

Maxxia

The word "Maxxia" is written in a white, rounded, sans-serif font. The letter 'x' is replaced by a stylized human figure in a light orange color. The figure has a circular head, two arms raised in a 'V' shape, and two legs extending downwards and outwards, forming the 'x' shape.

UK group update

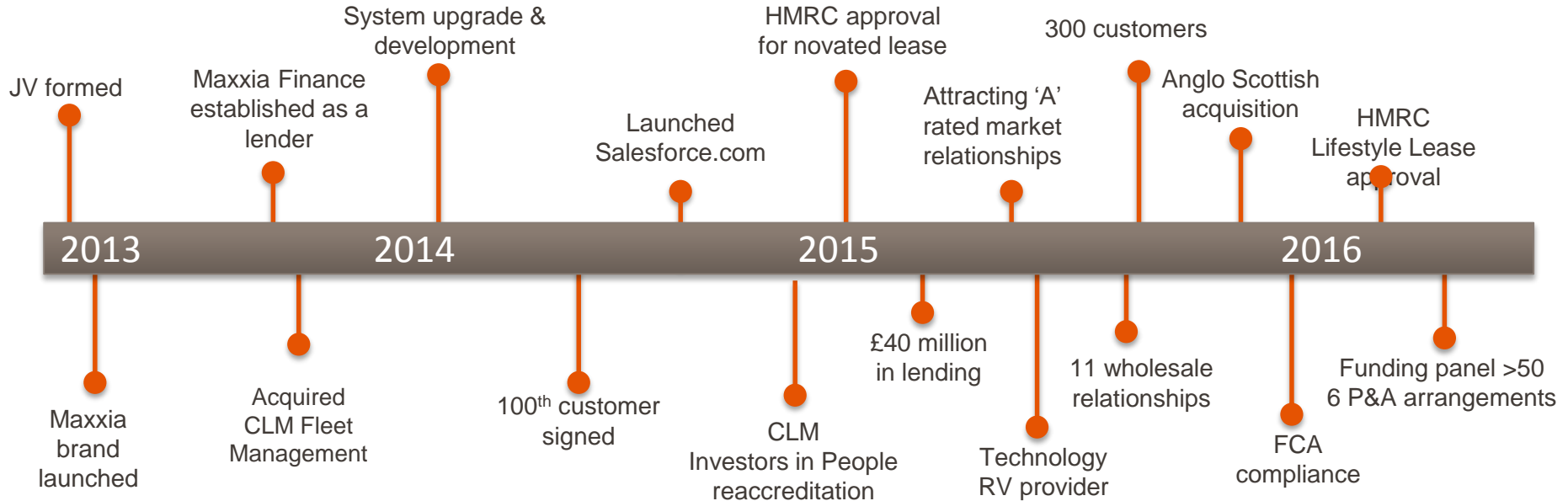
April 2016

Building the UK business

- Develop an integrated range of asset finance and management services
- Establish a market-leading business model to capture the opportunities brought from a unique proposition
- Launch and establish strong brands
- Drive for profitable revenue growth and attractive returns on capital
- Design the businesses' operational delivery to be flexible and low cost, whilst ensuring excellent customer service

Building the UK Business

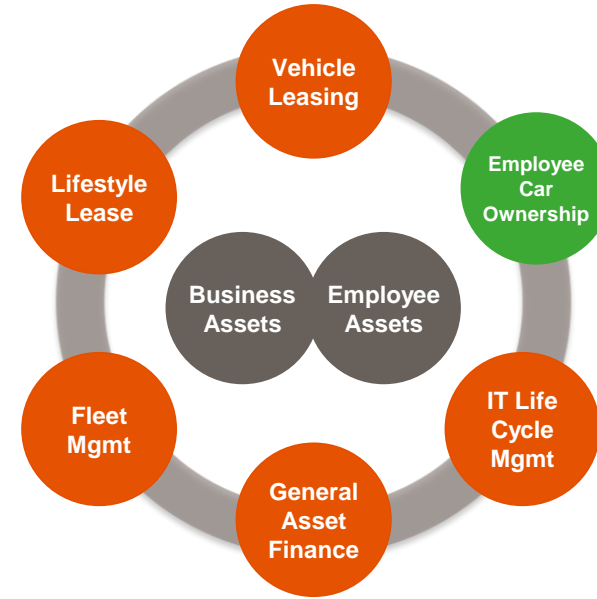
What we have achieved to date



The UK Business has an integrated range of asset finance products and services

Asset Finance Solution Services

- Proactive sales culture
- Strong marketing capability
- Financial management
- Tax knowledge base
- Employee lease
- Asset finance brokerage
- Lending as principal & agent
- Enterprise funding portal with myriad funders
- Vehicle fleet competencies
- Treasury, financing & RV risk management
- Unique tied agent market model for UK aggregation
- Loyal & varied customer base SMEs, large, multi-national corporate & private individuals
- Scalable online operating platform provides fast credit responses
- FCA authorised
- Broad range of products



Managing vehicle fleet value chain:

- Procurement
- Maintenance
- Disposals
- Service costs
- Fleet management
- Consultancy
- Short term rental
- Mini-lease
- Lease co panel

Contract Hire/ Operating Lessors/ Fleet Managers

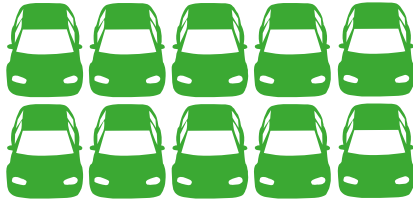
UK market

UK forecasts

	2015 actual	2016	2017	2018
GDP	2.2%	2.0%	2.3%	2.2%
Private consumption	3.0%	2.7%	2.1%	1.9%
Business investment	4.7%	3.2%	6.5%	4.3%
CPI inflation	0.1%	0.5%	1.6%	1.8%
Average earnings growth	2.4%	3.1%	3.4%	3.5%
Unemployment rate	5.4%	5.2%	5.1%	5.0%

UK market

£54 Billion of asset finance in 2015



Annual car finance
(business & consumer)

- New car finance **£25 billion**

- Used car finance **£11 billion**

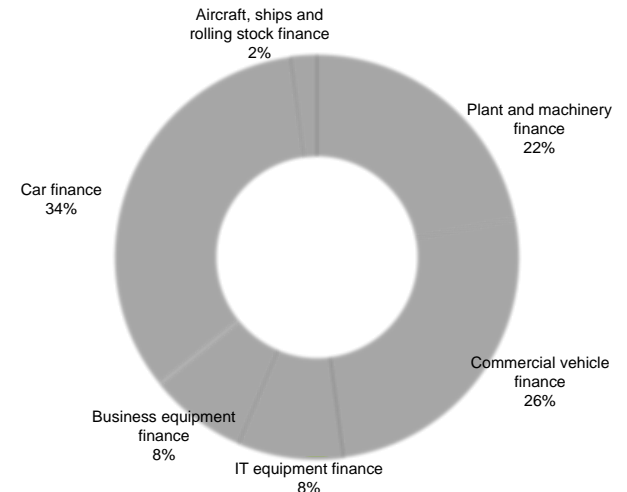
- Market fragmented with lots of providers but growing consolidation in the fleet and asset finance broker market – driven by increasing FCA regulation
- Little market differentiation or innovation
- Returned to pre-GFC levels of liquidity

Approx **£18 billion** of other business use assets financed annually

Estimated 5.4 million private sector businesses

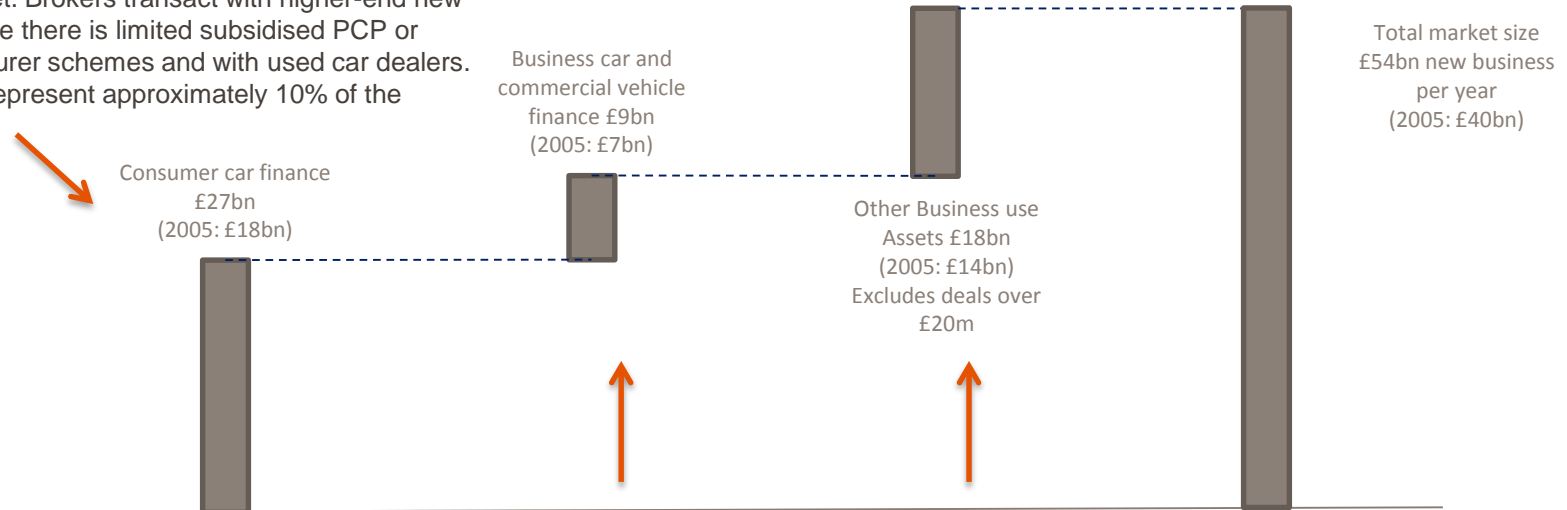


2015 financing by asset class - **£54 Billion**



Key target sectors are car finance and business equipment finance

Manufacturer & dealer Personal Contract Purchase programmes are the largest part of the consumer car market. Brokers transact with higher-end new cars where there is limited subsidised PCP or manufacturer schemes and with used car dealers. Brokers represent approximately 10% of the segment

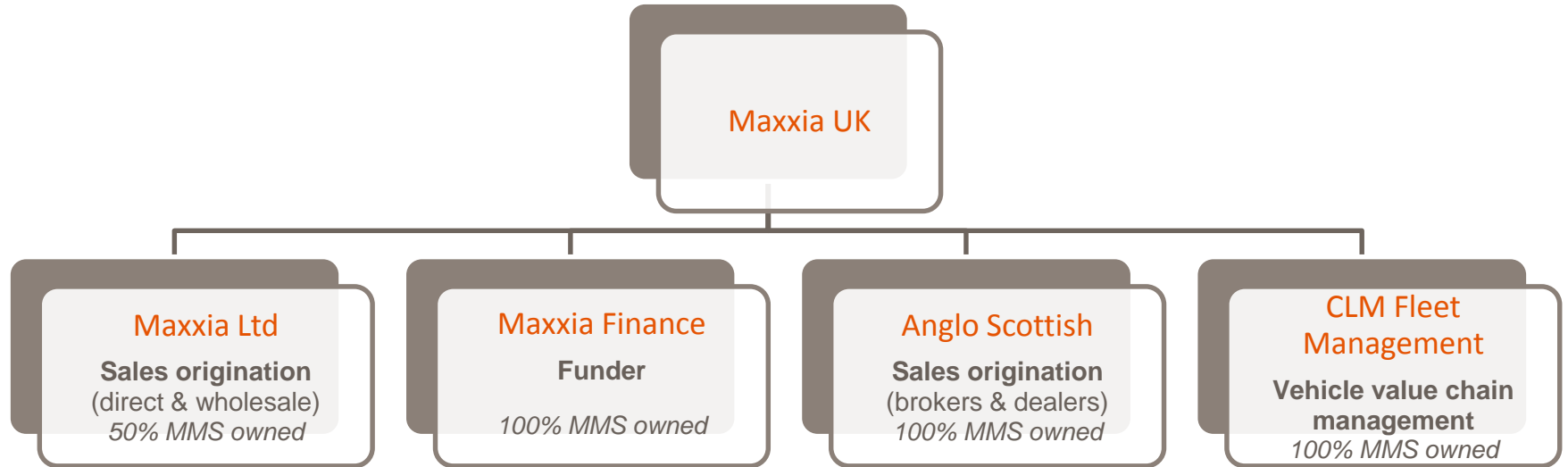


The broker channel represents around 10% of the business car finance market (8% for new cars and 29% for used cars).

The broker channel represents 22% of other business use assets.

The journey

Organisational structure



Organisational structure



Roger Skinner
Chief Executive Officer



Gareth Shaw
Chief Financial Officer



Julian Humphreys
Chief Revenue Officer

Total FTEs = 132

Since February 2013:

Established JV and leadership team, started to build the business with investment in:

- ✓ Infrastructure
- ✓ Digital marketing & lead generation
- ✓ Sales resource
- ✓ Credit management
- ✓ Contract administration
- ✓ Legal funding contracts
- ✓ Funding arrangements with 50 UK banks and asset finance companies
- ✓ Brand building

Maxxia Finance

Established in August 2013 to support and enhance the integrated range of asset finance services offered, benefiting the UK development through:

- Interest income margin earned on high quality customers
- Build the Maxxia brand as a lender with customers
- Customer ownership & renewal under the Maxxia brand
- Market impact
- Disciplined and selective approach to credit risk
- Whole of business asset finance solutions for high quality customers

Additional sources to support funding flexibility and diversity developed through alternative capital structures

CLM supports the delivery of our Fleet, Contract Hire and Lifestyle Lease services

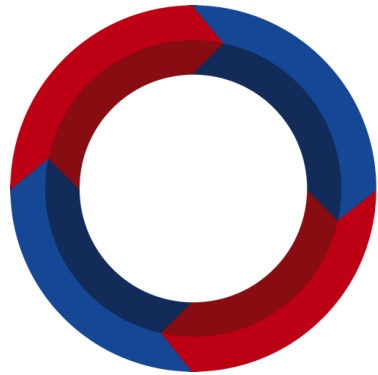


- 40 years in fleet management and 70 staff acquired in October 2013
- Operational capability for the launch of additional automotive financial services
- Strong customer base available for cross-selling
- Capable of absorbing investment in new systems for asset management and customer management
- Procurement and supply chain management
- Experienced fleet resource
- Platform & infrastructure for accelerated growth

CLM is the integrated financial services model platform

- Investment in systems
- Investment in people
- Investment in the Lifestyle Lease product & related resource
- Funding flexibility through capital light structures
- Focus on growth strategy

Acquired November 2015



AngloScottish

ASSET FINANCE LIMITED

Strong
origination
capabilities



A platform for
broker
aggregation



Strong distribution channel to grow
origination through an enhanced suite
of integrated financial products and
services

UK asset finance broker market

The UK has approximately 750 finance brokers of varying sizes. These asset finance brokers are widely distributed, with some concentrations in industrial towns and particularly where banks' asset finance offices used to be based.



Maxxia

Has a superior value proposition which will drive broker aggregation

- FCA compliance umbrella
- Marketing capability and competence
- Sales systems and competence
- Strategic thinking and execution
- Digital marketing and lead generation
- Greater breadth of products and services
- Anglo Scottish platform
- Financial accounting and planning
- Providing operational management and resources
- Access to a breadth and depth of panel funders
- Maxxia Finance as tier 1 funder
- Market knowledge and expertise
- Customer migration and transition

Diversified revenue sources

Revenue is earned from multiple streams across the integrated model

- Annuity income from funded assets (Maxxia Finance)
- Brokerage from placement of finance
- CLM earns management fees from customers and in life revenue from the vehicle value chain

Case studies



Results

With the financing arranged, Framptons completed its expansion project and the equipment is now operational. The increased processing capacity enabled the business to compete for and win new contracts. The aim of the project was not only to increase production capacity but also grow the business, and this has certainly happened...

- ✓ Framptons are now able to manage the very specific processing methods of customer product types
- ✓ They are experiencing significant growth in new customers and product demands
- ✓ 17% of their production volume is process-specific and they had not previously had the capacity to meet that demand – but now they do
- ✓ **Overall, the development helped generate a 3% growth in volume and about £600,000 in increased contribution**

“With a full scale and complex project underway, there was plenty of potential to lose sleep. Management of cash flow is a key issue for most businesses and timings can be critical. From a financing perspective though, Maxxia was easy to work with, helped us achieve our funding objectives and allowed us to focus our energies on successful completion of the projects, on time and in budget. Maxxia took away the legwork of managing multiple quotations and identifying potential partners, and that was valued.

The process was open and transparent throughout.”

Allan Staples,
Commercial Director at Framptons

If you would like to talk about the best asset finance option for a project you are working on or a piece of equipment your organisation needs, feel free to speak to one of our experts on:



contact@maxxia.co.uk



Results

- ✓ School managers and governors were all briefed on the solutions provided and the terms around the lease. This also extended to new members of staff as they joined the school
- ✓ The Green School was able to replace all of the IT systems that they needed in order to provide the best education and experience for their pupils
- ✓ The net result was that the school was able to recover almost £50,000 from the previous leasing company. That's more than the cost of a teacher for a whole year

“Due to budget constraints across many areas of the school, we needed a lease structure that was both affordable and sustainable. Maxxia provided a structure that suited us perfectly; allowing us to proceed with immediate and on-going IT requirements across the school. Without the help of Maxxia, the school would have been £48,000 out of pocket. What was refreshing is that Maxxia were not looking to gain anything out of this process; it just formed part of their transparent and honest approach to relationship management”

John Wiffen
Director of Finance
The Green School

If you would like to find out about the best way to fund your future and existing equipment needs, feel free to speak to one of our experts:

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Specifics of solution



B M Injection were looking to acquire this latest piece of equipment on a hire purchase basis. This would mean there was a minimal capital outlay and manageable monthly payments. Having found the milling machine they were looking for, B M Injection notified us at Maxxia. To help meet B M Injection's needs, we approached the German supplier and arranged invoicing directly. They were happy to deal with us directly and the sale went through as planned. The equipment was then shipped to B M Injection who are now simply meeting their monthly payments with us.

Results

- ✓ B M Injection can now offer their customers bespoke moulds more efficiently
- ✓ Resource cost are reduced due to unmanned machines
- ✓ B M Injections were able to building prototypes quicker and put products
- ✓ **Continued business growth and expansion**

"Having worked with Maxxia before, I knew they would strive to meet my needs and offer a transparent payment structure with clear and concise guidance. They were a great help and B M Injections can now look to future growth"

Tim Combes
MD - B M Injections

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Why CLM?



With over 30 years' experience we provide vehicle rentals on passenger cars, light commercial vehicles and minibuses, plus more specialist vehicles if required. Our comprehensive suite of rental solutions covers every type of vehicle and rental period from 1 day to 12 months.

CLM's multi-supply network includes all the leading rental providers (operating over 1,500 outlets across the UK), meaning our rental customers have access to a vast range of the latest cars and vans at extremely competitive rates. Our online system enables rental users to book, extend and cancel vehicle rentals, monitor existing rentals and access a comprehensive range of management reporting and invoicing.

"CLM proved to be extremely helpful in both instances, finding us special vehicles to meet our requirements and doing something that our usual rental suppliers could not achieve. The vehicles arrived and were collected on time and the CLM rental staff were extremely helpful."

Spokesperson
Bedford Borough Council

Results

- ✓ A specialised vehicle capable of towing the required weight was sourced where other rental providers would have failed
- ✓ The Mayor was able to attend Her Majesty's summer garden party in style and comfort
- ✓ Vehicle rental costs kept to a minimum
- ✓ Bedford Borough Council was able to rent all the required vehicles through us with a single point of contact
- ✓ The Council staff were given access to an online rental system which made booking and managing vehicles more efficient



To find about more hiring vehicles from a single supplier to meet all your needs, speak to one of our experts:

 contact@clm.co.uk



Why CLM?



CLM has been the specialist fleet management partner of Center Parcs since 2007, forming a successful partnership under an outsource arrangement that has seen the two companies work closely together on developing and refining the fleet policy. In particular, CLM's experience and understanding of fleet management has helped Center Parcs improve its ongoing fleet strategy.

“CLM has maintained a very close relationship with us over the years and fully understands the needs of our business. They have the knowledge and experience to work with us to deliver an efficient fleet that is fit-for-purpose. We are delighted to have been able to open our newest village, and we are thrilled with the excellent reaction and feedback from guests.”

Results

- ✓ Provided the client with the ideal end-to-end turnkey package of vehicle management, including accident repair services
- ✓ Handled entire de-fleeting process and managed the process in reverse; collecting all vehicles, evaluating them and removing logos before disposing of them on the client's behalf
- ✓ Enabled client to concentrate on its key goal of delivering excellent quality short breaks for families
- ✓ Helped client refine and improve its fleet policy over the years

To find out more about how our fleet management solutions can help your business, speak to one of our experts on:

 info@clm.co.uk

 01908 210 100

Success stories

Anglo Scottish



- Funding to fill a shortfall in property valuation
- Satisfied client and bank



- Working capital facility to cover seasonality in income
- Unsecured facility repayable over 12 months



AngloScottish
ASSET FINANCE LIMITED

Pig farm facility with sophisticated
renewable electricity production capability

Power grid enforced transformer upgrade
to meet increased feed in capacity



The **freedom** to
provide employees
with the car they want.

Maxxia LifestyleLease

is the
new
risk free
salary sacrifice
car scheme



Employer **Benefits**

- + Scheme is designed to hold employer at no risk
- + Lifestyle Lease has the ability to deliver a saving to the employer through NIC reduction
- + Reduced grey fleet and associated health and safety issues
- + Significant enhancement of the reward package
- + Encourages employees to drive cars with lower CO₂ emissions – improving corporate and social responsibility credentials
- + Positive recruitment and retention tool
- + Authorised and regulated by the Financial Conduct Authority
- + Scheme is approved by HMRC



Benefits for Employees

- + Significant savings with Lifestyle Lease compared with leasing and insuring a car privately
- + Includes motor insurance and maintenance for the full contract period – just add fuel!
- + Benefit of hassle-free motoring for a fixed monthly payment
- + Tax-efficient – reduces tax and NI contributions
- + Eliminates future value and disposal risk
- + Access to employer negotiated manufacturer discounts
- + Sell existing owned vehicle to release and retain the sale proceeds
- + Portable the employee keeps the vehicle and the contract can be transferred to a new employer
- + Employee may acquire the vehicle at market value



Moving forward

Strategic objectives

- The leading provider of a fully integrated financial services offering
- The leading provider of a portable employee lease
- The aggregator of choice to the finance intermediary / broker community
- Maxxia to become a strongly recognised financial services brand in the UK
- Build a sustainable, high quality business that can generate profitable revenue growth and attractive returns on invested capital



The market leading integrated finance offering

Appendix

Summary financials

\$000's	1H16	1H15
Revenue	10,379	5,360
Lease and vehicle management expenses	1,502	430
Employee and other expenses	7,093	3,718
EBITDA	1,784	1,212
EBITDA margin	17.2%	22.6%
Segment NPAT	362	84
NPAT margin	3.5%	1.6%
Segment UNPATA	614	237
UNPATA margin	5.9%	4.4%
Key metrics		
Asset managed (units)	15,100	14,300
Assets written down value (\$mln)	125.9	38.6
Net amount financed (\$mln)	114.1	31.6
Employees (FTE's)	132	91