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The specialist lender powering UK business growth

Sarah Barker, Managing Director of Structured Finance, explains how DF Capital's flexible approach to funding is redefining working capital finance



DF Capital

From Inventory to Innovation: How DF Capital is redefining working capital finance

In a market often dominated by rigid lending structures and one-size-fits-all products, specialist lender DF Capital has carved out a strong niche supporting manufacturers and dealers with flexible inventory and structured finance solutions – bridging the funding gaps traditional lenders often leave behind. In this feature, we explore DF Capital's evolving offering, hear from the head of its new Structured Finance division, and showcase how its customer-first approach is driving real results, through looking at the businesses it supports.

Founded in 2016 and now firmly established as a specialist commercial lender, DF Capital has carved out a strong niche and over the past several years, the company has grown both its product offering and reputation, becoming a vital partner to businesses seeking to strengthen cashflow, optimise stockholding, and drive sustainable growth.

At its core, DF Capital is built on a foundational raison d'être – providing small and medium-sized businesses with better access to funding. Its primary offering – Inventory Finance – provides funding to support the purchase of goods and equipment held in stock, either in transit or on the floor. By connecting the purchase and sale processes, DF Capital enables dealers to hold the right amount of inventory without tying up cash unnecessarily and gives manufacturers the confidence that their products are moving efficiently through the supply chain.

The product has been especially effective in supporting sectors such as leisure, marine, motorcycles, agricultural equipment, industrial and transport – industries where seasonal demand and high unit costs can create significant cashflow pressures. DF Capital's platform-driven service model and strong sector expertise have allowed it to deliver fast, flexible, and relationship-led finance that truly works in practice, not just on paper.



But DF Capital hasn't stopped there; earlier this year it launched its latest innovation, Structured Finance. This new solution builds on the principles that have made Inventory Finance so effective; flexibility, partnership, and sector insight, significantly extending its reach.

Structured Finance is designed for businesses that need broader working capital solutions beyond product-specific funding. It supports customers by unlocking funding opportunities and freeing up cash for any use the business has.

While the Structured Finance product opens the door for DF Capital to work with a wider variety of customers, including those outside its traditional sectors, it also allows DF Capital to support existing customers in its core sectors by offering funding solutions that go 'beyond stock'.

For broad and varied strategic ambitions, DF Capital's flexible funding options bridge the gap left by traditional funders for specific infrastructure and growth projects, offering bespoke solutions to meet the growth requirements for customers. DF Capital is set apart by its consultative-led approach. Unlike rigid lenders that offer only limited and inflexible funding options, DF Capital's collaborative approach

takes the time to fully understand each operator's unique needs, helping to identify opportunities beyond standard inventory finance.

For example, a DF Capital customer had the opportunity to purchase its business premises. The customer required £2.4m against a £3.4m valuation and needed to complete the transaction within a 28-day window.

DF Capital worked closely with the customer to provide an interest-only bridging loan secured against the property, allowing the customer to make a single full repayment through a refinance at the end of 18 months. This agile and flexible approach is what sets DF Capital apart from traditional lenders.

By working closely with its customers, DF Capital can provide a blend of inventory and structured finance solutions – giving businesses the flexibility to deploy capital where it's needed most and support their next phase of growth.



Partnering with HDM Solar to power growth through custom finance solutions

HDM Solar, a fast-growing wholesaler of renewable energy products, approached DF Capital just a year into trading. With an aggressive five-year growth plan in place, the business had quickly outgrown its existing invoice finance facility. Their previous funder's limited appetite for growth, along with restrictive processes, was causing delays and cashflow challenges.

HDM Solar needed a funding partner that understood its ambitions and could scale alongside them. Initially attracted by DF Capital's inventory finance offering, HDM Solar found a partner eager to understand their needs and tailor a solution that would fuel their expansion.

DF Capital provided a dual solution: an invoice finance facility integrated with Satago's platform, and a Stock Flow Finance facility to support inventory funding. Satago is a strategic partner of DF Capital, whose integration offers real-time visibility into HDM Solar's sales ledger, removing the manual, time-consuming processes experienced with their previous provider. This automation has made funding seamless and transparent.

The Stock Flow Finance facility has proven essential to HDM Solar's business model, which requires each new branch to be fully stocked at



launch. With DF Capital's support, HDM Solar has successfully opened two new branches since the start of the year, with confidence that their funding partner is aligned with future plans.

Adam Firth, Group CEO & Co-Founder, HDM Solar, commented: "Partnering with DF Capital has been a game-changer for HDM. Their inventory and Stock Flow Finance solutions have provided the capital we needed to further our growth, exactly when we needed it. What truly sets them apart is their flexible approach. They took the time

to understand our unique business needs and crafted a solution that genuinely works for us.

"DF Capital is also incredibly easy to work with. Their technology streamlines everything, creating real efficiencies, yet their friendly team is always just a phone call away, ready to help. It's a refreshing combination of innovation and personal support."

This partnership reflects DF Capital's mission to deliver smart, scalable, and tech-powered funding solutions to help its customers grow.

Driving innovation through agility: a conversation with DF Capital's MD of Structured Finance

In the dynamic landscape of UK business finance, DF Capital stands out for its commitment to providing tailored, agile, and innovative funding solutions. With the recent launch of its Structured Finance division, the bank aims to empower businesses to unlock the capital tied up in their assets. We spoke with Sarah Barker, Managing Director of Structured Finance, to delve into this new offering and hear more about her own journey within the financial sector.

Sarah, what inspired your journey into finance?

My academic background in law equipped me with analytical and problem-solving skills, which naturally aligned with the financial sector. I joined GE Capital in a commercial role, where I was supported through my ACCA qualification. Over time, I developed a keen interest in risk and fraud detection, which ultimately led me to pursue a career in finance. The ability to assess and manage risk while supporting business growth was particularly compelling.

What were the pivotal moments that led you to your current role as Managing Director?

Early in my career, I focused on fraud detection and customer-centric risk management, which laid

the foundation for my progression into broader risk management roles. By 30, I was appointed Head of Risk, a position that honed my leadership and strategic skills. A subsequent venture provided valuable insights into business operations and team management. Then, joining DF Capital as Head of Credit allowed me to leverage my expertise in credit and risk. Recognising the need for tailored financing solutions, I was later appointed Head of Portfolio, where I worked closely with clients for five years to address complex funding needs, a role that significantly enhanced my skills in deal structuring and execution. With the bank's agile and collaborative culture, I was then approached to set up the Structured Finance division, where I now lead efforts to provide bespoke funding solutions to our clients.



What lessons have shaped your approach to business leadership?

A significant lesson came during the 2008 financial crisis when I was made redundant. This challenge led me to a role at a challenger bank, providing a fresh perspective on business operations and resilience.

I've learned that empowering teams is crucial; leadership is about fostering an environment where individuals can thrive and contribute meaningfully.

DF Capital recently launched its Structured Finance division. How does this offering differ from traditional inventory finance products?

Structured Finance is a fantastic milestone for DF Capital. Launched in March 2025, it represents an exciting step forward in our mission to be the go-to specialist funding partner for businesses across the UK. Complementing our core inventory finance offering, Structured Finance is designed to help businesses unlock capital tied up in various asset classes. A key highlight is Stock Flow Finance, a standout solution that allows businesses to release up to 90% of their inventory value. This is especially powerful in sectors where inventory ties up significant working capital. Importantly, very few – if any – other lenders in the market are currently offering SFF, which positions DF Capital at the forefront of innovation in asset-based lending.

Essentially, unlike traditional inventory finance, which focuses on stock-based lending, Structured Finance offers a broader range of solutions, including stock flow finance, property lending, cash flow loans and short-term financing. This approach provides businesses with the flexibility to access capital based on their specific needs and asset profiles.

How does DF Capital's approach to short-term finance cater to diverse business needs?

Our short-term finance solutions are tailored to meet the unique requirements of each client. We prioritise agility and responsiveness, enabling us to act swiftly and decisively.

By understanding our clients' unique objectives, we can structure financing solutions that align with their goals, whether it's facilitating mergers and

acquisitions, supporting property purchases or addressing other time-sensitive financial needs.

What benefits does this tailored approach offer to businesses?

The primary benefit is growth. Our solutions are designed to support transaction-led financing, and by providing businesses with the necessary capital, we enable them to seize opportunities and drive expansion. Our approach ensures that financing is aligned with the specific needs and circumstances of each business.

How does DF Capital's agility in Structured Finance benefit clients?

Agility is at the core of our Structured Finance offering. We take the time to understand our clients' opportunities and challenges, allowing us to respond quickly and effectively. We have the right teams in place, who can make decisions without the delays often associated with bureaucracy, ensuring that clients receive timely and relevant solutions. This collaborative approach ensures that we are aligned with our clients' objectives from the outset.

DF Capital collaborates closely with advisors. What role do they play in facilitating access to your products?

Advisors are vital in connecting businesses with the right financial solutions. They provide valuable advice and insights, helping clients navigate their financing options. By maintaining strong relationships with advisors, we ensure that our products are top-of-mind when businesses seek funding. Feedback from advisors has been very positive so far, highlighting our ability to listen to client needs and provide tailored, swift solutions that support business growth.

Looking ahead, how do you envision the evolution of Structured Finance at DF Capital?

We aim to grow alongside our clients, adapting to their evolving needs. Our goals include expanding our intermediary network, fostering deeper relationships with existing clients and securing new customers, as well as continuing to innovate in how we deliver our services. By staying attuned to market developments and client requirements, and now with a dedicated team in place, alongside our early success, we are excited by the opportunity to continue strengthening our relationship with existing customers as well as helping new customers to achieve their goals.

How does DF Capital's adaptable approach influence the broader finance industry?

Our commitment to adaptability challenges the traditional, rigid structures in asset-based lending. By focusing on client-specific solutions rather than one-size-fits-all products, we are modernising the industry. Our ability to offer high-value lending at speed, underpinned by robust security mechanisms and advanced technology, sets a new standard for what businesses can expect from their financial partners.

For businesses considering Structured Finance, what would you say to them?

We encourage businesses to share their ambitions and objectives with us. Our role is to understand their vision and provide the appropriate financial solutions to support their goals. They don't need to have a pre-conceived solution in mind; that's our expertise. We would love for businesses to engage with us and together we can explore how DF Capital's tailored financing options can facilitate their growth and success.

Partnering with leading fintech providers to deliver a seamless funding experience

DF Capital is collaborating with leading fintech platforms to provide clients with a faster, smarter and more seamless funding journey. These partnerships are central to DF Capital's mission to offer quick and accurate lending decisions, giving clients full transparency of their own assets and valuable insights into stock and debtor performance. Fully automated processes eliminate the need for manual intervention, delivering significant time savings and operational efficiencies for both the funder and the client.

While developing its Stock Flow Finance product, DF Capital has partnered with fintech

provider Finterface to create a tech-driven solution that links directly to clients' stock management systems. ABL specialists Finterface worked with DF Capital to develop a bespoke solution that removes the need for manual processing and provides both the lender and its clients a real-time, fully transparent view of its inventory.

This benefits both parties; DF Capital can make quick and accurate lending decisions while its clients benefit from detailed management information and insight into how their inventory is performing. Its fully automated capabilities remove the need for manual processing, creating efficiencies and time saving for both funder and client.

In addition, DF Capital has formed a strategic partnership with Satago, a leading provider of

Satago

sales ledger management solutions. Through this collaboration, clients can unlock capital tied up in unpaid invoices quickly and efficiently. Satago's platform offers direct integration with clients' accounting systems, enabling DF Capital to deliver a comprehensive suite of cash flow management tools. This technology-driven approach simplifies the process of invoice financing and removes much of the administrative burden typically associated with the product.

Together, these partnerships reflect DF Capital's commitment to innovation and to delivering tailored, tech-powered funding solutions that support the evolving needs of its clients.

Finterface



Open up to more opportunities Release up to 90% of your inventory's value

Our flexible finance solutions let you **borrow more and do more.**

We offer funding for all types of unencumbered, serialised inventory stored in the UK via our easy-to-integrate, tech-driven system. Our revolving credit facility gives you full control of your finances and because we do things differently at DF Capital, we can give you access to more capital to help your business.



Fund opportunities

Including inventory, acquisitions and expansion



Improve cash flow

Alongside our other working capital solutions



Create efficiencies

By reducing time spent on cash management

Ready to get started?

Get in touch to find out more about how we can help you.

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