

Press Release

Close Brothers announces agreement to acquire Bluestone Motor Finance

20 September 2023

Embargoed for release until 7.00 am on 20 September 2023

Close Brothers Group plc (“the group” or “Close Brothers”) today announces that it has reached an agreement to acquire Bluestone Motor Finance (Ireland) DAC (Bluestone Motor Finance), a provider of motor finance in Ireland in a cash deal. The transaction is expected to complete in Q4 2023. Bluestone Motor Finance has originated over €450 million since inception in 2014 and had loans under management of €132 million at 31 December 2022.

The transaction is aligned with the group’s commitment to Ireland as a strategic market and represents an important milestone in our commitment to delivering disciplined growth in our Retail business.

Adrian Sainsbury, Group Chief Executive, said: *“I am delighted to announce this transaction. Bluestone Motor Finance has delivered impressive growth and will complement our Motor Finance presence in the UK and Ireland, a strategic growth market for the group. We would like to welcome Donal and the team to Close Brothers and look forward to working together to further expand our presence in the Irish market.”*

Bluestone Group’s Managing Director, Peter McGuinness, said: *“We are very pleased to have agreed terms for the sale of Bluestone Motor Finance to Close Brothers. Under their ownership, we are confident the business will continue to flourish, delivering strong outcomes to the increasing number of customers looking for efficient and flexible solutions to buy a car. Donal Murphy and his team have built a progressive, market leading business in Ireland, and I would like to wish them well in this exciting new chapter. Post completion, we look forward to continuing our relationship with Bluestone Motor Finance and building a new relationship with Close Brothers via our technology business, Fignum.”*

The press release issued by our Motor Finance business with further details on Bluestone Motor Finance has been enclosed in this announcement for reference.

Enquiries

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Cautionary Statement

Certain statements included within this announcement may constitute “forward-looking statements” in respect of the group’s operations, performance, prospects and/or financial condition. Forward-looking statements are sometimes, but not always, identified by their use of a date in the future or such words as “anticipates”, “aims”, “due”, “could”, “may”, “will”, “should”, “expects”, “believes”, “intends”, “plans”, “potential”, “targets”, “goal” or “estimates”. By their nature, forward-looking statements involve a number of risks, uncertainties and assumptions and actual results or events may differ materially from those expressed or implied by those statements.

Accordingly, no assurance can be given that any particular expectation will be met and reliance should not be placed on any forward-looking statement. Additionally, forward-looking statements regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. Except as may be required by law or regulation, no responsibility or obligation is accepted to update or revise any forward-looking statement resulting from new information, future events or otherwise. Nothing in this announcement should be construed as a profit forecast. This announcement does not constitute or form part of any offer or invitation to sell, or any solicitation of any offer to subscribe for or purchase any shares or other securities in the company or any of its group members, nor does it constitute a recommendation regarding the shares or other securities of the company or any of its group members. Past performance cannot be relied upon as a guide to future performance and persons needing advice should consult an independent financial adviser or other professional. Statements in this announcement reflect the knowledge and information available at the time of its preparation. Liability arising from anything in this announcement shall be governed by English law. Nothing in this announcement shall exclude any liability under applicable laws that cannot be excluded in accordance with such laws.

PRESS RELEASE ISSUED BY CLOSE BROTHERS MOTOR FINANCE

Close Brothers acquires Bluestone Motor Finance in Ireland

Close Brothers has today (20 Sept, 23) reached an agreement to acquire Bluestone Motor Finance, a motor finance specialist in Ireland.

Close Brothers Motor Finance has over a decade of experience in the Irish market, having helped over 130,000 customers finance vehicles. The business is committed to growth in the Irish motor market and has focussed on acquiring a business that not only shares Close Brothers' values, but also its high standards of service for dealer partners and customers.

Bluestone Motor Finance is a business with a strong management team and a specialist lending approach that aligns with the Close Brothers Motor Finance offering. It has an established distribution network of over 650 dealer partners and an experienced sales and underwriting team, focusing on the prime and specialist segments of the Irish motor finance market. Customers score the offering 'Excellent' on Trustpilot.

Bluestone Motor Finance, like Close Brothers Motor Finance, has invested in its digital capabilities and its online application offering is industry-leading in Ireland, while partnerships with online car distribution platforms like DoneDeal and CarsIreland.ie provide substantial routes to market.

Seán Kemple, CEO of Motor UK and Retail Finance Ireland, Close Brothers, said: "Investing further in the motor finance market in Ireland has been a strategic priority for Close Brothers. We've been carefully considering our re-entry options to acquire a business that fits with our values, is forward thinking, and offers a stand-out level of service. Bluestone Motor Finance is the right business. We are impressed with their experienced management team, strong dealer base, leading tech capabilities, and established routes to market.

We have a track record of supporting the growth of our dealer partners and going the extra mile to help customers finance the right vehicle for them. We're excited about expanding the Close Brothers brand, our expertise, and our product range, to the Irish market – with products we know customers and dealers want and value.

It's a real pleasure to welcome Donal and his impressive team to Close Brothers and I am excited about the future potential of working together to further grow in the Irish market."

Donal Murphy, Managing Director at Bluestone Motor Finance said: “Since 2014, we have built a strong, award-winning motor finance business in Ireland. We’ve successfully developed our presence and relationships with Irish dealers, digital partners and brokers. Combining digital expertise with the personal touch has allowed us to pivot our approach as appropriate, accelerate our offering and provide financial solutions to more drivers nationwide. Today we join a company with deep history and experience in the Irish and UK motor finance industry, and we look forward to the opportunities ahead of us in the Irish market. We believe that Bluestone Motor Finance, ‘the motor finance people’, being acquired by Close Brothers will enable us to offer a wider product range to both car buyers and motor dealers.”

ENDS

Notes to editors

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About Close Brothers Motor Finance

Close Brothers Limited, part of Close Brothers Group plc, has been helping people to purchase vehicles across the UK and Ireland for over 30 years. Close Brothers Limited, under the trading name Close Brothers Motor Finance, work in partnership with over 8,000 motor dealers, and specialise in financing new and used cars, motorbikes, and light commercial vehicles.

Close Brothers Group plc is a leading UK merchant banking group providing lending, deposit taking, wealth management services, and securities trading. We employ over 4,000 people, principally in the UK and Ireland. Close Brothers Group plc is listed on the London Stock Exchange and is a constituent of the FTSE 250.

In the UK Close Brothers Motor Finance won the Innovation Award at the 2022 Car Finance Awards, the Car Dealer Power Award in 2023 for Finance Provider of the Year (Prime) for the fifth time in a row and was winner of the Best Business Motor Finance Provider at the Business Moneyfacts 2023 awards.

About Bluestone Investment Holdings Limited (Bluestone Group)

Bluestone Investment Holdings Limited (Bluestone Group) is an innovative European financial services business with its headquarters in Cambridge and offices in Sheffield and Dublin.

Founded in 2000, Bluestone employs a team of around 100 professionals and specialises in loan origination, financial services technology, consumer loan purchase and portfolio servicing. The business is owned by a mix of private and institutional shareholders including interests associated with founder, Mr Alistair Jeffery, Australia’s Macquarie Bank Limited and the management team.

Further information can be found at www.bluestone.co.uk

About Bluestone Motor Finance

Bluestone Motor Finance is an innovative specialist lender providing motor finance solutions to consumers and SMEs in Ireland. Established in 2014, Bluestone Motor Finance is an award-winning business with a best-in-class digital offering and diversified routes to market. It has successfully originated c.€450 million+ of loans and developed a network of over 650 franchised and independent motor dealers supporting their end-to-end online offering.

Bluestone Motor Finance won the Process Improvement and Intelligent Automation Award at the Asset Finance Connect 2021 Awards and was the winner of the coveted Customer Journey Excellence Award at the Asset Finance Connect Summer Awards 2022. Bluestone Motor Finance are finalists for the eCommerce Innovation Award in the upcoming Irish eCommerce Awards 2023.