



Q2 2019 Results Call

21 August 2019

PRESENTING TODAY



Tara Waite, CEO



Andrew Chapman, CFO

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INTRODUCTION

- New executive appointments
- Strong financial performance
- Low losses despite uncertain British economy
- Focus on introducing improved technology to partners

KEY INDICATORS

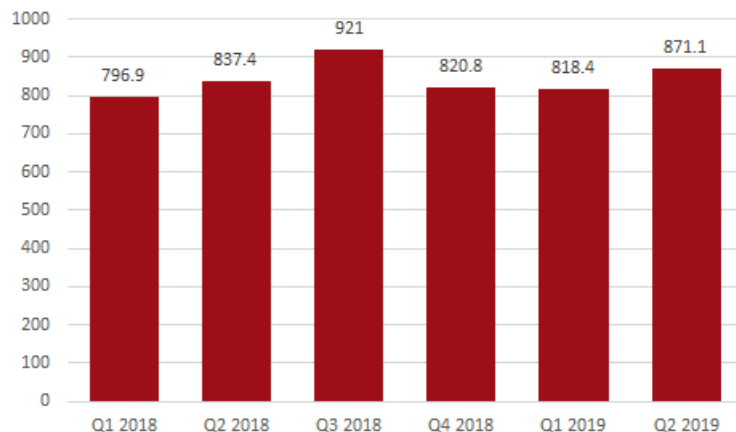
	Q2 2019	H1 2019	12m to 30-Jun-19
Adjusted Post-Securitisation EBITDA ⁽¹⁾	£16.6m, 16.9% YoY	£33.5m 18.8% YoY	£65.9m 2.3% YoY
Net Advances originated	£871m, 4.0% YoY	£1,690m 3.4% YoY	£3,431m 2.0% YoY
Balance of Loans and advances to customers	£1,417m, 2.6% YoY	N/A	N/A
Number of Agreements originated	550,000 1.9% YoY	1,080,000 0.9% YoY	2,140,000 1.4% YoY
Turnover	£31.8m, 5.6% YoY	£62.8m 4.3% YoY	£126.4m 0.2% YoY
Loss ratio ⁽²⁾	0.14% (Q2 2018 : 0.21%)	0.17% (H1 2018: 0.23%)	0.19% (12m to 30/6/18: 0.20%)

(1) Adjusted Post-Securitisation EBITDA = EBITDA as adjusted for certain one-time costs (such as information technology), less securitisation funding costs

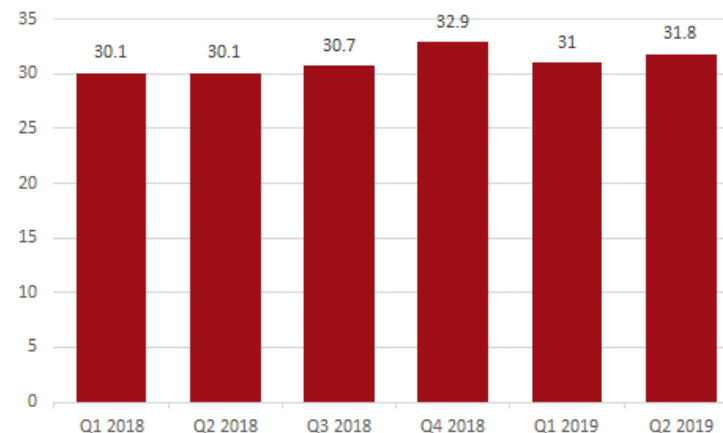
(2) Net credit losses as a % of Net advances

EVOLUTION OF CERTAIN KEY METRICS

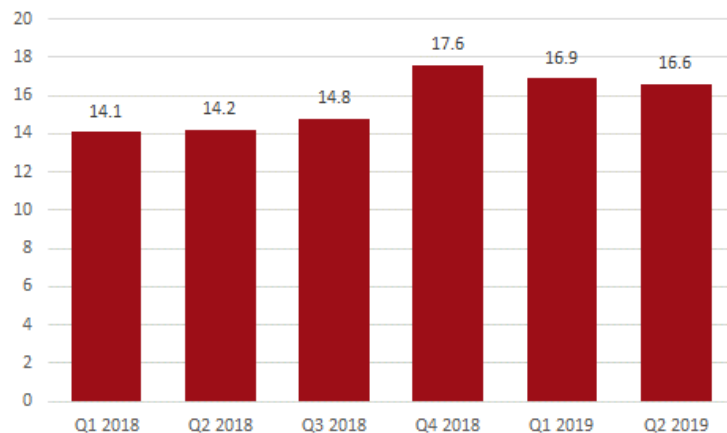
Net advances (£ million)



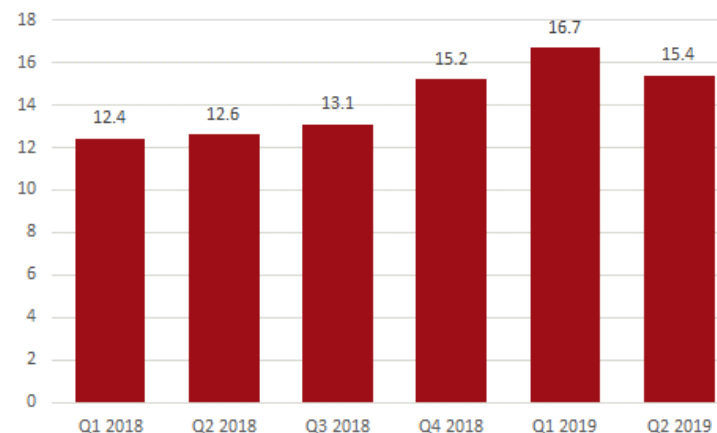
Turnover (£ million)



Adjusted Post Securitisation EBITDA (£ million)



Free cash flow (£ million) (1)



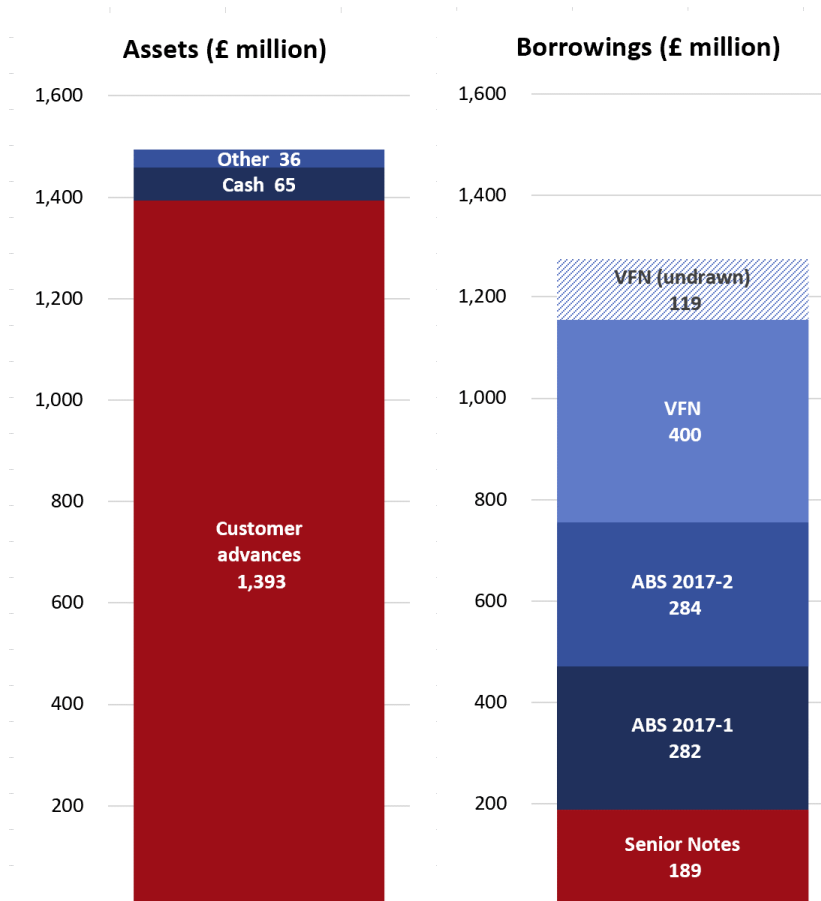
(1) Free Cash Flow represents Adjusted Post-Securitisation EBITDA minus CapEx

FINANCIAL RATIOS

	As at 30 June 2019 (Unaudited)	As at 31 December 2018	Increase / (Decrease)
Gross Debt	£189.4m	£189.4m	-
Net debt ⁽¹⁾	£149.0m	£159.9m	£(10.9)m
Cash interest expense (excluding securitisation)	£13.3m	£13.3m	-
Ratio of Gross debt to Adjusted Post-Securitisation EBITDA	2.9x	3.1x	(0.2)x
Ratio of Net debt to Adjusted Post-Securitisation EBITDA	2.3x	2.6x	(0.3)x
Ratio of Adjusted Post-Securitisation EBITDA to cash interest expense (excluding securitisation)	5.0x	4.6x	0.4x

(1) Net debt (excluding securitisation) represents Gross debt less unencumbered cash & cash equivalents

FUNDING STRUCTURE



Conservative ALM profile

- Short asset maturities allow rapid repricing and underwriting changes for new origination.
- Diversified wholesale funding: Four international banks on VFN + wide non-overlapping investor bases both on public ABS and Senior Notes.
- Additional Excess Concentrations Facility (£40m) protecting against liquidity risk caused by external events such as producer or insurer mergers

WE CONTINUE TO EXECUTE ON OUR STRATEGIC PRIORITIES

- 1 Continued investment in new products and technology platforms
- 2 Gain new distribution partners and grow relationships with existing ones
- 3 Leverage an efficient and scalable operating model
- 4 Continue to embed strong risk and governance frameworks
- 5 Secure the most talented staff available and nurture them

CONCLUSION

Premium Credit: A leading technology-enabled specialty finance firm, delivering highly recurring stable cash flows with minimal downside risk

Q & A