i.e. without modification or repackaging) and based on available observable market data. The fair value hierarchy is derived from Level 2 inputs in accordance with IFRS13.

Liquidity risk

The Group's liquidity risk is shown in the following tables which measure the cumulative liquidity gap. Management review and manage the maturity of borrowing facilities appropriately. Most of the Group's financial assets are repayable anyway within two years which together with net gearing of around 97.1% results in a positive liquidity position.



Group	Less than 1 year	More than 1 year but not more than 2 years	More than 2 years but not more than 5 years	More than 5 years	No fixed maturity date	Total
At 5 February 2026	£'000	£'000	£'000	£'000	£'000	£'000
Financial assets	225,196	105,679	165,907	-	-	496,782
Other assets	-	-	-	-	4,435	4,435
Cash at bank and in hand	-	-	-	-	-	-
Total assets	225,196	105,679	165,907	-	4,435	501,217
Shareholders' funds	-	-	-	-	(249,001)	(249,001)
Bank overdrafts and loans	(296)	(191,500)	(50,000)	-	-	(241,796)
Lease liabilities	(90)	(74)	(18)	-	-	(182)
Financial liabilities	-	-	-	(450)	-	(450)
Other liabilities	-	-	-	-	(9,788)	(9,788)
Total liabilities and shareholders' funds	(386)	(191,574)	(50,018)	(450)	(258,789)	(501,217)
Cumulative gap	224,810	138,915	254,804	254,354	-	-

Group	Less than 1 year	More than 1 year but not more than 2 years	More than 2 years but not more than 5 years	More than 5 years	No fixed maturity date	Total
At 31 January 2025	£'000	£'000	£'000	£'000	£'000	£'000
Financial assets	232,330	64,673	138,843	-	-	435,846
Other assets	-	-	-	-	3,994	3,994
Cash at bank and in hand	5,216	-	-	-	-	5,216
Total assets	237,546	64,673	138,843	-	3,994	445,056
Shareholders' funds	-	-	-	-	(238,079)	(238,079)
Bank overdrafts and loans	-	-	(197,500)	-	-	(197,500)
Lease liabilities	(109)	(92)	(91)	-	-	(292)
Financial liabilities	-	-	-	(450)	-	(450)
Other liabilities	-	-	-	-	(8,735)	(8,735)
Total liabilities and shareholders' funds	(109)	(92)	(197,591)	(450)	(246,814)	(445,056)
Cumulative gap	237,437	302,018	243,270	242,820	-	-

Company	Less than 1 year	More than 1 year but not more than 2 years	More than 2 years but not more than 5 years	More than 5 years	No fixed maturity date	Total
At 5 February 2026	£000	£000	£000	£000	£000	£000
Other assets	-	191,500	50,000	-	76,555	318,055
Cash at bank and in hand	-	-	-	-	-	-
Total assets	-	191,500	50,000	-	76,555	318,055
Shareholders' funds	-	-	-	-	(74,311)	(74,311)
Bank overdrafts and loans	(387)	(191,500)	(50,000)	-	-	(241,887)
Financial liabilities	-	-	-	(450)	-	(450)
Lease liabilities	(81)	(64)	-	-	-	(145)
Other liabilities	-	-	-	-	(1,262)	(1,262)
Total liabilities and shareholders' funds	(468)	(191,564)	(50,000)	(450)	(75,573)	(318,055)
Cumulative gap	-	-	-	-	-	-

Company	Less than 1 year	More than 1 year but not more than 2 years	More than 2 years but not more than 5 years	More than 5 years	No fixed maturity date	Total
At 31 January 2025	£000	£000	£000	£000	£000	£000
Other assets	-	-	197,500	-	73,173	270,673
Cash at bank and in hand	2,691	-	-	-	-	2,691
Total assets	2,691	-	197,500	-	73,173	273,364
Shareholders' funds	-	-	-	-	(74,041)	(74,041)
Bank overdrafts and loans	-	-	(197,500)	-	-	(197,500)
Financial liabilities	-	-	-	(450)	-	(450)
Lease liabilities	(76)	(81)	(63)	-	-	(220)
Other liabilities	-	-	-	-	(1,153)	(1,153)
Total liabilities and shareholders' funds	(76)	(81)	(197,563)	(450)	(75,194)	(273,364)
Cumulative gap	2,615	2,534	2,471	2,021	-	-



D2 Notes to the Accounts

Period ended 5 February 2026 continued

25. Financial instruments continued

The cash flows payable under financial liabilities are analysed as follows:

Group	Repayable on Demand	Less than 1 year	More than 1 year but not more than 2 years	More than 2 years but not more than 5 years	More than 5 years	Total
At 5 February 2026	£000	£000	£000	£000	£000	£000
Bank overdrafts and loans	296	–	–	–	–	296
Trade and other payables	–	4,832	–	–	–	4,832
Tax liabilities	–	483	–	–	–	483
Provisions for liabilities and charges	–	2,602	–	–	–	2,602
Accruals and deferred income	–	1,871	–	–	–	1,871
Borrowings	–	–	191,500	50,000	–	241,500
Lease liabilities	–	90	74	18	–	182
Financial liabilities	–	–	–	–	450	450
At 5 February 2026	296	9,878	191,574	50,018	450	252,216

Group	Repayable on Demand	Less than 1 year	More than 1 year but not more than 2 years	More than 2 years but not more than 5 years	More than 5 years	Total
At 31 January 2025	£000	£000	£000	£000	£000	£000
Bank overdrafts and loans	–	–	–	–	–	–
Trade and other payables	–	3,295	–	–	–	3,295
Tax liabilities	–	1,695	–	–	–	1,695
Provisions for liabilities and charges	–	2,272	–	–	–	2,272
Accruals and deferred income	–	1,473	–	–	–	1,473
Borrowings	–	–	–	197,500	–	197,500
Lease liabilities	–	109	92	91	–	292
Financial liabilities	–	–	–	–	450	450
At 31 January 2025	–	8,844	92	197,591	450	206,977

Company	Repayable on Demand	Less than 1 year	More than 1 year but not more than 2 years	More than 2 years but not more than 5 years	More than 5 years	Total
At 5 February 2026	£000	£000	£000	£000	£000	£000
Bank overdrafts and loans	387	–	–	–	–	387
Trade and other payables	–	688	–	–	–	688
Tax liabilities	–	–	–	–	–	–
Accruals and deferred income	–	574	–	–	–	574
Borrowings	–	–	191,500	50,000	–	241,500
Lease liabilities	–	81	64	–	–	145
Financial liabilities	–	–	–	–	450	450
At 5 February 2026	387	1,343	191,564	50,000	450	243,744

Company	Repayable on Demand	Less than 1 year	More than 1 year but not more than 2 years	More than 2 years but not more than 5 years	More than 5 years	Total
At 31 January 2025	£000	£000	£000	£000	£000	£000
Bank overdrafts and loans	–	–	–	–	–	–
Trade and other payables	–	674	–	–	–	674
Tax liabilities	–	127	–	–	–	127
Accruals and deferred income	–	352	–	–	–	352
Borrowings	–	–	–	197,500	–	197,500
Lease liabilities	–	76	81	63	–	220
Financial liabilities	–	–	–	–	450	450
At 31 January 2025	–	1,229	81	197,563	450	199,323



26. Reconciliation of operating profit to net cash from operating activities

	Group 5.2.26 £000	Group 31.1.25 £000	Company 5.2.26 £000	Company 31.1.25 £000
Operating Profit	46,164	44,830	13,140	17,268
Tax paid	(9,335)	(4,817)	(79)	(57)
Exceptional item	—	(2,736)	—	—
Depreciation on plant, property and equipment	481	482	97	91
Profit on disposal of plant, property and equipment	—	(14)	—	—
(Increase)/decrease in amounts receivable from customers	(60,936)	27,092	—	—
(Increase)/decrease in other receivables and prepayments	(98)	15	(47,410)	25,448
Increase/(decrease) in trade and other payables	1,537	(1,602)	14	4
Increase/(decrease) in accruals	398	(498)	222	63
Increase in provisions for other liabilities and charges	330	2,272	—	—
Movement in retirement benefit asset/obligations	(43)	(33)	(43)	(33)
Net cash (used in)/generated by operating activities	(21,502)	64,991	(34,059)	42,784

27. Financial commitments

Capital commitments

At 5 February 2026 the Group had £nil capital commitments contracted but not provided for (31.1.25: £nil). At 5 February 2026, the Company had £nil capital commitments contracted but not provided for (31.1.25: £nil).

28. Contingent liabilities

The Company has entered into cross-guarantee arrangements with respect to the bank overdrafts of certain of its subsidiaries. The maximum exposure under this arrangement at 5 February 2026 was £3,497,531 (31.1.25: £13,721).

29. Share based payments

The Company operates a Long-Term Incentive Plan (LTIP 2021), which was approved by the AGM in May 2021. LTIP 2021 allows shadow share options which can only be cash settled and therefore do not dilute current shareholders. Vesting of these shadow share option awards is subject to performance conditions over a performance period of at least a year and the awards can normally be exercised for the period between 3 years and 6 years from the date of grant of the award subject also to standard leaver and malus and clawback provisions contained in the rules of the LTIP 2021 plan.

The Group recognised total share-based payment expenses for LTIP 2021 of £354,445 in the period to 5 February 2026 (31.1.25: £145,154). At 5 February 2026 the creditor for LTIP 2021 shadow share options amounted to £671,353 (31.1.25: £750,566).

30. Retirement benefit obligations

The Company operates a defined benefit scheme in the UK. The plan is funded by payment of contributions to a separate trustee administered fund. The pension cost relating to the scheme is assessed in accordance with the advice of a qualified independent actuary using the attained age method. The last formal valuation was at 31 March 2025. At that valuation it was assumed that the appropriate post retirement discount rate was 5.44% and pension increases would be 3.3% per annum. The valuation results have been updated on the advice of a qualified actuary to take account of the requirements of IAS19 in order to assess the liabilities of the scheme as at 5 February 2026.

The last actuarial valuation highlighted that the scheme was in surplus on an ongoing basis with the value of assets being sufficient to cover the actuarial value of accrued liabilities. No contributions are therefore being paid to the scheme at the present time and the estimated amount of contributions expected to be paid into the scheme during the period to 5 February 2026 is £nil.

The scheme is run by Trustees who are responsible for the affairs of the scheme. Trustees during the year were Mr GDC Coombs and Mr CH Redford who were also directors of S&U plc during the year and Mr C Freckelton. The scheme is closed to new members. The Trustees discuss the affairs of the scheme and deal with discretionary matters regarding benefits. The trustees have employed Barclays Wealth as investment managers. S&U plc has power, under the Trust Deed and Rules which govern the operation of the Fund, to remove Trustees from office, to accept their resignations, and to appoint new or additional Trustees. The directors of S&U plc consider all these arrangements to be appropriate, having noted that the scheme has been closed to new members for over 40 years, the scheme continues to have a significant surplus and the scheme's defined benefit obligations are not material in the context of the group.



D2 Notes to the Accounts

Period ended 5 February 2026 continued

30. Retirement benefit obligations continued

Disclosures made in accordance with IAS 19

A full actuarial valuation was carried out at 31 March 2025 and updated to 5 February 2026 by a qualified independent actuary. The valuation method used was the projected unit method. The major assumptions used by the actuary were (in nominal terms):

	At period end 5 February 2026	At year end 31 January 2025
Rate of increase in salaries	Na	Na
Pension increases:		
Pre-97 Pension	0.0%	0.0%
Post 97 Pension	3.0%	3.5%
Discount rate	5.3%	5.2%

Mortality assumption for 5 February 2026 comes from the S4PA tables with CMI-2024 1.25% long term trend and for 31 January 2025 mortality assumption was from the S3PA tables with CMI-2023 1.25% long term trend.

The analysis of the scheme assets, which are determined to be Level 2 in the fair value hierarchy and the expected rate of return at the balance sheet date were as follows:

	Proportion held at 5 February 2026 £000	Proportion held at 31 January 2026 £000
Equities	53%	57%
Bonds	39%	28%
Cash/Other	8%	15%
Total market value of assets	100%	100%

The amount included in the balance sheet arising from the Group's obligations in respect of its defined benefit schemes is as follows:

	5.2.26 £000	31.1.25 £000
Fair value of plan assets	1,138	1,125
Present value of defined benefit obligations	(312)	(333)
Surplus before restriction	826	792
Restriction on Surplus	(826)	(792)
Pension asset	0	0

The pension asset has a large surplus before restriction and so is unlikely to be affected by normal variances in actuarial assumptions and so no actuarial assumption sensitivity analysis is provided.

	5.2.26 £000	31.1.25 £000
The amount recognised in the income statement during the year		
Current service cost	–	–
Past service cost	–	2
Interest on obligation	16	15
Expected return on plan assets	(59)	(50)
Expense recognised in the income statement	(43)	(33)
Opening net (asset)	–	–
Expense	(43)	(33)
Contributions paid	–	–
Actuarial loss	43	33
Closing net (asset)	0	0

The expense credit in both years is shown within administrative expenses.

	5.2.26 £000	31.1.25 £000
Movement in present value of obligation		
Present value of obligation at 1 February 2025	333	348
Interest cost	16	15
Current service cost	–	–
Past service cost	–	2
Benefits paid	(41)	(40)
Actuarial gain on obligation – assumptions	(7)	(9)
Actuarial gain on obligation – experience	11	17
Present value of obligation at 5 February 2026	312	333
Experience adjustment on scheme liabilities		
Actuarial gain as percentage of scheme liabilities	1%	2%
Movement in fair value of plan assets		
Fair value of plan assets at 1 February 2025	1,125	1,070
Expected return on plan assets	59	50
Contributions	–	–
Benefits paid	(41)	(40)
Actuarial (loss)/gain on plan assets	(5)	45
Fair value of plan assets at 5 February 2026	1,138	1,125

The fair value of plan assets other than cash is based on quoted market prices.

Experience adjustment on assets		
Actuarial (loss)/gain as percentage of scheme assets	0.4%	4%



Five Year Record (Unaudited)

	2022 £000	2023 £000	2024 £000	2025 £000	2026 £000
Continuing Operations Only					
Revenue	87,889	102,714	115,437	115,611	107,431
Cost of Sales	(18,771)	(23,676)	(22,821)	(16,384)	(23,552)
Impairment	(4,120)	(13,877)	(24,203)	(35,571)	(13,032)
Administrative Expenses	(14,208)	(16,256)	(19,767)	(18,826)	(24,683)
Operating profit	50,790	48,905	48,646	44,830	46,164
Finance Costs (net)	(3,772)	(7,495)	(15,062)	(18,118)	(14,348)
Profit before taxation before exceptional item	47,018	41,410	33,584	26,712	31,816
Exceptional Item	–	–	–	(2,736)	–
Profit before taxation	47,018	41,410	33,584	23,976	31,816
Taxation	(9,036)	(7,692)	(8,147)	(6,063)	(8,103)
Profit for the year	37,982	33,718	25,437	17,913	23,713
Assets employed in all operations					
Fixed assets	2,455	2,616	2,310	2,527	2,885
Amounts receivable and other assets	324,774	425,558	464,536	442,529	498,332
	327,229	428,174	466,846	445,056	501,217
Liabilities	(120,482)	(203,289)	(232,684)	(206,977)	(252,216)
Total equity	206,747	224,885	234,162	238,079	249,001
Earnings per Ordinary share	312.8p	277.5p	209.2p	147.4p	195.2p
Dividends declared per Ordinary share	126.0p	133.0p	120.0p	100.0p	115.0p
Group gearing	54.9%	85.5%	95.8%	80.8%	97.1%

“Group Gearing” is calculated as the sum of Bank Overdrafts plus Borrowings less Cash and Cash Equivalents divided by Total Equity.



Financial Calendar

Annual General Meeting		24 June 2026
Announcement of Results	Half year ending 5 August 2026	29 September 2026
	Year ending 5 February 2027	April 2027
Payment of Dividends	6% Cumulative Preference Shares	30 September 2026 & 31 March 2027
	31.5% Cumulative Preference Shares	31 July 2026 & 31 January 2027
	Ordinary Shares – 2025/26 final	24 July 2026
	– Ex dividend date	2 July 2026
	– Record date	3 July 2026
	– 2026/27 first interim	November 2026
	– 2026/27 second interim	March 2027

Annual General Meeting Arrangements

The Annual General Meeting will take place on 24 June 2026 – further details of arrangements are contained in the Notice of Annual General Meeting sent to shareholders and on the company website at www.suplc.co.uk



Officers and professional advisers

Directors

A M V Coombs MA (Oxon)	(Chairman)
G D C Coombs MA (Oxon) MSc (Lon)	(Deputy Chairman)
J E C Coombs MA (Oxon) ACA	(Chief Operating Officer)
E H Ahrens	(CEO Aspen Bridging)
K D Werner	(CEO Advantage Finance – appointed 9 February 2026)
C K Freckelton ACA	(Group Finance Director – appointed 20 April 2026)
T G Wheeler	(Non-executive)
G Pedersen	(Non-executive)
T Khlat MBE	(Non-executive)
J P Maxwell	(Non-executive)
C H Redford ACA	(retired 18 June 2025)

Secretary

MK Bhogal ACMA CGMA

Registered office

2 Stratford Court
Cranmore Boulevard
Solihull
West Midlands
B90 4QT

info@suplc.co.uk

Bankers

HSBC Bank plc
130 New Street
Birmingham
B2 4JU

Natwest Bank
250 Bishopsgate
London
EC2M 4AA

Solicitors

DLA
Victoria Square
Birmingham
B2 4DL

Stockbrokers

Peel Hunt LLP
7th Floor, 100 Liverpool Street
London
EC2M 2ATT

Joh. Berenberg, Gossler & Co. KG
London Branch
60 Threadneedle Street
London EC2R 8HP
United Kingdom

Registrars

MUFG
19th Floor
Central Square
29 Wellington Street
Leeds
LS1 4DL

Shareholders can contact MUFG on:-
0371 664 0300 (calls cost 10p per minute
plus network costs).

Financial public relations

SEC Newgate Communications
14 Greville Street,
London
EC1N 8SB

Auditor

Statutory Auditor
Forvis Mazars LLP
30 Old Bailey
London
EC4M 7AU

Internal Auditor

RSM Risk Assurance Services LLP
6th Floor 25 Farringdon Street
London
EC4A 4AB



The production of this report supports the work of the Woodland Trust, the UK's leading woodland conservation charity. Each tree planted will grow into a vital carbon store, helping to reduce environmental impact as well as creating natural havens for wildlife and people.



2 Stratford Court
Cranmore Boulevard
Shirley
Solihull
West Midlands
B90 4QT

E: info@suplc.co.uk

Registered in England No. 342025

www.suplc.co.uk