

16 April 2018

PCF Group plc

(“PCF”, the “Company” or the “Group”)

PCF Bank Reaches £100m Milestone in Retail Deposits

PCF, the AIM-quoted specialist bank, is pleased to announce that the total value of deposits the Company has accepted from retail customers has surpassed the £100 million mark.

This milestone has been reached in a relatively short time, and sooner than previously anticipated, as PCF Bank only began accepting retail deposits at the end of July 2017. During this period, some 2,500 new retail customers have been welcomed to PCF.

The award-winning* service is based on an easy to use, internet-based software platform which allows customers to on-board to PCF securely and quickly (typically in less than 10 minutes). PCF’s savings portfolio includes a range of maturities up to 7 years and has an average account balance outstanding of approximately £45,000.

For PCF, the growing amount of retail deposits allows it to continue to replace more expensive wholesale bank debt, support its growth strategy and allow it to scale the lending portfolio more rapidly. It also provides greater flexibility of funding and a reduced cost of funds which allows it to compete in the much larger prime segment of the market and facilitates the launch of new products and diversification of asset classes.

The Group’s strategy is to grow the lending portfolio to £350 million by September 2020 and £750 million by 2022. PCF announced last month that the lending portfolio had grown to £172 million already.

PCF will be connecting with the investor community at the upcoming Mello 2018 Investor Event at The Derby Conference Centre on Thursday 26th April 2018.

Commenting on the achievement, David Bull, PCF’s Finance Director, said: “This is a remarkable achievement, from a standing start in July last year. Our proposition is ‘Simple Banking. At your service’, and delivering against this statement is clearly resonating with our customer base. We look forward to further success with this growing element of our business.

“I would like to thank all of the dedicated people we have across our whole business at PCF, without whom this achievement would not have been possible.”

* In December 2017, the independent savings advice specialist Savings Champion awarded PCF Bank the title of “*Best New Provider for 2018*”

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About PCF Group plc (www.pcf.bank)

Established in 1994, PCF Group plc is the AIM-quoted parent of the specialist bank, PCF Bank Limited. With the advent of a banking operation, the Group now has the capability to increase its lending portfolio significantly, with target portfolio sizes of £350 million in 2020 and £750 million in 2022. The Group will retain its focus on portfolio quality and has the capability to lend increasingly to prime segments of its existing finance markets. The Group will also seek to diversify its lending products and asset classes through acquisition.

PCF Bank currently offers retail savings products for individuals and then deploys those funds through its two lending 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 track record of strong financial performance and an efficient and scalable business model, with significant room to grow. Utilising its technologically advanced 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