

Saga plc
Unaudited preliminary results for the year ended 31 January 2026

Transformational year positions Saga for sustained growth
Full year results exceeded guidance, driven by strength across Travel and Insurance

Saga plc (**Saga** or the **Group**), the UK's specialist in products and services for people over 50, announces its unaudited preliminary results for the year ended 31 January 2026.

Year ended	31 January 2026	31 January 2025	Change
Underlying Revenue ^{1,2}	£654.6m	£588.6m	11%
Revenue ²	£660.0m	£588.3m	12%
Trading EBITDA ^{1,2}	£134.9m	£116.0m	16%
Net finance costs ³	(£43.1m)	(£26.7m)	(61%)
Underlying Profit Before Tax ^{1,2}	£44.2m	£37.2m	19%
Profit/(loss) before tax ²	£2.1m	(£160.2m)	101%
Available Operating Cash Flow ¹	£205.9m	£109.6m	88%
Net Debt ¹	£499.5m	£592.8m ⁴	16%
Leverage Ratio ¹	3.7x	4.4x ⁴	0.7x

Financial highlights

The Group delivered a strong set of results, underpinned by the performance of the Travel and Insurance businesses, alongside continued execution of the strategic plan.

- **A strong financial performance, ahead of guidance.** Underlying Profit Before Tax^{1,2} increased to £44.2m, up 19% from £37.2m in the previous year, despite expected higher finance costs.
- **Underlying Revenue^{1,2} increased 11% to £654.6m**, with growth across both Travel and Insurance, resulting in a 16% increase in Trading EBITDA^{1,2}.
- **Net Debt¹ reduced significantly, falling by 16% to £499.5m.** Leverage Ratio¹ also improved, from 4.4x⁴ to 3.7x.
- **Reported profit before tax² of £2.1m**, compared with a loss of £160.2m last year.
- **Profit and cash flow generation outperformed our expectations**, reinforcing the progress we are making towards our Underlying Profit Before Tax¹ target of at least £100.0m by January 2030, and the corresponding reduction in Leverage Ratio¹ to below 2.0x over the same period.

Strategic progress

During the year, the Group made significant progress towards building a lower risk, simplified business model, with the strength of the brand and customer focus remaining at the heart of decision making. In doing so, the Group delivered the following important strategic milestones:

- **Corporate debt refinanced**, with a new £335.0m term loan due in January 2031, providing long-term financial headroom and flexibility to support our growth plans.
- **Sale of Insurance Underwriting business to Ageas⁵ completed in July 2025**, removing all underwriting risk from the Group and reducing complexity and volatility.
- **Successfully launched our motor and home insurance partnership with Ageas⁵** marking a major step forward in the simplification of our Insurance Broking operations with the support of a first-class insurance partner.
- **Consolidated our previously separate Cruise and Holidays leadership teams into a single, customer-centric operation**, that more efficiently delivers a consistent customer experience across all our Travel products.

¹ Refer to the Alternative Performance Measures Glossary on pages 87-91 for definition and explanation

² From continuing operations

³ Net finance costs exclude Travel and Insurance Underwriting finance costs and Travel net fair value losses on derivatives

⁴ Following the Group's corporate refinancing and subsequent revised covenant definition, Net Debt and Leverage Ratio have been re-presented for 31 January 2025

⁵ Wholly owned UK subsidiaries of Ageas SA/NV

- **River Cruise continued to grow, with the launch of Spirit of the Moselle in July 2025**, which is already proving very popular with our guests.
- **Expanded our partnership strategy, with the launch of our new Saga Easy Access Savings Account** in conjunction with NatWest Boxed.
- **Series of new Publishing initiatives launched, designed to build long-term brand and customer engagement**, including our highly successful new podcast, 'Experience is Everything', and the expansion of our carefully targeted and informative newsletters.

Outlook

Following the performance delivered in 2025/26 and the strong forward bookings in Travel, we look ahead to 2026/27 with confidence and expect to deliver continued growth in both profit and cash generation. Underlying Profit Before Tax⁶ is expected to take a further step forward, with the following components:

- Travel - strong forward bookings, particularly in Ocean and River Cruise, give confidence in further growth in Underlying Profit Before Tax⁶.
- Insurance Broking - Underlying Profit Before Tax⁶ is expected to be at least in line with 2025/26 and ahead of previous guidance, as the Ageas⁷ partnership becomes fully embedded.

Following strong cash generation in 2025/26, the Group has passed its peak leverage, with further reductions in both Net Debt⁶ and the Leverage Ratio⁶ expected in 2026/27.

The transition to the Ageas⁷ partnership will complete during 2026/27, with the full benefit of the simplified and lower risk model to be realised from 2027/28 onwards.

In Travel, we remain confident in driving continued success. While mindful of the current uncertainty in the Middle East, we have minimal exposure to the region, with no Cruise itineraries and only limited Holidays bookings to Egypt, Cyprus and Turkey. We are 100% hedged against our current foreign exchange risk for both 2026/27 and 2027/28, and 100% and 75% hedged for oil commodity risk respectively.

We remain confident in achieving at least £100.0m of annual Underlying Profit Before Tax⁶ and the Leverage Ratio⁶ falling below 2.0x by January 2030.

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

"This has been a transformational year for Saga. The restructuring of our Insurance business, and the partnership with Ageas⁷, derisks and simplifies our operating model, creating a more stable platform for growth. Alongside this, we continued to see growth across all our Travel businesses, driven in particular by the newly combined management team's relentless focus on delivering differentiated travel experiences designed with the needs of our customers in mind.

"The result was an excellent trading performance that drove growth across all our core businesses, and a strong financial performance, with Underlying Profit Before Tax⁶ and the Leverage Ratio⁶ significantly ahead of our original guidance.

"As we look ahead, our performance this year has further strengthened the confidence we have in our medium-term targets of delivering underlying profits of at least £100.0m by January 2030, and leverage below 2.0x. We will deliver this by focussing on Saga's core strengths and the 75 years of experience we have in designing, marketing and delivering products and services for people over 50.

"I would like to thank all my Saga colleagues and our partners. Our successful performance this year is a testament to their dedication, on a daily basis, to deliver great products and service for our customers."

⁶ Refer to the Alternative Performance Measures Glossary on pages 87-91 for definition and explanation

⁷ Wholly owned UK subsidiaries of Ageas SA/NV

END

Management will hold a presentation for analysts and investors at 9.30am today. The webcast can be accessed by registering at www.investis-live.com/saga-group/69aedd30295940002c4a36a2/vbdfg and a copy of the presentation slides is available at www.corporate.saga.co.uk/investors/results-reports-presentations/.

A separate live presentation for retail investors will be held via the Investor Meet Company platform on 16 April 2026 at 9.30am. The presentation is open to all existing and potential investors. Questions can be submitted pre-event via the Investor Meet Company dashboard up until 9.00am on 15 April 2026, or at any time during the live presentation. Investors can sign up to Investor Meet Company for free and follow Saga plc via www.investormeetcompany.com/saga-plc/register-investor. Investors who already follow Saga plc on the Investor Meet Company platform will automatically be invited.

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Notes to editors

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

www.saga.co.uk

Divisional performance

Our focus on putting our customers first has delivered a strong set of Group-wide results. All our core businesses have performed well and we have achieved growth in both the number of customers travelling with us and the number of Insurance policies sold.

Travel – Strong customer demand continues to drive revenue growth

We simplified our Travel businesses, bringing them under one management team this year, to create a single, more efficient and customer focussed operation. The newly combined team delivered an outstanding performance. Underlying Revenue¹ increased 11% to £504.1m and Underlying Profit Before Tax¹ rose 37% to £87.2m.

Ocean Cruise

- Ocean Cruise reported an Underlying Profit Before Tax¹ of £67.3m, representing a 38% increase when compared with the £48.9m in the previous year.
- Underlying Revenue¹ grew 12% to £265.6m, driven by a load factor of 93% and a per diem of £394, which were 2ppts and 10% higher, respectively, than last year, reflecting strong ongoing customer demand.

River Cruise

- River Cruise reported an Underlying Profit Before Tax¹ of £5.9m, representing a 48% increase when compared with the £4.0m in the previous year.
- Underlying Revenue¹ grew 8% to £53.4m, driven by a load factor of 89%, which was the same as last year, despite the increased capacity from the launch of Spirit of the Moselle in July 2025. The per diem was £350, which was 7% higher than last year.
- Our newest purpose-built River Cruise ship, Spirit of the Moselle, proved very popular with guests and reinforces the continued growth potential we see for our River Cruise offering.

Holidays

- The Holidays business also performed well and reported an Underlying Profit Before Tax¹ of £14.0m, a 31% increase from the prior year. This was alongside a 10% increase in Underlying Revenue¹, to £185.1m.
- Total passenger numbers increased 11%, from 54.8k to 60.8k.

Insurance Broking – Launch of Ageas² partnership and return to policy growth

- Insurance Broking performed ahead of expectations and reported an Underlying Profit Before Tax^{1,3} of £16.9m, a 17% increase when compared with the £14.5m generated in the previous year.
- Our renewed focus on pricing and marketing has built positive momentum across the year, with policy sales and policies in force both growing for the first time in four years.
- Our 20-year Affinity Partnership with Ageas² successfully went live in December 2025, beginning with motor insurance new business. This will be followed by the launch of home insurance new business by the end of April 2026. This phased implementation will continue over the coming months, culminating with renewals for both motor and home insurance going live later in the year.

¹ Refer to the Alternative Performance Measures Glossary on pages 87-91 for definition and explanation

² Wholly owned UK subsidiaries of Ageas SA/NV

³ From continuing operations

Other Businesses

- In Money, progress continued with the launch of a new savings partnership with NatWest Boxed. Beginning with an Easy Access Savings Account, which launched in January 2026, the partnership will open up new savings options for our customers and build on our existing portfolio of differentiated personal finance solutions for people over 50. While still in its investment phase, this portfolio of products is an important part of our wider customer offering and longer-term growth plan.
- Publishing, which is central to our customer engagement and insight strategy, saw the launch of a new podcast series which, although only available from December 2025, has already reached over 8m views to date, alongside a broadening of our successful newsletter and digital content offering. Our award-winning magazine has over 100k subscribers and the magazine website attracted over 14.7m visits this year. We sent 9.7m newsletters on average each month, which received strong feedback from our customers and achieved market-leading open rates of up to 50%.
- Our 9.3m strong customer database remains one of our core strategic assets. The depth of insight it provides into our target customer group, and the unparalleled reach of the 7.8m contactable customer base within it, serves as a powerful and unique driver for both our existing businesses and also future opportunities.

Chairman's Statement

My parents started operating holidays for older people in the early 1950s when they wanted to try and fill their seaside hotel in Folkestone in the off-peak season. The holidays were an immediate success, and the idea of Saga was born.

I became Saga's 11th employee in 1965, its Managing Director in 1978 and Chief Executive Officer (**CEO**) and Chairman six years later. So, I know Saga well.

This year is our 75th birthday and it is particularly fitting that this is also the year in which we returned to the FTSE 250. Saga is a business with a great heritage and the progress we have made this year has been built on the enduring principles that have long defined us. We have always worked hard to understand older people better than anyone else and, over the years, that understanding has allowed us to design products and services successfully to meet the needs of our customers.

We have delivered an excellent set of financial results this year, reflecting significant progress in embedding our new strategic plan. Underlying Profit Before Tax¹ grew by 19% when compared with last year, revenues were up 12% and the Leverage Ratio¹ fell to 3.7x.

Implementation of the plan was carried out at pace and resulted in a year of significant transformation for Saga. The ability to change has always been central to Saga's long-term success. Regularly reinventing ourselves, in order to compete effectively and to stay relevant to each new generation of older people entering our market, has always been essential.

Mike Hazell, our Group CEO, together with Mark Watkins, our Group Chief Financial Officer, and the senior management team have been superb in refining and implementing our business model in a way that allows us to meet our customers' needs simply and effectively. Our partnership strategy is a fundamental part of that simplification. By accessing the skills and infrastructure of high-quality business partners to complement the core skills we have in designing and marketing products for older people, we are unlocking uniquely compelling customer propositions that neither partner could deliver alone. As a result of the teams' disciplined execution of our plan in 2025/26, I am confident in our future. All our businesses are performing well and we have secured our long-term funding. Our lower-risk, more simplified business model sets us up well to deliver our growth plan and significantly reduce our debt.

Our Insurance business has had a very successful year. The sale of our Insurance Underwriting business in July 2025, together with the launch of our Ageas² motor and home Affinity Partnership in December 2025, meant that we ended the year taking no underwriting risk and with our Insurance operations significantly simplified. This new commission-based business model means that we now have greater certainty of earnings, lower volatility and a less capital-intensive path to growth, supported by one of the largest insurers in Europe.

Our stronger balance sheet, together with the new partnership, gave us the confidence to invest in pricing and marketing. As a result, both revenue and Underlying Profit Before Tax¹ returned to growth after a number of challenging years.

Travel is now the largest generator of profits in the Group. Implementing a series of operational improvements and changes to our management structure led to increased customer numbers and improved customer satisfaction. As we head towards our 30th year of cruising, our Ocean and River Cruise businesses continue to grow. Holidays are also continuing to grow. It is excellent that, after a number of years, we have started offering holidays in the UK again, the place our journey began 75 years ago.

¹ Refer to the Alternative Performance Measures Glossary on pages 87-91 for definition and explanation

² Wholly owned UK subsidiaries of Ageas SA/NV

2025/26 was a year in which we set out to grow our profits, reduce our debt and re-engineer our business, to focus on a more simple, low risk, less capital-intensive way of doing business. We have succeeded in achieving these objectives and have gone into the new year confident in the delivery of our medium-term targets. None of this would have been possible without the exceptional commitment, expertise and sustained effort from all of Saga's colleagues.

Sir Roger De Haan

Non-Executive Chairman

14 April 2026

P.S. I am delighted that, during the last year, Saga won many awards. Among them: Best British Insurance Company, Best Customer Centric Culture, Editor of the Year, Newsletter of the Year, Best Cruise Line for Luxury Holidays, Best Travel Company for Luxury Holidays, Which? Recommended Provider for Ocean Cruises and Transformation of the Year, plc awards. This, again, is testament to the great team we have at Saga.

Group Chief Executive Officer's Strategic Review

75 years of doing things differently

I am delighted to update you on our strong performance in the 2025/26 financial year and the excellent progress we made in delivering our strategic plan. The turnaround we started two years ago is now well advanced and the early results of the action we have taken can be seen in our performance. We have a long-term strategy, which is built on our deep understanding of our customers, and the brand principles that have, for over three quarters of a century, made Saga the UK's leading business for people over 50. Our disciplined execution of this strategy, combined with a short-term focus on trading performance, has meant that we have fundamentally changed the outlook for the Group, addressing key structural challenges that were previously holding the business back.

Nobody understands older people better than Saga, and we use our 75 years of experience to differentiate our products and services from other businesses in ways that matter to our customers. We work hard to do things differently for customers whose needs and expectations we understand.

Strong financial performance exceeding expectations

In a transitional year for Saga, I am very pleased to be able to report a strong set of financial results as we continued to successfully implement our long-term strategic plan. An outstanding performance across our Travel businesses, and a return to growth in our Insurance business, translated into an Underlying Profit Before Tax^{1,2} of £44.2m, a 19% increase on the prior year.

The Group reported an 11% growth in Underlying Revenue^{1,2} of £654.6m, with growth across both Travel (11%) and Insurance Broking (13%). The profit before tax from continuing operations of £2.1m (2025: loss of £160.2m) was impacted by the exceptional restructuring costs we incurred this year and brings to an end the series of statutory losses the Group has reported over the past seven years.

Cash flow generation is a key measure for any business and the continued reduction in our Net Debt¹ remained a key priority for the Group. Our strong trading performance and profit translated into significant cash flow generation and a substantial reduction in Net Debt¹, which fell to £499.5m compared with £592.8m³ in the prior year, with a Leverage Ratio¹ of 3.7x, compared with 4.4x³ last year.

Our performance during the year places us well on the path towards our medium-term targets of at least £100.0m Underlying Profit Before Tax¹ by January 2030 and a resulting Leverage Ratio¹ of less than 2.0x. Indeed, we are already ahead of the planned trajectory we set out last year.

Significant strategic transformation

Our strategic transformation is now well underway. Since setting out our plan at the start of the 2025/26 financial year, our key focus has been on its delivery, which we have been executing at pace. Our plan is on track and we finished the year with a simplified, more focussed, capital-light business that is well placed to continue growing both customer numbers and profitability.

We have now restructured our Insurance business model and, in doing so, have significantly reduced the risk and complexity that previously impacted our performance. The sale of our Insurance Underwriting business in July 2025 meant that we no longer take any underwriting risk. This, combined with the launch of our 20-year motor and home insurance Affinity Partnership with Ageas⁴ in December 2025, allows us to reduce the level of technical, operational and regulatory activity that we undertake directly, and leverages the capabilities and infrastructure that our new insurance partner, Ageas⁴, provides. With this more robust model in place, we are now in a good position to grow.

Travel is now the largest driver of profits in the Group and is central to our growth plans. In March 2025, we combined our Cruise and Holidays management teams, creating a single, more effective and customer-centric operation. The full benefits of this change will take time to mature but we have already seen a significant improvement in performance and customer satisfaction, demonstrated through the 11% year-on-year increase in Underlying Revenue¹ from £453.9m to £504.1m and a corresponding 37% increase in Underlying Profit Before Tax¹ from £63.6m to £87.2m.

¹ Refer to the Alternative Performance Measures Glossary on pages 87-91 for definition and explanation

² From continuing operations

³ Following the Group's corporate refinancing and subsequent revised covenant definition, Net Debt and Leverage Ratio have been re-presented for 31 January 2025

⁴ Wholly owned UK subsidiaries of Ageas SA/NV

Our long-term strategic principles

Saga has been designing products and services for older people throughout the last 75 years. The deep understanding of our customer group, together with the experience we have in meeting their distinct needs, is at the heart of our strategy. Our businesses are supported by our award-winning multi-platform Publishing arm, and these combine to create a sophisticated marketing operation built on data that is unique to Saga and a critical driver of our business decisions.

By maintaining these key principles, and by embedding a culture and discipline across the business that put our customers at the forefront of decision making, we deliver products and services in a way that is different to other businesses.

Shorter-term strategic priorities

These enduring principles guide our decision making, providing longer-term direction alongside shorter-term priorities from which we build our plans. Our current strategic priorities comprise four key pillars.

1. Maximising the growth of our existing businesses

As we deliver our transformation and create solid foundations for long-term growth, we are driving the performance of our core businesses, all of which are now growing. The decisions taken in each of our businesses are now made with long-term sustainable growth in mind and are consistent with our clear brand principles.

2. Driving incremental growth through new business lines and products

We believe that Saga will, in the future, offer a broader range of products and services than it offers today, meeting the needs of older people in ways that mass market operators do not. Our priority is to complete the delivery of our turnaround plan, which will create the solid financial platform for achieving our medium-term targets. Alongside this, we will continue to lay the groundwork for new products and services.

3. Growing our customer base and deepening those relationships

Central to our success is the understanding we have of our customers. This understanding influences every aspect of our decision making. Our customer database is at the heart of our operation, providing us unrivalled reach. By growing the number of customers we have and the audience we engage with, we also increase our potential and improve our understanding of the people we serve.

4. Reducing debt, while simplifying our operations

Our new simplified business model creates more predictable revenues and cash flow generation and builds on our core strengths. Our growth plan leverages our skills and our existing asset base to deliver capital-light profit growth that, in turn, accelerates debt reduction and deleveraging.

An update on our progress during the year across each of our businesses is set out overleaf.

Travel

Having combined our Cruise and Holidays leadership teams in March 2025, we now have a more effective and cost-efficient Travel business that is delivering a consistent customer experience across all of our travel products.

Cruise

Our Ocean Cruise holidays have continued to be extremely popular. Our smaller, purpose-built Ocean Cruise ships offer an experience uniquely tailored to our guests' needs. We only depart from UK ports, and with every guest being provided a chauffeur service to and from their home, we remove the stress of flying, providing a seamless door to deck service. Onboard, our truly all-inclusive experience means that we give guests the peace of mind to enjoy their holiday without the fear of additional charges.

The results show strong repeat rates, with 64% of our guests booking a further cruise with us. Our guests return because of the quality of their holidays with us and we see consistently high levels of customer satisfaction. Our transactional net promoter score (**tNPS**) reached an all-time end-of-year high of 83, compared with 82 last year.

This customer focussed approach translated into another outstanding financial performance. Underlying Revenue⁵ grew by 12%, to £265.6m and Underlying Profit Before Tax⁵ increased 38%, to £67.3m.

We are also driving strong forward bookings for the year ahead. At 12 April 2026, the load factor for 2026/27 departures was 79%, in line with the same point in the prior year, and the per diem was £447, 13% ahead.

Our River Cruise business is also burgeoning. Building on our experience in Ocean Cruise, we now have four ships offering boutique river cruises on European rivers. Led by the same management team, and with the attention to detail that our Ocean Cruise guests have come to expect, we are generating a strong demand and driving significantly improved customer satisfaction. Varying river water levels in Europe did pose some disruption this year, however by continuing to enhance our product and service experience we still managed to increase our tNPS from 60 to 69.

In July 2025, we launched the Spirit of the Moselle. This was part of our continued rollout of Spirit-class ships that are purpose-built for our guests, delivering consistently high quality. Spirit of the Moselle has already proved very popular and we will be adding further Spirit-class vessels to the fleet over the coming years. Spirit of Lorelei will launch in 2027.

We see great potential in our River Cruise business. In 2025/26, revenue from our Rivers operation grew by 8%, with Underlying Profit Before Tax⁵ rising to £5.9m, from £4.0m last year. Bookings for 2026/27, at 12 April 2026, were ahead of the same point last year, with a load factor of 73% and a per diem of £372, 5ppts and 3% higher, respectively.

Holidays

Our Holidays business benefited during the year from the operational changes we made over the past couple of years, and the more consistent customer focus the newly combined Travel management team have brought.

Our holidays are designed with older customers in mind. Hotels are carefully selected, and itineraries built to reflect the range of pace, comfort and accessibility that people over 50 prefer.

Product design and innovation are at the forefront of our plans. Our nationwide chauffeur service is extremely popular and is now included with all our holidays and we continue to expand our range of special interest holidays. This year, we have reintroduced a range of UK holidays, including our unique university and college stays that provide an alternative to traditional hotels and an excellent way to explore the UK in the summer, particularly for solo travellers.

The demand for our holidays has been strengthening. Passenger numbers increased in 2025/26 by 11% compared with the prior year and Underlying Profit Before Tax⁵ increased 31%, from £10.7m to £14.0m.

We believe that, with our market-leading brand, compelling holiday ideas and our customer focussed mindset (that continues to win us both Travel awards and customer loyalty), we are well positioned to continue this growth. Forward bookings for 2026/27, at 12 April 2026, were ahead of the same point last year, with 51.6k passengers, compared with 51.5k, and revenue of £165.9m, a 4% increase.

⁵ Refer to the Alternative Performance Measures Glossary on pages 87-91 for definition and explanation

Insurance

Our Insurance business has had a transformational year, as we simplified the operations and adopted a lower risk, less complex business model following the sale of our Underwriting business and the start of our 20-year motor and home insurance partnership with Ageas⁶ (the **Affinity Partnership**). The sale of Acromas Insurance Company Limited in July 2025 means that we no longer take any underwriting risk, and the launch of the Affinity Partnership in December 2025 removed significant complexity from our business and teams us up with one of the most successful insurance businesses in Europe. This new commission-based model means that Ageas⁶ takes responsibility for the motor and home insurance operations and the administration of policies, while Saga focusses on our core sales and marketing strength, working with Ageas⁶ on product design and the customer journey. Once we have fully transferred our motor and home business to Ageas⁶, the pricing and underwriting risk will sit with Ageas⁶ and Saga will earn a commission-based income stream. The customer relationship will remain with Saga.

As we worked towards this transition during the course of 2025/26, with the benefit of a stronger balance sheet and a clear strategy ahead of us, we were able to invest in growth by improving our pricing and refocussing our marketing strategy. For the first time in four years, we were able to deliver an increase in total policy sales, with three out of our four insurance product lines growing. While home insurance performed ahead of expectations, the challenging market conditions and the drop in last year's policy sales drove fewer renewal opportunities and produced a 19% drop in home policies in force. However, alongside this, policies in force for motor insurance grew by 12%, and private medical insurance sales grew by 7%. Our refreshed travel insurance product and the associated marketing campaign proved hugely successful and supported a 34% increase in policies in force.

Looking ahead to 2026/27, our priority is to complete the final phase of the Affinity Partnership implementation. Home new business is due to launch by the end of April 2026 and policy renewals for both motor and home are due to go live later in the year.

Other Businesses

In Publishing, we continued to communicate with many more of our customers, and more regularly, by expanding the ways in which we engage with them. A key development has been the launch of our new podcast, 'Experience is Everything', which extends our platform and deepens our relationship with both our existing and new customers. It also adds to the frequency and quality of interactions we have with our customers through our award-winning Saga Magazine, newsletters and website.

In Money, we launched a new partnership with NatWest Boxed, which will enable the development of a suite of innovative savings products tailored for people over 50. This partnership combines NatWest's scale and expertise with our deep customer insight and supports our strategy of broadening Saga Money's product range, while extending our capital-light revenue streams. Money reported an Underlying Profit Before Tax⁷ of £0.7m, in line with the prior year.

Our people and culture

Our culture remains of fundamental importance to our performance. In our most recent survey, colleague engagement improved from 7.9 to 8.1 out of 10. This would be a strong result in any year, but in a year when we experienced such change in our operations, it is a testament to the culture we have embedded and a measure of the understanding our colleagues have in the changes we are making. I was delighted that our focus on creating an inclusive and supportive working environment was recognised externally, when Saga was ranked 6th in the UK's Best Employers 2025 list by the Financial Times.

⁶ Wholly owned UK subsidiaries of Ageas SA/NV

⁷ Refer to the Alternative Performance Measures Glossary on pages 87-91 for definition and explanation

Strong platform for long-term sustainable growth

We have had a very successful year, delivering an excellent trading performance and laying the foundations for long-term sustainable growth. Saga is a fantastic brand, recognised and trusted by its customers throughout the UK. Our success is built on this trust. This is not something we take for granted but we continually try to enhance. Our colleagues are central to this and are the people that bring this to life day in, day out. The progress we made this year is down to their hard work and dedication and my thanks go out to all of them.

As we head into our new year, we are in a good position. Our businesses are all performing well and we continue the delivery of our plan that is transforming the outlook for the Group. Last year, we laid out our medium-term targets of at least £100.0m Underlying Profit Before Tax⁸ by January 2030, and a resulting Leverage Ratio⁸ of below 2.0x by that time. One year on, we are already tracking ahead of our planned trajectory and we remain all the more confident of reaching and exceeding these targets.

Mike Hazell

Group Chief Executive Officer

14 April 2026

⁸ Refer to the Alternative Performance Measures Glossary on pages 87-91 for definition and explanation

Group Chief Financial Officer's Review

I am pleased to report that, for the 12 months ended 31 January 2026, the Group delivered a strong set of financial results, returning the Group to profit for the first time in eight years. From continuing operations, Underlying Profit Before Tax¹ was £44.2m, 19% higher than the year before, despite higher finance costs as expected, reflecting a strong trading performance across both Travel and Insurance Broking.

Our Travel businesses had an excellent year, each delivering a step change in earnings. In Ocean Cruise, continued customer demand supported consistently high load factors and growing per diems, resulting in a 38% increase in Underlying Profit Before Tax¹, to £67.3m. River Cruise also performed strongly, reporting a 48% increase in Underlying Profit Before Tax¹, to £5.9m, driven by growing demand and the addition of our newest River Cruise ship, Spirit of the Moselle in July 2025. Holidays reported an Underlying Profit Before Tax¹ of £14.0m, up 31% from £10.7m in 2024/25, supported by increased passenger numbers and the efficiency savings from the combination of our Travel businesses under a single management team.

Insurance Broking also performed well, and traded ahead of expectations, with three of our four insurance products returning to policy growth. As a result, Underlying Profit Before Tax^{1,2} grew 17% year-on-year, to £16.9m.

The Group reported a profit before tax from continuing operations of £2.1m, compared with a loss before tax of £160.2m in the prior year, which included an impairment of Insurance Broking goodwill of £138.3m.

At the start of the year, we completed the refinancing of the Group's corporate debt with a £335.0m term loan due in January 2031, providing a more stable long-term funding structure. To manage interest rate exposure, the Group fully hedged the term loan using interest rate derivatives, with hedging in place until August 2028.

Debt reduction continues to be a key strategic priority for the Group and the strong trading performance in Travel and Insurance Broking, resulted in strong cash generation, alongside the net proceeds from the sale of our Insurance Underwriting business to Ageas³, which delivered £21.4m more cash than originally expected, due to the business performance, prior to the sale completion being better than anticipated. Net Debt¹ at 31 January 2026 reduced to £499.5m, £93.3m lower than the £592.8m⁴ reported at the same point last year, with the Leverage Ratio¹ improving to 3.7x. Both the Net Debt¹ and Leverage Ratio¹ exclude the £60.0m received from Ageas³ as a result of the Affinity Partnership, which will temporarily further reduce Net Debt¹ in the short term, pending a corresponding unwinding of working capital in 2026/27.

The Group remained highly cash-generative, delivering Available Operating Cash Flow¹ of £205.9m, compared with £109.6m in the prior year, supported by stronger cash generation in Ocean Cruise and the £60.0m receipt from Ageas³ following the launch of the Insurance Broking Affinity Partnership. The Group's available liquidity at year end comprised £189.7m of Available Cash¹, the £116.6m undrawn delayed-draw term loan (**DDTL**) provided by HPS Funds⁵ and the £33.4m undrawn Revolving Credit Facility (**RCF**).

Following the momentum over the past 12 months, there is a clear opportunity for material growth in the future. With performance ahead of expectations, we remain confident in delivering at least £100.0m of annual Underlying Profit Before Tax¹, while reducing the Leverage Ratio¹ to below 2.0x, by January 2030.

¹ Refer to the Alternative Performance Measures Glossary on pages 87-91 for definition and explanation

² From continuing operations

³ Wholly owned UK subsidiaries of Ageas SA/NV

⁴ Following the Group's corporate refinancing and subsequent revised covenant definition, the Net Debt and Leverage Ratio have been re-presented at 31 January 2025

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

Operating performance

Group income statement

£m	12m to January 2026				12m to January 2025		
	Continuing operations	Discontinued operations	Total	Change	Continuing operations	Discontinued operations	Total
Underlying Revenue⁶	654.6	60.4	715.0	(6.9%)	588.6	179.6	768.2
Underlying Profit Before Tax⁶							
Travel	87.2	-	87.2	37.1%	63.6	-	63.6
Insurance Broking (earned)	16.9	(0.4)	16.5	14.6%	14.5	(0.1)	14.4
Insurance Underwriting	-	15.6	15.6	45.8%	-	10.7	10.7
Total Insurance	16.9	15.2	32.1	27.9%	14.5	10.6	25.1
Other Businesses and Central Costs	(16.8)	-	(16.8)	(18.3%)	(14.2)	-	(14.2)
Net finance costs ⁷	(43.1)	-	(43.1)	(61.4%)	(26.7)	-	(26.7)
Underlying Profit Before Tax⁶	44.2	15.2	59.4	24.3%	37.2	10.6	47.8
Impairment of Insurance Broking goodwill	-	-	-	100.0%	(138.3)	-	(138.3)
Other exceptional items	(42.1)	(12.8)	(54.9)	(8.5%)	(59.1)	8.5	(50.6)
Profit/(loss) before tax	2.1	2.4	4.5	103.2%	(160.2)	19.1	(141.1)
Income tax credit/(expense)	2.0	(2.9)	(0.9)	96.2%	(18.5)	(5.3)	(23.8)
Profit/(loss) for the year	4.1	(0.5)	3.6	102.2%	(178.7)	13.8	(164.9)
Earnings/(loss) per share							
Underlying Earnings Per Share ⁶	30.6p	10.5p	41.1p	77.2%	18.1p	5.1p	23.2p
Earnings/(loss) per share	2.9p	(0.4p)	2.5p	102.1%	(127.2p)	9.8p	(117.4p)

The Group's business model is based on providing high-quality and differentiated products to its target demographic, predominantly focussed on travel and insurance. The Travel businesses comprise Ocean Cruise, River Cruise and Holidays. The Insurance business operates mainly as a broker, sourcing underwriting capacity from selected third-party insurance companies, and, for motor and home, also from the Group's in-house underwriter until the sale of Acromas Insurance Company Limited (**AICL**) to Ageas⁸, which completed on 1 July 2025. Other Businesses include Money, Publishing and CustomerKNECT, a mailing and printing business.

Underlying Revenue⁶

Underlying Revenue⁶ decreased 6.9% to £715.0m (2025: £768.2m), mainly due to lower revenue in the Group's discontinued Insurance Underwriting business.

Underlying Profit Before Tax⁶

The Group generated a total Underlying Profit Before Tax⁶ of £59.4m in the current year, compared with £47.8m in the prior year. This is primarily due to:

- £23.6m increase in Travel, moving to an Underlying Profit Before Tax⁶ of £87.2m (2025: £63.6m), with £18.4m driven by Ocean Cruise;
- Underlying Profit Before Tax⁶ in Insurance Broking of £16.5m (2025: £14.4m); and
- Underlying Profit Before Tax⁶ in Insurance Underwriting of £15.6m (2025: £10.7m).

Net finance costs⁷ in the year were £43.1m (2025: £26.7m), which excludes finance costs within the Travel business of £15.4m (2025: £18.4m) and Insurance Underwriting business of £3.0m (2025: £8.8m). The increase, as expected, was predominantly driven by the refinancing of the Group's corporate debt at the beginning of the year at materially higher interest rates.

⁶ Refer to the Alternative Performance Measures Glossary on pages 87-91 for definition and explanation

⁷ Net finance costs exclude Travel and Insurance Underwriting finance costs and Travel net fair value losses on derivatives

⁸ Wholly owned UK subsidiaries of Ageas SA/NV

Profit/(loss) before tax

The profit before tax for the year, of £4.5m, includes a net negative of other exceptional items of £54.9m, consisting of:

Continuing operations

- costs relating to the transition to the 20-year partnership for motor and home insurance with Ageas⁹ (the **Affinity Partnership**) of £13.9m;
- restructuring costs of £21.5m;
- costs and fees associated with the Group's previous corporate debt, including accelerated amortisation of fees relating to the loan facility provided by Roger De Haan, totalling £7.6m;
- fair value losses of £0.7m on derivatives;
- a negative International Financial Reporting Standard (**IFRS**) 16 'Leases' accounting adjustment of £0.9m on River Cruise ships;
- £0.5m Ocean Cruise dry dock costs;
- impairments to non-financial assets of £1.9m;
- foreign exchange losses on River Cruise ship leases of £0.8m;
- a net negative modification to Travel breakage policy of £2.6m;
- onerous contract provisions net positive of £1.3m on three-year fixed-price policies; and
- release of deferred income associated with motor and home three-year fixed-price policies of £7.0m.

Discontinued operations

- onerous contract provisions net negative of £4.3m on insurance contracts under IFRS 17 'Insurance Contracts';
- restructuring costs of £0.4m;
- loss on disposal of subsidiaries of £10.2m, relating to the disposal of the Insurance Underwriting business, which includes the release of the positive written to earned adjustment following the sale of the Insurance Underwriting business of £3.6m;
- a £0.1m negative change in discount rate on non-periodical payment order (**PPO**) insurance liabilities; and
- fair value gains on debt securities of £2.2m.

⁹ Wholly owned UK subsidiaries of Ageas SA/NV

The loss before tax in the prior year, of £141.1m, includes a £138.3m impairment to Insurance Broking goodwill and a net negative of other exceptional items of £50.6m, consisting of:

Continuing operations

- impairments to non-financial assets, other than goodwill, of £24.5m, including software assets that no longer drive economic benefit to the Group following the transition to the Insurance Broking partnership with Ageas¹⁰;
- restructuring costs of £28.4m, including a provision for the expected costs of restructuring the Group's Insurance Broking operations, ahead of the Ageas¹⁰ partnership becoming operational;
- costs and amortisation of fees relating to the loan facility provided by Roger De Haan of £3.5m;
- fair value losses of £0.3m on derivatives;
- a negative IFRS 16 lease accounting adjustment of £0.5m on River Cruise ships;
- £1.7m additional Ocean Cruise dry dock costs and customer compensation relating to Spirit of Adventure;
- profit share due to AXA on cessation of the private medical insurance (**PMI**) contract of £2.6m;
- foreign exchange gains on River Cruise ship leases of £0.6m; and
- onerous contract provisions net positive of £1.8m on three-year fixed-price policies.

Discontinued operations

- impairments to non-financial assets of £6.3m;
- restructuring costs of £3.9m;
- onerous contract provisions net positive of £13.0m on insurance contracts under IFRS 17;
- fair value gains on debt securities of £5.1m; and
- a £0.6m positive change in discount rate on non-PPO insurance liabilities.

Income tax

The Group's income tax expense for the year was £0.9m (2025: £23.8m), representing a positive tax effective rate of 20.0% (2025: negative 850.0%), excluding the Insurance Broking goodwill impairment charge. In both the current and prior periods, the difference between the Group's tax effective rate and the standard rate of corporation tax was mainly due to the Group's Ocean Cruise business being in the tonnage tax regime. In addition, in the current year and prior year, it is also due to all temporary differences at 31 January 2026 and 31 January 2025 not being considered recoverable and, therefore, no deferred tax assets were recognised for these temporary differences. This is the result of the change in mix of profitability within the Group, where the majority of the Group's profits now come from the Ocean Cruise business, whereas the Insurance Broking business has been in decline.

There was also an adjustment in the current year for the under-provision of prior-year tax of £0.9m debit (2025: £nil). Excluding the impact of the Ocean Cruise business being in the tonnage tax regime, the Insurance goodwill impairment, the adjustments to prior-year tax and the non-recognition of net deferred tax assets, the tax effective rate for the current year is 16.0% (2025: 21.4%).

Earnings/(loss) per share

The Group Underlying Basic Earnings Per Share¹¹ was 41.1p (2025: 23.2p). The Group's reported basic earnings per share was 2.5p (2025: loss of 117.4p).

¹⁰ Wholly owned UK subsidiaries of Ageas SA/NV

¹¹ Refer to the Alternative Performance Measures Glossary on pages 87-91 for definition and explanation

Travel

£m	12m to January 2026				Change	12m to January 2025			
	Ocean Cruise	River Cruise	Holidays	Total Travel		Ocean Cruise	River Cruise	Holidays	Total Travel
Underlying Revenue¹²	265.6	53.4	185.1	504.1	11.1%	236.7	49.4	167.8	453.9
Gross profit	114.2	16.6	46.1	176.9	14.5%	97.7	15.1	41.7	154.5
Marketing expenses	(15.0)	(6.3)	(12.7)	(34.0)	(11.8%)	(13.8)	(5.7)	(10.9)	(30.4)
Other operating expenses	(16.6)	(4.9)	(20.8)	(42.3)	3.0%	(16.6)	(5.8)	(21.2)	(43.6)
Investment return	-	0.5	1.5	2.0	33.3%	-	0.4	1.1	1.5
Finance costs	(15.3)	-	(0.1)	(15.4)	16.3%	(18.4)	-	-	(18.4)
Underlying Profit Before Tax¹²	67.3	5.9	14.0	87.2	37.1%	48.9	4.0	10.7	63.6
Average revenue per passenger (£)	6,009	3,051	3,044	4,115	3.7%	5,543	2,923	3,062	3,968
Ocean Cruise load factor	93%			93%	2ppts	91%			91%
Ocean Cruise per diem (£)	394			394	10.4%	357			357
Ocean Cruise capacity days ('000)	704			704	(0.1%)	705			705
Ocean Cruise revenue per capacity day (£)	377			377	12.4%	336			336
River Cruise load factor		89%		89%	-		89%		89%
River Cruise per diem (£)		350		350	7.4%		326		326
River Cruise capacity days ('000)		147		147	0.7%		146		146
River Cruise revenue per capacity day (£)		363		363	7.4%		338		338
Passengers ('000)	44.2	17.5	60.8	122.5	7.1%	42.7	16.9	54.8	114.4

Ocean Cruise

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

The business achieved a load factor of 93% (2025: 91%) and a per diem of £394 (2025: £357). These two factors, when combined, equated to Underlying Revenue¹² growth of 12.2% and a 37.6% increase in profitability, from an Underlying Profit Before Tax¹² of £48.9m in the prior year, to £67.3m in the current year.

River Cruise

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

The business achieved a load factor of 89% (2025: 89%) and a per diem of £350 (2025: £326). This resulted in Underlying Revenue¹² growth of 8.1% and a 47.5% increase in Underlying Profit Before Tax¹², to £5.9m (2025: £4.0m).

Holidays

The Holidays business, which includes both the Saga Holidays and Titan brands, increased volumes when compared with the prior year, with passenger numbers increasing from 54.8k to 60.8k. The revenue per passenger was broadly flat at £3,044 (2025: £3,062), driven by a passenger preference towards travel to Europe over long-haul destinations due to the current geopolitical environment.

This led to Underlying Revenue¹² growth of 10.3% and an increase in profitability, from an Underlying Profit Before Tax¹² of £10.7m in the prior year, to £14.0m in the current year.

¹² Refer to the Alternative Performance Measures Glossary on pages 87-91 for definition and explanation

Forward Travel sales

Ocean Cruise bookings for 2026/27 continue to show sustained momentum, with a load factor in line with the same point last year. The per diem for 2026/27 is ahead of the same period last year, by 12.6%, reflecting continued customer demand.

River Cruise also continues to perform well. For 2026/27, the load factor is 5ppts ahead of the same point last year, driven by a stable first-half performance and a stronger second half. Customer demand is particularly strong for Spirit of the Danube, with the newest addition to the fleet, Spirit of the Moselle, also seeing encouraging uptake. The per diem for the full year is 3.0% ahead, reflecting strong customer demand.

Holidays bookings for 2026/27 remain ahead of the same point last year, with revenue up 4.0% and passengers up 0.2%. Within this, hosted stays continue to grow year-on-year.

Travel bookings for 2027/28, across Cruise and Holidays, reflect a strong revenue position that is 2.3% ahead of the same time last year.

	12 April 2026	Current year departures Change	13 April 2025
Ocean Cruise revenue (£m)	256.2	16.4%	220.1
Ocean Cruise load factor	79%	-	79%
Ocean Cruise per diem (£)	447	12.6%	397
River Cruise revenue (£m)	52.6	27.1%	41.4
River Cruise load factor	73%	5ppts	68%
River Cruise per diem (£)	372	3.0%	361
Holidays revenue (£m)	165.9	4.0%	159.5
Holidays passengers ('000)	51.6	0.2%	51.5

Insurance

Insurance Broking

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

Until its sale to Ageas¹³ on 1 July 2025, the Group had an in-house insurer, AICL, sitting on the motor and home panels, which competed for that business with other panel members on equal terms. AICL offered its underwriting capacity on the home panel through a coinsurance deal with a third party, so the Group took no underwriting risk for that product. Even if underwritten by a third party, the offering is presented as a Saga product and the Group manages the customer relationship. AICL continues to sit on the motor and home panels following its sale.

£m	12m to January 2026				Change	12m to January 2025			
	Motor broking	Home broking	Other broking	Total		Motor broking	Home broking	Other broking	Total
Gross Written Premiums¹⁴	279.6	132.9	139.5	552.0	(4.0%)	294.2	155.1	125.5	574.8
Broker revenue	7.0	11.8	46.0	64.8	9.5%	13.1	6.2	39.9	59.2
Instalment revenue	5.0	3.2	-	8.2	20.6%	3.3	3.5	-	6.8
Add-on revenue	8.2	5.9	-	14.1	(6.0%)	7.2	7.7	0.1	15.0
Other revenue	30.6	14.0	0.7	45.3	24.1%	25.2	15.7	(4.4)	36.5
Written Underlying Revenue¹⁴	50.8	34.9	46.7	132.4	12.7%	48.8	33.1	35.6	117.5
Written gross profit	45.8	34.9	48.3	129.0	9.3%	42.1	33.1	42.8	118.0
Marketing expenses	(16.5)	(5.6)	(10.4)	(32.5)	(55.5%)	(9.1)	(6.0)	(5.8)	(20.9)
Written Gross Profit After Marketing Expenses¹⁴	29.3	29.3	37.9	96.5	(0.6%)	33.0	27.1	37.0	97.1
Other operating expenses				(79.9)	3.7%				(83.0)
Written Underlying Profit Before Tax¹⁴				16.6	17.7%				14.1
Written to earned adjustment				(0.1)	(133.3%)				0.3
Earned Underlying Profit Before Tax¹⁴				16.5	14.6%				14.4
Policies in force	675k	412k	207k	1,294k	1.6%	602k	506k	166k	1,274k
Policies sold	734k	441k	211k	1,386k	2.6%	655k	528k	168k	1,351k
Reconciliation to continuing operations:									
Earned Underlying Profit Before Tax¹⁴				16.5	14.6%				14.4
Written Underlying Profit Before Tax ¹⁴ from discontinued operations				0.3	(25.0%)				0.4
Written to earned adjustment				0.1	133.3%				(0.3)
Underlying Profit Before Tax¹⁴ from continuing operations				16.9	16.6%				14.5

Insurance Broking written Underlying Profit Before Tax¹⁴, which excludes the impact of the written to earned adjustment deferring the revenue on policies underwritten over the term of the policy, increased to £16.6m, from £14.1m in the prior year. Underlying Profit Before Tax¹⁴ from continuing operations increased to £16.9m from £14.5m. The written to earned adjustment is no longer required following the sale of the Insurance Underwriting business to Ageas¹³ on 1 July 2025, as the Group ceased to underwrite any insurance policies, so it no longer has to spread revenue on underwritten policies over the life of the insurance policy.

¹³ Wholly owned UK subsidiaries of Ageas SA/NV

¹⁴ Refer to the Alternative Performance Measures Glossary on pages 87-91 for definition and explanation

A key metric for the Insurance Broking business is Written Gross Profit After Marketing Expenses¹⁵ before deducting overheads. This reduced from £97.1m in the prior year, to £96.5m in the current year, mainly due to lower new business margins on motor and lower volumes on home. This was partially offset by higher renewal margins on motor and home and by an improved performance of the PMI product. Written Gross Profit After Marketing Expenses¹⁵ fell by £3.7m in motor, partially offset by increases in home of £2.2m and other broking of £0.9m.

For motor and home insurance, in terms of the total Written Gross Profit After Marketing Expenses¹⁵, the new business proportion reduced by £14.3m and the renewal proportion increased by £12.8m.

The three-year fixed-price product remains significant, with 422k policies sold in the current year, compared with 518k policies in the prior year. This represented 36% of total motor and home policies (2025: 44%), with 27% of direct new business customers taking the product (2025: 29%). These policies remain highly attractive to our customer base.

The average gross margin per policy for motor and home combined, calculated as Written Gross Profit After Marketing Expenses¹⁵ divided by the number of policies sold, reduced to £49.9 in the current year, compared with £50.8 in the prior year.

In addition, customer retention for motor and home increased from 77% to 85%, overall motor and home policies in force decreased 2% when compared with 31 January 2025, and direct new business sales decreased 12ppts to 33% as the Group rebalanced volumes towards price-comparison website distribution channels.

Written profit and gross margin per policy for motor and home are stated after allowing for deferral of part of the revenues from three-year fixed-price products, which is then recognised in profit or loss when the option to renew those policies at a predetermined fixed price is exercised or lapses, recognising the inflation risk inherent in these products. At 31 January 2026, £1.8m (2025: £8.9m) of income had been deferred in relation to three-year fixed-price products. The reduction is due to the Affinity Partnership with Ageas¹⁶, with the responsibility of the renewal of Saga-branded motor and home policies transferring to Ageas¹⁶, meaning that all previously deferred revenues on three-year fixed-price products will be released prior to renewals going live as part of the Affinity Partnership.

Motor broking

Gross Written Premiums¹⁵ decreased 5.0% due to a 15.2% decrease in average premiums, partially offset by a 12.1% increase in core policies sold.

Written Gross Profit After Marketing Expenses¹⁵ was £29.3m (2025: £33.0m), contributing £39.9 per policy (2025: £50.4 per policy). Lower new business margins and a 4.8% reduction in renewal policies sold were partially offset by an increase in renewal margins and an 80.3% increase in new business policies sold.

Home broking

Gross Written Premiums¹⁵ decreased 14.3% due to a 16.5% reduction in core policies sold, partially offset by a 2.5% increase in average premiums.

Written Gross Profit After Marketing Expenses¹⁵ was £29.3m (2025: £27.1m), equating to £66.4 per policy (2025: £51.3 per policy). The increase in written gross profits was mainly due to higher renewal margins.

Other broking

Other broking primarily comprises PMI and travel insurance.

Gross Written Premiums¹⁵ increased 11.2% as a result of an increase in policy sales to 176k (2025: 131k) in travel insurance and to 33k (2025: 30k) in PMI.

The PMI product performed well, with commissions and profit share leading to Written Gross Profit After Marketing Expenses¹⁵ increasing by £4.7m.

Written Gross Profit After Marketing Expenses¹⁵ relating to travel insurance products decreased by £0.9m, mainly as a result of a reduction to new business margins.

¹⁶ Wholly owned UK subsidiaries of Ageas SA/NV

Insurance Underwriting (classified as a discontinued operation)

£m		12m to January 2026				12m to January 2025		
		Gross	Re insurance	Net	Gross change	Gross	Re insurance	Net
Insurance Underlying Revenue¹⁷	A	64.2	(4.7)	59.5	(67.0%)	194.5	(17.1)	177.4
Incurred claims (current year)	B	(50.5)	2.8	(47.7)	64.7%	(143.1)	(5.3)	(148.4)
Claims handling costs in relation to incurred claims	C	(6.3)	-	(6.3)	64.6%	(17.8)	-	(17.8)
Changes to liabilities for incurred claims (prior year)	D	17.8	(3.7)	14.1	(66.1%)	52.5	(41.2)	11.3
Other incurred insurance service expenses	E	(4.8)	-	(4.8)	61.3%	(12.4)	-	(12.4)
Insurance service result		20.4	(5.6)	14.8	(72.3%)	73.7	(63.6)	10.1
Net finance (expense)/income from (re)insurance (excludes impact of change in discount rate on non-PPO liabilities)		(4.9)	1.9	(3.0)	70.8%	(16.8)	8.0	(8.8)
Investment return (exclude fair value gains on debt securities)		3.8	-	3.8	(59.6%)	9.4	-	9.4
Underlying Profit Before Tax¹⁷		19.3	(3.7)	15.6	70.9%	66.3	(55.6)	10.7
Reported loss ratio	(B+D)/A	50.9%		56.5%	(4.3ppts)	46.6%		77.3%
Expense ratio	(C+E)/A	17.3%		18.7%	(1.8ppts)	15.5%		17.0%
Reported combined operating ratio (COR)	(B+C+D+E)/A	68.2%		75.1%	(6.1ppts)	62.1%		94.3%
Current year COR	(B+C+E)/A	96.0%		98.8%	(6.9ppts)	89.1%		100.7%
Number of earned policies		163k			(66.5%)	487k		

The Group's in-house underwriter, AICL, was sold to Ageas¹⁸ on 1 July 2025 but continues to underwrite around 60% of the motor business sold by Insurance Broking, alongside a smaller proportion of business on other panels. Alongside this, AICL underwrites a portion of Saga's home panel.

Gross insurance Underlying Revenue¹⁷ in the current year decreased 67.0% to £64.2m (2025: £194.5m), reflecting a 66.5% reduction in the number of earned policies underwritten by AICL while being part of the Group, due to the sale of AICL to Ageas¹⁸ on 1 July 2025. This was also a 1.4% decrease in average earned premiums.

The gross insurance service result was in line with expectations, with a 6.9ppt decrease in the current year gross combined operating ratio (**COR**) to 96.0% (2025: 89.1%). After allowing for reinsurance arrangements, this increased slightly to 98.8% (2025: 100.7%). The improved net year-on-year result reflects the entering of a new profitable quota share aggregation period, with the motor surplus generated during the current year shared with reinsurance partners.

¹⁷ Refer to the Alternative Performance Measures Glossary on pages 87-91 for definition and explanation

¹⁸ Wholly owned UK subsidiaries of Ageas SA/NV

Other Businesses and Central Costs

£m	12m to January 2026				12m to January 2025		
	Other Businesses	Central Costs	Total	Change	Other Businesses	Central Costs	Total
Underlying Revenue¹⁹							
Money	6.1	-	6.1	8.9%	5.6	-	5.6
Publishing and CustomerKNECT	11.3	-	11.3	(18.7%)	13.9	-	13.9
Other	-	1.5	1.5	100.0%	-	-	-
Total Underlying Revenue	17.4	1.5	18.9	(3.1%)	19.5	-	19.5
Gross profit	5.4	3.6	9.0	(30.8%)	6.9	6.1	13.0
Operating expenses	(5.1)	(23.8)	(28.9)	6.5%	(6.5)	(24.4)	(30.9)
Investment income	-	3.1	3.1	(16.2%)	-	3.7	3.7
Net finance costs	-	(43.1)	(43.1)	(61.4%)	-	(26.7)	(26.7)
Underlying Profit/(Loss) Before Tax¹⁹	0.3	(60.2)	(59.9)	(46.5%)	0.4	(41.3)	(40.9)

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

Underlying Profit Before Tax¹⁹ for Other Businesses, when combined, reduced by £0.1m, from a £0.4m Underlying Profit Before Tax¹⁹ in the prior year to £0.3m in the current year.

Central operating expenses reduced to £23.8m (2025: £24.4m). Gross administration costs, before Group recharges, decreased by £2.1m in the year. Net costs increased by a further £1.5m due to lower Group recharges to the business units.

Net finance costs in the year were £43.1m (2025: £26.7m), which excludes finance costs within the Travel businesses of £15.4m (2025: £18.4m) and Insurance Underwriting business of £3.0m (2025: £8.8m). The increase was predominantly driven by the refinancing of the Group's corporate debt at the beginning of the year at materially higher interest rates.

¹⁹ Refer to the Alternative Performance Measures Glossary on pages 87-91 for definition and explanation

Cash flow and liquidity

Available Operating Cash Flow²⁰

£m	12m to Jan 2026	Change	12m to Jan 2025
Group Trading EBITDA ²⁰	153.1	11.7%	137.1
Less Trading EBITDA ²⁰ from restricted businesses	(39.7)	(15.7%)	(34.3)
Group Trading EBITDA^{20,21} from unrestricted businesses	113.4	10.3%	102.8
Working capital and non-cash items	86.9	>500.0%	2.2
Dividends and intercompany repayments from restricted businesses	26.2	13.9%	23.0
Capital expenditure funded with Available Cash ²⁰	(20.6)	(12.0%)	(18.4)
Available Operating Cash Flow²⁰	205.9	87.9%	109.6
Restructuring costs	(42.4)	(99.1%)	(21.3)
Interest and financing costs	(67.1)	(55.0%)	(43.3)
Business disposals	68.8	100.0%	-
Tax receipts	2.7	(64.0%)	7.5
Other payments	(11.9)	(105.2%)	(5.8)
Change in cash flow from operations	156.0	234.0%	46.7
Change in bond debt	(250.0)	(66.7%)	(150.0)
Change in loan facilities debt	260.0	246.7%	75.0
Change in Ocean Cruise ship debt	(55.6)	10.6%	(62.2)
Cash at 1 February	79.3	(53.3%)	169.8
Available Cash²⁰ at 31 January	189.7	139.2%	79.3

£m	12m to Jan 2026	Change	12m to Jan 2025
Available Operating Cash Flow²⁰ by business unit			
Ocean Cruise	124.5	34.7%	92.4
River Cruise	2.6	85.7%	1.4
Holidays	13.7	8.7%	12.6
Insurance Broking	79.5	>500.0%	8.1
Insurance Underwriting	10.0	11.1%	9.0
Other Businesses and Central Costs	(24.4)	(75.5%)	(13.9)
Available Operating Cash Flow²⁰	205.9	87.9%	109.6

Available Operating Cash Flow²⁰ is made up of the cash flows from unrestricted businesses and the dividends paid by, and intercompany repayments from, restricted companies, less any cash injections to those businesses. Unrestricted businesses include the Group's Ocean Cruise business, Insurance Broking (excluding specific ring-fenced funds to satisfy Financial Conduct Authority regulatory requirements) and Other Businesses and Central Costs. Restricted businesses include River Cruise, Holidays and Insurance Underwriting.

As a result of an increase in cash generation from Ocean Cruise and Insurance Broking, Available Operating Cash Flow²⁰ increased from £109.6m in the prior year to £205.9m the current year.

The Ocean Cruise business reported an Available Operating Cash Flow²⁰ of £124.5m (2025: £92.4m), with an increase in advance customer receipts of £12.6m (2025: £12.0m), net trading income of £108.3m (2025: £97.3m) and repayment of cash collateralised Association of British Travel Agents (**ABTA**) bonding of £11.5m (2025: £11.5m drawdown), partially offset by capital expenditure of £7.9m (2025: £5.4m), associated with a scheduled dry dock for Spirit of Discovery. Net of interest costs of £12.9m (2025: £15.8m) and exceptional costs of £0.6m (2025: £1.7m), the Ocean Cruise business reported a net cash inflow, before capital repayments on the ship debt, of £111.0m for the year, compared with £74.9m in the prior year.

²⁰ Refer to the Alternative Performance Measures Glossary on pages 87-91 for definition and explanation

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

The River Cruise business provided an intercompany loan to the Group of £2.6m in the year (2025: £1.4m), which was agreed with the Civil Aviation Authority (**CAA**). For any further excess cash to be paid back to the Group, dividends will only be paid following an approval process with the CAA. The business continues to be under an escrow trust arrangement as part of its CAA licence. At 31 January 2026, the business held cash of £22.7m, of which £12.0m was held in escrow. The business must hold a minimum of £1.7m of cash outside of escrow within the business, as agreed with the CAA.

The Holidays business repaid the Group £13.7m during the year (2025: £12.6m). The increase is due to the improved trading performance in the current year compared with the prior year, resulting in an increase in repayment of intercompany loans to the Group during the current year.

The Insurance Broking business reported an Available Operating Cash Flow²² of £79.5m (2025: £8.1m), which includes £60.0m (2025: £nil) of upfront consideration as part of the Ageas²³ Affinity Partnership. The remaining increase of £11.4m is the result of an increase in working capital of £7.5m, which was driven by the receipt of £7.5m from AICL relating to a stop loss agreement between AICL and Saga Services Limited. In addition, there was a reduction in capital expenditure in the current year of £6.1m. This was partially offset by a reduction in EBITDA in the current year of £2.2m.

The Insurance Underwriting business paid dividends to the Group of £10.0m (2025: £9.0m), prior to the sale to Ageas²³, relating to excess solvency capital.

Other cash flow movements

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

The Group continued to make the agreed payments to the defined benefit pension fund as part of the deficit recovery plan of £5.8m (2025: £5.8m), which are now paid quarterly compared with the previous annual contributions. In addition, the Group funded ring-fenced, restricted designated bank accounts, using Available Cash²² totalling £6.1m, over which charges have been granted in favour of the pension trustees, both of which are included within other payments.

In the current year, the Group drew its £335.0m term loan (see change to facilities within the Financing section for further details) and used the funds to repay in full and cancel its £250.0m corporate bond, repay the £75.0m drawn proportion, and cancel the £85.0m loan facility, provided by Roger De Haan. The Group continued to make capital repayments against its Ocean Cruise ship debt facilities, with payments totalling £25.5m (2025: £30.6m) on Spirit of Discovery's debt facility and £30.1m (2025: £31.6m) on Spirit of Adventure's debt facility.

²² Refer to the Alternative Performance Measures Glossary on pages 87-91 for definition and explanation

²³ Wholly owned UK subsidiaries of Ageas SA/NV

Statement of financial position

Goodwill

At 31 January 2026, the carrying value of the Group's goodwill associated with the Insurance Broking business was £206.4m (31 January 2025: £206.4m). Trading performance in the current year was ahead of expectations, therefore, following the annual test of goodwill for impairment, the Directors concluded that no impairment was required at 31 January 2026.

Carrying value of Ocean Cruise ships

At 31 January 2026, the carrying value of the Group's Ocean Cruise ships was £555.6m (31 January 2025: £570.6m). Trading performance in the current year was very positive, and, with strong bookings for 2026/27, the Directors concluded that there were no indicators of impairment at 31 January 2026.

Investment portfolio

Prior to its sale to Ageas²⁴ on 1 July 2025, the majority of the Group's financial assets were held by its Insurance Underwriting entity and represented premium income received and invested to settle claims and meet regulatory capital requirements.

As a result of the sale of the Group's Insurance Underwriting business, the amount held in invested funds decreased by £253.1m to £nil (31 January 2025: £253.1m). At 31 January 2026, 100% of the financial assets held by the Group were invested with counterparties with a risk rating of BBB or above, consistent with the prior year end, reflecting the relatively stable credit risk rating of the Group's investment holdings.

At 31 January 2026	Credit risk rating					Total £m
	AAA £m	AA £m	A £m	BBB £m	Unrated £m	
Derivative assets	-	-	1.1	-	-	1.1
Total financial assets	-	-	1.1	-	-	1.1

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

²⁴ Wholly owned UK subsidiaries of Ageas SA/NV

Insurance reserves

Analysis of insurance contract liabilities at 31 January 2026 and 31 January 2025 is as follows:

£m	At 31 January 2026			At 31 January 2025		
	Gross	Reinsurance assets	Net	Gross	Reinsurance assets	Net
Incurred claims – estimate of the present value of future cash flows	-	-	-	235.9	(88.9)	147.0
Incurred claims – risk adjustment	-	-	-	33.7	(28.2)	5.5
Remaining coverage – excluding loss component	-	-	-	46.3	9.3	55.6
Remaining coverage – loss component	-	-	-	1.8	-	1.8
Total	-	-	-	317.7	(107.8)	209.9

The Group's total insurance contract liabilities, net of reinsurance assets, decreased by £209.9m in the year to 31 January 2026 from the previous year end, entirely due to the sale of the Group's Insurance Underwriting business to Ageas²⁵ on 1 July 2025. At 31 January 2025, these balances were included within liabilities directly associated with assets held for sale.

Financing

At 31 January 2026, the Group's Net Debt²⁶ was £499.5m, £93.3m lower than at the start of the financial year.

Net Debt²⁶ is analysed as follows:

£m	Maturity date ²⁷	31 January 2026	31 January 2025
5.5% Corporate bond	July 2026	-	250.0
Loan facility provided by Roger De Haan	April 2026	-	75.0
Term loan	January 2031	335.0	-
DDTL	January 2031	-	-
RCF	January 2029	-	-
Spirit of Discovery Ocean Cruise ship loan	June 2031	117.5	143.0
Spirit of Adventure Ocean Cruise ship loan	September 2032	171.7	201.8
Pre-IFRS 16 lease liabilities		5.0	2.3
Less Available Cash ^{26,28}		(189.7)	(79.3)
Add upfront Ageas ²⁵ partnership proceeds		60.0	-
Net Debt²⁶		499.5	592.8

Net Debt²⁶ includes an add back of the £60.0m of upfront Ageas²⁵ partnership proceeds due to a restriction within the Group's facilities with HPS Funds²⁹, where the proceeds from the Ageas²⁵ partnership cannot be recognised within Net Debt²⁶ until the working capital unwind associated with moving motor and home to the partnership model has fully occurred.

²⁵ Wholly owned UK subsidiaries of Ageas SA/NV

²⁶ Refer to the Alternative Performance Measures Glossary on pages 87-91 for definition and explanation

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

²⁸ Refer to Note 12 of the financial statements for information as to how this reconciled to a statutory measure of cash

²⁹ Certain funds, entities (or affiliates or subsidiaries of such funds or entities) and/or accounts managed, advised or controlled by HPS Investment Partners, LLC or its subsidiaries

Financial covenant compliance

The Group's Leverage Ratio³⁰, at 31 January 2026, was 3.7x (31 January 2025: 4.4x³¹), within the 8.0x covenant under the corporate facilities at 31 January 2026.

£m	31 January 2026	31 January 2025
Net Debt ³⁰	499.5	592.8 ³¹
Consolidated Pro Forma EBITDA ³⁰	133.3	134.6
Leverage Ratio³⁰	3.7x	4.4x³¹

The Group also has financial covenants associated with its Ocean Cruise ship debt facilities, being a debt service cover ratio and an interest cover ratio. The debt service cover ratio, at 31 January 2026, was 1.9x (31 January 2025: 1.4x), in excess of the 1.2x covenant (31 January 2025: 1.0x) under the Ocean Cruise ship debt facilities at the same date. The interest cover ratio, at 31 January 2026, was 12.2x (31 January 2025: 7.9x), in excess of the 2.0x covenant under the ship debt facilities at the same date.

£m	31 January 2026	31 January 2025
ST&H Group consolidated pro forma Trading EBITDA ³⁰	126.8	103.9
ST&H Group consolidated debt service	66.0	75.3
Debt service cover ratio	1.9x	1.4x

£m	31 January 2026	31 January 2025
ST&H Group consolidated pro forma Trading EBITDA ³⁰	126.8	103.9
ST&H Group consolidated total net cash interest expenses	10.4	13.1
Interest cover ratio	12.2x	7.9x

Change to facilities

At the start of the financial year, the Group repaid in full its £250.0m corporate bond and the £75.0m drawings under the £85.0m loan facility provided by Roger De Haan, which was also cancelled at the same time, and cancelled the existing £50.0m RCF. These repayments were funded using the new £335.0m term loan secured from HPS Funds³².

Since issuing its interim results, the Group extended its RCF for an additional year, extending the contractual maturity to January 2029. There have been no other changes to the facility and the RCF remains available to support working capital and general corporate purposes and remained undrawn at 31 January 2026.

The Group also made scheduled repayments on its Ocean Cruise ship debt facilities in March 2025 and September 2025 for Spirit of Adventure and in June 2025 and December 2025 for Spirit of Discovery, totalling £30.1m and £25.5m respectively.

³⁰ Refer to the Alternative Performance Measures Glossary on pages 87-91 for definition and explanation

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

³² Certain funds, entities (or affiliates or subsidiaries of such funds or entities) and/or accounts managed, advised or controlled by HPS Investment Partners, LLC or its subsidiaries

Pensions

The Group's defined benefit pension scheme liability, as measured on an International Accounting Standard 19R basis, decreased by £14.4m to a £25.4m liability at 31 January 2026 (31 January 2025: £39.8m).

£m	31 January 2026	31 January 2025
Fair value of scheme assets	204.1	200.1
Present value of defined benefit obligation	(229.5)	(239.9)
Defined benefit pension scheme liability	(25.4)	(39.8)

The movements observed in the scheme's assets and obligations were impacted by macroeconomic factors during the year, where actual inflation levels reduced compared with recent years, high-quality long-term corporate bond yields remained volatile and there continues to be rising cost of living pressures. The present value of defined benefit obligations decreased by £10.4m to £229.5m, primarily as a result of increases in bond yields over the year. The fair value of scheme assets increased by £4.0m, to £204.1m, largely driven by the recovery plan and Section 75 contributions.

Net assets

Since 31 January 2025, total assets decreased by £312.7m and total liabilities decreased by £324.7m, resulting in an overall increase in net assets of £12.0m.

The reduction in total assets is primarily due to:

- a decrease in property, plant and equipment of £14.5m;
- a decrease in assets held for sale of £425.9m following the sale of the Insurance Underwriting business in the current year; and
- an increase in cash and short-term deposits of £127.8m, mainly as a result of the strong trading performance of the Group in the current year, along with the proceeds received in respect of the sale of the Insurance Underwriting business and the Ageas³³ partnership.

The decrease in total liabilities largely reflects:

- a decrease in liabilities held for sale of £346.9m following the sale of the Insurance Underwriting business in the current year;
- a decrease of £38.7m in financial liabilities, which is mainly due to a reduction of £54.3m in bonds, bank loans and other loans, as a result of the repayment of £55.6m of capital repayments on Spirit of Discovery and Spirit of Adventure facilities. This has been partially offset by an increase of £12.3m in lease liabilities following delivery of the River Cruise ship, Spirit of the Moselle, in the first half of the current year;
- a decrease of £14.4m in the retirement benefit scheme liability; and
- an increase of £75.4m in contract liabilities due to the receipt of £60.0m of upfront partnership proceeds from Ageas³³ and improved future bookings outlook in Travel.

³³ Wholly owned UK subsidiaries of Ageas SA/NV

Going concern

The Directors have assessed the Group's ability to continue as a going concern over the period to 30 April 2027, being at least 12 months from the date of issue of these unaudited preliminary results. This assessment considered the Group's current liquidity position, financial forecasts, debt facilities, covenant compliance and principal risks. The review included both the Board-approved base case and a severe but plausible stressed scenario.

Under the base case, the Group maintains Available Cash³⁴ in excess of internal minimum liquidity requirements throughout the assessment period. No drawdown of the Group's £33.4m RCF or £116.6m DDTL facility is required, and the Group remains in compliance with all financial covenants linked to its debt facilities.

The stressed scenario models multiple downside risks occurring concurrently across the assessment period. These include lower trading performance across Ocean Cruise, River Cruise and Holidays, reflecting a reduction in load factors for Ocean Cruise from 93% for the year ended 31 January 2026 to 88% over the assessment period, a 1-2% reduction in per diems in River Cruise and softer customer volumes in our Holidays business; lower-than-planned benefit realisation and increased operating pressures within Insurance Broking; and a competitive savings market combined with weaker demand for our other products in the Money division.

The scenario additionally incorporates a cyber-related operational disruption affecting both Cruise and Insurance, as well as certain adverse non-trading cash impacts, including higher ABTA bonding requirements. Together, these stresses reduce profitability and cash generation relative to the base case.

In forming their conclusion, the Directors considered the Group's exposure to the crisis in the Middle East and the increased volatility in global energy markets. Saga is 100% hedged against foreign exchange risk for both 2026/27 and 2027/28 and is 100% and 75% hedged for commodity risk, respectively. However, the Group remains directly exposed to risks associated with supply constraints for marine fuel in its Cruise operations and, indirectly, to jet fuel through the Holidays business unit's partnerships with airlines. Additional reverse stress testing indicates that, in 2026/27, Saga could withstand a reduction in planned EBITDA of more than 50% before breaching its leverage covenant and losing access to currently undrawn debt facilities.

The Directors also considered additional downside risks not explicitly modelled, including regulatory, operational and economic uncertainties. These were assessed as either remote within the going concern period or mitigated through existing controls and contingency planning.

Having reviewed the forecasts, stress testing and associated risk analysis, the Directors are satisfied that the Group can expect to remain in compliance with its debt covenants and retain access to currently undrawn facilities even under the stressed scenario. Noting that it is not possible to accurately predict all possible future risks to the Group's trading, based on this analysis and the scenarios modelled, they have concluded that the Group has adequate resources to continue in operational existence for the foreseeable future and that there are no material uncertainties that may cast significant doubt on the Group's ability to continue as a going concern. Accordingly, these unaudited preliminary results to 31 January 2026 have been prepared on a going concern basis.

³⁴ Refer to the Alternative Performance Measures Glossary on pages 87-91 for definition and explanation

Dividends and financial priorities for 2026/27

Dividends

Given the Group's priority of reducing Net Debt³⁵, the Board of Directors does not recommend payment of a final dividend for the 2025/26 financial year, nor would this currently be permissible under financing arrangements and while the ship debt facility deferred amounts are outstanding.

Financial priorities for 2026/27

The Group's financial priorities for the current financial year are to reduce Net Debt³⁵ via capital-light growth, continue to build on the momentum in our Travel businesses and Insurance Broking ahead of the full transition to the partnership with Ageas³⁶.

Mark Watkins

Group Chief Financial Officer

14 April 2026

³⁵ Refer to the Alternative Performance Measures Glossary on pages 87-91 for definition and explanation

³⁶ Wholly owned UK subsidiaries of Ageas SA/NV

Principal risks and uncertainties

The principal risks and uncertainties (**PRUs**) shown below are the principal risks facing the Group, including those that would threaten its business model, future performance, solvency, or liquidity. The table also includes the mitigating actions being taken to manage these risks. The trend denotes the anticipated future direction of each risk after mitigation, which is influenced by known key external or internal factors. Saga takes a ‘bottom-up’ and ‘top-down’ approach to developing and reviewing its PRUs, which occurs at least twice a year with oversight from the Operating Board and the plc Board. Each PRU has been aligned to the most relevant strategic priorities.

Key to growth plan elements

1. Maximising the growth of our existing businesses
2. Driving incremental growth through new business line and products
3. Growing our customer base and deepening those relationships
4. Reducing debt, while simplifying our operations

Risk	Risk trend	Risk category	Link to strategy	Mitigation
<p>Demand and competitiveness Demand for our products and our ability to deliver those products competitively to our target market is fundamental to our business. Failure to drive and maintain demand would represent a risk to performance and, in the long-term, business viability.</p>	Stable	Operational and Insurance	1	Our businesses use deep customer insight and market testing to support decision making, tailoring products for our customers and setting pricing relative to demand and wider market dynamics.
<p>Delivery and execution Our business is undergoing a transformation that is expected to simplify our business, grow our customers and reduce our debt. As with any change, there is a risk that failure to successfully implement this change impacts our ability to deliver the transformation and impacts future performance.</p>	Stable	Operational	1, 2 and 3	Coherent change planning and prioritisation is at the core of our planning and can be evidenced in the successful delivery of change to date. Robust change governance ensures achievement of significant strategic change initiatives.
<p>Supply chain and partner risk Saga relies on multiple suppliers and partners to conduct business. There is a risk of customer impact, business interruption, financial loss and reputational damage arising from the performance or potential failure of such parties.</p>	Stable	Operational	1, 2 and 3	A robust supplier risk management framework is in place to ensure third-party partners are appropriately selected and monitored, including their operational and financial resilience.
<p>Regulatory and legislative action Saga operates in regulated markets and is subject to regular reporting and scrutiny. Failure to comply with regulations and legislation, including GDPR, could result in regulatory sanction, remediation, penalties or loss of customer confidence.</p>	Stable	Operational	1	Robust controls, governance and reporting are in place to ensure regulatory and legislative compliance and good customer experiences and outcomes are achieved.
<p>Cyber The ever-evolving external threat environment means that, like most businesses, Saga is exposed to the risk of potential cyber security breaches. The result of a material breach could result in system lockdowns, ransom demands and/or compromise of substantial data, leading to business disruption, customer/colleague compensation and regulatory sanctions.</p>	Stable	Operational	1	We have a dedicated Information Security Team, with robust systems and controls. A proactive vulnerability management programme is in place, including controls to actively detect and respond to incidents, industry benchmarking and external penetration testing to maintain security posture.

Risk	Risk trend	Risk category	Link to strategy	Mitigation
<p>Concentration risk and exposure to Travel market disruption</p> <p>While a portfolio business, the majority of our profits for the next few years will be driven by the profitability of our Travel businesses, which could be impacted by significant travel disruption.</p>	Worsening	Operational	1	As a portfolio group, we have a natural level of diversification in comparison to other businesses, with the Travel business also being diversified across Ocean Cruise, River Cruise and Holidays. In addition, our diversification strategy is to grow our businesses, products and services in line with our partnership model.
<p>Liquidity risk</p> <p>The Group relies on several sources of funding for its long-term liquidity and is also reliant on shorter-term trade financing, e.g. Association of British Travel Agents bonding and merchant acquiring to support its working capital needs. As such, Saga is exposed to the risks associated with repaying or refinancing this funding as it reaches maturity.</p>	Stable	Financial	2 and 4	Robust financial controls and reporting is in place to assess liquidity and support early identification of potential risks to Group liquidity from business performance or interruption. We maintain access to sufficient undrawn facilities that can support liquidity to the extent that trade finance is removed.
<p>Fraud and financial crime</p> <p>There is a risk that failures of processes, systems or people result in a reduced ability to prevent or detect fraud and financial crime risk. This could result in increased financial losses, regulatory censure and reputational damage.</p>	Stable	Operational	1	Financial crime framework and robust controls in place, which are rigorously monitored and reported on.
<p>Culture and talent</p> <p>Having the right culture, people and skills is fundamental to the success of our business. Failure to embed our culture or attract, develop and retain our talent would represent a risk to the delivery of our strategy.</p>	Stable	Operational	1, 2 and 4	Competitive employment packages with continued investment in pay, wellbeing and talent management to attract, develop and retain capability in key roles, develop future leaders and drive internal career progression.
<p>Environmental, Social and Governance (ESG)</p> <p>There is a risk that Saga does not maintain compliance with increasing ESG-related regulation or fails to deliver on its stated ESG strategy in line with stakeholder expectations, due to a lack of resource and/or business engagement, causing reputational, customer and financial impacts.</p>	Stable	Strategic and operational	1 and 3	Defined strategy and metrics, with appropriate governance, monitoring and reporting in place to ensure we meet regulatory disclosures and maintain current ratings.

**Consolidated income statement
for the year ended 31 January 2026**

		2026 (unaudited) £m	2025 £m
	Note		
Continuing operations			
Revenue	3	660.0	588.3
Cost of sales	3	<u>(341.1)</u>	<u>(308.8)</u>
Gross profit		<u>318.9</u>	<u>279.5</u>
Administrative and selling expenses		(252.9)	(231.8)
Increase in credit loss allowance		(0.9)	(1.8)
Impairment of non-financial assets		(0.5)	(162.8)
Gain on lease modification		-	0.2
Net profit on disposal of property, plant and equipment and software		-	0.9
Investment income		6.1	6.1
Finance costs		<u>(68.6)</u>	<u>(50.5)</u>
Profit/(loss) before tax from continuing operations		2.1	(160.2)
Income tax credit/(expense)	4	<u>2.0</u>	<u>(18.5)</u>
Profit/(loss) from continuing operations		4.1	(178.7)
(Loss)/profit from discontinued operations, net of tax ¹	18a	<u>(0.5)</u>	<u>13.8</u>
Profit/(loss) for the year		<u>3.6</u>	<u>(164.9)</u>
Attributable to:			
Equity holders of the parent		<u>3.6</u>	<u>(164.9)</u>
Earnings/(loss) per share:			
Basic	6	2.5p	(117.4p)
Diluted	6	2.4p	(117.4p)
Earnings/(loss) per share from continuing operations:			
Basic	6	2.9p	(127.2p)
Diluted	6	2.8p	(127.2p)

¹ The results of discontinued operations, comprising the post-tax profit, are shown as a single amount on the face of the income statement. An analysis of this amount is presented in Note 18a

**Consolidated statement of comprehensive income
for the year ended 31 January 2026**

		2026 (unaudited)	2025
	Note	£m	£m
Profit/(loss) for the year		3.6	(164.9)
Other comprehensive income			
<i>Other comprehensive income that may be reclassified to the income statement in subsequent periods from continuing operations</i>			
Net (losses)/gains on hedging instruments during the year	11	(4.5)	6.0
Recycling of previous losses/(gains) to income statement on matured hedges	11	1.6	(3.3)
Total net (losses)/gains on cash flow hedges		(2.9)	2.7
Associated tax effect		–	(0.3)
Total other comprehensive (losses)/gains with recycling to income statement from continuing operations		(2.9)	2.4
<i>Other comprehensive income that will not be reclassified to the income statement in subsequent periods from continuing operations</i>			
Remeasurement gains on defined benefit plan		7.5	4.6
Associated tax effect		–	(12.0)
Total other comprehensive gains/(losses) without recycling to income statement from continuing operations		7.5	(7.4)
Total other comprehensive income/(losses) from continuing operations		4.6	(5.0)
Total comprehensive income/(losses) for the year		8.2	(169.9)
Attribute to:			
Equity holders of the parent		8.2	(169.9)
Arising from:			
Continuing operations		8.7	(183.7)
Discontinued operations		(0.5)	13.8
		8.2	(169.9)

**Consolidated statement of financial position
for the year ended 31 January 2026**

		2026	2025
		(unaudited)	
	Note	£m	£m
Assets			
Goodwill	7	206.4	206.4
Intangible assets	8	33.0	34.3
Property, plant and equipment	9	568.3	582.8
Right-of-use assets	10	35.1	24.9
Financial assets	11	1.1	12.6
Current tax assets		–	0.4
Inventories		8.4	8.3
Trade and other receivables		143.3	143.7
Trust and escrow accounts		12.0	8.8
Cash and short-term deposits	12	257.0	129.2
Assets held for sale	18	11.0	436.9
Total assets		1,275.6	1,588.3
Liabilities			
Retirement benefit scheme liability	13	25.4	39.8
Provisions		23.6	21.7
Financial liabilities	11	651.4	690.1
Contract liabilities		252.2	176.8
Trade and other payables		253.3	255.3
Liabilities directly associated with assets held for sale		–	346.9
Total liabilities		1,205.9	1,530.6
Equity			
Issued capital	16	21.7	21.5
Share premium		648.3	648.3
Own shares held reserve		(1.6)	(1.4)
Retained deficit		(604.7)	(620.2)
Share-based payment reserve		9.4	10.0
Hedging reserve		(2.2)	(0.5)
Cost of hedging reserve		(1.2)	–
Total equity		69.7	57.7
Total equity and liabilities		1,275.6	1,588.3

**Consolidated statement of changes in equity
for the year ended 31 January 2026**

	Attributable to the equity holders of the parent (unaudited)							
	Issued capital	Share premium	Own shares held reserve	Retained (deficit)/ earnings	Share-based payment reserve	Hedging reserve	Cost of hedging reserve	Total equity
	£m	£m	£m	£m	£m	£m	£m	£m
At 1 February 2025	21.5	648.3	(1.4)	(620.2)	10.0	(0.5)	-	57.7
Profit for the year from continuing operations	-	-	-	4.1	-	-	-	4.1
Loss for the year from discontinued operations	-	-	-	(0.5)	-	-	-	(0.5)
Profit for the year	-	-	-	3.6	-	-	-	3.6
Other comprehensive gains/(losses) excluding recycling from continuing operations	-	-	-	7.5	-	(4.5)	-	3.0
Recycling of previous losses to the income statement from continuing operations	-	-	-	-	-	1.6	-	1.6
Total comprehensive income/(losses)	-	-	-	11.1	-	(2.9)	-	8.2
Issue of share capital (Note 16)	0.2	-	(0.2)	-	-	-	-	-
Transfer between reserves	-	-	-	-	-	1.2	(1.2)	-
Share-based payment charge	-	-	-	-	3.9	-	-	3.9
Transfer upon vesting of share options	-	-	-	4.4	(4.5)	-	-	(0.1)
At 31 January 2026	21.7	648.3	(1.6)	(604.7)	9.4	(2.2)	(1.2)	69.7

	Attributable to the equity holders of the parent							
	Issued capital	Share premium	Own shares held reserve	Retained (deficit)/ earnings	Share-based payment reserve	Hedging reserve	Cost of hedging reserve	Total equity
	£m	£m	£m	£m	£m	£m	£m	£m
At 1 February 2024	21.3	648.3	(1.2)	(452.5)	10.5	(2.9)	-	223.5
Loss for the year from continuing operations	-	-	-	(178.7)	-	-	-	(178.7)
Profit for the year from discontinued operations	-	-	-	13.8	-	-	-	13.8
Loss for the year	-	-	-	(164.9)	-	-	-	(164.9)
Other comprehensive (losses)/gains excluding recycling from continuing operations	-	-	-	(7.4)	-	5.2	-	(2.2)
Recycling of previous gains to the income statement from continuing operations	-	-	-	-	-	(2.8)	-	(2.8)
Total comprehensive (losses)/income	-	-	-	(172.3)	-	2.4	-	(169.9)
Issue of share capital (Note 16)	0.2	-	(0.2)	-	-	-	-	-
Share-based payment charge (Note 17)	-	-	-	-	4.2	-	-	4.2
Transfer upon vesting of share options	-	-	-	4.6	(4.7)	-	-	(0.1)
At 31 January 2025	21.5	648.3	(1.4)	(620.2)	10.0	(0.5)	-	57.7

**Consolidated statement of cash flows
for the year ended 31 January 2026**

		2026 (unaudited)	2025
	Note	£m	£m
Profit/(loss) before tax from continuing operations		2.1	(160.2)
Profit before tax from discontinued operations	18a	2.4	19.1
Profit/(loss) before tax		<u>4.5</u>	<u>(141.1)</u>
Depreciation, impairment and profit on disposal, of property, plant and equipment and right-of-use assets		31.7	29.8
Amortisation and impairment of intangible assets and goodwill		7.1	176.8
Loss on disposal of assets held for sale	18a	10.2	–
Impairment of assets held for sale	18b	–	0.4
Gain on lease modification		–	(0.2)
Share-based payment transactions		3.9	4.2
Net finance expense from insurance contracts	14	5.3	15.5
Net finance income from reinsurance contracts	14	(2.2)	(7.3)
Finance costs		68.6	50.5
Interest income from investments		(10.8)	(17.3)
(Increase)/decrease in trust and escrow accounts		(3.2)	29.1
Movements in other assets and liabilities		<u>38.4</u>	<u>(1.2)</u>
		153.5	139.2
Investment income interest received		13.0	12.1
Interest paid		(49.9)	(41.7)
Income tax received		<u>0.4</u>	<u>3.6</u>
Net cash flows from operating activities		117.0	113.2
Investing activities			
Proceeds from sale of property, plant and equipment and right-of-use assets		1.0	0.9
Purchase of, and payments for the construction of, property, plant and equipment, and intangible assets		(16.1)	(20.1)
Disposal of financial assets		36.8	45.5
Purchase of financial assets		–	(11.5)
Disposal of subsidiary	18a	68.8	–
Cash and cash equivalents disposed of with subsidiary	18a	<u>(84.4)</u>	<u>–</u>
Net cash flows from investing activities		6.1	14.8
Financing activities			
Payment of principle portion of lease liabilities		(6.3)	(7.3)
Proceeds from new borrowings	15	335.0	95.0
Repayment of borrowings	15	(380.6)	(232.2)
Debt issue costs	15	<u>(17.6)</u>	<u>–</u>
Net cash flows used in financing activities		(69.5)	(144.5)
Net increase/(decrease) in cash and cash equivalents		53.6	(16.5)
Cash and cash equivalents at the start of the year		<u>203.1</u>	<u>219.6</u>
Cash and cash equivalents at the end of the year	13	256.7	203.1

Included in the above are cash flows from discontinued operations. An analysis of these can be found in Note 18a.

Notes to the consolidated financial statements

1 Corporate information

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

Saga offers a wide range of products and services to its customer base, which include package and cruise holidays, general insurance products, personal finance products and a range of media content, including a monthly subscription magazine.

The consolidated financial statements of Saga plc and the entities controlled by the Company (its subsidiaries, collectively the **Group**) for the year ended 31 January 2026 will be approved by the Board of Directors and reported on by the auditors, KPMG LLP (**KPMG**), in April 2026. Accordingly, the financial information for the year ended 31 January 2026 is presented unaudited in this preliminary announcement.

2.1 Basis of preparation

The results in this preliminary announcement have been taken from the Group's 2026 unaudited Annual Report and Accounts. The unaudited consolidated financial statements of the Group have been prepared in accordance with UK-adopted international accounting standards.

The basis of preparation, basis of consolidation and summary of material accounting policies applicable to the Group's consolidated financial statements will be published in the Notes to the consolidated financial statements in the 2026 Annual Report and Accounts.

The unaudited consolidated financial statements have been prepared on a going concern basis and on a historical cost basis, except as otherwise stated. The Group has reviewed the appropriateness of the going concern basis in preparing the unaudited financial statements, details of which are included below. Based on those assumptions, the Directors have concluded that it remains appropriate to adopt the going concern basis in preparing the financial statements.

The preliminary announcement for the year ended 31 January 2026 does not constitute the Company's consolidated statutory accounts for the years ended 31 January 2026 or 31 January 2025.

The financial information for the year ended 31 January 2025 is derived from the consolidated statutory accounts for the year ended 31 January 2025 which have been delivered to the registrar of companies. KPMG reported on the consolidated financial statements for the full year ended 31 January 2025; their report was: (i) unqualified, (ii) did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report and (iii) did not contain a statement under Section 498(2) or Section 498(3) of the Companies Act 2006. The consolidated statutory accounts for 31 January 2026 will be finalised on the basis of the financial information presented by the Directors in this preliminary announcement and will be delivered to the registrar of companies in due course.

Notes to the consolidated financial statements (continued)

2.1 Basis of preparation (continued)

a) Going concern

The Directors have assessed the Group's ability to continue as a going concern over the period to 30 April 2027, being at least 12 months from the date of issue of these unaudited preliminary results. This assessment considered the Group's current liquidity position, financial forecasts, debt facilities, covenant compliance and principal risks. The review included both the Board-approved base case and a severe but plausible stressed scenario.

Under the base case, the Group maintains Available Cash² in excess of internal minimum liquidity requirements throughout the assessment period. No drawdown of the Group's £33.4m Revolving Credit Facility (**RCF**) or £116.6m delayed-draw term loan (**DDTL**) facility is required, and the Group remains in compliance with all financial covenants linked to its debt facilities.

The stressed scenario models multiple downside risks occurring concurrently across the assessment period. These include lower trading performance across Ocean Cruise, River Cruise and Holidays, reflecting a reduction in load factors for Ocean Cruise from 93% for the year ended 31 January 2026 to 88% over the assessment period, a 1-2% reduction in per diems in River Cruise and softer customer volumes in our Holidays business; lower-than-planned benefit realisation and increased operating pressures within Insurance Broking; and a competitive savings market combined with weaker demand for our other products in the Money division.

The scenario additionally incorporates a cyber-related operational disruption affecting both Cruise and Insurance, as well as certain adverse non-trading cash impacts, including higher Association of British Travel Agents bonding requirements. Together, these stresses reduce profitability and cash generation relative to the base case.

In forming their conclusion, the Directors considered the Group's exposure to the crisis in the Middle East and the increased volatility in global energy markets. Saga is 100% hedged against foreign exchange risk for both 2026/27 and 2027/28 and is 100% and 75% hedged for commodity risk respectively. However, the Group remains directly exposed to risks associated with supply constraints for marine fuel in its Cruise operations and, indirectly, to jet fuel through the Holidays business unit's partnerships with airlines. Additional reverse stress testing indicates that, in 2026/27, Saga could withstand a reduction in planned EBITDA of more than 50% before breaching its leverage covenant and losing access to currently undrawn debt facilities.

The Directors also considered additional downside risks not explicitly modelled, including regulatory, operational and economic uncertainties. These were assessed as either remote within the going concern period or mitigated through existing controls and contingency planning.

Having reviewed the forecasts, stress testing and associated risk analysis, the Directors are satisfied that the Group can expect to remain in compliance with its debt covenants and retain access to currently undrawn facilities even under the stressed scenario. Noting that it is not possible to accurately predict all possible future risks to the Group's trading, based on this analysis and the scenarios modelled, they have concluded that the Group has adequate resources to continue in operational existence for the foreseeable future and that there are no material uncertainties that may cast significant doubt on the Group's ability to continue as a going concern. Accordingly, these unaudited preliminary results to 31 January 2026 have been prepared on a going concern basis.

² Refer to the Alternative Performance Measures Glossary on pages 87-91 or definition and explanation

Notes to the consolidated financial statements (continued)

2.2 Summary of material accounting policies

There have been no significant changes to the accounting policies of the Group during the year ended 31 January 2026. Full details of the accounting policies of the Group will be published in the Annual Report and Accounts for the year ended 31 January 2026 available at www.corporate.saga.co.uk.

2.3 Standards issued but not yet effective

The following is a list of standards, and amendments to standards, that were in issue but not effective, or adopted, at 31 January 2026.

a) International Financial Reporting Standard (IFRS) 18 'Presentation and Disclosures in Financial Statements'

IFRS 18 includes requirements for all entities applying IFRS for the presentation and disclosure of information in financial statements. IFRS 18 will replace International Accounting Standard (IAS) 1 'Presentation of Financial Statements'. IFRS 18 introduces three defined categories for income and expenses: operating, investing and financing. This is to improve the structure of the income statement, and requires all companies to provide new defined subtotals, including operating profit. The standard is effective for annual reporting periods beginning on, or after, 1 January 2027. The impact of this standard on the Group's financial statements is still being assessed. The standard has been endorsed by the UK Endorsement Board.

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

The amendments address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9 'Financial Instruments'. The amendments are effective for annual reporting periods beginning on, or after, 1 January 2026 and have been endorsed by the UK Endorsement Board.

The amendments clarify that assets and liabilities should be derecognised on the settlement date rather than the date a payment instruction is initiated. The resulting restatement of cash balances at 31 January 2026 is expected to reduce cash and short-term deposits by approximately £15.4m, and overdrafts by £0.3m; and to increase trade receivables by £10.3m and reduce contract liabilities by £4.8m.

c) Annual improvements to IFRS - Volume 11

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

2.4 First-time adoption of new standards and amendments

The following is a list of standards, and amendments to standards, that became effective, or were adopted, for the first time during the year ended 31 January 2026.

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

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

Notes to the consolidated financial statements (continued)

2.5 Significant accounting judgements, estimates and assumptions

The preparation of financial statements requires the Group to select accounting policies and make estimates and assumptions that affect items reported in the primary consolidated financial statements and Notes to the consolidated financial statements.

The major areas of judgement used as part of accounting policy application are summarised below:

Accounting policy references below are to the Notes to the Annual Report and Accounts for the year ended 31 January 2026.

a) Significant judgements

Acc. policy	Items involving judgement	Critical accounting judgement
2.3a	Revenue recognition – identification of performance obligations arising from insurance policies brokered by the Group	<p>Management exercised judgement in identifying separate performance obligations arising from insurance policies brokered by the Group, namely:</p> <ul style="list-style-type: none"> where the insurance contract was also underwritten by the Group, the judgement that the arrangement of the insurance policy was a service (performance obligation) that was distinct from the insurance underwriting service. The revenue allocated to the arrangement performance obligation is recognised earlier than the revenue that is allocated to the insurance underwriting service (relates to discontinued operations); and the judgement that the option to fix the customer's premium at renewal for insurance policies bundled with the three-year fixed-price promise is a separate performance obligation to the arrangement of the related insurance policy. This results in the deferral of a portion of revenue from policy years one and two to policy years two and three. <p>Please refer to Note 2.3a for further information on the Group's approach to revenue recognition for each performance obligation.</p>
2.3r	Classification of the Group's risk transfer arrangements as reinsurance contracts	<p>This judgement was made by applying the principles of IFRS 17.</p> <p>The Group's excess of loss and funds-withheld quota share reinsurance arrangements, relating to its motor underwriting line of business, were deemed to transfer significant insurance risk to the reinsurers. They were, therefore, classified as reinsurance contracts under IFRS 17.</p>
2.3j	Disposal groups and discontinued operations	<p>To be classified as held for sale, an asset must be available for immediate sale in its present condition, subject only to terms that are usual and customary for the sale of such assets, and the sale must be highly probable. A sale is considered to be highly probable when management is committed to a plan to sell an asset, an active programme to locate a buyer and complete the plan has been initiated, at a price that is reasonable in relation to its current fair value, and there is an expectation that the sale will be completed within one year from the date of classification.</p> <p>On 16 December 2024, subsidiaries of the Group entered into a share purchase agreement with Ageas (UK) Limited (Ageas UK) under which the Group agreed to sell to Ageas UK, and Ageas UK agreed to purchase, the entire issued share capital of Acromas Insurance Company Limited (AICL). At 31 January 2025, management exercised judgement in determining that the criteria for classification of the AICL disposal group as held for sale and as a discontinued operation had been met.</p>

Notes to the consolidated financial statements (continued)

2.5 Significant accounting judgements, estimates and assumptions (continued)

a) Significant judgements (continued)

Acc. policy	Items involving judgement	Critical accounting judgement
2.3h	Impairment testing of goodwill and other major classes of assets	<p><u>Goodwill</u></p> <p>The Group determines whether goodwill needs to be impaired at least annually, and twice-yearly if indicators of impairment exist at the interim reporting date of 31 July.</p> <p>As a result of the impact of the General Insurance Pricing Practices (GI PP) market study, performed by Financial Conduct Authority (FCA), on trading in recent years, and against the background of a highly competitive motor insurance market, the Group saw a fall in policy volumes in the year to 31 January 2025. In the year to 31 January 2025, high net rate inflation from the Group's underwriting panel continued to have an adverse impact on the expected future profitability of the Insurance business. In December 2024, the Group announced it had entered into a binding agreement with wholly owned subsidiaries in the UK of Ageas SA/NV (Ageas), to establish a 20-year partnership for motor and home insurance (the Affinity Partnership) which is expected to impact future cash flows of the business. Management judged these trading impacts to constitute indicators of impairment and, therefore, conducted full impairment reviews of the Insurance Broking CGU at 31 July 2024 and 31 January 2025. As a result of these reviews, management considered it necessary to impair the goodwill allocated to the Insurance Broking CGU by £138.3m at 31 July 2024 and £nil at 31 January 2025.</p> <p>At 31 July 2025, trading forecasts showed improved cash flows and policy volumes from those previously modelled. In addition, the Group's pre-tax discount rate previously used for the Insurance Broking CGU fell, acting to increase the headroom in any assessment. Management considered other indicators of possible impairment set out in IAS 36 'Impairment of Assets', including the economic outlook and movements in Saga's market capitalisation. No such indicators were identified. Based on the above, management did not judge a formal goodwill impairment assessment was required at 31 July 2025.</p> <p>At 31 January 2026 a full goodwill impairment assessment was conducted, as required by IAS 36. The outlook and cash flows modelled for the Insurance Broking business, combined with a decrease in the pre-tax discount rate, to provide headroom against the carrying value of the goodwill balance. No impairment was, therefore, considered necessary.</p>

Notes to the consolidated financial statements (continued)

2.5 Significant accounting judgements, estimates and assumptions (continued)

a) Significant judgements (continued)

Acc. policy	Items involving judgement	Critical accounting judgement
2.3h (cont.)	Impairment testing of goodwill and other major classes of assets (continued)	<p><u>Property, plant and equipment</u></p> <p>In the years ended 31 January 2025 and 31 January 2026, management exercised its judgement in considering it unnecessary to conduct an impairment review of the Group's two Ocean Cruise ships since no indicators of impairment were identified.</p> <p>In the year ended 31 January 2025, management exercised its judgement in relation to the impairment of plant and equipment assets and performed an impairment review of the recoverable amount of plant and equipment assets used by the Group. As a result of this review, management deemed it necessary to impair plant and equipment assets by £0.1m in the Central Costs division in the year ended 31 January 2025. Please refer to Note 17a for further detail.</p> <p>In the year ended 31 January 2026, management exercised its judgement in relation to the impairment of plant and equipment used by the Group's Insurance Broking, and mailing and printing businesses, following a review of plant and equipment assets. As a result of this review, management deemed it necessary to impair plant and equipment assets by £0.7m in those businesses. Please refer to Note 17a for further detail.</p> <p><u>Right-of-use assets</u></p> <p>In the years to 31 January 2025 and 31 January 2026, management exercised its judgement in considering it unnecessary to conduct an impairment review of right-of-use River Cruise ship assets, since no indicators of impairment were identified.</p> <p>In the year ended 31 January 2026, management exercised its judgement in relation to the impairment of right-of-use assets used by the Group's mailing and printing business, following a review of plant and equipment assets. As a result of this review, management deemed it necessary to impair plant and equipment assets by £0.8m in that business. Please refer to Note 18a for further detail.</p> <p>Also, in the year ended 31 January 2026, management exercised its judgement in relation to the impairment of right-of-use assets used by the Group's Cruise business following a review of long leasehold land and building leases. As a result of this review, management deemed it necessary to impair long leasehold land and building assets by £0.1m in that business. Please refer to Note 18a for further detail.</p>

Notes to the consolidated financial statements (continued)

2.5 Significant accounting judgements, estimates and assumptions (continued)

a) Significant judgements (continued)

Acc. policy	Items involving judgement	Critical accounting judgement
2.3h (cont.)	Impairment testing of goodwill and other major classes of assets (continued)	<p><u>Property assets held for sale</u></p> <p>In the years to 31 January 2025 and 31 January 2026, in light of the Group obtaining updated freehold property market valuation reports, management exercised judgement in relation to the impairment of property assets held for sale. As a consequence of the remeasurement of the properties to the lower of fair value less cost to sell and the carrying value, management concluded that a net impairment charge of £nil (2025: £0.4m) should be recognised accordingly. Please refer to Note 38b for further detail.</p> <p><u>Intangible assets</u></p> <p>In the year ended 31 January 2025, following the Group's decision to divest itself of the underwriting and claims handling sections of its Insurance business (Note 38a), management exercised its judgement in relation to the impairment of software assets and performed an impairment review of the recoverable amount of software assets used by the Insurance Broking division. As a result of this review, management deemed it necessary to impair software assets by £21.3m in the Insurance Broking continuing operations business and by £4.0m in relation to the intangible fixed assets held by the disposal group (Note 38a). The latter impairment charge related to the software assets of the claims handling section of the Insurance business, which were impaired in full. Please refer to Note 16b for further detail.</p> <p>In addition, management assessed the recoverable amount of software assets at 31 January 2025 and concluded that an impairment of £2.8m was required in the Group's Central Costs division.</p> <p>In the year ended 31 January 2026, management assessed the recoverable amount of software assets and concluded that an impairment of £0.3m was required in the Group's Insurance Broking division.</p>
2.3r	Insurance contract liabilities (and related reinsurance contract assets) (discontinued operations)	<p><u>Eligibility of reinsurance contracts for the premium allocation approach (PAA)</u></p> <p>Some of the Group's groups of reinsurance contracts had a coverage period of more than 12 months, including the motor quota share arrangement, which had a three-year coverage period. Management applied judgement in concluding that these groups were eligible for the PAA on the basis that, at initial recognition, it expected that the measurement of the asset for remaining coverage under the PAA would not differ materially to that under the IFRS 17 general measurement model.</p>

Notes to the consolidated financial statements (continued)

2.5 Significant accounting judgements, estimates and assumptions (continued)

a) Significant judgements (continued)

Acc. policy	Items involving judgement	Critical accounting judgement
2.3r (cont.)	Insurance contract liabilities (and related reinsurance contract assets) (discontinued operations) continued	<p><u>Liability for incurred claims</u></p> <p>This judgement related to the estimation of future claims costs in relation to areas of uncertainty. It was relevant to both components of the IFRS 17 liability for incurred claims:</p> <ul style="list-style-type: none"> • The estimate of the present value of future cash flows • The risk adjustment <p>The approach to determining the risk adjustment within the liability for incurred claims is a key area of judgement. Under IFRS 17, the risk adjustment reflects the compensation required for bearing uncertainty about the amount and timing of the cash flows that arise from non-financial risk.</p> <p>The Group determined the risk adjustment at the level of each IFRS 17 portfolio of insurance contracts, the most material of which was the motor portfolio, using a confidence level technique (also referred to as a Value at Risk (VaR) approach). Following this approach, the total liability for incurred claims (net of reinsurance) was set at the 85% confidence level (ultimate basis), with the net risk adjustment being the difference between this total net liability for incurred claims and the net estimate of the present value of future cash flows. The gross risk adjustment was derived in a similar way, with the reinsurance risk adjustment being the difference between the gross and net risk adjustments. This approach, and in particular, the use of the 85% confidence level, resulted in a risk adjustment that met the IFRS 17 requirements as a key judgement.</p> <p>As the risk adjustment was determined at the level of each IFRS 17 portfolio, the confidence level referred to above did not reflect diversification of risk across these portfolios.</p> <p>A further key area of judgement related to the discount rate that was applied to the estimate of future cash flows. Under IFRS 17, the discount rate used should reflect the liquidity characteristics of the insurance liabilities. Assessing the liquidity characteristics of the liabilities requires significant judgement. Management concluded that cash flows relating to the liability for incurred claims were illiquid and, therefore, the discount rate should include an illiquidity premium above the risk-free rate.</p>
2.3u	Restructuring provision	<p>Management exercised judgement in identifying which costs should be included in the measurement of the restructuring provision. In addition, judgement is required of the best estimate of those costs.</p>

Notes to the consolidated financial statements (continued)

2.5 Significant accounting judgements, estimates and assumptions (continued)

b) Significant estimates

All estimates are based on management's knowledge of current facts and circumstances, assumptions based on that knowledge and predictions of future events and actions. Actual results may, therefore, differ from those estimates.

The table below sets out those items the Group considers to have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities, together with the relevant accounting policy.

Accounting policy references below are to the Notes to the Annual Report and Accounts for the year ended 31 January 2026.

Acc. Policy	Items involving estimation	Sources of estimation uncertainty
2.3ai	Revenue recognition – three-year fixed-price product	<p>The standalone selling price of the option to fix within the Group's three-year fixed-price feature offered by the Insurance Broking division was estimated using the expected cost plus a margin approach, as set out in paragraph 79 (b) of IFRS 15.</p> <p>An allowance was also made for the likelihood that the option will be exercised by factoring in the expected rate of renewal at the first and second renewal dates. The amount of revenue deferred upon initial recognition is, therefore, reduced to the extent that it is estimated that customers will not exercise the option because they either decide not to renew or they make a claim that releases the Group from its obligation to fix the customer price.</p>
2.3f and 2.3i	Useful economic lives and residual values of software intangible assets and Ocean Cruise ships	<p>The useful economic lives and residual values of software assets classified as intangible assets (Note 15) and Ocean Cruise ship assets classified as property, plant and equipment (Note 17) are assessed upon the capitalisation of each asset and, at each reporting date, are based upon the expected consumption of future economic benefits of the asset. Estimated residual values and useful lives are reviewed annually. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation or depreciation period or method, as appropriate, and are treated as changes in accounting estimates. In relation to the annual review of estimated residual values and useful lives of Ocean Cruise ships, potential environmental regulatory changes are also considered.</p>

Notes to the consolidated financial statements (continued)

2.5 Significant accounting judgements, estimates and assumptions (continued)

b) Significant estimates (continued)

Acc. Policy	Items involving estimation	Sources of estimation uncertainty
2.3h	Goodwill impairment testing	<p>The Group determines whether goodwill needs to be impaired on an annual basis, or more frequently as required. This requires an estimation of the value-in-use of the CGUs to which goodwill is allocated. The value-in-use calculation requires the Group to estimate the future cash flows expected to arise from the CGUs, discounted at a suitably risk-adjusted rate to calculate present value.</p> <p>The impact of changes to pricing rules set by the FCA following the completion of the GIPP market study, particularly the highly competitive motor insurance market and the adverse impact on profit before tax in the prior year, and the transition to a partnership model of operation for the Insurance Broking business, increased the estimation uncertainty in the Insurance Broking CGU. The outcome of the impairment reviews conducted concluded that an impairment charge of £138.3m be recognised against the Group's Insurance Broking CGU at 31 July 2024. No further impairment was required at 31 January 2025, 31 July 2025 or 31 January 2026.</p> <p>Sensitivity analysis was undertaken to determine the effect of changing the discount rate, the terminal value and future cash flows on the present value calculation, as shown in Note 16a.</p>
2.3r	Valuation of insurance contract liabilities (and related reinsurance contract assets) (discontinued operations)	<p><u>Estimates of future cash flows to fulfil liabilities for incurred claims</u></p> <p>For insurance contracts, estimates had to be made for the expected cost of claims known but not yet settled (case reserves) and for the expected cost of IBNR claims, at the reporting date. It can take a significant period of time before the ultimate claims cost can be established with certainty.</p> <p>The ultimate cost of incurred claims was estimated by using a range of standard actuarial claims projection techniques, such as the Chain-Ladder and Bornhuetter-Ferguson methods. The main assumption underlying these techniques was that past claims development experience can be used to project future claims development and hence ultimate claims costs. As such, these methods extrapolated the development of paid and incurred losses, average costs per claim and claim volumes based on the observed development of earlier years. Historical claims development was primarily analysed by accident year, geographical area, significant business line and peril. Additional qualitative judgement was used to assess the extent to which past trends may not have applied in the future (e.g. to reflect one-off occurrences, changes in external or market factors such as public attitudes to claiming, economic conditions, levels of claims inflation, judicial decisions and legislation, as well as internal factors such as portfolio mix, policy features and claims handling procedures) in order to arrive at the best estimate of the ultimate cost of claims.</p> <p>The estimate of future cash flows arising from PPO liabilities required an assumption for carer wage inflation. This assumption was set at 1.5% above the discount rate applied to liabilities for incurred claims (see overleaf).</p>

Notes to the consolidated financial statements (continued)

2.5 Significant accounting judgements, estimates and assumptions (continued)

b) Significant estimates (continued)

Acc. Policy	Items involving estimation	Sources of estimation uncertainty														
2.3r (cont.)	Valuation of insurance contract liabilities (and related reinsurance contract assets) (discontinued operations) continued	<p><u>Discount rate applied to liabilities for incurred claims</u></p> <p>All the Group's liabilities for incurred claims (and related reinsurance assets) were discounted.</p> <p>The determination of the discount rate applied to liabilities for incurred claims was an estimate. This discount rate reflected the current risk-free interest rate in the currency of the insurance liabilities, being GBP, plus an illiquidity premium. Such a discount rate was not observable and, therefore, had to be estimated. The discount rate was estimated by removing from the yield curve of a portfolio of GBP-denominated corporate bonds an estimate of the components of that yield that related to expected and unexpected credit losses. The portfolio of corporate bonds used reflected the debt securities that the Group held to support its insurance liabilities.</p> <p>Following this approach, the GBP discount rate curves that were applied to liabilities for incurred claims were as follows:</p> <table border="1"> <thead> <tr> <th></th> <th>1 year</th> <th>3 years</th> <th>5 years</th> <th>10 years</th> <th>20 years</th> <th>30 years</th> </tr> </thead> <tbody> <tr> <td>31 January 2025</td> <td>4.5%</td> <td>4.4%</td> <td>4.5%</td> <td>4.9%</td> <td>5.5%</td> <td>5.6%</td> </tr> </tbody> </table>		1 year	3 years	5 years	10 years	20 years	30 years	31 January 2025	4.5%	4.4%	4.5%	4.9%	5.5%	5.6%
	1 year	3 years	5 years	10 years	20 years	30 years										
31 January 2025	4.5%	4.4%	4.5%	4.9%	5.5%	5.6%										
			The sensitivity of this assumption is shown in Note 20(a)(iii).													
		<p><u>Risk adjustment</u></p> <p>The confidence level technique used by the Group to determine the risk adjustment required estimation of the probability distribution of the present value of future cash flows arising from liabilities for incurred claims, including estimates of possible favourable and unfavourable outcomes. These probability distributions were estimated both gross and net of reinsurance.</p>														
2.3t	Valuation of pension benefit obligation	<p>The cost of defined benefit pension plans, and the present value of the pension obligation, are determined using actuarial valuations. Actuarial valuations involve making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.</p> <p>All significant assumptions and estimates involved in arriving at the valuation of the pension scheme obligation are set out in Note 27.</p>														
2.3u	Valuation of restructuring provision	The Group recognises a restructuring provision when a detailed plan identifies the business, or part of the business concerned, together with the location and number of employees affected. This requires detailed estimation of the associated costs, the timeline of the restructuring programme and the employees affected.														

Notes to the consolidated financial statements (continued)

3 Segmental information

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

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

Insurance Broking segment revenue is derived primarily from insurance broking and commission receivable in connection with the sale or renewal of insurance policies.

The results of the Group's underwriting and claims handling businesses have been classified as discontinued operations following the disposal of the Group's Insurance Underwriting business and are no longer shown in the tables overleaf (see Note 18a for further details).
- **Other Businesses and Central Costs:** comprises the Group's other businesses and its central cost base. The other businesses primarily include Saga Money (the personal finance product offering), Saga Publishing, and the Group's mailing and printing business, CustomerKNECT.

Segment performance is evaluated using the Group's key performance measure of Underlying Profit Before Tax³. Items not included within a specific segment relate to transactions that do not form part of the ongoing segment performance or are managed at a Group level.

All revenue is generated solely in the UK.

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

Goodwill, bonds, the term loan and the loan facility provided by Roger De Haan are not included within segments as they are managed on a Group basis.

³ Refer to the Alternative Performance Measures Glossary on pages 87-91 for definition and explanation

Notes to the consolidated financial statements (continued)

3 Segmental information (continued)

2026 (unaudited)	Travel				Insurance Broking £m	Other Businesses and Central Costs £m	Adjustments £m	Total £m
	Ocean Cruise £m	River Cruise £m	Holidays £m	Total £m				
Continuing operations								
Revenue	264.0	53.1	184.0	501.1	139.9	24.8	(5.8)	660.0
Cost of sales	(152.0)	(36.4)	(138.1)	(326.5)	(1.7)	(13.1)	0.2	(341.1)
Gross profit/(loss)	112.0	16.7	45.9	174.6	138.2	11.7	(5.6)	318.9
Administrative and selling expenses	(31.5)	(11.1)	(36.3)	(78.9)	(128.0)	(52.2)	5.3	(253.8)
Impairment of non-financial assets	(0.1)	–	–	(0.1)	(0.4)	–	–	(0.5)
Investment income	–	0.5	1.5	2.0	1.0	13.1	(10.0)	6.1
Finance costs	(16.0)	(2.1)	(0.2)	(18.3)	–	(50.6)	0.3	(68.6)
Profit/(loss) before tax	64.4	4.0	10.9	79.3	10.8	(78.0)	(10.0)	2.1
Reconciliation to Underlying Profit/(Loss) Before Tax⁴								
Profit/(loss) before tax	64.4	4.0	10.9	79.3	10.8	(78.0)	(10.0)	2.1
Net fair value loss/(gain) on derivative financial instruments	0.7	(0.1)	0.1	0.7	–	–	–	0.7
Impairment of non-financial assets	0.1	–	–	0.1	0.4	1.4	–	1.9
Amortisation of fees and costs relating to the Group's previous corporate debt	–	–	–	–	–	7.6	–	7.6
Restructuring costs	–	–	2.3	2.3	0.1	19.1	–	21.5
Foreign exchange movement on River Cruise lease liabilities	–	0.8	–	0.8	–	–	–	0.8
Affinity Partnership transition	–	–	–	–	13.9	–	–	13.9
Release of deferred revenue on three-year fixed-price product	–	–	–	–	(7.0)	–	–	(7.0)
Onerous contract provision	–	–	–	–	(1.3)	–	–	(1.3)
Modification of Travel breakage policy	1.6	0.3	0.7	2.6	–	–	–	2.6
Ocean Cruise dry dock costs	0.5	–	–	0.5	–	–	–	0.5
IFRS 16 lease accounting adjustment on River Cruise vessels	–	0.9	–	0.9	–	–	–	0.9
Underlying Profit/(Loss) Before Tax⁴	67.3	5.9	14.0	87.2	16.9	(49.9)	(10.0)	44.2

⁴ Refer to the Alternative Performance Measures Glossary on pages 87-91 for definition and explanation

Notes to the consolidated financial statements (continued)

3 Segmental information (continued)

2025 (re-presented ⁵)	Travel				Insurance Broking £m	Other Businesses and Central Costs £m	Adjustments £m	Total £m
	Ocean Cruise £m	River Cruise £m	Holidays £m	Total £m				
Continuing operations								
Revenue	236.7	49.4	167.8	453.9	114.4	24.6	(4.6)	588.3
Cost of sales	(140.6)	(33.3)	(126.1)	(300.0)	–	(8.8)	–	(308.8)
Gross profit/(loss)	96.1	16.1	41.7	153.9	114.4	15.8	(4.6)	279.5
Administrative and selling expenses	(30.5)	(11.0)	(33.8)	(75.3)	(119.8)	(43.1)	4.6	(233.6)
Impairment of non-financial assets	–	–	–	–	(21.3)	(3.2)	(138.3)	(162.8)
Gain on lease modification	–	–	–	–	–	0.2	–	0.2
Net profit on disposal of property, plant and equipment	–	–	0.9	0.9	–	–	–	0.9
Investment income	–	0.5	1.0	1.5	0.9	3.7	–	6.1
Finance costs	(18.4)	(1.5)	(0.3)	(20.2)	–	(30.3)	–	(50.5)
Profit/(loss) before tax	47.2	4.1	9.5	60.8	(25.8)	(56.9)	(138.3)	(160.2)
Reconciliation to Underlying Profit/(Loss) Before Tax⁶								
Profit/(loss) before tax	47.2	4.1	9.5	60.8	(25.8)	(56.9)	(138.3)	(160.2)
Net fair value loss on derivative financial instruments	–	–	0.3	0.3	–	–	–	0.3
Impairment of Insurance Broking goodwill	–	–	–	–	–	–	138.3	138.3
Impairment of other non-financial assets	–	–	–	–	21.3	3.2	–	24.5
Amortisation of fees and costs on Roger De Haan loan facility	–	–	–	–	–	3.5	–	3.5
Restructuring costs	–	–	0.9	0.9	18.2	9.3	–	28.4
Foreign exchange movement on River Cruise lease liabilities	–	(0.6)	–	(0.6)	–	–	–	(0.6)
Onerous contract provision	–	–	–	–	(1.8)	–	–	(1.8)
Profit share on cessation of private medical insurance (PMI) contract	–	–	–	–	2.6	–	–	2.6
Ocean Cruise customer compensation and dry dock costs	1.7	–	–	1.7	–	–	–	1.7
IFRS 16 lease accounting adjustment on River Cruise vessels	–	0.5	–	0.5	–	–	–	0.5
Underlying Profit/(Loss) Before Tax⁶	48.9	4.0	10.7	63.6	14.5	(40.9)	–	37.2

⁵ The comparative information for the year to 31 January 2025 has been re-presented from that previously published due to the Group's decision to divest itself of the underwriting and claims handling sections of its Insurance business

⁶ Refer to the Alternative Performance Measures Glossary on pages 87-91 for definition and explanation

Notes to the consolidated financial statements (continued)

3 Segmental information (continued)

Analysis of total assets less liabilities by segment:

	2026 (unaudited)	2025
	£m	£m
Travel	91.8	129.1
Insurance	(55.9)	9.8
Other Businesses and Central Costs	152.2	38.1
Adjustments	(118.4)	(119.3)
	69.7	57.7

Discontinued operations assets and liabilities held for sale (Note 18a) are included within the Insurance segment total assets less liabilities figure above.

Total assets less liabilities detailed as adjustments relates to the following unallocated items:

	2026 (unaudited)	2025
	£m	£m
Goodwill (Note 7)	206.4	206.4
Bond, term loan and the loan facility provided by Roger De Haan	(324.8)	(325.7)
	(118.4)	(119.3)

Notes to the consolidated financial statements (continued)

3 Segmental information (continued)

a) Disaggregation of revenue

The following table provides a disaggregation of the Group's revenue by major product line, analysed by its core operating segments.

2026 (unaudited)

Major product lines	Travel £m	Insurance £m	Other Businesses and Central Costs £m	Total £m
Continuing operations				
Ocean Cruise	264.0			264.0
River Cruise	53.1			53.1
Holidays	184.0			184.0
Motor broking		52.9		52.9
Home broking		39.4		39.4
Other broking		47.6		47.6
Money			6.1	6.1
Publishing and CustomerKNECT			11.3	11.3
Other			1.6	1.6
	501.1	139.9	19.0	660.0

2025

Major product lines	Travel £m	Insurance £m	Other Businesses and Central Costs £m	Total £m
Continuing operations				
Ocean Cruise	236.7			236.7
River Cruise	49.4			49.4
Holidays	167.8			167.8
Motor broking		45.9		45.9
Home broking		31.8		31.8
Other broking		36.7		36.7
Money			5.6	5.6
Publishing and CustomerKNECT			13.9	13.9
Other			0.5	0.5
	453.9	114.4	20.0	588.3

Notes to the consolidated financial statements (continued)

4 Income tax

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

	2026 (unaudited) £m	2025 £m
Continuing operations		
Consolidated income statement		
Current income tax		
Current income tax credit	(2.2)	(0.5)
Adjustments in respect of previous years	0.2	0.9
	(2.0)	0.4
Deferred tax		
Relating to origination and reversal of temporary differences	–	19.0
Adjustments in respect of previous years	–	(0.9)
	–	18.1
Tax (credit)/expense in the income statement relating to continuing operations	(2.0)	18.5

The Group's tax credit relating to continuing operations for the year was £2.0m (2025: £18.5m expense) representing a tax effective rate of negative 95.3% before the impairment of goodwill of £nil (2025: negative 84.5%). In both the current and prior years, the difference between the Group's tax effective rate and the standard rate of corporation tax was mainly due to the Group's Ocean Cruise business being in the tonnage tax regime. In addition, it is also due to £138.3m (2025: £111.6m) of corporation tax losses carried forward at the end of the financial year not being considered recoverable and, therefore, no deferred tax asset was recognised for these losses.

Adjustments in respect of previous years include an adjustment for the over-provision of tax in prior years of £0.2m (2025: £nil).

Notes to the consolidated financial statements (continued)

4 Income tax (continued)

Reconciliation of net deferred tax assets

	2026 (unaudited) £m	2025 £m
At 1 February	–	34.8
Tax expense recognised in the income statement from continuing operations	–	(18.1)
Tax expense recognised in other comprehensive income (OCI) from continuing operations	–	(12.3)
Deferred tax expense attributable to discontinued operations	–	(4.8)
Amounts transferred to assets held for sale	–	0.4
At 31 January	–	–

The Group has tax losses which arose in the UK of £138.3m (2025: £111.6m) that are available indefinitely for offsetting against future taxable profits of the continuing operations of the Group. Deferred tax assets have not been recognised in respect of these losses as management have assessed there are less likely than not to be sufficient future taxable profits to utilise these tax losses. The tax losses have arisen due to the Group's Ocean Cruise business being in the tonnage tax regime and thus excluded from corporate tax, meaning that taxable profits in the Group's non-Ocean Cruise businesses would be required to recognise deferred tax assets, and there are no other tax planning opportunities or other evidence of recoverability in the near future. In addition, all other net timing differences were considered not to be recoverable, therefore no deferred tax assets have been recognised in respect of the continuing business at 31 January 2026 (2025: none), for the same reason that deferred tax assets were not recognised on tax losses. If the Group were able to recognise all unrecognised deferred tax assets then profit for the year would be £2.2m lower (2025: £34.4m higher) and movements through OCI would be £1.2m lower (2025: £10.8m higher).

The Group is in scope of the Pillar Two rules because its consolidated revenue exceeded the annual €750m threshold in two of the last four financial years. The Group has applied the mandatory deferred tax exemption as prescribed by the International Accounting Standards Board's amendments to IAS12 'Income Taxes'. A significant amount of the Group's profits are within the charge to tonnage tax and, therefore, the Group considers the financial impact of Pillar Two to be limited.

5 Dividends

The Board of Directors does not recommend the payment of a final dividend for the 2025/26 financial year (2025: nil pence per share). For the current and prior year, no interim or final dividends were declared, or paid, during the year.

The distributable reserves of Saga plc are £239.9m at 31 January 2026, which are equal to the retained earnings reserve. If necessary, its subsidiary companies hold significant reserves from which a dividend could be paid. Subsidiary distributable reserves are available immediately, with the exception of companies within the River Cruise and Holidays businesses, which require regulatory approval before any dividends can be declared and paid. Under the terms of the Ocean Cruise ship debt facilities, dividends remain restricted until the ship debt principal repayments that were deferred as part of the ship debt repayment holiday are fully repaid (Note 15). In addition, under the terms of the RCF and the term loan provided by certain funds, entities (or affiliates or subsidiaries of such funds or entities) and/or accounts managed, advised or controlled by HPS Investment Partners, LLC or its subsidiaries (**HPS Funds**), dividends also remain restricted while leverage is above 3.25x.

Notes to the consolidated financial statements (continued)

6 Earnings/(loss) per share

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

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

The calculation of basic and diluted earnings/(loss) per share is as follows:

	2026 (unaudited) £m	2025 £m
Profit/(loss) attributable to ordinary equity holders	3.6	(164.9)
Profit/(loss) from continuing operations	4.1	(178.7)
Weighted average number of ordinary shares		'm
Ordinary shares at 1 February	140.5	139.8
Deferred Bonus Plan (DBP) share options exercised	0.3	0.2
Restricted Share Plan (RSP) share options exercised	1.2	0.5
Other share options exercised	0.4	–
Weighted average number of ordinary shares for basic earnings/(loss) per share	142.4	140.5
Dilutive options		
DBP share options not yet vested	1.1	–
RSP share options not yet vested	3.6	–
Weighted average number of ordinary shares for diluted earnings/(loss) per share	147.1	140.5
Basic earnings/(loss) per share	2.5p	(117.4p)
Basic earnings/(loss) per share from continuing operations	2.9p	(127.2p)
Diluted earnings/(loss) per share	2.4p	(117.4p)
Diluted earnings/(loss) per share from continuing operations	2.8p	(127.2p)

Notes to the consolidated financial statements (continued)

6 Earnings/(loss) per share (continued)

The table below reconciles between basic earnings/(loss) per share and Underlying Basic Earnings Per Share⁷.

	2026	2025
	(unaudited)	
Basic earnings/(loss) per share	2.5p	(117.4p)
Adjusted for:		
Net fair value loss on derivative financial instruments	0.5p	0.3p
Impairment of Insurance Broking goodwill	–	98.4p
Impairment of other non-financial assets	1.3p	25.6p
Onerous contract provision	2.1p	(12.3p)
Profit share on cessation of PMI contract	–	2.2p
Amortisation of fees and costs relating to the Group's previous corporate debt	5.3p	3.0p
Loss on disposal of subsidiaries	9.6p	–
Affinity Partnership transition	9.8p	–
Release of deferred revenue on three-year fixed-price product	(4.9p)	–
Write-off of written to earned adjustment	(2.5p)	–
Foreign exchange movement on River Cruise lease liabilities	0.6p	(0.5p)
Fair value gains on debt securities	(1.5p)	(4.3p)
Changes in underwriting discount rates on non-PPO liabilities	0.1p	(0.5p)
Restructuring costs	15.3p	26.9p
Modification of Travel breakage policy	1.9p	–
Ocean Cruise customer compensation and dry dock costs	0.4p	1.4p
IFRS 16 lease accounting adjustment on River Cruise vessels	0.6p	0.4p
Underlying Basic Earnings Per Share⁷	41.1p	23.2p

⁷ Refer to the Alternative Performance Measures Glossary on pages 87-91 for definition and explanation

Notes to the consolidated financial statements (continued)

7 Goodwill

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

	2026 (unaudited) £m	2025 £m
Insurance Broking	206.4	206.4
	206.4	206.4

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

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

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

At 31 July 2025, trading forecasts showed improved cash flows and policy volumes from those modelled at the assessment conducted at 31 January 2025. In addition, the Group's pre-tax discount rate previously used for the Insurance Broking CGU had improved. The decrease in the pre-tax discount rate acted to increase the headroom in any assessment. The long-term outlook for inflation stood at 2%, consistent with the Terminal Growth rate assumption for the business modelled at 31 January 2025 and at 31 July 2024. Management considered other indicators of possible impairment set out in IAS 36, including the economic outlook and movements in Saga's market capitalisation. No such indicators were identified. Based on the above, management did not believe a formal goodwill impairment assessment was required at 31 July 2025.

At the assessment conducted at 31 January 2026, the recoverable amount of the Insurance Broking CGU was determined based on a value-in-use calculation using nominal cash flow projections from the Group's latest five-year financial forecasts to 2030/31, which were derived using past experience of the Group's trading, combined with the anticipated impact of changes in macroeconomic and regulatory factors and the expected impact of the transition to the Affinity Partnership. A terminal value was calculated using the Gordon Growth Model based on the fifth year of those projections and a terminal growth rate calculated using an assumption of 2.0% (July 2024: 2.0%; January 2025: 2.0%) as the expected long-term target rate of inflation for the UK economy based on the November 2025 Monetary Policy Report published by the Bank of England. The cash flows were then discounted to present value using a suitably risk-adjusted nominal discount rate based on a market-participant view of the cost of capital and debt relevant to the insurance industry.

Notes to the consolidated financial statements (continued)

7 Goodwill (continued)

At 31 January 2026, the pre-tax discount rate used for the Insurance Broking CGU was 12.2% (July 2024: 14.7%; January 2025: 13.3%). The Group's five-year financial forecasts incorporated the modelled impact of the change to a new partnership operating model for the motor and home products. As per IAS 36.44, incremental cash flows directly attributable to growth initiatives not yet enacted at the statement of financial position date were then removed for the purpose of the value-in-use calculation.

The Group also considered the impact of downside stresses, both in terms of adverse impacts to the cash flow projections and to the discount rate. For the cash flow stress test, the Group modelled the impact of a possible reduction in the level of benefits expected to be achieved from the Affinity Partnership, in combination with a more cautious terminal growth rate based on a more conservative assumption of 1.5% (July 2025: 1.5%; January 2025: 1.5%) as the outlook for growth in the UK economy. For the discount rate stress test, the Group applied risk premia of +0.7ppts at 31 January 2026 (July 2024: +0.5ppts; January 2025: +0.4ppts).

The (deficit)/headroom of the Insurance Broking CGU against the carrying value of goodwill at the time of the review of £206.4m at 31 January 2026 and £206.4m at 31 January 2025 (after recognising an impairment charge of £138.3m at 31 July 2024), was as follows:

	(Deficit)/headroom £m					
	Base scenario		Cash flow stress test scenario		Discount rate stress test scenario	
	31 Jan 2026 (unaudited)	31 Jan 2025	31 Jan 2026 (unaudited)	31 Jan 2025	31 Jan 2026 (unaudited)	31 Jan 2025
Insurance Broking	74.9	33.4	22.4	(19.2)	58.2	25.9

The (deficit)/headroom calculated is sensitive to the discount rate and terminal growth rate assumed, and to changes in the projected cash flows of the CGU. Inherent uncertainty involved in forecasting cashflows under a new partnership model increase the range of possible cash flow outcomes in management's modelling. A quantitative sensitivity analysis for each of these at 31 January 2026, and its impact on the base scenario headroom against the carrying value of goodwill at the time of the review of £206.4m, is as follows:

	Pre-tax discount rate		Terminal growth rate		Cash flow (annual)	
	+1.0ppt £m	-1.0ppt £m	+1.0ppt £m	-1.0ppt £m	+10% £m	-10% £m
	Insurance Broking	(22.7)	27.8	27.2	(21.1)	31.1

It would take an increase in the pre-tax discount rate of 4.4 percentage points to reduce the headroom to £nil; a reduction in the terminal growth rate to -3.3%, or a reduction in base case cashflows of 24.1%.

Notes to the consolidated financial statements (continued)

8 Intangible assets

During the year, the Group capitalised £6.0m (2025: £12.1m) of software assets; disposed of assets with a net book value of £0.2m (2025: £nil); reclassified from assets held for sale, assets with a net book value of £nil (2025: none); and charged £7.1m of amortisation and impairment to its other intangible assets (2025: £38.5m). In the prior year, the Group also reclassified to assets held for sale, assets with a net book value of £nil.

Impairment review of other intangible assets

In the year to 31 January 2026, following the Group's disposal of the underwriting and claims handling sections of its Insurance business (Note 18a) and the impact of this on its Insurance Broking business, management concluded that this constitutes an indicator of impairment and duly conducted an impairment review of the software assets of this business. The outcome of this impairment review concluded that an impairment charge of £0.3m should be recognised against the software assets held by the Group's Insurance Broking division at 31 January 2026. This was charged to administrative and selling expenses.

In the prior year, following the Group's decision to divest itself of the underwriting and claims handling sections of its Insurance business (Note 18a), management concluded that this constitutes an indicator of impairment and duly conducted an impairment review of the Group's other intangible fixed assets. The outcome of this impairment review concluded that an impairment charge of £4.0m should be recognised against the intangible fixed assets held by the disposal group at 31 January 2025 (Note 18a). The impairment charge related to the software assets of the claims handling section of the Insurance business, which were impaired in full.

As a result of the announcement above, and subsequent impairment review, management concluded that an impairment charge of £21.3m should be recognised against the internally generated software assets relating to Guidewire (the Group's Insurance Broking, policy administration and billing platform at 31 January 2025). This was charged to administrative and selling expenses. The Guidewire software assets did not form part of the intangible fixed assets held by the disposal group.

In addition, management assessed the recoverable amount of software assets at 31 January 2025 and concluded that an impairment of £2.8m was required in the Group's Central Costs division. This was charged to administrative and selling expenses.

With the exception of the above, the Group did not consider it necessary to conduct an impairment review of other intangible assets at 31 January 2026, since no other indicators of impairment existed.

9 Property, plant and equipment

During the year, the Group capitalised assets with a cost of £10.4m (2025: £6.9m); disposed of assets with a net book value of £0.2m (2025: £0.2m); and charged £24.7m of depreciation and impairment to its property, plant and equipment (2025: £23.3m). In the prior year, the Group also reclassified from assets held for sale, assets with a net book value of £6.0m.

Property, plant and equipment assets capitalised in the year ended 31 January 2026 relate to Ocean Cruise ships (£7.8m), and plant and equipment (£2.6m). Property, plant and equipment assets capitalised in the year ended 31 January 2025 related to Ocean Cruise ships (£5.8m), and plant and equipment (£1.1m).

Notes to the consolidated financial statements (continued)

9 Property, plant and equipment (continued)

Impairment review of property, plant and equipment

In the year to 31 January 2026, following the Group's disposal of the underwriting and claims handling sections of its Insurance business (Note 18a) and the impact of this on its Insurance Broking, and mailing and printing divisions, management concluded that this constitutes an indicator of impairment and duly conducted an impairment review of the assets of this business. The outcome of this impairment review concluded that an impairment charge of £0.7m should be recognised against the plant and equipment assets held by the Group at 31 January 2026. This was charged to administrative and selling expenses (£0.1m) and cost of sales (£0.6m).

In the prior year, management assessed the recoverable amount of plant and equipment assets at 31 January 2025 and concluded that an impairment charge of £0.1m was required in the Group's Central Costs division. This was charged to administrative and selling expenses.

With the exception of the above, the Group did not consider it necessary to conduct an impairment review of property, plant and equipment assets at 31 January 2026, since no other indicators of impairment existed.

10 Right-of-use assets

During the year, the Group capitalised assets with a cost of £17.9m (2025: £8.0m); disposed of assets with a net book value of £nil (2025: £nil); reduced net book value for effect of modification of lease terms by £0.1m (2025: £0.3m); and charged £7.6m of depreciation and impairment to its right-of-use assets (2025: £7.4m).

Right-of-use assets capitalised in the year ended 31 January 2026 relate to the River Cruise ship, Spirit of the Moselle (£13.9m) and vehicles (£4.0m). Right-of-use assets capitalised in the year ended 31 January 2025 related to the River Cruise ship, Spirit of the Douro (£7.3m), vehicles (£0.4m) and IT hardware (£0.3m).

The total cash outflow for leases amounted to £9.2m (2025: £9.4m).

In the year ended 31 January 2026, the modification of lease terms relating to long leasehold land and buildings resulted in a gain of £nil (2025: £0.2m) being reported in the income statement in the year.

At 31 January 2026, the value of lease liabilities contracted for, but not provided for, in the financial statements in respect of right-of-use assets amounted to £13.5m (2025: £22.5m). For the current year, these commitments relate to Spirit of the Lorelei. The lease commitments in the prior year related to the River Cruise vessels, Spirit of the Moselle and Spirit of the Lorelei.

Impairment review of right-of-use assets

In the year to 31 January 2026, following the Group's disposal of the underwriting and claims handling sections of its Insurance business (Note 18a) and the impact of this on its mailing and printing business, management concluded that this constitutes an indicator of impairment and duly conducted an impairment review of the assets of this business. The outcome of this impairment review concluded that an impairment charge of £0.8m should be recognised against the plant and equipment assets held by the mailing and printing business at 31 January 2026. This was charged to cost of sales.

Also, in the year to 31 January 2026, management decided to review long leasehold land and building leases used by the Group's Cruise business. As part of this exercise, management performed an impairment review of right-of-use assets used by the Cruise business. The outcome of this review concluded that an impairment charge of £0.1m be recognised against the Group's long leasehold land and buildings at 31 January 2026. This was charged to administrative and selling expenses.

With the exception of the above, the Group did not consider it necessary to conduct an impairment review of right-of-use assets at 31 January 2026, since no indicators of impairment existed.

Notes to the consolidated financial statements (continued)

11 Financial assets and financial liabilities

a) Financial assets

	2026 (unaudited) £m	2025 £m
Fair value through profit and loss (FVTPL)		
Foreign exchange forward contracts	0.2	0.2
Money market funds	–	62.9
Debt securities	–	178.7
	0.2	241.8
FVTPL designated in a hedging relationship		
Foreign exchange forward contracts	0.7	0.9
Fuel oil swaps	0.2	–
	0.9	0.9
Amortised cost		
Deposits with financial institutions	–	11.5
	–	11.5
Amounts reclassified to assets held for sale		
	–	(241.6)
Total financial assets	1.1	12.6
Current	1.0	12.4
Non-current	0.1	0.2
	1.1	12.6
Total financial assets (including cash and short-term deposits, trade and other receivables)		
	364.6	248.5

For the year ended 31 January 2025, debt securities and money market funds related to monies held by the Group's Insurance Underwriting business (included within assets held for sale), and were subject to contractual restrictions and are not readily available to be used for other purposes within the Group. The Group's Insurance Underwriting business was disposed of on 1 July 2025 (Note 18a), and therefore, no balances are reported at 31 January 2026 in the table above.

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

Notes to the consolidated financial statements (continued)

11 Financial assets and financial liabilities (continued)

b) Financial liabilities

	2026 (unaudited) £m	2025 £m
FVTPL		
Foreign exchange forward contracts	0.4	0.2
	0.4	0.2
FVTPL designated in a hedging relationship		
Foreign exchange forward contracts	2.4	0.9
Fuel oil swaps	0.3	0.5
Interest rate swaps	1.7	–
	4.4	1.4
Amortised cost		
Bond, Ocean Cruise ship loans, term loan and loan facility provided by Roger De Haan (Note 15)	607.9	662.2
Lease liabilities	38.4	26.1
Bank overdrafts	0.3	1.6
	646.6	689.9
Amounts reclassified to liabilities associated with assets held for sale	–	(1.4)
Total financial liabilities	651.4	690.1
Current	66.7	71.3
Non-current	584.7	618.8
	651.4	690.1

	2026 (unaudited) £m	2025 £m
Total financial liabilities (as above and presented on the face of the statement of financial position)	651.4	690.1
Trade payables	168.5	145.5
Other payables	16.8	9.0
Accruals	62.0	43.9
Total financial liabilities (including trade and other payables, and accruals)	898.7	888.5

Except for the Group's bond and Ocean Cruise ship loans, the fair values of financial liabilities held at amortised cost are not materially different from their carrying amounts, since the interest payable on those liabilities is close to current market rates. The fair value of the Group's bond (Note 15) at 31 January 2026 was £nil (2025: £249.7m). The fair value of the Group's Ocean Cruise ship loans (Note 15) at 31 January 2026 was £270.5m (2025: £325.6m).

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

Notes to the consolidated financial statements (continued)

11 Financial assets and financial liabilities (continued)

c) Fair value hierarchy

	At 31 January 2026 (unaudited)				At 31 January 2025			
	Level 1 £m	Level 2 £m	Level 3 £m	Total £m	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
Financial assets measured at fair value								
Foreign exchange forwards	-	0.9	-	0.9	-	1.1	-	1.1
Fuel oil swaps	-	0.2	-	0.2	-	-	-	-
Debt securities	-	-	-	-	178.7	-	-	178.7
Money market funds	-	-	-	-	62.9	-	-	62.9
Financial liabilities measured at fair value								
Foreign exchange forwards	-	2.8	-	2.8	-	1.1	-	1.1
Fuel oil swaps	-	0.3	-	0.3	-	0.5	-	0.5
Interest rate swaps	-	1.7	-	1.7	-	-	-	-
Financial assets for which fair values are disclosed								
Deposits with institutions	-	-	-	-	-	11.5	-	11.5
Financial liabilities for which fair values are disclosed								
Bond, Ocean Cruise ship loans, term loan and the loan facility provided by Roger De Haan	-	595.3	-	595.3	249.7	400.6	-	650.3
Lease liabilities	-	38.4	-	38.4	-	26.1	-	26.1
Bank overdrafts	-	0.3	-	0.3	-	1.6	-	1.6

Notes to the consolidated financial statements (continued)

11 Financial assets and financial liabilities (continued)

d) Other information

There were no transfers between Level 1 and Level 2 during the year. There were no non-recurring fair value measurements of assets and liabilities during the year (2025: none). The Group's policy is to recognise transfers into, and out of, fair value hierarchy levels at the end of the reporting period.

The values of the debt securities and money market funds were based upon publicly available market prices.

Foreign exchange forwards are valued using current spot and forward rates discounted to present value. They are also adjusted for counterparty credit risk using credit default swap curves. Fuel oil swaps are valued with reference to the valuations provided by third parties, which use current Platts index rates, discounted to present value.

Bonds are valued at quoted market bid prices.

Ship loans are valued using discounted cash flows at the current rates of interest.

Interest rate swaps are valued as the present value of the estimated future cash flows, discounted using observable yield curves, and adjusted for a credit risk adjustment.

The Group operates a programme of economic hedging against its foreign currency and fuel oil exposures. During the year, the Group designated 410 (2025: 258) foreign exchange forward currency contracts as hedges of highly probable foreign currency cash expenses in future periods and designated 78 (2025: 20) fuel oil swaps as hedges of highly probable fuel oil purchases in future periods. At 31 January 2026, the Group has designated 439 (2025: 259) forward currency contracts and 78 (2025: 35) fuel oil swaps as hedges.

During the year, the Group recognised net losses of £4.5m (2025: £6.0m gains) on cash flow hedging instruments through OCI into the hedging reserve. The Group recognised £nil (2025: £nil) through the income statement in respect of the ineffective portion of foreign exchange hedges measured during the year. The Group recognised £nil (2025: £nil) through the income statement in respect of the ineffective portion of interest rate swaps measured during the year.

During the year, the Group de-designated two foreign currency forward contracts, with a transaction value of £2.4m, where forecast cash flows are no longer expected to occur with a sufficiently high degree of certainty to meet the requirements of IFRS 9. The accumulated losses in relation to these contracts of £nil were reclassified from the hedging reserve into profit or loss during the year. The Group did not de-designate any fuel oil swaps during the year. During the year, the Group recognised a £1.6m loss (2025: £3.3m gain) through the income statement in respect of matured hedges that were recycled from OCI.

During the year, the Group hedged its £335.0m term loan (Note 15) using interest rate derivatives. The Group held interest rate swaps to hedge exposure to the financial risk of variability in cash flows attributable to movements in interest rates. The fair value of the Group's interest swaps at 31 January 2026 is a liability of £1.7m (2025: nil), with £1.7m being recognised as a loss through OCI into the hedging reserve.

Notes to the consolidated financial statements (continued)

12 Cash and cash equivalents

	2026 (unaudited) £m	2025 £m
Cash at bank and in hand	70.2	93.0
Short-term deposits	186.8	36.2
Cash and short-term deposits	257.0	129.2
Bank overdraft (Note 11b)	(0.3)	(0.2)
Cash and cash equivalents held by disposal group (including money market funds)	–	74.1
Cash and cash equivalents in the condensed consolidated statement of cash flows	256.7	203.1

Included within cash and cash equivalents at 31 January 2026 are amounts held by the Group's River Cruise, Holidays and Insurance Broking businesses, which are subject to contractual or regulatory restrictions; and additional amounts paid into an escrow account relating to the Saga Pension Scheme. Included within cash and cash equivalents at 31 January 2025 were amounts held by the Group's Insurance Underwriting business (included within assets held for sale), River Cruise, Holidays and Insurance Broking businesses, which are subject to contractual or regulatory restrictions; and additional amounts paid into an escrow account relating to the Saga Pension Scheme. The amounts held are not readily available to be used for other purposes within the Group and total £67.0m (2025: £123.8m). Available Cash⁸ excludes these amounts.

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

The bank overdraft is repayable on demand.

13 Retirement benefit schemes

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

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

a) Defined contribution plans

There was one defined contribution scheme in the Group at 31 January 2026 (2025: one). The total charge for the year in respect of the defined contribution scheme was £4.8m (2025: £5.2m). The assets of this scheme are held separately from those of the Group in funds under the control of Trustees.

⁸ Refer to the Alternative Performance Measures Glossary on pages 87-91 for definition and explanation

Notes to the consolidated financial statements (continued)

13 Retirement benefit schemes (continued)

b) Defined benefit plan

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

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

	2026 (unaudited) £m	2025 £m
Fair value of scheme assets	204.1	200.1
Present value of defined benefit obligation	(229.5)	(239.9)
Defined benefit scheme liability	(25.4)	(39.8)

The present values of the defined benefit obligation have been measured using the projected unit credit valuation method.

During the year ended 31 January 2026, the net liability position of the Saga scheme reduced by £14.4m, resulting in an overall scheme deficit of £25.4m, mainly as a result of recovery plan contributions of £5.8m being paid by the Group; a Section 75 contribution of £3.2m in relation to the completion of the disposal of the Group's Insurance Underwriting business, AICL; the adoption of the latest cash commutation factors (effective from July 2025), which led to a decrease in the value placed on the deferred liabilities; and a reduction in the value placed on the liabilities as a result of increases in bond yields over the year. The latter was partially offset by the movement in matching assets held by the scheme, which also decreased. The £5.8m deficit funding contributions were paid by the Group under a recovery plan agreed under the triennial valuation of the scheme at 31 January 2023.

The movements observed in the scheme's assets and obligations were impacted by macroeconomic factors during the year, where actual inflation levels reduced compared to recent years, high-quality long-term corporate bond yields remained volatile and there continues to be rising cost of living pressures. The present value of defined benefit obligations decreased by £10.4m to £229.5m, primarily as a result of increases in bond yields over the year. The fair value of scheme assets increased by £4.0m, to £204.1m, largely driven by the recovery plan and Section 75 contributions.

Notes to the consolidated financial statements (continued)

13 Retirement benefit schemes (continued)

b) Defined benefit plan (continued)

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

On 5 June 2025, the Government announced that they will introduce legislation to give affected pension schemes the ability to retrospectively obtain written actuarial confirmation that historic benefit changes met the necessary standards.

On 2 September 2025, the Government published draft amendments to the Pensions Scheme Bill, which would give affected pension schemes the ability to retrospectively obtain written actuarial confirmation that historical benefit changes met the necessary standards. The draft legislation will need to be agreed by both Houses of Parliament before it passes into law; however, no additional liabilities are now expected to arise as a result of the Virgin Media court ruling.

The Group is considering the implications of the case on its defined benefit scheme. At 31 January 2026, the defined benefit obligation for the Group's scheme was calculated on the basis of the pension benefits currently being administered. The Group has not, as yet, assessed any potential impact due to the court ruling. However, the Group received initial legal advice, which suggests that there is no reason, based on the checks carried out, to assume that any historical scheme changes were not validly made, and that it is reasonable for the Trustees to take no further action at this stage. Any subsequent developments following the Court of Appeal's judgement will be monitored by the Group.

Notes to the consolidated financial statements (continued)

14 Insurance contract liabilities and reinsurance assets

The following tables reconcile the opening and closing balances held in relation to insurance and reinsurance contracts (Note 18a):

	Liabilities for remaining coverage (unaudited)		Liabilities for incurred claims (unaudited)		Total £m
	Excluding loss component £m	Loss component £m	Estimate of the present value of future cash flows £m	Risk adjustment £m	
At 1 February 2025					
Insurance contract liabilities	(46.3)	(1.8)	(235.9)	(33.7)	(317.7)
Insurance revenue (Note 18a)	66.6	–	–	–	66.6
Incurred claims and related expenses	–	2.3	(54.2)	(3.8)	(55.7)
Changes to liabilities for incurred claims	–	–	11.6	6.2	17.8
Insurance acquisition cash flows expensed	(13.5)	–	–	–	(13.5)
Losses on onerous contracts and reversals of those losses	–	(6.5)	–	–	(6.5)
Other incurred insurance service expenses	–	–	(4.6)	–	(4.6)
Insurance service (expenses)/income (Note 18a)	(13.5)	(4.2)	(47.2)	2.4	(62.5)
Insurance finance expense (Note 18a)	–	–	(4.6)	(0.7)	(5.3)
Total changes in the income statement	53.1	(4.2)	(51.8)	1.7	(1.2)
Cash flows					
Premiums received	(78.4)	–	–	–	(78.4)
Insurance acquisition cash flows incurred	13.5	–	–	–	13.5
Claims and other expenses paid	–	–	64.8	–	64.8
Total cash flows	(64.9)	–	64.8	–	(0.1)
Disposed of with subsidiary undertaking	58.1	6.0	222.9	32.0	319.0
At 31 January 2026					
Insurance contract liabilities	–	–	–	–	–

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

Notes to the consolidated financial statements (continued)

14 Insurance contract liabilities and reinsurance assets (continued)

	Assets for remaining coverage (unaudited)		Amounts recoverable on incurred claims (unaudited)		Total £m
	Excluding loss- recovery component £m	Loss- recovery component £m	Estimate of the present value of future cash flows £m	Risk adjustment £m	
At 1 February 2025					
Reinsurance contract (liabilities)/assets	(9.3)	-	88.9	28.2	107.8
Allocation of reinsurance premiums	(4.7)	-	-	-	(4.7)
Amounts recoverable for incurred claims and other expenses	-	-	2.6	0.1	2.7
Changes to amounts recoverable for incurred claims	-	-	(0.6)	(2.8)	(3.4)
Effect of changes in the risk of non- performance of reinsurance contracts	-	-	(0.2)	-	(0.2)
Net (expense)/income from reinsurance contracts (Note 18a)	(4.7)	-	1.8	(2.7)	(5.6)
Reinsurance finance income (Note 18a)	-	-	1.6	0.6	2.2
Total changes in the income statement	(4.7)	-	3.4	(2.1)	(3.4)
Cash flows					
Premiums paid	2.5	-	-	-	2.5
Amounts received	-	-	(3.3)	-	(3.3)
Total cash flows	2.5	-	(3.3)	-	(0.8)
Disposed of with subsidiary undertaking	11.5	-	(89.0)	(26.1)	(103.6)
At 31 January 2026					
Reinsurance contract (liabilities)/assets	-	-	-	-	-

In the year to 31 January 2025, the Insurance Underwriting business was classified as a discontinued operation. As a result, reinsurance contract assets at 31 January 2025 were reclassified as assets held for sale.

Notes to the consolidated financial statements (continued)

14 Insurance contract liabilities and reinsurance assets (continued)

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

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

Notes to the consolidated financial statements (continued)

14 Insurance contract liabilities and reinsurance assets (continued)

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

In the year to 31 January 2025, the Insurance Underwriting business was classified as a discontinued operation. As a result, reinsurance contract assets at 31 January 2025 were reclassified as assets held for sale.

Notes to the consolidated financial statements (continued)

15 Loans and borrowings

	2026 (unaudited) £m	2025 £m
Bond	–	250.0
Term loan	335.0	–
DDTL facility	–	–
Ocean Cruise ship loans	289.2	344.8
Loan facility provided by Roger De Haan	–	75.0
RCF	–	–
Accrued interest payable	7.5	5.1
	<u>631.7</u>	<u>674.9</u>
Less: deferred issue costs	(23.8)	(12.7)
	<u>607.9</u>	<u>662.2</u>

a) Bonds, RCF, term loan, DDTL and loan facility provided by Roger De Haan

On 30 January 2025, the Group announced that it had secured new credit facilities to refinance its corporate debt in full. The new facilities, agreed by Saga Mid Co Limited, and provided by HPS Funds, comprised: a £335.0m term loan, a £100.0m DDTL and a £50.0m RCF.

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

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

At 31 January 2026, the Group's financing facilities consisted of a £335.0m term loan, a £116.6m DDTL and a £33.4m RCF. The term loan and DDTL both mature on 29 January 2031 and the RCF matures on 29 January 2029. The RCF and DDTL were undrawn at 31 January 2026.

i) Bonds

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

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

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

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

Accrued interest payable on the Group's bond at 31 January 2025 was £0.6m.

Notes to the consolidated financial statements (continued)

15 Loans and borrowings (continued)

a) Bonds, RCF, term loan, DDTL and loan facility provided by Roger De Haan (continued)

ii) Former RCF

Interest payable on the Group's former RCF, if drawn down, was incurred at a variable rate of Sterling Overnight Index Average (**SONIA**) plus a bank margin that was linked to the Group's former leverage ratio calculation⁹.

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

- Increase to the former leverage ratio calculation⁹ for all remaining testing periods to 6.25x.
- Quarterly covenant testing, irrespective of whether the loan is drawn.
- The introduction of a restriction whereby, post repayment of the 2024 bond, no utilisation of the facility is permitted if free liquidity is below £40.0m.
- Consent requirement for any early repayment of corporate debt or payment of shareholder dividends.

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

- Extension of the expiry date of the facility from 31 May 2025, to 31 March 2026.
- Former leverage ratio calculation⁹ ratio test for all remaining testing periods reduced to 6.0x, based on a revised definition of the calculation, which was to be performed on a Group basis inclusive of amounts relating to the Ocean Cruise business.

In November 2024, certain amendments were agreed in order to permit, among other things, the guarantees to be granted in relation to the disposal of the Group's Insurance Underwriting business and the establishment of the Affinity Partnership with Ageas (Note 18a).

In December 2024, the Group drew down £20.0m of its RCF. This amount was repaid in January 2025.

At 31 January 2025, the Group's £50.0m RCF was undrawn. Accrued fees payable on the Group's RCF at 31 January 2025 were £0.3m.

At 31 January 2025, the RCF was subject to covenants that are measured quarterly in April, July, October and January, being Net Debt⁹ to Adjusted Trading EBITDA⁹ of a maximum of 6.0x and interest cover of a minimum of 3.0x, based on measures as defined in the facility agreement, which are adjusted from the equivalent IFRS amounts. The ratio of Net Debt⁹ to Adjusted Trading EBITDA⁹ at 31 January 2025 was 4.7x and interest cover was 4.3x. The Group complied with the financial covenants of its borrowing facilities during the prior year.

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

⁹ The Group's former leverage ratio test was calculated as the ratio of the sum of the carrying values of the Group's debt facilities less the amount of Available Cash it held, to an adjusted Trading EBITDA that excluded the impact of IFRS 9 'Financial Instruments', IFRS 15 'Revenue Recognition', IFRS 16 'Leases' and IFRS 17 'Insurance Contracts' and acted as the denominator in the leverage ratio covenant calculation applicable to the RCF that was in place at 31 January 2025. Refer to the Alternative Performance Measures Glossary on pages 87-91 for the full definition and explanation of Available Cash and Trading EBITDA

Notes to the consolidated financial statements (continued)

15 Loans and borrowings (continued)

a) Bonds, RCF, term loan, DDTL and loan facility provided by Roger De Haan (continued)

iii) Loan facility provided by Roger De Haan

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

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

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

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

In May 2024, the Group drew down £75.0m of the loan facility provided by Roger De Haan.

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

In November 2024, certain amendments were agreed in order to permit, among other things, the guarantees to be granted in relation to the disposal of the Group's Insurance Underwriting business and the establishment of the Affinity Partnership with Ageas (Note 18a).

At 31 January 2025, the Group had drawn £75.0m of its £85.0m loan facility provided by Roger De Haan. Accrued interest payable on the loan facility provided by Roger De Haan at 31 January 2025 was £1.8m.

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

Notes to the consolidated financial statements (continued)

15 Loans and borrowings (continued)

a) Bonds, RCF, term loan, DDTL and loan facility provide by Roger De Haan (continued)

iv) Refinancing of corporate debt

On 30 January 2025, the Group announced that it had secured new credit facilities to refinance its corporate debt in full. The new facilities, agreed by Saga Mid Co Limited, with HPS Funds comprised:

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

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

The term loan and DDTL loan facilities mature in January 2031 and are subject to a margin ratchet based on the Group net Leverage Ratio¹⁰ (ranging from 625bps to 700bps), priced with an initial margin of 675bps over SONIA, which will reduce as the Group de-levers. The initial blended pro forma interest rate was around 7.6% in combination with the Ocean Cruise ship debt facilities, which were retained on existing terms. Interest payable under the RCF is at SONIA plus an initial margin of 3.5%, with the margin reducing as the Group de-levers.

Under the new credit facilities:

- the term loan and DDTL are subject to a covenant test that is measured quarterly in April, July, October and January, being Net Debt¹⁰ to Consolidated Pro Forma EBITDA¹⁰ of a maximum of 8.0x, based on measures as defined in the facilities agreements, adjusted from the equivalent IFRS amounts; and
- the RCF is also subject to a covenant, tested quarterly in April, July, October and January, being Net Debt¹⁰ to Consolidated Pro Forma EBITDA¹⁰ of a maximum of 8.8x, based on measures as defined in the facility agreement, adjusted from the equivalent IFRS amounts.

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

The ratio of Net Debt¹⁰ to Consolidated Pro Forma EBITDA¹⁰ at 31 January 2026 was 3.7x, within the 8.0x covenant test. The Group complied with the financial covenants of its borrowing facilities during the current and prior periods.

Accrued interest payable on the Group's new credit facilities at 31 January 2026 was £5.5m.

¹⁰ Refer to the Alternative Performance Measures Glossary on pages 87-91 for definition and explanation

Notes to the consolidated financial statements (continued)

15 Loans and borrowings (continued)

b) Ocean Cruise ship loans

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

The Board announced on 22 June 2020 that it had secured a debt holiday and covenant waiver for the Group's Ocean Cruise ship facilities. The Group's lenders agreed to a deferral of £32.1m in principal payments under the ship facilities that were due up to 31 March 2021.

These deferred amounts were to be paid between June 2021 and December 2024 for Spirit of Discovery and between September 2021 and March 2025 for Spirit of Adventure, and interest remained payable.

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

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

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

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

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

During the year to 31 January 2026, Ocean Cruise ship loan repayments of £55.6m (2025: £62.2m) were made by the Group. Accrued interest payable on the Group's Ocean Cruise ship loans at 31 January 2026 was £2.0m (2025: £2.4m).

At 31 January 2026, the Ocean Cruise ship debt facilities were subject to covenants that are measured six-monthly in July and January, being a debt service cover ratio and an interest cover ratio, based on measures as defined in the debt facility agreements, which are adjusted from the equivalent IFRS amounts. The debt service ratio, at 31 January 2026, was 1.9x (2025: 1.4x), in excess of the 1.2x covenant (2025: 1.0x) under the Ocean Cruise ship debt facilities at the same date. The interest cover ratio, at 31 January 2026, was 12.2x (2025: 7.9x), in excess of the 2.0x covenant under the Ocean Cruise ship debt facilities at the same date.

Notes to the consolidated financial statements (continued)

15 Loans and borrowings (continued)

c) Total debt and finance costs

At 31 January 2026, deferred debt issue costs were £23.8m (2025: £12.7m). The movement in the year of £11.1m represents an increase of £17.6m following the drawdown of the new credit facilities, being offset by £6.5m amortisation expense for the year.

During the year, the Group charged £63.3m (2025: £45.8m) to the income statement in respect of interest, fees and charges associated with the bond, RCF, the loan facility provided by Roger De Haan, term loan, DDTL and Ocean Cruise ship loans. In addition, finance costs recognised in the income statement include £2.5m (2025: £2.1m) relating to interest and finance charges on lease liabilities, £2.1m (2025: £2.3m) relating to net finance expense on pension schemes, and net fair value losses on derivatives of £0.7m (2025: £0.3m). The Group complied with the financial covenants of its borrowing facilities during the current and prior periods.

16 Called up share capital

	Ordinary shares		
	Number	Nominal value £	Value £m
Allotted, called up and fully paid			
At 1 February 2024	141,795,822	0.15	21.3
Issue of shares – 3 May 2024	1,565,919	0.15	0.2
At 31 January 2025	143,361,741	0.15	21.5
Issue of shares – 14 July 2025	1,493,744	0.15	0.2
At 31 January 2026 (unaudited)	144,855,485	0.15	21.7

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

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

Notes to the consolidated financial statements (continued)

17 Share-based payments

The Group granted a number of different equity-based awards that it has determined to be share-based payments. New awards granted during the year were as follows:

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

The Group charged £3.9m (2025: £4.2m) during the year to the income statement in respect of equity-settled share-based payment transactions. This was charged to administrative and selling expenses.

Notes to the consolidated financial statements (continued)

18 Discontinued operations and assets held for sale

a) Discontinued operations

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

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

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

The profit before tax in the income statement in respect of discontinued operations comprises:

	2026 (unaudited) £m	2025 £m
Profit before tax	12.6	22.7
Costs of disposal incurred to date	–	(3.6)
Loss on disposal of discontinued operations	(10.2)	–
	2.4	19.1

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

	2026 (unaudited) £m	2025 £m
Profit after tax	9.7	16.5
Costs of disposal incurred to date, net of tax	–	(2.7)
Loss on disposal of discontinued operations, net of tax	(10.2)	–
	(0.5)	13.8

The impact of the discontinued operations on the reported earnings/(loss) per share is as follows:

	2026 (unaudited) £m	2025 £m
Basic (loss)/earnings per share from discontinued operations	(0.4p)	9.8p
Diluted (loss)/earnings per share from discontinued operations	(0.4p)	9.8p

Notes to the consolidated financial statements (continued)

18 Discontinued operations and assets held for sale (continued)

a) Discontinued operations (continued)

The loss on disposal of AICL is as follows:

	2026 (unaudited) £m
Initial cash consideration received at completion (after adjustments to base consideration)	57.9
Additional cash consideration receivable (after adjustments to base consideration)	10.9
Additional consideration received following the commencement of the Affinity Partnership	2.5
Costs of disposal not previously provided for	(2.5)
Amounts recognised as a liability of the Group in respect of properties	(15.7)
Receipt of a Section 75 contribution in relation to AICL's share of pension scheme liabilities	3.2
Cash and cash equivalents deposits disposed of as part of the transaction	(84.4)
Carrying value of net liabilities disposed	17.9
	(10.2)

The adjustments made to the base consideration included receipt of a Section 75 contribution of £3.2m in relation to AICL's share of the pension scheme's liabilities, a property asset value adjustment in respect of its Solvency II value, and a net asset value adjustment reflecting the excess of AICL's Solvency II net asset valuation at completion.

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

For the year ended 31 January 2026, all cash flows relating to the disposal of AICL have been included under investing activities within the consolidated statement of cash flows.

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

- The Group adopted IFRS 17 for the first time in the year ended 31 January 2024. IFRS 17 applies to all insurance and reinsurance contracts, covering the principles of recognition, measurement, presentation and disclosure. IFRS 17 only applies to insurance contracts that are underwritten by the Group and related reinsurance contracts held. It does not affect the accounting for the Group's Insurance Broking activities. As AICL, the Group's Insurance Underwriting business, has been classified as part of the disposal group held for sale in the statement of financial position and as discontinued operations in the income statement, all IFRS 17 related consolidation entries have also been classified as such accordingly.
- Intra-disposal group revenue and cost of sales were eliminated on consolidation.
- Inter-group transactions with the disposal group were eliminated on consolidation.

Notes to the consolidated financial statements (continued)

18 Discontinued operations and assets held for sale (continued)

a) Discontinued operations (continued)

i) Results of the disposal group for the year

		Disposal group (unaudited)	Disposal group eliminations and adjustments (unaudited)	2026 (unaudited)
	Note	£m	£m	£m
Revenue from Insurance Broking services		8.5	(11.7)	(3.2)
Other revenue (non-Insurance Underwriting)		1.7	–	1.7
Non-insurance revenue		10.2	(11.7)	(1.5)
Insurance revenue	14	62.4	4.2	66.6
Total revenue		72.6	(7.5)	65.1
Cost of sales (non-Insurance Underwriting)		(7.4)	8.9	1.5
Gross profit/(loss) (non-Insurance Underwriting)		2.8	(2.8)	–
Insurance service expenses	14	(45.3)	(17.2)	(62.5)
Net (expense)/income from reinsurance contracts	14	(6.3)	0.7	(5.6)
Insurance service result		10.8	(12.3)	(1.5)
Administrative and selling expenses		(1.4)	14.0	12.6
Net finance expense from insurance contracts	14	(5.3)	–	(5.3)
Net finance income from reinsurance contracts	14	2.2	–	2.2
Investment income/(charge)		6.0	(1.4)	4.6
Profit/(loss) before tax		15.1	(2.5)	12.6
Income tax expense		(0.9)	(2.0)	(2.9)
Profit/(loss) from discontinued operations attributable to equity holders of the parent		14.2	(4.5)	9.7

		Disposal group (unaudited)	Disposal group eliminations and adjustments (unaudited)	2026 (unaudited)
		£m	£m	£m
Reconciliation to Underlying Profit/(Loss) Before Tax¹¹				
Profit before tax		15.1	(2.5)	12.6
Fair value gains on debt securities		(2.2)	–	(2.2)
Changes in underwriting discount rates on non-PPO liabilities		0.1	–	0.1
Onerous contract provision		2.2	2.1	4.3
Restructuring costs		0.4	–	0.4
Underlying Profit/(Loss) Before Tax¹¹		15.6	(0.4)	15.2

¹¹ Refer to the Alternative Performance Measures Glossary on pages 87-91 for definition and explanation

Notes to the consolidated financial statements (continued)

18 Discontinued operations and assets held for sale (continued)

a) Discontinued operations (continued)

i) Results of the disposal group for the year (continued)

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

		Disposal group £m	Disposal group eliminations and adjustments £m	2025 £m
Reconciliation to Underlying Profit/(Loss) Before Tax¹²				
Profit/(loss) before tax		28.2	(5.5)	22.7
Fair value gains on debt securities		(5.1)	-	(5.1)
Changes in underwriting discount rates on non-PPO liabilities		(0.6)	-	(0.6)
Onerous contract provision		(17.1)	4.1	(13.0)
Impairment of assets		6.3	-	6.3
Restructuring costs		0.3	-	0.3
Underlying Profit/(Loss) Before Tax¹²		12.0	(1.4)	10.6

¹² Refer to the Alternative Performance Measures Glossary on pages 87-91 for definition and explanation

Notes to the consolidated financial statements (continued)

18 Discontinued operations and assets held for sale (continued)

a) Discontinued operations (continued)

ii) Net cash flows of the disposal group

The net cash flows of the disposal group during the year were as follows:

	2026 (unaudited) £m	2025 £m
Operating	(11.1)	14.9
Investing	31.3	45.0
Financing	(10.0)	(19.1)
Net cash inflow	10.2	40.8

Notes to the consolidated financial statements (continued)

18 Discontinued operations and assets held for sale (continued)

b) Property assets held for sale

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

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

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

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

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

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

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

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

At 31 January 2026, the Group again obtained updated market valuations of its freehold properties held for sale. The carrying values of the properties, totalling £11.0m, were representative of either each property's fair value or historic cost less accumulated depreciation and any impairment charges to date, whichever is lower. No gains or losses were recognised with respect to the properties during the year. The properties continue to be actively marketed, with completion expected within 12 months of the end of the financial period, although the Directors note that a successful completion within this timeframe cannot be assured. All properties classified as held for sale at 31 January 2026 are held by continuing operations.

Notes to the consolidated financial statements (continued)

19 Related party transactions

As set out in Note 15, in April 2023, the Group entered into a forward starting loan facility provided by Roger De Haan, commencing on 1 January 2024, under which the Group could draw down up to £50.0m with 30 days' notice to support liquidity needs and specifically the repayment of £150.0m bonds maturing in May 2024. The facility was provided on an arm's-length basis and was guaranteed by Saga plc, Saga Mid Co Limited and Saga Services Limited. Per the original terms of agreement, interest accrued on the drawn total of the facility at a rate of 10% and was payable on the last day of the period of the loan. The facility was originally due to mature on 30 June 2025, at which point any outstanding amounts, including interest, were due to be repaid. The facility was subject to a 2% arrangement fee, payable on entering the arrangement.

A drawdown fee of 2% on any amount drawn down under the facility was payable on the drawing date; and milestone fees of 2% on any uncanceled amount of the facility became payable on 31 March 2024 and 31 December 2024 respectively.

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

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

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

In May 2024, the Group drew down £75.0m of the loan facility provided by Roger De Haan.

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

In November 2024, certain amendments were agreed in order to permit, among other things, the guarantees to be granted in relation to the disposal of the Group's Insurance Underwriting business and the establishment of the Affinity Partnership with Ageas (Note 18a).

At 31 January 2025, the Group had drawn £75.0m of its £85.0m loan facility provided by Roger De Haan. Accrued interest payable on the loan facility provided by Roger De Haan at 31 January 2025 was £1.8m.

As a result of the Group securing new credit facilities on 30 January 2025 (please refer to Note 15), and drawing down on these on 27 February 2025, the loan facility provided by Roger De Haan was repaid and cancelled at that date.

Alternative Performance Measures Glossary

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

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

Underlying Revenue

Underlying Revenue represents revenue excluding ceded reinsurance premiums earned on business underwritten by the Group, the Insurance Broking onerous contract provision, the prior year AXA profit share payable on cessation of the private medical insurance (**PMI**) contract, the release of deferred revenue associated with motor and home three-year fixed-price policies, modification of Travel breakage policy and revenue associated with the exit from some of our smaller, loss-making activities.

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

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

£m	12m to Jan 2026	Change	12m to Jan 2025
Underlying Revenue	715.0	(6.9%)	768.2
Ceded reinsurance premiums earned on business underwritten by the Group	4.7	(72.5%)	17.1
Included within discontinued operations	(65.1)	66.9%	(196.7)
Underlying Revenue from continuing operations	654.6	11.2%	588.6
Insurance Broking onerous contract provision	1.3	(27.8%)	1.8
AXA profit share payable on cessation of PMI contract	-	100.0%	(2.6)
Release of deferred revenue on three-year fixed price policies	7.0	100.0%	-
Modification of Travel breakage policy	(3.0)	(100.0%)	-
Exit from smaller, loss-making activities	0.1	(80.0%)	0.5
Revenue per statutory financial statements	660.0	12.2%	588.3

Alternative Performance Measures Glossary (continued)

Underlying Profit Before Tax

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

- release of deferred revenue associated with motor and home three-year fixed-price policies;
- Affinity Partnership transition;
- loss on disposal of subsidiaries, including the write-off of the written to earned adjustment;
- costs and fees associated with the Group's previous corporate debt, including accelerated amortisation of fees relating to the loan facility provided by Roger De Haan;
- net unrealised fair value losses on derivatives;
- Ocean Cruise dry dock costs and customer compensation;
- impairment of the carrying value of non-financial assets;
- impact of change in the discount rate on non-periodical payment order (**PPO**) liabilities¹;
- fair value gains on debt securities;
- foreign exchange gains/(losses) on River Cruise ship leases;
- movements in insurance onerous contract provisions (net of reinsurance recoveries)²;
- profit share payable to AXA on cessation of the PMI contract;
- the IFRS 16 lease accounting adjustment on River Cruise vessels;
- restructuring costs; and
- modification of Travel breakage policy.

It is reconciled to statutory loss before tax within the Group Chief Financial Officer's Review on page 14.

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

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

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

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

Alternative Performance Measures Glossary (continued)

Trading EBITDA

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

Trading EBITDA, on a rolling 12-month basis, is a key component of Consolidated Pro Forma EBITDA (see overleaf), which acts as the denominator in the Group's Leverage Ratio covenant calculations applicable to the term loan, delayed-draw term loan (**DDTL**) and Revolving Credit Facility (**RCF**) that were in place at 31 January 2026. It reconciles to Total Underlying Profit Before Tax as follows:

£m	12m to Jan 2026	Change	12m to Jan 2025
Ocean Cruise Trading EBITDA	105.3	18.0%	89.2
River Cruise Trading EBITDA	5.9	47.5%	4.0
Holidays Trading EBITDA	15.2	40.7%	10.8
Insurance Broking Trading EBITDA	20.2	(9.8%)	22.4
Insurance Underwriting Trading EBITDA	18.6	(5.1%)	19.6
Other Businesses and Central Costs Trading EBITDA	(12.1)	(36.0%)	(8.9)
Trading EBITDA	153.1	11.7%	137.1
Depreciation and amortisation	(32.5)	8.2%	(35.4)
Net finance costs (including Ocean Cruise and Insurance Underwriting)	(61.2)	(13.5%)	(53.9)
Total Underlying Profit Before Tax	59.4	24.3%	47.8

£m	12m to Jan 2026	Change	12m to Jan 2025
Trading EBITDA	153.1	11.7%	137.1
Insurance Broking Trading EBITDA from discontinued operations	0.4	126.7%	(1.5)
Insurance Underwriting Trading EBITDA from discontinued operations	(18.6)	5.1%	(19.6)
Trading EBITDA from continuing operations	134.9	16.3%	116.0

£m	12m to Jan 2026	Change	12m to Jan 2025
Depreciation and amortisation per above table	32.5	8.2%	35.4
Depreciation included within other exceptional items	4.5	4.3%	4.7
Depreciation and amortisation per statutory financial statements	37.0	7.7%	40.1

£m	12m to Jan 2026	Change	12m to Jan 2025
Net finance costs (including Ocean Cruise and Insurance Underwriting) per above table	61.2	(13.5%)	53.9
Included within other exceptional items	10.4	(92.6%)	5.4
Included within discontinued operations	(3.0)	(65.9%)	(8.8)
Net finance costs per consolidated income statement	68.6	(35.8%)	50.5

Alternative Performance Measures Glossary (continued)

Consolidated Pro Forma EBITDA

Consolidated Pro Forma EBITDA represents Trading EBITDA, excluding the impact of IFRS 16 'Leases' and the Trading EBITDA associated with the disposed Insurance Underwriting business and acts as the denominator in the Group's Leverage Ratio covenant calculation applicable to the term loan, DDTL and RCF.

Consolidated Pro Forma EBITDA is calculated as follows:

£m	12m to Jan 2026	Change	12m to Jan 2025
Trading EBITDA	153.1	11.7%	137.1
Impact of IFRS 16	(1.6)	36.0%	(2.5)
Impact of disposal of Insurance Underwriting	(18.2)	(100.0%)	-
Consolidated Pro Forma EBITDA	133.3	(1.0%)	134.6

Gross Written Premiums

Gross Written Premiums represent the total premium that the Group charges to customers for a core insurance product, excluding insurance premium tax but before the deduction of any outward reinsurance premiums, measured with reference to the cover start date of the policy. This measure is widely used by insurers so provides a meaningful comparison of performance with our peers. It is analysed further within the Group Chief Financial Officer's Review on page 19.

Written Gross Profit After Marketing Expenses

Written Gross Profit After Marketing Expenses is calculated as written revenue, less cost of sales and marketing expenses. This measure provides a meaningful view of the contribution of each Insurance Broking product, before accounting for operating expenses, and is analysed further within the Group Chief Financial Officer's Review on page 19.

Underlying Basic Earnings Per Share

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

- release of deferred revenue associated with motor and home three-year fixed-price policies;
- Affinity Partnership transition;
- loss on disposal of subsidiaries, including the write-off of the written to earned adjustment;
- costs and fees associated with the Group's previous corporate debt, including accelerated amortisation of fees relating to the loan facility provided by Roger De Haan;
- net unrealised fair value losses on derivatives;
- Ocean Cruise dry dock costs and customer compensation;
- impairment of the carrying value of non-financial assets;
- impact of change in the discount rate on non-PPO liabilities³;
- fair value gains on debt securities;
- foreign exchange gains/(losses) on River Cruise ship leases;
- movements in the insurance onerous contract provisions (net of reinsurance recoveries)⁴;
- profit share payable to AXA on cessation of PMI contract;
- the IFRS 16 lease accounting adjustment on River Cruise vessels;
- restructuring costs; and
- modification of Travel breakage policy.

This measure is reconciled to the statutory basic earnings/(loss) per share in Note 6 to the accounts on pages 56-57. This measure is linked to the Group's key performance indicator, Underlying Profit Before Tax, and represents what management considers to be the underlying shareholder value generated in the period.

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

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

Alternative Performance Measures Glossary (continued)

Available Cash

Available Cash represents cash held by subsidiaries within the Group that is not subject to regulatory restrictions, net of any overdrafts held by those subsidiaries, and excludes additional amounts paid into an escrow account relating to the Saga Pension Scheme. This measure is reconciled to the statutory measure of cash in Note 12 to the accounts on page 66.

Available Operating Cash Flow

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

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

£m	12m to Jan 2026	Change	12m to Jan 2025
Net cash flows from operating activities (reported)	117.0	3.4%	113.2
Exclude cash impact of:			
Trading of restricted divisions	(25.9)	58.2%	(61.9)
Restructuring costs and other one-off payments	48.2	77.9%	27.1
Interest paid	49.9	19.7%	41.7
Income tax received	(0.4)	88.9%	(3.6)
	<u>71.8</u>	>500.0%	<u>3.3</u>
Cash released from restricted divisions	26.2	13.9%	23.0
Capital expenditure funded from Available Cash	(20.6)	(12.0%)	(18.4)
Cash collateralised Association of British Travel Agents bonding	11.5	200.0%	(11.5)
Available Operating Cash Flow	<u>205.9</u>	87.9%	<u>109.6</u>

Net Debt

Net Debt is the sum of the carrying values of the Group's debt facilities and pre-IFRS 16 lease liabilities less the amount of Available Cash it holds and acts as the numerator in the Group's Leverage Ratio covenant calculation applicable to the term loan, DDTL and RCF. It is analysed further within the Group Chief Financial Officer's Review on page 26.

Leverage Ratio

Leverage Ratio is the ratio of Net Debt to Consolidated Pro Forma EBITDA as of the last day of a relevant period. It is a key metric used to report the Group's capacity to service its debt.