RNS Number : 8553J
Distribution Finance Cap. Hldgs PLC
26 June 2026

This announcement contains inside information as stipulated under the UK version of the Market Abuse Regulation (EU no. 596/2014) as it forms part of UK law by virtue of the European Union (Withdrawal) Act 2018 (as amended from time to time).

26 June 2026

Distribution Finance Capital Holdings plc
("DF Capital" or the "Company" together with its subsidiaries the "Group")

Half Year Pre-close Trading Update

Full Year Profit expected to be materially ahead of market expectations driven by loan book performance and new product growth

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 six months ended 30 June 2026 ("the Period").

Performance

- The Group has seen sustained growth across its lending activity ahead of expectations and historical seasonality. New loan origination is expected to close the period at c.£1 billion, a record performance up c.21% on prior year (H1 2025: £828m).

- The Group's aggregate loan book is expected to close the period in excess of £915m, up over 25% on the prior year (H1 2025: £728m).

- The Group's asset finance product continues to build momentum, particularly in the static caravan and holiday park sectors, with loan book expected to reach almost £40m, an almost 3-fold increase since the start of the year (31 December 2025: £15m). Lending is originated through the Group's network of dealers, including many larger groups with multiple retail locations who are now authorised to introduce customers to the Group. This, combined with a simplified digital application journey for customers, is expected to drive further demand over the rest of 2026 and beyond.

- Overall portfolio quality remains exceptionally strong, in spite of the macro-economic challenges, with cost of credit risk operating well within the Group's appetite and target of less than 1%.

Outlook

The Group continues to realise the benefit of its multi-product lending strategy both in terms of loan origination and loan duration. The remix towards longer tenor lending, in both asset and structured finance, is expected to continue over the medium term.

In light of the Group's average loan book exceeding expectations through the first half alone, coupled with continuing low arrears and impairments, the Group expects to report profit before tax of at least £13m for the period ending 30 June 2026, delivering an annualised return of required equity in excess of c.17%[1].

Whilst maintaining a cautious outlook on the macro-economic environment and the potential effects of any economic downturn, the Group remains confident about its prospects. The continued shift of its loan book towards longer tenor loans is generating additional near-term financial benefits, and accordingly the Group now expects its results for the year ending 31 December 2026 to materially exceed current market expectations.

Notice of results

The Company will provide a further update when it announces its interim results for the six months ended 30 June 2026 in September 2026.

Carl D'Ammassa, Chief Executive Officer, commented: *"We continue to make excellent progress, diversifying our lending and supporting our customers with more products and services. Once again we have demonstrated our ability to navigate the macro-economic challenges well leading to lower-than-expected impairments and provisions. Our multi-product strategy is now bearing fruit, building additional returns and leaving the Group well placed to deliver on our ambitious FY28 and FY30 targets laid out previously."*

[1] Return on Required Equity is calculated as profit after tax divided by average Tier 1 requirement plus management buffers.

The person responsible for arranging the release of this announcement on behalf of the Company is Karen D'Souza (Company Secretary).

For further information contact:

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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.

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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