

FSP SECURES INVESTMENT TO SUPPORT CONTINUED EXPANSION

*CBPE leads growth investment, with existing backer LDC reinvesting in partnership
FSP announces simultaneous acquisition of cyber security consultancy Savanti
Further strategic acquisitions expected to accelerate plan*

FSP, the fast-growing provider of digital transformation services, has secured additional investment from private equity investor CBPE in supporting the business' continued expansion.

LDC has reinvested alongside CBPE, having originally backed the company in 2020. Since then, FSP has more than doubled revenues and headcount by expanding its customer base and services.

The move has enabled FSP's simultaneous acquisition of leading cyber security consultancy Savanti, strengthening its capabilities in cyber services to its growing portfolio of customers. The combined business is expected to generate revenues of around £30m in the current year and employ over 250 digital transformation and cyber specialists.

Reading-based FSP provides a range of consultancy services to large companies and public sector organisations spanning digital transformation, cloud engineering, data and artificial intelligence and cyber security. Its people-centric approach has seen the business win numerous awards in recognition of its outstanding workplace culture. It is currently ranked #1 Best Mid-Sized Company to Work For in the UK by Best Companies™.

Savanti is a strategic cyber security consultancy with a team of almost 50 experts from its base in London. Their expertise spans cyber security strategy, security leadership, architecture design, identity and security risk assessments for enterprise clients.

Both companies grew revenues by c.50% in their most recent trading year.

Following the investment, FSP said it would continue to invest in its suite of services as well as making further strategic acquisitions to accelerate its scale and customer base.

Savanti's existing management team, led by CEO Richard Brinson, will become shareholders in the enlarged business, with Richard and his team taking a wider leadership role in the combined group.

CBPE's investment was led by Jolyon Latimer and Jason Khaksar. It said it was backing the combined FSP and Savanti teams to capitalise on the opportunity in the growing digital transformation and cyber security markets with growth being achieved through a combination of organic growth and strategic M&A.

Simon Grosse, CEO of FSP, said: “This marks the start of another exciting chapter in our development. LDC has supported our journey over the past two years, helping us to successfully scale while maintaining our world class culture. Now, with CBPE’s backing, we’re able to accelerate our plan to deepen and broaden our capabilities for customers, starting with the acquisition of Savanti.”

He added: “We’ve long-admired what Richard and the team are building at Savanti and we see strong synergy to extend our combined services to new and existing customers. Both organisations have a commitment to delivering excellence and innovation, underpinned with our people-first approach.”

Richard Brinson, CEO of Savanti, said: “We spent a great deal of time and consideration looking for the right partner to accelerate Savanti’s growth, and FSP stood head and shoulders above the rest in terms of culture fit, synergies and scale of opportunity. The acquisition will enable us to offer a greater breadth and depth of cyber services, improve our time to market and further develop our international presence. This is a hugely exciting time for all our colleagues and a great outcome for our clients.”

Jolyon Latimer, Partner at CBPE Capital said: “We are delighted to be backing Simon and his team in the acquisition of Savanti and delivering the next stage of the FSP journey. Both FSP and Savanti benefit from a people-centric culture and pride themselves on delivering exceptional levels of customer service. The combined group is well placed to continue to scale and enhance its service offering.”

LDC’s investment in FSP was led by Investment Director Chris Morris and Partner & Head of South, Lawrence Dean.

Lawrence Dean said: “Over the past two years, Simon and the team have built a world-class consultancy platform with deep expertise in digital transformation. With an expanded investor base, the team is now ideally placed to scale further and faster as demand for their services increases. Bringing a leading player in cyber security consultancy like Savanti into the group is just the start and we’re excited to continue supporting the business during this next phase.”

CBPE was advised by PwC (CF and Tax), Addleshaw Goddard (Legal); KPMG (Financial), Armstrong (Commercial) and Gallaghers (Insurance).

LDC was advised by Alantra (CF) and Gateley (Legal); PWC (Financial) and Altman Solon (Commercial).

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About LDC www.ldc.co.uk/pressrelease

1. LDC is the private equity arm of Lloyds Banking Group and is authorised and regulated by the Financial Conduct Authority.
2. LDC has committed to invest in at least 100 mid-market businesses over the next five years.
3. LDC has a portfolio of 90 businesses across the UK, across a broad range of sectors including Construction & Property, Financial Services, Healthcare, Industrials, Retail & Consumer, TMT, Travel & Leisure and Support Services.
4. LDC has a nationwide network of regional offices to provide a local presence to the businesses and communities it supports.

About CBPE Capital:

CBPE Capital is a leading UK private equity firm which pursues a disciplined and consistent investment strategy, targeting buy-outs and development capital investments in UK-headquartered businesses with enterprise values up to £150 million. Since 2000, CBPE has made 60 such investments across five funds.

This investment represents the sixth investment in CBPE Capital Fund X, which closed at the hard cap of £561m in November 2020.

For further information visit www.cbpecapital.com