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**MiFID II and UK MiFIR retail investors, professional investors and ECPs target market** - Manufacturer target market (MIFID II and UK MiFIR product governance) is eligible counterparties and professional clients (all distribution channels) and also retail clients (all distribution channels).

**9 February 2022**

## **ORCHARD FUNDING GROUP PLC**

### **LAUNCH OF RETAIL BOND**

#### **ORCHARD BOND FINANCE PLC 6.25% BONDS DUE 2027**

AIM-listed Orchard Funding Group PLC (the “Company”) (AIM: ORCH) today announces the launch by Orchard Bond Finance PLC (the “Issuer”), a wholly-owned subsidiary of the Company, of its 6.25% Bonds due 2027 (the “Bonds”). The offer is open until 12 noon on 23 February 2022 (the “End of Offer Date”). The Issuer retains the right to close the offer early, in conjunction with the Lead Manager.

#### **The Bonds**

The Bonds are available to wholesale and retail investors and will pay fixed rate of interest at 6.25% per annum to maturity, payable twice yearly on 2 December and 2 June, with the first coupon payment being made on 2 December 2022. The Bonds will mature on 2 June 2027. The Bonds will be freely transferrable and are expected to be listed on the FCA's Official List and admitted to trading on the London Stock Exchange's regulated market and through the electronic Order Book for Fixed Income Securities.

A number of authorised offerors (listed below) have been given consent by the Issuer to provide the Prospectus and Information Booklet to potential investors in the Bonds until the End of Offer Date. The Bonds have a minimum initial subscription amount of £2,000 and are available in multiples of £100 thereafter.

#### **Authorised Offerors:**

- AJ Bell Youinvest
- Arnold Stansby & Co.
- Equiniti
- Guy Butler
- Hedley & Co.
- Interactive Investor
- iDealing.com
- PrimaryBid

Convexity Capital is acting as Lead Manager (the “Lead Manager”) on the issue. All institutional investor enquiries should be addressed to Convexity Capital on 0207 058 0090. All retail enquiries should be directed to an Authorised Offeror.

### **About Orchard Funding Group PLC**

Orchard Funding Group PLC is the ultimate holding company and parent of the Group, and is responsible for the overall business strategy and performance of the Group. The "Group" comprises the Company and its subsidiaries: the Issuer, Bexhill UK Limited ("Bexhill"), Orchard Funding Limited ("Orchard Funding"), Cherry Orchard Funding Limited and Orchard Finance Limited ("Orchard Finance").

The Group has been trading since 2002 and listed on AIM in 2015. The Group is a speciality finance company that has historically been active in the insurance premium finance market, the professional fee funding market and more recently other specialist lending markets where the management believes the Group's lending expertise can be applied successfully, such as static caravan site fee lending, static caravan lending and property finance lending.

Since its establishment in 2002, the Group has lent over £683 million and between FY2016 to FY2021 the total principal amount of loans provided by the Group was c. £383 million. The lending volume for the most recent complete full year (to 31 July 2021) was c. £61 million, compared with c. £65 million in the previous year; the fall being attributed to the impact of COVID-19.

In 2015, in connection with its admission to AIM, the Company raised £10 million (before expenses), the net proceeds of which were used to provide capital for lending to its clients and to optimise the Group's existing capital structure through the repayment of a c.£5.0m debt facility. The Company admitted was to AIM on 1 July 2015. The Group's current finance facilities, amounting to £20 million in total, are provided by Natwest and Toyota Financial Services.

### **Commenting on the launch, Ravi Takhar, Chief Executive of Orchard, said:**

“Orchard has experienced sustained growth since its commenced trading in 2002 and especially since the business was listed in 2015. We have lent over £683 million and we have the support of Natwest and Toyota Financial Services, who are supporting our established lending and new product lines. In order to diversify both our sources of capital and our product breadth, I am delighted to be launching what I hope will be the first of our corporate bonds on the London Stock Exchange. When these bonds are free to trade, investors will have the option to invest in both the equity and debt of our business.

### **Michael Smith, Convexity Capital, said:**

“Convexity is pleased to be launching this debut bond for Orchard Bond Finance PLC. I have arranged many successful retail bonds since the market opened in 2011 and it's great to see this listed company launch this bond. Orchard's debut bond is an important step for the business: it augments the Company's existing banking lines, provides diversification and importantly, it's longer-dated capital. This bond is also important for the wider UK capital markets as we move into post-Brexit world. It's important that businesses of all sizes have access to the capital markets to facilitate growth – and there is nowhere more appropriate for a UK listed business to raise listed debt than on the London Stock Exchange.”

For further information about the Issuer and the Orchard Group, please go to [www.orchardfundinggroupplc.com](http://www.orchardfundinggroupplc.com)

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**-ENDS-**

**In the first instance, please direct press and institutional investor enquiries at:**

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**Ravi Takhar, CEO of Orchard Funding Group PLC**

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**Liberum Capital (Nominated Adviser and Broker)**

Neil Patel / Lauren Kettle

020 3100 2222

## **About Convexity Capital**

Michael Smith leads Convexity's retail, listed and tradable debt capital markets business. Michael has led numerous retail bonds for established FTSE listed companies and private debut issuers since the London Stock Exchange established the retail bond market in 2011.

Convexity Capital is a specialist capital markets business with a focus on growth companies and debut issuers that want to raise capital in the UK's debt capital markets.

Convexity Capital is a trading name of Strata Global Limited which is authorised and regulated by the Financial Conduct Authority (FRN: 563834) and is incorporated in England and Wales with Companies House number: 07707508.

## **Important Information**

**The Bonds may not be suitable for all investors. Investors should ensure they fully understand the risks and seek independent financial advice.**

**Investors should note that the market price of the Bonds can rise and fall during the life of the investment and the price of the Bonds could fall below the issue price of £100.**

**In the event that the Issuer or the parent of the Issuer becomes insolvent or goes out of business, investors may lose some or all of their investment.**

A prospectus dated 9 February 2022 (the "Prospectus") relating to the Bonds has been prepared and made available to the public in accordance with the UK Prospectus Regulation.

The Prospectus is available on the website of Orchard Funding Group PLC (please see [www.orchardfundinggroupplc.com/bonds](http://www.orchardfundinggroupplc.com/bonds)).

The Prospectus has been approved by the Financial Conduct Authority (the "FCA"). The FCA only approves the Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of Orchard Bond Finance PLC or the quality of the Bonds that are the subject of the Prospectus.

Potential investors should read the Prospectus before making an investment decision in order to fully understand the potential risks and rewards associated with the decision to invest in the Bonds that are the subject of the Prospectus. Investors should not subscribe for any bonds referred to in this announcement except on the basis of information in the Prospectus.

This announcement is issued and approved by Orchard Bond Finance plc (formerly CRM Associated Limited) which is authorised and regulated by the FCA with firm reference number 733619.

The offering and the distribution of this announcement and other information in connection with the offer in certain jurisdictions may be restricted by law and persons into whose possession any document or other information referred to herein comes should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

This announcement does not constitute or form part of any offer or invitation to sell, or any solicitation of any offer to purchase any Bonds. Any purchase of Bonds pursuant to the offer should only be made on the basis of the information contained in the Prospectus.

The Bonds have not been and will not be registered under the United States Securities Act of 1933 (as amended, the "**Securities Act**") and, subject to certain exceptions, may not be offered or sold within the United States or to United States persons. The Bonds are being offered and sold outside of the United States in reliance on Regulation S of the Securities Act.