

Foresight completes the sale of Selazar, a tech-first eCommerce fulfilment specialist, returning 3.4x in less than two years

- The first successful exit for the Foresight Midlands Engine Investment Fund and the seventh exit for Foresight's Private Equity team in the last twelve months
- More than 30 high quality jobs created since Foresight's investment in November 2019
- Selazar will receive £20m of growth capital from its new investor; a global investment group and strong strategic partner

Nottingham, 3 November 2021: Foresight Group LLP ("Foresight"), a leading UK listed infrastructure and regional SME private equity investment manager, is pleased to announce the successful sale of Selazar Limited ("Selazar"), a logistics management software platform, to an independent global investment firm.

Based in Castle Donington, Belfast and London, Selazar is an end-to-end eCommerce fulfilment platform which aims to simplify and reduce the costs of fulfilling ecommerce sales orders for retailers and logistics providers. Selazar connects the four major components of ecommerce order fulfilment: product suppliers, fulfilment centres, couriers and retailers. Retailers are able to readily view and manage their stock, sales orders and returns through a single, unified platform.

Foresight has taken a proactive approach alongside the management team to strengthen the business. Since the investment round in November 2019 led by Foresight, Selazar has fully launched its proprietary software platform and opened a base in Castle Donington, Leicestershire, strategically positioned in an area with a strong logistics presence. This also gave the company access to the large SME retailer market and its fulfilment partners, which has supported material growth in the company's customer base. To meet this demand, Selazar has grown its team, with 30 high quality jobs created.

Selazar's new investment partner will provide £20m of further growth capital to support expansion across Europe, the US and Latin America with total headcount projected to quadruple over the next year.

The sale represents a return of 3.4x to Foresight with an IRR of 135% after less than two years and the first successful exit for the Foresight Midlands Engine Investment Fund. This is also the seventh exit completed by Foresight's Private Equity team in the last 12 months, cementing its position as one of the most active SME investors in the UK market.

Jack Williams, CEO of Selazar, said: "Foresight's support over the last two years has been invaluable in helping us establish our business, launch our innovative platform to market and deliver those initial, critical phases of growth. Through the support of Foresight and other investors, we have been able to attract our new investment partner, which will help us achieve our next phase of global growth".



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Adam Huckerby, Senior Investment Manager at Foresight, added: "It has been a pleasure to work with Jack and the whole Selazar team over the last two years. This is an excellent example of how emerging businesses can benefit from regional funding initiatives such as the Midlands Engine Investment Fund to support their growth plans and as a bridge to a larger investor. We wish the team all the best in the next chapter of their exciting journey."

Ken Cooper, Managing Director at the British Business Bank, commented: "The successful sale of Selazar shows that good commercial returns can be made from investing in ambitious companies in the Midlands region. We anticipate that Selazar will continue to create more jobs and further boost the local economy with the support of its new investors. Meanwhile our fund managers continue to support good businesses with growth potential across the region, thanks to the MEIF."

Kevin Harris, Chair of the LLEP Board of Directors, said: "It's great news to see a Leicestershire business receive investment through the Midlands Engine Investment Fund and move to the next stage of growth. This success story has also created 30 local jobs in LLEP priority sectors of tech and advanced logistics, with more to come as the business continues to grow. The Midland Engine Investment Fund was set up to support businesses to grow and create jobs across the region and I am delighted to see another Leicestershire business benefit from the fund. I wish Salazar every success for the future."

Foresight and the other shareholders were advised by Browne Jacobson, Tughans and PwC.

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Notes to Editors

About Selazar Limited ("Selazar"):

Selazar is a UK-based tech-first eCommerce fulfilment specialist. The company has developed a proprietary, cloud-based warehousing and fulfilment platform for eCommerce retailers. We pick, pack and ship products to your customers as efficiently as possible. No-fuss, no headaches, just streamlined intelligent automated operations.

Our transparent system lets retailers understand, track, and ignore the complex process of fulfilment, allowing them to get on with the real work - growing their business. Being recognised in Northern



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Ireland for our innovative approach, Innovate NI and Tech Nation have both honoured Selazar with awards for our easy-to-use platform. To see more, visit www.selazar.com

About Foresight Group LLP (“Foresight”):

Foresight Group was founded in 1984 and is a leading 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 300 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 eight regionally focused investment funds across the UK, supporting over 120 SMEs. Its Foresight Capital Management team manages four funds investing in listed real assets with environmental and social benefits, exceeding £1.3 billion Assets Under Management (AUM). Foresight operates from 12 offices across six countries in Europe and Australia with AUM of £8.1 billion as at 30 September 2021. Foresight Group Holdings Limited listed on the Main Market of the London Stock Exchange in February 2021.

<https://www.fsg-investors.com/>

About the Midlands Engine Investment Fund (MEIF):

The Midlands Engine Investment Fund, supported by the European Regional Development Fund, will invest in Debt Finance, Small Business Loans, Proof-of-Concept and Equity Finance funds, ranging from £25,000 to £2m, specifically to help small and medium sized businesses secure the funding they need for growth and development.

The Midlands Engine Investment Fund is operated by British Business Financial Services Limited, wholly owned by British Business Bank, the UK’s national economic development bank. Established in November 2014, its mission is to make finance markets for smaller businesses work more effectively, enabling those businesses to prosper, grow and build UK economic activity.

The Midlands Engine Investment Fund is supported by the European Regional Development Fund, the European Investment Bank, the Department for Business, Energy and Industrial Strategy and British Business Finance Limited, a British Business Bank group company.

The MEIF covers the following LEP areas: Black Country, Coventry & Warwickshire, Greater Birmingham & Solihull, Stoke-on-Trent and Staffordshire, The Marches, and Worcestershire in the West Midlands; and Derby, Derbyshire, Nottingham & Nottinghamshire (D2N2) Greater Lincolnshire, Leicester and Leicestershire, and South-East Midlands in the East and South-East Midlands.

The project is receiving up to £78,550,000 of funding from the England European Regional Development Fund as part of the European Structural and Investment Funds Growth Programme 2014-2020. The programme will continue to spend to the end of 2023.

The Ministry for Housing, Communities and Local Government is the Managing Authority for European Regional Development Fund. Established by the European Union, the European Regional Development Fund helps local areas stimulate their economic development by investing in projects which will



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support innovation, businesses, create jobs and local community regenerations. For more information visit www.gov.uk/european-growth-funding

The Government has guaranteed all funding allocated through EU programmes until the end of 2020: <https://www.gov.uk/government/news/funding-from-eu-programmes-guaranteed-until-the-end-of-2020>

The European Investment Bank is providing £122,500,000 to support the Midlands Engine Investment Fund. This follows backing for the Northern Powerhouse in 2017 and backing for the newly launched North East Fund. For further information visit www.eib.org

The funds in which Midlands Engine Investment Fund invests are open to businesses with material operations in or planning to open material operations in the West Midlands and East & South-East Midlands.

About the British Business Bank (BBB):

The British Business Bank is the UK government's economic development bank. Established in November 2014, its mission is to make finance markets for smaller businesses work more effectively, enabling those businesses to prosper, grow and build UK economic activity. Its remit is to design, deliver and efficiently manage UK-wide smaller business access to finance programmes for the UK government.

The British Business Bank's core programmes support nearly £8bn^[1] of finance to almost 94,800 smaller businesses^[2]. Since March 2020, the British Business Bank has also launched four new Coronavirus business loan schemes, delivering almost £73bn of finance to around 1.6m businesses.

As well as increasing both supply and diversity of finance for UK smaller businesses through its programmes, the Bank works to raise awareness of the finance options available to smaller businesses. The British Business Bank Finance Hub provides independent and impartial information to businesses about their finance options, featuring short films, expert guides, checklists and articles from finance providers to help make their application a success.

In light of the coronavirus pandemic and EU Exit, the Finance Hub has expanded and it now targets a wider business audience. It continues to provide information and support for scale-up, high growth and potential high growth businesses, but now provides increased content, information and products for businesses in survival and recovery mindsets. The Finance Hub has been redesigned and repositioned to reflect this, during this period of economic uncertainty.

British Business Bank plc is a public limited company registered in England and Wales, registration number 08616013, registered office at Steel City House, West Street, Sheffield, S1 2GQ. It is a development bank wholly owned by HM Government. British Business Bank plc and its subsidiaries 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 the group can be found at www.british-business-bank.co.uk.

^[1] Figures as at end of June 2020

^[2] Figures as at 28 January 2021

