

NEWS RELEASE

04 January 2024

Industrial services firm ready for lift off as Foresight backs MBO

- Foresight's fund dedicated to the North East and Yorkshire backs management buyout of RSI - an owner managed, specialist engineering company that has been trading in the North for over 20 years
- New management team will drive business forward as founders exit

Newcastle, January: Foresight Group, a leading listed private equity and infrastructure investment manager, has announced a £4.25 million investment in the management buyout of RS Industrials (North East) Ltd ("RSI" or "the Company"), a specialist engineering company. This represents the 20th new investment completed by Foresight in calendar year 2023, alongside a significant number of follow-on investments across its Venture Capital, Growth & Buyout, and Private Credit strategies.

RSI, which specialises in compliance-led servicing, repairs and maintenance of hoists and gantry cranes, was founded in 2001 by Mike Riley and Neil Sanderson, who identified a gap in the industrial market for a quality led, locally delivered service to a wide number of large manufacturers across the North East.

After substantial growth, a relocation in 2006 allowed the Company to further develop its product range and open Engineering Supply Shops at its two sites in Billingham and Gateshead. It now supplies top leading brands in workwear, PPE, hand tools, power tools, janitorial products and height safety equipment.

Working in partnership with Foresight, a management team including Mark Cawley, as CEO, and Phil Heathcock, as CFO, has now been recruited to enable Mike and Neil to step back from day-to-day operations and realise the value they have created whilst securing the future growth of the Company.

Foresight will work to support the existing growth plan, which has seen the recruitment of 7 new engineers in order to meet the increasing demand for RSI's services across the North East.

Commenting on the investment, Mark Cawley, CEO of RSI, said: *"I have thoroughly enjoyed working with the Foresight team to help secure the long-term future of the business. Foresight's expertise in supporting SMEs will be pivotal in taking RSI to its next phase of growth. This significant investment will allow RSI to continue to create highly valuable skilled jobs in the area while ensuring our customers continue to receive an unrivalled service."*

Tavia Sparks, Senior Investment Manager at Foresight, added: *"We are delighted to be working with the team at RSI. We are excited by the growth we've seen and we believe RSI represents a compelling opportunity. In the sector that RSI operates, safety is of paramount importance and RSI's reputation for*

Foresight

quality, which it has developed over its 20-year history, means it has an enviable portfolio of long-term, repeat customers. As such, the potential for further growth is significant.

“This is an investment made possible by our presence on the ground in the North East and it represents what we’re trying to achieve with our fund dedicated to the North East and Yorkshire – that is supporting promising SMEs with significant growth potential to deliver both positive economic and societal returns.”

In August 2023, Foresight announced third close, at £90 million, of its fund dedicated to the North East. The Fund was initially cornerstoned by Durham County Council’s Pension Fund, with support from Teesside Pension Fund. Additional investors include British Business Investments and Tyne & Wear Pension Fund. Earlier this year, Foresight unveiled its new North East home on Newcastle’s Grey Street.

Building on Foresight’s strong track record of working with high growth, established smaller companies across the UK, its fund dedicated to the North East and Yorkshire provides equity investments of up to £10 million. It 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 Fund supports economic growth and helps companies to deliver a positive social and economic impact across the region - creating high-quality, local jobs. Since 2016, Foresight’s regional funds have created several thousand high-quality, local jobs in regions throughout the UK.

Foresight is one of the leading investors in SMEs in the UK, with flexible capital to fund companies in any sector through a wide range of transactions and growth stages. With several offices across the UK & Ireland, the Foresight team works closely with entrepreneurs and management teams, an approach that has delivered strong returns to investors for close to four decades.

ENDS

Advisers to RSI:

Corporate Finance: Anderson Barrowcliff

Legal Advice: Sintons

Advisers to Foresight :

Financial DD : Azets

Legal Advice : Weightmans

Management DD : Catalysis

Commercial DD : RPS

Foresight

For more information contact:

Tom Carlin carlin@thisisinfluential.com / +44(0)78 2795 7740

Lucy Sherwood: marketing@foresightgroup.eu / +44(0)7774 432 466

About Foresight Private Equity

For close to four decades and through multiple economic cycles, Foresight has partnered with growth companies to achieve their ambitions, enable local economies to thrive and create the high-quality, sustainable jobs that will power tomorrow's economy.

Across the UK and Ireland, Foresight's Private Equity division supports companies with investments up to £10 million. Foresight Venture Capital invests into the most disruptive companies led by the most exciting entrepreneurs across deep tech, enterprise software and innovative technologies. It's Growth and Buyout team invests up to £10 million to support founders and management teams with their growth ambitions or to enable equity release. Whilst its Private Credit team provides debt capital to alternative finance businesses that are providing bespoke financing solutions to sectors where traditional lenders are unable to support.

Located across the UK, Ireland, USA, UAE and Israel, Foresight's Private Equity team combines its cross-sector expertise, international reach, and local and global connections, to provide operation insights, guidance and connections to the companies it supports.

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 400 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 3,000 business plans each year and currently supports more than 250 investments in SMEs. Foresight Capital Management manages four strategies across seven investment vehicles.

Foresight operates in eight countries across Europe, Australia and United States with AUM of £12.1 billion*. Foresight Group Holdings Limited listed on the Main Market of the London Stock Exchange in February 2021 and is a constituent of the FTSE 250 index. <https://www.foresightgroup.eu/shareholders>

*Based on unaudited AUM as at 30 September 2023.