



COMPANY INFORMATION DISCLOSURE

Last updated: 17/08/2007

This document is available from the company website at:

www.potentialfinance.investis.com

In conjunction with the website, this document contains all of the information which is necessary to comply with the requirements of Rule 26 of the AIM Rules for Companies – ‘Company information disclosure’.

Business Description / Investment Strategy

Potential Finance Group plc, a non-trading holding company, floated on AIM in August 2000 to provide working capital for its then only trading subsidiary, Potential Finance Limited (‘PFL’), a factoring and invoice discounting company.

A second subsidiary, Potential Asset Finance Limited (‘PAF’) began trading in July 2003 and operates a leasing and HP portfolio. As market conditions changed in the factoring industry and PAF’s activity levels increased, the decision was taken to sell a substantial element of the factoring business, and this took place in July 2005, producing a gain on sale and making additional capital available for PAF’s expansion.

Since that time, the Group has sought a complementary business opportunity and in late 2006 incorporated Potential Vehicle Hire Limited (‘PVH’), which began operating as a flexible vehicle rental company in March 2007 and has achieved rapid growth during its first months of trading.

GOVERNANCE

Directors’ Names and Biographies

Chairman (non-executive)

Peter Cordrey joined the board in May 2006. He is a Chartered Accountant and a Fellow of the Chartered Institute of Management. He was Chairman of Hampshire Trust Plc from 1997 to 2006 and previously spent 25 years with the merchant bank, Singer & Friedlander Limited, the final 12 years as a director and head of banking.

Peter has extensive experience in all areas of banking and finance and has recently been appointed Chairman of London Scottish Bank plc.

Group Managing Director

Colin Swanston has over 25 years’ experience in the asset finance business and was formerly a director of Singer and Friedlander Commercial Finance Limited. Colin has been the driving force behind the consistent growth of Potential Asset Finance and the creation and development of Potential Vehicle Hire.

Group Finance Director

Vivien Ware is a Chartered Certified Accountant, who, having worked in both the accountancy profession and commercial environments, has many years experience in management and statutory accounting, budgeting, auditing and strategic planning.

Non-Executive Director

Frank Lafford brings extensive business experience to the board. Having been divisional managing director of The Meyer International Group PLC, he started his own business in the timber import and distribution industry, in the late 1970s. He has extended his interests over the past 20 years to include the founding and control of several distribution companies operating in varied fields.

Board of Directors' Responsibilities

The Directors as a body are responsible for safeguarding the assets of the Group and for managing the strategy for growth. Peter Cordrey as Chairman, is responsible for the management of the board and Frank Lafford, as a non-executive Director brings an independent view. Colin Swanston as Managing Director has overall responsibility for the Group trading activities, while Vivien Ware as Finance Director manages all financial aspects. Both executive Directors take responsibility for strategic planning alongside their operational roles.

Committees' Responsibilities

Audit Committee

An audit committee has been established comprising the managing director, Colin Swanston, the finance director, Vivien Ware, and non-executive director Peter Cordrey who chairs the committee. The committee operates within clearly defined terms of reference and provides a forum through which the group's external auditors report to the board. All directors have a right to attend audit committee meetings and the minutes of these meetings are circulated to all directors.

The audit committee also undertakes an assessment of the auditors' independence each year which includes a review of non-audit services provided to the group and related fees, discussion with the auditors of a written report detailing all relationships with the company and any other parties that could affect independence or the perception of independence and obtaining written confirmation from the auditors that, in their professional judgment, they are independent.

Remuneration Committee

A remuneration committee has also been established under the chairmanship of Peter Cordrey. The other member of the committee is Frank Lafford. Members of the remuneration committee review the performance of executive directors and recommend the scale and structure of their remuneration and review the basis of their service agreements with due regard to the interests of shareholders. No committee member participates in decisions concerning his own remuneration.

New appointments are regarded as a subject for the whole board to monitor and consider and a separate nomination committee has not therefore been established.

SHARE INFORMATION

Other exchanges or trading platforms where Potential Finance Group plc securities are admitted or traded:

As at 15/07/2007 Potential Finance Group plc securities are not traded, or admitted to be traded on any exchanges or trading platforms other than AIM.

The number of securities in issue:

As at 14/08/2007, 10473600 ordinary 25 pence shares were in issue.

The number of securities held as treasury shares:

As at 14 August 2007, the number of securities held as treasury shares was nil.

Percentage of AIM securities not in public hands:

As at 15/07/2007, the percentage of AIM securities not in public hands was: 60.62%

Identity and percentage holdings of significant shareholders:

As at 15/07/2007, the identity and percentage holdings of significant shareholders was:

Shareholdings over 3%	No.	%
Aberdeen Holdings Limited	2555000	24.39
Frank Lafford (also director)	2139100	20.42
Tony Jacobs	1549500	14.79
Rock Nominees Limited (1616842)	346200	3.31
Hugh Craen	338400	3.23
Paula Craen	341400	3.26
Mark Abbott	315994	3.02
Total		72.42

Details of any restrictions on the transfer of AIM Securities:

There are currently no restrictions on the transfer of Potential Finance Group plc securities.

CONTACTS & ADVISORS

Country of Incorporation:

Potential Finance Group plc and its subsidiaries are incorporated in the United Kingdom with registered numbers as follows:-

Potential Finance Group plc	03920220
Potential Finance Limited	03799137
Potential Asset Finance Limited	03850744
Potential Vehicle Hire Limited	05953205

Main Country of Operation:

Potential Finance Group plc and its subsidiaries operate in the United Kingdom.

Company Registered Address & Number:

Registered Address:

Potential Finance Group plc
Potential House
149-157 Kings Road
Brentwood
Essex, CM14 4EG

Registered Number

03920220

Nominated advisors:

Charles Stanley Securities
25 Luke Street
London
EC2A 4AR

Other key advisors:

Broker

Charles Stanley Securities
25 Luke Street
London
EC2A 4AR

Solicitors

Bermans
City Wharf
New Bailey Street
Manchester
M3 5ER

Field, Fisher Waterhouse LLP
35 Vine Street
London
EC3N 2AA

Auditors

Baker Tilly
Chartered Accountants
2 Bloomsbury Street
London WC1B 3ST

Registrars

Capita Registrars
The Registry
34 Beckenham Road
Beckenham
Kent
BR3 4TU

The following information can be viewed at www.potentialfinance.investis.com

- Constitutional documents (e.g. articles of association)
- Most recent admission document or prospectus
- Most recent annual report
- Most recent half yearly, quarterly or similar reports
- Circulars / similar publications sent to shareholder within the last 12 months

The following information can be viewed at www.potentialfinance.investis.com

- All notifications made in the last 12 months