



ARBUTHNOT BANKING GROUP PLC

19 May 2026

Arbuthnot Banking Group PLC

Annual General Meeting 2026

Trading Update

The Board of Arbuthnot Banking Group PLC (“Arbuthnot”, “the Company”, “the Bank” or the “Group”) announces the following statement regarding the trading performance of the Group for the four months to 30 April 2026 ahead of the Annual General Meeting due to be held later today.

Highlights

- **Loan Balances including Leased Assets at 30 April 2026 of £2,322m (30 April 2025: £2,361m, 31 December 2025: £2,246m), representing growth of 3% since the year end.**
- **Deposits of £4,631m (30 April 2025: £4,257m, 31 December 2025: £4,570m), representing a 1% increase since the year end despite the seasonal outflow of client tax payments and year on year growth of 9%.**
- **Funds Under Management and Administration (“FUMA”) of £2,804m, (30 April 2025: £2,250m, 31 December 2025: £2,677m), a 5% increase against 31 December 2025 and an increase of 25% year on year.**

Summary

The Group made a strong start to the year with good growth in both lending and FUMA balances. This is despite the headwinds that have persisted in the economy in 2026.

The Group regularly notes that due to the conservative levels of surplus liquidity, its financial performance can be affected by the base rate which determines the return the Group can make on these surplus funds. Therefore, after the base rate reduction in December 2025 and the anticipation of further cuts in 2026, the Group expected its good trading performance would be offset by lower revenues earned on the liquidity reserves.

Given the issues in the Middle East that have now pushed up energy prices which seem likely to become embedded in the supply chain, higher inflation would appear to be inevitable. How the Bank of England policy setters react to this remains to be seen, but the downside risk appears to have receded for now.

Group loan balances grew 3% in the first four months of the year to finish the period at £2,322m with a return to growth across all of the Group’s business segments, whilst maintaining its conservative credit appetite.

Deposits finished the period at £4,631m, a 1% growth in the four months since the year end and 9% since the same period in the prior year. This was after the seasonal outflow of clients' tax payments to HMRC in January. The Wealth Management business grew 5% in the first four months to 30 April to finish with FUMA of £2,804m. This was despite volatility in equity markets caused by the conflict in the Middle East.

Banking

Banking's relationship-led approach continued to support the growth and retention of criteria clients across its Private and Commercial Banking propositions.

Deposits finished the period at £4,631m a 1% increase against the year end. However, this is after approximately £250m of seasonal outflow of private banking client payments to HMRC, which was offset by commercial banking deposit growth.

The Banking loan book grew 1% in the first four months of 2026. Although the business finished 2025 with a strong pipeline, delays in conveyancing and legal completion timelines across the UK have lengthened materially, particularly for higher-value or structurally complex transactions, resulting in a slower drawdown rate for the business. With a cautious outlook for the UK economy, along with some headwinds observed for prime London property, the Bank continues to hold to its principles of maintaining high quality credit lending to borrowers with strong asset bases, resulting in watchlist client numbers now being at medium term historic low levels.

Wealth Management

FUMA grew 5% in the period to finish at £2,804m at the end of April, representing 25% year on year growth. This was despite the conflict in the Middle East creating volatility in the equity markets as investors weighed up the potential impact on different regions and sectors.

In April the business launched its first fund range. This key milestone provides an alternative more accessible investment vehicle for those clients with lower levels of funds, whilst still benefitting from the Investment Committee's tactical allocation and performance for both new and existing clients.

Arbuthnot Commercial Asset Based Lending ("ACABL")

ACABL had pleasing growth in lending balances in the first four months of 2026 increasing its loan book from £219m at the previous year end to £247m at the end of April, representing growth of 13% for the four months and 14% year on year.

The loan book growth was from a combination of both new clients, two thirds of which related to event driven transactions as well as additional facilities to existing relationships, both of which more than offset attrition. The current pipeline is indicating that the momentum in loan book growth will continue for the remainder of the first half of 2026.

Following previous economic uncertainty, many portfolio clients have built up cash buffers, which has proven beneficial in shielding them from current rising energy prices, supply chain disruptions and rising inflation. As a consequence, new watchlist cases for ACABL have been minimised.

Renaissance Asset Finance ("RAF")

RAF finished the period with a loan book of £336m up 17% from the end of 2025 and 27% year on year. The majority of growth coming from RAF's core specialism of financing high value cars for high net worth individuals. The business also achieved a key milestone in the first four months, exceeding £1bn lent since its inception in 2014.

The Block Discounting business, launched in late 2021, continues to generate significant growth, reporting an 8% increase over the period.

Asset Alliance Group ("AAG")

AAG finished the period with Assets Available to Lease of £384m compared to £383m at the previous year end. Origination for the first four months of 2026 was £34m. Whilst the coach market has been impacted by sudden fuel rises, the bus sector remains more resilient.

The lending portfolio is now well balanced between commercial vehicles and buses, providing resilience against external macro-economic forces. Trading in used, end of lease commercial vehicles has also shown signs of recovery in the period, with sales now running at a profit rather than the losses experienced in 2025.

The Directors of the Company accept responsibility for the contents of this announcement.

The information contained within this announcement is deemed to constitute inside information as stipulated under the retained EU law version of the Market Abuse Regulation (EU) No. 596/2014 (the "UK MAR") which is part of UK law by virtue of the European Union (Withdrawal) Act 2018. The information is disclosed in accordance with the Company's obligations under Article 17 of the UK MAR. Upon the publication of this announcement, this inside information is now considered to be in the public domain.

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