



Investment Review 2016



SOUTER INVESTMENTS IS THE INVESTMENT OFFICE OF THE SOUTER FAMILY

Sir Brian Souter co-founded Stagecoach Group plc as a start-up in 1980. Today the company is a leading international transport group, with extensive operations in the UK, United States and Canada, employing around 40,000 people and operating nearly 11,000 buses and 2,300 daily rail services. Stagecoach floated in 1993 and is listed in the FTSE 250. Sir Brian is Chairman of the company, having stepped down from his role as Chief Executive Officer four years ago.

When Sir Brian founded Souter Investments in 2006, more than two thirds of his portfolio was represented by his Stagecoach shareholding, with the remainder invested in a diverse number of managed funds, and a smaller portfolio of unquoted and property investments.

Private equity focus

Today the balance is very different. Our primary focus is on unquoted investments, and whilst Stagecoach is still a major part of the portfolio it now only represents 34% of total assets. We are sector agnostic, and invest across a wide range of industries, including financial and business services, consumer goods, healthcare, telecoms and industrials. Although not our primary focus, transport will always be an area of interest given Sir Brian's background. Together our unquoted companies have a turnover of almost £2bn and employ over 19,000 people worldwide.

A professional but flexible investment approach

We employ high standards of professional diligence and rigour in selecting, executing and managing our investments, but we also benefit from an entrepreneurial owner. As a result, Souter Investments' decision making process is quick and we can take a flexible approach, allowing us to:

- invest across a variety of transactions, including buy-outs, buy-ins and growth capital;
- use a variety of investment structures;
- take majority or minority positions;
- provide management expertise and resource as appropriate, particularly in the transport sector; and,
- be flexible in our hold period.

Our ethical stance means that we do not invest in companies involved in alcohol, gambling, tobacco, armaments or payday type loans. We do not generally invest in start-ups or pre-revenue companies.

In implementing our investment strategy, we typically target equity cheques of between £2 million and £30 million. We like to lead deals but are equally comfortable working with co-investment partners.

Our team

The Souter Investments team encompasses a mix of investment professionals and support staff, with offices in Edinburgh and Perth.

Managing Director Andy Macfie is a co-founder of Souter Investments and has more than 30 years' experience of investing in unquoted companies.

Investment Directors John Berthinussen and Calum Cusiter joined Souter Investments in 2008 having previously been involved in unquoted and property investments, and they have been joined since the last Review by three more investment executives, Maurice Shamash, Stuart Callion and Scott Mackenzie.

If you have an investment opportunity you think might meet our criteria, please contact us at:

info@souterinvestments.com

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www.souterinvestments.com

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This is our third triennial Investment Review, and covers the period from the formation of Souter Investments in December 2006 until March 2016.

As before, the purpose of this document is to provide an insight into Souter Investments' investment strategy; the breadth, depth and diversity of our portfolio; and our performance.

We hope that you find it interesting and useful.

Brian

Sir Brian Souter

PREFACE BY SIR BRIAN SOUTER

In our last Review in 2013, I stated that there were encouraging signs of the UK and US economies reaching escape velocity from the so-called Global Financial Crisis, although I was less optimistic regarding the prospects for continental Europe. I also stated my personal belief that China would continue to grow and mature.

These forecasts proved to be reasonably accurate, though the UK, US and European economies all failed to reach and maintain what they would regard as normalised levels of economic growth, and recent growth has been unevenly distributed. Economies have been supported in the period by unprecedented quantitative easing and record low interest rates, courtesy of the Bank of England, US Treasury and the European Central Bank. The recent Brexit referendum result has further damaged confidence; most economists have downgraded their growth forecasts, sharply in the UK and more modestly elsewhere.

Although the UK has enjoyed relatively strong growth since the referendum, this has been driven primarily by consumer activity. Low commodity prices and resultant increases in living standards should continue to support economic growth in the short to medium term. However gloomy pronouncements from economists and politicians, who exaggerated the impact of Brexit, may fuel uncertainty and a UK economic downturn could become a self-fulfilling prophecy in 2017.

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I do think we will avoid a serious recession in the UK, that the major economies will continue to stagger forward and that markets will continue to be volatile

”

Having got the macro economic trends broadly right in 2013, and despite the continuing uncertainty, I am encouraged to provide another forecast for the next few years.

I do think we will avoid a serious recession in the UK, that the major economies will continue to stagger forward and that markets will continue to be volatile. Quoted companies are still fully valued and, whilst I am by nature an optimist, I remain cautious regarding the near-term investment

outlook, with global economies likely to struggle to generate above average economic growth over the next two to three years.

The inevitable cessation of quantitative easing and increase in interest rates back to more normal levels continue to be postponed, but represent a significant medium term risk to investment returns.

Whilst the immediate reaction to Brexit was a fall in both Sterling and quoted stock markets, investor sentiment quickly recovered, though the devaluation of the pound looks to be more permanent. Personally I believe that with strong political leadership, the UK should be able to negotiate a satisfactory associate relationship with the EU, and resume a strong growth profile.

“

A major beneficiary of Souter Investments' performance has been The Souter Charitable Trust. My wife, Betty, and I have always been keen to donate funds to charitable causes

”

This economic background of slow and variable growth combined with volatility in stock and commodity markets should provide us with opportunities. At Souter Investments we have historically invested through the economic cycle and will continue this approach, continuing to look for interesting opportunities in a number of different sectors.

This year we have taken the decision to report Souter Investments' performance in isolation, excluding the contribution of Stagecoach Group plc, seeking to better reflect the performance of the family investment office.

Our total portfolio, excluding Stagecoach, increased in net value by 14% per annum over the 9 years ended March 2016. This compares against a 6% annual return on UK quoted equities over the same period. Although this does not sound like much of a difference, the compounding effect over time means that our portfolio is 180% higher than it would have been had we invested in the UK stock market.



This performance is especially encouraging given that it is calculated post Souter Investments' running costs, and all corporation, capital gains and income tax paid.

“

I am proud of what we have achieved at Souter Investments over the last ten years, especially in light of the macro-economic backdrop and difficult investment climate

”

A major beneficiary of Souter Investments' performance has been The Souter Charitable Trust. My wife, Betty, and I have always been keen to donate funds to charitable causes, and in 1992 set up The Souter Charitable Trust with the objective of assisting projects engaged in the relief of human suffering in the UK and overseas, particularly, but not exclusively, those promoting spiritual welfare.

In the ten years ended June 2016, the Trust awarded more than 10,000 grants totalling over £73m, and it currently has a net asset value of £28m. Annual running costs of the Trust amount

to less than £37,000 representing 0.1% of assets. The Souter family provide nearly all the funds to the Trust, with donations in the period exceeding £52m. Further details can be found at: www.soutercharitabletrust.org.uk.

I am proud of what we have achieved at Souter Investments over the last ten years, especially in light of the macro-economic backdrop and the difficult investment climate.

We are now one of the most active private equity investment houses based in Scotland, and certainly the most active overseas.

The portfolio is in a healthy state and I am confident that we will continue to see many interesting investment opportunities in the future and to generate superior returns.

Souter Investments has a substantial war chest to invest in situations which match our criteria, so please don't hesitate to get in touch with Andy Macfie and his team if you have an opportunity that may whet our appetite.

INVESTMENT REVIEW BY ANDY MACFIE

When we launched Souter Investments in December 2006, our vision was to create a professional but entrepreneurial family investment office. The overriding objective of Souter Investments was to build an investment portfolio that would be resilient to economic downturns, whilst generating a healthy rate of growth over the long term. That objective is still appropriate today and we have set about achieving it by pursuing a number of goals:

1.

Retain Stagecoach Group plc as a core holding of the portfolio

representing a secure cornerstone asset whilst also providing capital growth and income.

We have in fact added slightly to the holding during the period and been a beneficiary of two large capital repayments and regular dividends paid by Stagecoach over the last 9 years.

2.

Create a diversified portfolio, targeting private equity opportunities

but also making highly selective and limited allocations to other asset classes, such as private equity funds, listed equities and property.

Through the targeting of unquoted investments, and the release of capital from Stagecoach, we have seen a significant increase in the portfolio's diversification. We have invested more than £250m in direct unquoted investments, and their proportion of the total portfolio has increased from 5% to 45%.

Sir Brian took the decision to reduce his commitment to commercial property activities in 2003 so we were not badly affected by the property crash in 2007-8. In the last couple of years, we have again increased our commitment to property via selected special situations.

We largely exited from hedge funds in 2009 and our new commitments to third party managed private equity funds have been limited. We have maintained a limited exposure to quoted equities.

A diversified portfolio reduces risk but makes exceptional performance more difficult to achieve. It is therefore important to make good picks, read the markets and be versatile.

Fig.1 Increasing Portfolio Diversification



3.

Build a private equity portfolio of interesting and exciting investments

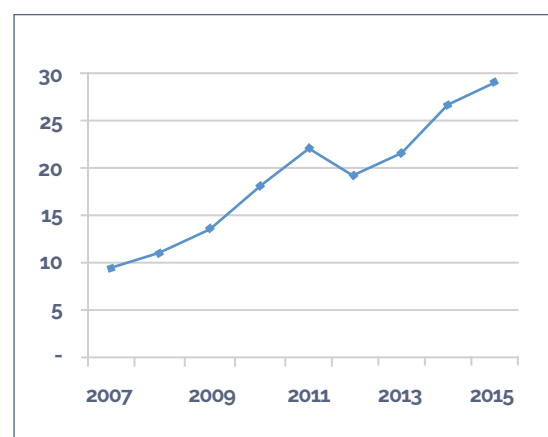
with a preference for direct investments, where the higher associated risks are justified by improved returns.

As can be seen below we have increased our investment activity significantly over the life of Souter Investments.

As at March 2016, our diversified unquoted portfolio spanned companies involved in Financial Services, Legal and Business Services, Consumer Goods, Healthcare, Telecoms, Industrials, Property Special Situations and Transport. Many investee companies are UK-based but we have investments as far afield as New Zealand, Turkey, South America, Finland and Poland. Together our unquoted companies report a combined turnover of £1.9bn and employ more than 19,000 people.

The majority are mature companies but we also have a few early-stage businesses. Some of the names are more recognisable and have included Alexander Dennis, the bus and coach manufacturer; Sunseeker, the luxury yacht producer; eSure the quoted insurance company; Daisy Telecommunications, the leading reseller of telecom services; and Virgin Mobile. Others are less well known to the general public, albeit market leaders in their chosen fields.

Fig.2 Investment Levels - Moving Annual Average (£m)



4.

Maintain an opportunistic investment approach

allowing us to invest in selected listed stocks and stock market index tracker funds, in a very limited number of private equity funds, and in commercial and residential property, focussing on areas where we have an angle and/or where we have experience and knowledge.

Although our appetite for third party managed funds is limited, we have made a small number of commitments to our existing private equity fund managers where we know the fund manager well and recent fund performance has been good.

In addition, we have invested in a limited number of property opportunities in Scotland where we know the market well.

We are pleased to have achieved the objective set out for Souter Investments at the start of our journey. This is particularly encouraging given how difficult the economic and investment environment has been; we started the period with the Global Financial Crisis, the effects of which are still with us and we now have to face the consequences of the Brexit vote.

It has certainly been an interesting period during which to invest.

Business to Consumer

Consumer goods



Healthcare



Telecoms



Legal Services



Financial Services



Property



Business to Business

Information and Insight



Plant Hire



Packaging



Oil & Gas Services



Financial Services



Property



Transport

UK



Turkey



New Zealand



Finland



Poland



Realised Investments



Performance since last Review

Whilst we are very pleased with the 14% annualised return over the nine year period, our performance in the three years ended March 2016 showed lower returns of 7% per annum. Annual returns are stated after deduction of Souter Investments' running costs, and all corporation, capital gains and income tax paid.

Our performance compares well against UK equities (see figure 3), which showed no increase over the same period.

While many of our businesses have performed well, the slightly disappointing recent performance can be attributed to a number of factors:

- the relative immaturity of the portfolio, with significant funds having been invested in the last three years;
- fewer exits. Our valuations of unrealised assets have been conservative when compared to those achieved on exit;

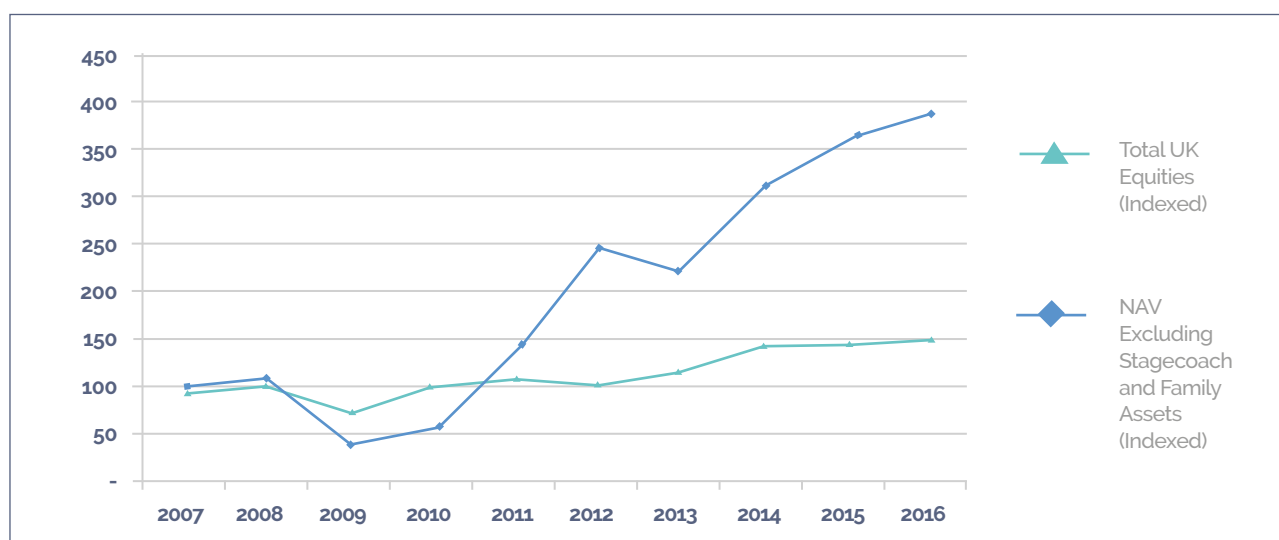
- not all our investments have been double yokers as Sir Brian would say. A number of companies have struggled to increase profitability due to lower economic growth than expected and austerity measures; and

- our transport portfolio, which has been adversely affected by lower fuel prices resulting in reduced passenger volumes compounded by regulatory headwinds, state sponsored competition and government interference.

Our approach is to empower our management teams, backing them to manage whilst providing whatever support we can to help them deliver on the agreed strategy for their business.

Despite some of the headwinds identified above, we believe that the portfolio is of a high quality and we expect returns to increase as the portfolio matures, investee company profits increase, turnarounds are implemented and exits are achieved.

Fig.3 Souter Investments' Returns - Measured Against UK Equities



New Investment Activity

We have evaluated many opportunities since 2013 and made a significant number of new investments, including the following unquoted companies.

General

○ Baywater Healthcare

a supplier to the NHS of Home Oxygen Services and services around other long-term conditions

○ Clive Christian

the luxury perfume and interiors brand

○ Collingwood

a specialist motor insurer

○ Voyage Care

provider of support for people with learning and physical disabilities, brain injuries, autism and other needs

○ Mobius Life

an institutional investment and administration platform

○ Global Risk Partners

an insurance and reinsurance broker

○ Amerplast

manufacturer of high performance flexible packaging

○ Oteac

a provider of specialist integrated safety engineering services

○ Ardent Hire Solutions

which brought together two leading regional plant hire companies, One Call Hire and Fork Rent

○ Endura

the international supplier of technologically advanced cycling and triathlon apparel

○ Nutrisure

a leading supplier of superfoods

○ Daisy

a leading independent unified communications provider, providing business broadband, VoIP, telephone systems and IT solutions

○ CJ Fallon

an Irish publisher of children's text books

○ Ashtead Technology

a supplier of integrated equipment solutions for the offshore oil sector

○ Winn Solicitors

a law firm specialising in road traffic accidents

Special Property Situations

○ AMA

the innovative property developer with apartments, townhouses and houses in Edinburgh

○ East Lothian Developments

which is developing a 120 acre site at St Clements Wells, 7 miles east of Edinburgh

Transport

○ Inter-city, yield managed bus operations

- Manabus.com and nakedbus.com in New Zealand
- OnniBus.com in Finland

○ Reesby's

a regional bus operator based in Rotorua, New Zealand

We have also made follow-on investments in a number of businesses to fund further growth, whether organic or via M&A activity.

Divestment Activity

Unlike many private equity funds, we have no external pressure to obtain exits from our investments and have a flexible exit horizon. We can hold some assets for longer periods, although ideally we like to receive income and/or a return of capital in these situations.

Following our spectacular success in 2013 with Sunseeker, eSure and Argent, we have seen fewer exits recently, in part a reflection of the relatively young age of our portfolio. We did however benefit from the following profitable exits and partial disposals:

- CJ Fallon, EFC Group and EMCAS which were all sold through secondary buy-outs; and,
- Baywater Healthcare, which disposed of its Irish business to a trade buyer.

Since 31 March, First Scottish Group has also disposed of two subsidiaries to a trade buyer.

We are grateful to the management teams of all these companies and wish them, and their respective acquirers, continued success in the future.

Outlook

Souter Investments has been very active and grown strongly since it was formed in 2006.

Whilst there is always much to do to ensure our portfolio remains healthy, and we are definitely not complacent, we do believe we have acquired some attractive assets which are well placed to continue to grow strongly in the years to come.

We have enjoyed exceptional deal flow in recent years and have significant capital available, both for new investments and to support our existing investee companies' growth whether organic or through acquisition. So if you have an investment opportunity you think meets our criteria then please get in touch.



Andy Macfie



GENERAL PRIVATE EQUITY INVESTMENTS

| Investment Strategy | Financial Services | Legal and Business Services | Consumer Goods | Healthcare | Telecoms | Industrials | Property |
|--------------------------|---|---|--|--|--|---|--|
| MBO/MBI |   |    |   |   |  |    | |
| Growth Capital |   | |  |  | |  | |
| Special Situation | | | | | | |   |
| Start-up/ Early Stage | | | | |  | | |
| Exits |    | |  | |  |  | |

Mobius Life

Overview

| | |
|------------------|-------------------------------|
| Vintage: | January 2014 |
| Sector: | Financial Services |
| Location: | London |
| Type: | Management Buy Out |
| Souter Role: | Lead Investor, Majority Stake |
| Souter Director: | Yes |
| Status: | Current |



Commentary

Mobius Life is an authorised UK Life Insurance company, providing tailored investment solutions to asset managers, advisers, trustees of institutional pension funds, life insurance companies and corporates.

Mobius Life offers clients access to an investment platform operating within a life company structure, supported by a wide range of investment services. Uniquely, Mobius does not represent proprietary funds and therefore avoids conflicts of interest.

Souter supported management and Manfield Partners in completing an MBO of Mobius Life from Alexander Forbes, the South African insurance company. The deal completed in January 2014 following approval by the Prudential Regulatory Authority.

Since acquisition Mobius has grown its Assets under Administration significantly, and has invested in processes and people to facilitate the company's continuing growth plans. Mobius won the Best Institutional Platform Award UK in 2015.

www.mobiuslife.co.uk



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Since our MBO in 2014 Souter Investments has been a supportive and collaborative shareholder, allowing us to capitalise on our agility as an independent company to serve clients with bespoke and innovative services. Although sector agnostic, Souter quickly got to grips with the issues facing our highly regulated Life Company and have helped to guide us through a period of unprecedented growth.

Adrian Swales, CEO

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Avalon

Overview

| | |
|------------------|--------------------------------------|
| Vintage: | November 2012 |
| Sector: | Financial Services |
| Location: | Wilmslow, Cheshire & Alicante, Spain |
| Type: | Buy-in Management Buy-out |
| Souter Role: | Co-investment, Minority Stake |
| Souter Director: | Yes |
| Status: | Current |

Commentary

Avalon is one of the UK's leading major independent pre-paid funeral plan providers with operations in various European locations.

Pre-paid funeral plans allow customers to provide financially for their funeral, with funds being held in dedicated trust funds until the point of need. They also allow customers to contract at today's funeral prices thus avoiding funeral price inflation, which has been running significantly ahead of general inflation in recent years.

Souter Investments was part of a syndicate, led by Lonsdale Capital, that acquired a majority stake in Avalon from the founder and installed a new management team to further professionalise the business and expand on its distribution capabilities within what is a fast growing market.

www.avalonfuneralplans.com



Global Risk Partners

Overview

| | |
|------------------|-------------------------------|
| Vintage: | October 2013 |
| Sector: | Financial Services |
| Location: | London |
| Type: | Buy & Build |
| Souter Role: | Co-investment, Minority Stake |
| Souter Director: | No |
| Status: | Current |

Commentary

Global Risk Partners ('GRP') is a specialist investment vehicle that is focused on consolidating businesses in the insurance broking and underwriting sectors, including:

- Lloyd's of London based intermediaries which operate in the global specialty insurance and reinsurance markets;
- UK based retail intermediaries operating in the personal, SME and middle markets, including schemes and affinity; and,
- Managing General Agents/Underwriters providing specialist solutions.

GRP's target businesses are brokers, managing general agents, and teams which have niche, non-commoditised, specialty businesses.

The business is led by David Margrett, the former CEO and Chairman of Willis Limited, and Stephen Ross, a former partner at Deloitte LLP – both with significant experience of executing M&A in the insurance sector. Peter Cullum, the co-founder of the Towergate Partnership, is Executive Chairman of the group and a significant co-investor.

Souter Investments is part of a syndicate, led by Penta Capital, that backed the GRP strategy in 2013.

www.grpgroup.co.uk



Collingwood Business Solutions Ltd & Collingwood Insurance Services Ltd

Overview

| | |
|------------------|-------------------------------|
| Vintage: | September 2015 |
| Sector: | Financial Services |
| Location: | Newcastle upon Tyne |
| Type: | Money Out & Growth Capital |
| Souter Role: | Co-investment, Minority Stake |
| Souter Director: | No |
| Status: | Current |

Commentary

Collingwood Insurance Services (UK) Ltd is a forward thinking and dynamic Insurance Broker focused on offering a range of products designed for specialised markets. These include:

- Learner Driver, which focuses on drivers with a provisional licence with their own or access to another car;
- Young Driver, insurance for drivers aged 18 to 24 with a Telematics (tracking) box fitted to their vehicle which gives the driver feedback on their driving;
- Convicted Driver, insurance for drivers with points or previous bans as well as motoring or criminal convictions; and,
- public and private hire taxi insurance.

Each insurance product is backed by a dedicated team of UK based telesales professionals and bespoke websites to offer great customer service and customer retention.

Collingwood Business Solutions Ltd is a specialist outsource service provider to the insurance sector and experienced claims handlers.

www.collingwoodlearners.co.uk

www.youngdrivers.collingwood.co.uk

www.motorinsurance.collingwood.co.uk



Collingwood Insurance Company Limited

Overview

| | |
|------------------|-------------------------------|
| Vintage: | September 2015 |
| Sector: | Financial Services |
| Location: | Gibraltar |
| Type: | Money Out & Growth Capital |
| Souter Role: | Co-investment, Minority Stake |
| Souter Director: | No |
| Status: | Current |

Commentary

Collingwood Insurance is a Gibraltar based specialist motor insurer, focusing on carefully selected niche business in the UK through insurance intermediaries. Current target markets include taxi drivers (short and long term), fleets, learner drivers and drivers with impaired licences.

Souter Investments was part of a syndicate, led by JZI Capital, that gave a partial exit to the founder and CEO and also provided additional capital to allow Collingwood to grow its book of customers both in existing and new products.

www.collingwood.eu.com



First Scottish

Overview

| | |
|------------------|-------------------------------|
| Vintage: | August 2009 |
| Sector: | Business Services |
| Location: | Dalgety Bay, Fife |
| Type: | Recapitalisation |
| Souter Role: | Lead Investor, Majority Stake |
| Souter Director: | Yes |
| Status: | Current |



Commentary

First Scottish Group is Scotland's leading independent firm of professional searchers, delivering a comprehensive suite of fast and accurate search services, primarily for the residential and commercial property markets.

Best known for its title and property searching, First Scottish also offers other searching services in areas such as plans support, title investigation and rectification, environmental reports and mining reports.

In addition, through First Scottish Document Management, the Group provides intelligent solutions to help streamline processes, increase accessibility to business critical information and reduce storage costs.



In May 2016, First Scottish completed the sale of its non-core businesses, Legal Post, a secure document exchange network, and First Post, a postal firm, to DX, the independent parcels, mail and logistics operator.

Souter Investments invested in First Scottish Group following the onset of the Global Financial Crisis providing finance to recapitalise the Company's balance sheet and support management's growth strategy.

www.firstscottish.com

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Our business has gone through a significant period of change over the last six years, initially dealing with the deep recessionary impact of the global financial crisis on the Scottish property market, and then as the economy started to improve, pursuing growth and introducing new products. We recently also executed a successful sale of two non-core businesses. Throughout that time Souter Investments has maintained a flexible and supportive approach, backing the First Scottish team to deliver on our agreed strategy as we strove to become the market leading professional search firm in Scotland.

Ian Fraser, Managing Director

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One Search Direct

Overview



| | |
|------------------|---------------------------------------|
| Vintage: | May 2007 |
| Sector: | Business Services |
| Location: | Glasgow |
| Type: | Management Buy Out and Growth Capital |
| Souter Role: | Lead Investor |
| Souter Director: | Yes |
| Status: | Current |

Commentary

OneSearch Direct is the UK's largest local search data company. The Company provides property search information including planning information, coal reports and rights of access to conveyancers completing English property transactions.

Headquartered in Glasgow, OneSearch provides Solicitors and other data management companies with access to a range of products that are based on local property search information.

In 2007, Souter Investments provided funding to refinance the business and provide further finance for expansion, in preparation for the launch of Home Information Packs.

OneSearch was severely impacted by the coalition government's subsequent decision to scrap Home Information Packs in 2010, a market in which it had gained a 40% market share.

Since then, OneSearch has rebuilt its distribution channels and market position and is well placed to capitalise on the forecast growth in housing transactions over the coming years. In 2015, the Company was restructured with Elizabeth Jarvis becoming MD and Souter Investments taking majority control.

www.onesearchdirect.co.uk

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The regulatory and market changes in our industry have been unprecedented during the time of Souter Investments' shareholding. Despite this, they have been supportive throughout and demonstrated an ability to act in the best interests of the business and long term shareholder value rather than simply short term gain.

Liz Jarvis, Managing Director

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Winn Solicitors

Overview

| | |
|------------------|-------------------------------|
| Vintage: | September 2013 |
| Sector: | Legal Services |
| Location: | Newcastle |
| Type: | Growth Capital and Cash Out |
| Souter Role: | Co-investment, Minority Stake |
| Souter Director: | Yes |
| Status: | Current |

WINNsolicitors
Accident Specialists

Commentary

Winn provides a market leading road traffic accident claims management service. Winn specialises in managing the entire claims process by offering a wide breadth of services from reporting the claim to insurance companies, providing medical reports, arranging hire cars and repairs, together with the legal processing of personal injury claims.

Souter's investment helped give a partial exit to the founder management team and also provided additional working capital to help grow the business. The deal was led by our co-investment partner, JZI Capital.

www.winnsolicitors.com



Clive Christian

Overview

| | |
|------------------|------------------------------------|
| Vintage: | September 2015 |
| Sector: | Consumer Goods |
| Location: | London (HQ) and Bolton (Furniture) |
| Type: | Management Buy In, Growth Capital |
| Souter Role: | Lead Investor, Majority Stake |
| Souter Director: | Yes |
| Status: | Current |



Commentary

Clive Christian is a luxury goods business with a focus on perfume and furniture.

The haute perfume brand whose provenance is rooted in the Crown Perfumery Company, represents the very best of British luxury and serves its discerning customers globally from some of the world's most exclusive stores including Harrods, Fortnum & Mason and Saks Fifth Avenue.

Clive Christian Furniture, renowned for its craftsmanship, luxury design and unsurpassed quality, is hand-crafted in Britain and sold direct and through its dealerships in the UK, North America and the Far East.

Amy Nelson-Bennett, the former CEO of Molton Brown, joined the business as Group CEO at the time of our investment, with founder Clive Christian becoming Creative Director whilst retaining a significant shareholding.

Souter Investments joined EME Capital in providing growth capital to allow the management team to exploit the potential of a world renowned brand by investing in new product development and marketing.

www.clive.com



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Although Souter Investments has only been an investor in Clive Christian for just under a year, much has been achieved in putting the building blocks in place to maximise the potential of what is an iconic British luxury brand. Changes have been well received in the market and we are confident that the perfume and furniture businesses are set to grow strongly in the future. Souter Investments has supported the management team and provided the necessary resources to make the changes required and I continue to value their commercial and business judgement on all matters (except testing perfumes!)

Amy Nelson-Bennett, CEO

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Nutrisure/Naturya

Overview

Vintage: May 2015
Sector: Consumer Goods
Location: Bath
Type: Management Buy-in/
Growth Capital
Souter Role: Co-investor, Minority Stake
Souter Director: No
Status: Current

Commentary

Nutrisure is a leading supplier of superfoods and provides products such as spirulina, coconut oil, chia seeds and other fruit & vegetable powders. Its products are sold under both the Naturya and Supernutrients brands, whilst also supplying own label products for supermarkets/retailers and bulk products for other UK distributors.

Souter Investments formed part of a syndicate, led by Lonsdale Capital, that bought a majority stake of the company in 2015, also providing growth finance to help Nutrisure through its next stage of development.

www.supernutrients.co.uk



Endura

Overview

Vintage: October 2014
Sector: Consumer Goods
Location: Livingston
Type: Money Out & Growth Capital
Souter Role: Co-investment, Minority Stake
Souter Director: No
Status: Current

Commentary

Endura is a leading designer and producer of branded cycling and triathlon apparel. Its high performance technical clothing is used by a number of the world's top road and mountain cycling teams, and it also supplies apparel for the recreational urban and commuting cyclist, including helmets, eyewear and luggage.

Based in Livingston, Endura products are sold in over 20 countries worldwide including the key strategic markets of USA, UK, Mainland Europe and South America. Endura has a close partnership with the Movistar Team - the UCI Number 1 ranked Tour de France team for 2016.

Souter Investments formed part of a syndicate, led by Penta Capital, that acquired a minority stake in the business, helping to fuel the next stage of Endura's development.

www.endurasport.com



ENDURA



Baywater Healthcare

Overview



| | |
|------------------|-------------------------------|
| Vintage: | November 2013 |
| Sector: | Healthcare |
| Location: | Crewe |
| Type: | Buy-In Management Buy-Out |
| Souter Role: | Lead Investor, Majority Stake |
| Souter Director: | Yes |
| Status: | Partially Realised |

Commentary

Baywater Healthcare is an independent specialist provider of healthcare services. It supports more than 27,500 patients with long term conditions, delivering high-quality, cost-effective solutions while helping patients maintain their mobility, independence and overall quality of life.

The Company's range of healthcare services includes home oxygen therapy, sleep diagnostics, CPAP (Continuous Positive Airway Pressure) treatment and adherence management, telehealth through remote monitoring, ventilation therapy, nebuliser therapy and emergency oxygen.

Souter Investments backed the acquisition of Baywater Healthcare from Air Products in 2013, in a deal arranged by Duke Street.

In August 2015, Baywater Healthcare disposed of its market leading Irish business to Air Liquide.

Now focussed on its core UK market, Baywater has secured extensions to its major client contracts and plans to grow further by winning major new contracts coming to the market in the near future, in addition to pursuing new opportunities.

www.baywater.co.uk



“

Souter Investments has worked closely with us to transform the business from a non-core division of a multinational corporate by empowering the management team to capitalise on our expertise in home respiratory care. Baywater has benefited from Souter Investments' extensive business experience assisting us to shape our strategy, prepare and execute a development and tender strategy, and manage the business more effectively.

Adam Sullivan, CEO

”

Neoss

Overview

Vintage: December 2008
Sector: Healthcare
Location: Harrogate
Type: Growth Capital
Souter Role: Co-investor, Minority Stake
Souter Director: No
Status: Current

Commentary

Neoss provides replacement implants for missing teeth. Headquartered in Harrogate, Neoss has a number of patented implant technologies that make it one of the simplest and most effective solutions on the market.

The company was founded by dental academic, Professor Neil Meredith, and Fredrik Engman, a dental implant technologist in 2000. In recent years, Neoss has continued to establish itself in the market place as an innovative provider of top quality dental products.

Souter Investments formed part of a syndicate, led by MMC Ventures, that provided growth capital funding to Neoss in December 2008.

www.neoss.com



Voyage Care

Overview

Vintage: August 2014
Sector: Healthcare
Location: Lichfield, Staffordshire (HQ)
Type: Tertiary Management Buy Out
Souter Role: Co-investor, Minority Stake
Souter Director: No
Status: Current

Commentary

Voyage Care is the UK's leading provider of supported living and residential care for people with learning difficulties and associated physical disabilities, autistic spectrum disorders, acquired brain injury and other complex needs. It has a proven track record and a reputation for delivering innovative, high quality responsive and flexible services throughout the UK.

Voyage was acquired in August 2014 in a tertiary buy-out led by Duke Street and a funding consortium including Partners Group and Souter Investments. Duke Street led the initial management buyout of Voyage in 2001 before selling the business in 2006.

www.voyagecare.com



Virgin Mobile Latin America

Overview

| | |
|------------------|----------------------------------|
| Vintage: | December 2011 |
| Sector: | Telecoms |
| Location: | Chile, Columbia, Mexico and Peru |
| Type: | Growth Capital |
| Souter Role: | Co-investor, Minority Stake |
| Souter Director: | No |
| Status: | Current |

Commentary

Virgin Mobile Latin America (VMLA) is the leading mobile virtual network operator (MVNO) in Latin America, and the continent's largest and fastest growing alternative mobile service provider with 3.2 million customers.

As an MVNO, VMLA endeavours to make mobile data services widely accessible to the youth segment through major retailers, wholesale and dealer sales channels, and company kiosks in high trafficked shopping malls and public transportation stations. The Company has leveraged the iconic Virgin brand's attributes and serves its tariffs and plans in a 'straight up', honest and simple format with no tricks.

With established operations in Chile, Columbia and Mexico, VMLA has recently launched its services in Peru and plans to continue to grow in markets such as Argentina and Ecuador in the near future.

Souter Investments has supported the company through a number of growth capital rounds, as it rolled out its growth model.

www.virginmobilelatinamerica.com

Mexico: www.virginmobile.mx

Colombia: www.virginmobile.co

Chile: www.virginmobile.cl

Peru: www.virginmobile.pe



Daisy Group

Overview

| | |
|------------------|---------------------------------|
| Vintage: | May 2015 |
| Sector: | Telecoms |
| Location: | Nelson, Lancashire (HQ) |
| Type: | Growth Capital and Take Private |
| Souter Role: | Co-investor, Minority Stake |
| Souter Director: | No |
| Status: | Current |

Commentary

Daisy Group plc is the largest independent provider of end-to-end business communications and IT Infrastructure services to Britain's population of SMEs, Mid-market, and Enterprise customers. Being independent allows Daisy to source and provide services from across the market allowing it to offer a one-stop-shop and the best deal to its customers.

The services provided by Daisy include fixed lines, mobile, internet connectivity, security, cloud and hosting, product supply, disaster recovery, and managed services.

Souter Investments was part of a syndicate led by Penta that helped take Daisy private from AIM and also funded the subsequent acquisition of Phoenix, which added to Daisy's product offering and customer reach.

www.daisygroup.com



Amerplast

Overview

Amerplast

| | |
|------------------|--|
| Vintage: | August 2014 |
| Sector: | Industrials |
| Location: | Tampere & Ikaalinen, Finland and Grodzisk Mazowiecki, Poland |
| Type: | Buy-in Management Buy-Out |
| Souter Role: | Co-investor, Minority Stake |
| Souter Director: | Yes |
| Status: | Current |

Commentary

Amerplast is a leading manufacturer of high-quality, value added plastic film packaging. Its flexible packaging applications are used in a wide range of industrial and consumer products, particularly in the food, hygiene and retail sectors.

With operations in Finland, Poland, Sweden and Russia, Amerplast is one of the largest plastic converters and bread bag manufacturers in Europe. Its flexible packaging solutions are exported to over 25 countries.

A business with a keen environmental focus, many of Amerplast's products are manufactured using recycled or Green Polyethylene, including its retail bags which are produced using 90% recycled materials.

Amerplast has also recently launched its AmerFresh Packaging System. Utilising new technologies specific to fresh-cut fruit and vegetables, Amerfresh delivers a longer life cycle for fresh produce by optimising the oxygen levels within packaging to the specific optimum level for each type of fruit and vegetable.

In addition to major investment in NPD since acquisition, Souter Investments and co-investors Lonsdale Capital Partners have supported significant capital investment in new plant and equipment, further enhancing Amerplast's capabilities.

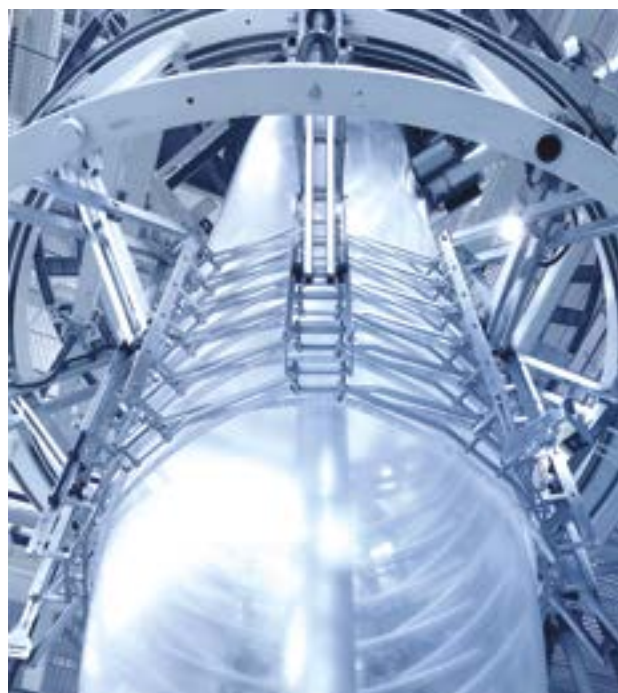
www.amerplast.com

“

In Souter Investments we have a like-minded partner who continue to be supportive as we complete the turnaround of the business, from a non-core orphan to an independent agile company. They have provided us with the space, time and resources to invest in new plant, to cultivate and form long term partnerships with customers, and to introduce new, innovative products.

Borge Kvamme, CEO

”



Ashtead Technology

Overview



| | |
|------------------|---------------------------------------|
| Vintage: | April 2016 |
| Sector: | Industrials |
| Location: | Aberdeen |
| Type: | Management Buy Out and Growth Capital |
| Souter Role: | Co-investor, Minority Stake |
| Souter Director: | No |
| Status: | Current |

Commentary

Ashtead Technology provides fully integrated equipment solutions including rental equipment, equipment sales, calibration, repair and maintenance, offshore personnel and bespoke engineered solutions.

Serving the subsea and onshore environmental monitoring and inspection sectors, Ashtead Technology provides global reach and local service from its facilities in Aberdeen, London, Houston and Singapore and via agents in Abu Dhabi, Perth and Stavanger.

Souter Investments was part of a Buckthorn Partners led syndicate that bought out Ashtead, and recapitalised the business, which will allow management to expand its geographical footprint and the range of services and equipment solutions offered to its clients.

www.ashtead-technology.com



Ardent Hire Solutions

Overview

Vintage: August 2015
Sector: Industrials
Location: Enfield, Middlesex
Type: Management Buy In
Souter Role: Co-investor, Minority Stake
Souter Director: No
Status: Current

Commentary

Ardent Hire Solutions is the new company formed to acquire two family-owned businesses, Fork Rent Limited and One Call Hire Limited. The new group is now one of the largest providers of rental equipment to the UK construction industry.

One Call was one of the UK's leading suppliers of excavators to the equipment rental market, whilst Fork Rent was the market leader for the provision of telehandlers – in addition to these two core products the combined Ardent business also provides dumpers and heavy rollers.

With one of the youngest fleets in the market and a reputation for leading service provision, Ardent Hire Solutions is well placed to benefit from the expected growth in the housebuilding and infrastructure markets.

Souter Investments formed part of investment syndicate led by Duke Street.

www.ardenthire.com



Oteac

Overview

Vintage: October 2013
Sector: Industrials
Location: Aberdeen
Type: Management Buy Out
Souter Role: Co-investor, Minority Stake
Souter Director: Yes
Status: Current

Commentary

Oteac is an Aberdeen based service company specialising in designing, supplying and servicing fire and safety equipment. Whilst mainly focussed on the Oil & Gas sector, Oteac also provides services to businesses and local authorities in the North East of Scotland.

In May 2015, Oteac acquired HVAC&R, a complementary heating, ventilation, air conditioning and refrigeration business based in Aberdeen. In 2013, Souter Investments backed the initial MBO of Oteac, joining a syndicate led by Lonsdale Capital. The acquisition of HVAC&R doubled the size of the business, helping the business to diversify into complementary markets and offering opportunities to cross-sell products.

www.oteac.co.uk



AMA

Overview

Vintage: November 2014
Sector: Property
Location: Edinburgh
Type: Recapitalisation
Souter Role: Lead Investor
Souter Director: Yes
Status: Current

Commentary

AMA is an innovative Edinburgh based development company with a track record of developing residential, commercial, apart-hotel and student residences of high quality design and workmanship, always complimenting the existing architecture and enhancing the environment in which they were created.

Led by the original founders, Ali and Mike Afshar, the company typically targets the upper end of the property market; including multi award winning, flagship developments, which can be viewed on its website below.

www.amahomes.co.uk



ELDL

Overview

Vintage: January 2014
Sector: Property
Location: Wallyford, East Lothian
Type: Development Capital
Souter Role: Co-investor
Souter Director: Yes
Status: Current

Commentary

East Lothian Developments Limited ("ELDL") is a 120 acre development site at St Clements near Wallyford, East Lothian.

The development has secured planning permission for the construction of 1,450 new homes, which will include a new primary school, making it one of the largest current residential developments in Scotland. The site is well suited to commuters with easy access to the A1 and a main line train station in Wallyford with a journey time of just 15 minutes to the centre of Edinburgh.

Souter Investments acquired its stake in the site in 2014, and provided funding to support the site's application for planning and infrastructure development.

Souter Investments also has an option over part of the adjacent Dolphinstone site.



TRANSPORT INVESTMENTS

Transport



UK



New Zealand



Turkey



Poland



Finland



Exits



Alexander Dennis

Overview

| | |
|------------------|---|
| Vintage: | September 2004 |
| Sector: | Transport |
| Location: | HQ Larbert, UK with global manufacturing operations |
| Type: | Acquisition |
| Souter Role: | Lead Investor |
| Souter Director: | No |
| Status: | Current |



Commentary

Alexander Dennis Limited (ADL) is the UK's leading bus and coach manufacturer, and the fastest growing bus and coach builder in Western Europe with a rapidly expanding global presence. ADL employs around 2,000 people at facilities in the UK, plus multiple manufacturing and build sites globally, including in North America and Asia Pacific.

ADL produces a wide range of innovative and fuel efficient, low floor single and double deck buses under the Alexander Dennis brand, plus a full portfolio of coaches, welfare and mini vehicles via its Plaxton business. The company's products offer real operator, passenger and environmental benefits, all backed by a commitment to world class customer support.

Pioneers of both the low floor double deck and midibus concepts, ADL is the only bus manufacturer in the world with a range of single deck, two-axle and three-axle double deck hybrid buses and is the global market leader in the double deck market segment. Turnover has increased from £195m to more than £600m in the period since Souter Investments first invested.

ADL and Plaxton vehicles operate in towns and cities around the world, including London, Hong Kong, New York City, Las Vegas, Ottawa, Toronto, Singapore, and Auckland. ADL's buses and coaches carry over 3.5 million passengers per day in London alone.

www.alexander-dennis.com



“

Souter Investments has provided consistent support and guidance over more than twelve years, allowing us to build a sustainable global business. In that time, we have made great progress, improving and extending our product range, increasing reliability and service capability, and evolving from a UK focussed business to being one of the fastest growing global bus and coach manufacturers.

Colin Robertson, CEO

”

Fullers Group & 360 Discovery Cruises

Overview

| | |
|------------------|-------------------------------|
| Vintage: | April 2009 |
| Sector: | Transport |
| Location: | Auckland, New Zealand |
| Type: | Acquisition |
| Souter Role: | Lead Investor, Majority Stake |
| Souter Director: | No |
| Status: | Current |



Commentary

The ferry arm of our New Zealand based InMotion Group transport business, Fullers and 360 Discovery Cruises combine to form the largest ferry company operating out of Auckland, New Zealand's largest transport market.

Fullers provides commuter services and tourism experiences, carrying over 5 million passengers per annum on Auckland Harbour and the Hauraki Gulf. Founded in 1981 by George Hudson and his son Doug, who remains with the business as CEO today, Fullers currently operates a fleet of 19 vessels.

Fullers' experience products serve the most iconic tourist locations in the North Island of New Zealand, including Coromandel, Rangitoto Island and Waiheke Island. The business also operates Waiheke Bus Company, providing scheduled urban, charter and tourist bus services on the island.

Fullers is investing in a fleet modernisation programme to support future growth plans with two new 34 metre, 400 passenger capacity catamarans due to enter service at the start of 2017.

www.fullers.co.nz



“

Having worked with Souter Investments since 2007, we know that they will provide whatever support they can to make an investment a success. Importantly, they have backed us to manage our businesses locally in New Zealand, whilst at the same time being willing and able to take a hands-on approach when required. Their decision making has been quick, clear and straightforward, and they have backed us with capital and management resource as we have grown both organically and through multiple acquisitions.

Bill Rae, CEO, InMotion Group

”

Howick & Eastern Buses

Overview

| | |
|------------------|-------------------------------|
| Vintage: | September 2008 |
| Sector: | Transport |
| Location: | Auckland, New Zealand |
| Type: | Acquisition |
| Souter Role: | Lead Investor, Majority Stake |
| Souter Director: | No |
| Status: | Current |

Commentary

Howick & Eastern Buses is an urban, commuter, school and charter bus operator based in East Auckland, New Zealand. Part of Souter Investment's InMotion Group, Howick & Eastern operates a modern and high quality fleet of over 170 buses serving over 6 million passengers per annum.

The company was acquired from the Dalbeth family in 2008, and the family connection at Howick and Eastern has remained strong with Bill Dalbeth remaining in position as CEO until recently, when he transitioned to holding multiple board roles across the wider InMotion Group.

Since acquisition, Howick and Eastern has grown significantly as the company benefited from investment in modernising and growing its fleet and services, including introducing double deck buses on key, high frequency commuter corridors.

Located in the fastest growing suburbs and conurbations in Auckland, Howick and Eastern is well placed to capitalise on its strategic position and grow its business further.

www.howbus.co.nz



IDO

Overview

| | |
|------------------|---------------|
| Vintage: | June 2011 |
| Sector: | Transport |
| Location: | Turkey |
| Type: | Privatisation |
| Souter Role: | Co-lead |
| Souter Director: | Yes |
| Status: | Current |

Commentary

Istanbul Deniz Otobusleri ("IDO") is a ferry company that provides public transport to the people of Istanbul and the wider region surrounding the Sea of Marmara. IDO is one of the largest passenger ferry operators in the world, carrying over 48 million passengers and 10 million vehicles each year, whilst operating over 50 passenger and vehicle ferries.

IDO was purchased from the Istanbul Municipality, one of the few major privatisations to occur in Turkey in recent years. Souter Investments led a syndicate of UK investors that controls 30% of the equity in IDO. The remaining 70% is owned by our three Turkish partners.

www.ido.com



Reesby's Rotorua

Overview

| | |
|------------------|-------------------------------|
| Vintage: | June 2015 |
| Sector: | Transport |
| Location: | Rotorua, New Zealand |
| Type: | Acquisition |
| Souter Role: | Lead Investor, Majority Stake |
| Souter Director: | No |
| Status: | Current |

Commentary

Reesby's is the latest addition to the InMotion Group and the Group's first acquisition in the "regional" market in New Zealand.

A complementary acquisition for Howick and Eastern, Reesby's operates urban bus services in Rotorua, as well as various tourism and charter coach services.

Reesby's has a fleet of around 35 buses and coaches.

www.reesbybuses.nz



Mana Coach Services

Overview

| | |
|------------------|-------------------------------|
| Vintage: | December 2007 |
| Sector: | Transport |
| Location: | Wellington, New Zealand |
| Type: | Acquisition |
| Souter Role: | Lead Investor, Majority Stake |
| Souter Director: | No |
| Status: | Current |

Commentary

Mana Coach Services is the second largest urban, commuter, school and charter bus operator in Wellington, New Zealand's capital and second largest public transport market.

The longest standing investment in Souter Investment's InMotion Group, Mana Coach operates a fleet of around 100 buses, carrying over 4 million passengers per annum. The business serves the Newlands, Porirua, Kapiti Coast and CBD areas of Wellington from three depots.

www.manacoach.co.nz



ManaBus.com & nakedbus.com

Overview

| | |
|------------------|-------------------------------|
| Vintage: | June 2015 |
| Sector: | Transport |
| Location: | Auckland, New Zealand (HQ) |
| Type: | Start-up, Acquisition |
| Souter Role: | Lead Investor, Majority Stake |
| Souter Director: | No |
| Status: | Current |



Commentary

ManaBus.com is an internet based intercity express coach operator offering great value travel to 128 destinations across New Zealand.

Souter Investments launched ManaBus.com as a start-up in October 2014 with state of the art double deck coaches incorporating leather seats, free Wi-Fi, power charging points, air conditioning and an on-board toilet. ManaBus.com is a pioneer of low cost travel in New Zealand, utilising its dynamic pricing model to offer tickets from NZD \$1.

In April 2015, ManaBus.com acquired the business and assets of nakedbus.com, another low cost bus operator which has a complementary tourist offering and cross selling network of sightseeing packages and hotels. Following the integration of the back offices, InMotion Group has initiated a programme of fleet renewal with a number of new market leading double deck coaches replacing older and less reliable vehicles.

www.manabus.com

www.nakedbus.com



PolskiBus.com

Overview

| | |
|------------------|-------------------------------|
| Vintage: | June 2011 |
| Sector: | Transport |
| Location: | Warsaw, Poland |
| Type: | Start-up |
| Souter Role: | Lead Investor, Majority Stake |
| Souter Director: | Yes |
| Status: | Current |



Commentary

PolskiBus.com is an internet based intercity express coach operator headquartered in Warsaw, Poland offering great value travel across Poland and Central and Eastern Europe.

PolskiBus.com launched commercially in June 2011 with 18 vehicles connecting the main Polish cities and international capitals such as Berlin, Prague, Bratislava and Vienna. On launch, PolskiBus.com's online sales model and dynamic pricing strategy, combined with its fleet of branded, high capacity and premium quality coaches, offering amenities such as free Wi-Fi, electric charging points, air conditioning, toilets and leather seats were transformational in the market.

Since its launch, PolskiBus.com has become a national brand, growing rapidly to offer the only comprehensive national network of express services and extending its international reach to add additional destinations, such as Budapest.

PolskiBus.com's customer service is of an extremely high standard, with more than 98% of customers reporting that they were "satisfied" or "very satisfied" with the company's services.

To date, PolskiBus.com has served more than 18 million customers generating large volumes of new intercity travel movements. In a recent survey, over 20% of PolskiBus.com's passengers stated that they would not have made their journey had PolskiBus.com not existed.

Today PolskiBus.com carries more than 5 million passengers per annum and serves over 55 Polish towns and cities and 34 international locations.

www.PolskiBus.com



“

Our European group of transport businesses are high growth, dynamic companies operating in rapidly developing markets. Since Sir Brian had the idea of launching PolskiBus.com in 2011, Souter Investments have been committed and supportive partners, driving us to develop our businesses at pace whilst understanding that growth and innovation take time and don't always track in a straight line. Their experience, vision and operational knowledge has been critical in helping us to develop businesses that are market leading brands and enjoy high levels of customer satisfaction and trust.

Barry Pybis, CEO

”

OnniBus.com

Overview

| | |
|------------------|-------------------------------|
| Vintage: | April 2014 |
| Sector: | Transport |
| Location: | Tampere, Finland |
| Type: | Growth Capital, Money Out |
| Souter Role: | Lead Investor, Majority Stake |
| Souter Director: | Yes |
| Status: | Current |



Commentary

OnniBus.com is a market leading intercity coach operator offering fast, friendly and reliable travel across Finland.

The company was launched as a start-up in 2012 by four Finnish entrepreneurs who had identified an opportunity as the market deregulated and modelled the business on PolskiBus.com. Souter Investments completed a deal to provide growth capital to the company in April 2014, taking a majority stake.

Souter Investments' financial and management support provided guidance and strategic assistance, as well as hands on involvement at all levels, to relaunch a rebranded OnniBus.com on a national scale in June 2014, using a fleet of 15 brand new, luxury double deck intercity coaches. Behind the scenes, Souter Investments also worked with management to professionalise the business and invest in systems, processes and people, including a major new ecommerce platform.

In the first two years since investment, the business has grown by a factor of more than 10, expanding to become a truly national presence and brand, and growing from only 4 employees to more than 230, operating more than 70 coaches serving over 130 destinations.

In 2015 OnniBus.com, was ranked first in a survey of companies providing the best customer experience in Finland. In 2016 OnniBus.com was ranked number one for customer communication in Finland and as the fourth most trusted organisation in Finland behind the Red Cross, Save the Children and UNICEF.

In addition to its fast growing core intercity express services, OnniBus.com is also becoming an online marketplace for other operators' tickets via its highly popular online portal www.onnibus.com, as well as moving into other transport markets such as high frequency commuter services in and around Helsinki. Since launch OnniBus.com has carried more than 5 million passengers.

www.onnibus.com



“

OnniBus.com was created to disrupt the public transport market in Finland, offering customer focussed, great value travel that was convenient to book and use. Souter Investments really understand our business model and proposition. They provide the support of a strong balance sheet and access to substantial funds for growth, but more importantly bring Sir Brian and the wider team's invaluable experience, knowledge and expertise in building successful high growth, express, intercity coach businesses.

Lauri Helke, Co-founder and CEO

”

REALISED INVESTMENTS

Argent Energy

Overview

| | |
|------------------|-------------------------------|
| Vintage: | August 2009 |
| Exit: | July 2013 |
| Sector: | Oil & Gas |
| Location: | Motherwell |
| Type: | MBO |
| Souter Role: | Lead Investor, Majority Stake |
| Souter Director: | Yes |
| Status: | Realised |

Commentary

Argent Energy specialises in producing clean, green, road fuel (Biodiesel) from the by-products of other industries, such as tallow, waste derived from the sewers and used cooking oil. Argent Energy pioneered large scale commercial biodiesel production in the UK when it started production at its state of the art plant near Motherwell and now delivers up to 50 million litres (45,000 tonnes) of high quality biodiesel a year.

Souter Investments backed the management buy-out of Argent Energy in 2009, led by the Chairman, Andy Hunter, CEO, Jim Walker and FD, Jim Boyd. In the next four years Argent Energy successfully grew the business, expanding its production facilities in Motherwell, diversifying feedstock suppliers and products, and further developing its ability to process difficult raw materials.

The business was successfully sold to John Swire & Sons in July 2013, with Souter Investments achieving a full exit.

www.argentenergy.com



CJ Fallon

Overview

| | |
|------------------|-----------------------------|
| Vintage: | July 2013 |
| Exit: | March 2015 |
| Sector: | Publishing |
| Location: | Republic of Ireland |
| Type: | MBO |
| Souter Role: | Co-investor, Minority Stake |
| Souter Director: | Yes |
| Status: | Realised |

Commentary

CJ Fallon is a leading provider of educational content in both print and digital formats to primary and secondary schools throughout the Republic of Ireland.

Founded in 1927, the Company has a strong reputation for high quality content with over 900 titles across 20 different subject areas, as well as proprietary Maths and English benchmarking assessments. CJ Fallon's reputation for quality content is driven by an experienced editorial staff and longstanding relationships with leading authors across various subject areas.

Souter Investments formed part of a syndicate, led by Lonsdale Capital, that backed the management buy-out of the business in July 2013.

In March 2015, a US private equity group acquired the business, with Souter Investments achieving a full exit.

www.cjfallon.ie



EFC Group

Overview

| | |
|------------------|-----------------------------|
| Vintage: | December 2009 |
| Exit: | December 2014 |
| Sector: | Oil & Gas Services |
| Location: | Aberdeen |
| Type: | Buy-in Management Buy-out |
| Souter Role: | Co-investor, Minority Stake |
| Souter Director: | No |
| Status: | Realised |

Commentary

EFC is a niche market leader providing monitoring systems and instrumentation to the oil and gas sector. Headquartered in Aberdeen, its specialist designed and engineered solutions are used globally by a range of blue-chip clients.

A co-investment with Maven Capital in 2009, EFC accelerated its growth by targeting new international markets, extending the product offering and growing the customer base. During this time, the business moved to new headquarters, strengthened its management team, developed innovative new products and significantly improved both its systems and processes. These enhancements saw EFC's turnover more than double and employee numbers grow from 15 to 50.

Souter Investments realised its investment via a secondary buyout to a consortium of investors.

www.efcgroup.net



EMCAS

Overview

| | |
|------------------|-------------------------------|
| Vintage: | January 2011 |
| Exit: | July 2016 |
| Sector: | Business Services |
| Location: | Exeter |
| Type: | MBO |
| Souter Role: | Co-investment, Minority Stake |
| Souter Director: | Yes |
| Status: | Realised |

Commentary

EMCAS is a claims management company that specialises in helping consumers claim compensation if they have been mis-sold financial products such as payment protection insurance and pension investments.

Based in Exeter, EMCAS helps its clients through the process of seeking financial compensation and aims to ensure they receive the best possible outcome. To date the business has helped over half a million clients reclaim over £515m of compensation.

Souter Investments formed part of a Lonsdale Capital syndicate that backed the MBO of the business in January 2011.

In July 2016, EMCAS was sold through a secondary MBO facilitating a full exit for Souter Investments.

www.emcasclaims.co.uk



esure

Overview

| | |
|------------------|-----------------------------|
| Vintage: | February 2010 |
| Exit: | March 2013 |
| Sector: | Financial Services |
| Location: | Reigate |
| Type: | MBO |
| Souter Role: | Co-investor, Minority Stake |
| Souter Director: | No |
| Status: | Realised |

Commentary

One of the UK's leading providers of motor and home insurance products through the esure and Sheilas' Wheels brands, and also owns the price comparison website Gocompare. The company was established in 2000 by Peter Wood, founder of Direct Line, in a joint venture with Halifax plc.

In February 2010, Souter Investments, as part of a group led by Penta Capital, backed Peter Wood and his team to complete the MBO of esure from Lloyds Banking Group plc.

In March 2013, esure Group PLC successfully listed on the London Stock Exchange at a value of £1.2bn becoming a member of the UK FTSE 250 index.

www.esure.com



Sunseeker

Overview

| | |
|------------------|-----------------------------|
| Vintage: | June 2010 |
| Exit: | August 2013 |
| Sector: | Manufacturing |
| Location: | Poole |
| Type: | Buy-in Management Buy-out |
| Souter Role: | Co-investor, Minority Stake |
| Souter Director: | Yes |
| Status: | Realised |

Commentary

Sunseeker is a British luxury motor yacht manufacturer with a truly global brand that has become synonymous with quality and innovation.

With shipyard facilities in Poole and Weymouth, Sunseeker builds yachts ranging from 40ft (12.1m) to 155ft (47m), which are then sold in 45 countries across 5 continents.

Souter Investments was the largest investor in the FL Partners' syndicate created to acquire a majority stake in Sunseeker. Having held the investment for three years, the Chinese conglomerate, Dalian Wanda Group acquired Sunseeker in August 2013, with Souter Investments achieving a full exit.

www.sunseeker.com



Wireless Infrastructure Group

Overview

| | |
|------------------|-----------------------------|
| Vintage: | April 2008 |
| Exit: | December 2012 |
| Sector: | Telecoms |
| Location: | Bellshill |
| Type: | Money Out |
| Souter Role: | Co-investor, Minority Stake |
| Souter Director: | No |
| Status: | Realised |

Commentary

Wireless Infrastructure Group ("WIG") is a telecoms infrastructure company involved in the ownership and management of mobile cell sites in the UK and Europe.

Souter Investments acquired its investment from Penta Capital which led the original deal in 2001.

In December 2012, the company was sold to a US private equity house, with Souter Investments achieving a full exit.

www.wirelessinfrastructure.co.uk



Edinburgh

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