

**Saga plc**  
**Interim results for the six months ended 31 July 2025**

**First half results ahead of expectations, driven by continued strength in Travel.**  
**Delivery of strategic plans on track.**

Saga plc (**Saga** or the **Group**), the UK's specialist in products and services for people over 50, announces its interim results for the six-month period ended 31 July 2025.

Six months ended	31 July 2025	31 July 2024	Change
Underlying Revenue <sup>1,2</sup>	£320.5m	£298.2m	7%
Revenue	£328.2m	£300.6m	9%
Trading EBITDA <sup>1,2</sup>	£67.5m	£62.4m	8%
Net finance costs <sup>3</sup>	(£20.5m)	(£12.9m)	(59%)
Underlying Profit Before Tax <sup>1,2</sup>	£23.5m	£24.8m	(5%)
Profit/(loss) before tax <sup>2</sup>	£3.7m	(£116.9m)	103%
Available Operating Cash Flow <sup>1</sup>	£89.4m	£54.4m	64%
Net Debt <sup>1</sup>	£515.1m	£617.2m <sup>4</sup>	17%
Leverage Ratio <sup>1</sup>	4.3x	4.8x <sup>4</sup>	0.5x

## Financial highlights

We have delivered a strong set of financial results, driven in particular by the excellent performance of our Travel business. The Group has made clear operational progress in the first half of the year and now has solid foundations in place to achieve long-term growth.

- **Strong first half trading performance, ahead of our expectations.** As a result, full year Underlying Profit Before Tax<sup>1</sup> is now expected to be in line with the prior year, despite increased finance costs.
- **Trading EBITDA<sup>1,2</sup> grew 8% to £67.5m**, with Underlying Revenue<sup>1,2</sup> up 7%. As a result, Trading EBITDA is now expected to be ahead of expectations.
- **Underlying Profit Before Tax<sup>1,2</sup> was ahead of expectations but £1.3m lower than the same period last year** due to increased financing costs associated with the Group's new corporate debt facility.
- **Profit before tax<sup>2</sup> grew by £120.6m year-on-year**, returning the Group to profit.
- **Net Debt<sup>1</sup> improved by £102.1m** and full year Leverage Ratio<sup>1</sup> now expected to be below the prior year.
- **Progressing towards the £100m+ target for Underlying Profit Before Tax<sup>1</sup> by January 2030**, with leverage falling to below 2.0x in the same period.

## Progress on strategic objectives

We have made significant progress on our strategic objectives over the first six months of the year.

- **Successfully refinanced our debt** with a new £335.0m term loan due in 2031, repaying the £250.0m bond and the £75.0m drawings under the Roger De Haan loan facility.
- **Completed the sale of our Insurance Underwriting business**, to Ageas<sup>5</sup>, on time and delivered £17.0m higher net cash than previous guidance.
- **Reorganised the leadership of our Insurance Broking business**, with the new team making good progress on preparations for our 20-year insurance partnership with Ageas<sup>5</sup>, which is on track for a Q4 2025 go live.

<sup>1</sup> Refer to the Alternative Performance Measures Glossary on pages 84-87 for definition and explanation

<sup>2</sup> From continuing operations

<sup>3</sup> Net finance costs exclude Ocean Cruise and Insurance Underwriting finance costs and Travel net fair value losses on derivatives

<sup>4</sup> Following the Group's refinancing and revised covenant definition, Net Debt and Leverage Ratio have been updated for 31 July 2024

<sup>5</sup> Wholly owned UK subsidiaries of Ageas SA/NV

- **Consolidated our Travel leadership team, which in turn delivered a very strong trading performance**, improved efficiency and provided an excellent customer experience across our product range.
- **Launched our newest River Cruise ship, Spirit of the Moselle**, a great addition to our in-demand river cruise experience, supporting our continued growth in this area.
- **Successfully agreed a new savings partnership with NatWest Boxed**, which is on track for a Q4 2025 go live and will offer a range of innovative financial products, starting with an improved instant access savings account.

## Outlook

A strong first half trading performance, ahead of our expectations, gives us confidence in achieving full year Underlying Profit Before Tax<sup>6</sup>, which is now in line with the prior year.

In Travel, we have strong forward bookings for the second half of the year. In both Ocean and River Cruise, and in Holidays, we anticipate a further improvement in profitability, driven by higher passenger numbers.

Insurance has performed well in the first half and we expect this to continue into the second. The underlying trading momentum and the imminent go live of the Ageas<sup>7</sup> partnership present opportunities to invest in policy sale volumes in the second half of the year. These investments are expected to reduce the second-half performance of the Insurance Broking business but put the partnership on a solid foundation for future growth.

Reducing debt remains a key priority for the Group and following the strong progress in the first half, the full-year leverage ratio is now expected to be below the prior year.

The Group has made clear operational progress and now has in place strong foundations to achieve our long-term growth ambitions. As such, we remain confident in achieving Underlying Profit Before Tax<sup>6</sup> of at least £100.0m by January 2030, with leverage falling to below 2.0x in the same period.

## Mike Hazell, Saga's Group Chief Executive Officer, said:

"I am delighted with the progress we have made in the first six months of this financial year. These are strong results that underline the momentum we have as we continue to deliver our financial and operational objectives.

"Our Travel business has performed particularly strongly. Demand for our exceptional Ocean and River Cruise holidays continued to grow and we have seen a material increase in the number of customers enjoying our hotel and touring holidays. In July, we launched our newest River Cruise ship, Spirit of the Moselle, which is already trading well and proving to be very popular with our customers – a clear demonstration of the growth opportunities we have in river cruising.

"Trading in our Insurance business was ahead of expectations and we made good progress with our strategy to reengineer our insurance operations. The sale of our Insurance Underwriting business to Ageas<sup>7</sup> completed on 1 July 2025, as expected, and our transformational 20-year insurance broking partnership remains on track to go live later this year.

"In April, we laid out our plans to deliver underlying profitability of at least £100.0m and leverage below 2.0x by January 2030. Our performance in the first half was a significant step forward towards meeting our targets and it has further reinforced my confidence in the future."

**END**

<sup>6</sup> Refer to the Alternative Performance Measures Glossary on pages 84-87 for definition and explanation

<sup>7</sup> Wholly owned UK subsidiaries of Ageas SA/NV

Management will hold a presentation for analysts and investors at 9.30am today. The webcast can be accessed by registering at [www.investis-live.com/saga-group/689b080a65c9d2000ffa7a5d/hjtjrr](http://www.investis-live.com/saga-group/689b080a65c9d2000ffa7a5d/hjtjrr) and a copy of the presentation slides is available at [www.corporate.saga.co.uk/investors/results-reports-presentations/](http://www.corporate.saga.co.uk/investors/results-reports-presentations/).

A separate live presentation for retail investors will be held via the Investor Meet Company platform on 25 September 2025 at 9.30am. The presentation is open to all existing and potential investors. Questions can be submitted pre-event via the Investor Meet Company dashboard up until 9.00am on 24 September 2025, or at any time during the live presentation. Investors can sign up to Investor Meet Company for free and follow Saga plc via [www.investormeetcompany.com/saga-plc/register-investor](http://www.investormeetcompany.com/saga-plc/register-investor). Investors who already follow Saga plc on the Investor Meet Company platform will automatically be invited.

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**Notes to editors**

*Saga is the specialist in the provision of products and services for people over 50. The Saga brand is one of the most recognised and trusted in the UK. Saga is known for its high level of customer service and its high-quality, award-winning products and services including cruises and holidays, insurance, personal financial and publishing.*

[www.saga.co.uk](http://www.saga.co.uk)

## Divisional performance

### Travel – Continued strong customer demand, drives revenue growth

Our Travel business had an excellent start to the financial year, with Underlying Profit Before Tax<sup>1</sup> 33% ahead of the same period last year at £41.6m, and Underlying Revenue<sup>1</sup> growth of 9% at £246.7m. Having combined the leadership and operations of our previously separate Cruise and Holidays businesses, we are achieving both improved efficiency and a stronger, more consistent delivery across our full range of holidays.

#### Ocean Cruise

- Ocean Cruise reported Underlying Profit Before Tax<sup>1</sup> of £34.5m, a 23% increase when compared with the prior period. This reflects the ongoing strong demand we are generating for our unique cruise offering, that is driving both repeat bookings and new customers.
- Underlying Revenue<sup>1</sup> increased 8% to £130.9m, as a result of achieving a load factor of 94% and per diem of £391 in the period, with an increase of 4ppts and 8%, respectively, when compared with this time last year.

#### River Cruise

- River Cruise reported Underlying Profit Before Tax<sup>1</sup> of £3.9m, a 34% increase when compared with the prior period. Our River Cruise business is continuing to be more closely aligned to the premium service provided by our Ocean Cruise business. This is resulting in improved financial results, higher customer ratings and stronger forward bookings.
- Underlying Revenue<sup>1</sup> was marginally lower by 1% due to reduced capacity, with one less river cruise ship in service for part of the first half of the year. This was offset by a load factor of 93% and per diem of £364 in the period, an increase of 7ppts and 7%, respectively, when compared with this time last year.
- In July, we launched our newest purpose-built River Cruise ship, Spirit of the Moselle, which provides the same excellent quality and experience as the rest of our spirit-class fleet.

#### Holidays

- Our Holidays business also had a strong start to the year, with an Underlying Profit Before Tax<sup>1</sup> of £3.2m increasing from £0.3m for the same period last year.
- Underlying Revenue<sup>1</sup> increased by 14% to £89.6m, supported by passenger numbers of 27.8k, a 13% increase when compared with this time last year.

### Insurance Broking – ahead of expectations

Insurance Broking reported Underlying Profit Before Tax<sup>1,2</sup> of £9.1m, compared with £11.7m in the same period last year. Our guidance had anticipated a challenging insurance environment as we transition to our Ageas<sup>3</sup> partnership later this year and performance so far has been better than we expected.

- The number of policies sold across all product lines, in the first half of the year, was 0.7m, 3% lower than the prior period. Motor policy sales increased 9% versus the same period last year, alongside a 5% growth in other broking policy sales, comprising of travel and private medical insurance. Home insurance continued to operate in a challenging market, resulting in 19% fewer policy sales. We had 1.2m policies in force at 31 July 2025, 10% behind the same point last year.
- We are continuing to invest in price and marketing to support policy sales. This benefitted policy sales in the first half of the year and we anticipate investments in the second half to deliver further improvements.

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<sup>1</sup> Refer to the Alternative Performance Measures Glossary on pages 84-87 for definition and explanation

<sup>2</sup> From continuing operations

<sup>3</sup> Wholly owned UK subsidiaries of Ageas SA/NV

## Wider progress

- Our 9.7m strong customer database remains one of our most valuable assets, providing rich insight into our target customer group and extensive market reach. Holding details for 7.7m contactable individuals, it covers almost 1 in 3 people over 50, giving us unparalleled direct reach to a highly engaged audience. This enables us to drive targeted marketing and deepen customer relationships. We augmented our direct marketing by using press, TV, digital and social media marketing channels.
- We have continued to enhance our digital and newsletter operations, delivering strong results. Our award-winning magazine has over 100k subscribers and our magazine website attracts more than 1.3m visits per month, of which 37% are new to Saga. Our insightful newsletters are also driving high levels of customer engagement, with around 10.2m sent each month and achieving open rates of up to 49%.
- We have redesigned our Saga homepage, using our specialist publishing team to make engaging and relevant content its primary focus. This has delivered strong performance across key areas. The average bounce rate has dropped significantly to 14%, down from 40% year-on-year. Visitors are finding the content more compelling and staying for longer. We are seeing an increase in the number of visitors returning each day and importantly, the homepage is driving meaningful traffic to our business units.

## Chairman's Statement

Saga has, in the first six months of the financial year, made significant financial progress and continued implementing its strategic plans, creating a solid foundation for long-term sustainable growth. Our new debt facilities, signed in February, do not mature until 2031, and give us the financial headroom and flexibility to support our growth.

We agreed a 20-year insurance partnership with Ageas<sup>1</sup> at the end of last year and have been making great strides in preparing a new operating model that will be introduced later this year. The sale of our Insurance Underwriting business to Ageas<sup>1</sup>, which we successfully completed in July, fundamentally changes the risk profile and complexity of our insurance business and was a major step in transforming our insurance operations. In April, Ageas<sup>1</sup> announced that it had agreed to acquire Esure. After the purchase has been completed, Ageas<sup>1</sup> will become the third largest insurer of motor and home in the UK. The power of our combined businesses, our respective capabilities and Saga's brand should provide a compelling growth opportunity.

Alongside these strategic developments, our Insurance Broking business has also seen some encouraging trading results, with a strong response to the pricing and marketing investment we have deployed this year. Although, pending our transition to Ageas<sup>1</sup>, home insurance remains a challenging market for us, we have seen policy growth in each of our other three policy lines, motor, travel and private medical insurance.

In March this year, we combined the leadership and operations of our two travel businesses, Cruise and Holidays. The aim was to create a single Travel business that delivered consistently high-quality customer experiences, tailored for older people, with an effective and efficient operating model. The early results of this change have been very positive. Demand for our ocean and river cruise holidays has continued to grow, as have our customer satisfaction scores. In July we launched our newest purpose-built River Cruise ship, Spirit of the Moselle. It is an excellent addition to our fleet and the demand it is generating demonstrates the great growth potential we have in that part of our business.

We have also seen strong demand for our hotel and touring holidays, which has led to a significant growth in customer numbers. Alongside this, we have improved our customer satisfaction scores. Saga, the company my mother and father started, has a long history of specialising in taking older people on holiday and working hard to do it well. I am delighted that after almost 75 years, our strength in Travel remains as important to us as it does to our customers.

Our partnership strategy, continues to develop. It combines Saga's brand and our customer insight and marketing capabilities, with the infrastructure and expertise of third-parties, to deliver great new products and service to our customers. We are attracting interest from organisations in a number of areas. Our NatWest Boxed savings partnership is the latest opportunity to go into development and we are on track to launch the partnership later this year with a new savings product. We expect, working with NatWest Boxed, to begin offering a range of other personal banking products in the future.

All of this is underpinned by our focus on our customers. Nobody understands older people like Saga and this understanding remains fundamental to everything we do. Our Publishing business is at the core of this, and we have made some great progress in that area. In addition to our first-class magazine, we are using our specialist publishing team to produce digital content for our popular newsletters and redesigned website, dramatically increasing our readership and in turn deepening the insight and engagement we have with customers.

Mike Hazell and his senior team are doing an outstanding job, supported by the hard work and efforts of their amazing colleagues, which has delivered our successful performance in the first half of the year. I would like to thank everyone within the Group for their dedication and continued support. Their achievements have been quite remarkable and have placed us in a strong position to deliver our exciting vision. We are on track to achieve our medium-term targets that will transform our financial performance, delivering greater shareholder value and excellent products and services for our customers.

### Sir Roger De Haan

Non-Executive Chairman

23 September 2025

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<sup>1</sup> Wholly owned UK subsidiaries of Ageas SA/NV

## Group Chief Executive Officer's Review

I am delighted to present an excellent set of results and outline the continued progress we are making on our strategic priorities.

### A strong financial performance

Our focus on our strategic objectives has begun to deliver excellent trading results, particularly in our Travel business. Underlying Revenue<sup>1,2</sup> grew by 7% in the first half of the year, to £320.5m, supporting an 8% increase in Trading EBITDA<sup>1,2</sup>, which rose to £67.5m.

Following the successful disposal of our Insurance Underwriting business in July, Underlying Profit Before Tax<sup>1,2</sup> was £23.5m for the first half of the year, compared with £24.8m for same period last year. This marginal drop reflects the increased financing costs we indicated in our previous guidance, following the refinancing of our corporate debt facilities, offset by the strong growth in our trading profits.

Our actions over the past six months have put the Group in a good position, translating into strong profit growth and a solid outlook. Our profit before tax<sup>2</sup> has improved from a loss of £116.9m in the first half of last year, to £3.7m profit this year, reflecting both our positive trading performance and the end of Insurance Broking goodwill impairments that have impacted previous years' profits.

Reducing our debt remains a key priority and we have seen appreciable reduction in the first half of the year. At 31 July 2025, Net Debt<sup>1</sup> was £515.1m, £77.7m lower than at 31 January 2025.

### Significant strategic progress

Alongside our strong first half trading performance, we have made significant progress in realising our strategic growth plans. We completed the refinancing of our corporate debt in February, putting in place, new long term funding facilities, which will mature in 2031. These facilities, combined with the progress we are making in deleveraging, as part of our long-term debt reduction target, put the Group in a strong balance sheet position.

The sale of our Insurance Underwriting business, completed in July, represented a significant step towards a less complex, lower risk operation, exemplified by the insurance partnership we are building with Ageas<sup>3</sup>. Progress on the insurance broking partnership with Ageas<sup>3</sup> is advancing on track to be launched later this year. The powerful combination of Saga's customer insight and marketing capabilities, with Ageas's<sup>3</sup> first-class insurance infrastructure and expertise, will be a step change for our Insurance business and significantly improve our ability to continue to offer excellent quality and, differentiated insurance products to our customers.

Insurance is not the only part of our Group to attract high profile partners. In July, our Money business announced an exciting new savings partnership with NatWest Boxed, that will enable us to provide an innovative suite of savings products designed for people over 50.

### Our strategy

Everything we do is driven by our aim to meet the needs of the segment of the population we serve. Nobody understands older people better than Saga and for over 70 years we have been designing and delivering differentiated products and services exclusively for them. We are 'the' trusted brand for people over 50 and our strategy is to work tirelessly to protect that position. Our priorities are to build on these core strengths and to continue to develop our existing business lines and explore new and complementary areas to deliver long-term sustainable growth:

#### 1. Maximising the growth of our existing businesses

In the short-term, our success will lie in maximising the opportunities that are in our existing businesses – Travel, Insurance and Money. These are long established successful businesses with significant growth potential and they underpin our long-term strategy. We serve an attractive and growing market with an instantly recognisable and trusted brand and all our businesses have growth plans in place to maximise the opportunities that this brings.

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<sup>2</sup> From continuing operations

<sup>3</sup> Wholly owned UK subsidiaries of Ageas SA/NV

## **2. Driving incremental growth through new business lines and products**

We exist to meet the growing needs of older people and there are many opportunities to do this beyond the businesses and product lines we have today. We have laid strong foundations and are well positioned to supplement growth by offering older people additional products and services they need. Our main focus will remain on our existing core businesses and these longer-term opportunities will build over time.

## **3. Growing our customer base and deepening those relationships**

Understanding and engaging with our customers is a vital part of Saga's strategy and essential for its long-term success. Our Publishing team celebrate the lifestyles of older people, producing engaging content through our magazine, website and newsletters that in turn provides interactions with our customer base and constantly improves our insight and understanding. When combined with the daily interactions our customers have with each of our businesses, the result is a unique and constantly deepening understanding of our customers that informs both our product development and how we promote our services. Recognising the importance of this process, protecting it and building it, will remain key to our future success.

## **4. Reducing debt, while simplifying our operations**

We recognise that our future success will be built on finding simple and agile routes to achieve our aims. We are streamlining our operations and, where appropriate, leveraging partner infrastructure and capabilities to ensure that we continue to design and market great products for our customers, supported by first class service and by the most efficient and effective operating model. This strategy will deliver growth and allow us to continue to reduce the level of debt across our business.

## **Business performance**

### **Travel**

Saga has been taking older customers on holiday for over 70 years. Our experience in understanding and meeting the needs of those customers is fundamental to our success. Earlier this year, we combined the management teams and operations of our Cruise and Holidays businesses, in order to be able to operate a more efficient and effective operating model and deliver a constantly high level of service to all our customers. Led by our hugely experienced Saga Travel leadership team, the early results have been excellent.

### **Cruise**

Demand for our unique boutique ocean cruises is stronger than ever and we have seen an excellent start to the year, continuing the momentum generated in previous years. Our focus is always on enhancing the quality, value and service we offer our customers. This year we have extended the range of our chauffeur car service so that all our customers will now be able to benefit from this hassle-free experience and receive exceptional service from the moment they leave their front door.

Our cruises are tailored for our customers; our reservation systems, the design of our smaller luxury ships, on-board hospitality, and our itineraries. As a result, our customer satisfaction levels are excellent. Our transaction net promoter score (**tNPS**) increased to 85, from 81, during the first half of the year, and repeat customers made up 65% of our bookings..

The result of this focus can be seen in our load factors and per diems, both growing strongly. Bookings for the full year, at 21 September 2025 reflect a 92% load factor and a per diem of £395, increases of 2ppts and 10%, respectively, compared with the same period last year.

River Cruise also had a positive start to the year and continues to go from strength to strength. In July we launched Spirit of the Moselle. This new addition to the fleet provides our customers with more choice and we have another new river cruise ship we plan to bring into service in 2027.

In aligning service standards on our river cruises with those of ocean cruises, we have generated significantly higher customer satisfaction and greater demand. Bookings for the full year, at 21 September 2025 deliver a load factor of 87% and a per diem of £351, 1ppt lower and 7% higher, respectively on last year. The improvement in tNPS from 56 to 67 this year, shows the progress we have made of customer experience.



## Holidays

Our touring and hotel stay holidays, also had a very good start to the year. Passenger volumes were up 13% versus the same period last year and profits increased from £0.3m to £3.2m for the first half of the year. We have also delivered a significant improvement in customer satisfaction, with Holidays tNPS increasing to 55, from 44 in the same period last year.

For the full year, booked revenue at 21 September 2025 was £183.6m, 14% higher than the £161.7m at the same time last year from a higher volume of passengers, which increased 12%, to 60.8k, from 54.2k.

Our improved customer satisfaction ratings combined with our plans to expand our product range, provide a solid platform for continued growth. Our decision to include our nationwide chauffer; door to airport service, in all our holiday packages from April next year has been well received.

## **Insurance Broking**

Our insurance business has been through a difficult few years, impacted by a highly competitive market, industry wide inflation and cost pressures that limited our ability to fully respond to these challenges. However, the sale of our Underwriting business has simplified our operations and under our new insurance leadership team, Saga's Broking business has been trading ahead of expectations. In the first six months of the financial year, three out of our four personal insurance lines have seen policy growth and while home insurance remains under pressure, pending our transition to Ageas<sup>4</sup>, it is outperforming our expectations. In addition to enhancing our pricing competitiveness and marketing efforts, we have placed renewed focus on customer service, following a period of stress and disruption in our insurance operations. The result has been an encouraging improvement in call answer rates and significantly improved customer satisfaction – with tNPS rising from 56 last year to 65 this year.

Performance in motor policy sales was particularly strong, in the first half of this financial year, with a 9% increase in the number of policies sold. The strategic pricing actions we took aimed to improve our competitiveness have delivered encouraging results, with new business policy sales volumes increasing by 47% year-on-year.

Home policy sales were 19% lower than the prior year, most significantly due to a reduced number of renewal opportunities given the decline in policy numbers last year. Net rate inflation continues to be a dampening factor for our home insurance business, with panel price increases reducing our price competitiveness as panel members seek to make up for the impact of past inflation and losses. We are nonetheless working hard to mitigate the impact of this and our partnership with Ageas<sup>4</sup>, which is due to go live later this financial year, will remove our exposure to the panel.

Policy sales from our travel and private medical insurance were 5.3% higher, when compared with the prior year. Policy sales of travel insurance performed particularly well. Changes we have made to improve our product offering in this area; the introduction of product tiering and investment in pricing and marketing has proven very successful and is something we will build on in the second half of the year.

We had anticipated a challenging year while we made the necessary arrangements to transition our motor and home insurance operation to Ageas<sup>4</sup>. The combined result has been a 3% decline in overall number of policies sold, however our performance has been better than our expectations. We remain excited and confident of the growth opportunities ahead.

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## **Money**

In the first half of the year Money reported an Underlying Profit Before Tax<sup>5</sup> of £0.2m broadly consistent with £0.4m in the prior period.

As part of our strategy to develop new products, our Money business entered into a seven-year partnership with NatWest Boxed. This partnership will enable us to launch an innovative suite of products that recognises and caters for, the distinct needs and preferences of people over 50.

We continue our focus on building awareness of the products and services available to support the financial needs of our customers through our popular Money newsletters, which are currently distributed to 0.8m readers every week and through free webinars that cover a range of topics including estate planning, wills and the housing market.

## **Building a stronger culture**

Our ability to provide our customers with exceptional products and service is a result of the hard work, dedication and collaboration of our colleagues. To ensure we continue to deliver the best experience for our customers, it is crucial that we listen to feedback from our colleagues and respond appropriately. We are doing this and fostering a culture that empowers everyone to contribute, creating a positive environment that supports the team and our customers.

The recent colleague survey, which showed an engagement score of 7.9 out of 10, is a clear indication of the strong commitment and dedication from our colleagues. This high level of engagement reflects the positive culture we are building. By acting on the insights from our surveys, we can continue to create an environment where colleagues feel valued, supported and empowered to contribute to our ongoing success.

## **Delivering on our plans**

In the past six months, we have made clear progress and this achievement is a testament to the unwavering dedication and hard work from my colleagues. I thank them all for their commitment and contribution in making Saga a great place to work and for continuing to deliver exceptional experiences for our customers every day.

We are trading ahead of our expectations while implementing significant strategic change that will underpin our future growth. Having laid out our five-year growth plans in April, we are only in the early stages of delivery. However, with six months of strong trading behind us, we remain very confident in achieving the targets we have set and the long-term potential we are unlocking along the way.

## **Mike Hazell**

Group Chief Executive Officer

23 September 2025

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<sup>5</sup> Refer to the Alternative Performance Measures Glossary on pages 84-87 for definition and explanation

## Group Chief Financial Officer's Review

The Group has made significant progress in the first half of the year. The trading of the Group for the period is ahead of expectations, with a strong performance in Travel and Insurance Broking. The strong momentum in the first half means that the Group is on track to achieve full year Underlying Profit Before Tax<sup>1</sup> that is now expected to be in line with the prior year.

In Travel, we have strong forward bookings for the second half of the year in both Ocean and River Cruises, and in Holidays we anticipate a further improvement in profitability driven by higher passenger numbers.

Insurance Broking has performed well in the first half and we expect this to continue into the second. The underlying trading momentum and the imminent go live of the Ageas<sup>2</sup> partnership present opportunities to invest in policy volumes in the second half of the year. These investments are expected to reduce the second half performance of the Insurance Broking business but put the partnership on a solid foundation for future growth.

The Group has also made significant progress against our strategic objective to reduce debt, with the completion of the refinancing of the Group's near-term debt maturities in February and the completion of the sale of the Group's Insurance Underwriting business to Ageas<sup>2</sup> on 1 July 2025, which delivered £17.0m more cash than expected as a result of £7m of net asset valuation and deduction adjustments, alongside £10.0m of pre-completion dividends. At 31 July 2025, Net Debt<sup>1</sup> was £515.1m, which was £77.7m lower than at 31 January 2025. The increase in Trading EBITDA<sup>1</sup> meant that Leverage Ratio<sup>1</sup> reduced from 4.4x<sup>3</sup> at 31 January 2025 to 4.3x.

Following the strong cash generation in the first half, the full year leverage ratio is now expected to be below the prior year.

With the momentum seen in the first half, there is a clear opportunity for material growth in the future. We remain confident in delivering at least £100.0m of annual Underlying Profit Before Tax<sup>1</sup>, while reducing the Leverage Ratio<sup>1</sup> to below 2.0x, by January 2030.

For the six months ended 31 July 2025, the Group's Underlying Profit Before Tax<sup>1,4</sup> was £23.5m, marginally lower than the prior period, reflecting strong performance in our Travel businesses and Insurance Broking. This increased trading performance was offset by the increase in finance cost, which was driven by the refinancing of the Group's corporate debt at the beginning of the year, to higher interest rates.

Following the agreement with Ageas<sup>2</sup>, which included the sale of Acromas Insurance Company Limited (**AICL**) and the move to a 20-year partnership for motor and home insurance, our Insurance Underwriting operations, alongside all associated accounting adjustments, have been classified as discontinued operations.

The Group reported a profit before tax<sup>4</sup> of £3.7m and a loss before tax of £3.7m including discontinued operations, compared with a loss before tax of £104.0m in the prior year, which included an impairment of Insurance Broking goodwill of £138.3m.

The Group continues to remain highly cash-generative, with Available Operating Cash Flow<sup>1</sup> of £89.4m, driven by an increase in cash generation from Ocean Cruise, Insurance Broking and a £10.0m dividend paid by Insurance Underwriting. The Group's available liquidity comprised of £140.1m of Available Cash<sup>1</sup>, the £33.4m undrawn Revolving Credit Facility (**RCF**) and £116.6m undrawn delayed-draw term loan (**DDTL**) provided by HPS Funds<sup>5</sup>.

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<sup>1</sup> Refer to the Alternative Performance Measures Glossary on pages 84-87 for definition and explanation

<sup>2</sup> Wholly owned UK subsidiaries of Ageas SA/NV

<sup>3</sup> Following the Group's refinancing and revised covenant definition, Net Debt and Leverage Ratio have been updated for 31 January 2025

<sup>4</sup> From continuing operations

<sup>5</sup> Certain funds, entities (or affiliates or subsidiaries of such funds or entities) and/or accounts managed, advised or controlled by HPS Investment Partners, LLC or its subsidiaries

## Operating performance

### Group income statement

£m	6m to July 2025			Change	6m to July 2024		
	Continuing operations	Discontinued operations	Total		Continuing operations	Discontinued operations	Total
<b>Underlying Revenue<sup>6</sup></b>	<b>320.5</b>	<b>60.5</b>	<b>381.0</b>	<b>(3.1%)</b>	<b>298.2</b>	<b>95.1</b>	<b>393.3</b>
<b>Underlying Profit Before Tax<sup>6</sup></b>							
Travel	41.6	-	41.6	33.3%	31.2	-	31.2
Insurance Broking (earned)	9.1	(0.4)	8.7	(28.7%)	11.7	0.5	12.2
Insurance Underwriting	-	15.6	15.6	>500.0%	-	1.9	1.9
Total Insurance	9.1	15.2	24.3	72.3%	11.7	2.4	14.1
Other Businesses and Central Costs	(6.7)	-	(6.7)	(28.8%)	(5.2)	-	(5.2)
Net finance costs <sup>7</sup>	(20.5)	-	(20.5)	(58.9%)	(12.9)	-	(12.9)
<b>Underlying Profit Before Tax<sup>6</sup></b>	<b>23.5</b>	<b>15.2</b>	<b>38.7</b>	<b>42.3%</b>	<b>24.8</b>	<b>2.4</b>	<b>27.2</b>
Impairment of Insurance Broking goodwill	-	-	-	100.0%	(138.3)	-	(138.3)
Other exceptional items	(19.8)	(22.6)	(42.4)	(>500.0%)	(3.4)	10.5	7.1
<b>Profit/(loss) before tax</b>	<b>3.7</b>	<b>(7.4)</b>	<b>(3.7)</b>	<b>96.4%</b>	<b>(116.9)</b>	<b>12.9</b>	<b>(104.0)</b>
Tax credit/(expense)	2.2	(1.9)	0.3	114.3%	1.3	(3.4)	(2.1)
<b>Profit/(loss) after tax</b>	<b>5.9</b>	<b>(9.3)</b>	<b>(3.4)</b>	<b>96.8%</b>	<b>(115.6)</b>	<b>9.5</b>	<b>(106.1)</b>
<b>Earnings/(loss) per share</b>							
Underlying Earnings Per Share <sup>6</sup>	16.8p	10.9p	27.7p	54.7%	16.3p	1.6p	17.9p
Earnings/(loss) per share	4.2p	(6.6p)	(2.4p)	96.8%	(82.7p)	6.8p	(75.9p)

The Group's business model is based on providing high-quality and differentiated products to its target demographic, predominantly focussed on travel and insurance. The Travel businesses comprise Ocean Cruise, River Cruise and Holidays. The Insurance business operates mainly as a broker, sourcing underwriting capacity from selected third-party insurance companies, and, for motor and home, also from the Group's in-house underwriter until the sale of AICL to Ageas<sup>8</sup>, which completed on 1 July 2025. Other Businesses include Money, Publishing and CustomerKNECT, a mailing and printing business.

#### Underlying Revenue<sup>6</sup>

Underlying Revenue<sup>6</sup> decreased 3.1% to £381.0m (H1 2024: £393.3m), mainly due to lower revenue in the Group's Insurance Underwriting business. The sale of the Group's Insurance Underwriting business to Ageas<sup>8</sup> completed on 1 July 2025.

#### Underlying Profit Before Tax<sup>6</sup>

The Group generated a total Underlying Profit Before Tax<sup>6</sup> of £38.7m in the first half of the current year, compared with £27.2m in the first half of the prior year. This is primarily due to a:

- £10.4m increase in Travel, moving to an Underlying Profit Before Tax<sup>6</sup> of £41.6m (H1 2024: £31.2m), with £6.5m driven by Ocean Cruise; and
- Underlying Profit Before Tax<sup>6</sup> in Insurance Underwriting of £15.6m (H1 2024: £1.9m).

These were partially offset by a £3.5m reduction in Insurance Broking profitability due to difficult trading conditions, particularly within home.

Net finance costs<sup>7</sup> in the period were £20.5m (H1 2024: £12.9m), which excludes finance costs within the Ocean Cruise business of £7.7m (H1 2024: £8.2m) and Insurance Underwriting business of £3.0m (H1 2024: £1.9m). The increase was predominantly driven by the refinancing of the Group's corporate debt at the beginning of the year at materially higher interest rates.

<sup>6</sup> Refer to the Alternative Performance Measures Glossary on pages 84-87 for definition and explanation

<sup>7</sup> Net finance costs exclude Ocean Cruise and Insurance Underwriting finance costs and Travel net fair value losses on derivatives

<sup>8</sup> Wholly owned UK subsidiaries of Ageas SA/NV

## Loss before tax

The loss before tax for the period, of £3.7m, includes a net negative of other exceptional items of £42.4m, consisting of:

### Continuing operations

- costs relating to the transition to the 20-year partnership for motor and home insurance with Ageas (the **Affinity Partnership**) of £2.9m;
- restructuring costs of £14.8m;
- costs and fees associated with the Group's previous corporate debt including accelerated amortisation of fees relating to the loan facility provided by Roger De Haan, totalling £7.6m;
- fair value losses of £0.4m on derivatives;
- a negative International Financial Reporting Standard (IFRS) 16 'Leases' adjustment of £0.1m on River Cruise ships;
- £0.3m Ocean Cruise dry dock costs;
- Impairments to assets and loss on disposal of assets of £0.4m;
- foreign exchange losses on River Cruise ship leases of £0.8m;
- onerous contract provisions net positive of £1.3m on three-year fixed-price policies;
- release of deferred income associated with home and motor three year fixed priced policies of £6.2m;

### Discontinued operations

- onerous contract provisions net negative of £4.3m on insurance contracts under IFRS 17;
- restructuring costs of £0.1m;
- loss on disposal of subsidiaries of £23.9m relating to the disposal of the Insurance Underwriting business;
- a £0.1m negative change in discount rate on non-periodical payment order (**PPO**) insurance liabilities;
- release of the written to earned adjustment following the sale of the Insurance Underwriting business of £3.6m; and
- fair value gains on debt securities of £2.2m.

The loss before tax in the prior period, of £104.0m, includes a £138.3m impairment to Insurance Broking goodwill and a net positive of other exceptional items of £7.1m, consisting of:

### Continuing operations

- onerous contract provisions net positive of £2.1m on three-year fixed-price policies;
- foreign exchange gains on River Cruise ship leases of £0.5m;
- restructuring costs of £4.1m;
- costs associated with the unsecured loan facility provided by Roger De Haan of £1.2m;
- fair value losses of £0.6m on derivatives; and
- a negative IFRS 16 adjustment of £0.1m on River Cruise ships.

### Discontinued operations

- onerous contract provisions net positive of £7.6m on insurance contracts under IFRS 17;
- fair value gains on debt securities of £2.7m;
- a £0.3m positive change in discount rate on non-PPO insurance liabilities;
- restructuring costs of £0.1m;

## Tax

The Group's tax credit for the period was £0.3m (H1 2024: £2.1m), representing a tax effective rate of 8.1% (H1 2024: 6.1%), excluding the Insurance Broking goodwill impairment charge. In both the current and prior periods, the difference between the Group's tax effective rate and the standard rate of corporation tax was mainly due to the Group's Ocean Cruise business being in the tonnage tax regime. In addition, in the current period it is also due to all temporary differences at 31 July 2025 not being considered recoverable and, therefore, no deferred tax assets were recognised for these temporary differences. This is the result of the change in mix of profitability within the Group, where the majority of the Group's profits now come from the Ocean Cruise business, whereas the Insurance Broking business has been in decline.

There was also an adjustment in the current period for the under-provision of prior year tax of £0.9m debit (H1 2024: £0.3m credit). Excluding the impact of the Ocean Cruise business being in the tonnage tax regime, the Insurance goodwill impairment, the adjustments to prior year tax and the non-recognition of net deferred tax assets, the tax effective rate for the current year is 9.1% (H1 2024: 35.8%).

## Earnings/(loss) per share

The Group's Underlying Basic Earnings Per Share<sup>9</sup> was 27.7p (H1 2024: 17.9p). The Group's reported basic loss per share was 2.4p (H1 2024: loss of 75.9p).

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<sup>9</sup> Refer to the Alternative Performance Measures Glossary on pages 84-87 for definition and explanation

## Travel

£m	6m to July 2025				Change	6m to July 2024			
	Ocean Cruise	River Cruise	Holidays	Total Travel		Ocean Cruise	River Cruise	Holidays	Total Travel
<b>Underlying Revenue<sup>10</sup></b>	<b>130.9</b>	<b>26.2</b>	<b>89.6</b>	<b>246.7</b>	<b>8.8%</b>	<b>121.5</b>	<b>26.4</b>	<b>78.9</b>	<b>226.8</b>
<b>Gross profit</b>	<b>57.3</b>	<b>9.4</b>	<b>20.6</b>	<b>87.3</b>	<b>14.3%</b>	<b>52.1</b>	<b>7.8</b>	<b>16.5</b>	<b>76.4</b>
Marketing expenses	(6.7)	(3.2)	(7.4)	(17.3)	(14.6%)	(6.8)	(2.4)	(5.9)	(15.1)
Other operating expenses	(8.4)	(2.6)	(10.7)	(21.7)	4.4%	(9.1)	(2.7)	(10.9)	(22.7)
Investment return	-	0.3	0.7	1.0	25.0%	-	0.2	0.6	0.8
Finance costs	(7.7)	-	-	(7.7)	6.1%	(8.2)	-	-	(8.2)
<b>Underlying Profit Before Tax<sup>10</sup></b>	<b>34.5</b>	<b>3.9</b>	<b>3.2</b>	<b>41.6</b>	<b>33.3%</b>	<b>28.0</b>	<b>2.9</b>	<b>0.3</b>	<b>31.2</b>
Average revenue per passenger (£)	5,818	3,157	3,223	4,210	5.2%	5,170	3,034	3,220	4,000
Ocean Cruise load factor	94%			94%	4ppt	90%			90%
Ocean Cruise per diem (£)	391			391	8.0%	362			362
River Cruise load factor		93%		93%	7ppt		86%		86%
River Cruise per diem (£)		364		364	7.1%		340		340
Passengers ('000)	22.5	8.3	27.8	58.6	3.4%	23.5	8.7	24.5	56.7

### Ocean Cruise

The Ocean Cruise business owns two Ocean Cruise ships, Spirit of Discovery and Spirit of Adventure.

The business achieved a load factor of 94% (H1 2024: 90%) and a per diem of £391 (H1 2024: £362). These two factors, when combined, equated to Underlying Revenue<sup>10</sup> growth of 7.7% and resulted in a 23.2% increase in profitability, from an Underlying Profit Before Tax<sup>10</sup> of £28.0m in the first half of the prior year, to £34.5m in the first half of the current year.

### River Cruise

At the beginning of the year, the River Cruise business had 10-year charters in place for two boutique purpose-built River Cruise ships, Spirit of the Rhine and Spirit of the Danube, alongside one other shorter-term charter. In July 2025, the business took delivery of its third boutique purpose-built River Cruise ship, Spirit of the Moselle.

In the first half of the year, the business achieved a load factor of 93% (H1 2024: 86%) and a per diem of £364 (H1 2024: £340). Passenger numbers have decreased from 8.7k to 8.3k due to having one less River Cruise ship in service for the majority of the first half of the current year compared with the first half of the prior year. Despite this, Underlying Revenue<sup>10</sup> was broadly flat with the prior period at £26.2m (H1 2024: £26.4m) and achieved growth of 34.5% in profitability, to an Underlying Profit Before Tax<sup>10</sup> of £3.9m (H1 2024: £2.9m).

### Holidays

The Holidays business, which includes both the Saga Holidays and Titan brands, increased volumes when compared to the first half of the prior year, with passenger numbers increasing from 24.5k to 27.8k. Revenue per passenger was broadly flat at £3,223 (H1 2024: £3,220), driven by a passenger preference of travelling to Europe over long-haul destinations due to the geopolitical environment in the first half of the current year.

This led to Underlying Revenue<sup>10</sup> growth of 13.6% and an increase in profitability, from an Underlying Profit Before Tax<sup>10</sup> of £0.3m in the first half of the prior year, to £3.2m in the first half of the current year.

<sup>10</sup> Refer to the Alternative Performance Measures Glossary on pages 84-87 for definition and explanation

## Forward Travel sales

The Ocean Cruise load factor for the full year is 92%, 2ppts ahead of the same point last year. This was driven by an improved load factor in both the first and second half of the year, when compared with the previous year. The per diem for 2025/26 is 10.0% higher than the same period last year, reflecting continued strong customer demand.

Looking ahead to 2026/27, Ocean Cruise load factor is 3ppts ahead of the prior year position, with the per diem 13.2% ahead.

The River Cruise load factor for 2025/26 is marginally behind the same point last year, by 1ppt, reflecting a higher load factor in the first half of the year, but a lower load factor in the second. The load factor split being impacted by the timing of the delivery of our new River Cruise ship, Spirit of the Moselle. The revenue management approach has been focussed on optimising load factors on a month-by-month basis and prioritising the earlier months first. The per diem for the full year is 7.3% ahead, reflecting strong customer demand.

River Cruise bookings for next year are ahead of the previous year, with the load factor 5ppts ahead and the per diem 6.6% ahead.

Holidays bookings for 2025/26 are ahead of the same point last year by 13.5% and 12.2% for revenue and passengers respectively. The increase in revenue is due to the uptick in passenger numbers, reflecting the increase uptake across short- and long-haul touring and stays.

Holidays bookings for 2026/27 are currently behind of the same point last year by 4.8% in revenue and 7.4% in passenger volumes. Marketing activity has so far been focussed on in-year trading, with attention now shifting to 2026. The planned activity should bridge the gap by the end of January 2026. This impact is partially offset by stronger performance in hosted stays, which are ahead of the prior year, supported by the introduction of our nationwide chauffeur service included in all hosted stays packages departing from 1 April 2026.

	Current year departures			Next year departures		
	21 September 2025	Change	22 September 2024	21 September 2025	Change	22 September 2024
Ocean Cruise revenue (£m)	256.7	12.8%	227.6	159.4	21.2%	131.5
Ocean Cruise load factor	92%	2ppts	90%	51%	3ppts	48%
Ocean Cruise per diem (£)	395	10.0%	359	437	13.2%	386
River Cruise revenue (£m)	51.6	4.9%	49.2	21.6	38.5%	15.6
River Cruise load factor	87%	(1ppt)	88%	31%	5ppts	26%
River Cruise per diem (£)	351	7.3%	327	371	6.6%	348
Holidays revenue (£m)	183.6	13.5%	161.7	68.1	(4.8%)	71.5
Holidays passengers ('000)	60.8	12.2%	54.2	18.7	(7.4%)	20.2



## Insurance

### Insurance Broking

The Insurance Broking business provides tailored insurance products, principally motor, home, private medical insurance (**PMI**) and travel insurance. Its role is to price the policies and source the lowest risk price, whether through the panel of motor and home underwriters or through solus arrangements for PMI and travel insurance.

Up until its sale to Ageas<sup>11</sup> on 1 July 2025, the Group had an in-house insurer, AICL, sitting on the motor and home panels where it competed for that business with other panel members on equal terms. AICL offered its underwriting capacity on the home panel through a coinsurance deal with a third party, so the Group took no underwriting risk for that product. Even if underwritten by a third party, the offering is presented as a Saga product and the Group manages the customer relationship. AICL continues to sit on the motor and home panels following its sale.

£m	6m to July 2025				Change	6m to July 2024			
	Motor broking	Home broking	Other broking	Total		Motor broking	Home broking	Other broking	Total
<b>Gross Written Premiums<sup>12</sup></b>									
Brokered	70.0	66.6	67.4	204.0	(3.3%)	65.1	81.1	64.8	211.0
Underwritten	75.2	-	0.5	75.7	(15.1%)	88.0	-	1.2	89.2
Gross Written Premiums	145.2	66.6	67.9	279.7	(6.8%)	153.1	81.1	66.0	300.2
Broker revenue	6.2	2.7	22.9	31.8	(0.3%)	4.7	6.7	20.5	31.9
Instalment revenue	2.0	1.6	-	3.6	9.1%	1.6	1.7	-	3.3
Add-on revenue	3.9	3.0	-	6.9	(11.5%)	3.8	4.0	-	7.8
Other revenue	14.2	7.3	1.2	22.7	11.8%	14.3	8.6	(2.6)	20.3
<b>Written Underlying Revenue<sup>12</sup></b>	<b>26.3</b>	<b>14.6</b>	<b>24.1</b>	<b>65.0</b>	<b>2.7%</b>	<b>24.4</b>	<b>21.0</b>	<b>17.9</b>	<b>63.3</b>
<b>Written gross profit</b>	<b>23.6</b>	<b>14.6</b>	<b>26.2</b>	<b>64.4</b>	<b>(0.3%)</b>	<b>21.8</b>	<b>21.0</b>	<b>21.8</b>	<b>64.6</b>
Marketing expenses	(6.8)	(2.7)	(3.7)	(13.2)	(21.1%)	(4.4)	(2.9)	(3.6)	(10.9)
<b>Written Gross Profit After Marketing Expenses<sup>12</sup></b>	<b>16.8</b>	<b>11.9</b>	<b>22.5</b>	<b>51.2</b>	<b>(4.7%)</b>	<b>17.4</b>	<b>18.1</b>	<b>18.2</b>	<b>53.7</b>
Other operating expenses	(18.0)	(11.6)	(12.7)	(42.3)	(0.5%)	(16.7)	(12.5)	(12.9)	(42.1)
<b>Written Underlying (Loss)/Profit Before Tax<sup>12</sup></b>	<b>(1.2)</b>	<b>0.3</b>	<b>9.8</b>	<b>8.9</b>	<b>(23.3%)</b>	<b>0.7</b>	<b>5.6</b>	<b>5.3</b>	<b>11.6</b>
Written to earned adjustment	(0.2)	-	-	(0.2)	(133.3%)	0.6	-	-	0.6
<b>Earned Underlying (Loss)/Profit Before Tax<sup>12</sup></b>	<b>(1.4)</b>	<b>0.3</b>	<b>9.8</b>	<b>8.7</b>	<b>(28.7%)</b>	<b>1.3</b>	<b>5.6</b>	<b>5.3</b>	<b>12.2</b>
Policies in force	628k	448k	171k	1,247k	(10.0%)	649k	564k	173k	1,386k
Policies sold	368k	225k	100k	693k	(2.5%)	337k	279k	95k	711k
Third-party panel share <sup>13</sup>	42.5%				4.9ppts	37.6%			
Reconciliation to continuing operations:									
<b>Earned Underlying (Loss)/Profit Before Tax<sup>12</sup></b>	<b>(1.4)</b>	<b>0.3</b>	<b>9.8</b>	<b>8.7</b>	<b>(28.7%)</b>	<b>1.3</b>	<b>5.6</b>	<b>5.3</b>	<b>12.2</b>
Written Underlying Profit/(Loss) Before Tax <sup>12</sup>	0.2	-	-	0.2	100.0%	(0.1)	-	0.2	0.1
from discontinued operations	0.2	-	-	0.2	133.3%	(0.6)	-	-	(0.6)
<b>Underlying (Loss)/Profit Before Tax<sup>12</sup> from continuing operations</b>	<b>(1.0)</b>	<b>0.3</b>	<b>9.8</b>	<b>9.1</b>	<b>(22.2%)</b>	<b>0.6</b>	<b>5.6</b>	<b>5.5</b>	<b>11.7</b>

Insurance Broking written Underlying Profit Before Tax<sup>12</sup>, which excludes the impact of the written to earned adjustment deferring the revenue on policies underwritten over the term of the policy, reduced to £8.9m, from £11.6m in the prior period. Underlying Profit Before Tax<sup>12</sup> from continuing operations reduced to £9.1m from £11.7m. The written to earned adjustment is no longer required following the sale of the Insurance Underwriting business to Ageas<sup>11</sup> on 1 July 2025 as the Group ceased to underwrite any insurance policies so it no longer has to spread revenue on underwritten policies over the life of the insurance policy.

<sup>11</sup> Wholly owned UK subsidiaries of Ageas SA/NV

<sup>12</sup> Refer to the Alternative Performance Measures Glossary on pages 84-87 for definition and explanation

<sup>13</sup> Third-party underwriter's share of the motor panel for policies

A key metric for the Insurance Broking business is Written Gross Profit After Marketing Expenses<sup>14</sup>, before deducting overheads. This reduced from £53.7m in the first half of prior year, to £51.2m in the first half of the current year, mainly due to lower renewal margins and volumes on home and lower new business margins on motor. This was partially offset by higher renewal margins on motor and by an improved performance of the PMI product. Written Gross Profits After Marketing Expenses<sup>14</sup> fell by £6.2m in home and £0.6m in motor, partially offset by an increase in other broking of £4.3m.

For motor and home insurance, in terms of the total Written Gross Profit After Marketing Expenses<sup>14</sup>, the new business proportion reduced by £6.2m and the renewal proportion by £0.6m.

The reduction in profitability of the home business continues to be attributable to significant inflationary pressure in the net rates charged by panel underwriters, which have increased at a faster pace than the price that can be charged to consumers in a competitive marketplace. This was accentuated by the fact that a significant number of home policies are on three-year fixed-price deals, which fix the customer price for two renewals. Lower new business volumes in the prior year also led to a 13% reduction in the level of renewal volumes in the first half of the current year.

The three-year fixed-price product remains significant, with 209k policies sold in the first half of the current year, compared with 180k policies in the prior period. This represented 35% of total motor and home policies (H1 2024: 29%), with 27% of direct new business customers taking the product (H1 2024: 28%). These policies remain highly attractive to our customer base.

The challenging home environment led to the average gross margin per policy for motor and home combined, calculated as Written Gross Profit After Marketing Expenses<sup>14</sup> divided by the number of policies sold, reducing to £48.4 in the first half of the current year, compared with £57.6 in the prior period.

In addition, customer retention increased from 76% to 84%, overall motor and home policies in force decreased 11% when compared with 31 July 2024, and direct new business sales decreased 8ppts to 35% as the Group rebalanced volumes towards price-comparison website distribution channels.

Written profit and gross margin per policy for motor and home are stated after allowing for deferral of part of the revenues from three-year fixed-price products, which is then recognised in profit or loss when the option to renew those policies at a predetermined fixed price is exercised or lapses, recognising the inflation risk inherent in these products. At 31 July 2025, £2.8m (H1 2024: £11.6m) of income had been deferred in relation to three-year fixed-price products. The reduction is due to the Affinity Partnership with Ageas<sup>15</sup>, with the responsibility of the renewal of Saga-branded home and motor policies transferring to Ageas<sup>15</sup>, meaning that all previously deferred revenues on three-year-fixed-price products will be released prior to renewals going live as part of the Affinity Partnership.

#### Motor broking

Gross Written Premiums<sup>14</sup> decreased 5.2% due to a 13.1% decrease in average premiums, partially offset by an 9.2% increase in core policies sold. Gross Written Premiums<sup>14</sup>, from business underwritten by AICL, decreased 14.5% to £75.2m (H1 2024: £88.0m), due to a 15.3% decrease in average premiums, partially offset by a 0.9% increase in core policies sold.

Written Gross Profit After Marketing Expenses<sup>14</sup> was £16.8m (H1 2024: £17.4m), contributing £45.7 per policy (H1 2024: £51.6 per policy). The increase in renewal margins and a 47.1% increase in new business policies sold was partially offset by lower new business margins and a 0.7% reduction in renewal policies sold.

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<sup>14</sup> Refer to the Alternative Performance Measures Glossary on pages 84-87 for definition and explanation

<sup>15</sup> Wholly owned UK subsidiaries of Ageas SA/NV

### Home broking

Gross Written Premiums<sup>16</sup> decreased 17.9% due to a 19.4% reduction in core policies sold, partially offset by a 1.8% increase in average premiums.

Written Gross Profit After Marketing Expenses<sup>16</sup> was £11.9m (H1 2024: £18.1m), equating to £52.9 per policy (H1 2024: £64.9 per policy). The reduction in written gross profits, and margin per policy, was mainly due to the adverse impact of net rate inflation on home renewal profitability.

### Other broking

Other broking primarily comprises PMI and travel insurance.

Gross Written Premium<sup>16</sup> increased 2.9% as a result of an increase in policy sales to 82k (H1 2024: 74k) in travel insurance. For PMI, policy sales were broadly stable at 16k (H1 2024: 16k).

While sales of PMI were broadly stable, the product performed well, resulting in profit commission from our partner, BUPA, of £2.5m and leading to Written Gross Profit After Marketing Expenses<sup>16</sup> increasing by £4.7m.

Written Gross Profit After Marketing Expenses<sup>16</sup> relating to travel insurance products decreased by £0.2m, mainly as a result of a reduction to new business margins.

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<sup>16</sup> Refer to the Alternative Performance Measures Glossary on pages 84-87 for definition and explanation

Insurance Underwriting (classified as a discontinued operation)

£m		6m to July 2025				6m to July 2024		
		Gross	Re insurance	Net	Gross change	Gross	Re insurance	Net
<b>Insurance Underlying Revenue<sup>17</sup></b>	<b>A</b>	<b>64.2</b>	<b>(4.7)</b>	<b>59.5</b>	<b>(37.1%)</b>	102.0	(9.0)	93.0
Incurred claims (current year)	B	(50.5)	2.8	(47.7)	35.6%	(78.4)	(0.6)	(79.0)
Claims handling costs in relation to incurred claims	C	(6.3)	-	(6.3)	24.1%	(8.3)	-	(8.3)
Changes to liabilities for incurred claims (prior year)	D	17.8	(3.7)	14.1	>500.0%	(1.4)	2.2	0.8
Other incurred insurance service expenses	E	(4.8)	-	(4.8)	34.2%	(7.3)	-	(7.3)
<b>Insurance service result</b>		<b>20.4</b>	<b>(5.6)</b>	<b>14.8</b>	<b>209.1%</b>	6.6	(7.4)	(0.8)
Net finance (expense)/income from (re)insurance (excludes impact of change in discount rate on non-PPO liabilities)		(4.9)	1.9	(3.0)	9.3%	(5.4)	3.5	(1.9)
Investment return (excludes fair value gains on debt securities)		3.8	-	3.8	(17.4%)	4.6	-	4.6
<b>Underlying Profit/(Loss) Before Tax<sup>17</sup></b>		<b>19.3</b>	<b>(3.7)</b>	<b>15.6</b>	<b>232.8%</b>	5.8	(3.9)	1.9
Reported loss ratio	(B+D)/A	50.9%		56.5%	27.3ppts	78.2%		84.1%
Expense ratio	(C+E)/A	17.3%		18.7%	(2.0ppts)	15.3%		16.8%
Reported combined operating ratio ( <b>COR</b> )	(B+C+D+E)/A	68.2%		75.1%	25.3ppts	93.5%		100.9%
Current year COR	(B+C+E)/A	96.0%		98.8%	(3.8ppts)	92.2%		101.7%
Number of earned policies		163k			(37.3%)	260k		
Policies in force – Saga motor		359k			(17.5%)	435k		

The Group's in-house underwriter, AICL, was sold to Ageas<sup>18</sup> on 1 July 2025 but continues to underwrite around 60% of the motor business sold by Insurance Broking, alongside a smaller proportion of business on other panels. Alongside this, AICL underwrites a portion of Saga's home panel, although all home underwriting risk is passed to third-party insurance and reinsurance providers. AICL also has excess of loss and funds-withheld quota share reinsurance arrangements in place, relating to its motor underwriting line of business, which transfer a significant proportion of motor insurance risk to third-party reinsurers.

Gross insurance Underlying Revenue<sup>17</sup> was in the current year decreased 37.1% to £64.2m (H1 2024: £102.0m), reflecting a 37.3% reduction in the number of earned policies underwritten by AICL. This was partially offset by a 0.4% increase in average earned premiums.

Gross insurance service result in line with expectations, with a 3.8ppt increase in the current year gross COR to 96.0% (H1 2024: 92.2%), reflecting pricing action taken during the second half of 2024. After allowing for reinsurance arrangements, this increased slightly to 98.8% (H1 2024: 101.7%). The improved net year-on-year result reflects the entering of a new profitable quota share aggregation period, with motor surplus generated during the first half of the current year shared with reinsurance partners.

Positive changes to liabilities for incurred prior year claims increased from £0.8m in the first half of the prior year to £14.1m in the first half of the current year. Both years benefited from favourable large claims movements (net of excess of loss reinsurance), albeit more so in the current year. The net impact of our quota share reinsurance arrangements switched from a net benefit in the prior year to a net cost in the current year, with 80% of the favourable development in the most recent accident years ceded to quota share reinsurance partners.

<sup>17</sup> Refer to the Alternative Performance Measures Glossary on pages 84-87 for definition and explanation

<sup>18</sup> Wholly owned UK subsidiaries of Ageas SA/NV

## Other Businesses and Central Costs

£m	6m to July 2025			Change	6m to July 2024		
	Other Businesses	Central Costs	Total		Other Businesses	Central Costs	Total
<b>Underlying Revenue<sup>19</sup></b>							
Money	3.0	-	3.0	7.1%	2.8	-	2.8
Publishing and CustomerKNECT	6.3	-	6.3	(7.4%)	6.8	-	6.8
Other	-	0.2	0.2	100.0%	-	-	-
<b>Total Underlying Revenue</b>	<b>9.3</b>	<b>0.2</b>	<b>9.5</b>	<b>(1.0%)</b>	<b>9.6</b>	<b>-</b>	<b>9.6</b>
<b>Gross profit</b>	<b>3.3</b>	<b>2.5</b>	<b>5.8</b>	<b>(10.8%)</b>	<b>3.5</b>	<b>3.0</b>	<b>6.5</b>
Operating expenses	(3.4)	(10.4)	(13.8)	1.4%	(2.9)	(11.1)	(14.0)
Investment income	-	1.3	1.3	(43.5%)	-	2.3	2.3
Net finance costs	-	(20.5)	(20.5)	(58.9%)	-	(12.9)	(12.9)
<b>Underlying (Loss)/Profit Before Tax<sup>19</sup></b>	<b>(0.1)</b>	<b>(27.1)</b>	<b>(27.2)</b>	<b>(50.3%)</b>	<b>0.6</b>	<b>(18.7)</b>	<b>(18.1)</b>

The Group's Other Businesses include Money, Publishing and CustomerKNECT.

Underlying Profit Before Tax<sup>19</sup> for Other Businesses, when combined, reduced by £0.7m, from a £0.6m Underlying Profit Before Tax<sup>19</sup> in the prior period to an Underlying Loss Before Tax<sup>19</sup> of £0.1m in the current period.

Central operating expenses reduced to £10.4m (H1 2024: £11.1m). Gross administration costs, before Group recharges, decreased by £0.3m in the period. Net costs decreased by a further £0.4m due to higher Group recharges to the business units.

Net finance costs in the period were £20.5m (H1 2024: £12.9m), which excludes finance costs within the Ocean Cruise business of £7.7m (H1 2024: £8.2m) and Insurance Underwriting business of £3.0m (H1 2024: £1.9m). The increase was predominantly driven by the refinancing of the Group's corporate debt at the beginning of the year at materially higher interest rates.

<sup>19</sup> Refer to the Alternative Performance Measures Glossary on pages 84-87 for definition and explanation

## Cash flow and liquidity

### Available Operating Cash Flow<sup>20</sup>

£m	6m to July 2025	Change	6m to July 2024
Group Trading EBITDA <sup>20</sup>	85.7	27.2%	67.4
Less Trading EBITDA <sup>20</sup> from restricted businesses	(26.1)	(248.0%)	(7.5)
<b>Group Trading EBITDA<sup>20,21</sup> from unrestricted businesses</b>	<b>59.6</b>	<b>(0.5%)</b>	<b>59.9</b>
Working capital and non-cash items	28.9	>500.0%	2.1
Dividends and intercompany repayments from restricted businesses	18.0	>500.0%	1.5
Capital expenditure funded with Available Cash <sup>20</sup>	(17.1)	(87.9%)	(9.1)
<b>Available Operating Cash Flow<sup>20</sup></b>	<b>89.4</b>	<b>64.3%</b>	<b>54.4</b>
Restructuring costs	(21.6)	(217.6%)	(6.8)
Interest and financing costs	(40.0)	(96.1%)	(20.4)
Business disposals	57.9	100.0%	-
Tax receipts	2.7	125.0%	1.2
Other payments	(9.0)	(55.2%)	(5.8)
<b>Change in cash flow from operations</b>	<b>79.4</b>	<b>251.3%</b>	<b>22.6</b>
Change in bond debt	(250.0)	(66.7%)	(150.0)
Change in loan facility debt	260.0	246.7%	75.0
Change in Ocean Cruise ship debt	(28.6)	8.0%	(31.1)
Cash at 1 February	79.3	(53.3%)	169.8
<b>Available Cash<sup>20</sup> at 31 July</b>	<b>140.1</b>	<b>62.3%</b>	<b>86.3</b>

£m	6m to July 2025	Change	6m to July 2024
<b>Available Operating Cash Flow<sup>20</sup> by business unit</b>			
Ocean Cruise	67.2	24.2%	54.1
River Cruise	3.0	114.3%	1.4
Holidays	5.0	>500.0%	0.1
Insurance Broking	24.7	77.7%	13.9
Insurance Underwriting	10.0	100.0%	-
Other Businesses and Central Costs	(20.5)	(35.8%)	(15.1)
<b>Available Operating Cash Flow<sup>20</sup></b>	<b>89.4</b>	<b>64.3%</b>	<b>54.4</b>

Available Operating Cash Flow<sup>20</sup> is made up of the cash flows from unrestricted businesses and the dividends paid by, and intercompany repayments from, restricted companies, less any cash injections to those businesses. Unrestricted businesses include the Group's Ocean Cruise business, Insurance Broking (excluding specific ring-fenced funds to satisfy Financial Conduct Authority regulatory requirements) and Other Businesses and Central Costs. Restricted businesses include River Cruise, Holidays and Insurance Underwriting.

As a result of an increase in cash generation from Ocean Cruise, Insurance Broking and dividends paid by Insurance Underwriting, Available Operating Cash Flow<sup>20</sup> increased from £54.4m in the prior period to £89.4m the current period.

The Ocean Cruise business reported an Available Operating Cash Flow<sup>20</sup> of £67.2m (H1 2024: £54.1m), with an increase in advance customer receipts of £17.4m (H1 2024: £7.2m), net trading income of £56.4m (H1 2024: £47.7m) and repayment of cash collateralised Association of British Travel Agents bonding of £0.5m (H1 2024: £nil), partially offset by capital expenditure of £7.1m (H1 2024: £0.8m), associated with a scheduled dry dock for Spirit of Discovery. Net of interest costs of £6.5m (H1 2024: £7.0m) and exceptional costs of £0.4m (H1 2024: £nil), the Ocean Cruise business reported a net cash inflow, before capital repayments on the ship debt, of £60.3m for the first half of 2025/26, compared with £47.1m in the first half of the prior year.

<sup>20</sup> Refer to the Alternative Performance Measures Glossary on pages 84-87 for definition and explanation

<sup>21</sup> Trading EBITDA includes the line-item impact of IFRS 16 with the corresponding impact to net finance costs included in net cash flows used in financing activities

The River Cruise business provided an intercompany loan to the Group of £3.0m in the period (H1 2024: £1.4m intercompany loan repayment), which was agreed with the Civil Aviation Authority (**CAA**). For any further excess cash to be paid back to the Group, dividends will only be paid following an approval process with the CAA. The business continues to be under an escrow trust arrangement as part of its CAA licence. At 31 July 2025, the business held cash of £26.0m, of which £18.1m was held in escrow. The business must hold a minimum of £1.7m of cash outside of escrow within the business, as agreed with the CAA.

The Holidays business repaid the Group £5.0m during the period (H1 2024: £0.1m). The increase is due to the improved trading performance in the first half of this year compared to the first half of the prior year, resulting in an increase in repayment of intercompany loans to the Group during the first half of the current year.

The Insurance Broking business reported an Available Operating Cash Flow<sup>22</sup> of £24.7m (H1 2024: £13.9m). The increase of £10.8m is the result of an increase in working capital of £11.5m which was mainly driven by the receipt of £7.5m from AICL relating to a stop loss agreement between AICL and Saga Services Limited. In addition, there was a reduction in capital expenditure in the first half of the current year of £3.8m. This was partially offset by a reduction in EBITDA in the first half of the current year of £3.6m.

The Insurance Underwriting business paid dividends to the Group of £10.0m (H1 2024: £nil), prior to the sale to Ageas<sup>23</sup>, relating to excess solvency capital.

#### Other cash flow movements

Interest and financing costs increased in the current period, predominantly driven by the refinancing of the Group's corporate debt at the beginning of the year at materially higher interest rates.

The Group continued to make the agreed payments to the defined benefit pension fund as part of the deficit recovery plan of £2.9m (H1 2024: £5.8m), which are now paid quarterly compared to the previous annual contributions. In addition, the Group funded ring-fenced, restricted designated bank accounts, using Available Cash<sup>22</sup> totalling £6.1m, over which charges have been granted in favour of the pension trustees. Both of which are included within other payments.

In the current period, the Group drew its £335.0m term loan (see change to facilities within the Financing section for further details) and used the funds to repay in full and cancel its £250.0m corporate bond and repay the £75.0m drawn proportion and cancel the £85.0m loan facility provided by Roger De Haan. The Group continued to make capital repayments against its Ocean Cruise ship debt facilities, with payments totalling £12.8m (H1 2024: £15.3m) on Spirit of Discovery's debt facility and payments totalling £15.8m (H1 2024: £15.8m) on Spirit of Adventure's debt facility.

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<sup>22</sup> Refer to the Alternative Performance Measures Glossary on pages 84-87 for definition and explanation

<sup>23</sup> Wholly owned UK subsidiaries of Ageas SA/NV

## Statement of financial position

### Goodwill

At 31 July 2025, the carrying value of the Group's goodwill associated with the Insurance Broking business was £206.4m (31 January 2025: £206.4m). Trading performance in the current year has been in line with expectations, therefore the Directors concluded that there were no indicators of impairment at 31 July 2025.

### Carrying value of Ocean Cruise ships

At 31 July 2025, the carrying value of the Group's Ocean Cruise ships was £566.5m (31 January 2025: £570.6m). Trading performance in the current year has been very positive, and, with strong bookings for 2026/27, the Directors concluded that there were no indicators of impairment at 31 July 2025.

### Investment portfolio

Prior to its sale to Ageas<sup>24</sup> on 1 July 2025, the majority of the Group's financial assets were held by its Insurance Underwriting entity and represented premium income received and invested to settle claims and meet regulatory capital requirements.

As a result of the sale of the Group's Insurance Underwriting business, the amount held in invested funds decreased by £242.1m to £11.0m (31 January 2025: £253.1m). At 31 July 2025, 100% of the financial assets held by the Group were invested with counterparties with a risk rating of BBB or above, consistent with the prior year end, reflecting the relatively stable credit risk rating of the Group's investment holdings.

	Credit risk rating					
	AAA	AA	A	BBB	Unrated	Total
At 31 July 2025	£m	£m	£m	£m	£m	£m
<b>Investment portfolio</b>						
Deposits with financial institutions	-	3.8	7.2	-	-	11.0
Total invested funds	-	3.8	7.2	-	-	11.0
Derivative assets	-	-	1.9	-	-	1.9
<b>Total financial assets</b>	-	3.8	9.1	-	-	12.9
	Credit risk rating					
	AAA	AA	A	BBB	Unrated	Total
At 31 January 2025	£m	£m	£m	£m	£m	£m
<b>Investment portfolio</b>						
Deposits with financial institutions	-	1.0	10.5	-	-	11.5
Debt securities	22.8	53.2	52.4	50.3	-	178.7
Money market funds	62.9	-	-	-	-	62.9
Total invested funds	85.7	54.2	62.9	50.3	-	253.1
Derivative assets	-	0.2	0.9	-	-	1.1
<b>Total financial assets</b>	<b>85.7</b>	<b>54.4</b>	<b>63.8</b>	<b>50.3</b>	-	<b>254.2</b>

<sup>24</sup> Wholly owned UK subsidiaries of Ageas SA/NV



## Insurance reserves

Analysis of insurance contract liabilities at 31 July 2025 and 31 January 2025 is as follows:

£m	At 31 July 2025			At 31 January 2025		
	Gross	Reinsurance assets	Net	Gross	Reinsurance assets	Net
Incurred claims – estimate of the present value of future cash flows	-	-	-	235.9	(88.9)	147.0
Incurred claims – risk adjustment	-	-	-	33.7	(28.2)	5.5
Remaining coverage – excluding loss component	-	-	-	46.3	9.3	55.6
Remaining coverage – loss component	-	-	-	1.8	-	1.8
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>317.7</b>	<b>(107.8)</b>	<b>209.9</b>

The Group's total insurance contract liabilities, net of reinsurance assets, decreased by £209.9m in the period to 31 July 2025 from the previous year end, entirely due to the sale of the Group's Insurance Underwriting business to Ageas<sup>25</sup> on 1 July 2025. At 31 January 2025, these balances were included within Liabilities directly associated with assets held for sale.

<sup>25</sup> Wholly owned UK subsidiaries of Ageas SA/NV

## Financing

At 31 July 2025, the Group's Net Debt<sup>26</sup> was £515.1m, £77.7m lower than at the start of the financial year.

Net Debt<sup>26</sup> is analysed as follows:

£m	Maturity date <sup>27</sup>	31 July 2025	31 January 2025 <sup>28</sup>
5.5% Corporate bond	July 2026	-	250.0
Loan facility provided by Roger De Haan	April 2026	-	75.0
Term Loan	January 2031	335.0	-
DDTL	January 2031	-	-
RCF	January 2028	-	-
Spirit of Discovery Ocean Cruise ship loan	June 2031	130.2	143.0
Spirit of Adventure Ocean Cruise ship loan	September 2032	186.0	201.8
Pre-IFRS 16 lease liabilities		4.0	2.3
Less Available Cash <sup>26,29</sup>		(140.1)	(79.3)
<b>Net Debt<sup>14</sup></b>		<b>515.1</b>	<b>592.8</b>

### Financial covenant compliance

The Group's Leverage Ratio<sup>26</sup>, at 31 July 2025, was 4.3x (31 January 2025: 4.4x<sup>28</sup>), within the 8.0x covenant under the existing corporate facilities at 31 July 2025.

£m	31 July 2025	31 January 2025 <sup>28</sup>
Net Debt <sup>26</sup>	515.1	592.8
Consolidated Pro Forma EBITDA <sup>26</sup>	118.8	134.6
<b>Leverage Ratio<sup>26</sup></b>	<b>4.3x</b>	<b>4.4x</b>

The Group also has financial covenants associated with its Ocean Cruise ship debt facilities, being a debt service cover ratio and an interest cover ratio. The debt service cover ratio, at 31 July 2025, was 1.6x (31 January 2025: 1.4x), in excess of the 1.2x covenant (31 January 2025: 1.0x) under the Ocean Cruise ship debt facilities at the same date. The interest cover ratio, at 31 July 2025, was 9.9x (31 January 2025: 7.9x), in excess of the 2.0x covenant under the ship debt facilities at the same date.

£m	31 July 2025	31 January 2025
ST&H Group consolidated pro forma Trading EBITDA <sup>26</sup>	114.8	103.9
ST&H Group consolidated debt service	71.3	75.3
<b>Debt service cover ratio</b>	<b>1.6x</b>	<b>1.4x</b>

£m	31 July 2025	31 January 2025
ST&H Group consolidated pro forma Trading EBITDA <sup>26</sup>	114.8	103.9
ST&H Group consolidated total net cash interest expenses	11.6	13.1
<b>Interest cover ratio</b>	<b>9.9x</b>	<b>7.9x</b>

<sup>26</sup> Refer to the Alternative Performance Measures Glossary on pages 85-88 for definition and explanation

<sup>27</sup> Maturity date represents the date the principal must be repaid, other than the Ocean Cruise ship loans, which are repaid in instalments

<sup>28</sup> Following the Group's refinancing and revised covenant definition, Net Debt and Leverage Ratio have been updated at 31 January 2025

<sup>29</sup> Refer to Note 12 of the financial statements for information as to how this reconciled to a statutory measure of cash

## Change to facilities

Following the Groups successful refinancing, new credit facilities were secured on 30 January 2025, with funds drawn on 27 February 2025. As a result, the £250.0m bond was repaid in full and cancelled, alongside the £75.0m drawings under the £85.0m loan facility provided by Roger De Haan, and the existing £50.0m RCF, which was also cancelled.

On 15 May 2025, as a continuation of the refinancing, the Group secured syndication of a £33.4m RCF facility, shared equally between Barclays and NatWest, while the remaining £16.6m was reallocated to HPS Funds<sup>30</sup> delayed-draw term loan (**DDTL**) facility, increasing its total commitment from £100.0m to £116.6m.

The new RCF provides greater flexibility in the number of drawdowns the Group can request and offers a more favourable interest rate. The facility is priced at SONIA plus an initial margin of 3.5%, with the margin reducing as the Group deleverages. The RCF also benefits from a significantly improved utilisation process, with drawdown requests now requiring one business day's notice, reduced from thirteen. The facility held with HPS Funds<sup>30</sup> remains on its existing terms of the DDTL.

To manage interest rate exposure, the Group hedged the full £335.0m term loan using interest rate derivatives. In June 2025, £134.0m was hedged with each of NatWest and Barclays, with the remaining £67.0m hedge with HSBC in August 2025.

A summary of the Group's corporate debt is detailed below:

- a £335.0m term loan;
- a £116.6m DDTL, comprising:
  - £100.0m initial DDTL, available to draw down for three years, from the date of the term loan facility being drawn, and can be drawn for repayment of amortisation of the Ocean Cruise ship debt facilities, mergers and acquisitions and capital investments; and
  - £16.6m additional DDTL, available to draw down for three years, from the date of the term loan facility being drawn, and can be used for general corporate purposes; and
- £33.4m RCF, which is available for three years, from the date of the term loan facility being drawn, with the option to extend 2 years, and can be used for general corporate purposes.

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<sup>30</sup> Certain funds, entities (or affiliates or subsidiaries of such funds or entities) and/or accounts managed, advised or controlled by HPS Investment Partners, LLC or its subsidiaries

## Pensions

The Group's defined benefit pension scheme liability, as measured on an International Accounting Standard 19R basis, decreased by £5.3m to a £34.5m liability at 31 July 2025 (31 January 2025: £39.8m).

£m	31 July 2025	31 January 2025
Fair value of scheme assets	192.3	200.1
Present value of defined benefit obligation	(226.8)	(239.9)
<b>Defined benefit pension scheme liability</b>	<b>(34.5)</b>	<b>(39.8)</b>

The movements observed in the scheme's assets and obligations were impacted by macroeconomic factors during the period where, at a global level, there have been shifts in long-term market yields. The present value of defined benefit obligations decreased by £13.1m to £226.8m, primarily as a result of increases in bond yields over the period. The fair value of scheme assets decreased by £7.8m, to £192.3m, reflecting the reduction in value of matching assets held by the scheme, partially offset by a £2.9m recovery contribution paid into the Scheme during the period. Growth asset performance has also served to reduce the shortfall.

## Net assets

Since 31 January 2025, total assets decreased by £313.0m and total liabilities decreased by £314.1m, resulting in an overall increase in net assets of £1.1m.

The reduction in total assets is primarily due to:

- a decrease in assets held for sale of £425.9m following the sale of the Insurance Underwriting business in the first half of the current year;
- an increase in trade and other receivables of £10.4m;
- an increase in trust accounts of £9.3m due to seasonality in River Cruise; and
- an increase in cash and short-term deposits of £82.8m, mainly as a result of the strong trading performance of the Group in the first half of the current year, along with the seasonality of our River Cruise and Holidays businesses.

The decrease in total liabilities largely reflects:

- a decrease in liabilities held for sale of £346.9m following the sale of the Insurance Underwriting business in the first half of the current year;
- a decrease of £14.3m in financial liabilities, which is mainly due to a reduction of £29.6m in bonds, bank loans and other loans, as a result of the repayment of £28.6m of capital repayments on Spirit of Discovery and Spirit of Adventure facilities. This has been partially offset by an increase of £13.7m in lease liabilities following delivery of the Spirit of the Moselle river cruise ship in the first half of the current year;
- a decrease of £5.3m in the retirement benefit scheme liability;
- an increase of £37.0m in contract liabilities due to the seasonality and improved future bookings outlook in Travel; and
- an increase of £13.2m in trade and other payables.

## Going concern

The Directors have undertaken a comprehensive assessment of the Group's ability to continue as a going concern, evaluating the adequacy of financial resources through to 31 October 2026.

This assessment is based on a base case scenario, supplemented by risk-adjusted financial projections incorporating scenario analysis and stress testing of anticipated business performance.

The base case assumes continued strong performance in the Cruise division, driven by sustained high load factors and growth in per diems. The Holidays business is also expected to deliver further profit growth. Within the Insurance division, the modelling reflects the transition of the home and motor portfolios to a partnership model designed to support long-term growth.

A severe but plausible downside scenario has also been considered, including a reduction in Cruise load factors to 88% from current trading levels of 94% for Ocean Cruise and 93% for River Cruise respectively, and a decrease of approximately 2,500 touring customers per annum in the Holidays business. For Insurance, downside risks include an increase in net underwriting rate inflation at 2% above the market for home insurance products. Risks modelled for the Money division include the impact of high levels of rate competition in the savings market.

Modelling outcomes under both scenarios, assuming utilisation of the £33.4 million RCF in the downside scenario, but no drawdown of the £116.6 million DDTL facility under either scenario, indicate that the Group expects to meet all Ocean Cruise debt principal repayments as scheduled through October 2026. The Group also anticipates maintaining sufficient Available Cash<sup>30</sup> to meet liquidity needs throughout the assessment period.

Furthermore, the Group expects to remain in compliance with all financial covenants, including those attached to its secured Cruise debt, the 8.8x leverage covenant on the RCF, and the 8.0x leverage covenant applicable to both the £335 million term loan and the £116.6 million HPS Funds<sup>31</sup> DDTL facility. This provides flexibility to access the undrawn facility, if required, to support Cruise debt repayments.

While it is acknowledged that not all future risks to trading can be predicted with certainty, the Directors, based on the analysis and scenarios modelled, expect the Group to have sufficient resources to meet its obligations as they fall due through at least October 2026. Accordingly, the financial statements for the period ended 31 July 2025 have been prepared on a going concern basis.

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<sup>30</sup> Refer to the Alternative Performance Measures Glossary on pages 84-87 for definition and explanation

<sup>31</sup> Certain funds, entities (or affiliates or subsidiaries of such funds or entities) and/or accounts managed, advised or controlled by HPS Investment Partners, LLC or its subsidiaries

## **Dividends and financial priorities for 2025/26**

### **Dividends**

Given the Group's priority of reducing Net Debt<sup>32</sup>, the Board of Directors does not recommend payment of an interim dividend for the 2025/26 financial year, nor would this currently be permissible under financing arrangements and while the ship debt facility deferred amounts are outstanding.

### **Financial priorities for 2025/26**

The Group's financial priorities for the current financial year are to reduce Net Debt<sup>32</sup> via capital-light growth, continue to build on the momentum in our Travel businesses and optimise Insurance Broking performance ahead of the transition to the partnership with Ageas<sup>33</sup>.

### **Mark Watkins**

Group Chief Financial Officer

23 September 2025

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<sup>32</sup> Refer to the Alternative Performance Measures Glossary on pages 84-87 for definition and explanation

<sup>33</sup> Wholly owned UK subsidiaries of Ageas SA/NV

## Principal risks and uncertainties

The Group is subject to a number of risks and uncertainties as part of its activities. The Board regularly considers these and seeks to ensure that appropriate processes are in place to manage, monitor and mitigate these risks. The Board included full details of the risk and uncertainties pertinent to the Group on pages 49 to 52 of its Annual Report and Accounts for the year ended 31 January 2025, available at

<https://www.corporate.saga.co.uk/investors/results-reports-presentations/>.

Since the publication of the latest Annual Report and Accounts, the Board reviewed the list of principal risks and uncertainties (**PRUs**) and the outlooks for each. By exception, the following changes were made:

### New PRUs

PRU	Reason for addition
Significant Travel Disruption	As the strategic importance of Saga's Travel business has increased, a new PRU has been added to ensure the most significant Travel top risks are explicitly considered. The level of risk exposure associated with Travel has remained stable since the Annual Report and Accounts was published.

### PRUs for which the outlook has improved

PRU	Reason for change in outlook
Insurance pricing, underwriting and claims	<p>On 1 July 2025, Saga sold its Insurance Underwriting business to wholly owned UK subsidiaries of Ageas SA/NV.</p> <p>This has removed the motor and home underwriting and claims risks from the Insurance business statement of financial position and Saga risk profile, including the risk that insurers would not pay re-insured claims.</p> <p>The change has removed significant volatility from the statement of financial position and changed the profile of the risk, and therefore the PRU has been re-defined as Insurance product and pricing to reflect the risk Saga is taking.</p>

## Condensed consolidated income statement for the period ended 31 July 2025

		Unaudited 6m to Jul 2025 £m	Unaudited 6m to Jul 2024 (re-presented <sup>1</sup> ) £m	12m to Jan 2025 £m
	Note			
<b>Continuing operations</b>				
<b>Revenue</b>	3	<b>328.2</b>	<b>300.6</b>	<b>588.3</b>
Cost of sales	3	(163.9)	(154.0)	(308.8)
<b>Gross profit</b>		<b>164.3</b>	<b>146.6</b>	<b>279.5</b>
Administrative and selling expenses		(125.4)	(104.4)	(231.8)
Increase in credit loss allowance		(0.7)	(0.7)	(1.8)
Impairment of non-financial assets		(0.3)	(138.3)	(162.8)
Gain on lease modification		–	–	0.2
Net profit on disposal of property, plant and equipment and software		0.2	0.1	0.9
Investment income		2.7	3.5	6.1
Finance costs		(37.1)	(23.7)	(50.5)
<b>Profit/(loss) before tax from continuing operations</b>		<b>3.7</b>	<b>(116.9)</b>	<b>(160.2)</b>
Tax credit/(expense)	4	2.2	1.3	(18.5)
<b>Profit/(loss) from continuing operations</b>		<b>5.9</b>	<b>(115.6)</b>	<b>(178.7)</b>
(Loss)/profit from discontinued operations, net of tax <sup>2</sup>	18a	(9.3)	9.5	13.8
<b>Total loss for the period</b>		<b>(3.4)</b>	<b>(106.1)</b>	<b>(164.9)</b>
Attributable to:				
Equity holders of the parent		(3.4)	(106.1)	(164.9)
<b>Loss per share:</b>				
Basic	6	(2.4p)	(75.9p)	(117.4p)
Diluted	6	(2.4p)	(75.9p)	(117.4p)
<b>Earnings/(loss) per share from continuing operations:</b>				
Basic	6	4.2p	(82.7p)	(127.2p)
Diluted	6	4.2p	(82.7p)	(127.2p)

The accompanying Notes form part of these condensed consolidated interim financial statements.

<sup>1</sup> The comparative information for the period to 31 July 2024 has been re-presented from that previously published due to the Group's decision to divest itself of the underwriting and claims handling sections of its Insurance business and, therefore, they have been reclassified as discontinued operations (see Note 18a))

<sup>2</sup> The results of discontinued operations, comprising the post-tax profit, are shown as a single amount on the face of the income statement. An analysis of this amount is presented in Note 18a



**Condensed consolidated statement of comprehensive income  
for the period ended 31 July 2025**

	<b>Unaudited 6m to Jul 2025 £m</b>	Unaudited 6m to Jul 2024 £m	12m to Jan 2025 £m
<b>Loss for the period</b>	<b>(3.4)</b>	<b>(106.1)</b>	<b>(164.9)</b>
<b>Other comprehensive income</b>			
<b><i>Other comprehensive income that may be reclassified to the income statement in subsequent periods from continuing operations</i></b>			
Net (losses)/gains on hedging instruments during the period	(1.0)	(0.8)	6.0
Recycling of previous losses/(gains) to income statement on matured hedges	0.3	0.4	(3.3)
Total net (losses)/gains on cash flow hedges	(0.7)	(0.4)	2.7
Associated tax effect	–	–	(0.3)
Total other comprehensive (losses)/income with recycling to income statement from continuing operations	(0.7)	(0.4)	2.4
<b><i>Other comprehensive income that will not be reclassified to the income statement in subsequent periods from continuing operations</i></b>			
Remeasurement gains/(losses) on defined benefit plan	3.4	(3.4)	4.6
Associated tax effect	–	0.9	(12.0)
Total other comprehensive gains/(losses) without recycling to income statement from continuing operations	3.4	(2.5)	(7.4)
Total other comprehensive gains/(losses) from continuing operations	2.7	(2.9)	(5.0)
<b>Total comprehensive losses for the period</b>	<b>(0.7)</b>	<b>(109.0)</b>	<b>(169.9)</b>
Attribute to:			
Equity holders of the parent	(0.7)	(109.0)	(169.9)
Arising from:			
Continuing operations	8.6	(118.5)	(183.7)
Discontinued operations	(9.3)	9.5	13.8
	(0.7)	(109.0)	(169.9)

The accompanying Notes form part of these condensed consolidated interim financial statements.

**Condensed consolidated statement of financial position**  
**For the period ended 31 July 2025**

		<b>Unaudited As at 31 Jul 2025</b>	Unaudited As at 31 Jul 2024	As at 31 Jan 2025
	<b>Note</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
<b>Assets</b>				
Goodwill	7	206.4	206.4	206.4
Intangible assets	8	33.9	63.8	34.3
Property, plant and equipment	9	579.7	583.6	582.8
Right-of-use assets	10	37.8	28.6	24.9
Financial assets	11	12.9	257.8	12.6
Current tax assets		1.2	4.6	0.4
Deferred tax assets	4	–	51.4	–
Reinsurance contract assets	14	–	173.7	–
Inventories		8.2	7.9	8.3
Trade and other receivables		154.1	144.4	143.7
Trust and escrow accounts		18.1	56.6	8.8
Cash and short-term deposits	12	212.0	109.3	129.2
Assets held for sale	18	11.0	17.4	436.9
<b>Total assets</b>		<b>1,275.3</b>	<b>1,705.5</b>	<b>1,588.3</b>
<b>Liabilities</b>				
Retirement benefit scheme liability	13	34.5	46.5	39.8
Insurance contract liabilities	14	–	396.3	–
Provisions		23.9	2.4	21.7
Financial liabilities	11	675.8	727.9	690.1
Deferred tax liabilities	4	–	17.6	–
Contract liabilities		213.8	190.7	176.8
Trade and other payables		268.5	207.7	255.3
Liabilities directly associated with assets held for sale		–	–	346.9
<b>Total liabilities</b>		<b>1,216.5</b>	<b>1,589.1</b>	<b>1,530.6</b>
<b>Equity</b>				
Issued capital	16	21.7	21.5	21.5
Share premium		648.3	648.3	648.3
Own shares held reserve		(1.6)	(1.4)	(1.4)
Retained deficit		(618.8)	(559.6)	(620.2)
Share-based payment reserve		10.4	10.9	10.0
Hedging reserve		(1.2)	(3.3)	(0.5)
<b>Total equity</b>		<b>58.8</b>	<b>116.4</b>	<b>57.7</b>
<b>Total equity and liabilities</b>		<b>1,275.3</b>	<b>1,705.5</b>	<b>1,588.3</b>

The accompanying Notes form part of these condensed consolidated interim financial statements.

**Condensed consolidated statement of changes in equity**  
**For the period ended 31 July 2025**

	Attribute to the equity holders of the parent						
	Issued capital	Share premium	Own shares held reserve	Retained (deficit)/ earnings	Share-based payment reserve	Hedging reserve	Total equity
	£m	£m	£m	£m	£m	£m	£m
<b>Unaudited</b>							
<b>At 1 February 2025</b>	<b>21.5</b>	<b>648.3</b>	<b>(1.4)</b>	<b>(620.2)</b>	<b>10.0</b>	<b>(0.5)</b>	<b>57.7</b>
Profit for the period from continuing operations	–	–	–	5.9	–	–	5.9
Loss for the period from discontinued operations	–	–	–	(9.3)	–	–	(9.3)
Loss for the period	–	–	–	(3.4)	–	–	(3.4)
Other comprehensive gains/(losses) excluding recycling from continuing operations	–	–	–	3.4	–	(1.0)	2.4
Recycling of previous losses to the income statement from continuing operations	–	–	–	–	–	0.3	0.3
Total comprehensive losses	–	–	–	–	–	(0.7)	(0.7)
Issue of share capital (Note 16)	0.2	–	(0.2)	–	–	–	–
Share-based payment charge	–	–	–	–	1.9	–	1.9
Transfer upon vesting of share options	–	–	–	1.4	(1.5)	–	(0.1)
<b>At 31 July 2025</b>	<b>21.7</b>	<b>648.3</b>	<b>(1.6)</b>	<b>(618.8)</b>	<b>10.4</b>	<b>(1.2)</b>	<b>58.8</b>
<b>Unaudited</b>							
<b>At 1 February 2024</b>	<b>21.3</b>	<b>648.3</b>	<b>(1.2)</b>	<b>(452.5)</b>	<b>10.5</b>	<b>(2.9)</b>	<b>223.5</b>
Loss for the period from continuing operations	–	–	–	(115.6)	–	–	(115.6)
Profit for the period from discontinued operations	–	–	–	9.5	–	–	9.5
Loss for the period	–	–	–	(106.1)	–	–	(106.1)
Other comprehensive losses excluding recycling from continuing operations	–	–	–	(2.5)	–	(0.8)	(3.3)
Recycling of previous losses to the income statement from continuing operations	–	–	–	–	–	0.4	0.4
Total comprehensive losses	–	–	–	(108.6)	–	(0.4)	(109.0)
Issue of share capital (Note 16)	0.2	–	(0.2)	–	–	–	–
Share-based payment charge	–	–	–	–	1.9	–	1.9
Transfer upon vesting of share options	–	–	–	1.5	(1.5)	–	–
<b>At 31 July 2024</b>	<b>21.5</b>	<b>648.3</b>	<b>(1.4)</b>	<b>(559.6)</b>	<b>10.9</b>	<b>(3.3)</b>	<b>116.4</b>

The accompanying Notes form part of these condensed consolidated interim financial statements.

**Condensed consolidated statement of changes in equity**  
**For the period ended 31 July 2025 (continued)**

	Issued capital £m	Share premium £m	Own shares held reserve £m	Retained (deficit)/ earnings £m	Share- based payment reserve £m	Hedging reserve £m	Total equity £m
<b>At 1 February 2024</b>	<b>21.3</b>	<b>648.3</b>	<b>(1.2)</b>	<b>(452.5)</b>	<b>10.5</b>	<b>(2.9)</b>	<b>223.5</b>
Loss for the period from continuing operations	–	–	–	(178.7)	–	–	(178.7)
Profit for the period from discontinued operations	–	–	–	13.8	–	–	13.8
Loss for the period	–	–	–	(164.9)	–	–	(164.9)
Other comprehensive (losses)/gains excluding recycling from continuing operations	–	–	–	(7.4)	–	5.2	(2.2)
Recycling of previous gains to the income statement from continuing operations	–	–	–	–	–	(2.8)	(2.8)
Total comprehensive (losses)/income	–	–	–	(172.3)	–	2.4	(169.9)
Issue of share capital (Note 16)	0.2	–	(0.2)	–	–	–	–
Share-based payment charge	–	–	–	–	4.2	–	4.2
Transfer upon vesting of share options	–	–	–	4.6	(4.7)	–	(0.1)
<b>At 31 January 2025</b>	<b>21.5</b>	<b>648.3</b>	<b>(1.4)</b>	<b>(620.2)</b>	<b>10.0</b>	<b>(0.5)</b>	<b>57.7</b>

The accompanying Notes form part of these condensed consolidated interim financial statements.

**Condensed consolidated statement of cash flows**  
**for the period ended 31 July 2025**

		<b>Unaudited 6m to Jul 2025 £m</b>	Unaudited 6m to Jul 2024 £m	12m to Jan 2025 £m
	<b>Note</b>			
Profit/(loss) before tax from continuing operations		3.7	(116.9)	(160.2)
(Loss)/profit before tax from discontinued operations		(7.4)	12.9	19.1
Loss before tax		(3.7)	(104.0)	(141.1)
Depreciation, impairment and profit on disposal, of property, plant and equipment and right-of-use of software		14.7	14.7	29.8
Amortisation and impairment of intangible assets and goodwill		3.5	143.0	176.8
Loss on disposal of assets held for sale	18a	23.9	–	–
Impairment of assets held for sale	18b	–	–	0.4
Gain on lease modification		–	–	(0.2)
Share-based payment transactions		1.9	1.9	4.2
Net finance expense from insurance contracts	14	5.3	4.9	15.5
Net finance income from reinsurance contracts	14	(2.2)	(3.2)	(7.3)
Finance costs		37.1	23.7	50.5
Interest income from investments		(7.3)	(9.2)	(17.3)
(Increase)/decrease in trust and escrow accounts		(9.3)	(18.7)	29.1
Movements in other assets and liabilities		15.9	3.1	(1.2)
		<u>79.8</u>	<u>56.2</u>	<u>139.2</u>
Investment income interest received		5.0	6.5	12.1
Interest paid		(42.8)	(19.9)	(41.7)
Income tax received		0.4	–	3.6
<b>Net cash flows from operating activities</b>		<b>42.4</b>	<b>42.8</b>	<b>113.2</b>
<b>Investing activities</b>				
Proceeds from sale of property, plant and equipment		0.3	0.1	0.9
Purchase of, and payments for the construction of, property, plant and equipment, and intangible assets		(11.6)	(9.9)	(20.1)
Disposal of financial assets		25.8	6.7	45.5
Purchase of financial assets		–	–	(11.5)
Disposal of subsidiary	18a	57.9	–	–
Cash and cash equivalents disposed of with subsidiary	18a	(84.4)	–	–
<b>Net cash flows (used in)/from investing activities</b>		<b>(12.0)</b>	<b>(3.1)</b>	<b>14.8</b>
<b>Financing activities</b>				
Payment of principle portion of lease liabilities		(3.1)	(3.6)	(7.3)
Proceeds from borrowings	15	335.0	75.0	95.0
Repayment of borrowings	15	(353.6)	(181.1)	(232.2)
<b>Net cash flows used in financing activities</b>		<b>(21.7)</b>	<b>(109.7)</b>	<b>(144.5)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>8.7</b>	<b>(70.0)</b>	<b>(16.5)</b>
Cash and cash equivalents at the start of the period		203.1	219.6	219.6
<b>Cash and cash equivalents at the end of the period</b>	13	<b>211.8</b>	<b>149.6</b>	<b>203.1</b>

The accompanying Notes form part of these condensed consolidated interim financial statements.

## Notes to the condensed consolidated interim financial statements

### 1 Corporate information

Saga plc (the **Company**) is a public limited company incorporated and domiciled in the United Kingdom under the Companies Act 2006 (registration number 08804263). The Company is registered in England and its registered office is located at 3 Pancras Square, London N1C 4AG.

The condensed consolidated interim financial statements of Saga plc and the entities controlled by the Company (its subsidiaries, collectively **Saga Group** or the **Group**) for the six-month period ended 31 July 2025 were authorised for issue in accordance with a resolution of the Directors on 23 September 2025.

#### 2.1 Basis of preparation

These financial statements comprise the condensed consolidated interim financial statements (the **financial statements**) of the Group for the six-month period to 31 July 2025.

The financial statements are prepared on a going concern basis and on a historical cost basis, except as otherwise stated. The Group reviewed the appropriateness of the going concern basis in preparing the financial statements, as set out in Note 2.7. The Directors concluded that it remains appropriate to adopt the going concern basis in preparing the financial statements.

The Group's financial statements are presented in pounds sterling which is also the parent company's functional currency, and all values are rounded to the nearest hundred thousand (£m), except when otherwise indicated.

The financial statements are prepared in accordance with the Disclosure and Transparency Rules (**DTR**) of the Financial Conduct Authority (**FCA**) and in accordance with International Accounting Standard (**IAS**) 34 'Interim Financial Reporting' as adopted for use in the UK. The material accounting policies applied by the Group are set out in the Annual Report and Accounts for the year ended 31 January 2025, as referenced in Note 2.3. These are consistent with International Financial Reporting Standards (**IFRS**), as issued by the International Accounting Standards Board and adopted by the UK Endorsement Board for use in the United Kingdom.

The financial statements are unaudited but have been reviewed by KPMG LLP and include their review conclusion. The financial statements do not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The results from the year ended 31 January 2025 were taken from the Group's Annual Report and Accounts for that year. Therefore, these financial statements should be read in conjunction with the Annual Report and Accounts for the year ended 31 January 2025 that were prepared in accordance with UK-adopted International Accounting Standards and applicable UK law.

Statutory financial statements for the year ended 31 January 2025 were delivered to the Registrar of Companies. The auditor's report on those financial statements: (i) was unqualified; (ii) did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report; and (iii) did not constitute a statement under Section 498 (2) or (3) of the Companies Act 2006.

#### 2.2 Basis of consolidation

The financial statements comprise the financial position and results of each of the companies within the Group. Where necessary, adjustments were made to the financial position and results of subsidiaries to bring the accounting policies used into line with those used by the Group. All intra-group transactions, balances, income and expenses were eliminated on consolidation. The policies set out below were applied consistently throughout the periods presented to items considered material to the condensed consolidated interim financial statements.

## Notes to the condensed consolidated interim financial statements (continued)

### 2.3 Summary of material accounting policies

The financial statements for the period ended 31 July 2025 were prepared, applying the same material accounting policies that were applied in the preparation of the Group's published consolidated financial statements for the year ended 31 January 2025.

Full details of the accounting policies of the Group can be found in the Annual Report and Accounts for the year ended 31 January 2025, available at [www.corporate.saga.co.uk](http://www.corporate.saga.co.uk).

### 2.4 Standards issued but not yet effective

The following is a list of standards, and amendments to standards, that are in issue but are not effective or adopted as at 31 July 2025.

#### a) IFRS 18 'Presentation and Disclosures in Financial Statements'

IFRS 18 includes requirements for all entities applying IFRS for the presentation and disclosure of information in financial statements. IFRS 18 will replace IAS 1 'Presentation of Financial Statements'. IFRS 18 introduces three defined categories for income and expenses: operating, investing and financing; to improve the structure of the income statement, and requires all companies to provide new defined subtotals, including operating profit. The standard is effective for annual reporting periods beginning on, or after, 1 January 2027. The impact of this standard on the Group's financial statements is still being assessed. The standard is not currently endorsed by the UK Endorsement Board.

#### b) Amendments to IFRS 9 and IFRS 7 regarding the classification and measurement of financial instruments

The amendments address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9 'Financial Instruments'. The standard is effective for annual reporting periods beginning on, or after, 1 January 2026. The amendments are not expected to have a material impact on the Group's financial statements. These amendments have been endorsed by the UK Endorsement Board.

#### c) Annual improvements to IFRS - Volume 11

The amendments include clarifications, simplifications, corrections and changes aimed at improving the consistency of several IFRS. The amendments are effective for annual periods beginning on or after 1 January 2026, with earlier application permitted. The amendments are not expected to have a material impact on the Group's financial statements. These improvements have been endorsed by the UK Endorsement Board.

### 2.5 First time adoption of new standards and amendments

The following is a list of standards, and amendments to standards, that became effective, or were adopted, for the first time during the period ended 31 July 2025.

#### a) Lack of exchangeability (amendments to International Accounting Standard (IAS) 21 'The Effects of Changes in Foreign Exchange Rates')

The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. The amendments are effective for annual reporting periods beginning on, or after, 1 January 2025. The amendments had no effect on the Group's financial statements.

### 2.6 Significant accounting judgements, estimates and assumptions

Full details of significant accounting judgements, estimates and assumptions used in the application of the Group's accounting policies can be found in the Annual Report and Accounts for the year ended 31 January 2025, available at [www.corporate.saga.co.uk](http://www.corporate.saga.co.uk). There were no changes to the principles in these critical accounting estimate and judgement areas during the six months ended 31 July 2025.

## Notes to the condensed consolidated interim financial statements (continued)

### 2.7 Going concern

The Directors have undertaken a comprehensive assessment of the Group's ability to continue as a going concern, evaluating the adequacy of financial resources through to 31 October 2026.

This assessment is based on a base case scenario, supplemented by risk-adjusted financial projections incorporating scenario analysis and stress testing of anticipated business performance.

The base case assumes continued strong performance in the Cruise division, driven by sustained high load factors and growth in per diems. The Holidays business is also expected to deliver further profit growth. Within the Insurance division, the modelling reflects the transition of the motor and home portfolios to a partnership model designed to support long-term growth.

A severe but plausible downside scenario has also been considered, including a reduction in load factors to 88% from current trading levels of 94% for Ocean Cruise and 93% for River Cruise respectively, and a decrease of approximately 2,500 touring customers per annum in the Holidays business. For Insurance, downside risks include an increase in net underwriting rate inflation at 2% above the market for Home insurance products. Risks modelled for the Money division include the impact of high levels of rate competition in the savings market.

Modelling outcomes under both scenarios—assuming utilisation of the £34.4 million Revolving Credit Facility (**RCF**) in the downside scenario, but no drawdown of the £116.6 million delayed-draw term loan (**DDTL**) facility under either scenario—indicate that the Group expects to meet all Ocean Cruise debt principal repayments as scheduled through October 2026. The Group also anticipates maintaining sufficient Available Cash<sup>3</sup> to meet liquidity needs throughout the assessment period.

Furthermore, the Group expects to remain in compliance with all financial covenants, including those attached to its secured Cruise debt, the 8.8x leverage covenant on the RCF, and the 8.0x leverage covenant applicable to both the £335 million term loan and the £116.6 million HPS Investment Partners, LLC or its subsidiaries (**HPS Funds**), DDTL facility. This provides flexibility to access the undrawn facility, if required, to support Cruise debt repayments.

While it is acknowledged that not all future risks to trading can be predicted with certainty, the Directors, based on the analysis and scenarios modelled, expect the Group to have sufficient resources to meet its obligations as they fall due through at least October 2026. Accordingly, the financial statements for the period ended 31 July 2025 have been prepared on a going concern basis.

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<sup>3</sup> Refer to the Alternative Performance Measures Glossary on pages 84-87 for definition and explanation



## Notes to the condensed consolidated interim financial statements (continued)

### 3 Segmental information

For management purposes, the Group is organised into business units based on their products and services. The Group has three reportable operating segments as follows:

- **Travel:** comprises the operation and delivery of Ocean and River Cruise holidays (**Cruise**), as well as package tour and other holiday products (**Holidays**). The Group owns and operates two Ocean Cruise ships. All other holiday and River Cruise products are packaged together with third-party supplied accommodation, flights and other transport arrangements.
- **Insurance:** comprises the provision of general insurance products. Revenue is derived primarily from insurance premiums and broking revenues. The segment is further analysed into three product sub-segments:
  - Motor broking
  - Home broking
  - Other broking

The results of the Group's underwriting and claims handling businesses have been classified as discontinued operations following the announcement of the agreed sale of the Group's Insurance Underwriting business, and are no longer shown in the tables below (see Note 18a for further details).

- **Other Businesses and Central Costs:** comprises the Group's other businesses and its central cost base. The other businesses primarily include Saga Money (the personal finance product offering), Saga Publishing and the Group's mailing and printing business, CustomerKNECT.

Segment performance is evaluated using the Group's key performance measure of Underlying Profit Before Tax<sup>4</sup>. Items not allocated to a segment relate to transactions that do not form part of the ongoing segment performance or which are managed at a Group level.

All revenue is generated solely in the UK.

Transfer prices between operating segments are set on an arm's-length basis in a manner similar to transactions with third parties. Segment income, expenses and results include transfers between business segments which are then eliminated on consolidation.

#### Seasonality

The Group is subject to seasonal fluctuations in both its Insurance and Travel segments, resulting in varying profits over each quarter.

The Insurance segment experiences increased motor insurance sales in the month of March and, to a lesser degree, September due to the issue of new vehicle registration plates; and increased home insurance sales in March, June and September coinciding with the historic quarter days. In the motor Insurance Underwriting business, a greater proportion of claims are notified in the second half of the financial year.

Typically, increased holiday departures in the shoulder months of May, June and September and low departure volumes during July and August create seasonal fluctuations in the profit of the Cruise and Travel segment.

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<sup>4</sup> Refer to the Alternative Performance Measures Glossary on pages 84-87 for definition and explanation

## Notes to the condensed consolidated interim financial statements (continued)

### 3 Segmental information (continued)

Unaudited 6m to Jul 2025	Insurance					Other Businesses and Central Costs £m	Adjustments £m	Total £m
	Travel £m	Motor broking £m	Home broking £m	Other broking £m	Total £m			
Continuing operations								
Revenue	246.7	30.9	15.9	24.9	71.7	12.4	(2.6)	328.2
Cost of sales	(159.0)	–	–	–	–	(4.9)	–	(163.9)
Gross profit/(loss)	87.7	30.9	15.9	24.9	71.7	7.5	(2.6)	164.3
Administrative and selling expenses	(42.2)	(28.9)	(14.3)	(15.1)	(58.3)	(28.2)	2.6	(126.1)
Impairment of assets	(0.1)	(0.2)	–	–	(0.2)	–	–	(0.3)
Net profit/(loss) on disposal of property, plant and equipment	0.3	(0.1)	–	–	(0.1)	–	–	0.2
Investment income	1.0	0.3	–	–	0.3	1.4	–	2.7
Finance costs	(8.9)	–	–	–	–	(28.2)	–	(37.1)
Profit/(loss) before tax	37.8	2.0	1.6	9.8	13.4	(47.5)	–	3.7
Reconciliation to Underlying Profit/(Loss) Before Tax <sup>5</sup>								
Profit/(loss) before tax	37.8	2.0	1.6	9.8	13.4	(47.5)	–	3.7
Net fair value loss on derivative financial instruments	0.4	–	–	–	–	–	–	0.4
Impairment of assets and loss on disposal	0.1	0.3	–	–	0.3	–	–	0.4
Amortisation of fees and costs on Roger De Haan loan facility	–	–	–	–	–	4.6	–	4.6
Amortisation of fees and costs relating to early repayment of unsecured loan notes	–	–	–	–	–	3.0	–	3.0
Restructuring costs	2.1	–	–	–	–	12.7	–	14.8
Foreign exchange movement on lease liabilities	0.8	–	–	–	–	–	–	0.8
Affinity Partnership transition	–	2.9	–	–	2.9	–	–	2.9
Release of deferred revenue on three-year fixed-price product	–	(6.2)	–	–	(6.2)	–	–	(6.2)
Onerous contract provision	–	–	(1.3)	–	(1.3)	–	–	(1.3)
Ocean Cruise dry dock costs	0.3	–	–	–	–	–	–	0.3
IFRS 16 lease accounting adjustment on River Cruise vessels	0.1	–	–	–	–	–	–	0.1
Underlying Profit/(Loss) Before Tax <sup>5</sup>	41.6	(1.0)	0.3	9.8	9.1	(27.2)	–	23.5

<sup>5</sup> Refer to the Alternative Performance Measures Glossary on pages 84-87 for definition and explanation

## Notes to the condensed consolidated interim financial statements (continued)

### 3 Segmental information (continued)

Unaudited 6m to Jul 2024 (re-presented <sup>6</sup> )	Insurance					Other Businesses and Central Costs £m	Adjustments £m	Total £m
	Travel £m	Motor broking £m	Home broking £m	Other broking £m	Total £m			
<b>Continuing operations</b>								
<b>Revenue</b>	<b>226.8</b>	<b>22.7</b>	<b>21.0</b>	<b>20.2</b>	<b>63.9</b>	<b>12.3</b>	<b>(2.4)</b>	<b>300.6</b>
Cost of sales	(149.7)	–	–	–	–	(4.3)	–	(154.0)
<b>Gross profit/(loss)</b>	<b>77.1</b>	<b>22.7</b>	<b>21.0</b>	<b>20.2</b>	<b>63.9</b>	<b>8.0</b>	<b>(2.4)</b>	<b>146.6</b>
Administrative and selling expenses	(38.1)	(21.7)	(15.4)	(14.7)	(51.8)	(17.6)	2.4	(105.1)
Impairment of assets	–	–	–	–	–	–	(138.3)	(138.3)
Net profit on disposal of property, plant and equipment	0.1	–	–	–	–	–	–	0.1
Investment income	0.8	0.5	–	–	0.5	2.2	–	3.5
Finance costs	(9.5)	–	–	–	–	(14.2)	–	(23.7)
<b>Profit/(loss) before tax</b>	<b>30.4</b>	<b>1.5</b>	<b>5.6</b>	<b>5.5</b>	<b>12.6</b>	<b>(21.6)</b>	<b>(138.3)</b>	<b>(116.9)</b>
<b>Reconciliation to Underlying Profit/(Loss) Before Tax<sup>7</sup></b>								
<b>Profit/(loss) before tax</b>	<b>30.4</b>	<b>1.5</b>	<b>5.6</b>	<b>5.5</b>	<b>12.6</b>	<b>(21.6)</b>	<b>(138.3)</b>	<b>(116.9)</b>
Net fair value loss on derivative financial instruments	0.6	–	–	–	–	–	–	0.6
Impairment of Insurance Broking goodwill	–	–	–	–	–	–	138.3	138.3
Amortisation of fees and costs on Roger De Haan loan facility	–	–	–	–	–	1.2	–	1.2
Restructuring costs	0.6	1.2	–	–	1.2	2.3	–	4.1
Foreign exchange movement on lease liabilities	(0.5)	–	–	–	–	–	–	(0.5)
Onerous contract provision	–	(2.1)	–	–	(2.1)	–	–	(2.1)
IFRS 16 lease accounting adjustment on River Cruise vessels	0.1	–	–	–	–	–	–	0.1
<b>Underlying Profit/(Loss) Before Tax<sup>7</sup></b>	<b>31.2</b>	<b>0.6</b>	<b>5.6</b>	<b>5.5</b>	<b>11.7</b>	<b>(18.1)</b>	<b>–</b>	<b>24.8</b>

<sup>6</sup> The comparative information for the period to 31 July 2024 has been re-presented from that previously published due to the Group's decision to divest itself of the underwriting and claims handling sections of its Insurance business and, therefore, they have been reclassified as discontinued operations (see Note 18a))

<sup>7</sup> Refer to the Alternative Performance Measures Glossary on pages 84-87 for definition and explanation

## Notes to the condensed consolidated interim financial statements (continued)

### 3 Segmental information (continued)

12m to Jan 2025	Insurance					Other Businesses and Central Costs £m	Adjustments £m	Total £m
	Travel £m	Motor broking £m	Home broking £m	Other broking £m	Total £m			
Continuing operations								
Revenue	453.9	45.9	31.8	36.7	114.4	24.6	(4.6)	588.3
Cost of sales	(300.0)	–	–	–	–	(8.8)	–	(308.8)
Gross profit/(loss)	153.9	45.9	31.8	36.7	114.4	15.8	(4.6)	279.5
Administrative and selling expenses	(75.3)	(60.7)	(31.0)	(28.1)	(119.8)	(43.1)	4.6	(233.6)
Impairment of assets	–	(21.3)	–	–	(21.3)	(3.2)	(138.3)	(162.8)
Gain on lease modification	–	–	–	–	–	0.2	–	0.2
Net profit on disposal of property, plant and equipment	0.9	–	–	–	–	–	–	0.9
Investment income	1.5	0.9	–	–	0.9	3.7	–	6.1
Finance costs	(20.2)	–	–	–	–	(30.3)	–	(50.5)
Profit/(loss) before tax	60.8	(35.2)	0.8	8.6	(25.8)	(56.9)	(138.3)	(160.2)
Reconciliation to Underlying Profit/(Loss) Before Tax <sup>8</sup>								
Profit/(loss) before tax	60.8	(35.2)	0.8	8.6	(25.8)	(56.9)	(138.3)	(160.2)
Net fair value loss on derivative financial instruments	0.3	–	–	–	–	–	–	0.3
Impairment of Insurance Broking goodwill	–	–	–	–	–	–	138.3	138.3
Impairment of assets	–	21.3	–	–	21.3	3.2	–	24.5
Amortisation of fees and costs on Roger De Haan loan facility	–	–	–	–	–	3.5	–	3.5
Restructuring costs	0.9	18.2	–	–	18.2	9.3	–	28.4
Foreign exchange movement on lease liabilities	(0.6)	–	–	–	–	–	–	(0.6)
Onerous contract provision	–	(3.1)	1.3	–	(1.8)	–	–	(1.8)
Profit share on cessation of private medical insurance (PMI) contract	–	–	–	2.6	2.6	–	–	2.6
Ocean Cruise customer compensation and dry dock costs	1.7	–	–	–	–	–	–	1.7
IFRS 16 lease accounting adjustment on River Cruise vessels	0.5	–	–	–	–	–	–	0.5
Underlying Profit/(Loss) Before Tax <sup>8</sup>	63.6	1.2	2.1	11.2	14.5	(40.9)	–	37.2

<sup>8</sup> Refer to the Alternative Performance Measures Glossary on pages 84-87 for definition and explanation

## Notes to the condensed consolidated interim financial statements (continued)

### 3 Segmental information (continued)

#### a) Disaggregation of revenue

Unaudited

6m to Jul 2025

Major product lines	Travel £m	Insurance £m	Other Businesses and Central Costs £m	Total £m
<b>Continuing operations</b>				
Ocean Cruise	130.9			130.9
River Cruise and Holidays	115.8			115.8
Motor broking		30.9		30.9
Home broking		15.9		15.9
Other broking		24.9		24.9
Money			3.0	3.0
Publishing and CustomerKNECT			6.3	6.3
Other			0.5	0.5
	<b>246.7</b>	<b>71.7</b>	<b>9.8</b>	<b>328.2</b>

Unaudited

6m to Jul 2024

(re-presented<sup>9</sup>)

Major product lines	Travel £m	Insurance £m	Other Businesses and Central Costs £m	Total £m
<b>Continuing operations</b>				
Ocean Cruise	121.5			121.5
River Cruise and Holidays	105.3			105.3
Motor broking		22.7		22.7
Home broking		21.0		21.0
Other broking		20.2		20.2
Money			2.8	2.8
Publishing and CustomerKNECT			6.8	6.8
Other			0.3	0.3
	<b>226.8</b>	<b>63.9</b>	<b>9.9</b>	<b>300.6</b>

<sup>9</sup> The comparative information for the period to 31 July 2024 has been re-presented from that previously published due to the Group's decision to divest itself of the underwriting and claims handling sections of its Insurance business and, therefore, they have been reclassified as discontinued operations (see Note 18a))

## Notes to the condensed consolidated interim financial statements (continued)

### 3 Segmental information (continued)

#### a) Disaggregation of revenue (continued)

12m to Jan 2025

Major product lines	Travel £m	Insurance £m	Other Businesses and Central Costs £m	Total £m
<b>Continuing operations</b>				
Ocean Cruise	236.7			236.7
River Cruise and Holidays	217.2			217.2
Motor broking		45.9		45.9
Home broking		31.8		31.8
Other broking		36.7		36.7
Money			5.6	5.6
Publishing and CustomerKNECT			13.9	13.9
Other			0.5	0.5
	<b>453.9</b>	<b>114.4</b>	<b>20.0</b>	<b>588.3</b>

### 4 Tax

The major components of the income tax (credit)/expense are:

	Unaudited 6m to Jul 2025 £m	Unaudited 6m to Jul 2024 (re-presented <sup>10</sup> ) £m	12m to Jan 2025 £m
<b>Continuing operations</b>			
<b>Condensed consolidated income statement</b>			
<b>Current income tax</b>			
Current income tax credit	(2.4)	(1.0)	(0.5)
Adjustments in respect of previous periods	0.2	0.2	0.9
	<u>(2.2)</u>	<u>(0.8)</u>	<u>0.4</u>
<b>Deferred tax</b>			
Relating to origination and reversal of temporary differences	–	–	19.0
Adjustments in respect of previous periods	–	(0.5)	(0.9)
	<u>–</u>	<u>(0.5)</u>	<u>18.1</u>
<b>Tax (credit)/expense in the income statement</b>	<b><u>(2.2)</u></b>	<b><u>(1.3)</u></b>	<b><u>18.5</u></b>

<sup>10</sup> The comparative information for the period to 31 July 2024 has been re-presented from that previously published due to the Group's decision to divest itself of the underwriting and claims handling sections of its Insurance business and, therefore, they have been reclassified as discontinued operations (see Note 18a))

## Notes to the condensed consolidated interim financial statements (continued)

### 4 Tax (continued)

The Group's tax credit relating to continuing operations for the period was £2.2m (July 2024: £1.3m credit) on profits from continuing operations of £3.7m (July 2024: loss of £116.9m). Excluding profits from the Ocean Cruise business (which falls under the tonnage tax regime), and before the impairment of goodwill in the period to 31 July 2024, this represents an effective tax rate of 7.3% (July 2024: 21.0%). In both the current and prior periods, the difference between the Group's tax effective rate and the standard rate of corporation tax, was mainly due to the Group's Ocean Cruise business being in the tonnage tax regime. In addition, in the current period, it is also due to £138.4m (July 2024: £47.2m) of corporation tax losses carried forward at 31 July 2025 not being considered recoverable and, therefore, no deferred tax asset was recognised for these losses.

Adjustments in respect of previous periods include adjustments for the under-provision of the tax expense in prior periods of £0.2m (July 2024: £0.3m over-provision).

#### Reconciliation of net deferred tax assets

	Unaudited 6m to July 2025 £m	Unaudited 6m to Jul 2024 (re-presented <sup>11</sup> ) £m	12m to Jan 2025 £m
<b>At 1 February</b>	<b>–</b>	<b>34.8</b>	<b>34.8</b>
Tax credit/(expense) recognised in the income statement from continuing operations	–	0.5	(18.1)
Tax credit/(expense) recognised in other comprehensive income (OCI) from continuing operations	–	0.9	(12.3)
Deferred tax expense attributable to discontinued operations		(2.4)	(4.8)
Amounts transferred to assets held for sale		–	0.4
<b>At the end of the period</b>	<b>–</b>	<b>33.8</b>	<b>–</b>

Net deferred tax assets, reflected at 25%, are expected to be normally settled in more than 12 months.

The Group has tax losses which arose in the UK of £138.4m (July 2024: £47.2m) that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised in respect of these losses as they may not be used to offset taxable profits elsewhere in the Group. They have arisen due to the Group's Ocean Cruise business being in the tonnage tax regime, meaning that taxable profits in the Group's non-Ocean Cruise businesses would be required to recognise deferred tax assets, and there are no other tax planning opportunities or other evidence of recoverability in the near future. In addition, all other net timing differences were considered not to be recoverable, therefore no net deferred tax assets have been recognised in respect of the continuing business at 31 July 2025, for the same reason as deferred tax assets were not recognised on tax losses. If the Group were able to recognise all unrecognised net deferred tax assets then profit for the period would be £1.5m lower (July 2024 - £nil) and movements through OCI would be £0.7m lower (July 2024 - £nil).

<sup>11</sup> The comparative information for the period to 31 July 2024 has been re-presented from that previously published due to the Group's decision to divest itself of the underwriting and claims handling sections of its Insurance business and, therefore, they have been reclassified as discontinued operations (see Note 18a))

## Notes to the condensed consolidated interim financial statements (continued)

### 4 Tax (continued)

The Group is in scope of the Pillar Two rules because its consolidated revenue has exceeded the annual €750 million threshold in two of the last four financial years. The Group have applied the mandatory deferred tax exemption as prescribed by the IASB's amendments to IAS12. The majority of the Group's profits are within the charge to Tonnage Tax and therefore the Group consider the financial impact of Pillar Two will be limited.

### 5 Dividends

No ordinary dividends were declared, nor paid, during the current and prior periods.

The distributable reserves of Saga plc as at 31 July 2025 are equal to the retained earnings reserve. If necessary, its subsidiary companies hold significant reserves from which a dividend could be paid. Subsidiary distributable reserves are available immediately, with the exception of companies within the River Cruise and Holidays businesses, which require regulatory approval before any dividends can be declared and paid. Under the terms of the Ocean Cruise ship debt facilities, dividends remain restricted until the ship debt principal repayments that were deferred as part of the ship debt repayment holiday are fully repaid (Note 15). In addition, under the terms of the RCF, dividends also remain restricted while leverage is above 3.25x.

### 6 Loss per share

Basic loss per share is calculated by dividing the loss after tax for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period. Diluted loss per share is calculated by also including the weighted average number of ordinary shares that would be issued on conversion of all potentially dilutive options.

There were no transactions involving ordinary shares, or potential ordinary shares, between the reporting date and the date of authorisation of these financial statements.

The calculation of basic and diluted loss per share is as follows:

	<b>Unaudited 6m to Jul 2025 £m</b>	Unaudited 6m to Jul 2024 £m	12m to Jan 2025 £m
Loss attributable to ordinary equity holders	(3.4)	(106.1)	(164.9)
Profit/(loss) from continuing operations	5.9	(115.6)	(178.7)
Weighted average number of ordinary shares	<b>'m</b>	<b>'m</b>	<b>'m</b>
Ordinary shares as at 1 February	140.5	139.8	139.8
Deferred Bonus Plan ( <b>DBP</b> ) share options exercised	0.2	–	0.2
Restricted Share Plan ( <b>RSP</b> ) share options exercised	0.3	–	0.5
Ordinary shares as at the end of the period	141.0	139.8	140.5
Weighted average number of ordinary shares for basic loss per share and diluted loss per share	141.0	139.8	140.5
<b>Basic loss per share</b>	<b>(2.4p)</b>	<b>(75.9p)</b>	<b>(117.4p)</b>
<b>Basic earnings/(loss) per share from continuing operations</b>	<b>4.2p</b>	<b>(82.7p)</b>	<b>(127.2p)</b>
<b>Diluted loss per share</b>	<b>(2.4p)</b>	<b>(75.9p)</b>	<b>(117.4p)</b>
<b>Diluted earnings/(loss) per share from continuing operations</b>	<b>4.2p</b>	<b>(82.7p)</b>	<b>(127.2p)</b>



## Notes to the condensed consolidated interim financial statements (continued)

### 6 Loss per share (continued)

The table below reconciles between basic loss per share and Underlying Basic Earnings Per Share<sup>12</sup>

	Unaudited 6m to Jul 2025	Unaudited 6m to Jul 2024	12m to Jan 2025
<b>Basic loss per share</b>	<b>(2.4p)</b>	<b>(75.9p)</b>	<b>(117.4p)</b>
Adjusted for:			
Net fair value loss on derivative financial instruments	0.3p	0.4p	0.3p
Impairment of assets	0.3p	–	25.6p
Impairment of Insurance Broking goodwill	–	98.9p	98.4p
Onerous contract provision	2.1p	(7.1p)	(12.3p)
Profit share on cessation of PMI contract	–	–	2.2p
Amortisation of fees and costs on Roger De Haan loan facility	3.3p	0.9p	3.0p
Loss on disposal of subsidiary	17.0p	–	–
Amortisation of fees and costs relating to early repayment of unsecured loan notes	2.1p	–	–
Affinity Partnership transition	2.0p	–	–
Release of deferred revenue on three-year fixed-price product	(4.4p)	–	–
Write-off of written to earned adjustment	(2.5p)	–	–
Foreign exchange movement on lease liabilities	0.5p	(0.3p)	(0.5p)
Fair value gains on debt securities	(1.6p)	(1.9p)	(4.3p)
Changes in underwriting discount rates on non-PPO liabilities	0.1p	(0.2p)	(0.5p)
Restructuring costs	10.6p	3.1p	26.9p
Ocean Cruise customer compensation and dry dock costs	0.2p	–	1.4p
IFRS 16 lease accounting adjustment on River Cruise vessels	0.1p	–	0.4p
<b>Underlying Basic Earnings Per Share<sup>12</sup></b>	<b>27.7p</b>	<b>17.9p</b>	<b>23.2p</b>

<sup>12</sup> Refer to the Alternative Performance Measures Glossary on pages 84-87 for definition and explanation

## Notes to the condensed consolidated interim financial statements (continued)

### 7 Goodwill

Goodwill acquired through business combinations was allocated to Cash Generating Units (**CGUs**) for the purpose of impairment testing. The carrying value of goodwill by CGU is as follows:

	<b>Unaudited As at 31 Jul 2025 £m</b>	Unaudited As at 31 Jul 2024 £m	As at Jan 2025 £m
Insurance Broking	206.4	206.4	206.4
	<b>206.4</b>	<b>206.4</b>	<b>206.4</b>

The Group tests all goodwill balances for impairment at least annually, and twice-yearly if indicators of impairment exist at the interim reporting date of 31 July. The impairment test compares the recoverable amount of each CGU to the carrying value of its net assets including the value of the allocated goodwill.

As a result of the impact of the FCA's GIPP market study on trading in recent years, and against the background of a highly competitive motor insurance market, the Group saw a fall in policy volumes in the year to 31 January 2025. In the year to 31 January 2025, high net rate inflation from the Group's underwriting panel continued to have an adverse impact on the expected future profitability of the Insurance business. In December 2024, the Group announced it had entered into a binding agreement with wholly owned subsidiaries in the UK of Ageas SA/NV (**Ageas**), to establish a 20-year partnership for motor and home insurance (the **Affinity Partnership**) which is expected to impact future cash flows of the business. Management considered these trading impacts to constitute indicators of impairment and, therefore, conducted full impairment reviews of the Insurance Broking CGU at 31 July 2024 and 31 January 2025. At 31 July 2024, the Group determined that the recoverable amount of the goodwill was below the carrying value, and so the Directors took the decision to impair the goodwill by £138.3m, based on a probability-weighted assessment of the base and stressed forecast cash flows modelled.

At the assessment conducted as at 31 January 2025, forecast cash flows consistent with the latest five-year plan and further stress tests, were modelled. After applying a probability weighting to the base and stressed forecast cash flows modelled, management concluded that no further impairment of goodwill was required as at 31 January 2025, leaving the total impairment charge for the year at £138.3m.

At the assessment conducted as at 31 January 2025, the recoverable amount of the Insurance Broking CGU was determined based on a value-in-use calculation using nominal cash flow projections from the Group's latest five-year financial forecasts to 2029/30, which were derived using past experience of the Group's trading, combined with the anticipated impact of changes in macroeconomic and regulatory factors and the expected impact of the transition to the Affinity Partnership. A terminal value was calculated using the Gordon Growth Model based on the fifth year of those projections and a terminal growth rate calculated using an assumption of 2.0% (July 2024: 2.0%) as the expected long-term target rate of inflation for the UK economy. The cash flows were then discounted to present value using a suitably risk-adjusted nominal discount rate based on a market-participant view of the cost of capital and debt relevant to the insurance industry.

At 31 January 2025, the pre-tax discount rate used for the Insurance Broking CGU was 13.3% (July 2024: 14.7%). The Group's five-year financial forecasts incorporated the modelled impact of the new pricing rules and the estimated impact that this is likely to have on future new business pricing and retention rates. As per IAS 36.44, incremental cash flows directly attributable to growth initiatives not yet enacted at the statement of financial position date were then removed for the purpose of the value-in-use calculation.

## Notes to the condensed consolidated interim financial statements (continued)

### 7 Goodwill (continued)

The Group also considered the impact of downside stresses, both in terms of adverse impacts to the cash flow projections and to the discount rate. For the cash flow stress test, the Group modelled the impact of a more prudent outlook on the current competitive challenges seen in the insurance broking market, in combination with a more cautious terminal growth rate based on a more conservative assumption of 1.5% (July 2024: 1.5%) as the outlook for growth in the UK economy. For the discount rate stress test, the Group applied risk premia of +0.4ppts at 31 January 2025 (July 2024: +0.5ppts).

The (deficit)/headroom of the Insurance Broking CGU against the carrying value of goodwill at the time of the review of £344.7m at 31 July 2024 and £206.4m at 31 January 2025 (after recognising an impairment charge of £138.3m at 31 July 2024), was as follows:

	(Deficit)/headroom £m					
	Base scenario		Cash flow stress test scenario		Discount rate stress test scenario	
	31 Jul 2024	31 Jan 2025	31 Jul 2024	31 Jan 2025	31 Jul 2024	31 Jan 2025
Insurance Broking	(72.0)	33.4	(204.5)	(19.2)	(81.8)	25.9

At 31 July 2025, trading forecasts consistent with the latest five-year plan showed improved cash flows and policy volumes from those modelled at the assessment conducted as at 31 January 2025. In addition, the Group's pre-tax discount rate previously used for the Insurance Broking CGU has improved primarily as a result of a reduction in the cost of equity due to a fall in the equity beta. The decrease in the pre-tax discount rate acts to increase the headroom in any assessment. The long-term outlook for inflation included in the May 2025 Monetary Policy Report published by the Bank of England stands at 2%, consistent with the Terminal Growth rate assumption for the business modelled at 31 January 2025 and at 31 July 2024. Management have considered other indicators of possible impairment set out in IAS 36, including the economic outlook and movements in Saga's market capitalisation. No such indicators have been identified. Based on the above management do not believe a formal goodwill impairment assessment is required at 31 July 2025.

## Notes to the condensed consolidated interim financial statements (continued)

### 8 Intangible fixed assets

During the period, the Group capitalised software assets with a cost of £3.1m (July 2024: £7.8m), disposed of assets with a net book value of £nil (July 2024: £nil) and charged £3.5m (July 2024: £4.7m) of amortisation and impairment to its intangible assets. The profit arising on disposal was £nil (July 2024: £nil).

### 9 Property, plant and equipment

During the period, the Group capitalised assets with a cost of £8.7m (July 2024: £1.4m), disposed of assets with a net book value of £0.1m (July 2024: £nil) and charged £11.7m (July 2024: £11.2m) of depreciation and impairment to its property, plant and equipment. The profit arising on disposal was £0.2m (July 2024: £0.1m profit).

At 31 July 2025, capital amounts contracted for but not provided for, in the financial statements, amounted to £nil (July 2024: £nil).

#### Impairment review of property, plant and equipment

The Directors did not consider it necessary to conduct an impairment review of property, plant and equipment at 31 July 2025 since no new indicators of impairment were identified. In the prior period, the Directors concluded that there were no indicators of impairment at 31 July 2024 and, accordingly, no impairment review was deemed necessary.

### 10 Right-of-use assets

During the period, the Group capitalised assets with a cost of £16.2m (July 2024: £7.6m), disposed of assets with a net book value of £nil (July 2024: £nil), reduced net book value for effect of modification of lease terms by £0.1m (July 2024: £nil) and charged £3.2m (July 2024: £3.6m) of depreciation and impairment to its right-of-use assets. The profit arising on disposal was £nil (July 2024: £nil).

Right-of-use assets capitalised in the period ended 31 July 2025 primarily relate to the River Cruise ship, Spirit of the Moselle (£13.9m) and vehicles (£2.0m). Right-of-use assets capitalised in the period ended 31 July 2024 primarily related to the River Cruise ship, Spirit of the Douro (£7.3m).

At 31 July 2025, the value of lease liabilities contracted for but not provided for in the financial statements in respect of right-of-use assets amounted to £13.2m (July 2024: £9.9m). For the current period, these commitments relate to the River Cruise vessel, Spirit of the Lorelei. The lease commitment for the period ended 31 July 2024 related to the River Cruise vessel, Spirit of the Moselle.

#### Impairment review of right-of-use assets

The Group did not consider it necessary to conduct an impairment review of right-of-use assets as at 31 July 2025 since no new indicators of impairment were identified. In the prior period, the Directors concluded that there were no indicators of impairment at 31 July 2024 and, accordingly, no impairment review was deemed necessary.

## Notes to the condensed consolidated interim financial statements (continued)

### 11 Financial assets and financial liabilities

#### a) Financial assets

	Unaudited As at 31 Jul 2025 £m	Unaudited As at 31 Jul 2024 £m	As at 31 Jan 2025 £m
<b>Fair value through profit and loss (FVTPL)</b>			
Foreign exchange forward contracts	0.2	–	0.2
Money market funds	–	42.5	62.9
Debt securities	–	215.1	178.7
	<b>0.2</b>	<b>257.6</b>	<b>241.8</b>
<b>FVTPL designated in a hedging relationship</b>			
Foreign exchange forward contracts	1.3	–	0.9
Fuel oil swaps	0.4	0.2	–
	<b>1.7</b>	<b>0.2</b>	<b>0.9</b>
<b>Amortised cost</b>			
Deposits with financial institutions	11.0	–	11.5
	<b>11.0</b>	<b>–</b>	<b>11.5</b>
<b>Amounts reclassified to assets held for sale</b>	<b>–</b>	<b>–</b>	<b>(241.6)</b>
<b>Total financial assets</b>	<b>12.9</b>	<b>257.8</b>	<b>12.6</b>
Current	12.4	107.8	12.4
Non-current	0.5	150.0	0.2
	<b>12.9</b>	<b>257.8</b>	<b>12.6</b>

Debt securities and money market funds relate to monies held by the Group's Insurance Underwriting business (included within discontinued operations), are subject to contractual restrictions and are not readily available to be used for other purposes within the Group. The values of the debt securities and money market funds are based upon publicly available market prices.

All financial assets that are measured at FVTPL are mandatorily measured at FVTPL, with the exception of debt securities which are designated as FVTPL.

The Group's financial assets are analysed by Moody's credit risk rating on page 24 of the Group Chief Financial Officer's Review.

## Notes to the condensed consolidated interim financial statements (continued)

### 11 Financial assets and financial liabilities (continued)

#### b) Financial liabilities

	Unaudited As at 31 Jul 2025 £m	Unaudited As at 31 Jul 2024 £m	As at 31 Jan 2025 £m
<b>FVTPL</b>			
Foreign exchange forward contracts	0.2	0.8	0.2
	<b>0.2</b>	<b>0.8</b>	<b>0.2</b>
<b>FVTPL designated in a hedging relationship</b>			
Foreign exchange forward contracts	1.8	3.3	0.9
Fuel oil swaps	0.3	0.5	0.5
Interest rate swaps	0.9	–	–
	<b>3.0</b>	<b>3.8</b>	<b>1.4</b>
<b>Amortised cost</b>			
Bond, Ocean Cruise ship loans, term loan and the loan facility with Roger De Haan (Note 15)	632.6	691.3	662.2
Lease liabilities	39.8	29.8	26.1
Bank overdrafts	0.2	2.2	1.6
	<b>672.6</b>	<b>723.3</b>	<b>689.9</b>
<b>Amounts reclassified to liabilities associated with assets held for sale</b>	<b>–</b>	<b>–</b>	<b>(1.4)</b>
<b>Total financial liabilities</b>	<b>675.8</b>	<b>727.9</b>	<b>690.1</b>
Current	65.4	72.6	71.3
Non-current	610.4	655.3	618.8
	<b>675.8</b>	<b>727.9</b>	<b>690.1</b>

Except for the Group's bonds and Ocean Cruise ship loans, the fair values of financial liabilities held at amortised cost are not materially different from their carrying amounts, since the interest payable on those liabilities is close to current market rates. The fair value of the Group's bonds (Note 15) at 31 July 2025 was £nil (July 2024: £233.6m). The fair value of the Group's Ocean Cruise ship loans (Note 15) at 31 July 2025 was £297.1m (July 2024: £349.3m). The fair value of the loan facility provided by Roger De Haan was considered not to be materially different from the carrying amount, since the interest payable on it was close to current market rates.

All financial liabilities that are measured at FVTPL, are mandatorily measured at FVTPL unless they are held in a designated hedging relationship.

## Notes to the condensed consolidated interim financial statements (continued)

### 11 Financial assets and financial liabilities (continued)

#### c) Fair value hierarchy

	Unaudited As at 31 Jul 2025				Unaudited As at 31 Jul 2024			
	Level 1 £m	Level 2 £m	Level 3 £m	Total £m	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
<b>Financial assets measured at fair value</b>								
Foreign exchange forwards	–	1.5	–	<b>1.5</b>	–	–	–	<b>–</b>
Fuel oil swaps	–	0.4	–	<b>0.4</b>	–	0.2	–	<b>0.2</b>
Debt securities	–	–	–	<b>–</b>	215.1	–	–	<b>215.1</b>
Money market funds	–	–	–	<b>–</b>	42.5	–	–	<b>42.5</b>
<b>Financial liabilities measured at fair value</b>								
Foreign exchange forwards	–	2.0	–	<b>2.0</b>	–	4.1	–	<b>4.1</b>
Fuel oil swaps	–	0.3	–	<b>0.3</b>	–	0.5	–	<b>0.5</b>
Interest rate swaps	–	0.9	–	<b>0.9</b>	–	–	–	<b>–</b>
<b>Financial assets for which fair values are disclosed</b>								
Deposits with institutions	–	11.0	–	<b>11.0</b>	–	–	–	<b>–</b>
<b>Financial liabilities for which fair values are disclosed</b>								
Bond, Ocean Cruise ship loans, term loan and the loan facility with Roger De Haan	–	632.1	–	<b>632.1</b>	233.6	424.3	–	<b>657.9</b>
Lease liabilities	–	39.8	–	<b>39.8</b>	–	29.8	–	<b>29.8</b>
Bank overdrafts	–	0.2	–	<b>0.2</b>	–	2.2	–	<b>2.2</b>

## Notes to the condensed consolidated interim financial statements (continued)

### 11 Financial assets and financial liabilities (continued)

#### c) Fair value hierarchy (continued)

	As at 31 Jan 2025			
	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
<b>Financial assets measured at fair value</b>				
Foreign exchange forwards	–	1.1	–	<b>1.1</b>
Debt securities	178.7	–	–	<b>178.7</b>
Money market funds	62.9	–	–	<b>62.9</b>
<b>Financial liabilities measured at fair value</b>				
Foreign exchange forwards	–	1.1	–	<b>1.1</b>
Fuel oil swaps	–	0.5	–	<b>0.5</b>
<b>Financial assets for which fair values are disclosed</b>				
Deposits with institutions	–	11.5	–	<b>11.5</b>
<b>Financial liabilities for which fair values are disclosed</b>				
Bond, Ocean Cruise ship loans and the loan facility with Roger De Haan	249.7	400.6	–	<b>650.3</b>
Lease liabilities	–	26.1	–	<b>26.1</b>
Bank overdrafts	–	1.6	–	<b>1.6</b>

Full details of the valuation techniques and inputs used to develop fair value measurements can be found in the Annual Report and Accounts for the year ended 31 January 2025.



## Notes to the condensed consolidated interim financial statements (continued)

### 11 Financial assets and financial liabilities (continued)

#### d) Other information

There were no transfers between Level 1 and Level 2 and no non-recurring fair value measurements of assets and liabilities during the period (July 2024: none).

Foreign exchange forwards are valued using current spot and forward rates discounted to present value. They are also adjusted for counterparty credit risk using credit default swap curves. Fuel oil swaps are valued with reference to the valuations provided by third parties, which use current Platts index rates, discounted to present value. Bonds are valued at quoted market bid prices. Ship loans are valued using discounted cash flows at the current rates of interest. Interest rate swaps are valued as the present value of the estimated future cash flows, discounted using observable yield curves, and adjusted for a credit risk adjustment.

The Group operates a programme of economic hedging against its foreign currency and fuel oil exposures. During the period, the Group designated 230 (July 2024: 172) foreign exchange forward currency contracts as hedges of highly probable foreign currency cash expenses in future periods and designated 45 (July 2024: 20) fuel oil swaps as hedges of highly probable fuel oil purchases in future periods. At 31 July 2025, the Group had designated 367 (July 2024: 266) forward currency contracts and 62 (July 2024: 61) fuel oil swaps as hedges.

During the period, the Group recognised net losses of £0.1m (July 2024: net losses of £0.8m) on cash flow hedging instruments through OCI into the hedging reserve. The Group recognised £0.2m gains (July 2024: £0.3m gains) through the income statement in respect of the ineffective portion of hedges measured during the period.

In the period to 31 July 2025, the Group did not de-designate any foreign currency forward contracts. During the period to 31 July 2024, the Group de-designated 11 foreign currency forward contracts, with a transaction value of £7.5m, where the forecast cash flows were no longer expected to occur with a sufficiently high degree of certainty to meet the requirements of IFRS 9. The accumulated losses in relation to these contracts of £0.2m were reclassified from the hedging reserve into profit or loss during the prior period. The Group did not de-designate any fuel oil swaps during the period (July 2024: nil). In the period to 31 July 2025, the Group recognised a £0.3m loss (July 2024: £0.4m loss) through the income statement in respect of matured hedges which were recycled from OCI.

During the current period, the Group hedged its £335.0m term loan (Note 15a) using interest rate derivatives. The Group held interest rate swaps to hedge exposure to the financial risk of variability in cash flows attributable to movements in interest rates. The fair value of the Group's interest swaps as at 31 July 2025 is a liability of £0.9m (July 2024: nil) with £0.9m (July 2024: nil) being recognised as a loss through OCI into the hedging reserve.

## Notes to the condensed consolidated interim financial statements (continued)

### 12 Cash and cash equivalents

	Unaudited As at 31 Jul 2025 £m	Unaudited As at 31 Jul 2024 £m	As at 31 Jan 2025 £m
Cash at bank and in hand	127.9	70.8	93.0
Short-term deposits	84.1	38.5	36.2
<b>Cash and short-term deposits</b>	<b>212.0</b>	<b>109.3</b>	<b>129.2</b>
Money market funds (Note 11a)	–	42.5	–
Bank overdraft (Note 11b)	(0.2)	(2.2)	(0.2)
Cash and cash equivalents held by disposal group (including money market funds)	–	–	74.1
<b>Cash and cash equivalents in the condensed consolidated statement of cash flows</b>	<b>211.8</b>	<b>149.6</b>	<b>203.1</b>

Included within cash and cash equivalents are amounts held by the Group's Insurance business (included within discontinued operations), and River Cruise and Holidays businesses, which are subject to contractual or regulatory restrictions. These amounts are not readily available to be used for other purposes within the Group and total £71.7m (July 2024: £63.3m). Available Cash<sup>13</sup> excludes these amounts.

Cash at bank earns interest at floating rates based on daily bank deposit rates. Short-term deposits are typically made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

The bank overdraft is subject to a guarantee in favour of the Group's bankers and is limited to the amount drawn. The bank overdraft is repayable on demand.

<sup>13</sup> Refer to the Alternative Performance Measures Glossary on pages 84-87 for definition and explanation

## Notes to the condensed consolidated interim financial statements (continued)

### 13 Retirement benefit schemes

The Group operates retirement benefit schemes for the employees of the Group consisting of a defined contribution plan and a legacy defined benefit plan.

In July 2021, following the completion of a review of the Group's pension arrangements, a consultation process with active members was launched. The consultation process concluded during October 2021 and, with effect from 31 October 2021, the Group closed both its existing schemes to future accrual: the Saga Pension Scheme (its defined benefit plan) and the Saga Workplace Pension Plan (its defined contribution plan). In their place, the Group launched a new defined contribution pension scheme arrangement, operated as a master trust. This move served to reduce the risk of further deficits developing in the future on the defined benefit scheme, while moving to a fairer scheme for all colleagues.

#### a) Defined contribution plan

There was one defined contribution scheme in the Group at 31 July 2025 (31 July 2024: one). The assets of this scheme are held separately from those of the Group, in funds under the control of Trustees.

#### b) Defined benefit plan

The Group operated a funded defined benefit scheme, the Saga Pension Scheme, which was closed to future accrual on 31 October 2021. From 1 November 2021, members moved from active to deferred status, with future indexation of deferred pensions before retirement measured by reference to the Consumer Price Index. There will be no further service charges relating to the scheme and no future monthly employer contributions for current service.

The fair value of the assets and present value of the obligations of the Saga defined benefit scheme are as follows:

	Unaudited As at 31 Jul 2025 £m	Unaudited As at 31 Jul 2024 £m	As at 31 Jan 2025 £m
Fair value of scheme assets	192.3	210.4	200.1
Present value of defined benefit obligation	(226.8)	(256.9)	(239.9)
<b>Defined benefit scheme liability</b>	<b>(34.5)</b>	<b>(46.5)</b>	<b>(39.8)</b>

The present value of the defined benefit obligation at 31 January 2025 was measured using the projected unit credit method. Liabilities at 31 July 2025 were estimated by rolling forward from 31 January 2025, allowing for changes in market conditions and estimating the value of benefits accrued and paid out over the period. In addition, the net liability position at 31 July 2025, consistent with the position at 31 January 2025, is based upon updated data from the 31 January 2023 triennial actuarial valuation.

During the period ended 31 July 2025, the net liability position of the Saga Scheme reduced by £5.3m, resulting in an overall scheme deficit of £34.5m. Deficit funding contributions of £2.9m were paid by the Group in the period to 31 July 2025, in relation to a recovery plan agreed under the latest triennial valuation of the scheme at 31 January 2023.

The movements observed in the scheme's assets and obligations were impacted by macroeconomic factors during the period where, at a global level, there have been shifts in long-term market yields. The present value of defined benefit obligations decreased by £13.1m to £226.8m, primarily as a result of increases in corporate bond yields over the period, which acted to increase the discount rate of the scheme's liabilities. The fair value of scheme assets decreased by £7.8m, to £192.3m, largely driven by the recovery plan payment being more than offset by a decrease in the matching assets to the defined benefit obligations held by the scheme. Growth asset performance also served to reduce the net shortfall.

## Notes to the condensed consolidated interim financial statements (continued)

### 13 Retirement benefit schemes (continued)

#### b) Defined benefit plan (continued)

A High Court legal ruling in June 2023 (Virgin Media Limited v NTL Pension Trustees II Limited) decided that certain rule amendments were invalid if they were not accompanied by the correct actuarial Section 37 certificate confirmation. While the ruling only applied to the specific pension scheme in question, it could be expected to apply across other pension schemes that were contracted out on a salary-related basis and made amendments between 6 April 1997 and 6 April 2016. The ruling was appealed but, in July 2024, the Court of Appeal dismissed the appeal.

In June 2025, the UK Government announced that legislation will be introduced so that, where written actuarial confirmation of rule amendments cannot be located, it can be retrospectively obtained if the historic benefit changes met the necessary standards. It is unclear when this legislation will be made law, and therefore, the Group continues to consider the implications of the case on its defined benefit scheme.

At 31 July 2025 and 31 January 2025, the defined benefit obligation for the Group's scheme was calculated on the basis of the pension benefits currently being administered. The Group has not, as yet, assessed any likely impact due to the court ruling. However, the Group has received initial legal advice which suggests that there is no reason, based on the checks carried out, to assume that any historical scheme changes were not validly made, and that it is reasonable for the Trustees to take no further action at this stage. Any subsequent developments following the Court of Appeal's judgement will be monitored by the Group.

## Notes to the condensed consolidated interim financial statements (continued)

### 14 Insurance and reinsurance contract liabilities and assets

	Liabilities for remaining coverage		Liabilities for incurred claims		
	Excluding loss component £m	Loss component £m	Estimate of the present value of future cash flows £m	Risk adjustment £m	Total £m
As at 1 February 2025					
Insurance contract liabilities	(46.3)	(1.8)	(235.9)	(33.7)	(317.7)
Insurance revenue (Note 18a)	69.4	–	–	–	69.4
Incurred claims and related expenses	–	2.3	(54.2)	(3.8)	(55.7)
Changes to liabilities for incurred claims	–	–	11.6	6.2	17.8
Insurance acquisition cash flows expensed	(13.5)	–	–	–	(13.5)
Losses on onerous contracts and reversals of those losses	–	(6.5)	–	–	(6.5)
Other incurred insurance service expenses	–	–	(4.6)	–	(4.6)
Insurance service (expenses)/income (Note 18a)	(13.5)	(4.2)	(47.2)	2.4	(62.5)
Insurance finance expense (Note 18a)	–	–	(4.6)	(0.7)	(5.3)
Total changes in the income statement	55.9	(4.2)	(51.8)	1.7	1.6
Cash flows					
Premiums received	(81.2)	–	–	–	(81.2)
Insurance acquisition cash flows incurred	13.5	–	–	–	13.5
Claims and other expenses paid	–	–	64.8	–	64.8
Total cash flows	(67.7)	–	64.8	–	(2.9)
Disposed of with subsidiary undertaking	58.1	6.0	222.9	32.0	319.0
Unaudited					
As at 31 July 2025					
Insurance contract liabilities	–	–	–	–	–

In the period to 31 January 2025, the underwriting business was classified as a discontinued operation. As a result, insurance contract assets and liabilities as at 31 January 2025 were reclassified as assets held for sale and liabilities directly associated with assets held for sale respectively.

## Notes to the condensed consolidated interim financial statements (continued)

### 14 Insurance and reinsurance contract liabilities and assets (continued)

	Assets for remaining coverage		Amounts recoverable on incurred claims		
	Excluding loss-recovery component £m	Loss-recovery component £m	Estimate of the present value of future cash flows £m	Risk adjustment £m	Total £m
As at 1 February 2025					
Reinsurance contract (liabilities)/assets	(9.3)	–	88.9	28.2	107.8
Allocation of reinsurance premiums	(4.7)	–	–	–	(4.7)
Amounts recoverable for incurred claims and other expenses	–	–	2.6	0.1	2.7
Changes to amounts recoverable for incurred claims	–	–	(0.6)	(2.8)	(3.4)
Effect of changes in the risk of non-performance of reinsurance contracts	–	–	(0.2)	–	(0.2)
Net (expense)/income from reinsurance contracts (Note 18a)	(4.7)	–	1.8	(2.7)	(5.6)
Reinsurance finance income (Note 18a)	–	–	1.6	0.6	2.2
Total changes in the income statement	(4.7)	–	3.4	(2.1)	(3.4)
Cash flows					
Premiums paid	2.5	–	–	–	2.5
Amounts received	–	–	(3.3)	–	(3.3)
Total cash flows	2.5	–	(3.3)	–	(0.8)
Disposed of with subsidiary undertaking	11.5	–	(89.0)	(26.1)	(103.6)
Unaudited					
As at 31 July 2025					
Reinsurance contract (liabilities)/assets	–	–	–	–	–

In the period to 31 January 2025, the underwriting business was classified as a discontinued operation. As a result, insurance contract assets and liabilities as at 31 January 2025 were reclassified as assets held for sale and liabilities directly associated with assets held for sale respectively.

# Notes to the condensed consolidated interim financial statements (continued)

## 14 Insurance and reinsurance contract liabilities and assets (continued)

	Liabilities for remaining coverage		Liabilities for incurred claims		
	Excluding loss component £m	Loss component £m	Estimate of the present value of future cash flows £m	Risk adjustment £m	Total £m
As at 1 February 2024					
Insurance contract liabilities	(56.6)	(16.1)	(286.4)	(40.2)	(399.3)
Insurance revenue (Note 18a)	102.7	–	–	–	102.7
Incurred claims and related expenses	–	12.7	(76.3)	(6.0)	(69.6)
Changes to liabilities for incurred claims	–	–	(1.8)	0.4	(1.4)
Insurance acquisition cash flows expensed	(11.9)	–	–	–	(11.9)
Losses on onerous contracts and reversals of those losses	–	(4.2)	–	–	(4.2)
Other incurred insurance service expenses	–	–	(6.3)	–	(6.3)
Insurance service (expenses)/income (Note 18a)	(11.9)	8.5	(84.4)	(5.6)	(93.4)
Insurance finance expense (Note 18a)	–	–	(4.3)	(0.6)	(4.9)
Total changes in the income statement	90.8	8.5	(88.7)	(6.2)	4.4
Cash flows					
Premiums received	(99.4)	–	–	–	(99.4)
Insurance acquisition cash flows incurred	11.9	–	–	–	11.9
Claims and other expenses paid	–	–	86.1	–	86.1
Total cash flows	(87.5)	–	86.1	–	(1.4)
Unaudited As at 31 July 2024					
Insurance contract liabilities	(53.3)	(7.6)	(289.0)	(46.4)	(396.3)

## Notes to the condensed consolidated interim financial statements (continued)

### 14 Insurance and reinsurance contract liabilities and assets (continued)

	Assets for remaining coverage		Amounts recoverable on incurred claims		
	Excluding loss-recovery component £m	Loss-recovery component £m	Estimate of the present value of future cash flows £m	Risk adjustment £m	Total £m
As at 1 February 2024					
Reinsurance contract (liabilities)/assets	(3.1)	1.3	141.3	33.7	173.2
Allocation of reinsurance premiums	(9.0)	–	–	–	(9.0)
Amounts recoverable for incurred claims and other expenses	–	(1.6)	(3.1)	2.5	(2.2)
Changes to amounts recoverable for incurred claims	–	–	(1.6)	2.9	1.3
Loss-recovery on onerous underlying contracts and adjustments	–	0.7	–	–	0.7
Effect of changes in the risk of non-performance of reinsurance contracts	–	–	1.0	–	1.0
Net (expense)/income from reinsurance contracts (Note 18a)	(9.0)	(0.9)	(3.7)	5.4	(8.2)
Reinsurance finance income (Note 18a)	–	–	2.6	0.6	3.2
Total changes in the income statement	(9.0)	(0.9)	(1.1)	6.0	(5.0)
Cash flows					
Premiums paid	6.9	–	–	–	6.9
Amounts received	–	–	(1.4)	–	(1.4)
Total cash flows	6.9	–	(1.4)	–	5.5
Unaudited					
As at 31 July 2024					
Reinsurance contract (liabilities)/assets	(5.2)	0.4	138.8	39.7	173.7



## Notes to the condensed consolidated interim financial statements (continued)

### 14 Insurance and reinsurance contract liabilities and assets (continued)

	Liabilities for remaining coverage		Liabilities for incurred claims		
	Excluding loss component £m	Loss component £m	Estimate of the present value of future cash flows £m	Risk adjustment £m	Total £m
At 1 February 2024					
Insurance contract liabilities	(56.6)	(16.1)	(286.4)	(40.2)	(399.3)
Insurance revenue (Note 18a)	197.1	–	–	–	197.1
Incurred claims and related expenses	–	20.7	(148.1)	(7.1)	(134.5)
Changes to liabilities for incurred claims	–	–	37.0	15.5	52.5
Insurance acquisition cash flows expensed	(22.7)	–	–	–	(22.7)
Losses on onerous contracts and changes in such losses	–	(6.4)	–	–	(6.4)
Other incurred insurance service expenses	–	–	(13.2)	–	(13.2)
Insurance service (expenses)/income (Note 18a)	(22.7)	14.3	(124.3)	8.4	(124.3)
Insurance finance expense (Note 18a)	–	–	(13.6)	(1.9)	(15.5)
Total changes in the consolidated income statement	174.4	14.3	(137.9)	6.5	57.3
Cash flows					
Premiums received	(186.8)	–	–	–	(186.8)
Insurance acquisition cash flows incurred	22.7	–	–	–	22.7
Claims and other expenses paid	–	–	188.4	–	188.4
Total cash flows	(164.1)	–	188.4	–	24.3
At 31 January 2025					
Insurance contract liabilities	(46.3)	(1.8)	(235.9)	(33.7)	(317.7)

In the period to 31 January 2025, the underwriting business was classified as a discontinued operation. As a result, insurance contract assets and liabilities as at 31 January 2025 were reclassified as assets held for sale and liabilities directly associated with assets held for sale respectively.

## Notes to the condensed consolidated interim financial statements (continued)

### 14 Insurance and reinsurance contract liabilities and assets (continued)

	Assets for remaining coverage		Amounts recoverable on incurred claims		
	Excluding loss-recovery component £m	Loss-recovery component £m	Estimate of the present value of future cash flows £m	Risk adjustment £m	Total £m
At 1 February 2024					
Reinsurance contract (liabilities)/assets	(3.1)	1.3	141.3	33.7	173.2
Allocation of reinsurance premiums	(17.1)	–	–	–	(17.1)
Amounts recoverable for incurred claims and other expenses	–	(1.5)	(11.3)	3.7	(9.1)
Changes to amounts recoverable for incurred claims	–	–	(32.5)	(10.8)	(43.3)
Loss-recovery on onerous underlying contracts and adjustments	–	0.2	–	–	0.2
Effect of changes in the risk of non-performance of reinsurance contracts	–	–	2.1	–	2.1
Net expense from reinsurance contracts (Note 18a)	(17.1)	(1.3)	(41.7)	(7.1)	(67.2)
Reinsurance finance income (Note 18a)	–	–	5.7	1.6	7.3
Total changes in the consolidated income statement	(17.1)	(1.3)	(36.0)	(5.5)	(59.9)
Cash flows					
Premiums paid	10.9	–	–	–	10.9
Amounts received	–	–	(16.4)	–	(16.4)
Total cash flows	10.9	–	(16.4)	–	(5.5)
At 31 January 2025					
Reinsurance contract (liabilities)/assets	(9.3)	–	88.9	28.2	107.8

In the period to 31 January 2025, the underwriting business was classified as a discontinued operation. As a result, insurance contract assets and liabilities as at 31 January 2025 were reclassified as assets held for sale and liabilities directly associated with assets held for sale respectively.

## Notes to the condensed consolidated interim financial statements (continued)

### 15 Loans and borrowings

	Unaudited As at 31 Jul 2025 £m	Unaudited As at 31 Jul 2024 £m	As at 31 Jan 2025 £m
Bond	–	250.0	250.0
Term loan	335.0	–	–
DDTL	–	–	–
Ocean Cruise ship loans	316.2	375.9	344.8
Loan facility with Roger De Haan	–	75.0	75.0
RCF	–	–	–
Accrued interest payable	7.9	5.3	5.1
	659.1	706.2	674.9
Less: deferred issue costs	(26.5)	(14.9)	(12.7)
	<b>632.6</b>	<b>691.3</b>	<b>662.2</b>

#### a) Bonds, RCF, term loan and DDTL facilities and loan facility with Roger De Haan

On 30 January 2025, the Group announced that it had secured new credit facilities to refinance its corporate debt in full. The new facilities, agreed by Saga Mid Co Limited, and provided by certain funds, entities (or affiliates or subsidiaries of such funds or entities) and/or accounts managed, advised or controlled by HPS Funds, comprised: a £335.0m term loan facility, a £100.0m DDTL facility and a £50.0m RCF.

Closing of the new credit facilities was subject to customary conditions and took place on 27 February 2025, together with the repurchase, repayment and cancellation of the £250.0m senior unsecured notes, the £85.0m loan facility with Roger De Haan, and the existing £50.0m RCF.

On 15 May 2025, as a continuation of the refinancing, the Group syndicated the new £50.0m RCF, originally provided by HPS Funds, to NatWest and Barclays. Under the revised structure, NatWest and Barclays committed a combined £33.4m to the RCF, while the remaining £16.6m was reallocated to HPS Funds DDTL facility, increasing its total commitment from £100.0m to £116.6m.

At 31 July 2025, the Group's financing facilities consisted of a £335.0m term loan facility, a £116.6m DDTL facility and a £33.4m RCF. The term loan facility and DDTL facility both mature on 29 January 2031 and the RCF matures on 29 January 2028. The RCF and DDTL were undrawn as at 31 July 2025.

#### i) Bonds

In May 2024, the Group repaid in full its £150.0m 2024 senior unsecured bond.

As a result of the Group securing new credit facilities on 30 January 2025 (see below), and drawing down on these on 27 February 2025, the 2026 senior unsecured bond was repaid in full, cancelled and de-listed.

The 2026 and 2024 bonds were both listed on the Irish Stock Exchange (Euronext Dublin). The 2026 and 2024 bonds were both guaranteed by Saga Services Limited and Saga Mid Co Limited.

Interest on the 2026 corporate bond was incurred at an annual interest rate of 5.5%. Interest on the 2024 corporate bond was incurred at an annual interest rate of 3.375%.

Accrued interest payable on the Group's bonds at 31 July 2024 was £0.5m.

## Notes to the condensed consolidated interim financial statements (continued)

### 15 Loans and borrowings (continued)

#### a) Bonds, RCF, term loan and DDTL facilities and loan facility with Roger De Haan (continued)

##### ii) Former RCF

Interest payable on the Group's former RCF, if drawn down, was incurred at a variable rate of Sterling Overnight Index Average (**SONIA**) plus a bank margin that was linked to the Group's Leverage Ratio<sup>14</sup>.

In March 2024, the Group concluded discussions with the lenders associated with the former RCF to increase the Group's financial flexibility. As a result, the following amendments were agreed, in addition to smaller, immaterial changes:

- Increase to the Leverage Ratio<sup>14</sup> for all remaining testing periods to 6.25x.
- Quarterly covenant testing, irrespective of whether the loan is drawn.
- The introduction of a restriction whereby, post repayment of the 2024 bond, no utilisation of the facility is permitted if free liquidity is below £40.0m.
- Consent requirement for any early repayment of corporate debt or payment of shareholder dividends.

Accrued fees payable on the Group's undrawn former RCF at 31 July 2024 were £0.2m.

In September 2024, the Group concluded further discussions with the lenders associated with the former RCF to further increase the Group's financial flexibility. As a result, the following amendments were agreed, in addition to other smaller changes:

- Extension of the expiry date of the facility from 31 May 2025, to 31 March 2026.
- Leverage Ratio<sup>14</sup> ratio test for all remaining testing periods reduced to 6.0x, based on a revised definition of the calculation, which is now performed on a Group basis inclusive of amounts relating to the Ocean Cruise business.

In November 2024, certain amendments were agreed in order to permit, among other things, the guarantees to be granted in relation to the disposal of the Group's Insurance Underwriting business and the establishment of a 20-year partnership for motor and home insurance with Ageas (Note 18a).

As a result of the Group securing new credit facilities on 30 January 2025 (see below), and drawing down on these on 27 February 2025, the former RCF was cancelled at that date.

##### iii) Loan facility with Roger De Haan

In April 2023, the Group entered into a forward starting loan facility agreement with Roger De Haan, commencing on 1 January 2024, under which the Group could draw down up to £50.0m with 30 days' notice to support liquidity needs and specifically the repayment of £150.0m bonds maturing in May 2024. The facility was provided on an arm's-length basis and was guaranteed by Saga plc, Saga Mid Co Limited and Saga Services Limited. Per the original terms of agreement, interest accrued on the drawn total of the facility at a rate of 10% and was payable on the last day of the period of the loan. The facility was originally due to mature on 30 June 2025, at which point any outstanding amounts, including interest, were due to be repaid. The facility was subject to a 2% arrangement fee, payable on entering the arrangement. A drawdown fee of 2% on any amount drawn down under the facility was payable on the drawing date; and milestone fees of 2% on any uncanceled amount of the facility became payable on 31 March 2024 and 31 December 2024 respectively.

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<sup>14</sup> Refer to the Alternative Performance Measures Glossary on pages 84-87 for definition and explanation

## Notes to the condensed consolidated interim financial statements (continued)

### 15 Loans and borrowings (continued)

#### a) Bonds, RCF, term loan and DDTL facilities and loan facility with Roger De Haan (continued)

##### iii) Loan facility with Roger De Haan (continued)

In September 2023, the Group agreed an increase and extension to the existing loan facility with Roger De Haan. The increase was for the value of £35.0m, taking the total facility to £85.0m, and the facility was extended to expire on 31 December 2025, previously 30 June 2025. The interest rate paid on funds on the drawn total under this facility to finance the repayment of notes issued by Saga, or to provide cash collateral demanded by providers of bonding facilities to the Group, remained at 10%, but increased to 18% for any amounts drawn to support general corporate purposes. In addition, the previous arrangement and milestone fees of 2% remained payable; however, the drawdown fee of 2% increased to 5% for drawdowns for general corporate purposes. The amended facility was provided on the basis of certain conditions being met, including:

- no professional advisers were to be appointed to or retained by Saga without prior approval of the Board; and
- no incremental financial indebtedness, over and above the facilities already in place, was to be incurred by Group companies, including contracts classed as finance lease arrangements under previous IFRS.

In April 2024, a reduction of the notice period required for drawdown of the loan, to 10 business days, was agreed, in addition to a further extension to the termination date of the facility, from 31 December 2025 to 30 April 2026.

In May 2024, the Group drew down £75.0m of the loan facility provided by Roger De Haan and at 31 July 2024, this remained unchanged.

Accrued interest payable on the loan facility with Roger De Haan at 31 July 2024 was £1.8m.

In September 2024, an increase to the maximum number of permitted facility utilisation requests was also agreed, from three to 10.

In November 2024, certain amendments were agreed in order to permit, among other things, the guarantees to be granted in relation to the disposal of the Group's Insurance Underwriting business and the establishment of a 20-year partnership for motor and home insurance with Ageas (Note 18a).

As a result of the Group securing new credit facilities on 30 January 2025 (see below), and drawing down on these on 27 February 2025, the loan facility with Roger De Haan was repaid and cancelled at that date.

## Notes to the condensed consolidated interim financial statements (continued)

### 15 Loans and borrowings (continued)

#### a) Bonds, RCF, term loan and DDTL facilities and loan facility with Roger De Haan (continued)

##### iv) Refinancing of corporate debt

On 30 January 2025, the Group announced that it had secured new credit facilities to refinance its corporate debt in full. The new facilities, agreed by Saga Mid Co Limited, with certain funds, entities (or affiliates or subsidiaries of such funds or entities) and/or accounts managed, advised or controlled by HPS Funds comprised:

- a £335.0m term loan facility that was to be drawn to:
  - repay the £250.0m senior unsecured bond, maturing July 2026;
  - repay the £75.0m drawings under the £85.0m loan facility with Roger De Haan, maturing April 2026; and
  - partially fund transaction costs;
- a £100.0m DDTL facility that is available for three years and may be drawn for certain purposes, including the repayment of amortisation within the Ocean Cruise ship debt facilities, mergers and acquisitions, and capital investment; and
- a £50.0m RCF.

On 15 May 2025, as a continuation of the refinancing, the Group syndicated the new £50.0m RCF, originally provided by HPS Funds, to NatWest and Barclays. Under the revised structure, NatWest and Barclays committed a combined £33.4m to the RCF, while the remaining £16.6m was reallocated to HPS Funds DDTL facility, increasing its total commitment from £100.0m to £116.6m

The term loan and DDTL loan facilities mature in January 2031 and are subject to a margin ratchet based on the Group net Leverage Ratio<sup>15</sup> (ranging from 625bps to 700bps), priced with an initial margin of 675bps over SONIA, which will reduce as the Group de-levers. The initial blended pro forma interest rate was around 7.6% in combination with the Ocean Cruise ship debt facilities, which were retained on existing terms. Interest payable under the RCF is at SONIA plus an initial margin of 3.5%, with the margin reducing as the Group de-levers.

Under the new credit facilities:

- the term loan and DDTL facilities are subject to a covenant test that is measured quarterly in April, July, October and January, being Net Debt<sup>15</sup> to Consolidated Pro Forma EBITDA<sup>15</sup> of a maximum of 8.0x, based on measures as defined in the facilities agreements, adjusted from the equivalent IFRS amounts; and
- the RCF is also subject to a covenant, tested quarterly in April, July, October and January, being Net Debt<sup>15</sup> to Consolidated Pro Forma EBITDA<sup>15</sup> of a maximum of 8.8x, based on measures as defined in the facility agreement, adjusted from the equivalent IFRS amounts.

Closing of the new credit facilities was subject to customary conditions and took place on 27 February 2025, together with the repurchase, repayment and cancellation of the £250.0m senior unsecured notes, the £85.0m loan facility with Roger De Haan, and the existing £50.0m RCF (see above).

The ratio of Net Debt<sup>15</sup> to Consolidated Pro Forma EBITDA<sup>15</sup> at 31 July 2025 was 4.3x, within the 8.0x covenant test. The Group complied with the financial covenants of its borrowing facilities during the current and prior periods.

Accrued interest payable on the Group's new credit facilities at 31 July 2025 was £5.7m.

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<sup>15</sup> Refer to the Alternative Performance Measures Glossary on pages 84-87 for definition and explanation

## Notes to the condensed consolidated interim financial statements (continued)

### 15 Loans and borrowings (continued)

#### b) Ocean Cruise ship loans

In June 2019, the Group drew down £245.0m of financing for its Ocean Cruise ship, Spirit of Discovery. The financing represents a 12-year fixed-rate sterling loan, secured against the Spirit of Discovery cruise ship asset, and backed by an export credit guarantee. The initial loan was repayable in 24 broadly equal instalments, with the first payment of £10.2m paid in December 2019.

The Board announced on 22 June 2020 that it had secured a debt holiday and covenant waiver for the Group's ship facilities. The Group's lenders agreed to a deferral of £32.1m in principal payments under the ship facilities that were due up to 31 March 2021. These deferred amounts were to be paid between June 2021 and December 2024 for Spirit of Discovery and between September 2021 and March 2025 for Spirit of Adventure, and interest remained payable.

On 29 September 2020, the Group drew down £280.8m of financing for its ocean cruise ship, Spirit of Adventure. The financing, secured against the Spirit of Adventure cruise ship asset, represents a 12-year fixed-rate sterling loan, backed by an export credit guarantee. The loan is repayable in 24 broadly equal instalments, with the first payment originally due six months after delivery in March 2021, but initially deferred to September 2021 as a result of the debt holiday described above.

In March 2021, the Group reached agreement of a one-year extension to the debt deferral on its ocean cruise ship facilities. As part of an industry-wide package of measures to support the cruise industry, an extension of the existing debt deferral was agreed to 31 March 2022. The key terms of this deferral were:

- all principal payments to 31 March 2022 (£51.8m) deferred and repaid over five years;
- all financial covenants until 31 March 2022 waived; and
- dividends remain restricted while the deferred principal is outstanding.

During the year to 31 January 2024, the Group concluded discussions with its Cruise lenders in respect of the covenant restrictions attaching to its two ship debt facilities. Lenders agreed to a waiver of the EBITDA to debt repayment covenant ratio for the 31 July 2023 testing date. In addition, lenders agreed to amend the covenants on the two ship debt facilities to reduce the EBITDA to debt repayment ratio from 1.2x to 1.0x for the additional periods up to, and including, 31 January 2025.

Interest on the Spirit of Discovery ship loan is incurred at an effective annual interest rate of 4.31% (including arrangement and commitment fees). Interest on the Spirit of Adventure ship loan is incurred at an effective annual interest rate of 3.30% (including arrangement and commitment fees). Interest payable on the Group's Ocean Cruise ship debt deferrals is incurred at a variable rate of SONIA plus a bank margin.

During the period to 31 July 2025, ocean cruise ship loan repayments of £28.6m (July 2024: £31.1m) were made by the Group. Accrued interest payable on the Group's Ocean Cruise ship loans at 31 July 2025 was £2.2m (July 2024: £2.8m).

At 31 July 2025, the Ocean Cruise ship debt facilities were subject to covenants that are measured six-monthly in July and January, being a debt service cover ratio and an interest cover ratio, based on measures as defined in the debt facility agreements which are adjusted from the equivalent IFRS amounts. The debt service ratio, at 31 July 2025, was 1.6x (July 2024: 1.3x), in excess of the 1.2x (July 2024: 1.0x) covenant under the ship debt facilities at the same date. The interest cover ratio, at 31 July 2025, was 9.9x (July 2024: 6.9x), in excess of the 2.0x covenant under the ship debt facilities at the same date.

## Notes to the condensed consolidated interim financial statements (continued)

### 15 Loans and borrowings (continued)

#### c) Total debt and finance costs

At 31 July 2025, deferred debt issue costs were £26.5m (July 2024: £14.9m). The movement of £11.6m, year-on-year, represents an increase of £18.6m following the drawdown of the new credit facilities, being offset by £7.0m expense amortisation for the period between these two dates.

During the period, the Group charged £30.0m (July 2024: £19.8m) to the income statement in respect of fees and interest associated with the bonds, RCF, loan facility with Roger De Haan, term loan, DDTL facility and Ocean Cruise ship loans. In addition, finance costs recognised in the income statement include £1.0m (July 2024: £1.1m) relating to interest and finance charges on lease liabilities, £1.0m (July 2024: £1.0m) relating to net finance expense on pension schemes, £4.7m (July 2024: £1.2m) in respect of arrangement, drawdown and milestone fees associated with the loan facility with Roger De Haan, as disclosed above, and net fair value losses on derivatives of £0.4m (July 2024: £0.6m). The Group complied with the financial covenants of its borrowing facilities during the current and prior periods.

### 16 Called up share capital

	Ordinary shares		
	Number	Nominal value £	Value £m
<b>Allotted, called up and fully paid</b>			
At 1 February 2024	141,795,822	0.15	21.3
Issue of shares – 3 May 2024	1,565,919	0.15	0.2
<b>At 31 July 2024 and 31 January 2025</b>	143,361,741	0.15	21.5
Issue of shares – 14 July 2025	1,493,744	0.15	0.2
<b>At 31 July 2025</b>	144,855,485	0.15	21.7

On 3 May 2024, Saga plc issued 1,565,919 new ordinary shares of 15p each, with a value of £0.2m, for transfer into an employee benefit trust to satisfy employee incentive arrangements. The newly issued shares rank pari passu with existing Saga shares.

On 14 July 2025, Saga plc issued 1,493,744 new ordinary shares of 15p each, with a value of £0.2m, for transfer into an employee benefit trust to satisfy employee incentive arrangements. The newly issued shares rank pari passu with existing Saga shares.



## Notes to the condensed consolidated interim financial statements (continued)

### 17 Share-based payments

The Group granted a number of different equity-based awards that it determined to be share-based payments. New awards granted during the six months ended 31 July 2025 were as follows:

- a) On 28 May 2025, nil cost options over 655,094 shares were issued under the DBP to Executive Directors, reflecting their deferred bonus in respect of 2024/25, which vest and become exercisable on the third anniversary of the grant date. Under the Deferred Bonus Plan, executives receive a maximum of two-thirds of the bonus award in cash and a minimum of one-third in the form of rights to shares of the Company. There are no cash settlement alternatives.
- b) On 25 June 2025, nil cost options over 1,533,377 were issued under the RSP to certain Directors and other senior employees that vest and become exercisable on the third anniversary of the grant date, subject to continuing employment. There are no cash settlement alternatives.

The Group charged £1.9m (July 2024: £1.9m) during the period to the income statement in respect of equity-settled share-based payment transactions. This was charged to administrative and selling expenses.

## Notes to the condensed consolidated interim financial statements (continued)

### 18 Discontinued operations and assets held for sale

#### a) Discontinued operations

Further to the announcement made on 16 December 2024, the Group completed the disposal of its Insurance Underwriting business, Acromas Insurance Company Limited (**AICL**) to Ageas on 1 July 2025. This followed receipt of regulatory approval and all other conditions associated with the sale being satisfied.

In addition, on 16 December 2024, the Group announced it had entered into a binding agreement with Ageas, to establish a 20-year partnership for motor and home insurance (the Affinity Partnership).

Pursuant to a share purchase agreement (**SPA**), Ageas (UK) Limited (**Ageas UK**) acquired AICL for a base consideration of £65.0m (subject to adjustments) and an additional consideration of £2.5m payable following the commencement of the Affinity Partnership and, therefore, the sale of new policies and the renewal of existing ones, targeted to be in the last quarter of 2025.

The (loss)/profit before tax in the income statement in respect of discontinued operations comprises:

	Unaudited 6m to Jul 2025 £m	Unaudited 6m to Jul 2024 £m	12m to Jan 2025 £m
Profit before tax	16.5	12.9	22.7
Costs of disposal incurred to date	–	–	(3.6)
Loss on disposal of discontinued operations	(23.9)	–	–
	<b>(7.4)</b>	<b>12.9</b>	<b>19.1</b>

The (loss)/profit after tax in the income statement in respect of discontinued operations comprises:

	Unaudited 6m to Jul 2025 £m	Unaudited 6m to Jul 2024 £m	12m to Jan 2025 £m
Profit after tax	14.6	9.5	16.5
Costs of disposal incurred to date, net of tax	–	–	(2.7)
Loss on disposal of discontinued operations, net of tax	(23.9)	–	–
	<b>(9.3)</b>	<b>9.5</b>	<b>13.8</b>

The impact of the discontinued operations on the reported loss per share is as follows:

	Unaudited 6m to Jul 2025 £m	Unaudited 6m to Jul 2024 £m	12m to Jan 2025 £m
Basic and diluted (loss)/earnings per share from discontinued operations	<b>(6.6p)</b>	<b>6.8p</b>	<b>9.8p</b>

## Notes to the condensed consolidated interim financial statements (continued)

### 18 Discontinued operations and assets held for sale (continued)

#### a) Discontinued operations (continued)

The loss on disposal of AICL is as follows:

	Unaudited 6m to Jul 2025 £m
Initial cash consideration received at completion (after adjustments to base consideration)	57.9
Additional cash consideration receivable (after adjustments to base consideration)	6.5
Accrued costs of disposal not previously provided for	(2.5)
Amounts recognised as a liability to the Group in respect of properties	(15.7)
Cash and cash equivalents deposits disposed of as part of the transaction	(84.4)
Carrying value of net liabilities disposed	14.3
	<b>(23.9)</b>

The adjustments made to the base consideration included settlement of a Section 75 debt in relation to AICL's share of the pension scheme's liabilities of c.£3.0m, a property asset value adjustment in respect of its Solvency II value, and a net asset value adjustment reflecting the excess of AICL's Solvency II net asset valuation at completion.

Control over property assets, previously owned by AICL, transferred to a subsidiary of Saga plc at the point of sale, through the contractual arrangements contained within the SPA. These property assets are not, therefore, reflected in the carrying value of the net assets disposed reported above. A liability in respect of these property assets of £15.7m is recorded within the Trade and other payables balance on the Group's consolidated statement of financial position, representing amounts payable to Ageas UK upon the earlier of a future sale of these properties to a third-party purchaser and the repurchase of the freehold by a subsidiary of Saga plc. All amounts payable are expected to be settled within two years of the end of the period.

'Disposal group eliminations and adjustments' referred to in the tables below comprise:

- the Group adopted IFRS 17 'Insurance Contracts' for the first time in the year ended 31 January 2024. IFRS 17 applies to all insurance and reinsurance contracts, covering the principles of recognition, measurement, presentation and disclosure. IFRS 17 only applies to insurance contracts that are underwritten by the Group and related reinsurance contracts held. It does not affect the accounting for the Group's Insurance Broking activities. As AICL, the Group's Insurance Underwriting business, has been classified as part of the disposal group held for sale in the statement of financial position and as discontinued operations in the income statement, all IFRS 17 related consolidation entries have also been classified as such accordingly;
- the written to earned adjustment is required on consolidation of the Insurance Broking and AICL's results, to ensure that consistent accounting policies are applied to the full customer insurance premium for insurance policies that are sold and underwritten by the Group. For insurance policies that are also underwritten by AICL, the adjustment effectively spreads the broker revenue that is recognised up front by the Insurance Broking business, and the associated directly attributable acquisition costs, over the life of the policy on a straight-line 365<sup>th</sup> basis so that, in total, from a Group perspective, a liability for remaining coverage and deferred acquisition cost debtor are established correctly. Upon consolidation, the Insurance Broking business and AICL act as an insurer and are, therefore, governed by IFRS 17 and fall outside the scope of IFRS 15. The written to earned adjustment has been classified as a discontinued operation as, following the expected disposal of AICL, all insurance policies that were previously underwritten by the Group, where revenue was recognised on a straight-line time apportioned basis over the coverage period, will become aligned to the Group's existing accounting policy for insurance policies not underwritten by the Group, and recognised up front instead;
- intra-disposal group revenue and cost of sales were eliminated on consolidation; and
- inter-group transactions with the disposal group were eliminated on consolidation.

## Notes to the condensed consolidated interim financial statements (continued)

### 18 Discontinued operations and assets held for sale (continued)

#### a) Discontinued operations

##### i) Results of the disposal group for the period

		Unaudited Disposal group	Unaudited Disposal group eliminations and adjustments	Unaudited 6m to Jul 2025
	Note	£m	£m	£m
Revenue from Insurance Broking services		8.5	(12.8)	(4.3)
Other revenue (non-Insurance Underwriting)		1.7	–	1.7
Non-insurance revenue		10.2	(12.8)	(2.6)
Insurance revenue	14	62.4	7.0	69.4
<b>Total revenue</b>		<b>72.6</b>	<b>(5.8)</b>	<b>66.8</b>
<b>Cost of sales (non-Insurance Underwriting)</b>		<b>(7.4)</b>	<b>8.9</b>	<b>1.5</b>
<b>Gross profit/(loss) (non-Insurance Underwriting)</b>		<b>2.8</b>	<b>(3.9)</b>	<b>(1.1)</b>
Insurance service expenses	14	(45.3)	(17.2)	(62.5)
Net expense from reinsurance contracts	14	(6.3)	0.7	(5.6)
<b>Insurance service result</b>		<b>10.8</b>	<b>(9.5)</b>	<b>1.3</b>
Administrative and selling expenses		(1.1)	15.9	14.8
Net finance expense from insurance contracts	14	(5.3)	–	(5.3)
Net finance income from reinsurance contracts	14	2.2	–	2.2
Investment income		6.0	(1.4)	4.6
<b>Profit before tax</b>		<b>15.4</b>	<b>1.1</b>	<b>16.5</b>
Tax expense		0.1	(2.0)	(1.9)
<b>Profit/(loss) from discontinued operations attributable to equity holders of the parent</b>		<b>15.5</b>	<b>(0.9)</b>	<b>14.6</b>

  

		Unaudited Disposal group	Unaudited Disposal group eliminations and adjustments	Unaudited 6m to Jul 2025
		£m	£m	£m
<b>Reconciliation to Underlying Profit/(Loss) Before Tax<sup>16</sup></b>				
<b>Profit before tax</b>		15.4	1.1	16.5
Fair value gains on debt securities		(2.2)	–	(2.2)
Changes in underwriting discount rates on non-PPO liabilities		0.1	–	0.1
Onerous contract provision		2.2	2.1	4.3
Restructuring costs		0.1	–	0.1
Write-off of written to earned adjustment		–	(3.6)	(3.6)
<b>Underlying Profit/(Loss) Before Tax<sup>16</sup></b>		<b>15.6</b>	<b>(0.4)</b>	<b>15.2</b>

<sup>16</sup> Refer to the Alternative Performance Measures Glossary on pages 84-87 for definition and explanation

## Notes to the condensed consolidated interim financial statements (continued)

### 18 Discontinued operations and assets held for sale (continued)

#### a) Discontinued operations (continued)

##### i) Results of the disposal group for the period (continued)

	Note	Unaudited Disposal group £m	Unaudited Disposal group eliminations and adjustments £m	Unaudited 6m to Jul 2024 £m
Revenue from Insurance Broking services		10.7	(14.1)	(3.4)
Other revenue (non-Insurance Underwriting)		4.9	–	4.9
Non-insurance revenue		15.6	(14.1)	1.5
Insurance revenue	14	97.1	5.6	102.7
<b>Total revenue</b>		<b>112.7</b>	<b>(8.5)</b>	<b>104.2</b>
<b>Cost of sales (non-Insurance Underwriting)</b>		<b>(10.0)</b>	<b>6.8</b>	<b>(3.2)</b>
<b>Gross profit/(loss) (non-Insurance Underwriting)</b>		<b>5.6</b>	<b>(7.3)</b>	<b>(1.7)</b>
Insurance service expenses	14	(81.4)	(12.0)	(93.4)
Net expense from reinsurance contracts	14	(7.9)	(0.3)	(8.2)
<b>Insurance service result</b>		<b>7.8</b>	<b>(6.7)</b>	<b>1.1</b>
Administrative and selling expenses		(1.0)	10.5	9.5
Net finance expense from insurance contracts	14	(4.9)	–	(4.9)
Net finance income from reinsurance contracts	14	3.2	–	3.2
Investment income		7.3	(1.6)	5.7
<b>Profit/(loss) before tax</b>		<b>18.0</b>	<b>(5.1)</b>	<b>12.9</b>
Tax (expense)/credit		(4.5)	1.1	(3.4)
<b>Profit/(loss) from discontinued operations attributable to equity holders of the parent</b>		<b>13.5</b>	<b>(4.0)</b>	<b>9.5</b>

  

	Unaudited Disposal group £m	Unaudited Disposal group eliminations and adjustments £m	Unaudited 6m to Jul 2024 £m
<b>Reconciliation to Underlying Profit Before Tax<sup>17</sup></b>			
<b>Profit/(loss) before tax</b>	18.0	(5.1)	12.9
Fair value gains on debt securities	(2.7)	–	(2.7)
Changes in underwriting discount rates on non-PPO liabilities	(0.3)	–	(0.3)
Onerous contract provision	(12.8)	5.2	(7.6)
Restructuring costs	0.1	–	0.1
<b>Underlying Profit Before Tax<sup>17</sup></b>	<b>2.3</b>	<b>0.1</b>	<b>2.4</b>

<sup>17</sup> Refer to the Alternative Performance Measures Glossary on pages 84-87 for definition and explanation

## Notes to the condensed consolidated interim financial statements (continued)

### 18 Discontinued operations and assets held for sale (continued)

#### a) Discontinued operations (continued)

##### i) Results of the disposal group for the period (continued)

	Note	Disposal group £m	Disposal group eliminations and adjustments £m	12m to Jan 2025 £m
Revenue from Insurance Broking services		21.1	(29.5)	(8.4)
Other revenue (non-Insurance Underwriting)		8.1	(0.1)	8.0
Non-insurance revenue		29.2	(29.6)	(0.4)
Insurance revenue	14	186.4	10.7	197.1
<b>Total revenue</b>		<b>215.6</b>	<b>(18.9)</b>	<b>196.7</b>
<b>Cost of sales (non-Insurance Underwriting)</b>		<b>(19.5)</b>	<b>17.1</b>	<b>(2.4)</b>
<b>Gross profit/(loss) (non-Insurance Underwriting)</b>		<b>9.7</b>	<b>(12.5)</b>	<b>(2.8)</b>
Insurance service expenses	14	(101.5)	(22.8)	(124.3)
Net expense from reinsurance contracts	14	(66.5)	(0.7)	(67.2)
<b>Insurance service result</b>		<b>18.4</b>	<b>(12.8)</b>	<b>5.6</b>
Administrative and selling expenses		(2.1)	23.1	21.0
Impairment of non-financial contracts		(4.1)	–	(4.1)
Net finance expense from insurance contracts	14	(15.5)	–	(15.5)
Net finance income from reinsurance contracts	14	7.3	–	7.3
Investment income		14.5	(3.3)	11.2
<b>Profit/(loss) before tax</b>		<b>28.2</b>	<b>(5.5)</b>	<b>22.7</b>
Tax (expense)/credit		(7.1)	0.9	(6.2)
<b>Profit/(loss) from discontinued operations attributable to equity holders of the parent</b>		<b>21.1</b>	<b>(4.6)</b>	<b>16.5</b>

	Disposal group £m	Disposal group eliminations and adjustments £m	12m to Jan 2025 £m
<b>Reconciliation to Underlying Profit/(Loss) Before Tax<sup>18</sup></b>			
<b>Profit/(loss) before tax</b>	28.2	(5.5)	22.7
Fair value gains on debt securities	(5.1)	–	(5.1)
Changes in underwriting discount rates on non-PPO liabilities	(0.6)	–	(0.6)
Onerous contract provision	(17.1)	4.1	(13.0)
Impairment of assets	6.3	–	6.3
Restructuring costs	0.3	–	0.3
<b>Underlying Profit/(Loss) Before Tax<sup>18</sup></b>	<b>12.0</b>	<b>(1.4)</b>	<b>10.6</b>

<sup>18</sup> Refer to the Alternative Performance Measures Glossary on pages 84-87 for definition and explanation

## Notes to the condensed consolidated interim financial statements (continued)

### 18 Discontinued operations and assets held for sale (continued)

#### a) Discontinued operations

##### ii) Net cash flows of the disposal group

	Unaudited 6m to Jul 2025 £m	Unaudited 6m to Jul 2024 £m	12m to Jan 2025 £m
Operating	(5.1)	2.4	14.9
Investing	25.3	6.4	45.0
Financing	(10.0)	–	(19.1)
<b>Net cash inflow</b>	<b>10.2</b>	<b>8.8</b>	<b>40.8</b>

#### b) Property assets held for sale

At the end of the year ended 31 January 2021, the Group made the decision to initiate an active programme to locate buyers for a number of its freehold properties and one of its long leasehold properties. At the point of reclassification to held for sale, the carrying values were considered to be equal to, or below, fair value less costs to sell, and hence no revaluation at the point of reclassification was required.

At the end of the year ended 31 January 2023, the Group made the decision to initiate an active programme to locate buyers for a further two of its freehold properties. The Group also reclassified, to held for sale, the related fixtures and fittings associated with one of these freehold properties.

At 31 January 2023, the carrying values of the properties classified as held for sale, totalling £31.2m, were representative of either each property's fair value or historic cost less accumulated depreciation and any impairment charges to date, whichever was lower.

During the year ended 31 January 2024, the Group declassified one of the properties held for sale at 31 January 2023, to property, plant and equipment, since it was no longer being actively marketed for disposal. The carrying value of this property at 31 January 2023 was £3.4m. Other than this one property, there were no changes in relation to the Group's intention to sell any of the properties classified as held for sale at 31 January 2023.

At 31 January 2024, the Group obtained updated market valuations of its freehold properties held for sale, to determine the fair value of each building. As a consequence of the remeasurement of the properties to the lower of fair value less cost to sell and the carrying value, management concluded that net impairment charges totalling £10.4m should be recognised against the Group's property assets held for sale at 31 January 2024.

At 31 January 2024 and 31 July 2024, the carrying values of the properties classified as held for sale, totalling £17.4m, were representative of either each property's fair value or historic cost less accumulated depreciation and any impairment charges to date, whichever was lower.

During the six months ended 31 January 2025, the Group declassified one of the properties held for sale at 31 July 2024, to property, plant and equipment, since it was no longer being actively marketed for disposal. The carrying value of this property at 31 July 2024 was £6.0m.

At 31 January 2025, the Group obtained updated market valuations of its freehold properties held for sale, to determine the fair value of each building. As a consequence of the remeasurement of the properties to the lower of fair value less cost to sell and the carrying value, management concluded that net impairment charges totalling £0.4m should be recognised against the Group's property assets held for sale at 31 January 2025.

## **Notes to the condensed consolidated interim financial statements (continued)**

### **18 Discontinued operations and assets held for sale (continued)**

#### **b) Property assets held for sale (continued)**

At 31 July 2025, the carrying values of the properties classified as held for sale, totalling £11.0m, were representative of either each property's fair value or historic cost less accumulated depreciation and any impairment charges to date, whichever is lower. No gains or losses were recognised with respect to the properties during the six months ended 31 July 2025. These properties are being actively marketed and the disposals are expected to be completed within 12 months of the end of the financial period. The held for sale designation is considered to remain appropriate for all properties at 31 July 2025. All properties classified as held for sale at 31 January 2025 are held by continuing operations.

### **19 Related party transactions**

Related party transactions during the six months ended 31 July 2025 were consistent in nature, scope and quantum with those disclosed in the Group's Annual Report and Accounts for the year ended 31 January 2025 available at [www.corporate.saga.co.uk](http://www.corporate.saga.co.uk). Please see Note 15(a)(iii) for further detail relating to the loan facility with Roger De Haan.



## Responsibility Statement

We confirm that to the best of our knowledge:

- the condensed consolidated interim financial statements are prepared in accordance with UK-adopted International Accounting Standard 34 'Interim Financial Reporting' as issued by the International Accounting Standards Board; and
- the interim financial report includes a fair review of the information required by:
  - (a) DTR 4.2.7R of the Disclosure Guidance and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed consolidated set of interim financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and
  - (b) DTR 4.2.8R of the Disclosure Guidance and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last Annual Report and Accounts that could do so.

On behalf of the Board

**Mike Hazell**

Group Chief Executive Officer  
23 September 2025

**Mark Watkins**

Group Chief Financial Officer  
23 September 2025

# Independent Review Report to Saga plc

## Conclusion

We have been engaged by Saga plc (the **Company** or the **Group**) to review the condensed consolidated set of financial statements in the interim financial report for the six months ended 31 July 2025 which comprises the condensed consolidated income statement, condensed consolidated statement of comprehensive income, condensed consolidated statement of financial position, condensed consolidated statement of changes in equity, condensed consolidated statement of cash flows and the related explanatory notes.

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated set of financial statements in the interim financial report for the six months ended 31 July 2025 is not prepared, in all material respects, in accordance with International Accounting Standard (**IAS**) 34 'Interim Financial Reporting' as adopted for use in the United Kingdom (**UK**) and the Disclosure Guidance and Transparency Rules (**DTR**) of the UK's Financial Conduct Authority (**FCA**).

## Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity (**ISRE (UK) 2410**) issued for use in the UK. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. We read the other information contained in the interim financial report and consider whether it contains any apparent misstatements or material inconsistencies with the information in the condensed consolidated set of financial statements.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## Conclusions relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the 'Basis for conclusion' section of this report, nothing has come to our attention that causes us to believe that the Directors have inappropriately adopted the going concern basis of accounting, or that the Directors have identified material uncertainties relating to going concern that have not been appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410. However, future events or conditions may cause the Company to cease to continue as a going concern, and the above conclusions are not a guarantee that the Company will continue in operation.

## Directors' responsibilities

The interim financial report is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the interim financial report in accordance with the DTR of the UK FCA.

As disclosed in Note 2.1, the annual financial statements of the Company are prepared in accordance with UK-adopted international accounting standards.

The Directors are responsible for preparing the condensed consolidated set of financial statements included in the interim financial report in accordance with IAS 34 as adopted for use in the UK.

In preparing the condensed consolidated set of financial statements, the Directors are responsible for assessing 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 Company or to cease operations, or have no realistic alternative but to do so.

## Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed consolidated set of financial statements in the interim financial report based on our review. Our conclusion, including our conclusions relating to going concern, are based on procedures that are less extensive than audit procedures, as described in the 'Basis for conclusion' section of this report.

## **Independent Review Report to Saga plc (continued)**

### **The purpose of our review work and to whom we owe our responsibilities**

This report is made solely to the Company in accordance with the terms of our engagement to assist the Company in meeting the requirements of the DTR of the UK FCA. Our review has been undertaken so that we might state to the Company those matters we are required to state to it in this 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 for our review work, for this report, or for the conclusions we have reached.

**Timothy Butchart**  
**For and on behalf of KPMG LLP**  
*Chartered Accountants*  
15 Canada Square  
London  
E14 5GL

23 September 2025

## Alternative Performance Measures Glossary

The Group uses a number of Alternative Performance Measures (**APMs**), which are not required or commonly reported under International Financial Reporting Standards, the Generally Accepted Accounting Principles (**GAAP**) under which the Group prepares its financial statements, but which are used by the Group to help the user of the accounts better understand the financial performance and position of the business.

Definitions for the primary APMs used in this report are set out below. APMs are usually derived from financial statement line items and are calculated using consistent accounting policies to those applied in the financial statements, unless otherwise stated. APMs may not necessarily be defined in a consistent manner to similar APMs used by the Group's competitors. They should be considered as a supplement to, rather than a substitute for, GAAP measures.

### Underlying Revenue

Underlying Revenue represents revenue excluding the Insurance Broking onerous contract provision, the AXA profit share payable on cessation of the private medical insurance (**PMI**) contract, release of deferred revenue associated with motor and home three-year fixed price policies and revenue associated with the exit from some of our smaller, loss-making activities.

This measure is useful for presenting the Group's underlying trading performance as it excludes non-cash technical accounting adjustments and one-off financial impacts that are not expected to recur. In the case of the Insurance Broking onerous contract provision, this is excluded due to it being a fair value type adjustment to revenue that will reverse over time.

Underlying Revenue reconciles to the statutory measure of revenue as follows:

£m	6m to July 2025	Change	6m to July 2024
<b>Underlying Revenue</b>	<b>381.0</b>	<b>(3.1%)</b>	<b>393.3</b>
Ceded reinsurance premiums earned on business underwritten by the Group	4.7	(47.8%)	9.0
Insurance Broking onerous contract provision	1.3	(38.1%)	2.1
Release of deferred revenue on three-year fixed price policies	6.2	100.0%	-
Exit from smaller, loss-making activities	0.2	(50.0%)	0.4
Included within discontinued operations	(65.2)	37.4%	(104.2)
<b>Revenue per statutory financial statements</b>	<b>328.2</b>	<b>9.2%</b>	<b>300.6</b>

### Underlying Profit/(Loss) Before Tax

Underlying Profit/(Loss) Before Tax represents the profit/(loss) before tax excluding the impairment of Insurance Broking goodwill and the following other exceptional items:

- release of deferred revenue associated with motor and home three-year fixed-price policies;
- Affinity Partnership transition;
- loss on disposal of subsidiaries;
- write-off of written to earned adjustment;
- costs and fees associated with the Group's previous corporate debt including accelerated amortisation of fees relating to the loan facility provided by Roger De Haan;
- unrealised fair value losses on derivatives;
- Ocean Cruise dry dock costs and customer compensation;
- impairment of the carrying value of other non-financial assets;
- impact of change in the discount rate on non-periodical payment order (**PPO**) liabilities<sup>1</sup>;
- fair value gains on debt securities;
- foreign exchange gains on River Cruise ship leases;
- movements in insurance onerous contract provisions (net of reinsurance recoveries)<sup>2</sup>;
- profit share payable to AXA on cessation of PMI contract;
- the International Financial Reporting Standard (**IFRS**) 16 lease accounting adjustment on River Cruise vessels; and
- restructuring costs.

<sup>1</sup> This adjustment reduces the risk of residual volatility from changes in market interest rates adversely affecting Underlying Profit Before Tax

<sup>2</sup> The IFRS 17 onerous contract requirements create a timing mismatch between when claims are incurred and when they are recognised in profit before tax. Underlying Profit Before Tax adjusts for this timing mismatch by reversing the impact of these requirements

## Alternative Performance Measures Glossary (continued)

### Underlying Profit/(Loss) Before Tax (continued)

It is reconciled to statutory loss before tax within the Group Chief Financial Officer's Review on page 12.

This measure is the Group's key performance indicator and is useful for presenting the Group's underlying trading performance, as it excludes non-cash technical accounting adjustments and one-off financial impacts that are not expected to recur.

As Underlying Profit/(Loss) Before Tax includes the benefits of restructuring programmes, but excludes significant costs, such as impairment of non-financial assets and restructuring items, it should not be regarded as a complete picture of the Group's financial performance, which is presented in its financial statements. The exclusion of other underlying items may result in Underlying Profit/(Loss) Before Tax being materially higher or lower than reported profit/(loss) before tax. In particular, when significant non-financial asset impairments and restructuring charges are excluded, Underlying Profit Before Tax will be higher than earnings reported in the financial statements.

### Trading EBITDA

Trading EBITDA is defined as earnings before interest payable, tax, depreciation and amortisation, and excludes exceptional items and impairments.

Trading EBITDA, on a rolling 12-month basis, is a key component of Consolidated Pro Forma EBITDA (see overleaf), which acts as the denominator in the Group's Leverage Ratio covenant calculations applicable to the term loan (TL), delayed-draw term loan (DDTL) and Revolving Credit Facility (RCF) that was in place at 31 July 2025. It reconciles to Underlying Profit Before Tax as follows:

£m	6m to July 2025	Change	6m to July 2024
Ocean Cruise Trading EBITDA	53.2	13.9%	46.7
River Cruise Trading EBITDA	3.8	31.0%	2.9
Holidays Trading EBITDA	3.6	414.3%	0.7
Insurance Broking Trading EBITDA	10.6	(33.3%)	15.9
Insurance Underwriting Trading EBITDA	18.6	389.5%	3.8
Other Businesses and Central Costs Trading EBITDA	(4.1)	(57.7%)	(2.6)
<b>Trading EBITDA</b>	<b>85.7</b>	<b>27.2%</b>	<b>67.4</b>
Depreciation and amortisation	(15.8)	8.1%	(17.2)
Net finance costs (including Ocean Cruise and Insurance Underwriting)	(31.2)	(35.7%)	(23.0)
<b>Underlying Profit Before Tax</b>	<b>38.7</b>	<b>42.3%</b>	<b>27.2</b>

£m	6m to July 2025	Change	6m to July 2024
<b>Trading EBITDA</b>	<b>85.7</b>	<b>27.2%</b>	<b>67.4</b>
Insurance Broking Trading EBITDA from discontinued operations	0.4	133.3%	(1.2)
Insurance Underwriting Trading EBITDA from discontinued operations	(18.6)	(389.5%)	(3.8)
<b>Trading EBITDA from continuing operations</b>	<b>67.5</b>	<b>8.2%</b>	<b>62.4</b>

£m	6m to July 2025	Change	6m to July 2024
<b>Depreciation and amortisation per above table</b>	<b>15.8</b>	<b>8.1%</b>	<b>17.2</b>
Depreciation included within other exceptional items	2.2	-	2.2
Amortisation included within other exceptional items	0.2	(100.0%)	-
<b>Depreciation and amortisation per statutory financial statements</b>	<b>18.2</b>	<b>6.2%</b>	<b>19.4</b>

£m	6m to July 2025	Change	6m to July 2024
<b>Net finance costs (including Ocean Cruise and Insurance Underwriting) per above table</b>	<b>31.2</b>	<b>(35.7%)</b>	<b>23.0</b>
Included within other exceptional items	8.9	(242.3%)	2.6
Included within discontinued operations	(3.0)	57.9%	(1.9)
<b>Net finance costs per consolidated income statement</b>	<b>37.1</b>	<b>(56.5%)</b>	<b>23.7</b>

## Alternative Performance Measures Glossary (continued)

### Consolidated Pro Forma EBITDA

Consolidated Pro Forma EBITDA represents Trading EBITDA, excluding the impact IFRS 16 'Leases' and the Trading EBITDA associated with the disposed Insurance Underwriting business and acts as the denominator in the Group's Leverage Ratio covenant calculation applicable to the TL, DDTL and RCF that was in place at 31 July 2025.

Consolidated Pro Forma EBITDA is calculated as follows:

£m	6m to July 2025	Change	6m to July 2024
Trading EBITDA for 12 months to 31 January 2025	137.1	17.7%	116.5
Less Trading EBITDA for 6 months to 31 July 2024	(67.4)	(27.2%)	(53.0)
Add Trading EBITDA for 6 months to 31 July 2025	85.7	27.2%	67.4
<b>Trading EBITDA (12 months rolling)</b>	<b>155.4</b>	<b>18.7%</b>	<b>130.9</b>
Impact of IFRS 16 'Leases'	(2.3)	-	(2.3)
Impact of disposal of Insurance Underwriting	(34.3)	(100.0%)	-
<b>Consolidated Pro Forma EBITDA</b>	<b>118.8</b>	<b>(7.6%)</b>	<b>128.6</b>

### Gross Written Premiums

Gross Written Premiums represent the total premium that the Group charges to customers for a core insurance product, excluding insurance premium tax but before the deduction of any outward reinsurance premiums, measured with reference to the cover start date of the policy. This measure is widely used by insurers so provides a meaningful comparison of performance with our peers. It is analysed further within the Group Chief Financial Officer's Review on page 17.

### Written Gross Profit After Marketing Expenses

Written Gross Profit After Marketing Expenses is calculated as written revenue, less cost of sales and marketing expenses. This measure provides a meaningful view of the contribution of each Insurance Broking product, before accounting for operating expenses, and is analysed further within the Group Chief Financial Officer's Review on page 17.

### Underlying Basic Earnings Per Share

Underlying Basic Earnings Per Share represents the basic loss per share excluding the post-tax effect of:

- release of deferred revenue associated with motor and home three-year fixed-price policies;
- Affinity Partnership transition;
- loss on disposal of subsidiaries;
- write-off of written to earned adjustment;
- costs and fees associated with the Group's previous corporate debt including accelerated amortisation of fees relating to the loan facility provided by Roger De Haan;
- unrealised fair value losses on derivatives;
- Ocean Cruise dry dock costs and customer compensation;
- impairment of the carrying value of other non-financial assets;
- impact of change in the discount rate on non-PPO liabilities<sup>3</sup>;
- fair value gains on debt securities;
- foreign exchange gains on River Cruise ship leases;
- movements in the insurance onerous contract provisions (net of reinsurance recoveries)<sup>4</sup>;
- profit share payable to AXA on cessation of PMI contract;
- the IFRS 16 lease accounting adjustment on River Cruise vessels; and
- restructuring costs.

This measure is reconciled to the statutory basic loss per share in Note 6 to the accounts on page 49.

This measure is linked to the Group's key performance indicator, Underlying Profit Before Tax, and represents what management considers to be the underlying shareholder value generated in the period.

<sup>3</sup> This adjustment reduces the risk of residual volatility from changes in market interest rates adversely affecting Underlying Profit Before Tax

<sup>4</sup> The IFRS 17 onerous contract requirements create a timing mismatch between when claims are incurred and when they are recognised in profit before tax. Underlying Profit Before Tax adjusts for this timing mismatch by reversing the impact of these requirements

## Alternative Performance Measures Glossary (continued)

### Available Cash

Available Cash represents cash held by subsidiaries within the Group that is not subject to regulatory restrictions, net of any overdrafts held by those subsidiaries. This measure is reconciled to the statutory measure of cash in Note 12 to the accounts on page 58.

### Available Operating Cash Flow

Available Operating Cash Flow is net cash flow from operating activities after capital expenditure but before tax, interest paid, restructuring costs and other payments, which is available to be used by the Group as it chooses and is not subject to regulatory restriction.

Available Operating Cash Flow reconciles to net cash flows from operating activities as follows:

£m	6m to July 2025	Change	6m to July 2024
Net cash flows from operating activities (reported)	42.4	0.9%	42.8
Exclude cash impact of:			
Trading of restricted divisions	(18.3)	(37.6%)	(13.3)
Restructuring costs and other payments	24.5	94.4%	12.6
Interest paid	39.8	100.0%	19.9
Tax received	(0.4)	(100.0%)	-
	45.6	137.5%	19.2
Cash released from restricted divisions	18.0	>500.0%	1.5
Capital expenditure funded from Available Cash	(17.1)	(87.9%)	(9.1)
Cash collateralised Association of British Travel Agents bonding	0.5	100.0%	-
<b>Available Operating Cash Flow</b>	<b>89.4</b>	<b>64.3%</b>	<b>54.4</b>

### Net Debt

Net Debt is the sum of the carrying values of the Group's debt facilities and pre-IFRS 16 lease liabilities less the amount of Available Cash it holds and is analysed further within the Group Chief Financial Officer's Review on page 26.

### Leverage Ratio

Leverage Ratio is the ratio of Net Debt to Consolidated Pro Forma EBITDA as of the last day of a relevant period. It is a key metric used to report the Group's capacity to service its debt and acts as the denominator in the leverage covenant calculation for the Group's credit facilities.