



1 May 2025

## International Personal Finance plc Q1 2025 trading update

### A strong start to the year

International Personal Finance plc (“IPF” or the “Group”) is helping to build a better world through financial inclusion by providing unsecured consumer credit to underserved consumers across nine markets.

### Highlights

- A strong start to the year provides an excellent platform for delivering our 2025 operational and financial plan with confidence.
- Customer lending momentum continued in Q1, up 12% at constant exchange rates (CER) year on year, reflecting continued strong demand.
- Closing net receivables increased by 10% year on year at CER to £885m.
- Excellent customer repayment behaviour and credit quality drove a further improvement in the Group’s annualised impairment rate to 9%.
- Strong balance sheet and funding position, including £36m of new bank facilities secured in 2025 and significant headroom of £122m, support our plans to accelerate growth.

Gerard Ryan, Chief Executive Officer at IPF commented:

*“We have begun the year with real momentum, which is reflected in the sustained growth we have delivered in customer lending and receivables across the Group – particularly in Poland, Romania, and our digital businesses in Mexico and Australia. We are also very pleased to see continued strong customer repayment behaviour and excellent credit quality.*

*We are making very good progress in delivering our Next Gen strategy, which is focused on unlocking the long-term potential of the Group. Our team’s efforts will continue to position the business for success - broadening our product choice, enhancing the customer journey and improving operational efficiency.*

*Both our balance sheet and funding position are in great shape, and with our strong first quarter performance, we are confident in our ability to accelerate growth and increase financial inclusion through the remainder of 2025.”*

### Group overview

The Group has made a strong start to the year with sustained operational momentum and customer demand driving good growth in all three of our divisions.

Group customer lending grew by 12% year on year, with Poland, Romania, and our digital businesses in Mexico and Australia being the standout performers. Following the completion of the upgrade to our IT systems infrastructure in Mexico home credit over the last six months, the business is now delivering year-on-year lending growth in line with our plan.

At the end of March, Group net receivables were £885m showing a year-on-year increase of 10% (at CER) with good growth being delivered by all three divisions. We expect receivables growth to accelerate through the year, supported by continued lending momentum and favourable year-on-year comparatives as Poland regrows, with the aid of the full payment institution licence, and Mexico home credit accelerates growth. Customer numbers remain little changed from the year end.

We are also very pleased to report continued strong customer repayment behaviour across all our markets, which has delivered excellent credit quality. As a result, the annualised impairment rate of just below 9% showed a reduction from 9.6% at December. This level remains well below our target of 14% to 16% and, with credit performance remaining robust, we are well positioned to accelerate lending growth during the remainder of the year.

As expected, the Group annualised revenue yield showed a modest reduction from 54.7% at December to just above 54%, reflecting the reduction in revenue yield in our Polish businesses. Excluding Poland, the annualised revenue yield strengthened to 57% and continues to be within our target range of 56% to 58%. The Group annualised cost-income ratio remained unchanged from December at 61%. We expect both the revenue yield and the cost-income ratio to improve over the course of the year, supported by stronger revenue growth and continued discipline in cost control through the execution of our cost efficiency programme.

### **Funding and balance sheet**

Our strong balance sheet and funding position supports our ambitious future growth plans. At the end of the first quarter, the Group had total debt facilities of £644m comprising £390m of bonds, and £254m of bank facilities of which £36m were secured successfully in the first quarter. Our borrowings stood at £522m and, together with undrawn facilities and non-operational cash balances, the Group's headroom on debt facilities was £122m at 31 March 2025.

Taking advantage of the Group's balance sheet strength, we announced in March our intention to redeem the remaining €66.7m of our 2020 Eurobonds and repayment was completed successfully on 1 April 2025 at par. The bonds have now been fully redeemed and delisted from the London Stock Exchange. This action reflects our proactive approach to capital management and strengthens our funding position as we progress through 2025.

The positive trading performance of the Group's €341m 2029 Eurobonds and the 2027 retail bonds on the secondary market firmly demonstrate that we are well positioned to undertake a new capital markets transaction when required.

The Group's equity to receivables ratio increased from 54% to 55% in the first quarter, reflecting strong capital generation and favourable exchange rates.

### **Share buyback**

The £15m share buyback has not yet commenced but is expected to be completed by the third quarter of 2025, as we set out with the 2024 year end results.



## Outlook

We have strong growth momentum, excellent credit quality and a very robust funding and capital position. Our strategic progress and track record of operational resilience give us confidence that we will continue to perform successfully against our financial plans for 2025.

## Investor and analyst conference call

International Personal Finance plc will host a conference call for investors and analysts at 09.00hrs (BST) today, Thursday 1 May 2025.

To participate in the conference call please use the dial-in or register online using the link below. Once registered, you will receive an email with your online access link.

**Registration for  
online access:**

<https://www.netroadshow.com/events/login?show=517e3bcb&confid=80591>

**Dial-in by phone:** +44 20 3936 2999  
**Access code:** 051009

**Replay:** An audio recording of the conference call will be available in the investors section of our website at [www.ipfin.co.uk](http://www.ipfin.co.uk)

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A copy of this statement can be found on our website – [www.ipfin.co.uk](http://www.ipfin.co.uk)

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