



# Q3 Trading Update

Unaudited results for nine months  
ended 28 February 2025

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## Ed Rimmer

Ed has worked within commercial finance for 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 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 28 February

## To double the Gross Lending book

c£210m

Group  
Lending Book

c£65m

IF  
Lending Book

c£106m

Hard Asset  
Lending Book

86%

160%

231%



## To achieve 2019 run-rate profits

c£27.3m

9M Revenue

114%\*



c£5.9m

9M Profit  
Before Tax

104%\*



Growth Since  
Strategy Launch

Progress

\*vs FY2019 Q3 comparatives of £23.8m Revenue and £5.7m PBT

# Current Strategic Plan

An update as at 28 February

## To become a nationally recognized SME lender



- Average Trust Pilot review rating of 4.9 out of 5 stars
- Industry known, experienced senior hires, including Head of Marketing and Head of Operations
- Sponsorship of NACFB in 2024
- Industry award winning throughout 2023 and 2024, and Number 1 ranking achieved in Business Money Intermediary Index
- Ranked as a “very good” company to work for in 2025 Best Companies survey



## To Strengthen the balance sheet through own-book lending

- Net Tangible Assets at record highs of c£43.0m, up 51% from June 21
- 97% vs 3% of Own-Book new business versus Broked-On for 9 months to Feb; from 87% vs 13% at the start of the strategy
- Secured Lending\* now makes up c81% of the total lending book, up from c50% immediately prior to strategy launch
- Secured Lending\* accounted for c91% of all new business for 9 months to Feb, up from c53% immediately prior to strategy launch



Progress



\*Secured Lending is classed as Invoice Finance and Hard Asset Lending



# 9 Month Unaudited Financial Results



Record 9M  
Revenues and  
Profits



15 Consecutive  
Quarters of Loan  
Book Growth



A Robust and Ever-  
Strengthening  
Balance Sheet



Well Controlled  
Arrears and  
Write-offs

# Unaudited 9 Month Results to 28 February 2025

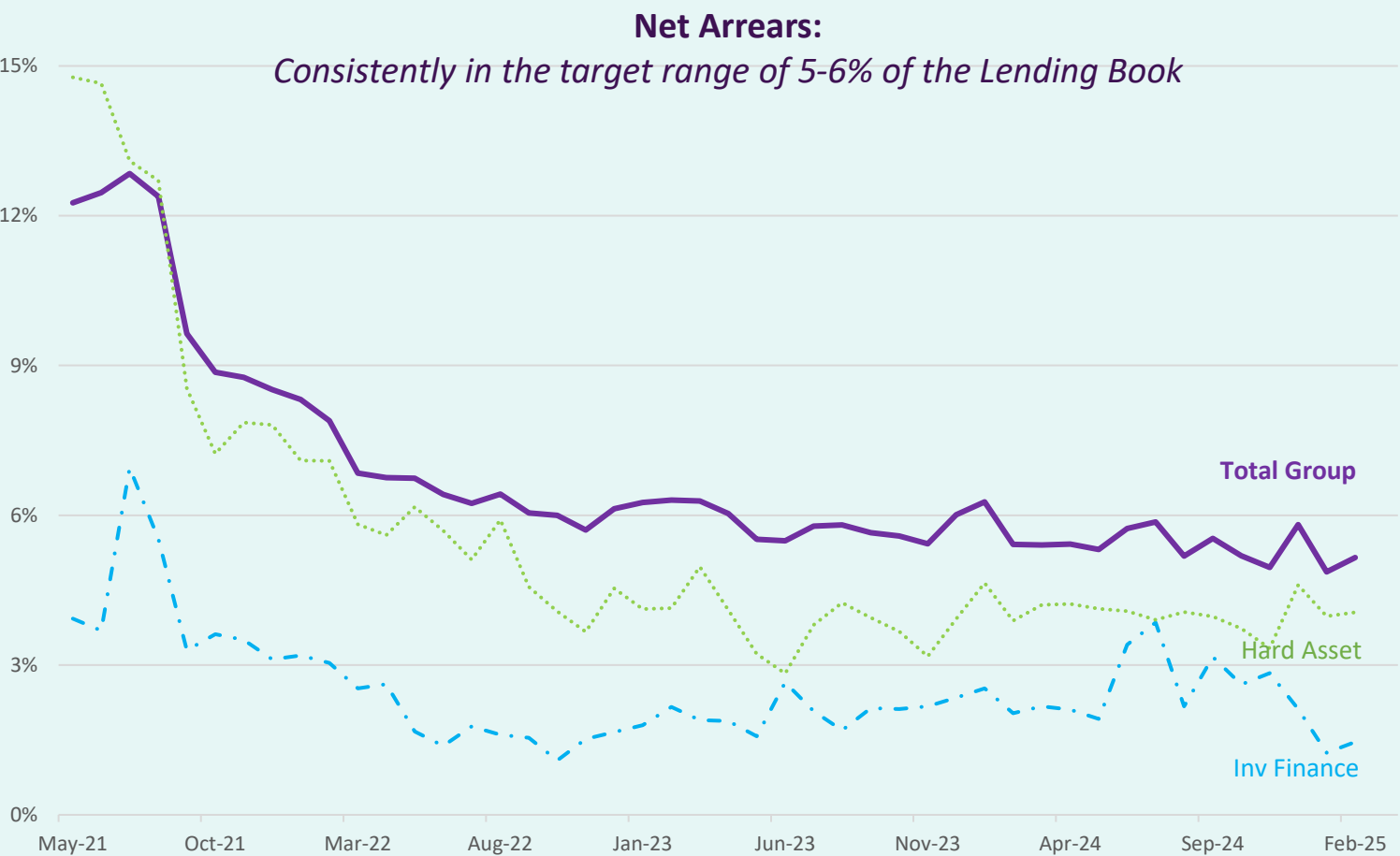
Strong year-on-year momentum

Key Financial Metrics	28/02/25 £'m	29/02/24 £'m	Movement £'m	Movement %	Progress
Own-Book Origination	69.3	66.0	+3.3	5%	✓
Gross Own-Book Lending book	210.3	190.2	+20.1	11%	✓
Total Revenue for the period	27.3	24.0	+3.3	14%	✓
Profit Before Tax	5.9	4.2	+1.7	40%	✓
PBT Margin	21%	19%	n/a	2%	✓
Unearned Income	26.4	24.6	+1.8	7%	✓
Net Deals in arrears	5%	6%	n/a	(1)%	✓
Net Bad Debt Write-Offs	1%	1%	n/a	0%	=
Consolidated Tangible Assets	70.4	65.1	+5.3	8%	✓
Consolidated Net Tangible Assets	43.0	37.7	+5.3	14%	✓



# Robust and Strengthening Balance Sheet

Arrears well controlled; Provisioning well above stable Write-Off levels



As a percentage of the lending book, Group arrears have fallen from over 12% at the start of strategic plan to settle in the broad 5% to 6% range for some two and a half years. IF and Hard Asset, the two main focusses of growth, have arrears of approximately 2% and 4% respectively as at 28 February 2025, consistently in their target ranges of 2-4% and 3-5% respectively.

**Write-offs and Provisioning:**  
*Write-offs unchanged; prudent provisions*

	Annual Net Bad Debt w/o	Provisioning % of Net Book
May 21	2%	4%
May 22	2%	3%
May 23	2%	3%
May 24	1%	3%
Feb 25 (unaudited)	1%	3%

Net Bad debt Write-Offs are consistently in the target range of c1-2%; provisioning has been maintained with headroom against these stable write-off levels.

# Funding firepower in place to meet strategic aims

Diversified funding partners with £100m+ of headroom

Key Live Funding Lines as at 28 February	Facility £'m	Usage £'m	Headroom £'m	Indicative Cost over base
Bank Overdraft	1.0	0	<b>1.0</b>	+1%
Asset Block Funding lines (no non-utilisation fees)	168.5	91.7	<b>76.8</b>	+2.25% to +3.25%
Secured Loan Note	3.3	2.8	<b>0.5</b>	+3.5%
IF Back-to-back facility (includes £10m Accordion)	65.0	42.3	<b>22.7</b>	+1.4% to +1.5%
<b>Total Funding Facilities</b>	<b>237.8</b>	<b>136.8</b>	<b>101.0</b>	

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



Aldermore



Novuna®

SIEMENS

UNITED TRUST BANK

# 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

\* RoE classed as Profit After Tax over Net Tangible Assets



# Summary And Investment Case



Record 9M  
Revenues and  
Profits



Robust and  
Strengthening  
Balance Sheet



Plan to May 25 on  
track; exciting  
growth plan to  
May 28 launched



Multiple upgrades;  
favourable market  
conditions

# Summary and Investment Case

## Q3 Results

- Nearly four years of continuous growth
- Record Gross Lending Book of c£210m
- Record 9M Revenues of c£27.3m
- Record 9M Profits of c£5.9m
- Increasingly secured lending with IF and HA making up over 80% of the total lending book
- Arrears and write-offs well controlled; 5-6% and 1-2% respectively; prudently provided

## 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 to focus 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 15 consecutive quarterly increases**
- **Increasing profitability with FY2425 at least in line with recently upgraded expectations**
- **Multiple upgrades over the past two years**
- **Strong and robust balance sheet with NTA in excess of £43m and increasing month on month**
- **Favourable market conditions for an alternative lender like Time**



# Appendix

Who We Are and What We Do  
Our Core Products  
Why We Stand Out From the Crowd



# 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

<b>Banks</b> SME lending no longer their primary focus	<b>Challenger Banks</b> Generally do not operate at the smaller end of the market. Lend to us wholesale.	<b>Alternative finance platforms</b> Algorithm driven with higher credit risk	<b>Quoted companies</b> Tend to be more single product focussed	<b>Private companies</b> multiple regional players, normally smaller
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		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