

Foresight announces second close of the Foresight North East Fund

- **Foresight announces second close of the Foresight North East Fund with a £20 million investment from British Business Investments**
- **The funding follows British Business Investment's cornerstone investment in the Foresight Scotland Fund launched in January this year**
- **The Fund will support the growth of small and medium sized businesses ("SMEs") throughout the North East and Yorkshire which was initially cornerstoned by Durham County Council's Pension Fund, with support from Teesside Pension Fund**

April 2023: Foresight Group ("Foresight"), a leading listed regional private equity and infrastructure investment manager, is delighted to announce a £20 million investment in the Foresight North East Fund (the "**Fund**") from British Business Investments, a wholly owned commercial subsidiary of the British Business Bank. This follows British Business Investments' recent £30 million cornerstone investment in the Foresight Scotland Fund in December 2022. The Foresight North East Fund launched in June 2022 and was made possible through £18 million of cornerstone funding from Durham County Council's Pension Fund, with further support from the Teesside Pension Fund.

The Fund is the fourth of five funds in Foresight's regional private equity series and builds on the firm's strong track record of working with high growth, established smaller companies, providing debt and equity funding of up to £5 million and supporting economic and social development across the UK. The Fund supports companies across all sectors with headquarters or significant operations in County Durham, East Riding of Yorkshire, North Lincolnshire, North Yorkshire, Northumberland, Tyne and Wear, Teesside and West Yorkshire.

The additional funding from British Business Investments will allow further deployment of capital in the region, accelerating economic growth and delivering positive social and economic impact and high-quality local jobs. The Fund has already made two investments since its first close in June 2022, with a strong pipeline of further opportunities being considered.

Foresight is one of the most active investors in small and medium-sized businesses, providing flexible funding and partnering with companies across all sectors and deal stages. In calendar year 2022, the firm invested into 63 UK SMEs, delivering eight successful exits and to date has helped create thousands of jobs across the portfolio.

Foresight already has a significant regional presence, with offices in Edinburgh, Cambridge, Manchester, Milton Keynes, Leicester, Nottingham, Dublin and Leeds, with an office in Newcastle due to open this year.

PRESS RELEASE



Matt Smith, Partner and Co-Head of Private Equity at Foresight Group, said: "We are thrilled that British Business Investments have chosen to partner with Foresight once again, this time through the Foresight North East Fund. We recognise the big impact smaller companies can make to their local areas and will continue to back excellent businesses in the region and support management's growth plans. We remain committed to driving innovation and will continue to work closely with the local business community to achieve this."

Judith Hartley, CEO at British Business Investments, said: "British Business Investments is committed to improving choice and diversity of funding options for UK smaller businesses seeking to grow. By investing in funds like Foresight's North East Fund, we help smaller businesses across the UK to access capital and unlock rapid growth. Following our previous commitment to Foresight's Scotland Fund, we are delighted to work with Foresight again to support smaller businesses across the North East."

Cllr Richard Bell, deputy leader and Cabinet member for finance at Durham County Council, added: "We are pleased the Fund has achieved additional financial backing. This will mean more of the region's diverse range of businesses will be supported, in turn creating more jobs and securing further investment. It will support our commitment to ensuring the growth of our businesses, solidifying the North East as an attractive location for all, from small-scale family firms to international investors."

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Notes to Editors

About Foresight Group Holdings Limited

Foresight Group was founded in 1984 and is a leading listed infrastructure and private equity investment manager. With a long-established focus on ESG and sustainability-led strategies, it aims to provide attractive returns to its institutional and private investors from hard-to-access private markets. Foresight manages over 350 infrastructure assets with a focus on solar and onshore wind assets, bioenergy and waste, as well as renewable energy enabling projects, energy efficiency management solutions, social and core infrastructure projects and sustainable forestry assets. Its private equity team manages eleven regionally focused investment funds across the UK and an SME impact fund supporting Irish SMEs. This team reviews over 2,500 business plans each year and currently supports more than 250 investments in SMEs. Foresight Capital Management manages four strategies across seven investment vehicles with an AUM of £1.3 billion.

PRESS RELEASE



Foresight operates in eight countries across Europe, Australia and United States with AUM of £12.2 billion*. Foresight Group Holdings Limited listed on the Main Market of the London Stock Exchange in February 2021. <https://www.foresightgroup.eu/shareholders>

*Based on Foresight Group unaudited AUM as at 31 March 2023.

About British Business Investments:

British Business Investments Limited is a wholly owned commercial subsidiary of British Business Bank plc, the UK government's economic development bank. British Business Investments aims to earn a commercial return by investing – through finance providers – in smaller businesses and small mid-caps, pursuing investments on a fully commercial basis without receiving any economic advantage from the government. Since it was established in 2014, British Business Investments has committed more than £3.3 billion to providers of finance to UK smaller businesses. Find out more at bbinv.co.uk.

The Bank and its subsidiary entities are not banking institutions and do not operate as such. They are not authorised or regulated by the Prudential Regulation Authority (PRA) or the Financial Conduct Authority (FCA). A complete legal structure chart for British Business Bank plc and its subsidiaries can be found on the British Business Bank plc website.

The transaction described above does not constitute or imply any endorsement, warranty or recommendation by the UK government, the British Business Bank plc or its subsidiaries or any other party of Foresight or its products or services.