

Morses Club PLC

Board Appointments

Morses Club PLC (“Morses Club”, or the “Company”), an established provider of non-standard financial services, is pleased to announce the appointment of Sheryl Lawrence and Michael Yeates as Independent Non-Executive Directors and the appointment of Gary Marshall, Chief Operating Officer, as Executive Director, effective 1st May 2021. Upon appointment, Sheryl Lawrence will become Chair of the Audit Committee and Michael Yeates will take up the position of Chair of the Risk & Compliance Committee, subject to regulatory approval.

Sheryl Lawrence is a chartered accountant and holds an MBA from London Business School, as well as an LLM from the Institute of Advanced Legal Studies. She has held senior executive roles at Barclays, Lloyds Bank, Santander, Coventry Building Society, Nationwide Building Society and Provident Financial Group. Sheryl began her banking career at NatWest Bank in 1996, after 11 years of multi-sector experience with Coopers & Lybrand (now PwC). Sheryl has been an Independent Non-Executive Director of RCI Bank UK since January 2019, where she is Chair of the Board Audit Committee and Chair of the Nomination and Remuneration Committee.

Michael Yeates has over 40 years’ experience in the financial services industry, serving in the building society, retail bank and investment bank sectors. Michael has been heavily involved in business transformation as both an employed executive and as an independent board consultant, having advised more than 40 boards including HSBC, Barclays, The Royal Bank of Scotland, NatWest, Santander and Nationwide. He has also been involved in policy development for HM Government. Michael spent 17 years at Cheltenham & Gloucester Plc, culminating in the position of General Manager, helping to grow the business from the 16th largest building society into a Global 100 bank and the UK’s 3rd largest lender.

Gary Marshall joined Morses Club in 2019 and has overall responsibility for the Group’s IT and Change functions. He is responsible for leading the integration and development of the digital business, Shelby Finance, including the delivery of new platforms which can effectively meet customer demand as the business grows. Prior to joining Morses Club, Gary was Interim COO of Sainsbury’s Bank and has held various roles at Aviva plc, Egg plc, GE Capital, Aon Ltd, Santander Plc, Anglo Irish Bank and Yorkshire Bank.

Stephen Karle, Chairman of Morses Club, commented:

“I am delighted to welcome Sheryl, Michael and Gary to the Board. Sheryl has extensive experience of embedding governance, risk and compliance into the culture, commercial strategies and operations of financial services companies, which, combined with Michael’s significant retail banking experience and track record of leading successful business transformations, will serve the Board well. We look forward to benefiting from their experience and deep sector knowledge.”

“Gary has led the recent transformation of Morses Club’s digital offering and the Board will greatly benefit from his extensive expertise in developing and delivering digitalised platforms in often challenging regulatory and market conditions.”

The following information is disclosed pursuant to Rule 17 and Schedule Two (g) of the AIM Rules for Companies.

Sheryl Arlene Frances Lawrence (nee Dear, previously Mothersille), age 56, has been a director of the following companies during the five years preceding the date of this announcement:

Current Directorships:

RCI Bank UK Limited
GRC Advisory Limited

Former Directorships (previous 5 years):

Provident Personal Credit Limited
Provident Financial Management Services Limited

Michael Anthony Yeates, age 65, has been a director of the following companies during the five years preceding the date of this announcement:

Current Directorships:

Finchcroft Limited

Former Directorships (previous 5 years):

VTB Capital PLC
Newable Limited
Cobalt Health
GH Bank Limited
Newable Lending Limited
Project Pearl Limited
Michael Yeates Consultancy Limited
ClimateHappy Limited
Michael Yeates LLP

Gary Peter Marshall, age 58, has been a director of the following companies during the five years preceding the date of this announcement:

Current Directorships:

GPM Consultancy Limited

Save as set out in this announcement, there are no further matters to be disclosed in accordance with AIM Rule 17 and paragraph (g) of Schedule Two of the AIM Rules for Companies.

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Morses Club PLC

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Notes to Editors

About Morses Club

Morses Club is an established provider of non-standard financial services in the UK. The Group consists of Morses Club, the UK's second largest home collected credit ("HCC") provider, and Shelby Finance Limited, Morses Club's Digital division, which operates under two online brands, Dot Dot Loans, an online lending provider, and U Account, which offers online e-money current accounts. The Group's growing Digital capabilities and scalable, highly invested IT platform has enabled Morses Club to deliver an increasingly broad range of financial products and services to the non-standard credit market.

UK HCC is considered to be a specialised segment of the broader UK non-standard credit market. UK HCC loans are typically small, unsecured cash loans delivered directly to customer electronically, or physically to customers' homes. Repayments are collected either remotely or in person, during weekly follow-up visits to customers' homes. UK HCC is considered to be stable and well-established, with approximately 1.6 million¹ people using the services of UK HCC lenders.

Morses Club's HCC division is the second largest UK Home Collected Credit (HCC) lender with 152,000 customers throughout the UK. The majority of the Company's customers are repeat borrowers and the HCC division enjoys consistently high customer satisfaction scores of 97%². In 2016, the Morses Club Card, a cashless lending product, was introduced and in 2019 the Company introduced an online customer portal for its HCC customers, which now has over 124,000 registered customers.

The Group's growing Digital division, Shelby Finance, operates under two online brands. Dot Dot Loans provides online instalment loans of up to 48 months to c. 23,000 active customers. U Account is a leading digital current account provider offering an alternative to traditional banking by providing a fully functional agency banking service. U Account currently has c. 6,000 customers.

Morses Club listed on AIM in May 2016.

About the UK non-standard credit market

The UK non-standard credit market, of which UK HCC is a subset, consists of both secured and unsecured lending and is estimated to comprise around 10 million consumers³ and total loan receivables of £10.7bn⁴.

Non-standard credit is the provision of secured and unsecured credit to consumers other than through mainstream lenders. Lenders providing non-standard credit principally lend on an unsecured basis and the market is characterised by high frequency borrowing. Approximately 2 million people move annually between standard and non-standard markets⁴.

Since February 2014, unsecured personal lending has grown from £161 billion to £225 billion in February 2020. It has since contracted to £206 billion in October 2020⁵.

¹ High Cost Credit Review ANNEX 1 - July 2017

² Independent Customer Satisfaction Survey conducted by Mustard

³ FCA High Cost Credit Review Technical Annex 1: CRA data analysis of UK personal debt - July 2017

⁴ Apex Insight - Non-Prime Consumer Credit: UK Market Insight Report - September 2019

⁵ Table A5.2, Bank of England Money and Credit Bank stats October 2020