Registered number: 15450344

TOWER BRIDGE FUNDING 2024-2 PLC

Annual report and financial statements

For the period 29 January 2024 (Incorporation date) to 31 December 2024

CONTENTS

Company Information	1
Strategic Report	2
Directors' Report	5
Directors' Responsibilities Statement	8
Independent Auditors' Report	9
Statement of Comprehensive Income	19
Statement of Financial Position	20
Statement of Changes in Equity	21
Notes to the Financial Statements	22

COMPANY INFORMATION

Directors	CSC Directors (No.1) Limited (appointed 29 January 2024) CSC Directors (No.2) Limited (appointed 29 January 2024) Debra Amy Parsall (appointed 29 January 2024)
Company Secretary	CSC Corporate Services (UK) Limited
Registered office	10th Floor 5 Churchill Place London E14 5HU
Company number	15450344 (England and Wales)
Independent Auditor	Deloitte LLP Four Brindleyplace Birmingham, B1 2HZ United Kingdom

STRATEGIC REPORT FOR PERIOD ENDED 31 DECEMBER 2024

The directors present the strategic report of Tower Bridge Funding 2024-2 PLC (the 'Company') for the period ended 31 December 2024.

Incorporation, principal activities, business review and future developments

The Company was incorporated as a public limited company on 29 January 2024 in the United Kingdom and registered in England and Wales under the Companies Act 2006.

The Company was established as a residential mortgage securitisation special purpose vehicle. On the closing date, the Company purchased an interest in certain mortgage loans (the 'Mortgage Loans') and their related security from Vida Bank Limited (the 'Originator' or 'Seller') pursuant to a Mortgage Sale Agreement. On the Sale Date, Mortgage Loans were purchased from Vida Bank Limited by the Company, who funded the purchase through issuance of notes (the 'Notes').

The Seller retained substantially all the risks and rewards of ownership of the portfolio of Mortgage Loans (the 'Mortgage Portfolio') and therefore its transfer to the Company was accounted for as a financing transaction (a 'Deemed Loan'), notwithstanding that it was a sale from a legal perspective. The sale of the Mortgage Portfolio to the Company is considered to fail the derecognition criteria of IFRS 9, 'Financial Instruments', in the books of Vida Bank Limited and therefore they are retained on the Statement of Financial Position of the Seller. As such, the Company records in its Statement of Financial Position a 'Deemed Loan' rather than the portfolio of loans it has legally purchased. The Deemed Loan is secured by residential properties located in the United Kingdom. Vida Bank Limited is the legal title holder of the Deemed Loan. The Residual Certificates are carried at their fair value at each reporting period end. The fair value is considered to be the present value of future cash receipts attributable to the certificate holders as mentioned in note 2(k).

The Company's functions and business activities are set out in the transaction documents dated 23 April 2024 which also documents the terms and conditions of the Notes.

The Company's obligation to pay principal and interest on the Notes and its operating and administrative expenses will be met primarily from payments of principal and revenue received from the Mortgage Loans.

Key performance indicators

The Company provides a full breakdown of the performance of the portfolio on a monthly basis. The key performance indicators are the level of arrears, level of excess spread and level of Constant Prepayment Rate. The Deemed Loan balance held by the Company at the financial period end is £293,041,015 as at 31 December 2024 due to the net effect of scheduled repayments. The Company made an accounting loss in 2024 of £423,333 and a cash flow profit is to be retained at £6,000 each year.

At the financial period end the balance of the Notes outstanding amounted to £302,353,762.

Financial instruments

The Company's operations are financed primarily by means of issuance of the Notes. The Company issued such Notes to finance the acquisition of the Deemed Loan as explained above.

Following initial set-up, the directors monitor the Company's performance, reviewing monthly reports on the performance of the underlying mortgage portfolio. Such review is designed to ensure that the terms of the transaction documentation have been complied with, that no unforeseen risks have arisen and that the holders of the Notes have been paid on a timely basis.

Principal risks and uncertainties

Whilst the directors have overall responsibility for the establishment and oversight of the Company's risk management framework, this obligation has been allocated and managed in accordance with the transaction documents. Further details of financial risk management are outlined in note 17 of the financial statements.

Vida Bank Limited (the “Servicer”) administers the Mortgage Loans under a servicer agreement with the Company. In administering the Mortgage Loans, the Servicer applies its formal structure for managing risk and other control procedures. The Servicer has delegated certain of its responsibilities and obligations as Mortgage Administrator to Homeloan Management Limited pursuant to a delegation agreement between the Servicer and Homeloan Management Limited.

The Company is mainly exposed to credit risk, liquidity risk and market risk. The principal nature of such risks is summarised below.

Credit risk

Credit risk reflects the risk that the underlying borrowers or other transaction parties will not meet their obligations as they fall due.

The primary asset of the Company is the Deemed Loan. Credit risk is monitored and managed on a regular basis through preparation and review of monthly investor reports which are reviewed in detail by senior management. Under the Security Agreements, the Company has first charge over all properties which have been secured on the underlying mortgage portfolio. At the balance sheet date, this is significantly higher than the carrying amount of the Deemed Loan and issued Notes. However, the Company considered the evaluation of a borrower’s ability to service a loan according to its terms to be the principal factor in assessing the credit risk associated with the underlying Mortgage Portfolio.

Management of the credit risk is undertaken by the asset Servicer who reviews and monitors arrears balances, communicates regularly with the Mortgage Loan borrowers and has procedures in place to market repossessed properties.

Liquidity risk

Liquidity risk is defined as the risk of being unable to fulfil current or future payment obligations in full on the due date.

The Company's assets are financed primarily by the issuance of the Notes. The financing policy substantially reduces the Company's liquidity risk by matching the payment profile of the Company's funding to the payment profile of the assets being funded.

The Company has a requirement to make Revenue and Principal repayments on each interest payment date (‘IPD’) based on the extent of funds available from collections on the financial assets. If not otherwise redeemed or sold the Notes will be redeemed in full or written down at the maturity date falling in September 2063. Payments of the Notes are limited in recourse to the receipt of funds from the Deemed Loan and the resources of the SPV such as cash and swaps.

In line with Priority of Payments, as outlined in the Prospectus of the Company, any excess revenue receipts have been used to repay the principal balance on the Class X Notes having discharged all expenses which rank in seniority to this.

STRATEGIC REPORT FOR PERIOD ENDED 31 DECEMBER 2024

Market risk

Market risk refers to the potential loss arising from changes in interest rates and foreign currency rates. The Company's financial assets are all denominated in GBP and therefore the Company has minimal exposure to foreign currency risk. The Company is exposed to market risk in the form of interest rate risk.

Interest rate risk

The Company uses derivative financial instruments (interest rate swaps) to manage the interest rate risk arising from the Company's sources of income (the Loan) and its source of finance (the Notes). It is not the Company's policy to trade in financial instruments.

Currency risk

The Company is not exposed to currency risk as all its financial instruments are denominated in GBP.

Capital risk management

The Company is not subject to any external capital requirements except for the minimum requirement under the Companies Act 2006. The Company has not breached the minimum requirement.

This report was approved by the board of directors on 15 May 2025 and signed on its behalf by:

....

Helena Whitaker
Per pro CSC Directors (No.1) Limited
Director
15 May 2025

DIRECTORS' REPORT FOR PERIOD ENDED 31 DECEMBER 2024

The directors present their report together with the audited financial statements of the Company for the period ended 31 December 2024.

The Company was incorporated as a public limited company on 29 January 2024 in the United Kingdom and registered in England and Wales under the Companies Act 2006.

Results and dividends

The audited financial statements for the period ended 31 December 2024 are set out on pages 19 to 37. The statement of comprehensive income is set out on page 19 and shows a loss of £43,333.

The directors do not recommend the payment of a dividend for the period ended 31 December 2024.

Directors and their interests

The directors of the Company who served during the year, and up to the date of signing the financial statements, were:

CSC Directors (No.1) Limited (appointed on 29 January 2024)
CSC Directors (No.2) Limited (appointed on 29 January 2024)
Debra Amy Parsall (appointed on 29 January 2024)

The directors and their immediate relatives and the company secretary did not hold an interest in any shares, share options, deferred shares or loan stock of the Company as at 31 December 2024 or at any time during or since the financial period end.

Political contributions

The Company made no political or charitable donations during the financial period.

Going Concern

The financial statements have been prepared on a going concern basis. In evaluating the appropriateness of this basis, the directors are satisfied that the Company has the resources to continue in business for the foreseeable future, covering a period of at least 12 months from the date of approval of the financial statements. In making this assessment, the directors have considered a range of information relating to present and future, internal and external conditions and, in particular, the potential impact of the economic environment upon the business and its operations, markets, liquidity, capital and profitability. All of these factors have been set out in note 2(e) to the financial statements.

Therefore, the directors consider that the Company is able to meet its liabilities as they fall due, and accordingly, the financial statements have been prepared on a going concern basis.

Subsequent events

There have been no significant events affecting the Company since the period end. Refer to note 20.

DIRECTORS' REPORT FOR PERIOD ENDED 31 DECEMBER 2024

Macroeconomic Uncertainty

With the challenging macroeconomic environment, geo-political uncertainty and the cost of living and affordability challenges over the course of the year, concerns remain over the impact on the ability of our customers to meet their monthly payments. With that in mind, we have continued to take a pro-active approach to customer management, making early contact whenever we can see any early signs of payment stress.

Issue of Shares

The issued share capital consists of £12,500, comprising 50,000 ordinary shares of £1 each with one share being fully paid and 49,999 ordinary shares being quarter paid.

Third party indemnity provisions

Qualifying third party indemnity provisions for the benefit of the directors were in force during the financial period under review and remain in force as at the date of approval of the annual report and financial statements.

Matters covered in Strategic Report

Information on future developments and financial risk management are included in the strategic report.

Company Secretary

CSC Corporate Services (UK) Limited was appointed company secretary on 29 January 2024 and served as the company secretary during the financial period and subsequently.

Auditor

The auditors, Deloitte LLP, were appointed and have expressed their willingness to continue in office, pursuant to Section 489 of the Companies Act 2006 and a resolution concerning their re-appointment will be proposed at the next board meeting.

The directors who held office at the date of approval of this directors' report confirm that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and

- each director has taken all the steps that they ought to have taken as a director to make themselves 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 s418 of the Companies Act 2006.

DIRECTORS' REPORT FOR PERIOD ENDED 31 DECEMBER 2024

Corporate Governance Statement

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

The directors have been charged with governance in accordance with the Transaction Documents describing the structure and operation of the Company. The governance structure of the Company is such that the key policies have been predetermined at the time of issuance and the operational roles have been assigned to third parties with their roles strictly governed by the Transaction Documents.

The Transaction Documents provide for procedures that have been designed for safeguarding assets against unauthorised use or disposition, for maintaining proper accounting records, and for the reliability and usefulness of financial information used within the business or for publication. Such procedures are designed to manage rather than eliminate the risk of failure to achieve business objectives whilst enabling them to comply with the regulatory obligations.

Due to the nature of the securities which have been listed, the Company is largely exempt from the disclosure requirements of the FCA pertaining to Disclosure and Transparency Rules (DTR) 7.1 audit committees and 7.2 corporate governance statements (save for 7.2.5 requiring a description of the features of the internal control and risk management systems) which would otherwise require the Company respectively, to have an audit committee in place and corporate governance statement in the report of the directors. The directors are therefore satisfied that there is no requirement for an audit committee, or a supervisory body entrusted to carry out the functions of an audit committee or to publish a corporate governance statement.

This report was approved by the board of directors and signed on its behalf by:

....
Helena Whitaker
Per pro CSC Directors (No.1) Limited
Director
15 May 2025

DIRECTORS' RESPONSIBILITIES STATEMENT
FOR PERIOD ENDED 31 DECEMBER 2023

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 have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 101, "Reduced Disclosure Framework" (FRS 101).

Under company law, the directors must not approve the financial statements 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 for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK 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 transactions and disclose with reasonable accuracy at any time, the financial position of the Company 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 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.

Report on the audit of the financial statements.

1. Opinion

In our opinion, the financial statements of Tower Bridge Funding 2024-2 PLC (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2024 and of its loss for the period from 29 January 2024 to 31 December 2024;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the statement of financial position;
- the statement of changes in equity; and
- the related notes 1 to 20.
-

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

2. 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We confirm that we have not provided any non-audit services prohibited by the FRC's Ethical Standard to the company.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. Summary of our audit approach

Key audit matters	The key audit matters that we identified in the current period were: • Expected credit losses on the deemed loan asset; and • Valuation of residual certificates.

Materiality	The materiality that we used for the financial statements was £3.1m which was determined on the basis of 1% of total assests.
Scoping	All of the work to respond to the risks of material misstatement was performed directly by the audit engagement team.

4. 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 evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included:

- evaluating the company's going concern assessment and challenging the key judgements made by the directors, by assessing the judgements against obligations stipulated in the securitisation transaction documents;
- assessing the appropriateness of key assumptions within management's cash flow forecasts;
- inspecting the investor reports to identify any triggers that could have an impact on the company's ability to continue as going concern;
- considering the limited recourse features of the senior class notes and the impact of this on the liquidity requirements; and
- assessing the appropriateness of the going concern disclosures made in the financial statements.

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 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.

5. 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) that we identified. These matters included 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.

5.1. Expected credit losses on the deemed loan asset

Key audit matter description	Under IFRS 9 – Financial instruments, a provision is required for the expected credit loss ("ECL") on loans measured at amortised cost. Estimating these expected losses requires judgement and estimation on assumptions relating to customer default rates, likelihood of repossession, future property values, forced sale discounts and indicators of significant increases in credit risk. These assumptions are informed using historical behaviour and experience through different economic cycles as well as credit bureau data. The company holds a deemed loan asset of £293.0m, receivable from Vida Bank Limited (the "Originator") relating to a portfolio of residential mortgage loans in United Kingdom (the "Mortgage Portfolio"), in which the company has acquired a beneficial interest. The deemed loan asset is accounted for at amortised cost in accordance with IFRS 9 requirements, as disclosed in note 2(f) of the financial statements. Impairment on the deemed loan asset is derived from the performance of the Mortgage Portfolio and the credit enhancements provided by the Originator available within the structure in the form of deferred consideration and subordinated notes. Any misstatement within the valuation of the credit enhancement components will directly impact expected credit losses on the deemed loan asset and may result in a material misstatement, due to fraud or error. Further details are included within the financial instruments note 17 and critical accounting estimates and judgements note 3 to the financial statements.
How the scope of our audit responded to the key audit matter	We obtained an understanding of relevant controls that the company has in place to manage the risk of inappropriate assumptions being used within the ECL model. We evaluated the appropriateness of the methodologies and policies chosen by the entity in relation to the determination of ECL on the deemed loan asset. We checked the company's prospectus to obtain an understanding of the credit enhancements available within the structure and assessed whether these are sufficient to cover the ECL on the deemed loan asset, recognised on the underlying Mortgage Portfolio. We tested the outstanding balance of the general reserve account and subordinated notes through to supporting documents. In conjunction with our credit risk specialists, we assessed the compliance of the modelling approach and methodology with the requirements of IFRS 9, including updates to the model that were made during the period, and assessed whether the documented modelled approach was compliant with IFRS 9 and implemented in practice. We challenged the entity's consideration of the future economic environment in conjunction with our economic specialists, by comparing modelled assumptions to publicly available data from peer organisations, regulators, and economic commentators.

	We evaluated the completeness and accuracy of post model adjustments in light of relevant macroeconomic factors, to assess whether all relevant risks were represented by these adjustments. We did this in conjunction with our credit risk specialists, and through benchmarking against peer entities. We reconciled each book to the general ledger and tested a sample of loans to assess whether the data used in the provision calculation was complete and accurate. We also tested the accuracy and completeness of forecast data collated from third party sources. We evaluated whether the underlying data feeding into the entity’s calculations for post model adjustments was complete and accurate and challenged the key judgements and assumptions within the calculations, working with our credit risk specialists where appropriate.
Key observations	We concluded that the entity’s view with regards to ECL and in particular the assumptions regarding macro-economic scenarios and post model adjustments was appropriate, with the overall ECL level being acceptable. Overall, we found the ECL model to be working as intended and consider ECL to be recorded in line with the requirements of IFRS 9.

5.2. Valuation of residual certificates

Key audit matter description	At the date of incorporation, the company issued residual certificates to Vida Bank Limited. The residual certificates provide the holder with the right to any excess receipts generated by the company. The residual certificates represent a derivative financial instrument which are required to be recognised and then subsequently measured at fair value through profit or loss in accordance with the requirements of IAS 39 Financial Instruments: Recognition and Measurement. The valuation of residual certificates requires the directors to make significant judgements and estimates, specifically in relation to the expected future cash flows which the residual certificate holders will be entitled to. These cash flows are required to be discounted, and therefore the timing of cash flows as well as the discount rate used are also considered key judgements. As a result, we consider this to be a key audit matter due to the level of audit effort involved and the degree of subjectivity in the valuation of residual certificates, whereby inappropriate assumptions may result in a material misstatement due to fraud or error. At the period end, the residual certificates were valued at £10.4m. Further details are included in note 12 of the financial statements.

How the scope of our audit responded to the key audit matter	With the involvement of our valuation specialists, we evaluated the appropriateness of the selected methodologies, assumptions, and data used in relation to the valuation of residual certificates by performing the following procedures: • obtained an understanding of relevant controls that the company has in place to manage the risk of inappropriate assumptions being used in the valuation of residual certificates; • performed an independent valuation of the residual certificates using an independent method and assumptions; • compared our independent valuation with the company's valuation and evaluated whether the company's valuation is reasonable; • tested the completeness and accuracy of the input data used in determining the valuation; • performed a stand back assessment of the appropriateness of the assumptions, models, and input data to evaluate contradictory evidence; and • evaluated the adequacy of disclosures in the financial statements.
Key observations	Based on the evidence obtained, we conclude that the valuation of residual certificates is reasonable and the related disclosures are appropriate.

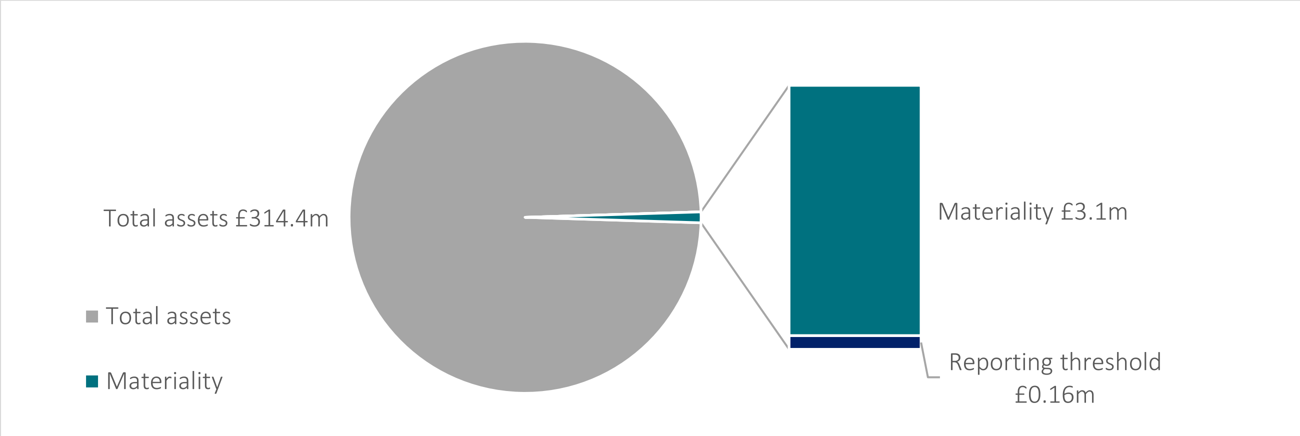
6. Our application of materiality

6.1. Materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Materiality	£3.1m
Basis for determining materiality	We based our materiality on 1% of total assets.
Rationale for the benchmark applied	We determined materiality based on total assets as this is the key metric used by management, investors, analysts, and lenders, with shareholder value being driven by total assets value movements.



6.2. Performance materiality

We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole. Performance materiality was set at 70% of materiality for the 2024 audit. In determining performance materiality, we considered the following factors:

a. the quality of the control environment and the fact we were not able to rely on controls over the lending cycle;
b. the nature of the business and the industry and economic environment in which the entity operates;
c. the nature, volume and size of corrected and uncorrected misstatements identified in the prior periods; and
d. our understanding of the business.

6.3. Error reporting threshold

We agreed with those charged with governance that we would report all audit differences in excess of £157k, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to those charged with governance on disclosure matters that we identified when assessing the overall presentation of the financial statements.

7. An overview of the scope of our audit

7.1. Scoping

Our audit was scoped by obtaining an understanding of the company, its environment including entity-wide controls, and assessing the risks of material misstatement relevant for the company. Audit work to respond to the risks of material misstatement was performed directly by the audit engagement team.

7.2. Our consideration of the control environment

We have identified the lending business cycle to be the most relevant to the audit. In conjunction with our IT specialists, we performed walkthroughs with management to gain an understanding of the underlying IT systems and controls. The extent of our controls work varied across the company depending on the maturity of these systems and controls. During this process, we identified certain deficiencies relating to the lending cycle, therefore have not taken controls reliance.

We have shared observations from our procedures with management and those charged with governance.

8. Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

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 the 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.

9. Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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 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 company or to cease operations, or have no realistic alternative but to do so.

10. 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

11. Extent to which the audit was considered capable of detecting irregularities, including fraud

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

11.1. Identifying and assessing potential risks related to irregularities.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance;
- results of our enquiries of management, the directors and those charged with governance about their own identification and assessment of the risks of irregularities, including those that are specific to the company's sector;
- any matters we identified having obtained and reviewed the company's documentation of their policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
  - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and
- the matters discussed among the audit engagement team and relevant internal specialists, including tax, valuations, economics, credit risk, financial instruments and IT, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud to be within the expected credit losses on the deemed loan asset and valuation of residual certificates. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, listing rules, and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

11.2. Audit response to risks identified.

As a result of performing the above, we identified the expected credit losses on the deemed loan asset and valuation of residual certificates as key audit matters related to the potential risk of fraud. The key audit matters section of our report explains the matters in more detail and also describes the specific procedures we performed in response to those key audit matters.

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management, those charged with governance and external legal counsel concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance; and

- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Report on other legal and regulatory requirements.

12.Opinions on other matters prescribed by 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 period for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment, obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

13.Matters on which we are required to report by exception.

13.1. Adequacy of explanations received and accounting records.

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

13.2. Directors' remuneration

Under the Companies Act 2006 we are also required to report if in our opinion certain disclosures of directors' remuneration have not been made.

We have nothing to report in respect of this matter.

14.Other matters which we are required to address

14.1. Auditor tenure

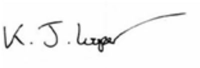
Following the recommendation of those charged with governance, we were appointed by the Board on 13 January 2025 to audit the financial statements for the period ending 31 December 2024 and subsequent financial periods. The period of total uninterrupted engagement including previous renewals and reappointments of the firm is one year.

14.2. Consistency of the audit report with the additional report to those charged with governance

Our audit opinion is consistent with the additional report to those charged with governance we are required to provide in accordance with ISAs (UK).

15. Use of our 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.



Kieren Cooper (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Birmingham, United Kingdom
15 May 2025

STATEMENT OF COMPREHENSIVE INCOME
FOR PERIOD ENDED 31 DECEMBER 2024

	Note	2024 £
Interest receivable and similar income	**4**	11,311,199
Interest payable and similar charges	**5**	(13,010,598)
Net interest expense		(1,699,399)
Fair value movement on derivative contracts	**8**	1,373,945
Operating expenses	**6**	(97,129)
Loss on ordinary activities before taxation		(422,583)
Taxation on loss	**9**	(750)
Loss for the financial period		**(423,333)**
Total other comprehensive income		-
Loss and other comprehensive income for the period		**(423,333)**

The notes on pages 22 to 37 form part of these financial statements.

All amounts relate to continuing activities. All recognised gains or losses in the current financial period are included in the income statement.

STATEMENT OF FINANCIAL POSITION
FOR THE PERIOD ENDED 31 DECEMBER 2024

	Note	31 December 2024 £
Fixed assets		
Deemed Loan	**10**	293,041,015
Current assets		
Debtors	**11**	1,343,104
Derivative financial instruments	**12**	4,612,712
Cash at bank and cash in hand	**13**	15,389,360
		21,345,176
Creditors: amounts falling due within one year	**14**	(1,997,948)
Net current assets		19,347,228
Total assets less current liabilities		**312,388,243**
Creditors: Derivative financial instruments	**12**	(10,445,314)
Creditors: amounts falling due after more than one year	**15**	(302,353,762)
Net assets		**(410,833)**
Capital and reserves		
Share capital	**16**	12,500
Retained earnings		(423,333)
Total equity		**(410,833)**

The accompanying notes on pages 22 to 37 are an integral part of these financial statements.

The financial statements were approved and authorised for issue by the Board on 15 May 2025 and were signed on its behalf by;

....
Helena Whitaker
Per pro CSC Directors (No.1) Limited
Director

Company Registered number: 15450344

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2024

	Note	Share capital	Retained earnings	Total equity
		£	£	£
At 29 January 2024				
Shares issued during the period	**16**	12,500	-	12,500
Comprehensive income for the year				
Loss for the year		-	(423,333)	(423,333)
At 31 December 2024		**12,500**	**(423,333)**	**(410,833)**

The notes on pages 22 to 37 form part of these financial statements.

1. General Information

The Company was incorporated on 29 January 2024 in the United Kingdom and registered in England and Wales under the Companies Act 2006 as a public limited company. The address of its registered office is 10th Floor, 5 Churchill Place, London, UK, E14 5HU. The Company is limited by shares.

2. Accounting policies

(a) Basis of preparation

The financial statements of the Company are prepared on a going concern basis, under the historical cost convention as modified by revaluation of certain financial instruments in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The Company has adopted and is in compliance with the Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies.

(b) Financial reporting standard 101 - reduced disclosure exemptions

The Company meets the definition of a qualifying entity and is a financial institution as defined in Financial Reporting Standard 100 Application of Financial reporting Requirements. The Company has taken advantage of the disclosure exemptions available under FRS 101 in relation to fair value measurement as applicable to assets and liabilities other than financial instruments and presentation of a cash flow statement.

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraph 38 and 134 of IAS 1 Accounting Policies, Presentation of Financial Statements;
- the requirements of paragraphs 17 and 18A of IAS 24, Related Party Disclosures;
- the requirements of IFRS 7; and
- the requirements of paragraphs 91 to 99 of IFRS 13 Fair Value Measurement.

Where relevant, equivalent disclosures have been provided in the group accounts of Vida Group Holdings Limited, in which the Company is consolidated.

(c) Adoption of new and revised standards

There are a number of standards, amendments to standards and interpretations effective for annual periods beginning on or after 1 January 2024 that were not applicable to the Company and therefore have not been applied in preparing these financial statements.

(d) Segmental analysis

The Company's operations are carried out in the United Kingdom and the results and net assets are derived from its acquisition of the Loans and therefore the directors only report one business and one geographic segment.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2024 (continued)

(e) Going concern

Accounting standards require the directors to assess the Company's ability to continue to adopt the going concern basis of accounting. In order to form a view as to the most appropriate basis of preparation of these financial statements, the directors have assessed the likelihood of whether the Company will be able to continue trading over the foreseeable future verses the likelihood of either intending to or being forced to cease trading and place the Company into liquidation.

After reviewing the Company's performance the directors are satisfied that the Company has adequate access to resources to enable it to meet its obligations and to continue in operational existence for the foreseeable future. For this reason, the directors have adopted the going concern basis in preparing these financial statements as of 31 December 2024.

The Company is obliged to redeem the Notes at their principal amount outstanding upon maturity. The ability of the Company to meet its obligations on the Notes and to meet its operating and administrative expenses is dependent principally on the performance of the Loans. However, due to the limited recourse nature of the Notes, the Company's liability to pay amounts due on the Notes are, in substance, limited to the application of the receipts from the Loans under the terms of the priority of payments as set out in the terms and conditions of the Notes.

At the balance sheet date, the Company is showing a net asset position. The obligations of the Company to pay amounts due on the Notes are limited to the application of receipts from the Mortgage Loans. If on full realisation of the security, insufficient funds exist to settle the liabilities owed to the noteholders, there will be no further recourse to the Company (even in event of default creditor).

The loan facilities are subject to certain arrears related covenants whereby Vida Bank Limited is required to repurchase loans that trigger the arrears level in the covenant. The directors have made enquiries of the directors of Vida Bank Limited and it was confirmed that Vida Bank Limited has the ability to do this with the continued support of its Private Equity investor.

It is the intention of the directors for the Company to continue operations until such a time as the amounts due from Mortgage Loans have been fully realised. Ultimately, due to the limited recourse nature of the Notes and the Subordinated Loan, any shortfall in the proceeds of the Mortgage Loans will be a risk to the holder of the Notes and loans.

Based on the above assessment and performance of underlying assets, operational resilience of the company and its financial position, the directors believe that the Company will be able to meet its legal and financial obligations and therefore consider the going concern assumption to be appropriate.

(f) Financial instruments

The Company's financial instruments comprise a Deemed Loan to the Originator, cash and liquid resources, derivative instruments, a Senior Note and Subordinated Notes and various payables that arise from its operations.

Recognition

An entity shall recognise a financial asset or a financial liability in its statement of financial position when, and only when, the entity becomes party to the contractual provisions of the instrument. On initial recognition, financial assets and liabilities are classified as measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss, depending on the Company's business model for managing the financial assets and whether cash flows represent solely payments of principal and interest.

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial liabilities are derecognised only when the obligation is discharged, cancelled or has expired.

Classification of financial assets:

The Company classifies financial instruments based on the business model and the contractual cash flow characteristics of the financial instruments. Under IFRS 9, financial assets are measured in the following way:

- **Amortised cost -** Financial assets meeting these criteria are measured initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial assets. They are subsequently measured at amortised cost using the effective interest method less any expected credit loss allowance. Interest income from these financial assets is included in 'Interest and similar income' using the effective interest rate method.
- **Fair value through profit or loss ("FVTPL")** - Financial assets are classified at fair value through profit or loss where they do not meet the criteria to be measured at amortised cost or where they are designated at fair value through profit or loss to reduce an accounting mismatch. All derivatives are carried at fair value through profit or loss.

  Assets and liabilities carried at fair value or for which fair values are disclosed have been classified into three levels according to the quality and reliability of information used to determine the fair values.

  Level 1
  Level 1 fair value measurements are those derived from unadjusted quoted prices in active markets for identical assets or liabilities.

  Level 2
  Level 2 valuations are those where quoted market prices are not available, for example where the instrument is traded in a market that is not considered to be active or valuation techniques are used to determine fair value and where these valuation techniques use inputs that are based significantly on observable market data.

(f) Financial instruments (continued)

Level 3
Level 3 valuations are those where at least one input which could have a significant effect on the instruments' valuation is not based on observable market data.

The fair values of derivative financial instruments are calculated by discounting cash flows using appropriate observable market data. As such these instruments fall within level 2 of the hierarchy. The Company has no financial assets or liabilities carried at fair value which are valued using level 3 measurements.

Classification of financial liabilities:

Financial liabilities which are not held for trading or are not financial liabilities designated upon initial recognition as at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method.
The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

(g) Cash at bank and in hand

Cash at bank and in hand in the statement of financial position comprise cash at banks, and can include cash deposits in money market funds and treasury bills with a maturity of less than three months which are subject to an insignificant risk of change in their fair value.

(h) Deemed Loan to Originator

In line with the Originators applicable financial reporting standard, IFRS 9 Financial Instruments: recognition and measurement, if a transferor retains substantially all the risks and rewards associated with the transferred assets, the transaction is accounted for as a financing transaction, notwithstanding that it is a sale transaction from a legal perspective. The directors have concluded that the Originator has retained substantially all the risks and rewards of the securitised underlying Mortgages and as a consequence, the Company does not recognise the Underlying Mortgages as Loans and Advances on its Statement of Financial Position, but rather a Deemed Loan to the Originator.

Deferred consideration payable to the Originator, representing the excess of the Company’s collections regarding the Mortgages over the Company’s payments as determined by the Prospectus, is netted off against the Deemed Loan since they have the same counterparty, they were entered into at the same time and in contemplation of one another, they relate to the same risk and there is no apparent economic need or substantive business purpose for structuring the transaction separately.

Under the terms of the securitisation, the Company retains the rights to £1,500 of the available revenue receipts at each IPD from the beneficial interest in the underlying Mortgage Portfolio. Any residual balance following payment of all senior items in the Priority of Payments will be first payable to the holders of Class X Notes. The payments of this deferred consideration is strictly governed by the priority of payments that sets out how the cash can be utilised.

(h) Deemed Loan to Originator (continued)

Where a transfer of a financial asset does not qualify for de-recognition, the transferee does not recognise the transferred asset as its asset. The transferee derecognises the cash or other consideration paid and recognises a receivable from the transferor. In relation to the Mortgage Loans transferred to the Company, de-recognition is considered to be inappropriate for the portfolio Seller's or Originator's (Vida Bank Limited). The Company's financial statements are therefore prepared on the basis that its acquisitions of beneficial interests in the Mortgage Loans are recognised as a collateralised non-recourse loan to the Originator.

The Loan is subject to impairment reviews in accordance with IFRS 9 'Financial Instruments'. A charge for impairment would be recognised where there is a risk that the income on the Loan will be significantly reduced. This could occur if the credit quality of the Mortgage Loans that are pledged as collateral for the Loan deteriorated significantly. Currently the directors consider that no impairment exists.

(i) Notes and Subordinated Loan

The Senior Loan and Subordinated Notes and other financial liabilities are initially recognised at fair value at the date of issuance of the liability, and are subsequently measured at amortised cost, with any difference between cost and redemption value being recognised in the statement of comprehensive income on an effective interest basis.

Financial liabilities are classified as non-current unless they are expected to be realised within twelve months after the reporting period, in which case they are classified as current. The 'amortised cost' of a financial liability is the amount at which the financial asset or financial liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount. Interest expense is recognised on an effective yield basis within 'Interest expense and similar charges' in the profit and loss account.

Receipts from the issuance of the Notes were used to purchase the Mortgage Loans.

(j) Derivative financial instruments

Derivative instruments utilised by the Company are interest rate swaps. Such instruments are used for economic hedging purposes, to alter the risk profile of an existing underlying exposure of the Company in line with the Company's risk management policy. Derivative financial instruments are recorded at fair value, with any gain or loss on re-measurement being recognised in the statement of comprehensive income. The Company does not enter into speculative derivative contracts. The fair value of interest rate swaps is the estimated amount that the Company would receive or pay to terminate the swap at the date of the statement of financial position, and is calculated by discounting future cash flows using observable market data at that date.

In accordance with IFRS 9, derivatives are recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at their fair value. Fair values are obtained from swap counterparties. All derivatives are carried as assets when fair value is positive and liabilities when fair value is negative. Hedge accounting for derivatives has not been adopted and all changes in fair value of derivatives are recognised immediately in the statement of comprehensive income upon re-measurement.

(k) Residual Certificates

Payments made against the Certificates reduce the fair value as they are paid. The Residual Certificates are considered by the directors to be non-current, based on the final maturity date per the underlying expected cash flows from the Mortgage Portfolio. The Residual Certificates are initially recognised at fair value at the date of issuance and are subsequently carried at their fair value at each reporting period end.

(k) Residual Certificates (continued)

The fair value is considered to be the present value of future cash receipts attributable to the certificate holders. Cash receipts are determined based on the projected cash inflows from the Mortgage Portfolio underpinning the Deemed Loan and are revised periodically depending on trends in relation to underlying interest rates. The assumptions used in this model include the Constant Prepayment Rate, the weighted average interest rate and the expected life of the deal. The Certificates are measured at fair value based on market average returns for similar type instruments.

(l) Interest receivable and similar income and interest payable and similar charges

Interest income on financial assets that are classified as loans and receivables and interest expense on financial liabilities is determined using the effective interest rate method. The effective interest rate method is a method of calculating the amortised cost of a financial asset or financial liabilities and of allocating the interest income or interest expense over the expected life of the asset or liability.

The effective interest rate is the rate that exactly discounts estimated future cash flows to the instrument's initial carrying amount. Interest is not recognised on impaired loans.

Other income is bank interest earned in the period. Interest is paid to Noteholders quarterly during the period and is recognised on an effective interest rate basis. Interest is calculated using the SONIA plus a margin on each class of Notes outstanding.

(m) Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

The directors are satisfied that this Company meets the definition of a 'securitisation company' as defined by both The Finance Act 2005 and the subsequent secondary legislation and that no incremental unfunded tax liabilities will arise. As a result, no deferred tax amounts are recognised.

Under the powers conferred by the Act, secondary legislation was enacted in 2006 which ensures that, subject to certain conditions being met and an election being made, for periods commencing on or after 1 January 2007, corporation tax for a 'securitisation company' will be calculated by reference to the profit of the securitisation company required to be retained in accordance with the relevant capital market arrangement. The directors are satisfied that this Company meets the definition of a 'securitisation company' as defined by both the Act and the subsequent secondary legislation and that no incremental unfunded tax liabilities will arise. Deferred tax is not provided for.

3. Critical accounting estimates and judgments

The preparation of the financial statements requires management to make judgments, estimates and assumptions that may affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2024 (continued)

3. Critical accounting estimates and judgments (continued)

The judgments and estimates involved in the Company's accounting policies that are considered by the directors to be the most important to the portrayal of the Company's financial condition and that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Critical accounting estimates

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. The estimates and assumptions that have a significant risk within the next financial year are:

Valuation of derivatives

The fair value of the interest swaps are determined by using a discounted cash flow analysis model that is consistent with commonly used market techniques. The cash flows are based on the expected run off of the balance of the mortgages underlying the Deemed Loan. Prepayment behaviour of the underlying mortgages are based on best estimates which could change from time to time and thus impact the future expected cash flows.

Critical accounting judgements

The judgements that have a significant risk within the next financial year are:

Impairment losses on Deemed Loan to originator and IFRS 9 stage classification of The Deemed Loan to the Originator

The recoverability of the Deemed Loan to the Originator is dependent on the collections from the underlying Mortgage Loans. Mortgage Loans are considered impaired when it is probable that the Company will be unable to collect all amounts due according to the contractual terms of the agreement. The key assumptions for recoverability relate to estimates of the probability of any account going into default, receipt of interest or principal repayments, their timing and expected proceeds from the sale of repossessed collateral. The Company's definition of default is aligned with the Originator's and defines an account in default as one that is equal to or more than 3 months in arrears on its contractual payments or those cases deemed to be fraud. These key assumptions are based on observed data from historical patterns and are updated by the Servicer as new data becomes available.

In addition, the directors consider how appropriate past trends and patterns could impact the current economic climate and may make any adjustments they believe are necessary to reflect the current economic and market conditions.

The accuracy of impairment calculations would therefore be affected by unexpected changes to the economic situation, variances between the models used and the actual results, or assumptions which differ from the actual outcomes.

Credit enhancement is provided in a number of ways. The income on the Mortgage Loans is expected to exceed the interest payable on the Company's Loan. This excess spread is available to make good any reductions in the principal balance of the Mortgage Loans as a result of defaults by customers. In addition, the Originator provides a liquidity reserve fund which can be utilised by the Company in certain circumstances.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2024 (continued)

3. Critical accounting estimates and judgments (continued)

The Deemed Loan is subject to the IFRS 9 expected credit loss ('ECL') model where the approach requires initial recognition of the loan asset whilst reflecting the level of losses anticipated in regard to expected future economic conditions. The Deemed Loan to the Originator is classed as stage 1 if there is sufficient credit enhancement available, in the form of excess spread to offset any of the ECL losses in the underlying Mortgage Portfolio. If there is no credit enhancement available within the entity, this would result in the Deemed Loan to the Originator to be classified as Stage 2 or Stage 3 depending on the underlying Mortgage Portfolio. These key assumptions are based on observed data from historical patterns and are updated regularly as new data becomes available. The methodology and the key assumptions used in calculating the ECL are based on observed data from historical patterns and are updated regularly as new data becomes available.

Failure to meet the derecognition criteria of IFRS 9 for mortgage assets

The sale of the Mortgage Portfolio to the Company is considered to fail the derecognition criteria of IFRS 9, Financial Instruments, in the books of Vida Bank Limited and therefore they are retained on the Statement of Financial Position of the Seller. As such, the Company records in its Statement of Financial Position a 'Deemed Loan' rather than the portfolio of loans it has legally purchased. The Deemed Loan is secured by residential properties located in the United Kingdom. Vida Bank Limited is the legal title holder of the Deemed Loan.

4. Interest receivable and other income

	2024 **£**
Interest income on Deemed Loan	7,291,296
Interest income on bank account	333,812
Swap income	3,507,402
Interest income on treasury bills	178,689
	11,311,199

5. Interest payable and other charges

	2024 **£**
Interest expense on issued notes	13,010,598
	13,010,598

6. Operating expenses

	2024 **£**
Professional services fees	66,147
Admin fees	30,982
	97,129

The audit fee for the period is £33,600. From 1 January 2024, the audit fee is borne by Vida Bank Limited and is not recognised in the financial statements of the Company. There are no other fees payable to auditors.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2024 (continued)

7. Directors and employees

The Company has no employees and services required are contracted from third parties. The directors received no remuneration from the Company in respect of qualifying services rendered during the year. During the year, fees of £20,153 were paid to CSC Capital Markets UK Limited in respect of corporate services provided to the Company.

8. Fair value movement in derivative instruments

	2024 £
Fair value of interest rate swaps	4,463,477
Movement in the fair value of Residual Certificates	(3,089,532)
	1,373,945

The Residual Certificates are carried at their fair value at each reporting period end. The fair value is considered to be the present value of future cash receipts attributable to the certificate holders.

9. Taxation on loss on ordinary activities

	2024 £
a) Analysis of the company tax charge in the year	
UK corporation tax charge	(750)
b) Factors affecting the Company current tax charge for the year:	
Loss on ordinary activities before tax	(422,583)
Current tax charge at 25%	(105,646)
Effects of:	
Accounting profits not taxed in accordance with SI 2006/3296	105,646
Cash retained profit in accordance with SI 2006/3296	(750)
	(750)

For UK corporation tax purposes, the Company has been considered as a Securitisation Company under the ‘Taxation of Securitisation Companies Regulations 2006 (SI 2006/3296)’. Therefore, the Company is not required to pay corporation tax on its accounting profit or loss. Instead, the Company is required to pay tax on its retained profits as specified in the documentation governing the transaction. In accordance with the prospectus the Company is expected to retain £1,500 on each IPD.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2024 (continued)

10. Deemed Loan

	2024 **£**
Deemed Loan balance	293,041,015
	293,041,015
In more than one year	293,041,015
	293,041,015

The Loan is secured by first charges over residential property in the United Kingdom.

The Deemed Loan balance is valued based on the underlying Mortgage Portfolios which were purchased by the Company. The Mortgages included in the Portfolio must meet the criteria as set out in the Prospectus.

Under the terms of the Transaction, the Company retains the right to £1,500 of available revenue receipts in each IPD. Excess cash generated after payment of the senior expenses is payable to the Seller and treated as a component of the Deemed Loan to the Originator. The Class Z Notes were funded by the Seller and are subordinated to all other issued Notes in the Structure. Any Expected Credit Loss provision on the Mortgage Portfolio is absorbed by the credit enhancement at the Deemed Loan level in the form of the Subordinated Class Z Notes and the deferred consideration.

11. Debtors

	2024 **£**
Capitalised securitisation costs	1,335,574
Prepayments and accrued income	7,530
	1,343,104

There are no amounts due after more than one year.

12. Derivative financial instruments

	2024 **£**
Fair value of interest rate swap contracts	4,612,712
Residual certificates	(10,445,314)
	(5,832,602)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2024 (continued)

13. Cash at bank and in hand

	2024
	£
Transaction account	15,376,860
Cash held in trust	12,500
Treasury bills	-
	15,389,360

14. Creditors: Amounts falling due within 1 year

	2024
	£
Accrued interest expense on notes	1,958,794
Accrued expenses	38,404
Corporation tax	750
	1,997,948

15. Creditors: Amounts falling due after more than 1 year

	2024
	£
Issued Notes	302,353,762

2024	Opening balance	(Repayments)/ Amortisation	Closing balance
	£	£	£
Class A	-	262,263,636	262,263,636
Class B	-	21,000,000	21,000,000
Class C	-	9,000,000	9,000,000
Class D	-	3,000,000	3,000,000
Class X	-	3,639,410	3,639,410
Class Z		3,450,716	3,450,716
	-	302,353,762	302,353,762

There are no amounts falling due after more than five years.

16. Called up share capital

	2024
	£
Called up, allotted and issued	
50,000 ordinary shares of £1:	
1 fully paid	1
49,999 quarter paid	12,499
	12,500

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2024 (continued)

16. Called up share capital (continued)

Tower Bridge Funding 2024-2 Holdings Limited is the sole member of the Company. All shares were issued at par; one share was issued on incorporation and 49,999 partly paid shares were issued on 14 February 2024.

17. Financial instruments

The Company's exposure to risks on its financial instruments and the management of such risks are largely determined from the inception of the securitisation transaction. The Company's activities and the role of each party to the transaction are clearly defined and documented. Following initial set-up, the directors monitor the Company's performance, reviewing reports on the performance of the Mortgage Loans. Such review is designed to ensure that the terms of the transaction documentation have been met, that no unforeseen risks have arisen and that the Noteholders have been paid on a timely basis.

	Derivative asset	Derivative liability
31-Dec-24	**£**	**£**
Interest rate swaps	4,612,712	-
Residual certificates	-	(10,445,314)

The Residual Certificates are carried at their fair value at each reporting period end. The fair value is considered to be the present value of future cash receipts attributable to the certificate holders.

Categories of financial instrument	**2024** **£**
Financial assets	
Amortised cost (including cash and cash equivalents)	309,765,949
Designated as fair value through profit and loss	4,612,712
Financial liabilities	
Designated as fair value through profit and loss	(10,445,314)
Amortised cost	(304,350,960)

Credit risk

The maximum exposure to credit risk arising on the Company's financial assets at the reporting date is disclosed in the table below:

	Carrying value 2024 £	Maximum exposure 2024 £
Assets:		
Deemed Loan	293,041,015	293,041,015
Cash and cash equivalents	15,389,360	15,389,360
Other debtors	1,335,573	1,335,573
	309,765,948	309,765,948

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2024 (continued)

17. Financial instruments (continued)

2024	Carrying value £	Impairment £	Fair value of collateral £
Loans not overdue	282,266,368	-	282,266,368
From 1 to 2 months	5,123,510	-	5,123,510
From 2 to 3 months	1,326,522	-	1,326,522
From 3 to 4 months	1,624,995	-	1,624,995
> 4 months	2,699,620	-	2,699,620
	293,041,015	-	293,041,015

The Deemed Loan is recognised in its entirety as a Stage 1 asset for the Company. The staging analysis for the Mortgage Portfolio in the accounts of the Seller is detailed below:

2024	Stage 1 £	Stage 2 £	Stage 3 £	Total £
Total mortgage pool gross balance	223,767,308	57,862,276	5,677,036	287,306,620
Total ECL provision	(140,523)	(217,853)	(193,618)	(551,994)
Net mortgage pool balance	223,626,785	57,644,423	5,483,418	286,754,626

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market prices. Market risk comprises three types of risk; currency risk, interest rate risk and other price risk. Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

Interest rate risk

Interest rate risk exists where assets and liabilities have interest rates set under a different basis or which reset at different times. The Company minimises its exposure to interest rate risk by ensuring that the interest rate characteristics of the Mortgage Loans and the Notes and Subordinated Loan (its principal assets and liabilities) are similar. Where this is not possible the Company uses derivative financial instruments to mitigate any residual interest rate risk. As such, no sensitivity analysis has been presented as any interest rate movement will be reflected in both the assets and liabilities.

As at 31 December the following rates were applicable:

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2024 (continued)

17. Financial instruments (continued)

	Interest rate	2024
Class A	SONIA + 0.88%	262,263,636
Class B	SONIA + 1.20%	21,000,000
Class C	SONIA + 1.60%	9,000,000
Class D	SONIA + 2.29%	3,000,000
Class X	SONIA + 5.00%	3,639,410
Class Z	No interest	3,450,716
		302,353,762

Currency profile

All of the Company’s financial assets and liabilities are denominated in sterling.

Liquidity risk

Liquidity risk is the risk that the Company is not able to meet its financial obligations as they fall due or can do so only at an acceptable high cost. The Company’s ability to meet payments on the Notes and Subordinated Loan as they fall due is dependent on timely receipt of funds which may be delayed due to slow repayment on the Mortgage Loans underlying the Loan.

In the event that the Company has insufficient funds available to pay interest and/or principal on the Notes, the Company, under certain conditions and to the extent funds are available, is obliged to draw on the Liquidity Reserve Fund and General Reserve Fund to meet its obligations to the Noteholders.

The table below reflects the undiscounted contractual cash flows of financial liabilities at the balance sheet date of both derivative and non-derivative financial instruments. The Notes are repaid as and when there are sufficient proceeds from the Mortgage Loans. However, from time to time additional Mortgage Loans are being acquired by increasing the Note issuance, therefore the balance is shown after 1 year but within 5 years.

As at 31 December 2024	Carrying value £	Gross Cash Flows £	Less than 1 year £	1 year – 5 years £	After 5 years £
Issued Notes	302,353,762	302,353,762	24,976,000	277,377,762	-
Accrued interest expenses	1,958,794	1,958,794	1,958,794	-	-
Accrued expenses and sundry creditors	39,154	39,154	39,154	-	-
	304,351,710	304,351,710	26,973,948	277,377,762	-

Fair value of financial assets and liabilities

At period end the Company has an interest rate swap contract with a notional principal value of £272,091,691 to manage the risk of fixed interest rates on the Mortgage Loans. The fair values of such interest rate swap contracts are calculated by discounting future cash flows using appropriate and observable market data.

17. Financial instruments (continued)

Financial instruments are measured in the statement of financial position at fair value and are required to be put into a fair value measurement hierarchy based on fair value measurement as detailed below:

Level 1	Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2	Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
Level 3	Inputs for the assets or liability that are not based on observable market data (that is, unobservable inputs).

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The only financial instruments included in the Company's statement of financial position that are measured at fair value are derivatives. As the fair value of such derivatives is calculated by discounting future cash flows using appropriate and observable market data, these fall within level 2 of the hierarchy.

The fair value of the Residual Certificates is determined to be all discounted future cash flows payable from the Company to the Residual Certificate holders. As the fair value of such derivatives is calculated by discounting future cash flows using appropriate and observable market data, these fall within level 2 of the hierarchy.

18. Parent and ultimate controlling party

The Company's immediate parent company is Tower Bridge Funding 2024-2 Holdings Limited, a company incorporated in the United Kingdom and registered in England and Wales. The entire share capital of Tower Bridge Funding 2024-2 Holdings Limited is held on a discretionary trust basis under a share trust deed by the legal parent company, CSC Corporate Services (UK) Limited, a company incorporated in the United Kingdom and registered in England and Wales.

CSC Corporate Services (UK) Limited is a wholly owned subsidiary of CSC Capital Markets UK Limited.

In the opinion of the directors, Vida Bank Limited is the controlling party of the Company and Vida Group Holdings Limited is the ultimate controlling party of the Company with their registered office as 1 Battle Bridge Lane, London, United Kingdom, SE1 2HP. As such, the results of the Company are included in the consolidated financial statements of Vida Group Holdings Limited, the largest group into which the Company is consolidated. A copy of these can be obtained from the same address.

19. Related party transactions

During the period no fees were paid to CSC Capital Markets UK Limited for the provision of corporate administration services to the Company.

The balance of Loans purchased from Vida Bank Limited at the balance sheet date is £293,041,015 and these have been classed as a Deemed Loan to the originator. Interest received during the period on the Mortgage Loans and included within interest income amounted to £7,291,296.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2024 (continued)

19. Related party transactions (continued)

Vida Bank Limited acts as servicer for the Mortgage portfolio for the Company and received £162,657 during the year. Intercompany balances to Vida Bank Limited are included in creditors which amounted to nil at period end.

20. Post balance sheet events

There have been no significant events affecting the Company since the period end.