

# Full Year **2025** results



Choc on Choc

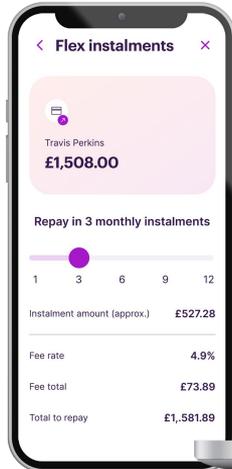
# Standout performance

## Significant opportunity ahead

- ✓ Delivered ahead of expectations
- ✓ Strong customer demand in a large, underserved market
- ✓ Focused strategy, product innovation and growth
- ✓ Technology & data deepens our competitive moat
- ✓ Capital light platform built for scale
- ✓ Attractive medium-term opportunity

# Leading UK online SME finance platform backing small businesses to win

Pay later Monthly



Borrow Longer term



Spend Daily



~£17bn

credit extended  
to SMEs since 2010

125,000

small businesses funded  
since 2010

117,000

jobs supported  
in 2025

£7.9bn

GDP contribution  
in 2025

# 2025 performance ahead of expectations

**£204m**

Revenue  
**+28% YoY**

**£2.5bn**

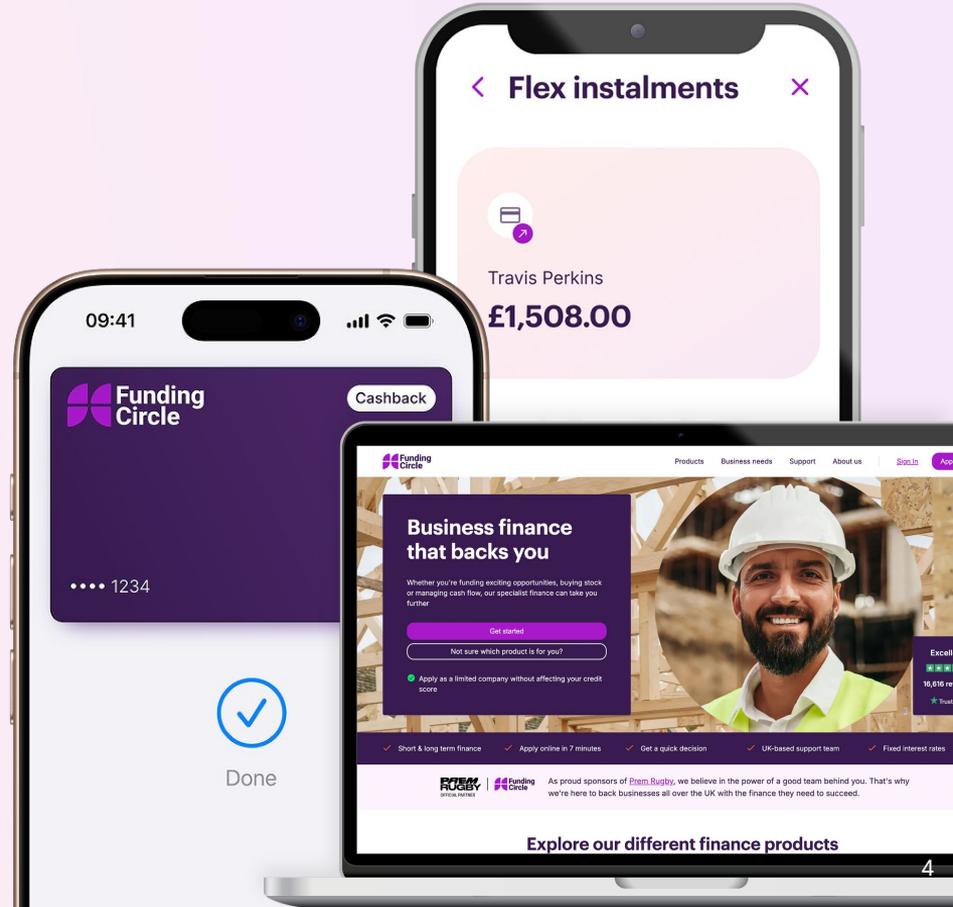
Credit extended  
**+29% YoY**

**£20m**

Profit before tax  
**6 x growth**

**£3.0bn**

Assets under Management  
**+£128m YoY**



# Delivering against our plan: leaner, simpler and profitable



## Active customers

Thousands

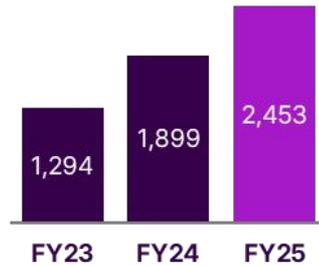
↑ +25%



## Credit extended

£m

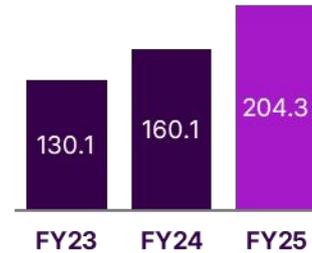
↑ +90%



## Revenue

£m

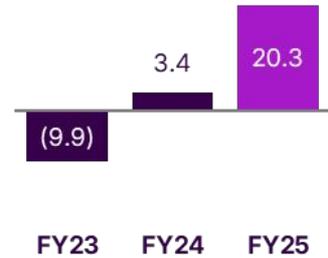
↑ +57%



## PBT

£m

↑ +£30m



# Multi-product strategy driving growth and loyalty

Increased frequency  
of customer  
transactions

**38 secs**

(30 minutes in 2021)

Deep engagement  
with existing  
customers

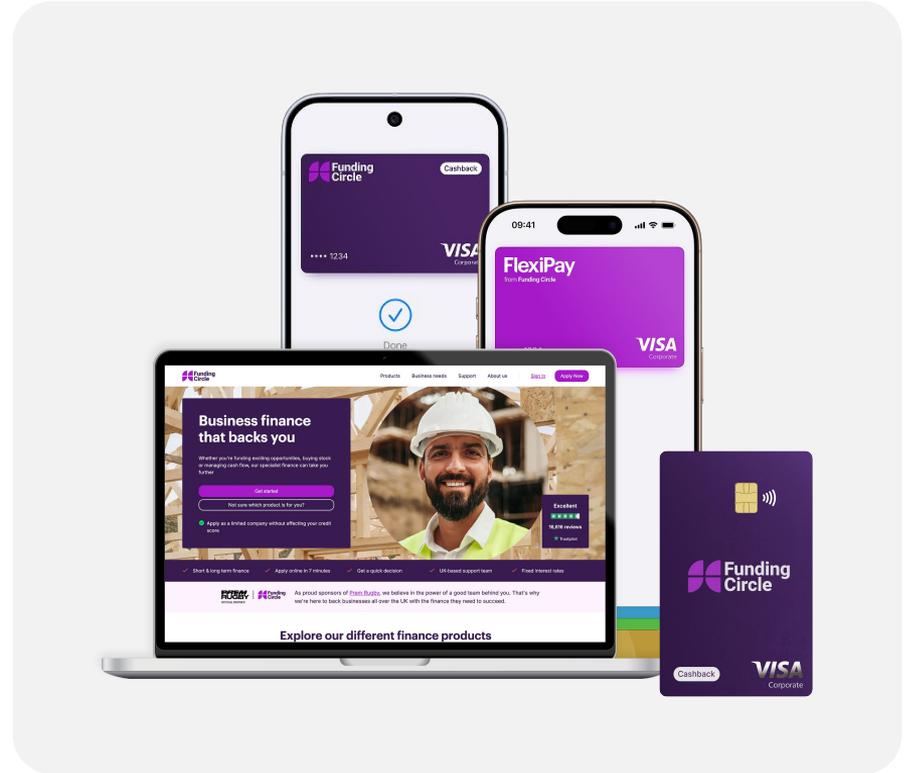
**69%**

of FlexiPay revenue from  
Term Loan customers

Attracting new  
customers

**>50%**

of card customers new  
to Funding Circle

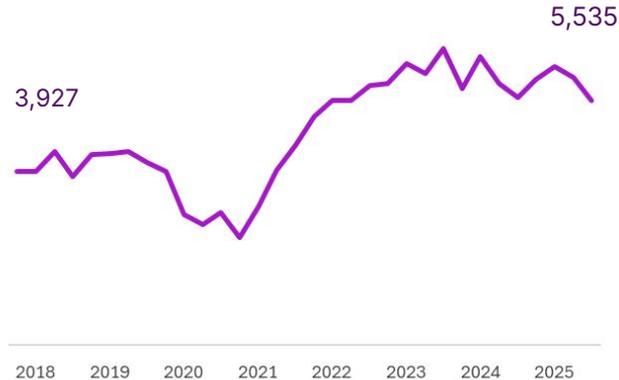


# Strong growth and robust returns in 2025

## Flat GDP and consumer confidence



## Insolvencies above historic trend



**Robust and attractive  
loan returns**

**~5%**

Above cost of capital

**Strong funding  
pipeline**

**£2.2bn**

In forward flow  
commitments

**Continued demand**

**>29%**

YOY credit extended

# Financial Performance

# Strong revenue growth driving operating leverage

## Group financial performance

£m	FY 25	FY 24	Change
<b>Revenue</b>	<b>204.3</b>	<b>160.1</b>	<b>28%</b>
Operating expenses (excl. ECL)	(165.7)	(148.1)	12%
Expected credit losses (ECL)	(18.3)	(8.6)	113%
<b>Profit / (loss) before tax pre exceptionals</b>	<b>20.3</b>	<b>3.4</b>	<b>497%</b>
<i>PBT margins pre exceptionals</i>	9.9%	2.1%	
Exceptional items	-	(2.6)	
<b>Profit / (loss) before tax</b>	<b>20.3</b>	<b>0.8</b>	
Tax credit / (charge)	25.7	(0.5)	
<b>Profit / (loss) after tax</b>	<b>46.0</b>	<b>0.3</b>	

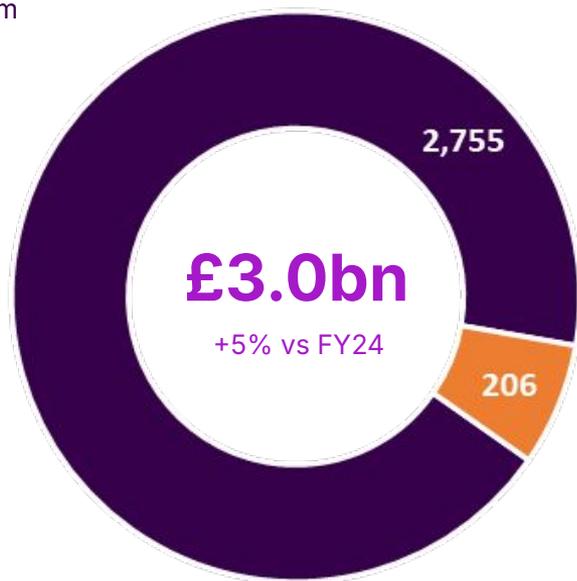
- Strong top line revenue growth of 28%
- Operating expenses growth driven by variable costs
- ECL growth in line with FlexiPay volumes and credit performance in line with expectations
- Significant PBT growth and margin expansion to 9.9%
- Corporation tax (cash) will now benefit from historic tax losses

# Capital light and built for scale

Using right funding for right products; strong institutional funding demand

Assets under Management

£m



**93% off-balance sheet funding**

(Term Loans business)

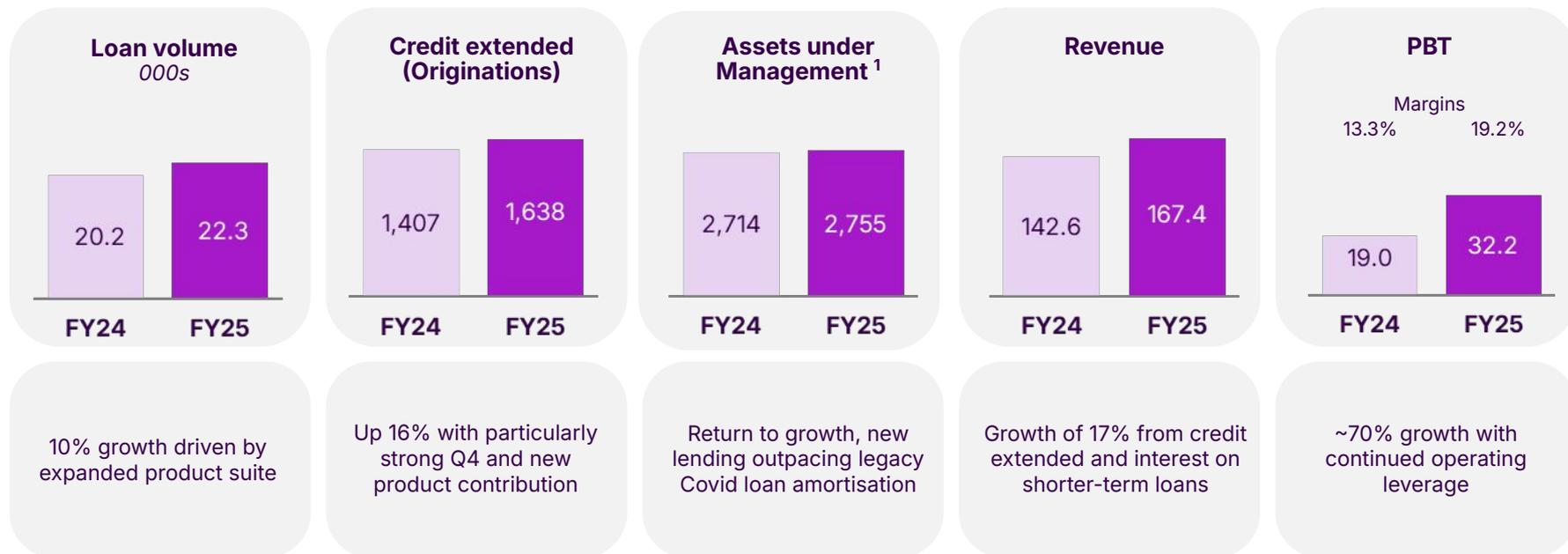
**7% balance sheet funding**

(FlexiPay & Credit card)

# Term Loans: PBT growth of ~70%, margins at 19%

Revenue growing with operating leverage driving margin growth

£m



<sup>1</sup>FY25 AuM comprised 92% commercial loans (£2,533m) and 8% legacy covid loans (£222m). FY24 comparables were 73% (£1,971m) and 27% (£743m)

# Term Loans: attracting steady funding pipeline

Annualised net returns ~5% above cost of capital, through the cycle

Strength of  
credit models

**3x**

Better risk  
discrimination than  
bureau score



Stable, robust,  
attractive returns



Continuing demand  
from institutions

**5**

Deals signed during 2025

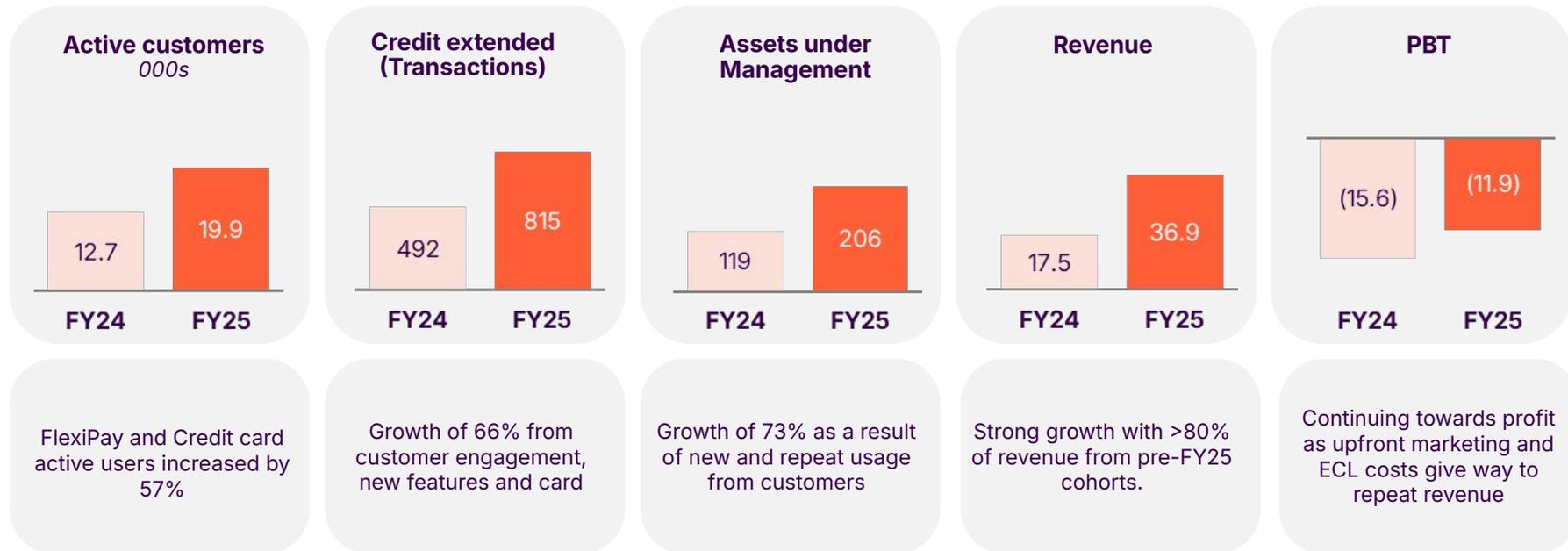
**£2.2bn**

Future funding in place

# FlexiPay: seeing strong recurring revenues

## Strong growth from FlexiPay & Credit card

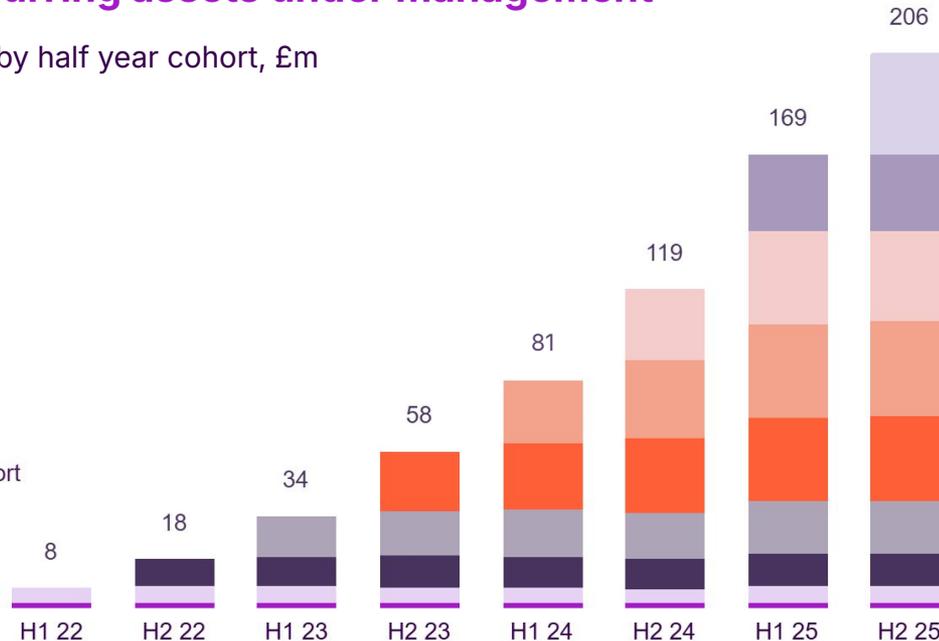
£m



# FlexiPay: strong recurring revenue dynamics

## Strong recurring assets under management

FlexiPay AuM by half year cohort, £m



Recurring revenue dynamics

>80%

Revenue from prior cohorts

Strong growth

+73%

AuM growth

1.6x

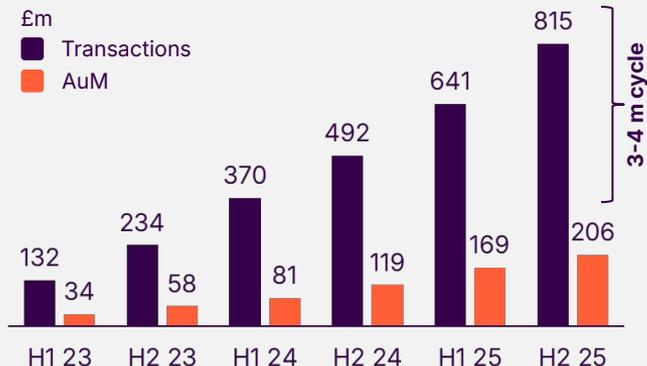
Active customers

# FlexiPay: efficient use of our own capital

Capital cycles quickly (c.3-4m cycle); consistent credit performance

## Efficient capital usage

### Rolling 12-month transactions and AuM



## Funding capacity for continuing growth

**£240m**

Citi facility

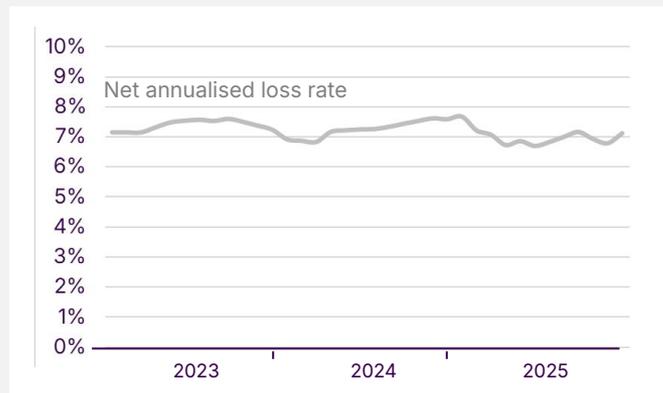
+

Funding Circle equity of £56m

# Expected credit loss charge in line with expectations

Credit performance in line with expectations

## FlexiPay credit performance (backward looking)



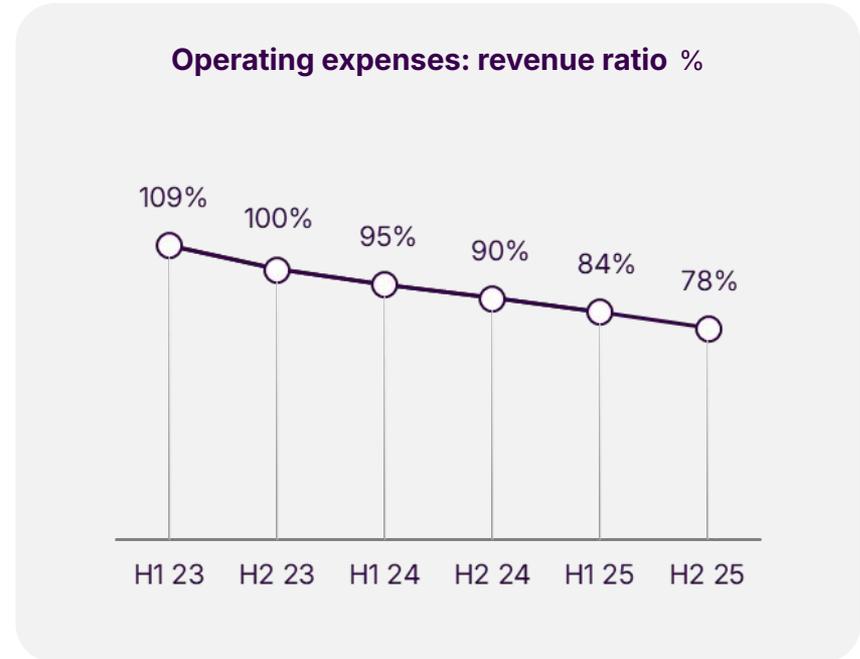
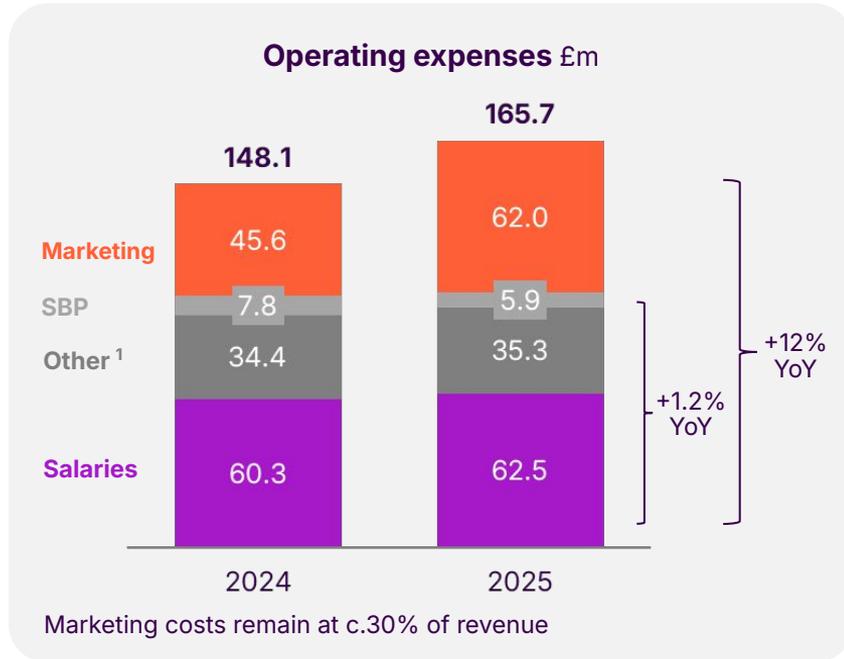
## Expected credit loss charge (forward looking) <sup>1</sup>

£m	FY23	FY24	FY25
AuM at year end	58	119	206
Average annual AuM	38	89	163
Expected Credit Losses	4.5	8.8	19.2
<b>ECL as a % of avg. AuM</b>	<b>11.8%</b>	<b>9.8%</b>	<b>11.8%</b>

<sup>1</sup>Expected credit loss charge is forward looking requiring i) Performing loans at 12 month loss rate ii) Delinquent loans at lifetime loss rate

# Continued operating leverage demonstrated

Significant operating leverage & scalability: revenue up 28%, costs up 12%



<sup>1</sup>Data and processing, IT, depreciation & amortisation, and other costs

# Capital allocation framework

A disciplined approach to managing capital

**Deliver**  
growth strategy in MTP

Capital required to deliver the medium-term plan with existing products

**Invest**  
to make platform stronger

Investment in products to drive opportunities, e.g. co-investment in government guarantee schemes and seeding products before onboarding institutional funders

**Future**  
growth opportunities

Capital for future opportunities to accelerate the Group's strategy

**Distribute**  
to shareholders

Further consideration of buybacks and other shareholder distributions, including dividends, with sufficient cash-backed profits. To date, the Group has bought back 17% of issued share capital

# Capital allocation in practice

## Unrestricted cash deployed in the period £m



- **Deliver:** Term Loans and FlexiPay collectively cash generative
- **Invest:** R&D for shorter-term loan product. Sold to institutional investor who are now funding through forward flow
- **Distribute:** Share buyback (~£30m) & employee benefit trust (~£9m)

## Future deployable cash £m



- R&D loans held for sale at the end of 2025 were sold in January 2026
- Future deployable cash up from H1 25 (~£60m)

<sup>1</sup> Capital held for operational buffer (~£40m). We are not regulated like a bank with regulatory capital but we hold a stress buffer for operational purposes.

# Outlook

FY26 guidance upgraded and new medium-term guidance established

	<b>Growth</b>	<b>Profitability</b>
<b>FY23-FY25</b>  <i>Simpler, leaner, more profitable</i>	Revenue reached £204m	PBT increased from £(10)m to £20m
<b>FY26 Guidance</b>	Upgraded to revenue of c.£235m	PBT of at least £35m
<b>Medium term (FY29)</b>	Revenue of c.£300m-£350m	PBT margins of low to mid-20s (%)

**Looking ahead**

# Big opportunity in large, addressable market

**£80bn+**

SME debt  
origination  
market

**£1.3trn**

SME B2B  
payments

**£80bn+**

SME card  
transactions



The Nest Climbing

# Tech and data continues to **deepen** competitive moat around the business



**15 years of proprietary  
SME data**

10 billion data points

Feeding our Gen9 credit models



**6 min** application time



**73%** instant decisions



**3x** better risk discrimination  
than bureau score



**79** NPS (Term Loans)

# Continued product innovation and growth



## Term Loans / Marketplace

- ✓ Shorter-term loans
- ✓ Self-service enhancements
- ✓ Marketplace expansion



## FlexiPay / Card

- ✓ Accounting integrations
- ✓ Multiple company cards
- ✓ Digital wallets

# AI employed to drive customer experience and productivity

Team fluency

**>90%** Circlers using Gen AI

Operations productivity

**>110%** Increase in collections call quality reviews

Engineering productivity

**30%** AI-authored code in Q4 2025

Contributing to +19% YoY improvement in revenue / person



Bird & Blend



Wick & Tallow

# Why we're winning

- 🍃 Powerful data driving risk discrimination
- 🍃 Differentiated technology
- 🍃 High customer satisfaction & strong brand awareness
- 🍃 Strong track record and funding pipeline
- 🍃 Multi-product capabilities
- 🍃 Engaged and talented team

# Trusted financial partner for SMEs



Focused strategy and product innovation driving growth and improved profitability



Attractive medium-term financial goals fuelling more SME success stories



Strong platform for longer-term growth beyond our current product set

# Q&A



Lisa Jacobs  
CEO



Tony Nicol  
CFO

**Thank you.**

**Business Finance  
that backs you**



# Disclaimer

## Information regarding forward-looking statements

This Presentation includes forward-looking statements. These forward-looking statements involve known and unknown risks and uncertainties, many of which are beyond the Group's control and all of which are based on the Group's current beliefs and expectations about future events.

Forward-looking statements are sometimes identified by the use of forward-looking terminology such as "believe", "expects", "may", "will", "could", "should", "shall", "risk", "intends", "estimates", "aims", "plans", "predicts", "continues", "assumes", "positioned", "anticipates" or "targets" or the negative thereof, other variations thereon or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this Presentation and include statements regarding the intentions, beliefs or current expectations of the Group concerning, among other things, the future results of operations, financial condition, prospects, growth, strategies, and dividend policy of the Group and the industry in which it operates.

These forward-looking statements and other statements contained in this Presentation regarding matters that are not historical facts involve predictions. No assurance can be given that such future results will be achieved; actual events or results may differ materially as a result of risks and uncertainties facing the Group. Such risks and uncertainties could cause actual results to vary materially from the future results indicated, expressed, or implied in such forward-looking statements.

Such forward-looking statements contained in this Presentation speak only as of its date. The Group expressly disclaims any obligation or undertaking to update these forward-looking statements contained in the document to reflect any change in its expectations or any change in events, conditions, or circumstances on which such statements are based unless required to do so by applicable law, the Listing Rules, the Disclosure Guidance and Transparency Rules of the FCA or the Market Abuse Regulation.

# Appendices

# Borrow

## Term Loan

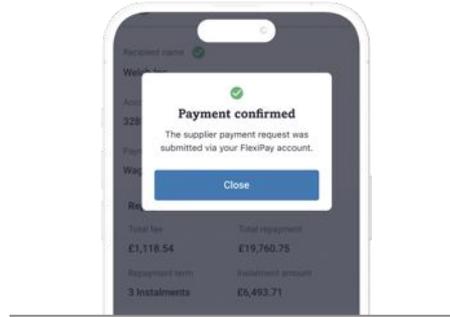


Loan for **long term investment purposes** to support business growth or long term cashflow management

- Funding Circle loans; Government guaranteed loans and marketplace (third party loans)
- Six months to six years
- **£10,000 to £750,000**

# Pay later

## FlexiPay line of credit



**Flexible line of credit** for paying bills, supplier invoices and managing short term cashflow using bank transfer or card

- Repay over 1, 3, 6, 9 or 12 months
- Flat fee on each transaction
- Credit limit of **£1,000 to £250,000**

# Spend

## Credit card



Cashback credit card for **everyday business spending**

- Credit Card with cashback
- Credit limit of **£1,000 to £250,000**

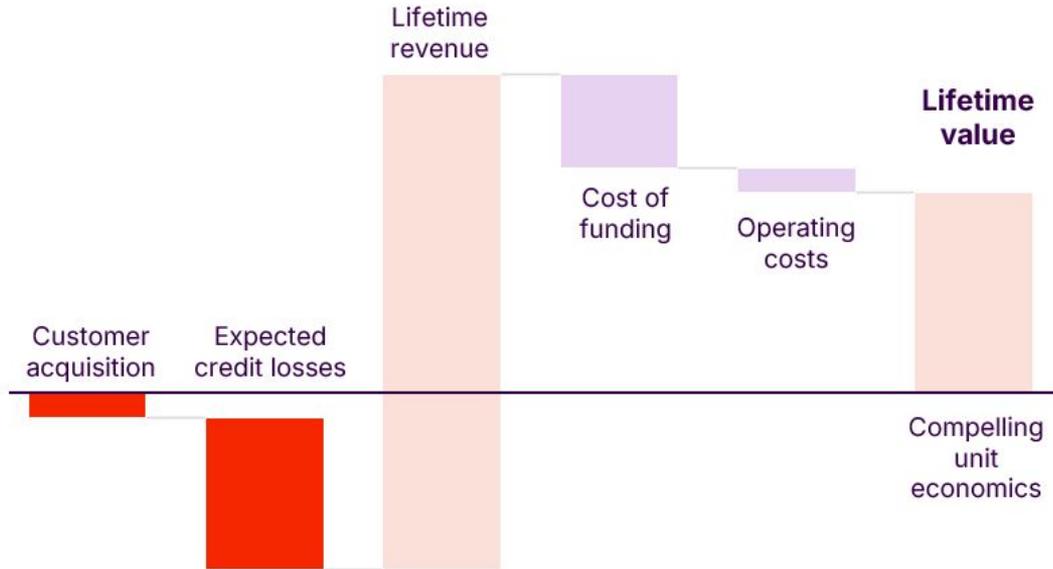
# Multi-product view

	<b>Borrow</b> Term Loan	<b>Pay later</b> FlexiPay line of credit	<b>Spend</b> Cashback credit card
<b>Product type</b>	Funding Circle loans Government guaranteed loans Marketplace (3 <sup>rd</sup> party loans)	Rolling line of credit	Credit card with cash back
<b>Average size &amp; draw</b>	c.£75k loan c.4 year term	c.£19k credit limit c.£3k draw per transaction Paid back over 1-12 months	c.£19k credit limit
<b>Funding</b>	Forward flow from institutional investors	Funding Circle with senior banking facility	Funding Circle with senior banking facility

# How we make money

Business Unit	Revenue stream	Driver	Typical yield	% of FY25 revenue
Term Loans	Transaction fees	Originations	c.6.5%	52%
	Servicing fees	AUM	c.1.3% p.a.	20%
	Investment income	Invested capital	Variable	9%
FlexiPay Credit Card	Drawdown fees & credit card interest	Transactions	Variable	15%
	Interchange fees	Transactions	1.75%	1%

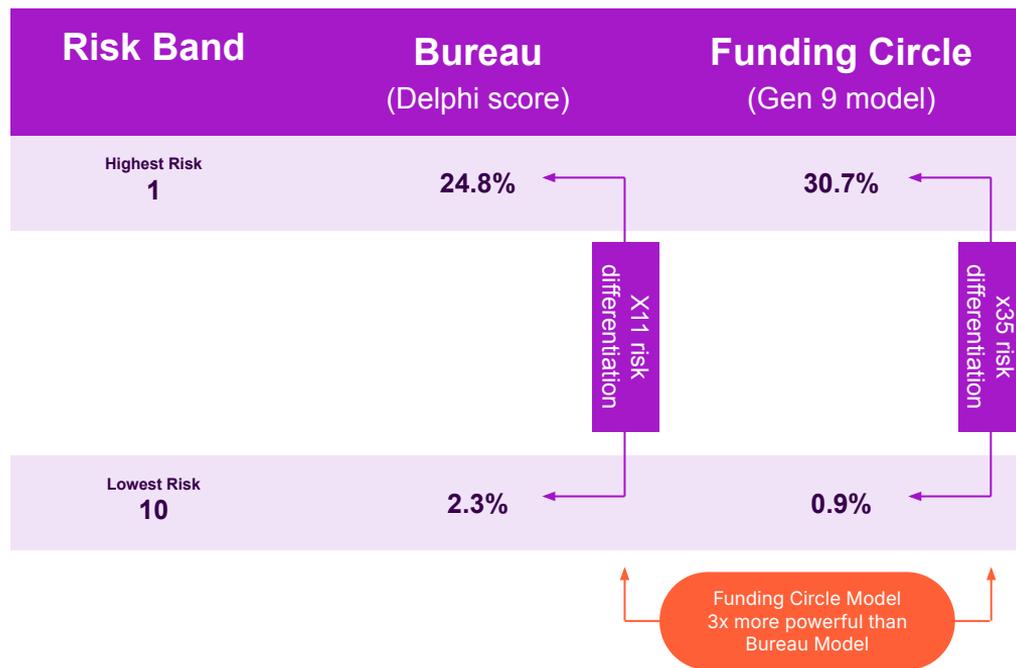
# Illustrative – FlexiPay & Credit card unit economics



- Upfront customer acquisition (CPA reducing over time)
- Upfront expected credit losses
- Stable repeat usage
- Payback period 12-18 months
- Wider portfolio benefits with high engagement and marketing efficiencies

# Our models deliver 3x better risk discrimination than the bureau score

Default rates (by deciles)



- Compared to the UK bureau delphi scores, our Gen 9 model achieves **3 times greater separation between lowest and highest risk borrowers**
- This supports **better pricing of risk into each loan**, resulting in a credit underwriting and commercial advantage