

10 March 2017

Private & Commercial Finance Group plc

(“PCFG”, the “Company” or the “Group”)

AGM Trading Statement

Strong portfolio growth underpins Company’s transition into retail banking

PCFG, the AIM-listed specialist bank, will hold its Annual General Meeting (“AGM”) at 10.00am today at its offices at 105 – 108 Old Broad Street, London EC2N 1ER.

At the AGM, Chief Executive Scott Maybury will make the following statement to shareholders:

“The Board is pleased to report that trading in the first five months of the current financial year was in line with management expectations. The interim results for the six months period ending 31 March 2017 will be released on 6 June 2017.

We report that new business originations in the five months to 28 February 2017 were 11.3% ahead of the comparative period last year at £28.2m (2016: £25.3m), while portfolio quality and performance have been maintained at the previous high levels. The portfolio of receivables has grown to £127m (2016: £122m). Our key profitability indicators of Return on Average Assets and Return on Equity continue to meet our targets. These medium term targets remain unchanged at 2.5% and 12.5% respectively as we build the bank and fully leverage the infrastructure.

The Group’s primary objective is to complete full mobilisation of the bank and the project is on track for delivery this summer. The key mobilisation tasks of governance arrangements, implementing a risk, liquidity and capital management framework, key function recruitment and recovery and resolution planning are well advanced. Also, the banking technology and infrastructure workstreams have recently moved into the testing phase. We are very happy with the progress being made and we are working closely with the PRA and FCA to achieve the lifting of restrictions ahead of taking retail deposits.

It is a testament to the team that the mobilisation process has not distracted from organic growth, and there are a number of new business initiatives which we will update shareholders on in more detail at the interim results. The banking licence will greatly expand our addressable lending market and thereby provide a significant increase in scale, with a target portfolio of £350m in three years and £750m in five years, which together with our continued focus on operational success and efficiencies will ultimately deliver superior profitability.”

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About Private & Commercial Finance Group plc (www.pcfg.co.uk)

Established in 1994, Private & Commercial Finance Group plc is an AIM-quoted specialist bank which has two main operating divisions:

- Consumer Finance which provides finance for motor vehicles to consumers; and
- Business Finance which provides finance for vehicles, plant and equipment to SMEs.

The Group has a highly efficient and scalable business model, utilising its specially developed internet-based proposal system to service national networks of brokers and suppliers.

Certain information contained in this announcement would have constituted inside information (as defined by Article 7 of Regulation (EU) Number 596/2014) prior to its release as part of this announcement.