

# PCF Group Plc

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## PCF makes excellent progress against ambitious targets

PCF Group Plc (LON:PCF) has said growth in its lending portfolio was ahead of plan in the financial year just ended.

The specialist bank saw its lending portfolio grow to £338m by the end of September, up 54% from £219m a year earlier, and well on the way to the group's £350m target, a year ahead of plan.

**WATCH:** PCF Group says growth in lending portfolio is ahead of plan

The group said its new business originations rose 51% to £223m, up from £148m in the same period 12 month period a year ago, with 74% of those in the group's prime credit grades, up from 70% in the corresponding period of last year.

Despite the competitiveness of the prime lending markets for business asset finance and consumer motor finance, the group said its net interest margin held up well in the year at 7.9% (2018: 8.2%).

The firm's loan impairment charge for the full-year remained unchanged from the 0.9% reported at the interim stage.

While the company's lending book has grown rapidly, it has also been bolstering its deposit base, which rose to £265m from £191m a year earlier.

The acquisition of Azule, completed about this time last year, has proved to be a successful one with the provider of specialist funding services to the broadcast and media industry originating £77m of new business in the 11 months it has been part of PCF Group.

Through its hybrid brokerage and 'own book' model Azule generated fee income of £1m, compared to income of around £800,000 in the 12 months to June 2018.

The acquisition has performed well enough to trigger the first deferred consideration payment of £750,000 to the previous owners.

PCF said its nascent property bridging finance venture has got off to a good start, with new business originations of £14m.

"The strategy to diversify our asset classes and income streams is proving a great success and playing an important role in growing our lending portfolio," said Scott Maybury, the chief executive officer of PCF.

"We have made excellent progress against ambitious targets and we continue to deliver strong growth despite the challenging economic and political backdrop. While there may well be some tightening of the economic cycle over the next 12 to 24 months, given the small market share we currently enjoy, we remain confident that we can continue to grow as planned whilst maintaining our prudent appetite for risk," he added.

**Price:** 34.85

**Market Cap:** £87.19 m

### 1 Year Share Price Graph



January 2019 July 2019 January 2020

### Share Information

**Code:** PCF

**Listing:** AIM

**52 week High Low**  
39.1902 23.8889

**Sector:** Financial Services

**Website:** www.pcf.bank

### Company Synopsis:

*PCF Bank was established in 1994 to bring two qualities into vehicle and plant & equipment financing: simplicity and customer focus*

*We are a specialist in this area and have helped over 70,000 consumers and businesses by providing them with hire purchase and finance lease facilities. Now, we are applying the same qualities with which we made our reputation to the wider world of banking.*

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