

14 August 2025

**Sancus Lending Group Limited
("Sancus" the "Company" or the "Group")**

**Trading Update
and
Additional Funding Facility**

Sancus Lending Group Limited (AIM: LEND) provides an update on trading for the 6 months ended 30 June 2025 (the "Period"). The Company also announces that it has entered into an additional funding facility to support the planned growth in its property backed lending book.

Trading Update

In the Period, the Group's revenue increased by 29 per cent. to £9.7 million (2024: £7.5 million). During the Period, the Company wrote new loan facilities of £78.6 million, an increase of 54 per cent. (2024: £51.0 million). These increases reflect increased activity levels across the Group with the UK and Irish businesses, in particular, delivering growth. As at 30 June 2025, the Group's assets under management of £259 million had increased by 9 per cent. (31 December 2024: £238 million).

Overall, the Company currently estimates that it will report a profit before tax of approximately £0.1 million for the Period (2024: loss before tax of £0.6 million). This improved operating result reflects the benefits of the organic growth delivered in the Period, disciplined credit management and stable credit quality and a gain arising from the repurchase of a portion of the Group's ZDP shares during the Period.

Market Context

The UK & Channel Island property market continues to operate under challenging conditions as interest rates remain stubbornly high, which has placed pressure on borrower affordability and dampened activity levels in our core residential property lending segment.

In contrast, the Irish market is benefitting from a more supportive macroeconomic environment, with lower base rates and resilient demand for property-backed finance. The performance of the Irish business provides the Group with valuable geographic diversification, helping to offset the impact of more difficult trading conditions in the UK and Channel Islands.

Outlook

The Group remains focused on achieving sustainable run-rate profitability and has entered the second half of the year with an encouraging new business pipeline. The recently secured complementary funding facility positions the Group well to capitalise on selective growth opportunities across its core markets.

The Company expects to announce its unaudited interim results for the 6 months ended 30 June 2025 in early September 2025.

New £20 million Paragon Bank Facility

The Group is pleased to announce that it has entered into agreements with Paragon Bank plc for the provision of a £20 million committed funding facility (the "**Paragon Facility**"). The Paragon Facility, which has a 3 year term, will increase the Group's capacity to grow its property backed lending book in England, Wales and Scotland.

The junior capital required for the Paragon Facility will be provided under the Somerston Junior Funding Commitment of up to £10 million, details of which were announced by the Company on 30 January 2025. In the short-term, the Group expects to draw up to £2.5 million under the Somerston Junior Funding Commitment to finance the junior capital requirements of the Paragon Facility, leaving £3.1 million undrawn.

This new facility complements the Group's recently extended and upsized senior secured facility with Pollen Street Capital, which was increased from £125 million up to £200 million and extended to June 2030. Together, these funding arrangements significantly strengthen the Group's lending capacity and provide a diversified platform to support future growth across its core markets.

Capitalised terms not defined in this announcement have the meanings given to them in the Company's announcement of 30 January 2025.

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