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Distribution Finance Cap. Hldgs PLC
08 April 2026

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Distribution Finance Capital Holdings plc

("DF Capital" or the "Company" together with its subsidiaries the "Group")

Q1 Trading Update

Momentum in lending continues with strong portfolio quality

Distribution Finance Capital Holdings plc (AIM: DFCH), a specialist bank providing financial solutions that support manufacturers, dealers and distributors across the UK, provides a trading update for the first quarter ended 31 March 2026.

- The momentum in lending seen through the prior year has continued into the first quarter with new loan origination reaching a record £469m, up c.23% on prior year (Q1 2025: £382m).
- The Group's loan book closed the period at c.£895m, up c.26% on the prior year (Q1 2025: £713m), and included £21m relating to the Group's recently launched asset finance product, up c.40% from year-end (31 December 2025: £15m).
- The Group's retail deposits exceeded £1bn for the first time since being authorised as a bank in September 2020.
- Stock days in the core inventory finance lending product, being the average age of loans outstanding, remains well within sector tolerances as the Group closes the traditional dealer re-stocking period, extending slightly to 141 days at the period end (31 December 2025: 129 days).
- Portfolio quality remains strong and well within credit appetite. Total arrears and loan balances in legal recovery represented 0.6% (31 December 2025: 0.9%) of the Group's entire loan book:
    - Early arrears (less than 30 days) totalled 4 cases, with aggregate arrears balances of less than £0.1m (31 December 2025: 2 cases and arrears of £0.2m)
    - Mid to late arrears (30 to 60 days) totalled 2 cases, with aggregate arrears balances of less than £0.1m (31 December 2025: 4 cases and arrears of £0.4m)
    - Default cases (>90 days past due), where balances are in legal recovery (i.e. non-performing loans[1]), totalled 30 (31 December 2025: 33), with aggregate loan balances of £5.0m (31 December 2025: £6.8m), representing 0.6% of the Group's total loan book (31 December 2025: 0.9%)
- Whilst the macro-economic and geo-political landscape remains uncertain, the Group has not observed any immediate systemic or supply chain impact across its manufacturer, dealer and distributor customers. The Group remains vigilant and considered in its approach to managing credit risk and its lending portfolio.

Carl D'Ammassa, Chief Executive Officer, commented: *"It is pleasing to report strong ongoing momentum in lending since the start of the year, demonstrating continued progress against our 2028 and 2030 targets. Whilst the macro-economic and geo-political environment remains uncertain, we are well positioned to navigate this, providing appropriate support - where needed - to our diversified customer base, whilst also drawing on our deep expertise and strong credit stewardship as demonstrated through the economic cycle and most relevantly since authorisation as a bank in 2020."*

[1] A loan that is in default (>90 days past due) going through formal recovery of our assets and/or unlikely to pay in full, where interest and fees are no longer accruing. Non-performing loans have appropriate credit loss provisions in place.

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About DF Capital

DF Capital is a speciality lender providing flexible financing solutions that support the sales and growth of manufacturers, dealers and distributors operating in attractive underserved retail markets across the UK.

As a bank, DF Capital's lending is underpinned by its award-winning savings products, straightforward digital platform, and exceptional customer service.

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The Group is listed on AIM on the London Stock Exchange under the ticker DFCH.

For more information, please visit www.dfcapital.bank

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