

inside out



Mobeus IV is now fully invested and we are starting to deploy Mobeus V which had its first close last year

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Welcome

It has been another busy year at Mobeus. We sold our Venture Capital Trust business to focus on growing our institutional buyout business. At the beginning of this year we completed the Mobeus IV investment programme and transitioned our new investment activities to Mobeus V which had its first close last year. We are currently working on the first two investments for Fund V which we hope to complete this quarter.

2021 Highlights

3 new investments
totalling £38 million



3 realisations
averaging 5x MM

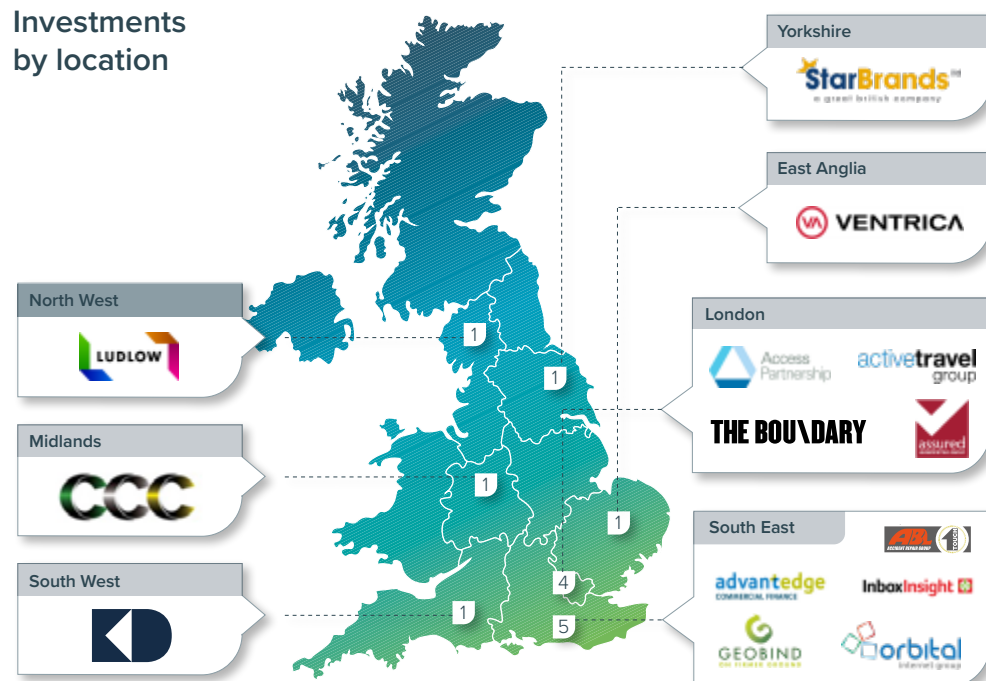


1st close of Fund V at
2/3 of £175 million target

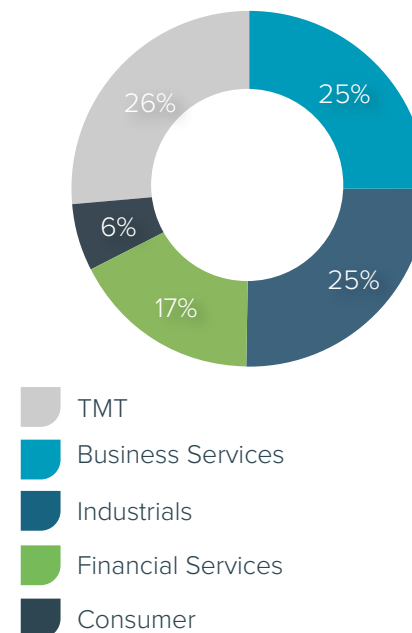


Fund IV completes investment programme

Investments by location



Investments by sector



£147 million
invested in
14 assets

7 Control
7 Minority

9 MBOs
5 Equity release

2 Fully realised

Transactions

Click pod
to jump
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Investment

Inbox Insight
December 2021

InboxInsight 

Investment

Orbital
June 2021

 **orbital**
internet group

Investment

The Boundary
May 2021

THE BOUNDARY

Realisation

Red Paddle
November 2021

red paddleCO 

Realisation

Ludlow
September 2021

 **LUDLOW**

Realisation

Virgin Wines
March 2021

 **Virgin**
wines

Inbox Insight

The B2B demand generation agency

InboxInsight 

Sector
TMT

Deal type
MBO

Size of investment
£18.1 million

"The demand generation market continues to grow at pace. With the support of Mobeus we will have the ability to further expand our presence and drive our business forwards through further investment in automation, technology, data science and audience analytics, which are all critical to delivering high quality demand services to B2B customers."

Jamie Hendrie,
Inbox Insight CEO



The Business

Inbox Insight is a technology-focused provider of content syndication and lead generation services. Using a combination of research, content, AI and data science capabilities, Inbox identifies corporate buyers with a verified interest in its client's service or product.

From its offices in the UK, US and South Africa, the business serves a high-quality client base, representing some of the largest technology and professional services businesses in the world.

The Deal

Mobeus supported the MBO of the business through a £18.1m investment allowing the founding shareholders to exit the business and the incumbent management

team to realise some proceeds and increase their equity stakes. As part of the transaction, Mobeus introduced Richard Atkins, an experienced Non-Executive Chairman, to bring expertise in digital transformation and international expansion.

The Plan

Inbox Insight will continue to invest in its technology platform, as well as continue to refine its data science and analytics capabilities. The business has grown rapidly to date achieving a 20% CAGR over the past five years. Further investment in technology and data analytics will enable the business to continue to grow at pace, delivering greater volumes of larger campaigns.

December 2021

The team behind the deal



Investment lead
Chris Price



Investment team
Dominic Draysey



On the board
Justin Maltz

Orbital

An independent Internet Services Provider



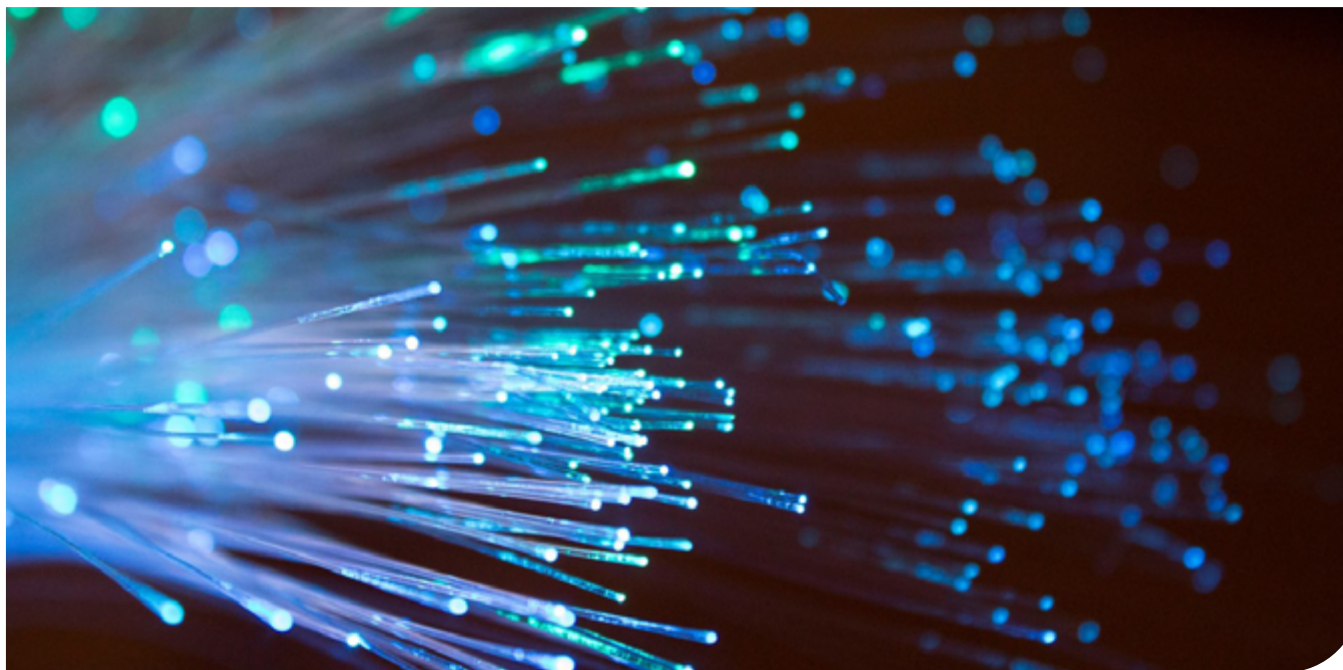
Sector
TMT

Deal type
Equity
Release

Size of investment
£11.3 million

"The insatiable demand for data isn't going anywhere and we have a significant opportunity to leverage our established position in Kent. With this new funding and Mobeus's partnership behind us, we can achieve this with pace and agility."

Darren Brown,
Orbital CEO



The Business

Orbital Internet Group is an independent Service Provider providing wireless, fibre and leased line connectivity, voice services and internet managed services under its Orbital Net (B2B) and Vfast (B2C) brands. The business has built considerable fixed line and wireless telecommunications infrastructure in Kent over 20 years, and receives consistently high customer service ratings.

The Deal

In June 2021, Mobeus invested £11.25m for a minority stake in the business to back the entrepreneurial and experienced management team.

The Plan

While demand for ever faster data from both consumers and businesses is a longstanding trend, the pandemic has exacerbated the stark disparity between internet speeds in rural areas compared to cities. With significant new investment, Orbital will leverage its position as a leading ISP in Kent to roll out high-bandwidth network connectivity for underserved rural regions, as well as installing fibre infrastructure into local Business Parks, offering enhanced connectivity at lower cost.

Investment

June 2021

The team behind the deal



Investment lead
Matt Gordon-Smith



Investment team
Richard Babington



Investment team
George Chatzimanolis



On the board
Guy Blackburn

The Boundary

A pioneering architectural visualisation studio

May 2021

THE BOUNDARY

Sector
TMT

Deal type
Equity
Release

Size of investment
£8.2 million

"Mobeus really listened to what we were looking for in a partner and tailored their offer to fit our requirements. We have found a supportive investor who understands and buys into the dynamic and creative culture that has made The Boundary such a success."

**Tom Wood, The
Boundary CEO**



The Business

The Boundary's mission is to evoke emotion through imagery. Using proprietary technology and IP, The Boundary creates virtual reality experiences, short films and animations to bring plans to life for architects and property developers.

Since its founding in 2014, The Boundary has rapidly gained an international reputation as a leading ArchVis studio, working with world-renowned architects including Renzo Piano, Tadao Ando, and Foster + Partners, on some of the world's most prestigious projects, including The Waldorf Astoria Hotel redevelopment in New York.

The Deal

In May 2021, Mobeus invested £8.2m with further acquisition funding available. Mobeus introduced

Chairman Andrew McGuinness as part of the deal to support to the high-quality management team. McGuinness has a strong track record of growing creative agencies. In October 2021, Mobeus made a follow on investment to fund a strategic investment by the Boundary in VRPM, one of the UK's leading Matterport providers which has enabled it to move into VR-eCommerce.

The Plan

Supported by Mobeus, The Boundary will leverage its leading position in ArchVis services globally investing in sales and marketing, the creative team and technology; and continuing to bring VR experiences and photorealistic content to new sectors. Mobeus also plans to support significant international growth through M&A.

The team behind the deal



Investment lead
Dominic Draysey



Investment team
Chris Price



Investment team
George Chatzimanolis



On the board
Justin Maltz

Red Paddle

The world-leading inflatable Stand Up Paddleboarding (SUP) Company

November 2021



Sector
Consumer

Deal type
Secondary

Return:
32% IRR
4.9x MM



“The Mobeus VCTs have been a pleasure to work with and the perfect partners over the last few years. Thanks to the team for having the confidence to back us in the management buy-out and the ongoing belief in the brand and product.”

John Hibbard
Vian Marketing CEO
and Founder of Red
Paddle Co

The Business

Founded in 1977, Tushingham Sails is a water sports and equipment manufacturer and distributor best known for its windsurfing sails and Red Paddle Co stand-up paddle boards. Red Paddle is the world's only dedicated inflatable SUP brand, sold in 58 countries and boasting an 18% market share of inflatable boards.

The Deal

Mobeus backed the Devon-based business with a £4 million combined debt and equity package to fund further international growth. Following strong growth, Mobeus later supported the MBO of the business increasing its stake to approximately 50%.

The Plan

The stand-up paddleboard market has taken off in recent years, becoming even more popular through the pandemic with the increased focus on outdoor activities. Since the initial investment, the company has almost doubled its revenue and almost trebled its EBITDA.

The Realisation

In November 2021, the investment was sold to the Myers Family Office generating a money multiple of almost 5x and 32% IRR. This asset was held by the Mobeus VCTs which were sold to Gresham House in September 2021.

Ludlow Wealth Management

Wealth management and financial planning services

September 2021



Sector
Financial
Services

Deal type
Trade Sale

Return:
34% IRR
3.4x MM



The Business

Ludlow Wealth Management is a North West-based financial advice business that puts its clients and their financial peace of mind first. That's why it has such a strong reputation for client service and its 3,300+ clients collectively entrust Ludlow with more than £1.6 billion of assets.

The Deal

Mobeus backed the CEO in a £12 million buyout from the founder in June 2017. Providing a combined debt and equity package, Mobeus held a majority stake alongside the incumbent management team, which rolled over the majority of its value. Mobeus introduced chairman Phil Young (formerly CEO of leading compliance consultancy Threesixty), finance director Gordon Flower (from UK Wealth Management) and COO Rob Brown (from RBS) to create a board capable of continuing Ludlow's impressive growth momentum.

The Plan

During the investment term, Mobeus worked with the team to deliver a £6.5 million refinancing with Santander in December 2018 and to make four bolt-on acquisitions, which together added £325 million of AuA. As a result, the business almost doubled AuA to over £1.6 billion in under four years. With 22 advisers, Ludlow now provides personal financial advice to over 3,300 clients.

The Realisation

In 2021, Mobeus agreed to sell Ludlow to AIM-listed wealth management advisor, Mattioli Woods plc for an enterprise value of £36.1 million. Mobeus delivered strong returns of 3.4x money multiple (34% IRR) and found a partner which has continued to support Ludlow consultants and clients.

The team behind the deal



Investment lead
Chris Price



Investment team
Freddie Bacon



On the board
Justin Maltz

"The team at Mobeus could not have been more supportive, capable or focused on our shared vision for Ludlow over the last four years and I am truly grateful for their partnership. We look forward to maintaining our growth trajectory, as well as our strong culture and passion for quality advice, with our new partners at Mattioli Woods."

Ian Hemingway, Ludlow Wealth, Managing Director

Virgin Wines

One of the UK's largest direct-to-consumer online wine retailers

March 2021



Sector
Consumer

Deal type
IPO

On float
31% IRR
6.3x MM



The Business

Virgin Wines works with its network of trusted suppliers and winemaking partners from around the world to source, design, blend and sell award-winning and largely exclusive premium wines. These wines are sold through its WineBank and Wine Plan subscription schemes and on a pay-as-you-go basis. The Group also operates B2B and gift sales channels and recently expanded its product offering to include carefully curated collections of premium spirits and craft beers.

The Original Deal

Mobeus invested £8.7 million in Virgin Wines in 2013.

The IPO

Mobeus supported the Initial Public Offering of Virgin Wines on AIM. The offering was substantially oversubscribed, attracting strong interest from quality institutional investors. The Mobeus VCTs own approximately 36.1% of the issued Ordinary Shares.

"We are delighted by the strong support we have received from blue-chip institutional investors and that the Placing was significantly oversubscribed. Our Admission to AIM provides the platform to execute our ambitious growth plans, as we leverage our key strengths to continue to take market share and drive shareholder value. We are very grateful for the excellent support Mobeus has given us over the last seven years and look forward to continuing that partnership."

Jay Wright
Virgin Wines, CEO

Portfolio highlights

Click pod
to jump
to deal



Spotlight on... the Pink Stuff story

Following the investment in Star Brands in 2019, sales of **The Pink Stuff** have increased **24x** from a base revenue of **c.£1 million**. This has been enabled by carefully managed social media marketing driving organic content creation and maintaining the authenticity of the brand. In turn, this has supported range expansion, with new product development creating additional lines which fit with the core brand values. The brand's social media presence has driven international reach, becoming visible to consumers worldwide and creating a strong demand 'pull'. As a result, **export sales now account for over a third of Star Brands' revenue**, with Pink Stuff now available for sale in over 17 countries, including the United States, Australia and the EU.

The Pink Stuff Family

The Pink Stuff paste is a product built around key brand values of efficacy, scent, quirkiness, and most obviously, the strong colour identity. Careful range extension has applied these values to a wider range of products including cream cleaners, trigger sprays, laundry powders and stain removers.

The brand is kept fresh through carefully managed "specials" such as sonic scrubbers which drive social media attention and keep the brand current and exciting.



The Pink Stuff: social media

Organic social media content continues to drive the growth of the brand, with #pinkstuff content viewed over 600 million times on TikTok. Strong visual appeal drives social media interest and has made the brand a hit with millennial and Gen X demographics, which is a difficult to reach audience for FMCG home-care brands.

#pinkstuff

600m
views on TikTok

@cleanwithpinkstuff

138K
Followers on Instagram

Virtual launches on



Brand Ambassadors

- JottiesJournal (161k)
- cleanwith_kayleigh (1.6m followers)

Continuous user
generated content
from cleaning influencers
and micro accounts

#pinkwednesday
dominated by
The Pink Stuff



StarBrands™
a great british company

Active Travel Group on the road to recovery

A group of activity and adventure travel companies

Investment

Aug 2017

Background

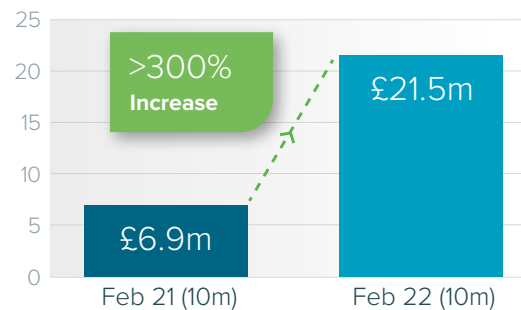
March 2022 marks two years since COVID-19 first caused the closure of European ski resorts and the start of what would be an unprecedented era for international travel. New variants, traffic light systems and quarantines have characterised an extremely challenging time for travel operators as they sought to navigate the pandemic. However, there is now a real sense of optimism that recent operational freedoms are here to stay.

The Road to Recovery

ATG's resilience throughout the pandemic has been extremely impressive – it has retained key staff, secured grants and maintained its strong reputation amongst customers. Survival was the initial priority, however the focus has already shifted to growth and value creation. Bookings are flooding in at record levels, demonstrating pent-up consumer demand for international trips. ATG's Wilderness brand is preparing to deliver its 2022 summer season which promises to be its best on record, surpassing pre-pandemic levels.

The group is also embarking on a number of key value creation initiatives - see below.

Recent Surge in Bookings



Value Creation

Product Expansion



ATG launched the 'Wilderness England' brand in Summer 2021 to grow share of the expected burgeoning post-COVID inbound market to England.

The division now has a dedicated MD and is targeting significant growth in FY23.

ESG



ATG is taking global leadership in sustainable travel with the launch of one of the world's first carbon labelling schemes across the Wilderness Scotland programme (to be extended to Ski Solutions in the near future).

ATG is committed to reaching True Net Zero by 2030.

Brand Positioning



ATG is taking a number of steps to strengthen its brand. These include an acute focus on non-paid SEO which has seen it positioned much higher on Web listings.

A focus on premiumisation of the brand is also expected to deliver a sustained margin improvement vs pre-COVID.

activetravel
group

Spotlight on... ABL 1Touch roll out

A tech-enabled automotive accident repair group



Investment

Dec 2020
£9.5m

Background

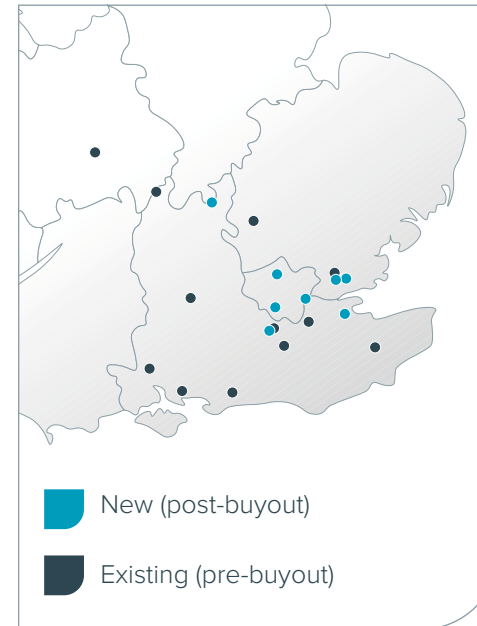
Mobeus supported the buyout of ABL 1Touch, a provider of accident damage repair services to motor vehicles, in late 2020 on a clear plan for geographical expansion. At the time, ABL ran a network of 12 sites and the management team operated an established template of rolling out 2 new sites per year. Over the first 18 months of the investment, Mobeus has worked alongside the ABL team to successfully accelerate this plan and build on the significant potential for consolidation in the sector.

Strong underlying sector demand

In the aftermath of a significant period of COVID disruption for the sector, traffic volumes have since returned to pre-pandemic levels. However, the difficulties felt by some of the less sophisticated operators in the sector have resulted in some of these closing and a shortage of capacity has emerged. Major insurers are looking for their more resilient and innovative repair partners to fill this gap and take on this extra demand and introduce new capacity.

As a result, the business is well ahead of its initial plan with 8 new site locations delivered within the first 18 months since investment (see right).

A rapidly growing site network



Pillars of geographic expansion

People



Mobeus introduced experienced non-exec Bill Duffy (ex-Nationwide Autocentres) to provide experience of developing a larger network. The business has developed a tier of regional managers as well as a major investment in training and culture to ensure that service levels match the increased footprint.

Technology



The increased pace of growth is supported by proprietary systems which are tailored to ABL's unique operating model. Mobeus has supported major ongoing investment in ABL's software, Quantum, which allows insurers to link the repair to the wider claims process, providing a more efficient customer journey.

ESG



ABL's reputation as one of the most forward-thinking repair chains has been underlined by several awards for the rollout of carbon neutral initiatives across its network. The business has also recently launched an apprenticeship scheme as a way of developing the next generation of talent for the sector.

M&A



As one of the few well-funded platforms of scale in the sector, there is potential to accelerate expansion further via acquisition. Mobeus is actively looking to develop M&A opportunities nationwide which could, if executed, supercharge the business's growth trajectory.

About us

Providing up to
£20 million



to businesses making up to
£5 million EBITDA



for MBOs and equity release
transactions



Meet the Team



Alex Walsh
Operations Manager



Ashley Broomberg
Managing Partner



Chris Price
Partner



Dominic Draysey
Investment Manager



Freddie Bacon
Investment Director



George Chatzimanolis
Investment Executive



Guy Blackburn
Partner



Issy Jackson
Origination Analyst



Jordan Kay
Investment Manager



Justin Maltz
Partner



Matt Gordon-Smith
Investment Manager



Richard Babington
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