



Interim Results and Updated Strategic Plan

Results for six months ended 30 November 2024
Strategic Plan through to May 2028

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Ed Rimmer

Ed has worked within commercial finance for nearly 30 years holding many senior roles, including UK CEO of Bibby Financial Services. Ed has been involved with Time since 2017 having previously been Managing Director of the Invoice Finance Division and Group COO.

Ed became Group CEO in June 2021.



James Roberts

James qualified as an accountant with PwC and has worked in financial services for nearly 25 years. He has held leadership positions with several AIM listed companies and has significant experience in mergers and acquisitions within fast-paced, growing businesses.

James joined Time Finance as its CFO in May 2017.

Current Strategic Plan – June 21 to May 25



To double the
Gross Lending
book from its
June '21 level



To become a
nationally
recognized
SME funder



To achieve run-
rate profits
ahead of 2019
pre-Covid levels

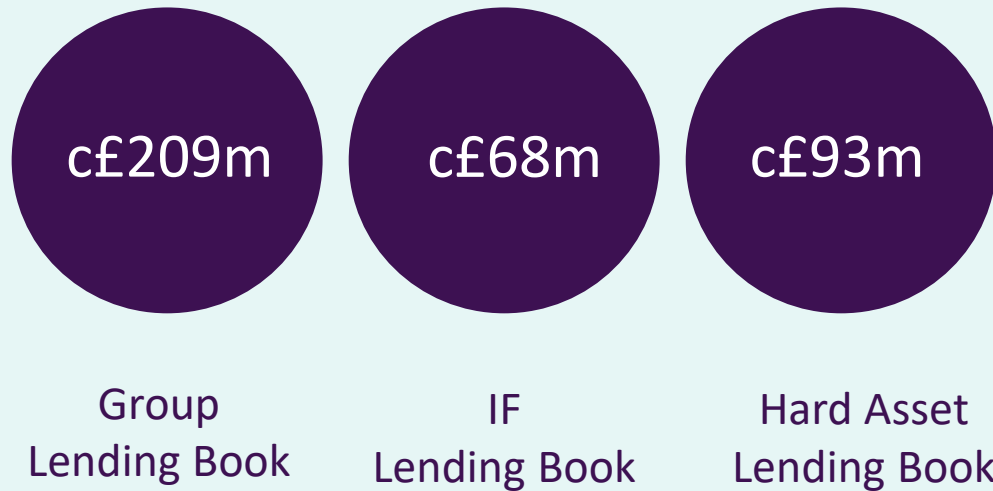


To strengthen the
balance sheet
through own
book lending

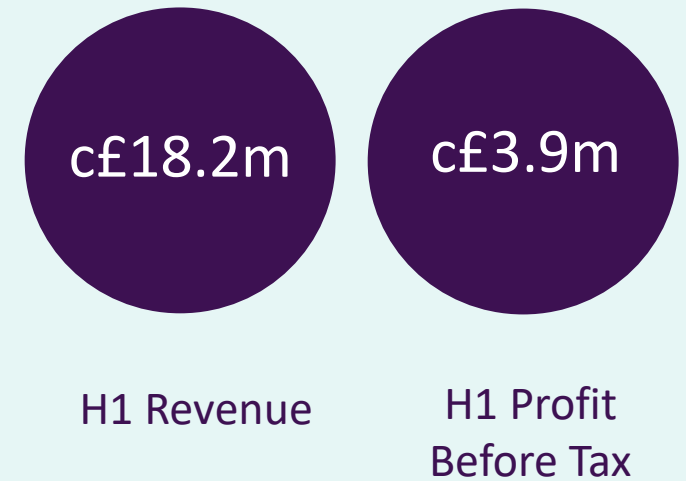
Current Strategic Plan

An update as at 30 November

To double the Gross Lending book



To achieve 2019 run-rate profits



Growth Since Strategy Launch

80%

172%

190%

114%*

103%*

Progress



Vs FY2019 H1 comparatives of £16.0m Revenue and £3.8m PBT

Current Strategic Plan

An update as at 30 November

To become a nationally recognized SME lender



- Average Trust Pilot review rating of 4.9 out of 5 stars
- Appointed a new industry expert Head of Marketing
- Sponsorship of NACFB in 2024
- Won numerous industry awards throughout 2023 and 2024
- Ranked Number 1 in Business Money Intermediary Index



To Strengthen the balance sheet through own-book lending

- Net Tangible Assets at record highs of c£41.5m, up 46% from June 21
- Ratio of 96:04 in H1 of own-book new business v broked-on; from 87:13 at the start of the strategy
- Secured Lending (IF and HA) of c77% of the total book, up from c50% from June 21



Progress



H1 Unaudited Financial Results



Record H1
Revenues



14 Consecutive
Quarters of Loan
Book Growth



Record H1
Profits



Well Controlled
Arrears and
Write-offs

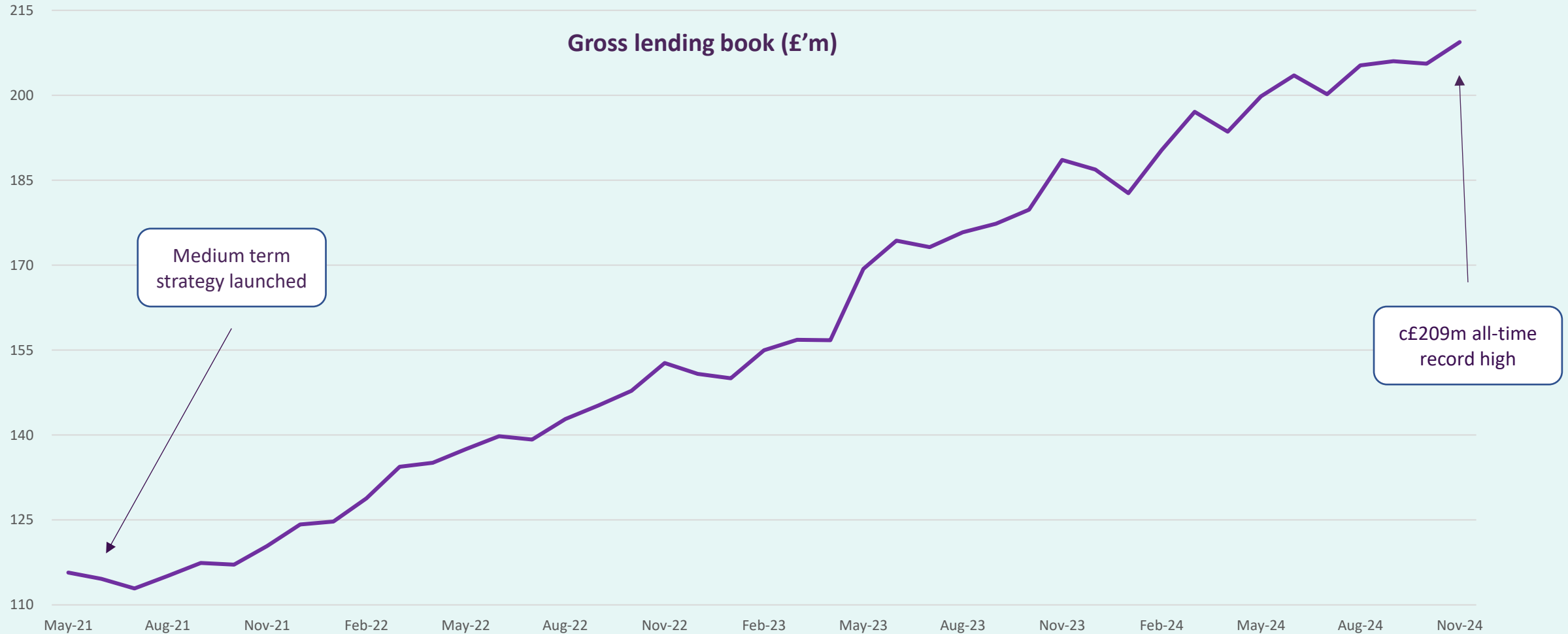
Unaudited Interim results to 30 November 2024

Strong year-on-year momentum

	30/11/24	30/11/23	Movement		Progress
	£'m	£'m	£'m	%	
• Total Revenue for the period	£18.2m	£15.7m	+£2.5m	+16%	✓
• Profit Before Tax	£3.9m	£2.7m	+£1.2m	+44%	✓
• PBT Margin	21%	17%	n/a	+4%	✓
• Consolidated Tangible Assets	£69.0m	£63.9m	+£5.1m	+8%	✓
• Consolidated Net Tangible Assets	£41.5m	£36.4m	+£5.1m	+14%	✓
• Gross own-book Lending book	£209.4m	£188.6m	+£21.4m	+11%	✓
• Unearned Income	£26.1m	£23.9m	+£2.2m	+9%	✓
• Net Deals in arrears	5%	6%	n/a	-1%	✓
• Net Bad Debt Write-Offs	1%	1%	n/a	-	=
• Earnings per Share	3.24pps	2.33pps	+0.91pps	+39%	✓

A Record High Lending Book

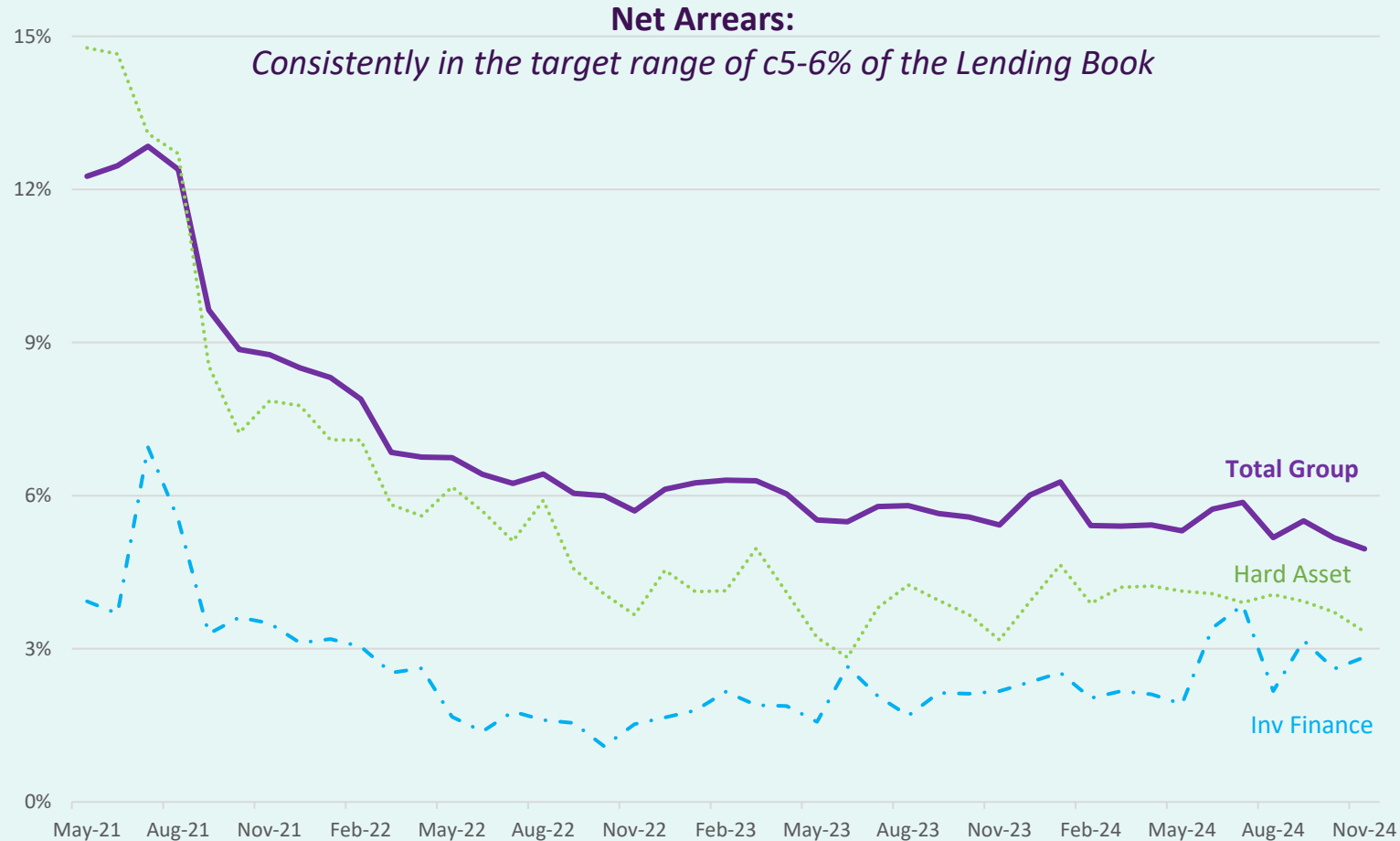
Fourteen quarters of lending book growth driving increased revenues and profits



Since the launch of the strategic plan in June 2021, the lending book has grown steadily and consistently through to November 2024, fourteen quarters of uninterrupted growth. The pre-pandemic high of c£145m was passed in September of 2022 with the book now standing at all-time record high levels of c£209m.

Controlled Arrears leading to a Strengthened Balance Sheet

Arrears and Write-Offs well controlled; Net Tangible Asset grow month-on-month



As a percentage of the lending book, Group arrears have fallen from over 12% at the start of medium-term plan to settle in the broad 5 to 6% range for roughly the last two and a half years. IF and Hard Asset, the two main focusses of the growth strategy, have arrears of approximately 3% and 4% respectively as at 30 November 2024, consistently in the target ranges of 2-4% and 3-5% respectively.

Balance Sheet and Write-offs:
Robust Balance Sheet, consistent write-offs

	Net Tangible Assets	Annual Net Bad Debt w/o
May 21	£28.4m	2%
May 22	£30.5m	2%
May 23	£34.2m	2%
May 24	£38.6m	1%
Nov 24 (unaudited)	£41.5m	1%

Tangible Assets stand at £69.0m as at 30 November 2024. After removing goodwill and intangible assets, Net Tangible Assets are £41.5m. Net Bad debt write-offs are consistently in the target range of 1-2%.

Funding firepower in place to meet strategic aims

Diversified and supportive funding partners

Key Live Funding Lines at 30 November - £m	Facility	Usage	Headroom
Bank Overdraft	1.0	0	1.0
Block Funding lines (no non-utilisation fees)	163.5	91.6	71.9
Secured Loan Note	3.5	3.2	0.3
Back-to-back facility (includes £10m Accordian)	65.0	46.0	19.0
Total Funding Facilities	233.0	140.8	92.2

Long-Term, supportive and diversified funding partners, including:



Next Phase Strategic Plan – June 25 to May 28



Continued
Lending Book
Growth



Operational
Leverage



Resilient
Lending



Increased Return
On Equity

Next Phase Strategic Plan

Through to May 2028



Lending Book Growth

Increase the gross lending book to £300m+ by:

- Expanding the IF sales team & Geographical coverage
- Product development
- Direct to market strategy
- Acquisitions



Resilient Lending

Arrears controlled in the 5-6% range by:

- Secured lending (IF and HA) to account for 90%+ of the lending book
- Risk team further strengthened
- Enhanced systems



Operational Leverage

Improve Profit Before Tax margins to the mid-20% by:

- Business Improvement team created to increase focus on operational efficiencies
- Improved data and reporting
- Enhanced systems



Increased Return on Equity

Increased RoE to the mid-teens by ensuring achievement of the other three pillars:

- Balance Growth, Resilience and Efficiencies

Summary & Investment Case

H1 Results

- Record Gross Lending Book of c£209m
- Record H1 Revenues of c£18.2m
- Record H1 Profits of c£3.9m
- Increasingly secured lending; IF and HA approximately 80% of the lending book
- Arrears and write-offs well controlled; 5-6% and 1-2% respectively

Strategy

- Four pillars of current medium-term strategy on course to be hit:
 - Lending book growth
 - Balance sheet strengthened
 - Profits materially increased
 - Brand well known in core IF and HA markets
- New strategy to May 28 focused on:
 - Continued growth
 - Resilient lending
 - Improved efficiencies
 - Improved margins

Investment Case

- Helping 1000's of UK businesses thrive and survive
- A growing lending book, with 14 consecutive quarterly increases
- Increasing profitability year on year with FY2425 likely to be at least in line with current expectations
- A strong and robust balance sheet with NTA in excess of £41m
- Favourable market conditions for an alternative lender like Time



Thank You
Any Questions?



Appendix

Appendix

Who are Time Finance and What do they do?

Time Finance plc is a business committed to ensuring that UK businesses can access a multi-product range of funding solutions to support their growth plans. In summary:

**Alternative
finance
provider**

A non-Bank, alternative
finance provider

**Supporting
UK
businesses**

Helping thousands of
UK SMEs to access the
finance they need for
growth

**Lending on
our
own-book**

Focused primarily on
growing our own
balance sheet

**Flexibility
to broke
on deals**

We still have the
flexibility to broke-on
deals that don't fit with
our criteria

**Multi
Product
portfolio**

Offering Asset Finance,
Invoice Finance, Loan
Finance and Asset
Based Lending

Appendix

Core Products

Asset Finance



- Soft and Hard Assets
- Introductory channels: finance brokers, equipment suppliers/manufacturers & existing clients
- Deal size: £1k to £1m
- “Sweet Spot”: c£10-£20k Soft asset; c£50-150k Hard asset
- Typical yield: 9-18%
- Funding: Wholesale block funders, BBB

Invoice Finance



- Disclosed and Confidential
- Introductory channels: finance brokers, insolvency practitioners, professional firms & existing clients
- Deal size: £50k to £3.5m
- “Sweet Spot”: c£250k-£750k
- Typical yield: 10-20%
- Funding: Corporate banker back-to-back facility

Appendix

Why Time Finance stands out from the crowd

Banks SME lending no longer their primary focus	Challenger Banks Generally do not operate at the smaller end of the market. Lend to us wholesale.	Alternative finance platforms Algorithm driven with higher credit risk	Quoted companies Tend to be more single product focussed	Private companies multiple regional players, normally smaller
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	 Time Finance®	Traditional Banks	Challenger Banks	Alternative finance platforms	Quoted companies	Private companies
Flexibility	✓	X	X	✓	✓	✓
Speed of service	✓	X	✓	✓	✓	✓
Personal approach	✓	X	X	X	X	✓
Range of products	✓	✓	✓	X	X	X