



2025 full-year results

**Accelerating growth**

25 February 2026



## Strategy and performance

# Increased growth and strategic progress

- Good full-year performance with improved growth momentum
- Sustained demand and disciplined execution driving growth across all divisions
- Robust credit quality and good repayments
- Next Gen strategy delivering scale and efficiency
- Balance sheet strength supporting investment in new products and technology

**£88.6m**

- Pre-exceptional profit before tax +4%

**£1,061m**

- Closing net receivables +14%

**14.9%**

- Return on required equity

**9.0p**

- Final dividend per share +12.5%



# Next Gen execution driving progress

These pillars define how our strategy delivers sustainable growth and long-term value for all our stakeholders.

## Next Gen financial inclusion

Building the products, channels and territories to ensure our offers are attractive to the next generation of customers.

## Next Gen organisation

Becoming a smarter, more efficient organisation that makes a positive impact on society.

## Next Gen technology and data

Investing in the capabilities required to become a data-driven and technology-enabled partner for our customers.

Guided by our financial model

Balancing sustainable returns and value for all stakeholders.

Supported by our values

Responsible

Respectful

Straightforward

# Next Gen financial inclusion

- Scaling access to flexible credit cards – 200,000 in Poland and testing in Romania
- Calibrating scorecards as we extend point-of-sale retail finance – available at 2,700 offline and online stores in Romania and Mexico
- Broadening geographic reach with two new branches in Provident Mexico
- Good demand for shorter-term products in Mexico and Poland, refining quality to enable effective route to longer-term products
- Investing in online brand recognition in Australia
- A further £5m per annum to be invested in the Group's new growth initiatives over the next 2-3 years



# Next Gen organisation

- Modernising technology and improving how we deliver change at pace – developing a product operating model mindset
- Multi-year project to deliver global finance and HR platform – transforming core business operations and standardising processes
- Investing in inclusive leadership and talent programmes
- Achieved global ISO 45003 certification – psychological wellbeing at work
- Enhancing our reputation by positively impacting the communities we serve



# Next Gen technology and data

- Invested record £35m in capital expenditure in 2025
- Omnichannel platforms giving single customer view and more personalised and efficient service
- Expanding digital self-service and mobile capability with new and enhanced customer apps
- Improving payment flexibility and convenience with new digital and in-store repayment options in Mexico
- Bringing new digital capabilities to customers faster with AI-enabled software development tools
- AI pilots, including digital avatars, enhancing customer service team training
- Expect capital expenditure of £45m to £50m p.a. in 2026 and 2027; thereafter £25m to £30m



# Regulatory update

## EU Consumer Credit Directive II implementation

- Modernising EU consumer credit rules to reflect digital lending, new products and enhanced consumer protection
- Transposition plans now evolving rapidly as EU deadline for implementation has passed
- Regulatory options being discussed include:
  - Introduction of caps on lending-related fees
  - Introduction of a rate cap in the Czech Republic
  - Enhancements to affordability assessments
  - Changes to rebates on early settlement of credit agreements
  - Additional training for colleagues and customer representatives
  - Increasing restrictions on the advertising of credit agreements
  - Tightening the rules governing the selling of value-added services
  - Introduction of free credit sanctions
- Continuing to monitor the potential impact on the Group
- Good track record of adapting to regulatory change



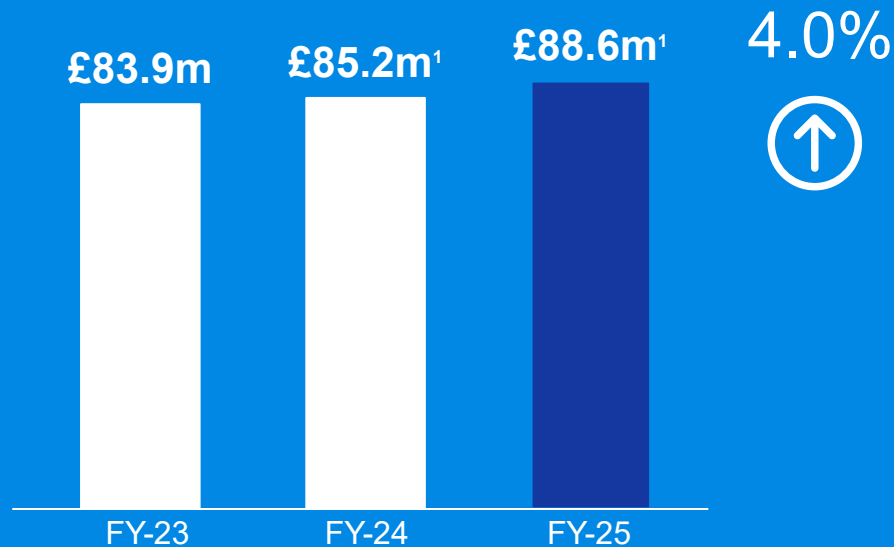
# Evolving security landscape in Mexico

- Assassination of leader of Jalisco New Generation cartel has created significant security risks
- Three states in particular affected: Jalisco, Nayarit and Colima
- Impacts ~ 10% of our Provident customer base
- States are on high alert, and we have closed our branches in these areas
- Colleagues told not to travel by highway
- Situation evolving, too early to state any potential impact



## Financial performance

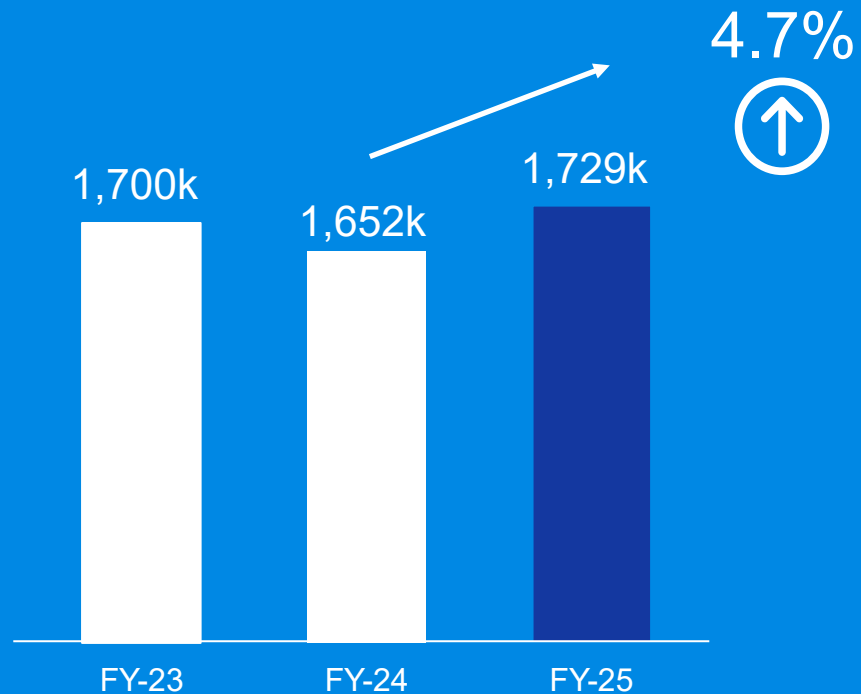
# Pre-exceptional PBT up by 4.0%



- Pre-exceptional PBT growth of £3.4m, up 4.0%:
  - Disciplined execution of our Next Gen strategy
  - Robust credit quality across the Group
- H2-25 profit of £38.7m, in line with H2-24 profit of £37.9m:
  - Consistent with our guidance at the interims
  - Primarily reflects IFRS 9 impact of increased lending and investment in new growth initiatives
- Increasing investment in the business in 2026 and 2027:
  - P&L – additional £5m p.a. on growth initiatives
  - Capital expenditure – additional £15m p.a.
- Exceptional one-off costs of £3.3m relating to the potential acquisition by BasePoint

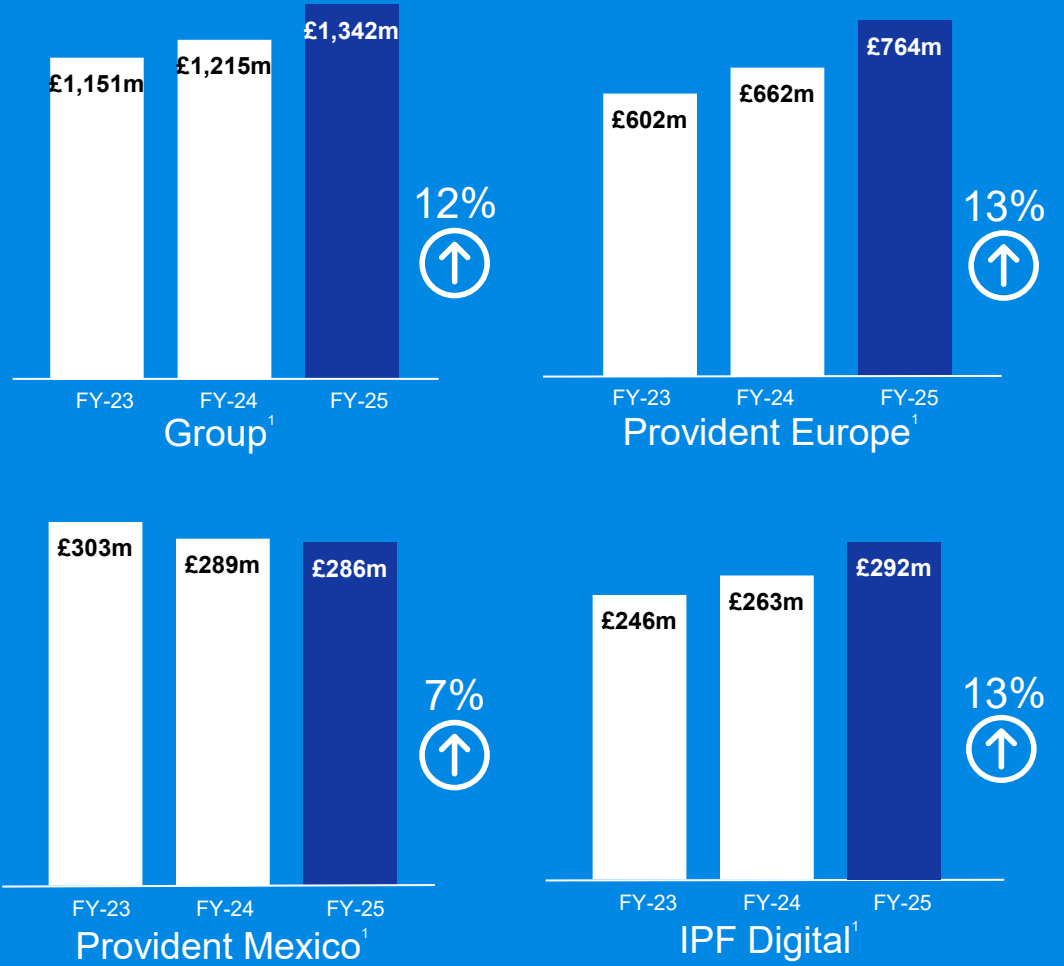
1. Prior to a pre-tax exceptional charge of £3.3m in FY-25 and £11.9m in FY-24

# Return to customer growth



- Return to meaningful customer growth for the first time in over 10 years – up 4.7%
- Consistent demand and new products driving acquisition and customer engagement
- Momentum building across all divisions with uplift in second-half performance:
  - Poland and Romania each delivered +10,000 customers since half year
  - Mexico attracted 46,000 new customers in H2-25 (24,000 IPF Digital and 22,000 in Provident Mexico)

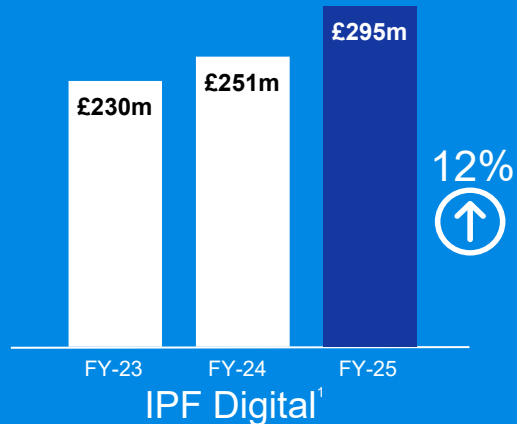
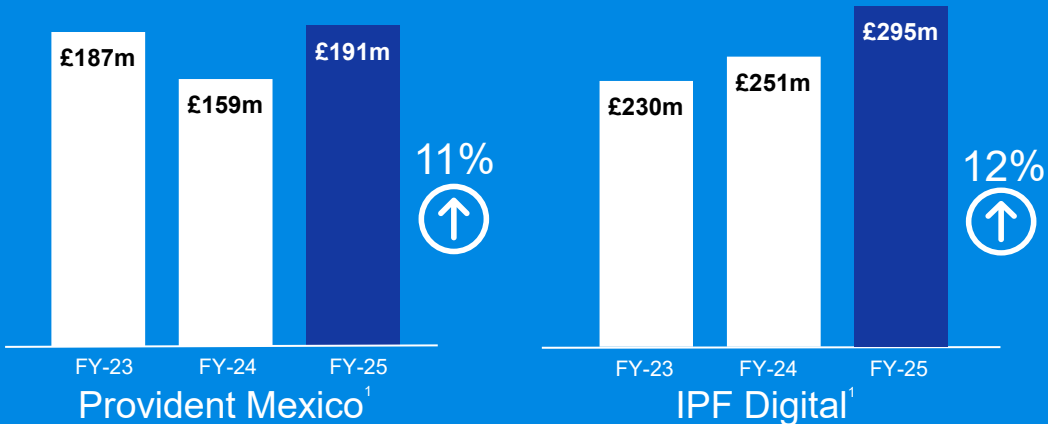
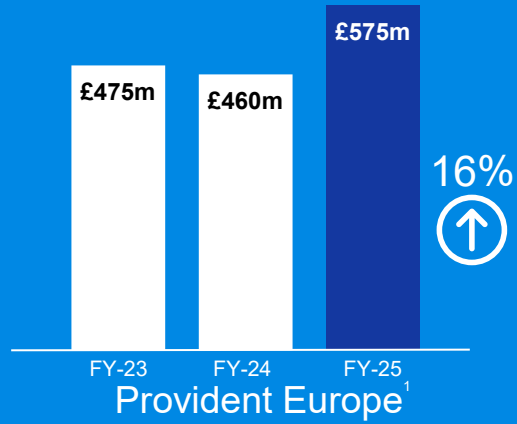
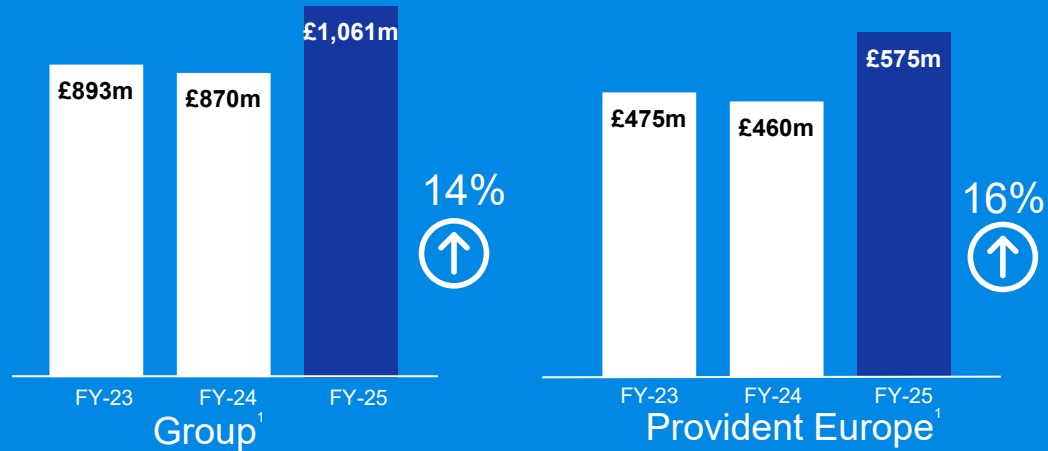
# Increasing lending growth



- Strong momentum in Group customer lending, up 12%
- Provident Europe:
  - Strong performances by Poland and Romania of 20% and 18% respectively
  - Solid growth of 4% by Hungary and Czech Republic combined
- Provident Mexico:
  - Growth accelerated through 2025 increasing from 2% in H1-25 to 13% in H2-25
- IPF Digital:
  - Strong demand drove 13% growth
  - Very good performance led by Mexico (+32%) and Australia (+19%)
  - Continued investment in brand and product to increase growth and market share

1. All growth rates are at constant exchange rates

# Strong receivables growth

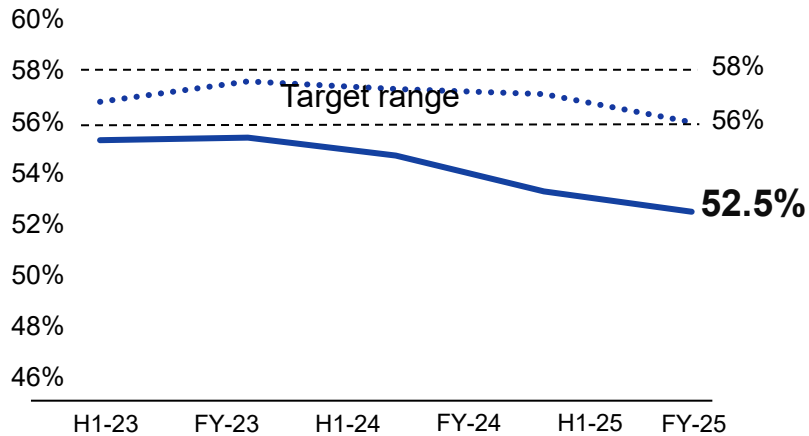


- Group receivables surpassed £1bn, up 14%, with all three divisions delivering double digit growth
- Provident Europe:
  - Romania +22%
  - Poland returned to growth +19%
  - Czech Republic +16%
  - Hungary +9%
- Provident Mexico, +11%, due to increase in lending in H2-25
- IPF Digital:
  - Mexico and Australia +16% and +23% respectively
  - Baltics, Poland and Czech Republic, +7% combined

1. All growth rates are at constant exchange rates

# KPIs aligned to growth and value

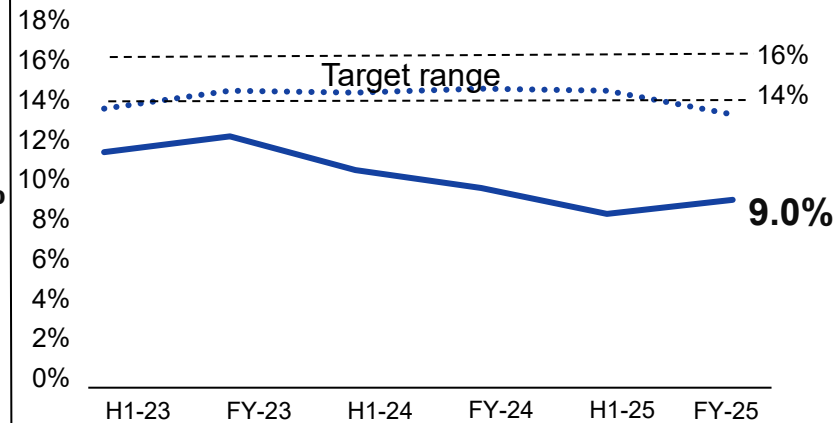
### Revenue yield



- Provident Europe reduced by 1.7 ppts due to impact of reductions in base rate-linked rate caps and Romania TCC cap Q4-24
- Slight moderation in Provident Mexico yield to 83.5% reflecting lending mix towards existing customers
- IPF Digital broadly unchanged at 42.8%
- Expect Group yield to increase as credit card lending grows in Poland and Mexico continues to represent a greater proportion of receivables

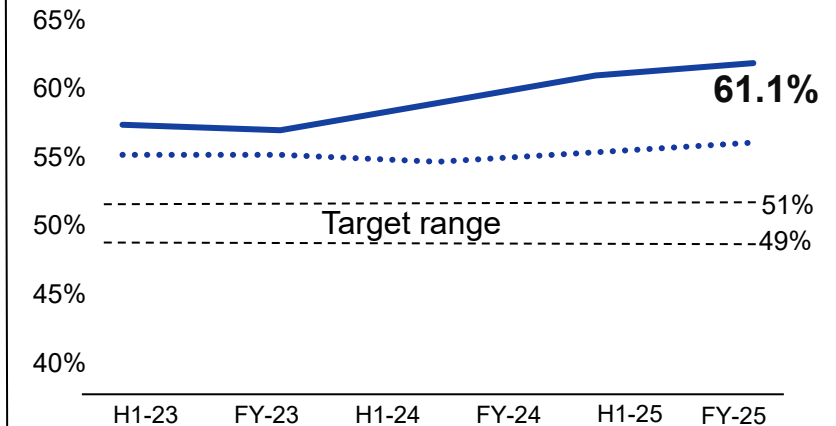
..... Ex. Poland

### Impairment rate



- Robust customer repayment performance across all divisions, notwithstanding increased growth
- Impairment rate improved to 9.0% supported by strong debt sales and lower cost-of-living provisions of £8m (FY-24: £7m)
- Expect impairment to steadily rise towards target range as we accelerate growth in Poland and Mexico
- Reduction in impairment coverage provision from 32.9% at Dec-24 to 31.1% at Dec-25

### Cost-income ratio

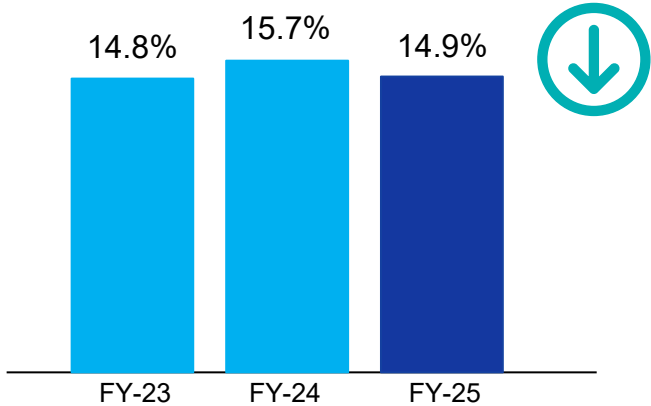


- Cost discipline whilst investing in increasing growth and enhancing strategic capabilities
- 3.3%<sup>1</sup> cost growth lower than the average inflation rate in our markets
- Cost-income ratio broadly flat YoY reflecting lower revenue yield and below-scale Poland
- Expect progress towards medium-term target of 49% to 51% as we scale up the business

1. At constant exchange rates

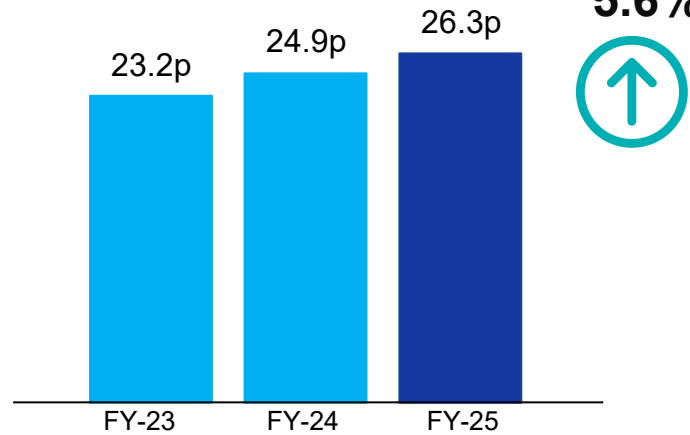
# Delivering shareholder value

Return on required equity (RoRE)<sup>1</sup>  
(0.8ppts)



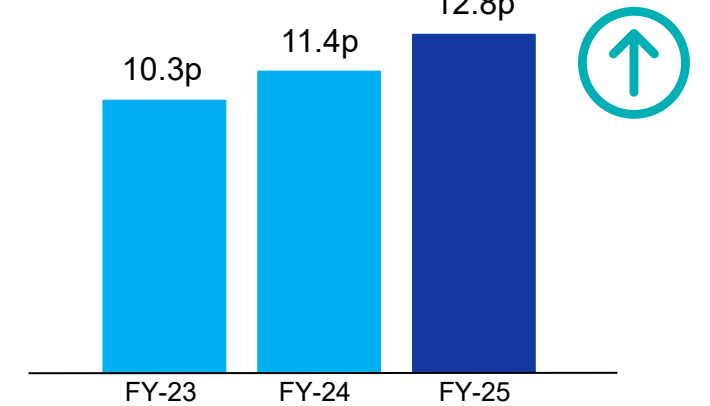
- Continuing to deliver returns close to target
- Reduction in FY-25 reflects investment in new products and channels and increase in growth
- Returns expected to moderate in FY-26 as growth increases
- RoE, based on statutory earnings and actual equity, reduced to 10.7% (FY-24: 12.6%)

Pre-exceptional earnings per share (EPS)<sup>1</sup>  
5.6%



- Increase of 5.6% in pre-exceptional EPS, higher than 4.0% growth in pre-exceptional PBT, due to lower number of shares in issue following share buyback in H2-24
- Tax rate unchanged at 35%
- Reported EPS reduced to 24.8p (FY-24: 27.3p), as 2024 included an exceptional tax credit of £17.4m

Dividend per share (DPS)  
12.3%



- Proposed final dividend of 9.0p per share, up 12.5%
- Total dividend of 12.8p, up 12.3%, with growth rate consistent with 3-year CAGR
- Pre-exceptional payout ratio of 49%, above minimum level of 40%
- Dividend and payout rate consistent with progressive policy

1. Before a post-tax net exceptional cost of £3.3m in FY-25 and a post-tax net exceptional credit of £5.5m in FY-24

# Robust funding and capital position

- Strong funding position and balance sheet underpin growth ambitions
- Credit ratings affirmed by Fitch and Moody's
- Successfully secured SEK1bn (c.£80m) bond due 2028
- Blended cost of funding continued to reduce to 12.2% (2024: 13.3%)
- Equity to receivables ratio of 51% (2024: 54%)
- Capital base supports growth and progressive dividend policy



**£750m**

- Total debt facilities

**£55m**

- New bank funding in FY-25

**£129m**

- Headroom<sup>1</sup>



## Outlook

# Building scale to deliver required returns

- Entered 2026 with good momentum, robust credit quality and strong balance sheet
- Growth opportunities particularly in Mexico and Australia, supported by Next Gen execution
- Increased investment required in new initiatives and technology over the next 2–3 years
- Monitoring emerging CCD II regulation
- Building scale to deliver sustainable returns while advancing financial inclusion





# Questions



# Appendices

# Group



	2025 £m	2024 £m	Change £m	Change %	Change at CER %
Customer numbers (000s)	1,729	1,652	77	4.7	
Customer lending	1,342.0	1,214.5	127.5	10.5	11.8
Average gross receivables	1,405.9	1,327.5	78.4	5.9	7.5
Closing net receivables	1,061.3	870.0	191.3	22.0	13.9
Revenue	737.5	726.3	11.2	1.5	4.2
Impairment	(126.8)	(127.5)	0.7	0.5	(5.8)
Revenue less impairment	610.7	598.8	11.9	2.0	3.8
Costs	(450.8)	(443.2)	(7.6)	(1.7)	(3.3)
Interest expense	(71.3)	(70.4)	(0.9)	(1.3)	(2.4)
<b>Pre-exceptional profit before taxation</b>	<b>88.6</b>	<b>85.2</b>	<b>3.4</b>	<b>4.0</b>	
Exceptional items	(3.3)	(11.9)	8.6	72.3	
<b>Profit before taxation</b>	<b>85.3</b>	<b>73.3</b>	<b>12.0</b>	<b>16.4</b>	
Revenue yield	52.5%	54.7%	(2.2) pts		
Impairment rate	9.0%	9.6%	0.6 pts		
Cost-income ratio	61.1%	61.0%	(0.1) pts		
Pre-exceptional EPS <sup>1,2</sup>	26.3p	24.9p	5.6%		
Pre-exceptional RoRE <sup>1,2,3</sup>	14.9%	15.7%	(0.8) pts		
Reported RoE	10.7%	12.6%	(1.9) pts		

<sup>1.</sup> Prior to a pre-tax exceptional charge of £3.3m (2024: £11.9m)

<sup>2.</sup> Prior to an exceptional tax credit of £17.4m in 2024.

<sup>3.</sup> Based on required equity to receivables of 40%.

# Provident Europe

	2025 £m	2024 £m	Change £m	Change %	Change at CER %
Customer numbers (000s)	<b>738</b>	725	13	1.8	
Customer lending	<b>764.2</b>	662.1	102.1	15.4	13.2
Average gross receivables	<b>757.6</b>	706.0	51.6	7.3	5.8
Closing net receivables	<b>575.4</b>	459.6	115.8	25.2	15.8
Revenue	<b>339.7</b>	328.2	11.5	3.5	2.0
Impairment	<b>(5.5)</b>	(8.1)	2.6	32.1	32.9
Revenue less impairment	<b>334.2</b>	320.1	14.1	4.4	2.9
Costs	<b>(231.8)</b>	(225.1)	(6.7)	(3.0)	(1.3)
Interest expense	<b>(39.2)</b>	(37.6)	(1.6)	(4.3)	(2.9)
<b>Pre-exceptional profit before taxation<sup>1</sup></b>	<b>63.2</b>	57.4	5.8	10.1	
Revenue yield	<b>44.8%</b>	46.5%	(1.7) ppts		
Impairment rate	<b>0.7%</b>	1.1%	0.4 ppts		
Cost-income ratio	<b>68.2%</b>	68.6%	0.4 ppts		
Pre-exceptional RoRE <sup>1,2</sup>	<b>19.8%</b>	19.9%	(0.1) ppts		

<sup>1</sup> In 2024, prior to a pre-tax exceptional charge of £6.1m and, in respect of RoRE, an exceptional tax credit of £1.1m.

<sup>2</sup> Based on required equity to receivables of 40%.

# Provident Mexico

	2025 £m	2024 £m	Change £m	Change %	Change at CER %
Customer numbers (000s)	<b>705</b>	680	25	3.7	
Customer lending	<b>285.9</b>	289.2	(3.3)	(1.1)	7.5
Average gross receivables	<b>295.9</b>	306.9	(11.0)	(3.6)	4.7
Closing net receivables	<b>191.2</b>	159.4	31.8	19.9	11.5
Revenue	<b>247.1</b>	263.8	(16.7)	(6.3)	1.4
Impairment	<b>(80.3)</b>	(92.4)	12.1	13.1	6.8
Revenue less impairment	<b>166.8</b>	171.4	(4.6)	(2.7)	6.0
Costs	<b>(126.6)</b>	(131.0)	4.4	3.4	(4.7)
Interest expense	<b>(13.6)</b>	(14.4)	0.8	5.6	(0.7)
<b>Reported profit before taxation</b>	<b>26.6</b>	26.0	0.6	2.3	
Revenue yield	<b>83.5%</b>	85.9%	(2.4) ppts		
Impairment rate	<b>27.1%</b>	30.1%	3.0 ppts		
Cost-income ratio	<b>51.2%</b>	49.6%	(1.6) ppts		
RoRE <sup>1</sup>	<b>24.7%</b>	24.4%	0.3 ppts		

<sup>1</sup> Based on required equity to receivables of 40%.

# IPF Digital



	2025 £m	2024 £m	Change £m	Change %	Change at CER %
Customer numbers (000s)	<b>286</b>	247	39	15.8	
Customer lending	<b>291.9</b>	263.2	28.7	10.9	12.6
Average gross receivables	<b>352.4</b>	314.6	37.8	12.0	13.9
Closing net receivables	<b>294.7</b>	251.0	43.7	17.4	11.7
Revenue	<b>150.7</b>	134.3	16.4	12.2	14.7
Impairment	<b>(41.0)</b>	(27.0)	(14.0)	(51.9)	(60.8)
Revenue less impairment	<b>109.7</b>	107.3	2.4	2.2	3.6
Costs	<b>(77.2)</b>	(72.0)	(5.2)	(7.2)	(8.1)
Interest expense	<b>(18.4)</b>	(18.3)	(0.1)	(0.5)	(2.8)
<b>Reported profit before taxation</b>	<b>14.1</b>	17.0	(2.9)	(17.1)	
Revenue yield	<b>42.8%</b>	42.7%	0.1 ppts		
Impairment rate	<b>11.6%</b>	8.6%	(3.0) ppts		
Cost-income ratio	<b>51.2%</b>	53.6%	2.4 ppts		
RoRE <sup>1</sup>	<b>8.4%</b>	11.4%	(3.0) ppts		

<sup>1</sup> Based on required equity to receivables of 40%.

# Strong financial profile

	2025	2024
Receivables (£m)	<b>1,061.3</b>	870.0
Equity (£m)	<b>546.0</b>	466.3
Equity to receivables	<b>51%</b>	54%
Gearing	<b>1.2 times</b>	1.2 times
Interest cover	<b>2.6 times</b>	2.6 times
Pre-exceptional EPS	<b>26.3p</b>	24.9p
Pre-exceptional RoRE	<b>14.9%</b>	15.7%
Reported RoE	<b>10.7%</b>	12.6%

# Balance sheet

	2025 £m	2024 £m	Change at CER
Goodwill	<b>23.8</b>	22.6	-
Fixed assets	<b>89.5</b>	68.8	25.0%
Receivables	<b>1,061.3</b>	870.0	13.9%
Cash	<b>30.4</b>	27.6	4.5%
Borrowings	<b>(617.7)</b>	(515.9)	(12.2%)
Other net liabilities	<b>(41.3)</b>	(6.8)	(369.3%)
Equity	<b>546.0</b>	466.3	9.8%

# Exchange rates

	Closing rates Dec 2025	Average 2025	Closing rates Dec 2024	Average 2024
Polish zloty	4.8	5.0	5.2	5.1
Czech crown	27.7	28.6	30.4	29.6
Euro	1.1	1.2	1.2	1.2
Hungarian forint	440.7	461.2	496.9	466.9
Romanian leu	5.8	5.9	6.0	5.9
Mexican peso	24.2	25.3	26.0	23.0
Australian dollar	2.0	2.0	2.0	1.9

# Contacts

## Rachel Moran

### Investor Relations

Mobile: +44 7760 167637

Email: [rachel.moran@ipfin.co.uk](mailto:rachel.moran@ipfin.co.uk)

## Krzysztof Adamski

### Group Treasurer

Mobile: +48 600 400 394

Email: [krzysztof.adamski@ipfdigital.com](mailto:krzysztof.adamski@ipfdigital.com)

