

8 March 2019

PCF Group plc

(“PCF”, the “Company” or the “Group”)

Strong new business origination and foundations for future growth

PCF, the AIM-listed specialist bank, will hold its Annual General Meeting (“AGM”) at 10.00am today at 1 Cornhill, London, EC3V 3ND.

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

“Our Chairman provided a trading update in the recent Circular to shareholders regarding the Placing and Open Offer. Further to that statement, I am pleased to report that trading in the first five months of the current financial year has been strong and in line with management’s expectations.

“I am pleased to report that new business origination in the five-month period to 28 February 2019 was 78% ahead of the comparative period last year at £98m (2018: £55m). We are also pleased to report that the quality of originations has been maintained with over 76% of originations being in our prime credit grades (2018: 70%). The lending portfolio has grown to over £255m (2018: £172m) and this is supported by retail deposits of £202m (2018: £72m). The lending portfolio is reported net of approximately £48m of deferred income which provides a degree of visibility on future earnings, as typically 50% of this income is expected to accrue in the upcoming 12 months.

“Following continued strong organic growth, in addition to the previously announced strategic diversifications, our previous lending portfolio target of £350m will be delivered ahead of schedule. Completing the proposed Placing and Open Offer will provide capital headroom to support the next stage of growth as the Group moves towards its medium-term targets of a portfolio of receivables of £750 million and a return on equity of 15% by September 2022. We are pleased with the performance and on-going integration of our acquisition, Azure Limited. The nascent property bridging finance division completed its first deal in January and has a strong pipeline of additional business.

“We will continue to invest for the future through additional resources and technology enhancements to build and maintain an infrastructure that supports our ambitions and meets the needs of our customers.

“The UK economy faces political and economic uncertainties which have the potential to slow our progress. However, by maintaining a sound credit model and a robust operational platform we can mitigate these risks. We will remain alert to these challenges as we plan our growth strategy for 2020 and beyond; and we look forward to providing a further update on 5 June 2019 when we will announce our half-year accounts for the six-month period ending 31 March 2019.”

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About PCF Group plc (www.pcf.bank)

Established in 1994, PCF Group plc is the AIM-listed parent of specialist bank, PCF Bank Limited. Since becoming a bank in 2016, the Group has the capability to increase its lending portfolio significantly, with an initial portfolio target of £350 million, growing to £750 million by September 2022. The Group will retain its focus on portfolio quality, lending increasingly to the prime segment of its existing finance markets. The Group has also recently diversified its lending products and asset classes through acquisition and by setting up new organic operations.

PCF Bank currently offers retail savings products for individuals and then deploys those funds through its four lending divisions:

- Business Finance which provides finance for vehicles, plant and equipment to SMEs;
- Consumer Finance which provides finance for motor vehicles to consumers;
- Azure Limited which provides finance to the broadcast and media industry; and
- Bridging Property Finance which provides loans to companies and sole traders investing in residential property

The Group has a track record of strong financial performance and an efficient and scalable business model, with significant room to grow. Utilising its technology platform, the Bank provides both depositors and borrowers with a high level of service and a straightforward, simple range of products tailored to suit their needs.

For media enquiries please contact media@pcf.bank