



RENAISSANCE

ASSET FINANCE

RAF Spring Edition 2016

News

BLME Announcement to Acquire RAF on the 4th April 2016



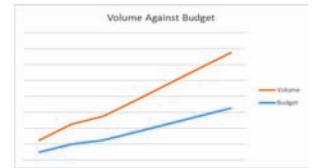
RAF open Wilmslow office

Overview of Last Quarter

Volumes Ahead of Budget Despite Increased Competition



Hugh Sigrist, MD of Renaissance was very pleased that the business is still performing very well, with lending volumes tracking £3M ahead of budget for the quarter. Given the increased competition in the market, this is a very pleasing result.



Margin

Our margin has been under pressure as expected and our net yield has dropped by 0.25% true in the quarter. That said, we did acknowledge in the last edition that we would be flexible with our rates and we have been true to our word.

Brokers

We have transacted business through 65 brokers in this financial year located across the UK. Our philosophy remains to deal with fewer premier brokers, so we can work closely together to maximise business opportunities. We only write unregulated business for established SME's and HNWI's, our average balance financed is £100K.

Asset Mix

Our portfolio, which is now over £60M, enjoys an excellent asset split as follows:

30% High Value / Vintage Cars



25% Plant and Machinery



20% Commercial Vehicle



15% Rental Car Sector



8% London Black Cabs



2% Business Critical Soft Assets



Credit

From a credit underwriting perspective, having James Pegler, ex Shawbrook, join the credit team, has added huge value to our turnaround time on deals.

We believe that in terms of deals up to £1M, RAF offer one of the quickest services in the industry.

We now have 4 underwriters at Renaissance with a combined authority of £1M. We also work within a credit policy, written by us and aimed completely at the SME sector, which is a major advantage. That, coupled with our expertise and experience in understanding non-standard supply routes, sets us apart from most of the competition.



Pictured: James Pegler, Credit Underwriter

BLME Announcement to Acquire Renaissance Asset Finance (RAF) on the 4th April 2016

Founder of RAF, Hugh Sigrist:

I am delighted that BLME have decided to buy our business and I see them as an excellent partner for the future. We look forward to working together as a key finance provider to the UK SME sector.

BLME supported the initial launch of RAF by providing us with the £35M we needed to begin trading back in July 2014. This demonstrated to me that their principles were aligned with our own. Showing a like-minded, commercial, customer focused and entrepreneurial approach. Lending businesses have a constant requirement for equity to raise more capital and RAF almost became a victim of their own success. As we have been lending far ahead of all original expectation, it was essential that we secured the funds we needed to support our ongoing development. This sale to BLME made perfect sense and with their strong UK balance sheet, ensured all the funding we would require as we continued to grow, would be in situ.



Business as usual

There were two important conditions of the deal. Firstly, that we retained our own brand. Secondly, that we remained as a separate legal entity, thus able to write our own policies and trading procedure based on the SME sector. A vast amount of work has gone into this, so that post acquisition it will be very much business as usual. Our team will all remain and we will be far better placed to expand the operation and also consider acquiring other niche finance companies. The offering between RAF and BLME will be a deal range between £10k - £2M RAF and £2M - £25M BLME, which many lenders are not able to cater for.

It is good news for the team, many of whom showed huge loyalty by following me from my old RFC/Close business, leaving very secure positions, to be part of the newly formed Renaissance. I will remain as MD, with Vikki Fisher as Operations Director, Mark Lester as Credit and Compliance Director and David Pusinelli as Non-Executive Director. Several BLME employees will join the board which will add further strength: Fred Yue, Director and Head of Leasing who has supported RAF every step of the way, Michael Williams, CEO BLME, Jervis Rhodes, Director and Head of Corporate Banking and Chris Power, CFO Designate.

It is also very good news for all our loyal brokers and customers. RAF have one of the most experienced teams in the Industry, with real expertise and a proven track record. With BLME behind us, it will further strengthen our support to all our customers for the long term.



Renaissance to open new Northern based office in Wilmslow, Cheshire

RAF are excited to have secured a Northern office in Wilmslow. This will be headed up by Kerry Stuart ex Conister Bank and Bank of Scotland. This will enable RAF to offer better support to its large network of brokers in the North East and North West. Also, to work more closely with the BLME Manchester office, exploring cross-selling opportunities.

Case Studies

RAF are always looking to support clients with financial solutions to their funding challenges.

Case Study - Hamerton Zoo Park, where Renaissance funded a new tiger enclosure:



Customer comments - Andrew Swales of Hamerton Zoo:

“Hamerton Zoo is set in 25 acres of Cambridgeshire countryside and has recently welcomed 2 new rare Malaysian tigers as part of an international breeding programme. With the 2 new arrivals we needed to build a bespoke enclosure to help them settle and provide them with a suitable home.

The Zoo needed to raise funds for this enclosure, so we spoke to our broker Credo Asset Finance based in Norwich, who then introduced us to Renaissance Asset Finance. RAF took the time to come to see us and visit the park, learn about our operation and discuss our future plans. Subsequently, they

offered funding against several assets that the park already owned, to enable us to finance the new enclosure project.”

Renaissance are always keen to visit clients at their businesses to fully understand their requirements and then find the best funding solutions for them. Another reason why we are quite unique in the SME Asset Finance Sector.



Pictured: Kevin Dew from Renaissance with Andrew Swales of Hamerton Zoo, plus two amazing Malaysian tigers.

Case Study - Econo Rod, a commercial drain cleaning and maintenance business



Customer comments - David Ansell, owner of Econo Rod:

“I set my business up over 24 years ago, initially with just one van and a pressure jetter unit. Today I have 3 Tankers, 25 Vans and 45 Staff, plus many sub-contractors. We specialise in offering our clients Service Contracts and taking preventative measures, so they experience less disruption through blocked drains. Our customers include Hilton, Marriott, Thistle Hotel Groups and NCP Car Parks. We are also accredited ‘Achilles’ for the Railway and conduct work for GTR, covering Thames Link stations between Kings Lynn and Brighton. We also look after many smaller clients.

Hugh Sigrist, Renaissance and previously RFC, has looked after my asset finance needs since I began 24 years ago. He delivers an excellent service, second to none, demonstrating a real understanding of my business requirements and flexibility. This is so important to me as I am always very busy looking after my clients, knowing I can make one call to Renaissance, and rely on them to sort out what I need, then the vehicle or equipment is on my doorstep.

Often they will offer me a solution that I have not even thought of, to a dilemma I may be facing. For example, in the past, when needed, they have suggested re-financing certain commercial vehicles, to help me upgrade or replace pumps on my tankers or for modernising my yard. Nothing is too much trouble and the backup team are always ready to help if Hugh is away. I genuinely feel that they have been a huge assistance in enabling me to grow my business to where it is today.”

Pictured: Hugh Sigrist, Renaissance MD, with David Ansell by a Tanker funded by Renaissance.