

CASE STUDY

I MIST GROUP LIMITED

Company Background

iMist was founded in 2015 by Tony Sims and Alex Pollard who together have over 15 years' experience within the fire suppression industry. Their goal was to revolutionise the traditional fire sprinkler, developing a more cost effective and simple solution that could be installed easily in domestic and residential buildings.

The company has developed a new technology using high pressure water mist that brings with it a number of benefits compared to existing products in the market. Notably, the technology is substantially more environmentally friendly, using six litres of water per minute versus 51 for traditional sprinkler systems and thereby causes less damage. iMist is based in East Yorkshire, Scotland and Kent, as well as in a recently established North Carolina facility to facilitate its US expansion strategy.

Investment

In December 2020, the Foresight VCTs invested £3.21 million of growth capital into iMist, alongside £1.27 million of co-investment from the Foresight Scottish Growth Fund providing equity release. The growth capital funding was provided to support iMist in scaling domestically by increasing the sales and engineering teams and building its commercial partner strategy. The investment will also fund the completion of safety certification testing with testing body UL, a prerequisite for future international expansion of the iMist product range.

As part of the investment Haydn Mursell was appointed as the company's first non-executive chairperson. Haydn held previous senior positions at Kier and Balfour Beatty, providing strong commercial experience in an analogous sector, which will help support iMist's growth plan.

Trading and Strategy

iMist has performed well since investment and in line with growth plans. A number of opportunities have been converted with iMist securing multiple new contracts. iMist has recently hired a new sales director and financial controller to ensure the appropriate executive team are in place to support the next stage of growth.

Following the completion of the investment, the iMist board is reviewing the growth plan. Sales growth is predominantly UK focused to take advantage of domestic opportunities following regulatory changes.

iMist has refinanced £750,000 of expensive debt with a materially cheaper CBILS loan, bearing no interest or repayment for 12 months, alongside reducing its debt position by £250,000 from customer receivables.

I MIST GROUP LIMITED

SECTOR: INDUSTRIALS & MANUFACTURING

Investment type	GROWTH CAPITAL
Initial investment date	DECEMBER 2020
Aggregate investment by all Foresight VCTs	£3.21M
Aggregate amount returned to all Foresight VCTs	N/A
Aggregate remaining accounting cost of the remaining investment by all Foresight VCTs	£3.21M
Aggregate valuation of remaining investment by all Foresight VCTs	£3.74M

