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FOR IMMEDIATE RELEASE

12 January 2021

Foresight Group Holdings Limited

Confirmation of Intention to Float on the London Stock Exchange

Following the announcement by Foresight Group on 5 January 2021 regarding the publication of a Registration Document, Foresight Group (an award-winning infrastructure and private equity investment manager) today confirms its intention to proceed with an initial public offering (the "IPO" or the "Offer") and certain details of the Offer. The Company intends to apply for admission of its Shares to the premium listing segment of the Official List of the Financial Conduct Authority and to trading on the London Stock Exchange's main market for listed securities (together, "Admission"). Admission is currently expected to occur in February 2021.

Confirmation of Offer Details

The Offer will have the following features:

- A premium listing on the Official List of the FCA and admission to trading on the main market for listed securities of the London Stock Exchange.
- The Directors and Proposed Directors believe that the Offer and Admission will:
 - further enhance the Foresight Group's profile, strengthening the fund raising performance of the Foresight Group;
 - provide an additional source of capital for, and the ability to use its shares as consideration for further acquisitions;
 - enable the existing shareholders to realise part of the value of their investment in the Company; and
 - enable all employees to own shares in the Company and to share in the future success of the Company.
- The Offer will primarily comprise a sale of shares by existing shareholders (c.80% of the Offer) with a smaller offering of new shares (c.20% of the Offer) to be issued by the Company.
- Immediately following Admission, the Company expects that c.50% of the Company's issued share capital to be in public hands and that the Company will be eligible for inclusion in the FTSE UK Index Series.

- The Offer will comprise an offer of Shares to institutional investors in qualifying jurisdictions (in the UK and elsewhere outside the United States in reliance on Regulation S and in accordance with locally applicable laws and regulations, and in the United States, only to qualified institutional buyers as defined in and pursuant to Rule 144A under the US Securities Act of 1933, as amended (the "Securities Act"), or another exemption from, or transaction not subject to, the registration requirements of the Securities Act).

- The Company will establish a Share Incentive Plan conditional on Admission pursuant to which employees will, on or following Admission, be able to acquire Shares (on the basis of buy one get two free shares) (the "Share Incentive Plan"). The Share Incentive Plan will not form part of the

Offer.

- Any additional details in relation to the Offer and the Share Incentive Plan will be disclosed in the Prospectus.

Foresight Group expects that it would qualify for the LSE's Green Economy Mark on its admission to the Main Market. The Green Economy Mark recognises companies that derive 50% or more of their total annual revenues from products and services that contribute to the global green economy. The underlying methodology incorporates the Green Revenues data model developed by FTSE Russell.

- The Company has engaged Jefferies International Limited ("Jefferies") as Joint Global Coordinator and Joint Bookrunner, and Numis Securities Limited ("Numis") as Joint Global Coordinator, Joint Bookrunner and Sole Sponsor.

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ABOUT FORESIGHT GROUP

- Founded in 1984, Foresight Group is an infrastructure and private equity investment manager that specialises in providing investment opportunities in difficult-to-access private equity markets to both institutional and retail investors using ESG-oriented strategies. It operates an integrated asset management business with comprehensive capabilities as well as cross-over synergies between its two operating segments - Foresight Infrastructure, an infrastructure asset management team focused on the renewable energy and infrastructure sectors, and Foresight Private Equity, a private equity and venture and growth capital investment management team focused on investment in UK regional SMEs.

- Foresight Group is headquartered in Guernsey and its principal office is in London. Foresight Group operates from 12 offices in the UK, Guernsey, Italy, Spain, Australia and Luxembourg. Its international offices and London office focus on renewable energy and infrastructure investment, while its UK offices, including London, focus on private equity investment. Foresight Group has a highly experienced team of 236 FTE employees, including 115 investment, portfolio and technical professionals as at 30 September 2020.

- As at 30 September 2020, Foresight Group had AuM of approximately £6.8 billion and managed 292 infrastructure assets and 104 private equity investments on behalf of 33 Foresight investment vehicles. Foresight Infrastructure accounted for 90.2% of the Company's AuM (Foresight Private Equity: 9.8%) and 72.6% of the £32.4 million revenue generated for the six months ended 30 September 2020 (Foresight Private Equity: 27.4%).

- *Foresight Infrastructure* is a team of international specialist renewables and infrastructure asset managers. Its investment strategies primarily focus on solar and onshore wind assets, bioenergy and waste as well as renewable energy enabling projects (such as flexible generation and battery storage), energy efficiency management solutions, social and core infrastructure projects and sustainable forestry assets.

- Foresight Group made its first environmental investment and established its solar infrastructure team in 2007. Foresight Infrastructure manages £1.7 billion in solar assets in the UK, Portugal, Spain, Italy, Slovakia and Australia with 1.5GW of installed capacity, as well as wind assets with a 797MW generation capacity across the UK, Sweden, Germany, France and Spain as at 30 September 2020.

- As at 30 September 2020, Foresight Infrastructure had £6.1 billion AuM providing 2.7GW of renewable energy generation capacity and 1.8 Mtpa bioenergy and waste processing capacity. 32.6% of Foresight Infrastructure's total AuM comprised solar assets, with 20.1% comprising wind assets, 17.5% comprising bioenergy and waste assets, and 29.8% comprising other infrastructure assets.

- Foresight Group believes Foresight Infrastructure is well-positioned to capitalise on investment opportunities which are driven by a shift towards decentralisation and de-carbonisation in the power markets.

- *Foresight Private Equity* is primarily focused on the regional small cap segment of the UK private equity market. As approximately 83% of all UK SMEs are based outside London, Foresight Group believes its UK regional focus is a key strength for success in this market which has not been the principal focus of UK private equity investors historically and has been subject to less competitive pressure.

- Foresight Private Equity's UK regional SME strategy is focused on growth capital and replacement capital investments, is differentiated in the market and is enhanced by its UK regional footprint with offices in London, Nottingham, Manchester, Leicester, Milton Keynes, Cambridge and Edinburgh. Deals are typically originated by regionally-focused investment team members with deep local knowledge and connections and further operational and strategic support is provided as necessary from Foresight Group's London team.

- As at 30 September 2020, Foresight Private Equity had £0.7 billion AuM and managed investments in 104 UK companies, all SMEs and across a range of sectors such as TMT, industrials, consumer and leisure, business services and healthcare.

- Foresight Group's institutional and retail investment products provide access and exposure to specialist private infrastructure and private equity markets for a range of investors, such as UK and international pension funds, "blue-chip" institutional investors, family offices and high-net-worth and other private individuals. As at 30 September 2020, institutional funds accounted for 66.6% and retail funds accounted for 33.4% of Foresight Group's AuM.

- Foresight Group has raised gross funds of £516 million (net funds of £390 million) from 1 April 2020 to 30 September 2020 compared to gross funds of £502 million (net funds of £477 million) raised during the same period in FY 2020.

- Revenue in 2020 has remained resilient, despite the COVID-19 backdrop: for the six months ended 30 September 2020, Foresight Group generated revenue of £32.4 million (six months ended 30 September 2019: £28.2 million) with Core EBITDA^[1] of £10.7 million (six months ended 30 September 2019: £7.9 million).

- In FY 2020, Foresight Group generated revenue of £57.3 million (FY 2019: £49.5 million) with Core EBITDA of £12.9 million (FY 2019: £11.9 million).

- Foresight Group earns a range of recurring, re-occurring and one-off fees from the Foresight Funds, including management, secretarial (including administration), director, marketing, performance and arrangement fees, amongst others. Since FY 2019, the focus has shifted towards higher quality recurring revenue, with less reliance on transactional event-based revenues and one-off disposal profits. This transition has resulted in recurring revenue as a percentage of overall revenues increasing from 68% in FY 2018 to 85% in FY 2020 and 91% in the six months ended 30 September 2020, resulting in greater stability and predictability with respect to fee income.

- As at 30 September 2020, the Company had cash and cash equivalents of £12.0 million. Before Admission, it is intended that profits accrued up to the point of the IPO shall be distributed to Members and paid by way of distribution by the Company to Bernard Fairman, or Beau Port Investments (if Bernard Fairman has transferred his shares in the Company to Beau Port Investments).

Important legal information

The contents of this announcement, which has been prepared by and is the sole responsibility of the Company, have been approved by Numis and Jefferies solely for the purposes of section 21(2)(b) of the Financial Services and Markets Act 2000 (as amended).

The information contained in this announcement is for background purposes only and does not purport to be full or complete. No reliance may be placed by any person for any purpose on the information contained in this announcement or its accuracy, fairness or completeness.

This announcement is not for publication or distribution, directly or indirectly, in or into the United States (including its territories and possessions, any State of the United States and the District of Columbia), Australia, Canada, the Republic of South Africa, Japan or any other jurisdiction where to do so would constitute a violation of the relevant

laws of such jurisdiction. The distribution of this announcement may be restricted by law in certain jurisdictions and persons into whose possession any document or other information referred to herein comes should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

This announcement does not constitute or form a part of any offer or solicitation to purchase or subscribe for, or otherwise invest in, securities to any person in the United States (including its territories and possessions, any State of the United States and the District of Columbia), Australia, Canada, the Republic of South Africa, Japan or in any jurisdiction to whom or in which such offer or solicitation is unlawful. Any securities referred to herein may not be offered or sold in the United States unless registered under the United States Securities Act of 1933, as amended (the "Securities Act"), except pursuant to a transaction exempt from, or not subject to, the registration requirements of the Securities Act. The proposed offer of Shares referred to herein has not been and will not be registered or qualified for distribution under the Securities Act or under the applicable securities laws of Australia, Canada, the Republic of South Africa or Japan. Subject to certain exceptions, the Shares referred to herein may not be offered or sold in Australia, Canada, the Republic of South Africa or Japan or for the account or benefit of, any national, resident or citizen of Australia, Canada, the Republic of South Africa or Japan. There will be no public offer of the Shares in the United States, Australia, Canada, the Republic of South Africa, Japan or elsewhere.

This announcement and any offer subsequently made is, and will be, addressed to and directed only at persons, in member states of the European Economic Area, who are "**qualified investors**" within the meaning of the EU Prospectus Regulation (2017/1129/ EU) ("Qualified Investors") or to other persons to whom it may lawfully be communicated without the requirement for a prospectus to be approved by any EU competent authority. Any investment or investment activity to which this document relates is available, in any member state of the European Economic Area, only to such persons.

This announcement and any offer subsequently made is, and will be, addressed to and directed only at persons, in the United Kingdom, who are (a) both "**qualified investors**" within the meaning of the UK version of the EU Prospectus Regulation (2017/1129/ EU) which is part of UK law by virtue of the European Union (Withdrawal) Act 2018 (the "**UK Prospectus Regulation**") and either (i) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**") or (ii) who are high net worth entities falling within Article 49 of the Order; or (b) other persons to whom it may otherwise lawfully be communicated (all such persons under (a) and (b) together being referred to as "**relevant persons**"). Any investment or investment activity to which this document relates is available in the United Kingdom only to relevant persons.

Any offer and sale of the Shares in Canada will be made on a private placement basis only and will be exempt from the requirement that the Company prepares and files a prospectus under applicable Canadian securities laws. No offer and sale of Shares is or will be made in Canada, except to persons: (a) in the provinces of Ontario, Québec, Alberta, Manitoba or British Columbia; (b) who are a "accredited investor" within the meaning of Section 1.1 of National Instrument 45-106 - *Prospectus Exemptions* ("NI 45-106") of the Canadian Securities Administrators or subsection 73.3(1) of the Securities Act (Ontario), as applicable, and is either purchasing the Shares as principal for its own account, or is deemed to be purchasing the Shares as principal for its own account in accordance with applicable Canadian securities laws, for investment only and not with a view to resale or redistribution; (c) not created or used solely to purchase or hold the Shares as an accredited investor under NI 45-106; (d) who are a "permitted client" within the meaning of National Instrument 31-103 - *Registration Requirements, Exemptions and Ongoing Registrant Obligations* of the Canadian Securities Administrators; and (e) entitled under applicable Canadian securities laws to purchase the Shares without the benefit of a prospectus under such securities laws.

This announcement may include statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements may be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "projects", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements reflect Foresight Group's current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to Foresight Group's business, results of operations, financial position, liquidity, prospects, growth and strategies. Forward-looking statements speak only as of the date they are made. No representation or warranty is made that any forward-looking statement will come to pass.

Each of the Company, Numis, Jefferies and their respective affiliates as defined under Rule 501(b) of Regulation D of the Securities Act ("affiliates"), directors, officers, employees, advisers and agents, expressly disclaims any obligation or undertaking to update, review or revise any forward looking statement contained in this announcement whether as a result of new information, future developments or otherwise.

Any subscription of Shares in the possible Offer should be made solely on the basis of information contained in the Prospectus which may be issued by the Company in connection with the Offer. The information in this announcement is subject to change. Before subscribing for or purchasing any Shares, persons viewing this announcement should ensure that they fully understand and accept the risks which will be set out in the Prospectus when published. No reliance may be placed for any purpose on the information contained in this announcement or its accuracy or completeness. Neither this announcement, nor anything contained in the Registration Document referred to herein, shall form the basis of or constitute any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for any Shares or any other securities nor shall it (or any part of it) or the fact of its distribution, form the basis of, or be relied on in connection with, any contract therefor.

Foresight Group may decide not to go ahead with the IPO and there is therefore no guarantee that Admission will occur. You should not base your financial decision on this announcement. Acquiring securities to which this announcement relates may expose an investor to a significant risk of losing all of the amount invested. Persons considering making investments should consult an authorised person specialising in advising on such investments. Neither this announcement, nor the Registration Document referred to herein, constitutes a recommendation concerning a possible offer. The value of shares can decrease as well as increase. Potential investors should consult a professional advisor as to the suitability of a possible offer for the person concerned.

Nothing contained herein constitutes or should be construed as (i) investment, tax, financial, accounting or legal advice; (ii) a representation that any investment or strategy is suitable or appropriate to your individual circumstances; or (iii) a personal recommendation to you.

Jefferies and Numis (together, the "**Banks**"), each of which is authorised and regulated by the FCA in the United Kingdom are each acting exclusively for the Company and no one else in connection with the Offer. The Banks will not regard any other person as a client in relation to the Offer and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for the giving of advice in relation to the Offer or any transaction, matter, or arrangement referred to in this announcement. Apart from the responsibilities and liabilities, if any, which may be imposed on the Banks by FSMA or the regulatory regime established thereunder, neither the Banks nor any of their respective affiliates, directors, personally liable partners, officers, employees, advisers or agents accept any responsibility whatsoever for the contents of this Announcement or for any other statement made or purported to be made by them, or on their behalf, in connection with the Company, the Shares or the Offer. The

Banks and each of their respective affiliates, directors, personally liable partners, officers, employees, advisers or agents each accordingly disclaim all and any liability whether arising in tort, contract or otherwise (save as referred to above) which they might otherwise have in respect of this document or any such statement. No representation or warranty express or implied, is made by the Banks or any of their respective affiliates, directors, personally liable partners, officers, employees, advisers or agents accepts as to the accuracy, completeness, verification or sufficiency of the information set out in this announcement.

In connection with the Offer, Numis, Jefferies and any of their respective affiliates, may take up a portion of the Shares as a principal position and in that capacity may retain, purchase, sell, offer to sell or otherwise deal for its own accounts in such Shares and other securities of the Company or related investments in connection with the Offer or otherwise. Accordingly, references in the Prospectus, once published, to the Shares being issued, offered, subscribed, acquired, placed or otherwise dealt in should be read as including any issue or offer to, or subscription, acquisition, placing or dealing by Numis and/or Jefferies and any of their respective affiliates acting in such capacity. In addition, Numis, Jefferies and any of their respective affiliates may enter into financing arrangements (including swaps or contracts for differences) with investors in connection with which they may from time to time acquire, hold or dispose of Shares. Neither Numis nor Jefferies nor any of their respective affiliates intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

Information to Distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("MiFID II"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "MiFID II Product Governance Requirements"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the Product Governance Requirements) may otherwise have with respect thereto, the Shares have been subject to a product approval process, which has determined that the Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "Target Market Assessment"). Notwithstanding the Target Market Assessment, distributors should note that: the price of the Shares may decline and investors could lose all or part of their investment; the Shares offer no guaranteed income and no capital protection; and investment in the Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offer. Furthermore, it is noted that, notwithstanding the Target Market Assessment, Numis will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Shares and determining appropriate distribution channels.

For the avoidance of doubt, the contents of Foresight Group's website are not incorporated by reference into, and do not form part of, this announcement.

^[1] "Core EBITDA" is calculated as EBITDA before non-underlying items. Non-underlying items are non-trading or one-off items, where the quantum, nature or volatility of such items are considered by the Directors and the Proposed Directors to otherwise distort the underlying performance of Foresight Group.

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