Sabre
INSURANCE GROUP

HALF-YEAR REPORT
2025

Half-year Report 2025

Strong margins and earnings on-track for full-year

Good momentum towards Ambition 2030 target

Sabre Insurance Group plc (the “Group” or “Sabre”), one of the UK’s leading motor insurance underwriters, reports its half-year results for the six months ended 30 June 2025.

Key financial and operational highlights

- Healthy premium volumes being written at target margins
- Excellent underwriting performance with net insurance margin in line with target and significant improvement in loss ratio
- Profit before tax of £25.5m, a 26.2% increase on the same period in 2024 (HY 2024: £20.2m)
- Strong solvency underpinned by continued organic capital generation
- Interim dividend increased by 100% and £5m share buyback launched
- Operational and strategic initiatives are on-track, including the successful launch of our direct Motorcycle product
- On track to deliver Ambition 2030 targets, including strong levels of profitability in 2025 and beyond
- Continue to target absolute profit growth through balancing income and margin whilst maintaining resolute underwriting discipline

Geoff Carter, Chief Executive Officer of Sabre, commented:

“I am very pleased with our position at the halfway point of the year. We have continued to write measured but healthy volumes of business at our target loss ratios through the continued soft part of the market pricing cycle. We have maintained cautious claims inflation assumptions, and focussing on margins not volumes will help protect us against any external macro shocks. This also positions us well to resume strong growth as the market cycle turns – which we still anticipate being later this year.

We have continued to make good progress towards our Ambition 2030 targets; in particular, we were pleased with the launch of our direct Motorcycle product which went to market on schedule and has delivered encouraging early results. I expect us to begin testing of differentiated car insurance rates in H2, in-line with the timeline set out at our December 2024 Capital Markets Event.

We have ended the first half of the year in a strong capital position and our first share buyback programme is progressing well. Our interim dividend is double that paid in 2024.

We remain confident of delivering a strong profit in 2025, in-line with 2024, and an attractive dividend. Sabre is well placed to achieve strong levels of absolute profit growth in the years ahead – delivered both by our margin over volume strategy and Ambition 2030 initiatives and targets. This will underpin our commitment to sustainable and attractive total shareholder returns.”

Summary of results

	Unaudited		Audited
	30 June 2025	30 June 2024	31 December 2024
Gross written premium	**£100.3m**	£125.7m	£236.4m
Net insurance margin	**19.0%**	15.7%	17.6%
Net loss ratio	**54.9%**	59.7%	58.7%
Expense ratio	**27.7%**	26.3%	25.5%
Combined operating ratio	**82.6%**	86.0%	84.2%
Profit before tax	**£25.5m**	£20.2m	£48.6m
Profit after tax	**£18.9m**	£15.1m	£36.0m
Interim dividend per share	**3.4p**	1.7p	1.7p
Final ordinary and special dividend per share	**n/a**	n/a	11.3p
Solvency coverage ratio (pre-dividend) (1)	**194.3%**	191.9%	216.6%
Solvency coverage ratio (post-dividend) (1)	**180.9%**	185.2%	171.1%

(1) = 30 June 2025 ratios include the impact of the share buyback. Share buyback not reflected in 2024 ratios.

Strategic initiatives

- We are continuing to follow our long-established strategy of balancing volume and margin in order to maximise absolute profit and returns, and have continued to write comfortable levels of business despite continuing soft market conditions
- We have made solid progress with key strategic initiatives related to our “Ambition 2030” – to deliver a profit before tax of at least £80m in 2030:
  - ‘Sabre Direct’ Motorcycle brand launched
  - Pricing platform enhancements due to begin testing later in 2025
- All initiatives remain on-track with the timetable set out at our Capital Markets Event in December 2024

Market trends

- Following price reductions across the market in 2024 and early 2025, price decreases appear to have slowed or stopped in recent months, supporting our view that premium increases should return in H2 2025. We are well placed to return to growth in as market conditions improve
- Claims inflation has continued at elevated levels in 2025, which we consider is at mid-to-high single-digits
- We have maintained our cautious approach to pricing and reserving, fully covering the cost of claims
- We continue to expect market pricing to increase to meet the inflating cost of claims as the delta between pricing and claims costs has widened during 2025

Performance in 2025

- We have delivered a net insurance margin well inside our 18% to 22% target range, with continued improvement in loss ratio, particularly in core Motor Vehicle where we recorded a net loss ratio of 48.1% (HY 2024: 56.7%)
- Overall net loss ratio of 54.9% shows on-target performance across the business as a whole. Impact of a small number of large claims on Motorcycle and Taxi has obscured good underlying profitability in those products, which remain a small part of total income for the Group
- In-line with Sabre's strategy, premium levels have been allowed to reduce whilst market conditions are weak, ready to return to growth when market conditions are favourable

Shareholder returns

- Continued strong solvency position of 194.3% pre-dividend, 180.9% post-dividend, reflecting our robust underwriting performance, which continues to generate capital
- Interim dividend of 3.4p per share (2024: 1.7p per share)
- Share buyback commenced on 1st July 2025 and is progressing well

Legal and regulatory environment

- On 22nd July 2025, the FCA published a suite of documents outlining their "Roadmap for Retail Insurance" including an analysis of claims costs, an interim report on the study into premium financing and an evaluation of the General Insurance Pricing Practices Remedies
- We were encouraged to see the FCA confirm that claims inflation, and the compensating premium increases, were being primarily driven by external factors largely outside of insurers' direct control
- The FCA also confirmed that it is unlikely to make material market-wide interventions around the provision of premium finance, and we expect action to be taken on an individual firm basis where required. The existing Consumer Duty and Fair Value rules should be sufficient to address this
- Sabre employs a robust Consumer Duty framework and therefore we do not anticipate any material impact on Group profit regardless of the approach taken. We are pleased with this significant reduction in regulatory uncertainty

Outlook

- We remain confident in our ability to deliver at least £80m of profit before tax in 2030
- More material contribution to premium from Ambition 2030 initiatives expected from 2026 onwards
- Guidance reiterated for the full-year:
  - Anticipate net insurance margin within our target range
  - Expect gross written premium to be slightly lower than 2024 given relatively weaker market conditions in H1 2025
- Forward-looking claims inflation in mid-to-high single-digits

There will be a call for analysts and investors at 0930hrs on Thursday, 31 July 2025. For details, please contact sabre@teneo.com or find the registration link here: **Results Presentation**

Enquiries

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Dividend calendar

2025 Interim Dividend Payment Dates

Ex-dividend date:	21 August 2025
Record date:	22 August 2025
Payment date:	24 September 2025

This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) No 596/2014.

The Sabre Insurance Group plc LEI number is 2138006RXRQ8P8VKGV98.

FORWARD-LOOKING STATEMENTS DISCLAIMER

Cautionary statement

This announcement may include statements that are, or may be deemed to be, “forward-looking statements”. These forward-looking statements may be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “plans”, “projects”, “anticipates”, “expects”, “intends”, “may”, “will” or “should” or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements include all matters that are not historical facts and involve predictions. Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements reflect Sabre’s current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to Sabre’s business, results of operations, financial position, prospects, growth or strategies and the industry in which it operates.

Forward-looking statements speak only as of the date they are made and cannot be relied upon as a guide to future performance. Save as required by law or regulation, Sabre disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements in this announcement that may occur due to any change in its expectations or to reflect events or circumstances after the date of this announcement.

Financial and business review

Highlights

	Unaudited		Audited
	30 June 2025	30 June 2024	31 December 2024
Gross written premium [1]	**£100.3m**	£125.7m	£236.4m
Net insurance margin [1]	**19.0%**	15.7%	17.6%
Net loss ratio [1]	**54.9%**	59.7%	58.7%
Combined operating ratio [1]	**82.6%**	86.0%	84.2%
IFRS profit before tax	**£25.5m**	£20.2m	£48.6m
IFRS profit after tax	**£18.9m**	£15.1m	£36.0m
Solvency coverage ratio (pre-dividend) [1] [2]	**194.3%**	191.9%	216.6%
Solvency coverage ratio (post-dividend) [1] [2]	**180.9%**	185.2%	171.1%

(1) = Alternative performance metrics are reconciled to the IFRS reported figures in the Financial Reconciliations section
(2) = 30 June 2025 ratios include the impact of the share buyback. Share buyback not reflected in 2024 ratios.

In the first half of 2025 Sabre has delivered a profit before tax of £25.5m, a 26.2% increase on the same period in 2024 and a demonstration of the strength of Sabre's model, having been achieved during the weakest part of the current pricing cycle, during which prices have fallen in 2024 and 2025 to date. In-line with Sabre's strategy, premium levels have been allowed to reduce whilst market conditions are weak. The Group has reported a net insurance margin of 19.0%, comfortably within the target range of 18% to 22% set out at the December 2024 Capital Markets Event. Sabre remains on track to deliver a strong profit for the full-year as we progress towards the Ambition 2030 target of a profit before tax of at least £80m in 2030.

The £5m share buyback programme announced at the year-end results began on 1st July following regulatory approval and is progressing well. The full impact of the share buyback is reflected in both our pre- and post-dividend capital ratios of 194.3% and 180.9% respectively. Capital generation has been strong as expected in the first half of the year, and we have announced an interim dividend of 3.4p per share in-line with our policy. We will consider an appropriate allocation and distribution of any excess capital at our year-end results.

Insurance revenue

	Unaudited		Audited
	30 June 2025	30 June 2024	31 December 2024
Gross written premium	**£100.3m**	£125.7m	£236.4m
Movement in unearned element of liability for remaining coverage	**£10.2m**	(£5.8m)	£7.2m
Gross earned premium	**£110.5m**	£119.9m	£243.6m
Customer instalment income	**£1.9m**	£2.0m	£4.5m
Insurance revenue	**£112.4m**	£121.9m	£248.1m
Reinsurance expense	**(£13.3m)**	(£18.8m)	(£33.6m)
Net insurance revenue	**£99.1m**	£103.1m	£214.5m
Gross written premium by product			
Motor vehicle	**£87.4m**	£112.0m	£209.9m
Motorcycle	**£5.9m**	£5.6m	£9.7m
Taxi	**£7.0m**	£8.1m	£16.8m
Policy counts by product			
Motor vehicle ('000)	**199**	237	217
Motorcycle ('000)	**39**	41	38
Taxi ('000)	**10**	11	11

We have continued to write comfortable levels of premium in the first half of 2025, against a backdrop of continued under-pricing across the market, with decreases in average premiums across the period unreflective of the increasing costs of servicing policies – a trend which we expect to reverse during the second half of this year. Having protected our margins through reflecting the actual cost of claims in our pricing, which ultimately optimises profit, we have seen volumes dip in an expected and manageable fashion – and are ready to return to growth when market conditions become more favourable.

As set out at the December 2024 Capital Markets Event we expect to implement our 'Ambition 2030' initiatives carefully over the next two years and expect to see the benefits from these from 2026 onwards. The new Motorcycle product, 'Sabre Direct', launched successfully in April and is showing great potential, but volumes are being kept at deliberately low levels whilst we gain comfort in the accuracy of our pricing models and underwriting processes. The enhanced pricing infrastructure, which will allow us to expand our competitiveness, remains on-track to test in the later part of this year, with implementation expected in 2026.

The Motorcycle and Taxi books overall remain a small part of total income, with Taxi remaining at relatively low levels whilst market premiums remain unattractive.

The 'unearned' element of the liability for remaining coverage represents the element of written premium covering future periods, which has the effect of smoothing gross earned premium ("GEP") (and therefore insurance revenue) over time, so where there is a big change in written premium, insurance revenue will change more slowly.

Customer instalment income reflects the interest income charged on instalment policies and remains a relatively small percentage of the Group's total insurance revenue.

Insurance expense

	Unaudited		Audited
	30 June 2025	30 June 2024	31 December 2024
Undiscounted gross claims incurred	**£84.1m**	£88.6m	£143.7m
Discounting [1]	**(£8.8m)**	(£3.6m)	(£14.2m)
Directly attributable expenses	**£3.8m**	£3.8m	£7.0m
Amortisation of insurance acquisition costs	**£8.5m**	£8.8m	£18.2m
Insurance service expense	**£87.6m**	£97.6m	£154.7m
Undiscounted reinsurance recoveries	**(£30.7m)**	(£28.7m)	(£21.5m)
Discounting [1]	**£5.3m**	£1.6m	£8.4m
Net insurance expense	**£62.2m**	£70.5m	£141.6m
Current-year net loss ratio [2]	**61.2%**	59.3%	58.2%
Prior-year net loss ratio [2]	**(6.3%)**	0.4%	0.5%
Financial-year net loss ratio [2]	**54.9%**	59.7%	58.7%
Net loss ratio by product			
Motor vehicle	**48.1%**	56.7%	56.1%
Motorcycle	**104.2%**	110.6%	58.6%
Taxi	**111.1%**	68.3%	95.7%
Discounted ratios			
Discounted financial-year net loss ratio	**51.3%**	57.3%	55.4%

(1) Includes discounting on Periodic Payment Orders ("PPOs")
(2) Calculation of undiscounted net loss ratio allows for the impact of discounting on long-term non-life annuities, Periodic Payment Orders ("PPOs"), consistent with presentation under IFRS 4.

Sabre delivered an excellent underwriting performance in the first half of 2025, with a return to releases from prior-years, an overall undiscounted prior-year loss ratio of (6.3%), and an overall loss ratio of 54.9%, allowing the Group to deliver a net insurance margin of 19.0%, within its target range of 18% to 22% despite a slight increase in expense ratio to 27.7% resulting primarily from the decrease in net earned premium.

The core Motor Vehicle loss ratio was particularly strong, at 48.1%, an improvement of 8.6 ppts over the same period in 2024. This is the result of the current year performing as expected and slightly higher than normal releases from prior years. Motorcycle and Taxi loss ratios have been impacted by a small number of large claims, which has an outsized impact on the half-year loss ratios over the 6-month period where earned premium is very low. We don't see the relatively poor loss ratios reported at the interim as being indicative of the overall performance of these books, with Motorcycle business in particular expected to perform well across the full-year. We remain cautious on the Taxi business given wider market conditions.

Other operating expenditure

	Unaudited		Audited
	30 June 2025	30 June 2024	31 December 2024
Employee expenses	**£8.9m**	£8.0m	£15.4m
IT expenses	**£3.5m**	£3.3m	£6.8m
Industry levies	**£3.1m**	£2.9m	£6.0m
Policy servicing costs	**£0.8m**	£1.5m	£3.2m
Other operating expenses	**£2.1m**	£2.0m	£3.9m
Before adjustment for directly attributable claims expenses	**£18.4m**	£17.7m	£35.3m
Reclassification of directly attributable claims expenses	**(£3.8m)**	(£3.8m)	(£7.0m)
Total other operating expenses	**£14.6m**	£13.9m	£28.3m
Expense ratio	**27.7%**	26.3%	25.5%

The expense ratio has increased slightly to 27.7% against 26.3% for the last full-year. This is due to the decrease in insurance revenue set against normal inflationary increases in the Group's operating expense base. Whilst the Group maintains a high proportion of variable costs (in particular acquisition costs) which significantly decrease the impact of volume-based leverage, a small increase in expense ratio is expected when market conditions are less favourable.

Overall, the cost base remains tightly controlled, with no unusual or unexpected expenditure. The Group continues to invest in recruiting and retaining top talent across the business and in building and maintaining its secure IT platforms. The impact of this investment on the overall expense base remains small.

Other income

	Unaudited		Audited
	30 June 2025	30 June 2024	31 December 2024
Interest revenue calculated using the effective interest method	**£5.7m**	£3.5m	£7.9m
Other income	**£0.3m**	£0.4m	£0.7m
Total interest and other income	**£6.0m**	£3.9m	£8.6m

	Unaudited		Audited
	30 June 2025	30 June 2024	31 December 2024
Insurance finance expense for insurance contracts issued	**(£5.1m)**	(£4.1m)	(£8.4m)
Reinsurance finance income for reinsurance contracts held	**£2.1m**	£1.9m	£3.7m
Net insurance finance result	**(£3.0m)**	(£2.2m)	(£4.7m)

Interest revenue

Interest revenue reflects the yield achieved across the Group's investment portfolio. The increase in interest revenue reflects the higher yield gained through reinvesting matured assets as well as an increase in the total assets invested during the year. The Group's investment strategy remains unchanged, being invested in a low-risk mix of UK Government bonds, other government-backed securities and diversified investment-grade corporate bonds.

Fair value gains and losses are taken through Other Comprehensive Income and largely reflect market movements in the yields of risk-free and low-risk assets. We do not expect to realise any material market value movements within profit.

Other income

Other income, related to non-insurance revenue earned such as product fees (excluding instalment interest) and commissions, remains a very small element of the Group's income.

Net insurance finance result

Net insurance finance result reflects the run-off of discounting applied to insurance liabilities under IFRS 17. As cash flows move towards settlement, the total level of discounting is reduced and this reduction is reflected here. We generally expect the overall impact of IFRS 17 discounting (the net of the discounting credit on claims and the insurance finance expense) to be immaterial in the context of the overall Group result.

Taxation

In the first half of 2025 the Group recorded a corporation tax expense of £6.5m (HY 2024: £5.1m), with an effective tax rate of 25.7%, (HY 2024: 25.3%). It is slightly higher than the current 25% UK rate of corporation tax mainly due to the Group's employee share schemes. The Group has not entered into any complex or unusual tax arrangements during the period.

Earnings per share

	Unaudited		Audited
	30 June 2025	30 June 2024	31 December 2024
Basic earnings per share	**7.64p**	6.08p	14.48p
Diluted earnings per share	**7.55p**	6.04p	14.37p

Basic earnings per share of 7.64p is proportionate to profit after tax. Diluted earnings per share is similarly proportionate to profit after tax, taking into account the potentially dilutive effect of the Group's share schemes. No shares have been issued or cancelled during the period, however we expect the number of shares in issue to reduce in the second half of 2025 due to the ongoing share buyback programme that started on 1 July 2025.

Cash and investments

	Unaudited		Audited
	30 June 2025	30 June 2024	31 December 2024
Government bonds	**£114.4m**	£109.5m	£112.8m
Government-backed securities	**£100.3m**	£98.7m	£103.3m
Corporate bonds	**£91.7m**	£81.4m	£95.1m
Cash and cash equivalents	**£35.6m**	£37.5m	£31.3m

The level of cash retained reflects Sabre's normal liquidity requirements and there has been no change in the overall investment strategy, with UK Government bonds and other government-backed assets remaining the majority of the portfolio, with c.30% of invested assets held in investment-grade corporate bonds.

Insurance liabilities

	Unaudited		Audited
	30 June 2025	30 June 2024	31 December 2024
Gross insurance liabilities	**£421.6m**	£421.2m	£397.9m
Reinsurance assets	**(£178.4m)**	(£179.8m)	(£160.8m)
Net insurance liabilities	**£243.2m**	£241.4m	£237.1m

The Group's net insurance liabilities continue to reflect the underlying profitability and volume of business written. Generally, the gross insurance liabilities are more volatile and impacted by the receipt and settlement of individually large claims. The level of net insurance liabilities held remains broadly proportionate to the volume of business written along with the inflation applied to claims costs.

Leverage

The Group continues to hold no external debt. All of the Group's capital is considered Tier 1 under the UK regulatory regime. The Directors continue to hold the view that this allows the greatest operational flexibility for the Group.

Dividends and solvency

	Unaudited		Audited
	30 June 2025	30 June 2024	31 December 2024
Interim ordinary dividend (proposed)	**3.4p**	1.7p	1.7p
Final ordinary dividend (paid)	**–**	–	8.4p
Total ordinary dividend (paid and proposed)	**3.4p**	1.7p	10.1p
Special dividend (paid)	**–**	–	2.9p
Total dividend (paid and proposed)	**3.4p**	1.7p	13.0p

The interim dividend proposed is in line with the Group's current policy to pay an ordinary interim dividend equal to one third of the prior-year's full interim dividend.

Note that the Group disclosed at its full-year results that from 2025 onwards, the Group has increased the maximum ordinary dividend to 80% of profit after tax. This allows for an ordinary dividend much closer to historical levels of distribution.

Excluding the capital required to pay this interim dividend, the Group's SCR coverage ratio at 30 June 2025 is 180.9%. The Group has received regulatory approval for the £5m buyback programme announce at the full-year results and is currently proceeding with that programme as planned. The programme is expected to be completed well in advance of the end-date of 31 December 2025.

Condensed Consolidated Profit or Loss Account

For the six months ended 30 June 2025

	Notes	30 June 2025 £'k	30 June 2024 £'k	31 December 2024 £'k
Insurance revenue		**112,406**	121,852	248,131
Insurance service expense		**(87,560)**	(97,646)	(154,661)
Insurance service result before reinsurance contracts held		**24,846**	24,206	93,470
Reinsurance expense		**(13,292)**	(18,755)	(33,617)
Amounts recoverable from reinsurers for incurred claims		**25,392**	27,127	13,026
Net income from reinsurance contracts held		**12,100**	8,372	(20,591)
Insurance service result		**36,946**	32,578	72,879
Interest income on financial assets using effective interest rate method	4.4	**5,743**	3,495	7,926
Net losses on derecognition of debt securities measured at FVOCI	4.5	**(9)**	–	–
Total investment income		**5,734**	3,495	7,926
Insurance finance expense from insurance contracts issued		**(5,061)**	(4,111)	(8,392)
Reinsurance finance income from reinsurance contracts held		**2,108**	1,892	3,714
Net insurance finance result		**(2,953)**	(2,219)	(4,678)
Net insurance and investment result		**39,727**	33,854	76,127
Other income	6	**336**	427	740
Other operating expenses	7	**(14,598)**	(14,069)	(28,305)
Profit before tax		**25,465**	20,212	48,562
Income tax expense	8	**(6,546)**	(5,106)	(12,601)
Profit for the period attributable to ordinary shareholders		**18,919**	15,106	35,961
Basic earnings per share (pence per share)		**7.64**	6.08	14.48
Diluted earnings per share (pence per share)		**7.55**	6.04	14.37

Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2025

	Notes	30 June 2025 £'k	30 June 2024 £'k	31 December 2024 £'k
Profit for the period attributable to ordinary shareholders		**18,919**	15,106	35,961
Items that are or may be reclassified subsequently to Profit or Loss				
Unrealised fair value gains on debt securities	4.5	**4,025**	819	3,774
Realised losses on derecognition of debt securities reclassified to Profit or Loss	4.5	**9**	–	–
Tax charge		**(1,006)**	(205)	(944)
Debt securities at fair value through other comprehensive income		**3,028**	614	2,830
Insurance finance (expense)/income from insurance contracts issued		**(2,750)**	3,298	6,852
Reinsurance finance income/(expense) from reinsurance contracts held		**1,534**	(2,127)	(5,880)
Tax credit/(charge)		**304**	(293)	395
Net insurance finance result		**(912)**	878	1,367
Total other comprehensive income for the period, net of tax		**2,116**	1,492	4,197
Total comprehensive income for the period attributable to ordinary shareholders		**21,035**	16,598	40,158

Condensed Consolidated Statement of Financial Position

As at 30 June 2025

	Notes	30 June 2025 £'k	30 June 2024 £'k	31 December 2024 £'k
Assets				
Cash and cash equivalents	4.1	**35,626**	37,469	31,314
Debt securities at fair value through other comprehensive income	4.2	**306,436**	289,553	311,184
Receivables	4.3	**50**	58	32
Current tax assets		**–**	2,281	997
Reinsurance contract assets	3.1	**178,396**	179,838	160,758
Property, plant and equipment		**4,144**	4,283	4,204
Deferred tax assets		**–**	167	265
Other assets		**2,565**	2,186	778
Goodwill		**156,279**	156,279	156,279
Total assets		**683,496**	672,114	665,811
Liabilities				
Payables	5	**12,291**	8,561	6,995
Current tax liability		**223**	–	–
Insurance contract liabilities	3.1	**421,582**	421,184	397,924
Deferred tax liability		**270**	–	–
Other liabilities		**2,792**	3,303	2,546
Total liabilities		**437,158**	433,048	407,465
Equity				
Issued share capital		**250**	250	250
Own shares		**(3,354)**	(2,722)	(3,112)
Merger reserve		**48,525**	48,525	48,525
FVOCI reserve		**(36)**	(5,280)	(3,064)
Insurance/Reinsurance finance reserve		**2,694**	3,117	3,606
Share-based payments reserve		**2,359**	1,834	2,620
Retained earnings		**195,900**	193,342	209,521
Total equity		**246,338**	239,066	258,346
Total liabilities and equity		**683,496**	672,114	665,811

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025

	Share capital	Own shares	Merger reserve	FVOCI reserve	Insurance/ Reinsurance finance reserve	Share-based payments reserve	Retained earnings	Total equity
	£'k	£'k	£'k	£'k	£'k	£'k	£'k	£'k
Balance as at 31 December 2023	250	(3,121)	48,525	(5,894)	2,239	2,686	197,727	242,412
Profit for the period attributable to the owners of the Company	–	–	–	–	–	–	15,106	15,106
Total other comprehensive income for the period, net of tax: Items that are or may be reclassified subsequently to Profit or Loss	–	–	–	614	878	–	–	1,492
Total comprehensive income for the period	–	–	–	614	878	–	15,106	16,598
Share-based payment expense	–	–	–	–	–	(852)	631	(221)
Net movement in own shares	–	399	–	–	–	–	–	399
Dividends paid	–	–	–	–	–	–	(20,122)	(20,122)
Balance as at 30 June 2024	250	(2,722)	48,525	(5,280)	3,117	1,834	193,342	239,066
Profit for the period attributable to the owners of the Company	–	–	–	–	–	–	20,855	20,855
Total other comprehensive income for the period, net of tax: Items that are or may be reclassified subsequently to Profit or Loss	–	–	–	2,216	489	–	–	2,705
Total comprehensive income for the period	–	–	–	2,216	489	–	20,855	23,560
Share-based payment expense	–	–	–	–	–	786	(449)	337
Net movement in own shares	–	(390)	–	–	–	–	–	(390)
Dividends paid	–	–	–	–	–	–	(4,227)	(4,227)
Balance as at 31 December 2024	250	(3,112)	48,525	(3,064)	3,606	2,620	209,521	258,346
Profit for the period attributable to the owners of the Company	–	–	–	–	–	–	**18,919**	**18,919**
Total other comprehensive income for the period, net of tax: Items that are or may be reclassified subsequently to Profit or Loss	–	–	–	**3,028**	**(912)**	–	–	**2,116**
Total comprehensive income for the period	–	–	–	**3,028**	**(912)**	–	**18,919**	**21,035**
Share-based payment expense	–	–	–	–	–	**(261)**	**451**	**190**
Net movement in own shares	–	**(242)**	–	–	–	–	–	**(242)**
Share buyback [(1)]	–	–	–	–	–	–	**(5,000)**	**(5,000)**
Dividends paid	–	–	–	–	–	–	**(27,991)**	**(27,991)**
Balance as at 30 June 2025	**250**	**(3,354)**	**48,525**	**(36)**	**2,694**	**2,359**	**195,900**	**246,338**

(1) On 30 June 2025, Sabre Insurance Group plc entered into an irrevocable agreement to acquire £5m of ordinary shares for cancellation. Accordingly, a liability of £5m has been recorded in the balance sheet with a corresponding amount in equity. As at 30 June 2025, £0m of shares had been acquired under the programme (see Note 11 for further information).

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

	30 June 2025 £'k	30 June 2024 £'k	31 December 2024 £'k
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax for the period	**25,465**	20,212	48,562
Adjustments for:			
Depreciation of property, plant and equipment	**73**	105	184
Share-based payment – equity-settled schemes	**1,006**	822	1,607
Investment return	**(5,089)**	(2,632)	(6,458)
Expected credit loss	**–**	–	5
Operating cash flows before movements in working capital	**21,455**	18,507	43,900
Movements in working capital:			
Change in receivables	**(18)**	29	55
Change in reinsurance contract assets	**(16,104)**	(15,239)	88
Change in other assets	**(1,787)**	(1,412)	(4)
Change in payables	**296**	(1,139)	(2,705)
Change in insurance contract liabilities	**20,908**	49,643	29,937
Change in other liabilities	**246**	116	(641)
Cash generated from operating activities before investment of insurance assets	**24,996**	50,505	70,630
Taxes paid	**(5,493)**	(5,926)	(12,286)
Net cash generated from operating activities before investment of insurance assets	**19,503**	44,579	58,344
Interest and investment income received	**4,262**	2,121	5,248
Proceeds from the sale and maturity of invested assets	**43,903**	17,908	98,656
Purchases of invested assets	**(34,283)**	(41,452)	(140,180)
Net cash generated from operating activities	**33,385**	23,156	22,068
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment	**(13)**	–	–
Net cash used by investing activities	**(13)**	–	–
CASH FLOWS FROM FINANCING ACTIVITIES			
Net cash used in acquiring and disposing of own shares	**(1,069)**	(644)	(1,484)
Dividends paid	**(27,991)**	(20,122)	(24,349)
Net cash used by financing activities	**(29,060)**	(20,766)	(25,833)
Net increase in cash and cash equivalents	**4,312**	2,390	(3,765)
Cash and cash equivalents at the beginning of the period	**31,314**	35,079	35,079
Cash and cash equivalents at the end of the period	**35,626**	37,469	31,314

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

1. General information

The Condensed Consolidated Interim Financial Statements comprise the results and balances of the Group for the six-month period ended 30 June 2025, the comparative period for the six months ended 30 June 2024 and the year ended 31 December 2024. The information in the Condensed Consolidated Interim Financial Statements is unaudited and does not constitute statutory accounts as defined in s.434 of the Companies Act 2006. The independent auditor's report on the Group accounts for the year ended 31 December 2024 is unqualified, does not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report and does not include a statement under s.498(2) or (3) of the Companies Act 2006.

2. Accounting policies

2.1. Basis of preparation

The Condensed Consolidated Interim Financial Statements have been prepared and approved by the Directors in accordance with UK-adopted International Accounting Standard 34 ('Interim Financial Reporting'). As required by the Disclosure Guidance and Transparency Rules sourcebook of the UK's Financial Conduct Authority, these Condensed Consolidated Interim Financial Statements have been prepared applying the accounting policies and presentation that will be applied in the preparation of the Annual Financial Statements of the Group and will be prepared in accordance and fully comply with UK-adopted international accounting standards, comprising International Accounting Standards ('IAS') and International Financial Reporting Standards ('IFRSs'). The Annual Financial Statements were prepared in accordance with the going concern principle using the historical cost basis, except for those financial assets that have been measured at fair value.

The accounting policies applied in the preparation of the Condensed Consolidated Interim Financial Statements are consistent with those accounting policies applied in the preparation of the 31 December 2024 Annual Report and Accounts, expect for those referred to in 2.3 below.

The Condensed Consolidated Interim Financial Statements values are presented in Pounds Sterling (£) rounded to the nearest thousand (£'k), unless otherwise indicated. The Group does not consider it is exposed to material seasonal volatility in its financial results.

2.2. Going concern

The Condensed Consolidated Interim Financial Statements have been prepared on a going concern basis. Having assessed the Group's forecasts, projections and principal risks of the Group over the full duration of the planning cycle, the Directors have a reasonable expectation that the Group will continue in operation for at least 12 months from the date the Directors approved these Condensed Consolidated Financial Statements and that therefore it is appropriate to adopt a going concern basis for the preparation of these Condensed Consolidated Interim Financial Statements.

The Group's Principal Risks and Uncertainties are outlined in the Strategic Report of the 31 December 2024 Annual Report and Accounts and have not changed since the last reporting date. The principal risks are:

- Insurance
- Operations
- Finance and Capital
- IT and Systems
- Regulatory, Governance and Compliance
- People
- Macro risks
    - Climate change
    - Inflation and interest rate increases
    - Geo-political instability

2.3. New and amended standards and interpretations adopted by the Group

Amendments to IFRS

The following amended standards became effective for the year ended 31 December 2025:

- Lack of Exchangeability (Amendments to IAS 21)

The amendments have not had a material impact on the Group.

2.4. New and amended standards and interpretations not yet effective in 2025

A number of new standards and interpretations adopted by the UK which are not mandatorily effective, as well as standards' interpretations issued by the IASB but not yet adopted by the UK, have not been applied in preparing these financial statements. The Group does not plan to adopt these standards early; instead, it expects to apply them from their effective dates as determined by their dates of UK endorsement. The Group is reviewing the upcoming standards to determine their impact:

- IFRS 18 Presentation and Disclosure in Financial Statements – Effective 1 January 2027, with retrospective application – IFRS 18, which replaces IAS 1 "Presentation of Financial Statements", introduces new requirements for presentation and disclosure in the financial statements, with a focus on the Profit or Loss Account. Items in the Profit of Loss Account will be classified into one of five categories: operating, investing, financing, income taxes and discontinued operations, of which the first three are new. It also requires the disclosure of newly defined management-derived performance measures, how these are calculated and why these provide useful information, reconciled to the IFRS reporting. As a presentation and disclosure standard, the implementation of IFRS 18 will not affect the Group's results. The Group is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

3. Insurance liabilities and reinsurance assets

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

There have been no significant changes to the principles, estimates and judgements used in applying the Group's accounting policies during the period. Full details of these critical accounting estimates and judgements are disclosed on pages 151 to 153 of the Group's Annual Report and Accounts 2024.

Discount rates

Discount rates applied for discounting future cash flows are listed below:

	30 June 2025				30 June 2024				31 December 2024			
	1 year	3 years	5 years	10 years	1 year	3 years	5 years	10 years	1 year	3 years	5 years	10 years
Motor insurance	4.05%	3.84%	3.91%	4.29%	5.12%	4.48%	4.19%	4.09%	4.70%	4.39%	4.28%	4.31%

Risk adjustment for non-financial risk

The Group has estimated the risk adjustment using a methodology which targets a confidence level (probability of sufficiency) approach between the 80th and 90th percentile. At 30 June 2025, the risk margin applied equates to an approximate confidence interval of 82.2% (30 June 2024: 82.1% / 31 December 2024: 80.6%) That is, the Group has assessed its indifference to uncertainty for all product lines (as an indication of the compensation that it requires for bearing non-financial risk) as being equivalent to the 80th to 90th percentile confidence level less the mean of an estimated probability distribution of the future cash flows.

3.1. Composition of the Statement of Financial Position

An analysis of the amounts presented on the Statement of Financial Position for insurance contracts is included in the table below.

	Notes	30 June 2025 £'k	30 June 2024 £'k	31 December 2024 £'k
Insurance contract liabilities				
Insurance contract liabilities				
Motor Vehicle insurance		**335,289**	366,778	334,767
Motorcycle insurance		**37,935**	35,653	34,321
Taxi insurance		**56,584**	28,241	37,308
Asset for insurance acquisition cash flows				
Motor Vehicle insurance	3.3	**(6,174)**	(7,435)	(6,488)
Motorcycle insurance	3.3	**(1,107)**	(1,011)	(880)
Taxi insurance	3.3	**(945)**	(1,042)	(1,104)
Total insurance contract liabilities	3.2.1	**421,582**	421,184	397,924
Reinsurance contracts assets				
Motor Vehicle insurance		**133,571**	158,694	133,974
Motorcycle insurance		**16,224**	13,819	15,018
Taxi insurance		**28,601**	7,325	11,766
Total reinsurance contract assets	3.2.2	**178,396**	179,838	160,758

3.2. Movement in insurance and reinsurance contract balances

3.2.1. Insurance contracts issued

	30 June 2025 £'k	30 June 2024 £'k	31 December 2024 £'k
Opening insurance contract liabilities	**397,924**	374,839	374,839
Insurance revenue	**(112,406)**	(121,852)	(248,131)
Insurance service expenses	**87,560**	97,646	154,661
Incurred claims and other directly attributable expenses	**85,777**	73,326	142,775
Changes that relate to past service – changes in the FCF relating to the LIC	**(6,691)**	15,538	(6,280)
Amortisation of insurance acquisition cash flows	**8,474**	8,782	18,166
Insurance service result	**(24,846)**	(24,206)	(93,470)
Insurance finance expense recognised in Profit or Loss Account	**5,061**	4,111	8,392
Insurance finance expense/(income) recognised in Other Comprehensive Income	**2,750**	(3,298)	(6,852)
Total changes in Comprehensive Income	**(17,035)**	(23,393)	(91,930)
Cash flows			
Premiums received	**100,927**	130,713	254,389
Claims and other insurance services expenses paid	**(52,006)**	(51,438)	(121,469)
Insurance acquisition cash flows	**(8,228)**	(9,537)	(17,905)
Total cash flows	**40,693**	69,738	115,015
Closing insurance contract liabilities	**421,582**	421,184	397,924

3.2.2. Reinsurance contracts held

	30 June 2025 £'k	30 June 2024 £'k	31 December 2024 £'k
Opening reinsurance contract assets	**160,758**	166,726	166,726
Net income from reinsurance contracts held	**12,100**	8,372	(20,591)
Reinsurance expense	**(13,292)**	(18,755)	(33,617)
Incurred claims recovery	**25,161**	11,752	19,438
Changes that relate to past service	**231**	15,375	(6,412)
Reinsurance finance income recognised in Profit or Loss Account	**2,108**	1,892	3,714
Reinsurance finance income/(expense) recognised in Other Comprehensive Income	**1,534**	(2,127)	(5,880)
Total changes in Comprehensive Income	**15,742**	8,137	(22,757)
Cash flows			
Premiums paid	**6,106**	6,043	34,992
Recoveries received	**(4,210)**	(1,068)	(18,203)
Total cash flows	**1,896**	4,975	16,789
Closing reinsurance contract assets	**178,396**	179,838	160,758

3.3. Assets for insurance acquisition cash flows

	£'k
Balance as at 31 December 2023	8,733
Amounts incurred during the period	9,537
Amounts derecognised and included in measurement of insurance contracts	(8,782)
Balance as at 30 June 2024	9,488
Amounts incurred during the period	8,368
Amounts derecognised and included in measurement of insurance contracts	(9,384)
Balance as at 31 December 2024	8,472
Amounts incurred during the period	**8,228**
Amounts derecognised and included in measurement of insurance contracts	**(8,474)**
Balance as at 30 June 2025	**8,226**

3.4. Insurance revenue and expenses – Segmental disclosure

An analysis of insurance revenue, insurance service expenses and net income/(expense) from reinsurance contracts held is included in the tables below.

The Group provides short-term motor insurance to clients, which comprises three lines of business, Motor Vehicle insurance, Motorcycle insurance and Taxi insurance, which are written solely in the UK. The Group has no other lines of business, nor does it operate outside of the UK. The Group does not have a single client which accounts for more than 10% of revenue.

	30 June 2025				30 June 2024			
	Motor Vehicles	Motorcycle	Taxi	Total	Motor Vehicles	Motorcycle	Taxi	Total
	£'k	£'k	£'k	£'k	£'k	£'k	£'k	£'k
Insurance revenue								
Insurance revenue from contracts measured under the PAA	**99,939**	**4,311**	**8,156**	**112,406**	109,549	5,059	7,244	121,852
Total insurance revenue	**99,939**	**4,311**	**8,156**	**112,406**	109,549	5,059	7,244	121,852
Insurance service expense								
Incurred claims and other directly attributable expenses	**(54,717)**	**(6,681)**	**(24,379)**	**(85,777)**	(62,053)	(4,131)	(7,142)	(73,326)
Changes that relate to past service – changes in the FCF relating to the LIC	**5,576**	**610**	**505**	**6,691**	(19,987)	(1,114)	5,563	(15,538)
Amortisation of insurance acquisition cash flows	**(6,397)**	**(1,060)**	**(1,017)**	**(8,474)**	(6,813)	(1,046)	(923)	(8,782)
Total insurance service expense	**(55,538)**	**(7,131)**	**(24,891)**	**(87,560)**	(88,853)	(6,291)	(2,502)	(97,646)
Net income from reinsurance contracts held								
Reinsurance expenses – contracts measured under the PAA	**(11,793)**	**(518)**	**(981)**	**(13,292)**	(16,829)	(801)	(1,125)	(18,755)
Incurred claims recovery	**6,272**	**1,593**	**17,296**	**25,161**	9,977	237	1,539	11,753
Changes that relate to past service – changes in the FCF relating to incurred claims recovery	**781**	**319**	**(869)**	**231**	18,702	159	(3,487)	15,374
Total net (expense)/income from reinsurance contracts held	**(4,740)**	**1,394**	**15,446**	**12,100**	11,850	(405)	(3,073)	8,372
Total insurance service result	**39,661**	**(1,426)**	**(1,289)**	**36,946**	32,546	(1,637)	1,669	32,578

Other than reinsurance assets and insurance liabilities (see Note 3.1), the Group does not allocate, monitor, or report assets and liabilities per business line and does not consider the information useful in the day-to-day running of the Group's operations. The Group also does not allocate, monitor, or report other income and expenses per business line.

3.4. Insurance revenue and expenses – Segmental disclosure (continued)

	31 December 2024			
	Motor Vehicles	Motorcycle	Taxi	Total
	£'k	£'k	£'k	£'k
Insurance revenue				
Insurance revenue from contracts measured under the PAA	222,635	10,199	15,297	248,131
Total insurance revenue	222,635	10,199	15,297	248,131
Insurance service expense				
Incurred claims and other directly attributable expenses	(117,752)	(6,873)	(18,150)	(142,775)
Changes that relate to past service – changes in the FCF relating to the LIC	1,769	188	4,323	6,280
Amortisation of insurance acquisition cash flows	(14,234)	(1,993)	(1,939)	(18,166)
Total insurance service expense	(130,217)	(8,678)	(15,766)	(154,661)
Net expense from reinsurance contracts held				
Reinsurance expenses – contracts measured under the PAA	(30,119)	(1,405)	(2,093)	(33,617)
Incurred claims recovery	13,223	944	5,271	19,438
Changes that relate to past service – changes in the FCF relating to incurred claims recovery	(3,803)	262	(2,871)	(6,412)
Total net (expense)/income from reinsurance contracts held	(20,699)	(199)	307	(20,591)
Total insurance service result	71,719	1,322	(162)	72,879

4. Financial assets

The Group's financial assets are summarised below.

	Notes	30 June 2025 £'k	30 June 2024 £'k	31 December 2024 £'k
Cash and cash equivalents	4.1	**35,626**	37,469	31,314
Debt securities held at fair value through Other Comprehensive Income	4.2	**306,436**	289,553	311,184
Receivables	4.3	**50**	58	32
Total		**342,112**	327,080	342,530

4.1. Cash and cash equivalents

	30 June 2025 £'k	30 June 2024 £'k	31 December 2024 £'k
Cash at bank and on hand	**20,084**	15,995	18,174
Money market funds	**15,542**	21,474	13,140
Total	**35,626**	37,469	31,314

Cash held in money market funds has no notice period for withdrawal.

The carrying value of cash and cash equivalents approximates fair value. The full value is expected to be realised within 12 months.

4.2. Debt securities held at fair value through Other Comprehensive Income

The Group's debt securities held at fair value through Other Comprehensive Income are summarised below.

	30 June 2025		30 June 2024		31 December 2024	
	£'k	% holdings	£'k	% holdings	£'k	% holdings
Government bonds	**114,398**	**37.4%**	109,396	37.8%	112,793	36.2%
Government-backed securities	**100,345**	**32.7%**	98,709	34.1%	103,267	33.2%
Corporate bonds	**91,693**	**29.9%**	81,448	28.1%	95,124	30.6%
Total	**306,436**	**100.0%**	289,553	100.0%	311,184	100.0%

4.2.1. Fair value

Fair value measurements are based on observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Group's view of market assumptions in the absence of observable market information.

IFRS 13 requires certain disclosures which require the classification of financial assets and financial liabilities measured at fair value using a fair value hierarchy that reflects the significance of the inputs used in making the fair value measurement.

Disclosure of fair value measurements by level is according to the following fair value measurement hierarchy:

- **Level 1:** fair value is based on quoted market prices (unadjusted) in active markets for identical instruments as measured on reporting date
- **Level 2:** fair value is determined through inputs, other than quoted prices included in Level 1 that are observable for the assets and liabilities, either directly (prices) or indirectly (derived from prices)
- **Level 3:** fair value is determined through valuation techniques which use significant unobservable inputs

Level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the Statement of Financial Position date. A market is regarded as active if quoted prices are readily and regularly available from the stock exchange or pricing service, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the closing bid price. These instruments are included in Level 1 and comprise only debt securities classified as fair value through other comprehensive income.

Level 2

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity-specific estimates. If all significant input required to fair value an instrument is observable, the instrument is included in Level 2. The Group has no Level 2 financial instruments.

Level 3

If one or more of the significant inputs are not based on observable market data, the instrument is included in Level 3. The Group has no Level 3 financial instruments.

The following table summarises the classification of financial instruments:

At 31 June 2025	Level 1 £'k	Level 2 £'k	Level 3 £'k	Total £'k
Assets held at fair value				
Debt securities held at FVOCI	**306,436**	**–**	**–**	**306,436**
Total	**306,436**	**–**	**–**	**306,436**

At 31 June 2024	Level 1 £'k	Level 2 £'k	Level 3 £'k	Total £'k
Assets held at fair value				
Debt securities held at FVOCI	289,553	–	–	289,553
Total	289,553	–	–	289,553

At 31 December 2024	Level 1 £'k	Level 2 £'k	Level 3 £'k	Total £'k
Assets held at fair value				
Debt securities held at FVOCI	311,184	–	–	311,184
Total	311,184	–	–	311,184

Transfers between levels

There have been no transfers between levels during the period (30 June 2024: no transfers / 31 December 2024: no transfers).

4.3. Receivables

The Group's receivables comprise of:

	30 June 2025 £'k	30 June 2024 £'k	31 December 2024 £'k
Other debtors	**50**	58	32
Total	**50**	58	32

The estimated fair values of receivables are the discounted amounts of the estimated future cash flows expected to be received.

The carrying value of receivables approximates fair value. The provision for expected credit losses is based on the recoverability of the individual receivables.

The Group has calculated ECL on receivables and has concluded that it is wholly immaterial and such further disclosure has not been included.

4.4. Investment income

	30 June 2025 £'k	30 June 2024 £'k	31 December 2024 £'k
Interest income on financial assets using effective interest rate method			
Interest income from debt securities	**5,098**	2,632	6,458
Interest income from cash and cash equivalents	**645**	863	1,468
Total	**5,743**	3,495	7,926

4.5. Net gains/(losses) from fair value adjustments on financial assets

	30 June 2025 £'k	30 June 2024 £'k	31 December 2024 £'k
Profit or Loss			
Realised fair value losses on debt securities	**(9)**	–	–
Realised fair value losses on debt securities reclassified to Profit or Loss	**(9)**	–	–
Other comprehensive income			
Unrealised fair value gains on debt securities	**4,025**	819	3,769
Realised losses on derecognition of debt securities reclassified to Profit or Loss	**9**	–	–
Expected credit loss	**–**	–	5
Realised and unrealised fair value gains on debt securities through Other Comprehensive Income	**4,034**	819	3,774
Net gains from fair value adjustments on financial assets	**4,025**	819	3,774

5. Payables

	30 June 2025 £'k	30 June 2024 £'k	31 December 2024 £'k
Trade and other creditors	**787**	1,020	951
Other taxes [1]	**6,504**	7,541	6,044
Other financial liabilities [2]	**5,000**	–	–
Total	**12,291**	8,561	6,995

(1) Other taxes consist of Insurance Premium Tax and VAT payable to HM Revenue & Customs
(2) On 30 June 2025, Sabre Insurance Group plc entered into an irrevocable agreement to acquire £5m of ordinary shares for cancellation. Accordingly, a liability of £5m has been recorded in the balance sheet with a corresponding amount in equity.

Trade and other creditors are carried at amortised cost.

6. Other income

	30 June 2025 £'k	30 June 2024 £'k	31 December 2024 £'k
Administration fees	**153**	33	182
Brokerage and other fee income	**183**	394	558
Total	**336**	427	740

Brokerage and other fee income relates to auxiliary products and services.

7. Other operating expenses

	Notes	30 June 2025 £'k	30 June 2024 £'k	31 December 2024 £'k
Employee expenses	7.1	**8,897**	8,046	15,426
Property expenses		**200**	161	500
IT expense, including IT depreciation		**3,505**	3,314	6,756
Other depreciation		**56**	57	113
Industry levies		**3,062**	2,927	5,994
Policy servicing costs		**804**	1,510	3,153
Other operating expenses		**1,885**	1,817	3,399
Movement in expected credit loss on debt securities		**–**	–	5
Before adjustment for directly attributable claims expenses		**18,409**	17,832	35,346
Adjusted for:				
Reclassification of directly attributable claims expenses		**(3,811)**	(3,763)	(7,041)
Total other operating expenses		**14,598**	14,069	28,305

7.1. Employee expenses

The aggregate remuneration of those employed by the Group's operations comprised:

	30 June 2025 £'k	30 June 2024 £'k	31 December 2024 £'k
Wages and salaries	**6,408**	5,939	11,332
Social security expenses	**943**	691	1,464
Contributions to defined contribution plans	**303**	307	598
Equity-settled share-based payment	**1,006**	851	1,607
Other employee expenses	**237**	258	425
Before adjustment for directly attributable claims expenses	**8,897**	8,046	15,426
Adjusted for:			
Reclassification of directly attributable claims expenses	**(2,788)**	(2,531)	(4,799)
Employee expenses	**6,109**	5,515	10,627

8. Income tax expense

	30 June 2025 £'k	30 June 2024 £'k	31 December 2024 £'k
Current taxation			
Charge for the period	**6,580**	5,082	12,157
Charge relating to prior periods	**134**	–	570
	6,714	5,082	12,727
Deferred taxation			
Origination and reversal of temporary differences	**(168)**	24	(126)
	(168)	24	(126)
Current taxation	**6,714**	5,082	12,727
Deferred taxation	**(168)**	24	(126)
Income tax expense	**6,546**	5,106	12,601

8. Income tax expense (continued)

Tax recorded in Other Comprehensive Income is as follows:

	30 June 2025 £'k	30 June 2024 £'k	31 December 2024 £'k
Current taxation	–	–	–
Deferred taxation	702	498	549
	702	498	549

Management estimates the Group's effective tax rate to be approximately 25.7% of profit before tax for the year ending 31 December 2025, similar to the corporation tax rate in the UK of 25.0%. This estimate is slightly higher than the prevailing rate of corporation tax in the UK, reflecting the impact of the Group's employee share schemes. The income tax expense for the period is recognised based on this estimate.

9. Dividends

	30 June 2025		30 June 2024		31 December 2024	
	pence per share	£'k	pence per share	£'k	pence per share	£'k
Amounts recognised as distributions to equity holders in the period						
Interim dividend for the current year	–	–	–	–	1.7	4,227
Final dividend for the prior year	11.3	27,991	8.1	20,122	8.1	20,122
	11.3	27,991	8.1	20,122	9.8	24,349
Proposed dividends						
Interim dividend in respect of the current year [(1)]	3.4	8,500	1.7	4,250		

(1) Subsequent to 30 June 2025, the Directors declared an interim dividend for 2025 of 3.4p per ordinary share. This dividend will be accounted for as an appropriation of retained earnings in the year ended 31 December 2025 and is not included as a liability in the Statement of Financial Position as at 30 June 2025

The Trustees of the Sabre Insurance Group Employee Benefit Trust waived their entitlement to dividends on shares held in the trust to meet obligations arising on share incentives schemes, which reduced the dividends paid for the period ended 30 June 2025 by £259k (30 June 2024: £128k and 31 December 2024: £151k).

10. Related party transactions

There has been no change to the relationships disclosed in Note 18 of the 31 December 2024 Annual Report and Accounts.

No related party transactions have taken place in the period ended 30 June 2025 that have materially affected the financial position or the financial performance of the Group.

11. Events after the balance sheet date

Since 1 July 2025, shares have been purchased under the Group's buyback programme. At 29 July 2025 a total of 1,445,678 ordinary shares (representing 0.58% of Sabre Insurance Group plc's issued share capital at 30 June 2025) had been purchased for cancellation at a total cost of £2,177,918 including costs, at an average price of 149.45p per share, excluding any costs.

Other than the share buyback and the declaration of an interim ordinary dividend as disclosed in Note 9, there have been no material changes in the affairs or the financial position of the Group and its subsidiaries since the Statement of Financial Position date.

Directors' Responsibility Statement

We confirm that to the best of our knowledge:

The Condensed Consolidated Financial Statements for the six months ended 30 June 2025 have been prepared in accordance with International Accounting Standards 34 ("IAS 34") as adopted by the UK.

The interim management report includes a fair review of the information as required by:

- DTR 4.2.7R of the Disclosure and Transparency Rules, being an indication of the important events that have occurred during the first six months of the current financial year and their impact on the condensed set of Consolidated Financial Statements and a description of the principle risks and uncertainties for the remaining six months of the financial year; and
- DTR 4.2.8R of the Disclosure and Transparency Rules, being related party transaction that have taken place in the first six months of the current financial year and that have materially impacted the financial position or performance of the Group during the period; and any changes in the related party transactions from the Group's Consolidated Financial Statements for the year ended 31 December 2024 that could do so.

Signed on behalf of the Board of Directors

Geoff Carter
Chief Executive Officer
30 July 2025

Adam Westwood
Chief Financial Officer
30 July 2025

Independent review report to Sabre Insurance Group plc

Report on the condensed consolidated interim financial statements

Our conclusion

We have reviewed Sabre Insurance Group plc's condensed consolidated interim financial statements (the "interim financial statements") in the Half-Year Report 2025 of Sabre Insurance Group plc for the 6 month period ended 30 June 2025 (the "period").

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements are not prepared, in all material respects, in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

The interim financial statements comprise:

- the Condensed Consolidated Statement of Financial Position as at 30 June 2025;
- the Condensed Consolidated Profit or Loss Account and the Condensed Consolidated Statement of Comprehensive Income for the period then ended;
- the Condensed Consolidated Statement of Cash Flows for the period then ended;
- the Condensed Consolidated Statement of Changes in Equity for the period then ended; and
- the explanatory notes to the interim financial statements.

The interim financial statements included in the Half-Year Report 2025 of Sabre Insurance Group plc have been prepared in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Financial Reporting Council for use in the United Kingdom ("ISRE (UK) 2410"). A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

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

We have read the other information contained in the Half-Year Report 2025 and considered whether it contains any apparent misstatements or material inconsistencies with the information in the interim financial statements.

Conclusions relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed. This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410. However, future events or conditions may cause the group to cease to continue as a going concern.

Responsibilities for the interim financial statements and the review

Our responsibilities and those of the directors

The Half-Year Report 2025, including the interim financial statements, is the responsibility of, and has been approved by the directors. The directors are responsible for preparing the Half-Year Report 2025 in accordance with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority. In preparing the Half-Year Report 2025, including the interim financial statements, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

Our responsibility is to express a conclusion on the interim financial statements in the Half-Year Report 2025 based on our review. Our conclusion, including our Conclusions relating to going concern, is based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion paragraph of this report. This report, including the conclusion, has been prepared for and only for the company for the purpose of complying with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and for no other purpose. We do not, in giving this conclusion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers LLP
Chartered Accountants
London
30 July 2025

Financial Reconciliations

Gross Written Premium

	30 June 2025 £'k	30 June 2024 £'k	31 December 2024 £'k
Insurance revenue	**112,406**	121,852	248,131
Less: Instalment income	**(1,935)**	(1,969)	(4,493)
Less: Movement in unearned premium	**(10,147)**	5,839	(7,203)
Gross written premium	**100,324**	125,722	236,435

Net Loss Ratio

	30 June 2025 £'k	30 June 2024 £'k	31 December 2024 £'k
Insurance service expense	**87,560**	97,646	154,661
Less: Amortisation of insurance acquisition cash flows	**(8,474)**	(8,782)	(18,166)
Less: Amounts recoverable from reinsurers for incurred claims	**(25,392)**	(27,127)	(13,026)
Less: Directly attributable claims expenses	**(3,811)**	(3,763)	(7,041)
Add: Net impact of discounting [1]	**3,512**	2,350	6,914
Undiscounted net claims incurred [2]	**53,395**	60,324	123,342
Insurance revenue	**112,406**	121,852	248,131
Less: Instalment income	**(1,935)**	(1,969)	(4,493)
Less: Reinsurance expense	**(13,292)**	(18,755)	(33,617)
Net earned premium	**97,179**	101,128	210,021
Net loss ratio	**54.9%**	59.7%	58.7%

(1) Excludes discounting on Periodic Payment Orders ("PPOs")
(2) Calculation of undiscounted net claims incurred allows for the impact of discounting on long-term non-life annuities, Periodic Payment Orders ("PPOs"), consistent with presentation under IFRS 4.

Expense Ratio

	30 June 2025 £'k	30 June 2024 £'k	31 December 2024 £'k
Other operating expenses	**14,598**	14,069	28,305
Add: Amortisation of insurance acquisition cash flows	**8,474**	8,782	18,166
Add: Directly attributable claims expenses	**3,811**	3,763	7,041
Total operating expenses	**26,883**	26,614	53,512
Insurance revenue	**112,406**	121,852	248,131
Less: Instalment income	**(1,935)**	(1,969)	(4,493)
Less: Reinsurance expense	**(13,292)**	(18,755)	(33,617)
Net earned premium	**97,179**	101,128	210,021
Expense ratio	**27.7%**	26.3%	25.5%

Combined Operating Ratio

	30 June 2025	30 June 2024	31 December 2024
Net loss ratio	**54.9%**	59.7%	58.7%
Expense ratio	**27.7%**	26.3%	25.5%
Combined operating ratio	**82.6%**	86.0%	84.2%

Discounted Net Loss Ratio

	30 June 2025 £'k	30 June 2024 £'k	31 December 2024 £'k
Insurance service expense	**87,560**	97,646	154,661
Less: Amortisation of insurance acquisition cash flows	**(8,474)**	(8,782)	(18,166)
Less: Amounts recoverable from reinsurers for incurred claims	**(25,392)**	(27,127)	(13,026)
Less: Directly attributable claims expenses	**(3,811)**	(3,763)	(7,041)
Net claims incurred	**49,883**	57,974	116,428
Insurance revenue	**112,406**	121,852	248,131
Less: Instalment income	**(1,935)**	(1,969)	(4,493)
Less: Reinsurance expense	**(13,292)**	(18,755)	(33,617)
Net earned premium	**97,179**	101,128	210,021
Discounted net loss ratio	**51.3%**	57.3%	55.4%

Discounted Combined Operating Ratio

	30 June 2025	30 June 2024	31 December 2024
Net loss ratio	**51.3%**	57.3%	55.4%
Expense ratio	**27.7%**	26.3%	25.5%
Discounted combined operating ratio	**79.0%**	83.6%	80.9%

Net Insurance Margin

	30 June 2025 £'k	30 June 2024 £'k	31 December 2024 £'k
Net claims incurred	**53,395**	60,324	123,342
Total operating expenses	**26,883**	26,614	53,512
Total insurance expense	**80,278**	86,938	176,854
Insurance revenue	**112,406**	121,852	248,131
Less: Reinsurance expense	**(13,292)**	(18,755)	(33,617)
Net insurance revenue	**99,114**	103,097	214,514
Net insurance margin	**19.0%**	15.7%	17.6%

Solvency Coverage Ratio – Pre-dividend

	30 June 2025 £'k	30 June 2024 £'k	31 December 2024 £'k
Solvency II net assets	**123,514**	121,737	134,695
Solvency capital requirement	**63,576**	63,445	62,199
Solvency coverage ratio – pre-dividend	**194.3%**	191.9%	216.6%

Solvency Coverage Ratio – Post-dividend

	30 June 2025 £'k	30 June 2024 £'k	31 December 2024 £'k
Solvency II net assets	**123,514**	121,737	134,695
Less: Interim/Final dividend	**(8,500)**	(4,250)	(28,250)
Solvency II net assets – post-dividend	**115,014**	117,487	106,445
Solvency capital requirement	**63,576**	63,445	62,199
Solvency coverage ratio – post-dividend	**180.9%**	185.2%	171.1%

Glossary of Terms

Acquisition cash flows	Cash flows arising from the costs of selling, underwriting and starting a group of insurance contracts (issued or expected to be issued) that are directly attributable to the portfolio of insurance contracts to which the group belongs. Such cash flows include cash flows that are not directly attributable to individual contracts or groups of insurance contracts within the portfolio.
Adjusted IFRS net assets	Equals the Group's IFRS net assets, less Goodwill.
Asset for incurred claims ("AIC")	The reinsurers' share of the liability for incurred claims ("LIC").
Asset for remaining coverage ("ARC")	The reinsurers' share of the liability for remaining coverage ("LRC").
Combined operating ratio ("COR")	The combined operating ratio is the ratio of total expenses (which comprises commission expenses and operating expenses), and net insurance claims relative to net earned premium ("NEP"), expressed as a percentage.
Contractual service margin ("CSM")	This represents the unearned profit the entity will recognise as it provides insurance contract service under the insurance contracts in the group. It is a component of the carrying amount of the asset or liability for a group of insurance contracts.
Coverage period	The period during which the entity provides insurance contract services. The period includes the insurance contract services that relate to all premiums within the boundary of the insurance contract.
Effective tax rate	Effective tax rate is defined as the approximate tax rate calculated by dividing the Group's profit before tax by the tax charge going through the Profit or Loss Account.
Expense ratio	Expense ratio is a measure of total expenses (which comprises commission expenses and operating expenses), and claims handling expenses, relative to net earned premium ("NEP"), expressed as a percentage.
Fair value through OCI ("FVOCI")	Unrealised gains and losses from the remeasurement of the fair value financial assets are recognised in the Statement of Other Comprehensive Income ("OCI").
Financial Reporting Council ("FRC")	The UK's regulator for the accounting, audit and actuarial professions, promoting transparency and integrity in business.
Fulfilment cash flows ("FCF")	An explicit, unbiased and probability-weighted estimate (i.e. expected value) of the present value of the future cash outflows minus the present value of the future cash inflows that will arise as the entity fulfils insurance contacts, including a risk adjustment for non-financial risk.

Gross earned premium ("GEP")	The proportions of premium attributable to the periods of risk that relate to the current accounting period. It represents gross written premium ("GWP") adjusted by the unearned premium provision at the beginning and end of the accounting period, before deduction of reinsurance expense.
Gross written premium ("GWP")	Gross written premium comprises all premiums in respect of policies underwritten in a particular financial year, regardless of whether such policies relate in whole or in part to a future financial year, before deduction of reinsurance expense.
IFRS 17 "Insurance Contracts"	An accounting standard that addresses the establishment of principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard (Effective 1 January 2023).
IFRS net assets	The difference between the Group's total assets and total liabilities.
Insurance revenue	Gross earned premium ("GEP") plus instalment income.
International Financial Reporting Standards ("IFRS")	Accounting standards issued by the IFRS Foundation and the International Accounting Standards Board ("IASB").
Liability for incurred claims ("LIC")	An entity's obligation to: a) Investigate and pay valid claims for insured events that have already occurred, including events that have occurred but for which claims have not been reported, and other incurred insurance expenses; and b) Pay amounts that are not included in (a) and that relate to: i. insurance contract services that have already been provided; or ii. any investment components or other amounts that are not related to the provision of insurance contract services and that are not in the liability for remaining coverage.
Liability for remaining coverage ("LRC")	An entity's obligation to: a) investigate and pay valid claims under existing insurance contracts for insured events that have not yet occurred (i.e. the obligation that relates to the unexpired portion of the insurance coverage); and b) pay amounts under existing insurance contracts that are not included in (a) and that relate to: i. insurance contract services not yet provided (i.e. the obligations that relate to future provision of insurance contract services); or ii. any investment components or other amounts that are not related to the provision of insurance contract services and that have not been transferred to the liability for incurred claims.

Net claims incurred	Net claims incurred is equal to gross claims incurred less amounts recovered from reinsurers.
Net earned premium ("NEP")	Gross earned premium ("GEP") less reinsurance expense.
Net insurance revenue	Insurance revenue less reinsurance expense.
Net loss ratio ("NLR")	Net loss ratio measures net insurance claims, less claims handling expenses, relative to net earned premium expressed as a percentage.
Net insurance margin ("NIM")	Net insurance margin measures how much net insurance profit is generated as a percentage of net insurance revenue.
Own Risk and Solvency Assessment ("ORSA")	An prospective assessment of the Group's risks and solvency capital requirements.
Periodic Payment Order ("PPO")	A compensation award as part of a claims settlement that involves making a series of annual payments to a claimant over their remaining life to cover the costs of the care they will require.
Premium allocation approach ("PAA")	Method for measuring insurance contracts under IFRS 17 "Insurance Contracts"
Return on tangible equity	Return on tangible equity is measured as the ratio of the Group's profit after tax to its average tangible equity over the financial year, expressed as a percentage.
Risk adjustment for non-financial risk	The compensation an entity requires for bearing the uncertainty about the amount and timing of the cash flows that arises from non-financial risk as the entity fulfils insurance contracts.
Solvency capital ratio	The ratio of Own Funds (Solvency II capital) to Solvency Capital Requirement "SCR".
Solvency Capital Requirement ("SCR")	The total amount of capital that the Group must hold to cover the risks under the Solvency II regulatory framework. The Group is required to maintain eligible own funds of at least 100% of the SCR. The Group uses the Standard Formula to determine the SCR.