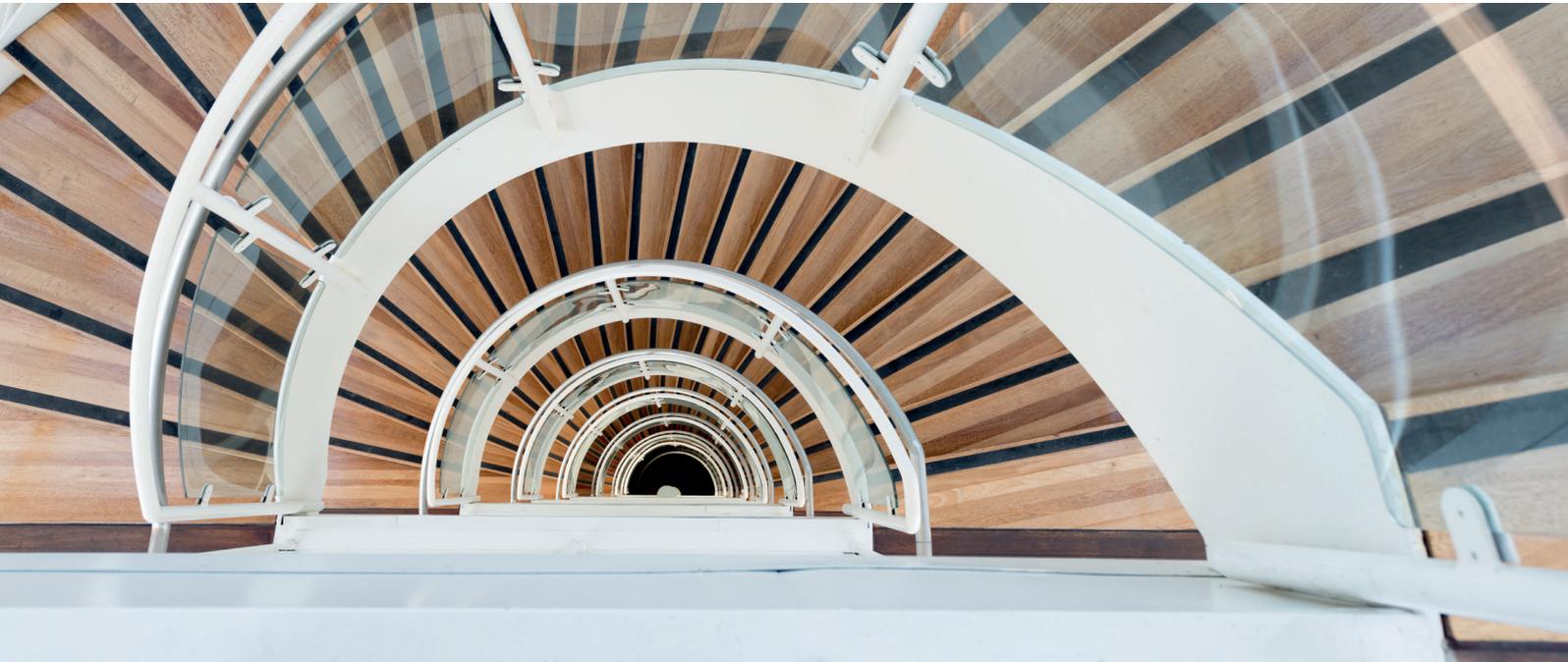


Investec Asset Based & Cashflow Lending



Investec has been providing flexible debt structures to the UK mid-market for 15+ years.

As part of our Growth & Leverage Finance business, we launched our Asset Based Lending (ABL) capability in 2007 to provide bespoke debt structures to both owner managed and PE backed UK headquartered mid-market businesses.

Whether it's standalone Asset Based Lending or combined ABL/Cashflow

debt structures required, we deliver from a single, dedicated team. With a deep understanding of both asset based and leveraged finance markets, our ability to blend ABL and Cashflow lending techniques is a key differentiator.

With a can-do attitude, we build long term partnerships, helping to deliver certainty to transactions and support businesses as their funding requirements change over time.

75%

of clients have received significant follow-on funding

£2.2bn

of combined client annual revenues

12 years

longest client relationship (and counting)

“We deal with one team at Investec, for the deal and on an ongoing basis, which is a real differentiator for us.”

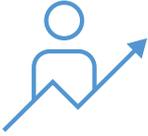
Alan Henderson, CEO of Allied Glass



What we do

- £5m* to c£100m on a bilateral basis with underwrite/distribute capability for higher amounts
 - Asset based revolvers against receivables and inventory (sometimes also fixed assets) are non-amortising and fund working capital, seasonality, capex as well as core acquisition debt
 - Term loans structured against fixed assets and sustainable cashflows fund core debt
- requirement - undrawn acquisition/capex lines provided as required
- Working capital, refinancing/ recapitalisation, growth/acquisition finance (MBO/MBI or combination), buy and build, cash out, shareholder change
 - Quantum linked to debt serviceability. We are not driven by arbitrary multiples or ratio splits between asset based revolvers and term loans

* Sub £5m debt can be provided via our Capital Solutions team



Who it suits

- UK headquartered businesses delivering £2m+ EBITDA
 - High quality management teams in businesses that are compelling in their market
 - Asset-rich businesses with significant working capital, or seasonal requirements
 - Businesses where an existing debt structure may be inflexible or sub-optimal for the present business need
- Key sub sectors include:
 - manufacturing
 - engineering
 - chemicals
 - print & packaging
 - textiles
 - wholesale distribution
 - transport & logistics
 - food & beverage
 - B2B services
 - recruitment
 - Owner managed and PE backed businesses



Benefits

- **Flexibility** - asset based revolvers are the most effective aspect of ABL and allow businesses to maximise revolving funding availability for working capital, capex, acquisitions and debt service (interest and capital). This allows for absorption of operating cashflow blips and seasonality. Permanent leverage is often generated via these revolvers – no clean-down required
- **One team, one credit process, one set of legals** – we deliver transactions as a single, empowered unit. Deal team members remain the same throughout our partnership with management teams and sponsors
- **Higher relative quantum of debt** for relevant businesses when compared to either a pure senior, or asset based lending approach, on a standalone basis
- **Absence of significant bullet loan repayments** avoid artificial timelines in which businesses must be sold or refinanced. Amortisation profile is shaped allowing for adequate revolver headroom (term lending is serviced via revolver availability)
- **Lower blended cost of debt** achieved via use of asset based revolvers (priced below typical senior cashflow debt), for a significant portion of the overall debt structure (usually 40%+)

“This bespoke, flexible approach works excellently, and provides for working capital and business growth which was crucial for us.”

Heath Zarin, MD of EmergeVest

Selected deals

Private Equity backed

 <p>Asset Based & Cashflow debt structure to support merger of Techstream Group</p> <p>£19.5m Asset Based & Cashflow debt structure</p> <p>Universal Partners</p>	 <p>Underwritten revolving and term debt structure into premium spirits glass bottle manufacturer</p> <p>£117m Asset Based & Cashflow debt structure</p> <p>Sun European Partners</p>	 <p>Refinancing and new debt structure across the EV Cargo Group</p> <p>c.£150m Asset Based & Cashflow debt structure</p> <p>EmergeVest</p>	 <p>Revolving debt structure into freight forwarding and supply chain specialist</p> <p>£22m Receivables Finance package</p> <p>EmergeVest</p>	 <p>Acquisition of palletised goods logistics provider</p> <p>£11m Asset Based & Cashflow debt structure</p> <p>Total Capital Partners</p>
 <p>MBO of recyclable polythene packaging manufacturer</p> <p>£9m Asset Based & Cashflow debt structure</p> <p>Chiltern Capital</p>	 <p>£75m MBO of Downton, a major UK ambient logistics and warehouse provider</p> <p>Asset Based & Cashflow debt structure</p> <p>EmergeVest</p>	 <p>Refinancing and acquisition facilities for chilled foods manufacturer</p> <p>£24.5m Asset Based & Cashflow debt structure</p> <p>Sun European Partners</p>	 <p>Primary buyout of UK market leading pallet network</p> <p>£19m Asset Based & Cashflow debt structure and Minority Equity</p> <p>EmergeVest</p>	 <p>Revolving and term debt structure to refinance premium spirits glass bottle manufacturer</p> <p>£75m Asset Based & Cashflow debt structure</p> <p>CBPE Capital</p>
 <p>Participation in £86.9m club ABL facility</p> <p>£26m Receivables Finance package</p> <p>Sun European Partners LLP</p>	 <p>Acquisition of leading distributor of flowers and packed vegetables</p> <p>Asset Based & Cashflow debt structure</p> <p>Sun Capital Partners</p>	 <p>MBO of holiday parks operator</p> <p>£30m Asset Based & Cashflow debt structure</p> <p>Electra Partners</p>	 <p>MBO of holiday park operator managed by Park Resorts</p> <p>£27m Asset Based & Cashflow debt structure</p> <p>Electra Partners</p>	 <p>Refinancing of senior secured acquisition debt</p> <p>£110m Asset Based & Cashflow debt structure</p> <p>Sun European Partners</p>
 <p>MBO of leading specialist confectionery supplier</p> <p>£29.5m Asset Based & Cashflow debt structure and Mezzanine Finance</p> <p>H2 Equity Partners</p>	 <p>MBO of specialist wine distribution group</p> <p>£25m Asset Based & Cashflow debt structure</p> <p>BlueGem Capital Partners</p>	 <p>Acquisition of branded automotive electrical parts supplier</p> <p>£11m Asset Based & Cashflow debt structure</p> <p>Rulin Capital</p>	 <p>MBO of a high end precision engineering group</p> <p>Asset Based & Cashflow debt structure</p> <p>Vine Street Capital</p>	 <p>£43m MBO of a UK tool and equipment hire business</p> <p>Asset Based & Cashflow debt structure</p> <p>Rutland Partners</p>
 <p>MBO of an MRO outsourcing and technology Provider</p> <p>£27m Asset Based & Cashflow debt structure</p> <p>Gresham Private Equity</p>	 <p>MBO of a UK road and rail freight business</p> <p>Asset Based & Cashflow debt structure</p> <p>Aegeus Equity</p>	 <p>Refinance of a leading managed outsourced service group</p> <p>Asset Based & Cashflow debt structure</p> <p>Graphite Capital</p>	 <p>MBO of a provider of flexible packing solutions</p> <p>£65m Asset Based & Cashflow debt structure</p> <p>Sun European Partners</p>	 <p>Refinance of recruitment process outsourcing business</p> <p>Asset Based & Cashflow debt structure</p> <p>Graphite Capital</p>

Owner Managed Businesses

 <p>HALEWOOD Wines & Spirits</p>	 <p>INVESTIGO Recruiting talent.</p>	 <p>2M Holdings Ltd</p>	 <p>Polyco and HPC</p>	 <p>Banner Chemicals Group UK Flying the flag of excellence for over 130 years Surfachem High science, total solution</p>
<p>Growth finance into drinks manufacturer and distributor</p> <p>£77.5m Asset Based & Cashflow debt structure</p>	<p>MBO of recruitment business</p> <p>£15m Asset Based & Cashflow debt structure and Mezzanine Finance</p>	<p>Acquisition of INEOS ChlorVinyls' packed chlorine business</p> <p>Asset Based & Cashflow debt structure</p>	<p>Merger of BM Polyco and HPC Group to create a leading UK distributor of PPE</p> <p>£44m Asset Based & Cashflow debt structure</p>	<p>MBO of chemicals distribution group</p> <p>£25m Asset Based & Cashflow debt structure</p>
<p>Privately owned</p>	<p>Owner backed transaction</p>	<p>Owner backed transaction</p>	<p>Vendor backed Transaction</p>	<p>Owner backed transaction</p>
 <p>crestleather</p>	 <p>carmel</p>	 <p>ODGERS BERNDTSON</p>	 <p>där lighting group</p>	 <p>INTEGRITY THE PRINT PROFESSIONALS</p>
<p>Refinance of leading manufacturer of finished leather hides</p> <p>\$30m Asset Based & Cashflow debt structure</p>	<p>Growth capital to leading garment designer and manufacturer</p> <p>£16m Asset Based & Cashflow debt structure</p>	<p>MBO of an international head hunting firm</p> <p>£16m Asset Based & Cashflow debt structure</p>	<p>MBO of a designer, importer and distributor of lighting products</p> <p>Asset Based & Cashflow debt structure</p>	<p>MBO of a leading printer of business stationery</p> <p>£13m Asset Based & Cashflow debt structure Three further bolt-on acquisitions</p>
<p>Owner backed transaction</p>	<p>Owner backed transaction</p>	<p>Owner backed transaction</p>	<p>Owner backed transaction</p>	<p>Owner backed transaction</p>

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Asset Based & Cashflow Lending is part of the Growth & Leverage Finance team. Growth & Leverage Finance has been supporting the UK and Europe mid-market by lending to growth businesses for 15+ years. The 30+ strong team offers lending, private debt and capital markets capabilities to its private equity and corporate client base, spanning asset based and cashflow lending, senior secured debt (standalone, club/syndicate loans), RCFs, subordinated debt and minority equity. We originate, structure and provide debt solutions to growth orientated clients with EBITDA typically £2m-£75m EBITDA.

We are a leading UK corporate and investment banking business, part of Investec Bank plc, rated A1 by Moody's and BBB+ by Fitch Ratings. Investec Bank plc is the main banking subsidiary of Investec plc, a FTSE 250 listed company.

