Citra Pathways Limited

Annual report and financial statements

For the year ended 31 December 2025

LLOYDS
LIVING

Company Number: 15662072

Member of the Lloyds Banking Group

Strategic report

For the year ended 31 December 2025

The directors present their Strategic Report of Citra Pathways Limited (the ''Company'') for the year ended 31 December 2025.

Statement from the Chair

I am pleased to present our first annual report as Chair. This year has been busy, as The Board has focused on building the foundations of the business as it moves from approval to early delivery of our first shared ownership homes.

Purpose, Vision and Values

The Company's vision is simple yet ambitious. It is to make shared ownership a positive and trusted path to secure, flexible homeownership. It reflects both the enduring housing challenges facing the country and Lloyds Banking Group's ("the Group") long-standing commitment to helping people achieve lasting financial security.

Our mission places simplicity, fairness and empowerment at its core. The Board is clear that the Company's success will be judged not simply by the number of homes delivered, but by the quality of outcomes experienced by customers over time.

Governance Framework

The Company operates within a robust governance framework, reflecting its status as a regulated provider and its compliance with the Group's Governance Framework. The Board provides oversight of strategy, performance, risk, customer outcomes and regulatory compliance, supported by clear delegations and transparent reporting.

As the organisation transitions into providing full landlord services and grows bigger, our governance structure will evolve and Board will introduce committees to support oversight.

An Effective and Forward-Looking Board

During the year, the Board has continued to review its performance and effectiveness through structured appraisals, supported by targeted development and training. These reviews ensure that the Board remains focused, constructive and appropriately challenging.

Succession planning and skills assessment are integral to our long-term approach. As the Company grows, the Board will further strengthen its collective capability in areas such as customer experience, housing regulation, ESG and digital transformation.

Our committee structure will also evolve in line with organisational maturity. In the absence of housing during this period, the Board did not consider the time was right to create any committees but this will be considered in the next financial year. The Board intends to create dedicated Audit & Risk and Customer Committees, at the appropriate time, ensuring proportionate but effective oversight as scale increases.

Our Ambition and Customer Focus

The Company's ambition is to deliver homes through a scalable, efficient operating model, without compromising the customer experience.

The Board strongly supports the customer first approach embedded within the strategy, including commitments to transparency, service quality and continuous feedback.

Our success depends on building trust with our customers. The Board will continue to build our strategy and review performance through the lens of the customer, ensuring that customer voice is central to our proposition.

Closing Reflections

The Company is at the start of its journey. We have spent a considerable amount of time developing a clear mission, values and objectives with, strong alignment with Lloyds Banking Group. Good governance and a genuine focus on customer outcomes provides a solid platform for the years ahead.

I would like to thank the Executive team, my fellow Board members and Colleagues across Lloyds Living for their dedication and professionalism. I am confident that the Company is well placed to grow responsibly, strengthen trust in shared ownership, and deliver meaningful, lasting impact for customers and communities.

Geeta Nanda
Chair
15 June 2026

Statement from Chief Strategy Officer

This year represents a pivotal moment for the Company. We are moving decisively from planning this year to delivery in the next financial year, guided by a clear vision: to make shared ownership a positive and trusted path to secure, flexible homeownership.

In a housing market where affordability constraints remain acute, the role of shared ownership has never been more important. The Company exists to serve those who aspire to own a home but face structural barriers to doing so. Our focus is on delivering high-quality homes, a simple and transparent customer proposition, and a sustainable operating model that can grow responsibly over time.

Delivering Our Vision and Mission

Our mission is rooted in simplicity, fairness and empowerment. We believe shared ownership should be clear and supportive throughout the full customer journey. This belief shapes every decision we take – from where we invest, to how we manage homes, to the way we communicate with customers long after they've moved in.

The Pathways strategy is built around three clear outcomes for customers:

- A pathway to independence
- A pathway to security
- A pathway to home ownership.

We are embedding these principles into a customer-first shared ownership offer, with transparent costs, clear terms and responsive service. As our portfolio grows, we are committed to staying close to customers – supporting them through staircasing, resales and, where needed, periods of financial difficulty and vulnerability. Structured customer feedback loops, including early and moments that matter satisfaction surveys, will play a central role in shaping service improvement and accountability.

Pathways Portfolio – Progress and Future Growth

The Company is deliberately designed to build a stabilised portfolio of homes by the end of the decade. Growth will be achieved through a balanced mix of new build delivery, strategic partnerships with developers and housing associations, and the acquisition of existing shared ownership stock. The Company exchanged on its first construction contract for 70 shared ownership homes in December 2025.

Our investment criteria prioritises:

- affordability for households with incomes of up to £80,000
- homes in strong, well-connected locations
- new-build quality and durability
- minimum Energy Performance Certificate ("EPC") B ratings, targeting EPC A wherever possible.

Expansion will be carefully sequenced, ensuring that operational capability, governance and customer experience keep pace with portfolio growth. While houses remain our primary focus, we aim to introduce apartments once management systems and expertise are fully embedded.

Communication with Customers and Customer Experience

Clear communication underpins trust. Through Lloyds Living Property Management, we are building an operating platform designed to deliver a **consistent, high-quality customer experience at national scale** while retaining strong local presence.

Customers will benefit from:

- clear pre-purchase information and transparent handover
- digital journeys supporting purchase, staircasing and ongoing engagement
- a human contact with local knowledge
- responsive repairs, defect resolution and clear complaints handling.

Technology and automation will increasingly support these journeys, with the aim of reducing friction to make customers' experience of shared ownership straightforward, supportive and fair.

Environmental, Social and Governance Commitments

The Company is committed to long-term environmental, social and governance excellence.

From an environmental perspective, our homes are energy efficient and designed to minimise running costs for customers while supporting the transition to net-zero carbon by 2050. We are exploring opportunities to move away from gas heating as we progress towards the Future Home Standards. We will prioritise resilient design and work with trusted developers and housebuilders to ensure our homes are well built and provide the levels of quality that our customers demand.

Socially, our impact lies in widening access to stable housing, supporting wellbeing and enabling progression into ownership. Shared ownership remains one of the few scalable routes for many households to access secure homes near employment and transport, and we are determined to deliver this with fairness, transparency and respect.

Governance is fundamental. As a for-profit registered provider within the Lloyds Banking Group, we operate to high regulatory, consumer and governance standards. As the business matures, our risk framework, reporting and assurance processes will continue to evolve in line with both sector expectations and Group requirements.

Alignment with Lloyds Banking Group Strategy

The Company is firmly aligned with Lloyds Banking Group's purpose of Helping Britain Prosper. Our ambition to broaden participation in home ownership supports financial inclusion, regional economic growth and long-term household resilience.

By combining disciplined investment with strong social impact, the Company demonstrates how the Group can deploy capital responsibly, delivering sustainable returns while addressing one of the UK's most pressing challenges. We are proud to play our part in this wider ambition.

Principal activities and future developments

The Company operates as a for-profit registered provider of shared ownership homes and intends to sell shares of the properties to customers upon completion of construction. The Company is currently developing properties and has not yet commenced any lettings related activities.

The Company is funded entirely by equity investment and a debt facility from other companies within the Lloyds Banking Group plc ("the Group").

Business Review

During the year the Company entered into a development contract for residential properties. The Company intends to sell shares of the properties to customers upon completion of construction. The Company's financial performance will be considered in respect of the valuation of the underlying property portfolio, the value of the equity sold to the Customers, and rental income received from the retained equity of the portfolio.

The Company's loss before tax for the year is £464,000 (2024: nil). The loss is primarily due to recharged staff costs £382,000 (2024: nil) and other costs of £79,000 (2024: nil). This loss is partially offset by interest income of £29,000 (2024: nil). The Company is expected to continue in a loss-making position until properties are completed and ready to be sold to Customers.

The Balance Sheet shows a total asset position of £6,255,000 (2024: £100). The net asset position at the year-end was £644,000 (2024: £100) which is largely made up of cash and cash equivalents of £4,419,000 (2024: nil) and deposit payments on properties under development £1,590,000 (2024: nil), partially offset by loans due to related parties of £5,000,000 (2024: nil).

Principal risks and uncertainties

The Board has adopted and approved a risk management policy for managing the risks faced by the Company to protect customers and colleagues through a well-controlled environment aligned to the Lloyds Banking Group Enterprise Risk Framework. Further details of the Company's and Group's risk management policy are contained in Note 13 to the financial statements.

The Board of the Company recognise the importance of effective risk management to meet its strategic objectives, by adopting a proactive approach to the identification of strategic and emerging risks.

Risks are managed within a formally agreed risk appetite outlining the level of risk the Board will tolerate. The Risk Register will be presented to the Board at each quarterly meeting to check performance against risk appetite.

Risks within the Company's Risk Register are informed by the sector risk profile and include the following principal considerations:

- Ensuring delivery of homes to a safe and decent standard
- Securing the supply of homes to meet business requirements
- Robust management processes to meet regulatory requirements underpinned by a strong controls and assurance framework
- Ensuring the ongoing financial viability of the business
- Management of reputational risk through the identification and compliance with changes to legal and regulatory requirements.

Economic Environment

In 2025, the UK economy experienced modest growth alongside persistent inflation pressures. Elevated input costs and continued global uncertainty limited business investment. Technological developments, including increased adoption of artificial intelligence, supported incremental productivity gains; however, challenges such as new US trade tariffs, geopolitical tensions including ongoing conflict in both Eastern Europe and the Middle East and ongoing supply chain disruption continued to weigh on economic activity.

Globally, recovery remained uneven, with inflation and differing monetary policy paths contributing to variable demand conditions. As a result, many UK businesses maintained a cautious approach to investment and expansion.

Consistent with the Group's purpose of Helping Britain Prosper and its commitment to supporting customers, the Group continued to assist those most affected by developments in the economic environment.

The Company will continue to monitor the situation and risks to the business.

Value for money

Regulatory framework

Citra Pathways Limited is a Registered Provider of social housing regulated by the Regulator of Social Housing ("RSH"). The Company is required to comply with all applicable regulatory standards, including the Value for Money Standard 2018, which was last substantively updated June 2021. The Standard requires providers to ensure that optimal benefit is obtained from resources and assets, and to publish an annual self assessment setting out performance against the Standard. This statement describes how Citra Pathways Limited approaches Value for Money and how this is embedded within its strategy, governance and operating model.

As a responsible for-profit registered provider, the Company seeks to balance commercial discipline with its social purpose, ensuring that resources are managed efficiently and effectively to deliver strong Value for Money outcomes for customers, investors and stakeholders.

Guiding Principles

The Company's approach to Value for Money is guided by the following principles, which align directly to the Pathways strategy:

- Delivering high-quality, sustainable shared ownership homes
- Maintaining a customer-first operating model
- Achieving Value for Money through efficiency, scale and continuous improvement
- Ensuring strong governance, risk management and regulatory compliance
- Building long-term, ethical partnerships with developers, managing agents and suppliers
- Using data, benchmarking and digital systems to drive informed decision-making.

Value for Money at Citra Pathways Limited

Value for Money is not achieved by selecting the lowest-cost option in isolation. Instead, it is about securing services and outcomes that are effective, resilient and customer focused, at a cost that represents best value over the long term.

The Company's Value for Money objectives are to:

- Procure cost-effective housing management and support services
- Develop a scalable and efficient operating platform that supports portfolio growth
- Achieve year-on-year efficiencies as scale increases
- Benchmark performance against relevant peer providers and managing agents
- Work collaboratively with partners to deliver high-quality homes and services with continuous improvement.

Delivering Value for Money in practice

Procurement

The Company seeks to ensure that its procurement arrangements deliver best value while meeting future residents' needs and regulatory requirements. This is achieved through:

- Supporting an original, collaborative approach to procurement by our managing agent
- Applying clear expectations around contract management, performance and cost transparency
- Selecting partners on the basis of quality, service outcomes, ethical standards and long-term value, rather than price alone.

Benchmarking

Benchmarking is a core tool used to test efficiency and effectiveness. As the portfolio grows, the Company will benchmark its costs, performance and customer outcomes against comparable shared ownership providers and industry benchmarks.

Benchmarking results will be used to inform procurement decisions, contract management and strategic planning. In March 2026, Savills were commissioned by the Board of the Company to review and assess the management charges under its Property Management Agreement ("PMA") and Corporate Services Agreement ("CSA") to determine whether these agreements demonstrate comparable Value for Money against a peer set. The review concluded that the fees charged under the PMA and CSA are in line with market rates for comparable services, providing the Board with assurance that the management and customer services arrangements deliver value for money.

Service planning and performance management

Value for Money is embedded within the Company's business planning, budgeting and performance management frameworks. Clear service specifications, key performance indicators and targets are established for the Company's managing agent.

Performance will be monitored through regular reporting and quarterly service review meetings, covering service quality, complaints handling and compliance. This will enable early identification of issues and will support ongoing service improvement.

Working in partnership

Citra Pathways Limited is building long-term partnerships with developers, housing associations and its managing agent to deliver efficiencies, manage risk and improve outcomes. Cost control will be balanced with service quality, with customer needs and safety remaining paramount.

Value for Money during mobilisation and early operations

The year to 31 December 2025 represents the Company's first year of operations since receiving approval from the Regulator of Social Housing to operate as a for-profit registered provider on 1st May 2025. During this period, the primary focus has been on:

- Establishing robust governance, financial controls and regulatory compliance
- Finalising operating agreements with shareholders and managing agents
- Undertaking detailed pre-acquisition due diligence to ensure assets meet quality, sustainability and Value for Money criteria
- Developing the frameworks required to assess, benchmark and report Value for Money performance in line with the RSH Value for Money Standard 2018.

A formal Value for Money framework will be implemented, incorporating the seven RSH-prescribed Value for Money metrics.

Initial priorities

Initial priorities focus on ensuring agreements with shareholders and operating partners reflect the Company's guiding principles. Early transactions reflect these principles through robust pre-acquisition due diligence. Value for Money metrics are not yet required to be reported as no properties have been constructed.

The Value for Money metrics to be used include:

- Reinvestment
- New supply delivered
- Gearing
- EBITDA (major repairs included)
- Headline social housing cost per unit
- Operating margin
- Return on capital employed.

The Company considers Value for Money to be fundamental to delivering its strategic objectives. By embedding efficiency, transparency and continuous improvement within a customer-first operating model, the Company aims to deliver sustainable shared ownership homes that provide lasting value for customers while meeting its regulatory obligations and commercial responsibilities.

Regulation

The Regulator of Social Housing requires registered providers to assess their compliance with the Governance and Financial Viability Standard. The Company has completed its annual compliance review, and the Board is satisfied that the Company remains fully compliant with the regulatory framework, including the Governance and Financial Viability Standard and the associated Code of Practice. The Board has also confirmed compliance with the Value for Money Standard and the Consumer Standards.

The Company has taken an exemption from including a section 172(1) statement under the Companies Act 2006 as it qualifies as a small company.

Approved by the board of directors and signed on its behalf by:

Craig Luttman
Chief Strategy Officer
15 June 2026

Directors' report

For the year ended 31 December 2025

The directors present their annual report and the audited financial statements of Citra Pathways Limited for the year ended 31 December 2025.

General information

The Company is a private limited company, incorporated in the United Kingdom under the companies act 2006 and registered in England and Wales England and Wales (registered number: 15662072). It is a for-profit registered provider of social housing (''FPRP'') and registered with the Regulator of Social Housing (registered number: 5221).

The Company was incorporated on 19 April 2024. Accordingly, the current period represents the first full year of trading. Comparative figures are based on a shortened 8-month period and so not directly comparable.

Citra Pathways Limited is part of Lloyds Banking Group plc ("the Group"). It is a wholly-owned subsidiary of Citra Living Limited who is its immediate parent and sole shareholder. LBG Equity Investments Limited ("LBGEIL") is the intermediate parent Company within the Group.

The Company is funded entirely by equity investment and a debt facility from other companies within the Group.

Details of the Company's principal activities and expected future developments are set out in the Strategic Report.

Registered office

The Company's registered office is X+Why 100 Embankment Cathedral Approach, Salford, United Kingdom, M3 7FB.

Code of Governance

The Company was compliant with its adopted Code of Governance – the Wates Corporate Governance Principles ("Wates Principles"). The following explains the Company's approach to corporate governance and its application of the Wates Principles.

Principle One – Purpose & Strategy

The Board is collectively responsible for the long-term success of the Company. It determines and oversees delivery of the Company's strategy and values, within the wider strategy of the Group.

The Board also assumes responsibility for the management of the culture, values and wider standards of the Company, within the equivalent standards set by the Group, which are discussed in Lloyds Banking Group Annual Report and Accounts 2025, which does not form part of this report.

Principle Two – Board composition

The Company's Board comprises four Non-Executive Directors ("NEDs") and two Executive Directors. The Chair and Senior Independent Director ("SID") are NEDs.

The Board annually considers its effectiveness and concluded that its current size and composition are appropriate for the Company's current circumstances. All Board members (NEDs and Executive Directors) are appraised annually by the Chair. The Chair is appraised annually by the SID. Board appointments are based on a skills assessment of knowledge and experience.

Principle Three – Director responsibilities

The Board assumes ultimate responsibility for the affairs of the Company and along with senior management are committed to maintaining a robust control framework as the foundation for the delivery of good governance.

The Company's Governance Framework is reviewed at least annually and clearly articulates the Board's collective and individual responsibilities and delegations. The Board Register of Interests is updated at least quarterly and when circumstances change. Conflicts are managed in line with the Company's Conflicts Policy. The Board has no committees at the date of this report but will introduce them at the appropriate time.

Principle Four – Opportunity & Risk

Strong risk management is central to the Company's strategy, along with a risk and control framework which acts as the foundation for effective risk management.

Principle Five – Remuneration

A Remuneration Policy and Framework is in place to provide consistency and clarity on Board member remuneration. Levels of NED remuneration are reviewed annually and are subject to periodic benchmarking which inform any changes. Remuneration levels are set by benchmarking of comparative social housing NED roles. Executive Director remuneration is in line with Group Policies; it is partially linked to the financial performance of the Group, of which the Company is a relatively immaterial component. Executive Directors receive no additional remuneration for their role as Director of the Company.

Principle Six – Stakeholder Relationships and engagement

The Company fosters relationships with its stakeholders aligned with the Company's purpose. In line with the consumer standards, Company policies and processes aim to ensure that every customer has a safe home, a decent service, clear information, and a landlord who is held accountable. As part of the Group, the Company operates under the wider Responsible Business approach including duty to customers and stakeholders.

The Company's Board has adopted the British Property Federation for Profit Code of Governance from 2026.

Employees

The Company has no direct employees. All staff are employed by Lloyds Banking Group plc and certain staff costs are recharged to the Company under the Corporate Services Agreement.

Post Balance Sheet events

Details of events since the Balance Sheet date are set out in note 16.

Dividends

No dividends were paid or proposed during the year ended 31 December 2025 (2024 period: nil).

Annual General Meeting

An Annual General Meeting was not required in accordance with the Companies Act 2006 and the Articles of Association of Citra Pathways Limited.

Going concern

The financial statements have been prepared on a going concern basis. As at 31 December 2025, the Company has net assets of £644,000 (2024: £100). The directors are satisfied that it is the intention of LBG Equity Investments Limited (''LBGEIL'') that its subsidiaries, including the Company, will continue to have access to adequate liquidity and capital resources for the foreseeable future and, accordingly, the financial statements have been prepared on a going concern basis, taking into account:

- The Company does not have external debt and is funded by other companies within the Group
- The Company is in a net asset position and will continue to be able to repay its liabilities and commitments as they fall due through its liquid assets and/or its ability to generate funding from its asset pool; and
- That it is the intention of LBGEIL, to continue to provide adequate access to liquidity for the foreseeable future, being at least 12 months from the date of approval of these financial statements. Individual loan facilities are automatically rolled as they fall due for repayment under the master loan facility. The Company has access to a loan facility with LBGEIL to provide credit of up to £50,000,000. This loan facility is utilised solely by the Company, and is in place until 2044. At the date of this report, £40,000,000 of this facility remained undrawn. It has been confirmed that amounts due to LBGEIL will not be called, prior to maturity date, in the next 12 months.

Directors

The directors who held office during the year and up to the date of this report were as follows:

A J Cowan	
A Bailes	(appointed 1 June 2026)
R E Hesse	(resigned 1 June 2026)
C D Luttman	
D F Montague	
G Nanda	(resigned 19 December 2024, re-appointed 30 June 2025)
J E Porter	(appointed 6 May 2025)

Company Secretary

A E Mulholland

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law, the directors are required to prepare the financial statements in accordance with UK adopted international accounting standards in conformity with the requirements of the Companies Act 2006. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the company for that year.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether the financial statements comply with international accounting standards in conformity with the requirements of the Companies Act 2006, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Company will continue in business.

Directors' report (continued)

For the year ended 31 December 2025

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Housing and Regeneration Act 2008, the Housing Statement of Recommended Practice 2018 ("SORP") and the Accounting Direction for Private Registered Providers of Social Housing 2022. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

A copy of the financial statements is placed on our website www.lloydsliving.co.uk. The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' interests

A register of outside business interests is maintained for Citra Pathways Limited Board members.

Interests are reviewed and updated on a quarterly basis, and when changes occur. The Board declare any interests ahead of and at every board meeting and any conflicts are managed accordingly.

Apart from policies directly linked to NED remuneration and management, no Directors have declared any material interest in the business transacted by the Citra Pathways Limited during the period in question.

Directors' training

The Board has adopted its Learning & Development Plan to support the ongoing training and development of the Board. This plan is updated following Board member appraisals and Board effectiveness review. New members have completed induction training.

Directors' indemnities

Lloyds Banking Group plc has granted a deed of indemnity to the Directors of the Company, which constitutes 'qualifying third party indemnity provisions' for the purposes of the Companies Act 2006. This deed was in effect throughout the entire period and at the date of approval of the financial statements, or from the date of appointment for any Director who joined the Board during the period. Former Directors who served on the Board at any time during the period similarly benefited from the deed for the duration of their service. The deed of indemnity for current Directors is available for inspection at the registered office of Lloyds Banking Group plc. In addition, the Group maintained appropriate Directors' and Officers' Liability Insurance throughout the period.

Statement of disclosure of information to auditor

In accordance with Section 418 of the Companies Act 2006, in the case of each director in office at the date the Directors' report is approved:

- So far as the director is aware, there is no relevant audit information of which the company's auditors are unaware and
- the director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Directors' confirmations

Each of the Directors, as listed in the Directors' Report, confirm to the best of their knowledge that:

- The Company's financial statements, which have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006, give a true and fair view of the assets, liabilities, financial position and profit of the Company; and
- The Strategic report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risk and uncertainties that it faces.

Independent auditor

The auditor, Deloitte LLP, was appointed as auditor of the Company during the period under review. Having expressed its willingness to continue in office, and pursuant to section 487(2) of the Companies Act 2006, will be deemed to be re-appointed.

Approved by the board of directors and signed on its behalf by:

C D Luttman
Director
15 June 2026

Statement of comprehensive income

For the year ended 31 December 2025

	Note	**For the year ended 31 December 2025**	8 month period ended 31 December 2024 (unaudited)
		£'000	£'000
Other operating expenses	2	**(461)**	-
Operating Loss		**(461)**	-
Finance Income	3	**29**	-
Finance costs	4	**(32)**	-
Loss before tax		**(464)**	-
Taxation	5	**108**	-
Loss after tax and total comprehensive expense		**(356)**	-

Balance sheet

As at 31 December 2025

	Note	**2025**	2024 (unaudited)
		£'000	£'000
Assets			
Current assets			
Cash and cash equivalents	6	**4,419**	-
Trade and other receivables	7	**1,728**	-
Current tax asset	5	**108**	-
Total assets		**6,255**	-
LIABILITIES			
Non-current liabilities			
Amounts due to group undertakings	8	**5,000**	-
Trade and other payables	9	**153**	-
Total liabilities		**5,611**	-
EQUITY			
Share capital	10	**1,000**	-
Accumulated losses		**(356)**	-
Total equity		**644**	-
Total equity and liabilities		**6,255**	-

Approved by the board of directors and signed on its behalf by:

C D Luttman
Director

Statement of changes in equity

For the year ended 31 December 2025

	Note	Share Capital	Accumulated losses	Total equity
		£'000	**£'000**	£'000
At 19 April 2024 (unaudited)		-	-	-
Issue of share capital	10	-	-	-
At 31 December 2024 (unaudited)		**-**	**-**	**-**
At 1 January 2025		-	-	-
Issue of share capital	10	1,000	-	1,000
Loss for the year		-	(356)	(356)
At 31 December 2025		**1,000**	**(356)**	**644**

*At incorporation £100 of share capital was issued.

The accompanying notes to the financial statements are an integral part of these financial statements.

Cash flow statement

As at 31 December 2025

	2025	2024 (unaudited)
Cash flows generated from operating activities	**£'000**	£'000
Loss before tax	**(464)**	-
Adjustments for:		
Finance income	**29**	-
Finance costs	**(32)**	-
Changes in working capital:		
Changes in amounts due to Group undertakings	**426**	-
Changes in Trade and other payables	**153**	-
Cash generated from operating activities	**112**	-
Interest received	**35**	-
Net cash generated from operating activities	**147**	-
Cash flows generated from investing activities		
Deposits and prepayments for investment properties	**(1,728)**	-
Net cash used in investing activities	**(1,728)**	-
Cash flows generated from financing activities		
Issue of share capital	**1,000**	-
Proceeds from intercompany loans	**5,000**	-
Net cash generated from financing activities	**6,000**	-
Change in Cash and cash equivalents	**4,419**	-
Cash and cash equivalents at start of year	-	-
Cash and cash equivalents at end of year	**4,419**	-
Cash and cash equivalents comprise		
Cash at bank	**4,419**	-

The accompanying notes to the financial statements are an integral part of these financial statements.

1. Material Accounting policies

1.1 Basis of preparation

Citra Pathways Limited is a private Company limited by shares incorporated in the United Kingdom on 19 April 2024 under the Companies Act 2006 and is registered in England and Wales. The registered office can be found on the front page and its principal activity is included in the directors' report.

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied in the period presented, unless otherwise stated.

The financial statements of the Company have been prepared in accordance with United Kingdom adopted international accounting standards and in conformity with the requirements of the Companies Act 2006. These accounts are also prepared in accordance with the Accounting Direction for Private Registered Providers of Social Housing 2022 and the Housing Statement of Recommended Practice 2018 ("SORP"), to the extent that the SORP does not conflict with UK adopted international accounting standards.

Going concern

The financial statements have been prepared under the historical cost convention.

The directors are satisfied that it is the intention of LBG Equity Investments Limited ("LBGEIL") that its subsidiaries, including the Company, will continue to have access to adequate liquidity and capital resources for the foreseeable future, being at least 12 months from the date of approval of these financial statem1ents.

Accordingly, the financial statements have been prepared on a going concern basis, taking into account:

- The Company does not have external debt and is funded by other companies within the Group
- The Company is in a net asset position and will continue to be able to repay its liabilities and commitments as they fall due through its liquid assets and/or its ability to generate funding from its asset pool; and
- That it is the intention of LBGEIL, to continue to provide adequate access to liquidity for the foreseeable future. Individual loan facilities are automatically rolled as they fall due for repayment under the master loan facility which is in place until 2044.

No new IFRS pronouncements that had a material impact have been adopted in these financial statements.

Details of those pronouncements which will be relevant to the Company but which were not effective at 31 December 2025 and which have not been applied in preparing these financial statements are given in Note 17. No standards have been early adopted.

1.2 Functional currency

Items included in the financial statements are measured and presented in pounds sterling, the currency of the primary economic environment which the Company operates within.

1.3 Income recognition

Finance income

Finance income represents bank interest received and is recognised on an accruals basis, using the effective interest rate method.

1.4 Expenses recognition

Finance costs

Interest expense for all interest-bearing financial instruments is recognised in the statement of comprehensive income as it accrues using the effective interest rate method, within finance costs.

Other operating expenses

Other operating expenses primarily comprises staff and Non-Executive Director costs, which are all recognised in the statement of comprehensive income on an accruals basis.

1.5 Financial assets and liabilities

Management determines the classification of its financial assets and financial liabilities at initial recognition. Financial assets comprise trade and other receivables and cash and cash equivalents. Financial liabilities comprise amounts due to group undertakings and trade and other payables.

On initial recognition, financial assets are classified as measured at amortised cost or fair value through profit or loss, depending on the Company's business model for managing the financial assets and whether the cash flows represent solely payments of principal and interest. The Company assesses its business models at a portfolio level based on its objectives for the relevant portfolio, how the performance of the portfolio is managed and reported, and the frequency of asset sales. Financial assets with embedded derivatives are considered in their entirety when considering their cash flow characteristics. The Company reclassifies financial assets when and only when its business model for managing those assets changes. A reclassification will only take place when the change is significant to the Company's operations and will occur at a property portfolio level and not for individual investments; reclassifications are expected to be rare.

Financial assets are derecognised when the contractual right to receive cash flows from those assets has expired or when the Company has transferred its contractual right to receive the cash flows from the assets and either: substantially all of the risks and rewards of ownership have been transferred; or the Company has neither retained nor transferred substantially all of the risks and rewards, but has transferred control.

Financial instruments measured at amortised cost

Financial assets that are held to collect contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A basic lending arrangement results in contractual cash flows that are solely payments of principal and interest on the principal amount outstanding. Where the contractual cash flows introduce exposure to risks or volatility unrelated to a basic lending arrangement such as changes in equity prices or commodity prices, the payments do not comprise solely principal and interest.

Financial assets measured at amortised cost are predominantly cash and cash equivalents.

Financial liabilities are derecognised when the obligation is discharged, cancelled or expires.

Financial Liabilities measured at amortised cost are predominantly trade and other payables and amounts due to other group undertakings. Amounts due to other group undertakings, mainly constitute intercompany loans and are recognised initially at fair value, being their issue proceeds net of transaction costs incurred. These instruments are subsequently stated at amortised cost using the effective interest rate method.

1.6 Impairment

Impairment of financial assets

For trade and other receivables, the Company applies a simplified approach in calculating Expected Credit Losses ("ECLs"). Therefore the Company does not track changes in credit risk but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

1.7 Cash and cash equivalents

For the purposes of the statement of financial position and the cash flow statement, cash and cash equivalents comprise balances with less than three months' maturity.

1.8 Taxation

Tax expense comprises current tax. Current tax is charged or credited in the Statement of Comprehensive Income except to the extent that the tax arises from a transaction or event which is recognised, in the same or a different period, outside the Statement of Comprehensive Income (either in other comprehensive income, directly in equity, or through a business combination), in which case the tax appears in the same statement as the transaction that gave rise to it.

Current tax is the amount of corporate income taxes expected to be payable or recoverable based on the profit for the period as adjusted for items that are not taxable or not deductible, and is calculated using tax rates and laws that were enacted or substantively enacted at the balance sheet date.

Current tax includes amounts provided in respect of uncertain tax positions when management expects that, upon examination of the uncertainty by His Majesty's Revenue and Customs (HMRC) or other relevant tax authority, it is more likely than not that an economic outflow will occur. Provisions reflect management's best estimate of the ultimate liability based on their interpretation of tax law, precedent and guidance, informed by external tax advice as necessary. Changes in facts and circumstances underlying these provisions are reassessed at each balance sheet date, and the provisions are re-measured as required to reflect current information.

2. Other Operating Expenses

	2025 £'000	(unaudited) 2024 £'000
Staff costs	**382**	-
Other Costs	**79**	-
	461	-

3. Finance income

	2025 £'000	(unaudited) 2024 £'000
Bank interest	**29**	-

4. Finance costs

	2025 £'000	(unaudited) 2024 £'000
Interest payable to group undertakings	**32**	-

Finance costs comprise interest payable on intercompany loans from related parties (Note 8). Interest payable is recognised in the Statement of comprehensive income using the effective interest rate method. The effective interest rate is established on initial recognition of the financial liability and is not subsequently revised.

Fees payable to the Company's auditors for the audit of the financial statements of £24,000 (2024: nil) have been borne by the ultimate parent company and are not recharged to the Company. The Company has no direct employees. All staff are employed by Lloyds Bank plc and certain staff costs of £382,000 (2024: nil) have been recharged to the Company by the parent Citra Living Limited, see Note 12 for details of recharge basis.

5. Taxation

a) Analysis of (expense)/credit for the year	2025 £'000	(unaudited) 2024 £'000
UK corporation tax: - Current tax on taxable loss for the year	**108**	-
Current tax credit	**108**	-

Corporation tax is calculated at a rate of 25% (2024: 25%) of the taxable profit for the year.

b) Factors affecting the tax credit for the year

A reconciliation of the credit that would result from applying the standard UK corporation tax rate to the profit before tax to the actual tax expense for the year is given below:

	2025 £'000	(unaudited) 2024 £'000
Loss before tax	**(464)**	-
Tax credit thereon at UK corporation tax rate of 25% (2024: 25%)	**116**	-
Factors affecting credit: - Disallowed items	**(8)**	-
Tax credit on (loss) on ordinary activities	**108**	-
Effective rate	**(23.27)%**	0%

The Company has applied the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar 2 income taxes currently required by IAS12 Income Taxes. No provision for Pillar 2 current tax is required in respect of this period.

6. Cash and cash equivalents

Cash and cash equivalents for the purposes of the Cash flow statement include the following:

	2025 £'000	(unaudited) 2024 £'000
Cash at bank, held with group undertakings	**4,419**	-

7. Trade and other receivables

Current assets	2025 £'000	(unaudited) 2024 £'000
Deposit Assets	**1,590**	-
Prepayments	**138**	-
	1,728	-

Deposit assets are upfront payments made to developers as part of ongoing building projects.
Other Prepayments relate to professional fees that will be capitalised under these projects.

8. Amounts due to group undertakings

	2025 £'000	(unaudited) 2024 £'000
Amounts due to group undertakings within 12 months	**458**	-
Amounts due to group undertakings in more than 12 months	**5,000**	-
	5,458	-

See Note 12 for a breakdown of which related parties these amounts are due to.

The Company has access to a loan facility with LBGEIL to provide credit of up to £50,000,000. This loan facility is utilised solely by the Company, and is in place until 2044. As at 31 December 2025, the Company has drawn £5,000,000 from this facility, at an interest rate of 5.23%, maturing 24 September 2030. It has been confirmed that amounts due to LBGEIL will not be called, prior to maturity date, in the next 12 months.

Amounts due to group undertakings within 12 months includes £426,000 (2024: nil) of non-interest-bearing amounts which are payable on demand, for costs paid for by other Group entities to be recharged to this Company. The residual £32,000 (2024: nil) relates to accrued interest due on the loan facility.

9. Trade and payables

Current liabilities	2025 £'000	(unaudited) 2024 £'000
Accrued expenses	**153**	-
	153	-

10. Capital and reserves

Share capital

	2025 £'000	(unaudited) 2024 £'000
Opening balance		
On incorporation	-	-
100 ordinary shares of £1 each	**-**	-
Additions		
100 ordinary shares of £1 each	-	-
1,000,000 ordinary shares of £1 each	**1,000**	-
Closing balance		
100 ordinary shares of £1 each	-	-
1,000,100 ordinary shares of £1 each	**1,000**	-

All ordinary shares rank pari passu in all respects including the right to receive all dividends and other distributions declared, made or paid on the ordinary share capital of the Company.

On 16 July 2025, the Company issued 1,000,000 ordinary shares of £1 each to Citra Living Limited.

11. Key Management Personnel

Key management personnel are those persons having authority and responsibility for planning and controlling the activities of the Company. Accordingly, key management is comprised of the directors of the Company. There were no other transactions between the Company and key management personnel during the current or preceding year. Key management personnel are employed by other companies within the Group.

The amounts disclosure below represent the portion of total remuneration for individuals considered key management personnel that has been recharged to the Company. These amounts are determined based on the estimated time and services provided in support of the Company's activities:

	2025 £'000	(unaudited) 2024 £'000
Non-Executive Directors' emoluments		
Aggregate emoluments	**90**	-
Social security costs	**11**	-
	101	-
Executive Directors' emoluments		
Aggregate emoluments	**71**	-
Social security costs	**10**	-
Aggregate post employment benefits	**10**	-
	91	

Highest paid director

	2025 £'000	(unaudited) 2024 £'000
Non-Executive Directors' emoluments		
Aggregate emoluments	**57**	-
Social security costs	**8**	-
Aggregate post employment benefits	**9**	-
	74	

No directors (2024: two) consider that their services to the Company are incidental to their responsibilities within the Group. No compensation was received by the directors for loss of office (2024: £ nil).
No directors are accruing benefits under a defined pension scheme (2024: none).
Two directors received shares of the Group under long term incentive plans during the year (2024: two).
The Chief Executive participates in the Group's defined contribution pension scheme under standard terms with no enhanced or individual pension arrangements.

12. Related party transactions

The Company is a 100% owned subsidiary Citra Living Limited ("CLL"). Its intermediate parent within the Group is LBG Equity Investments Limited ("LBGEIL").

	2025 £'000	(unaudited) 2024 £'000
Amounts due to group undertakings		
LBG Equity Investments Limited	**5,032**	-
Citra Living Limited	**426**	-
Total amounts due to group undertakings	**5,458**	-

Amounts due to LBGEIL represent contractual intercompany loans and associated unpaid interest, which are interest bearing and have defined maturity dates. The Company has access to a loan facility with LBGEIL to provide credit up to £50,000,000. These amounts are shown within Note 8.

Other Intercompany payables are non-interest-bearing and payable on demand, representing costs paid for by other Group entities to be recharged to this Company.

	2025 £'000	(unaudited) 2024 £'000
Cash and cash equivalents held with group undertakings		
Lloyds Bank plc (Note 6)	**4,419**	-

During the year, the Company utilised standard banking facilities provided by a member of the Group, Lloyds Bank plc. These services were provided on normal arms-length basis with interest, fees and charges were applied at market rates.

Interest expense		
LBG Equity Investments Limited (Note 4)	**32**	-

Amounts due to LBGEIL represent contractual intercompany loans, which are interest bearing and have defined maturity dates. These loans are on normal arms-length basis with interest, fees and charges were applied at market rates.

Interest income		
Lloyds Bank plc (Note 3)	**29**	-

During the year, the Company utilised standard banking facilities provided by a member of the Group, Lloyds Bank plc. These services were provided on normal arms-length basis with interest, fees and charges were applied at market rates.

Other Operating Expenses		
Citra Living Limited (Note 2)	**382**	-

During the year, the Company was recharged for head office overheads and staff costs incurred by the immediate parent on behalf of the Company. The recharges were made on an arms-length basis, calculated using cost-allocation methodologies consistent with those applied to other group entities, and reflected the actual costs incurred with no mark-up applied. Fees payable to the Company's auditors for the audit of the financial statements of £24,000 have been borne by the ultimate parent company and are not recharged to the Company.

13. Financial risk management

The Company's operations expose it to a variety of financial risks: credit risk, liquidity risk, market risk (including interest rate risk, exchange risk, and equity risk). Responsibility for the control of overall risk lies with the Board of Directors, operating within a management framework established by LBGEIL, and the ultimate parent, Lloyds Banking Group plc. The remaining interest rate and liquidity risk faced by the Company is in substance managed and borne by other group undertakings which fund the Company and credit risk is carefully monitored by the Retail Division's credit committee and credit functions. Market risk is managed by the Company through the terms negotiated in commercial agreements and management regularly reviewing its portfolio of investment properties for impairment. Business risk is managed through regular reporting and oversight.

A description of the Company's financial assets/liabilities and associated accounting is provided in note 1.

13.1 Credit risk

Credit risk management

Credit risk is the risk of financial loss from a counterparty's failure to settle financial obligations as they fall due. Credit exposures arise in the normal course of the Company's business, principally from its rental business and investment activities.

Cash deposits and other financial assets

Cash and cash equivalents and amounts due from other group undertakings are held with other companies within the Group. The credit risk associated with these financial assets is not considered to be significant.

Financial assets subject to credit risk

The maximum exposure to credit risk arising on the Company's financial assets at the reporting date is disclosed in the table below and equates to carrying value.

	2025 £'000	(unaudited) 2024 £'000
Cash and cash equivalents	**4,419**	-
	4,419	-

13.2 Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its obligations as they fall due. To manage this risk extensive intercompany loan facilities are available from within the Group.

The Company is funded entirely by companies within the Group. Such funding is repayable over a period of up to the following 5 years. New loans will be granted to meet funding requirements, and there is no expectation that full repayment will be made prior to the maturity date.

The table below sets out the cash flows payable by the Company in respect of amounts due to related undertakings and Financial commitments under development agreements by remaining contractual undiscounted repayments of principal and interest, at the balance sheet date. All other financial liabilities are repayable on demand.

As at 31 December 2025

	Up to 1 month £'000	1-3 months £'000	1-3 months £'000	1-3 months £'000	1-3 months £'000
Amounts due to Group undertakings	426	97	197	5,977	6,697
Trade and other payables	-	153	-	-	153
Financial commitments - Development Agreements	-	-	14,530	-	14,530
As at 31 December 2025	**426**	**250**	**14,727**	**5,977**	**21,380**

13.3 Market risk

The Company is exposed to market risk, which is analysed below in notes 13.4 to 13.5.
Market risk is defined as the potential loss in value or earnings of the Company arising from changes in external market factors such as:

- Interest rates (interest rate risk);
- Business risk (internal and external business risk);

At the reporting date, the Company's exposure to market risk arose from interest rate and equity risk.

13.4 Interest rate risk

Interest rate risk exists where the Company's financial assets and liabilities have interest rates set under different bases, or which reset at different times. As the Company's interest-bearing intercompany loans primarily have fixed interest rates, it is not considered to have any significant interest rate exposure.

13.5 Business risk

Business risk is the risk that the Company's earnings are adversely impacted by a suboptimal business strategy or the suboptimal implementation of the strategy. In assessing business risk consideration is given to internal and external factors such as, funding, customer offerings (Private Rented Sector) and resource capability and economic, political and regulatory factors.

As the Company is yet to undertake any lettings activity it is not considered to have significant risk exposure.

In accordance with the LBG Enterprise Risk Management Framework, through regular reports and oversight business risk is managed by corrective actions to plans and reductions in exposures where necessary.

14. Capital disclosures

The Company's objectives when managing capital are to safeguard the Company's ability to run down the Company in an orderly manner, provide an adequate return to its shareholder through pricing products and services commensurately with the level of risk and, indirectly, to support the Group's regulatory capital requirements.

The Company's parent manages the Company's capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company's parent may adjust the amount of dividends to be paid to the shareholder, return capital to the shareholder, issue new shares, or enter in to debt financing. The Company's parent can also request the Company to pay dividends or make a capital contribution in order to maintain or adjust the Group's capital structure.

The Company's capital comprises all components of equity, movements in which appear in the Statement of changes in equity.

15. Future Commitments

		(unaudited)
	2025	2024
	£'000	£'000
Contracted Capital Expenditure	**14,530**	-
Total capital commitments	**14,530**	-

As at 31 December 2025, the Company is committed to pay an additional £14,530,000 with respect to development agreements on residential properties under construction, see Note 13 for when these amounts fall due.

As at 31 December 2025 no capital expenditure has been approved but not contracted for (2024: nil).

All capital expenditure is expected to be financed through access to the LBGEIL lending facility provided by the Company's intermediate parent.

16. Post balance sheet events

Subsequent to the year end, on 20 May 2026 the Company issued 10,000,000 ordinary shares of £1 each for total consideration of £10,000,000.

17. Future accounting developments

The following pronouncements are not applicable for the period ending 31 December 2025 and have not been applied in preparing these financial statements. Save as disclosed below, the impact of these accounting changes is still being assessed by the Company and reliable estimates cannot be made at this stage. With the exception of certain minor amendments, as at the date of signing these financial statements these pronouncements have been endorsed for use in the United Kingdom.

17.1 Minor amendments to other accounting standards

There are a number of new accounting pronouncements issued by the IASB with an effective date of 1 January 2027, including IFRS 18 Presentation and Disclosure in Financial Statements which replaces IAS 1 Presentation of Financial Statements. While many of the existing requirements of IAS 1 Presentation of Financial Statements are retained, IFRS 18 Presentation and Disclosure in Financial Statements introduces additional disclosure obligations in relation to the structure of the income statement, management-defined performance measures, and the aggregation and disaggregation of financial information. IFRS 18 will have no impact on the Company's net profit as it impacts neither recognition nor measurement. The new standard will impact the presentation of the Company's results as it requires that operating, investing and financing activities are presented separately. There will also be a change in the Company's cash flow statement as IFRS 18 requires that the first line of the cash flow statement is operating profit rather than profit before tax.

17.2. 2026 Update to the Accounting Direction for Private Registered Providers of Social Housing 2022

In May 2026, the Regulator of Social Housing issued an updated Accounting Direction which applies to periods of account beginning on or after 1 January 2026. The updated Accounting Direction has not been early adopted into these financial statements.

Based on the Company's current activities, the Directors do not expect these changes to have a material impact on the Company's financial position or results, although additional disclosures will be required in future periods in relation to related party relationships.

18. Ultimate parent undertaking and controlling party

The immediate parent company is Citra Living Limited. The company regarded by the directors as the ultimate parent company and controlling party is Lloyds Banking Group plc (incorporated in Scotland), which is also the parent undertaking of the smallest and largest group of undertakings for which consolidated financial statements are drawn up and of which the Company is a member. Copies of the financial statements of both companies may be obtained from Group Secretariat, Lloyds Banking Group plc, 33 Old Broad Street, London, EC2N 1HZ. The Lloyds Banking Group plc financial statements may be downloaded via **www.lloydsbankinggroup.com/investors/financialdownloads.html.**