Quilter

News release

4 March 2026

Quilter plc preliminary results for the year ended 31 December 2025

Quilter reports record flows, adjusted profit of £207 million (+6%), an improvement in operating margin to 30%, a Share Buyback of £100 million and a new Distribution Policy

Steven Levin, Chief Executive Officer, said:

"I'm very pleased with our performance in 2025. We delivered record flows, with our Affluent and High Net Worth segments both outperforming their market peers for level of inflows and growth as a percentage of opening assets. This clearly demonstrates the powerful nature of our dual-distribution model. Our business has strong momentum and is in great shape, with excellent growth opportunities ahead."

Highlights:

- Total Assets under Management and Administration ("AuMA") increased by 18% over the year to £141.2 billion reflecting net inflows of £8.7 billion coupled with a positive contribution from markets. Core net inflows of £9.1 billion represented 8% (2024: 5%) of opening AuMA (7% reported after non-core net outflows).
- Platform Assets under Administration ("AuA") increased by 22% to £104.6 billion over the year. Platform net inflows of £8.7 billion (2024: £5.6 billion) were up 56% on 2024 and represented 10% of opening AuA. Total assets under management by WealthSelect, the UK's largest Managed Portfolio Service ("MPS"), reached £25.4 billion, an increase of 38% from December 2024.
- Revenues grew by 5% to £701 million (2024: £670 million) reflecting higher management fee revenue partially offset by lower investment revenue generated on shareholder funds. Cost control limited cost growth to 4%, taking the expense base to £494 million (2024: £474 million).
- Adjusted profit before tax increased by 6% to £207 million (2024: £196 million) with an improvement in the operating margin to 30% (2024: 29%).
- Our Simplification programme has now achieved its target of £50 million of savings on a run-rate basis.
- Adjusted diluted earnings per share of 11.0p increased by 4% (2024: 10.6p), a slightly lower rate than the increase in adjusted profit due to a marginally higher tax rate.
- Net increase of 13 Quilter Restricted Financial Planners ("RFPs") to 1,453 and six Investment Managers to 182 since December 2024.
- Ongoing Advice Review: now focused on remediation programme implementation. This work has led to a release of £20 million in the previously recognised provision, with the year-end provision reducing to £42 million after utilisation during the year.
- IFRS profit after tax of £120 million (2024: loss of £34 million).
- Proposed Final Dividend of 4.3 pence per share taking the total dividend for the year to 6.3 pence per share (2024: 5.9 pence per share), representing an increase of 7% and a payout ratio of 60%.
- Following a capital review, the Company announces a Share Buyback Programme of up to £100 million with this to be completed over the remainder of 2026. From the 2026 financial year, Quilter will move to a shareholder distribution policy of 70% of post-tax, post-interest earnings through a combination of ordinary dividends and regular ongoing share buybacks.
- Solvency II ratio of 200% (pro forma) post Final Dividend and deduction for the Share Buyback Programme (31 December 2024: 219%).

Key financial highlights

We assess our financial performance using a variety of measures including alternative performance measures ("APMs"), as explained further on pages 17 to 19. In the headings and tables presented, these measures are indicated with an asterisk:*.

Quilter highlights	2025	2024	Change
Assets and flows – core business			
AuMA* (£bn)	**138.3**	116.3	19%
Gross flows* (£bn)	**20.0**	16.0	25%
Net inflows* (£bn)	**9.1**	5.2	75%
Net inflows/opening AuMA*	**8%**	5%	3 ppts
Assets and flows – reported			
AuMA* (£bn)	**141.2**	119.4	18%
Gross flows* (£bn)	**20.1**	16.0	25%
Net inflows* (£bn)	**8.7**	4.8	83%
Net inflows/opening AuMA*	**7%**	4%	3 ppts
Profit and loss			
IFRS profit/(loss) before tax attributable to shareholder returns (£m)	**163**	(60)	-
IFRS profit/(loss) after tax (£m)	**120**	(34)	-
Adjusted profit before tax* (£m)	**207**	196	6%
Operating margin*	**30%**	29%	1 ppt
Revenue margin* (bps)	**42**	44	(2) bps
Adjusted diluted earnings per share* (pence)	**11.0**	10.6	4%
Recommended total dividend per share (pence)	**6.3**	5.9	7%
Basic earnings per share (pence)	**8.9**	(2.5)	-

Quilter plc results for the year end 31 December 2025

Investor Relations

John-Paul Crutchley	UK	+44 7741 385251
Keilah Codd	UK	+44 7776 649681

Media

Tim Skelton-Smith	UK	+44 7824 145076

Camarco

Geoffrey Pelham-Lane	UK	+44 7733 124226
Ben Woodford	UK	+44 7990 653 341

Steven Levin, CEO, and Mark Satchel, CFO, will give a presentation via webcast at 08:30am (GMT) today, 4 March 2026. The presentation will be followed by a Q&A session.

The presentation will be available to view live via the webcast or can be listened to via a conference call facility. Details on how to join online or via conference call can be found on our website: 2026 results and presentations | Quilter plc

Note: Neither the content of the Company's website nor the content of any website accessible from hyperlinks on this announcement (or any other website) is incorporated into, or forms part of, this announcement.

Disclaimer

This announcement may contain forward-looking statements with respect to certain Quilter plc’s plans and its current goals and expectations relating to its future financial condition, performance and results.

By their nature, all forward-looking statements involve risk and uncertainty because they relate to future events and circumstances which are beyond Quilter plc’s control, including, amongst other things, international and global economic and business conditions; the implications and economic impact of global conflicts, economic and political uncertainty, market related risks such as fluctuations in interest rates, inflation, deflation, equity markets, credit markets, and exchange rates, the policies, actions and timing of decisions by regulatory authorities, changes in laws, tax policy or regulations in the jurisdictions in which Quilter plc and its affiliates operate; and impact of competition within the financial services industry.

Forward looking statements are also subject to risks relating to operational and technological resilience, including cybersecurity threats, data breaches, system failures, IT infrastructure changes, and dependence on third party suppliers and outsourcing partners. Additional uncertainties may arise from evolving consumer behaviours, demographic trends, and the broader macroeconomic environment, as well as the timing, completion and integration of any future acquisitions, divestments or business combinations.

These and other factors could cause Quilter plc’s actual future financial condition, performance and results to differ materially from the plans, goals and expectations expressed or implied by forward looking statements. Quilter plc therefore cautions readers not to place undue reliance on such statements, which speak only as of the date made, and undertakes no obligation to update publicly or revise this announcement or any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

Chief Executive Officer's statement

Business performance

2025 was a year of strong business momentum, record net inflows and good market performance. AuMA increased by £21.8 billion, to £141.2 billion, or 18%. More broadly, we have delivered:

1. full year adjusted profit before tax of £207 million (2024: £196 million), an increase of 6%, despite lower interest rates reducing investment income by £8 million;
2. an operating margin of 30% (2024: 29%); and
3. strong flow momentum across the business with core net inflows up 75% to £9.1 billion, representing 8% of opening assets (2024: £5.2 billion, 5% of opening assets).

Our **Affluent** segment delivered excellent net inflows of £8.5 billion (core) representing 10% of opening assets (2024: £4.9 billion and 6%). Our Platform delivered consistent strong gross and net flows over the course of the year, running at net c.£2 billion per quarter and continued to gain recognition from external market observers. This was demonstrated by improved net promoter scores and awards for service. Quilter's adviser offering combines the UK's largest and fastest-growing advised platform of scale with our market-leading WealthSelect managed portfolio proposition, which now has over £25 billion of Assets under Management. Our dual-distribution strategy ensures Quilter is well-placed to deliver wealth solutions to UK households at an industrial scale, with this built on the personal nature of individual adviser-client relationships that are core to our industry's success.

Our **High Net Worth** segment outperformed its listed external peers and delivered net inflows of £686 million, representing 2% of opening assets (2024: £599 million and 2%). New gross flows were broadly stable at £3.0 billion with an easing of outflows leading to an improved net inflow performance. In the final quarter, we experienced a heightened level of outflows as customers positioned themselves for potential tax changes in the UK budget, with the segment returning to net inflow in December.

Adjusted profit before tax of £207 million (2024: £196 million) represents the Group's IFRS profit, adjusted for items that management consider to be outside of normal operations or one-off in nature. The Group's IFRS profit after tax was £120 million compared to a loss of £34 million in 2024. Principal differences between adjusted profit and IFRS profit are due to non-cash amortisation of intangible assets, business transformation expenses, interest expense and remediation provisions.

In our Full Year results announcement on 5 March 2025, we recognised a provision of £76 million to cover potential remediation outcomes associated with the Skilled Person Review of ongoing advice by Appointed Representative firms in the Quilter Financial Planning network. In the latter part of 2025, we initiated our remediation programme. Based on our current expectations of remediation costs and administration expenses relating to the programme, we anticipate that this will cost us some £20 million less to complete than originally anticipated. We have therefore reduced the provision by this amount. Together with the utilisation (£14 million) of the provision during the year, the balance on the provision at the end of 2025 was £42 million.

Group adjusted diluted earnings per share of 11.0 pence represents an increase of 4% (2024: 10.6 pence). On an IFRS basis, we delivered basic earnings per share of 8.9 pence per share versus a loss of 2.5 pence per share for 2024.

The Board proposed a Final Dividend of 4.3 pence per share, taking the total Dividend payable in respect of 2025 to 6.3 pence per share, with this equivalent to a pay-out ratio of 60%.

The capital review undertaken by the Board concluded that the Group has c.£100 million of capital in excess of what is likely to be required to fund bolt-on acquisitions and meet foreseeable future investment plans. As a result, the Board concluded that this sum will be returned to shareholders through a Share Buyback Programme which is expected to commence as soon as practicable and complete prior to the end of 2026.

The Board also adopted a new Distribution Policy. From 2026 onwards, the Board intends to distribute approximately 70% of post-tax, post interest adjusted profit to shareholders. Within this, the Board expects modest annual growth in the amount of the ordinary dividend payable in cash, with the remainder of the distribution implemented through annual share buyback programmes to be announced each year alongside the Full Year Results. This is expected to lead to progressive growth in the dividend per share, supported by a lower number of shares in issue as a consequence of the share buyback programmes. The Interim Dividend in each year will, in normal circumstances, be set at one third of the previous year's total dividend.

Strategic positioning

I am pleased with Quilter's performance, and the business is well placed to be a winner from the changes reshaping our industry:

- First, the complexity of UK personal tax legislation, including both the thresholds that apply for higher earners on pension contributions and the introduction of inheritance tax on pensions from April 2027, has increased the need for personalised financial advice. This has led to increased adviser engagement as customers' existing financial plans needed to be revised to accommodate these changes. Over the next few decades, there is also expected to be a significant increase in intergenerational wealth transfer which again needs to be managed in a tax efficient manner, creating additional demand for financial advice. This is our core market, and it has considerable scope for growth.
- Second, as a country, we need to move from being a nation of savers to a nation of investors. With considerable excess deposit savings in the banking system, effectively devaluing in real terms, UK households need to invest more to secure desired living standards in retirement. We believe that appropriately structured, globally diversified investment portfolios are the most appropriate pathway to long-term wealth accumulation. Quilter is well-positioned to meet this need and provide solutions, at scale.
- Third, the Advice Guidance Boundary Review ("AGBR") introduced the concept of "Targeted Support" which will go-live from April 2026 and represents the most significant change to UK retail financial services regulation since the Retail Distribution Review over ten years ago. We are in the process of obtaining permissions from the FCA. Over time, we expect that Targeted Support will allow a range of options to be made available to a broader spectrum of UK households that need help with financial planning and will allow this to be provided in a manner that best suits their requirements.

Convenience of use and easy access to flexible, transparent solutions makes the platform industry the natural custodian of UK households' financial wealth. Moreover, platforms help advisers meet the Consumer Duty requirements by allowing them to focus on the advice relationship, while outsourcing investment management to managed portfolio solutions. Over the last few years, we have increased our market share of advised industry platform flows demonstrating that the Quilter Platform and Solutions meet the needs of both the IFA community and our own restricted advisers and their clients. In their base case, Fundscape, an independent platform analysis company, expects UK advised platform assets to increase from around £800 billion at end-2025 to nearly £1.5 trillion by end 2030. Even without further market share gains, this would imply Quilter Platform assets of c.£190 billion by the end of the decade, a compound growth rate of around 13% from current levels of £105 billion.

My priorities

Quilter's leading market position is built on strong relationships with advisers and their clients, the quality of our propositions and the scale and breadth of our businesses. As we move into a world of increasing digital delivery, with Artificial Intelligence ("AI") transforming both the way we work and customer interaction with our services, it is important that we use technology and AI tools to augment our existing strengths. This will result in better customer experiences, greater adviser productivity and enhanced organisational efficiency, which we will deliver through our focus on the following initiatives:

1. *Building the advice business of tomorrow*

We have around 1,450 Quilter RFP's across our network who generated just over £5 billion of new business in 2025, with this increasing by around 6% over the year. Good organic growth in adviser additions from both our Adviser Academy and firm recruitment was partially offset by the departure of a large firm from the network late in the year. Our Adviser Academy continues to deliver increasing numbers of advisers, with around 100 graduating in 2025. Our medium-term goal remains for academy graduates to broadly offset natural adviser attrition from retirements, with growth coming from new advisers and firms joining the network. Our Quilter Partners proposition is also expected to be a source of adviser growth and now covers ten hub firms which combine investment and Platform alignment with the entrepreneurial drive and focus of owner-operated businesses.

The investment we are making in our Advice Transformation Programme ("ATP") aims to materially improve productivity through enhanced Client Relationship Management systems with integrated support tools, including AI tools. ATP will allow advisers to service a larger number of clients and is being rolled out on a phased basis over the next 18 months. As part of this process, we have rolled out an AI solution for advisers that allows them to record, transcribe, and summarise meetings and actions, significantly reducing the time it takes to complete certain administrative tasks and the next iteration of the model adds capacity to make recommendations, saving advisers even more time.

There is a significant potential opportunity from integrating AI tools into the advice process including making advice businesses more scalable. There is also significant benefit from integrating AI tools into our business infrastructure to enhance risk management by allowing faster and more effective compliance file checking. This will make managing an advice network more efficient and cost effective. We will ensure Quilter is at the forefront of AI change, while recognising that the pace of adoption is subject to both regulatory oversight and end-client needs.

2. *Broadening distribution channels*

The introduction of Targeted Support from April 2026 means that up to 12 million additional individuals will now potentially have access to a level of financial guidance that has not been the case hitherto. We expect a number of different models will be adopted to meet customer needs. Where individual needs are less complex, guidance and Targeted Support can provide prompts and nudges to ensure customers make better decisions with their money and are guided into appropriate investments. Quilter Invest will be our branded vehicle for this segment of the market. Moving up the complexity spectrum, we believe it is likely that regulators will, in time, allow simplified, more basic, forms of advice which will cover a broader range of clients than we currently serve. And at the far end of the spectrum, those customers with the most complex needs will continue to expect holistic personalised advice, as they do today. We will operate at this end of the market under both the Quilter and Quilter Cheviot brands.

3. *High Net Worth evolution*

This is a business where we know we can improve performance. It has strong foundations and is well positioned to deliver on its growth potential. To be future fit, we need to attract a broader customer base, and effective and high performing distribution is the key to that. My ambition is for the business to be delivering a mid-single digit rate of net flows as a percentage of assets and an operating margin in the mid-20's.

In terms of proposition, advice and investment management permissions in a single entity allows more efficient customer servicing. We digitised a number of processes and launched a mobile app to provide a significantly enhanced customer experience. We are also broadening the investment solutions we can offer our clients beyond traditional DFM offerings by including things like private markets investment solutions and decumulation options. In addition, our investment performance remains strong.

As an initial step towards achieving our goals, we are repositioning the advice business within our High Net Worth segment to focus on the often more complex needs of higher net worth individuals. This will allow us to create a clearer distinction between clients who benefit from ongoing, proactive financial planning and those whose needs are better served through a flexible, event driven advice model - enabling them to access advice on demand and pay only for the services they use. As a result, we expect to see a decrease in our adviser headcount in the short-term while we continue to proactively recruit individuals more closely aligned to our positioning of our High Net Worth segment for future growth.

4. *Building brand recognition*

Our goal is for the Quilter brand to be recognised across UK retail financial services as a customer champion and a trusted destination for pensions, investment services and advice. Our Autumn 2025 brand campaign under the "Money needs a plan" strapline, and sponsorship of the Autumn rugby called the Quilter Nations Series, was a first step in establishing that positioning, which we will build upon in the years ahead.

Our team

I announced some changes and additions to our Executive Committee over 2025 to support the delivery of our strategy:

- John Goddard was appointed Chief Executive Officer of our High Net Worth business in September and has extensive experience of running wealth management businesses .
- Jo Harris joined us in early 2026, taking up a new Executive Committee role as Chief Customer Officer. Jo brings extensive experience from senior roles across wealth management, retail and private banking. The creation of this role on the Executive Committee demonstrates our commitment to growing our propositional capabilities and ensuring our mantra of being a customer champion is at the heart of everything we do.

- Finally, Margaret Ammon joined Quilter at the beginning of March as our Chief Risk Officer. She brings over 25 years' experience in risk management across financial services companies.

I would like to thank Andy McGlone, our former CEO of the High Net Worth segment, for many years of service, and Nick Sacre-Hardy, who has led the Risk function on an interim basis. We wish them both all the very best for the future.

Outlook

Increased demand for financial advice and support will be driven by the structural factors I outlined above. This provides a significant opportunity, which we will meet through:

- supporting advisers with improved technology, including AI tools, across our business to enhance their productivity;
- building new advice and guidance propositions for clients who are receptive to Targeted Support; and
- refocusing our adviser force and improving processes to free up additional capacity in our High Net Worth segment

The fundamental industry characteristic that supports our business – the need to invest for retirement – has never been more important to both individuals and society than it is today. The breadth of our distribution, coupled with the operating leverage in our Platform and solutions business allows us to provide personal wealth management services at scale. Our investment solutions and open, unbundled operating model support the delivery of good customer outcomes through long-term wealth accumulation.

Our 2025 results built upon the strong, consistent strategic progress of the last few years and business momentum remains strong. We have achieved our Simplification cost targets. While we will maintain tight control on business as usual costs, given the growth opportunities in our existing market and from Targeted Support/AGBR, we expect higher levels of cost growth in 2026 to ensure we are well-positioned to take advantage of these opportunities. We believe that the annualised second half of 2025 cost base, adjusted for inflation, provides a good basis for the 2026 cost outlook. As a consequence, we currently expect a high single digit to double digit growth in adjusted profit this year.

We look forward to the future with confidence and remain focused on supporting advisers and our customers in the years ahead.

Steven Levin

Chief Executive Officer

Financial review

Review of financial performance

Overview

The Group delivered an adjusted profit before tax of £207 million for the year, representing an increase of 6% compared to the prior year (2024: £196 million). This was primarily driven by higher net management fees, supported by an increase in reported average AuMA to £128.6 billion (2024: £113.2 billion) and strong core net inflows of £9.1 billion. The positive momentum was partially offset by expected margin attrition and ongoing investment in the business, partly mitigated by cost efficiencies delivered through the Simplification programme.

The Group's IFRS profit after tax was £120 million, compared to a loss of £34 million in the prior year. In 2024 the Group recognised a provision for customer remediation of £76 million with a subsequent reduction in 2025 to reflect updated experience to date resulting in a £20 million credit. The 2024 loss also included timing differences in policyholder tax expenses.

Following a capital review undertaken by the Board, the Group is returning up to £100 million to shareholders by way of a Share Buyback Programme (the "Programme"). This Programme is anticipated to be completed by the end of 2026. As a result, the Group's pro forma solvency ratio decreased 19 percentage points to 200% (2024: 219%).

The Group's IFRS net assets increased to £1.5 billion (2024: £1.4 billion) largely reflecting the IFRS profit in the year, partially offset by the dividends paid during 2025. Total IFRS assets for the Group, which includes the policyholder assets of the Group's life company, increased by 23% during the year due to favourable market movements and net inflows. Due to the unit-linked nature of the Group's business there is a corresponding increase in the Group's IFRS total liabilities which also increased by 23% in the year.

Alternative Performance Measures ("APMs")

We assess our financial performance using a variety of measures including APMs, as explained further on pages 17 to 19. In the headings and tables presented, these measures are indicated with an asterisk: *.

Key financial highlights

Quilter highlights	2025	2024
Assets and flows – core business		
AuMA* (£bn)	**138.3**	116.3
Gross flows* (£bn)	**20.0**	16.0
Net inflows* (£bn)	**9.1**	5.2
Net inflows/opening AuMA*	**8%**	5%
Productivity: Quilter channel gross sales per Quilter Adviser* (£m)[1]	**3.4**	3.2
Asset retention*	**91%**	90%
Assets and flows – reported		
AuMA* (£bn)	**141.2**	119.4
Gross flows* (£bn)	**20.1**	16.0
Net inflows* (£bn)	**8.7**	4.8
Net inflows/opening AuMA*	**7%**	4%
Profit and loss		
IFRS profit/(loss) before tax attributable to shareholder returns (£m)	**163**	(60)
IFRS profit/(loss) after tax (£m)	**120**	(34)
Adjusted profit before tax* (£m)	**207**	196
Operating margin*	**30%**	29%
Revenue margin* (bps)	**42**	44
Return on equity*	**10.8%**	10.0%
Adjusted diluted earnings per share* (pence)	**11.0**	10.6
Recommended total dividend per share (pence)	**6.3**	5.9
Basic earnings per share (pence)	**8.9**	(2.5)
Non-financial		
Total Restricted Financial Planners ("RFPs") in both segments[2]	**1,453**	1,440
Discretionary Investment Managers in High Net Worth segment[2]	**182**	176

[1]Quilter channel gross sales per Quilter Adviser is a measure of the value created by our Quilter distribution channel.
[2]Closing headcount as at 31 December.

Flow performance

In the core business, gross flows increased 25% to £20.0 billion (2024: £16.0 billion), primarily due to higher IFA channel activity on the Platform. This growth was driven by both an expanding advised platform market and increased market share among IFA firms. Net inflows in the core business increased 75% to £9.1 billion (2024: £5.2 billion), reflecting improved macro conditions and investor confidence, coupled with the positive impact of our distribution strategies which led to growth in market share. Productivity, representing Quilter channel gross sales per Quilter Adviser, increased by 6% to £3.4 million (2024: £3.2 million).

Within the Affluent segment:

- Quilter channel: Gross flows of £4.4 billion increased by 8% (2024: £4.1 billion), with net inflows increasing 22% to £2.8 billion (2024: £2.3 billion). This growth underscores the ongoing strength of our distribution capabilities within our Advice business, highlighting our ability to attract and retain customer assets. Net inflows as a percentage of opening AuMA for the Quilter channel of 15% increased 2 percentage points (2024: 13%).
- IFA channel: Gross flows of £12.3 billion onto the Quilter Platform increased by 40% (2024: £8.8 billion). Net inflows of £5.8 billion were significantly higher than the prior year (2024: £3.0 billion) reflecting both the breadth and strength of our proposition and distribution, which led to an increased market share of new business as we continued to win assets from competitor platforms. Based on the latest Fundscape data (Q3 2025), the Platform continues to maintain the leading share of gross and net inflows against our retail advised platform peers. Net inflows as a percentage of opening AuMA for the IFA channel onto the Platform were 9% (2024: 5%).
- Funds via third-party platforms reported net outflows of £132 million, compared to £400 million of net outflows in the previous year.
- Asset retention of 90% for the Affluent segment improved by a percentage point from the prior year (2024: 89%).

High Net Worth segment gross flows of £3.0 billion were marginally below the prior year (2024: £3.1 billion). Net inflows increased by 15% to £0.7 billion (2024: £0.6 billion), primarily as a result of strong net inflows in the IFA and direct channel, and the loss of a large value low margin account in the prior year. Asset retention of 92% for the High Net Worth segment was 1 percentage point ahead of the prior year (2024: 91%).

AuMA*

The Group's core business closing AuMA of £138.3 billion was 19% ahead of the opening position (2024: £116.3 billion), reflecting positive market movements of £12.9 billion and net inflows of £9.1 billion. The Affluent core segment AuMA increased by 22% to £107.6 billion (2024: £88.5 billion), of which £36.9 billion is managed by Quilter, versus the opening position of £29.5 billion. The High Net Worth segment AuM of £32.5 billion increased by 10% from the opening position of £29.5 billion, with all assets managed by Quilter.

In total, £69.0 billion, representing 50% of core business AuMA, is managed by Quilter across the Group (2024: £58.5 billion, 50%).

Total net revenue, revenue margin and average AuMA*

	2025			2024		
Total net revenue (£m), revenue margin (bps) and average AuMA (£bn)	**Net revenue***	**Revenue margin***	**Average AuMA*[2]**	Net revenue*	Revenue margin*	Average AuMA*[2]
Affluent Administered	**216**	**23**	**93.8**	196	25	79.8
Affluent Managed	**119**	**35**	**34.4**	108	36	29.6
Quilter Cheviot	**203**	**67**	**30.5**	198	70	28.3
Net management fees*[1]	**538**	**42**	**128.6[2]**	502	44	113.2[2]
Other revenue*	**100**			97		
Investment revenue*	**63**			71		
Total net revenue*	**701**			670		

[1]Net management fee includes the interest earned on customer holdings in Quilter Cheviot and Quilter Investment Platform.
[2]Average AuMA for the Group includes the elimination of the intra-group assets. This is excluded from the total average AuMA to ensure no double count takes place.

Net management fee and revenue margin:

- Quilter plc total net management fees increased by 7% to £538 million (2024: £502 million) as a consequence of higher average AuMA of £128.6 billion, up £15.4 billion against the prior year (2024: £113.2 billion). Interest margin included within net management fees, earned on customer cash balances, was £30 million (2024: £31 million). The Group's revenue margin of 42 bps was 2 bps lower than the prior year (2024: 44 bps).
- Affluent Administered net management fees increased by 10% to £216 million (2024: £196 million). This primarily reflects higher average AuMA of 18%, partially offset by lower revenue margin of 23 bps (2024: 25 bps) due to the impact from our tiered pricing structure, consistent with our expectations. Net management fees include interest margin earned on customer cash balances of £18 million (2024: £19 million).
- Affluent Managed net management fees increased by 10% to £119 million (2024: £108 million), driven mainly by higher average AuMA. This was partially offset by a 1 bp reduction in the revenue margin to 35 bps (2024: 36 bps), attributable to the continued net outflows from the Cirilium Active range, our highest revenue-margin proposition, as advisers increasingly continue to favour Managed Portfolio Services ("MPS") for their customers. Based on the latest NextWealth December 2025 report, WealthSelect remains the largest MPS offering in the industry as at Q3 2025, and continues to demonstrate strong growth, with AuMA of £25.4 billion as at 31 December 2025 (2024: £18.4 billion).
- High Net Worth net management fees increased by 3% to £203 million (2024: £198 million), due to higher average AuM, partially offset by changes to some of our fee structures and the mix of assets, with the revenue margin of 67 bps reducing by 3 bps (2024: 70 bps). Net management fees include interest margin earned on customer cash balances of £12 million (2024: £12 million).

Other revenue:

- Other revenue of £100 million, which mainly comprises of our share of income from providing advice within Quilter Financial Planning and Quilter Cheviot Financial Planning, was 3% higher than the prior year (2024: £97 million).

Investment revenue:

- Investment revenue, predominantly interest income generated on shareholder cash and capital resources of £63 million (2024: £71 million) reflects the reduction in interest rates experienced during 2025.

Operating expenses*

Operating expenses increased by 4% to £494 million (2024: £474 million). This increase largely reflects the combination of planned business investment, inflationary impacts including higher National Insurance costs and higher FSCS levies, partially offset by continued sustainable cost savings delivered through the Simplification programme.

Operating expenses (£m)	2025 Operating expenses	2025 As a percentage of revenues	2024 Operating expenses	2024 As a percentage of revenues
Support staff costs	**111**		110	
Operations	**18**		20	
Technology	**34**		31	
Property	**28**		28	
Other base costs[1]	**29**		33	
Sub-total base costs	**220**	31%	222	33%
Revenue-generating staff base costs	**110**	16%	101	15%
Variable staff compensation	**88**	12%	82	12%
Other variable costs[2]	**55**	8%	51	8%
Sub-total variable costs	**253**	36%	234	35%
Regulatory/Insurance costs	**21**	3%	18	3%
Operating expenses*	**494**	70%	474	71%

[1]Other base costs includes depreciation and amortisation, audit fees, shareholder costs, changes in customer redress provisions and listed Group and governance costs.
[2]Other variable costs includes FNZ costs, development spend, marketing, brand and corporate functions variable costs.

At the 2023 half-year results, we set a target to deliver £50 million of annualised run-rate savings from Phase II of the Simplification programme by the end of 2025. At 31 December 2025, the programme achieved this target, delivering a total run-rate saving of £52 million, with £17 million realised during 2025. The savings were primarily achieved through the continued rationalisation of the Group's technology and property estate, operational and IT efficiencies arising from investment in Advice technology, and lower functional support costs as we continued to simplify our governance and internal administration processes. As a result, base costs reduced both in absolute terms and as a proportion of revenues, representing 31% of revenue in 2025 (2024: 33%).

Revenue-generating staff base costs increased by 9% to £110 million (2024: £101 million) and remains at a comparable proportion of revenues as we continue to invest in our customer-facing people and proposition across our business segments to drive growth.

Variable staff compensation of £88 million (2024: £82 million) increased by 7% due to National Insurance changes and improved business performance. Other variable costs of £55 million (2024: £51 million) includes our brand investment in the second half of the year and an increase in Platform costs owing to the significant growth in Platform average AuMA.

Regulatory and insurance costs increased by 17% to £21 million (2024: £18 million) largely reflecting increases to the FSCS levy during the first half of the year.

Adjusted profit before tax*

Adjusted profit before tax increased by 6% to £207 million (2024: £196 million), reflecting the combined impacts of the revenue and expense items outlined above. The Group's operating margin improved to 30%, representing a 1 percentage point increase compared to the prior year (2024: 29%).

Adjusted diluted earnings per share increased 4% to 11.0 pence (2024: 10.6 pence).

Taxation

The effective tax rate ("ETR") on adjusted profit before tax was 25.6% (2024: 24.4%). The Group's ETR is broadly in line with the UK headline corporation tax rate of 25% and there are no material movements for the year. The Group's ETR is dependent on a number of factors, including tax rates on profits in jurisdiction outside the UK and the value of non-deductible expenses or non-taxable income.

The Group's IFRS income tax expense was a charge of £204 million for the year ended 31 December 2025, compared to a charge of £69 million for the prior year. The income tax expense or credit can vary significantly year-on-year as a result of market volatility and the impact that market movements have on policyholder tax. The recognition of the income received from policyholders to fund the policyholder tax liability (which is included within the Group's IFRS revenue) has historically been volatile due to timing differences between the recognition of policy deductions and credits and the corresponding policyholder tax expense, resulting in the need for significant adjustments to the adjusted profit to remove these distortions. The Group made refinements to its unit pricing policy at the end of 2024 which, as expected, reduced the volatility in these timing differences in 2025. See note 5(b) to the condensed consolidated financial statements.

Reconciliation of adjusted profit before tax* to IFRS result

Adjusted profit before tax represents the Group's IFRS result, adjusted for specific items that management considers to be outside of the Group's normal operations or one-off in nature, as detailed in note 5(a) in the condensed consolidated financial statements. The exclusion of certain adjusting items may result in adjusted profit before tax being materially higher or lower than the IFRS profit or loss after tax.

Adjusted profit before tax does not provide a complete picture of the Group's financial performance, which is disclosed in the IFRS consolidated statement of comprehensive income but is instead intended to provide additional comparability and understanding of the financial results.

Reconciliation of adjusted profit before tax to IFRS profit/(loss) after tax (£m)	**2025**	**2024**
Affluent	**169**	148
High Net Worth	**47**	48
Head Office	**(9)**	-
Adjusted profit before tax*	**207**	196
Adjusting items:		
Impact of acquisition and disposal-related accounting	**(17)**	(40)
Business transformation costs	**(31)**	(26)
Skilled Person Review	**-**	(10)
Customer remediation exercise	**20**	(76)
Other customer remediation	**-**	3
Exchange rate movement (ZAR/GBP)	**-**	1
Policyholder tax adjustments	**2**	(90)
Finance costs	**(18)**	(18)
Total adjusting items before tax	**(44)**	(256)
Profit/(loss) before tax attributable to shareholder returns	**163**	(60)
Tax attributable to policyholder returns	**161**	95
Income tax expense	**(204)**	(69)
IFRS profit/(loss) after tax	**120**	(34)

The impact of acquisition and disposal-related accounting costs of £17 million (2024: £40 million) includes amortisation of acquired intangible assets and acquired adviser schemes. During the year the intangible asset related to the Group's original acquisition of Quilter Cheviot became fully amortised, which has reduced the overall amortisation charge.

Business transformation costs of £31 million were incurred in 2025 (2024: £26 million), which reflects the delivery of Simplification programme initiatives. During 2025, the Group achieved its target to deliver £50 million of annualised cost savings as part of the Business Simplification programme. As at 31 December 2025, £52 million of annual run-rate savings were delivered over the lifetime of the current Simplification programme. Further modest implementation costs are expected during 2026 to complete the Advice and Wealth Transformation Programmes and the final closure costs for Business Simplification.

For 2025, a customer remediation credit has been recognised of £20 million (2024: cost of £76 million). The current year credit represents a £22 million reduction in the customer remediation exercise provision due to changes made to reflect current expected experience, partially offset by a cost of £2 million for the unwinding of discounting. The assumptions used to determine the value of the customer remediation provision include the proportion of customers within the scope of the review and the interest rates on redress payable which are aligned to the updated Financial Ombudsmen Service policy. Both of these have resulted in a decrease of the total amount of costs that are anticipated to be incurred as part of the customer remediation exercise. The unwinding of discounting reflects the passage of time since 31 December 2024 when calculating the present value of future costs for the purposes of determining the value of the provision as at 31 December 2025. See note 16 in the condensed consolidated financial statements. Charges and credits relating to the customer remediation exercise are excluded from adjusted profit as management considers the exercise to be outside of the Group's normal operations and one-off in nature.

During 2025, there was no income or cost recognised (2024: £1 million income) due to foreign exchange movements on cash held in South African Rand in preparation for payments of dividends to shareholders. Cash was converted to South African Rand upon announcement of the dividend payments to provide an economic hedge for the Group. The foreign exchange movements in 2024 were fully offset by an equal amount taken directly to retained earnings.

For 2025, the total amount of policyholder tax adjustments to adjusted profit is a charge of £2 million (2024: £90 million credit). Adjustments to policyholder tax are made to remove distortions due to the recognition of the income received from policyholders to fund the policyholder tax liability (which is included within the Group's income) which may vary in timing to the recognition of the corresponding tax expense, creating volatility in the Group's IFRS profit or loss before tax. The Group made changes to the unit pricing policy relating to policyholder tax charges in 2024. As expected, this has significantly reduced the volatility in these timing differences, and in turn, the value of the policyholder tax adjustments in 2025.

Review of financial position

Capital and liquidity

Solvency II

The Solvency II figures for the year to 31 December 2025 in this section of the financial review are prepared on a pro forma basis and have not been audited. The pro forma solvency position presented below is after allowing for the impacts of the profits for the year to 31 December 2025, the foreseeable dividend payment of £58 million and the Share Buyback Programme of £100 million.

The Group's solvency surplus is £846 million at 31 December 2025 (31 December 2024: £851 million), representing a solvency ratio of 200% (31 December 2024: 219%).

Group Solvency II capital (£m)	At 31 December 2025[1]	At 31 December 2024[2]
Own funds	**1,689**	1,566
Solvency capital requirement ("SCR")	**843**	715
Solvency II surplus	**846**	851
Solvency II coverage ratio	**200%**	219%

[1]Based on preliminary estimates including the impact of the profits for the year and the impact of the Share Buyback Programme.
[2]As reported in the Group Solvency and Financial Condition Report for the year ended 31 December 2024.

The Group solvency ratio reduced primarily due to the Share Buyback Programme, dividend payment and the negative impact of market variances, partly offset by the net profit in the year. The Group solvency surplus amount remained broadly stable as the increase in own funds approximately matches the increase in solvency capital requirement.

The Group's own funds include the Quilter plc issued subordinated debt security which qualifies as capital under the UK Solvency II rules. The composition of own funds by tier is presented in the table below.

Group own funds (£m)	At 31 December 2025	At 31 December 2024
Tier 1[1]	**1,486**	1,366
Tier 2[2]	**203**	200
Total Group Solvency II own funds	**1,689**	1,566

[1]All Tier 1 capital is unrestricted for tiering purposes.
[2]Comprises a UK Solvency II compliant subordinated debt security in the form of a Tier 2 bond, which was issued at £200 million in January 2023.

The Group SCR is covered by Tier 1 capital, which represents 176% of the Group SCR of £843 million. Tier 2 capital represents 24% of the Group solvency surplus.

Final Dividend

The Quilter Board recommended a Final Dividend of 4.3 pence per share at a total cost of £58 million. Subject to shareholder approval at the 2026 Annual General Meeting, the recommended Final Dividend will be paid on Monday 18 May 2026 to shareholders on the UK and South African share registers on Friday 17 April 2026 (the "Record Date"). For shareholders on our South African share register, a Final Dividend of 94.67035 South African cents per share will be paid, using an exchange rate of 22.01636.

Holding company cash

The available holding company cash statement includes cash flows generated by the three main holding companies within the business: Quilter plc, Quilter Holdings Limited and Quilter UK Holding Limited. The flows associated with these companies will differ markedly from those disclosed in the statutory statement of cash flows, which comprises flows from the entire Quilter plc Group including policyholder movements.

Holding company cash (£m)	2025	2024
Opening cash at holding companies at 1 January	**462**	349
Dividends paid	**(84)**	(73)
Net capital movements	**(84)**	(73)
Head Office costs and Business transformation funding	**(30)**	(34)
Net interest received	**6**	18
Finance costs	**(17)**	(17)
Net operational movements	**(41)**	(33)
Cash remittances from subsidiaries	**204**	325
Capital contributions, loan repayments and investments	**(112)**	(102)
Other net movements	**-**	(4)
Internal capital and strategic investments	**92**	219
Closing cash at holding companies at the end of the year	**429**	462

Net capital movements

Net capital movements in the year totalled an outflow of £84 million, which relates exclusively to dividend payments made to shareholders.

Net operational movements

Net operational movements were an outflow of £41 million for the year, which includes £30 million of corporate and transformation costs, finance costs of £17 million relating to coupon payments on the Tier 2 bonds and non-utilisation fees for the revolving credit facility, and £6 million of net interest income received on money market funds, Group loans and cash holdings.

Internal capital and strategic investments

The net inflow of £92 million is principally due to £204 million of cash remittances from subsidiaries, partially offset by £112 million of capital contributions to cover the potential customer remediation exercise across the Quilter Financial Planning network of Appointed Representative firms, support business operations and further investment in the underlying business through acquisitions made. Capital contributions also include contributions made to the Employee Benefit Trust of £19 million (2024: £12 million) to fund current and anticipated share based payment awards.

Capital Return

Following a capital review undertaken by the Board, the Group is returning up to £100 million to shareholders by way of a Share Buyback Programme (the “Programme”). This Programme is expected to commence as soon as practicable and is expected to complete by the end of 2026. The surplus capital identified for the Programme is considered by the Board to exceed that required to manage the business once regulatory capital requirements, liquidity risk management requirements, and future investment in the business for the foreseeable future (including modest inorganic acquisitions) is taken into consideration. Ongoing consideration of the capital position of the Group, including the speed and quantum of acquisition activity and further capital support, will continue to be assessed.

Summary

Quilter has benefitted from another year of consistent financial performance. The Group has continued to grow market share, and net inflows reached record levels during the year. Revenues have increased and disciplined cost management has delivered a 30% operating margin. The balance sheet strength has allowed the announcement of up to £100 million being returned to shareholders by way of a Share Buyback Programme. We have enhanced anticipated regular returns to shareholders through implementing a new Distribution Policy of 70% of post-tax, post interest adjusted profit through a combination of ordinary dividends and regular ongoing share buybacks.

Shareholder information – Final Dividend

The Quilter Board has agreed to recommend to shareholders the payment of a Final Dividend of 4.3 pence per share. The Final Dividend will be considered by shareholders at the Annual General Meeting which will be held on Thursday 14 May 2026. Subject to shareholder approval, the Final Dividend will be paid on Monday 18 May 2026 to shareholders on the UK and South African share registers on Friday 17 April 2026 (the “Record Date”).

Dividend Timetable

Dividend announcement in pounds sterling with South Africa ZAR equivalent	Wednesday 4 March 2026
Last day to trade cum dividend in South Africa	Tuesday 14 April 2026
Shares trade ex-dividend in South Africa	Wednesday 15 April 2026
Shares trade ex-dividend in the UK	Thursday 16 April 2026
Record Date in the UK and South Africa	Friday 17 April 2026
Final Dividend Payment Date	Monday 18 May 2026

From the opening of trading on Wednesday 4 March 2026 until the close of business on Friday 17 April 2026, no transfers between the London and Johannesburg registers will be permitted. Share certificates for shareholders on the South African register may not be dematerialised or rematerialised between Wednesday 15 April 2026 and Friday 17 April 2026, both dates inclusive.

Additional information

For shareholders on our South African share register a Final Dividend of 94.67035 South African cents per share will be paid on Monday 18 May 2026, based on an exchange rate of 22.01636. Dividend Tax will be withheld at the rate of 20% from the amount of the gross dividend of 94.67035 South African cents per share paid to South African shareholders unless a shareholder qualifies for exemption. After the Dividend Tax has been withheld, the net Final Dividend will be 75.73628 South African cents per share. The Company had a total of 1,404,105,498 shares in issue at today's date.

If you are uncertain as to the tax treatment of any dividends, you should consult your own tax adviser.

Supplementary information

Alternative Performance Measures ("APMs")

We assess our financial performance using a variety of measures including APMs, as explained further on pages 17 to 19. These measures are indicated with an asterisk: *.

For the year ended 31 December 2025

1. Key financial data

2025 gross flows, net flows & AuMA (£bn), unaudited	AuMA as at 31 December 2024	Gross flows (£m)	Net flows (£m)	AuMA as at 31 December 2025	Of which managed by Quilter AuM as at 31 December 2025
AFFLUENT SEGMENT					
Quilter channel[1,2]	19.1	4,438	2,803	21.4	17.5
IFA channel on Quilter Investment Platform	67.5	12,311	5,832	83.8	17.0
Funds via third-party platform	1.9	532	(132)	2.4	2.4
Total Affluent segment core business	**88.5**	**17,281**	**8,503**	**107.6**	**36.9**
Total High Net Worth segment[3]	**29.5**	**2,969**	**686**	**32.5**	**32.5**
Inter-Segment Dual Assets[4]	**(1.7)**	**(231)**	**(91)**	**(1.8)**	**(0.4)**
Quilter plc core business	**116.3**	**20,019**	**9,098**	**138.3**	**69.0**
Non-core	**3.1**	**77**	**(371)**	**2.9**	**1.6**
Quilter plc reported	**119.4**	**20,096**	**8,727**	**141.2**	**70.6**
Affluent AuMA breakdown (incl. Non-core):					
Affluent administered only	60.2	10,969	5,772	72.0	
Affluent managed and administered	25.2	5,477	2,934	32.6	
Quilter Platform Sub-Total[5]	***85.4***	***16,446***	***8,706***	***104.6***	
Affluent external platform	6.2	912	(574)	5.9	
Affluent Total (Including Non-core)	**91.6**	**17,358**	**8,132**	**110.5**	

[1] Quilter channel year to date Platform discrete gross flows and net inflows were £4,127m and £2,993m respectively, with closing AuMA of £19.5bn.
[2] Where a Quilter channel firm leaves the Quilter network, their balances remain in the opening Quilter channel assets but their closing assets and flows are reclassified as IFA channel from the point of transfer.
[3] The High Net Worth segment year to date Quilter channel gross flows and net inflows were £718m and £533m respectively, with closing AuM of £4.3bn.
[4] Inter-segment dual assets reflect funds managed by Quilter Cheviot and administered by Quilter Investors and the Quilter Cheviot managed portfolio service solutions available to advisers on the Quilter Investment Platform. This is excluded from total AuMA to ensure no double count takes place.
[5] The Quilter Platform includes £8m of gross flows, £119m of net outflows and £1.3bn of closing AuA related to non-core assets.

2024 gross flows, net flows & AuMA (£bn), unaudited	AuMA as at 31 December 2023	Gross flows (£m)	Net flows (£m)	AuMA as at 31 December 2024	Of which managed by Quilter AuM as at 31 December 2024
AFFLUENT SEGMENT					
Quilter channel[1]	17.2	4,105	2,293	19.1	15.2
IFA channel on Quilter Investment Platform	58.7	8,801	3,040	67.5	12.4
Funds via third-party platform	1.6	401	(400)	1.9	1.9
Total Affluent segment core business	**77.5**	**13,307**	**4,933**	**88.5**	**29.5**
Total High Net Worth segment[2]	**27.0**	**3,116**	**599**	**29.5**	**29.5**
Inter-Segment Dual Assets[3]	**(1.1)**	**(447)**	**(332)**	**(1.7)**	**(0.5)**
Quilter plc core business	**103.4**	**15,976**	**5,200**	**116.3**	**58.5**
Non-core	**3.3**	**68**	**(441)**	**3.1**	**1.9**
Quilter plc reported	**106.7**	**16,044**	**4,759**	**119.4**	**60.4**
Affluent AuMA breakdown (incl. Non-core):					
Affluent administered only	53.2	7,974	3,272	60.2	
Affluent managed and administered	20.6	4,454	2,314	25.2	
Quilter Platform Sub-Total[4]	***73.8***	***12,428***	***5,586***	***85.4***	
Affluent external platform	7.0	947	(1,094)	6.2	
Affluent Total (Including Non-core)	**80.8**	**13,375**	**4,492**	**91.6**	

[1] Quilter channel year to date Platform gross flows and net inflows were £3,615m and £2,662m respectively, with closing AuMA of £16.7bn.
[2] The High Net Worth segment year to date Quilter channel gross flows and net inflows were £743m and £595m respectively, with closing AuM of £3.6bn.
[3] Inter-segment dual assets reflect funds managed by Quilter Cheviot and administered by Quilter Investors and the Quilter Cheviot managed portfolio service solutions available to advisers on the Quilter Investment Platform. This is excluded from total AuMA to ensure no double count takes place.
[4] The Quilter Platform includes £12m of gross flows, £116m of net outflows and £1.2bn of closing AuA related to non-core assets.

Estimated asset allocation (%) **Fund profile by investment type, unaudited**	**2025 Total customer AuMA**	2024 Total customer AuMA
Fixed interest	**25%**	**25%**
Equities	**66%**	**65%**
Cash	**4%**	**4%**
Property and alternatives	**5%**	**6%**
Total	**100%**	**100%**

1. Affluent

The following table presents certain key financial metrics utilised by management with respect to the business units of the Affluent segment, for the years indicated.

Key financial highlights	2025	2024	% change
Affluent Administered			
Net management fees (£m)*	216	196	10%
Other revenue (£m)*	4	5	(20)%
Investment revenue (£m)*	32	31	3%
Total net revenue (£m)*	**252**	232	9%
Net flows (£m)*	8,706	5,586	56%
Closing AuMA (£bn)*	104.6	85.4	22%
Average AuMA (£bn)*	93.8	79.8	18%
Revenue margin (bps)*	23	25	(2) bps
Asset retention (%)*	91%	91%	-
Affluent Managed			
Net management fees (£m)*	119	108	10%
Other revenue (£m)*	-	-	-
Investment revenue (£m)*	4	5	(20)%
Total net revenue (£m)*	**123**	113	9%
Net flows (£m)*	2,360	1,220	93%
Closing AuM (£bn)*	38.5	31.4	23%
Average AuM (£bn)*	34.4	29.6	16%
Revenue margin (bps)*	35	36	(1) bp
Asset retention (%)*	87%	85%	2 ppts
Advice (Quilter Financial Planning)			
Net management fees (£m)*	-	-	-
Other revenue (£m)*	73	73	-
Investment revenue (£m)*	7	6	17%
Total net revenue (£m)*	**80**	79	1%
RFPs (number)	1,394	1,373	2%

2. High Net Worth

The following table presents certain key financial metrics utilised by management with respect to the business units of the High Net Worth segment, for the years indicated.

Key financial highlights	2025	2024	% change
Quilter Cheviot			
Net management fees (£m)*	203	198	3%
Other revenue (£m)*	1	-	-
Investment revenue (£m)*	7	8	(13)%
Total net revenue (£m)*	**211**	206	2%
Net flows (£m)*	686	599	15%
Closing AuM (£bn)*	32.5	29.5	10%
Average AuM (£bn)*	30.5	28.3	8%
Revenue margin (bps)*	67	70	(3) bps
Asset retention (%)*	92%	91%	1 ppt
Discretionary Investment Managers (number)	182	176	3%
Advice (Quilter Cheviot Financial Planning)			
Net management fees (£m)*	-	-	-
Other revenue (£m)*	22	19	16%
Investment revenue (£m)*	-	1	-
Total net revenue (£m)*	**22**	20	10%
RFPs (number)	59	67	(12)%

Financial performance by segment

The following table presents a breakdown of financial performance by segment and Quilter plc for the years indicated.

Financial performance 2025 (£m)	**Affluent**	**High Net Worth**	**Head Office**	**Quilter plc**
Net management fee*[1]	335	203	-	538
Other revenue*[2]	77	23	-	100
Investment revenue*[2]	43	7	13	63
Total net revenue*	**455**	**233**	**13**	**701**
Operating expenses*	**(286)**	**(186)**	**(22)**	**(494)**
Adjusted profit before tax*	**169**	**47**	**(9)**	**207**
Tax				**(53)**
Adjusted profit after tax*				**154**
Operating margin (%)*	37%	20%		**30%**
Revenue margin (bps)*	34	67		**42**

Financial performance 2024 (£m)	Affluent	High Net Worth	Head Office	Quilter plc
Net management fee*[1]	304	198	-	502
Other revenue*[2]	78	19	-	97
Investment revenue*[2]	42	9	20	71
Total net revenue*	424	226	20	670
Operating expenses*	(276)	(178)	(20)	(474)
Adjusted profit before tax*	148	48	-	196
Tax				(48)
Adjusted profit after tax*				148
Operating margin (%)*	35%	21%		29%
Revenue margin (bps)*	35	70		44

[1]Net management fee includes the interest earned on customer holdings in Quilter Cheviot and Quilter Investment Platform.
[2]Interest income and expense on intercompany loans has been reclassified from Other revenue to Investment revenue, better reflecting the nature of the revenue.

Alternative Performance Measures

We assess our financial performance using a variety of alternative performance measures ("APMs"). APMs are not defined under IFRS, but we use them to provide further insight into the financial performance, financial position and cash flows of the Group and the way it is managed.

APMs should be read together with the Group's condensed consolidated financial statements, which include the Group's statement of comprehensive income, statement of financial position and statement of cash flows, which are presented on pages 22 to 25.

Further details of APMs used by the Group in its Financial review are provided below.

APM	Definition
Adjusted profit before tax	Adjusted profit before tax represents the Group's IFRS profit, adjusted for specific items that management consider to be outside of the Group's normal operations or one-off in nature, as detailed in note 5(a) in the condensed consolidated financial statements. The exclusion of certain adjusting items may result in adjusted profit before tax being materially higher or lower than the IFRS profit after tax. Adjusted profit before tax does not provide a complete picture of the Group's financial performance, which is disclosed in the IFRS consolidated statement of comprehensive income, but is instead intended to provide additional comparability and understanding of the financial results. A detailed reconciliation of the adjusted profit before tax metrics presented, and how these reconcile to IFRS, is provided on pages 8 and 9 of the Financial review. Adjusted profit before tax is referred to throughout the Chief Executive Officer's statement and Financial review, with comparison to the prior year explained on page 8. A reconciliation from each line of the Group's IFRS income and expenses to adjusted profit before tax is provided in note 5(c) in the condensed consolidated financial statements.
Adjusted profit after tax	Adjusted profit after tax represents the post-tax equivalent of the adjusted profit before tax measure, as defined above.
Revenue margin (bps)	Revenue margin represents net management fees, divided by average AuMA. Management use this APM as it represents the Group's ability to earn revenue from AuMA. Revenue margin by segment and for the Group is explained on page 7 of the Financial review.
Operating margin	Operating margin represents adjusted profit before tax divided by total net revenue. Management use this APM as this is an efficiency measure that reflects the percentage of total net revenue that becomes adjusted profit before tax. Operating margin is referred to in the Chief Executive Officer's statement and Financial review, with comparison to the prior year explained in the adjusted profit section on page 8.
Gross flows	Gross flows are the gross cash inflows received from customers during the year and represent our ability to increase AuMA and revenue. Gross flows are referred to in the Financial review on pages 6 and 7 and disclosed by segment in the supplementary information on pages 13 to 15.
Net flows	Net flows are the difference between money received from and returned to customers during the relevant year for the Group or for the business indicated. This measure is a lead indicator of total net revenue. Net flows is referred to throughout this document, with a separate section in the Financial review on pages 6 and 7 and is presented by business and segment in the supplementary information on pages 13 to 15.
Assets under Management and Administration ("AuMA")	AuMA represents the total market value of all financial assets managed and administered on behalf of customers.

	AuMA is referred to throughout this document, with a separate section in the Financial review on page 7 and is presented by business and segment in the supplementary information on pages 13 to 15.
Non-core AuMA	Non-core AuMA and associated gross and net flows represents assets managed on behalf of businesses we have sold together with some legacy funds which are in run-off and remain in outflow.
Average AuMA	Average AuMA represents the average total market value of all financial assets managed and administered on behalf of customers. Average AuMA is calculated using a 7-point average (half year) and 13-point average (full year) of monthly closing AuMA.
Total net revenue	Total net revenue represents revenue earned from net management fees, investment revenue and other revenue listed below and is a key input into the Group's operating margin. Further information on total net revenue is provided on pages 7 and 8 of the Financial review and note 5(c) in the condensed consolidated financial statements.
Net management fees	Net management fees consist of revenue generated from AuMA, fixed fee revenues including charges for policyholder tax contributions, interest earned on customer holdings, less trail commissions payable. Net management fees are presented net of trail commission payable as trail commission is a variable cost directly linked to revenue, which is a treatment and presentation commonly used across our industry. Net management fees are a part of total net revenue and is a key input into the Group's operating margin. Further information on net management fees is provided on page 7 in the Financial review and note 5(c) in the condensed consolidated financial statements.
Other revenue	Other revenue represents revenue not directly linked to AuMA (e.g. encashment charges, closed book unit-linked policies, adviser initial fees and adviser fees linked to AuMA in Quilter Financial Planning (recurring fees)). Other revenue is a part of total net revenue, which is included in the calculation of the Group's operating margin. Further information on other revenue is provided on page 7 in the Financial review and note 5(c) in the condensed consolidated financial statements.
Investment revenue	Investment revenue includes interest on shareholder cash balances (including cash at bank and money market funds). Further information on investment revenue is provided on page 8 in the Financial review and note 5(c) in the condensed consolidated financial statements.
Operating expenses	Operating expenses represent the costs for the Group, which are incurred to earn total net revenue and excludes the impact of specific items that management considers to be outside of the Group's normal operations or one-off in nature. Operating expenses are included in the calculation of adjusted profit before tax and impact the Group's operating margin. A reconciliation of operating expenses to the applicable IFRS line items is included in note 5(c) to the condensed consolidated financial statements, and the adjusting items excluded from operating expenses are explained in note 5(b). Operating expenses are explained on page 8 of the Financial review.
Asset retention	The asset retention rate measures our ability to retain assets from delivering good customer outcomes and investment performance. Asset retention reflects the gross outflows of the AuMA during the year as a percentage of opening AuMA. Asset retention is calculated as: 1 - (gross outflow divided by opening AuMA). Asset retention is provided for the Group's core business on page 6, and by segment on page 7.
Net inflows/opening AuMA	This measure is calculated as net flows (as described above) divided by opening AuMA presented as a percentage.

	This metric is provided on page 6.
Quilter channel gross sales per Quilter Adviser	This measure represents the value created by our Quilter distribution channel and is an indicator of the success of our multi-channel business model. The measure is calculated as gross flows generated by the Quilter channel through the Quilter Investment Platform, Quilter Investors or Quilter Cheviot per average Restricted Financial Planner in both segments. This metric is provided on page 6.
Return on Equity ("RoE")	Return on equity calculates how many pounds of profit the Group generates with each pound of shareholder equity. This measure is calculated as adjusted profit after tax divided by average equity. Equity is adjusted for the impact of discontinued operations, if applicable. Return on equity is provided on page 6.
Adjusted diluted earnings per share	Adjusted diluted earnings per share is calculated as adjusted profit after tax divided by the diluted weighted average number of shares. A view of adjusted diluted earnings per share and the calculation of all EPS metrics, is shown in note 8 to the condensed consolidated financial statements.
Headline earnings per share	The Group is required to calculate headline earnings per share in accordance with the Johannesburg Stock Exchange Listing Requirements, determined by reference to the South African Institute of Chartered Accountants' circular 1/2023 *Headline Earnings*. This is calculated on a basic and diluted basis. For details of the calculation, refer to note 8 of the condensed consolidated financial statements.
Dividend pay-out ratio	The dividend pay-out ratio is an indicator of the total amount of dividends paid to shareholders in relation to the Group's profits expressed as a percentage. It is calculated by dividing the recommended total dividend (in £ millions) by the post-tax, post-interest adjusted profit (in £ millions).

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Statement of Directors' responsibilities

in respect of the preliminary announcement of the Annual Report and the financial statements

The Directors confirm that, to the best of their knowledge:

- The results in this preliminary announcement have been taken from the Group's 2025 Annual Report, which will be available on the Company's website on 17 March 2026; and
- The financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group

Signed on behalf of the Board

Steven Levin	Mark Satchel
Chief Executive Officer	Chief Financial Officer

4 March 2026

Consolidated statement of comprehensive income

For the year ended 31 December 2025

	Notes	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Income			
Fee income and other income from service activities		**733**	544
Investment return		**8,607**	4,877
Other income		**24**	28
Total income		**9,364**	5,449
Expenses			
Investment contract claims benefits		**(1)**	-
Change in investment contract liabilities	15	**(7,145)**	(4,065)
Fee and commission expenses and other acquisition costs		**(51)**	(49)
Change in third-party interests in consolidated funds		**(1,223)**	(587)
Other operating and administrative expenses		**(600)**	(691)
Finance costs		**(21)**	(21)
Total expenses		**(9,041)**	(5,413)
Impairment of investments in associates		**-**	(1)
Share of profit after tax of associates		**1**	-
Profit before tax		**324**	35
Income tax expense attributable to policyholder returns	7(a)	**(161)**	(95)
Profit/(loss) before tax attributable to shareholder returns		**163**	(60)
Income tax expense	7(a)	**(204)**	(69)
Less: income tax expense attributable to policyholder returns		**161**	95
Income tax (expense)/credit attributable to shareholder returns	7(a)	**(43)**	26
Profit/(loss) after tax attributable to the owners of the Company		**120**	(34)
Other comprehensive income/(expense)			
Items that may be reclassified subsequently to profit or loss			
Exchange gains/(losses) on translation of foreign operations		**1**	(1)
Total comprehensive income		**121**	(35)
Earnings per Ordinary Share			
Basic earnings per Ordinary Share (pence)	8	**8.9**	(2.5)
Diluted earnings per Ordinary Share (pence)	8	**8.6**	(2.5)

All income and expenses relate to continuing operations.

Consolidated statement of financial position

At 31 December 2025

	Notes	31 December 2025	31 December 2024
			£m
Assets			
Goodwill and intangible assets	9	**328**	339
Property, plant and equipment		**86**	91
Investment property		**8**	9
Investments in associates		**21**	16
Contract costs		**31**	24
Loans and advances		**44**	56
Financial investments	10	**73,362**	59,360
Deferred tax assets		**88**	115
Current tax receivable		**-**	45
Trade, other receivables and other assets		**398**	418
Derivative assets		**24**	26
Cash and cash equivalents	13	**2,152**	1,949
Total assets		**76,542**	62,448
Equity and liabilities			
Equity			
Ordinary Share capital	14	**115**	115
Ordinary Share premium reserve		**58**	58
Capital redemption reserve		**346**	346
Share-based payments reserve		**40**	42
Other reserves		**-**	(1)
Retained earnings		**907**	863
Total equity		**1,466**	1,423
Liabilities			
Investment contract liabilities	15	**64,493**	51,758
Third-party interests in consolidated funds		**9,394**	8,225
Provisions	16	**63**	111
Deferred tax liabilities		**180**	96
Current tax payable		**2**	1
Borrowings and lease liabilities		**271**	275
Trade, other payables and other liabilities		**649**	506
Derivative liabilities		**24**	53
Total liabilities		**75,076**	61,025
Total equity and liabilities		**76,542**	62,448

Approved by the Board of Directors and authorised for issue on 4 March 2026 and signed on its behalf by:

Steven Levin
Chief Executive Officer

Mark Satchel
Chief Financial Officer

Consolidated statement of changes in equity

For the year ended 31 December 2025

Year ended 31 December 2025	Ordinary Share capital	Ordinary Share premium reserve	Capital redemption reserve[2]	Share-based payments reserve	Other reserves	Retained earnings	Total share-holders' equity
							£m
Balance at 1 January 2025	**115**	**58**	**346**	**42**	**(1)**	**863**	**1,423**
Profit after tax attributable to the owners of the Company	**-**	**-**	**-**	**-**	**-**	**120**	**120**
Other comprehensive income	**-**	**-**	**-**	**-**	**1**	**-**	**1**
Total comprehensive income	**-**	**-**	**-**	**-**	**1**	**120**	**121**
Dividends	**-**	**-**	**-**	**-**	**-**	**(84)**	**(84)**
Movement in own shares[3]	**-**	**-**	**-**	**-**	**-**	**(13)**	**(13)**
Equity-settled share-based payment transactions	**-**	**-**	**-**	**(5)**	**-**	**18**	**13**
Aggregate tax effects of items recognised directly in equity	**-**	**-**	**-**	**3**	**-**	**3**	**6**
Total transactions with the owners of the Company	**-**	**-**	**-**	**(2)**	**-**	**(76)**	**(78)**
Balance at 31 December 2025	**115**	**58**	**346**	**40**	**-**	**907**	**1,466**

Year ended 31 December 2024	Ordinary Share capital	Ordinary Share premium reserve	Capital redemption reserve[2]	Share-based payments reserve	Other reserves	Retained earnings	Total share-holders' equity
							£m
Balance at 1 January 2024	115	58	346	42	-	958	1,519
Loss after tax attributable to the owners of the Company	-	-	-	-	-	(34)	(34)
Other comprehensive expense	-	-	-	-	(1)	-	(1)
Total comprehensive income	-	-	-	-	(1)	(34)	(35)
Dividends	-	-	-	-	-	(73)	(73)
Exchange rate movements (ZAR/GBP)[1]	-	-	-	-	-	(1)	(1)
Movement in own shares[3]	-	-	-	-	-	(6)	(6)
Equity-settled share-based payment transactions	-	-	-	(4)	-	18	14
Aggregate tax effects of items recognised directly in equity	-	-	-	4	-	1	5
Total transactions with the owners of the Company	-	-	-	-	-	(61)	(61)
Balance at 31 December 2024	115	58	346	42	(1)	863	1,423

[1]For shares registered on the Johannesburg Stock Exchange, the amounts of proposed dividends are set in South African Rand on the relevant Market Announcement date which is prior to the date of payment. The impact of exchange rate movements between these dates is recognised directly in equity. The Group held cash in South African Rand equal to the expected cash outflows and therefore was economically hedged for these payments. Refer to note 5(b)(vi) for further details.
[2]The Capital redemption reserve is comprised of the nominal value of shares cancelled or shares redeemed under share buyback and capital return programmes.
[3]The number of own shares held by Quilter's employee benefit trusts is disclosed in note 8(a).

Consolidated statement of cash flows

For the year ended 31 December 2025

The cash flows presented in this statement cover all the Group's activities and include flows from both policyholder and shareholder activities. All cash and cash equivalents are available for general use by the Group for the purposes of the disclosures required under IAS 7 Statement of Cash Flows except for cash and cash equivalents in consolidated funds (as shown in note 13).

	Note	**Year ended 31 December 2025** £m	Year ended 31 December 2024 £m
Cash flows from operating activities			
Cash flows from operating activities		**6,239**	4,654
Taxation paid		**(43)**	(69)
Total net cash flows from operating activities	13(b)	**6,196**	4,585
Cash flows from investing activities			
Net purchases and sales of financial investments excluding fixed-term deposits		**(5,810)**	(4,360)
Investment in fixed-term deposits		**(50)**	-
Purchase of property, plant and equipment		**(4)**	(8)
Acquisition of subsidiaries		**(2)**	(6)
Acquisition of shares in associates		**(4)**	(14)
Total net cash flows from investing activities		**(5,870)**	(4,388)
Cash flows from financing activities			
Dividends paid to the owners of the Company		**(84)**	(73)
Exchange rate movements passed to shareholders[1]		**-**	(1)
Quilter plc shares acquired for use within the Group's employee share schemes		**(13)**	(6)
Finance costs on borrowings[2]		**(17)**	(18)
Payment of interest on lease liabilities[2]		**(2)**	(2)
Payment of principal of lease liabilities		**(7)**	(8)
Total net cash flows from financing activities		**(123)**	(108)
Net increase in cash and cash equivalents		**203**	89
Cash and cash equivalents at the beginning of the year		**1,949**	1,859
Effect of exchange rate changes on cash and cash equivalents		**-**	1
Cash and cash equivalents at the end of the year		**2,152**	1,949

[1]The exchange rate movements passed to shareholders relate to foreign exchange gains or losses that have arisen on dividend payments to JSE shareholders. Further details are included within the consolidated statement of changes in equity.
[2]The total interest paid of £19 million (2024: £20 million) includes finance costs on borrowings and payment of interest on lease liabilities.

Notes to the condensed consolidated financial statements

For the year ended 31 December 2025

General information

Quilter plc (the "Company", the "Parent Company"), a public limited company incorporated in England and Wales and domiciled in the United Kingdom ("UK"), together with its subsidiaries (collectively, the "Group") offers investment and wealth management services, long-term savings and financial advice primarily in the UK. Quilter plc is listed with a primary listing on the London Stock Exchange ("LSE") and a secondary listing on the Johannesburg Stock Exchange ("JSE").

The Company's registration number is 06404270. The address of the registered office is Senator House, 85 Queen Victoria Street, London, EC4V 4AB.

1: Basis of preparation

The results in this preliminary announcement have been taken from the Group's 2025 Annual report which will be available on the Company's website on 17 March 2026. These condensed consolidated financial statements of Quilter plc for the year ended 31 December 2025 have been prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

These condensed consolidated financial statements have been prepared on a historical cost basis, except for the revaluation of certain financial instruments which are held at fair value, and are presented in pounds sterling, which is the currency of the primary economic environment in which the Group operates.

Going concern

The Directors have considered the resilience of the Group, its current financial position, the principal risks facing the business and the effectiveness of any mitigating strategies which are or could be applied. This included an assessment of capital and liquidity over a three-year business planning period covering 2026 to 2028. This assessment incorporated a number of stress tests covering a broad range of severe but plausible adverse scenarios, including economic and market shocks of up to 40% falls in equity markets, mass lapse events, new business growth scenarios and severe business interruption, equivalent to one in every 50 and one in every 200-year events. As part of the going concern assessment, the Group took into consideration the current position of the UK and global economy. The Group also considered how climate-related risks and opportunities affect operations, investment activities, advice and distribution, and their impact on specific projects and initiatives, estimates and judgements. Based on the assessment, the Directors believe that both the Group and Quilter plc have sufficient financial resources to continue in business for a period of at least 12 months from the date of approval of these financial statements and continue to adopt the going concern basis in preparing the Group and Parent Company financial statements. Further information is contained in the viability statement and going concern section of the Annual Report.

Liquidity analysis of the statement of financial position

The Group's statement of financial position is in order of liquidity. For each asset and liability line item, those amounts expected to be recovered or settled more than 12 months after the reporting date are disclosed separately in the notes to the condensed consolidated financial statements.

Critical accounting estimates and judgements

The preparation of financial statements requires management to exercise judgement in applying the Group's material accounting policies and make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements. The Board Audit Committee reviews these areas of judgement and estimates, and the appropriateness of material accounting policies adopted in the preparation of these financial statements.

The Group's critical accounting judgements and estimates are detailed below:

Critical accounting judgements

The Group's critical accounting judgements are those made when applying its material accounting policies and that have the greatest effect on the net profit and net assets recognised in the Group's financial statements. There are no critical accounting judgements that have a significant impact on these financial statements.

Critical accounting estimates

The Group's critical accounting estimates involve the most complex or subjective assessments and assumptions, which have a significant risk of resulting in material adjustment to the net carrying amounts of assets and liabilities until those amounts are settled. Management uses its knowledge of current facts and circumstances and applies estimation and assumption setting techniques, that are aligned with relevant actuarial and accounting standards and guidance, to make predictions about future actions and events. Actual results may differ materially from those estimates.

Ongoing Advice Review

As previously announced in March 2024, the Group committed to undertake a review of historical data and practices across the Appointed Representative firms in the Quilter Financial Planning network in relation to the provision of ongoing advice. Following discussion with the FCA, a Skilled Person was appointed in June 2024 to assess and provide a view to the FCA on whether the delivery of ongoing advice services by Appointed Representative firms in the Quilter Financial Planning network had been compliant with applicable regulatory requirements during the period from 1 January 2017 to 31 December 2023. Based on the results of the Skilled Person Review, together with other evidence available at the time the Group's 2024 financial statements were approved, the Group recognised a provision for a reasonable estimate of the costs of a customer remediation exercise at 31 December 2024, including both redress and administrative costs. This was based upon assumptions at the time as to a plausible customer remediation approach that may be followed.

The Skilled Person Review was finalised, and the final report submitted to the FCA during the first half of 2025, with no major differences in results noted from those used to recognise a provision at 31 December 2024. Accordingly, a Customer Remediation Strategy in relation to ongoing advice was developed by the Group, in consultation with management's external experts and remains ongoing. The remediation exercise is risk-based and will consider cases where the customer has been charged for ongoing advice services, and the adviser is unable to satisfactorily evidence the provision of those services. The remediation exercise will involve the population of customers who are at the highest likelihood of having not received the expected level of service from their adviser, based upon the results of the Skilled Person Review, together with other evidence available. The Group has revised the estimated costs from the costs previously recognised within the provision. The value of the provision at 31 December 2025 takes account of the latest estimates for:

- refunds of fees previously charged for the population of customers included within the review;
- interest payable, which has been updated to align to the latest Financial Ombudsmen Service interest payment policy; and
- the costs of carrying out the remediation exercise.

1: Basis of preparation *continued*

Further information on the provision including information about the assumptions made and the uncertainties arising is contained in note 16.

The significant estimates in the calculation of the provision are:

- extrapolation of the proportion of the sample where satisfactory evidence of servicing was not found following an initial internal review, to the entire population of ongoing advice customers;
- response rate for customers invited to engage in the remediation exercise; and
- administrative costs to perform the remediation exercise, including costs associated with customer engagement and case reviews, which have been determined based upon experience from the project to date, and assumptions on the time period to complete the review process.

2: New standards, amendments to standards, and interpretations adopted by the Group

The amendments to accounting standards in the table below became applicable for the current reporting period, with no material impact on the Group's results, financial position or disclosures.

Adopted by the Group from	Amendments to standards
1 January 2025	Amendments to IAS 21 Lack of Exchangeability

3: Significant changes in the year

Except for the matters disclosed in the notes to these condensed consolidated financial statements there are no significant changes in the current reporting period to be disclosed.

4: Business combinations, acquisitions and disposals

Acquisitions

The Group made two acquisitions during the year to 31 December 2025.

MediFintech Ltd, 1 April 2025

On 1 April 2025, Quilter acquired 100% of the share capital of MediFintech Ltd, a company that provides detailed NHS pension reports, technical support and analysis to NHS pension members, for a total consideration of £5 million. £2 million was paid on acquisition and a further estimated £3 million is deferred consideration payable in stages on the first, second, third and fourth anniversary dates post completion dependent on business performance. The Group has carried out an assessment of control and concluded that it has control of this entity and accordingly MediFintech Ltd's results are included in the Group's financial statements from 1 April 2025.

Digby Associates Limited, 3 April 2025

On 3 April 2025, the Group acquired 30% of the share capital of Digby Associates Limited for £3 million. The Group has carried out an assessment of control and influence and concluded that it has significant influence but not control of this entity. It therefore accounts for the holding as an investment in associate and accounts for its share of the post-tax profits or losses of Digby Associates Limited using the equity method of accounting. Subject to certain terms being met, the Group intends to acquire the remaining share capital of Digby Associates Limited in 2027.

Acquisitions in the prior year

There were two acquisitions during the year ended 31 December 2024. On 5 September 2024, Quilter acquired 100% of the share capital of Quilter Invest Limited (formerly NuWealth Limited) for a total consideration of £6 million. On 29 October 2024, the Group acquired 35% of the share capital of Beals Mortgage and Financial Services Limited, and 9.4% of the share capital of its subsidiary, Clinton Kennard Associates Ltd.

Disposals

There were no material disposals of businesses during the current year or the prior year.

Notes to the condensed consolidated financial statements

For the year ended 31 December 2025

5: Alternative performance measures

5(a): Adjusted profit before tax and reconciliation to profit after tax

Basis of preparation of adjusted profit before tax

Adjusted profit before tax is one of the Group's alternative performance measures ("APMs") and represents the Group's IFRS results, adjusted for specific items that management considers to be outside of the Group's normal operations or one-off in nature, as detailed in note 5(b). Adjusted profit before tax does not provide a complete picture of the Group's financial performance, which is disclosed in the consolidated statement of comprehensive income, but is instead intended to provide additional comparability and understanding of the financial results.

	Notes	**Year ended 31 December 2025** £m	Year ended 31 December 2024 £m
Affluent		**169**	148
High Net Worth		**47**	48
Head Office		**(9)**	-
Adjusted profit before tax	6(b)	**207**	196
Adjusting items:			
Impact of acquisition and disposal-related accounting	5(b)(i)	**(17)**	(40)
Business transformation costs	5(b)(ii)	**(31)**	(26)
Skilled Person Review	5(b)(iii)	**-**	(10)
Customer remediation exercise	5(b)(iv)	**20**	(76)
Other customer remediation	5(b)(v)	**-**	3
Exchange rate movements (ZAR/GBP)	5(b)(vi)	**-**	1
Policyholder tax adjustments	5(b)(vii)	**2**	(90)
Finance costs	5(b)(viii)	**(18)**	(18)
Total adjusting items before tax		**(44)**	(256)
Profit/(loss) before tax attributable to shareholder returns		**163**	(60)
Income tax attributable to policyholder returns	7	**161**	95
IFRS profit before tax		**324**	35
Income tax expense	7	**(204)**	(69)
IFRS profit/(loss) after tax		**120**	(34)

5(b): Adjusting items

The adjustments made to the Group's IFRS profit before tax to calculate adjusted profit before tax are detailed below.

5(b)(i): Impact of acquisition and disposal-related accounting

The Group excludes any impairment of goodwill from adjusted profit as well as the amortisation and impairment of acquired intangible assets, finance costs related to the discounting of contingent consideration and incidental items relating to past disposals.

The effect of these adjustments to determine adjusted profit are summarised below.

	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
Amortisation of acquired intangible assets	**14**	38
Amortisation of acquired adviser schemes	**3**	2
Total impact of acquisition and disposal-related accounting	**17**	40

5: Alternative performance measures *continued*

5(b): Adjusting items *continued*

5(b)(ii): Business transformation costs

In 2025, business transformation costs totalled £31 million (2024: £26 million), the principal components of which are described below:

Business Simplification costs – 2025: £30 million, 2024: £24 million

During 2025, the Group achieved its target to deliver £50 million of annualised cost savings as part of the Business Simplification programme. Further modest implementation costs are expected during 2026 to complete the Advice and Wealth Transformation Programmes and for the final closure costs for Business Simplification.

Investment in business costs – 2025: £1 million, 2024: £2 million

Investment in business costs of £1 million (2024: £2 million) were incurred as the Group continues to enable and support advisers and customers and improve productivity through better utilisation of technology. This cost was excluded from adjusted profit as management considered it to be outside of the Group's normal operations and one-off in nature.

5(b)(iii): Skilled Person Review

During 2025, there were no Skilled Person Review costs (2024: £10 million). Prior year costs included external costs and direct costs of internal resources to support and perform the Skilled Person Review of historical data and practices across the Quilter Financial Planning network of Appointed Representative firms. This cost was excluded from adjusted profit as management considered it to be outside of the Group's normal operations and one-off in nature.

5(b)(iv): Customer remediation exercise

For 2025, a customer remediation credit has been recognised of £20 million (2024: cost of £76 million). The current year credit represents a £22 million reduction in the customer remediation exercise provision due to changes made to reflect current view of expected experience, partially offset by a cost of £2 million for the unwinding of discounting. The assumptions used to determine the value of the customer remediation provision include the proportion of customers within the scope of the review and the interest rates on redress payable which are aligned to the updated Financial Ombudsmen Service policy. Both of these have resulted in a decrease of the total amount of costs that are anticipated to be incurred as part of the customer remediation exercise. The unwinding of discounting reflects the passage of time since 31 December 2024 when calculating the present value of future costs for the purposes of determining the value of the provision as at 31 December 2025. See note 16 for further detail. Charges and credits relating to the customer remediation exercise are excluded from adjusted profit as management considers the exercise to be outside of the Group's normal operations and one-off in nature.

5(b)(v): Other customer remediation

Lighthouse pension transfer advice provision – 2025: £nil, 2024: £3 million credit

For 2024, a credit of £3 million related to a non-British Steel Pension Scheme redress provision release as a result of the changes in assumptions used to perform the calculations and market movements of the pension scheme values during 2024. For 2025, there were no movements on this provision that impacted adjusted profit. Further details of the provision are provided in note 16.

5(b)(vi): Exchange rate movements (ZAR/GBP)

During 2025, there was no income or cost recognised (2024: £1 million income) due to foreign exchange movements on cash held in South African Rand in preparation for payments of dividends to shareholders. Cash was converted to South African Rand upon announcement of the dividend payments to provide an economic hedge for the Group. The foreign exchange movements in 2024 were fully offset by an equal amount taken directly to retained earnings.

5(b)(vii): Policyholder tax adjustments

For 2025, the total amount of policyholder tax adjustments to adjusted profit is a charge of £2 million (2024: £90 million credit). Adjustments to policyholder tax are made to remove distortions due to the recognition of the income received from policyholders to fund the policyholder tax liability (which is included within the Group's income) which may vary in timing to the recognition of the corresponding tax expense, creating volatility in the Group's IFRS profit or loss before tax.

The Group made changes to the unit pricing policy relating to policyholder tax charges in 2024. As expected, this has significantly reduced the volatility in these timing differences, and in turn, the value of the policyholder tax adjustments in 2025.

5(b)(viii): Finance costs

The nature of much of the Group's operations means that, for management's decision-making and internal performance management, the effects of interest costs on subordinated debt are removed when calculating adjusted profit. For 2025, finance costs were £18 million (2024: £18 million).

Notes to the condensed consolidated financial statements

For the year ended 31 December 2025

5: Alternative performance measures *continued*

5(c): Reconciliation of IFRS income and expenses to "Total net revenue" and "Operating expenses" within adjusted profit

This reconciliation shows how each line of the Group's IFRS income and expenses are allocated to the Group's APMs: Net management fees, Other revenue, Investment revenue, Total net revenue and Operating expenses, which are all defined on page 18 and form the Group's adjusted profit before tax. The total column in the table below, down to "Profit before tax attributable to shareholder returns", reconciles to each line of the consolidated statement of comprehensive income. Allocations are determined by management and aim to show the Group's sources of profit (net of relevant directly attributable expenses). These allocations remain consistent from year to year to ensure comparability, unless otherwise stated.

								£m
Year ended 31 December 2025	**Net mgmt. fees[1]**	**Other revenue[1]**	**Investment revenue[1]**	**Total net revenue[1]**	**Operating expenses[1]**	**Adjusted profit before tax**	**Consol. of funds[2]**	**Total**
Income								
Fee income and other income from service activities	739	92	-	831	-	831	(98)	733
Investment return[3]	49	7,120	73	7,242	2	7,244	1,363	8,607
Other income	-	1	-	1	20	21	3	24
Total income	788	7,213	73	8,074	22	8,096	1,268	9,364
Expenses								
Investment contract claims benefits	-	(1)	-	(1)	-	(1)	-	(1)
Change in investment contract liabilities[3]	(19)	(7,116)	(10)	(7,145)	-	(7,145)	-	(7,145)
Fee and commission expenses and other acquisition costs	(52)	3	-	(49)	(2)	(51)	-	(51)
Change in third-party interests in consolidated funds	-	-	-	-	-	-	(1,223)	(1,223)
Other operating and administrative expenses	(16)	-	-	(16)	(539)	(555)	(45)	(600)
Finance costs	-	-	-	-	(21)	(21)	-	(21)
Total expenses	(87)	(7,114)	(10)	(7,211)	(562)	(7,773)	(1,268)	(9,041)
Share of profit after tax of associates	-	1	-	1	-	1	-	1
Profit before tax	701	100	63	864	(540)	324	-	324
Income tax expense attributable to policyholder returns	(161)	-	-	(161)	-	(161)	-	(161)
Profit before tax attributable to shareholder returns	540	100	63	703	(540)	163	-	163
Adjusting items:								
Impact of acquisition and disposal-related accounting	-	-	-	-	17	17		
Business transformation costs	-	-	-	-	31	31		
Customer remediation exercise	-	-	-	-	(20)	(20)		
Policyholder tax adjustments	(2)	-	-	(2)	-	(2)		
Finance costs	-	-	-	-	18	18		
Adjusting items	(2)	-	-	(2)	46	44		
Adjusted profit before tax	538	100	63	701	(494)	207		

[1]The APMs "Net management fees", "Other revenue", "Investment revenue", "Total net revenue" and "Operating expenses" are commented on within the Financial review.
[2]Consolidation of funds shows the grossing up impact to the Group's profit or loss as a result of the consolidation of funds requirements. This grossing up is excluded from the Group's adjusted profit.
[3]Reported within net management fees, investment return of £49 million represents £28 million interest income on investments held for the benefit of policyholders and £21 million net interest income on client money balances. Change in investment contract liabilities of £19 million represents the amount of interest income paid to policyholders. The net balance of £30 million represents interest income on customer balances retained by the Group for 2025. The £73 million investment return less £10 million change in investment contract liabilities paid to customers on transactional cash balances, as reported within investment revenue, represents £63 million of net interest income on shareholder cash and cash equivalents.

5: Alternative performance measures *continued*

5(c): Reconciliation of IFRS income and expenses to "Total net revenue" and "Operating expenses" within adjusted profit *continued*

Year ended 31 December 2024	Net mgmt. fees[1]	Other revenue[1]	Investment revenue[1]	Total net revenue[1]	Operating expenses[1]	Adjusted profit before tax	Consol. of funds[2]	Total
								£m
Income								
Fee income and other income from service activities	541	87	-	628	-	628	(84)	544
Investment return[3]	57	4,037	78	4,172	-	4,172	705	4,877
Other income	-	3	-	3	21	24	4	28
Total income	598	4,127	78	4,803	21	4,824	625	5,449
Expenses								
Change in investment contract liabilities[3]	(26)	(4,032)	(7)	(4,065)	-	(4,065)	-	(4,065)
Fee and commission expenses, and other acquisition costs	(50)	3	-	(47)	(1)	(48)	(1)	(49)
Change in third-party interests in consolidated funds	-	-	-	-	-	-	(587)	(587)
Other operating and administrative expenses	(15)	-	-	(15)	(639)	(654)	(37)	(691)
Finance costs	-	-	-	-	(21)	(21)	-	(21)
Total expenses	(91)	(4,029)	(7)	(4,127)	(661)	(4,788)	(625)	(5,413)
Impairment of investments in associates	-	-	-	-	(1)	(1)	-	(1)
Profit before tax	507	98	71	676	(641)	35	-	35
Income tax expense attributable to policyholder returns	(95)	-	-	(95)	-	(95)	-	(95)
Loss before tax attributable to shareholder returns	412	98	71	581	(641)	(60)	-	(60)
Adjusting items:								
Impact of acquisition and disposal-related accounting	-	-	-	-	40	40		
Business transformation costs	-	-	-	-	26	26		
Skilled Person Review	-	-	-	-	10	10		
Customer remediation exercise	-	-	-	-	76	76		
Other customer remediation	-	-	-	-	(3)	(3)		
Exchange rate movements (ZAR/GBP)	-	(1)	-	(1)	-	(1)		
Policyholder tax adjustments	90	-	-	90	-	90		
Finance costs	-	-	-	-	18	18		
Adjusting items	90	(1)	-	89	167	256		
Adjusted profit before tax	502	97	71	670	(474)	196		

[1]The APMs "Net management fees", "Other revenue", "Investment revenue", "Total net revenue" and "Operating expenses" are commented on within the Financial review.
[2]Consolidation of funds shows the grossing up impact to the Group's profit or loss as a result of the consolidation of funds requirements. This grossing up is excluded from the Group's adjusted profit.
[3]Reported within net management fees, investment return of £57 million represents £36 million interest income on investments held for the benefit of policyholders and £21 million net interest income on client money balances. Change in investment contract liabilities of £26 million represents the amount of interest income paid to policyholders. The net balance of £31 million represents interest income on customer balances retained by the Group for 2024. The £78 million investment return less £7 million change in investment contract liabilities paid to customers on transactional cash balances, as reported within investment revenue, represents £71 million of net interest income on shareholder cash and cash equivalents.

6: Segment information

6(a): Segment presentation

The Group has two operating segments: High Net Worth and Affluent. The segments used for reporting purposes are consistent with the structure and management of the Group. Head Office includes certain revenues and central costs that are not allocated to the segments.

Adjusted profit before tax is an APM reported to the Group's management and the Board of Quilter plc. The segment information in this note reflects the adjusted and IFRS profit measures for each operating segment as provided to management and the Board. Management and the Board use additional performance indicators to assess the performance of each of the segments, including net inflows, assets under management and administration, total net revenue and operating margin. Income is analysed in further detail for each operating segment in note 6(b).

Consistent with internal reporting, income and expenses that are not directly attributable to a particular segment are allocated between segments where appropriate. The Group accounts for inter-segment income and transfers as if the transactions were with third parties at current market prices.

High Net Worth

This segment comprises Quilter Cheviot and Quilter Cheviot Financial Planning.

Quilter Cheviot provides discretionary investment management, predominantly in the United Kingdom, with bespoke investment portfolios tailored to the individual needs of high net worth clients, charities, companies and institutions through a network of branches in London and the regions. Investment management services are also provided by operations in the Channel Islands and Ireland.

Quilter Cheviot Financial Planning offers a restricted advice proposition to high net worth clients.

6: Segment information *continued*

6(a): Segment presentation *continued*

Affluent

This segment comprises Quilter Investment Platform, Quilter Investors, Quilter Financial Planning and Quilter Invest.

Quilter Investment Platform is a leading investment platform provider of advice-based wealth management products and services in the UK, which serves an affluent customer base through advised multi-channel distribution.

Quilter Investors is a leading provider of investment solutions in the UK multi-asset market. It develops and manages investment solutions in the form of funds for the Group and third-party customers. It has several fund ranges which vary in breadth of underlying asset class. The investment management of the Quilter Investors fund range has been delegated to Quilter Investment Platform from 1 January 2025.

Quilter Financial Planning is a restricted and independent financial adviser network providing mortgage and financial planning advice and financial solutions for both individuals and businesses through a network of intermediaries. It operates across all markets, from wealth management and retirement planning advice through to dealing with property wealth and personal and business protection needs.

Quilter Invest is the developer of a fintech platform through which customers can build investment portfolios. The Quilter Invest platform provides access to savings and investments and is particularly aimed at people starting to invest who are looking for additional help and guidance, and who may choose to work with a financial adviser later in their investment journey.

Head Office

In addition to the Group's two operating segments, Head Office comprises the investment return on centrally held assets, central support function expenses, central core structural borrowings and certain tax balances.

6(b): Adjusted profit statement — segment information

The table below presents the Group's operations split by operating segment, reconciling IFRS profit or loss to adjusted profit before tax. The Total column reconciles to the consolidated statement of comprehensive income.

						£m
		Operating segments				
Year ended 31 December 2025	Notes	**Affluent**	**High Net Worth**	**Head Office**	**Consolidation adjustments[1]**	**Total**
Income						
Premium-based fees		**69**	**21**	**-**	**-**	**90**
Fund-based fees		**376**	**193**	**-**	**(98)**	**471**
Fixed fees		**1**	**-**	**-**	**-**	**1**
Other fee and commission income		**171**	**-**	**-**	**-**	**171**
Fee income and other income from service activities		**617**	**214**	**-**	**(98)**	**733**
Investment return[2]		**7,211**	**19**	**31**	**1,346**	**8,607**
Other income		**103**	**-**	**-**	**(79)**	**24**
Segment income		**7,931**	**233**	**31**	**1,169**	**9,364**
Expenses						
Investment contract claims benefits		**(1)**	**-**	**-**	**-**	**(1)**
Change in investment contract liabilities[2]		**(7,145)**	**-**	**-**	**-**	**(7,145)**
Fee and commission expenses and other acquisition costs		**(52)**	**-**	**-**	**1**	**(51)**
Change in third-party interests in consolidated funds		**-**	**-**	**-**	**(1,223)**	**(1,223)**
Other operating and administrative expenses		**(401)**	**(203)**	**(32)**	**36**	**(600)**
Finance costs		**(3)**	**-**	**(35)**	**17**	**(21)**
Segment expenses		**(7,602)**	**(203)**	**(67)**	**(1,169)**	**(9,041)**
Share of profit after tax of associates		**1**	**-**	**-**	**-**	**1**
Profit/(loss) before tax		**330**	**30**	**(36)**	**-**	**324**
Income tax expense attributable to policyholder returns		**(161)**	**-**	**-**	**-**	**(161)**
Profit/(loss) before tax attributable to shareholder returns		**169**	**30**	**(36)**	**-**	**163**
Adjusting items:						
Impact of acquisition and disposal-related accounting	5(b)(i)	**11**	**7**	**(1)**	**-**	**17**
Business transformation costs	5(b)(ii)	**11**	**10**	**10**	**-**	**31**
Customer remediation exercise	5(b)(iv)	**(20)**	**-**	**-**	**-**	**(20)**
Policyholder tax adjustments	5(b)(vii)	**(2)**	**-**	**-**	**-**	**(2)**
Finance costs	5(b)(viii)	**-**	**-**	**18**	**-**	**18**
Adjusting items before tax		**-**	**17**	**27**	**-**	**44**
Adjusted profit/(loss) before tax		**169**	**47**	**(9)**	**-**	**207**

[1]Consolidation adjustments comprise the elimination of inter-segment transactions and the consolidation of investment funds.
[2]Investment return and change in investment contract liabilities includes net £30 million of interest income on customer cash and cash equivalents retained by the Group. Investment return total also includes £63 million of interest income on shareholder cash and cash equivalents, comprising - Affluent: £30 million, High Net Worth: £6 million, and Head Office: £27 million.

Notes to the condensed consolidated financial statements

For the year ended 31 December 2025

6: Segment information *continued*

6(b): Adjusted profit statement — segment information *continued*

Year ended 31 December 2024	Notes	Operating segments: Affluent	Operating segments: High Net Worth	Head Office	Consolidation adjustments[1]	Total £m
Income						
Premium-based fees		70	19	-	-	89
Fund-based fees		343	184	-	(83)	444
Fixed fees		1	-	-	-	1
Other fee and commission income		10	-	-	-	10
Fee income and other income from service activities		424	203	-	(83)	544
Investment return[2]		4,131	21	31	694	4,877
Other income		98	2	1	(73)	28
Segment income		4,653	226	32	538	5,449
Expenses						
Change in investment contract liabilities[2]		(4,065)	-	-	-	(4,065)
Fee and commission expenses, and other acquisition costs		(49)	-	-	-	(49)
Change in third-party interests in consolidated funds		-	-	-	(587)	(587)
Other operating and administrative expenses		(484)	(217)	(29)	39	(691)
Finance costs		(2)	-	(29)	10	(21)
Segment expenses		(4,600)	(217)	(58)	(538)	(5,413)
Impairment of investment in associates		-	-	(1)	-	(1)
Profit/(loss) before tax		53	9	(27)	-	35
Income tax expense attributable to policyholder returns		(95)	-	-	-	(95)
(Loss)/profit before tax attributable to shareholder returns		(42)	9	(27)	-	(60)
Adjusting items:						
Impact of acquisition and disposal-related accounting	5(b)(i)	9	31	-	-	40
Business transformation costs	5(b)(ii)	8	8	10	-	26
Skilled Person Review	5(b)(iii)	10	-	-	-	10
Customer remediation exercise	5(b)(iv)	76	-	-	-	76
Other customer remediation	5(b)(v)	(3)	-	-	-	(3)
Exchange rate movements (ZAR/GBP)	5(b)(vi)	-	-	(1)	-	(1)
Policyholder tax adjustments	5(b)(vii)	90	-	-	-	90
Finance costs	5(b)(viii)	-	-	18	-	18
Adjusting items before tax		190	39	27	-	256
Adjusted profit before tax		148	48	-	-	196

[1]Consolidation adjustments comprise the elimination of inter-segment transactions and the consolidation of investment funds.
[2]Investment return and change in investment contract liabilities includes net £31 million of interest income on customer cash and cash equivalents retained by the Group. Investment return total also includes £71 million of interest income on shareholder cash and cash equivalents, comprising - Affluent: £36 million, High Net Worth: £7 million, and Head Office: £28 million.

7: Tax

7(a): Tax charged

	£m	
	Year ended 31 December 2025	Year ended 31 December 2024
Current tax		
United Kingdom	**91**	67
Overseas tax	**2**	1
Adjustments to current tax in respect of prior years	**(2)**	(10)
Total current tax charge	**91**	58
Deferred tax		
Origination and reversal of temporary differences	**111**	3
Adjustments to deferred tax in respect of prior years	**2**	8
Total deferred tax charge	**113**	11
Total tax charged	**204**	69
Attributable to policyholder returns	**161**	95
Attributable to shareholder returns	**43**	(26)
Total tax charged	**204**	69

Change in tax rate

As part of the UK Government's Autumn Budget delivered in November 2025, the Chancellor announced an increase in the future policyholder tax rate from 20% to 22%. The revised rate will apply from April 2027, subject to enactment of the relevant Finance Bill provisions. As the rate change was not substantively enacted by 31 December 2025, the new rate has not been used in recognising the Group's deferred tax assets and liabilities should the temporary difference reverse after 1 April 2027. Once the rate change is substantively enacted, the policyholder deferred tax liability will increase by approximately £14 million. The future increase in policyholder tax charge is economically borne by the policyholder through the unit pricing of their product.

There has been no change in the shareholder tax rate which remains 25% (2024: 25%).

Policyholder tax

Certain products are subject to tax on policyholders' investment returns. This "policyholder tax" is an element of total tax expense. To make the tax expense more meaningful, tax attributable to policyholder returns and tax attributable to shareholder returns are shown separately in the consolidated statement of comprehensive income.

The tax attributable to policyholder returns is the amount payable in the year plus the movement of amounts expected to be payable in future years. The remainder of the tax expense is attributed to shareholder returns.

The Group's income tax charge was £204 million in 2025 (2024: £69 million tax charge). The income tax charge can vary significantly year-on-year because of market volatility and the impact this has on policyholder tax.

The recognition of the income received from policyholders to fund the policyholder tax liability (which is included within the Group's income) has historically been volatile due to timing differences between the recognition of policy deductions and credits and the corresponding policyholder tax expense, resulting in the need for significant adjustments to the adjusted profit to remove these distortions. The Group made changes to the Group's unit pricing policy at the end of 2024 relating to policyholder tax charges which has reduced volatility in these timing differences.

Market movements for the year ended 31 December 2025 resulted in investment gains of £756 million on products subject to policyholder tax. The gain is a component of the total "investment return" gain of £8,607 million shown in the consolidated statement of comprehensive income. The tax impact of the £756 million investment return gain is a significant element of the £161 million tax charge attributable to policyholder returns in 2025 (2024: £95 million charge).

Pillar II taxes

Pillar II legislation is applicable in the UK, establishing a Pillar II minimum effective tax rate of 15%. The legislation implements a Multinational Top-up Tax ("MTT") and a Domestic Top-up Tax ("DTT").

The Group has applied the exemption under IAS 12.4A and accordingly will not recognise or disclose information about deferred tax assets and liabilities related to Pillar II income taxes.

The scope of the MTT means that a top-up tax charge may also arise in the UK on profits earned in countries with lower tax rates in which the Group operates, subject to a local qualifying domestic minimum tax. There is no MTT due in the UK in 2025 as all overseas operations have minimum effective tax rates of 15%.

The Group's main non-UK operations are in Jersey and Ireland. In 2025, the effective corporation tax rates in both Ireland and Jersey are above 15%, therefore no Pillar II tax liability is due for 2025 (2024: liability of £136,282 in relation to Jersey).

The Isle of Man introduced a qualifying domestic top-up tax from accounting periods beginning on or after 1 January 2025, resulting in a Pillar II tax liability of £114,215.

The Group has assessed that there are no material Pillar II tax charges in any other countries in which it had a presence during 2024 or 2025.

Notes to the condensed consolidated financial statements

For the year ended 31 December 2025

7: Tax *continued*

7(b): Reconciliation of total income tax expense

The income tax credited or charged to profit or loss differs from the amount that would apply if all of the Group's profits from all the countries in which the Group operates had been taxed at the UK standard Corporation Tax rate. The difference in the effective rate is explained below:

		£m
	Year ended 31 December 2025	Year ended 31 December 2024
Profit before tax	**324**	35
Tax at UK standard rate of 25% (2024: 25%)	**82**	9
Untaxed and low taxed income	**(1)**	(1)
Expenses not deductible for tax purposes	**1**	1
Adjustments to current tax in respect of prior years	**(2)**	(10)
Net movements on unrecognised deferred tax assets	**-**	(10)
Adjustments to deferred tax in respect of prior years	**2**	8
Income tax attributable to policyholder returns (net of tax relief)	**122**	72
Total tax charged to profit or loss	**204**	69

7(c): Reconciliation of IFRS income tax credit or expense to income tax on adjusted profit

			£m
	Note	**Year ended 31 December 2025**	**Year ended 31 December 2024**
Income tax expense[1]		**204**	69
Tax on adjusting items			
Impact of acquisition and disposal-related accounting		**4**	10
Business transformation costs		**8**	7
Skilled Person Review		**-**	2
Customer remediation exercise		**(6)**	19
Other customer remediation		**-**	(1)
Finance costs		**4**	4
Tax adjusting items			
Policyholder tax adjustments	5(b)(vii)	**2**	(90)
Other shareholder tax adjustments[2]		**-**	33
Tax on adjusting items		**12**	(16)
Less: tax attributable to policyholder returns within adjusted profit[3]		**(163)**	(5)
Tax charged on total adjusted profit		**53**	48

[1]Includes both tax attributable to policyholder and shareholder returns, in compliance with IFRS.
[2]Other shareholder tax adjustments comprise the reallocation of adjustments from policyholder tax as explained in note 5(b)(vii) and shareholder tax adjustments for one-off items in line with the Group's adjusted profit policy.
[3]Adjusted profit treats policyholder tax as a pre-tax expense (this includes policyholder tax under IFRS and the policyholder tax adjustments) and is therefore removed from the tax charge on adjusted profit.

8: Earnings per share

The Group calculates earnings per share ("EPS") on a number of different bases. IFRS requires the calculation of basic and diluted EPS. Adjusted EPS reflects earnings that are consistent with the Group's adjusted profit measure and Headline earnings per share ("HEPS") is a requirement of the Johannesburg Stock Exchange.

8(a): Weighted average number of Ordinary Shares

The table below summarises the calculation of the weighted average number of Ordinary Shares for the purposes of calculating basic and diluted earnings per share for each profit measure (IFRS, adjusted profit and Headline earnings).

		Million
	Year ended 31 December 2025	**Year ended 31 December 2024**
Weighted average number of Ordinary Shares	**1,404**	1,404
Own shares including those held in consolidated funds and employee benefit trusts	**(52)**	(60)
Basic weighted average number of Ordinary Shares	**1,352**	1,344
Adjustment for dilutive share awards and options	**43**	48
Diluted weighted average number of Ordinary Shares	**1,395**	1,392

8: Earnings per share *continued*

8(b): Basic and diluted EPS (IFRS and adjusted profit)

	Notes	£m Year ended 31 December 2025	Year ended 31 December 2024
Profit/(loss) after tax		**120**	(34)
Total adjusting items before tax	5(a)	**44**	256
Tax on adjusting items	7(c)	**(12)**	16
Less: policyholder tax adjustments	7(c)	**2**	(90)
Adjusted profit after tax		**154**	148

	Post-tax profit measure used	Pence Year ended 31 December 2025	Year ended 31 December 2024
Basic EPS	IFRS profit	**8.9**	(2.5)
Diluted EPS	IFRS profit	**8.6**	(2.5)
Adjusted basic EPS	Adjusted profit	**11.4**	11.0
Adjusted diluted EPS	Adjusted profit	**11.0**	10.6

8(c): Headline earnings per share

	Year ended 31 December 2025		Year ended 31 December 2024	£m
	Gross	**Net of tax**	Gross	Net of tax
Profit/(loss)		**120**		(34)
Adjusted for:				
- add back impairment of investments in associates	**-**	**-**	1	1
- add back loss on disposal of property, plant and equipment	**1**	**1**	-	-
Headline earnings		**121**		(33)
Headline basic EPS (pence)		**8.9**		(2.5)
Headline diluted EPS (pence)		**8.7**		(2.5)

9: Goodwill and intangible assets

9(a): Analysis of goodwill and intangible assets

The table below shows the movements in cost and amortisation of goodwill and intangible assets.

	Goodwill	Software	Other intangible assets[3]	£m Total
Gross amount				
1 January 2024	306	9	425	740
Acquisitions through business combinations[1]	1	7	-	8
31 December 2024	307	16	425	748
Acquisitions through business combinations[2]	**1**	**4**	**-**	**5**
31 December 2025	**308**	**20**	**425**	**753**
Accumulated amortisation and impairment losses				
1 January 2024	-	(5)	(363)	(368)
Acquisitions through business combinations[1]	-	(1)	-	(1)
Amortisation charge for the year	-	(2)	(38)	(40)
31 December 2024	-	(8)	(401)	(409)
Amortisation charge for the year	**-**	**(4)**	**(12)**	**(16)**
31 December 2025	**-**	**(12)**	**(413)**	**(425)**
Carrying amount				
31 December 2024	307	8	24	339
31 December 2025	**308**	**8**	**12**	**328**

[1]Relates to the acquisition of Quilter Invest Limited as explained in note 4. Total gross amount includes £1 million goodwill and £7 million software, which consists of £2 million of Quilter Invest Limited's net assets and £5 million recognised by the Group on acquisition of the business. Total accumulated amortisation of £1 million relates to software in Quilter Invest Limited's net assets.
[2]Relates to the acquisition of MediFintech Limited as explained in note 4. Total gross amount includes £1 million goodwill within MediFintech Limited's net assets and £4 million recognised by the Group on acquisition of the business.
[3]Assets related to customer relationships with a cost of £340 million and an accumulated amortisation of £340 million (net book value: £nil) continue to be included within the total gross amount and total accumulated amortisation amount as at 31 December 2025 as the Group continues to benefit from this customer relationship base.

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9: Goodwill and intangible assets *continued*

9(b): Analysis of software and other intangible assets

	31 December 2025	31 December 2024	Average estimated useful life	Average period remaining
	£m	£m		
Net carrying value				
Software				
Quilter Invest — fintech platform	**5**	6	5 years	4 years
MediFintech — report writing software	**3**	-	5 years	4 years
Quilter Financial Planning — operating software	**-**	2	5 years	-
	8	8		
Other intangible assets				
Distribution channels — Quilter Financial Planning	**-**	1	8 years	-
Customer relationships				
Quilter Cheviot	**-**	4	10 years	-
Quilter Financial Planning	**7**	12	8 years	1 year
Quilter Cheviot Financial Planning	**5**	7	8 years	1 year
	12	24		
Total software and other intangible assets	**20**	32		

9(c): Allocation of goodwill to cash-generating units ("CGUs") and consideration of the need for an impairment review

Goodwill is monitored by management at the level of the Group's two operating segments: Affluent and High Net Worth. Both operating segments represent a group of CGUs.

		£m
	31 December 2025	31 December 2024
Goodwill (net carrying amount)		
Affluent	**225**	224
High Net Worth	**83**	83
Total goodwill	**308**	307

Consideration of the need for an impairment review

Goodwill in both the Affluent and High Net Worth CGU groups is tested for impairment annually, or earlier if an indicator of impairment exists, by comparing the carrying value of the CGU group to which the goodwill relates to the recoverable value of that CGU group, being the higher of that CGU group's value-in-use or fair value less costs to sell. If applicable, an impairment charge is recognised when the recoverable amount is less than the carrying value. Goodwill impairment indicators include sudden stock market falls, the absence of net inflows, significant falls in profits and significant increases in the discount rate.

The goodwill balance has been tested for impairment at 31 December 2025 and continues to demonstrate a surplus of the recoverable amount over the carrying value of the CGUs. As a result, no impairment is required.

The following table shows the percentage change required in each key assumption before the carrying value would exceed the recoverable amount, assuming all other variables remain the same. This highlights that further adverse movements in the key assumptions used in the value-in-use calculation would be required before an impairment would need to be recognised.

	Affluent	**High Net**
Reduction in forecast cash flows	63%	86%
Percentage point increase in the discount rate	60%	70%

Forecast cash flows are impacted by movements in underlying assumptions, including equity market levels, revenue margins and net flows. The Group considers that forecast cash flows are most sensitive to movements in equity markets because they have a direct impact on the level of the Group's fee income.

The principal sensitivity within equity market level assumptions relates to the estimated growth in equity market indices included in the three-year cash flow forecasts. Management forecasts equity market growth for each business using estimated asset-specific growth rates that are supported by internal research, historical performance, Bank of England forecasts and other external estimates.

The Group has considered and assessed reasonably possible changes for other key assumptions and has not identified any other instances that could cause the carrying amounts to exceed the recoverable amounts.

Value-in-use methodology

The cash flows used to determine the value in use of the groups of CGUs are based on the most recent management approved three-year profit forecasts, which are contained in the Group's Business Plan. These profit forecasts incorporate anticipated equity market growth on the Group's future cash flows and take into account climate-related risks and opportunities affecting operations, investments, advice and distribution, and their impact on specific projects and initiatives, estimates and judgements. After the three-year forecast period, the growth rate used to determine the terminal value of the groups of CGUs in the annual assessment was 2.0% (31 December 2024: 2.0%).

The Group uses a single cost of capital (post tax) of 11.7% (31 December 2024: 9.0%) to discount expected future cash flows across its two groups of CGUs. The single cost of capital is based on the Group's consideration of the level of risk that each group of CGUs represents. Capital is provided to the Group predominantly by shareholders with a relatively small amount of debt financing.

10: Financial investments

The table below analyses the investments and securities that the Group invests in, either on its own proprietary behalf (shareholder funds) or on behalf of third parties (policyholder funds).

	31 December 2025 £m	31 December 2024 £m
Government and government-guaranteed securities	**264**	171
Other debt securities, preference shares and debentures	**3,515**	2,644
Equity securities	**9,716**	11,034
Pooled investments	**59,816**	45,510
Fixed-term deposits treated as investments	**50**	-
Other	**1**	1
Total financial investments	**73,362**	59,360

The financial investments are recoverable within 12 months, apart from £7 million (2024: £6 million) which is recoverable after 12 months. The financial investments recoverability profile is based on the intention with which the financial assets are held. The assets held on behalf of policyholders cover the liabilities for linked investment contracts, all of which can be withdrawn by policyholders on demand.

11: Categories of financial instruments

The analysis of financial assets and liabilities into categories as defined in IFRS 9 Financial Instruments is set out in the following tables. Assets and liabilities of a non-financial nature, or financial assets and liabilities that are specifically excluded from the scope of IFRS 9, are reflected in the non-financial assets and liabilities category.

For information about the methods and assumptions used in determining fair value, refer to note 12. The Group's exposure to various risks associated with financial instruments is discussed in note 18.

31 December 2025

Measurement basis	**Fair value**				£m
	Mandatorily at FVTPL	**Designated at FVTPL**	**Amortised cost**	**Non-financial assets and liabilities**	**Total**
Assets					
Loans and advances	**-**	**-**	**44**	**-**	**44**
Financial investments	**73,311**	**1**	**50**	**-**	**73,362**
Trade, other receivables and other assets	**-**	**-**	**356**	**42**	**398**
Derivative assets	**24**	**-**	**-**	**-**	**24**
Cash and cash equivalents	**1,425**	**-**	**727**	**-**	**2,152**
Total assets that include financial instruments	**74,760**	**1**	**1,177**	**42**	**75,980**
Total other non-financial assets	**-**	**-**	**-**	**562**	**562**
Total assets	**74,760**	**1**	**1,177**	**604**	**76,542**
Liabilities					
Investment contract liabilities	**-**	**64,493**	**-**	**-**	**64,493**
Third-party interests in consolidated funds	**9,394**	**-**	**-**	**-**	**9,394**
Borrowings and lease liabilities	**-**	**-**	**271**	**-**	**271**
Trade, other payables and other liabilities	**-**	**1**	**543**	**105**	**649**
Derivative liabilities	**24**	**-**	**-**	**-**	**24**
Total liabilities that include financial instruments	**9,418**	**64,494**	**814**	**105**	**74,831**
Total other non-financial liabilities	**-**	**-**	**-**	**245**	**245**
Total liabilities	**9,418**	**64,494**	**814**	**350**	**75,076**

11: Categories of financial instruments *continued*

31 December 2024

Measurement basis	Fair value				£m
	Mandatorily at FVTPL	Designated at FVTPL	Amortised cost	Non-financial assets and liabilities	Total
Assets					
Loans and advances	-	-	56	-	56
Financial investments	59,359	1	-	-	59,360
Trade, other receivables and other assets	-	-	370	48	418
Derivative assets	26	-	-	-	26
Cash and cash equivalents	1,215	-	734	-	1,949
Total assets that include financial instruments	60,600	1	1,160	48	61,809
Total other non-financial assets	-	-	-	639	639
Total assets	60,600	1	1,160	687	62,448
Liabilities					
Investment contract liabilities	-	51,758	-	-	51,758
Third-party interests in consolidated funds	8,225	-	-	-	8,225
Borrowings and lease liabilities	-	-	275	-	275
Trade, other payables and other liabilities	-	1	399	106	506
Derivative liabilities	53	-	-	-	53
Total liabilities that include financial instruments	8,278	51,759	674	106	60,817
Total other non-financial liabilities	-	-	-	208	208
Total liabilities	8,278	51,759	674	314	61,025

12: Fair value methodology

This section explains the judgements and estimates made in determining the fair values of financial instruments that are recognised and measured at fair value in the financial statements. Classifying financial instruments into the three levels of the fair value hierarchy (see note 12(b)) provides an indication of the reliability of inputs used in determining fair value.

12(a): Determination of fair value

The fair value of financial instruments that are actively traded in organised financial markets is determined by reference to quoted market exit prices for assets and offer prices for liabilities, at the close of business on the reporting date, without any deduction for transaction costs:

- for units in unit trusts and shares in open-ended investment companies, fair value is determined by reference to published quoted prices representing exit values in an active market;
- for equity and debt securities not actively traded in organised markets and where the price cannot be retrieved, the fair value is determined by reference to similar instruments for which market observable prices exist;
- for assets that have been suspended from trading on an active market, the last published price is used. Many suspended assets are still regularly priced. At the reporting date, all suspended assets are assessed for impairment; and
- where the assets are private equity investments or within consolidated investment funds, the valuation is based on the latest available set of audited financial statements, or if more recent is available, reports from Investment Managers or professional valuation experts on the value of the underlying assets of the private equity investment or fund.

There have been no significant changes in the valuation techniques applied when valuing financial instruments. Where assets are valued by the Group, the general principles applied to those instruments measured at fair value are outlined below:

Financial investments

Financial investments include government and government-guaranteed securities, listed and unlisted debt securities, preference shares and debentures, listed and unlisted equity securities, listed and unlisted pooled investments (see below), short-term funds and securities treated as investments and certain other securities.

Pooled investments represent the Group's holdings of shares/units in open-ended investment companies, unit trusts, mutual funds and similar investment vehicles. Pooled investments are recognised at fair value. The fair values of pooled investments are based on widely published prices that are regularly updated.

Other financial investments that are measured at fair value use observable market prices where available. In the absence of observable market prices, these investments and securities are fair valued using various approaches including valuations based on discounted cash flows and earnings before interest, tax, depreciation and amortisation multiples.

Derivatives

The fair value of derivatives is determined with reference to the exchange-traded prices of the specific instruments. The fair value of over-the-counter forward foreign exchange contracts is determined by reference to the relevant exchange rates.

Investment contract liabilities

The fair value of the investment contract liabilities is determined with reference to the underlying funds that are held by the Group.

Third-party interests in consolidated funds

Third-party interests in consolidated funds are measured at the attributable net asset value of each fund.

Notes to the condensed consolidated financial statements

For the year ended 31 December 2025

12: Fair value methodology *continued*

12(b): Fair value hierarchy

Fair values are determined according to the following hierarchy:

Description of hierarchy	Types of instruments classified in the respective levels
Level 1 – quoted market prices: financial assets and liabilities with quoted prices for identical instruments in active markets.	Listed equity securities, government securities and other listed debt securities and similar instruments that are actively traded, actively traded pooled investments, certain quoted derivative assets and liabilities and investment contract liabilities directly linked to Level 1 financial assets.
Level 2 – valuation techniques using observable inputs: financial assets and liabilities with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial assets and liabilities valued using models where all significant inputs are observable.	Unlisted equity and debt securities where the valuation is based on models involving no significant unobservable data. Over-the-counter derivatives, certain privately placed debt instruments and third-party interests in consolidated funds.
Level 3 – valuation techniques using significant unobservable inputs: financial assets and liabilities valued using valuation techniques where one or more significant inputs are unobservable.	Unlisted equity and securities with significant unobservable inputs, securities where the market is not considered sufficiently active, including certain inactive pooled investments.

The judgement as to whether a market is active may include, for example, consideration of factors such as the magnitude and frequency of trading activity, the availability of prices and the size of bid/offer spreads. In inactive markets, obtaining assurance that the transaction price provides evidence of fair value or determining the adjustments to transaction prices that are necessary to measure the fair value of the asset or liability requires additional work during the valuation process.

The majority of valuation techniques employ only observable data and so the reliability of the fair value measurement is high. Certain financial assets and liabilities are valued on the basis of valuation techniques that feature one or more significant inputs that are unobservable and, for them, the derivation of fair value is more judgemental. A financial asset or liability in its entirety is classified as valued using significant unobservable inputs if a significant proportion of that asset or liability's carrying amount is driven by unobservable inputs.

In this context, 'unobservable' means that there is little or no current market data available from which to determine the price at which an arm's length transaction would be likely to occur. It generally does not mean that there is no market data available at all upon which to base a determination of fair value. Furthermore, in some cases the majority of the fair value derived from a valuation technique with significant unobservable data may be attributable to observable inputs.

12(c): Transfer between fair value hierarchies

The Group deems a transfer to have occurred between Level 1 and Level 2 or Level 3 when an actively traded primary market ceases to exist for that financial instrument. A transfer between Level 2 and Level 3 occurs when one or more of the significant inputs used to determine the fair value of the instrument become unobservable. Transfers from Levels 3 or 2 to Level 1 are also possible when assets become actively priced.

There were £nil transfers of financial investments between Level 1 and Level 2 during the year 2025 (31 December 2024: £nil).

See note 12(e) for the reconciliation of Level 3 financial instruments.

12(d): Financial assets and liabilities measured at fair value, classified according to the fair value hierarchy

The majority of the Group's financial assets are measured using quoted market prices for identical instruments in active markets (Level 1) and there have been no significant changes during the year.

Financial investments include linked assets that are held to cover the liabilities for linked investment contracts which form part of the investment contract liabilities balance. The difference between the value of linked assets and that of linked liabilities is mainly due to short-term timing differences between policyholder premiums being received and invested in advance of policies being issued, and tax liabilities within funds which are reflected within the Group's tax liabilities.

Differences between assets and liabilities within the respective levels of the fair value hierarchy also arise due to the mix of underlying assets and liabilities within consolidated funds. In addition, third-party interests in consolidated funds are classified as Level 2.

The tables below analyse the Group's financial assets and liabilities measured at fair value by the fair value hierarchy described in note 12(b).

				£m
31 December 2025	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial investments	**62,183**	**11,108**	**21**	**73,312**
Cash and cash equivalents	**1,425**	**-**	**-**	**1,425**
Derivative assets	**-**	**24**	**-**	**24**
Total financial assets measured at fair value through profit or loss	**63,608**	**11,132**	**21**	**74,761**
Third-party interests in consolidated funds	**-**	**9,394**	**-**	**9,394**
Derivative liabilities	**-**	**24**	**-**	**24**
Investment contract liabilities	**64,473**	**-**	**20**	**64,493**
Other liabilities	**-**	**1**	**-**	**1**
Total financial liabilities measured at fair value through profit or loss	**64,473**	**9,419**	**20**	**73,912**

12: Fair value methodology *continued*

12(d): Financial assets and liabilities measured at fair value, classified according to the fair value hierarchy *continued*

				£m
31 December 2024	Level 1	Level 2	Level 3	Total
Financial investments	49,052	10,292	16	59,360
Cash and cash equivalents	1,215	-	-	1,215
Derivative assets	-	26	-	26
Total financial assets measured at fair value through profit or loss	50,267	10,318	16	60,601
Third-party interests in consolidated funds	-	8,225	-	8,225
Derivative liabilities	-	53	-	53
Investment contract liabilities	51,745	-	13	51,758
Other liabilities	-	1	-	1
Total financial liabilities measured at fair value through profit or loss	51,745	8,279	13	60,037

12(e): Level 3 fair value hierarchy disclosure

The majority of the assets classified as Level 3 are held within linked policyholder funds. Where this is the case, all of the investment risk associated with these assets is borne by policyholders and the value of these assets is exactly matched by a corresponding liability due to policyholders. The Group bears no risk from a change in the market value of these assets except to the extent that it has an impact on fees earned.

Level 3 assets also include investments within consolidated funds attributable to the third-party interest in those funds. The Group bears no risk from a change in the market value of these assets except to the extent that it has an impact on fees earned. Any changes in market value are matched by a corresponding change in the Level 2 liability for third-party interests in consolidated funds.

The table below reconciles the opening balance of Level 3 financial assets to the closing balance at each year end:

		£m
	2025	2024
Balance at 1 January	**16**	33
Fair value (losses)/gains (charged)/credited to profit or loss[1]	**(2)**	4
Sales	**(2)**	(17)
Transfers in	**14**	8
Transfers out	**(5)**	(12)
Total Level 3 financial assets at the end of the year	**21**	16
Unrealised fair value losses recognised in profit or loss relating to assets held at the year end	**(2)**	(3)

[1]Included in Investment return.

All of the assets that are classified as Level 3 are suspended funds for 2025 and 2024.

Transfers into Level 3 assets in the current year are mainly due to funds from Level 1 being suspended and moved to Level 3. Suspended funds are valued based on external valuation reports received from fund managers. Transfers out of Level 3 assets result from a transfer to Level 1 assets relating to assets that are now being actively repriced (that were previously stale) and where fund suspensions have been lifted.

The table below reconciles the opening balance of Level 3 financial liabilities to the closing balance at each year end:

		£m
	2025	2024
Balance at 1 January	**13**	24
Fair value gains credited to profit or loss[1]	**(2)**	(2)
Transfers in	**14**	-
Transfers out	**(5)**	(9)
Total Level 3 financial liabilities at the end of the year	**20**	13
Unrealised fair value losses recognised in profit or loss relating to liabilities at the year end	**(2)**	(2)

[1]Included in Investment return.

12(f): Effect of changes in significant unobservable assumptions to reasonable alternatives

Details of the valuation techniques applied to the different categories of financial instruments can be found in note 12(a) above, including the valuation techniques applied when significant unobservable assumptions are used to value Level 3 assets.

For Level 3 assets and liabilities, no reasonable alternative assumptions are applicable and the Group therefore performs a sensitivity test of an aggregate 10% change in the value of the financial asset or liability (2024: 10%), representing a reasonable alternative judgement in the context of the current macroeconomic environment in which the Group operates. It is therefore considered that the impact of this sensitivity will be in the range of £2 million (2024: £2 million) to the reported fair value of Level 3 assets, and £2 million (2024: £1 million) to the reported fair value of Level 3 liabilities, both favourable and unfavourable.

12(g): Fair value hierarchy for assets and liabilities not measured at fair value

Certain financial instruments of the Group are not carried at fair value. The carrying values of these are considered reasonable approximations of their respective fair values as they are either short term in nature or are repriced to current market rates at frequent intervals.

Notes to the condensed consolidated financial statements

For the year ended 31 December 2025

13: Cash and cash equivalents

13(a): Analysis of cash and cash equivalents

		£m
	31 December 2025	31 December 2024
Cash at bank	**323**	369
Money market funds	**1,425**	1,215
Cash and cash equivalents in consolidated funds	**404**	365
Total cash and cash equivalents per statement of cash flows	**2,152**	1,949

The Group's management does not consider that the cash and cash equivalents balance arising due to consolidation of funds of £404 million (2024: £365 million) is available for use in the Group's day-to-day operations. The remainder of the Group's cash and cash equivalents balance of £1,748 million (2024: £1,584 million) is considered to be available for general use by the Group for the purposes of the disclosures required under IAS 7 Statement of Cash Flows. This balance includes policyholder cash as well as cash and cash equivalents held by regulated subsidiaries to meet their capital and liquidity requirements.

13(b): Analysis of net cash flows from operating activities:

			£m
	Notes	**Year ended 31 December 2025**	Year ended 31 December 2024
Cash flows from operating activities			
Profit before tax		**324**	35
Adjustments for			
Depreciation of property, plant and equipment		**10**	11
Depreciation of investment property		**1**	1
Loss on disposal of property, plant and equipment		**1**	-
Movement on contract costs		**(7)**	(8)
Amortisation of intangibles		**16**	40
Fair value and other movements in financial assets		**(6,972)**	(3,891)
Fair value movements in investment contract liabilities	15	**6,072**	3,153
Other changes in investment contract liabilities		**6,663**	5,209
Share of profit after tax of associates		**(1)**	-
Other movements		**38**	41
		5,821	4,556
Net changes in working capital			
(Increase)/decrease in derivatives		**(27)**	59
Decrease/(increase) in loans and advances		**12**	(18)
(Decrease)/increase in provisions	16	**(48)**	65
Movement in other assets and other liabilities		**157**	(43)
		94	63
Taxation paid		**(43)**	(69)
Net cash flows from operating activities		**6,196**	4,585

14: Ordinary Share capital

At 31 December 2025 and 31 December 2024, the Company's equity capital comprises 1,404,105,498 Ordinary Shares of 8 1/6 pence each with an aggregated nominal value of £114,668,616. All Ordinary Shares have been called up and fully paid.

All Ordinary Shares issued carry equal voting rights. The holders of the Company's Ordinary Shares are entitled to receive dividends as declared and are entitled to one vote per share at shareholder meetings of the Company.

15: Investment contract liabilities

The following table provides a summary of the Group's investment contract liabilities:

		£m
	2025	**2024**
Carrying amount at 1 January	**51,758**	43,396
Fair value movements	**6,072**	3,153
Investment income	**1,073**	912
Movements arising from investment return	**7,145**	4,065
Contributions received	**10,372**	8,222
Withdrawals and surrenders	**(4,470)**	(3,661)
Claims and benefits	**(302)**	(260)
Other movements	**(10)**	(4)
Change in liability	**12,735**	8,362
Investment contract liabilities at end of the year	**64,493**	51,758

For unit-linked investment contracts, movements in asset values are offset by corresponding changes in liabilities, limiting the net impact on profit.

The benefits offered under the unit-linked investment contracts are based on the risk appetite of policyholders and the return on their selected investments and collective fund investments, whose underlying investments include equities, debt securities, property and derivatives. This investment mix is unique to each individual policyholder.

For unit-linked business, the unit liabilities are determined as the value of units credited to policyholders. Since these liabilities are determined on a retrospective basis, no assumptions for future experience are required. Assumptions for future experience are required for unit-linked business in assessing whether the total of the contract costs asset and contract liability is greater than the present value of future profits expected to arise on the relevant blocks of business (the “recoverability test”). If this is the case, then the contract costs asset is restricted to the recoverable amount. For linked contracts, the assumptions are on a best estimate basis.

16: Provisions

						£m
Year ended 31 December 2025	**Customer remediation exercise provision**	**Compensation provisions**	**Sale of subsidiaries provision**	**Property provisions**	**Clawback and other provisions**	**Total**
Balance at 1 January	**76**	**14**	**1**	**7**	**13**	**111**
Charge to profit or loss	**-**	**2**	**-**	**-**	**6**	**8**
Used during the year	**(14)**	**(3)**	**-**	**-**	**(7)**	**(24)**
Unused amounts reversed	**(22)**	**(11)**	**(1)**	**(1)**	**-**	**(35)**
Reclassification within the statement of financial position	**-**	**-**	**-**	**-**	**1**	**1**
Unwind of discounting	**2**	**-**	**-**	**-**	**-**	**2**
Balance at 31 December 2025	**42**	**2**	**-**	**6**	**13**	**63**

						£m
Year ended 31 December 2024	Customer remediation exercise provision	Compensation provisions	Sale of subsidiaries provision	Property provisions	Clawback and other provisions	Total
Balance at 1 January	-	17	3	10	16	46
Charge to profit or loss	76	10	-	-	4	90
Used during the year	-	(5)	(2)	(2)	(6)	(15)
Unused amounts reversed	-	(8)	-	(1)	(1)	(10)
Balance at 31 December 2024	76	14	1	7	13	111

Customer remediation exercise provision

At 31 December 2025, the customer remediation exercise provision was £42 million (31 December 2024: £76 million).

At 31 December 2024, the Group recognised a provision of £76 million for a customer remediation exercise following the review of the delivery of ongoing advice services by the Appointed Representative firms in the Quilter Financial Planning network. A reasonable estimate of the provision was determined based upon a potential customer remediation exercise, whereby the population of customers who are at the highest likelihood of having not received the expected level of service from their adviser would be identified. These customers would be invited to join the review if they believe that they have not received ongoing advice and if they wish to have their situation reviewed by Quilter. Following the initial draft results of the cohort of customers undertaken by the Skilled Person, the Group determined a reasonable estimate of a provision for the potential redress payable to customers to settle the cases where the expected level of service from their adviser may not have been received. The draft results from the Skilled Person Review were extrapolated from their sample to the population of all customers who paid an ongoing advice charge between 2018 and 2023 (inclusive of both years). An estimate of the response rate of customers to join the review, and of the associated administrative costs, were determined based upon experience from previous past business reviews performed by the Group, and assumptions on the number of customers who may be subject to the review process.

16: Provisions *continued*

The provision recognised at 31 December 2024, based upon the approach described above, included an estimate of the refund of ongoing advice charges for customers impacted, interest payable to customers at rates in line with the applicable Financial Ombudsman Service current interest rates, and administrative costs, both internal and external, to perform the customer remediation exercise.

The Skilled Person's report was finalised during the first half of 2025. Quilter is committed to ensuring that customers who have not received the services that they were charged for are appropriately identified and remediated. Accordingly, a Customer Remediation Strategy was developed by the Group during the second half of 2025, in consultation with management's external experts and remains ongoing. The strategy includes identifying the customer cohorts to be involved within the exercise, and a sampling exercise of cases for each Appointed Representative firm who have customers within the relevant population. The remediation exercise is risk-based and will consider cases where the customer has been charged for ongoing advice services, and the adviser is unable to satisfactorily evidence the provision of those services. The remediation exercise will involve the population of customers who are at the highest likelihood of having not received the expected level of service from their adviser. An expense of £2 million has been recognised during the year for the unwind of the discount rate when calculating the present value of future costs of the customer remediation exercise provision due to the passage of time. During 2025, £14 million of the provision has been utilised for administrative costs. Given that activity during 2025 was focused on development of the Customer Remediation Strategy, no customers were remediated during the year. The principles used in the calculation of the provision remain unchanged, with the focus of results shifting to the cases reviewed internally for customers within higher risk cohorts rather than the Skilled Person Review results which were based upon a representative sample of the entire population of customers. The provision has been recalculated based upon the initial findings of the Customer Remediation Strategy and reflects the impact of the change in the Financial Ombudsman Service interest rates policy on customer redress. These changes, overall, have resulted in a reduction of the provision of £22 million. Customer redress is expected to be calculated and paid to relevant customers over an 18-month period to 30 June 2027. Of the total £42 million (31 December 2024: £76 million) provision outstanding at the reporting date, £31 million (31 December 2024: £33 million) is estimated to be payable within one year. In line with IAS 37 (Provisions, Contingent Liabilities and Contingent Assets), amounts estimated to be payable after 12 months have not been discounted to their present value given that the impact of such discounting would be immaterial.

The following table presents the potential change to the provision balance as a result of movements in the key assumptions:

				£m
	31 December 2025		31 December 2024	
	Increase	**Decrease**	Increase	Decrease
Percentage point change in proportion of in-scope population where satisfactory service evidence is unavailable of 10%	**9**	**(8)**	16	(16)
Percentage point change in response rate of 10%	**9**	**(9)**	14	(14)
Change in administrative costs of 10% related to time period to complete the exercise	**2**	**(2)**	3	(3)

Uncertainty exists regarding the remediation exercise, including the proportion of the population of customers charged a fee where servicing was not provided, the response rate of customers contacted and the administrative costs to complete the exercise. The financial impact could be materially higher or lower than the amount of the provision.

Where redress payments are made to customers, the Group has the ability to seek appropriate reimbursement from the relevant Appointed Representative firms who have been unable to demonstrate that the ongoing advice service paid by the customer was provided. Should the Group make payments to customers, recompense to the Group can be sought from the relevant Appointed Representative firm who has benefited from the majority of the revenue recognised over the period of the servicing agreement. Any reimbursement would not be recognised as a reduction of the provision recognised and would only be recognised as an asset at such time as recoverability became virtually certain. If the receipt of the potential reimbursement became probable but was not virtually certain it would be disclosed as a contingent asset, but not recognised within net assets.

Compensation provisions

At 31 December 2025, compensation provisions total £2 million (31 December 2024: £14 million). The net reduction of £12 million during the period consists of additional charges to profit or loss of £2 million, offset by compensation and professional fees payments of £3 million and £11 million release of unused amounts following further review work completed during the period. Compensation provisions comprise the following:

Lighthouse pension transfer advice provision of £nil (31 December 2024: £1 million)

A further review of a sample of Lighthouse DB to DC pension transfer advice cases not relating to the British Steel Pension Scheme has been conducted by an independent expert to identify any cases of unsuitable DB to DC pension transfer advice. The review was conducted using a past business review process, and the sample was selected on a risk-based approach. The review of this sample identified some additional cases where customer redress was required.

During 2024, redress payments of £1 million were made to customers, £1 million of professional fees were paid, and £3 million of the provision related to customer redress was unused and reversed. This resulted from the redress calculations performed for customers being lower than previously forecast, due to changes in the assumptions used to perform the calculations and market movements of the pension scheme values during 2024.

In the period to 31 December 2025, redress payments and associated professional fees of £1 million were made to customers and the independent expert, with the liability at 31 December 2024 utilised in full and settled. The review concluded in June 2025.

Other compensation provisions of £2 million (31 December 2024: £13 million)

Other compensation provisions of £2 million include amounts relating to internally conducted past business reviews, the cost of correcting deficiencies in policy administration systems, including redress, any associated litigation costs and the related costs to compensate current and former policyholders and customers. This provision represents management's best estimate of expected outcomes based upon past experience, and a review of the details of each case. Due to the nature of the provision, the timing of the expected cash outflows is uncertain. The best estimate of the timing of outflows is that the majority of the balance is expected to be settled within 12 months.

A provision of £nil, included within the balance, has been recognised at 31 December 2025 (31 December 2024: £7 million) relating to internally conducted past business reviews of ongoing servicing within Quilter Financial Planning, as part of the Group's normal business operations. During the period to 31 December 2025, redress payments of £1 million were made to customers, and £6 million of the provision related to customer redress was unused and reversed as the vast majority of the past business reviews were completed during the year.

16: Provisions *continued*

A provision of £nil, included within the balance, has been recognised at 31 December 2025 (31 December 2024: £2 million) relating to potentially unsuitable DB to DC pension transfer advice provided by adviser businesses other than Lighthouse. The provision has been updated for the current status of the review, which is now complete, and redress determined based upon the customer redress calculations performed. £2 million of the provision related to customer redress was unused and reversed.

Sale of subsidiaries provision

The sale of subsidiaries provision totals £nil at 31 December 2025 (31 December 2024: £1 million). The provision at 31 December 2024 was for warranty claims relating to the sale, in 2015, of former subsidiaries and has been released following the conclusion of several tax audits in Germany.

Property provisions

Property provisions total £6 million (31 December 2024: £7 million). Property provisions represent the discounted value of expected future costs of reinstating leased property to its original condition at the end of the lease term, and any onerous commitments which may arise in cases where a leased property is no longer fully used by the Group. The estimate is based upon property location, size of property and an estimate of the cost per square foot. Property provisions are used or released when the reinstatement obligations are satisfied. The associated asset for the property provisions relating to the cost of reinstating property is included within Property, plant and equipment.

Of the £6 million provision outstanding, £nil (31 December 2024: £1 million) is estimated to be payable within one year. The majority of the balance relates to leased properties which have a lease term maturity of more than five years.

Clawback and other provisions

Clawback and other provisions total £13 million (31 December 2024: £13 million) and include amounts for the resolution of legal uncertainties and the settlement of other claims raised by contracting parties and indemnity commission provisions. Where the impact of discounting is material, provisions are discounted at a risk-free rate. The timing and final amounts of payments, particularly those in respect of litigation claims and similar actions against the Group, are uncertain and could result in adjustments to the amounts recorded.

Included within the balance at 31 December 2025 is £9 million (31 December 2024: £10 million) of clawback provisions in respect of potential refunds due to product providers on indemnity commission within the Quilter Financial Planning business. This provision, which is estimated and charged as a reduction of revenue at the point of sale of each policy, is based upon assumptions determined from historical experience of the proportion of policyholders cancelling their policies, which requires the Group to refund a portion of commission previously received to the product provider. Reductions to the provision result from the payment of cash to product providers as refunds or the recognition of revenue where a portion of the indemnity commission is assessed as no longer payable. The provision has been assessed at the reporting date and adjusted for the latest cancellation information available. At 31 December 2025, an associated balance of £6 million recoverable from brokers is included within Trade, other receivables and other assets (31 December 2024: £6 million).

The Group estimates a reasonably possible change of +/- £3 million, based upon the potential range of outcomes for the proportion of cancelled policies within the clawback provision, and a detailed review of the other provisions.

Of the total £13 million provision outstanding, £6 million is estimated to be payable within one year (31 December 2024: £6 million).

17: Contingent liabilities

The Group, in the ordinary course of business, enters into transactions that expose it to tax, legal, regulatory and business risks. The Group recognises a provision when it has a present obligation as a result of past events, and it is probable that a transfer of economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made (see note 16). Possible obligations and known liabilities are reported as contingent liabilities where no reliable estimate can be made, or it is considered improbable that an outflow would result.

The Group routinely monitors and assesses contingent liabilities arising from matters such as business reviews, litigation, warranties and indemnities relating to past acquisitions and disposals.

Tax

The Group is committed to conducting its tax affairs in accordance with the tax legislation of the countries in which it operates and this includes compliance with legislation related to levies, sales taxes and payroll deductions.

The tax authorities in the countries in which the Group operates routinely review historical transactions undertaken and tax law interpretations made by the Group. All interpretations made by the Group are made with reference to the specific facts and circumstances of the transaction and the relevant legislation.

There are occasions where the Group's interpretation of tax law may be challenged by the tax authorities. The consolidated financial statements include provisions that reflect the Group's assessment of liabilities which might reasonably be expected to materialise as part of their review. The Group is satisfied that adequate provisions have been made in respect of tax uncertainties.

Complaints, disputes and regulations

The Group is committed to treating customers fairly and remains focused on delivering good outcomes for customers to support them in meeting their lifetime goals. During the normal course of business, from time to time, the Group receives complaints and claims from customers including, but not limited to, complaints to the Financial Ombudsman Service and legal proceedings, enters into commercial disputes with service providers and other parties, and is subject to discussions and reviews with regulators. The costs, including legal costs, of these issues as they arise can be significant and, where appropriate, provisions have been established.

18: Capital and financial risk management

18(a): Capital management

The Group manages its capital with a focus on capital efficiency and effective risk management. The capital management objectives are to maintain the Group's ability to continue as a going concern while supporting the optimisation of return relative to risk. The Group ensures that it can meet its expected capital and financing needs at all times having regard to the Group's Business Plans, forecasts, strategic initiatives and the regulatory requirements applicable to Group entities.

The Group's overall capital risk appetite is set with reference to the requirements of the relevant stakeholders and seeks to:

- maintain sufficient, but not excessive, financial strength to support stakeholder requirements;
- optimise debt to equity structure to enhance shareholder returns; and
- retain financial flexibility by maintaining liquidity including unutilised committed credit lines.

The primary sources of capital used by the Group are equity shareholders' funds of £1,466 million (2024: £1,423 million) and subordinated debt which was issued at £200 million in January 2023. Alternative resources are utilised where appropriate. Risk appetite has been defined for the level of capital, liquidity and debt within the Group. The risk appetite includes long-term targets, early warning thresholds and risk appetite limits. The dividend policy sets out the target dividend level in relation to profits.

The regulatory capital for the Group is assessed under UK Solvency II requirements.

18(a)(i): Regulatory capital (unaudited)

The Group is subject to UK Solvency II group supervision by the Prudential Regulation Authority. The Group is required to measure and monitor its capital resources under the UK Solvency II regulatory regime.

The Group's UK life insurance undertaking is included in the Group solvency calculation on a UK Solvency II basis. Other regulated entities are included in the Group solvency calculation according to the relevant sectoral rules. The Group's UK Solvency II surplus is the amount by which the Group's capital on a UK Solvency II basis (own funds) exceeds the UK Solvency II capital requirement (solvency capital requirement or "SCR").

The Group's UK Solvency II surplus is £876 million at 31 December 2025 (2024: £851 million), representing an SCR coverage ratio of 204% (2024: 219%) calculated under the standard formula. The UK Solvency II regulatory position at 31 December 2025 allows for the impact of the recommended Final Dividend payment of £58 million (2024: £57 million).

The UK Solvency II position as at 31 December 2025 (unaudited estimate) and 31 December 2024 is presented below:

	£m	
	31 December 2025[1]	31 December 2024[2]
Own funds	**1,719**	1,566
Solvency capital requirement	**843**	715
UK Solvency II surplus	**876**	851
UK Solvency II coverage ratio	**204%**	219%

[1]Filing of annual regulatory reporting forms due by 27 May 2026.
[2]As reported in the Group Solvency and Financial Condition Report for the year ended 31 December 2024.

The Group's own funds include the Quilter plc issued subordinated debt security which qualifies as capital under UK Solvency II. The composition of own funds by tier is presented in the table below.

	£m	
Group own funds	**31 December 2025**	31 December 2024
Tier 1[1]	**1,516**	1,366
Tier 2[2]	**203**	200
Total Group UK Solvency II own funds	**1,719**	1,566

[1]All Tier 1 capital is unrestricted for tiering purposes.
[2]Comprises a UK Solvency II compliant subordinated debt security in the form of a Tier 2 bond, which was issued at £200 million in January 2023.

The Group's UK life insurance undertaking is also subject to UK Solvency II at entity level. Other regulated entities in the Group are subject to the locally applicable entity-level capital requirements in the countries in which they operate. In addition, the Group's asset management and advice businesses are subject to group supervision by the FCA under the UK Investment Firms Prudential Regime ("IFPR").

During 2025, the capital requirements for the Group and its regulated subsidiaries were reported and monitored through regular Group Financial Risk Management Committee meetings. Throughout 2025, the Group has complied with the regulatory requirements that apply at a consolidated level and Quilter's insurance undertakings and investment firms have complied with the regulatory capital requirements that apply at entity level.

18: Capital and financial risk management *continued*

18(a): Capital management *continued*

18(a)(ii): Loan covenants

Under the terms of the revolving credit facility agreement, the Group is required to comply with the following financial covenant: the ratio of total net borrowings to consolidated equity shareholders' funds shall not exceed 0.5.

		£m
	31 December 2025	31 December 2024
Total external borrowings of the Company	**199**	198
Less: cash and cash equivalents of the Company	**(118)**	(135)
Total net external borrowings of the Company	**81**	63
Total shareholders' equity of the Group	**1,466**	1,423
Tier 2 bond	**199**	198
Total Group equity (including Tier 2 bond)	**1,665**	1,621
Ratio of Company net external borrowings to Group equity	**0.049**	0.039

The Group has complied with the covenant since the facility was originally created in 2018.

18(a)(iii): Own Risk and Solvency Assessment (“ORSA”) and Internal Capital Adequacy and Risk Assessment (“ICARA”)

The Group ORSA process is an ongoing cycle of risk and capital management processes which provides an overall assessment of the current and future risk profile of the Group and demonstrates the relationship between business strategy, risk appetite, risk profile and solvency needs. These assessments support strategic planning and risk-based decision making.

The underlying ORSA processes cover the Group and consider how risks and solvency needs may evolve over the planning period. The ORSA includes stress and scenario tests, which are performed to assess the financial and operational resilience of the Group.

The Group ORSA report is produced annually. This summarises the analysis, insights and conclusions from the underlying risk and capital management processes in respect of the Group. The ORSA report is submitted to the PRA as part of the normal supervisory process and may be supplemented by ad hoc assessments where there is a material change in the risk profile of the Group outside the usual reporting cycle.

In addition to the Group ORSA process, an entity-level ORSA process is performed for Quilter Life & Pensions Limited, with its results included in the Group ORSA report.

The Group ICARA process is an ongoing cycle of risk and capital management processes, similar to the ORSA process. The Group ICARA process is performed for the prudential consolidation of Quilter’s investment and advice firms under IFPR requirements. The ICARA process is also performed at an entity level for Quilter’s UK investment firms, which are Quilter Investment Platform Limited, Quilter Investors Limited, Quilter Cheviot Limited and Quilter Invest Limited.

The Group ICARA report is produced annually. This summarises the analysis, insights and conclusions from the underlying risk and capital management processes in respect of Quilter’s IFPR prudential consolidation group.

The conclusions of the ORSA and ICARA processes are reviewed by management and the Board throughout the year.

18(b): Credit risk

Overall exposure to credit risk

Credit risk is the risk of adverse movements in credit spreads (relative to the reference yield curve), credit ratings or default rates leading to a deterioration in the level or volatility of assets or liabilities resulting in loss of earnings or reduced solvency. This includes counterparty default risk, counterparty concentration risk and spread risk.

The Group has established a Credit Risk Framework that includes a Credit Risk Policy and Credit Risk Appetite Statement. This framework applies to all activities where the Group is exposed to credit risk, either directly or indirectly, ensuring appropriate identification, measurement, management, monitoring and reporting of the Group’s credit risk exposures.

The credit risk arising from all exposures is mitigated by ensuring that the Group only enters into relationships with appropriately robust counterparties, adhering to the Group Credit Risk Policy. For each asset, consideration is given as to:

- the credit rating of the counterparty, which is used to derive the probability of default;
- the loss given default;
- the potential recovery which may be made in the event of default;
- the extent of any collateral that the Group has in respect of the exposures; and
- any second order risks that may arise where the Group has collateral against the credit risk exposure.

The credit risk exposures of the Group are monitored regularly to ensure that counterparties remain creditworthy, that there is appropriate diversification of counterparties and that exposures are within approved limits. At the end of 2025, the Group’s material credit exposures were to financial institutions (primarily through the investment of shareholder funds), corporate entities (including external fund managers) and individuals (primarily through fund management trade settlement activities).

There is no direct exposure to non-UK sovereign debt within the shareholder investments. The Group has no significant concentrations of credit risk exposure.

18: Capital and financial risk management *continued*

18(b): Credit risk *continued*

Other credit risks

The Group is exposed to financial adviser counterparty risk through a number of loans that it makes to its financial advisers and the payment of upfront commission on the sale of certain types of business. The risk of default by financial advisers is managed through monthly monitoring of loan and commission debt balances.

The Group is also exposed to the risk of default by fund management groups in respect of settlements. This risk is managed through the due diligence process which is completed before entering into any relationship with a fund group. Amounts due to and from fund groups are monitored for prompt settlement and appropriate action is taken where settlement is not timely.

Legal contracts are maintained where the Group enters into credit transactions with a counterparty.

Impact of credit risk on fair value

Due to the limited exposure that the Group has to credit risk, credit risk does not have a material impact on the fair value movement of financial instruments for the year under review. The fair value movements on these instruments are mainly due to changes in market conditions.

Maximum exposure to credit risk

The Group's maximum exposure to credit risk does not differ from the carrying value disclosed in the relevant notes to the consolidated financial statements.

Loans and advances subject to 12-month expected credit losses are £44 million (2024: £56 million) and other receivables subject to lifetime expected credit losses are £251 million (2024: £268 million). Those balances represent the pool of counterparties that do not require a rating. These counterparties individually generate no material credit exposure and this pool is highly diversified, monitored and subject to limits.

Exposure arising from financial instruments not recognised on the statement of financial position is measured as the maximum amount that the Group would have to pay, which may be significantly greater than the amount that would be recognised as a liability. The Group does not have any significant exposure arising from items not recognised on the statement of financial position.

The table below represents the Group's exposure to credit risk from cash and cash equivalents.

							£m
	Credit rating relating to cash and cash equivalents						
31 December 2025	**AAA**	**AA**	**A**	**B**	**<BBB**	**Not rated[1]**	**Carrying value**
Cash at amortised cost, subject to 12-month ECL	**-**	**62**	**261**	**-**	**-**	**404**	**727**
Money market funds at FVTPL	**1,425**	**-**	**-**	**-**	**-**	**-**	**1,425**
Total cash and cash equivalents	**1,425**	**62**	**261**	**-**	**-**	**404**	**2,152**

							£m
	Credit rating relating to cash and cash equivalents						
31 December 2024	AAA	AA	A	B	<BBB	Not rated[1]	Carrying value
Cash at amortised cost, subject to 12-month ECL	-	73	296	-	-	365	734
Money market funds at FVTPL	1,215	-	-	-	-	-	1,215
Total cash and cash equivalents	1,215	73	296	-	-	365	1,949

[1]Cash included in the consolidation of funds is categorised as not rated.

Impairment allowance

Assets that are measured and classified at amortised cost are monitored for any expected credit losses on either a 12-month or lifetime ECL model. The majority of such assets within the Group are measured on the lifetime ECL model, with the exception of some specific loans that are on the 12-month ECL model.

Impairment allowance	**£m**
Balance at 1 January 2024	(5.8)
Change due to change in counterparty balance	(0.8)
Change due to change in counterparty credit rating	(0.1)
Additional impairment in the year	(2.4)
Write-offs	0.2
31 December 2024	(8.9)
Change due to change in counterparty balance	**(1.0)**
Change due to change in counterparty credit rating	**0.1**
Additional impairment in the year	**(2.9)**
Write-offs	**0.6**
31 December 2025	**(12.1)**

18: Capital and financial risk management *continued*

18(c): Market risk

Market risk is the risk of an adverse change in the level or volatility of market prices of assets or liabilities resulting in loss of earnings or reduced solvency. Market risk arises from changes in equity, bond and property prices, interest rates and foreign exchange rates. Market risks are linked to wider economic and geopolitical conditions and may be driven by the crystallisation of climate-related financial risks. Market risk arises differently across the Group's businesses depending on the types of financial assets and liabilities held.

The Group has a market risk policy which sets out the Group's requirements for the management of market risk.

The Group does not undertake any principal trading for its own account. The Group's revenue is however affected by the value of assets under management and administration and consequently the Group has exposure to equity market levels and economic conditions. Scenario testing is undertaken to test the resilience of the business to severe but plausible events, including assessment of the potential implications of climate-related risks and opportunities, and to assist in the identification of management actions.

18(c)(i): Equity risk

In accordance with the market risk policy, the Group does not generally invest shareholder assets in equity, or related collective investments, except where the exposure arises due to:

- mismatches between unitised fund assets and liabilities. These mismatches are permitted, subject to maximum limits, to avoid excessive dealing costs; and
- seed capital investments. Seed capital is invested within new unitised or other funds within the Group at the time when these funds are launched. The seed capital is then withdrawn from the funds as policyholders and customers invest in the funds.

The above exposures are not material to the Group.

The Group derives fees (e.g. annual management charges) and incurs costs (e.g. in respect of outsourced service providers) which are linked to the performance of the underlying assets. Therefore, future earnings will be affected by equity market performance.

Equity sensitivity testing

A movement in equity would impact the fee income that is based on the market value of the investments held by or on behalf of customers. The sensitivity is applied as an instantaneous shock to equity at the start of the year. The sensitivity analysis is not limited to the unit-linked business and therefore reflects the sensitivity of the Group as a whole.

		£m
Impact on profit after tax and net assets	**31 December 2025**	31 December 2024
Impact of 10% increase in equity	**29**	26
Impact of 10% decrease in equity	**(29)**	(26)

18(c)(ii): Interest rate risk

Interest rate risk arises primarily from bank balances held with financial institutions.

A rise in interest rates would also cause an immediate fall in the value of investments in fixed income securities within customers' investment funds, resulting in a fall in fund-based revenues.

Conversely, a reduction in interest rates would cause a rise in the value of investments in fixed income securities within customers' investment funds. It would also reduce the interest rate earned on cash deposits and money market funds.

Exposure of the financial statements to interest rates are summarised below.

Interest rate sensitivity testing

The impact of an increase and decrease in market interest rates of 1% is tested (e.g. if the current interest rate is 4%, the test allows for the effects of an instantaneous change to 3% and 5% from the start of the year). The test allows consistently for similar changes in investment returns and movements in the market value of any fixed interest assets backing the liabilities. The sensitivity of profit to changes in interest rates is provided.

		£m
Impact on profit or loss after tax and net assets	**31 December 2025**	31 December 2025
Impact of 1% increase in interest rates	**9**	9
Impact of 1% decrease in interest rates	**(9)**	(9)

18(c)(iii): Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's functional currency is pounds sterling, which accounts for the majority of the Group's transactions. The Group has minor exposure to Euros, through the Group's Irish subsidiary and to the South African Rand, due to the listing on the Johannesburg Stock Exchange and the payment of a proportion of shareholder dividends in Rand. During 2025, the Group had limited exposure to foreign currency risk in respect of other currencies due to its non-UK operations and foreign currency transactions.

18: Capital and financial risk management *continued*

18(d): Liquidity risk

Liquidity risk is the risk that there are insufficient assets or that assets cannot be realised in order to settle financial obligations as they fall due or that market conditions preclude the ability of the Group to trade in illiquid assets in order to maintain its asset and liability matching ("ALM") profile. The Group manages liquidity on a daily basis through:

- maintaining adequate high-quality liquid assets and banking facilities, the level of which is informed through appropriate liquidity stress testing;
- continuously monitoring forecast and actual cash flows; and
- monitoring a number of key risk indicators to help in the identification of a liquidity stress.

Individual businesses maintain and manage their local liquidity requirements according to their business needs within the overall Group Liquidity Risk Framework that includes a Group Liquidity Risk Policy and Group Liquidity Risk Appetite Statement. The Group framework is applied consistently across all businesses in the Group to identify, manage, measure, monitor and report on all liquidity risks that have a material impact on liquidity levels. This framework considers both short-term liquidity and cash management considerations and longer-term funding risk considerations.

Liquidity is monitored centrally by Group Treasury, with management actions taken at a business level to ensure each business has sufficient liquidity to cover its minimum liquidity requirement, with an appropriate buffer set in line with the Group Liquidity Risk Appetite Statement.

During 2025, Quilter plc and its subsidiaries have operated above their individual liquidity targets and there were no material liquidity stresses identified during the year. Daily liquidity monitoring continues across the Group to enable timely identification of any emerging issues.

The Group maintains contingency funding arrangements to provide liquidity support to businesses in the event of liquidity stresses. Contingency Funding Plans are in place for each individual business under a Group Consolidated Contingent Funding Plan in order to set out the approach and management actions that would be taken should liquidity levels fall below the thresholds that have been set to reflect the liquidity risk appetite of each business. The plans undergo a periodic review and testing cycle to ensure they are fit for purpose and can be relied upon during a liquidity stress.

Information on the nature of the investments and securities held is given in note 10.

The Group has a £125 million five-year revolving credit facility with a five-bank club that provides a form of contingency liquidity for the Group. No drawdown on this facility has been made since its original inception in February 2018. The Group entered into a five-year arrangement in January 2024 with the option to extend the facility for a further two-year period, to January 2031, and has continued to meet all the covenants attached to its financing arrangements. The second one-year extension has been exercised in January 2026 and approved by the bank club. This takes the current expiration date of the arrangement to January 2031. No drawdown on this facility has been made since its inception.

The financing arrangements are considered sufficient to maintain the target liquidity levels of the Group and offer coverage for appropriate stress scenarios identified within the liquidity stress testing undertaken across the Group.

The following table shows the Group's maturity of financial liabilities based on gross, undiscounted contractual cash flows, including interest payments, allocated to the earliest period in which the Group could be required to pay.

Investment contract policyholders have the option to terminate or transfer their contracts at any time and to receive the surrender or transfer value of their policies and therefore investment contract liabilities are treated as having a maturity of less than one year. Similarly, investors in funds have the option to end their investment in the funds at any time and therefore third-party interests in consolidated funds are treated as having a maturity of less than one year. Although these liabilities are payable on demand, the Group does not expect that all liabilities will be settled within a short time period. Therefore, the table below reflects the contractual position and not the expected rates of future withdrawals.

				£m
31 December 2025	**<1 year**	**1-5 years**	**>5 years**	**Total**
Investment contract liabilities[1]	**64,493**	**-**	**-**	**64,493**
Third-party interests in consolidated funds	**9,393**	**-**	**-**	**9,393**
Borrowings and lease liabilities[2]	**209**	**39**	**37**	**285**
Trade, other payables and other liabilities[3]	**542**	**2**	**-**	**544**
Derivative liabilities	**24**	**-**	**-**	**24**
Total financial liabilities on an undiscounted basis	**74,661**	**41**	**37**	**74,739**

				£m
31 December 2024	**<1 year**	**1-5 years**	**>5 years**	**Total**
Investment contract liabilities[1]	51,758	-	-	51,758
Third-party interests in consolidated funds	8,225	-	-	8,225
Borrowings and lease liabilities[2]	208	38	45	291
Trade, other payables and other liabilities[3]	399	1	-	400
Derivative liabilities	53	-	-	53
Total financial liabilities on an undiscounted basis	60,643	39	45	60,727

[1]The linked assets are held to cover the liabilities for linked investment contracts.
[2]The amounts represent gross, undiscounted contractual cash flows.
[3]Values presented exclude non-financial liabilities.

18: Capital and financial risk management *continued*

18(e): Life underwriting risk

18(e)(i): Overview

Life underwriting risk covers risks arising under products provided by Quilter's life insurance firm, Quilter Life & Pensions Limited. These products do not meet the IFRS definition of insurance contracts.

Life underwriting risk covers the risk of adverse experience of withdrawal, overrun in expenses or higher than expected mortality experience.

The sensitivity of the Group's earnings and capital position to life underwriting risks is monitored through the Group's capital management processes.

The Group manages its life underwriting risks through the following mechanisms:

- Management of expense levels relative to approved budgets.
- Analysis and monitoring of experience relative to the assumptions used to determine technical provisions.

Persistency

Persistency risk is the risk that the level of surrenders or withdrawals on products offered by Quilter Life & Pensions Limited occurs at levels that are different to the levels assumed in the determination of technical provisions. Persistency statistics are monitored monthly and a detailed persistency analysis at a product group level is carried out on an annual basis. Management actions may be triggered if persistency statistics indicate significant adverse movement or emerging trends in experience.

Expenses

Expense risk is the risk that actual expenses and expense inflation differ from the levels assumed in the determination of technical provisions. Expense levels are monitored on a quarterly basis against budgets and forecasts. Expense drivers are used to allocate expenses to entities and products. Some product structures include maintenance charges. These charges are reviewed annually in light of changes in maintenance expense levels and the market rate of inflation. This review may result in changes in charge levels.

Mortality

Mortality risk is not material as the Group does not provide material mortality insurance on its products.

18(e)(ii): Sensitivity analysis

Sensitivity analysis has been performed by applying the following parameters to the financial statements for 2024 and 2025. Interest rate and equity and property price sensitivities are included within the Group market sensitivities above.

Expenses

The increase in expenses is assumed to apply to the costs associated with the maintenance and acquisition of contracts within the unit-linked business. It is assumed that these expenses are increased by 10% from the start of the year, so is applied as an expense shock rather than a gradual increase. The only administrative expenses that are deferrable are sales bonuses but as new business volumes are unchanged in this sensitivity, sales bonuses and the associated deferrals have not been increased.

An increase in expenses of 10% would have decreased profit by £6 million after tax (2024: £5 million).

18(f): Operational risk

Operational risk refers to the potential for loss resulting from inadequate or failed internal processes, systems, or external events. Such losses may adversely impact profitability. This category encompasses risks arising from operational processes and activities including the provision of services to customers and financial advisers.

Key sources of operational risk include, but are not limited to:

- Technology and information security: Failures in IT infrastructure, cybersecurity, and system development or maintenance.
- Distribution and advice: Risks associated with the provision and oversight of financial advice and ongoing customer servicing.
- Investment management: Errors in investment management, fund pricing, dealing, execution and settlement activities.
- Human resources: Risks arising from people management and HR-related processes.
- Product lifecycle management: Issues in product development, launch, and ongoing management.
- Legal and contractual risks: Exposure due to inadequate legal agreements with third parties.
- Change management: Poorly executed responses to regulatory or strategic change initiatives.
- Third-party management: Risks associated with outsourced service providers and suppliers.
- Financial crime and business continuity: Threats from fraud, cybercrime, and operational disruptions.

In line with Group policies, management holds primary responsibility for identifying, assessing, managing, and monitoring operational risks. This includes escalating and reporting issues to Executive Management.

Executive Management is accountable for implementing the Group Operational Risk Framework and for developing and executing action plans to maintain risk levels within acceptable tolerances and to address identified issues.

19: Related party transactions

In the normal course of business, the Group enters into transactions with related parties. Loans to related parties are conducted on an arm's length basis and are not material to the Group's results. There were no transactions with related parties during the current year or the prior year which had a material effect on the results or financial position of the Group. Full details of transactions with related parties, including key management personnel compensation is included within note 40 of the financial statements within the Group's 2025 Annual report. The Group's interest in subsidiaries and related undertakings are set out in Appendix A of the financial statements within the Group's 2025 Annual report.

Notes to the condensed consolidated financial statements

For the year ended 31 December 2025

20: Events after the reporting date

Final Dividend

On 4 March 2026, the Group announced a proposed Final Dividend for 2025 of 4.3 pence per Ordinary Share amounting to £58 million in total. Subject to approval by shareholders at the Annual General Meeting, the dividend will be paid on 18 May 2026.

Acquisition of ILTB Limited

On 14 January 2026, the Group acquired 100% of the share capital of ILTB Limited for a total consideration of €16 million (equivalent of £14 million). €8 million (equivalent of £7 million) was paid on acquisition, and an estimated further €8 million (equivalent of £7 million) is deferred consideration payable in stages up to the third anniversary date post completion dependent on business performance. The consideration includes payment for control of the net assets of ILTB Limited of €2 million (equivalent of £2 million). Further disclosures have not been provided as the finalised transaction figures are not yet available. The Group expects to recognise goodwill and intangible assets from the acquisition date once the acquisition accounting is completed. ILTB Limited is an Irish investment advisory firm trading as GillenMarkets that provides advice for personal, pension and corporate customers.

Capital Return

On 4 March 2026, the Board approved a capital return of up to £100 million to the shareholders of Quilter plc in the form of a Share Buyback Programme (the "Programme"). The Programme has received regulatory approval from the Group's lead supervisor, the Prudential Regulatory Authority, and this approval is effective from 4 March 2026. The Programme has also received approval from the South African Reserve Bank. The Programme will be conducted concurrently on the London and Johannesburg Stock Exchanges. The Programme is dependent on periodic Board review and the renewal of share purchase authorities at the 2026 Annual General Meeting. The Board review will ensure that the Programme remains the most effective and timely method of returning capital to shareholders and is expected to complete by the end of 2026. The Programme will reduce the Group's IFRS net assets and UK Solvency II surplus on a regulatory basis by £100 million. Further information on the Group's capital position on a regulatory basis is presented in note 18(a). The Financial review section of the Strategic Report includes the Group's pro forma solvency position which allows for the reduction in capital that will result from the Programme.