Oxbury

Oxbury Bank Plc

Annual Report and Accounts

Year ended 31st December 2025

Registration Number: 11383418

Corporate Information

Company Directors:

R Huw Morgan
(Chair and Independent Non-Executive Director)

James C D Farrar
(Chief Executive Officer)

Nicholas R Evans
(Managing Director)

K Mark Aitchison
(Investor Non-Executive Director)

Timothy Fitzpatrick
(Senior Independent Non-Executive Director)

David A Hutchinson
(Investor Non-Executive Director)

Simon Featherstone
(Independent Non-Executive Director)

Charles Richard Percy
(Independent Non-Executive Director)

Company Registration Number:
11383418

Company Secretary:
David Hanson

Registered Office:
One City Place, Queens Street, Chester, CH1 3BQ

Company & Group:

Company
References to "Company" refer to Oxbury Bank Plc.

Group
Reference to "Group" includes Oxbury Bank Plc, its 100% owned subsidiary Oxbury Earth Ltd (Registration Number: 06791059; Registered Office: One City Place, Queens Street, Chester, CH1 3BQ). In addition, Oxbury Earth Ltd holds 100% membership interest in Oxbury Earth LLC, a business incorporated in the state of Delaware, USA (File Number 2887922; Registered Address: 850 New Burton Road, Dover, Kent, DE, 19904).

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Strategic Report

The Directors present their strategic report for Oxbury Bank Plc (Oxbury) for the year ended 31st December 2025.

Chairman's Statement

Welcome to our 2025 report and I am delighted to say it has been another successful year for Oxbury. We have seen continued growth in customer numbers on both sides of our balance sheet resulting in increased balances held and increased profits. Of note is the growth in our lending balances, more detail is provided in the Chief Executives statement. The business model of offering effective self-service options supported by experienced and professional colleagues when required resonates with our customers. The Oxbury brand through the work of our teams throughout the business, is now better known in the marketplace and while we continue to work to improve on all these elements, we have created a strong foundational base not just for 2026, but beyond.

This strong progress has been made despite continued geopolitical uncertainty and volatile global commodity prices, the weak performance of the UK economy, fiscal uncertainty for the agricultural sector and continued weather extremes in the UK and globally. Whilst it has been welcome to see UK inflation declining towards the Bank of England target this has been offset by a continuing squeeze on consumer disposable income and confidence, variable investment sentiment, slowing wage growth and increased unemployment.

The change announced by the UK Government on the thresholds for inheritance tax for UK farmers made in December 2025 whilst welcome is not expected to reverse uncertainty in the agricultural sector about fiscal and subsidy support arrangements for the sector. Taken together with continued depression in grain prices and an expected steep fall in milk prices we expect to see quickening consolidation in the sector causing hardship for some and opportunities for others. With our experienced team and continued long-term commitment to the sector Oxbury remains well placed to support our customers through the challenges and opportunities that lie ahead.

During 2025 we continued to invest in our people through ongoing development and the expansion of the team combining agricultural and banking expertise and knowledge. We have also continued to invest in our systems infrastructure to deliver safe and secure access to our services and products to our customers through self-service options supported by an experienced professional when required. As stated previously the business model continues to be popular with our customers, as objectively evidenced in our Net Promoter Scores (NPS) and TrustPilot and Feefo scores, delivering sustainable growth for the business.

Our historic and future growth is underpinned by a strong governance ethos embedded by the senior management team through the Risk Management Framework approved by the Board with oversight, challenge and counsel provided by the Chairs of the Audit and Risk Committees.

The weather patterns in the UK and around the world constantly remind us of the risk to all economic sectors, including agriculture and financial services, of climate change. We have continued to deepen our knowledge and capability for measuring natural capital and integrating this into our operational practices. Our Responsible Impact Report sets this out in more detail. We continue to provide relevant training to all our colleagues across the business. Most excitingly we have used this capability to launch specific medium-term working capital and long-term transition infrastructure investment products to enhance our support for customers in their transition journey by rewarding improved environmental practices and measurable outcomes.

The Board and I remain conscious that all customers have a choice of where they bank and therefore, I would like to express my thanks to our customers for placing their trust in us with their savings and supporting their businesses.

As we have grown the team, we have continued to seek to create a diverse workforce with different skills and experiences reflecting both our savings and borrowing customers. During the year we have increased the number of colleagues across the Group from 218 to 255. The Board and I were very pleased with the results of our Pulse Staff Survey which remained positive whilst providing valuable feedback to enable us to maintain Oxbury as a compelling employer of choice. We continue to work with the senior leadership team to maintain the high levels of colleague engagement.

We would not be able to deliver the services that have produced the progress set out in these results without the dedication and professionalism of our colleagues and so I would also like to thank all our colleagues.

We have welcomed many new shareholders as well as receiving ongoing support from existing shareholders through 2025 without whom the growth in our business would not be possible – thank you.

Finally, I would like to thank my colleague Board Directors for their constructive counsel and exemplary oversight.

The Board, and I, look forward to 2026 with confidence as we seek to continue to serve the agricultural and wider rural community.

Huw Morgan,
Chairman of the Board
22nd April 2026

Chief Executive's Statement

Oxbury is fast becoming one of the mainstream lenders to farmers, the food supply chain and the rural economy in the UK.

Our lending book has grown by 71% to £1.7 billion (2024: £1.0 billion) with customer numbers increasing to 6,316 (2024: 4,275) whilst our savings portfolio has increased 41% to £3.3 billion (2024: £2.4 billion) with customer numbers increasing to 54,458 (2024: 48,242). Profits before tax have more than doubled to £15.7million (2024: £7.5 million).

Oxbury's sustained growth reflects the ongoing investment in our teams, who engage with borrowing customers through expertise, empathy, and insight. This is complemented by the robust digital infrastructure and competitive savings offering, enabling us to effectively address customer requirements. Our banking team now comprises 247 individuals dedicated to our market. Customers have exhibited resilience amid persistent fiscal challenges, changing weather conditions, and fluctuating global commodity prices. This resilience continues to underpin the quality of our lending portfolio and is evident in the minimal level of provisions disclosed in these accounts.

In 2025 we expanded the lending proposition to include corporate agricultural businesses, landed estates and both working capital and infrastructure investment products designed to support our customers transition to meet their net zero ambitions. Alongside this our "NewGen" scheme continues to support new entrants into the agricultural sector. We have also invested in our digital core, its scalability, security and breadth of capability to keep providing the efficiency and flexibility our customers need.

In the previous 12 months we have raised an additional £43 million of capital from existing and new shareholders to support the organisations growth. We have also fully utilised the £300m ENABLE Guarantee from the British Business Bank and attracted further Tier 2 capital from existing shareholders as well as a further issuance of Tier 2 capital from the British Business Bank.

During the year a group holding structure was implemented as part of the wider business's international expansion, of which Oxbury Bank Group is a key element and the focus of this annual report.

We are proud to be an established and significant backer of the agricultural sector in the UK thanks to the support of our customers and the continued backing of our shareholders many of whom are part of the sector we spend all day every day focussed on. I would like to thank our customers, the team and our shareholders for being so involved and supportive and part of Oxbury's success.

Company Key Performance Indicators:

Loan Book Measures:	2025	2024
Total Facilities available to customers (£m)	£1,953m	£1,151m
Loans and Advances to customers (£m)	£1,748m	£1,027m
ECL allowance / loans and advances to customers (%)	0.14%	0.13%
Customer Lending to Deposit Ratio – December (%)	53%	44%
Capital and Liquidity Measures (Unaudited):		
Total Capital Ratio – December	18.8%	22.5%
Leverage Ratio – December	9.2%	12.7%
Liquidity Coverage Ratio – December (%)	296%	460%
Customer Measures (Unaudited):		
Lending Customers	6,316	4,275
Savings Customers	54,458	48,242

[1] Total Capital Ratio – Total Available Regulatory Capital / Total Risk Weighted Assets
[2] Leverage Ratio – Tier 1 Regulatory Capital / Total Exposures
[3] Liquidity Coverage Ratio - High Quality Liquid Assets / Total net cash outflows over the subsequent 30-day period.

James Farrar
Chief Executive Officer
22nd April 2026

Principal Activities and Review of the Year

Oxbury is a specialist bank uniquely focused on agriculture and the rural economy in the UK.

We provide tailored funding to farmers to support their cash flow management via our Oxbury Farm and Flexi Credit Accounts, an Asset Finance proposition to support customers finance mid-term investment items such as farm equipment, and term lending products to enable longer term investment in farm infrastructure. We also provide a range of deposit products to individuals, businesses and farmers that want to support farmers and the wider rural community.

Oxbury serves its customers through cloud-based technology solutions, avoiding the constraints of legacy-based systems.

Oxbury has continued to develop its proposition through 2025 by structured engagement with a wide range of stakeholders. This engagement has reinforced that there is market demand for a finance provider focused on Agriculture. The sector requires support through the transition of government subsidy arrangements following the UK's departure from the EU, to meet environmental transition targets and to navigate transformations in the food supply chain. In 2025 we have designed and launched new products, including our Oxbury Transition Facility, specifically to support the industry's journey towards net zero.

During 2025, a new corporate structure with a new parent holding company was introduced to support the expansion of the wider group into non-UK opportunities.

In the year, the Company made a profit from ordinary activities before tax of £15.7million (2024: £7.5million). This was driven through growth in the lending asset, increasing net interest income further, partially offset by the increase in the cost base to support future growth.

The carrying value of the cloud-based technology solution underpinning the Bank's business processes, an intangible asset, increased to £7.3 million (2024 £6.6 million).

Company Values

The Company has established a Board with broad experience across both financial services and agriculture supported by an experienced executive team operating within a robust governance structure described in the Corporate Governance section below.

The Board have set out key values against which the business will operate, and these are as follows:

- **Integrity** – we aim to be transparent in everything we do and have open, honest, and respectful engagement with all our stakeholders.
- **Customer Focused** – we will design products and services that are focused on meeting customer needs.
- **Risk** – we will continue to create a culture where everyone in the business takes responsibility for managing risk.
- **Competitive** – we aim to be competitive in the markets in which we will operate providing genuine choice for customers.
- **Partnership** - we actively work to receive the respect of colleagues, customers, partners, regulators, shareholders and suppliers.
- **Sustainability** - we consider our environmental footprint in our day-to-day operations and actively pursue a carbon neutral status. Our ethos is to support sustainability and the transition to a net zero economy.

Environmental, Social and Governance

Oxbury's approach to Responsible Impact is guided by four pillars: People, Planet, Principle and Partnerships. These pillars are intended to guide a holistic approach to managing our activities in ways that aim to amplify positive outcomes and minimise negative impacts across our operations.

By 31st December 2025 we had mapped more than 200,000 hectares of our customer farms, enabling us to identify key land cover types and using the location-specific information during credit assessments to, for instance, assess flood risk. In 2026 we aim to improve the availability of land cover information in order to track land cover change over time.

During 2025 we assessed the soil organic carbon levels on customers over 120,000 hectares. We believe that customers who invest in soil health will be a lower credit risk in future as their farms would be better able to withstand extreme weather events and they would be able to respond to supply-chain demands to reduce emissions. We aim to reach 240,000 hectares of soil organic carbon assessed in 2026 and incorporate the information in our risk assessment processes.

In order to support customers who are making changes to their farming operations to continue farming profitably while improving soil health and reducing emissions, we introduced the Oxbury Transition Facility (OTF) in February 2025. Customers use the funding for a wide variety of actions including planting herbal leys and mixed species grasslands and investing in renewable energy sources to reshape their systems. These farms comprise approximately 50,000 hectares — including more than 30,000 hectares of arable land and nearly 15,000 hectares of grassland, plus 2,000 hectares of woodland and 3,000 kilometres of hedgerows. We entered into 10 partnerships during the year where we recognise the evidence supplied by farmers to qualify for various supply-chain programmes as acceptable for our facility thus reducing duplication and administration for customers. We expect to expand both the number of partnerships and customers for the OTF in 2026.

During 2026 we will complete the gap analysis and action plan as required by Supervisory Statement 5/25 to expand our climate-risk assessment capabilities and continue pilot projects in progress to review the use of biodiversity indicators to assess nature-risks.

Risk Management

Oxbury has continued, to maintain adequate capital resources and liquidity, remain operationally resilient for our customers, and remains compliant with all laws and regulations, at all times.

The risk management strategy within Oxbury is designed to deliver these outcomes. The strategy encourages all our colleagues to identify, mitigate and manage all risks within the business and for these risks to be appropriately escalated to executive management and the Board.

The critical components underpinning the risk management strategy are highlighted below:

Risk Management Framework

The Risk Management Framework (RMF) sets out the basis on which risk is managed within Oxbury to support delivery of the business strategy. The RMF defines the key risks faced by Oxbury and the key roles and responsibilities for the management of those risks including the need for a Risk Appetite Statement. The RMF also sets out, at a high level, the control environment incorporating a series of policies which provide guidance on the approach to the management of the key risks. A Risk Register is reported to the Board and regularly reviewed in more detail by the Board Risk Committee.

The RMF categorises the risks faced by the Bank and the principal categories are:

Conduct, Legal and Compliance Risk	Conduct Risk is defined as the risk of failure to provide good customer outcomes or good value to customers or causing intolerable harm to customers due to inappropriate culture, improper business conduct and/or poor customer treatment. Legal and Compliance Risk is the risk to the financial and reputation soundness of the Bank arising from non-compliance with any legislation or regulation or regulatory expectation.
Credit Risk	The risk of a reduction in earnings and/or value resulting from the failure of the party with whom the Bank has contracted to meet obligations (both on and off-balance sheet), as they fall due.
Natural Capital Risk	The risk of loss caused by the Bank's failure to adapt, or its customers or suppliers' failure to adapt, to the transition risks to a carbon neutral economy or to the physical impacts of climate change resulting from loss of bio-diversity, soil quality and water security.
Financial Risk	The risk that the Bank does not have sufficient financial resources to meet its commitments when they fall due, can secure them only at excessive cost, the Bank does not have sufficiently stable and diverse sources of funding, or that the funding structure is insufficient caused by the adverse movements in external markets and or ineffective internal controls. The risk to the Bank's revenue as set within the budget and the medium-term plan arising through sub-optimal implementation of the strategy as approved by the Board. In assessing strategy risk, consideration is given to both internal and external factors.
Operational Risk	The risk of loss caused by human error, ineffective or inadequately designed internal processes, system failure, improper conduct, fraud and external events. The risk of system failure during day-to-day operations or at a time of system development leading to an inability to continue the day-today operations of the Bank to deliver our business services within tolerances set by the Board.

The Risk Management Framework is reviewed and approved annually by the Board.

Risk Appetite Statement

A key component of the Risk Management Framework is the Risk Appetite Statement (RAS) approved by the Board which provides guardrails within which Oxbury delivers its business strategy. The Risk Appetite Statement contains qualitative statements which describe the intended outcomes together with metrics setting out the risk limits. The Risk Appetite Statement (including the metrics overseen by the Board and Executive Committees) is approved by the Board annually and reviewed at each Board and Board Risk Committee meeting.

Risk Operating Model

Oxbury's risk operating model is managed through a "three lines of defence" model with clear roles and responsibilities aligned to developing a culture where everyone in the business takes responsibility for managing risk.

The key responsibilities of the three lines of defence are set out as follows:

First Line	The first line comprises all the operating business areas. Each business area is responsible for operating within the risk appetite set by the Board, identifying risks, including climate related risks, within their operation, determining appropriate controls to mitigate them, reporting, and escalating relevant risks
Second Line	The second line comprises the Risk and Compliance function and is accountable for supporting the Board to determine the risk management framework and risk appetite and, undertaking oversight reviews of adherence to the RMF and RAS by the first line.
Third Line	The third line of defence comprises the Internal Audit function which reports directly to the Chair of the Board Audit Committee. Oxbury utilises an outsourced internal audit structure. In September 2025 PricewaterhouseCoopers were re-appointed as our independent internal auditors to deliver the Bank's internal audit capability. The internal audit function is responsible for conducting risk-based audits of the effectiveness of the first and second lines on discharging their risk responsibilities.

Principal Risks and Uncertainties

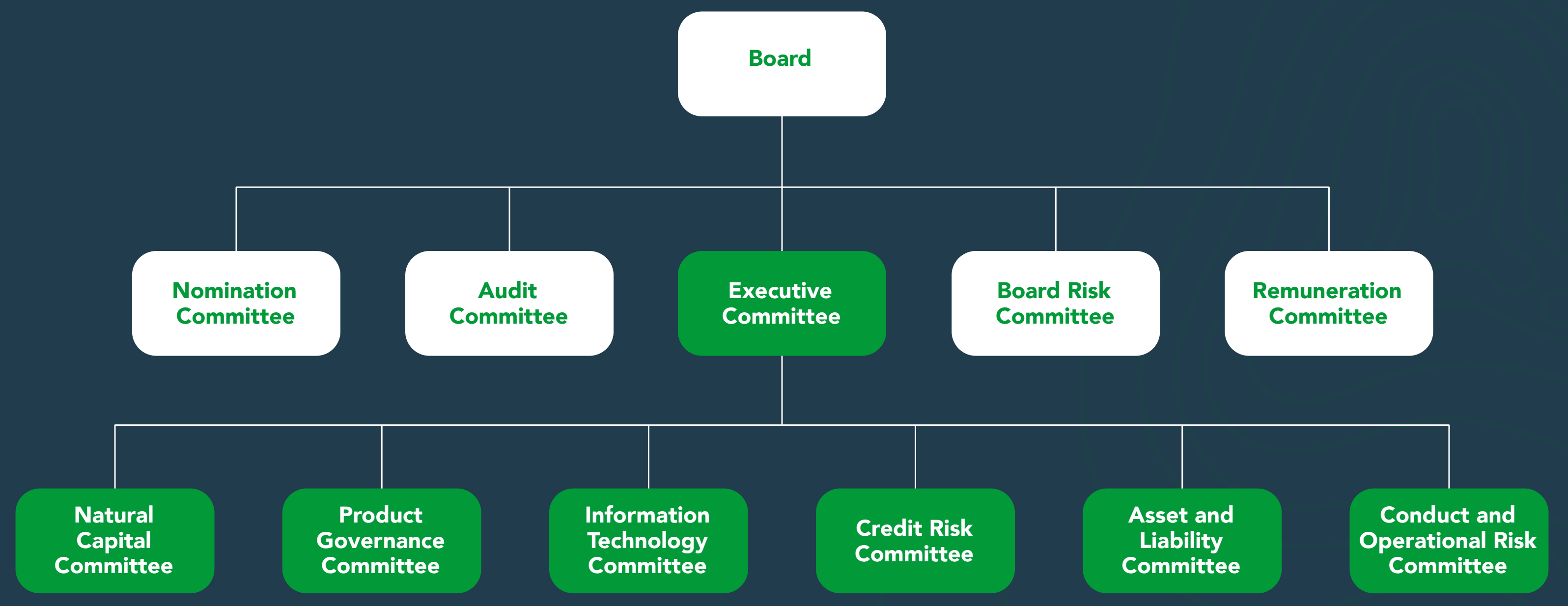
The principal risks and uncertainties faced by Oxbury together with mitigating actions are as follows:

Description	Mitigation	Risk Category
Capital – the risk that Oxbury is unable to raise additional capital to support ongoing growth of the business.	Continued business control by the experienced management team to ensure capital requirements are met and continuation of capital raising.	Financial
Financial Crime – the risk that criminals look to use Oxbury to facilitate financial crime.	Oxbury has put in place a suite of tools at onboarding, regular review cycles and transaction monitoring stages of our operational processes to protect its customers from suffering the effects of financial crime. Internal controls are also in place to protect against internal fraud.	Operational Conduct
Liquidity – the risk that Oxbury is unable to attract or retain sufficient deposit funds to support itself to meet its obligations.	Our deposit products are designed to support the Bank's funding requirements and our treasury management processes monitor the position daily. To meet our liquidity requirements, we maintain a buffer of unencumbered High Quality Liquid Assets ('HQLA').	Financial
UK Economy – The performance of the UK economy faces a number of headwinds which may negatively impact farm performance and credit quality. These include, but are not limited to, the continued impacts of the war in Ukraine / Middle East and their impact on global commodity markets, increased taxes on businesses, labour shortages, and agricultural subsidy substitution.	Oxbury has designed products to be competitive, risk aware and sustainable. The company maintains rigorous cost control and underwriting processes designed to provide individual assessment of risk. Individual credit assessments include scenario stresses that confirm customers have capability to withstand shocks. The company also carries out stress testing at the portfolio level.	Financial Credit
Credit Risk – the risk that customers are unable to make repayments on their loans from Oxbury.	Oxbury undertakes detailed credit assessment of each application and for larger transactions undertakes scenario analysis to ensure repayments are affordable even in stressed scenarios.	Credit Financial

Description	Mitigation	Risk Category
Change Management – the risk that Oxbury is unable to maintain service to customers resulting from a failure to successfully manage change.	Oxbury has in place robust change management protocols to manage changes to its systems or processes to support delivery of operational resilience.	Operational
Natural Capital Risk – the risk that Oxbury and our customers are unable to adequately assess and manage the impacts of physical or transition climate risks.	Oxbury integrates potential climate risks as part of its full management of credit risk from ICAAP through to individual credit approval processes as well as portfolio management against a range of NGFS scenarios. It also works with customers to manage the potential impacts through its product and service offerings.	Environmental and Climate Credit Financial
Poor customer Outcomes / Harm – the risk that Oxbury provides, or continues to provide, an incorrect product or does not provide sufficient information on how a product works leading to customer harm.	Oxbury reviews all products regularly and new products are subject to a robust governance process before launch. Staff receive training on products and attest to sales suitability in credit approvals. Customer feedback / complaints are subject to root cause analysis and subsequent process amendment as required. Oxbury tracks multiple internal metrics and regularly reviews these as part of our ongoing commitment to delivering good customer outcomes aligned the Consumer Duty regulations.	Customer Conduct
Cyber Risk – the risk that the Bank's IT infrastructure is not secure to external vulnerabilities and could be compromised.	Oxbury's technology is developed using a security by design approach, following principles of least privilege and ensuring that all network traffic is secured by the use of firewalls. The platform is regularly scanned using automated vulnerability detection tools and subject to manual penetration testing twice annually. Our end-user estate is protected using advanced detect and respond technologies and our employees undertake regular cybersecurity training and assessment exercises. These defences are supported by an external Security Operations Centre, providing 24x7 monitoring.	Operational

Corporate Governance

Oxbury's corporate governance framework is designed to ensure the independence of the Board and support its ability to efficiently oversee the effectiveness of the management team in executing the Bank's strategy within the Board's risk appetite. Although Oxbury is not required to fulfil the UK Corporate Governance code, the Bank applies the code where applicable. The diagram below provides details of the Board and Executive Committees within Oxbury.



KEY: Board Level Committee Executive Level Committee

The Board is comprised of an independent Non-Executive Chair, three further independent Non-Executive Directors, two investor Non-Executive Directors, the Chief Executive Officer, and the Managing Director.

The Board sets the values and standards by which the business operates and is responsible for the development, approval and monitoring of strategy, the review of business and financial performance, the treatment of customers, the operational resilience of the Bank, and ensuring effective systems and controls are in place for risk management.

The Board is supported in discharging its responsibilities by four sub Committees:

- **Nomination Committee** – leads the process for appointments to the Board, and succession planning for the Board and Executive Committee.
- **Audit Committee** – oversees financial reporting and internal control.
- **Board Risk Committee** – oversees the management of the risks to which Oxbury is exposed.
- **Remuneration Committee** – leads on Remuneration Policy and supports ongoing delivery of sustainable performance.

The Board also provides oversight of the Executive Committee.

Meeting Attendance

The table below sets out the attendance of Directors at Board meetings and the attendance of Committee members at the relevant Committee meetings held through the year.

	Board	Audit Committee	Risk Committee*	Nomination Committee	Remuneration Committee
Huw Morgan	7/7	9/9	8/9	3/3	2/2
Tim Fitzpatrick	7/7	9/9	9/9	3/3	2/2
Simon Featherstone	7/7	8/9	9/9	3/3	2/2
Charles Richard Percy	7/7	7/9	7/9	-	-
David Hutchinson	6/7	-	-	-	-
Mark Aitchison	7/7	-	-	-	-
James Farrar	7/7	9/9	9/9	3/3	2/2
Nicholas Evans	7/7	6/9	6/9	3/3	2/2

*Excludes meetings solely for approval of lending proposals.

During 2025 we undertook an internal audit of the Board's effectiveness which concluded that the Board and its Committees are operating effectively with strong risk governance and strategic discussion. The review suggested some areas of future consideration in respect of the ongoing composition of the Board and developing the information flow with the new Group Board.

Audit Committee Report

The Board's Audit Committee met 9 times in 2025. The Audit Committee Chair is Tim Fitzpatrick, an independent Non-Executive. The Committee consists of a minimum of 3 members, all independent Non-Executive Directors of the Bank. Details of committee membership and attendance is shown on page 16. The Audit Committee meetings are also regularly attended by the Chief Executive Officer, Managing Director, Chief Delivery Officer, Chief Risk Officer, and Chief Financial Officer.

Internal Audit

The PricewaterhouseCoopers (PwC) outsourced Internal Audit function is accountable to the Board through the Committee Chair, although administratively reports to the Chief Delivery Officer. In order to carry out their responsibilities, the Internal Audit function has:

- full and unrestricted access to all records, property and personnel;
- independent access to the Committee Chair and members of the Committee;
- the right to request meetings with the Committee; and
- the authority and obligation to report significant findings or other concerns to the Committee.

Internal Audit is independent of, and has no responsibility for, operational business management. This ensures the integrity and objectivity of its annual Audit Plan. The authority of the Internal Audit function is derived from the Committee. Internal Audit undertakes audits and agrees with management the appropriate findings and actions to remediate and improve internal controls, risk management and governance.

The Chair of the Audit Committee met separately and on a regular basis with PwC to review the current audit programme performance, discuss emerging business risks and future audit activity.

The Audit Committee approves the annual internal audit plan, including the proposed audit scope as the Bank develops, the methods of approach to be used and allocation of resources. The key focus areas of the internal audit plan for 2025 included review work of the Bank's data management, asset finance business, lending and security processes, Oxbury Flexi Credit and savings fraud, regulatory returns, IT security and cyber risk, governance and board design, the company's recovery plan, and accuracy of single customer view / Financial Services Compensation Scheme reporting. In addition during the year three targeted reviews were undertaken in relation to Treasury, Collateral Management and Credit Quality Assurance.

The Committee challenged management in relation to the design and operational effectiveness of the internal control environment and remedial actions in respect of control weaknesses.

The Audit Committee undertook the following critical activities during the year:

- approved the ongoing roles and responsibilities of the internal audit function and confirmed their independence which included approving the Audit Charter
- assessed the overall quality and effectiveness of the outsource function.
- ensured the "Audit Universe" has been fully considered and assessed against first and second lines of defence.
- approved the annual Audit plan together with any ongoing changes during the year.
- reviewed progress on completion of the annual Audit plan activities including other assurance activities provided.
- reviewed internal audit reports produced to assess the quality and effectiveness of the company's internal systems and controls.
- reviewed the quality and timeliness of management's response to internal audit findings and subsequent actions to address.

The principal focus of the Committee and PwC into 2026 will be model governance, treasury operations, third party and outsourcing risk management, change management, AI strategy and governance, resilience and incident management, compliance effectiveness, and liquidity reporting.

The Committee also considered the ongoing remit of Internal Audit, its budget and resources.

External Audit

BDO were reappointed as the Company's external auditor at the 2025 Annual General Meeting. They have been the Company's external auditor since inception in 2018.

The Committee places great importance on the quality, effectiveness and independence of the external audit process. The Committee approved and has monitored BDO's execution of the external audit plan. It also discussed all significant matters identified in BDO's 2025 final Audit report including the key accounting judgements taken by management and management's responses to any audit findings.

An important responsibility of the Committee is to review and agree the most significant management accounting estimates and judgements which impact the financial statements. After receiving reports on the significant estimates and areas of judgement and after discussion with BDO, the Committee agreed that the judgements made were appropriate and correctly reflected and presented in the Annual Report. The Company's Accounting Policies and significant judgements can be found in the notes to the financial statements on page 44 onwards.

The Committee is responsible for the implementation and monitoring of the Company's policies on external audit, which are designed to maintain the objectivity and safeguard the independence of the external auditor. These policies are reviewed annually. They cover the engagement of the external auditor for non-audit services and the appointment by the Bank of former employees of the external auditor.

Audit effectiveness is assessed continually using measures including a review of the quality and scope of the proposed audit plan and progress against the plan; responsiveness to changes in our businesses; appropriate scepticism and challenge of management; and monitoring the independence, professionalism, and transparency of the audit.

The Committee's review and confirmation of BDO's independence included examining written confirmation from BDO to confirm that they remained independent and objective within the context of applicable professional standards.

The Committee recognises that certain permissible non-audit services can be completed more cost effectively and efficiently from the incumbent auditor given the audit firm's existing knowledge of Oxbury.

Finally, I would like to thank our colleagues in PwC, BDO and the Oxbury Finance team for their professionalism, diligence and considerable commitment during the current year.

Tim Fitzpatrick
Chair of the Audit Committee

Risk Committee Report

The Board's Risk Committee met 9 times in 2025. The Risk Committee Chair is Simon Featherstone, an independent Non-Executive. The Committee consists of a minimum of 3 members, all independent Non-Executive Directors of the Bank. Details of Committee membership and attendance is shown on page 16. The Risk Committee meetings are also regularly attended by the Chief Risk Officer, Chief Executive Officer, Managing Director, Chief Financial Officer, and the Chief Delivery Officer.

In addition to the 9 standard meetings the Committee has also met an additional 4 times to provide detailed oversight of the Bank's ICAAP and ILAAP documents and regularly for the purposes of individual credit approvals within the Committee's mandate or to recommend approval to the Board where required.

The Committee has through the year supported the Board by providing more in-depth oversight of the management of existing and emerging risks faced by Oxbury as set out in the Risk Management Section on pages 10 to 13.

This has been delivered through structured reviews of the following areas:

- the Risk Management Framework;
- the Risk Appetite Statement;
- policy approvals within authority delegated by the Board including those related to financial crime, credit risk, cybercrime;
- detailed review of the Risk Register recommending amendments to the Board reflecting the changing internal and external risk environment;
- specific discussion of the impacts on the agricultural sector from climate risk, domestic and global economic conditions, the changes in the food supply chain through in depth sector reviews, cyber security, the financial crime risks facing Oxbury, credit portfolio quality including review of external benchmarking data, horizon scanning of the regulatory environment and geopolitical risk among others on the risk profile of the business; and
- agreement of the Annual Risk and Compliance Plan and oversight of the review findings. Areas subject to review during 2025 have included regular close and continuous oversight of Anti Money Laundering procedures, the management of complaints, financial promotions, user access, fraud procedures, processes supporting vulnerable customers and the management of colleague training. The Committee also monitored the timely closure of actions resulting from these reviews by management.

The Chair of the Committee has held regular meetings with the Chief Risk Officer to review the current and emerging risk landscape of the business and the current and future oversight activity.

As we move into 2026 the focus of the Committee will continue to be on the existing and emerging risks of the business combined with focus on the performance outcomes of the business against the risk appetite set by the Board as the business continues to grow.

Simon Featherstone
Chair of the Board Risk Committee

Nomination Committee Report

The Board's Nomination Committee met three times during 2025. The Committee chair is Huw Morgan, an independent Non-Executive director and Board Chair. The Committee consists of a minimum of 3 members, all independent Non-Executive Directors of the Bank. Details of Committee membership and attendance is shown on page 15. The Nomination Committee meetings are also regularly attended by the Chief Executive Officer, Managing Director, Chief Risk Officer, and the Head of Human Resources.

The Committee has supported the Board in providing more in-depth review of the current and future composition of the Board and executive team as well as reviewing the completeness of skills / competencies of the Board and Executive team to ensure they continue to meet the requirements of the Board including design of Board training delivered through the year.

Although we are not required to report against the Gender Pay Gap given the size of the company, we recognise the best practice contained within the regulations. Accordingly, the Committee notes the rich diversity of thought and experience on the Board and in the executive team whilst recognising the lack of more traditional diversity. The Committee has encouraged and noted the positive steps taken to increase diversity at senior levels across the Bank below executive level. The Committee will continue to review the position and take steps to ensure appropriate diversity principles are maintained and a strong culture progressively developed.

Huw Morgan
Chair of the Nomination Committee

Remuneration Committee Report

The Board's Remuneration Committee met twice during 2025. The Remuneration Committee Chair is Tim Fitzpatrick, an independent Non-Executive and Senior Independent Director. The Committee consists of a minimum of 3 members, all independent Non-Executive Directors of the Bank. Details of committee membership and attendance is shown on page 15. The Remuneration Committee meetings are also regularly attended by the Chief Executive Officer, Managing Director, Chief Risk Officer, and the Head of Human Resources.

The Committee has supported the Board by approving the Remuneration Policy and overseeing its implementation in the business. The Committee has overseen external benchmark exercises through the year to ensure that the evolution of the reward framework for all colleagues in Oxbury is commensurate to their contribution and market conditions to maintain a motivated and committed team as the business continues to grow.

The Committee recognises the diversity position set out in the Nomination Committee report on page 15. The Committee has reviewed detailed information on remuneration and is satisfied that within grades and for similar roles there is no significant difference evident within Oxbury between gender.

Tim Fitzpatrick
Chair of the Remuneration Committee

Economic Outlook

The sluggishness of the UK economy in 2025 resulting from the continued overhang of impacts of COVID-19, the Ukraine war, continued tensions in the middle east and fiscal adjustments in the UK look set to continue into 2026.

The impact of these events has seen a fall in inflation towards the Bank of England target rate, increased unemployment, slowing wage growth and subdued investment levels.

In the agricultural market these factors together with local and global weather patterns have supported continued volatility in commodity prices with grain prices under continued pressure and milk prices also expected to fall substantially in the early part of 2026 before showing some recovery. In contrast red meat prices remain elevated to historical norms and the drive for continuity and quality of supply continues to support fruit, egg and chicken prices. These impacts continue, therefore, to provide a mixed backdrop across the sector as we enter 2026. As the Department for Environment, Food and Rural Affairs' ("DEFRA") Farm Business Income Survey continues to demonstrate on farm diversification and engagement in environmental implementation activities provide mitigation to these market conditions.

We have seen a softening of land prices in 2025, and this looks set to continue into 2026 although the multiple drivers of value in land continue to make this softening generally light with some areas still seeing strong competition.

Against this uncertain outlook, consumer spending is likely to remain cautious with average wage increases also showing signs of slowing down. This may dampen consumer discretionary spending impacting revenues from farm diversifications dependent on that spending.

During 2025 we have seen many farmers making significant investments in expansion and transitional projects whilst also seeing others choose to exit the sector resulting in further consolidation in the sector. We expect that trend to continue in 2026. The sector has shown resilience through the uncertainty of 2025, and we expect that to continue through 2026 when we stand ready to support both existing and prospective customers looking to develop new opportunities and those seeking support through difficult times.

Oxbury will continue to closely monitor the economic trends in developing its business model and processes in the provision of support to UK agriculture and the wider rural community.

Huw Morgan,
Chair of the Board of Directors
22nd April 2026

Section 172 Statement

The Directors of Oxbury remain cognisant of their responsibilities under section 172 of the Companies Act 2006, to act in good faith to promote the success of the business for all stakeholders, with reference to delivery of Oxbury's strategy.

Within this assessment, the Board recognises that there are a wide range of stakeholders including investors, employees, suppliers, customers, regulators, the environment, and the need to act fairly for all stakeholders.

The Board addressed these responsibilities throughout the year as follows:

Investors

During May 2025, the business implemented a Group Structure, whereby the shareholders previously directly in Oxbury Bank Plc approved a share-for-share exchange with the ultimate parent, Oxbury Plc (Jersey), together with the incorporation of the direct parent, Oxfield Ltd (Jersey).

The Board continued to assess the strategy, planning and achievement of the Bank to provide a return to shareholders. This included approval of annual the business plan, and review of performance and variation to that plan. The Board has taken specific consideration of the capital and liquidity position of the Bank together with the operational resilience of the Bank and oversight of the project to deliver compliance with the Consumer Duty requirements. In exercising this oversight, the Board and its Committees continue to review policies and procedures against which Oxbury will operate. The Board has also assessed and approved the Risk Management Framework and the Risk Appetite Statement.

Employees

The Board continues to recognise the importance of people in developing the capability and culture of Oxbury and have reviewed throughout the year the structure, composition, and recruitment of appropriately skilled colleagues bringing a mix of agricultural knowledge as well as technology and banking expertise.

Aligned with Oxbury's values, the business encourages a diverse workforce and open culture to deliver a diversity of views in its operations and decision making. In doing so, the Board reviewed the outcome of employee surveys and oversaw closure of actions to address feedback including the addition of a range of new employee benefits more aligned to market norms and commitment to increased learning opportunities for colleagues.

Suppliers

The Board recognises the importance of suppliers in the development and ongoing success of the Bank. The selection, performance and remuneration of critical suppliers continue to be reviewed by the Board.

The business reviews suppliers in the context of their fit with the Bank's strategy and overall third-party risks including operational resilience, through policies which were reviewed and further refined through the year.

Customers

The Board oversees the Bank's obligations related to Consumer Duty regulations which demand the delivery of good customer outcomes and reflected this requirement within the Risk Appetite Statement.

The provision of lending facilities to the UK agricultural community to support both their cashflow management and investment in future success. This combined with the provision of competitive and innovative deposit products to meet the needs of the general public as well as the rural community, are central to the success of the Bank and is designed to deliver good customer outcomes.

The Board continued to review product range, and the development of the customer experience and feedback. The Board also recognised the need to protect customers and the Bank from financial crime and cyber risk and the Board and its Committees continue to review the steps taken to maintain appropriate controls.

Regulators

The Board have ensured that the Bank maintains a transparent and effective relationship with our Regulators throughout the year, involving direct engagement where appropriate at both executive and Board level, together with the comprehensive provision of documentation in support of the operations of the Bank.

Environment and Society

Climate Change is a real and recognised threat to society, the sector we serve and the financial system. Oxbury is conscious of our responsibility to ensure that we grow sustainably and support our customers to transition to a low-carbon, sustainable and resilient economy.

Huw Morgan,
Chair of the Board of Directors
22nd April 2026

Directors' Report

The Directors present their annual report on the affairs of the Company, together with the financial statements and auditor's report, for the year ended 31st December 2025.

The principal activities of the business are to deliver a technology led solution to provide innovative products to meet the needs of the agricultural community and savers across Great Britain. These developments have continued in 2025 with a continuation of a number of food chain finance initiatives. The financial results and position of the business as disclosed in these financial statements are considered satisfactory.

Oxbury is required to hold a sufficient quantum of regulatory capital to meet its capital requirements. In assessing the use of the going concern approach, the Directors have assessed the ability of the Bank to continue to meet those requirements for a period of at least 12 months from the date on which the financial statements are approved.

The assessment takes into consideration the capital legally available to the company, and the excess in that capital, in both quality and quantum, to the regulatory requirement. The Directors also took into consideration the governance process to review changes in trading activity and the potential impact on capital requirements, which efficiently and effectively ensure that the capital position remains in excess of requirements through the year.

When taken into consideration with the forecast continued profitable trading of the business, the Directors conclude that sufficient capital and access to capital was available to support the preparation of the financial statements based on the going concern basis.

The Directors recommend that no dividend payments be made. The Directors confirm that no political contributions were made during the year and that Oxbury maintained provision for qualifying third-party indemnity provisions to the benefit of the Directors, which remain in force at the date of this report.

The primary financial risks to the business are determined as relating to credit, liquidity and interest rate. These risks are discussed in more detail in Note 19 to the financial statements.

Oxbury does not operate to a specific code or standard in relation to the payment of its creditors. The Company agrees the terms of payment with each supplier at the time of engagement and subsequently abides by those terms. The value of outstanding creditors at the end of the year represents 6 days of the total expenditure for the duration of the year.

Emissions and Energy Consumption (UK)

The emissions and energy consumption reporting in respect of Oxbury, was conducted in accordance with methodology set out in the Greenhouse Gas ("GHG") Protocol Corporate Standard, using the Department for Environment, Food and Rural Affairs' ("DEFRA") emissions factors to calculate emissions and was completed using an independent third party's platform, Alectro.

The table below presents our global Scope 1 and Scope 2 emissions for the financial year 1 January 2025 to 31 December 2025.

Exclusively UK based	Year ended 31st Dec 2025	Year ended 31st Dec 2024
Total energy consumption used to calculate carbon emissions (kWh)	100,922	92,300
Emissions from purchased electricity in buildings (location-based) [tCO2e] (Scope 2)	17.86	0
Carbon intensity ratio - carbon emissions per full-time employee (location-based) [tCO2e/ full-time employee]	0.09	0
Emissions from purchased electricity in buildings (market-based) [tCO2e] (scope 2)	0	0
Carbon intensity ratio-carbon emissions per full-time employee (market-based) [tCO2e/full-time employee]	0	0

It should be noted that direct and indirect Scope 1 and 2 emissions contribute a very small proportion of Oxbury's overall impact as indirect emissions through its lending activities to the farming sector are anticipated to represent the vast majority of the Bank's emissions. The Bank has made progress in collecting data and developing processes to improve its existing understanding and ability to estimate

Scope 3 emissions related to its lending book. It continues to model financed emissions, but has expanded the collection of on-farm carbon footprints and data related to input purchases by customers which will inform Scope 3 modelling. This is an ongoing project involving continuous improvements to data quality and accuracy which is expected to continue as methodologies evolve and technologies to measure emissions real-time become available.

Since inception it has been Oxbury's intention to avoid emissions where possible, reduce emissions where feasible and offset any remaining emissions on an annual basis using nature-based solutions aligned to our focus on the rural economy. It is also a principle to offset emissions where they occur and therefore we have focused on offsets in Great Britain.

The Woodland Carbon Code was launched in 2011 followed by the Peatland Carbon Code. When a new woodland is planted, it will only start to capture carbon as the trees grow and therefore its carbon capture potential will occur over a period of time in the future. When the emissions to establish the woodland is taken into consideration, a typical woodland would only start to store carbon after about 10 years. The Woodland Carbon Code methodology was developed to estimate the total carbon capture potential of a woodland as well as the timing thereof. Due to the nature of woodland creation, the Woodland Carbon Credit allows for the sale of Pending Issuance Units (PIUs). PIUs allow for the transparent registration of ownership of future woodland carbon creation. Over time and as the trees grow, the PIUs convert into Woodland Carbon Units (WCUs) which can be formally retired against the owner's emissions. Both instruments are registered on the Markit Registry which provides information on the status of individual woodland and peatland projects and the ownership of units.

Since 2020, Oxbury in partnership with Forest Carbon has purchased 9,728 PIUs representing more than 50,000 newly planted trees across 23 hectares in Northumberland and the Scottish Borders. In 2025, 2,636 PIUs were used at an average price of £27.5/PIU to offset 2,802 tCO2e. (2024: 2,271 PIUs at £26.90/PIU).

We recognise that these operational emissions have already occurred and that the carbon will only be stored over a long time, but believe that these projects will provide broader benefits, some of which will occur over the short term as habitats are restored and connectivity re-established to benefit nature.

The Directors during the year ended 31st December 2025 were as follows:

Independent Non-Executive Directors	**R H Morgan** *Chairman* **S Featherstone** **T Fitzpatrick** **C R Percy**
Executive Directors	**J C D Farrar** *Chief Executive Officer* **N R Evans** *Managing Director*
Investor Non-Executive Directors	**K M Aitchison** **D Hutchinson**

Significant post balance sheet events are disclosed in note 30 of the notes to the financial statements as follows:

- Issuance of additional Share Capital – £16.7 million
- £10m of additional subordinated loan facilities, qualifying as Tier 2 regulatory capital

Each of the persons named as Directors when this report is approved has confirmed that:

- as far as each Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- each Director has taken all reasonable steps to ensure information needed by the Company's auditor in connection with preparing its report has been provided and to establish that the Company's auditor is aware of that information.

This report is approved by the Board and signed on its behalf.

James Farrar
Chief Executive Officer and Company Director
22nd April 2026

Directors Responsibilities

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable laws and regulation. Company law requires the Directors to prepare financial statements for each financial year, in accordance with UK adopted international accounting standards and in conformity with the requirements of the Companies Act 2006.

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 the affairs of the Company and of their profit or loss for the year referenced. In preparing the financial statements the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with UK adopted international accounting standards and the Companies Act 2006; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

It is the responsibility of the Directors to keep adequate accounting records that are sufficient to show and provide explanation of the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company, enabling them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for such internal control as they determine necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error, and have a general responsibility for taking such steps as are reasonably available to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

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

Signed on behalf of the Board by:

James Farrar
Chief Executive Officer and Company Director
22nd April 2026

Independent Auditor's Report to the members of Oxbury Bank Plc

Report on the audit of the financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Company's affairs as at 31 December 2025 and of the Group's and the Company's profit and the Group's and the Company's cash flows for the year then ended;
- the Group and the Company financial statements have been properly prepared in accordance with UK adopted international accounting standards; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Oxbury Bank Plc (the 'Company') and its subsidiaries (the 'Group') for the year ended 31 December 2025 which comprise of the following: the Group and the Company Statement of Profit or Loss and Other Comprehensive Income; the Group and the Company Statement of Financial Position; the Group and the Company Statement of Cash Flows; the Group and the Company Statement of Changes in Equity; and notes to the financial statements, including a summary of material accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards.

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

Independence

We remain independent of the Group and the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Group and the Company and we remain independent of the Group and the Company in conducting our audit.

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 Group and the Company's ability to continue to adopt the going concern basis of accounting included:

- obtaining the Directors' assessment of the going concern assumption applied in the financial statements and evaluating the appropriateness of Directors' assumptions of going concern in light of the current macroeconomic environment, inflationary pressures, as well as our understanding of the Group's and the Company's strategy, forecasts, Internal Capital Adequacy Assessment Process (ICAAP) and Internal Liquidity Adequacy Assessment Process (ILAAP) submissions and Prudential Regulation Authority (PRA) minimum capital requirements;
- challenging the Directors' assumptions and judgements (for example, budgeted revenues and costs) applied within the forecast for consistency with our understanding of the business, observations of historic trends, and other corroborative information;
- reviewing the Directors' forecasted position against capital requirements to evaluate the reasonability of the Director's assessment of minimum capital injections required and the point at which they would be required;
- testing the sensitivity of certain assumptions applied in the forecast through independent sensitivity analysis;
- confirming the arithmetical accuracy of the forecast;
- considering the historical accuracy of forecast through comparison of actual results with prior years forecasts;
- reviewing correspondence with regulators and the impact of the Directors' plans; and
- assessing the adequacy and appropriateness of the Directors' going concern disclosures ensuring these reflect the key judgements and estimates.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and 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. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Group and the Company's ability to continue as a going concern.

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

Overview

Key audit matters		2025	2024
	KAM 1 Recognition and Measurement of Intangible Assets	✗	✓
	KAM 2 Expected Credit Loss (ECL)	✓	✓
	Recognition and Measurement of Intangible Assets is no longer considered to be a key audit matter given the relative size of additions when compared to materiality, as well as evolution and improvements in the processes implemented to capture the recognition and measurement in line with IAS 38.		
Materiality	Group financial statements as a whole £1,767k (2024: £1,403k) based on three-year average of net assets at 1.2% (2024; two-year average of net assets at 1.2%).		

An overview of the scope of our audit

Our Group audit was scoped by obtaining an understanding of the Group and its environment, the applicable financial reporting framework and the Group's system of internal control. We identified and assessed the risks of material misstatement of the Group financial statements including with respect to the consolidation process. We then applied professional judgement to focus our audit procedures on the areas that posed the greatest risks to the group financial statements. We continually assessed risks throughout our audit, revising the risks where necessary, with the aim of reducing the group risk of material misstatement to an acceptable level, in order to provide a basis for our opinion. For the purpose of our group audit, the group consisted of one component in total. This was comprised of three legal entities being Oxbury Bank Plc, Oxbury Earth Limited, and Oxbury Earth LLC.

The Group engagement team has performed all procedures directly and has not involved component auditors in the Group audit.

How Climate change affected the scope of our audit

Our work on the assessment of potential impacts of climate-related risks on the Group's operations and financial statements included:

- enquiries and challenge of management to understand the actions they have taken to identify climate-related risks and their potential impacts on the financial statements and adequately disclose climate-related risks within the annual report;
- our own qualitative risk assessment taking into consideration the sector in which the Group operates and how climate change affects this particular sector;
- review of credit files to identify collateral types and individual exposures vulnerable to climate related risks such as flooding and assess whether these factors materially impact expected recoveries and in turn the expected credit loss; and
- review of the minutes of Board and Committee meeting minutes including the Climate Committee minutes and other papers related to climate change to inform a risk assessment as to how the impact of the Group's commitment as set out in the Strategic Report may affect the financial statements and our audit.

We challenged the extent to which climate-related considerations risks, including the expected cash flows from the initiatives and commitments have been reflected, where appropriate, in the Directors' going concern assessment.

Management disclosures on pages 24-25 form part of the strategic report. Our responsibilities in relation to these disclosures are described in the relevant section of this report and our procedures on these disclosures therefore consisted solely of considering whether they are materially inconsistent with the financial statements or our knowledge obtained from the audit or otherwise appear to be materially misstated.

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, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How the scope of our audit addressed the key audit matter	
Expected Credit Loss (ECL) - £2.5 million (2024: £1.3 million) The judgements and estimates and the accounting policy, in respect of the expected credit loss, are disclosed in note 4 of the Consolidated Financial Statements. Further information on the balance is included in note 19 of the consolidated financial statements.	Commensurate with the activities of the Group, the total expected credit loss provision is a material balance subject to management judgement and estimation. Under IFRS 9, the Group is required to assess the recoverability of all facilities, not just those specifically identified as impaired. Therefore, the Group must assess the ECL provision across the loan portfolio by incorporating forward looking macro economic factors and evaluating key components such as Probability of Default (PD), Loss Given Default (LGD), Exposure at Default (EAD) and the staging of each exposure. This ensures that the resulting ECL estimate appropriately reflects the credit risk profile of the portfolio. Management judgement and estimation are prevalent in: /// the methodology associated with the calculation of the Probability of Default (PD) for all portfolios; /// the valuation of the collateral held, and the haircuts applied across the various portfolio to estimate LGD; and /// the Multiple Economic Scenarios (MES) used in predicting the defaults, particularly in the current economic environment, and the probability weightings applied to them. Given the significant level of management judgment involved, the nature and extent of audit effort required, and the significance of this matter to our overall audit strategy, we determined this to be a key audit matter.	The key audit matter was addressed by performing procedures including the below: Performed granular and detailed risk assessment procedures over the ECL balance. As part of these risk assessment procedures, we identified the specific assumptions in the ECL methodology associated with a risk of material misstatement. Engaged our credit risk modelling experts to perform an independent assessment of the appropriateness of how the scoring model which is based on external data is appropriate for the Bank's portfolio and the methodology used in deriving PD. Engaged our internal econometrics experts in challenging the appropriateness of the newly applied macroeconomic scenarios (MES), their weightings, and the forward-looking information incorporated in the model by independently assessing the analysis undertaken by the Bank to quantify the relationship between PD and MES using historical data. Engaged our credit risk modelling experts in challenging the assumptions applied by the Group in determining LGD across the lending portfolio. For Stage 3 loans, engaged our internal valuation experts to assess the reasonableness of collateral valuations on a sample basis. Considered whether the collaterals held are susceptible to climate related risks that could reasonably affect expected recoveries and, consequently, the associated expected credit loss. Performed benchmarking and sensitivity analysis to assess the reasonableness of the key ECL assumptions and identified which assumptions have the greatest impact on the ECL balance. In addition to our testing over the key judgements, we also performed the below procedures. Assessed the implementation of the Group's significant increase in credit risk (SICR) criteria by conducting file reviews for a sample of customers across the lending portfolio and challenged the allocation of loans across each stage. Confirmed that the credit conversion factor (CCF) for off-balance sheet exposures was reasonably estimated in determining the EAD on undrawn balances by assessing management's assumptions against alternative CCF inputs. Assessed the completeness and accuracy of the key data elements feeding into the Group's ECL model by agreeing it, on a sample basis, to underlying documentation. This included the inputs into the EAD, PD and LGD. **Key observations:** Based on the procedures performed, we consider the judgement and estimates made by management in determining the expected credit losses to be reasonable.

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

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

	Group financial statements		Company financial statements	
	2025 £000s	2024 £000s	**2025 £000s**	2024 £000s
Materiality	**1,767**	1,403	**1,767**	1,403
Basis for determining materiality	1.2% of a three-year average of net assets	1.2% of a two-year average of net assets	Materiality was capped at Group materiality for the purposes of the audit	Materiality was capped at Group materiality for the purposes of the audit
Rationale for the benchmark applied	Net assets are the focus of stakeholders as the Group and the Company continues to develop its banking operations. Given the Group's continued growth trajectory, using an average rather than a single year position provides a more stable and representative benchmark.			
Performance materiality	**1,325**	1,052	**1,325**	1,052
Basis for determining performance materiality	75% of the above materiality levels based on our risk assessment together with our assessment of the Group's and Company's overall control environment and history of misstatements.			
Rationale for the percentage applied for performance materiality	Various criteria were considered in order to determine the performance materiality threshold, such as past significant misstatements, management's historic response to proposed adjustments, the complexity of the audit, and the lack of brought forward adjustments from prior periods.			

Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of £88,000 (2024: £70,000). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. 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.

Other Companies Act 2006 reporting

Based on the responsibilities described below and our work performed during the course of the audit, we are required by the Companies Act 2006 and ISAs (UK) to report on certain opinions and matters as described below.

Strategic report and Directors' report	In our opinion, based on the work undertaken in the course of the audit: • the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and • 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 Group and the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.
Matters on which we are required to report by exception	We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion: • adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or • the Company financial statements are not in agreement with the accounting records and returns; or • certain disclosures of Directors' remuneration specified by law are not made; or • we have not received all the information and explanations we require for our audit.

Opinion on other matter prescribed by the Capital Requirements (Country-by-Country Reporting) Regulations 2013

In our opinion the information given in note 28 for the financial year ended 31 December 2025 has been properly prepared, in all material respects, in accordance with the Capital Requirements (Country-by-Country Reporting) Regulations 2013.

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 Group's and 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 Group or the Company or to cease operations, or have no realistic alternative but to do so.

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. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the Company and management.

Extent to which the audit was 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:

Non-compliance with laws and regulations

Based on:

- our understanding of the Group and the Company and the industry in which it operates;
- discussion with management and those charged with governance, members of the Audit Committee, members of the Board of Directors and Members of Internal Audit; and
- obtaining an understanding of the Group's and the Company's policies and procedures regarding compliance with laws and regulations,

We considered the significant laws and regulations to include: the Companies Act 2006, relevant tax legislation, and UK adopted International Accounting Standards for the Group and the Company. We also considered the Company's compliance with the license conditions and supervisory requirements of the Prudential Regulation Authority (PRA) and the Financial Conduct Authority (FCA). Non-Compliance with these laws and regulations could have a material effect on the amounts or disclosures in the financial statements, for example through the imposition of fines or litigations.

Our procedures in respect of the above included:

- obtaining an understanding and considering the effectiveness of the control environment related to monitoring compliance with laws and regulations;
- enquiries of management, the Audit Committee, and the Board of Directors whether there were any litigations and claims, or instances of non-compliance with laws and regulations;
- review of minutes of meetings of those charged with governance for any instances of non-compliance with laws and regulations;
- review of correspondence with regulators, including the Prudential Regulation Authority (PRA) and the Financial Conduct Authority (FCA) for any instances of non-compliance with laws and regulations;
- meeting with the PRA;
- review of financial statement disclosures and agreeing to supporting documentation;
- involvement of tax specialists in the audit; and
- review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- enquiry with management, those charged with governance, the Audit Committee, and Members of Internal Audit regarding any known or suspected instances of fraud;
- obtaining an understanding of the Group's and the Company's policies and procedures relating to:
  - detecting and responding to the risks of fraud; and
  - internal controls established to mitigate risks related to fraud.
- review of minutes of meetings of those charged with governance for any known or suspected instances of fraud;
- discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these.

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override of controls, including the opportunity presented as a result of control deficiencies over the payment process.

Our procedures in respect of the above included:

- in addressing the risk of fraud through management override of controls, testing a sample of journal entries throughout the year, including journals that met defined risk criteria as well as a selection of journals not meeting those criteria, by agreeing to supporting documentation;
- testing a sample of payments for implementation of controls relating to approvals and segregation of duties;
- understanding all the relevant systems and processes, including the design and implementation of key controls and testing the operating effectiveness of IT General Controls in areas carrying a significant risk of material misstatement; and
- assessing significant estimates made by management for bias.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

Other matters which we are required to address

We were appointed at the Annual General Meeting on 24 June 2025 to audit the financial statements for the period ended 31 December 2025.

Our total uninterrupted period of engagement is 8 years, covering the periods ended 31 December 2018 to 31 December 2025.

Our audit opinion is consistent with the additional report to the Audit Committee.

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.

Stefan Beyers
(Senior Statutory Auditor)
For and on behalf of BDO LLP,
Statutory Auditor, London, UK
22 April 2026

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

2025 Financial Statements

Statement of Profit or Loss and Other Comprehensive Income – Year ended 31 December 2025

	Notes	Group		Company	
		Year ended 31 Dec 2025	Year ended 31 Dec 2024	Year ended 31 Dec 2025	Year ended 31 Dec 2024
		£000s	£000s	£000s	£000s
Interest receivable & similar income	5	151,488	112,467	151,488	112,467
Interest payable & similar expenditure	5	(104,252)	(81,060)	(104,252)	(81,060)
Net Interest Income		**47,236**	**31,407**	**47,236**	**31,407**
Other Income /(Expenditure)	5	182	-104	169	-104
Total Net Income		**47,418**	**31,303**	**47,405**	**31,303**
Staff Costs	6	(15,111)	(10,919)	(14,854)	(10,741)
Depreciation & Amortisation	13,14	(2,197)	(2,191)	(1,932)	(1,937)
Other Operating Expense	9	(11,322)	(8,184)	(11,166)	(8,039)
Operating Profit before expected credit loss provisions		**18,788**	**10,009**	**19,453**	**10,586**
Expected credit loss on loans and advances	19	(1,219)	(1,031)	(1,219)	(1,031)
Profit on Operations		**17,569**	**8,978**	**18,234**	**9,555**
Finance costs	10	(2,507)	(2,067)	(2,507)	(2,067)
Profit from Ordinary Activities before tax		**15,062**	**6,911**	**15,727**	**7,488**
Taxation	11	(3,790)	(1,625)	(3,807)	(1,625)
Profit from Ordinary Activities after tax		**11,272**	**5,286**	**11,920**	**5,863**
Total Comprehensive Profit		**11,272**	**5,286**	**11,920**	**5,863**

There were no recognised gains or losses for 2025 or 2024, other than those included in the statement of profit or loss and other comprehensive income.

The results for the current and preceding year relate entirely to continuing operations. The notes which form part of these financial statements can be located from page 44 to page 82.

Statement of Financial Position – As at 31 December 2025

(Company: Oxbury Bank Plc; Registered Number: 11383418)

	Notes	Group			Company		
		31 Dec 2025	31 Dec 2024	1 Jan 2024	31 Dec 2025	31 Dec 2024	1st Jan 2024
Assets		£000s	£000s	£000s	£000s	£000s	£000s
Cash and cash equivalents:							
Cash at Bank of England	24	1,406,822	1,470,898	530,991	1,406,822	1,470,898	530,991
Cash at Credit Institutions	24	20,946	21,539	12,990	20,657	21,120	12,674
Investment Securities	31	373,924	-	-	373,924	-	-
Loans and Advances to Customers	25	1,748,444	1,021,621	601,533	1,748,444	1,021,621	601,533
Corporation Tax Receivable		-	-	-	-	-	-
Other Assets	16	2,087	1,425	1,176	3,332	2,598	1,610
Property, Plant & Equipment	13	554	792	972	550	786	971
Intangible Assets	14	7,311	6,579	6,382	5,713	5,426	5,416
Investment in Subsidiary		-	-	-	2,466	2,466	2,466
Net Deferred Tax Asset	11, 29	-	1,981	3,209	-	1,942	3,209
Total Assets		**3,560,088**	**2,524,835**	**1,157,253**	**3,561,908**	**2,526,857**	**1,158,870**
Liabilities							
Customer Deposits	26	3,309,014	2,349,721	1,059,947	3,309,014	2,350,433	1,060,658
Other Liabilities and Accruals	17	8,101	3,334	2,196	7,993	3,319	2,354
Subordinated Debt	4, 12	34,191	17,798	15,191	34,191	17,798	15,191
Net Deferred Tax Liability	11, 29	471	-	-	431	-	-
Total Liabilities		**3,351,777**	**2,370,853**	**1,077,334**	**3,351,629**	**2,371,550**	**1,078,203**
Equity							
Share Capital	20	1,156	1,028	762	1,156	1,028	762
Share Premium	21	203,356	160,636	92,226	203,356	160,636	92,226
Accumulated Profits/(Losses)	22	3,222	(8,049)	(13,335)	5,196	(6,724)	(12,587)
Capital Contribution Reserve	23	577	367	266	571	367	266
Total Equity		**208,311**	**153,982**	**79,919**	**210,279**	**155,307**	**80,667**
Total Liabilities & Equity		**3,560,088**	**2,524,835**	**1,157,253**	**3,561,908**	**2,526,857**	**1,158,870**

The notes which form part of these financial statements can be located from page 44 to page 82.

Details of the restatements are included in note 25. Equity and profits of the Group and Company are not impacted as a result of the restatement. The restated columns relate to the opening and closing positions for 2024, and reflect a change related to deferred income and deferred costs in regard to Loans and Advances to Customers from the previously audited accounts.

The financial statements have been approved and authorised for issue by the Board and are signed on its behalf by:

James Farrar
Chief Executive Officer and Company Director
22 April 2026

Statement of Cash Flows – For the year to 31 December 2025

		Group		Company	
		31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
		£000s	£000s	£000s	£000s
Cash flows from operating activities					
Profit for the year after taxation		11,272	5,286	11,920	5,863
Reduction in Net Deferred Tax Asset	11	2,232	1,268	2,362	1,268
Income Tax		1,558	358	1,445	358
Research & Development Tax Credit	11	-	-	-	-
Profit for the year before taxation		**15,062**	**6,871**	**15,727**	**7,488**
Adjustments for non-cash items:					
Depreciation & Amortisation	13, 14	2,197	2,191	1,932	1,937
Amortisation of Investment Securities		(59)	-	(59)	-
Expected credit loss provision		1,219	798	1,219	798
Share-based payment expense	23	210	101	205	101
Net (decrease) / increase in Interest Accrual		(509)	1,138	(509)	1,138
Net (decrease) / increase in Deferred Income		-	-	-	-
Subordinated loan interest expense		2,444	1,980	2,444	1,980
Lease interest expense		55	71	55	71
Net Interest Income		(47,236)	(31,407)	(47,236)	(31,407)
		(26,617)	**(18,257)**	**(26,222)**	**(17,894)**
Net changes in operating assets and liabilities					
Net (increase) in other assets		(646)	(252)	(734)	(991)
Net increase in other liabilities		4,722	888	4,549	716
Net increase in customer deposits		952,287	1,283,668	951,575	1,283,668
Increase in loans and advances to customers		(726,088)	(420,257)	(726,088)	(420,257)
Interest Received - Institutions		52,844	49,638	52,844	49,638
Interest Received - Investment Securities		6,254	-	6,254	-
Interest Received - Loans and Advances		90,100	61,062	90,100	61,062
Interest Paid - Deposit Customers		(97,243)	(74,950)	(97,243)	(74,950)
Income taxes paid		(1,125)	-	(1,125)	-
Cash flows generated from operating activities		**253,487**	**881,540**	**253,910**	**880,992**

Statement of Cash Flows (continued)

		Group		Company	
		31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
		£000s	£000s	£000s	£000s
Investing activities					
Purchase of tangible assets	13	(73)	(119)	(72)	(119)
Purchase of Investment securities	31	(820,188)	-	(820,188)	-
Sale of Investment securities	31	447,232	-	447,232	-
Gain on Sale of Investment securities		-	-	-	-
Addition in intangible assets and trademarks	14	(2,617)	(1,643)	(1,911)	(1,643)
Net cash flows used in investing activities		**(375,646)**	**(1,762)**	**(374,939)**	**(1,762)**
Financing activities					
Issue of share capital		43,129	68,951	43,129	68,951
Costs directly related to issue of share capital		(282)	(275)	(282)	(275)
Increase in Subordinated Debt	12	16,250	2,500	16,250	2,500
Interest paid on Subordinated Debt		(2,301)	(1,873)	(2,301)	(1,873)
Interest paid on lease payments		(55)	(71)	(55)	(71)
Payments in relation to leases		(252)	(109)	(252)	(109)
Net cash flows from financing activities		**56,490**	**69,123**	**56,490**	**69,123**
Net increase in cash and cash equivalents in the year		**(64,669)**	**948,456**	**(64,539)**	**948,353**
Cash and cash equivalents at start of the year		**1,492,437**	**543,981**	**1,492,018**	**543,665**
Cash and cash equivalents at end of the year		**1,427,768**	**1,492,437**	**1,427,479**	**1,492,018**

Details of the restatements are included in note 25. Equity and profits of the Group and Company are not impacted as a result of the restatement. The restated columns relate to the opening and closing positions for 2024, and reflect a change related to deferred income and deferred costs in regard to Loans and Advances to Customers from the previously audited accounts.

Group Statement of Changes in Equity - period ended 31 December 2025

GBP £000s	Called Up Share Capital	Share Premium	Accumulated Profits/(Losses)	Share Based Payments	Capital Contribution Reserve	TOTAL
Notes	**20**	**21**	**22**	**23**		
As at 31st December 2023	**762**	**92,226**	**(13,335)**	**266**	**-**	**79,919**
Issue of Share Capital (net of costs)	266	68,410	-	-	-	68,676
Profit for the year	-	-	5,286	-	-	5,286
Employee based share awards	-	-	-	101	-	101
As at 31st December 2024	**1,028**	**160,636**	**(8,049)**	**367**	**-**	**153,982**
Issue of Share Capital (net of costs)	128	42,720	-	-	-	42,848
Profit for the year	-	-	11,272	-	-	11,272
Transfer from Share Based Payment Reserve to Capital Contribution Reserve	-	-	-	(367)	367	-
Employee based share awards	-	-	-	-	210	210
As at 31st December 2025	**1,156**	**203,356**	**3,222**	**-**	**577**	**208,311**

Company Statement of Changes in Equity - period ended 31 December 2025

GBP £000s	Called Up Share Capital	Share Premium	Accumulated Profits/(Losses)	Share Based Payments	Capital Contribution Reserve	TOTAL
Notes	**20**	**21**	**22**	**23**		
As at 31 December 2023	**762**	**92,226**	**(12,587)**	**266**	**-**	**80,667**
Issue of Share Capital (net of costs)	266	68,410	-	-	-	68,676
Profit for the year	-	-	5,863	-	-	5,863
Employee based share awards	-	-	-	101	-	101
As at 31 December 2024	**1,028**	**160,636**	**(6,724)**	**367**	**-**	**155,307**
Issue of Share Capital (net of costs)	128	42,720	-	-	-	42,848
Profit for the year	-	-	11,920	-	-	11,920
Transfer from Share Based Payment Reserve to Capital Contribution Reserve	-	-	-	(367)	367	-
Employee based share awards	-	-	-	-	204	204
As at 31 December 2025	**1,156**	**203,356**	**5,196**	**-**	**571**	**210,279**

Notes forming part of the financial statements

For the year ended 31 December 2025

1. Corporate Information

The financial statements comprise Oxbury Bank Plc ("the Bank"; "Company"; which is a company incorporated as a public limited company in England under registered company number 11383418), under The Companies Act 2006 and domiciled in the United Kingdom.

The registered office address is located at One City Place, Queens Road, Chester, CH1 3BQ. The nature of the operations of each business and its principal activities are set out in the Directors' Report.

2. Accounting Policies and basis of preparation

The principal accounting policies are summarised below. They have been applied consistently throughout the year and to the preceding reporting year.

The financial statements have been prepared in accordance with UK adopted international accounting standards and the Companies Act 2006.

The financial statements have been prepared based on a historical cost basis, and are presented in Pounds Sterling (£), with values rounded to the nearest thousand, unless otherwise indicated. "0" identifies a value which is below one thousand when rounded, "-" represents absolute zero.

New standards which are effective during the year of the financial statements have been adopted, with no material impact on the results in the year, and no change in the accounting policies.

In 2025, the IASB issued "Disclosures about Uncertainties in the Financial Statements – Illustrative examples", impacting multiple IFRS standards, relating to the reporting of uncertainties in their financial statements. The disclosures are illustrative examples to IFRS accounting standards, and do not have an effective date. The examples have been considered in the preparation of these financial statements and no additional disclosure or change in presentation was considered necessary.

There are several new standards, amendments to current standards and issuances of interpretations by the IASB which are effective for future accounting periods, which have not been adopted early.

Amendments effective for annual reporting periods commencing 1st Jan 2026:

- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures).
- Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures)

Amendments effective for annual reporting periods commencing 1st Jan 2027:

- IFRS 18 – Presentation and Disclosure in Financial Statements
- IFRS 19 – Subsidiaries without Public Accountability: Disclosures

The Group is currently assessing the extent of any impact on these standards, amendments and disclosures. IFRS 18 is expected to have a material impact to the presentation of financial information, including on the face of the primary statements and disclosure of additional information. IFRS 19 is not expected to have an impact as it is not expected to apply to financial institutions.

3. Critical accounting estimates and judgements

The preparation of financial statements in compliance with IFRS's requires the Group and Company to use certain estimates and assumptions, which are consistently reviewed for appropriateness based on historical experience and forecast expectations. As a result, future experience may differ from the estimates and assumptions used. It also requires the Company's management to exercise judgement in applying accounting policies.

Management regards the following as being the items which have the largest material impact on the financial statements as presented:

/// Going Concern (Note 4.1)

The assessment of the business is as a going concern, taking into consideration the trading position of the business, the principal risks which could impact on that assumption, and the mitigation to those risks. This is an accounting estimate including the application of expert and management judgement.

/// Effective Interest Rate (EIR) (Note 4.12)

The company calculates the EIR on facilities including a key judgement related to the behavioural life of facilities and repayments made outside of the contractual terms. Historical analysis is used to form an expectation of future behaviour, informing a calculation of the future timing of cashflows, which impacts the equivalent EIR used in the recognition of income.

/// Expected Credit Loss (ECL) (Notes 4.11 & 19)

The calculation of the expected credit loss is forward looking and requires various estimates and judgements to be made, including the probability of default of individual customers and the loss at the point of default. A reduction of the value of the collateral of 10% from the valuations taken would increase the ECL by £61k (2024: £53k). A deterioration in the credit scores by 1 decile reflecting the probability of default would increase the ECL by £1,125k (2024: £710k).

While we have integrated climate risk into our overarching risk management framework, and considered the impact of climate change on credit risk and ECL, we have not identified any material financial impact on the estimates and judgements in the current period.

/// Intangible Asset (Note 4.3 & 14)

The intangible asset is held at the cost incurred, including an allocation of the costs incurred in the internal development of the asset. Expert management judgement of the expenditure incurred is used to identify the proportion of costs which can be capitalised under IAS 38 and the useful life of the asset, being those which enhance the asset to provide additional economic benefit to the company.

4. Summary of material accounting policies

4.1 Going Concern

Oxbury is required to adopt the going concern basis for accounting in the preparation of financial statements unless the Directors believe that at the date of approval of the financial statements, they intend to liquidate and cease trading or have no realistic alternative.

Oxbury is required to hold a sufficient quantum of regulatory capital to meet its capital requirements. In assessing the use of the going concern approach, the Directors have assessed the ability of the Bank to continue to meet those requirements for a period of at least 12 months from the date on which the financial statements are approved.

The assessment takes into consideration the capital legally available to the company, in terms of both quality and quantum, as compared to the regulatory requirement.

The Directors took into consideration the governance process to review changes in trading activity and the potential impact on capital requirements, which efficiently and effectively ensure that the capital position exceeds requirements through the year.

The review also considered a severe but plausible stress relating specifically to capital availability, and the relevant management actions which are available to mitigate, aligned to the ICAAP actions.

The judgement of the Directors was that sufficient capital would be available together with management actions to ensure that requirements were met.

Consideration was taken of the liquid resources and requirements for Oxbury without concern. The judgement was of sufficient available resources, governance process to review the position and management actions to address requirements.

When taken into consideration with the forecast for continued profitable trading, the Directors conclude that sufficient current capital and access to additional capital was available, together with an assessment of the liquidity position, support the preparation of the financial statements based on the going concern basis.

4.2 Cash and Cash Equivalents

Cash and cash equivalents comprise liquid assets which carry an insignificant risk of change of values, are readily convertible to known amounts of cash and with original maturity of less than 90 days.

4.3 Intangible Assets

The Bank utilises a cloud based technological system for the management of future activities as the business matures through the defined steps in its business plan. This is the business' core banking platform and is a key element to the successful achievement of the business plan, and critical in the generation of a profitable revenue base. The Bank will continue to develop its systems to enhance customer experience together with operational efficiency and resilience.

Consultancy, salaries and other costs directly attributable to the acquisition and development of this software are capitalised where they meet the criteria for capitalisation. In addition to an assessment of the cost being directly related to the asset, the specific criteria under IAS 38 to allow capitalisation are as follows:

- Probable future economic benefit.
- Intention to complete the asset.
- Adequate available resources to complete.
- Ability to use the asset.
- Technical feasibility to complete the asset.
- Able to measure the expenditures reliably.

Subsequent to the acquisition of Naqoda Ltd (Renamed Oxbury Earth Ltd) in January 2022, an assessment of the transaction identified the purchase of a group of assets and liabilities, including an intangible asset, which is presented on consolidation, and therefore within the Group presentation.

Intangible assets are stated at cost less amortisation and impairment losses.

In the year, amortisation charges in the Company of £1,624k (2024: £1,633k) and in Group £1,741k (2024 £1,884k) have been recognised at the date of these financial statements. The cost is based on evidenced expenditure of developing the asset. Amortisation is recognised to write off the cost or valuation of assets less their residual values over their expected useful lives, using the straight-line method, on the following basis.

- Operating System Software
  - Core Banking Platform – 7 Years
  - Asset Finance – 5 years

The estimated life of the Core Banking Platform was assessed in the prior year, the result of which was to increase the expected total life from 5 years to 7 years from when first available for use, taking into consideration the technology and business planning assumptions in regard to its use. The financial impact on the performance in the year is for a lower level of amortisation than would have impacted the performance of the business. The impact of the change took into consideration the net book value brought forward, and is prospective from 1st January 2024, as opposed to retrospective.

Intangible assets are regularly reviewed for evidence of impairment, defined as where the carrying value of that asset is lower than its recoverable value, being the higher of the value in use of the asset and the fair value less cost to sell. Where the value of the asset is deemed to be impaired, the carrying value is immediately reduced to the recoverable value.

The primary intangible asset held by Oxbury is in relation to the core banking system, which provides the technological solution against which business operations are underpinned. The assessment of impairment is based on value in use, through the sum of discounted future cashflows for the business. The assessment includes the use of business forecasts, which are subject to variation, including the gross and net incomes and cost base for the business. A range of discount factors are used to demonstrate that the assessment that there is no impairment and is not sensitive to the discount factor used, including a reverse calculation to identify the discount factor required to equate to the carrying value, which was significantly in excess of 100%.

4.4 Tangible Assets

Property Plant & Equipment

Fixtures, Fittings and Office Equipment and Computer and IT Equipment are stated at cost less accumulated depreciation and any recognised impairment loss. The cost is based on evidenced cost of purchasing the asset. Depreciation is recognised to write off the cost or valuation of assets less their residual values over their expected useful lives, using the straight-line method, on the following bases:

Fixtures, Fittings and Office Equipment – 2 Years
Computer and IT Equipment – 2 Years

4.5 Pensions

The Company offers a defined contribution pension scheme for its employees. Any contributions made by the Company are charged to staff costs as incurred.

4.6 Share Capital

Shares are classified as equity when there is no contractual obligation to transfer cash or other financial assets. Incremental costs, if any, directly attributable to the issue of equity instruments are shown in equity as a deduction from proceeds.

4.7 Share-Based Awards

The Company operates an equity-settled share remuneration plan for certain employees, of which none are cash settled. It also grants share-based payments for services and goods received from specific suppliers.

The Company accounts for these schemes based on the requirements of IFRS 2, under which the fair value of the options at granting is determined through the use of an options modelling approach, as no active market is available for the instruments. Assumptions and market comparatives, where available, are used to input into the model, together with the options exercise price and current market values.

The fair value of options granted to employees is determined indirectly through reference to the fair value of the equity instrument granted using an options pricing model. Where options are granted to suppliers, the fair value is to the comparative value of that service, or where not directly ascertainable, the options pricing model is used.

Where required, a charge, equivalent to the value of the option as determined in the model, based on a pro rata of the expected period to exercise of the option, is realised in the statement of profit or loss and other comprehensive income each month, with a corresponding increase in equity. Details are contained in note 23 to the accounts.

4.8 Taxation

Corporation Tax is based on the taxable profits of Oxbury, including reliefs which are available. Taxable profits differ from the financial statements due to items which are excluded for tax purposes or because of the deductibility occurring in differing periods.

Where applicable, the Company's liability to tax takes into consideration the tax rates enacted or substantively enacted for the year.

Where R&D tax credits are claimed, they are assessed under IAS 12, and are recognised as a credit to taxation in the statement of profit or loss and other comprehensive income.

4.9 Financial Assets

Based on the nature of the stock of financial assets at the reporting date, Oxbury initially recognises at fair value less, if applicable, transaction costs. Subsequent measurement is based on amortised cost, aligned to the business model test of holding assets to collect contractual cashflows, and the terms of the financial assets give rise to solely payments of principal and interest (SPPI) on the principal outstanding.

4.10 Financial Liabilities

All financial liabilities are initially measured at fair value and subsequently measured at amortised cost.

During 2025, Oxbury issued £7.5 million of 10 year subordinated notes with a coupon of 11.5%, and £8.75m of 10 year subordinated notes with a coupon of 9% on which Oxbury can repay 5-years after issuance, or within that period subject to conditions including the cessation of qualifying as regulatory capital or their tax treatment.

These liabilities are held at amortised cost, and are not convertible. At the end of 2025, the principal amount of £33.75m was outstanding (2024: £17.5m), all of which was due in a period greater than five years from the accounting date.

4.11 Financial Instruments

(i) Recognition

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Business model assessment:

The 'business model assessment' determines whether the Company's objective is to generate cash flows from collecting contractual cash flows, or by both collecting contractual cash flows and selling financial assets. The assessment is performed at a portfolio level as this best reflects the way business is managed and how information is provided to Management. The assessment is based on Management's expectations. If cashflows are realised in a manner that is different from the original expectation, the classification of the remaining assets in that portfolio is not changed but such information is used when assessing new financial assets going forward.

Cash flow characteristics test:

The assessment of cash flow characteristics determines whether the contractual cash flows of the financial asset are solely payments of principal and interest (SPPI) on the principal amount outstanding and is referred to as the 'SPPI test'. For the purposes of the SPPI test, the principal is defined as the fair value of the financial asset at initial recognition. Interest is defined as consideration for the time value of money and credit risk associated with the principal amount outstanding and for other basic lending rights and costs (e.g. liquidity risk and administrative costs), as well as a reasonable profit margin. The SPPI test is performed at an instrument level based on the contractual terms of the instrument at initial recognition.

Based on those assessments, financial assets are classified as follows:

Amortised cost: A financial asset is classified as measured at amortised cost if it is held within a business model whose objective is to hold the assets to collect contractual cashflows; and its contractual terms give rise on specified dates to cash flows that are SPPI.

FVOCI: A financial asset is classified as FVOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and its contractual terms give rise on specified dates to cash flows that are SPPI.

FVTPL: Financial assets that are managed on a fair value basis, or not classified as measured at amortised cost or FVOCI as per above, are classified as FVTPL. This includes all derivative financial assets.

On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be classified as measured at amortised cost or FVOCI as FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Subsequent measurement of financial asset categories held by the Company is as follows:

Financial assets at FVTPL: subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in the Statement of profit or loss and other comprehensive income.

Financial assets at amortised cost: subsequently measured at amortised cost using the effective interest rate method. Amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment losses are recognised in the Statement of profit or loss and other comprehensive income. Any gain or loss on derecognition is also recognised in the Statement of profit or loss and other comprehensive income.

Financial assets measured at FVOCI: subsequently measured at fair value, with interest, impairment and foreign exchange gains and losses recognised in profit or loss, with all other gains/losses recognised in other comprehensive income. Upon derecognition amounts in other comprehensive income are reclassified to profit or loss.

Reclassification:

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Company changes its business model for managing financial assets.

(ii) Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial Liabilities

The Company classifies its financial liabilities as either measured at amortised cost or FVTPL.

Financial liabilities measured subsequently at amortised cost

Financial liabilities that are not: (i) contingent consideration of an acquirer in a business combination; (ii) held-for-trading; or (iii) designated as at FVTPL; are measured subsequently at amortised cost using the effective interest method. Financial liabilities categorised as measured at amortised cost are initially recognised at fair value minus incremental direct transaction costs. Oxbury holds deposits based on amortised cost.

(iii) Derecognition

Derecognition is the point at which the company ceases to recognise a financial asset or financial liability on its Balance Sheet.

Financial assets

The Company derecognises a financial asset (or a part of a financial asset) when:

- the contractual rights to the cash flows from the financial asset have expired;
- the Company transfers the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred; or
- the Company transfers the financial asset in a transaction in which the Company neither transfers nor retains substantially all the risks and rewards of ownership and it does not retain control of the asset. If the Company retains control of the asset it continues to recognise the transferred asset only to the extent of its continuing involvement and derecognises the remainder.

On derecognition of a financial asset the difference between the carrying amount (or the carrying amount allocated to the portion being derecognised) and the sum of the consideration received (including any new asset obtained less any new liability assumed) is recognised in the statement of profit or loss and other comprehensive income.

Financial liabilities

The Company derecognises financial liability (or a part of a financial liability) when its contractual obligations are extinguished (i.e. discharged, cancelled, or expired).

On derecognition of a financial liability, the difference between the carrying amount (or the carrying amount allocated to the portion being derecognised) and the sum of the consideration paid (including any new asset obtained less any new liability assumed) is recognised in the Statement of profit or loss and other comprehensive income.

(iv) Effective interest rate

The interest income and expense are recognised in profit or loss using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset; or the amortised cost of the financial liability.

When calculating the effective interest rate for financial instruments other than purchased or originated credit-impaired assets, the Company estimates future cash flows considering all contractual terms of the financial instrument, but not expected credit losses.

The calculation of the effective interest rate includes transaction costs and fees paid or received that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or financial liability.

(v) Fair value of financial instruments

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal, or in its absence, the most advantageous market to which the Company has access at that date.

(vi) Impairment of Financial Assets

The impairment charge in the statement of profit or loss and other comprehensive income includes the change in expected credit losses. Expected credit losses (ECL) are recognised for loans and advances to customers and other financial assets held at amortised cost and loan commitments.

Expected credit losses are calculated as an unbiased and probability weighted estimate using an appropriate probability of default adjusted to take into account a range of possible outcomes. The outcomes are measured in a manner that reflects the time value of money and uses reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions. The information considers the value of any collateral held, other mitigants of loss and the impact of discounting using the effective interest rate.

At initial recognition, allowance is made for expected credit losses resulting from default events that are possible within the next 12 months. A provision is made in the case of loan commitments resulting from loss events that are possible within the next 12 months. The combination of these are 12-month expected credit losses. In the event of a significant increase in credit risk (SICR) since origination an allowance (or provision) is made for expected credit losses resulting from all possible default events over the expected lifetime of the financial instrument (lifetime expected credit losses).

Measurement of expected credit losses (ECL's) is based on the 'stage' of the financial asset, based on changes in credit risk occurring since the assets initial recognition as explained below:

Stage 1: When a financial asset is first recognised, it is assigned to Stage 1. If there is no significant increase in credit risk from initial recognition the financial asset remains in Stage 1. Stage 1 also includes financial assets where the credit risk has improved and the financial asset has been reclassified back from Stage 2. For financial assets in Stage 1, a 12-month expected credit loss is recognised. The expected credit loss is calculated by multiplying the probability of default (PD) by the outstanding amount that will be expected to be the exposure at default (EAD), the loss ratio in case of default (LGD).

Stage 2: When a financial asset shows a SICR from initial recognition it is moved to Stage 2. Stage 2 also includes financial assets where the credit risk has improved and the financial asset has been reclassified back from Stage 3. A similar formula as in Stage 1 is used but a lifetime ECL is recognised for Stage 2 financial assets. Financial assets may also be considered in Stage 2, based on review including evidence such as deterioration in credit score following late or missing repayments, and irrespective of when the backstop overdue period is met.

Stage 3: When there is objective evidence of impairment and the financial asset is considered to be in default, or otherwise credit impaired, it is moved to Stage 3.

The Company considers a financial asset to be in default, with respect to loan receivables, as soon as:

- one or more instalments have remained unpaid for at least three months or 90 days (or first unpaid instalment on a forborne exposure); or
- the deterioration in the counterparty's financial circumstances translates into a risk of non-collection. In particular in the event of over-indebtedness/insolvency procedures, receivership, bankruptcy, compulsory liquidation, personal bankruptcy or liquidation of assets; or
- there are direct litigation proceedings with the counterparty.
- for financial assets in Stage 3, a lifetime ECL is recognised and is calculated by multiplying the outstanding amount at reporting date (EAD) by the probability of default (PD) and the Loss Given Default (LGD). are direct litigation proceedings with the counterparty.
- for loan commitments, where the loan commitment relates to the undrawn component of a facility, it is assigned to the same stage as the drawn component of the facility. For the loans underwritten but not yet originated, the loan commitment is assigned to Stage 1.

Write-offs

Customer loans are written off (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Write offs constitute a derecognition event as detailed in (iv) above. Financial assets that are written off can still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due. Amounts subsequently recovered on assets previously written off are recognised within other income in the statement of profit or loss.

Customer lending receivables can be written off if they:

- have been agreed through negotiation with the customer, including as part of an insolvency plan;
- Oxbury have been legally directed to do so; or
- have been the subject of an unfavourable court ruling (negative result of legal proceedings or litigation).

Presentation of loss allowances in the statement of financial position

Loss allowances are presented in the Balance Sheet as follows:

Loans and advances to customers and investment securities
as a deduction from the gross carrying amount of the financial assets; and

Loan commitments:

Generally as a provision; and where a financial instrument includes both a drawn and an undrawn component, and the Company cannot identify the ECL on the undrawn loan commitment component separately from those on the drawn component; the Company presents a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component. Any excess of the loss allowance over the gross amount of the drawn component is presented as a provision.

Loans and Advances to customers

Loans and advances to customers are financial assets of the Company.

Loan receivables are accounted for as per IFRS 9 and as such they are initially recorded at fair value and subsequently measured at amortised cost using the effective interest rate method.

The effective interest rate is the internal rate of return to maturity or, for variable rate loans, to the nearest rate adjustment date. The discounted amount of amortisation on any difference between the initial loan amount and the amount payable at maturity is calculated using the effective interest rate.

In addition to the contractual component of the loan receivable, the amortised cost of loan receivables may include arrangement fees paid by customers, and commissions paid for referral of business. These items, which are all factors in the return of the loan, are either deducted from or added to the amount receivable. They are recognised in the Statement of profit or loss and other comprehensive income as a pro-rated portion discounted at the effective interest rate for the loan receivable to which they apply.

Identifying Credit Risks

Credit risk is defined as the risk of default on a financial asset that may arise from a borrower failing to make required payments.

When determining whether the risk of default on loans and advances to customers has increased significantly since initial recognition, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort as discussed above.

An assessment of whether credit risk has increased significantly since initial recognition considers the change in the risk of default occurring over the remaining expected life of the financial instrument. The assessment is unbiased, probability-weighted and uses forward-looking information consistent with that used in the measurement of expected credit losses. In determining whether there has been a significant increase in credit risk, the Company uses quantitative tests based on relative and absolute probability of default (PD) movements together with qualitative indicators such as watchlists and other indicators of historical delinquency, credit weakness or financial difficulty. However, unless identified at an earlier stage, the credit risk of financial assets is deemed to have increased significantly when more than 30 days past due. Where the credit risk subsequently improves such that it no longer represents a significant increase in credit risk since initial recognition, the asset is transferred back to Stage 1. The transfer back to stage 1 following cure is 12 months for Stage 2 and 24 months for Stage 3 exposures.

Calculation of expected credit losses (ECL)

ECLs are the discounted product of the probability of default (PD), exposure at default (EAD) and loss given default (LGD), detailed below. ECLs are determined by projecting the PD, EAD and LGD for each future month for each exposure. The three components are multiplied together and adjusted to reflect forward looking information. This calculates an ECL for each future month, which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof.

Probability of default ('PD')

An estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

Exposure at default ('EAD')

An estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

EAD is designed to address increases in utilisation of committed limits and unpaid interest and fees that the Company would ordinarily expect to observe to the point of default, or through to the point of realisation of the collateral.

Loss given default ('LGD')

Is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Company would expect to receive, including from the realisation of any collateral. It is expressed as a percentage of the EAD.

Significant increase in credit risk

The Company applies a series of quantitative, qualitative and backstop criteria to determine if an account has demonstrated a significant increase in credit risk and should therefore be moved to Stage 2:

1. Quantitative criteria: this considers the increase in an account's lifetime PD at the reporting date compared to the expected PD when the account was originated.

2. Qualitative criteria: this includes the observation of specific events such as forbearance, watchlist information and expert review.

3. Backstop criteria: IFRS 9 includes a rebuttable presumption that 30 days past due is an indicator of a significant increase in credit risk. The Company considers 30 days past due to be an appropriate backstop measure and does not rebut this presumption.

Forward-looking information

IFRS 9 introduced into the credit risk-related expected loss (ECL) calculation the notion of "forward looking". Through this notion, the requirements in terms of monitoring and measuring credit risk are introduced with the use of forward-looking data, in particular of macroeconomic type.

The incorporation of forward-looking data is not intended to determine a prudential margin on the amount of provisions. It mainly concerns taking account of the fact that past observations do not necessarily reflect future expectations and consequently adjustments are necessary to the amount of the provision determined on the basis of parameters calibrated exclusively on a historic basis. Such adjustments of the amount of the provision can be made either upwards or downwards.

Definition of default

The Company considers a financial asset to be in default, with respect to loan receivables, as soon as:

- one or more instalments have remained unpaid for at least three months or 90 days (or first unpaid instalment on a forborne exposure); or
- the deterioration in the counterparty's financial circumstances translates into a risk of non-collection. In particular in the event of over-indebtedness/insolvency procedures, receivership, bankruptcy, compulsory liquidation, personal bankruptcy or liquidation of assets; or
- there are direct litigation proceedings with the counterparty.

Sensitivity analysis:

Changes in the probability of default and loss given default assumptions could be driven by actual default performance, seasoning of the portfolio or changes in the collateral values, which would affect the allowance for credit losses.

The Company measures the allowance for credit loss at 12-month expected credit losses. If it is determined the credit risk of a receivable has increased significantly since origination, the Company increases the measurement of credit loss to an amount equal to the lifetime expected credit loss.

The sensitivity to the key elements of the calculations has been performed by a credit score deterioration of 1 decile which corresponds to an increase in the probability of default. A 10% movement in the written down value of security has also been applied.

- The year-end expected credit loss value would have increased by approximately £1,213k (2024: £793k) if solely based on the deterioration of the major factors.
- The ECL would have been reduced by approximately £481k (2024: £315k) if solely based on their improvement.

Overall, the effect on the ECL coverage increases to 0.19% from 0.13% when factors deteriorate and decreases to 0.10% from 0.13% when factors improve.

Loans and Advances to customers

Group & Company	**Stage 1**	**Stage2**	**Stage3**
	£'000	**£'000**	**£'000**
Balance as at 1 January 2025 (Restated)	1,005,202	12,611	5,152
Increase in loans and advances to customers	706,055	20,613	1,306
Gross loans and advances to customers	**1,711,257**	**33,224**	**6,458**
Less: allowance for losses on loans and advances	(1,957)	(268)	(269)
Net loans and advances to customers as at 31 December 2025	**1,709,300**	**32,956**	**6,189**

	2025	**2024**
	£'000	**£'000**
Gross loans and advances to customers	1,750,938	1,022,965
Less: allowance for losses on loans and advances	(2,494)	(1,344)
Net loans and advances to customers as at 31 December 2025	**1,748,444**	**1,021,621**
of which :		
Due within one year	167,064	95,412
Due after one year	1,583,874	927,553
Gross loans and advances to customers	**1,750,938**	**1,022,965**

Further analysis of loans and advances is provided in Note 19 and 25.

Details of restatements are included in note 25.

	2025	**2024**
	£'000	**£'000**
Fair value of collateral held (Full)	**2,734,470**	**1,529,362**

Where required, collateral would be realised up to the maximum exposure of the obligor.

4.12 Interest Receivable and Other Income

Interest income and similar income for interest bearing financial instruments is recognised using the effective interest rate (EIR) method. The EIR methodology calculates the amortised cost of a financial asset and allocates the interest over the period to which it relates.

The Company takes into consideration the assessment of expected cashflows with reference to the contractual terms of the instruments, without taking into consideration the expected future credit loss. The recognition of income includes those amounts which are related to the instrument which are considered to constitute the overall return.

Where the individual instrument is assessed as being in default, income is recognised by applying the effective interest rate (EIR) to the amortised cost, which is net of any expected credit losses (ECL).

4.13 Interest Payable and Similar Expenditure

Interest, fees, commission and transaction costs payable which are directly attributable to customer savings are expensed to the statement of profit or loss and other comprehensive income using the Effective Interest Rate method (EIR) method and are included in interest expense.

Total Interest expense on financial liabilities, included in the Statement of Profit and Loss under both Interest Payable and Similar Expenditure and Finance Cost, related to measurement at amortised cost for the year ended 31 December 2025 was £107 million (2024: £83 million), for both Company and Group.

5. Interest receivable and similar income, Interest payable and similar expenditures and Other Income

Interest and similar income/expense

Net interest income comprises interest income and interest expense calculated using the effective interest method. These are disclosed separately on the face of the statement of profit or loss and other comprehensive income for both interest income and interest expense to provide comparable information.

Group & Company	Year ended 31 Dec 25	Year ended 31 Dec 24
	£000s	£000s
Interest receivable & similar income		
Interest income from loans and advances to customers	91,987	61,691
Interest from placement of funds with counterparties	52,306	50,776
Interest from investment securities	7,195	
Total	**151,488**	**112,467**
Interest payable & similar expenditure		
Interest expense on customer Interest expense on customer deposits	104,248	81,057
Other interest expenditure	4	3
Total	**104,252**	**81,060**
Other Expenditure/Income - Group		
Other Net Expenditure	-	(104)
Other Net Income	182	-
	182	**(104)**
Other Expenditure/Income - Company		
Other Net Expenditure	-	(104)
Other Net Income	169	-
	169	**(104)**

6. Staff Costs

The total number of employees in the Group as at December 2025 is 255, and in the Company 214. (2024 – Group: 218; Company: 211).

	Group			
	Total as at 31 Dec 2025	Average during 2025	Total as at 31 Dec 2024	Average during 2024
Management	12	12	12	12
Other	243	224	206	176
Total	**255**	**236**	**218**	**188**
	Company			
	Total as at 31 Dec 2025	**Average during 2025**	**Total as at 31 Dec 2024**	**Average during 2024**
Management	12	12	12	12
Other	235	218	199	172
Total	**247**	**230**	**211**	**184**

The aggregate remuneration comprised (including Directors):

	Group		Company	
GBP (000s)	Year to 31 Dec 2025	Year to 31 Dec 2024	Year to 31 Dec 2025	Year to 31 Dec 2024
Salaries and bonuses including share-based payment provision	12,461	8,970	12,261	8,843
Social security contributions	1,503	923	1,476	905
Pension contributions	1,146	1,026	1,117	993
Staff costs per statement of profit or loss and other comprehensive income	**15,111**	**10,919**	**14,854**	**10,741**
Capitalised Salaries – **not included in the above**				
Salaries, wages and bonuses	1,576	1,639	1,527	1,400
Social security contributions	596	245	200	218
Pension contributions	184	-	184	
Total Remuneration in the year	**17,467**	**12,803**	**16,766**	**12,359**

7. Key Management Remuneration

Group & Company		
GBP (000s)	**Year to 31 Dec 2025**	**Year to 31 Dec 2024**
Fees, wages, benefits and bonuses	2,686	2,255
Share based payment provision	48	49
Social security contributions	380	294
Pension contributions	84	105
Total Remuneration	**3,198**	**2,703**

Key management are defined as members of the Bank's Executive Committee plus executive and Non-Executive Directors.

8. Total Directors' Remuneration

Group & Company		
GBP (000s)	**Year to 31 Dec 2025**	**Year to 31 Dec 2024**
Fees, wages, benefits and bonuses	1,380	1,129
Share based payment provision	6	6
Social security contributions	187	147
Pension contributions	-	21
Total Remuneration	**1,573**	**1,303**

Highest Paid Director Remuneration Group & Company		
GBP (000s)	**Year to 31 Dec 2025**	**Year to 31 Dec 2024**
Fees, wages, benefits and bonuses	497	401
Social security contributions	72	54
Pension contributions	-	11
Total Remuneration	**569**	**466**

Directors' remuneration has not been capitalised (2024: Zero).

9. Other Operating Expense

	Group		Company	
GBP (000s)	**Year to 31 Dec 25**	**Year to 31 Dec 24**	**Year to 31 Dec 25**	**Year to 31 Dec 24**
Other operating costs	8,033	6,026	7,469	5,986
Foreign exchange loss	15	11	13	9
Legal and Professional fees	2,313	1,386	2,723	1,283
External audit fees	961	761	961	761
Total Other Operating Expense	**11,322**	**8,184**	**11,166**	**8,039**

Of the £961k total external audit fees disclosed above, £883k relates to the fees payable to the Group and Company's auditor relating these financial statements, and also assurance services of £1k relating to the Country-by-country reporting and £77k to the mid-year profit verification.

(2024: £761k total; of which £718k relates to the 2024 accounts, £1k to the Country-by-country reporting and £42k to 2023).

10. Finance costs

Group & Company		
GBP (000s)	**Year ended 31 Dec 25**	**Year ended 31 Dec 24**
Finance Expense:		
Finance of Subordinated Debt	2,452	1,996
Finance element of lease agreements	55	71
Total 31 December	**2,507**	**2,067**

11. Taxation

The total tax charge for the year can be reconciled to the profit in the profit and loss account as follows:

	Group		Company	
GBP (000s)	**Year to 31 Dec 2025**	**Year to 31 Dec 2024**	**Year to 31 Dec 2025**	**Year to 31 Dec 2024**
Profit on ordinary activities before taxation	15,062	6,911	15,727	7,488
Standard rate of corporation tax	25.00%	25.00%	25.00%	25.00%
Expected Tax Charge (pre refund)	**3,766**	**1,728**	**3,932**	**1,872**
Effects of: Disallowable expenses	167	117	165	117
Group deduction allowance	-	-	(119)	(90)
Movement in deferred tax asset not recognised	59	-	-	-
Adjustments to tax charge in respect of previous periods	(48)	-	(48)	-
Adjustment: prior year(s) in respect of R&D claim	-	-	-	-
Adjustment: prior year in respect of deferred tax	(219)	(274)	(122)	(274)
Impact of tax rate change	-	-	-	-
Tax impact on consolidation	65	55	-	-
Tax charge for the year	**3,790**	**1,625**	**3,808**	**1,625**
Of which:				
Current Tax				
Current Year – Corporation Tax	1,607	358	1,493	358
R&D tax credits	-	-	-	-
Adjustment in respect of prior years	(49)	-	(49)	-
	1,558	**358**	**1,445**	**358**
Deferred Tax				
Current Year – Corporation Tax	2,452	1,541	2,484	1,541
Adjustment in respect of prior years	(220)	(274)	(122)	(274)
Impact as a result of a change in tax rate	-	-	-	-
	2,232	**1,267**	**2,362**	**1,267**
Tax charge for the year	**3,790**	**1,625**	**3,807**	**1,625**

	Group		Company	
GBP (000s)	**Year to 31 Dec 2025**	**Year to 31 Dec 2024**	**Year to 31 Dec 2025**	**Year to 31 Dec 2024**
Deferred Tax Asset on losses brought forward:	2,515	3,703	2,476	3,703
Movement in the year	(2,751)	(1,699)	(2,615)	(1,699)
Other	-	39	-	-
Prior year adjustment	236	472	139	472
Deferred tax asset recognised	**-**	**2,515**	**-**	**2,476**
Deferred tax liability on tangible and intangible assets brought forward:	(534)	(494)	(534)	(494)
Prior year adjustment	(17)	(197)	(17)	(197)
Movement in the year	80	157	120	157
Total deferred tax liability recognised	**(471)**	**(534)**	**(431)**	**(534)**

Tax losses were initially incurred, which were available for carry forward against taxable profits.

Carry forward losses were utilised in 2025 to offset taxable profits, with no further available losses in Bank at the end of the year (2024: £3,703k).

Deferred tax liabilities represent taxes which are owed but are not due to be paid until a future date and refer to tangible and intangible assets held by Oxbury at the balance sheet date.

The liability value increased in the year, primarily due to the change in the accounting estimate of the useful life of the relevant asset.

12. Subordinated Loan

	Group		Company	
GBP (000s)	**Year ended 31 Dec 2025**	**Year ended 31 Dec 2024**	**Year ended 31 Dec 2025**	**Year ended 31 Dec 2024**
Brought forward	17,798	15,191	17,798	15,191
Issued during 2025 – Cash Inflow	16,250	2,500	16,250	2,500
Carried forward – 31 Dec 2025	**34,048**	**17,691**	**34,048**	**17,691**
Change in accrued interest	143	107	143	107
Subordinated Loan	**34,191**	**17,798**	**34,191**	**17,798**

All notes are due after 5 years. The accrued interest is due within 1 year.

Subordinated liabilities by maturity – Group and Company - 31 December 2025					
GBP (000s)	**Less than 3 months**	**3 months to 1 year**	**1 year to 5 years**	**Over 5 years**	**Total**
Subordinated loan	966	2,759	17,535	43,447	**64,707**

Subordinated liabilities by maturity – Group and Company - 31 December 2024					
GBP (000s)	**Less than 3 months**	**3 months to 1 year**	**1 year to 5 years**	**Over 5 years**	**Total**
Subordinated loan	496	1,516	8,061	24,252	**34,325**

Cashflows are shown on an undiscounted basis.

13. Property & Equipment

Group				
GBP (000s)	**Fixtures, Fittings & Office Equipment**	**Computer & IT Equipment**	**Right of Use Assets**	**Total**
Cost				
Brought forward at 1st Jan 2025	177	349	1,046	**1,572**
Additions in 2025	16	57	-	**73**
Cost as at 31st Dec 2025	**193**	**406**	**1,046**	**1,645**
Accumulated Depreciation				
Brought forward at 1st Jan 2025	(116)	(258)	(406)	**(780)**
Depreciation charge for 2025	(54)	(85)	(172)	**(311)**
Depreciation as at 31st Dec 2025	**(170)**	**(343)**	**(578)**	**(1,091)**
Net Book Value as at 31st Dec 2025	**23**	**63**	**468**	**554**
Net Book Value as at 31st Dec 2024	**61**	**91**	**640**	**792**

The right of use assets relates to the office facilities contracted by Oxbury, commencing 1st September 2021 and 1st December 2022 (vacated November 2023) and 19th September 2023 and 17th November 2023. The total of cash outflows in the year in relation to the right of use asset totalled £307k (2024 £182k.)

Group				
GBP (000s)	**Fixtures, Fittings & Office Equipment**	**Computer & IT Equipment**	**Right of Use Assets**	**Total**
Cost				
Brought forward at 1st Jan 2024	142	265	1,039	**1,446**
Additions in 2024	35	84	7	**126**
	177	349	1,046	**1,572**
Disposals in 2024	-	-	-	**-**
Cost as at 31st Dec 2024	**177**	**349**	**1,046**	**1,572**
Accumulated Depreciation				
Brought forward at 1st Jan 2024	(54)	(180)	(240)	**(474)**
Depreciation charge for 2024	(62)	(78)	(166)	**(306)**
	(116)	(258)	(406)	**(780)**
Depreciation on disposals in 2024	-	-	-	**-**
Depreciation as at 31st Dec 2024	**(116)**	**(258)**	**(406)**	**(780)**
Net Book Value as at 31st Dec 2024	**61**	**91**	**640**	**792**
Net Book Value as at 31st Dec 2023	**88**	**85**	**799**	**972**

13. Property & Equipment (continued)

Company				
GBP (000s)	**Fixtures, Fittings & Office Equipment**	**Computer & IT Equipment**	**Right of Use Assets**	**Total**
Cost				
Brought forward at 1st Jan 2025	177	341	1,046	**1,563**
Additions in 2025	16	56	-	**72**
Cost as at 31st Dec 2025	**193**	**397**	**1,046**	**1,635**
Accumulated Depreciation				
Brought forward at 1st Jan 2025	(116)	(256)	(405)	**(777)**
Depreciation charge for 2025	(54)	(82)	(172)	**(308)**
Depreciation as at 31st Dec 2025	**(170)**	**(338)**	**(577)**	**(1,085)**
Net Book Value as at 31st Dec 2025	**23**	**58**	**469**	**550**
Net Book Value as at 31st Dec 2024	**61**	**85**	**641**	**786**

The right of use assets relates to the office facilities contracted by Oxbury, commencing 1st September 2021 and 1st December 2022 (vacated November 2023) and 19th September 2023 and 17th November 2023. The total of cash outflows in the year in relation to the right of use asset totalled £307k (2024 £182k).

Company				
GBP (000s)	**Fixtures, Fittings & Office Equipment**	**Computer & IT Equipment**	**Right of Use Assets**	**Total**
Cost				
Brought forward at 1st Jan 2024	142	263	1,039	**1,444**
Additions in 2024	35	78	7	**119**
	177	341	1,046	**1,563**
Disposals in 2024	-	-	-	**-**
Cost as at 31st Dec 2024	**177**	**341**	**1,046**	**1,563**
Accumulated Depreciation				
Brought forward at 1st Jan 2024	(54)	(179)	(240)	**(473)**
Depreciation charge for 2024	(62)	(77)	(165)	**(304)**
	(116)	(256)	(405)	**(777)**
Depreciation on disposals in 2024	-	-	-	**-**
Depreciation as at 31st Dec 2024	**(116)**	**(256)**	**(405)**	**(777)**
Net Book Value as at 31st Dec 2024	**61**	**85**	**641**	**786**
Net Book Value as at 31st Dec 2023	**88**	**84**	**799**	**971**

14. Intangible Assets

The intangible asset relates specifically to the cost of the development of the operating system which will provide the customer interaction which drives revenues.

Group			
GBP (000s)	**Operating System Software**	**Trademarks**	**Total**
Cost			
Brought forward at 1st Jan 2025	12,106	26	12,132
Additions in 2025	2,617	-	2,617
	14,723	26	14,749
Disposals in 2025	-	-	-
Cost as at 31st Dec 2025	**14,723**	**26**	**14,749**
Accumulated Amortisation			
Brought forward at 1st Jan 2025	(5,553)	-	(5,553)
Amortisation charge for 2025	(1,886)	-	(1,886)
	(7,439)	-	(7,439)
Amortisation on disposals in 2025	-	-	-
Amortisation as at 31st Dec 2025	**(7,439)**	**-**	**(7,439)**
Net Book Value as at 31st Dec 2025	**7,285**	**26**	**7,311**
Net Book Value as at 31st Dec 2024	**6,553**	**26**	**6,579**

Group			
GBP (000s)	**Operating System Software**	**Trademarks**	**Total**
Cost			
Brought forward at 1st Jan 2024	10,044	6	10,050
Additions in 2024	2, 062	20	2,082
	12,106	26	12,132
Disposals in 2024	-	-	-
Cost as at 31st Dec 2024	**12,106**	**26**	**12,132**
Accumulated Amortisation			
Brought forward at 1st Jan 2024	(3,668)	-	(3,668)
Amortisation charge for 2024	(1,885)	-	(1,885)
	(5,553)	-	(5,553)
Amortisation on disposals in 2024	-	-	-
Amortisation as at 31st Dec 2024	**(5,553)**	**-**	**(5,553)**
Net Book Value as at 31st Dec 2024	**6,553**	**26**	**6,579**
Net Book Value as at 31st Dec 2023	**6,376**	**6**	**6,382**

14. Intangible Assets (continued)

Company			
GBP (000s)	**Operating System Software**	**Trademarks**	**Total**
Cost			
Brought forward at 1st Jan 2025	10,158	26	10,184
Additions in 2025	1,911	-	1,911
	12,069	26	12,095
Disposals in 2025	-	-	-
Cost as at 31st Dec 2025	**12,069**	**26**	**12,095**
Accumulated Amortisation			
Brought forward at 1st Jan 2025	(4,758)	-	(4,758)
Amortisation charge for 2025	(1,624)	-	(1,624)
	(6,382)	-	(6,382)
Amortisation on disposals in 2025	-	-	-
Amortisation as at 31st Dec 2025	**(6,382)**	**-**	**(6,382)**
Net Book Value as at 31st Dec 2025	**5,687**	**26**	**5,713**
Net Book Value as at 31st Dec 2024	**5,401**	**26**	**5,427**

Company			
GBP (000s)	**Operating System Software**	**Trademarks**	**Total**
Cost			
Brought forward at 1st Jan 2024	8,534	6	8,540
Additions in 2024	1,624	20	1,644
	10,158	26	10,184
Disposals in 2024	-	-	-
Cost as at 31st Dec 2024	**10,158**	**26**	**10,184**
Accumulated Amortisation			
Brought forward at 1st Jan 2024	(3,124)	-	(3,124)
Amortisation charge for 2024	(1,633)	-	(1,633)
	(4,757)	-	(4,757)
Amortisation on disposals in 2024	**-**	**-**	**-**
Amortisation as at 31st Dec 2024	**(4,757)**	**-**	**(4,757)**
Net Book Value as at 31st Dec 2024	**5,401**	**26**	**5,427**
Net Book Value as at 31st Dec 2023	**5,410**	**6**	**5,416**

15. Related party transactions

Group & Company

Director and Key management emoluments are separately disclosed within Notes 7 and 8.

Transactions with Directors and key management

The table below discloses outstanding balance and transactions with key personnel, comprised of Directors and members of the Executive Committee, and close family members.

	Number of individuals 2025	Total value 2025	Number of individuals 2024	Total value 2024
Savings				
Balances outstanding at the end of the reporting year	13	£883k	14	£962k
Interest expense for Oxbury	14	£53k	16	£44k

No loans or advances were made to key management during the year (2024 – Nil).

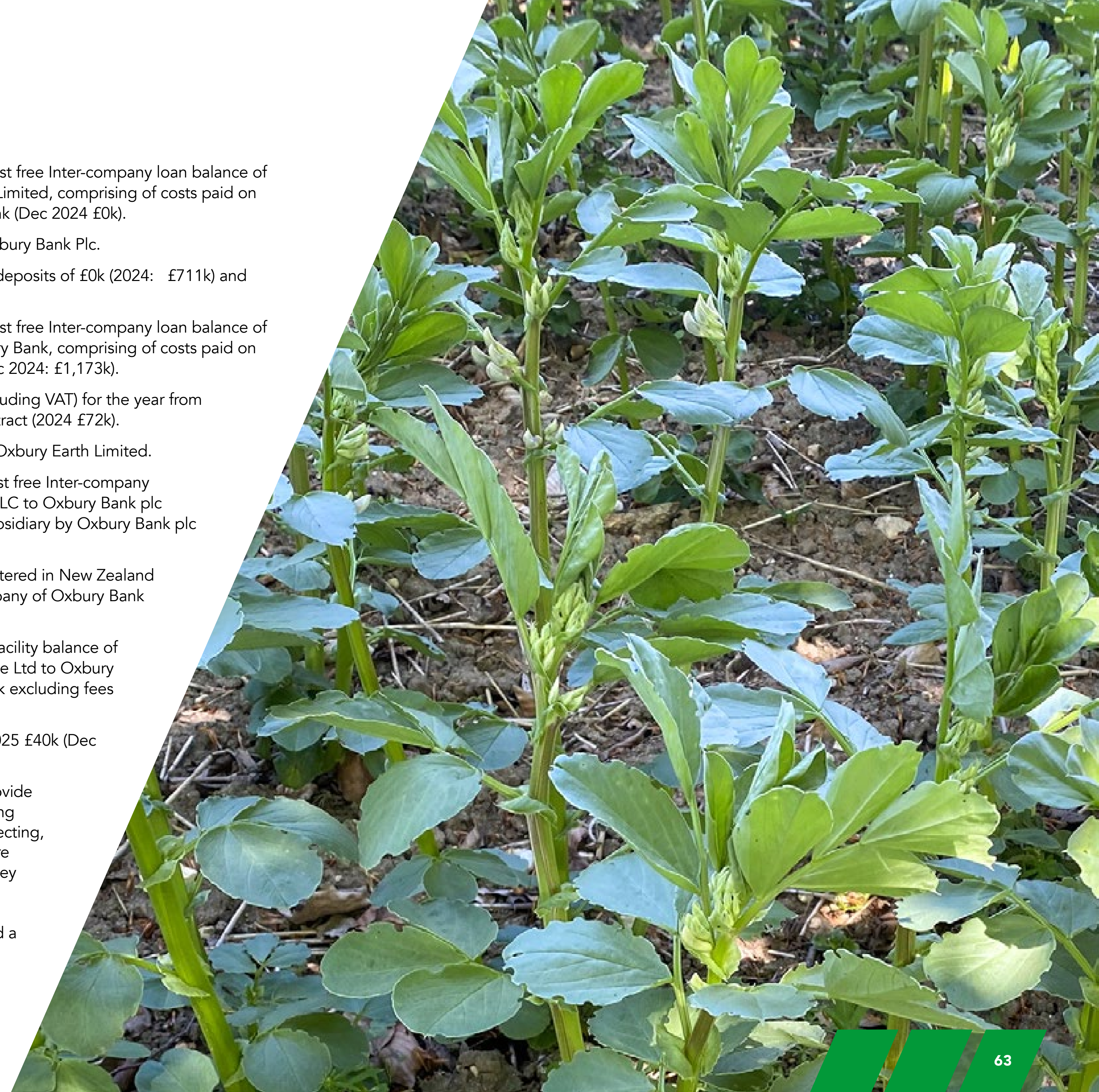
Group Structure

During May 2025, Oxbury Bank plc became part of a group of companies owned by Oxbury plc. Oxbury Bank plc is a wholly owned subsidiary of Oxfield Limited, a company registered in Jersey (Registered office: 3rd Floor, 44 Esplanade, St Helier. Jersey). Oxfield Limited is a wholly owned subsidiary of Oxbury plc, a company registered in Jersey at the same address.

Material transactions with entities for which key management personnel of Oxbury were key management of those entities and had the potential to impact financial and operating policies in Oxbury.

- Three investors hold greater than 10%, but less than 15% of the economic share capital in Oxbury plc: HL Hutchinson Ltd, Frontier Agriculture Ltd and Grosvenor Food and Agtech Ltd. The balance of capital being held by 273 investors each holding less than 10%. Each of HL Hutchinson Ltd and Frontier Agriculture Ltd are represented on the boards of Oxbury plc and Oxbury Bank plc by a Non-Executive Director.
- Frontier Agriculture Ltd invested £5m in Oxbury plc in December 2025 for the purchase of 1,428,571 Ordinary A shares. Frontier Agriculture Limited – Oxbury recognised £533k of interest income in the year on loans guaranteed by Frontier (2024: £468k). Frontier provided a guarantee against £39,009k of the loans and advances to customers as at Dec-2025 (2024: £31,674k).
- HL Hutchinson Ltd – Oxbury Bank plc held deposits of £8,198k at the end of the year, incurring £420k of interest expense (2024: Deposits £10,778k and Interest expense £397k). No income was recognised in the year (2024: £0k)
- C R Percy is a Non-Executive Director of Oxbury Bank plc and a partner in the firm of CR CM and HJ Percy trading as Cottingham Farms. CR CM and HJ Percy trading as Cottingham Farms – Oxbury Bank plc held £0k of deposits for this business at the end of the year. The business realised less than £0k of interest income from Oxbury Bank (2024: Less than £1k deposits and less than £1k Interest expense). CR CM and HJ Percy trading as Cottingham Farms had a lending balance with Oxbury Bank plc of £129k at the year end with interest payable of £7k. (2024: Less than £1k of lending and less than £1k of interest).
- Members of the Executive Committee, Directors and their close family members advanced the company Tier 2 Capital totalling £500k during the year ended 31 December 2025. Balance as at the end of the year £500k (2024 £0). Interest expense for the year £4.3k (2024 £0).
- Oxbury plc - Ultimate Holding Company.
  - As at 31 December 2025 there was an interest free Inter-company loan balance of £540k owed by Oxbury plc to Oxbury Bank plc, comprising of costs paid on behalf of the holding company by Oxbury Bank (Dec 2024 £0k).
  - As at 31 December 2025 there was an interest free Inter-company loan balance of £2,369k owed by Oxbury Bank plc to Oxbury plc. This comprises cash held on behalf of the ultimate holding company by Oxbury Bank Plc (Dec 2024: £0k), the source of funds primarily related to issuance of share capital by Oxbury Plc, net of costs.
- Oxfield Limited – Immediate Parent Company.
  - As at 31 December 2025 there was an interest free Inter-company loan balance of £101k owed by Oxbury Bank plc to Oxfield Limited, comprising of costs paid on behalf of the parent company to Oxbury Bank (Dec 2024 £0k).
- Oxbury Earth Ltd –wholly owned subsidiary of Oxbury Bank Plc.
  - as at 31 December 2025 Oxbury Bank held deposits of £0k (2024: £711k) and incurred no interest expense (2024: £0k)
  - As at 31 December 2025 there was an interest free Inter-company loan balance of £1,309k owed by Oxbury Earth Ltd to Oxbury Bank, comprising of costs paid on behalf of the subsidiary by Oxbury Bank (Dec 2024: £1,173k).
  - Oxbury Bank Plc incurred a cost of £72k (including VAT) for the year from Oxbury Earth Ltd in relation to a service contract (2024 £72k).
- Oxbury Earth LLC – a wholly owned company of Oxbury Earth Limited.
  - as at 31 December 2025 there was an interest free Inter-company loan balance of £2k owed by Oxbury Earth LLC to Oxbury Bank plc comprising of costs paid on behalf of the subsidiary by Oxbury Bank plc (Dec 2024 £0k).
- Oxbury Agricultural Finance Ltd, a company registered in New Zealand and a joint venture of the immediate parent company of Oxbury Bank plc
  - as at 31 December 2025 there was lending facility balance of £4,053k owed by Oxbury Agricultural Finance Ltd to Oxbury Bank plc including fees and interest, (£4,000k excluding fees and interest). (Dec 2024 £0k).
  - Fees charged in the year to 31 December 2025 £40k (Dec 2024 £0k)

IAS 24 related parties include those individuals who provide key management personnel services to Oxbury, including having the authority and responsibility for planning, directing, and controlling the activities of the business. Entities are determined as related parties where a member of the key management personnel of Oxbury is also a member of key management of that third party entity and had the potential to impact financial and operating policies, and a material transaction was in place during the year.



16. Other Assets

GBP (000s)	Group		Company	
	Year to 31 Dec 2025	Year to 31 Dec 2024 (Restated)	Year to 31 Dec 2025	Year to 31 Dec 2024 (Restated)
Prepayments	1,262	1,251	1,247	1,241
Accrued Income & Deferred Payments	27	7	20	7
Other Assets	111	107	111	117
Trade Receivables	147	60	102	60
Inter-Company Loan with parent company	540	-	540	0
Inter-Company Loan	-	-	1,312	1,173
Total	**2,087**	**1,425**	**3,332**	**2,598**

Details of the restatements are included in note 25.

Of which; falling due after more than one year:

GBP (000s)	Group		Company	
	Year to 31 Dec 2025	Year to 31 Dec 2024	Year to 31 Dec 2025	Year to 31 Dec 2024
Prepayments	198	271	198	271
Accrued Income & Deferred Payments	-	-	-	-
Other Assets	-	104	-	104
Trade Receivables	-	-	-	-
Inter-Company Loan	-	-	-	-
Total	**198**	**375**	**198**	**375**

17. Other Liabilities and Accruals

GBP (000s)	Group		Company	
	Year to 31 Dec 2025	Year to 31 Dec 2024 (Restated)	Year to 31 Dec 2025	Year to 31 Dec 2024 (Restated)
Trade Creditors	285	183	255	168
Taxes and Social Security	542	378	518	358
Corporation Tax	667	358	667	358
Lease Liabilities	457	709	457	709
Accruals, Deferred Income & Other Liabilities	3,690	1,706	3,626	1,726
Inter-Company Loans with parent company	2,460	-	2,470	-
Total	**8,101**	**3,334**	**7,993**	**3,319**

Of which; falling due after more than one year:

GBP (000s)	Group		Company	
	Year to 31 Dec 2025	Year to 31 Dec 2024	Year to 31 Dec 2025	Year to 31 Dec 2024
Trade Creditors	-	-	-	-
Taxes and Social Security	-	-	-	-
Lease Liabilities	271	523	271	523
Accruals, Deferred Income & Other Liabilities	-	-	-	-
Total	**271**	**523**	**271**	**523**

18. Capital Management

Group & Company

Oxbury manages the Bank's capital position to achieve the maintenance of sufficient capital in terms of both quantum and quality to meet its regulatory requirements. These requirements were met at all times during the financial year.

The requirements are assessed through the Internal Capital Adequacy Assessment Process (ICAAP), which provides a review of the planned capital requirements over a five-year period.

Through this process, Oxbury assesses the primary risks to which it is exposed, and the resultant capital requirements. Oxbury applies the standard approach to capital calculations for credit risk, and the basic indicator approach for operational risk.

At the end of the financial year, Oxbury held Common Equity Tier 1 regulatory capital, comprising share capital, share premium and retained earnings, together with required regulatory adjustments totalling £220m (2024 £136m).

The ratio of the total available capital to total risk weighted assets at the end of 2025 was 19% (2024: 23%)

Oxbury manages capital to maintain an appropriate capital structure for its operations, taking into consideration both cost and availability.

In the year the management of capital included the total share capital of the Company and cash resources.

The management of capital is through the review of the financial performance to expectations and cash resources held by the business.

The comparison of the available and required capital positions are reviewed formally on a monthly basis.

19. Financial Risk Management

Group & Company

The Company's operations expose it to credit risk, liquidity risk, interest rate risk and business risk; it is not exposed to any significant foreign exchange risk. Responsibility for the control of overall risk lies with the Board of Directors, operating within a management framework. The interest rate and liquidity risk faced by the Company is managed by the Asset and Liability Committee. The credit risk is carefully monitored by the Company's Credit Committee and credit functions in practice, day to day, under oversight of management. Business risk, defined as risk potentially posed through changes in the firms business - including income volatility and business model viability, is managed through regular reporting and oversight.

19.1 Credit risk

Credit risk management

Credit risk is the risk that a counterparty will be unable to pay amounts in full when due and is managed through the application of strict underwriting criteria, determined by the Company's credit Committee and credit functions. Significant credit exposures are measured and reported on a regular basis. Expected credit loss provisions are provided for losses that are expected to be incurred at the Balance sheet date The risk to financial institutions which the Directors believe the Company is materially exposed to at the reporting date is credit risk of the cash held at banks, and the counterparty failing to meet its obligations. Oxbury mitigates this risk through the use of banking partners, either with a sufficient credit rating or where a credit rating is not available, sufficient due diligence, to inform that the deposited funds are not at risk. Oxbury has a Reserve Account at the Bank of England, in which excess funds are deposited as a risk mitigating activity.

Institution	Balance	Credit Rating Long-term	Credit Rating Short Term	Source	Date
Santander UK plc	£1,091k	A+	F-1	Fitch	Nov-25
James Brearley	£106k	N/A	N/A	N/A	N/A
United Bank Inc	£19k	N/A	N/A	N/A	N/A
ClearBank Limited	£19,730k	N/A	N/A	N/A	N/A
TOTAL Cash at Credit Institutions	**£20,946k**				
Bank of England	£1,406,822k	AA-	N/A	Fitch	Aug-25
TOTAL Cash at Bank of England	**£1,406,822k**				
Treasury Bills	£88,529k	Aa3	N/A	Moodys	N/A
Supranational Bonds	£237,225k	Aaa	N/A	Moodys	N/A
UK Government Guaranteed Corporate Debt	£48,170k	Aa3	N/A	Moodys	N/A
TOTAL Investment Securities	**£373,924k**				

For loans and advances. credit risk arises both from amounts lent and commitments to extend credit to a customer, principally loan commitments In measuring the credit risk of loans and advances, the Company reflects three components: (i) the 'probability of default' of an obligor defaulting (credit event) on some obligation (ii) current exposures to the counterparty and their likely future development, from which the Company derives the 'exposure at default'; and (iii) the likely recovery ratio on the defaulted obligations (the 'loss given default'.

The maximum exposure to credit risk that Oxbury is exposed, apart from trade receivables, Intercompany Loans with the parent company and Intercompany Lending as disclosed in note 16 and Loans and Advances to customers as disclosed in note 25, is represented by the balance, including as shown in the table above.

Credit risk mitigation

Credit principles set out the approach to which credit risk is managed, which in turn is the basis for credit policy. Principles and policy are reviewed regularly, and any changes are subject to a review and approval process. Credit policy includes lending guidelines, which define the responsibilities of lending officers and provide a disciplined and focused benchmark for credit decisions.

Concentration risk: Credit risk management is monitored against defined risk appetite.

Counterparty limits: Credit risk is subject to individual credit assessments, which consider the strengths and weaknesses of individual transactions and the balance of risk and reward. The Company's exposure to individual counterparties, groups of counterparties or customer risk segments is controlled through a tiered hierarchy of delegated sanctioning authorities.

Credit concentration: Loans and advances to customers: The Company lends to customers geographically located in the United Kingdom. Collateral held as security against loans and advances to customers is primarily in the form of Legal mortgage followed by Agricultural charges, Debentures and Guarantees.

Loans, commitments & related ECL by PD Grade:

As at 31 December 2025

Loans and advances to customers - gross carrying value.

		Stage 1	Stage2	Stage3	Total
	PD range	£'000	£'000	£'000	£'000
Grade 1	0.00 - 0.36%	989,689	7,478	153	**997,320**
Grade 2	0.37 - 0.85%	225,858	4,469	1,868	**232,195**
Grade 3	0.86 - 1.61%	347,038	7,054	400	**354,492**
Grade 4	1.62 - 3.45%	111,970	4,806	191	**116,967**
Grade 5	3.45 - 6.25%	22,827	1,125	3,414	**27,366**
Grade 6	6.26 - 100%	13,873	8,293	433	**22,599**
		1,711,255	**33,225**	**6,459**	**1,750,939**

Loans commitments

		Stage 1	Stage2	Stage3	Total
	PD range	£'000	£'000	£'000	£'000
Grade 1	0.00 - 0.36%	88,848	42	167	**89,057**
Grade 2	0.37 - 0.85%	19,452	-	-	**19,452**
Grade 3	0.86 - 1.61%	20,481	-	-	**20,481**
Grade 4	1.62 - 3.45%	11,469	947	27	**12,443**
Grade 5	3.45 - 6.25%	2,447	-	-	**2,447**
Grade 6	6.26 - 100%	1,074	-	307	**1,381**
		143,771	**989**	**501**	**145,261**

All loans and advances in Stage 1 are less than 30 days past due. Stage 2 loans are between 30 and 90 days overdue or deemed to have significantly increased for credit risk in line with accounting policies in note 4.11. Exposures included in Stage 3 are in excess of 90 days overdue or deemed to have defaulted.

Loans and advances to customers - Expected credit loss

In respect to drawn facilities

		Stage 1	Stage2	Stage3	Total
	PD range	£'000	£'000	£'000	£'000
Grade 1	0.00 - 0.36%	620	10	124	754
Grade 2	0.37 - 0.85%	188	17	7	212
Grade 3	0.86 - 1.61%	472	32	2	506
Grade 4	1.62 - 3.45%	324	22	48	394
Grade 5	3.45 - 6.25%	108	11	22	141
Grade 6	6.26 - 100%	245	176	66	487
		1,957	**268**	**269**	**2,494**

In respect to undrawn facilities

		Stage 1	Stage2	Stage3	Total
	PD range	£'000	£'000	£'000	£'000
Grade 1	0.00 - 0.36%	38	0	0	38
Grade 2	0.37 - 0.85%	22	0	0	22
Grade 3	0.86 - 1.61%	42	0	0	42
Grade 4	1.62 - 3.45%	36	1	0	37
Grade 5	3.45 - 6.25%	23	0	0	23
Grade 6	6.26 - 100%	31	0	1	32
		192	**1**	**1**	**194**

December 2024 (Restated)

Loans and advances to customers - gross carrying value					
		Stage 1	Stage2	Stage3	Total
	PD range	£'000	£'000	£'000	£'000
Grade 1	0.00 - 0.36%	533,844	4,906	43	538,793
Grade 2	0.37 - 0.85%	170,184	1,751	-	171,935
Grade 3	0.86 - 1.61%	231,640	4,444	36	236,120
Grade 4	1.62 - 3.45%	45,828	1,451	108	47,387
Grade 5	3.45 - 6.25%	10,848	20	3,488	14,356
Grade 6	6.26 - 100%	12,858	39	1,477	14,374
		1,005,202	**12,611**	**5,152**	**1,022,965**

Loans commitments					
		Stage 1	Stage2	Stage3	Total
	PD range	£'000	£'000	£'000	£'000
Grade 1	0.00 - 0.36%	52,806	17	2	52,825
Grade 2	0.37 - 0.85%	10,079	-	-	10,079
Grade 3	0.86 - 1.61%	17,174	72	-	17,246
Grade 4	1.62 - 3.45%	5,198	-	-	5,198
Grade 5	3.45 - 6.25%	3,946	3	20	3,969
Grade 6	6.26 - 100%	1,701	47	-	1,748
		90,904	**139**	**22**	**91,065**

All loans and advances in Stage 1 are less than 30 days past due. Stage 2 loans are between 30 and 90 days overdue or deemed to have significantly increased for credit risk in line with accounting policies in note 4.11. Exposures included in Stage 3 are in excess of 90 days overdue, or deemed to have defaulted.

Details of the restatements are included in note 25.

December 2024

Loans and advances to customers - Expected credit loss

In respect to drawn facilities					
		Stage 1	Stage2	Stage3	Total
	PD range	£'000	£'000	£'000	£'000
Grade 1	0.00 - 0.36%	373	14	20	407
Grade 2	0.37 - 0.85%	116	1	-	117
Grade 3	0.86 - 1.61%	307	17	1	325
Grade 4	1.62 - 3.45%	173	10	1	184
Grade 5	3.45 - 6.25%	74	2	18	94
Grade 6	6.26 - 100%	194	1	23	218
		1,237	**45**	**63**	**1,345**

In respect to undrawn facilities					
		Stage 1	Stage2	Stage3	Total
	PD range	£'000	£'000	£'000	£'000
Grade 1	0.00 - 0.36%	29	-	-	29
Grade 2	0.37 - 0.85%	12	-	-	12
Grade 3	0.86 - 1.61%	43	1	-	44
Grade 4	1.62 - 3.45%	32	-	-	32
Grade 5	3.45 - 6.25%	15	-	-	15
Grade 6	6.26 - 100%	32	-	-	32
		163	**1**	**-**	**164**

Loans, commitments & related ECL Movement Analysis:

31st December 2025

Analysis of movement in the Gross carrying amounts for loans and advances by stage:

In respect to drawn facilities	Stage 1	Stage2	Stage3	Total
	£'000	£'000	£'000	£'000
Balance as at 1 January 2025 (Restated)	1,005,202	12,611	5,152	**1,022,965**
Increase due to origination	793,683	-	-	**793,683**
(Decreases) due to redemptions and others	(60,808)	(1,754)	(3,147)	**(65,709)**
Transfer from Stage1 to Stage2	(24,787)	24,787	-	**-**
Transfer from Stage1 to Stage3	(2,561)		2,561	**-**
Transfer from Stage2 to Stage3	-	(1,892)	1,892	**-**
Transfer from Stage3 to Stage2	-	-	-	**-**
Transfer from Stage3 to Stage1	-	-	-	**-**
Transfer from Stage2 to Stage1	528	(528)	-	**-**
At 31 December 2025	1,711,257	33,224	6,458	**1,750,939**

In respect to undrawn facilities	Stage 1	Stage2	Stage3	Total
	£'000	£'000	£'000	£'000
Balance as at 1 January 2025	90,903	140	22	**91,065**
Drawdown on opening	(50,877)	(140)	-	**(51,017)**
Decreases) due to changes in redemptions and others	24,817	989	479	**26,285**
Increase due to origination	78,928	-	-	**78,928**
At 31 December 2025	**143,771**	**989**	**501**	**145,261**

Details of the restatements are included in note 25.

Analysis of movement in the allowance for impairment losses by stage:

In respect to drawn facilities	Stage 1	Stage2	Stage3	Total
	£'000	£'000	£'000	£'000
Balance as at 1 January 2025	1,236	45	63	1,344
Increase due to origination	828	7	-	835
Increases/(Decreases) due to redemptions and others	330	18	(33)	315
Transfer from Stage1 to Stage2	(202)	202		-
Transfer from Stage1 to Stage3	(237)		237	-
Transfer from Stage2 to Stage3	-	(2)	2	-
Transfer from Stage3 to Stage2	-	-	-	-
Transfer from Stage3 to Stage1	-	-	-	-
Transfer from Stage2 to Stage1	2	(2)	-	-
At 31 December 2025	**1,957**	**268**	**269**	**2,494**

In respect to undrawn facilities	Stage 1	Stage2	Stage3	Total
	£'000	£'000	£'000	£'000
Balance as at 1 January 2025	164	-	-	164
Drawdown on opening	(62)	-	-	(62)
Increases due to redemptions and others	29	1	1	31
Increase due to origination	61	-	-	61
At 31 December 2025	**192**	**1**	**1**	**194**

Repossessed collateral

Collateral held against Loans and advances to customers principally comprises agricultural land and buildings. The Company has not taken physical possession of any collateral but uses agents to realise the collateral's value as soon as practicable to settle indebtedness. Any surplus funds are then returned to the borrower or are otherwise dealt with in accordance with appropriate insolvency regulations. The carrying value of any repossessed collateral is considered an approximation of fair value.

December 2024 (Restated)

Analysis of movement in the Gross carrying amounts for loans and advances by stage:

In respect to drawn facilities	Stage 1	Stage2	Stage3	Total
	£'000	£'000	£'000	£'000
Balance as at 1 January 2024	597,332	8,303	621	**606,256**
Increase due to origination	450,535	-	-	**450,535**
(Decreases)/Increases due to redemptions and others	(32,679)	(1,231)	84	**(33,826)**
Transfer from Stage1 to Stage2	(9,025)	9,025	-	**-**
Transfer from Stage1 to Stage3	(961)	-	961	**-**
Transfer from Stage2 to Stage3	-	(3,486)	3,486	**-**
Transfer from Stage3 to Stage2	-	-	-	**-**
Transfer from Stage3 to Stage1	-	-	-	**-**
Transfer from Stage2 to Stage1	-	-	-	**-**
At 31 December 2024	**1,005,202**	**12,611**	**5,152**	**1,022,965**

In respect to undrawn facilities	Stage 1	Stage2	Stage3	Total
	£'000	£'000	£'000	£'000
Balance as at 1 January 2024	59,602	24	-	**59,626**
Drawdown on opening	(37,331)	(2)	-	**(37,333)**
Increase due to origination	68,632	118	22	**68,772**
At 31 December 2024	**90,903**	**140**	**22**	**91,065**

Details of the restatements are included in note 25.

31st December 2024

Analysis of movement in the allowance for impairment losses by stage:

In respect of drawn facilities	Stage 1	Stage2	Stage3	Total
	£'000	£'000	£'000	£'000
Balance as at 1 January 2024	507	31	5	**545**
Increase due to origination	755	-	-	**755**
Increases/(Decrease) due to redemption and others	31	(4)	17	**44**
Transfer from Stage1 to Stage2	(36)	36	-	**-**
Transfer from Stage1 to Stage3	(21)	-	21	**-**
Transfer from Stage2 to Stage3	-	(18)	18	**-**
Transfer from Stage3 to Stage2	-	-	-	**-**
Transfer from Stage3 to Stage1	-	-	-	**-**
Transfer from Stage2 to Stage1	-	-	-	**-**
At 31 December 2024	**1,236**	**45**	**63**	**1,344**

In respect of undrawn facilities and loan commitments	Stage 1	Stage2	Stage3	Total
	£'000	£'000	£'000	£'000
Balance as at 1 January 2024	98	-	-	98
Drawdown on opening	(28)	-	-	(28)
Increase due to origination	94	-	-	94
At 31 December 2024	**164**	**-**	**-**	**164**

19.2 – Liquidity Risk

Liquidity risk is the risk that the Company is unable to meet its obligations as they fall due. To manage this risk the Company ensures the maturity of deposit liabilities and HQLA deposits held at the Bank of England are sufficient to cover Lending assets in line with the Companies liquidity appetite. Liquidity risks are managed by the Finance department of the Company, in consultation with the Asset and Liability Committee (ALCO). Weekly reviews of funding positions are undertaken to anticipate any shortfalls.

The tables within this note analyse the gross undiscounted contractual cashflows from assets and liabilities. The "Net liquidity gap" is reported excluding behavioural adjustments. The figures assume that inflows related to debt, and outflows related to deposits, occur on the contractual due dates and exclude deferred income and EIR assets. Moreover, balances from Easy access and Notice deposits with a maturity less than 3 months deposits are reported according to the earliest date that Oxbury could be required to transfer the balance to the customer. This does not include the impact of management actions or evaluation of customer behavioural characteristics which the business reviews regularly in line with its regulatory obligations, risk appetite and in accordance with interactions with the Prudential Regulation Authority.

Group (Gross)						
As at December 2025		**0-3 months**	**4-12 months**	**1-5 years**	**5 years +**	**Total**
Assets	**Note**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Cash and cash equivalents (note 24)	A	1,427,768	-	-	-	**1,427,768**
Loans and advances to customers (note 25)	B	71,203	198,959	754,179	1,738,134	**2,762,476**
Other assets (note 16)	C	1,889	-	198	-	**2,087**
Investment securities (Note 31)	A	2,645	108,689	309,071	-	**420,405**
Total assets inflows		1,503,506	307,648	1,063,448	1,738,134	**4,612,736**
Liabilities						
Subordinated loan (note 12)	D	966	2,759	17,535	43,447	**64,707**
Deposits (note 26)	E	2,584,101	519,644	243,066	-	**3,346,811**
Other liabilities (note 17 & note 27)	C	1,812	140	193	78	**2,223**
Total liability outflows		2,586,879	522,543	260,794	43,525	**3,413,741**
Net liquidity gap		**(1,083,373)**	**(214,895)**	**802,654**	**1,694,609**	**1,198,995**

Company (Gross)						
As at December 2025		**0-3 months**	**4-12 months**	**1-5 years**	**5 years +**	**Total**
Assets	**Note**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Cash and cash equivalents (note 24)	A	1,427,479	-	-	-	**1,427,479**
Loans and advances to customers (note 25)	B	71,203	198,959	754,179	1,738,134	**2,762,476**
Other assets (note 16)	C	3,134	-	198	-	**3,332**
Investment securities (Note 31)	A	2,645	108,689	309,071	-	**420,405**
Total assets inflows		1,504,461	307,648	1,063,448	1,738,134	**4,613,692**
Liabilities						
Subordinated loan (note 12)	D	966	2,759	17,535	43,447	**64,707**
Deposits (note 26)	E	2,584,101	519,644	243,066	-	**3,346,811**
Other liabilities (note 17 & note 27)	C	1,757	140	193	78	**2,168**
Total liability outflows		2,586,824	522,543	260,794	43,525	**3,413,686**
Net liquidity gap		**(1,082,363)**	**(214,895)**	**802,654**	**1,694,609**	**1,200,006**

Note	Cash flows from assets and liabilities are allocated to the appropriate time bands are as follows:
A	Based on availabilty of 'cash and cash equivalents' classified by contractual maturity date
B	Customer payments are assumed to occur on the latest contractual date and no behaviour adjustments are made for customer early settlements.
C	Classified based on the earliest contractual due date
D	Classifed according to the remaining period to maturity relates to Tier 2 subordinated loan based on the latest possible contractual due date
E	Classifed according to the remaining period to maturity relates to customer deposits based on the earliest possible contractual due date

Group (Gross)						
As at December 2024		**0-3 months**	**4-12 months**	**1-5 years**	**5 years +**	**Total**
Assets	**Note**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Cash and cash equivalents (note 24)	A	1,492,437	-	-	-	**1,492,437**
Loans and advances to customers (note 25)	B	56,460	106,202	473,312	1,144,727	**1,780,701**
Other assets (note 16)	C	550	491	149	121	**1,311**
Total assets inflows		1,549,447	106,693	473,461	1,144,848	**3,274,449**
Liabilities						
Subordinated Loan (note 12)	D	496	1,516	8,061	24,252	**34,325**
Deposits (note 26)	E	1,927,417	354,944	89,077	-	**2,371,438**
Other liabilities (note 17 & note 27)	C	601	772	354	169	**1,895**
Total liability outflows		1,928,514	357,231	97,492	24,421	**2,407,658**
Net liquidity gap		**(379,067)**	**(250,538)**	**375,969**	**1,120,427**	**866,790**

Company (Gross)						
As at December 2024		**0-3 months**	**4-12 months**	**1-5 years**	**5 years +**	**Total**
Assets	**Note**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Cash and cash equivalents (note 24)	A	1,492,018	-	-	-	**1,492,018**
Loans and advances to customers (note 25)	B	56,460	106,202	473,312	1,144,727	**1,780,701**
Other assets (note 16)	C	550	491	149	121	**1,311**
Total assets inflows		1,549,028	106,693	473,461	1,144,848	**3,274,030**
Liabilities						
Subordinated Loan (note 12)	D	496	1,516	8,061	24,252	**34,325**
Deposits (note 26)	E	1,928,129	354,944	89,077	-	**2,372,150**
Other liabilities (note 17 & note 27)	C	601	772	354	169	**1,895**
Total liability outflows		1,929,226	357,231	97,492	24,421	**2,408,370**
Net liquidity gap		**(380,198)**	**(250,538)**	**375,969**	**1,120,427**	**865,659**

Note	Cash flows from assets and liabilities are allocated to the appropriate time bands are as follows:
A	Based on availability of 'cash and cash equivalents' classified by contractual maturity date
B	Customer payments are assumed to occur on the latest contractual date and no behaviour adjustments are made for customer early settlements.
C	Classified based on the earliest contractual due date
D	Classifed according to the remaining period to maturity relates to Tier 2 subordinated loan based on the latest possible contractual due date
E	Classifed according to the remaining period to maturity relates to customer deposits based on the earliest possible contractual due date

19.3 – Interest Rate Risk

Interest rate risk arises from the potential impact of changes in market interest rates on net interest income, economic value of equity and cash flows. Oxbury is exposed to interest rate risk through its lending and deposit activities, as well as through its holdings of interest-bearing financial assets and liabilities.

The primary sources of interest rate risk include repricing risk resulting from differences in the maturity and repricing dates of assets and liabilities and yield curve risk arising from changes in the shape of the interest rate curve.

Risk Management and Governance

Oxbury manages interest rate risk in accordance with a Board-approved risk appetite and policies, which are reviewed at least annually, with oversight provided by the Asset and Liability Committee (ALCO), which is responsible for monitoring exposures and ensuring compliance with internal limits and regulatory expectations.

Measurement and Monitoring

Interest rate risk exposures are measured using a range of stress scenarios, including parallel upward and downward shocks. Oxbury also monitors sensitivity of net interest income over a forward-looking horizon, reflecting expected changes in interest rates and balance sheet composition. Limit breaches are escalated to ALCO with defined remediation actions.

Sensitivity

Sensitivity to Interest Rate Risk in the Banking Book is calculated based on the regulatory approach, with the net present value sensitivity of a 1 bps movement at the end of the period being £9k down with an upward movement, and £9k up with a downward movement.

20. Share Capital

Group & Company	Number of Shares	Nominal Value	Number of Shares	Nominal Value
	31 Dec 2025 (GBP)	31 Dec 2025 (GBP 000s)	31 Dec 2024 (GBP)	31 Dec 2024 (GBP 000s)
A Ordinary Shares	112,530,444	1,125	99,670,596	997
B Ordinary Shares	4	0	4	0
C Ordinary Shares	3,117,119	31	3,117,119	31
Total	**115,647,567**	**1,156**	**102,787,719**	**1,028**

A Ordinary and B Ordinary shares rank pari passu and have full voting and economic rights, C shares have no voting rights but do have economic rights, when vested. Unvested C shares do not have any voting or economic rights. All shares are fully paid.

During the year ended 31 December 2025, 12,859,848 A Ordinary shares of £0.01 nominal value were issued for a total value of £42,860k, resulting in share capital of £128k and share premium of £42,720k, net of directly related costs.

(2024 issued 26,637,142 A ordinary shares of £0.01 nominal value; which resulted in share premium £68,676k net of costs).

At the end of December 2025, the Company had authorisation for the issuance of 120,800,004 shares, consisting of a maximum of 115,800,000 A shares, 4 B shares and 5,000,000 C shares.

(At the end of December 2024, the Company had authorisation for the issuance of 120,800,004 shares, consisting of a maximum of 115,800,000 A shares, 4 B shares and 5,000,000 C shares.)

21. Share Premium

Group & Company		
GBP (000s)	31 Dec 2025	31 Dec 2024
Share Premium balance brought forward	160,636	92,226
Additions during the year	42,732	68,680
Costs directly attributable to capital raises	(12)	(270)
Share Premium as at the end of the year	**203,356**	**160,636**

22. Accumulated Profit/(Losses)

	Group		Company	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Accumulated Loss brought forward	(8,049)	(13,335)	(6,724)	(12,587)
Prior Year consolidation adjustment	-	-	-	-
Profit for the year	11,272	5,286	11,920	5,863
As at the end of the year	**3,222**	**(8,049)**	**5,196**	**(6,724)**

23. Capital Contribution Reserve

Share Based Payments

Group & Company

The Company operates a share option scheme for specific employees, all of which are determined to be exclusively equity-settled. Share options have also been utilised as part of the purchase of the subsidiary company in 2022. The impact is consistent across the Group and Company.

The value of the awards granted to employees is determined using the Black-Scholes valuation model at grant date, in the absence of an active market for the shares.

The employee options include a vesting requirement based on a completion of a period of employment for employees and are exercisable based on a specific company event at an indeterminable point in the future. The maximum term of options granted is 15 years.

The calculations within the model require the use of subjective assumptions, including the expected volatility of the share price, expected life of the award and any dividend yield. All these factors can impact the fair value estimate.

Oxbury operates separate schemes for employees and one for suppliers, the main assumptions for each is as per the table below.

During 2025, a share for share exchange was executed, resulting in a holding company structure being implemented above Oxbury Bank Plc. Within that activity, all options over C Shares were also moved to be for shares in the ultimate holding company. As a result, the share-based payment reserve was transferred to the capital contribution reserve, as the options will no longer to settled by Oxbury Bank Plc. The capital contribution reserve reflects the change in settlement entity, whilst also ensuring the required charge is represented in the entity which receives the benefit of the individuals employment.

	2020; employees	2022; suppliers	2022 & 2023; employees	2024; employees	2024; employees	2025; employees	2025; employees
Tranche	2	3	4	5 , 6, 10 & 12	7, 8 &13	9	11
Risk free rate	1.00%	0.32%	0.41%	1.27%	1.44%	2.01%	2.09%
Expected Volatility	100.00%	55.24%	44.74%	43.84%	44.17%	44.70%	45.01%
Dividend Yield	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Expected Life of Options (years)	0.1	3.0	7.5	7.5	7.5	7.5	7.5

No share options were exercised by employees in the calendar year to December 2025 by employees (Dec-24: zero).

Options over 54,107 ordinary C shares expired during 2025. (2024: 39,497).

The model assumes that there is constant predictable volatility in the share price, which has been estimated based on the comparable deviation for a selection of comparable quoted banks over the expected term of the option.

The amount recognised is expensed in the relevant period for those shares related to employees, or capitalised where relevant for those related to suppliers.

Group	31 Dec 2025 GBP (000s)	31 Dec 2024 GBP (000s)
Share Based Payment Reserve brought forward	367	266
Transfer to Capital Contribution Reserve	(367)	N/A
Creation of Capital Contribution Reserve	**367**	**N/A**
Transferred to Subsidiary (Oxbury Earth Ltd)	N/A	N/A
Additions during the year	210	101
As at 31st December	**577**	**367**

Company	31 Dec 2025 GBP (000s)	31 Dec 2024 GBP (000s)
Share Based Payment Reserve brought forward	367	266
Transfer to Capital Contribution Reserve	(367)	N/A
Creation of Capital Contribution Reserve	**367**	**N/A**
Transferred to Subsidiary (Oxbury Earth Ltd)	(1)	N/A
Additions during the year	205	101
As at 31st December	**571**	**367**

GROUP	Number of Shares	Weighted Average Exercise Price - GBP	Original Contractual life (where available) - Years	Weighted Average Remaining Contractual Life (where available) - Years
Outstanding at 31 Dec 2024	1,232,587	2.06	7.50	5.90
Granted during the year	459,895	2.70	7.50	6.97
Forfeited in the year	(54,107)	2.36	7.50	N/A
Transferred to Subsidiary (Oxbury Earth Ltd)				
Exercised in the year	-	-	-	-
Expired in the year	-	-	-	-
Outstanding at 31 Dec 2025	**1,638,375**	**2.30**	**7.50**	**4.83**
Of which Tranche 2	100,690	1.10	7.50	2.42
Of which Tranche 3	125,000	2.05	3.00	-
Of which Tranche 4	786,547	2.05	7.50	4.11
Of which Tranche 5	3,334	2.20	7.50	5.61
Of which Tranche 6	128,346	2.60	7.50	5.85
Of which Tranche 7	60,263	2.60	7.50	6.28
Of which Tranche 8	79,018	2.70	7.50	6.56
Of which Tranche 9	124,002	3.00	7.50	7.09
Of which Tranche 10	107,880	2.20	7.50	5.12
Of which Tranche 11	114,760	3.50	7.50	7.35
Of which Tranche 12	3,788	2.20	7.50	5.06
Of which Tranche 13	4,747	2.60	7.50	7.29
Exercisable as at 31 Dec 2025	**125,000**	**2.05**	**3.00**	**-**

COMPANY	Number of Shares	Weighted Average Exercise Price - GBP	Original Contractual life (where available) - Years	Weighted Average Remaining Contractual Life (where available) - Years
Outstanding at 31 Dec 2024	1,232,587	2.06	7.50	5.90
Granted during the year	430,819	2.70	7.50	6.97
Forfeited in the year	(54,107)	2.36	7.50	N/A
Transferred to Subsidiary (Oxbury Earth Ltd)	(7,074)	2.69	7.50	N/A
Exercised in the year	-	-	-	-
Expired in the year	-	-	-	-
Outstanding at 31 Dec 2025	**1,602,225**	**2.30**	**7.50**	**4.83**
Of which Tranche 2	100,690	1.10	7.50	2.42
Of which Tranche 3	125,000	2.05	3.00	-
Of which Tranche 4	782,807	2.05	7.50	4.11
Of which Tranche 5	-	-	-	-
Of which Tranche 6	128,346	2.60	7.50	5.85
Of which Tranche 7	60,263	2.60	7.50	6.28
Of which Tranche 8	79,018	2.70	7.50	6.56
Of which Tranche 9	124,002	3.00	7.50	7.09
Of which Tranche 10	107,880	2.20	7.50	5.12
Of which Tranche 11	114,760	3.50	7.50	7.35
Of which Tranche 12	3,788	2.20	7.50	5.06
Of which Tranche 13	4,747	2.60	7.50	7.29
Exercisable as at 31 Dec 2025	**125,000**	**2.05**	**3.00**	-

24. Cash and Cash Equivalents

	Group		Company	
	31 Dec 2025	**31 Dec 2024**	**31 Dec 2025**	**31 Dec 2024**
	GBP (000s)	**GBP (000s)**	**GBP (000s)**	**GBP (000s)**
Balances held with the Bank of England	1,406,822	1,470,898	1,406,822	1,470,898
Balances held with other banks	20,840	21,435	20,551	21,016
Other balances	106	104	106	104
As at end of the year December 2025	**1,427,768**	**1,492,437**	**1,427,479**	**1,492,018**

No offsetting or netting arrangements were in place. No allowance for ECL was assessed during the year based on an assessment of the counterparties credit rating where available, as shown in note 19. Where a credit rating is not available, the business model of the counterparty is taken into consideration, such as the extent to which the party is regulated and the use / placement of those funds.

The Group's credit risk exposure to cash and cash equivalent balances was £1,427,768k (2024: £1,492,437k). The Company's credit risk exposure to cash and cash equivalent balances was £1,427,479k (2024: £1,492,018).

25. Loans and Advances to Customers

Group & Company

The total of customer loans as at 31st December 2025 was £1,748,444k (2024 Restated: £1,021,621) of which £167,064k (2024: £95,412k) was due within one year, excluding the impact of the ECL. The maximum exposure to credit risk from loans and advances to customers including loan commitments is £1,953,187k (2024: £1,153,354k). This includes revolving credit products at 100% of facility limits which is higher compared to IFRS 9, which measures loan commitments at the expected utilisation for the next 12 months.

The increase in loan commitments is measured as the difference between the contractual facility limit and the expected utilisation under IFRS 9. The increase is £58,891k (2024: £35,283k) of limits which are not expected to be utilised.

Prior Year Restatement

The 2024 restatement relates to the unamortised value of fees and costs which are directly attributable to the origination of loans and advances to customers recognised under the effective interest rate method. The fees charged to customers were previously presented separately as "Accruals, Deferred Income and Other Liabilities" within "Other Liabilities and Accruals", and the relevant costs related to the loans included in "Other Assets" as "Accrued Income & Deferred Payments". The values should have been included as a net against the carrying amount of "Loans and Advances to Customers" in accordance with IFRS 9.

The impact of the restatement is a reduction in the presentation of "Loans and Advances to Customers" by £4.2m, "Other Assets" is reduced by £2.9m, and "Other Liabilities and Accruals" is reduced by £7.1m, of both the Group and the Company. The impact of the adjustments is net nil to both Net Assets and Equity. The respective notes are also restated to reflect this.

Loans and Advances to Customers - maturity bucketing		
Amounts due:	**31 Dec 2025 GBP (000s)**	**31 Dec 2024 GBP (000s) (Restated)**
- within one year	167,064	95,412
- over one year but less than five years	445,842	249,388
- over five years	1,138,032	678,165
Gross Loans and Advances	1,750,938	1,022,965
Allowance for ECL	(2,494)	(1,344)
As at 31 December	**1,748,444**	**1,021,621**

Total revolving credit facilities within Loans and Advances are £263,256k in 2025 (2024: £150,926k). The maturity bucketing assumes that the revolving credit products balances would remain stable over time. To remain stable, the assumption is that contractual repayments and additional drawdowns are approximately the same.

Within Loans and Advances are Finance Leases. All Finance Leases are Hire Purchase (HP) contracts which are a composite Supply of Goods with a Financing arrangement.

Finance Lease disclosure – maturity bucketing	31 Dec 2025 GBP (000s)	31 Dec 2024 GBP (000s)
- within one year	100,259	50,848
- between one and two years	78,254	40,587
- between two and three years	56,510	29,963
- between three and four years	35,738	18,628
- between four and five years	16,465	9,230
- over five years	7,383	4,032
Total Finance Lease payments receivable	**294,609**	**153,288**
Guaranteed residual value	-	-
Unearned finance income	(40,455)	(23,065)
Allowance for credit losses	(1,007)	(436)
Deferred origination costs	(3,703)	(2,265)
Net investment in finance leases	**249,444**	**127,522**

Finance income on the net investment in finance leases recognised in the year amounted to £18,116k (2024: £7,516k).

26. Customer Deposits

The value of all customer deposits in the Company as at 31 December 2025 totalled £3,309,014k (2024: £2,350,433k).

	Group		Company	
	31st Dec 2025	31st Dec 2024	31st Dec 2025	31st Dec 2024
	GBP (000s)	GBP (000s)	GBP (000s)	GBP (000s)
Customer Deposits	**3,309,014**	**2,349,721**	**3,309,014**	**2,350,433**
Amounts due:				
- no later than one month	207,391	140,493	207,391	141,205
- over one month and less than 3 months	782,352	534,690	782,352	534,690
- over 3 months and less than one year	513,775	351,589	513,775	351,589
- over one year and less than five years	240,321	88,235	240,321	88,235
- over five years	-	-	-	-
Total Notice and Term deposits	1,743,839	1,115,007	1,743,839	1,115,719
Easy Access Accounts	1,565,175	1,234,714	1,565,175	1,234,714
Total Deposits	**3,309,014**	**2,349,721**	**3,309,014**	**2,350,433**

Notice and Term deposit products are provided to both personal and business customers, with growth in the year reflecting the funding of the growth in the lending asset.

Customer deposit liabilities by maturity. (All cashflows are shown on an undiscounted basis)

	Group		Company	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
	GBP (000s)	GBP (000s)	GBP (000s)	GBP (000s)
Customer Deposits	**3,309,014**	**2,349,721**	**3,309,014**	**2,350,433**
Amounts due:				
- no later than one month	227,639	152,911	227,639	153,623
- over one month and less than 3 months	791,287	539,792	791,287	539,792
- over 3 months and less than one year	519,644	354,944	519,644	354,944
- over one year and less than five years	243,066	89,077	243,066	89,077
- over five years	-	-	-	-
Total Notice and Term deposits	1,781,636	1,136,724	1,781,636	1,137,436
Easy Access Accounts	1,565,175	1,234,714	1,565,175	1,234,714
Total Deposits	**3,346,811**	**2,371,438**	**3,346,811**	**2,372,150**

27. Lease Liabilities

Group & Company	31 Dec 2025	31 Dec 2024
	GBP (000s)	GBP (000s)
	Land and Buildings	Land and Buildings
As at 1st January 2025	709	818
Additions	0	0
Disposals	-	-
Interest expense	55	71
Interest adjustment	-	-
Lease Payments	(307)	(180)
As at 31 December 2025	**457**	**709**
Of which due within one year	186	186
Due between one year and five years	193	354
Due after five years	78	169

Included in the above is a dilapidations provision of £26k (2024: £13k), which is based on the estimated relevant liability at the end of the lease.

Interest on the above amount is expected to total £183k (2024: £252k) over the length of the leases. £68k of lease liabilities relate to office space for the Company's registered office (2024: £196k).

The Company took over the lease of office space at One City Place, Chester on 1st September 2021 and changed its registered office to that address on 19th October 2021. This lease runs until November 2026.

The Company took over the lease of an area of office space at The Steam Mill, Chester on 19th September 2023, with the lease running for a period of eight years and two months. The Company also took over the lease of a further area of office space at The Steam Mill, Chester on 17th November 2023, and in exchange relinquished the lease on the small office taken over on 17 November 2022. The new lease runs for three years from November 2023.

The contractual undiscounted lease liabilities at the end of the year equated to £643k of which £156k was due within one year, and the remainder due within the subsequent three to seven years (2024: £899k, of which £220k was due within one year, and the remainder due within the subsequent three years).

28. Country by Country Reporting

Group					
Country of Establishment	**Turnover £000's**	**Profit/(Loss) before tax £000's**	**Taxation charge £000's**	**Taxation paid/ refunded £000's**	**Average FTEs**
United Kingdom	47,222	15,078	3,790	1,558	236
United States of America	14	(16)	-	-	0
Total 31 Dec 2025	47,236	15,062	3,790	1,558	236

Company					
Country of Establishment	**Turnover £000's**	**Profit/(Loss) before tax £000's**	**Taxation charge £000's**	**Taxation paid/ refunded £000's**	**Average FTEs**
United Kingdom	47,236	15,727	3,807	1,445	230
United States of America	-	-	-	-	0
Total 31 Dec 2025	47,236	15,727	3,807	1,445	230

Group					
Country of Establishment	**Turnover £000's**	**Profit/(Loss) before tax £000's**	**Taxation charge £000's**	**Taxation paid/ refunded £000's**	**Average FTEs**
United Kingdom	31,407	6,911	1,625	358	188
United States of America	-	-	-	-	0
Total 31 Dec 2024	31,407	6,911	1,625	358	188

Company					
Country of Establishment	**Turnover £000's**	**Profit/(Loss) before tax £000's**	**Taxation charge £000's**	**Taxation paid/ refunded £000's**	**Average FTEs**
United Kingdom	31,407	7,488	1,625	358	184
United States of America	-	-	-	-	0
Total 31 Dec 2024	31,407	7,488	1,625	358	184

*Turnover is defined as total interest income less interest expense.

The reporting obligations set out in the European Union's Capital Requirements Directive IV (CRD IV) have been implemented in the UK by Capital Requirements (Country by Country Requirements) Regulations 2013.

The regulations require the Company to disclose information regarding the source of its income and location of its operations.

29. Net Deferred Tax Asset/(Liability)

	Group		Company	
GBP £000s	**31 Dec 2025**	**31 Dec 2024**	**31 Dec 2025**	**31 Dec 2024**
Opening Balance	1,981	3,209	1,942	3,209
Adjustment in respect of prior years	219	313	122	274
Current year movement	(2,671)	(1,541)	(2,495)	(1,541)
Closing Balance	**(471)**	**1,981**	**(431)**	**1,942**

Further detail is included in Note 11.

30. Post Balance Sheet Events

Issue of additional Share Capital

In the period to the date of signature of these financial statements the Company secured investment of £16,691k in the form of a capital raise through the issue of 4,450,934 A ordinary shares of £0.01 nominal value. This equated to £45k share capital together with £16,646k share premium.

Subordinated Debt Facilities

Oxbury entered into an agreement for up to £10m of additional subordinated loan facilities in March 2026, qualifying as Tier 2 regulatory capital.

31. Investment Securities

Group & Company

Composition of Treasury Assets		
GBP (000s)	**2025**	**2024**
Covered Bonds	-	-
Treasury Bills - (Rated Aa3)	88,529	-
Supranational Bonds - (Rated AAA)	237,225	-
UK Government Guaranteed Corporate Debt - (Rated Aa3)	48,170	-
Total as at 31 Dec 2025	**373,924**	**-**

Treasury Assets are exposed to credit risk from the issuer. This is managed through the quality of assets – by ensuring that assets are required to qualify as High Quality Liquid Assets at Level 1, 2a or 2b within the regulatory framework.

Although classified as held to collect, the fair market value based on publicly quoted prices is reviewed to identify potential for a provision.

No provision was required in 2025 (2024: Zero)

Fair Value Measurement				
GBP (000s)				
(2025; 2024 - Zero)	**Level 1**	**Level 2**	**Level 3**	**TOTAL**
Covered Bonds	-	-	-	-
Treasury Bills	88,546	-	-	**88,546**
Supranational Bonds	237,287	-	-	**237,287**
UK Government Guaranteed Corporate Debt - (Rated Aa3)	48,171	-	-	**48,171**
Total as at 31 Dec 2025	**374,004**	**-**	**-**	**374,004**

Fair value based on quoted price in active market (Level 1).

Maturity Analysis - Carrying amount					
GBP (000s)					
(2025; 2024 - Zero)	**< 3 months**	**3 to 12 months**	**1 to 5 years**	**Over 5 years**	**TOTAL**
Covered Bonds	-	-	-	-	-
Treasury Bills	-	88,529	-	-	**88,529**
Supranational Bonds	-	9,216	228,009	-	**237,225**
UK Government Guaranteed Corporate Debt	-	-	48,170	-	**48,170**
Total as at 31 Dec 2025	**-**	**97,745**	**276,179**	**-**	**373,924**

Treasury assets form part of the Group's liquidity buffer and are generally eligible as High Quality Liquid Assets (HQLA) under the regulatory framework.

The portfolio is managed to maintain high marketability, short duration, and low credit risk.

Income and Gains and Losses in the year					
GBP (000s)					
(2025; 2024 - Zero)	**Interest Income**	**Gain / (Loss) on Sale**	**Fair Value Gains / Losses**	**Expected Credit Loss Provision**	**TOTAL**
Covered Bonds	4,581	14	-	-	**4,595**
Treasury Bills	213	-	-	-	**213**
Supranational Bonds	2,268	-	-	-	**2,268**
UK Government Guaranteed Corporate Debt	119	-	-	-	**119**
Total as at 31 Dec 2025	**7,181**	**14**	**-**	**-**	**7,195**

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Oxbury

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