

Foresight invests £800,000 into Substantive Research Limited

- **Fourth investment from £20 million Foresight Scottish Growth Fund**
- **Growth capital investment to fund expansion into North America and Far East**
- **Since formally opening its George Street office in late 2019, Foresight has made three investments in four months from the Foresight Scottish Growth Fund.**

Edinburgh, 6 April 2020: Foresight Group LLP (“Foresight”), a leading independent infrastructure and private equity investment manager, is pleased to announce a £800,000 growth capital investment into Substantive Research Limited (“Substantive Research” or the “Company”), a provider of research analysis to asset managers. This is the fourth investment made by the £20 million Foresight Scottish Growth Fund which is financed by the Scottish Growth Scheme through a combination of Scottish Government funds and the European Regional Development Fund (ERDF).

Substantive Research was founded in 2015 by Mike Carrodus, who has over 25 years’ experience working in financial data and research. Since launch, Substantive Research has worked with over 60 of the world’s leading asset managers to optimise their research budgets. The Company provides value benchmarking data, coverage analysis, analyst moves and new provider tracking, tailored to each client’s investment process and coverage requirements. In addition, clients can sample research from new providers in a MiFID II-compliant service that ensures their fund managers are kept aware of differentiated, cost-effective alternatives in areas of greatest interest.

Substantive Research is behind the highly popular, annual Unbundling Uncovered events in London and New York, which bring together the research procurement industry to discuss current market trends.

Foresight’s investment will help the Company accelerate its growth by investing in the team, particularly supporting the recently opened Scottish office, as well as expansion into the USA and Asia.

Commenting on the investment, **Mike Carrodus, CEO of Substantive Research**, said: *“Now more than ever, high quality research needs to be found and rewarded appropriately, whilst asset managers focus on getting maximum value from their research budgets. This investment and partnership with Foresight allows us to build out the team in the UK, US and Asia, whilst deepening and broadening the coverage and valuation databases that drive the insights our clients find so valuable.”*

Dan Halliday, Senior Investment Manager at Foresight, added: *“We are delighted to support Mike and the team. Substantive Research has carved out a real niche in this growing market and has the opportunity to consolidate its position and reputation as the emerging market leader in financial research analysis.”*

Foresight is one of the UK’s leading regional SME investors, with seven offices across the UK and has extensive experience in financial services data and technology, with successful prior investments in



both Defaqto (financial product benchmarking) and Alaric (payments processing and fraud detection).

Advisers to Substantive Research:

Corporate Finance: Rafalie Corporate Finance Ltd
Legal Advice: Gannons Commercial Law Ltd

Advisers to Foresight:

Financial DD : HNH Partners Ltd
Legal Advice : Anderson Strathern LLP
Management DD : Confidas People Ltd

ENDS

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Notes to Editors

About Foresight Group LLP (“Foresight”):

Foresight is a leading independent infrastructure and private equity investment manager which has been managing investment funds on behalf of institutions and retail clients for more than 35 years.

Foresight has £4.7 billion of Assets Under Management across a number of funds, including Listed Vehicles, Limited Partnerships, Enterprise Investment Schemes (EISs), Venture Capital Trusts (VCTs) and Inheritance Tax Solutions using Business Relief (BR).

Foresight’s Private Equity team, comprising 28 investment professionals, manages over £600 million in a portfolio of more than 90 companies and pursues four discrete but complementary investment styles: Venture, Impact, Growth and Replacement Capital through its growing regional office network.

Foresight was named ‘Fund Manager of the Year’ at the PLC Awards last year, ‘Generalist VCT of the Year’ at the Investment Week Tax Efficiency Awards 2018/19 and was a finalist in the 2018 Unquote British Private Equity Awards as Venture and Growth Capital House of the Year. In 2017, Foresight was voted ‘Best VCT Investment Manager’ at the Growth Investor Awards, having been previously awarded ‘VCT House of the Year’ at the 2016 Unquote British Private Equity awards.

Foresight is headquartered in London with regional UK offices in Edinburgh, Manchester, Nottingham, Milton Keynes, Leicester, Cambridge and Guernsey and international offices in Sydney, Rome, Madrid and Seoul.

foresightgroup.eu

About Substantive Research:

Substantive Research is a research analysis, data and events company that helps asset managers find the right investment research for their process. Asset managers can subscribe to two main products:

1) Thematic Research Monitoring: keeping the investment function aware of everything outside their core research provider list with a weekly monitoring service matched to individual portfolio managers' investment processes.

2) Value/Price Benchmarking: keeping the research procurement function aware of the best matched analysts and providers for their firm's specific needs and a comparison of what they are paying for research compared to their peer group. With greater scrutiny on the research budget, understanding movements in price and supply coverage and quality is the only way to get value for money.

Research comes from 350+ bank and independent research providers, plus an experienced editorial team and proprietary custom-built AI.

substantiveresearch.com/

About the Foresight Scottish Growth Fund:

The £20 million Foresight Scottish Growth Fund, established in 2019 under the Scottish Growth Scheme contributes up to £2 million of equity to investment rounds of up to £10 million in growing Scottish SMEs. Investing over the next five years, the Fund aims to support economic growth and job creation in Scotland, also attracting additional private sector investment, by backing exciting growth companies across a range of sectors.

The Foresight Scottish Growth Fund (Scottish Growth Scheme – Foresight Group Equity Finance LP) is financed by the Scottish Government and the European Regional Development Fund from the 2014-20 European Structural Funds Programme in Scotland. It is part of the Scottish Growth Scheme, a £500 million package of financial support for Scottish businesses backed by the Scottish Government, which aims to help businesses grow.

www.foresightgroup.eu/private-equity/foresight-regional-funds/foresight-scottish-growth-fund/

mygov.scot/scottish-growth-scheme/