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Time Finance PLC
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Time Finance plc

("Time Finance", the "Group" or the "Company")

Q3 Trading Update

Positive trading momentum gathering pace

Profit Before Tax up 172% over corresponding period

Full-year results now expected to be ahead of recently increased market expectations

Time Finance plc, the AIM listed independent specialist finance provider is pleased to provide a trading update for the nine-months ended 28 February 2023. These results reflect the continued success of streamlining the Group to focus on core, own-book lending to UK businesses; with significant increases now being seen in the lending book, revenues and profits and across other key performance indicators.

Unaudited financial highlights:

- Own-Book lending origination up 34% to £52.9m (As at Q3 2021/22: £39.5m)
- Revenue up 28% to £20.0m (As at Q3 2021/22: £15.6m)
- Profit Before Tax ("PBT") up 172% to £3.0m (As at Q3 2021/22: £1.1m)
- Strong visibility of future earnings with unearned income up 30% to £19.4m as at 28 February 2023 (28 February 2022: £14.9m)
- Gross lending-book up 26% to £157.2m as at 28 February 2023 (28 February 2022: £124.6m)
- Net Arrears reduced to 6% of the gross lending book as at 28 February 2023 (28 February 2022: 8%)
- Net Tangible Assets up 12% to £33.0m (28 February 2022: £29.5m)
- Continued positive trading momentum throughout Q3 of 2022/23 has given the Board further confidence that full-year trading will now be further ahead of the latest market expectations[1], with PBT for the full year now expected to be not less than £3.6m

The increase in revenue continues to be driven primarily by growth in both the Invoice Finance division and the 'Hard Asset' subset of the Asset division. Both growth areas operate in the larger-ticket, more secured lending arena. This is reflective of the previously stated strategic focus on increasing the Group's average deal size and, where appropriate, taking greater security on lending.

The Group will provide an update on trading for the full year to 31 May 2023 in late June 2023.

Ed Rimmer, Chief Executive Officer commented:

"I am delighted to report that the Group's ongoing trading performance during Q3 has enabled the Board to confirm that the expected results for the full-year to 31 May 2023 are being further uplifted. This is the second time since the start of the

calendar year that these have been raised, bearing testament to the successful implementation of our Medium-Term Strategy.

"Despite the well-publicised wider macro-economic 'headwinds', the Group has continued to grow at a faster rate than expected, demonstrating that demand for finance from UK businesses is robust. The Group's multi-product tailored offering to UK SMEs, its own-book lending strategy and its quality of service have become ever more appreciated by our introducers and I am confident that we can deliver increasing value for our shareholders".

1. *FY23 market expectations at time of announcement of £25.7m of revenue and £3.2m of PBT.*

For further information, please contact:

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About Time Finance:

Time Finance's core strategy is to provide the finance UK SMEs require to fund their businesses. It offers a multi-product range for SMEs concentrating on asset, loan and invoice finance. While focussed on being an 'own-book' lender, the Group does retain the ability to broke-on deals where appropriate, enabling it to optimize business levels through market and economic cycles.

More information is available on the Company website www.timefinance.com.

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