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

Own-Book Lending Portfolio reaches all-time record high of over £145m
Key Performance Indicator to help drive profitable growth

Time Finance plc, the AIM listed specialist finance provider, is pleased to give the following update on the performance of its unaudited lending book portfolio. Increasing the Company's own-book lending forms a key pillar of its medium-term growth strategy, announced in June 2021, which targeted a doubling of the lending portfolio by 31 May 2025.

Own book growth continues

The Company has recorded a fifteenth consecutive month of growth in its own-book lending portfolio. As at 30 September 2022 the value of the lending portfolio had reached a Group historic high of £145.1m. This compares with the previous Group high of £144.1m recorded in February 2020, immediately prior to the onset of the pandemic, and demonstrates the strength of its recovery from a pandemic induced low of £115.7m in May 2021. The current lending portfolio value is 6% higher than the 31 May 2022 year-end level of £136.8m and is a further 2% up on the 31 August 2022 level of £142.8m, announced in the Group's Q1 Trading Update.

The average own-book deal size is also continuing to increase. It currently stands at approximately £25,000, compared with £14,000 when the medium-term strategy was launched.

Arrears continue to fall

As the lending portfolio continues to grow, total net arrears have continued to fall. As at 30 September 2022 net deals in arrears stood at £8.8m, down a further 4% from the 31 August 2022 level of £9.2m announced in the Q1 Trading Update; down 5% from the 31 May 2022 year-end balance of £9.3m; and down 38% on the pandemic induced £14.3m as at 31 May 2021. The arrears balance is now 6% by value of the total lending portfolio, compared to 7% at the 31 May 2022 financial year-end and 12% at 31 May 2021, having now remained consistently below pre-pandemic levels since September 2021.

Ed Rimmer, Chief Executive Officer, commented:

"Our Medium-Term Strategy has a clear focus on substantially increasing own-book lending and strengthening the Group's balance sheet. I am therefore delighted to see real traction being gained in both areas over the last half year. This has resulted in the Group's own-book lending portfolio now standing at record-high levels; marks the portfolio's full recovery, and more, from the COVID pandemic, and should result in growing income and profit streams for the Group over the life of these deals.

"Equally pleasing is that the increase in the portfolio continues to be driven by both the Group's Invoice Finance and 'Hard' part of the Asset Finance divisions. This is very much in line with our strategy as both of these areas operate in the more secured lending space."

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About Time Finance:

Time Finance's core strategy is to focus on providing or arranging the finance UK SMEs require to fund their businesses. It offers a multi-product range for SMEs including asset, vehicle, loan and invoice finance. While primarily an 'own-book' lender the Group does operate a 'hybrid' lending and broking model enabling it to optimize business levels through market and economic cycles.

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

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 as amended by regulation 11 of the Market Abuse (Amendment) (EU Exit) Regulations 2019/310. Upon the publication of this announcement via Regulatory Information Service, this inside information is now considered to be in the public domain.