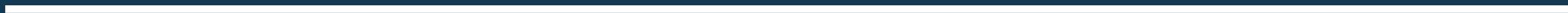




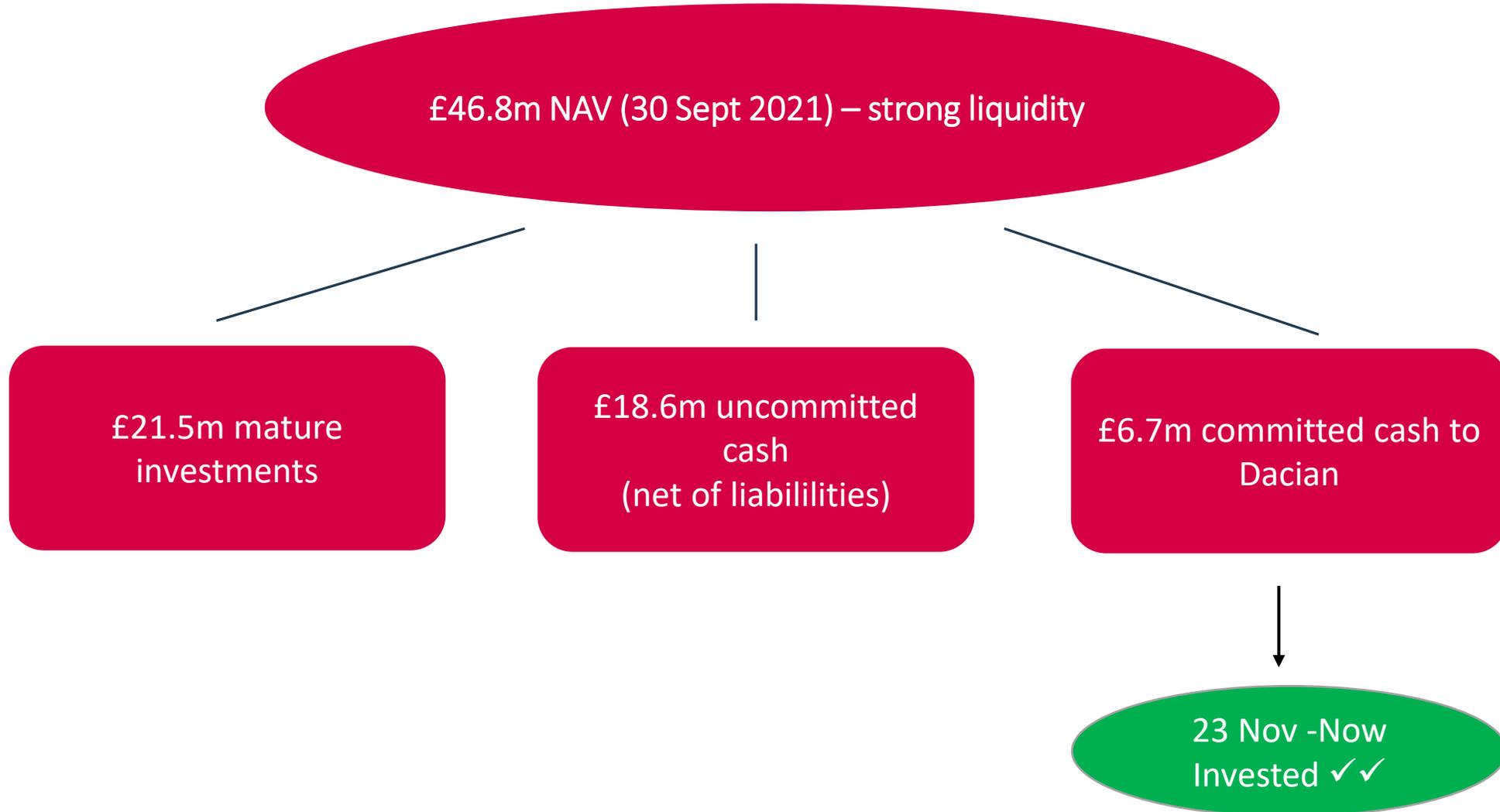
Update Q4 2021



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Overview



Mature investments

- £21.5m NAV – mature assets remaining in a portfolio assembled pre-2012
- Four principal assets comprise 78% - Medhost, Brockton, Opus, Weber
- Three levels of involvement
 - Control; Information + influence; Information
- Constructive engagement
 - Supporting our partners and third-party managers to optimize exit value
 - Investing where the business case supports the returns
 - Seeking to use LMS' "leverage" where appropriate to create change

Directly held unquoted investments

<p>Medhost</p> 	<p>REGION: US YEAR: 2008 NAV: £5.5m</p> <p>8.5% equity holding; co-invest with Primus Capital</p>	<p>Medhost is a healthcare information technology group that provides cloud-based enterprise, departmental and healthcare engagement solutions to over 1,000 community and specialty hospitals in the US. Its products include cloud-based clinical, financial and operational solutions as well as maintenance, support and consulting services.</p>	<ul style="list-style-type: none"> • US fund manager Primus is lead investor. • Hold to exit
<p>Elatel</p> 	<p>REGION: UK YEAR: 2000 NAV: £0.8m</p> <p>62% of economics through debt/equity structure</p>	<p>Elatel operates in the digital marketing sector and has developed cloud-based software which allows corporate marketing materials to be distributed to local marketing teams and for content to be tailored while protecting brand identity. Elateral has a high concentration of global clients operating multiple brands and requiring the capability to generate collateral, both print and digital, in diverse territories/languages/cultures.</p>	<ul style="list-style-type: none"> • Recent buyout of co investor and introduction of new operating partner who has invested in the business. • “Re launch” and grow

Note: All amounts based on unaudited 30 September 2021 NAV

Fund and other investments

<p>Brockton</p> 	<p>REGION: UK YEAR: 2008 NAV: £5.2m</p> <p>LMS holding c. 16% of Fund</p>	<p>Brockton is a UK real estate fund with one remaining investment in a “Super Prime” London residential development. The Company’s investment represents its share of preferred debt investments via the Brockton fund.</p>	<ul style="list-style-type: none"> • Hold
<p>Opus</p> 	<p>REGION: UK YEAR: 2008 NAV: £4.0m</p> <p>LMS holding c.3.2% of Fund</p>	<p>Opus is a US fund that invests in early-stage technology opportunities with two principal assets remaining.</p>	<ul style="list-style-type: none"> • 90% of NAV in 2 mature investments • Fund GP seeking appropriate exit • Hold to maturity
<p>Weber Capital Partners</p> 	<p>REGION: US YEAR: 2008 NAV: £2.2m</p> <p>LMS is the sole LP in this fund</p>	<p>Weber Capital GW 2001 is a fund that invests in listed US microcap stocks, primarily in the technology and medical sectors.</p>	<ul style="list-style-type: none"> • Longstanding relationship with GP who has delivered excellent returns • Relatively liquid position, but intend to hold medium term
<p>ICU Group (managed by SFEP)</p> 	<p>REGION: US YEAR: 2010 NAV: £1.7m</p> <p>48% of economics through equity/debt structure</p>	<p>ICU Eyewear (‘ICU’), a co-investment managed by San Francisco Equity partners, is primarily a designer and distributor of reading glasses and sunglasses. In 2020 ICU established a new product line, ICU Health, to distribute personal protective equipment. ICU Health made a significant contribution to ICU’s financial and cash flow performance during 2020.</p>	<ul style="list-style-type: none"> • c.50% holding; co-investment with SFEP • “Windfall” gain in 2020 • Options for the business under review
<p>Other Assets</p>	<p>REGION: UK/Europe NAV: £2.1m</p>	<p>IDE (UK Listed) £0.3m Eden (UK fund) £0.5m EMAC (Europe land) £0.8m Simmons (UK Energy) £0.4m Other £0.1m</p>	

Note: All amounts based on unaudited 30 September 2021 NAV

Our approach to investing



Invest in opportunities in three broad areas where we have demonstrable knowledge and success over 40+ years investing

- Real estate
- Energy
- Other opportunities, typically late stage



Investing in outstanding management teams

- Experience and standing in their sector;
- The ability to access and execute exceptional opportunities and to deliver attractive risk adjusted returns;



“Hard to Access” assets

- Typically at the smaller end of their sectors, less competitive and allowing more attractive entry pricing;
- Assets requiring a level of management that larger funds and financial investors are unable to support;



Co-investment

- LMS has always had a philosophy of bringing co-investors alongside;
- The company will build a network of co-investing partners investing in deals alongside it - this has already begun;
- For LMS, this creates greater diversification, influence over a larger pool of capital than just its own balance sheet and cost efficiencies;
- For Co-investors it offers access to our deal flow

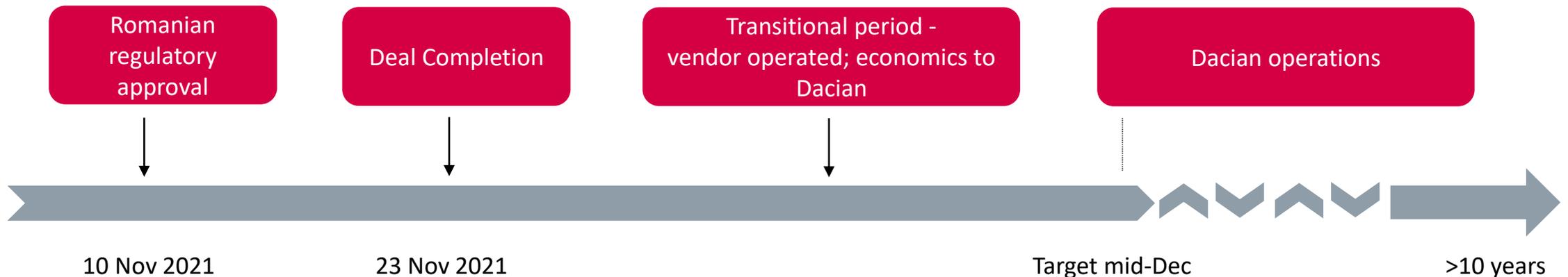
Dacian – investment

- Investment by LMS
 - \$9.1m senior loan notes
 - “Pinhead” equity in Dacian Petroleum 32%
- Part of an overall \$14.2m investment comprising LMS and LMS Co investors (inc. LMS Directors) led by LMS
- Acquisition Finance \$6m - Raised by Dacian in addition to investor group capital

	Acqu'n finance	Loan notes	Equity
Acquisition finance	\$6.0m	-	-
LMS		\$9.1m	32%
Co-investors (Inc. LMS Directors)		\$5.1m	18%
Management			50%

Dacian – operating business

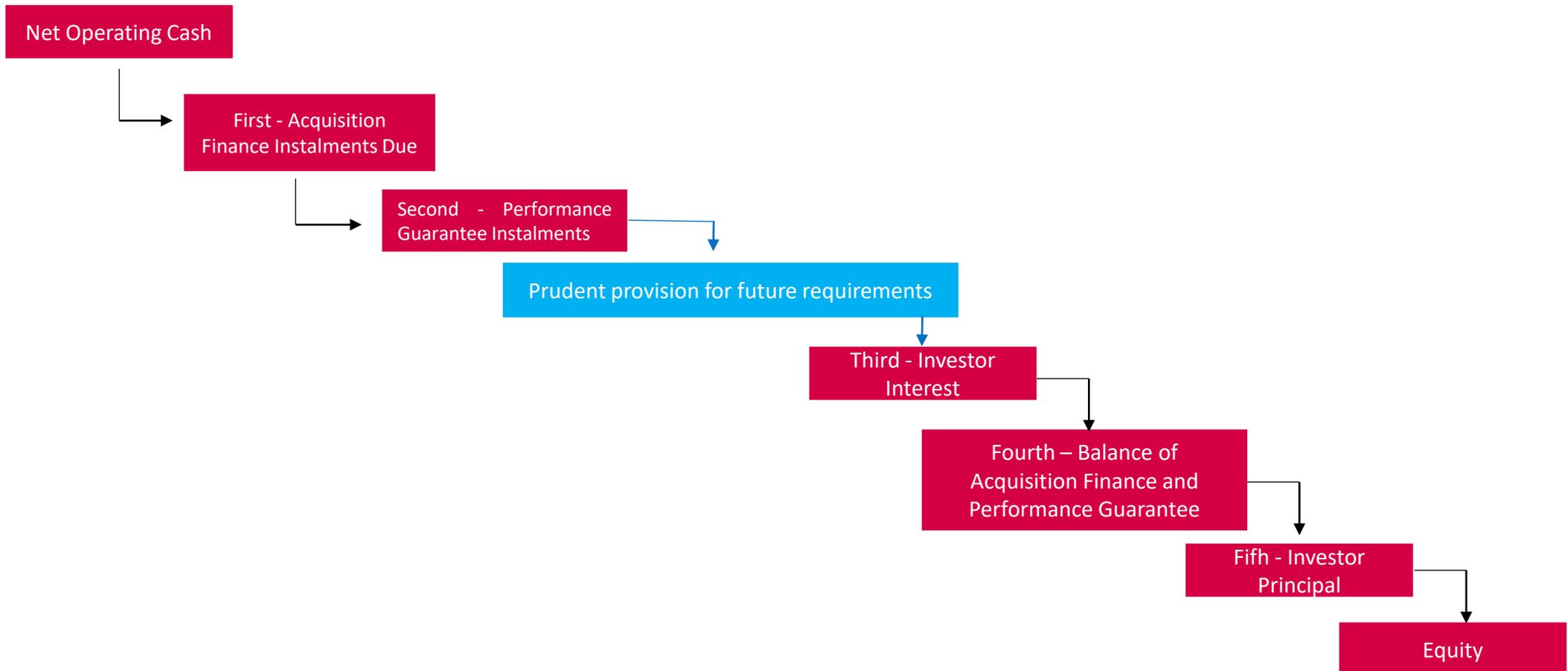
- Romanian oil and gas production company focused on mature production assets (“Sunset” assets)
- Its first acquisition is a business comprising
 - 40 onshore oil fields in Romania
 - c.90 active wells
 - Production at the time of acquisition c.1050 barrels of oil equivalent per day (boepd) of which 40% oil and 60% gas
 - c.190 staff will transfer with the business
- Business plan will focus on
 - Workover and drilling to raise production – financed from operations
 - Expansion opportunities – land use, gas, solar - sharing risk with new capital
 - Further acquisition opportunities



Dacian - returns

"We expect the investment to meet or exceed our long-term criteria for returns of 12-15% p.a. net of all costs"

Overview - Dacian application of Operating Cash Flows



Dacian - Summary

- Our first major new investment in one of our chosen themes
- Attractive returns profile from:
 - Entry pricing
 - Positive Day 1 operating cash
 - Operational enhancement potential
- Demonstrates the attributes we look for in all our new deals
 - Businesses we understand
 - Working with experienced teams we know well
 - “hard to access” assets that offer attractive returns
 - Cornerstone investment, with the potential to grow
 - The opportunity to bring co-investors alongside

Real Estate

- The LMS team has a long and successful track record having both operated or provided the seed capital for a number of real estate businesses
- Since its return to self management LMS has worked with two real estate teams with complementary skills:
 - “Value Add” investment - property investment management skill set, applied to carefully selected (typically regional city centre, small/medium lot sizes) income producing assets to reposition/improve quality of income and optimise development value of asset prior to realisation;
 - Cavera - strategic property development skill set, working with partners to optimise site value through planning and delivery on a de risked basis
- In both cases
 - Teams with a successful track record
 - Well known to LMS
 - Proven ability to find deals and deliver excellent returns
 - Neither team has legacy positions to protect – free to take advantage of current market opportunities

We remain cautious and highly selective – seeking long term real estate opportunities rather than “quick turns”

Other Private Equity

- Opportunities which offer attractive upside potential but with some downside protection
- Defining ourselves by the characteristics of the businesses we want to invest in, rather than sector specific
- Our key attributes
 - Businesses we understand operating in established sectors
 - Typically, exploiting a new business model or new way of applying technology to solve a problem
 - Positioned to take market share, expand into adjacent markets or transform returns from an existing business
 - Management - teams with proven success in building and exiting businesses and where LMS will have board or high level influence
 - Target returns 20%+, some downside protection
- What this looks like
 - Established businesses rather than start ups
 - Exploiting opportunities to take market share in existing or adjacent markets
 - Typically £50m EV but larger deals with expanded LMS Co-invest



LMS Co-Invest Co

- Wholly owned FCA authorized subsidiary
- Introduces and arranges participation by co-investors, alongside LMS, in its investment opportunities
- Builds on LMS history of investing with partners
- For LMS
 - Diversification
 - “Punch above weight”
 - Participates in larger deals
 - Spreads costs across wider capital base
- For Co-Investors
 - Access to LMS deal flow and diligence
 - Excellent risk adjusted returns from opportunities too complex for many individual HNW/Family office investors
- Potentially up to 2x LMS own balance sheet capital

Our Team

Board & Investment Committee

Robbie Rayne
Nick Friedlos
James Wilson
Peter Harvey
Graham Stedman

Advisory Groups

Core Team

Nick Friedlos
Doug Mills
Aimee Fraser
Chris Garrod



Real Estate

Chris Dancer
Steven Dykes
Ben Young
Tim Willis



Energy

Bernard Duroc-Danner
Thomas Bruni



Private Equity

Richard Fidler
Tim Willis
Josh Lamstein



LMS Co-Invest

Tim Willis

In summary

2020 - Foundations

- Preserving assets and liquidity in the face of the Coronavirus pandemic
- Ensuring we had the resources and systems to operate successfully as a self-managed investment business
- Building our pipeline of investment opportunities

2021 – Building in energy and real estate

- Dacian delay has slowed us this year – but now it's done!
- Creating long term real estate opportunities

2022 - Focus

- Build on our energy platform
- Deliver on real estate activities
- Expand our co-invest program
- Bring new investors on board