

Foresight invests £2.75 million into the BIMBO of leading horticultural ecommerce business Euxton Group Limited

- **Foresight completes first investment from Foresight Regional Investment Fund (“FRIF”), which targets investments in SMEs in North West of England, North Wales and South Yorkshire (“the Region”)**

Manchester: 30 August 2016: - Foresight Group (“Foresight”) has invested £2.75 million in the Buy-in Management Buyout (BIMBO) of Lancashire based Euxton Group Limited (“Euxton Group” or (“the Group”). This is the first investment made from the Foresight Regional Investment Fund (“FRIF”), which was launched in December 2015 having achieved first close at £38 million.

Euxton Group, a market leading e-commerce business in the gardening and landscaping sector, has grown rapidly over the last three years, having achieved annual sales growth of over 30%. The Group encompasses three companies; Hedges Direct, Best4Hedging and Impact Plants, all focused on various horticultural niches, in particular hedging. The Group has seen a significant increase in both the number of orders and the average order value year-on-year and is well positioned in a substantial market where online product sales are growing rapidly. The Horticultural Trades Association estimates that the UK retail plant market is worth £5 billion, while the Internet Garden Products Market report predicts a 32% rise in online garden product sales by the end of 2019.

Foresight’s investment will allow the Group to further drive sales and capitalise on the increasing prevalence of ecommerce. Michael McVey will join as Managing Director, working alongside the existing team of Jamie Shipley, Kathryn Gallagher and Paul Francis. Claire Alvarez, who led the transaction out of Foresight’s Manchester office, will also join the Euxton board.

The BIMBO is the first investment to be completed from the FRIF, a dedicated regional fund focused on private equity investments into SMEs based in the North West of England, North Wales, and South Yorkshire, and managed by Foresight’s team based in its Manchester office. The fund can make investments of between £1 million and £5 million in local growth SMEs through a variety of deal structures including growth capital, Management Buyins and Management Buyouts. The fund achieved first close at £38 million in January of 2016 and has a target final close of £60 million.

Michael McVey, Managing Director, Euxton Group commented:

“We are excited to be working with Foresight to help Lancashire-based Euxton Group continue its growth in the landscaping and gardening market. With the support of Foresight we will continue to develop the Group through improvements to our websites, adding additional product ranges and expansion into overseas markets.”

James Livingston, Partner, Foresight added:

“As the first deal for the Foresight Regional Investment Fund, we are extremely pleased to have invested in Euxton Group. The business is a leader in its target market, and we look forward to working with the management team to create further value within the business and continue growth.”

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Claire Alvarez, Senior Investment Manager, Foresight commented:

“It is a pleasure to mark Foresight’s commitment to the North West with this investment into Euxton, which has demonstrated such impressive growth over the past few years. I look forward to working with the management team to build innovative strategies for the business’s development nationally and internationally.”

Advisors on this deal included:

Paula McGrath and Chris Cumber at Brabners Corporate Finance advised on the deal.

Legal advice was provided by Kieran Toal and his team at Shoosmiths and Denise Walker and Daniel Hayhurst at Brabners.

Financial due diligence was provided by Grant Thornton, led by Philip Grindley; commercial due diligence was completed by Neovian Partners, led by Lushani Kodituwakku; and Andy Airey and Michael Hicks from Catalysis Partners provided management due diligence.

The Company was advised by Napthens and Cassons.

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Notes for 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 30 years.

Foresight has over £1.8 billion of Assets Under Management across a number of funds, including Listed Vehicles, Limited Partnerships, Enterprise Investment Schemes (EISs) and Venture Capital Trusts (VCTs).

Foresight’s Private Equity team, comprising sixteen investment professionals, invests between £1m and £5m in management buy-outs, management buy-ins and growth capital investments in UK SMEs.
www.foresightgroup.eu

About Foresight Regional Investment Fund (“FRIF”)

The Foresight Regional Investment Fund was launched in January 2016. It targets investments of £1m-£5m into established profitable SME businesses with strong management teams across a broad range

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of sectors. The Fund is targeting companies based in the North West of England, North East Wales and South Yorkshire. The Fund has a flexible investment mandate in terms of deal type investing in MBOs, MBIs, Equity Release and Growth Capital transactions. The Fund achieved first close at £38 million in December 2015, and the Fund is targeting final close of £60 million.

The Fund is Foresight Private Equity's second institutionally backed, fully commercial regional fund following the Foresight Nottingham Fund, a £40 million fund to invest in businesses in Nottinghamshire. Foresight's Private Equity team also manages VCT funds.