Generations of Trust

Trust is not built in a single moment.
It is earned over time and shared throughout generations.

Annual Report 2025

Cherry Godfrey

Finance | Insurance | Mortgages | Property

With sincere thanks to our colleagues, customers, partners, and investors, we are proud to present our 2025 Annual Report and look ahead with confidence to the future we are building together.

Trust is not built in a single moment. It is earned over time and shared throughout generations

At Cherry Godfrey, our business has always been shaped by long-term relationships. Today, many of those relationships extend beyond a single generation, as customers who once came to us for their own financial needs are now introducing the next generation – first-time buyers, young families and new business owners beginning journeys of their own. This continuity defines 2025.

As we support a new generation of customers, we are also entering a new phase in the evolution of our business. Through investment in technology, improved systems, and a more data-led approach, we are enhancing how we serve our clients, making decisions smarter, processes more efficient, and experiences more seamless.

This year also marks an important step in the expansion of our offering, with the launch of our estate agency and property services business. This natural progression strengthens our ability to support customers at every stage of their journey. From early insurance needs, such as a first car or motorbike, through to personal and business loans, home ownership, protecting growing families, and building long-term financial security through mortgages, insurance, and investments. Together, these services reflect Cherry Godfrey's commitment to being a trusted lifelong partner for our customers and communities.

At the same time, we remain focused on what has always set us apart: personal service, trusted advice, and relationships built to last.

In many ways, this moment reflects a broader theme of transformation. With 2025 aligned to the Year of the Snake - a symbol of wisdom, renewal, and considered growth, we are reminded that meaningful progress is often quiet, deliberate, and built on strong foundations.

Cherry Godfrey continues to evolve, not away from what we have been, but in alignment with the customers we serve across generations and along with you, our loyal investors, partners and your families.

With sincere thanks to our colleagues, customers, partners, and investors, we are proud to present our 2025 Annual Report and look ahead with confidence to the future we are building together.

A Message from our CEO & COO

Strength and depth

This report provides an overview of our business activities for the year ending December 2025 – a year defined not only by continued growth, but by the strength and depth of the relationships that underpin our business.

Cherry Godfrey has always been built on trust. Increasingly, we are seeing that trust extends across generations, as long-standing customers introduce their families to us from first-time borrowers and new policyholders through to those planning for long-term financial security. This continuity is central to our approach and reflects the confidence placed in us across all areas of our business.

Our proposition continues to evolve as more customers choose Cherry Godfrey as a single, trusted partner for all their financial needs. This full-service approach not only strengthens relationships but supports sustainable growth across all regions.

The year marked an important milestone with the launch of our estate agency and property services business in Guernsey. This addition complements our existing offering and allows us to support customers with more of life's most significant financial decisions, further strengthening our position as a comprehensive financial services provider.

2025 has also been a year of measured progress and strategic focus. Building on the momentum of recent years, we have continued to strengthen our operations through improved systems, greater use of data, and targeted investment in technology.

These developments are enhancing how we serve our customers, enabling more informed decision-making, greater efficiency, and a more seamless experience across our lending, insurance and mortgage services. This also brings new opportunities with enhanced capabilities for us to be able to offer our services on a larger scale, with some exciting Group-wide strategic partnership opportunities for our retail finance and insurance offering as we move into 2026.

The financial performance of the Group reflects this continued progress:

£175m secured loan-related assets (up £16m from 2024).

15,455 live loans under management, reflecting the ongoing trust placed in us by our customers (average loan size remains low at a steady £7,874).

£134m invested, and over 3,182 Loan Notes established.

- We continue to build a high-quality loan book across all five jurisdictions, with operations in Guernsey, Jersey, Isle of Man, Isle of Wight and Southampton performing in line with, or above, expectations.
- Our general insurance business continues to grow strongly, with gross written premium approaching £10 million and a 13% increase in the overall insurance book.
- The mortgage market has now settled into a more balanced and measured position. After a period of volatility, activity levels across the island are strengthening, and we expect this positive trend to continue into 2026.

Alongside this growth, the strength and security of our investor offering remain unchanged. There have been no issues raised in any quarterly reports, underlining the robustness and reliability of the Loan Note model.

Our focus is increasingly on optimisation rather than expansion into new jurisdictions, ensuring we maximise the value of our broad product offering, deepen customer relationships, and continue to enhance efficiency through technology and data-led insight. Each of our jurisdictions remains at a different stage of maturity, and our strategy reflects this, supporting sustainable and considered growth.

We continue to monitor the market closely and will pursue targeted acquisitions where they align with our strategy and accelerate growth in key areas, while remaining disciplined and focused in our approach.

"Looking ahead, we are thoughtfully planning for the next generation of leadership within Cherry Godfrey. This is not about immediate change, but about responsible stewardship, ensuring the values, experience, and trust that define our business continue long into the future. I have every confidence in Tanzy's leadership and in the strength, experience, and expertise of the Board and Directors around her, whose collective knowledge and commitment will continue to guide Cherry Godfrey with the same clarity, care, and understanding that underpin our business today. That said, while I may be enjoying a little more quality 'Poppa' time with my grandchildren and new puppy, I am certainly not going anywhere just yet."

Tanzy Cherry added "We are also mindful of the importance of continuity within our business with progress driven not by disruption, but by experience, clarity, and long-term vision. Our core values have been integral to our success over the last 33 years and will continue to be the key to the future. We are grateful for the continued support of our long-term and new investors, colleagues, customers, and partners. Together, we are building a business designed not only for today, but for generations to come".

As always, we look forward to providing a further update on our performance for the fiscal year ending June 2026, at our annual drinks receptions across each island. See you all there.

David Cherry
Chief Executive Officer

Tanzy Cherry
Chief Operating Officer

An exciting next chapter

Stepping into the role of Group Director of Lending is both a huge privilege and an exciting next chapter – not just professionally, but personally too.

Having spent the last five years with Cherry Godfrey, helping establish and grow our Isle of Wight and Southampton offices, I've had the opportunity to see first-hand what makes this business different. Beyond the numbers, products, and growth plans, it's the people, relationships, and shared ambition across the Group that really stand out.

Before looking ahead, it's important to recognise the contribution of Kieran Rose, who has played a significant role in shaping the lending business over recent years.

Kieran brought expertise, energy, and perhaps most memorably, a level of commitment to puns like no other, plus, going for a sea swim most lunch times even in the depths of winter! While I won't attempt to completely fill those large shoes, especially the swimming, I'm grateful for the opportunity to step into the role and build on the strong foundations he leaves behind. More importantly, I would like to sincerely thank him for his contribution to Cherry Godfrey and wish him every success in whatever comes next.

Andrew Tapsell
Group Director of Lending

A Strong and Stable Lending Performance

2025 has been a year of steady and disciplined growth across our lending operations, reflecting both the quality of our loan book and the strength of our customer relationships, something we never take for granted.

> Interest rates have begun to stabilise, inflationary pressures have eased, and borrower confidence is gradually returning

Across all our jurisdictions in Guernsey, Jersey, Isle of Man, Isle of Wight and Southampton, performance continues to meet or exceed expectations. That consistency comes from having experienced teams, strong local knowledge, and a business that remains focused on doing the basics properly: responsible lending, sensible underwriting, and genuinely understanding our customers.

Following a period of uncertainty, interest rates have begun to stabilise, inflationary pressures have eased, and borrower confidence is gradually returning. While challenges always remain, the overall environment feels more balanced and predictable as we move forward, which is encouraging for both customers and businesses alike.

Scaling Smarter Solutions

One of the most exciting areas of growth for us continues to be retail finance.

We are actively developing relationships with larger retailers across our jurisdictions, helping customers access finance both in-store and online at the point they need it most. This continues to be an important way of introducing new customers to Cherry Godfrey, particularly through lower-deposit lending solutions.

At the same time, improvements in our systems and technology are allowing us to scale these partnerships far more effectively, supporting local retailers while also creating opportunities for larger group arrangements across multiple jurisdictions.

This side of the business continues to perform strongly and provides a significant pipeline of opportunity heading into 2026.

Doing Things the Right Way

From a regulatory perspective, we continue to monitor developments closely across all jurisdictions.

In Jersey, proposed consumer lending legislation previously expected sooner, is now anticipated to come into effect in 2027. Whilst that provides additional time for preparation, our approach remains unchanged. Cherry Godfrey has always operated with a strong focus on responsible lending, transparency, and positive customer outcomes, so in many respects we feel well prepared for what lies ahead.

More Than a Transaction

Lending continues to play a key and central role within the Group's broader strategy.

We are seeing increasing crossover between lending, insurance, mortgages, and wider financial services, with more customers choosing Cherry Godfrey across multiple areas of the business. That reflects the trust people place in us and allows us to support customers through different stages of life, rather than individual transactions.

That long-term relationship approach is something I'm particularly passionate about and is a big part of what makes Cherry Godfrey unique.

Built for the Journey Ahead

Looking ahead, our focus remains clear: continuing to build a high-quality lending portfolio, strengthening retail finance partnerships, and improving efficiency through smarter systems and data-led insight.

While we continue to invest heavily in systems and technology, we remain very much a people business at heart. Personal service means different things to different generations of customers. For some that's a face-to-face conversation over a coffee, for others it's the ability to access services quickly and seamlessly online. Our role is to make sure we can deliver both, without ever losing the relationships and trust that Cherry Godfrey has been built on.

Growth will remain disciplined and aligned to our core principles, but there is also a real sense of momentum across the business. We have great people, strong foundations, and an increasingly connected offering across the Group.

For those who don't know me, I enjoy a challenge, from the Isle of Wight Ultra to climbing Kilimanjaro and Everest Base Camp. Stepping into this role feels like a very different challenge, but thankfully one supported by a fantastic team around me for the journey.

2026 is shaping up to be another positive year for lending at Cherry Godfrey and thankfully, unlike Kieran's puns, our growth projections remain exceptionally well balanced.

> Our proposition continues to evolve as more customers choose the Cherry Godfrey team as a single, trusted partner for all their financial needs.

Core

principles

We will

- Embrace technology to aid our decision-making process
- Value our customers and treat them fairly
- Ensure our customers can afford their loans by understanding their circumstances and capacity
- Provide an environment where a client is treated with consideration and fairness

We won't

- Provide subprime (high risk/cost) products
- Provide any form of Pay Day Loan
- Knowingly overcommit our customers
- Turn away any customer seeking help

Group Director of Insurance Statement

Insurance is, at its core, a business built on trust – trust in advice, trust in protection and trust built over time. At Cherry Godfrey that trust is underpinned by expertise, service and a commitment to delivering the right outcomes for our clients at every stage of life.

2025 has been a year of continued progress, with strong performance across our general insurance business and a clear focus on building a more integrated, efficient, and scalable operation – one that supports customers not just today, but over the long term.

Ian Stewart
Group Director of Insurance

A Year of Strong and Sustainable Performance

Cherry Godfrey has continued to grow with resilience and purpose:

- We continue to see consistent growth across all jurisdictions, supported by a diversified and high-quality portfolio, particularly in commercial.
- Premium finance activity has increased significantly, reflecting stronger customer uptake and playing an increasingly important role in supporting both our insurance proposition and the wider lending strategy of the Group.

13% insurance book growth.

£2.05m total general insurance income.

£10m gross written premiums.

These results reflect not only the strength of our offering, but the long-standing relationships we continue to build with our clients – many of whom rely on us across multiple stages of their financial journey.

Investing in Systems, Enhancing Capability

A key milestone towards the end of 2025 was the implementation of our new insurance platform, Acturis.

This investment represents a significant step forward in how we manage and deliver insurance services. Acturis provides greater operational efficiency, improved data insight and enhanced reporting capabilities, allowing us to respond more effectively to both customer needs and market conditions.

Crucially it strengthens our ability to support customers over the long term, enabling us to scale efficiently, improve service consistency, and deliver a more seamless experience as client needs evolve.

It also positions us strongly for the future. It creates the infrastructure required to support larger, more complex opportunities, including group insurance schemes and referral partnerships.

Relationships That Go Further

We are seeing a growing number of customers choosing Cherry Godfrey as a single provider across multiple financial services including insurance, lending, mortgage, and life cover.

This more integrated approach reflects the trust placed in us and allows us to support customers more holistically, from early insurance needs through to protecting homes, businesses, and long-term financial planning.

Growing Through Partnership

With stronger systems and greater operational capability now in place, we are well positioned to pursue new opportunities, particularly in the area of group insurance and referral agreements.

These partnerships allow us to extend our reach while maintaining the same high standards of service and advice that define Cherry Godfrey, building relationships designed to last.

Protecting What Matters Most

As we move forward, our focus remains on disciplined growth, operational excellence, and maintaining the personal service that sets us apart.

While the insurance market continues to evolve, our approach remains consistent: combining strong insurer relationships, expert advice, and a deep understanding of our clients' needs, supporting them not just in the moment, but over time.

At Cherry Godfrey, insurance is not just about policies, it's about providing confidence and protection through every stage of life. That is what builds lasting trust, and what continues to define our business.

Loan portfolio

Trusted performance

Total Value of Secured Assets:
(Customer Loans, plus Cash at Bank minus Bad Debt)

£175m

Average Advance to Customers in 2025:

£7,873

Bad Debt as Percentage:

0.83%

Number of Loans Written in 2025:

10,152

Number of Loans Under Management:

15,455

Loan Amount Advanced in 2025:

£79,935,562

Trusted to

deliver

Financial Highlights

- Annual income generated from lending grew by approximately 13% to £19.4 million, driven by sustained growth across the Group's lending operations.
- The Group's arrears ratio for bad debt remained low at 0.83%. While modestly higher in line with portfolio expansion, it remains materially below long-term projections and reflects the disciplined approach taken to underwriting, risk management and proactive collections processes.
- Total general insurance income exceeded £2 million during the year, with gross written premiums handled approaching £10 million, demonstrating continued momentum across our insurance operations.
- We continue to place strong emphasis on credit assessment, due diligence, underwriting precision and internal monitoring, ensuring the ongoing quality, resilience, and low-risk profile of our lending portfolio as the business continues to grow.

£134,182,517

Value of Established Loan Notes

New Loans Notes issued

479

Total Loan Notes established

3,182

Number of investors

1,237

Trusted to

last

1993

Cherry Godfrey was created as a **Finance Brokerage** by husband and wife, David and Selena Cherry (née Godfrey).

1996

We took over the **Guernsey finance** wing of Great Universal Stores.

2002

The **Jersey branch** was opened, offering a suite of consumer finance and insurance products to meet the needs of all Channel Island residents.

2013

Our **first Loan Note investment** product was launched and was oversubscribed within three weeks. Since then, we have overseen the successful launches of Loan Notes Two, Three, Four and Five.

2016

We **expanded to the Isle of Man** as part of our strategic growth plan.

2021

Cherry Godfrey received **FCA approval** and are now fully operational on the Isle of Wight.

2023

February
Launched Loan Note Five to ensure the continued support for the growth of our wider lending activities.

June-October
Cherry Godfrey acquired NRM Financial Limited to launch mortgages and secured our license to offer insurance products to customers on the Isle of Wight.

2024

Cherry Godfrey proudly expanded its footprint by opening a new office at 155-156 High Street, Southampton.

2025

Cherry Godfrey expands its offering and launches a property business in **Guernsey.**

More than a move

Expanding the Cherry Godfrey journey into property

For many years, Cherry Godfrey has supported customers in financing, insuring, and protecting property through many stages of ownership. Expanding into estate agency and property services represents a logical and natural next step, building on those existing relationships and allowing us to support customers more fully throughout their property journey.

2025 marked the formal launch of Cherry Godfrey Property, an important milestone in the Group's continued evolution and a natural extension of the services already trusted by customers across the islands.

A More Connected Property Journey

At its heart, this expansion is about creating a more connected experience.

Property sits at the centre of many of life's biggest financial decisions, from first homes and growing families through to investment, retirement planning and wealth creation. Increasingly, customers are looking for simplicity, continuity, and trusted guidance throughout that journey, rather than dealing with multiple providers.

Cherry Godfrey Property was created with exactly that in mind.

By bringing estate agency and property services alongside the Group's established mortgage, lending, insurance, and financial services operations, customers can now access support across the full property lifecycle, from finding and funding property through to protection, management, and eventual sale.

Strengthening What We Already Do Well

This is not about changing who Cherry Godfrey is. It is about strengthening what the business already does well: building long-term relationships and supporting customers through every stage of life.

The move into property also reflects a wider shift in how the Group is thinking about growth. Rather than expanding for the sake of expansion, the focus is on deepening relationships, improving integration between services, and creating long-term value through connected customer experiences.

Importantly, the launch has been built on strong local expertise and experienced leadership within the property sector, ensuring that the business combines established market knowledge with the wider infrastructure, technology, and support of the Cherry Godfrey Group.

A Natural Progression

The response from customers has already been encouraging, particularly from those who value the convenience and reassurance of working with one trusted partner across multiple services. As more customers seek joined-up financial solutions, the Group believes this integrated approach will become increasingly important in the years ahead.

Naturally, businesses rarely sit still for long, so by the time this 2025 Annual Report reaches print, many of you will already be aware that Cherry Godfrey Property has since taken another exciting step forward with the acquisition of Mawson Collins. With the news already widely in the public domain, and with us being, admittedly, rather excited about it ourselves, it would have felt quite odd not to mention it.

That acquisition represents another significant step in strengthening Cherry Godfrey Property, bringing together highly respected local expertise with the wider capabilities of the Group. Most importantly, it reinforces the same principle that has guided the business throughout its growth: combining trusted relationships with long-term thinking.

As Cherry Godfrey continues to evolve, property represents more than a new service line. It reflects the next stage in building a business designed to support customers not just for a single transaction, but across generations. Watch this space!

Board of
Directors

David Cherry
Chief Executive Officer

Tanzy Cherry
Chief Operating Officer

Selena Cherry
Director

Janis Pozdnakovs
Group Finance Director

Kevin Farrington
Isle of Man Director

Alexie McGrath
Isle of Man Insurance Director

Richard Le Ruez
Jersey Mortgage & Life Director

Nigel Quick
Jersey Managing Director

Ian Campbell
Non-Executive Director

Simon Howitt
Non-Executive Director

John Hunter
Non-Executive Director

Ian Stewart
Group Director of Insurance

Graham Thoume
Group Director of Operations

Hazel Turvey
Group Director of Collections

Andrew Tapsell
Group Director of Lending

Stuart Kelly
Isle of Wight Director

Sarah Alabie
Isle of Wight Insurance Director

Neil Stanford
Guernsey Mortgage and Life Director

Nick Bender
Non-Executive Director

Andrew Moore
Non-Executive Director

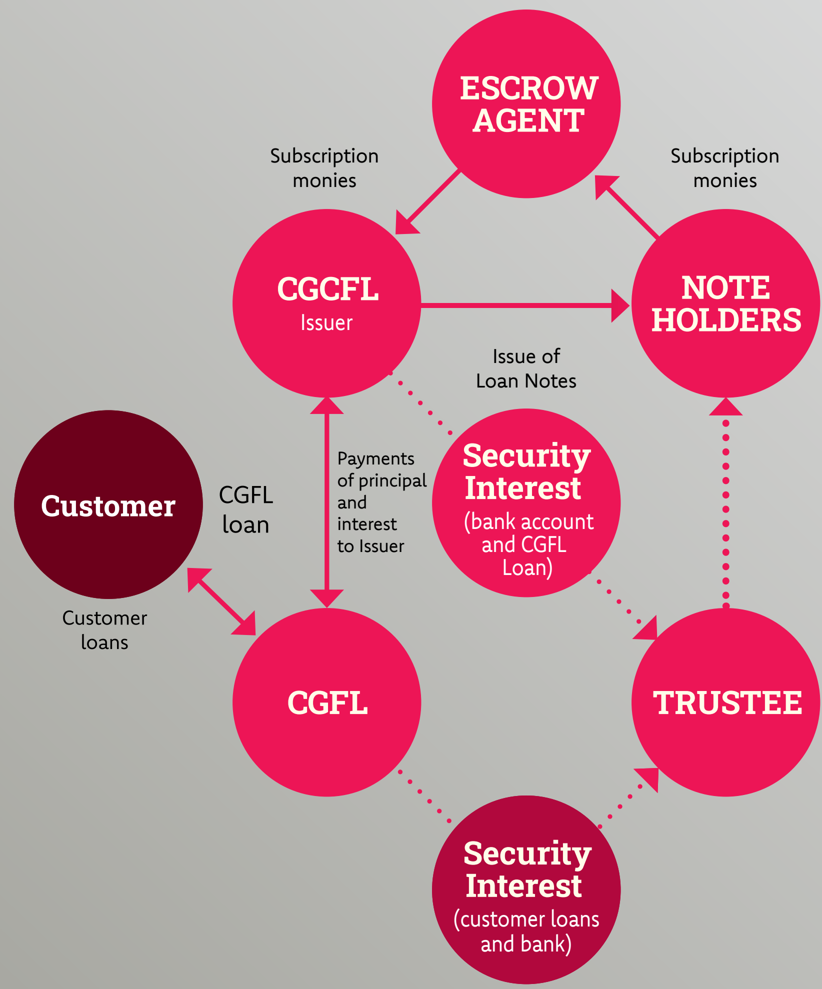
John Mould
Non-Executive Director

Trusted to

secure

Initially, your invested funds are cleared through the banking system into the relevant consumer funding companies. From there, the funds move to Cherry Godfrey Finance who provide and manage consumer loans for clients.

All loans provided by Cherry Godfrey Finance to our customers are immediately assigned to the trustee under the security arrangement. Likewise, all related bank accounts are also assigned to the trustee. It is from interest earned on the loans that your interest return is generated and the related costs of running the Loan Notes are met.



Advisors

Babbé and Appleby continue to provide oversight for the legal aspect of each Channel Island Loan Note, with Cains providing legal services in the Isle of Man. JTC, one of the Channel Island's largest trust companies, are responsible for holding the assets on behalf of investors. Grant Thornton undertakes our external audit on a quarterly basis, ensuring that assets under trust always exceed funds invested.

Cherry Godfrey

GUERNSEY • JERSEY • ISLE OF MAN • ISLE OF WIGHT • SOUTHAMPTON