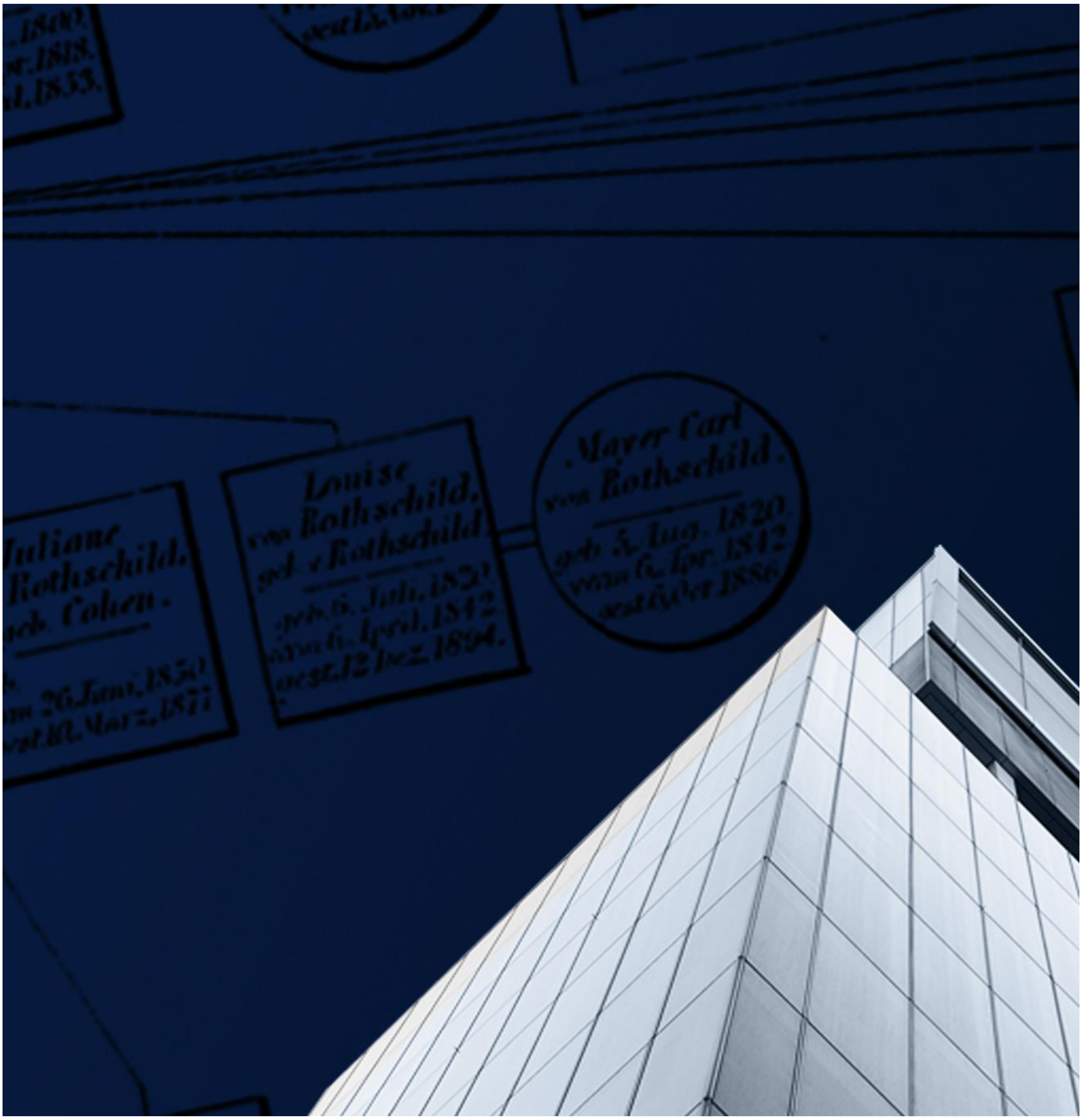
N.M. Rothschild & Sons Limited

Annual Report & Accounts for the year to 31 December 2025

Registered number: 00925279



Contents

Strategic report

Principal activities

N.M. Rothschild & Sons Limited ("NMR" or "the Company") is the main UK operating subsidiary of Rothschild & Co SCA ("R&Co"), the French private parent company. The principal activity of the Company is Global Advisory ("GA"), which focuses on providing advice in the areas of Strategic Advisory and M&A, Financing Advisory encompassing Debt Advisory, Restructuring and Equity Markets Solutions. Alongside our UK GA business, NMR owns 50.01% of Rothschild & Co Europe B.V. and 100% of Rothschild & Co Australia Limited, which are the holding companies for our continental European and Australian GA businesses. The remaining 49.99% of Rothschild & Co Europe B.V. is owned by Rothschild & Cie SCS.

Further information on the Rothschild & Co Group (the "R&Co Group" or "the Group") can be found on www.rothschildandco.com.

Strategic developments

NMR's strategy continues to be focused on developing its GA business, while also providing functional support for the R&Co Group's other activities.

During the year, our GA business delivered a strong performance supported by its leading market position where it continues to rank 1st in the UK and Europe by number of completed transactions.

Against a challenging backdrop during the year brought about by market uncertainty and geopolitical tensions, and despite a relatively slow start to 2025, the GA business saw strong momentum in H2, resulting in the Company achieving a 7% increase in M&A revenue compared to prior year and, in Financing Advisory, an increase in revenue of 16%.

Results overview

Total operating income for the year to December 2025 was £529.8m, up 5.6% compared to full year 2024.

Operating expenses of £444.7m were 12.0% higher than last year with variable compensation up compared to 2024 largely due to the strong revenue performance. Non-personnel costs were higher than 2024. Part of the compensation is paid by way of deferred bonuses which are normally paid up to 3 years after award on condition that the relevant staff remain in the employment of the R&Co Group. Accordingly, the costs of deferred bonuses are spread over the vesting period rather than expensed in the year of award.

	2025 £m	**2024 £m**	***Variance %***
Net GA fee income	456.7	423.1	*7.9*
Net fee income - other	-	-	-
Net interest income	7.5	7.5	-
Dividend income	3.8	17.5	*(78.3)*
Other income	2.7	1.6	*68.8*
Recharges to group companies	59.1	52.1	*(13.4)*
Total operating income	**529.8**	**501.8**	***5.6***
Impairments	(0.2)	(1.2)	*(83.3)*
Net operating income	**529.6**	**500.6**	***5.8***
Operating expenses (inc. depreciation)	(444.7)	(397.0)	*(12.0)*
Profit before tax	**84.9**	**103.6**	***(18.1)***
Tax	(22.5)	(23.7)	*(5.1)*
Profit after tax	**62.5**	**79.9**	***(21.8)***

Net GA Fee and commission income has increased by 7.9% from £423.1m in 2024 to £456.7m in 2025.

Net interest income includes £8.2m of IFRS16 related interest expense on funding of property leases.

As a result, profit before tax for the year to December 2025 was £84.9m, down £18.7m from the result in 2024 at £103.6m.

Balance sheet

The balance sheet at £1,278.3m was up £73.5m on the prior year. The Company's lending activities are now largely confined to supporting the wider R&Co Group through the use of surplus liquidity. At 31 December 2025 the balance sheet remained liquid, with liquid assets of £349.1m (higher than December 2024 at £296.9m), including loans with banks (primarily £117.0m with R&Co Group banks), UK Government debt securities and AAA rated money market funds.

Capital and dividends

Total equity was lower than the prior year at £709.5m, driven by a reduction in profit for the year and the payment of £70m of dividends, of which £35m related to prior year's earnings. This was partially offset by small actuarial gains related to the DB pension fund and a fair value uplift of the valuation of NMR's holding in TNCL "B" shares.

Governance and risk management

NMR is an integral part of the wider R&Co Group and, as such, the governance and risk management framework operates within the overall R&Co Group structure, whilst ensuring that the requirements of the Company are fully covered. The Committees of the Board and the key governance committees to which the NMR Board has delegated authority during the year are summarised on pages 12 to 14.

The Group Chief Risk Officer co-ordinates policy and promotes the development and maintenance of effective risk management procedures throughout the R&Co Group. Alongside this, the Group Internal Audit team reviews the internal control framework and reports its findings to the R&Co Group Audit Committee, as well as reporting NMR matters to the NMR Board.

Principal risks and uncertainties

The key risks and uncertainties to which the Company is exposed are the macroeconomic conditions in the markets in which we operate and changes in the regulatory environment. Currently, these include the potential impact on revenues of a downturn in global M&A activity caused by geo-political and / or macro-economic events.

The Company's principal risks are integrated with those of the R&Co Group and are managed on a Group-wide basis. These arise in relation to pension fund (note 22 to the accounts), regulatory, reputational, technology and other operational factors. For a business such as ours, loss of key personnel is a material risk which the Company seeks to mitigate through training, career development and remuneration policies. NMR's exposure to credit, liquidity and market risks continues to reduce and further information regarding financial risk management and use of financial instruments is disclosed in note 2 to the accounts.

Outlook

The momentum seen in H2 2025 is expected to continue into H1 2026, although the business remains alert to respond to the evolving global macro-economic and geopolitical landscapes. Overall, GA is optimistic regarding the performance outlook for the business in 2026.

S172 statement

The Board has a duty under s172 of the Companies Act 2006 to promote the success of the Company for the benefit of its members as a whole and in doing so, to have regard (amongst other matters) to:

a) the likely consequences of any decision in the long term,

b) the interests of the Company's employees,

c) the need to foster the Company's business relationships with suppliers, clients and others,

d) the impact of the Company's operations on the community and the environment,

e) the desirability of the Company maintaining a reputation for high standards of business conduct, and

f) the need to act fairly as between members of the Company.

During the year the Board has considered its duties under s172 and how it fulfils its obligations thereof in respect to the following key stakeholder groups:

Shareholders

The Board is appointed by the shareholders to oversee, govern and make decisions on their behalf and so is directly responsible for protecting and managing their interests in the Company, such as approving the payment of dividends by the Company. It does this by setting the strategies, policies and corporate governance structures described elsewhere in these financial statements.

As part of the wider R&Co Group, some of these responsibilities are managed at a group level and described in greater detail in the R&Co financial statements that are available on Financial Results

Strategic report

Employees and pension funds

The Company champions equal opportunities and inclusion throughout all aspects of the employee lifecycle, including but not limited to recruitment, annual appraisals and opportunities for promotion. NMR expects its employees to treat each other fairly and with respect, regardless of age, disability, gender identity, marital and civil partnership status, pregnancy and maternity, paternity, race, ethnicity, national, religion and belief and sexual orientation.

Both NMR and the wider R&Co Group comply with all laws regarding non-discrimination, harassment and victimisation and human rights in the jurisdictions in which it operates. The Company takes discrimination and harassment very seriously and will make every effort to provide a working environment free from harassment, intimidation, victimisation and discrimination, all of which it considers to be unacceptable behaviour.

In order to help create and maintain a balanced, inclusive and supportive environment, which enables all employees to achieve their personal and professional aspirations and also to provide long-term opportunities for growth, the Company has established a number of networks as part of a Balance & Inclusion initiative, including a Women's Network, LGBT Network, BAME Network and Family Network.

Numerous activities have again been undertaken throughout the year in order to both engage with and support employees, including:

- Regular seminars relating to family, mental, physical and financial wellbeing.
- Initiatives to support Black History Month.
- Initiatives to support International LGBT Pride Month.
- Events to support International Women's Day.
- The mental wellbeing tool, Unmind, which provides support to employees to boost wellbeing by focusing on areas such as sleep, relaxation, focus and energy.
- An alumni network to connect former employees of the R&Co Group.
- Agile working charter which outlines a Group-wide approach to help employees work in the most appropriate and effective way through a combination of office and home working.

The recruitment, training, career development and promotion of less abled persons are fully and fairly considered having regard to the aptitudes and abilities of each individual. Efforts are made to enable employees who become less able during employment to continue their career with the Company and, if necessary, appropriate training is provided.

The Company offers training and development opportunities, including technical training, personal development and eLearning, to help employees reach their full potential and equip them to deliver the best possible solutions for our clients. The Learning & Development team builds and develops learning programmes in-house, as well as organising external courses for employees at all levels within the organisation.

The R&Co Group Health & Safety Policy, which is published on the R&Co Group's intranet, guides the Company's direction and approach to responsible health and safety management. To ensure a consistent approach to maintaining the health, safety and well-being of all persons who might be affected by the activities within an office, all locations commit to implementing the conformance standard by setting procedures listed within the Group Health & Safety requirements ("HSRs") prescribed in the Policy.

The Company provides support to current and former members of staff who are members of the defined benefit pension plans. The Company also offers a defined contribution scheme for those who are not members of the defined benefit scheme. These pension schemes are explained further in note 22 to the accounts.

Further details of staff policies and practices are contained in the "Human resources and social information" section of the R&Co financial statements

Clients

The Company's clients are vital to the success of the business, and it is important that we deliver with integrity the best possible advice. We are aligned with, and focused on, our clients' success, and care about their business. We know that long lasting relationships depend on this, and our market share is an important indicator of client satisfaction.

We also understand the impact that all clients can have on our business, for example from a reputational, corruption, tax-avoidance or money laundering perspective, and all new clients are subject to thorough due diligence before being accepted.

Suppliers

The Company has developed a responsible UK purchasing policy to include consideration of items such as environment, diversity, health and safety and the modern slave trade. Further details are contained in the "Corporate conduct" section of the R&Co financial statements.

We are committed to countering modern slavery in all its forms and we are taking proportionate measures to ensure that slavery and human trafficking are not taking place in our business or in our supply chains. This includes the formation of a Modern Slavery Working Group in the UK, which meets on an ad hoc basis and works throughout the year to consider any modern slavery risks and the ways in which we can seek to mitigate them on a pragmatic, risk-assessed basis. The Company publishes an annual statement describing the steps taken to combat modern slavery within their businesses. This joint statement (with Rothschild & Co Wealth Management UK Limited and Five Arrows Managers LLP) can be found on the R&Co website.

Equally, we expect suppliers to NMR to adhere to the same high standards of respect for the individual as we adhere to ourselves. If a supplier is considered a high risk from a modern slavery perspective, then we request their adherence to our Anti-Slavery Policy. In addition, we may also draft supplementary modern slavery protections into a contract with a supplier who operates in a sector which is assessed to be high risk.

It is the Company's intention to agree appropriate terms of payment with suppliers and to abide by those terms based on the timely submission of valid invoices. In the absence of agreed terms, the Company's policy is to pay within 30 days from receipt of a valid invoice. The Company is required to report to HMRC twice a year on its payment practices and performance, including the average time taken to pay supplier invoices.

Regulators and tax authorities

The Company insists on the highest standards of professionalism and integrity from our employees who are expected to refrain from any conduct or behaviours that could be perceived unfavourably. This extends to dealing honestly and openly with regulators and tax authorities and in compliance with all relevant laws and regulations.

The Company adheres to the Senior Managers & Certification Regime, which is designed by the FCA to improve trust in financial services by making individuals accountable for their decisions.

In order to maintain these high standards of practice, the R&Co Group also publishes policies, procedures and guidance on the intranet for easy access by employees. This includes policies on financial crime compliance, whistleblowing, market abuse and inside information, and business line specific documents.

The Financial Conduct Authority's new prudential regime for MiFID investment firms (the Investment Firms Prudential Regime, or "IFPR") came into force on 1 January 2022. The Company is therefore subject to rules under IFPR which set out requirements for, amongst other things, regulatory capital, liquidity levels, regulatory reporting and supervision of investment firms. The Board is responsible for ensuring compliance with these new requirements.

The UK tax strategy is in line with the overall approach of the R&Co Group to taxation matters. The full strategy is published on the R&Co website.

The Company also ensures that employees undertake regular training through both mandatory online assessments and real-time training sessions and seminars, covering matters of professional competence, regulatory compliance and risk. These help to ensure that everyone has a common understanding of the legal and regulatory requirements of the R&Co Group.

The wider community

The Company's approach to business includes a deeply held sense of responsibility to the environment and the communities in which we operate.

Group Philanthropy

R&Co4Generations (in 2026 was renamed to the Rothschild & Co Foundation) is R&Co's dedicated philanthropic foundation with a mission to empower future generations and protect our world. We collaborate with social purpose organisations working to address the effects of social and economic inequalities and climate change. We drive change by supporting initiatives and projects in the following areas:

- Champion education, skills and talents to help young people reach their potential

- Cultivate entrepreneurial mindsets in young people to create agents of social change
  - Empower organisations tackling global challenges with innovative solutions
- Promote environmental action to protect and enhance our communities for future generations

R&Co4Generations' primary focus lies on supporting local charities that are operating in the geographies in which R&Co has a presence. In addition, each year R&Co4Generations will support a number of global flagship projects, providing an increased level of support to selected initiatives working across geographies on issues of global significance.

In supporting such initiatives R&Co4Generations aims to make full use of the tools R&Co has at its disposal, including:

- grant funding for innovative charities and social enterprises working in the chosen fields;
- targeted fundraising campaigns with company matching to support the projects;
- social impact investing and to support changemakers who are developing cutting-edge solutions to some of the most pressing social and environmental challenges the world faces;
- pro-bono advisory support where the R&Co Group can share its professional knowledge and skills to strengthen resilience and sustainability of high impact and promising organisations; and
- targeted, purposeful volunteering programmes which allow colleagues to contribute directly and tangibly to causes which share the R&Co Group's objectives.

The R&Co4Generations fund is managed under the umbrella of the King Baudouin Foundation ("KBF"), a public utility foundation registered in Belgium. R&Co entities contribute to the fund either directly or via KBF's global network of subsidiaries and partner foundations.

The fund is governed by a Management Committee comprised of R&Co executives and independent subject matter experts. The Management Committee selects projects for support on the basis of objective criteria and tools specially designed to assist with this process. Selection criteria include alignment with the R&Co4Generations mission; likelihood of contributing to long term; sustainable change; scalability or replicability; employee engagement opportunities including fundraising, volunteering and pro-bono advisory.

Engaging employees is central to the R&Co4Generations' mission. All R&Co colleagues are encouraged to put forward their proposals for causes to support, and to get involved in selected projects through volunteering or by joining a pro-bono advisory team. Regular updates on project selection, activities and progress are shared with employees on the R&Co Group's intranet or via email.

Environment

R&Co has the long-term ambition to use—its influence and expertise to help facilitate the sustainability transition of the global economy. This ambition has been clearly articulated as a key pillar of R&Co strategy.

The governance of sustainability matters, including addressing the impacts of climate change, follows R&Co's governance framework with clearly defined roles and responsibilities.

- The Group Sustainability Committee (GSC) is tasked to advise the R&Co Management Board on strategic transversal sustainability matters relevant across R&Co and/or those that could affect the firm's sustainability position and reputation.
- The Supervisory Board is informed about sustainability developments on a regular basis, and ensures oversight of sustainability matters through specialist committees.

For more details please refer to the Group's '2025 Sustainability progress and policy statement'.

Recognising that climate-related physical and transition risks have the potential to destabilise the global economy, R&Co is committed to supporting and contributing to the transition to a low-carbon economy. This commitment has been one of the key priorities in R&Co's ESG framework since 2021, which is considering priorities in relation to sustainability-related risks, opportunities and impacts at every relevant level of our organisation.

Strategic report

In 2025, R&Co revised its analysis of, and conclusions on, the most material sustainability related risks in its Financial Materiality Assessment based on the definitions of financial materiality outlined in the European Sustainability Reporting Standards. R&Co's financial materiality risk assessment concluded that inherently, with regards to Global Advisory business activities, represented in the UK by NMR, revenue is derived from clients in sectors subject to, or crucial for, the low-carbon transition.

This factor presents, if not managed, a material inherent revenue risk for Global Advisory. The residual financial materiality of such risks is considered to be low in the short-term, given existing policies and procedures in place to address this inherent exposure. For more details please refer to the Group's '2025 Sustainability progress and policy statement'.

Management of climate-related operational impacts

No material financial risks emerging from climate-related physical risks on R&Co's business operations have been identified due to the limited exposure of individual offices, including NMR offices in the UK, to the effects of extreme weather and water stress (considered in R&Co's Business Continuity assessment and planning programme) in the short-to medium term. No material financial risks related to transitional climate risks have been identified for operational environmental management, neither in the form of immediate expanded legal and compliance requirements, change in costs for energy and carbon credits, or reputational considerations related to direct environmental impact of the Group's operations.

As an office-based business that is not active in industrial activities, R&Co's direct operational impact on climate change and the environment is relatively low, including for NMR activities in the UK. However, R&Co recognises that operational environmental impacts are in its direct control and that taking accountability for the most material direct environmental impacts and taking tangible actions to mitigate such impacts will not only substantiate its strategic sustainability ambition, but can also help anticipate evolving regulatory requirements, realise cost saving opportunities related to improved efficiency and resource management, and influence the firm's ability to pursue identified financial opportunities related to the low-carbon transition for the business.

R&Co focuses on accurate and ongoing reporting on the most material operational GHG emission categories with clear accountability for progress via decarbonisation targets and plans for emissions within its direct control:

- Scope 1 & 2 GHG emissions – related to direct and indirect energy consumption for offices, company cars and the use of refrigerants in air conditioning units.
- Operational Scope 3 GHG emissions related to "Business travel" (GHG Protocol Scope 3, Category 6).

Overview market-based operational footprint for NMR UK – facts and figures[1]

	2025	2024
Total GHG emissions (tCO_2eq) – market-based	3,294	2,780
Total GHG emissions (tCO_2eq) per FTE – market-based	3.52	3.16
Total GHG emissions (tCO_2eq) – location-based	4,117	3,463
Scope 1 emissions (tCO_2eq)[2]	35	56
Scope 2 emissions (tCO_2eq) – market-based[3]	-	-
Scope 2 emissions (tCO_2eq) – location-based	824	684
Scope 3 – Business travel emissions (after SAF purchase) (tCO_2eq)[4]	3,259	2,724
Scope 3 – Business travel emissions per FTE (after SAF purchase) (tCO_2eq)	3.49	3.10
Reductions from SAF purchase[5]	88	164
Total energy consumption (MWh)[6]	4,855	3,301
% renewable electricity	100%	100%

1. *Total emissions, for the following offices in the UK: London New Court, London Capital House, London Adam Street, Manchester, Leeds, Birmingham.*
2. *Scope 1 emissions sources include: natural gas, bioenergy, other fuel, company cars, refrigerant gas loss.*
3. *Scope 2 emissions sources include: electricity consumption, heat and steam consumption, district cooling*
4. *Emission reductions related to Sustainable Aviation Fuels (SAF): SAF certificates were purchased for 127 metric tons of SAF at Group level, translating into a reduction of 88 tCO2e for N.M.R. To calculate SAF emission reductions in mt CO_2eq, fossil jet fuel emission factor from Science-Based Targets initiative was used; Carbon Intensity of SAF was deducted. This was multiplied by contracted SAF volume.*
5. *Scope 3 business travel emissions sources include: flights, rail, taxis, hotel stays, car rentals and*

reimbursed vehicle trips. These emissions were calculated using the latest UK BEIS emission factors (2025) and include WTT (well-to-tank) emissions related to business travel.

6. *Total energy consumption is from premises use, it does not include MWh from company-owned cars and vans.*

In 2024, R&Co updated the climate transition plan for its operations and related targets, with regards to scope (focusing on emissions categories in our most direct control), timeframe (2023 as a new base year whilst maintaining 2030 as a target year) and nature of the target:

- Reduction of absolute Scope 1 & 2 energy-related emissions 42% by 2030, and

- Reduction of business-travel related emissions by 35% per FTE by 2030.

The new operational decarbonisation targets were designed in collaboration with each business line, including Global Advisory, considering their respective travel requirements and growth projections and agreed by the Group Sustainability Committee.

To support its efforts to reduce operational GHG emissions, R&Co has set an Internal Carbon Price (ICP). This mechanism places a monetary value on operational GHG emissions and creates a central budget, used by the Group to centrally compensate for residual unavoidable emissions every year through the procurement of high-quality verifiable carbon credits. A balanced compensation portfolio aims to support the scaling of transition critical carbon removal technologies and solutions through gradually growing the share of carbon removal credits in the compensation portfolio.

By Order of the Board

DocuSigned by:
Robert Leitão
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Robert Leitão, Chief Executive Officer

N.M. Rothschild & Sons Limited

Registered number: 00925279

New Court, St Swithin's Lane, London EC4N 8AL

19 March 2026

Directors' Report

The Directors present their Directors' report and financial statements for the year ended 31 December 2025. An overview of the business and its performance is included in the strategic report.

Branches and representative offices overseas

The Company had a branch office during the year in Denmark.

Dividends

During the year to December 2025, the Directors declared and paid dividends totalling £70,000,000 (2024: £58,200,000). A dividend of £21,069,000 was approved by the Directors and was paid in March 2026 (March 2025: £35,000,000).

Going concern

The Directors are satisfied that, at the time of approving the financial statements, there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and, as a result, the Directors continue to adopt the going concern basis in preparing the financial statements.

Directors

The Directors who held office during the period were as follows:

- Nicholas Wrigley (Non-executive Chairman)
- Robert Leitão (Chief Executive Officer)
- Anthony de Rothschild (Non-executive)
- Sir Peter Estlin (Non-executive)
- Emma Griffin (Non-executive) (resigned with effect from 31 Dec 2025[1] - reappointed 13 January 2026 see footnote)
- Jessica Hanmer
- John King
- Nick Tassell (resigned with effect from 23 September 2025)

Directors' indemnity

The Company has provided qualifying third-party indemnities for the benefit of its Directors. These were provided during the period and remain in force at the date of this report.

Employee information and employment policy

Details of the Company's employment and corporate and social responsibility policies are included in the strategic report with further information provided in the R&Co Group's annual report which can be found at www.rothschildandco.com.

Political donations

No political donations were made, or political expenditure incurred during the period.

Auditor

Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed to be re-appointed and KPMG LLP will therefore continue in office for the next financial year.

Audit Information

The Directors who held office at the date of approval of this report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Directors' responsibilities statement

The Directors are responsible for preparing the strategic report, the report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial period.

[1] Ms Emma Griffin resigned as a Non-Executive Director on 31st December 2025 ahead of her appointment as an R&Co employee on 1st January 2026, to avoid performing the role of an Executive Director (SMF3) without FCA approval. She was re-appointed as a statutory director when her FCA application for her SMF3 role was approved on 13th January 2026.

Directors' report

Under that law they have elected to prepare the financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that year. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance international accounting standards in conformity with the requirements of the Companies Act 2006;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By Order of the Board

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Robert Leitão
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Robert Leitão, Chief Executive Officer
N.M. Rothschild & Sons Limited
Registered number: 00925279
New Court, St Swithin's Lane, London EC4N 8AL
19 March 2026

Committees

NMR has constituted the following Committees of the Board, whose memberships generally comprise NMR Non-Executive Directors only or, in the case of the NMR Remuneration Committee, at least 50% of the membership is non-executive:

NMR Board Committees	
NMR Nominations Committee This committee leads the review process for appointments to the Board and oversees the development of a diverse pipeline for succession to both the Board and wider senior management within NMR.	**Membership** Nicholas Wrigley (Chair), Anthony de Rothschild, Sir Peter Estlin, Emma Griffin
NMR Remuneration Committee This committee exercises competent and independent judgement on remuneration policies and practices and the incentives created for managing risk, capital and liquidity and is responsible for preparing decisions regarding remuneration, including decisions which have implications for the risk and risk management of the firm and which are to be taken by the NMR Board.	**Membership** Sir Peter Estlin (Chair), Robert Leitão
NMR Risk Committee This committee advises the Board on the firm's overall current and future risk appetite and risk strategy; and assists the Board in overseeing the implementation of that strategy by senior management.	**Membership** Sir Peter Estlin (Chair), Anthony de Rothschild, Emma Griffin, John King

Committees

To facilitate the efficient and effective administration of the Company's affairs, certain functions and responsibilities have been delegated by the NMR Board to the following committees, a number of which cover the wider Rothschild & Co ("R&Co" or "the Group") Group. The terms of reference and membership of these committees are regularly reviewed.

R&Co Group Committees as at 31 December 2025	
R&Co Management Board The Management Board assists the Executive Chairman to establish the R&Co Group's strategy and direction, supervise the accounting and financial information, define the governance and internal control framework of the Group and adopt corrective measures to remedy any deficiency, and determine the strategic capital of the Group and its allocation.	**Membership** Alexandre de Rothschild (Executive Chairman), Mark Crump, Javed Khan, Robert Leitão, François Pérol
R&Co Group Operations Committee The purpose of the Group Operations Committee is to assist the Chair to oversee day-to-day cross-divisional operational matters, improve the efficiency of all the Group's operations, ensure better coordination and harmonisation of operational matters across the businesses and the sharing of ideas, oversee cross-Divisional projects and initiatives, control support costs, and develop the Group's culture by allowing Group support functions and business COOs to work together on Group-wide issues in a consistent and constructive manner.	**Membership** Mark Crump (Chair), Pierre Baudard, Frédérique Bonnell, Nicola Cashen, Lynsey Cross, Ben Cullen, Aldo di Rienzo, Tracey Feldman, Elsa Fraysse, David Gerke, Ben Grain, Adam Greenbury, Anne Imbach, Philippe Le Bourgeois, Caroline Nico, Emmanuelle Saudeau, Dani Webber, Pauline Steinmetz
R&Co Group Assets and Liabilities Committee This committee is responsible for monitoring and managing all balance sheet, market and liquidity risks within the Group, overseeing all Treasury operations within the Group and having oversight of the Group Credit Committee.	**Membership** Mark Crump (Chair), Adam Greenbury (Deputy Chair), Peter Barbour, Christian Bouet, Christopher Coleman, Aldo di Rienzo, Fabrice Guillard, David Oxburgh, Julian Klass (from 3 December 2025), Stéphane Le Blevec (from 3 December 2025)
R&Co Group Credit Committee - Corporate Credit Sub-Committee This committee is responsible for the oversight of corporate lending exposures (including credit risk and the pricing of loans) by Group entities, including NMR's corporate loan book, the Group's counterparty limits, lending to Group companies and funds managed by the Group, and provisions for bad and doubtful debts. Exposures exceeding certain limits are subject to ratification by the Group Credit Committee.	**Membership** Christopher Coleman (Chair), Rosalyn Harper, John King, Ian Walker, Adam Greenbury (non-voting member),

Committees

New Client Acceptance Committee (UK & Rest of the World)

This committee approves, from a reputational perspective, all new clients and reapproves all existing clients to be accepted by the Global Advisory (“GA”) business, including NMR. Certain mandates or risk factors related to mandates are referred for approval to the UK GA Risk Committee or to the Global GA Risk Committee in accordance with the GA Risk Escalation Matrix.

Membership

Jonathan Westcott (Chair), Jessica Dale, Adam Greenbury (Alternate Chair), Nicholas Ivey, Sam Murphy, Gavin Orde, Sabina Pennings, Axel Stafflage (Alternate Chair), Albrecht Stewen, Isabel Tatlow

R&Co Supervisory Board Committees which have oversight responsibilities

R&Co Audit Committee

This committee reviews the Group’s process of drawing up financial and non-financial information (and examines the main areas of risk or uncertainty and the key factors that have an impact on the audit approach), the statutory audit of the individual annual accounts and the consolidated accounts by the Statutory Auditors, and the independence and objectivity of the Statutory Auditors. It also reviews the effectiveness of the Group’s internal control systems and internal audit.

Membership

Sir Peter Estlin (Chair), Véronique Weill, Groupe Industriel Marcel Dassault represented by Olivier Costa de Beauregard,
Lord Mark Sedwill

R&Co Risk Committee

This committee advises on the overall current and future risk appetite and strategy of the Group, oversees the implementation of that strategy, reviews the material risks and total Group exposures to such risks, reviews the Group’s broad guidelines relating to risk management and the effectiveness of the risk management systems and policies, and examines incentives provided by the remuneration policies and practices to ensure that they are consistent in the light of the risk, capital and liquidity, and likelihood and timing of expected earnings for entities.

Membership

Véronique Weill (Chair), Sir Peter Estlin, Groupe Industriel Marcel Dassault represented by Olivier Costa de Beauregard,
Lord Mark Sedwill, Ann Neidenbach (from 22 July 2025)

R&Co Sustainability Committee

The Committee monitors issues relating to the business strategy and the position with regards to social, societal and environmental responsibility so that the Group can best anticipate the opportunities, impacts~~,~~ and associated risks. It also~~-~~monitors the related policies and objectives set~~.~~

Membership

Lucie Maurel-Aubert (Chair), Lord Mark Sedwill, Giammaria Giuliani, Helen Watson, Peugeot Invest Assets represented by Jean-Charles Douin

Independent Auditor's report to the members of N.M. Rothschild & Sons Limited

Opinion

We have audited the financial statements of N.M. Rothschild & Sons Limited ("the Company") for the year ended 31st December 2025 which comprise the income statement, the statement of comprehensive income, the balance sheet, the statement of changes in equity, the cash flow statement, and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31st December 2025 and of its profit for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors, internal audit and other heads of departments and inspection of policy documentation as to the Company's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Company's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.

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Independent Auditor's report to the members of N.M. Rothschild & Sons Limited

- Considering remuneration incentive schemes and performance targets for management; and
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular:

- the risk that management may be in a position to make inappropriate accounting entries; and
- the risk of bias in accounting estimates such as pension assets and investments, and the risk that Fee and Commission income is overstated through recording revenues in the wrong period.

We did not identify any additional fraud risks.

We performed procedures including identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted and approved by the same user, those posted by infrequent users and any unusual debit-credit pairings identified.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards), and from inspection of the Company's regulatory and legal correspondence and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

As the Company is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation, and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: data protection laws, anti-bribery, employment law, and certain aspects of company legislation recognising the financial and regulated nature of the Company's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Strategic report and Directors’ report

The directors are responsible for the strategic report and the Directors’ report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the Directors’ report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the Directors’ report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors’ remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Directors’ responsibilities

As explained more fully in their statement set out on page 10 and 11, the Directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor’s responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor’s report. Reasonable assurance is a high level of assurance, but does

Independent Auditor's report to the members of N.M. Rothschild & Sons Limited

not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:

Namrata Basker

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Namrata Basker (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

15 Canada Square

London E14 5GL

19 March 2026

Income statement
for the year ended 31 December 2025

	Notes	2025 £'000	2024 £'000
Fee and commission income	**4**	511,461	480,233
Fee and commission expense	**4**	(54,722)	(57,169)
Net fee and commission income		**456,739**	**423,064**
Interest and similar income	**5**	19,537	20,885
Interest expense and similar charges	**5**	(12,013)	(13,355)
Net interest income		**7,524**	**7,530**
Dividend income	**6**	3,764	17,527
Other operating income	**7**	2,735	1,556
Recharges to other group companies	**8**	59,087	52,129
Total operating income		**529,849**	**501,806**
Impairment (losses) on financial instruments	**12**	(242)	(1,229)
Net operating income		**529,607**	**500,577**
Operating expenses	**9**	(427,264)	(380,720)
Depreciation and impairments	**17,18**	(17,408)	(16,283)
Profit before tax		**84,935**	**103,574**
Tax	**11**	(22,482)	(23,685)
PROFIT AFTER TAX		**62,453**	**79,889**
Attributable to:			
Ordinary shareholders		56,069	75,166
Holders of perpetual instruments		6,384	4,723
Profit after tax		**62,453**	**79,889**

The notes on pages 24 to 67 form an integral part of these financial statements

Statement of comprehensive income
for the year ended 31 December 2025

	Notes	2025 £'000	2024 £'000
Profit after tax		**62,453**	**79,889**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Actuarial gains / (losses) on defined benefit pension funds	**22**	4,583	23,064
Movement in fair value reserve: net change in fair value of equity investments at FVOCI		4,754	26,494
Income tax thereon	**11**	(1,128)	(5,766)
Other comprehensive income for the period, net of income tax		**8,209**	**43,792**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**70,662**	**123,681**

Attributable to:		
Ordinary shareholders	64,278	118,958
Holders of perpetual instruments	6,384	4,723
Total comprehensive income for the period	**70,662**	**123,681**

The notes on pages 24 to 67 form an integral part of these financial statements

Balance sheet
as at 31 December 2025

	Notes	2025 £'000	2024 £'000
Assets			
Cash		3	3
Loans and advances - banks	**12**	150,009	136,430
Loans and advances - other	**12**	190,499	208,746
Investment securities	**13**	385,646	337,049
Derivatives	**14**	808	-
Other assets	**15**	172,252	137,193
Investments in subsidiary undertakings	**16**	5,899	5,899
Property, plant and equipment	**17**	27,301	27,687
Right of use assets	**18**	149,491	150,249
Defined benefit pension surplus	**22**	190,111	186,133
Current tax assets		6,278	15,412
Total assets		**1,278,297**	**1,204,801**
Liabilities			
Due to banks		-	-
Due to group companies		75,847	55,276
Lease liabilities	**19**	194,194	191,744
Derivatives	**14**	-	241
Other liabilities	**20**	66,528	30,062
Deferred tax liability	**21**	11,355	9,364
Defined benefit pension liability	**22**	485	510
Accruals and deferred income		220,426	202,420
Total liabilities		**568,835**	**489,617**
Equity			
Share capital	**29**	57,655	57,655
Share premium account		97,936	97,936
Retained earnings		320,030	330,506
Fair value reserve		158,256	153,502
Total attributable to ordinary shareholders		**633,877**	**639,599**
Perpetual instruments	**30**	75,585	75,585
Total equity		**709,462**	**715,184**
TOTAL EQUITY AND LIABILITIES		**1,278,297**	**1,204,801**

The accounts on pages 19 to 67 were approved by the Board of Directors on 19 March 2026 and were signed on its behalf by:

DocuSigned by:
Robert Leitão
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Robert Leitão, Chief Executive Officer
19 March 2026

DocuSigned by:
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John King, Director
19 March 2026

The notes on pages 24 to 67 form an integral part of these financial statements

Statement of changes in equity
for the year ended 31 December 2025

	Share capital £'000	Share premium £'000	Retained earnings £'000	Fair value reserve £'000	Perpetual instruments £'000	Total equity £'000
At 1 January 2025	**57,655**	**97,936**	**330,506**	**153,502**	**75,585**	**715,184**
Profit after tax	-	-	56,069	-	6,384	62,453
Other comprehensive income (net of tax):						
Actuarial gains on defined benefit pension funds	-	-	3,455	-	-	3,455
Equity instruments at fair value through OCI – net change in fair value	-	-	-	4,754	-	4,754
Total comprehensive income	**-**	**-**	**59,524**	**4,754**	**6,384**	**70,662**
Dividends paid (Note 25)	-	-	(70,000)	-	-	(70,000)
Perpetual instruments (Note 30)	-	-	-	-	-	-
Interest on perpetual instruments	-	-	-	-	(8,512)	(8,512)
- tax thereon	-	-	-	-	2,128	2,128
At 31 December 2025	**57,655**	**97,936**	**320,030**	**158,256**	**75,585**	**709,462**

	Share capital £'000	Share premium £'000	Retained earnings £'000	Fair value reserve £'000	Perpetual instruments £'000	Total equity £'000
At 1 January 2024	**57,655**	**97,936**	**322,332**	**127,008**	**124,335**	**729,266**
Profit after tax			75,166	-	4,723	79,889
Other comprehensive income (net of tax):						
Actuarial gains on defined benefit pension funds	-	-	17,298	-	-	17,298
Equity instruments at fair value through OCI – net change in fair value	-	-	-	26,494	-	26,494
Total comprehensive income	**-**	**-**	**92,464**	**26,494**	**4,723**	**123,681**
Dividends paid (Note 25)			(58,200)	-	-	(58,200)
Equity-settled share-based payments	-	-	160	-	-	160
Perpetual instruments (Note 30)	-	-	(26,250)	-	(48,750)	(75,000)
Interest on perpetual instruments	-	-	-	-	(9,162)	(9,162)
- tax thereon	-	-	-	-	4,439	4,439
At 31 December 2024	**57,655**	**97,936**	**330,506**	**153,502**	**75,585**	**715,184**

The notes on pages 24 to 67 form an integral part of these financial statements

Cash flow statement
for the year ended 31 December 2025

	Notes	2025 £'000	2024 £'000
Profit before tax		**84,935**	**103,574**
Depreciation	17,18	17,408	16,283
Interest charge on lease liabilities	19	8,224	8,335
Dividends received from subsidiaries, associates and joint ventures	6	-	(13,230)
Impairment of financial assets (net of recovery)		242	1,229
Non-cash items included in net profit and other adjustments		**25,874**	**12,617**
Derivatives		1,049	(1,933)
Debt and equity securities (excluding cash equivalents)		(5,229)	1,804
Loans and advances - other		18,005	(31,207)
Other assets		(35,059)	53,442
Net due to / from banks (excluding cash equivalents)		80,046	(14,791)
Due to group companies		20,571	7,328
Accrued expenses and other liabilities		51,390	13,750
Taxes paid (net)		(8,809)	(5,220)
Other operating activities		**121,964**	**23,173**
Net cash flow (used in) / from operating activities		**232,773**	**139,364**
Dividends received from subsidiaries, associates and joint ventures	6	-	13,230
Purchase of property, plant and equipment	17	(5,437)	(13,003)
Net cash flow from investing activities		**(5,437)**	**227**
Rent paid on right of use assets	19	(16,584)	(14,912)
Dividends paid	25	(70,000)	(58,200)
Perpetual instruments redeemed	30	-	(75,000)
Interest paid on perpetual instruments	25	(8,512)	(9,162)
Net cash flow used in financing activities		**(95,096)**	**(157,274)**
Net increase / (decrease) in cash and cash equivalents		**132,240**	**(17,683)**
Cash and cash equivalents at beginning of period		216,240	233,923
Cash and cash equivalents at end of period	26	**348,480**	**216,240**

Interest receipts and payments during the period were as follows:

	2025 £'000	2024 £'000
Interest received	19,227	21,967
Interest paid	3,789	5,020

The notes on pages 24 to 67 form an integral part of these financial statements

Notes to the financial statements (forming part of the financial statements)

1 Summary of significant accounting policies

N.M. Rothschild & Sons Limited (the "Company" or "NMR") is a private company limited by shares and incorporated in England and Wales. The Company's registered office address is at New Court, St Swithin's Lane, London, EC4N 8AL.

Developments in reporting standards and interpretations

Standards affecting the financial statements

The IASB has issued minor amendments to IFRS effective since 1 January 2025. These revised requirements do not have any significant impact on the Company. The Company has not opted for early application of new standards, amendments and interpretations adopted by the IASB where the application in 2025 is optional.

New standards and interpretations

A number of new standards, amendments to standards and interpretations are effective for accounting periods ending after 31 December 2025 and therefore have not been applied in preparing these financial statements. The Company has reviewed these new standards to determine their effects on the Company's financial reporting. None of these are expected to have a significant effect on the Company's financial statements.

Basis of preparation

Functional and presentation currency

These financial statements are presented in sterling, which is the Company's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

Measurement Convention

These financial statements have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 (adopted "IFRS"). The financial statements are prepared under the historical cost convention, except that financial assets held for trading or designated as fair value through profit or loss and all derivative contracts are stated at their fair value. Debt instruments are measured at FVOCI only when certain conditions are met and when not designated as at FVTPL.

The Company is exempt by virtue of s401 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its Group.

The principal accounting policies set out below have been consistently applied in the presentation of the financial statements. Judgements made by the Directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed later in note 1.

Going concern

The Directors have continued to monitor the appropriateness of the going concern basis for the Company, both throughout the year and beyond the balance sheet date, for a period of at least 12 months.

Management has performed an assessment to determine whether there are any material uncertainties that could cast significant doubt on the ability of the Company to continue as a going concern; no significant issues have been noted. In reaching this conclusion, management considered:

- The financial impact of any uncertainty on the Company's balance sheet;
- Severe but plausible downside scenarios as part of their assessment including scenarios with a significant reduction in revenues;
- The Company's liquidity position based on current and projected cash resources; and

- The operational resilience of existing IT and infrastructure.

Based on the above assessment of the Company's financial position, the Directors have concluded that the Company has adequate resources to continue in operational existence for the foreseeable future (for a period of at least twelve months after the date that the financial statements are signed), Accordingly, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Investments in subsidiary undertakings

Subsidiary undertakings are all entities which are controlled by the Company. The Company 'controls' an entity if it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Investments in subsidiary undertakings are carried at cost less any impairment losses.

Foreign exchange

Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transaction. Gains and losses resulting from the settlement of such transactions, and from the translation at period end exchange rates of monetary items that are denominated in foreign currencies, are recognised in the income statement. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated at foreign exchange rates ruling at the dates when the fair value was determined.

Translation differences on equities classified as at fair value through profit or loss are reported as part of the fair value gain or loss in the income statement. Translation differences on equities classified as FVOCI are included in the fair value reserve in equity.

Derivative financial instruments

Derivatives are entered into for risk management purposes and are measured at fair value, with transaction costs recorded immediately in the income statement. Subsequent to initial recognition, changes in fair value are recognised in the income statement.

Fee and commission income

The Company earns fee and commission income from services provided to clients. Fee income from advisory and other services can be divided into two broad categories: fees earned from services that are provided over a period of time, which are recognised over the period in which the service is provided; and fees that are earned on completion of a significant act or on the occurrence of an event, such as the completion of a transaction, which are recognised when the act is completed or the event occurs.

Point in time services

These fees are earned from providing services for which revenue is earned only when the service has been completed, i.e. once a performance obligation has been satisfied. Examples include a payment for advisory services that will only be made after the successful completion of a mandate. Revenue is recognised when it is highly probable that there will not be a significant reversal of the revenue in future. To minimise subjectivity and enhance comparability from year to year, the revenue is only recognised by the Company when a performance obligation has been contractually met.

Services provided over time

These are fees earned from services that are provided over a period of time. Revenue is recognised over the period in which the services are provided, once one of the following occurs:

i. the customer consumes the benefits provided by the Company and another entity would not need to substantially re-perform the work that the Company has completed to date; or
ii. the Company has an enforceable right to payment for performance completed to date.

Notes to the financial statements
(forming part of the financial statements)

For GA, such services include advisory services paid upfront or on a retainer basis. Revenue is recognised over the period in which the services are provided, which in practice is usually a straight-line basis over the period that work is performed for the client.

The amount of fee and commission income is based on consideration specified in a legally enforceable contract. The revenue recognised for each mandated service represents a market price, and consideration received is allocated to the separately identifiable performance obligations in the contract.

Fees and commissions that are an integral part of a loan, and loan commitment fees for loans that are likely to be drawn down, are deferred (together with related direct costs) and recognised over the life of the loan as an adjustment to the effective interest rate.

Costs can sometimes be charged to the client in the course of a mandate. Where recoverable, these are recognised as a receivable when incurred and do not impact profit or loss when recovered.

Interest income and expense

Interest income and expense represents interest arising out of lending and borrowing activities, interest on related hedging transactions, interest on debt securities and finance charges on lease liabilities. Interest income and expense is recognised in the income statement using the effective interest rate method.

The effective interest rate is the rate that exactly discounts the estimated future cashflows of a financial instrument to its net carrying amount. It is used to calculate the amortised cost of a financial asset or liability and to allocate the interest over the relevant period (usually the expected life of the instrument). When calculating the effective interest rate, the Company considers all contractual terms of the financial instrument (for example, prepayment options) but does not consider future credit losses. The calculation includes any premiums or discounts, as well as all fees and transaction costs that are an integral part of the financial asset.

Financial assets

The Company initially recognises loans and advances and deposits on the date on which they start. All other financial assets and liabilities are recognised on trade date.

On initial recognition financial assets are classified as measured at: amortised cost or fair value through other comprehensive income (“FVOCI”) or fair value through profit and loss (“FVTPL”).

Financial assets measured at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

For the purposes of this assessment “principal” is defined as the fair value of the financial asset on initial recognition. “Interest” is defined as consideration for the time value of money and the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amounts and timing of cash flows;

- prepayment and extension terms;
- leverage features;
- terms that limit the Company’s claim to cash flows from specified assets; and
- features that modify consideration of the time value of money.

Subsequent measurement of financial assets measured at amortised cost, including interest, impairment and foreign exchange gains or losses, are recognised in the income statement.

Financial assets measured at fair value through other comprehensive income (“FVOCI”)

A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in fair value in other comprehensive income. This election is made on an investment-by-investment basis.

Financial assets measured at fair value through profit and loss (“FVTPL”)

All other financial assets are classified as measured at FVTPL. Any gains or losses arising on disposal of these assets are recognised within the P&L.

Business model assessment

The Company makes an assessment of the business model in which a financial asset is held based on the way in which the business is managed, and information provided to management. The information considered includes:

- how the performance of the asset is evaluated and reported to management;
- the risks that affect the performance of the business model and how those risks are managed;
- how managers of the business are compensated; and
- the frequency and volume of historic and expected sales.

Offsetting

Financial assets and liabilities are offset, and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Impairment of financial assets

The Company recognises expected credit losses (“ECL”) for all financial assets recognised at amortised cost and for debt instruments that are measured at FVOCI. No impairment loss is recognised on equity investments.

ECLs are a probability-weighted estimate of credit losses and the Company measures it over a financial asset’s lifetime except for financial assets that are not credit-impaired at the reporting date and on which credit loss has not increased significantly since initial recognition, for which they are measured at 12-month ECL. ECL is estimated at the present value of all expected cash shortfalls compared to those due under the contract. For financial assets that are credit-impaired at the reporting date, the ECL is calculated as the difference between the gross carrying amount of the asset and the estimate of the present value of future cash flows.

Debt/equity classification

Under IFRS the critical feature in differentiating a debt instrument from an equity instrument is the existence of a contractual obligation of the Company to deliver cash (or another financial asset) to another entity. Where there is no such contractual obligation, the Company will classify the financial instrument as equity, otherwise it will be classified as a liability and carried at amortised cost. The terms of the perpetual debt instruments issued by the Company permit interest payments to be waived unless the Company has paid a dividend in the previous six months and are therefore considered to be equity.

Property, plant and equipment

All property, plant and equipment is stated at cost. Cost includes expenditure that is directly attributable to the acquisition of the asset including, in respect of leasehold improvements, costs incurred in preparing the property for occupation.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to write down the cost of assets to their residual values over their estimated useful lives, as follows:

Computer equipment	2-10 years
Cars	3-5 years
Fixtures and fittings	3-10 years
Leasehold improvements	4-24 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Gains and losses on disposals are determined by comparing proceeds with carrying amounts. These gains and losses are recognised in the income statement.

Impairment of property, plant and equipment

At each balance sheet date, or more frequently where events or changes in circumstances dictate, property, plant and equipment is assessed for indications of impairment. If such indications are present, those assets are subject to an impairment review. If impaired, the carrying values of assets are written down by the amount of any impairment and the loss is recognised in the income statement in the period in which it occurs. A previously recognised impairment loss relating to a fixed asset may be reversed when a change in circumstances leads to a change in the estimates used to determine the fixed asset's recoverable amount. The carrying amount of the fixed asset is only increased up to the amount that it would have been had the original impairment not been recognised.

Right of use assets and lease liabilities

The Company recognises a right of use asset and a lease liability at the lease commencement date. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date. The right of use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and the type of asset leased.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

Notes to the financial statements (forming part of the financial statements)

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option; and
- Penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

As a result of the coronavirus pandemic, rent concessions have been granted to lessees, which may take a variety of forms, including payment holidays and deferral of lease payments. Lessees can elect to account for such rent concessions in the same way as they would if they were not lease modifications. No such rent concessions have been granted to the Company.

When leases are acquired in a business combination, their accounting treatment is reset as if they were brand new leases as at the acquisition date in the financial statements of the acquirer.

Cash and cash equivalents

Cash and cash equivalents comprise cash and balances with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, including treasury bills and investments in money market funds.

Pensions

The Company's post-retirement benefit arrangements are described in note 22. The Company operates pension and other post-retirement benefit schemes, both funded and unfunded, of the defined benefit and defined contribution types. For defined contribution schemes, the contribution payable in respect of the accounting period is recognised in the income statement.

Re-measurement gains and losses in the defined benefit schemes are recognised outside the income statement and presented in the statement of comprehensive income. The amount recognised in the balance sheet in respect of defined benefit schemes is the difference, if any, between the present value of the defined benefit obligation at the balance sheet date and the fair value of the plan's assets.

Compensation schemes

The Company operates bonus schemes for the benefit of employees. The costs of such schemes are recognised in the income statement over the period in which the services are rendered that give rise to the obligation. Where the payment of a bonus is deferred until the end of a specified vesting period, the deferred amount is recognised in the income statement over the period up to the date of vesting.

The Company has entered into cash-settled share-based payment transactions as part of the long-term profit share schemes. The fair value of such awards is independently measured at the date the awards are granted and is then revalued in the income statement up to the point of settlement. Such awards are recognised in the income statement over the vesting period.

Taxation

Tax payable on profits and deferred tax are recognised in the income statement except to the extent that they relate to items that are recognised in equity, in which case the tax is also recognised in equity.

Deferred tax is provided in full, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred tax is determined using tax rates and laws that are expected to apply when a deferred tax asset is realised, or when a deferred tax liability is settled.

Deferred tax assets, including the tax effects of income tax losses available for carry forward, are only recognised where it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax is not provided on temporary differences arising from investments in subsidiary undertakings and associated undertakings, unless the timing of the reversal of the temporary difference is controlled by a third party or it is probable that the difference will reverse in the foreseeable future.

Dividends

Dividends on ordinary shares are recognised in equity in the period in which they are declared by the Company's Board of Directors.

Provisions and contingencies

Provisions are recognised only when the Company has a present obligation (legal or constructive) as a result of past events. In addition, it must be probable that a transfer of economic benefits will be required to settle the obligation, and it must also be possible to make a reliable estimate of the amount of the obligation.

Contingent liabilities are possible obligations arising from past events whose existence will be confirmed by one or more uncertain future events not wholly within the Company's control, or present obligations that are not recognised either because it is not probable that an outflow of resources will be required to settle the obligation, or the amount of the obligation cannot be reliably estimated. Contingent liabilities are disclosed unless the possibility of a transfer of economic benefits is remote.

Accounting judgements and estimates

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the accounting policies.

Valuation of financial assets and liabilities

Fair value is the price that would be received on selling an asset or paid to transfer a liability in an orderly transaction between market participants. For financial instruments carried at fair value, market prices or rates are used to determine fair value where an active market exists (such as a recognised exchange), as this is the best evidence of the fair value of a financial instrument. Market prices are not, however, available for certain financial assets and liabilities held or issued by the Company. Where no active market price or rate is available, fair values are estimated using present value or other valuation techniques, using inputs based on market conditions existing at the balance sheet date.

A description of the valuation techniques used, analysis of assets and liabilities carried at fair value by valuation hierarchy, and a sensitivity analysis of valuations not primarily based on observable market data, is provided in note 3 to the financial statements.

Pensions

The defined benefit obligation is calculated by independent actuaries using the projected unit credit method. There is significant judgement involved in selecting appropriate measurement bases for the actuarial assumptions used to measure the pension liability.

There is also estimation uncertainty relating to the assumptions, as reasonable alternative assumptions could have led to measurement at a materially different amount. The key assumptions within this calculation are discount rate, inflation rates and mortality rates. These are set out in note 22, together with sensitivity analysis that shows the effect that these estimates can have on the carrying value of the pension liability.

There is also significant judgement around the valuation of the subset of the unquoted pension assets. Since these assets are not valued as of the balance sheet date due to the unavailability of their current value, the most recent valuation is used, adjusted to account for known cash flow movements.

Impairment of financial assets

The Company recognises expected credit losses for all financial assets recognised at amortised cost and for debt instruments that are measured at FVOCI.

The accuracy of any ECL allowance subsequently made depends on how accurately the Company estimates future cashflows for specific counterparties, particularly the fair value of any collateral, and the model assumptions and parameters used in determining provisions. While this necessarily involves judgement, the Company believes that its allowances and provisions are reasonable and supportable.

Deferred tax

Deferred tax assets, including those in relation to tax losses carried forward, are only recognised where it is probable that future taxable profits will be available against which the temporary differences can be utilised. As part of the assessment of recoverability of deferred tax as at the balance sheet date, and using medium-term profit forecasts, the Company expects sufficient taxable profits to arise to utilise the deferred tax assets.

IFRS 16

All contracts are reviewed for evidence that they contain a lease. The calculation of the right of use asset and reciprocal liability includes management assumptions on the Group's incremental borrowing rate and any lease terms which include optional lease periods. Further information is set out in notes 18 and 19.

2 Financial risk management

2.1 Key risks in using financial instruments

The key risks arising from the Company's activities involving financial instruments are as follows:

- Credit risk – the risk of loss arising from client or counterparty default;
- Market risk – exposure to changes in market variables such as interest rates, currency exchange rates, equity and debt prices; and
- Liquidity and funding risk – the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

2.2 Credit risk

Credit risk arises from all exposures to clients and counterparties relating to the Company's lending and investment activities. Limits on credit risk are set by the R&Co Group Executive Committee and overseen by the R&Co Group Credit Committee. The Credit Committee reviews concentrations and makes recommendations on credit decisions to the R&Co Group Assets and Liabilities Committee. Credit risk limits are set, where appropriate, in respect of exposures to individual clients or counterparties, to industry sectors and to countries.

Exposure to credit risk is managed by detailed analysis of counterparty creditworthiness prior to entering into an exposure, and by continued monitoring thereafter. A significant proportion of the Company's non-group lending exposures is secured on property or other assets and the Company monitors the value of this collateral. For internal monitoring purposes, credit exposure on loans and debt securities is measured as the principal amount outstanding plus accrued interest. Credit exposure on derivatives is measured as the current replacement value plus an allowance for the potential change in replacement value.

The Company recognises expected credit losses for all financial assets recognised at amortised cost and for debt instruments that are measured at FVOCI. No impairment loss is recognised on equity investments.

IFRS 9 outlines a three-stage model for impairment based on changes in credit quality since initial recognition as summarised below:

- A financial instrument that is not credit-impaired at the reporting date and on which credit loss has not increased significantly since initial recognition is classified as Stage 1 and its ECL is measured at expected credit losses over the next 12 months.

- If a significant increase in credit risk since initial recognition is identified, the financial instrument is moved to Stage 2 but is not yet deemed to be credit impaired and its ECL is measured based on expected credit losses on a lifetime basis.
- A financial instrument that is deemed to be credit-impaired is moved to Stage 3 ECL is measured based on expected credit losses on a lifetime basis.

Significant increase in credit risk (SICR)

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, which are based on the Company's credit risk management process. The Company considers that an SICR is indicated if the relevant credit committee decides that the credit rating of a financial asset is Category 2 or 3. Financial instruments are often considered to have experienced a significant increase in credit risk if the borrower is more than 30 days past due on its contractual payments. For fee income receivable by the GA business, the Company has rebutted this presumption and it considers that a significant increase is experienced only after 90 days past due. This rebuttal is based on historical experience of payments and is in line with the internal provisioning process

Definition of credit impairment and default

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt instruments at FVOCI, if any, are credit impaired (Stage 3). Objective evidence that a financial asset or group of assets is credit impaired includes the following observable data:

- a breach of contract, such as a default or delinquency in repayment of interest or principal;
- significant deterioration in the collateral or in the borrower's ability to repay, which has led to a breach of covenant;
- threatened or actual legal matters connected to the borrower/loan that have/could have a significant impact of the loan;
- granting to the borrower, for economic or legal reasons relating to its financial difficulty, a concession that the lender would not otherwise consider;
- it becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- significant financial difficulty of the issuer of a security.

A loan that is overdue for 90 days or more is likely to be considered impaired unless reliable evidence exists that supports a more delayed default criterion. A financial asset is credit impaired only when the relevant credit committee has considered that an event has occurred that has a detrimental impact on the estimated future cash flows of the financial asset before taking into account any collateral. When a financial asset is considered as credit impaired, it is also considered to be in default. A credit impaired loan where recovery of collateral fully offsets any detrimental impact on estimated cash flows would be considered to be credit impaired, but the provision would be nil, reflecting the value of collateral. A loan that has been renegotiated due to a deterioration in the borrower's condition is usually considered to be credit impaired unless there is evidence that the value of original contractual cash flows will be received and there are no other indicators of impairment.

Write-off

The Company writes off financial assets (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when the Company determines that the counterparty does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

The Credit Committee reviews credit exposures on loans and debt securities on a quarterly basis using the following categories:

Category	Definition	ECL basis of measurement
Category 1	Exposures where the payment of interest or principal is not in doubt and which are not designated categories 2 to 5.	Stage 1
Category 2	Exposures where the payment of interest or principal is not in doubt, but which require closer observation than usual due to some deterioration in the position of the client, for example: poor trading results; difficult conditions in the client's market sector; competitive or regulatory threats; or the potential impact from currency or other factors.	Stage 2
Category 3	Exposures where there has been further deterioration in the position of the client. Although the exposure is not considered to be impaired, the relationship requires close monitoring by the front office team.	Stage 2
Past due but not impaired	Exposures that have failed to make a scheduled interest or principal repayment although full recovery is expected.	Stage 2
Category 4	Exposures that are considered to be impaired and which carry a provision against part of the loan. Some recovery is expected to be made.	Stage 3
Category 5	Exposures that are considered to be impaired and which carry a full provision. No significant recovery of value is expected.	Stage 3

Notes to the financial statements
(forming part of the financial statements)

A Credit risk exposure

The tables below disclose the maximum exposure to credit risk at the reporting date for financial assets with significant exposure to credit risk, without taking account of collateral held or other credit risk mitigation. Accounts receivable are treated as past due when more than 90 days has elapsed since the invoice was issued.

	Stage 1	Stage 2			Stage 3		
	Category 1 £'000	Category 2 £'000	Category 3 £'000	Past due but not impaired £'000	Categories 4 and 5 £'000	Expected credit loss £'000	Total (net) £'000
At 31 December 2025							
Cash	3	-	-	-	-	-	3
Derivatives	808	-	-	-	-	-	808
Loans and advances - banks	150,009	-	-	-	-	-	150,009
Loans and advances - other	184,241	-	1,097	-	11,459	(6,298)	190,499
Debt securities	49,479	-	-	-	-	-	49,479
Other financial assets	107,724	-	-	36,122	815	(815)	143,846
Subtotal assets	**492,264**		**1,097**	**36,122**	**12,274**	**(7,113)**	**534,644**
Commitments and guarantees	155,654	-	-	-	-	-	155,654
TOTAL	**647,918**	**-**	**1,097**	**36,122**	**12,274**	**(7,113)**	**690,298**
	Category 1 £'000	Category 2 £'000	Category 3 £'000	Past due but not impaired £'000	Categories 4 and 5 £'000	Expected credit loss £'000	Total (net) £'000
At 31 December 2024							
Cash	3	-	-	-	-	-	3
Derivatives	-	-	-	-	-	-	-
Loans and advances - banks	136,430	-	-	-	-	-	136,430
Loans and advances - other	201,964	-	1,097	-	11,741	(6,056)	208,746
Debt securities	61,583	-	-	-	-	-	61,583
Other financial assets	96,392	-	-	16,029	8,226	(7,956)	112,691
Subtotal assets	**496,372**	**-**	**1,097**	**16,029**	**19,967**	**(14,012)**	**519,453**
Commitments and guarantees	125,737	-	-	-	-	-	125,737
TOTAL	**622,109**	**-**	**1,097**	**16,029**	**19,967**	**(14,012)**	**645,190**

The movement in the allowance for credit losses on other financial assets is as follows:

	Stage 3 Lifetime ECL (impaired assets) £'000		Stage 3 Lifetime ECL (impaired assets) £'000
At 1 January 2025	**7,956**	**At 1 January 2024**	**9,042**
Charge/(credit) to income statement	57	Charge/(credit) to income statement	1,229
Transfer	-	Transfer	-
Amounts written off	(7,198)	Amounts written off	(4,215)
AT 31 DECEMBER 2025	**815**	**AT 31 DECEMBER 2024**	**7,956**

Notes to the financial statements (forming part of the financial statements)

The table below analyses amounts past due but not impaired:

	Past due by < 6 months £'000	Past due by > 6 months £'000	Total £'000
At 31 December 2025			
Other financial assets	17,028	19,094	36,122
TOTAL	**17,028**	**19,094**	**36,122**
At 31 December 2024			
Other financial assets	5,286	10,743	16,029
TOTAL	**5,286**	**10,743**	**16,029**

B Collateral

All third party commercial lending is secured. This collateral is split by type, as either specific or general.

Specific collateral is readily identifiable, the majority of which will be charges over property. If necessary, there is a realistic possibility of both taking possession of and realising the collateral.

General collateral will be more difficult to both identify and realise. It will usually be a general floating charge over the assets of a business and is typically attached to leveraged finance assets. It is not practicable to ascribe a specific value to this collateral.

Unimpaired loans (categories 1 to 3) are covered by both specific and general collateral. Unimpaired amounts covered by specific collateral include property lending of £nil (2024: £nil). Where a loan is deemed to be impaired (category 4 and 5 assets), the level of the impairment charge is primarily driven by any expected shortfall in the collateral value, although it is also influenced by the ability of the borrower to service the debt.

Collateral is valued independently at the time the loan is made and periodically thereafter depending on the specific circumstances. Management are able to roll forward a valuation for reporting purposes via a combination of specific knowledge of the collateral, the market and the application of general indices.

The table below gives an estimate of the fair value of collateral, all of which is property related, that could be realised by the Company as security against exposures to customers that are individually impaired and past due but not impaired. The collateral is governed by contractual restrictions that prevent its sale, re-pledging, or any other use, except where a counterparty default triggers those rights.

There is no collateral recognised for other asset classes.

	Individually impaired 2025 £'000	Individually impaired 2024 £'000
Property	6,298	6,000
Amount of loans collateralised	9,500	10,000

Notes to the financial statements (forming part of the financial statements)

C Credit risk concentrations

The Company monitors concentrations of credit risk by geographic location and by industry sector. The following tables show an analysis of credit risk by location and by sector. The location for loans and advances is determined by reference to the location of the borrower, and debt securities are recorded based on the location of the issuer of the security.

Credit risk by location	UK and Channel Islands £'000	Other Europe £'000	US and Canada £'000	Other £'000	Total £'000
At 31 December 2025					
Cash and balances at central banks	3	-	-	-	3
Derivatives	808	-	-	-	808
Loans and advances - banks	24,434	121,475	4,100	-	150,009
Loans and advances – other	115,545	74,882	-	72	190,499
Debt securities	49,479	-	-	-	49,479
Other financial assets	78,020	39,729	10,969	15,128	143,846
Subtotal assets	**268,289**	**236,086**	**15,069**	**15,200**	**534,644**
Commitments and guarantees	155,654	-	-	-	155,654
TOTAL	**423,943**	**236,086**	**15,069**	**15,200**	**690,298**
At 31 December 2024					
Cash and balances at central banks	3	-	-	-	3
Derivatives	-	-	-	-	-
Loans and advances - banks	13,685	116,474	6,271	-	136,430
Loans and advances – other	116,295	92,451	-	-	208,746
Debt securities	61,583	-	-	-	61,583
Other financial assets	53,037	34,556	15,926	9,172	112,691
Subtotal assets	**244,603**	**243,481**	**22,197**	**9,172**	**519,453**
Commitments and guarantees	125,737	-	-	-	125,737
TOTAL	**370,340**	**243,481**	**22,197**	**9,172**	**645,190**

Credit risk by industry sector	2025 £'000	2024 £'000
Financial (see below)	33,074	23,518
Real estate (see below)	5,422	5,704
Governments and Central Banks	49,479	61,583
Private persons	591	1,062
Related party loans, commitments and guarantees	432,504	440,632
TOTAL	**521,070**	**532,499**

Notes to the financial statements
(forming part of the financial statements)

Financial and real estate sector exposures are analysed as follows:

Financial sector	2025 £'000	2024 £'000
Short term interbank exposures	33,074	23,518
TOTAL	**33,074**	**23,518**

Short term interbank lending is held for liquidity management purposes.

Real estate sector	2025 £'000	2024 £'000
Senior loans	5,422	5,704
TOTAL	**5,422**	**5,704**

D Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously. The table shows amounts with the same counterparties that are actually offset.

	2025			2024		
	Gross amount of financial asset £'000	Gross amount of financial liability offset £'000	Net amount £'000	Gross amount of financial asset £'000	Gross amount of financial liability offset £'000	Net amount £'000
Financial assets offset						
Loans and advances - banks	23,032	(22,412)	620	26,681	(24,482)	2,199
Loans and advances - others	65,762	(1,405)	64,357	136,146	(59,120)	77,026
Financial liabilities offset						
Due to Banks	-	-	-	-	-	-

2.3 Market risk

Market risk arises as a result of the Company's activities in interest rate, currency, equity and debt markets and comprises interest rate, foreign exchange and equity and debt price risk. Exposure to market risk continues to be small in relation to capital.

Limits on market risk exposure are set by the R&Co Group Assets and Liabilities Committee and are independently monitored.

Market risks associated with treasury and equity positions are set out below with a description of risk management and the levels of risk.

Equities

The Company has exposure to equity price risk through holdings of equity investments (excluding pension assets). Each position is approved by senior management and is monitored on an individual basis. The table below shows the Company's equity price risk by location, excluding investments in money market funds which can be redeemed on demand (see note 12).

Equity price risk by location	UK £'000	Other Europe £'000	Total £'000
At 31 December 2025			
Equity investments	186,562	3	186,565
At 31 December 2024			
Equity investments	176,580	3	176,583

If the price of these equities were to fall by 5 per cent, then there would be a post-tax charge to the income statement of £885,000 and a post-tax charge to equity of £8,148,000 (2024: £689,000 and £7,910,000 respectively). Similarly, if the price of the equities were to rise by 5 per cent, then there would be a post-tax credit to the income statement of £885,000 and a post-tax credit to equity of £8,148,000 (2024: £689,000 and £7,910,000 respectively).

Currency risk

The table below summarises net exposure to foreign currency exchange rate risk measured by reference to the foreign currency exposures of monetary assets and liabilities after taking account of positions in derivatives. The net exposure reflects timing differences between the recognition of foreign currency revenues and subsequent hedging transactions.

	Long/(short) 2025 £'000	Long/(short) 2024 £'000
US$	7,632	1,769
Euro	(31,360)	20,160
Other	2,884	1,981

If the value of these currencies fell by 5 per cent against sterling, then there would be a post-tax credit to the income statement of £782,000 (2024: charge of £897,000). There would be no material impact on equity.

If the value of these currencies rose by 5 per cent against sterling, then there would be a post-tax charge to the income statement of £782,000 (2024: credit of £897,000). There would be no material impact on equity.

Interest rate risk

The following table summarises exposure to interest rate risk by showing the impact on the fair value of interest-bearing assets and liabilities, and of interest rate derivatives, if base interest rates in each currency shown moved up or down by 1 per cent. This table includes all interest rate risk within the businesses, and the structural interest rate exposure that arises from the reinvestment of shareholders' funds.

	Sterling £'000	Euro £'000
At 31 December 2025		
+ 1%	(225)	(27)
- 1%	225	27
At 31 December 2024		
+ 1%	(187)	111
- 1%	187	(111)

2.4 Liquidity risk

Liquidity risk is defined as the risk that an entity cannot meet its cash obligations as they fall due. Liquidity risk arises principally from the mismatch of contractual maturities of assets and liabilities inherent in the business, including contingent liabilities. The Company's policy is to ensure that it has sufficient resources to meet its financial commitments as they are expected to fall due and this is monitored on a daily basis. This is overseen by the NMR Balance Sheet and Treasury Committee which, along with approving the types of liquid assets held by the Company, monitors projected cash positions over the next 18 months.

The tables below analyse the Company's financial assets and liabilities based on contractual maturity, apart from the equity investments in the money market funds which can be called upon for settlement on demand. Loan commitments and guarantees are included at the earliest date they can be drawn down or called upon.

	Carrying Value £'000	Demand/ next day £'000	2 days - 3m £'000	3m - 1 yr £'000	> 1 year £'000	No fixed maturity £'000	Total £'000
At 31 December 2025							
Cash	3	3	-	-	-	-	3
Loans and advances - banks	150,009	33,702	116,307	-	-	-	150,009
Loans and advances - other	190,499	-	24,307	92,211	73,981	-	190,499
Derivatives	808	-	808	-	-	-	808
Investment securities	385,646	149,602	49,479	-	-	186,565	385,646
Other financial assets	143,846	-	143,846	-	-	-	143,846
TOTAL	**870,811**	**183,307**	**334,747**	**92,211**	**73,981**	**186,565**	**870,811**
Due to group companies	75,847	75,847	-	-	-	-	75,847
Lease liabilities	194,194	-	2,435	8,395	183,364	-	194,194
Other financial liabilities	60,829	-	60,829	-	-	-	60,829
TOTAL	**330,870**	**75,847**	**63,264**	**8,395**	**183,364**	**-**	**330,870**
Commitments and guarantees	155,654	-	155,654	-	-	-	155,654

Notes to the financial statements (forming part of the financial statements)

	Carrying Value £'000	Demand/ next day £'000	2 days - 3m £'000	3m - 1 yr £'000	> 1 year £'000	No fixed maturity £'000	Total £'000
At 31 December 2024							
Cash	3	3	-	-	-	-	3
Loans and advances - banks	136,430	25,716	110,714	-	-	-	136,430
Loans and advances - other	208,746	-	9,711	76,845	122,190	-	208,746
Investment securities	337,049	98,883	61,583	-	-	176,583	337,049
Other financial assets	112,691	-	112,691	-	-	-	112,691
TOTAL	**794,919**	**124,602**	**294,699**	**76,845**	**122,190**	**176,583**	**794,919**
Due to group companies	55,276	55,276	-	-	-	-	55,276
Derivatives	241	-	241	-	-	-	241
Lease liabilities	191,744	-	1,752	6,404	183,588	-	191,744
Other financial liabilities	27,074	-	27,074	-	-	-	27,074
TOTAL	**274,335**	**55,276**	**29,067**	**6,404**	**183,588**	**-**	**274,335**
Commitments and guarantees	125,737	-	125,737	-	-	-	125,737

2.5 Maturity of financial liabilities

The following table shows undiscounted contractual cash flows, including interest, payable by the Company on financial liabilities, analysed by remaining contractual maturity at the balance sheet date. Loan commitments and guarantees are included at the earliest date they can be drawn down or called upon. This table does not reflect the liquidity position of the Company.

	Carrying Value £'000	Demand/ next day £'000	2 days - 3m £'000	3m - 1 yr £'000	> 1 year £'000	No fixed maturity £'000	Total £'000
At 31 December 2025							
Due to group companies	75,847	75,847	-	-	-	-	75,847
Derivatives	-	-	-	-	-	-	-
Lease liabilities	194,194	-	4,496	14,447	239,504	-	258,447
Other financial liabilities	60,829	-	60,829	-	-	-	60,829
TOTAL	**330,870**	**75,847**	**65,325**	**14,447**	**239,504**	**-**	**395,123**
Commitments and guarantees	155,654	-	155,654	-	-	-	155,654
At 31 December 2024							
Due to group companies	55,276	55,276	-	-	-	-	55,276
Derivatives	241	-	241	-	-	-	241
Lease liabilities	191,744	-	3,762	12,372	250,260	-	266,394
Other financial liabilities	27,074	-	27,074	-	-	-	27,074
TOTAL	**274,335**	**55,276**	**31,077**	**12,372**	**250,260**	**-**	**348,985**
Commitments and guarantees	125,737	-	125,737	-	-	-	125,737

2.6 Capital management

The Company's capital management policy is to ensure that it is strongly capitalised and compliant with regulatory requirements. Furthermore, the Company's risk management processes are designed to ensure that all risks are identified and are covered by capital or other appropriate matters.

The FCA introduced a new set of regulatory rules for UK Investment firms with effect from 1st January 2022, named the Investment Firms Prudential Regime ('IFPR'). Under IFPR, NMR meets the balance sheet and revenue thresholds that make it a Large Non-SNI firm. The new prudential regime includes – inter alia – requirements for maintaining minimum levels of regulatory capital which are reported to the Financial Conduct Authority quarterly.

3 Fair value of financial assets and liabilities

Fair value is the price that would be received on selling an asset or paid to transfer a liability in an orderly transaction between market participants. For financial instruments carried at fair value, market prices or rates are used to determine that fair value where an active market exists (such as a recognised exchange), as this is the best evidence of the fair value of a financial instrument. Market prices are not, however, available for certain financial assets and liabilities held or issued by the Company. Where no active market price or rate is available, fair values are estimated using present value or other valuation techniques, using inputs based on market conditions existing at the balance sheet date. The valuation may be derived from quotations received from various sources. Where the market is illiquid, the quotations may not be supported by prices from actual market transactions.

Valuation techniques are generally applied to over the counter derivative transactions and unlisted debt and equity securities. The most frequently applied pricing models and valuation techniques use discounted cashflows (DCF). The values derived from modelling discounted cashflows are significantly affected by judgements and assumptions made concerning factors such as the amounts and timing of future cashflows, discount rates and credit quality.

The methods adopted to determine the fair value of each type of financial asset or liability are summarised below:

- **Cash and balances at central banks, loans and advances - banks and due to banks.** The fair values of these instruments are materially the same as their carrying values due to their short-term nature.
- **Loans and advances - other.** The Company estimates the counterparty's default risk and calculates the present value of future cash flows, taking into account the debtor's financial standing. The Group considers, in the absence of any factor indicating that it is materially different from the net carrying amount, that the fair value equals the carrying value for 1) floating rate instruments; 2) for fixed rate instruments with an original maturity up to one year; and 3) for on demand exposures. Loans and deposits are usually shown as Level 2. In the event of a difference in interest rates or any other factor indicating that an asset's fair value is materially different from the net carrying amount, the fair value of instruments not referred to in the paragraph above is adjusted accordingly. Impaired loans where the carrying value is determined by a DCF, using best estimates of recoverable cash flows, are classified as Level 3.
- **Due to group companies.** The fair values of these instruments are determined by discounting the future cashflows at current market interest rates for instruments of similar remaining maturities, adjusted for the appropriate credit spread.
- **Other financial assets and liabilities.** Fair value is considered to be the same as carrying value for these assets due to their short-term nature.

Notes to the financial statements (forming part of the financial statements)

- **Derivatives and debt and equity securities.** These are carried in the balance sheet at fair value, usually determined using quoted market prices or other observable inputs. Debt securities or unlisted equity securities for which no price is available are valued by discounting expected future cashflows at market interest rates adjusted for appropriate credit spreads or using other valuation techniques.

The fair values of financial assets and liabilities have been classified into a three level valuation hierarchy, whereby the valuation level is determined using the following criteria:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from market data to a significant extent).

Level 3: Inputs for the asset or liability that are not based primarily on observable market data (unobservable inputs). Typically, this will be used for instruments with uncertain cashflows and the valuation will therefore depend upon the expected cashflows, estimated maturity and the discount factor used.

Financial assets and liabilities carried at amortised cost

			Measured using		
	Carrying value £'000	Fair value £'000	Level 1 £'000	Level 2 £'000	Level 3 £'000
At 31 December 2025					
Financial assets					
Loans and advances - banks	150,009	150,009	-	150,009	-
Loans and advances - other	190,499	190,499	-	187,297	3,202
Debt securities	49,479	49,728	14,929	34,799	-
Other financial assets	143,846	143,846	-	143,846	-
TOTAL	**533,833**	**534,082**	**14,929**	**515,951**	**3,202**
Financial liabilities					
Due to group companies	75,847	75,847	-	75,847	-
Other financial liabilities	60,829	60,829	-	60,829	-
TOTAL	**136,676**	**136,676**	**-**	**136,676**	**-**
At 31 December 2024					
Financial assets					
Loans and advances - banks	136,430	136,430	-	136,430	-
Loans and advances - other	208,746	208,746	-	204,802	3,944
Debt securities	61,583	61,867	20,000	41,867	-
Other financial assets	112,691	112,691	-	112,691	-
TOTAL	**519,450**	**519,734**	**20,000**	**495,790**	**3,944**
Financial liabilities					
Due to group companies	55,276	55,276	-	55,276	-
Other financial liabilities	27,074	27,074	-	27,074	-
TOTAL	**82,350**	**82,350**	**-**	**82,350**	**-**

Notes to the financial statements
(forming part of the financial statements)

Financial assets and liabilities carried at fair value

		Measured using		
	Carrying value equal to fair value £'000	Level 1 £'000	Level 2 £'000	Level 3 £'000
At 31 December 2025				
Financial assets				
Equity securities	336,167	151,253	21,956	162,958
Derivatives	808	-	808	-
TOTAL	**336,975**	**151,253**	**22,764**	**162,958**
Financial liabilities				
Derivatives	-	-	-	-
TOTAL	**-**	**-**	**-**	**-**

		Measured using		
	Carrying value equal to fair value £'000	Level 1 £'000	Level 2 £'000	Level 3 £'000
At 31 December 2024				
Financial assets				
Equity securities	275,466	100,085	17,177	158,204
TOTAL	**275,466**	**100,085**	**17,177**	**158,204**
Financial liabilities				
Derivatives	241	-	241	-
TOTAL	**241**	**-**	**241**	**-**

Assets measured at fair value based on Level 3

There were no significant transfers between assets valued at Level 1 and at Level 2 in the period. The movements in assets valued using Level 3 valuation are as follows:

	2025	**2024**
Equity securities	**£'000**	**£'000**
Opening balance	158,204	131,756
Total gains / (losses):		
- through other comprehensive income	4,754	26,448
CLOSING BALANCE	**162,958**	**158,204**

The table below sets out information about significant unobservable inputs used at 31 December 2025 in measuring financial instruments categorised as Level 3 in the fair value hierarchy:

Description	**Fair value £'000**	**Valuation technique**	**Unobservable input**	**Fair value measurement sensitivity to unobservable inputs**
Equity securities – fair value through OCI	162,958	External valuation based on asset value	Value of underlying property based on market yields	Increase in initial yield of 0.1% would give rise to an increase in fair value of £0.7m

Notes to the financial statements
(forming part of the financial statements)

4 Net fee and commission income

	2025 £'000	2024 £'000
Fee and commission income		
Global Advisory fees	511,414	480,144
Banking and credit related fees and commissions	10	89
Other fees	37	-
TOTAL	**511,461**	**480,233**
Fee and commission expense		
Global Advisory fees	54,636	56,999
Other fees	86	170
TOTAL	**54,722**	**57,169**

Global advisory fee expense represents fees incurred to other members of the R&Co Group where the Company has worked in collaboration with another group company on a transaction.

5 Net interest income

	2025 £'000	2024 £'000
Interest income		
Interest earned on loans and advances	12,453	15,121
Interest earned on investment securities measured at amortised cost	1,595	2,463
Interest earned on other financial assets measured at fair value through profit and loss	5,489	3,301
TOTAL	**19,537**	**20,885**
Interest expense		
Interest on amounts due to banks and customers	3,785	5,020
Interest on lease liabilities	8,228	8,335
TOTAL	**12,013**	**13,355**

Included within interest income is £217,602 (2024: £74,000) in respect of interest income accrued on impaired financial assets.

Included within interest on loans and advances is £1.1m (2024: £Nil) of non-recurring interest related to overpaid corporation tax, arising on settlement of prior-year tax positions.

6 Dividend income

	2025 £'000	2024 £'000
Dividends from subsidiary undertakings	-	13,230
Dividends from investments measured at fair value through profit and loss	3,764	4,297
TOTAL	**3,764**	**17,527**

Notes to the financial statements
(forming part of the financial statements)

7 Other operating income

	2025 £'000	2024 £'000
Other operating income		
Rental income	60	80
Equities designated as fair value through profit and loss – net change in fair value	2,183	1,671
Foreign exchange (losses) / gains	(81)	(195)
Net gain on disposal of subsidiary	573	-
TOTAL	**2,735**	**1,556**

8 Recharges to other group companies

	2025 £'000	2024 £'000
Recharges to other group companies	59,087	52,129

9 Operating expenses

	Note	2025 £'000	2024 £'000
Staff costs	10	364,078	333,606
Administrative expenses		63,186	47,114
TOTAL		**427,264**	**380,720**

The auditor's remuneration was as follows:

	2025 £'000	2024 £'000
Audit fees relating to the Company	482	461
Audit fees relating to subsidiary undertakings and other affiliates	50	50
TOTAL	**532**	**511**

Remuneration payable to the auditor and its associates for non-audit work was as follows:

	2025 £'000	2024 £'000
Audit-related assurance services	78	75
Other services	-	21
TOTAL	**78**	**96**

Notes to the financial statements
(forming part of the financial statements)

10 Staff costs

	Note	2025 £'000	2024 £'000
Fixed and variable remuneration		294,892	274,009
Social security costs		43,453	37,509
Staff benefits and other staff costs		22,564	17,197
Pension costs			
- defined benefit plans	22	(6,576)	(3,827)
- defined contribution plans	22	8,898	8,225
Post-retirement benefits		847	493
TOTAL STAFF COSTS		**364,078**	**333,606**

The number of persons employed as at the period end was as follows:

	2025	2024
Global Advisory	572	528
Support	379	366
TOTAL	**951**	**894**

The average number of persons employed was as follows:

	2025	2024
Global Advisory	569	552
Support	376	366
TOTAL	**945**	**918**

Deferred remuneration and share-based payments

As part of its variable pay strategy, the Company pays bonuses to employees. In some cases the cash payment is deferred to future years. In most circumstances, deferred cash awards are paid one, two and three years after the year of the award, and the expense is recognised over the two, three and four year periods from the start of the year of the award to the date of payment. These awards are paid on the condition that the recipient is still an employee of the R&Co Group.

A portion of the bonuses paid to Material Risk Takers (MRTs) identified under CRD IV as amended by CRD V, and the Investment Firms Prudential Regime (IFPR) are settled in the form of a non-cash instrument. All non-cash instrument awards made since 2023 (relating to the 2022 performance year) are being made in the form of notional shares (both deferred and non-deferred), which track the value of Rothschild & Co shares and will be settled in cash. The portion of their bonus that is deferred is deferred over four years, with the expense recognised accordingly. The charge to the income statement from these awards was £5.3 million (December 2024: £2.7 million).

The objective of the non-cash instrument awards is to link the reward of certain key staff with the performance of the Company. In addition to the requirement to remain employed by the R&Co Group, these awards may also be cancelled under specific circumstances.

A commitment to employees exists in connection with deferred remuneration. Some of this has not yet accrued because it relates to a future service period. The amount of potential future payments that have not yet accrued is £57,115,000 (2024: £48,586,000).

Notes to the financial statements (forming part of the financial statements)

11 Tax

Tax charged to the income statement:

	2025 £'000	2024 £'000
Current tax:		
- Current year	23,449	24,713
- Prior year adjustments	(1,491)	(994)
Total current tax	**21,958**	**23,719**
Deferred tax:		
- Origination and reversal of timing differences	(1,016)	(1,148)
- Prior year adjustments	1,540	1,114
Total deferred tax	**524**	**(34)**
TOTAL TAX CHARGED TO INCOME STATEMENT	**22,482**	**23,685**

Tax on items credited to other comprehensive income:

	2025 £'000	2024 £'000
Deferred tax on securities measured at fair value through OCI	(32)	(32)
Current tax on securities measured at fair value through OCI	25	25
Deferred tax on actuarial gains and losses on defined benefit pension schemes	1,128	5,766
TOTAL TAX (CREDITED) / CHARGED TO OTHER COMPREHENSIVE INCOME	**1,121**	**5,759**

Tax on items credited to equity:

	2025 £'000	2024 £'000
Current tax on distributions to holders of perpetual instruments	(2,128)	(4,140)
Current tax on exercise of share options	-	-
Current tax on IFRS 9 transition	-	-
Deferred tax on IFRS 9 transition	7	7
Current tax on right of use assets	(341)	(341)
Current tax prior year adjustment on carried forward interest allowance	-	(1,252)
Current tax prior year adjustment on share options	-	(160)
Deferred tax on right of use assets	341	341
Deferred tax credit on carried forward interest allowance	-	952
Deferred tax on valuation of share options	-	-
	(2,121)	**(4,593)**

For the purposes of these financial statements, it has been assumed that not all of the interest borne by the Company is tax deductible.

The tax charged on income differs from the theoretical amount that would arise using the standard tax rate as follows:

Notes to the financial statements (forming part of the financial statements)

	2025 £'000	2024 £'000
Profit before tax	84,935	103,574
Tax calculated at the UK corporation tax rate of 25% (2024:25%)	21,234	25,894
Adjustment to tax charge in respect of prior years	52	123
Non tax deductible expenses	1,119	978
Group dividends not subject to tax	-	(3,308)
Irrecoverable dividend withholding tax	106	1
Other	(29)	(3)
TOTAL TAX CHARGED TO INCOME STATEMENT	**22,482**	**23,685**

Further information about deferred tax is presented in note 21.

12 Loans and advances

	2025 £'000	2024 £'000
Loans and advances - banks:		
Included in cash and cash equivalents - group	116,308	32,250
Included in cash and cash equivalents – other	33,088	23,517
Other – group lending	613	80,663
TOTAL	**150,009**	**136,430**

	2025 £'000	2024 £'000
Loans and advances - other:		
Loans and advances to group companies	184,727	202,010
Loans and advances – other customers	12,070	12,792
Allowance for credit losses - other	(6,298)	(6,056)
TOTAL	**190,499**	**208,746**

All loans and advances are measured at amortised cost less allowances for credit losses.

Loans and advances to and amounts due to certain group companies are subject to legally binding netting agreements and are thus reported net. The amount netted at 31 December 2025 was £23,817,051 (2024: £83,602,000).

Notes to the financial statements (forming part of the financial statements)

The movement in the allowance for credit losses on loans and advances to customers is as follows:

	Stage 1 12 month ECL £'000	Stage 2 Lifetime ECL £'000	Stage 3 Lifetime ECL (impaired assets) £'000	Total £'000
At 1 January 2025	**56**	**-**	**6,000**	**6,056**
Charge/(credit) to income statement	-	-	242	242
Transfer	-	-	-	-
Amounts written off	-	-	-	-
AT 31 DECEMBER 2025	**56**	**-**	**6,242**	**6,298**
At 1 January 2024	**31**	**500**	**8,511**	**9,042**
Charge/(credit) to income statement	25	-	1,204	1,229
Transfer	-	(500)	500	-
Amounts written off	-	-	(4,215)	(4,215)
AT 31 DECEMBER 2024	**56**	**-**	**6,000**	**6,056**

13 Investment securities

	2025 £'000	2024 £'000
Debt securities – amortised cost	48,990	61,138
Accrued interest	489	445
TOTAL DEBT SECURITIES	**49,479**	**61,583**
Equity securities - fair value through profit and loss (excluding money market funds)	23,608	18,379
Equity securities – fair value through OCI	162,957	158,204
Equity securities – fair value through profit and loss (money market funds)	149,602	98,883
TOTAL EQUITY SECURITIES	**336,167**	**275,466**
TOTAL INVESTMENT SECURITIES	**385,646**	**337,049**

Debt and equity securities may be analysed as follows:

	2025 £'000	2024 £'000
Debt securities		
- Listed	49,479	61,583
Total debt securities	**49,479**	**61,583**
Equity securities		
- Listed	1,652	1,202
- Unlisted	334,515	274,264
Total equity securities	**336,167**	**275,466**
TOTAL DEBT AND EQUITY SECURITIES	**385,646**	**337,049**

Equity securities include shares in Third New Court Limited.

Notes to the financial statements (forming part of the financial statements)

The movement in debt and equity securities is as follows:

	2025 £'000	2024 £'000
At beginning of year	**337,049**	**279,870**
Additions	231,934	362,888
Disposals (sale and redemption)	(189,923)	(333,924)
Gains from changes in fair value	6,782	28,172
Movement in accrued interest	(196)	43
AT END OF YEAR	**385,646**	**337,049**

14 Derivatives

The Company's use of financial instruments, including derivatives, is set out in note 2. A derivative is a financial instrument, the value of which is derived from the value of another financial instrument, an index or some other variable ("the underlying"). Typically, the underlying is an interest rate, a currency exchange rate or the price of a debt or equity security. Derivative instruments are carried at fair value, shown in the balance sheet as separate totals of positive fair values (assets) and negative fair values (liabilities). Positive fair values represent the cost to the Company of replacing all transactions with a fair value in the Company's favour if the counterparties default. Negative fair values represent the cost to the Company's counterparties of replacing all their transactions with the Company with a fair value in the counterparties' favour if the Company were to default. Positive and negative fair values on different transactions are only netted if there is a legal right of set-off, the transactions are with the same counterparty and the cashflows will be settled on a net basis. Changes in fair values of derivative instruments are recognised in other income.

During the year, the Company has only entered into forward foreign exchange contracts.

	Notional principal		Positive fair value		Negative fair value	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Forward foreign exchange contracts	416,643	251,487	1,459	167	(651)	(408)
TOTAL	**416,643**	**251,487**	**1,459**	**167**	**(651)**	**(408)**

Notes to the financial statements
(forming part of the financial statements)

15 Other assets

	2025 £'000	2024 £'000
Accounts receivable	49,398	37,035
Accrued income	23,180	14,358
Other receivables and prepayments	10,026	3,235
Intra-group receivables	80,046	72,834
Stock	-	47
Other	9,602	9,684
TOTAL	**172,252**	**137,193**

Accounts receivable are net of allowances of £4,452,558 (2024: £8,077,000).

16 Investments in subsidiary undertakings

	2025 £'000	2024 £'000
Net book value at beginning of year	**5,899**	**5,899**
NET BOOK VALUE AT END OF YEAR	**5,899**	**5,899**

The subsidiary companies are held at cost of £39,958,278 less impairment provisions of £34,059,342.

The subsidiary undertakings of the Company as at 31 December 2025 are detailed in note 32.

Notes to the financial statements
(forming part of the financial statements)

17 Property, plant and equipment

	Leasehold improvements £'000	Cars, fixtures and fittings £'000	Computer equipment £'000	Total £'000
Cost at 1 January 2025	**56,506**	**2,960**	**6,367**	**65,833**
Additions	4,300	190	947	5,437
Retirement	(100)	(50)	(4)	(154)
At 31 December 2025	**60,706**	**3,100**	**7,310**	**71,116**
Accumulated depreciation at 1 January 2025	**31,023**	**1,673**	**5,450**	**38,146**
Depreciation charge	4,689	514	585	5,788
Retirement	(2)	(52)	(65)	(119)
At 31 December 2025	**35,710**	**2,135**	**5,970**	**43,815**
NET BOOK VALUE AT 31 DECEMBER 2025	**24,996**	**965**	**1,340**	**27,301**
Cost at 1 January 2024	**44,789**	**2,414**	**5,632**	**52,835**
Additions	11,722	546	735	13,003
Retirement	(5)	-	-	(5)
At 31 December 2024	**56,506**	**2,960**	**6,367**	**65,833**
Accumulated depreciation at 1 January 2024	**27,295**	**1,127**	**4,872**	**33,294**
Depreciation charge	3,733	546	578	4,857
Retirement	(5)	-	-	(5)
At 31 December 2024	**31,023**	**1,673**	**5,450**	**38,146**
NET BOOK VALUE AT 31 DECEMBER 2024	**25,483**	**1,287**	**917**	**27,687**

18 Right of use assets

	2025 £'000	2024 £'000
Balance at beginning of year	**150,249**	**156,882**
Depreciation charge	(11,620)	(11,426)
Additions	6,856	1,708
Disposals	(762)	-
Revaluations	4,768	3,085
RIGHT OF USE ASSETS AT END OF YEAR	**149,491**	**150,249**

Notes to the financial statements
(forming part of the financial statements)

19 Lease liabilities

	2025 £'000	2024 £'000
Balance at beginning of year	**191,744**	**193,531**
Additions	6,860	1,705
Disposals	(818)	-
Revaluations	4,768	3,085
Rental payments	(16,584)	(14,912)
Interest expense	8,224	8,335
LEASE LIABILITIES AT END OF YEAR	**194,194**	**191,744**

20 Other liabilities

	2025 £'000	2024 £'000
Accounts payable	2,492	1,518
Intra-group payables	57,353	21,772
Other liabilities	6,683	6,772
TOTAL	**66,528**	**30,062**

Notes to the financial statements (forming part of the financial statements)

21 Deferred income taxes

Deferred taxes are calculated on all temporary differences under the liability method using tax rates that have been substantively enacted at the balance sheet date and that are expected to apply when the temporary difference is realised. The current UK corporation tax rate is 25 per cent and is reflected in the carrying value of deferred tax. The movement on the deferred tax account is as follows:

	2025 £'000	2024 £'000
At beginning of year	**(9,364)**	**(2,361)**
Recognised in income		
Income statement charge	(524)	34
Recognised in equity		
Defined benefit pension arrangements	(1,128)	(5,766)
Debt and equity securities		
- fair value measurement	32	32
Valuation of share options	-	-
Carried forward interest allowance	-	(952)
Other	(23)	(10)
IFRS 9 & 16 transition	(348)	(341)
AT END OF YEAR	**(11,355)**	**(9,364)**

Deferred tax assets less liabilities are attributable to the following items:

	2025 £'000	2024 £'000
Accelerated tax depreciation	(1,522)	417
Deferred profit share arrangements	32,661	31,391
Pension and other post-retirement benefits	(47,408)	(46,407)
Debt and equity securities	(58)	(90)
Right of use asset	4,969	5,310
Carried forward interest allowance	-	-
Other temporary differences	3	15
TOTAL	**(11,355)**	**(9,364)**

The deferred tax charge in the income statement comprises the following temporary differences:

	2025 £'000	2024 £'000
Accelerated tax depreciation	(1,939)	(828)
Deferred profit share arrangements	1,270	1,380
Pensions and other post-retirement benefits	145	(518)
Other temporary differences	-	-
TOTAL	**(524)**	**34**

Pillar Two income taxes legislation has been enacted in France, where the group’s parent company, Rothschild & Co SCA, is incorporated. The legislation was effective from 1 January 2024. Under the legislation, the parent company will be required to pay, in France, top-up tax on profits of its subsidiaries that are taxed at an effective tax rate of less than 15 per cent. No top-up tax is due in the group's UK entities.

22 Defined benefit pension plans and other post-retirement benefits

The Company operates a pension scheme, the NMR Pension Fund ("the UK Fund"), for the benefit of employees of the Company as well as certain other R&Co Group companies in the United Kingdom. The Fund comprises a defined benefit section, which closed to new entrants in April 2003, and a defined contribution section established with effect from April 2003.

The R&Co Group also operates a separate pension arrangement, The NMR Overseas Pension Fund ("the Overseas Fund" – which together with the UK Fund are referred to below as "the Funds") that shares risks between entities within the group. The Overseas Fund comprises a defined benefit section and defined contribution section, both of which were closed to accrual in April 2017. The R&Co Group policy for allocating to individual entities in the Overseas Fund is based on the share of liabilities relating to employees/former employees of each participating group company.

The Company also has £485,000 (2024: £510,000) of unfunded obligations in respect of pensions and other post-retirement benefits.

Amounts recognised in respect of the various post-retirement schemes at the balance sheet date were as follows (N.B. For the Overseas Fund, all amounts shown relate to the share of obligations and assets allocated to the Company):

	UK Fund £'000	Overseas Fund £'000	Unfunded obligations £'000	Total £'000
At 31 December 2025				
Present value of obligations	(553,102)	(19,218)	(485)	(572,805)
Fair value of plan assets	735,415	27,016	-	762,431
Net defined benefit asset/(liability)	**182,313**	**7,798**	**(485)**	**189,626**

	UK Fund £'000	Overseas Fund £'000	Unfunded obligations £'000	Total £'000
At 31 December 2024				
Present value of obligations	(557,998)	(18,999)	(510)	(577,507)
Fair value of plan assets	735,293	27,837	-	763,130
Net defined benefit asset/(liability)	**177,295**	**8,838**	**(510)**	**185,623**

For the Funds, benefits are based on actual service and final pensionable salary. The weighted average duration of the expected benefit payments from the UK Fund is 12.4 years and 12.2 years for the Overseas Fund. The Funds are approved by HMRC for tax purposes (the UK Fund is a Registered Scheme and the Overseas Fund is a Section 615 Scheme) and are operated separately from the Company and managed by independent trustees. The trustees are responsible for payment of the benefits and management of the Funds' assets. The Funds are subject to UK funding regulations, which require the Company and trustees to agree a funding strategy and, if necessary, a contribution schedule.

As with most defined benefit schemes, the Funds expose the Company to a number of risks including longevity, inflation, interest rate and investment performance. These risks are mitigated to an extent by investing in a diversified selection of asset classes, which aims to reduce the volatility of returns and also achieves a level of matching with the underlying liabilities. Overall, the objective for the Funds is to select assets which will generate income and capital growth to meet, together with new contributions (as necessary), the cost of current and, in the case of the UK Fund, future benefits payable by the Funds.

The matching assets that the Funds invest in include corporate bonds, government securities and a specific liability driven investment (“LDI”) mandate. The objective of the liability-driven investment mandate is to provide a portfolio of assets that mirror the sensitivity of the Funds’ liabilities to changes in interest rates and inflation. For the purposes of efficient portfolio management, the mandates make use of derivative instruments (such as interest rate swaps, inflation swaps and gilt repo), which require collateral to be posted in the event that they have a negative mark to market value. During the year, the Trustee of the UK and Overseas Funds reviewed the level of interest rate and inflation hedging for the funds. Following this review, it was agreed that both Funds would instruct their LDI manager to target a level of hedging of 100% of interest rate sensitivity (excluding the hedging provided by Secure Income Assets) and 100% inflation sensitivity against the Funds' long-term funding targets.

A key risk of using liability-driven investment mandates is that, when interest rates rise, the UK and Overseas funds are required to meet collateral calls. If at some point either of the Funds was unable to do so, it could be forced into reducing its level of hedging. In order to mitigate this risk, the trustees monitor the level of leverage and collateral headroom within each Funds’ liability-driven investment portfolio and holds regular discussions with the investment manager and the Funds’ investment consultant. The trustees note that the Funds have a relatively low level of leverage compared to many other pension schemes and were not forced to reduce hedging during the second half of 2022 when UK Government yields rose significantly.

The latest formal actuarial valuations of the Funds were carried out as at 31 March 2025. The values of the defined benefit net assets have been updated to 31 December 2025 by qualified independent actuaries. As required by IAS 19, the values of the defined benefit obligation and current service cost have been measured using the projected unit credit method. The net charge to the income statement comprises current service cost, the net interest charge on the net defined benefit liability and administration expenses relating to the management of the pension funds. Remeasurement gains and losses are recognised in full, in the period in which they occur, outside the income statement and presented in other comprehensive income.

Notes to the financial statements
(forming part of the financial statements)

The principal actuarial assumptions used in respect of all post-retirement schemes as at the balance sheet date were as follows:

	2025	2024	2023
Discount rate	5.50%	5.50%	4.50%
Retail price inflation	2.8%	3.10%	3.00%
Consumer price inflation	UK and Overseas 2.10%	UK 2.4% Overseas 2.3%	UK and Overseas 2.2%
Expected rate of capped salary increases	2.00%	2.00%	2.00%
Expected rate of increase in pensions in payments:			
Capped at 5.0% per annum	2.70%	3.00%	2.90%
Capped at 2.5% per annum	2.00%	2.10%	2.00%
Life expectancy of a pensioner aged 60:			
Male	28.1	28.4	28.4
Female	30.1	30.1	29.9
Life expectancy of a future pensioner aged 60 (in 20 yrs)			
Male	29.5	29.8	29.7
Female	31.5	31.4	31.3

The CPI inflation assumption is set by assuming it is a fixed amount lower than RPI. Following the Government announcement on 25 November 2020 regarding the future of the Retail Prices Index, the CPI assumption has been set using a different fixed amount before and after 2030. The gap between RPI and CPI is assumed to be 1.1% pa up to 2030 and 0.1% pa thereafter. The figures shown in the table are weighted averages at each date.

The defined benefit liability calculation is sensitive to the actuarial assumptions used above. Those that have the most significant impact on the measurement of the liability are as follows, along with an illustration of the sensitivity of the net liability of the UK Fund to those assumptions:

	2025	2024
	£'000	£'000
0.5% increase in discount rate	(29,700)	(31,700)
0.5% increase in price inflation	22,600	22,900
1 year increase in life expectancy	15,800	17,200

The sensitivities shown above reflect only an estimate of the change in the assessed defined obligation for the UK Fund. In practice, any movement leading to a change in the discount rate or price inflation is likely to be partially offset by a change in asset values, and the corresponding overall impact on the net asset is therefore likely to be lower than the amounts above.

Notes to the financial statements
(forming part of the financial statements)

An illustration of the sensitivity of the net liability of the Overseas Fund to actuarial assumptions is shown below:

	2025 £'000	2024 £'000
0.5% increase in discount rate	(1,030)	(1,071)
0.5% increase in price inflation	801	803
1 year increase in life expectancy	534	574

The movement in the net defined benefit asset is as follows:

	Plan assets £'000	Defined benefit obligations £'000	Net defined benefit asset £'000
At 1 January 2025	**763,130**	**(577,507)**	**185,623**
Current service cost (net of contributions paid by other plan participants)	-	(1,231)	**(1,231)**
Past service costs	-	(260)	**(260)**
Interest income/(cost)	41,160	(30,949)	**10,211**
Re-measurements due to:			
- actual return less interest on plan assets	(2,505)	-	**(2,505)**
- changes in financial assumptions	-	17,642	**17,642**
- changes in demographic assumptions	-	3,596	**3,596**
- experience gains/(losses)	-	(14,150)	**(14,150)**
-Benefits paid	(30,054)	30,054	**-**
Transfer to the DC section to meet DC employer DC contribution	(7,156)	-	**(7,156)**
Contributions by other plan participants	-	-	**-**
Administration expenses	(2,144)	-	**(2,144)**
AT 31 DECEMBER 2025	**762,431**	**(572,805)**	**189,626**

	Plan assets £'000	Defined benefit obligations £'000	Net defined benefit asset £'000
At 1 January 2024	**808,573**	**(648,083)**	**160,490**
Current service cost (net of contributions paid by other plan participants)	-	(1,597)	**(1,597)**
Current service cost relating to other plan participants	-	-	**-**
Interest income/(cost)	35,692	(28,468)	**7,224**
Re-measurements due to:			
- actual return less interest on plan assets	(46,095)	-	**(46,095)**
- changes in financial assumptions	-	69,417	**69,417**
- changes in demographic assumptions	-	(217)	**(217)**
- experience gains/(losses)	-	(42)	**(42)**
-Benefits paid	(31,483)	31,483	**-**
Transfer to the DC section to meet DC employer DC contribution	(1,757)	-	**(1,757)**
Contributions by other plan participants	-	-	**-**
Administration expenses	(1,800)	-	**(1,800)**
AT 31 DECEMBER 2024	**763,130**	**(577,507)**	**185,623**

Notes to the financial statements
(forming part of the financial statements)

At 31 December 2025, the fair value of plan assets comprised:

	UK Fund Quoted market price 2025 £'000	UK Fund Unquoted market price 2025 £'000	Overseas Fund Quoted market price 2025 £'000	Overseas Fund Unquoted market price 2025 £'000	Total 2025 £'000
Equities	-	98,959	-	1,615	100,574
Private Equity Funds	-	61,104	-	1	61,105
Private Market Funds	-	30,147	-	-	30,147
Reinsurance	-	46,151	-	719	46,870
Secure Income Assets	-	68,128	-	3,955	72,083
Illiquid credit	-	38,108	-	10,867	48,975
Diversified Credit	-	49,652	-	740	50,392
UK Corporate Bonds	163,225	-	-	-	163,225
LDI and Gilts	122,836	-	6,954	-	129,790
Cash and liquidity funds	10,582	46,523	153	2,012	59,270
TOTAL	**296,643**	**438,772**	**7,107**	**19,909**	**762,431**

The table above reflects the nature of the assets held by the scheme, whether those are directly held as segregated funds or held via pooled investment vehicles. Quoted and unquoted market prices are disclosed as in an active market. The asset values are based on the position as at 31 December 2025, where available. In cases where the value was not readily available at this date then the most recent value has been used, updated to reflect known cashflow movements.

At 31 December 2024, the fair value of plan assets comprised:

	UK Fund Quoted market price 2024 £'000	UK Fund Unquoted market price 2024 £'000	Overseas Fund Quoted market price 2024 £'000	Overseas Fund Unquoted market price 2024 £'000	Total 2024 £'000
Equities	-	55,228	-	1,426	56,654
Private Equity Funds	-	72,173	-	4	72,177
Private Market Funds	-	30,617	-	-	30,617
Reinsurance	-	42,743	-	663	43,406
Secure Income Assets	-	70,568	-	4,491	75,059
Illiquid credit	-	41,734	-	11,072	52,806
Diversified Credit	-	45,792	-	671	46,463
UK Corporate Bonds	196,216	9,366	-	-	205,582
LDI and Gilts	129,392	-	7,372	-	136,764
Cash and liquidity funds	10,360	31,104	148	1,990	43,602
TOTAL	**335,968**	**399,325**	**7,520**	**20,317**	**763,130**

Equities includes £nil (2024: £nil) of shares in companies that are related parties of the Company.

Notes to the financial statements
(forming part of the financial statements)

Amounts recognised in the income statement are as follows:

	Note	2025 £'000	2024 £'000
Employers' part of current service cost		1,231	1,597
Net interest cost		(10.211)	(7,224)
Administration expenses		2,144	1,800
Past service costs		260	-
TOTAL (INCLUDED IN STAFF COSTS)	**10**	**(6,576)**	**(3,827)**

Amounts recognised in the statement of comprehensive income:

	2025 £'000	2024 £'000
Actuarial (losses) / gains recognised in the period	4,583	23,064
Cumulative actuarial losses recognised in the statement of comprehensive income	(25,093)	(29,676)

As part of the March 2022 triennial actuarial valuations of the UK and Overseas Funds it was agreed that all employer contributions would cease to both schemes with effect from 30 June 2023, subject to the funding position being reviewed on a quarterly basis. No contributions have been paid in respect of the defined benefit section to either fund during 2025. No changes have been made to the contributions schedule per the March 2025 triennial actuarial valuation.

During the last quarter of 2024, the UK Fund began making contributions from its surplus assets to fund the defined contribution section of this scheme. The amount it paid in the year was £7.2m (2024: £1.8m). This is in line with the Schedule of Contributions and Contingency Plan agreed during the year

The Company has assessed that no further liability arises and a surplus can be recognised under IFRIC 14 IAS 19 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction. This conclusion was reached because the trustees of the Funds do not have a unilateral power to wind up the Funds and the Funds' rules allow the Company an unconditional right to a refund assuming the gradual settlement of plan liabilities over time until all members have left the Funds.

The Company is aware of recent litigation concerning the application in the UK of section 37 of the UK's Pension Schemes Act 1993 to certain historic rule amendments and the trustees of the UK Fund have received detailed legal advice on this matter. The trustees have reviewed whether any positive steps are necessary to investigate past actuarial confirmations in relation to any relevant historic changes to the UK Fund's benefits. They have noted that the UK Fund has been stable and professionally advised throughout the relevant period, and there is no reason to believe that the actuarial confirmations required by section 37 have not been properly obtained. Their legal advice supports this. During 2025, a legislative solution has also been proposed which may provide affected schemes with a further opportunity to obtain confirmations retrospectively, albeit exact details remain uncertain. Given these circumstances, NMR does not believe that it needs to take any additional action in relation to this matter. NMR continues to monitor developments in this area.

Defined contribution schemes

	Note	2025 £'000	2024 £'000
Contributions paid	**10**	8,898	8,225

These amounts represent contributions to the defined contribution section of the UK Fund and other defined contribution pension arrangements.

23 Contingent liabilities and commitments

	2025 £'000	2024 £'000
Guarantees		
Guarantees and irrevocable letters of credit	131,080	124,246
Commitments		
Undrawn formal standby facilities, credit lines and other commitments to lend	24,574	8,117

From time to time the Company is involved in judicial proceedings or receives claims arising from the conduct of its business. Based upon available information and, where appropriate, legal advice, provisions are made where it is probable that an outflow of resources will be required, and the amount can be reasonably estimated.

24 Operating lease receivables

Minimum commitments receivable for non-cancellable leases of premises and equipment are as follows:

	2025 £'000	2024 £'000
Up to 1 year	-	91
Between 1 and 5 years	-	365
Over 5 years	-	365
TOTAL	**-**	**821**

During the year, the agreement relating to the sublease of part of the Manchester office was concluded early, all amounts due were fully settled, and the Group has no further contractual commitments arising from this transaction.

Notes to the financial statements (forming part of the financial statements)

25 Distributions

	2025 £'000	2024 £'000
Other equity Interests		
Perpetual Floating Rate Subordinated Loan (US$100 million)	3,777	4,795
Perpetual Fixed Rate Subordinated Loan (£75 million)	-	74
Perpetual Floating Rate Subordinated Loan (€150 million)	4,735	4,293
Perpetual debt distributions	**8,512**	**9,162**
Tax credit thereon	(2,128)	(4,439)
Perpetual debt distributions (net of tax)	**6,384**	**4,723**
Ordinary shares		
Dividends paid	70,000	58,200
TOTAL	**76,384**	**62,923**

The dividends per ordinary share were £1.21 (2024: £1.01).

26 Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise the following balances with an original maturity of less than three months or are readily convertible into cash.

	2025 £'000	2024 £'000
Cash	3	3
Loans and advances - banks	149,396	55,771
Equity securities – money market funds	149,602	98,883
Debt securities - treasury bills	49,479	61,583
TOTAL	**348,480**	**216,240**

For the purposes of its internal liquidity management, the Company considers that its liquidity assets have a broader definition than the statutory measure above of cash and cash equivalents. Its liquidity assets consist of: cash; all loans to bank, including term deposits; and mutual funds measured at FVTPL (comprising AAA money market funds or low-risk treasury credit funds); and its highly liquid securities at amortised cost. These amounts are shown below.

	2025 £'000	2024 £'000
Cash	3	3
Loans and advances – banks (including group lending)	150,009	136,430
Equity securities – money market funds	149,602	98,883
Debt securities - treasury bills	49,479	61,583
TOTAL	**349,093**	**296,899**

Notes to the financial statements (forming part of the financial statements)

27 Transactions with related parties

Key management personnel are the directors of the Company and of parent companies.

	2025 £'000	2024 £'000
Key management personnel compensation:		
Short-term employee benefits	7,754	7,280
Post-retirement benefits	31	39
Other deferred benefits	984	1,520
Non-cash instrument payment benefits	4,443	2,933

Amounts receivable from related parties of the Company are as follows:

	2025		2024	
	Loans and advances £'000	Other assets £'000	Loans and advances £'000	Other assets £'000
Amounts due from parent companies	64,358	2,637	76,845	2,656
Amounts due from subsidiary undertakings	1,096	15,323	1,097	13,597
Amounts due from other related parties	235,264	62,086	236,890	56,581

Amounts receivable include loans to related parties and amounts recoverable from related parties in respect of expenses incurred on their behalf and services provided. Loans are made in the ordinary course of business and on substantially the same terms as comparable transactions with third parties.

Amounts payable to related parties of the Company are as follows:

	2025			2024		
	Due to banks and customers £'000	Perpetual instruments £'000	Other liabilities £'000	Due to banks and customers £'000	Perpetual instruments £'000	Other liabilities £'000
Amounts due to subsidiary undertakings						
- amounts due to parent companies	-	-	42	-	-	208
- subordinated	-	51,725	-	-	51,725	-
- other	3,437	-	28,405	3,987	-	7,046
Amounts due to other related parties						
- subordinated	-	23,860	-	-	23,860	-
- other	71,755	-	37,760	51,388	-	22,593

Amounts payable include intra group borrowings and bank account balances held in the ordinary course of business.

Guarantees made on behalf of and received from related parties of the Company are as follows:

	2025 £'000	2024 £'000
Guarantees made on behalf of subsidiary undertakings	130,867	124,034

The above guarantee of £130,867,000 (2024: £124,034,000) is of perpetual floating rate subordinated notes issued by Rothschild & Co Continuation Finance PLC. The issue proceeds have been placed on deposit with the Company on terms similar to those of the notes issued.

The Company has received guarantees from a fellow subsidiary of Rothschild & Co Concordia SAS in respect of certain customer loans.

Commitments provided to related parties of the Company are as follows:

	2025 £'000	2024 £'000
Undrawn credit commitments	24,572	8,117

The Company has entered into a lease agreement with a fellow subsidiary of Rothschild & Co Concordia SAS for the rental of office space. The lease agreement expires in 2040 and is on normal commercial terms.

Amounts recognised in the income statement of the Company in respect of related party transactions are as follows:

	Parent companies £'000	Subsidiary undertakings £'000	Other related parties £'000	Total £'000
Year to 31 December 2025				
Interest income	4,163	-	12,059	16,222
Interest expense	(2,717)	-	(481)	(3.198)
Fees and commissions income	85	15,200	45,329	60,614
Fees and commissions expense	-	(20,890)	(30,022)	(50,912)
Dividend income	-	-	-	-
Leased property costs	-	-	(13,494)	(13,494)
Recoverable expenses	9,819	5,045	44,005	58,869
Year to 31 December 2024				
Interest income	8,324	-	9,483	17,807
Interest expense	(4,069)	-	(7,581)	(11,650)
Fees and commissions income	89	29,650	46,220	75,959
Fees and commissions expense	-	(13,725)	(42,119)	(55,844)
Dividend income	-	13,230	-	13,230
Depreciation on right of use asset	-	-	(7,856)	(7,856)
Recoverable expenses	9,674	4,163	38,324	52,161

Fees and commission income and expense relate to transactions where the Company has worked in collaboration with other group companies.

In the prior year, amounts disclosed in respect of related party lease arrangements reflected depreciation on right-of-use assets, rather than the lease payments amounting to £13m made during the year. The comparative information has not been restated as it was not considered material.

28 Remuneration of Directors

	2025 £'000	2024 £'000
Directors' emoluments	1,808	1,720
Amounts receivable under deferred bonus schemes	685	405
	2,493	**2,125**
Pension contributions to Defined contribution schemes	17	27
	2,510	**2,152**

The emoluments of the highest paid director were £1,000,000 (2024: £1,000,000).

	2025	2024
Retirement benefits are accruing to the following number of directors under		
Defined Contribution schemes	3	1
Defined Benefit schemes	-	-

29 Share capital

	2025	2024
Allotted, called up and fully paid ordinary shares of £1 each	57,654,551	57,654,551
Authorised		
Ordinary shares of £1 each	199,900,000	199,900,000
Preference shares of £1 each	100,000	100,000

30 Perpetual instruments

	2025 £'000	2024 £'000
Perpetual floating rate subordinated notes (€150 million)	51,725	51,725
Perpetual floating rate subordinated notes (US$100 million)	23,860	23,860
TOTAL	**75,585**	**75,585**

31 Parent undertaking and ultimate holding company

The largest group in which the results of the Company are consolidated is that headed by Rothschild & Co Concordia SAS, incorporated in France, and whose registered office is at 23bis, Avenue de Messine, 75008 Paris. The smallest group in which they are consolidated is that headed by Rothschild & Co SCA, a French private partnership whose registered office is also at 23bis, Avenue de Messine, 75008 Paris. The accounts are available on the Rothschild & Co website at www.rothschildandco.com.

The Company's immediate parent company is Rothschild & Co Continuation Limited, a private company limited by shares and incorporated in England and Wales whose registered office is at New Court, St Swithin's Lane, London, EC4N 8AL.

Notes to the financial statements
(forming part of the financial statements)

32 Subsidiary undertakings

The subsidiary undertakings of the Company as at 31 December 2025 are detailed below. All subsidiary undertakings are registered in England and Wales except where otherwise indicated.

		Percentage ownership %
The following companies are incorporated in England and Wales and have their registered offices at New Court, St Swithin's Lane, London EC4N 8AL:		
Five Arrows Finance Limited		100
Marplace (Number 480) Limited		100
O.C. Investments Limited		100
RJVTMCO UK Limited		99
Rothschild & Co Australia Holdings Limited		100
Rothschild & Co Nominees Limited		50
Rothschild & Co LLP		50
Rothschild & Co Continuation Finance PLC		100
Shield Trust Limited		100
Shield MBCA Limited		100
The following companies are incorporated overseas:		
Rothschild & Co Australia Limited *(incorporated in Australia with registered office at Level 34, Aurora Place, 88 Phillip Street, Sydney, NSW 2000)*		100
Elsinore Part. e Serv. Ltda. *(incorporated in Brazil with registered office at Av. Brigadeiro Faria Lima 2055/18o. Andar, Jardim Paulistano - São Paulo, SP - 01451-000)*		100
	%	**%**
Rothschild & Co Europe B.V. (incorporated in The Netherlands with registered office at Ankersmidplein 2, 1506 CK Zaandam), which owns the following subsidiaries:		50.01
Rothschild & Co Deutschland GmbH (incorporated in Germany with registered office at Börsenstrasse 2-4, 60313 Frankfurt)	100	
Rothschild & Co Italia S.p.A. (incorporated in Italy with registered office at Passaggio Centrale 3 , 20123 - Milan)	90.45	
RothschildCo España S.A. (incorporated in Spain with registered office at Paseo de la Castellana 35, 3 planta, 28046 Madrid)	98	
Rothschild and Co Kurumsal Finansman Hizetleri Limited Sirketi (incorporated in Turkey with registered office at Akmerkez Rezidans Apart Otel No. 14D2, Akmerkez IS Mekezi Yani, Nispetiye Caddesi, 34340 Etiler, Istanbul)	100	
Rothschild & Co Polska Sp. z o.o. (incorporated in Poland with registered office at Rondo 1 Tower, 35th Floor, Warsaw, 00-124)	100	
Rothschild & Co CIS B.V. (incorporated in The Netherlands with registered office at Ankersmidplein 2, 1506 CK Zaandam)	100	
Rothschild & Co Middle East Limited (incorporated in Dubai with registered office at DIFC, Gate Village 7, Level 5, PO Box 506570, Dubai)	100	
Rothschild & Co Doha LLC (incorporated in Qatar with registered office at Office 1429, 14th Floor, PO Box 31316, Affardan Office Towers, West Bay, Doha)	100	
Rothschild & Co Israel B.V. (incorporated in The Netherlands with registered office at Ankersmidplein 2, 1506 CK Zaandam)	100	
Rothschild & Co Nordic AB (incorporated in Sweden with registered office at Strandvagen 1, Stockholm, SE 11451)	100	

33 Events after the reporting period

On 1 January 2026, the Investment Advisory ("IA") business was transferred from Rothschild & Co Equity Markets Solutions Limited ("EMS") to N. M. Rothschild & Sons Limited ("NMR"). The transfer forms part of a wider group reorganisation of EMS and associated global capital market facing activities. The transaction represents an internal transfer of a business under common control. As such, it does not affect the results for the year ended 31 December 2025 but constitutes a non-adjusting post-balance-sheet event. No adjustments have been made to the financial statements as at 31 December 2025.

On 17 March 2026, the Board of Directors approved a dividend of £21,069,000 for the financial year ended 31 December 2025, and the dividend was paid on 18 March 2026. This dividend has not been recognised as a liability in these financial statements, as the obligation to pay this dividend did not exist at the end of the reporting period.

Certificate Of Completion

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Signer Events | Signature | Timestamp

Signer Events	Signature	Timestamp
John King john.king@rothschildandco.com Finance Director John King Security Level: Email, Account Authentication (None)	DocuSigned by: 886B00BDB0BD483... Signature Adoption: Uploaded Signature Image Using IP Address: 24.206.111.251	Sent: 3/19/2026 12:34:00 PM Viewed: 3/19/2026 12:37:31 PM Signed: 3/19/2026 12:39:07 PM

Electronic Record and Signature Disclosure:
Accepted: 3/19/2026 12:37:31 PM
ID: fdf0d90f-09d2-4035-b41b-af852d893fc1

Robert Leitão robert.leitao@rothschildandco.com Security Level: Email, Account Authentication (None)	DocuSigned by: Robert Leitão 011CCEC14106447... Signature Adoption: Pre-selected Style Using IP Address: 162.10.193.21	Sent: 3/19/2026 12:39:17 PM Viewed: 3/19/2026 5:42:16 PM Signed: 3/19/2026 5:42:30 PM

Electronic Record and Signature Disclosure:
Accepted: 3/19/2026 5:42:16 PM
ID: b8a222d8-2e0d-4f13-afad-3f5b7e90460e

Namrata Basker namrata.basker@kpmg.co.uk Security Level: Email, Account Authentication (None)	Signed by: Namrata Basker 84EBB73A15C1494... Signature Adoption: Pre-selected Style Using IP Address: 130.41.187.85	Sent: 3/19/2026 5:42:38 PM Viewed: 3/19/2026 5:45:33 PM Signed: 3/19/2026 6:11:49 PM

Electronic Record and Signature Disclosure:
Accepted: 3/19/2026 5:45:33 PM
ID: e5334aea-372a-41ae-a384-e31576b45d26

In Person Signer Events	Signature	Timestamp

Editor Delivery Events	Status	Timestamp

Agent Delivery Events	Status	Timestamp

Intermediary Delivery Events	Status	Timestamp

Certified Delivery Events	Status	Timestamp

Carbon Copy Events	Status	Timestamp

Witness Events	Signature	Timestamp

Notary Events	Signature	Timestamp

Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	3/19/2026 12:34:00 PM
Certified Delivered	Security Checked	3/19/2026 5:45:33 PM
Signing Complete	Security Checked	3/19/2026 6:11:49 PM
Completed	Security Checked	3/19/2026 6:11:49 PM

Payment Events	Status	Timestamps

Electronic Record and Signature Disclosure

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