Foresight

FOR A SMARTER FUTURE

FORESIGHT PRIVATE EQUITY

AN INTRODUCTION

Q4 2022

Foresight Private Equity

A leading UK SME investor

- Foresight Private Equity manages over £1bn across a portfolio of Private Equity Funds and Venture Capital Trusts
- We invest up to £10m as a lead or co-investor across majority and minority stakes
- A flexible funding approach enables us to invest across a range of transaction structures
- A core focus on delivering growth through professionalisation, investment, support and a focus on ESG

Foresight's investment range

Flexible, discretionary capital

Impact	NAVITAS Digital Food Safety	WorkBuzz
Venture	codeplay	REFEYN
Growth Capital	fresh relevance	3fivetwo Healthcare
Buyout	DA Languages	Becketts
Debt	Reward Finance Group	Roma

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Foresight Private Equity

We invest through a network of offices covering the UK and Ireland

10 UK and Ireland offices

Over
£1bn
OF PRIVATE EQUITY ASSETS UNDER MANAGEMENT

INITIAL INVESTMENTS BETWEEN
£250K - £10M

TEAM OF **45** EXPERIENCED INVESTMENT PROFESSIONALS

SUPPORTING MORE THAN
200 UK SMEs
AND COUNTING...

EXITED MORE THAN
70 COMPANIES SINCE 2010

WITH AN AVERAGE RETURN OF
3.7x
ACROSS THE 38 FULL OR PARTIAL EXITS SINCE 2010

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How can we help your clients?

Typical drivers of equity funding requirements

Retirement or change in ownership

- Where a key shareholder or owner manager transitions out of the business (e.g. retirement)
- Can be accompanied by a change in management
- Foresight can work with the previous owner to deliver a phased transition, typically involving new board members and management appointments

Equity release

- Where a shareholder wants to realise value whilst retaining an element of ownership
- Our flexible funding structure means we can invest in both majority and minority shareholdings

Growth capital

- Where a business owner needs additional equity financing to support growth initiatives such as R&D, the launch of a new product or a concept rollout
- Foresight has significant experience in delivering growth and can both finance and support delivery of the growth initiatives

We're a flexible investor that is used to working with shareholders transitioning out of a business to build and recruit new senior leadership teams. We're comfortable working with businesses to build their succession plan, augment their board, invest in growth and professionalise reporting

What do we look for in a business?

What we look for	Summary
EBITDA	£0.5m - £3m
Funding requirement	Up to £10m of *equity* funding
Valuation	Typically £5m - £20m enterprise value
Sector	Sector agnostic Our portfolio of 200 companies provides a bread of experience
Growth opportunity	Opportunity to scale the business Compelling market opportunity or a strong competitive offering Investment in technology or soft assets (e.g. sales and marketing to support a rollout)
Value creation	Professionalisation Appointment of new management team members (e.g. FD Chairman) Access to our network and 200 portfolio businesses for help, guidance and coaching

Foresight Approach: Adding Value Throughout

Foresight aligns itself with management to enhance value

Patient and supportive

- Meaningful and mutually beneficial partnerships with the businesses we support
- Provision of financial, commercial and strategic support

Growth focused mindset

- Sustainable growth, not growth through financial engineering
- Utilising our international reach and local connections to support expansion

Focus on great people

- We listen to the management teams we work with
- We use our network to find the right leaders to act as chairs and non-executive directors

Significant follow-on capital

- Over £200m of cash to invest in the portfolio to accelerate growth through multiple rounds
- We leverage our large network to introduce opportunities

Select Awards

Insider Dealmakers Awards 2022 Winner

Growth Investor 2021 Awards Winner ESG Champion of the Year

Growth Investor 2021 Awards Finalist Exit of the Year

Best Private Equity Fund ESG Investing Runner-up: Awards 2021

Growth Investor 2020 Awards Winner Best BR Investment Manager (Unlisted)

North West Rainmaker Awards 2021

Changemaker of the Year / International Deal of the Year

Investment Week Sustainable & ESG Investment Awards 2020 WINNER

Best Sustainable & ESG Alternative Assets Fund

Investment Week Tax Efficiency Awards 2018/19 Winner

Best Generalist - VCT

Unquote British Private Equity Awards 2021

Private Equity/Venture Capital Deal of the Year, Selazar

Insider Dealmakers Awards 2021

Emerging Dealmaker of the Year

Private Equity / VC Deal of the Year

Best Practice Awards 2020 Award Winner

Insider Dealmakers Awards 2020 Shortlisted

FP Foresight UK Infrastructure Income Fund Winner Fund Manager of the Year Award

PLC Awards 2018

Insider Dealmakers Awards 2019

Funder of the Year

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Case studies

Foresight Private Equity: Clubhouse golf case study

A £4m investment to drive growth and support family succession

Company details	
Company	Clubhouse Golf
Location	Salford
Investment size	£4.0m
Investment date	2017
Total Foresight ownership	72%
Deal type	MBO
Revenue at entry	£14m
EBITDA at entry	£2m
Revenue growth	87%
EBITDA growth	101%

Clubhouse Golf
For a bigger choice with better value

Company description

- A specialist online retailer of golf equipment based in Salford

Transaction source

- Introduced by a small accountancy firm in Oldham
- Transaction driven by family succession and a requirement to invest for growth

How Foresight added value

- Recruited a high calibre Chairman and experienced Finance Director. Prior to Foresight's involvement, Clubhouse produced limited financial information
- Significant investment to deliver a new office, warehouse and website
- Recruitment of a marketing manager to deliver a new marketing strategy and begin the strategic push into Europe

Result

- Approximately doubled revenue and EBITDA in 3 years
- Sold to a leading international European golf retailer in 2020

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Foresight Private Equity: DA Languages case study

£3.0m investment to support an equity release and provide growth capital to scale the business

Company details	
Company	DA languages
Location	Manchester
Investment size	£3.0m
Investment date	2018
Total Foresight ownership	67.5%
Deal type	BIMBO

D.A. Languages Limited
Translation & Interpreting Services

Company description

- A provider of interpreting and translation services

Transaction source

- Introduced by a regional corporate finance advisor in Manchester
- Transaction driven by the key shareholder wanting to release equity whilst also securing some growth capital

How Foresight added value

- Recruited a high caliber Chairwomen and a new Managing Director
- Significant investment in IT which was critical to driving growth and scale
- Improved reporting processes/controls and automated the booking and payment process

Result

- Sold to IK Partners, a leading international private equity house
- Generated significant returns for Foresight and the founder who had retained a significant shareholding

Conclusion

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Conclusion

1

Foresight is a leading investor in UK SMEs

- Over £1bn of Private Equity capital
- 10 offices across the UK and Ireland
- Portfolio of 200 companies

2

We invest up to £10m in businesses generating EBITDA of £0.5m - £3m

- Sector agnostic
- Minority and majority investments

3

We're used to working with vendors to deliver a deal

- Incomplete management teams
- Sub par financial information

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We're always interested in talking – please give us a call if you have a client looking to raise equity finance, even if you're unsure it will be of interest

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