

5 May 2020



**1pm plc**

(“1pm”, the “Group” or the “Company”)

***Coronavirus Business Interruption Loan Scheme accreditation  
and COVID-19 update***

1pm plc (AIM: OPM), the AIM listed independent specialist provider of finance facilities to UK SMEs, is pleased to announce that it has been approved for accreditation as a lending partner under the Government’s Coronavirus Business Interruption Loan Scheme (“CBILS”). CBILS is administered by British Business Bank. In addition the Company provides a further update on the impact of COVID-19 on the Group’s business activities.

**CBILS accreditation**

The British Business Bank has approved 1pm Finance (UK) Ltd, a wholly-owned subsidiary of the Company, which trades as Onepm Finance (“Onepm”), for accreditation as a participating lender under CBILS.

Since the beginning of the COVID-19 crisis, 1pm has resolved to remain open for new business to support credit-worthy, robust SMEs as well as helping its existing 20,000 customers. Becoming an accredited lender will enable the Group to expand its lending in the form of leases and loans to UK small business customers across the UK impacted by the COVID-19 pandemic with the benefit for the Group of a government-backed guarantee for the loan repayments due from the borrower.

The Group is in the process of determining the amount of funding it expects to be able to deploy for CBILS related lending and the Board is confident that becoming an accredited lender, subject to the allocation and availability of suitable funding, will have the potential to make a significant impact on the number of new lending agreements.

The CBILS accreditation will provide an additional means for 1pm to deliver support to SMEs, adding to the Group’s current lending activities in the form of Asset Finance, through wholesale finance facilities provided by British Business Bank and a range of challenger banks; Loan Finance through the Group’s Secured Loan Note programme; and Invoice Finance through a back-to-back facility provided by RBS/NatWest.

In addition to the government-backed guarantee, the Government will make a Business Interruption Payment to cover the first 12 months of interest payments due and charges levied. It is anticipated that following a short period of preparation to be undertaken in conjunction with British Business Bank, including staff training and entry into underlying agreements, Onepm will be in a position to commence lending under CBILS during May 2020. Onepm thereafter intends to be an active lender for the duration of the CBILS scheme.

James Roberts, Chief Financial Officer, commented:

*“We are delighted to have been approved to become an accredited partner to the UK Government’s lending programme helping us to deliver additional funding to UK small businesses when they need it most. Small businesses are the lifeblood of the UK economy and 1pm is pleased to be able to assist where we can during this critical time.”*

## **COVID-19 Update**

As stated in the Group's COVID-19 update on 26 March 2020, the principles by which the Group is operating are:

- a dedicated focus on the health and safety of the Group's employees and their families
- an uninterrupted seamless service for customer and client transactions
- unwavering support to viable businesses for which finance solutions have been provided
- remaining open for new business to support credit-worthy, robust SMEs

The Group is pleased to report that after seven weeks of remote working, operations continue to be effectively and successfully carried out in respect of all four of these principles. The Group has used the Coronavirus Job Retention Scheme and furloughed approximately one-third of its 184-strong workforce.

The highest proportion of furloughed staff are employed in the Group's vehicles and property loans brokerage businesses where trading volumes have reduced significantly. These activities account for less than 10 per cent of the Group's profit before tax, since the majority of the Group's revenues and profits are generated from its lending activities.

Supported by CBILS, lending will continue strongly in certain business sectors, particularly those identified as critical. These include lending to SMEs in the food supply chain (agriculture, transportation and retail); medical, pharmaceutical and healthcare; IT and telephony; waste disposal and industrial cleaning; and certain sub-sectors in manufacturing.

In common with most businesses operating in the non-bank, specialist lending sector, 1pm has seen a number of existing borrowers requesting payment delays, holidays, or similar forbearance as they adjust to substantial losses of revenue. The Group has to date received forbearance requests from approximately 25 per cent of its borrowers, representing approximately 15 per cent of the Group's portfolio by value.

As previously announced and consistent with the Company's standard approach, 1pm has dealt with these in-bound requests from borrowers on a case-by-case basis in agreeing to provide appropriate support.

1pm will continue to support credit-worthy customers and businesses so that they can resume normal trading at a future date. It is impossible to predict with any accuracy what the coming months will hold for the UK's economy and, therefore, as a responsible finance provider, the Group will continue to be prudent and in so doing will make additional impairment provisions in the current financial year ending on 31 May 2020.

The Board confirms that 1pm has a strong financial base to operate from with a robust balance sheet (showing unaudited Net Assets of £56.1m as at 30 November 2019), with operational liquidity, covenant headroom, and committed funding facilities for current lending activities. The Company's lenders continue to be unanimously supportive of the Group.

This announcement contains inside information for the purposes of Article 7 of Regulation (EU) No 596/2014.

**For further information, please contact:**

### **1pm plc**

Ian Smith, Chief Executive Officer

07768 394162

James Roberts, Chief Financial Officer

01225 474230

**Cenkos (NOMAD)**

Max Hartley / Ben Jeynes (Nomad)

0207 397 8900

Julian Morse (Sales)

**Walbrook PR**

0207 933 8780

Paul Vann

07768 807631

[paul.vann@walbrookpr.com](mailto:paul.vann@walbrookpr.com)**About 1pm:**

1pm's strategy is to focus on providing or arranging the finance UK SMEs require to fund their businesses and arranging vehicle and property-backed finance for consumers. The multi-product range for SMEs includes asset, vehicle, loan and invoice finance facilities. The Group operates a "hybrid" lending and broking model enabling it to optimize business levels through market and economic cycles.