PREMIUM CREDIT

Investor Presentation

November 2019

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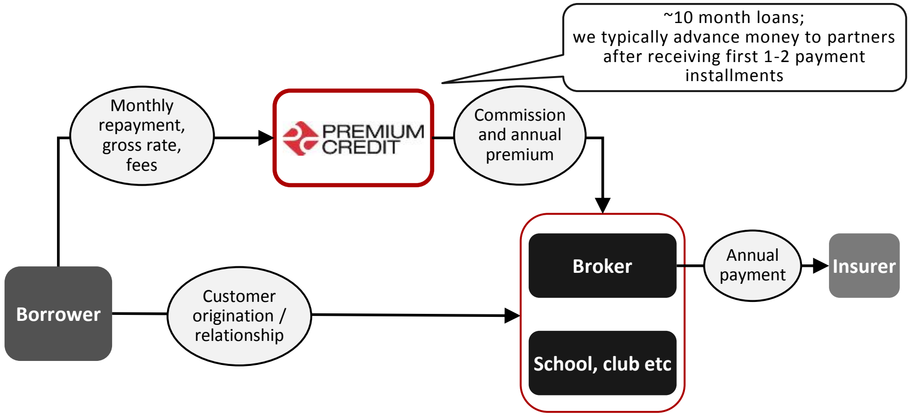
An introduction to Premium Credit

A simple business model…

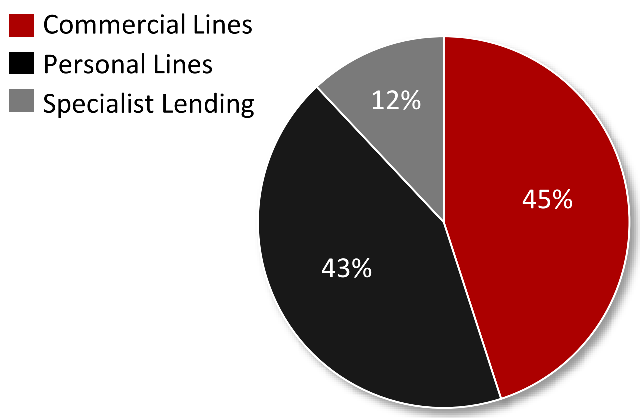


- Borrower purchases an insurance policy (or other payment-in-advance service such as school fees) from an intermediary partner, and becomes obliged to pay a sum in exchange for insurance protection (or the service purchased)
- The intermediary partner simultaneously offers to arrange for financing to fund the required payment, enabling the borrower to spread the cost of the service over a period of time
- We fund the full premium to the intermediary partner (who, in the case of an insurance broker, then passes it to the insurance company) and collect the loan from the borrower in monthly instalments through direct debit payments
- **Low first payment default:** the premium will be paid to the intermediary partner after 1-2 payment instalments have been received from the borrower, resulting in low first payment default risk

… with three business lines

- B2B2C business model, focusing on our relationships with c.3,000 intermediary partners
- We do not market directly to the end-borrower
- Our product mix comprises 3 business lines:
  - Commercial Lines: insurance to SMEs
  - Personal Lines: car, home, pet and travel insurance for individuals
  - Specialist Lending: financing of school tuition, memberships of clubs and professional bodies and other lump-sum products such as tax

Income per business line (LTM Q3'19)



Total income: £109m

Source: Data as of 30 September 2019

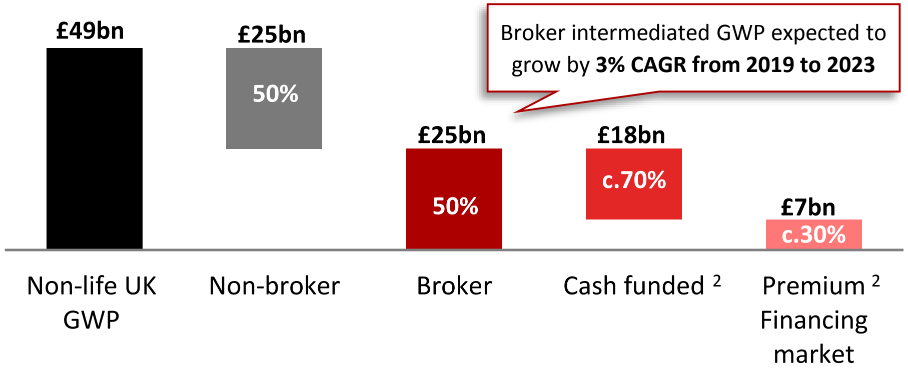
Agenda

This is Premium Credit

1. A LEADER IN A LARGE AND GROWING ADDRESSABLE MARKET
2. PORTFOLIO OF ATTRACTIVE, LOW RISK CREDIT PRODUCTS
3. HIGH BARRIERS TO ENTRY
4. DIVERSIFIED AND STABLE OPERATIONAL FUNDING
5. STEADY FINANCIAL PERFORMANCE THROUGH THE CYCLE
6. EXPERIENCED AND DRIVEN MANAGEMENT TEAM

1 A leader in a large and growing addressable market

Premium finance UK GWP[1] by payment type in 2019



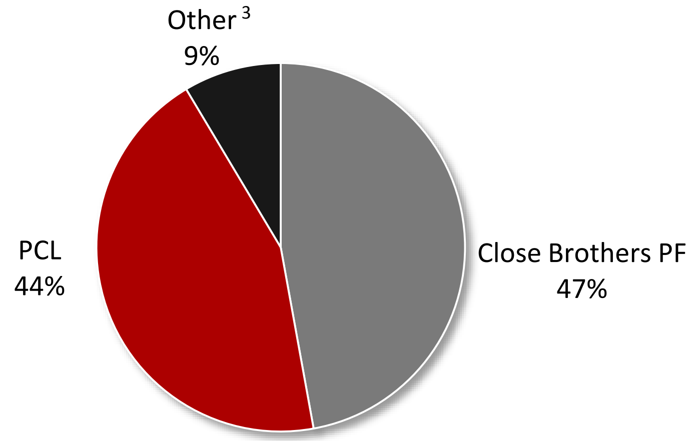
Characteristics

- **Recurring**: the premium finance market provides funding for recurring non-discretionary policies (e.g. motor, home and business insurance), driving a consistent volume of net advances through the cycle
- **High barriers to entry**: such as regulatory complexity, sophisticated technology requirements and access to funding also limit the capacity for new entrants, as well as insurers or brokers to offer the product themselves
- **Embedded value**: from contractual and sticky intermediary relationships

Growth drivers

- UK GWP expected to continue to grow in line with GDP through 2023
- Increasing penetration of Premium Finance from initiatives with insurers and brokers. Further increased penetration expected in economic downturn due to increased propensity to pay in instalments
- Increasing regulation in consumer finance space driving:
  - No significant new entrants
  - Outsourcing by small to medium sized insurers who currently undertake in-house

Estimated share of UK Premium Finance 2019[2]



- Significant consolidation of the market in the last 10 years, with players exiting the market due to lack of scale including Macquarie Bank, RBS and Skipton Building Society
- We are one of only two major independent participants in the market
- A handful of smaller players operate, with c.9% market share in total

Source: GlobalData – UK Insurance Market Essentials 2019; Company estimates

Note: [1] Gross written premiums represent the total number of premiums that insurance businesses expect to receive over the life of an insurance contract; [2] Based on management estimates; assumes that competitor portfolio valuation is based on the same advance type and similar life to the Company portfolio; [3] Consists of Bexhill, BNP Premium Finance, PremFina and other players

2 A portfolio of attractive, low risk credit products

Insurance premium finance is the main component of our product mix

	Premium Finance		
	Commercial Lines (C&C)	Personal Lines (PL&S)	Specialist Lending
Business share[1]	45%	43%	12%
Product	Insurance to SMEs	Car, home, pet and travel insurance for individuals	Financing of school tuition, membership of clubs and professional bodies, and other lump-sum products such as tax
Business line income[2]	£49m	£47m	£13m
Intermediaries	Insurance brokers	Insurance brokers	Private schools, clubs, accountancy firms
Number of intermediaries	806	567	1,760
Number of loan agreements originated per annum	199k	1,856k	112k
Average loan size[3]	£9,844	£593	£3,992
Net interest margin[4]	8.6%	10.3%	13.7%
Average loss rate[5]	0.30%	0.02%	0.12%

Source: Data as of 30 September 2019
Note: [1] Relates to business line income; [2] Business line income per annum; [3] Net advances against number of loan agreements per annum; [4] Net interest income against average funded principal balance; [5] Against net advances

2

A portfolio of attractive, low risk credit products (cont'd)

Low risk driven by multiple layers of credit protection

Customers unlikely to default

- **Non-discretionary monthly spend items**: mandatory / essential (for insurance) or high-priority (school fees, memberships)
- **Short tenor**: insulated from risks associated with the need to take a long-term view on creditworthiness, as remaining weighted average life of portfolio is 3.5 months
- **FCA authorisation:** carriers and brokers are separately authorised and scrutinised by the FCA, ensuring probity and accountability
- **Efficiency of collection**: direct debit and strong internal collections function facilitates an efficient collection process
- **Cancellable:** the service ends in most cases if the customer stops paying

In case of early customer default (1-2 months), we are usually protected

- For insurance, we do not fund advances to brokers until on average 1-2 payment installments have been received
- In almost all situations, an initial deposit is received by the intermediary for new business

In case of later defaults, we have multiple options for recovery

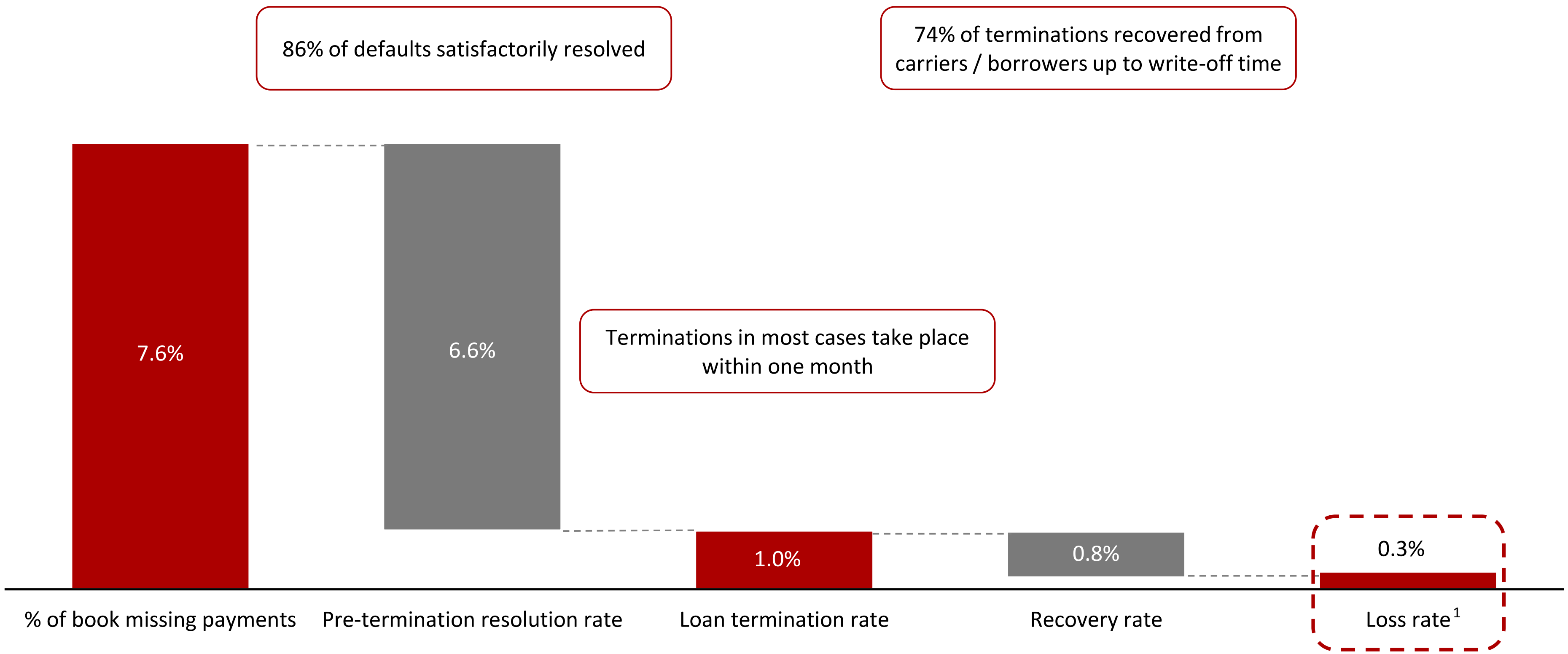
- We fund services that in most cases can be cancelled with the intermediary, who is then obliged to return the upfront payment
- We have contractual recourse to the intermediary in the Personal Line business and a large proportion of the Specialist Lending business
- We have ultimate recourse to the end-customer in all cases
- FSCS[1] provides support in the event of carrier insolvency in respect of premium finance lending

Source: Data as of 30 September 2019
Note: [1] Financial Services Compensation Scheme

2

A portfolio of attractive, low risk credit products (cont'd)

Our 2015-2017 UK Commercial Lines Insurance Premium Finance delinquencies management



- The same analysis for Personal Lines results in a loss rate of 1-2bps

Source: Data as of 30 September 2019
Note: [1] Against net advances

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3 High barriers to entry

Long-tenure, contractual relationships with staggered renewal dates

Top 10 partners: Long term 10+ years relationships

Intermediary	Receivables principal balance (£m)	Portfolio total (%)	Intermediary tenure
Intermediary 1	81.4	7.6%	10+ years
Intermediary 2	67.1	6.3%	10+ years
Intermediary 3	44.4	4.1%	10+ years
Intermediary 4	42.9	4.0%	9+ years
Intermediary 5	30.7	2.9%	10+ years
Intermediary 6	27.1	2.5%	10+ years
Intermediary 7	21.7	2.0%	10+ years
Intermediary 8	16.9	1.6%	10+ years
Intermediary 9	15.8	1.5%	10+ years
Intermediary 10	14.5	1.4%	10+ years
Total (Top 10)	**362.5**	**33.8%**	
Other	711.5	66.2%	
Portfolio Total	**1,074.0**	**100.0%**	

Broker relationships

- Long-tenure, contractual broker relationships, with high switching costs and disruption for intermediary partners, due to:
  - Integration of our IT systems into intermediary partner systems e.g. through custom built API's via individual software houses
  - Trust built through successful partnerships with specific individuals spanning many years
- We have relationships with c.3,000 intermediary partners, and the breadth and number of such relationships protects us from excessive dependency on individual intermediaries
- Significant recent intermediary wins across all three business lines
- We renew our contracts with our intermediaries long before their contractual end date

Source: Data as of 30 September 2019

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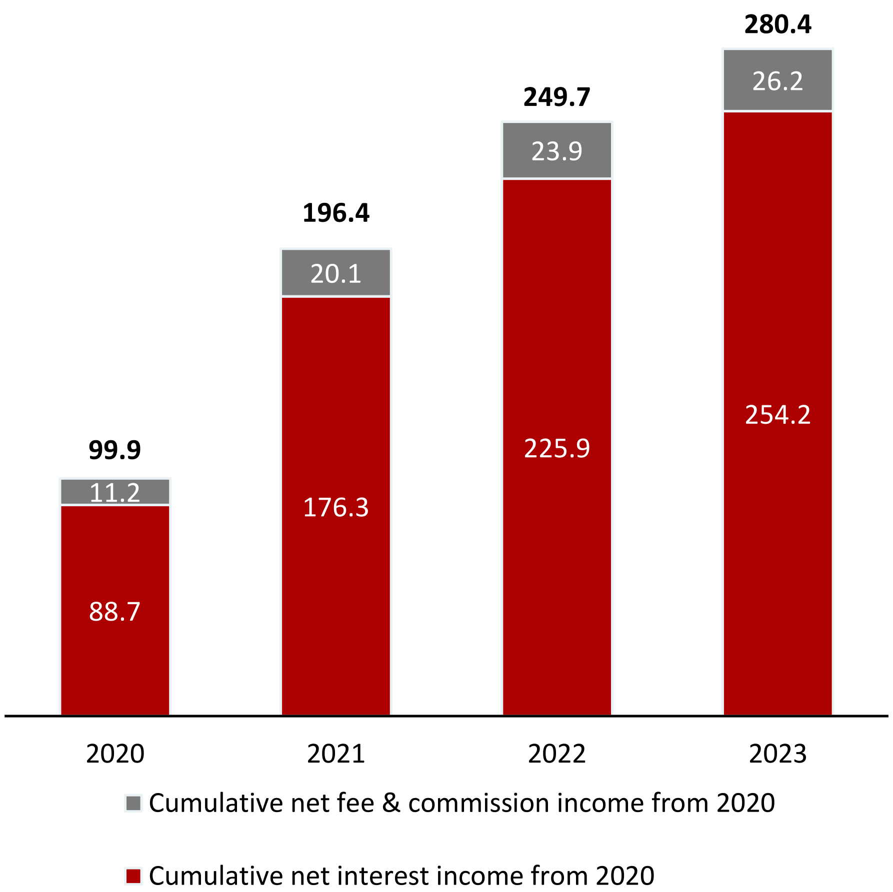
3 High barriers to entry (cont'd)

Significant embedded value from contractual intermediary relationships

Cumulative run-off total income[1] (£m)



Assumptions

- On the left is an indicative representation of our cumulative run-off total income (£m) for the period from 2020 to 2023 that is based on our actual portfolio of financing contracts with intermediary partners as of September 30, 2019, but assumes that none of those intermediary partners renew their contracts at their next contract renewal date and also includes the additional assumptions set out below
- Net advances assumed to decline based on intermediaries churning at their contract renewal date[2]; advances for each intermediary assumed to remain flat until renewal date
- Interest income is deduced as a % of net advances, spread over 10 months post-origination
- Rates for interest expense, fee & commission income and fee & commission expense relative to net advances are all assumed to remain flat at 2018 levels

Source: Data as of 30 September 2019
Note: This information does not reflect any future costs, expenses or cash flows, and does not reflect our ability to service our debt obligations in 2023 or any prior period; [1] Total income consists of net interest income and net fee & commission income; [2] Run-off profile for our top 20 intermediaries taken as proxy for all of our c.3,000 intermediaries

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3 High barriers to entry (cont'd)

	Barriers to entry	Our advantage
Regulatory oversight required	■ Regulated by FCA – market participants need to maintain strong relationship ■ Increased focus on customer protection and affordability, particularly mis-selling, increasing the volume of paperwork and initiatives required to achieve regulatory compliance	■ Proactive dialogue as market leader ■ Management team very experienced in navigating regulatory environments ■ Trend for smaller, self-funded operators (brokers, insurers) to turn to us as provider to avoid regulatory burden driving new business wins
Benefits of scale	■ High direct fixed costs for new entrants ■ Need for large experienced sales, IT and compliance headcount, and highly sophisticated payment processing technology from day 1, integrated in to software houses system (see below)	■ Benefits of economies of scale – cost of capital inefficient for small players ■ Operating leverage from established operations, financing structure and relationships
Tech development + investment	■ Payment and credit checking technology alone is not enough ■ Integration effort across software houses developing unique API's for individual brokers	■ Established track record of investment in broker and consumer technology ■ Specific technology for insurance software providers and for brokers
Relationships	■ Most intermediary partners tied into long contracts ■ Relationship model built on trust	■ Established relationships with long-standing contracts ■ Strong renewal track record

3 High barriers to entry (cont'd)

Compelling deterrents to potential entrants

Insurers

- Few insurers have necessary expertise of technology to handle the large payment volumes
- Cost of compliance and regulatory oversight has historically deterred insurers from providing direct lending themselves and has only increased in recent years
- Solvency II capital treatment unfavourable for unsecured loans
- Premium financing through a broker, rather than direct through insurer, provides customers with flexibility to finance multiple policies through single monthly payment

Fintech / InsurTech players

- Focus is typically on controlling the end customer and improving their journey whereas **PCL's relationship is with the intermediaries**
- Onboarding of customers and signing of credit agreements not a priority

New consumer finance providers

- Recent evidence shows more exits than entries to the premium finance market, e.g. Macquarie Bank; RBS; Kaupthing, Singer & Friedlander; Skipton Building Society

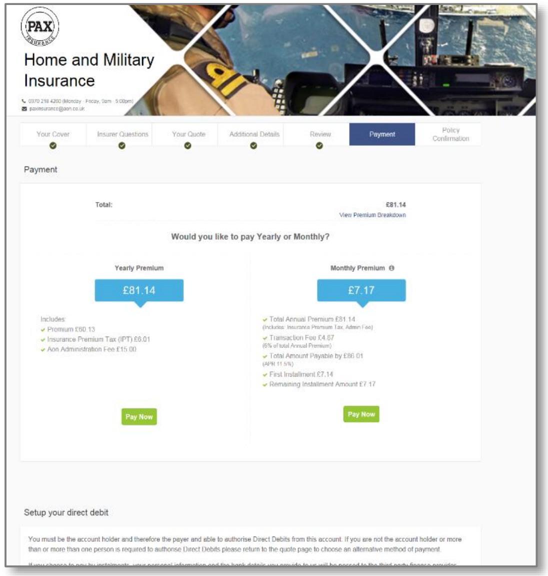
3 High barriers to entry (cont'd)

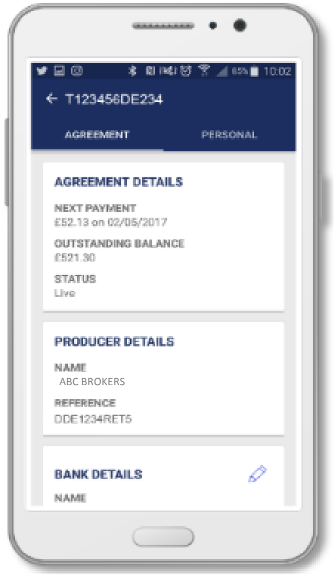
Embedded robust technology

Simplified journey means better conversion rate and lower servicing costs

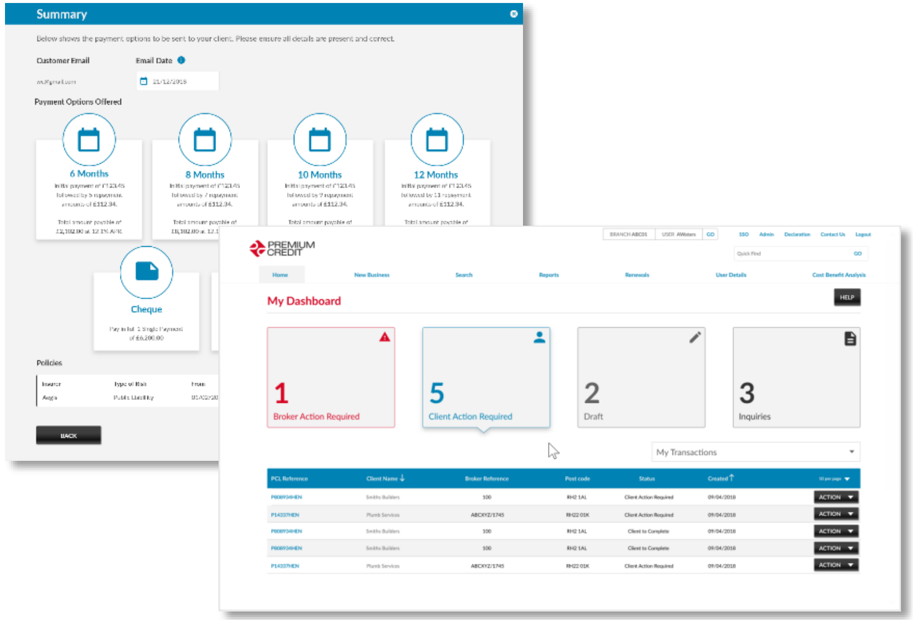
Delivers better customer outcomes and increases conversion:

- Credit agreement set up as part of the insurance sale
- All regulatory disclosures are at point of sale
- Real time affordability and AML checks
- Clearer process for customers leads to fewer cancellations
- Consistent customer approach with clear audit trail





A relentless focus on creating the best customer experience in the industry



Action based dashboard for brokers

- The dashboard quickly shows the status of all agreements
- Highlight which require attention or action by the customer

Summary screen

- Review the various payment options offered prior to emailing the customer
- Option to print off the payment options to include within the invoice/renewal packs

4 Stable and diversified operational funding

A variety of instruments, investors and maturity profiles recently refinanced

Overview of facilities

Principal balance funding

- Principal balance is funded by Master Trust, which in turn is funded by a bank facility (VFN) and two ABS issues
- We have carried operational third-party debt since 2012 in the form of the bank facility
- Public ABS first issued in June 2017 to further diversify funding base
- At 30 September 2019 the Master Trust had £1,083.2m of funded receivables financed by £1,001.4m of aggregate operational debt drawn plus £81.8m of equity from PCL

VFN

- Bank facility historically well in excess of £1bn
- Good level of interest displayed by the market at attractive margins
- Asset-backed bank committed facility increased from £519m to £826m in October 2019, with reinvestment period end-date extended from June 2021 to October 2022
  - Intended to support receivables growth and to reduce our reliance on the public asset-backed securities market in the near term
  - £438m drawn with further undrawn capacity of £388m providing flexibility for redemption of 2020 ABS maturities
- Lending bank relationships (includes banks that no longer fund[4]):

LLOYDS BANK, RBC, BANK OF AMERICA, citi, HSBC, NATIXIS, Deutsche Bank, BARCLAYS, RBS, SOCIETE GENERALE

	£m	Issued / last renewed	Blended margin	Revolves until	Matures	LTV
ABS due June 2020	282[1]	Jun-17	0.87%	Jun-20	2022	94.0%
ABS due June 2021	283[1]	Nov-17	0.74%	Jun-21	2023	94.5%
VFN	826[2]	Oct-19	0.89%	Oct-22	2024	Up to 94.5%[3]
Excess concentration facility	40	Oct-19		Oct-22	2024	
Revolving credit facility	7				2020	

Excess concentration facility

- Matures 2024
- Never drawn to date
- Provides additional coverage allowing us to finance receivables representing an excessive portion from a single insurer or intermediary
- Facility providers are Bank of America and Lloyds

Revolving credit facility

- Matures 2020
- Never drawn to date
- Provides buffer for general corporate purposes and managing liquidity. Not to fund ineligible assets of the asset-backed funding
- Facility provider is HSBC

Source: Data as of 30 September 2019

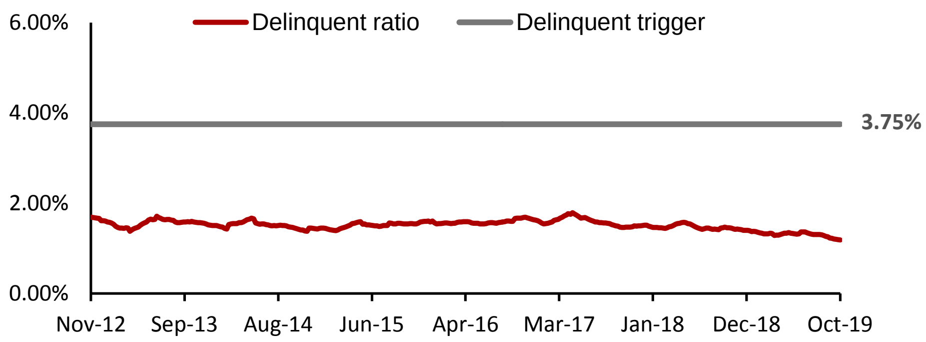
Note: [1] Excludes portion held by PCL; [2] £438m drawn with further £388m undrawn capacity; [3] Depending on drawn amount; [4] Historical relationships include Barclays, Citi, Deutsche Bank, HSBC, Natixis and RBS

4 Stable and diversified operational funding (cont'd)

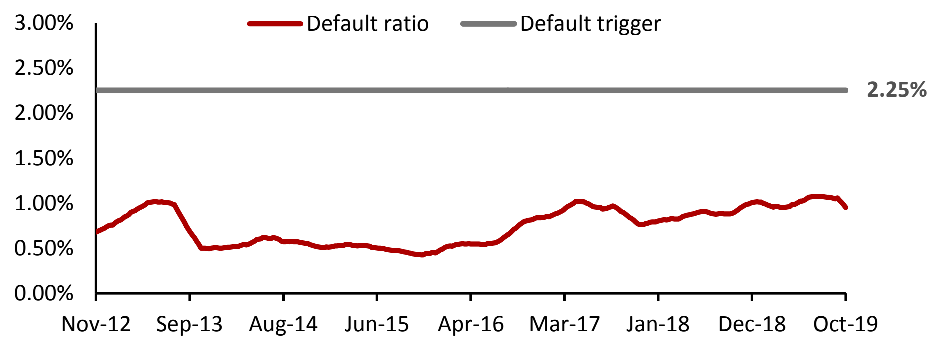
All asset-backed monitoring indicators are green

- Since inception the assets have continuously performed with significant cushion to the transactions' stop-purchase triggers

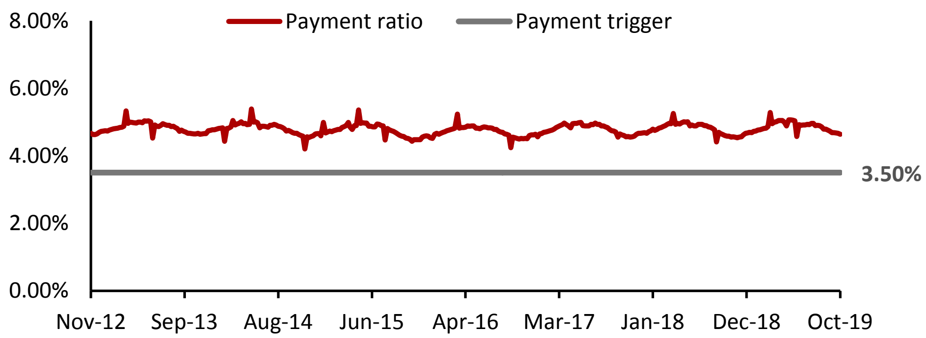
Delinquent ratio vs. trigger



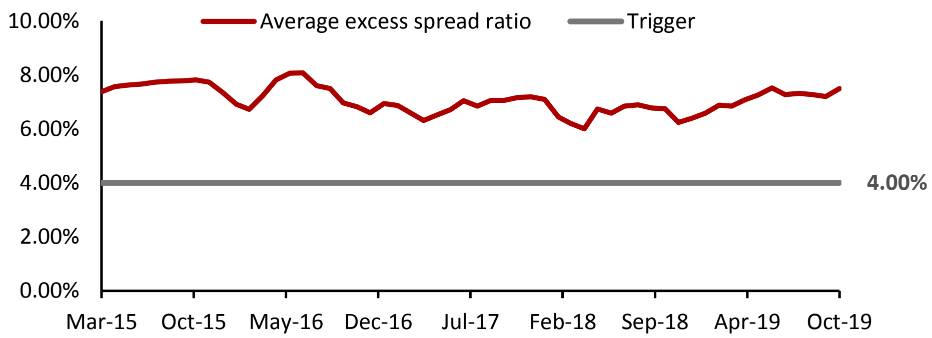
Default ratio vs. trigger



Payment ratio vs. trigger



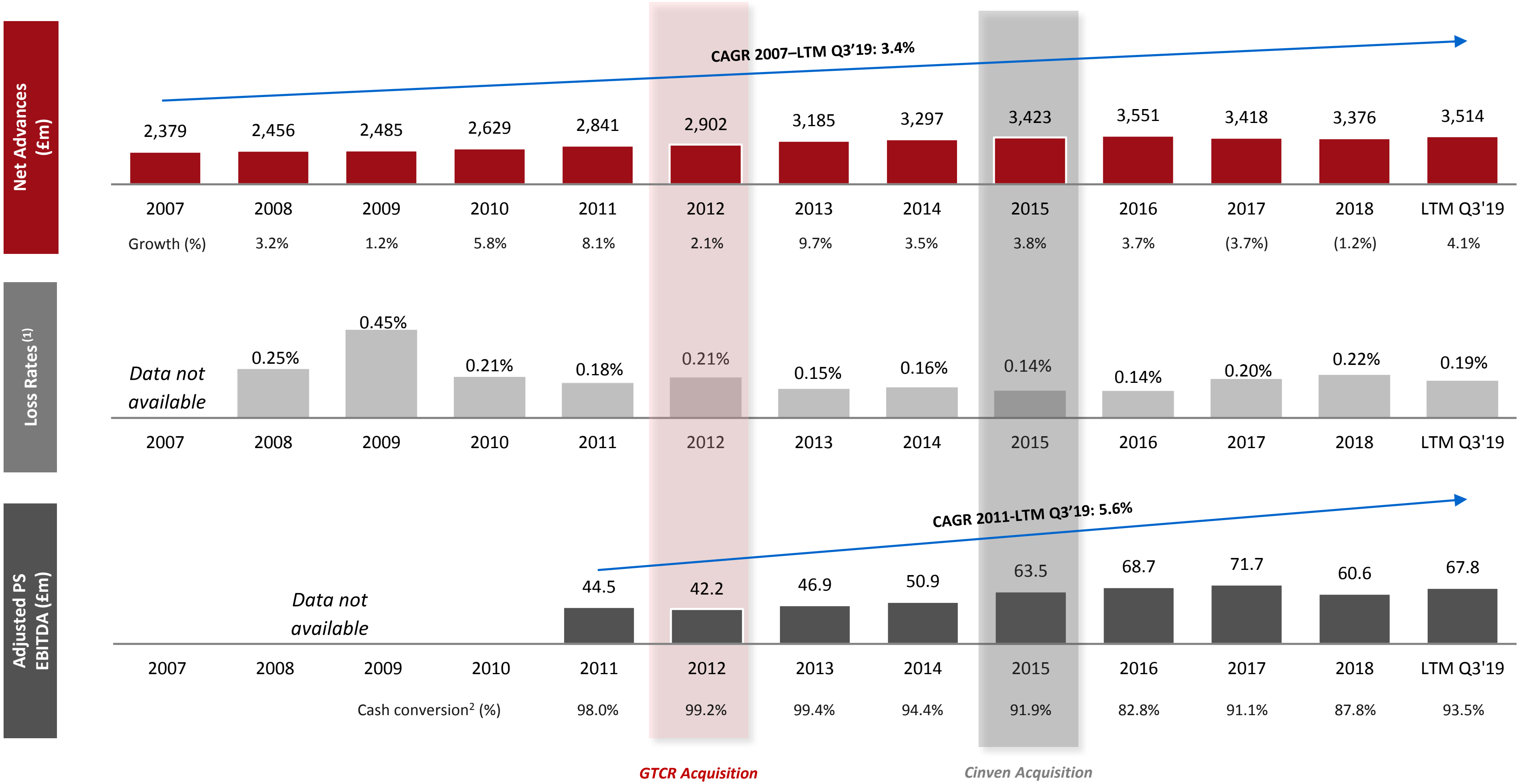
Excess spread ratio vs. trigger



Source: Data as of 31 October 2019

PREMIUM CREDIT

5 Steady financial performance through the cycle

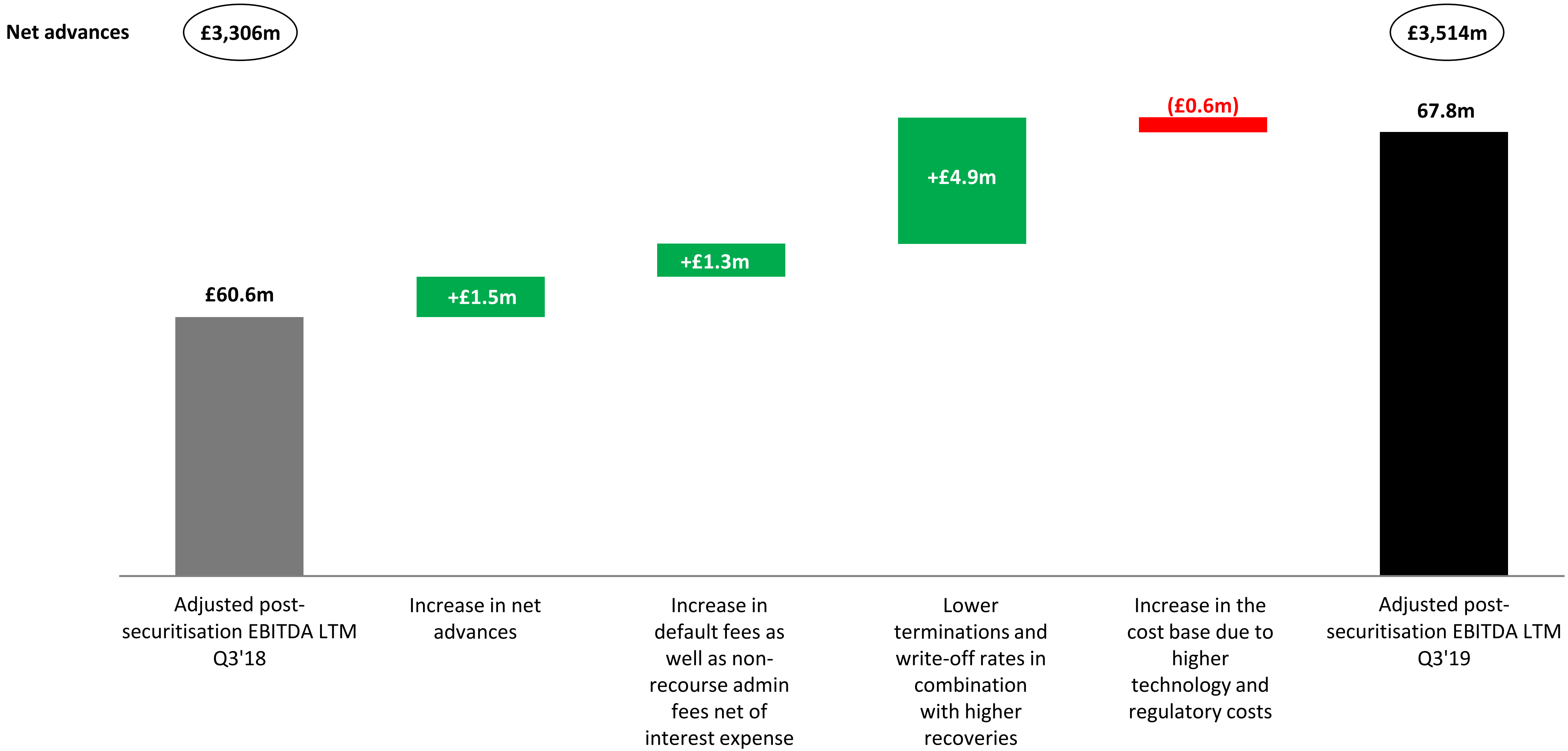


Source: Data as of 30 September 2019

Note: [1] Calculated using net advances; [2] Cash conversion represents adjusted post-securitisation EBITDA minus capex as a percentage of post-securitisation EBITDA

5 Steady financial performance through the cycle

Adjusted post-securitisation EBITDA LTM has increased c.£7.1m year over year



Source: Data as of 30 September 2019
Note: Scale of graph is not a true depiction of the absolute amounts

6 Experienced and driven management team developing a growth strategy

Experts in consumer finance, insurance and regulation

Tara Waite
CEO

Background
- Group CEO at Wonga, MD SMEs at RSA, MD at RSA Latvia
- Also held positions at Andersen and EY
- 20 years of experience in financial services in the UK and internationally

James Radford
COO

Background
- CEO at Cheque & Clearing Company
- COO at Aldermore, MD at Bank of Scotland branch network
- Broad operational and leadership experiences in consumer finance

Roger Brown
Chief Commercial Officer, Specialist Lending

Background
- 25 years experience in premium finance and broking
- Operations Director at TIFCO, Finance Director at Cullum Capital Ventures

Duncan Gray
CIO

Background
- CIO at BCA Marketplace
- Group Tech Director at Leisure Link, IT Director at Selfridges Group
- Leading transformation of digital journeys

Andrew Chapman
CFO

Background
- 15 years experience at Premium Credit as Head of FP&A and Head of Treasury prior to becoming CFO in September 2018
- 25 years experience in financial services

Owen Thomas
Chief Sales Officer

Background
- Head of Strategy and Engagement for global brokers at RSA
- Leading sales and relationship functions at Aviva

Jon Howells
Chief Commercial Officer, IPF

Background
- Commercial Director at Close Brothers Premium Finance
- Led premium finance and pricing functions at Premium Choice, Hastings, Swinton and GE Money

Josie Pileio
HR Director

Background
- HR Director at Office Shoes, HR Director at C&A
- 20 years experience working in complex, fast-paced and multi-site international organisations

6 2020 Strategy and beyond

Strategic priorities

Frictionless journeys for customers & partners	Driving long term value	Industry leading profile & proposition	High performance culture
Understand each step of the current and future customer and partner journeys in PCL. Deliver optimised journeys through automation, simplification and tech-led iterative improvements to drive top line growth and efficiency	Create a commercial mind-set that is pervasive across the business. Identify and improve the controls in place to generate income, improve margins, and manage cost	Position our brand as the 'go-to' provider in chosen markets with clearly articulated propositions for all current and future partners and customers. Create a step change in market visibility, thought leadership and partner relations	Design, develop and embed a competency framework that enables us to achieve superior results, by aligning performance and behaviours to purpose, values and core strategic outcomes

Underpinned by

1. Customer & partner oriented service & support
2. Secure technology & physical environment
3. Regulatory compliant processes
4. Strong governance & oversight
5. Robust financial control & funding

Source: Company information

This is Premium Credit

1 Leader in a large addressable market

- Market leader in insurance premium finance, with c.44% market share
- Well established UK market, growing in line with demand for insurance and upside potential from both increased penetration of premium finance and outsourcing from insurers that currently undertake this in-house
- Consistent growth in net advances through-cycle, largely providing credit for a mandatory or essential service

2 A portfolio of attractive, low risk credit products

- Multilayered recourse to insurance carrier
- Advances funded after, on average 1-2 payment installments are received, reducing first payment default risk
- Short remaining weighted average life of the portfolio of 3.5 months (as of 30 September 2019)
- Direct debit payments to facilitate account identification and stability of collections
- Credit protection drives extremely low loss rates (64bps[1] and 19bps[2] p.a. losses on average 2016-LTM Q3'19) and low loss volatility, leading to superior risk-adjusted returns

3 High barriers to entry

- Entrenched relationships with insurance brokers driven by service oriented focus, with touchpoints across the firm and integrated technology capabilities
- Sticky relationships with insurance brokers, currently have relationships with c.3,000 intermediaries
- Significant embedded value for contractual intermediary relationships

4 Generating strong recurring cash flows

- Strong financial performance with stable earnings from a high quality and diversified asset base
- Contractual interest rate ratchets and short loan durations protect against margin compression in a rising rate environment
- High cash conversion[3], c.94% as of LTM Q3'19

5 Diversified and stable operational funding

- Conservative, diversified and efficient operational funding through a combination of bank securitisation, term ABS and excess concentration facilities
- Current and historic funding provided by a broad base of international banks
- Since inception the assets have continuously performed with significant cushion to the transactions' stop-purchase triggers
- Further funding headroom established in October 2019

6 Strong management developing growth strategy

- Seasoned management team with direct industry expertise across insurance and payments businesses
- Strong track record of working with regulators to meet their objectives whilst continuing to drive growth

Note: [1] Calculated using average principal funded balance; [2] Calculated using net advances; [3] Calculated using adjusted post-securitisation EBITDA minus capex as a percentage of post-securitisation EBITDA

Agenda

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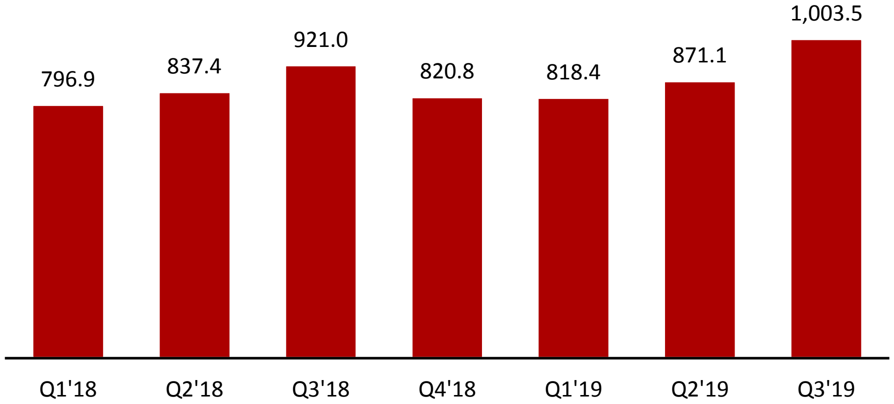
Positive trend continuing in Q3 2019

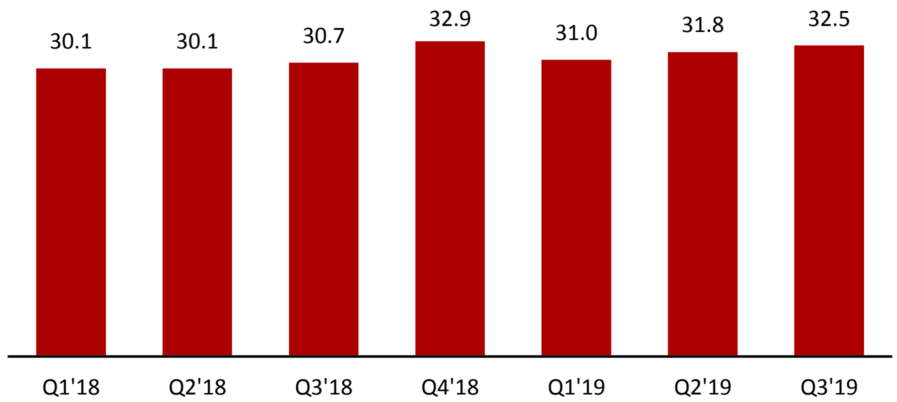
Net advances (£m)

Q3'19 net advances increased 9% year over year



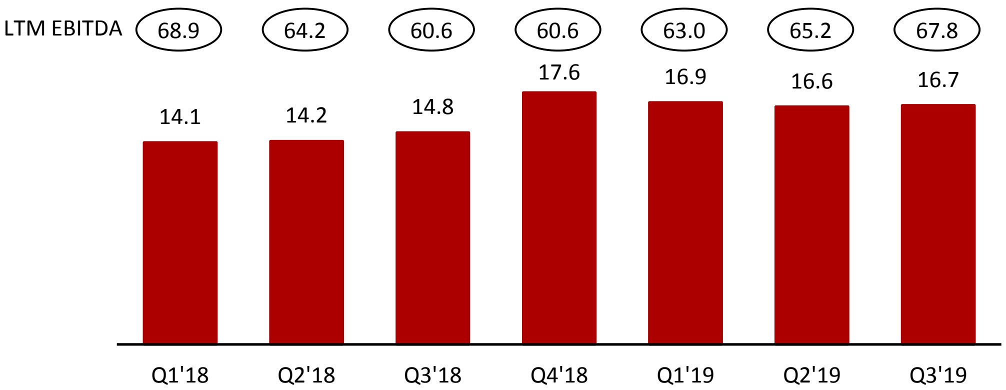
Total income (£m)

Total income consistently increasing year over year



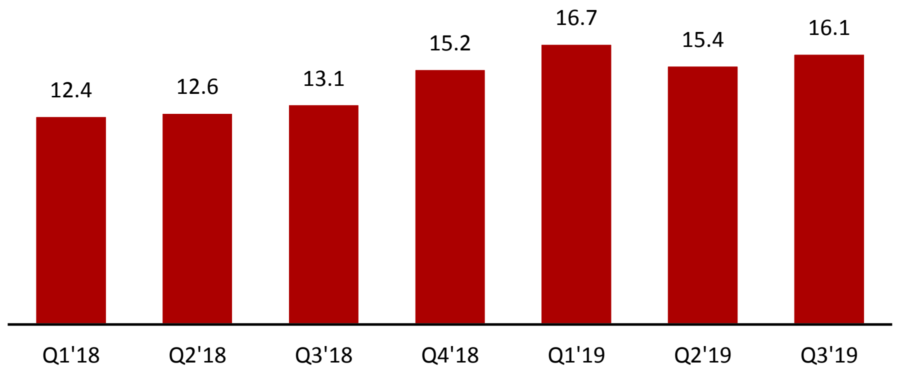
Adjusted post-securitisation EBITDA (£m)

LTM Q3'19 EBITDA increased 15% year over year



Free cash flow[1] (£m)

Cumulative free cash flow above £100m since 2018



Source: Data as of 30 September 2019

Note: [1] Free cash flow represents adjusted post-securitisation EBITDA minus capex

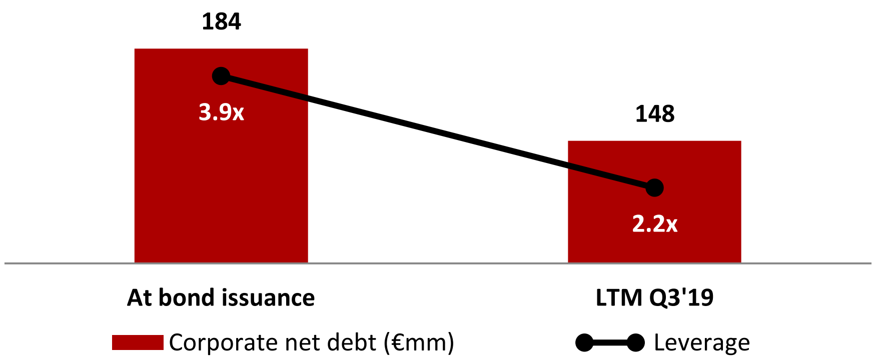
Overview of our capital structure

Conservative net leverage of 2.2x

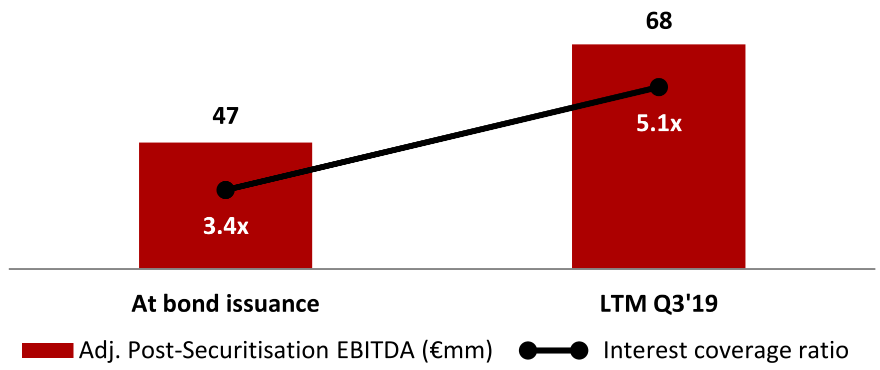
PCL capital structure evolution

(£m)	At bond issuance (Apr'14)[2] £m	At bond issuance (Apr'14)[2] x EBITDA	Latest reported (Q3'19) £m	Latest reported (Q3'19) x EBITDA	Coupon	Maturity
Corporate debt[1]						
Cash and equivalents	(17)		(42)			
Senior notes	200		189		7.000%	May-21
Total corporate debt	**200**	**4.3x**	**189**	**2.8x**		
Net corporate debt	**184**	**3.9x**	**148**	**2.2x**		
LTM Adj. PF Post-Securitisation EBITDA	*47*		*68*			

Net debt and leverage evolution



EBITDA and interest coverage ratio evolution



Source: Data as of 30 September 2019

Note: [1] Excludes securitization facility and related SPV cash. Group capital structure includes a £7mm Revolving Credit Facility borrowed by Premium Credit Limited, fully undrawn as of 30 September 2019; [2] Bond priced in Apr'14, based on Dec'13 financials

Agenda

A Summary historical financials

Key Balance Sheet and P&L items

£mm	2016A	2017A	2018A	LTM Q3'19
Balance Sheet				
Loans to customers	1,497	1,421	1,401	1,520
Securitisation notes	989	1,000	974	1,001
Profit & Loss				
Interest income	120.1	119.1	112.9	116.1
Interest expense (securitisation & derivatives)	(20.4)	(17.5)	(19.0)	(19.0)
Net interest income	**99.7**	**101.7**	**93.9**	**97.1**
Fee and commission income	18.7	16.2	15.0	17.6
Fee and commission expense	(6.1)	(3.8)	(4.1)	(5.5)
Gain/(loss) on derivative financial instruments	1.5	-	-	-
Total income	**113.8**	**114.1**	**104.8**	**109.2**
Administrative expenses	(52.1)	(65.9)	(71.5)	(67.0)
Operating profit before taxation	**61.7**	**48.2**	**33.3**	**42.3**
Financing expense (senior secured loan notes)	(14.7)	(14.7)	(14.7)	(14.9)
Profit before taxation	**47.1**	**33.5**	**18.6**	**27.4**
Income tax expense	(3.3)	(4.4)	(1.7)	(2.3)
Yearly profit attributable to shareholders	**43.8**	**29.1**	**16.9**	**25.0**

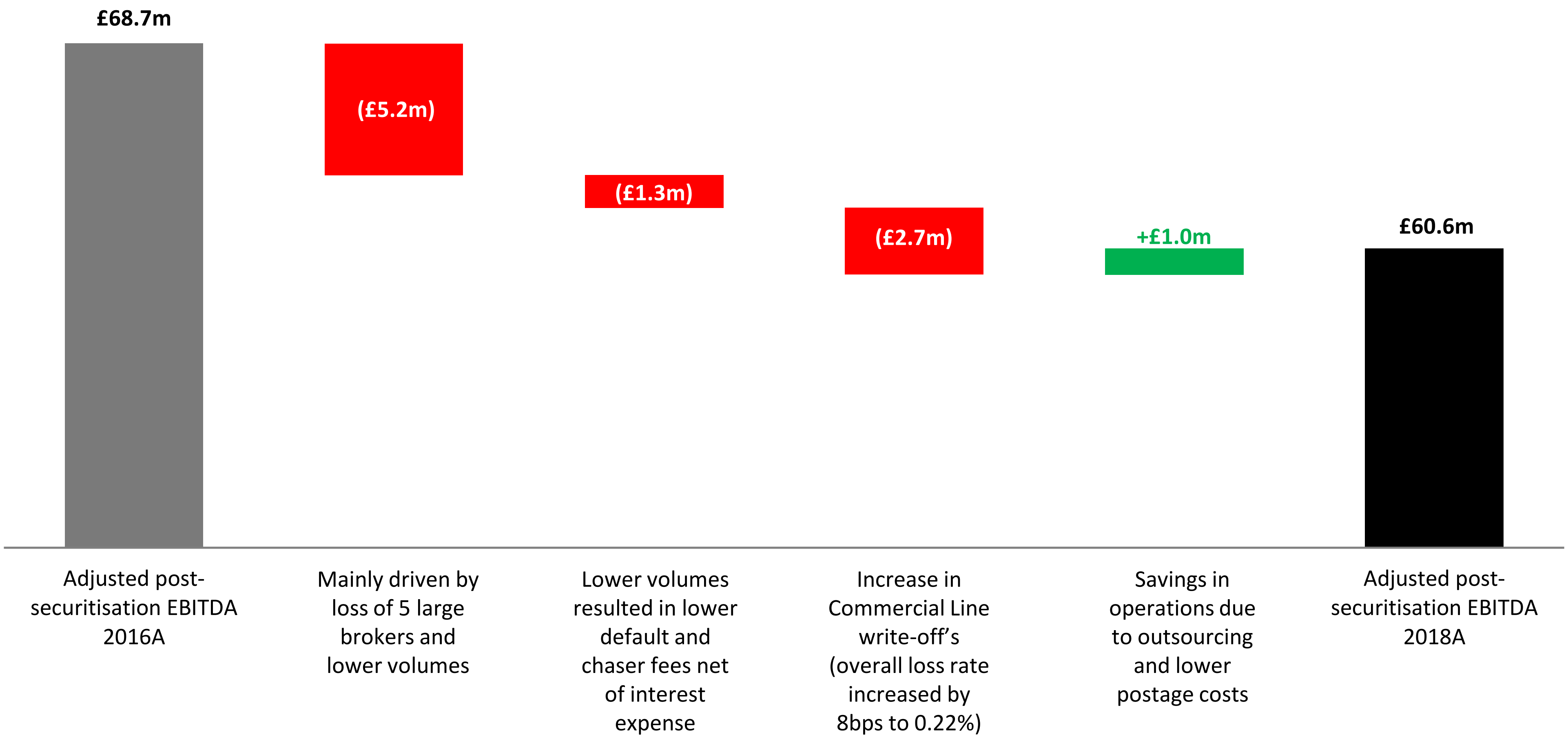
EBITDA and free cash flow

£mm	2016A	2017A	2018A	LTM Q3'19
EBITDA	**79.9**	**71.3**	**60.4**	**69.4**
Transaction costs	0.4	0.4	0.4	0.4
One time IT and other expenses	5.2	13.7	14.1	13.4
Adjusted EBITDA	**85.5**	**85.3**	**74.9**	**83.2**
Securitisation interest expense	(16.7)	(13.7)	(14.3)	(15.4)
Adjusted post-securitisation EBITDA	**68.7**	**71.7**	**60.6**	**67.8**
Capex	(11.8)	(6.5)	(7.3)	(10.3)
Free cash flow[1]	**56.9**	**65.3**	**53.3**	**63.5**

Source: Data as of 30 September 2019
Note: [1] Free cash flow calculated as adjusted post-securitisation EBITDA minus capex

A Summary historical financials

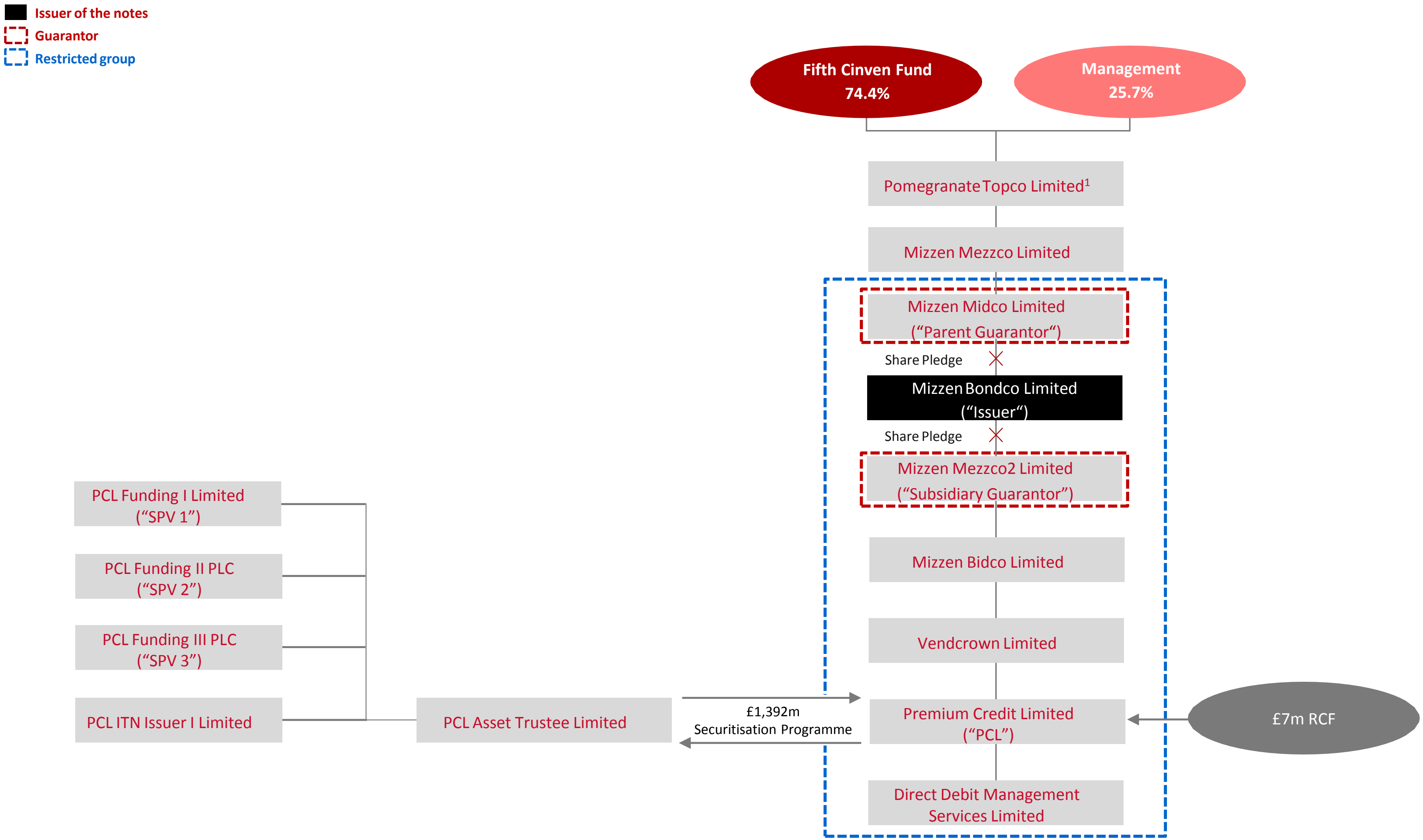
Adjusted post-securitisation EBITDA decreased c.£8.1m from 2016 to 2018



Source: Data as of 31 December 2018
Note: Scale of graph is not a true depiction of the absolute amounts

PREMIUM CREDIT

A Simplified group structure



Note: [1] Entities collapsed under Pomegranate Topco Limited

A Comprehensive underwriting process along the whole journey

Borrower	Intermediary	Insurer
Ultimate recourse for all sums	Recourse (where applicable)	Return of premium (where applicable)

Borrower

Ultimate recourse for all sums

- Unregulated contracts (most Commercial Lines, some Specialist Lending)
  - Borrower underwriting is primarily based on the loan size and policy security i.e. whether the policy is cancellable or non-cancellable
  - Underwriting considers the borrowers industry sector, with particular regard to high risk industries. We mitigate risk by reducing the loan term, increasing the borrower deposit and delaying funding to the intermediary
- Limits
  - New Business <£30K: Any prior history with us is reviewed
  - Loans from £30K to £50K: Systematic rule based underwriting for renewals. Full underwriting for new business in which non-cancellable policies account for >30% of premiums
  - Loans >£50K: Full underwriting for all loans, including internal performance history, reviewing financials and Credit Reference Agency reports
    - Loans >£0.75m - £5m require approval of Underwriting Manager and one of Head of Commercial Underwriting, CFO or CEO
    - Loans >£5m require approval of three of Underwriting Manager, CEO, CFO and Head of Commercial Underwriting
- Regulated contracts (most Personal Lines, some Specialist Lending)
  - All regulated agreements undergo a Public Record Check (bankruptcy, offences, IVA, CCJs) with those in excess of £650 having to go through an enhanced Assessment of Affordability (AOA) – Credit Reference Agency rating score

Intermediary

Recourse (where applicable)

- Internal and external data and reports are obtained as part of the underwriting process
- Intermediary funding limits are set, based on filed financial accounts returned, and in accordance with credit policy
- Exposure is limited to 6x commission income (adjusted for internal risk rating) for Commercial Lines, 3x commission income for Personal Lines and on a case-by-case basis for Specialist Lending
- Exposure to intermediaries is reviewed monthly (Commercial lines and Specialist Lending), or weekly (Personal Lines)
- Periodic review process, including updating FCA returns and credit checks
- Weekly review of intermediary regulatory status and permissions (quarterly review for accountants and solicitors of their membership with designated professional bodies)

Insurer

Return of premium (where applicable)

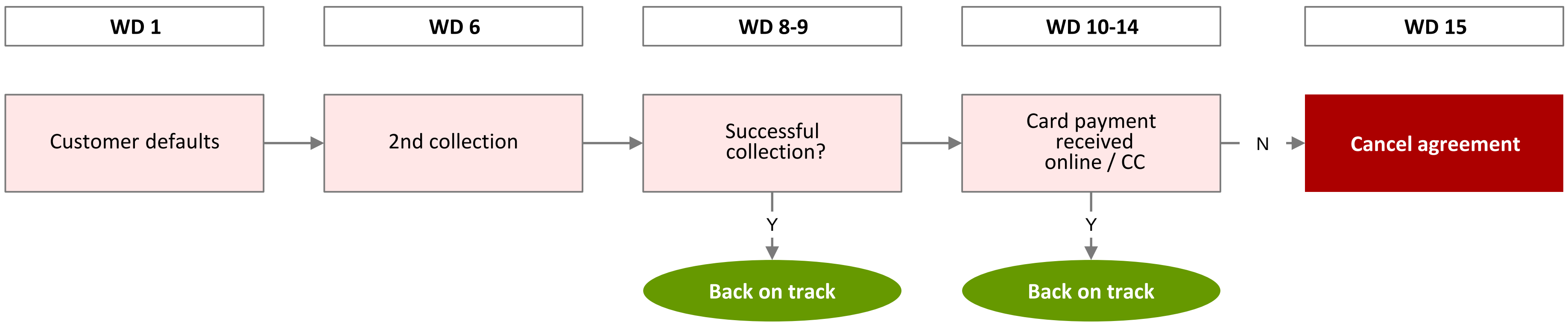
- Must be authorised by the Prudential Regulatory Authority (PRA), or have European Economic Area (EEA) passported authority. This allows the company to benefit from the protections offered by the Financial Services Compensation Scheme (FSCS)
- Additionally
  - For exposures in excess of £250k with rated entities:
    - Monitoring of credit ratings, together with analysis based on the latest filed accounts
    - Review S&P monitoring report for any adverse indicators, and negative updates from other Credit Reference Agencies
    - Internal guardrail analysis completed with a review by the Credit & Counterparty risk committee when three guardrail limits have been breached
  - For exposures in excess of £250k with unrated entities:
    - Analysis based on the latest filed accounts and other financial information obtained from time to time
    - Internal guardrail analysis completed with a review by the Credit & Counterparty risk committee when two guardrail limits have been breached

PREMIUM CREDIT

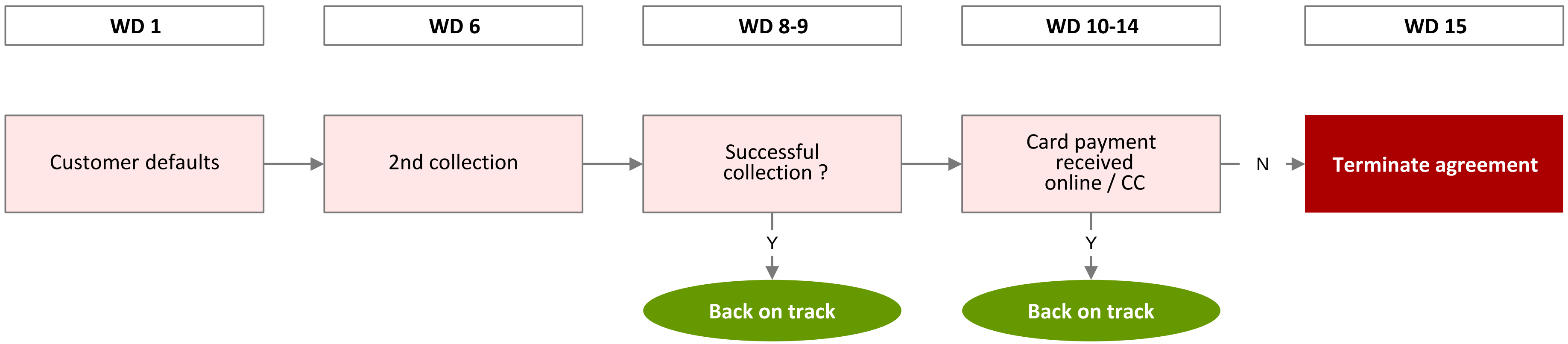
A Sophisticated and automated arrears management

Ensuring fast foreclosure and minimal leakage of insurance collateral

Recourse



Non-recourse



Source: Company information