

Morses Club PLC

Board Changes

Morses Club PLC (“Morses Club”, the “Company” or, together with its subsidiary undertakings, the “Group”), an established provider of non-standard financial services, is pleased to announce the appointment of Sir Nigel Knowles as Chair of the Board with effect from 1 March 2022, subject to FCA approval. Stephen Karle will retire on 28 February 2022 from his position as Chair and Non-Executive Director, after seven years.

Sir Nigel, who has been Morses Club’s Senior Independent Director since May 2016, is CEO of global legal firm DWF Group PLC. The former Global Co-Chairman and Senior Partner of DLA Piper, Sir Nigel is credited with DLA Piper’s remarkable growth, leading the firm through a series of mergers and taking the firm from its regional origins to become a leading global firm. He received a knighthood in 2009 in recognition of his services to the legal industry. Sheryl Lawrence, who joined the Morses Club Board in May 2021, will take up the position of Senior Independent Director upon Sir Nigel’s appointment to Chair.

Stephen has been Chair of Morses Club since January 2015. He led the business through its successful IPO and supported its transition from a pure home collected credit provider to its current position as a market-leading provider of non-standard credit. After seven years as Chair, Stephen has decided to retire at the end of this financial year.

Morses Club also announces the retirement of Andy Thomson from the Board as an NED. Andy has worked with Morses Club for the last twelve years and was appointed CFO in 2016, before stepping down in July 2019. Andy remained on the Board as a non-executive director and stepped back in to support Morses Club as interim CFO in March 2020 for seven months. Following a period of ill-health in 2020, Andy has decided to retire and will leave the Board on 31 December 2021.

Sir Nigel Knowles, incoming Chairman of Morses Club, commented: *“I have worked with Stephen and Andy for the last five years and they have both played a significant role in the development of Morses Club. Their leadership, commitment and understanding of the business have been invaluable. On behalf of the Board, we would like to extend our sincere thanks to Stephen and Andy for their contribution to the business and wish them both a long and happy retirement.*

“I am delighted to have been appointed Chair of Morses Club. I look forward to driving the continued growth of the business as it consolidates its position as the UK’s largest HCC provider and seeks to capitalise on the growing success of its digital division to reach its full potential.”

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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 second largest 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 customers' homes. Repayments are collected in person during weekly follow-up visits to customers' homes.

Morses Club's HCC division is the second largest UK Home Collected Credit (HCC) lender with 151,000 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 98%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 107,000 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 £197 billion in March 2021⁵.

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 March 2021