

Cairngorm Capital acquires Thornbridge to support continued growth

London and Edinburgh, 7 November 2017: Cairngorm Capital Partners LLP (Cairngorm Capital) is pleased to announce that it has acquired **Thornbridge Sawmills Limited (Thornbridge)**, a leading Scottish timber processing and distribution company.

Thornbridge sources certified timber and sheet materials from sustainable producers both domestically and overseas. It has a combined sawmill and distribution hub in Grangemouth, as well as eight regional branch outlets across Scotland serving builders, joiners and construction companies. Thornbridge has revenues of £35 million and employs 159 staff, many of them very long-serving.

This is Cairngorm Capital's ninth proprietary transaction since July 2016 and is the first investment for its second fund **Cairngorm Capital II**, which closed in April 2017. It is the firm's second major investment in Scotland, following its acquisition of Stevenswood Group in November 2016. This reflects Cairngorm Capital's heritage, its ongoing commitment to the region and its contribution to the growth of the local business sector, all of which have established it as a leading investor in Scotland.

Thornbridge is representative of Cairngorm Capital's strategy of investing in well-performing UK companies and supporting ambitious management teams in their drive for transformation. To support the existing management team, Jim Faulds and John Declerck will join Thornbridge's board as Chairman and non-executive director respectively, contributing considerable expertise in the buildings materials sector. Jim brings significant strategic expertise, having served in a non-executive capacity on the boards of more than a dozen firms backed by leading private equity firms since he sold the marketing service agency he founded, The Faulds Group, in 2001. John, chief executive of Stevenswood, has over 20 years global executive experience in senior management roles at leading building products distribution companies including Kingfisher and Home Depot.

Bruce Muirhead, Managing Director of Thornbridge, said *"Our reputation for consistently providing the best products available, with outstanding customer service, has made Thornbridge a leader in the Scottish market. Our partnership with Cairngorm Capital enables us to support continued growth and heralds a new phase in our development. Together, we will pursue new opportunities for innovation and growth, to the benefit of our customers and employees."*

This transaction was led by **Neil McGill, Investment Director and head of Cairngorm Capital's Edinburgh office**, who said, *"As investors we are actively engaged in the strategy and operational development of our portfolio companies. Thornbridge is an excellent example of the sort of business in which we like to invest – it is a terrific company, processing and supplying an exceptionally wide range of high-quality timber and associated products, with a skilled and committed workforce offering outstanding customer service. We are delighted to help Thornbridge in its next stage of growth and will be investing additional funds to scale this business rapidly."*

Thornbridge and Cairngorm Capital were advised on this transaction by BDO (financial and tax), Addleshaw Goddard (legal), CIL (commercial) and JLT (insurance). Thornbridge shareholders were advised by Grant Thornton (financial) and Wright Johnston & MacKenzie (legal). PNC Business Credit and Clydesdale Bank provided bank facilities to support this transaction.

For further information, please contact Katherine Ritchie on 020 8347 6183 or 07941 040021

Notes for editors

Cairngorm Capital Partners LLP is a specialist private investment firm providing equity capital and management expertise to leading UK companies. It invests in well-performing, private mid-market growth companies in manufacturing, distribution and services industries. The firm's goal is to build and realise value through growth and performance improvements. Cairngorm Capital's unique mix of sectoral expertise and investment skill enables it to be actively involved in the strategy and operational focus of portfolio companies, partnering with management teams to grow revenue, enhance margins, improve cash flow or consolidate industry leadership positions.

www.cairngormcapital.com

Thornbridge Sawmills Limited – Established in 1992, Thornbridge is a direct importer of timber and sheet materials. It has a combined sawmill and distribution hub in Grangemouth, as well as eight regional branch outlets across Scotland. Together they serve a diverse range of customers including local builders, joiners, construction companies, DIY enthusiasts, regional housebuilders and public works contractors. Its substantial warehousing, processing, manufacturing and distribution capabilities enable the business to respond rapidly with a comprehensive and customisable range of timber materials and products. In 2017, Thornbridge employed 159 staff across its operation.

www.thornbridgesawmills.co.uk