

Investment Insights

How flexible finance can
accelerate growth
2017 - 2018



Frontier
Development
Capital
Business without boundaries





FDC offers 'more than money' providing flexible investment packages to businesses who want to grow, develop and progress. With an experienced and dedicated team, FDC provides support and advice to help businesses realise their full potential.



Nationwide availability



Investment is available across England to support eligible businesses

Strategic sounding board



Advice is unbiased and solely focused on ensuring businesses meet their objectives

Development assistance



Ensuring that investment is fully realised and businesses are ready to take the next steps to growth

Growth capital investment

£5m

Maximum investment value available is up to £5million

Access to experience



A team with significant levels of commercial experience relevant to business situation and industry

Business networking



Helping businesses meet professional communities to expand horizons

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infrastructure
manufacturing



Foreword

By Sue Summers, CEO

At the close of 2017, we celebrated yet another busy and successful year with funds under management reaching circa £720million and our team of dedicated professionals has grown to 23.

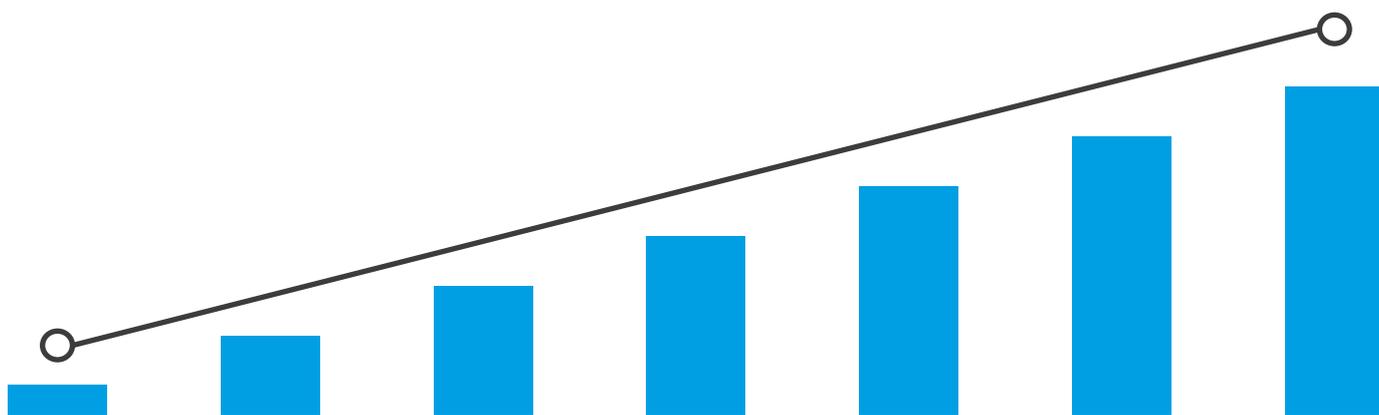
The support provided by Finance Birmingham and Frontier Development Capital managed funds to over 600 businesses has not only seen the creation and security of over 12,500 jobs, but has also helped businesses expand into new markets and explore new heights. With a high demand for business investment, we have an ongoing commitment to ensure that we provide flexible and affordable funding.

2018 is set to be the year of the SME scale-up as discussed on page 2, and within our first Investment Insights report we are showcasing how seizing opportunities and securing investment can unlock business potential and grow regional economies.

We are confident of our market positioning moving into 2018 and expect to build on our success. Our flexible funding options, regional relationships with the corporate finance communities and experienced team are strong indicators that this will be another successful year for us.

Year of scale-ups

Taking businesses to the next level



A scale-up is defined as a development-stage business that is looking to grow in terms of market access, revenues and employee base.

By these measures, the UK has a rapidly developing scale-up scene, with 1. Beahurst's Scale Up Index placing nearly 4,000 companies within the high growth bracket of more than 20% year-on-year growth for three years. The difference these businesses could make is significant – just a one percent boost to its population would add 238,000 jobs and £225 billion in Gross Value Added (GVA) to the UK economy.

In the government's recently published 2. Industrial Strategy, it was rightly highlighted that the Organisation for Economic Co-operation and Development (OECD) regards the UK as one of the best countries to start a company. However, whilst it boasts the five fastest growing businesses in Europe, it was also acknowledged that more could be done to help smaller businesses access finance and give them the best opportunity to scale. As a result, the government created The Scale-Up Taskforce, headed by MP Margot James and entrepreneur Sahar Hashemi, to explore what could be done.

Finance indeed appears to be the key. The Scale Up Index shows companies that receive investment grow faster. Interestingly, almost three quarters (74%) of scale-up funding deals are valued under £5 million. The finance these companies need is not insignificant, but it is critical for realising the growth potential of the firm.

A pertinent example is Goodfish, a tooling and moulding company based in Cannock, which received a £1 million debt and equity investment. The investment enabled the business to

acquire a similar sized Worcestershire firm, Powell & Harber, meaning it could tender for larger contracts. This resulted in a 110% increase in turnover, a 23% appreciation in net assets and a 19% return on capital employed.

So, which companies should go for investment? The answer increasingly seems to be all of them.

Of the 4,000 high-growth businesses in the UK, a third (33%) operate in the business & professional services sector, a further third (31%) are industrial, with the remainder working in the built environment, retail and creative industries. Moreover, over a third of the businesses featured in Beahurst's Scale Up Index are over 20-years old.

With such a broad representation of sectors - and ages - in the index, it seems the possibility for almost any growing business to scale is there.

Therefore whatever stage of its growth journey a business is at, 2018 really could be the year they scale-up and both Finance Birmingham and Frontier Development Capital provide flexible funding programmes to help with the growth plans of a business.

1. Beahurst (2017) *The Scale Up Index*

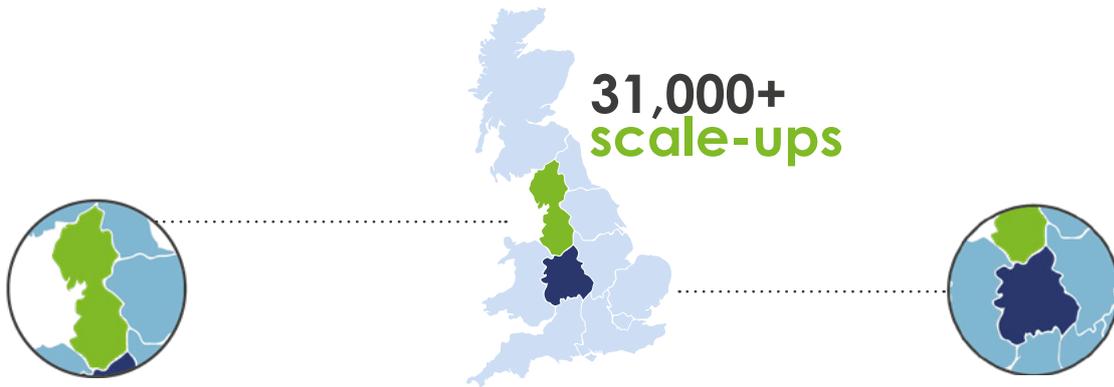
2. HM Government (2017) *Industrial Strategy: Building a Britain fit for the future*

Goodfish

Fund: Debt & Equity

Investment: £1million

Location: Cannock



31,000+
scale-ups

3. 1,318 scale-ups recorded in the North West

3. 34,000 scale-ups recorded within the UK

3. 1,053 scale-ups recorded in the North West



238,000+

3. Potential for a further 238,000 jobs with 1% scale-up growth



3. Contributions of £225billion to UK GDP if scale-up growth continues



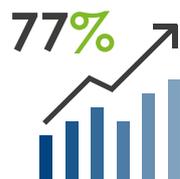
3. 75% of scale-ups use external finances



3. 4 in 10 scale-ups feel they do not have the right finance to suit its needs



3. Access to finance ranked 3rd in scale-up priorities for growth, next to access to talent and infrastructure



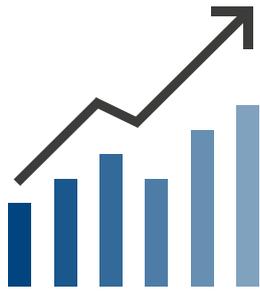
3. 77% of scale-ups are optimistic and expect 20%+ increase in turnover growth



3. 52% of scale-ups expect 20%+ increase in business recruitments

Case in point

Investment portfolio highlights



Growth Capital

Highlights from the Regional Mezzanine and National Mezzanine funds

Chrysalis Solmotive

Regional Mezzanine Fund

Investment

£0.7 million

Location

Stourbridge

Sector

Software



Midlands-based Chrysalis Solmotive provide software to manufacturers, finance companies and automotive dealerships to help them retain customers. It secured a £700,000 investment from the Regional Mezzanine Fund.

The investment enabled Chrysalis Solmotive to more than double its headcount by creating 32 new jobs, as well as pursue international expansion plans across North America, Europe and Australia.

The firm has more than ten years' experience in developing leading customer retention software for its clients and currently serves more than two thirds of the top 200 car retailers in the UK.

Regional Mezzanine

Key features

- Investments are available from £250,000 to £2,000,000
- Available to SMEs working in any sector, including property
- Any use of funding
- Flexible about structure and repayments terms (interest and capital repayments designed to suit cash flows)
- Commercial rates of interest
- Asset backing not required
- Eligibility criteria, terms and fees will apply and must be based in the West Midlands region

More information at:

financebirmingham.com/regional-mezzanine

Badgemaster

National Mezzanine Fund

Investment

£1.2 million

Location

Nottingham

Sector

Manufacturing



Nottingham-based manufacturer of bespoke name tags and badges received a £1.2million investment from the National Mezzanine Fund. The deal saw the business pursue further expansion plans, including welcoming a new director to its existing management team.

Established in 1992, Badgemaster produces around 250,000-300,000 badges each month for more than 30,000 customers, with approximately 5 million people wearing its badges every day. The business has delivered products for clients including Harrods, Selfridges, Waitrose, John Lewis, Boots, Nandos, Thorntons, Virgin Atlantic, O2, Centre Parcs, Costa, Easy Jet and Premier Inn. In 2006, the firm was awarded the Royal Warrant for its work supplying badges to the staff of the Royal Households, achieving worldwide recognition.

National Mezzanine

Key features

- Funding packages of up to £5,000,000 on a nationwide basis
- Available to SMEs working in any sector, including property
- Providing funding for any business requirement
- Flexible structure and payments terms (interest and capital repayments designed to suit cash flows)
- Structure debt-based funding for periods of up to five years
- Eligibility criteria, terms and fees will apply

More information at:

frontierdevelopmentcapital.com/what-we-do

Ingenuity Digital Holdings Ltd

National Mezzanine Fund

Investment

£4 million

Location

Yorkshire

Sector

Digital services

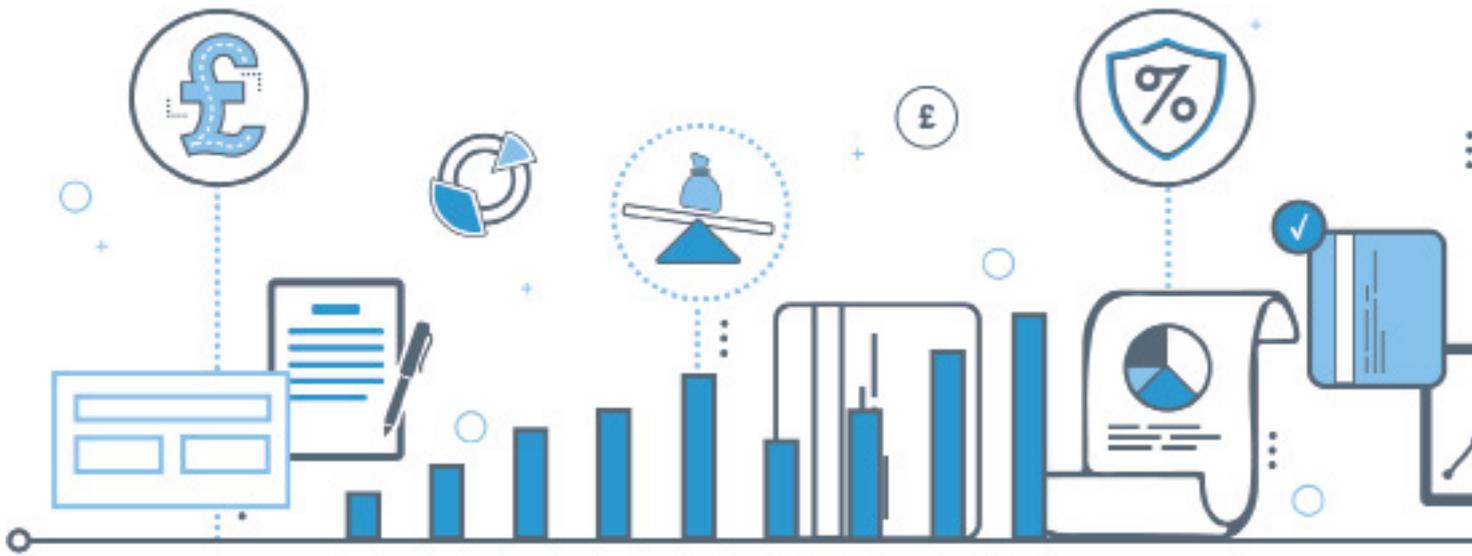


Yorkshire-headquartered digital agency Ingenuity Digital Holdings Limited (IDHL) secured investment from the National Mezzanine Fund to support a management buyout (MBO) of the business.

Founded in 2000, IDHL's 17-year track record has seen it become one of the largest full-service digital agencies in the UK and the largest independent one in the North, home to the Ingenuity Digital, WMG and NetConstruct brands. The business's 120 strong team of experts deliver a range of digital services to clients including TNT, Coast and Radley, and has achieved numerous prestigious awards and recognition in the industry.

Cash is king

A changing funding landscape?



Despite the varying stances on the outcome of Brexit, ranging from industrial Armageddon to a brave new EU-free dawn, progress to date would begin to indicate that a workable strategy will emerge. The challenge however is the setting of budgets, strategy plans and growth assumptions for 2018, and beyond, as the details emerge.

With many businesses still eager to pursue growth in new markets and increase exports, the ability to navigate the complex funding landscape is essential in making these ambitions a reality and unlocking the potential that will deliver crucial contributions to UK industries in the years to come.

Setting aside speculative news and opinions on how the UK will fare in an independent future, what do businesses need to consider when exploring growth capital investments?

- Whether it be debt, mezzanine or equity finance, business and consumer confidence is key if

investors are to commit capital to support growth plans.

- The capital sought needs to be flexible with supportive lenders or investors willing to have longer term views than short term lends.
- The finance provided has got to be both appropriate in terms of cost and be clearly linked to the incremental returns that the business can generate. Put simply, the benefits of gaining investment have got to outweigh the cost.
- Where equity capital is considered, businesses need to have a clear understanding of the ramifications of ceding equity to external investors and the resultant concessions of having a decision-making board control parts of the business.

So, in 2018 how does the funding landscape stand for business owners with ambitious plans?

Debt

Despite attempts at endearing back to the British public and the corporate world in general, the banks remain reasonably consistent with its lending policies. Many are clearly looking to reduce exposure to the SME sector and it is clear that credit functions are having an increasing influence over the discretion of front-line relationship bankers to lend.

Within Finance Birmingham and Frontier Development Capital portfolios there are numerous examples of the lack of willingness from banks to support short term spikes in working capital or growth plans. It is easy, however, to be critical but the traditional bank debt product is priced at a largely risk free level and therefore its risk free stance should not be derided.

Equity

In terms of equity there are various estimates of the amount of un-invested

Badgemaster

Fund: National Mezzanine
Investment: £1.2million
Location: Nottingham

Guhring

Fund: Regional AMSCI
Investment: £0.6million
Location: Aston

HDD

Fund: Regional Mezzanine
Investment: £2million
Location: Birmingham



capital available within growth capital and private equity funds in the UK. The amount certainly runs into the hundreds of millions and although this is not all specialist growth capital, the un-invested amount is colossal. In many regards this is good news for businesses; where funding supply exceeds demand, capital pricing will always reduce.

Despite a rise in awareness of 'patient capital', equity funds need a requirement of staged growth and ultimately exit plans to provide a return. Therefore equity finance only works for some businesses and the direct involvement in the business planing by external investors is not for every business.

Mezzanine

There is a 'third-way' when considering growth capital. Mezzanine investment is otherwise known as the hybrid, combining elements of both debt and equity funding to form an agile alternative to its counterparts.

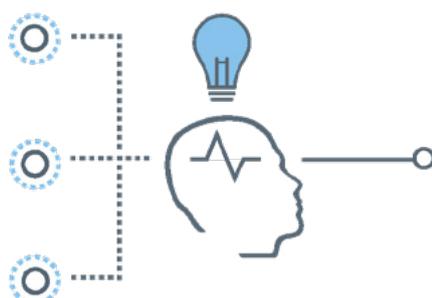
Using equity as a form of collateral, lenders can offer more finance compared to what borrowers could get via 'senior-debt' lending.

Traditionally a product used in large PE deals, mezzanine has emerged as a viable alternative, providing a layer of debt in leverage transactions but more importantly as a significant source of growth capital in the SME market. Priced to reflect the risk over the cost of bank debt, mezzanine funding is rising as a flexible source of funds with extended repayment terms and limited involvement compared to equity investment. Given the level of uncertainty around the next 12-24 months, mezzanine looks set to continue to grow.

At Finance Birmingham and Frontier Development Capital, many investees have not let uncertainty sway overall business confidence and have used growth capital to further develop their companies.

By understanding the different funding options available making use of flexible finances, businesses able to plan for the future and achieve ambitions. This includes the likes of:

- Specialist badge manufacturer Badgemaster was supported via the National Mezzanine Fund,



enabling the firm to pursue further expansion plans, including welcoming a new director.

- German manufacturer Guhring, secured investment from the Advanced Manufacturing Supply Chain Initiative, which enabled the firm to open a UK-based headquarters.
- And, specialist property developer Henry Davidson Developments (HDD) secured a deal through the Regional Mezzanine Fund, enabling the relocation of its head office to the West Midlands.

No one can predict the future but in uncertain times flexible funding structures and working capital headroom are key to success and business growth.

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Case in point

Investment portfolio highlights



Property Investments

Highlights from the Unlocking Stalled Housing, Collective Investment and Brownfield Land Remediation funds

Various Housing Sites

Unlocking Stalled Housing Sites

Investment

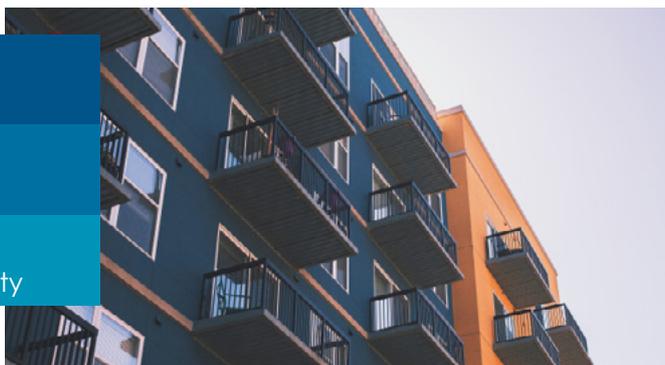
£7 million

Location

GBS LEP area

Sector

Residential property



The £9million Unlocking Stalled Housing Sites Programme (USHSP), launched in 2016 has approved almost £7million of investments to support the delivery of more than 550 units by the end of 2018.

Delivered by Finance Birmingham on behalf of the Greater Birmingham and Solihull Local Enterprise Partnership (GBS LEP), the programme helps to connect contractors with the finance needed to overcome barriers to development.

Newly supported projects span a 24-unit development on the Windward Way Industrial Estate in Solihull, being delivered by the North Solihull Partnership, and a 40-unit site set to complete in 2018 by Daisytame Ltd.

Unlocking Stalled Housing Sites Key features

- Available for developments within the GBS LEP area
- Funding can be used for gap or developer viability
- Supports stalled housing sites to bring development forward
- Intended to support mixed tenure projects
- Investments for a minimum 10 unit build
- Eligibility criteria, terms and fees will apply

More information at:

financebirmingham.com/unlocking-stalled-housing

Opus Land

Collective Investment Fund

Investment

£7 million

Location

Midlands

Sector

Commercial property



The £21.6million Opus Land development creating an estimated 425 jobs was the first project to receive backing from the Collective Investment Fund (CIF), managed on behalf of the West Midlands Combined Authority (WMCA).

The project covered two industrial units spanning 14 acres, creating a total of 283,000 sq.ft. of industrial accommodation in Kingswood Lakeside, near Cannock.

Founded in 1999, Opus Land is a leading UK property development and investment company with offices in the West Midlands and London, with extensive experience of working in partnership with landowners, investors and occupiers with assets under management approaching 1.4 million sq.ft.

Collective Investment Fund

Key features

- Funding available within the WMCA area
- Investment from £1,000,000 to £7,000,000
- Eligible projects include: commercial, light industrial and residential regeneration opportunities
- A revolving fund that recognises there is significant demand for real estate regeneration capital
- Bringing inward investment, employment to the region and accelerating site regeneration
- Eligibility criteria, terms and fees will apply

More information at:

financebirmingham.com/wmca-cif

Telford and Wrekin Council

Brownfield Land & Property Development Fund

Investment

£3.7 million

Location

Telford & Wrekin

Sector

Land remediation



Telford & Wrekin Council secured a £3.7million grant to kick-start building new homes on brownfield sites in the borough. Funding was being deployed from the Brownfield Land & Property Development Fund (BLPDF), managed by Finance Birmingham on behalf of the West Midlands Combined Authority (WMCA).

The council is the first non-constituent member of the WMCA to secure such funding, which will see around 540 new homes built. The money will allow building on previously-used derelict land to start.

The vast majority of sites that can benefit have already been granted planning permission for new homes. A small number of other brownfield sites that could access this money have also been identified for housing.

Brownfield Land and Property Development Fund

Key features

- To regenerate brownfield sites across the WMCA geography
- Eligible projects include: commercial, industrial, offices, residential, retail and leisure
- Interests in bringing employment to the region, accelerating site regeneration and supporting strong cities and town centres
- Investments starting from £500,000 to a maximum £5,000,000
- Eligibility criteria, terms and fees will apply

More information at:

financebirmingham.com/wmca-blpdf

Property Insights

Building up the regional economy

The property funds under management by Finance Birmingham have proven timely in view of the increased demand for investment experienced in the West Midlands during 2017. The funds available also address the needs reflected in market predictions for 2018.

Commercial Property

In Q3 of 2017, investment demand for commercial property continued to grow across the West Midlands region, with 18% more chartered surveyors experiencing an increase in investment enquiries (1.RICS UK).

Finance Birmingham believe this increase in demand is set to continue, especially in view of the success to date of the £60million Collective Investment Fund (CIF). Created by the West Midlands Combined Authority (WMCA) in June 2016, the revolving fund focuses on accelerating the development of commercial property projects within the WMCA area, aiming to underpin the long term growth and stability of the region.

Councillor Bob Sleight, Shadow Chair of the West Midlands Combined Authority, said: "The West Midlands is home to over 4 million people and is one of the most popular places to

do business as well as being a retail hotspot. We want to build on this and encourage further investment".

Brownfield Land & Property Development

Risk aversion in the commercial property market is expected to remain a major trend in 2018 (2.Savills), meaning developers will still struggle to access funding, especially for secondary and tertiary developments.

Created by the WMCA, the Brownfield Land and Property Development Fund (BLPDF) is a form of grant/gap funding that unlocks sites and remediates the industrial legacy of the West Midlands by bringing forward investable propositions.

If successful, developments have the potential to progress to commercial investment through the CIF. The fund is available through three LEP areas - Greater Birmingham and Solihull, the Black Country, Coventry and Warwickshire - plus Telford and Wrekin, where the council were recently allocated £3.7million as a sub-fund to BLPDF for the development of housing in the borough.

Unlocking Stalled Housing

Increased pressure to deliver more housing throughout the West Midlands will also lead to greater housing development in the surrounding neighbourhoods of Birmingham during 2018 (3.JLL).

In order to meet the growing demand for quality housing in the region, the Greater Birmingham and Solihull Local Enterprise Partnership (GBS LEP), launched the Unlocking Stalled Housing Sites Programme (USHSP) in 2016. It unlocks stalled housing projects and supports the increase of the housing population within the Greater Birmingham, Solihull, South Staffordshire and North Worcestershire areas.

The £9million fund offering support through grants, loans and equity funding was set up to accelerate the delivery of housing sites where, for various reasons, development had stalled and intervention was needed to bring it forward.



1. RICS UK (2017) *Commercial Property Market Survey Q3 2017.pdf*

2. Savills (2018) *spotlight UK cross sector outlook.pdf*

3. <http://residential.jll.co.uk/new-residential-thinking-home/research/west-midlands-residential-forecast-february-2017>



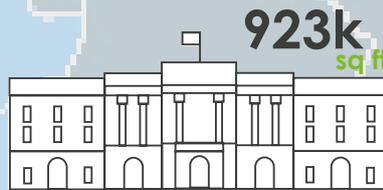
•Over 2,255 jobs created and safeguarded using the commercial property and remediation funding



•£6,863,000 committed to unlocking stalled housing within the Greater Birmingham and Solihull LEP area



•114.6 acres of brownfield land to be remediated bringing areas back into development use. That is over 76 football pitches in size.



•923,165 total square foot of commercial property developed using the property investments funds. That is bigger than Buckingham Palace's floor space



•Over 560 housing units to be built using Unlocking Housing Sites funding and potential for 869 units to be built on remediated land



•£46,600,000 committed for brownfield regeneration and commercial property development projects within the WMCA area

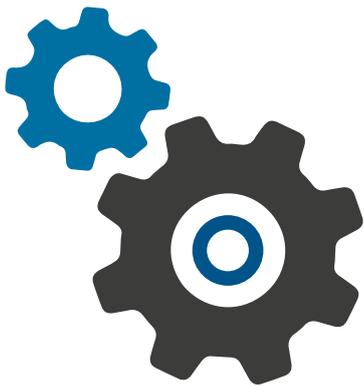


•Property developments committed in all 4 LEP areas of the WMCA

* Correct Finance Birmingham data as at December 2017

Case in point

Investment portfolio highlights



Sector Specific Funds

Highlights from the Advanced Manufacturing, Rail Supply Chain and Tooling funds



Guhring Ltd

Regional Advanced Manufacturing fund

Investment
£0.65 million

Location
Aston, Birmingham

Sector
Manufacturing



Birmingham-based tooling manufacturing company Guhring secured a £0.65million grant investment from the West Midlands and Liverpool City Region Advanced Manufacturing Supply Chain Initiative (AMSCI).

The investment has supported the development of Guhring's new manufacturing facility and expanding its offering to global clients including BMW, JLR, Ford, Nissan, Airbus & BAE Systems.

Guhring Limited was founded in 1973 and the first subsidiary of the Guhring Group. Initially starting as a sales, stocking and distribution operation Guhring has now grown into an established UK manufacturing company with capability to produce special tools on short deliveries and offer regrinding/recoating services.

WMLCR AMSCI Key features

- Available within the Black Country LEP, Coventry and Warwickshire LEP, Greater Birmingham and Solihull LEP and Liverpool City Region LEP
- No maximum on applications, minimum of £100,000
- Open to Automotive and Aerospace supply chains only
- Funds for the purpose of projects - including the purchase of capital equipment with complementary research and development, and training and skills development to support a project
- Eligibility criteria, terms and fees will apply

More information at:

financebirmingham.com/amsci/wmlcr

Penso Group

National Rail Supply Growth Fund

Investment

£2 million

Location

Coventry

Sector

Manufacturing



Coventry-based engineering and composite part manufacturer Penso Group secured £2million from the nationally available Rail Supply Growth Fund.

The investment has helped Penso to accelerate the innovation and production of its revolutionary composite design of a train door, a concept that they expect to see used on London Underground trains. The accreditation that the design has achieved will pave the way for use on any rail network in the world.

Developed from a standing start in 2000, Penso Group is a fast growing technology led business that predominantly provides innovative engineering, building and prototyping alongside cutting edge composite production processes to a variety of industries. The firm recently entered the rail sector using their in-house engineering and composite manufacturing capabilities.

Magal Engineering

National Tooling Loan Fund

Investment

£1 million

Location

Reading

Sector

Automotive



Reading-based specialist component manufacturer Magal Engineering secured £1million from the National Tooling Loan Fund.

The investment helped Magal Engineering acquire a suite of new tools and expand its workforce, enabling them to complete contracts with global names including Jaguar Land Rover, Ford and Daimler.

Magal Engineering is an automotive component and system supplier based in the UK. With manufacturing facilities across the globe, the firm is associated with delivering dynamic component design solutions and a high-quality engineering capability.

Rail Supply Growth Fund

Key features

- Available across England
- Fund designed to support the delivery of the Rail Supply Group strategy
- Available finance of between £500,000 and £2,000,000
- Allows accelerated routes to market in the growing rail supply sector
- To fund growth for existing businesses
- Funds contribute towards working capital, new capital expenditure and/or product launch
- Eligibility criteria, terms and fees will apply

More information at:

financebirmingham.com/railsupplygrowthfund

Tooling Loan Fund

Key features

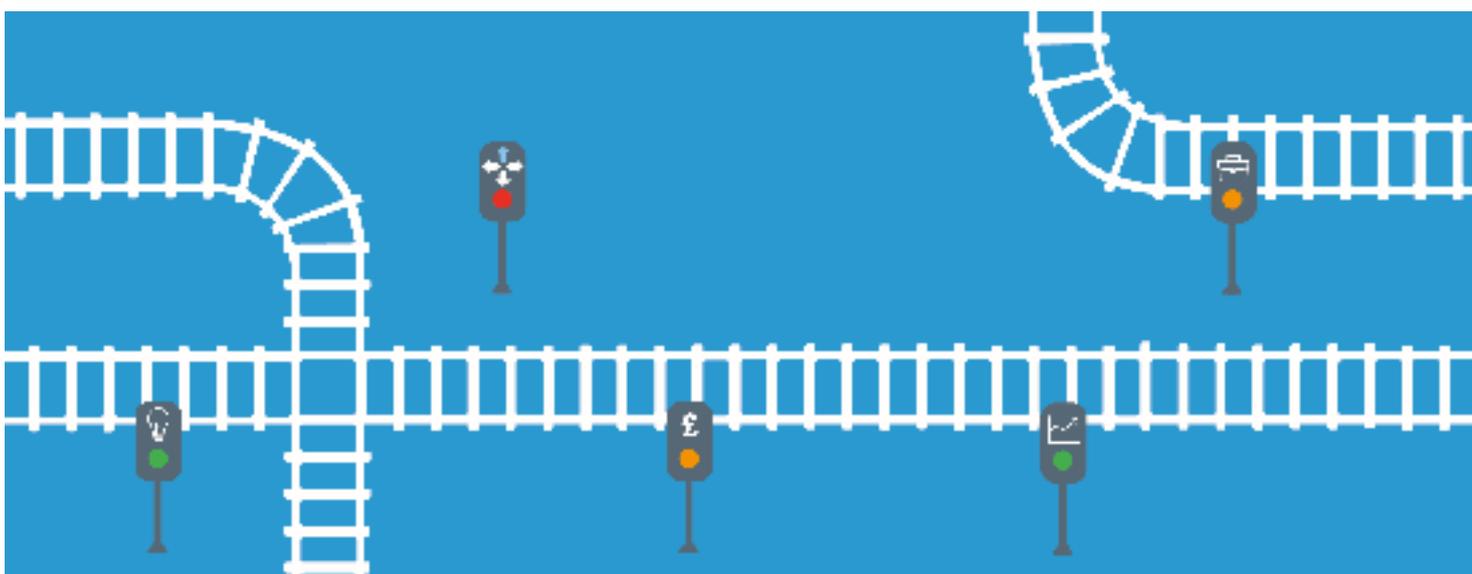
- Available across England
- Fund designed to support toolmakers and part manufacturers
- Available finance of between £50,000 and £2,000,000
- To support the creation of new jobs and maintaining existing workforces
- Funds contribute towards the design, development and manufacture of tooling or expansion of tooling capacity
- Eligibility criteria, terms and fees will apply

More information at:

financebirmingham.com/tooling

Connectivity rises

Finance to boost infrastructure manufacturing



Government's recent plans for the transport network, detailed in the Industrial Strategy white paper, is part of an overall vision for the UK to become the world's most innovative economy, and proposes that infrastructure is upgraded to support this ambition. The strategy outlines plans to unlock further funding to modernise the sector, eliminating limitations in capacity and reliability and ultimately supporting a more productive workforce.

Connectivity of regions

The ongoing economic prosperity of the UK, its businesses and communities, relies upon industry leaders and innovators maximising the efficiency of the transport sector. Expanding the reach and effectiveness of road and rail networks by introducing new routes, modes and business models will provide more efficient connections between regions and major cities. This will boost skills, interactions and access to services across the country as more and more communities are joined together.

However, the 'grand challenge' as reported by government is to ensure that the 'future of mobility' is tackled and infrastructure is in place to accommodate the increased demand for services across the network.

Opportunities

This renewed focus on connectivity will open up new economic opportunities for the UK's advanced manufacturing supply chain, where many SMEs are looking to engage with new customers and unlock their growth potential. From digital infrastructure planning to cutting-edge technology research, to component manufacturing and more, SMEs need to drive innovation and capitalise on industry appetite, taking advantage of this time of significant development.

For those looking to exploit emerging opportunities, securing an injection of investment finance can help them to scale, catalyse growth and drive much-needed advancements in technology, products or production methods.

Case in point is Penso, a technology led business based in Coventry that predominantly provides innovative engineering, build and prototyping alongside cutting edge composite production processes to a variety of industries.

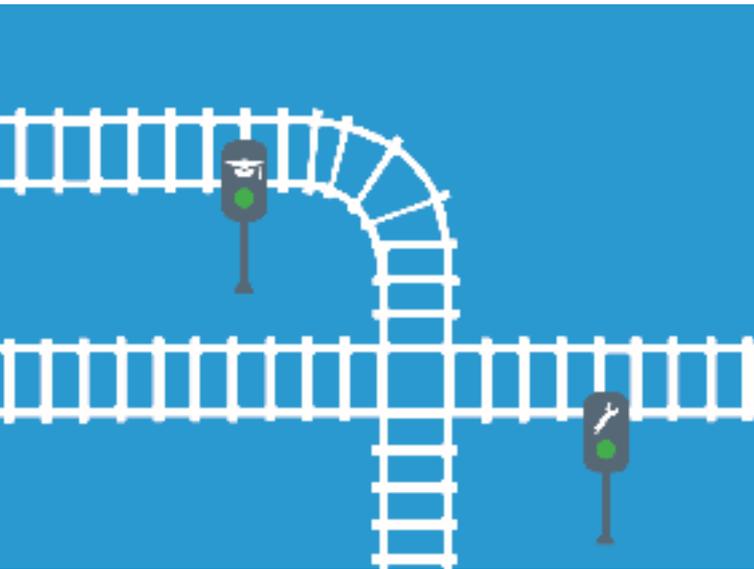
The firm recently entered the rail sector crossing over its in-house engineering and composite manufacturing capabilities. Originally backed by the Tooling Loan Fund to help fund innovation based projects in the automotive sector, Penso

Penso

Fund: Rail Supply Growth Fund/Tooling Loan Fund

Investment: £3million

Location: Coventry



received a further £2million investment via the Rail Supply Growth Fund in May 2017, helping progress its composite train door concept to full production capability.

This is just one of many examples of sector-specific SME innovation and a firm that has actively pursued emerging opportunities by securing an injection of flexible investment finance.

Many SMEs will also find that its skills and services can cross-over into different sectors within the UK transport infrastructure network, and there is funding available to help support this, removing barriers to entry and maximising commercial opportunities. It is critical that there is commitment to tackle the challenges being faced by the modern UK transport services, and providing access to flexible finances within the relevant supply chains sectors is essential for SMEs to gain traction at this crucial time.

1. Industrial Strategy White Paper – Key Points:

- The Transforming Cities Fund will provide £1.7bn for projects that improve connectivity, reduce congestion and utilise new mobility services and technology.
- England's Economic Heartland to improve prioritisation of local projects, this includes providing £6m to support the development and delivery of rail and motorway projects in the Midlands Connect strategy.
- Support for electric vehicles through £400m charging infrastructure investment and an extra £100m to extend the plug-in car grant.
- Raise total research and development investment to 2.4 percent of GDP by 2027.

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Look ahead - 2018

By Sue Summers, CEO

2017 was an incredibly busy and rewarding year and we have been delighted to see investment in a variety of growing and ambitious businesses through the range of regional and national funds.

During the last 12 months we recruited six people, and have more recruitment plans for 2018, across our Mezzanine and Property funds. We pride ourselves on having a close-knit team of committed people with significant expertise, so it is exciting to bring more people in over the next year as our businesses grow.

Frontier Development Capital, providing growth capital funding nationwide, was set up over 12 months ago and has made some very positive investments during its formative months. Based on this excellent market traction, 2018 will see us build on the national brand even further and promote the flexible funding on offer.

We are proud to be supporting the Fair By Design Fund, which invests in companies tackling the poverty premium – its first investment will be made 2018. We will also continue working closely with partners such as Birmingham City Council, the West Midlands Combined Authority, Ascension Ventures, Local Enterprise Partnerships and the West Midlands Pension Fund (WMPF). Our partnerships give us excellent connectivity across the public and private sector, which allows us to support both regional and national economies.

The recent Industrial Strategy white paper shows government renewing focus on business growth, and outlines possibilities for new funds both regionally and nationally, which gives us optimism in an otherwise uncertain economic landscape. Despite the challenges we continue to see strong, impassioned businesses coming through, so when we look at 2018 we are aiming with confidence for another prosperous year supporting both our existing investee businesses and SMEs seeking funding.

Finance Birmingham manage flexible loans and funding packages to help unlock the growth potential of businesses. Not only providing access to flexible finance, the support from a team of highly experienced people can also give expert knowledge relevant to a business's situation, industry and profile.

Growth capital for SMEs



Providing small to medium sized enterprises with access to flexible investment packages to unlock business potential

Property investments



Bringing forward high growth strategic regeneration sites and property developments by managing regional funding

Sector specific funding



Managing a variety of sector specific programmes, such as advanced manufacturing supply chain initiatives

Business networking



Helping businesses meet professional communities to expand horizons

Access to experience



A team with significant levels of commercial experience relevant to business situations and industries

Regional and national availability



Investment is available across the West Midlands region with some funds having a national remit

Safeguarding and creating jobs



Investments to help drive regional economies and support projects that create and safeguard jobs

Alternative investment fund manager

£0.72bn

Finance Birmingham currently has funds under management totalling circa £0.72billion, working with multiple regional partnerships



**Frontier
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Business without boundaries

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