For immediate release **9 April 2019**

Anexo Group plc
('Anexo' or the 'Group')

Final Results

'Strategic IPO objectives met; sustained profitable growth and maiden dividend proposed'

Anexo Group plc (AIM: ANX), the specialist integrated credit hire and legal services provider, announces its maiden set of final results for the year ended 31 December 2018 (the 'period' or 'FY 2018').

Financial Highlights

- Successfully raised £25.0 million[1] (before expenses) and admitted to trading on AIM in June 2018
- Revenue increased by 24.7% to £56.5 million (FY 2017: £45.3 million)
- Operating profit reported at £15.4 million (2017: £15.1 million), an increase of 2.7%
- Adjusted[2] operating profit before exceptional items slightly ahead of market expectations, rising by 13.9% to £17.2 million (FY 2017: £15.1 million)
- Adjusted[2] operating profit margin reduced marginally to 30.4% (FY 2017: 33.3%)
- Profit before tax of £14.3 million (2017: £14.6 million), a reduction of 2.0%
- Adjusted[2] profit before tax and exceptional items increased to £16.1 million, (2017: £14.6 million), an increase of 10.3%
- Adjusted[3] basic EPS at 12 pence (FY 2017: 11.4 pence)
- Proposed final dividend of 1.5 pence per share (FY 2017: Nil)
- Net assets reported at £75.8 million (FY 2017: £55.6 million) representing an increase of 36.3%
- Net cash outflow from operating activities to fund growth of £7.9 million (FY 2017: net cash inflow: £1.1 million)
- Strong net cash balance of £5.5 million at 31 December 2018 (31 December 2017: £0.2 million)
- Net debt balance at 31 December 2018 was £17.3 million (31 December 2017: £15.0 million)

1. The placing that accompanied Anexo's admission to AIM raised £25.0 million before expenses, of which £10.0 million was raised for the Group, and £15.0 million for the Selling Shareholders, of which not less than £5.0 million was repaid to the Group.
2. Adjusted operating profit and profit before tax: excludes the costs of Admission to AIM and share-based payment charges.
3. Adjusted EPS: adjusted PBT less tax at statutory rate divided by the number of shares on a pro forma basis, i.e. assuming that the number of shares in issue immediately post-IPO were in issue through the entire comparative period.

Operational Highlights and KPIs

- Bolton office opened on 3 December 2018. At 31 December 2018 it had recruited 20 experienced litigators significantly increasing capacity within Bond Turner
- Focus on settlement rate which continues to move upwards driving increased cash collections
- Number of new cases funded increased 31.2% to 5,930 (FY 2017: 4,520)

KPI	**FY 2018**	FY 2017	% movement
Number of vehicles on hire at the year end	**1,531**	815	+87.9
Average number of vehicles on hire for the year	**1,155**	894	+29.2
Cash collections from settled cases (£'000s)	**58,100**	53,973	+7.6
New cases funded (no)	**5,930**	4,520	+31.2%
Number of senior fee earners at period end	**89**	66	+34.8
Average number of senior fee earners	**76**	62	+22.6

Commenting on the Final Results, Alan Sellers, Executive Chairman of Anexo Group plc, said:

"We are delighted to report such a strong set of maiden final results which, as announced earlier in January 2019, are ahead of market expectations. Anexo has successfully demonstrated that the cash raised at IPO has enabled the strategic investment outlined upon Admission, expanding the Credit Hire fleet and growing Anexo's high quality legal team in order to increase the number of processed claims whilst increasing cash generation from cases settled.

"The investment is clearly supporting near-term profitable growth across the business with the strong financial performance, coupled with the ever-increasing UK credit hire and legal claims market, giving the Board confidence in our ability to scale and generate near term returns for our shareholders as demonstrated by the maiden proposed final dividend in line with the Board's stated intention at Admission.

Anexo remains extremely well positioned to grow its market share and take advantage of the opportunities available to it. The Board views the current financial year with considerable optimism."

- Ends -

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Notes to Editors:

Anexo is a specialist integrated credit hire and legal services provider. The Group has created a unique business model by combining a direct capture Credit Hire business with a wholly owned Legal Services firm. The integrated business targets the impecunious not at fault motorist, referring to those who do not have the financial means or access to a replacement vehicle.

Through its dedicated Credit Hire sales team and network of 1,100 plus active referrers around the UK, Anexo provides customers with an end-to-end service including the provision of Credit Hire vehicles, assistance with repair and recovery, and claims management services. The Group's Legal Services division, Bond Turner, provides the legal support to maximise the recovery of costs through settlement or court action as well as the processing of any associated personal injury claim.

The Group was admitted to trading on AIM in June 2018 with the ticker ANX. For additional information please visit: www.anexo-group.com.

Executive Chairman's Statement

On behalf of the Board, I am pleased to introduce Anexo's maiden set of full year results since the Group's admission to trading on AIM in June 2018, which has enabled us to accelerate our growth and enhance market share. The Group has performed strongly in the financial year ended 31 December 2018, with significant growth compared to FY 2017 and Anexo has excellent prospects for FY 2019 and beyond.

Group performance

We delivered a strong performance across the Group in our first financial year on AIM and it was pleasing to see revenues growing across the operational businesses. Group revenues increased from £45.3 million in FY 2017 to £56.5 million in FY 2018, generating growth of 24.7% year on year, a result which was ahead of market expectations.

Credit Hire division

Anexo has deployed an element of the funds raised at IPO to expand the fleet, reaching 1,946 vehicles available for hire at period end (FY 2017: 1,066), an 82.6% increase on the prior year with a similar trend seen in the number of vehicles on hire to clients which increased from 815 to 1,531 during FY 2018 (an increase of 87.9%).

In particular, the Group has witnessed growth in our motorcycle business, facilitated by the strategic investment in the fleet.

The high utilisation rates of these vehicles and bikes on the road (which is typically in the region of 75% to 80%) demonstrates the strong demand for Anexo's credit hire services across the UK and the quality of the Group's sales staff which are supporting the expansion of our market share. These trends are even more pleasing given we have only had access to the IPO funding for part of the year.

Furthermore, as outlined at the time of the IPO, the increased access to financial resources is accelerating Anexo's growth strategy as we are able to employ additional local sales representatives, who are proven to generate higher revenues with increased efficiency when working closer to home, whilst broadening Anexo's geographic footprint in the UK.

Legal Services division

A significant portion of the IPO funds were targeted at increasing capacity within Bond Turner, our legal services business. This was to facilitate the scaling of the Credit Hire business whilst improving cash generation. The expanded capacity at Bond Turner has been supported by the opening of our new office in Bolton in December 2018, where recruitment has progressed well and the number of highly skilled, vastly experienced litigators continues to grow. In fact, we have managed to increase the number of senior fee earners within the Group from 66 at the end of FY 2017 to 89 at 31st December 2018, an increase of almost 35% during the year in line with our recruitment policy.

With further significant investment planned into FY 2019, these additional staff are expected to provide a significant increase to the number of cases settled during FY 2019 and ultimately the level of cash recovered from our significant portfolio of cases.

With the support of our larger legal team, it is pleasing to see that Anexo has been able to increase the number of new cases funded by 31.2% between FY 2017 and FY 2018, having completed just over 5,200 credit hire claims during FY 2018.

As a result of the factors set out above, I am pleased to be able to report to shareholders that the Group achieved an adjusted profit before taxation of £16.1 million compared to £14.6 million last year, an increase of 10.3%, further details around the Group's performance are included within the Financial Review.

Dividends

The Board is pleased to propose a final dividend of 1.5 pence per share, which if approved at the Annual General Meeting to be held on 12 June 2019 will be paid on 28 June 2019 to those shareholders on the register at the close of business on 21 June 2019. The shares will become ex-dividend on 20 June 2019. No interim dividend was paid or proposed by Anexo Group Plc.

Corporate Governance

Anexo values corporate governance highly and the Board believes that effective corporate governance is integral to the delivery of the Group's corporate strategy, the generation of shareholder value and the safeguard of our shareholders' long-term interests.

As Chairman, I am responsible for the leadership of the Board and for ensuring its effectiveness in all aspects of its role. The Board is responsible for the Group's strategic development, monitoring and achievement of its business objectives, oversight of risk and maintaining a system of effective corporate governance. I will continue to draw upon my experience to help ensure that the Board delivers maximum shareholder value.

Our employees and stakeholders

The strong performance of the Group reflects the dedication and quality of the Group's employees. We rely on the skills, experience and commitment of our team to drive the business forward. Their enthusiasm, innovation and performance remain key assets of the Group and are vital to its future success. On behalf of the Board, I would like to thank all of our employees, customers, suppliers, business partners and shareholders for their continued support over the last year.

Outlook

The outlook for FY 2019 is positive and we remain confident that management decisions and investment will result in increasing claims generation and an expanding market share for our Credit Hire division.

As we continue to expand the Legal Services division, we expect revenues to increase. Recruitment has continued to progress well in Anexo's new Bolton office and we are close to finalising the terms of contracts with a number of high quality litigators. The additional capacity is driving our settlement numbers and rates and we believe this will significantly improve cash generation in FY 2019 by fully leveraging the potential in our case book and realise its potential as a significant cash generating asset. Having only opened the office in early December 2018, we had successfully recruited 20 legal staff into Bolton by the year end.

Trading in the year to date has been in line with the Board's expectations. We are in final negotiations with yet more high quality litigators who wish to join our growing Bond Turner practice in Bolton, which is helping us to increase the number of claims processed by the Group.

Anexo remains extremely well positioned to grow its market share and take advantage of the opportunities available to it. The Board views the current financial year with considerable optimism.

Alan Sellers
Executive Chairman
9 April 2019

Financial Review

Basis of Preparation

Anexo Group Plc was admitted to AIM on 20 June 2018 (the 'IPO'). Given the Company was formed on 27 March 2018 and acquired its subsidiaries on 15 June 2018, these are the first consolidated statutory financial statements. In order to provide an understanding of the trading performance of the Group, comparative numbers have been presented on a basis consistent with the Group being in existence through FY 2018 and FY 2017.

In addition, to provide comparability across reporting periods, the results within this Financial Review are presented on an 'underlying' basis, adjusting for the £1.4 million cost of this year's IPO transaction and the £0.4 million charge recorded for share-based payments.

A reconciliation between underlying and reported results is provided at the end of this Financial Review. This Financial Review also incorporates and constitutes the Strategic Report of the Group.

Revenue

In FY 2018 Anexo successfully increased revenues across both of its divisions, Credit Hire and Legal Services, resulting in Group revenues of £56.5 million, representing a 24.7% increase over the prior year (FY 2017: £45.3 million).

During FY 2018 we provided vehicles to 5,215 individuals (FY 2017: 4,586) an increase of 13.7%. Much of this growth has arisen within the motorcycle side of our business and of the increase in claims (629 – 13.7%) between FY 2017 and FY 2018. The number of motorcycle claims increased from 2,260 in FY 2017 to 2,923 in FY 2018, an increase of 663 (29.3%). This growth follows the strategic decision to expand the McAMS division alongside our continued investment into the motorcycle community, with the sponsorship of the McAMS Yamaha team in the British Superbike Championship continuing into FY 2019.

Growth has also been reported within the Legal Services division, revenues rising from £20.5 million in FY 2017 to £22.5 million in FY 2018 (an increase of 9.8%).

Expansion of the headcount in Bond Turner is critical to increasing both revenues and cash settlements into the Group and the opening of the Bolton Office in December 2018 provides a crucial platform for growth in both factors. By the end of December 2018, we had recruited 20 staff into the Bolton Office, of which 17 are senior fee earners, taking the total number of staff employed in Bond Turner to 267 (FY 2017: 187), of which 89 are senior fee earners (FY 2017: 66). This investment has resulted in an increase in senior fee earners of 23 (34.8%) significantly adding to our settlement and cash recovery capacity.

Gross Profits

Gross profits were reported at £40.3 million (at a margin of 71.4%) in FY 2018, increasing from £34.0 million in FY 2017 (at a margin of 74.9%). Whilst the reported results indicate a reduction in margin, staffing costs within Bond Turner are reported within Administrative Expenses, gross profit in effect being reported at 100% within Bond Turner. This reduction reflects the change in the mix of Credit Hire to total revenues which increased between FY 2017 (54.8%) and FY 2018 (60.2%).

Gross profits for the Credit Hire division reached £19.9 million in FY 2018 (at a margin of 58.5%) rising from £14.9 million in FY 2017 (at a margin of 60.2%), the slight reduction reflecting an increase in vehicle insurance premiums year on year.

Operating Costs

Administrative expenses before exceptional items increased year-on-year, reaching £21.6 million in FY 2018 (FY 2017: £18.1 million) an increase of £3.5 million (19.3%) reflecting the continued investment in staffing costs within Bond Turner to drive settlement of cases and cash collections; staffing costs increased to £8.7 million (FY 2017: £6.2 million) an increase of £2.5 million, the balance of the increase reflecting investment in staff and infrastructure to allow the Group to meet its growth aspirations, as well as to meet its requirements as a PLC.

During FY 2018 we continued to invest heavily in our motorcycle fleet, a significant element of which is capitalised and depreciated, whereas a lesser element is sourced under operating lease arrangements (as are all of the car fleet) and charged to the profit and loss accounts as incurred. Total capex on vehicles reached £2.9 million in FY 2018 (FY 2017: £1.3 million) resulting in an increased depreciation charge in the year of £1.6 million (FY 2017: £0.8 million).

EBITDA

Adjusted EBITDA reached £18.7 million in FY 2018, increasing from £15.8 million in FY 2017 (18.4%), the result, as previously announced was ahead of management expectations. To provide a better guide to the underlying business performance, adjusted EBITDA excludes share-based payment charges, professional and other costs charged to the profit and loss account in relation to the listing along with depreciation, interest and tax from the measure of profit.

The GAAP measure of the profit before interest and tax was £15.4 million (FY 2017: £15.1 million) reflecting the non-cash share-based payment charge of £0.4 million (FY 2017: £Nil) as well as the professional and other fees arising from the listing (£1.4 million). Where we have provided adjusted figures, they are after add-back of these two items.

EPS and Dividend

Statutory basic EPS is 10.4 pence (FY 2017: 11.4 pence). Statutory diluted EPS is 10.2 pence (FY 2017: 11.1 pence). The adjusted EPS is 12.0 pence (FY 2017: 11.4 pence). The adjusted diluted EPS is 11.8 pence (FY 2017: 11.1 pence). The adjusted figures exclude the effect of share based payments and the fees associated with the listing.

Following our first period end trading as an AIM quoted group a final dividend of 1.5 pence per share has been recommended by the Board (FY 2017: Nil). No interim dividend was either paid or proposed by Anexo Group Plc since incorporation. This dividend, if approved at the Annual General Meeting to be held on 12 June 2019, will be paid on 28 June 2019 to those shareholders on the Register at the close of business on 21 June 2019.

Group Statement of Financial Position

The Group's net assets position is dominated by the balances held within trade and other receivables. This balance includes credit hire and credit repair debtors and disbursements paid in advance and support of ongoing claims. The value of the receivables being £165.2 million in FY 2018, rising from £151.5 million in FY 2017. In accordance with our income recognition policies, provision is made to reduce the carrying value to recoverable amounts, being £76.0 million and £55.9 million respectively, an increase of 36.0%. This increase reflects the recent trading activity and strategy of the Group and is in line with management expectation.

In addition, the Group has a total of £23.0 million reported as accrued income (FY 2017: £16.3 million) which represents the value attributed to those ongoing hires and claims.

Further investment has been made into the motorcycle fleet in FY 2018 to keep up with demand, with total fixed asset additions totalling £3.5 million in FY 2018 (FY 2017: £1.5 million), the fleet being in part financed with hire purchase, the balance outstanding increasing during FY 2018 to £2.5 million (FY 2017: £1.3 million).

Trade and other payables, including tax and social security increased to £7.2 million compared to £5.4 million at 31st December 2017, an increase of 33.3%.

Net assets at 31st December 2018 reached £75.8 million (FY 2017: £55.6 million).

Cash Flow

Following the AIM listing, the Group utilised the funds raised, alongside increases in debt facilities, to take advantage of the opportunities in the market and increase the number of vehicles on the road alongside a significant investment in the capacity of the legal services business, where the number of senior staff engaged to settle cases and recover cash for the group increased from 66 to 89 during FY 2018 (an increase of 34.8%). Whilst this strategy improves profitability and absorbs working capital in the short term, it is anticipated that the real financial benefits to the Group will come through in FY 2019.

Fleet investment was most significant on the McAMS side of the Credit Hire division, where the number of vehicles on the road increased from 563 at the start of the period to 1,011 at 31 December 2018, an increase of 80%. The number of cars and vans in this division also saw significant growth, with vehicles on the road increasing from 252 to 520 during FY 2018 (an increase of 106.0%), demonstrating the significant opportunities available to the Group as a whole.

In FY 2018 the Group reported a net cash outflow from operating activities of £7.9 million (FY 2017: Cash inflow £1.1 million). The total variance between the profits reported in FY 2018 of £11.4 million (FY 2017: £12.5 million) and the net cash flow from operating activities reached £19.3 million (FY 2017: £11.3 million) and included the investment made into new cases across both the Credit Hire and Legal Services divisions, absorbing a net £20.5 million of funds in FY 2018 (FY 2017: £12.4 million). During the year total cash receipts increased to £58.1 million (FY 2017: £54.0 million) an increase of 7.6% year on year.

Investment in the motorcycle fleet continued into FY 2018, accounting for the majority of the £3.5 million of fixed asset additions (FY 2017: £1.5 million), funded from cash flow and the draw of an additional £2.6 million of hire purchase funding (FY 2017: £1.2 million).

As previously reported, the Group generated a net £9.3 million from the AIM listing, alongside additional debt funding of £4.0 million (FY 2017: £6.8 million). As a result of the above, the Group reported a net increase in cash and cash equivalents of £0.5 million in 2018 (FY 2017: £2.5 million).

Net Debt, Cash and Financing

Cash balances increased during FY 2018 and at 31 December 2018 reached £5.5 million (FY 2017: £0.2 million), this increase reflects additional funding facilities secured and drawn during FY 2018, net debt reported at £17.3 million at 31 December 2018 (FY 2017: £15.0 million).

Borrowings increased during the year to fund the additional working capital investment in the Group's portfolio of claims, the balance rising from £15.2 million in FY 2017 to £22.8 million at the end of FY 2018. The two principal facilities include an invoice discounting facility within Direct Accident Management Limited, (and secured on the credit hire and repair receivables) and a revolving credit facility within Bond Turner Limited.

The Group is in advanced discussions with a specialist legal assets funder to extend and increase existing facilities and secure additional funding from the Group's current asset base to support growth across all aspects of the business operations. This extended the current facilities which expire in November 2019. This funding is intended to support the Group's working capital as it continues to expand its legal capacity and increase the rate of cash conversion.

Reconciliation of Underlying and Reported IFRS Results

In establishing the underlying operating profit, the costs adjusted include £1.4 million (FY 2017: £Nil) related to the cost of the Company's Admission to AIM that was completed in June 2018 (the 'IPO costs') and £0.4 million of costs related to share-based payments (FY 2017: £Nil).

A reconciliation between underlying and reported results is provided below:

	Year to December 2018				Year to December 2017
	Underling £'000s	**IPO Costs £'000s**	**Share-based payment £'000s**	**Reported £'000s**	**Reported and underlying £'000s**
Revenue	56,505	-	-	56,505	45,302
Gross profit	40,337	-	-	40,337	33.953
Other operating costs (net)	(23,168)	(1,411)	(384)	(24,963)	(18,879)
Operating profit	17,169	(1,411)	(384)	15,374	15,074
Finance costs (net)	(1,090)	-	-	(1,090)	(492)
Profit before tax	16,079	(1,411)	(384)	14,284	14,582
Depreciation	1,574	-	-	1,574	760
EBITDA	18,743	(1,411)	(384)	16,948	15,834

By order of the Board.

Mark Bringloe
Chief Financial Officer
9 April 2019

Consolidated Statement of Total Comprehensive Income
for year ended 31 December 2018

	Note	**2018 £'000s**	2017 £'000s
Revenue		**56,505**	45,302
Cost of sales		**(16,168)**	(11,349)
Gross profit		**40,337**	33,953
Depreciation & loss on disposal		**(1,574)**	(760)
Administrative expenses before exceptional items		**(21,594)**	(18,119)
Operating profit before exceptional items		**17,169**	15,074
Share based payment charge	3	**(384)**	-
Non-recurring administrative expenses	3	**(1,411)**	-
Operating profit	3	**15,374**	15,074
Finance income		**-**	-
Finance costs		**(1,090)**	(492)
Net financing expense		**(1,090)**	(492)
Profit before tax		**14,284**	14,582
Taxation		**(2,879)**	(2,095)
Profit and total comprehensive income for the year attributable to the owners of the company		**11,405**	12,487
Earnings per share			
Basic earnings per share (pence)	4	**10.4**	11.4
Diluted earnings per share (pence)	4	**10.2**	11.1

The above results were derived from continuing operations.

Consolidated Statement of Financial Position
as at 31 December 2018

	Note	2018	2017
Assets		**£'000s**	£'000s
Non-current assets			
Property, plant and equipment	5	**3,270**	1,520
		3,270	1,520
Current assets			
Trade and other receivables	6	**101,445**	80,593
Cash and cash equivalents		**5,532**	202
		106,977	80,795
Total assets		**110,247**	82,315
Equity and liabilities			
Equity			
Share capital		**55**	50
Share premium		**9,235**	40
Share based payments reserve		**384**	-
Retained earnings		**66,127**	55,542
Equity attributable to the owners of the Company		**75,801**	55,632
Non-current liabilities			
Other interest-bearing loans and borrowings	7	**870**	5,475
Deferred tax liabilities		**-**	-
		870	5,475
Current liabilities			
Bank overdraft	7	**12,536**	7,688
Other interest-bearing loans and borrowings	7	**9,402**	2,085
Trade and other payables		**7,223**	5,395
Corporation tax liability		**4,415**	6,040
		33,576	21,208
Total liabilities		**34,446**	26,683
Total equity and liabilities		**110,247**	82,315

Consolidated Statement of Changes in Equity
for the year ended 31 December 2018

	Share Capital £'000s	Share Premium £'000s	Share Based Payment Reserve £'000s	Retained Earnings £'000s	Total £'000s
At 1 January 2017	50	40	-	46,756	46,846
Profit for the year and total comprehensive income	-	-	-	12,487	12,487
Dividends	-	-	-	(3,701)	(3,701)
At 31 December 2017	50	40	-	55,542	55,632
Profit for the year and total comprehensive income	-	-	-	11,405	11,405
Issue of share capital	5	-	-	-	5
Increase in share premium	-	9,195	-	-	9,195
Creation of share based payment reserve	-	-	384	-	384
Dividends	-	-	-	(820)	(820)
At 31 December 2018	55	9,235	384	66,127	75,801

Consolidated Statement of Cash Flows
for the year ended 31 December 2018

	2018	2017
	£'000s	£'000s
Cash flows from operating activities		
Profit for the year	**11,405**	12,487
Adjustments for:		
Depreciation and loss on disposal	**1,574**	730
Financial expense	**1,090**	492
Taxation	**2,879**	2,095
	16,948	15,804
Working capital adjustments		
(Increase)/decrease in trade and other receivables	**(20,871)**	(12,360)
(Decrease)/increase in trade and other payables	**1,828**	(329)
Cash generated from operations	**(2,095)**	3,115
Interest paid	**(1,090)**	(492)
Tax paid	**(4,738)**	(1,475)
Net cash from operating activities	**(7,923)**	1,148
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	**170**	183
Acquisition of property, plant and equipment	**(3,493)**	(1,473)
Net cash from investing activities	**(3,323)**	(1,290)
Cash flows from financing activities		
Net proceeds from the issue of share capital	**9,235**	-
Proceeds from new loan	**4,016**	6,825
Repayment of borrowings	**(1,931)**	(1,217)
Payment of finance lease liabilities	**(1,362)**	(425)
New finance lease arrangements	**2,590**	1,205
Dividends paid	**(820)**	(3,701)
Net cash from financing activities	**11,728**	2,687
Net increase in cash and cash equivalents	**482**	2,545
Cash and cash equivalents at 1 January	**(7,486)**	(10,031)
Cash and cash equivalents at 31 December	**(7,004)**	(7,486)

Notes to the Consolidated Financial Statements
for the year ended 31 December 2018

1. Basis of Preparation and Principal Activity

These condensed preliminary financial statements for the year ended 31 December 2018 have been prepared in accordance with the recognition and measurement criteria of International Financial Reporting Standards as adopted by the European Union ("Adopted IFRS"), IFRS IC interpretations and those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements are presented in Pounds Sterling, being the functional currency of the Group, generally rounded to the nearest thousand.

The information contained within this announcement has been extracted from the audited financial statements which have been prepared in accordance with IFRS as adopted by the European Union ('adopted IFRS'), and with those parts of the Companies Act 2006 applicable to companies reporting under adopted IFRS. They have been prepared using the historical cost convention except where the measurement of balances at fair value is required. The same accounting policies, presentation and methods of computation are followed in both of the preliminary condensed sets of financial statements and the audited financial statements.

Availability of audited accounts

Copies of the 2018 audited accounts will be available later this month on the Company's website (www.anexo-group.com) for the purposes of AIM Rule 26 and will be posted to shareholders in due course. The Company is a public limited company, which is listed on the Alternative Investment Market of the London Stock Exchange and incorporated and domiciled in the UK. The address of its registered address office is 5th Floor, The Plaza, 100 Old Hall Street, Liverpool, L3 9QJ.

Forward-looking statements

This report may contain certain statements about the future outlook for Anexo Group plc. Although the directors believe their expectations are based on reasonable assumptions, any statements about future outlook may be influenced by factors that could cause actual outcomes and results to be materially different.

Going concern

The Group is in advanced discussions with a specialist asset funder to extend and increase existing facilities and secure additional funding from the Group's current asset base to support growth across all aspects of the business operations. This funding is intended to support the Group's working capital as it continues to expand its legal capacity and increase the rate of cash conversion. Credit backed terms have been provided by the lender which have been approved by the Board. Funds are expected to be available to the Group in April 2019 subject to approval of revised covenants and the satisfaction of routine administrative matters.

In addition, discussions continue with both our existing lender within Bond Turner Limited to renew our current facility which is due to expire on 30 June 2019 as well as a further high street bank to increase the current facility limit.

While the final agreement of these facilities is not certain, the Board is confident that these conditions will be satisfied and that the likelihood of the funding not being available is remote.

It is considered that while there is sufficient cash headroom in the forecasts, any impact on liquidity in the course of finalising these arrangements or a decrease in expected cashflows could be mitigated through short term actions the Group could take which are not expected to impact longer term performance.

The Directors have prepared trading and cash flow forecasts for a period of one year from the date of approval of these financial statements. The Directors have a reasonable expectation that the Group will have adequate cash headroom. The Group continues to trade profitably and early indications for growth in the current year are positive. Accordingly, the directors continue to adopt the going concern basis in preparing the consolidated financial statements.

2. Segmental Reporting

The Group's reportable segments are as follows:

- the provision of credit hire vehicles to individuals who have had a non-fault accident, and
- associated legal services in the support of the individual provided with a vehicle by the Group and other legal service activities.

Management monitors the operating results of business segments separately for the purpose of making decisions about resources to be allocated and of assessing performance.

	The year ended 31 December 2018		
	Credit Hire £'000s	**Legal Services £'000s**	**Consolidated £'000s**
Revenues			
Third Party	34,042	22,463	56,505
Total revenues	34,042	22,463	56,505
Profit before taxation	10,889	3,395	14,284
Depreciation and loss on disposal	1,489	85	1,574
Segment assets	73,896	36,453	110,349
Capital expenditure	3,005	487	3,492
Segment liabilities	27,791	6,757	34,548

	The year ended 31 December 2017		
	Credit Hire £'000s	**Legal Services £'000s**	**Consolidated £'000s**
Revenues			
Third Party	24,814	20,488	45,302
Total revenues	24,814	20,488	45,302
Profit before taxation	7,690	6,891	14,581
Depreciation and loss on disposal	692	68	760
Segment assets	52,613	29,702	82,315
Capital expenditure	1,416	57	1,473
Segment liabilities	15,306	11,377	26,683

3. Operating Profit

Operating profit is arrived at after charging:

	2018 £'000s	2017 £'000s
Depreciation expense	**1,563**	760
Operating lease expense	**4,221**	3,800
Non-recurring administrative costs	**1,411**	-
Share based payments	**384**	-
Loss / (Gain) on disposal of property, plant and equipment	**11**	(41)

Non-recurring administrative costs in the year ended 31 December 2018 of £1.4 million related to Placing and Admission to AIM by the Company and the Group reorganisation undertaken in preparation of this process. There were no non-recurring costs in the year ended 31 December 2017.

4. Earnings Per Share

Number of shares:	**2018** **No.**	2017 No.
Weighted number of ordinary shares outstanding	**110,000,000**	110,000,000
Effect of dilutive options	**2,200,000**	2,200,000
Weighted number of ordinary shares outstanding – diluted	**112,200,000**	112,200,000
Earnings:	**£'000s**	£'000s
Profit basic and diluted	**11,405**	12,487
Profit adjusted and diluted	**13,200**	12,487
Earnings per share:	**Pence**	Pence
Basic earnings per share	**10.4**	11.4
Adjusted earnings per share	**12.0**	11.4
Diluted earnings per share	**10.2**	11.1
Adjusted diluted earnings per share	**11.8**	11.1

The adjusted profit after tax for 2018 and adjusted earnings per share are shown before non-recurring costs (net of tax) of £1.4 million (FY 2017: £Nil) and share-based payment charges of £0.4 million (FY 2017: £Nil). The Directors believe that the adjusted profit after tax and the adjusted earnings per share measures provide additional useful information for shareholders on the underlying performance of the business. These measures are consistent with how underlying business performance is measured internally. The adjusted profit after tax measure is not a recognised profit measure under IFRS and may not be directly comparable with adjusted profit measures used by other companies.

5. Property, Plant and Equipment

	Property improvements £'000s	Fixtures, fittings & equipment £'000s	Motor vehicles £'000s	Office equipment £'000s	Total £'000s
Cost or valuation					
At 1 January 2017	276	253	1,705	645	2,879
Additions	65	55	1,329	24	1,473
Disposals	-	-	(800)	-	(800)
At 31 December 2017	341	308	2,234	669	3,552
Additions	-	486	2,944	62	3,492
Disposals	-	-	(721)	-	(721)
At 31 December 2018	341	794	4,457	731	6,323
Depreciation					
At 1 January 2017	239	134	991	555	1,919
Charge for year	9	46	664	41	760
Eliminated on disposal	-	-	(647)	-	(647)
At 31 December 2017	248	180	1,008	596	2,032
Charge for the year	10	66	1,441	46	1,563
Eliminated on disposal	-	-	(542)	-	(542)
At 31 December 2018	258	246	1,907	642	3,053
Carrying amount					
At 31 December 2018	83	548	2,550	89	3,270
At 31 December 2017	93	128	1,226	73	1,520

6. Trade and Other Receivables

	2018 £'000s	2017 £'000s
Trade receivables	**165,195**	151,518
Provision for impairment of trade receivables	**(89,205)**	(95,628)
Net trade receivables	**75,990**	55,890
Accrued income	**22,457**	16,176
Prepayments	**532**	165
Directors loan account	**463**	4,644
Other debtors	**1,922**	3,711
Deferred taxation	**81**	7
	101,445	80,593

The Group's exposure to credit and market risks, including impairments and allowances for credit losses, relating to trade and other receivables is disclosed in the financial risk management and impairment of financial assets note.

Trade receivables stated above include amounts due at the end of the reporting period for which an allowance for doubtful debts has not been recognised as the amounts are still considered recoverable and there has been no significant change in credit quality. Average gross debtor days calculated on a count back basis were 418 at 31 December 2018 and 421 at 31 December 2017.

7. Borrowings

	2018	2017
	£'000s	£'000s
Non-current loans and borrowings		
Bank loans and overdrafts	**-**	-
Revolving credit facility	**-**	4,900
Obligations under finance lease and hire purchase contracts	**851**	438
Other borrowings	**19**	137
	870	5,475
Current loans and borrowings		
Bank loans and overdrafts	**12,536**	7,688
Revolving credit facility	**5,000**	-
Obligations under finance lease and hire purchase contracts	**1,640**	825
Other borrowings	**2,762**	1,260
	21,938	9,773

Direct Accident Management Limited uses an invoice discounting facility which is secured on the trade receivables of that company, the balance outstanding being reported within bank loans and overdrafts. Security held in relation to the facility includes a debenture over all assets of Direct Accident dated 11 October 2016, extended to cover the assets of Anexo Group Plc and Edge Vehicles Rentals Group Limited from 20 June 2018 and 28 June 2018 respectively. Agreed during the year were a Company guarantee and indemnity from Anexo Group pic dated 20 June 2018 and Edge Vehicle Rentals Group Limited dated 28 June 2018, as well as a cross corporate guarantee with Professional and Legal Services Limited dated 21 February 2018.

Direct Accident Management Limited is also party to the number of finance leases which are secured over the respective assets funded.

The revolving credit facility is secured by way of a fixed charge dated 25 January 2017, over all present and future property, assets and rights (including uncalled capital) of Bond Turner Limited. The loan is structured as a revolving credit facility which is committed for a two-year period, until June 2019, with no associated repayments due before that date. Interest is charged at 3.75% over LIBOR.

8. Obligations Under Leases and Hire Purchase Contracts

Finance leases

The finance leases of the Group primarily relate to the hire purchase of motorbikes. The total future value of minimum lease payments under finance leases and hire purchase contracts are as follows:

	2018	2017
	£'000s	£'000s
Not later than 1 year	**1,544**	825
Later than 1 and not later than 5 years	**947**	438
	2,491	1,263

Operating leases

The Group lease a number of office and other premises as well as a proportion of the motor vehicle fleet under non-cancellable operating lease agreements. The total future value of minimum lease payments is as follows:

	2018	2017
	£'000s	£'000s
Operating leases		
Not later than 1 year	**3,821**	1,901
Later than 1 and not later than 5 years	**3,107**	2,116
Later than 5 years	**803**	-
	7,731	4,017

The amount of non-cancellable operating lease payments recognised as an expense during the year was £4.2 million (FY 2017: £3.8 million).

- Ends -