

Trusted with

**Ambition<sup>®</sup>**





Toby Rougier  
Chief Executive, LDC



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**Being trusted by the management teams we back, to support them on their journey, is both a privilege we accept proudly and a responsibility we take seriously.”**

# Hello

**The most common characteristic of the management teams we've backed over the years is, without question, ambition – a drive and determination to see their business achieve its potential.**

And yet the route to achieving success is rarely, if ever, the same.

For some, it's a question of scaling internationally as well as at home. For others, sourcing strategic acquisitions to complement existing sectors or services. Sometimes both.

One thing that's clear is that it's never just a matter of raising capital. It's about the support, guidance, opportunities and challenge that helps management teams to make the best decisions with the best outcomes.

It's about a partnership that seeks to add value without taking away control.

What's more, as any business leader will tell you, the road to success is never straight.

So choosing a partner who can provide maximum flexibility – whether that's through follow-on funding over the years or allowing management teams to drive the timing of the investment – can remove the kind of pressures others often face.

Being part of Lloyds Banking Group means we're not restricted or distracted by fundraising, and can support through economic cycles.

Ultimately, the deciding factor when choosing a private equity partner is often track record – the ability to prove the positive impact that investment has facilitated.

The fact we deliver consistently strong returns for shareholders is obvious proof, but the first-hand accounts of the management teams we've backed will always be the thing I'm personally most proud of at LDC.

For me, that's a sign of achieving success in the right way. But an even more important ingredient is something far less tangible, and that's the role of trust.

Being trusted by the management teams we back, to support them on their journey, is both a privilege we accept proudly and a responsibility we take seriously.

Trust has been key to our performance for over 40 years and I believe it's what will continue to drive our success and that of our partners into the future.

# Team

**Our people are a sounding board for the management teams we invest in, the champions of businesses doing great things and the support network many look for when things don't always go to plan.**

With more than 100 people working across every corner of the country, each member of our team brings something different. But there remains a common thread that unites them all – integrity. This, combined with their ambition, adaptability and approachability is what sets our people apart.

Here, we speak to some of our team to understand what it is they enjoy about working at LDC:



*“Being able to work alongside a wide variety of management teams, from tech companies to healthcare, means no team is the same and no business is the same.”*

Emma Borrie  
Newcastle

*“I enjoy building relationships with ambitious and capable management teams and playing a positive role in meeting and beating their aspirations together”.*

Jonathan Caswell  
Reading



**I feel very fortunate to work with brilliant management teams who trust us to be their partners and build great businesses together.”**

John Garner  
Managing Partner





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*“The most exciting part of my job is working with management teams across a breadth of sectors, to make a positive impact on the businesses we invest in.”*

**Jasmine Kanish**  
London

*“The management teams we back place trust in LDC to help them unlock growth potential. In return, we commit to draw on LDC’s heritage, scale and expertise to maximise opportunities.”*

**John Clarke**  
Manchester

*“After almost 23 years at LDC I still find my role challenging, exciting, and fulfilling. I’ve made many friends for life and that’s testament to the culture here.”*

**Jayne Dunford**  
Leeds

*“It’s never just about spreadsheets and numbers. What makes LDC different is the emphasis we place on relationships with management teams and advisors.”*

**Demetri Theofanou**  
Birmingham

*“I feel privileged to work for LDC and have the opportunity to build genuine partnerships with a diverse range of talented management teams – all with ambitious and exciting goals.”*

**Dewi Hughes**  
Bristol and Cardiff

*“The variety of businesses I work with means we can combine our local knowledge and national scale to add value – opening up opportunities for growth.”*

**Chris Coulton**  
Nottingham

We have a proven track-record when it comes to helping management teams to achieve their business ambitions. As a result, we’re proud to say that our teams from across the country are often recognised by regional and national award programmes.

# Partnerships

**LDC is not just another investor.**

**We are true partners to the management teams we back, bringing an experienced perspective to those we support, to help drive growth and create value.**

But don't just take our word for it. We caught up with some of the business leaders we've backed to understand, in their words, what makes LDC different.

Julie Matthews, Co-Founder of TMC Pharma Services, had been running her pharmaceutical development organisation for almost two decades before she sought the support of an investment partner. She wanted to take TMC's innovative treatments to more people globally, but she needed the right partner to scale while maintaining the business' independence.

"We could have pursued a trade sale with a larger business in the sector, but we would have just been gobbled up and have lost what makes TMC special. Taking on a partner with a flexible and patient funding model and experience in the sector works better for both sides," she argues.



Janette Martin  
CEO, Talos360



Luke Smith  
CEO and Co-Founder, Croud

Avinash Kaushik  
Chief Strategy Officer, Croud

It's clear that support and trust are two key ingredients of a successful partnership, but strategic alignment on the future of the business is equally as important.

Luke Smith, CEO & Co-Founder of digital marketing agency Croud, believes this is especially important in the initial investment process: "We underwent a rigorous process in finding the right partner for us and looked at several options, but LDC shares our vision and offers the ideal platform for us to continue on our mission."

This is something that Dan Mahoney, Managing Director of equestrian brand LeMieux, echoes: "The most important parts of our relationship with LDC are having a shared trust and ambition for the future of the LeMieux business."

LeMieux's goal is to accelerate growth in the UK and overseas, and the team's partnership with LDC is helping the business to deliver on that. Dan adds:

"Working with LDC has also enabled us to be accountable in a way that we have never been before. To professionalise, to realise our ambitions, and to be able to communicate them internally and externally better than ever."

For Talos360, one of the UK's fastest growing HR technology providers, CEO Janette Martin wanted to make sure the private equity firm she chose shared her passion for developing people-first, high-growth businesses:

"From day one, it was clear that LDC is an investment partner that backs management teams and supports their strategy, which is exactly how we want to work."

Today, we are helping Janette and her team to create further opportunities for their people-first culture, and supporting their plans to create more than 50 new jobs by 2025.

It's clear that people and investment partnerships go hand-in-hand, and Richard Tredwin, who is now Non-Executive Director of Cleveland Containers, believes the relationship is just as important as the money on offer. He first worked with LDC as CEO of former portfolio company SRL Traffic Systems, and his experience in different roles at a range of companies has only reinforced his opinion.

"When you partner with a private equity investor, you have to ask: is the chemistry there? Can you pick up the phone when things go wrong? I knew the LDC team would support the business and help us to make the most of the opportunities out there. They never wavered."

But, when it comes down to it, the most important thing in any partnership is staying true to your word. Something that Manesh Pandya, CEO of ELE Advanced Technologies – an innovative engineering business that LDC is helping to grow – puts so simply: "It has been an incredible journey and LDC have lived up to their reputation of backing ambitious management teams and their strategy."

# Impact

Britain's most ambitious management teams trust us to help them to grow their business. And while every partnership is different, the overarching goal is always the same.

Growth. It's something we've been doing for years, and our commitment to supporting the ambitions of British businesses won't waver.

Ambitious partnerships? This is what they've looked like since 2012.

**£4.1bn**  
**invested**

to back 207 management teams



**8 months to 10 years**

our shortest and longest partnerships, driven by what's best for the individual companies

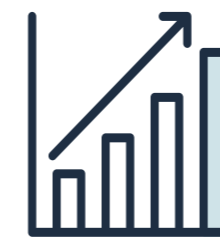
**>100**

towns and cities across the UK that LDC-backed businesses operated from



**4x**

more growth for LDC-backed businesses when compared to average mid-market businesses



**£7bn**

the total increase in enterprise value across the businesses we have exited

**10,000**

the number of young entrepreneurs we'll support in the next 5 years through our partnership with The Prince's Trust

**>50**

sub-sectors in the UK economy where LDC has made investments

**£5.5bn**

in exit proceeds generated, and an average return of **3x**



**64%**

the average headcount increase during our partnership for businesses we've exited





# Fifty

**Ambition. It is the ingredient that underpins the greatest business success stories. It is the difference between stop and scale, between fight and flight, between boom and bust.**

At LDC, we believe in championing ambition; through our investments and beyond.

Every year, through The LDC Top 50 Most Ambitious Business Leaders, we shine a spotlight on the individuals who are making the UK a more vibrant, diverse and exciting place to do business.

Those who find innovative approaches to old problems, embrace sustainability, take more care than ever to look after their people, and find new and exciting markets in which to flourish.

We're proud to share their success stories. And with well over 300 business leaders in The Top 50 network, LDC has highlighted some of the most ambitious and innovative business leaders in recent memory.

Take Julian Hearn of powdered food brand Huel. Julian won the inaugural Top 50 Most Ambitious Business Leader Award in 2018. In just three years he turned a newly launched product into a global sensation, selling 22 million meals in 80 countries. Or Margot Cooper of Limbs & Things, The Innovation Award winner in 2020. Her family business is revolutionising medical training with life-like anatomical models that help nurses and doctors to save lives.

We recognise that no two business leaders are the same and their goals extend well beyond revenue growth. They support communities, bolster sustainable practices, and bring a more multicultural and connected vision to UK and international business.

Top 50 business leaders like Sunny Araf of ISA Support Services embody these purpose-led values. Sunny won The Purpose-Led Award in 2022 after spearheading a multi-million-pound company that employs 200 people in the UK and gives back through the ISA Foundation.

Ambition. The drive for success that makes the UK such an exciting place to do business.

# Future

**Once upon a time, business was just about growing sales and profits. While this is still vital, the companies doing well are also placing environmental, social and governance factors at the heart of their strategies.**

At LDC we have always taken the view that investing should be responsible. It's part of our heritage.

Since 1981 we have backed nearly 700 management teams, with our portfolio businesses creating thousands of jobs and huge economic value.

Today, it makes even more commercial sense.

Increasingly, consumers and customers expect businesses to act in a way that protects the environment and treats people fairly, with robust governance in place to ensure companies do the right thing.

For us, one part of that is supporting our portfolio businesses as they reduce their impact on the environment and aid the transition to a low carbon economy.

Take Forest Holidays, part of LDC's portfolio for ten years. It built sustainable holiday villages in five new locations in a way that helped to protect natural habitat while also contributing an estimated £2m to each local economy.

Or Sigmat, a leader in light-gauge steel framing. Our backing supported the management team as they developed more sustainable building techniques, helping customers drive a 20% reduction in carbon emissions. That's key to Sigmat's own commitment to become carbon neutral by 2035.

Alongside steps like these to protect the environment, as an investor we also place huge importance on social responsibility.

We're enormously proud of our pioneering partnership with The Prince's Trust.

We're aiming to help up to 10,000 additional young people – the next generation of entrepreneurs – to start, sustain and grow their own businesses.

It's about the future of the UK economy, of course, but also about doing the right thing.

It complements our core work of investing in outstanding businesses and backing management teams as they create jobs and value in every part of the UK economy.

In the end, it all comes down to responsibility: the responsibility to support our portfolio companies as they reduce their impact on the environment, to encourage the next generation of entrepreneurs and to create value in the UK's future economy.

It's why we've been selected by Real Deals, the independent voice of European private equity, as one of its Future 40 ESG innovators.



# Cycles



Jeavon Lolay  
Head of Economics and  
Market Insight, Lloyds Bank

**Within a fast-moving economic environment, business leaders have a lot to navigate to achieve their ambitions.**

Here, Jeavon Lolay, Head of Economics and Market Insight at Lloyds Bank discusses what management teams should have front of mind as they move forward through 2023 and beyond.

We are all still living through a challenging economic environment, with elevated inflation, higher interest rates and a still tight labour market just a few of the headwinds management teams are currently contending with.

Yet, if the events of recent years have taught us anything, we know there are always opportunities for firms that can adapt when the world around them changes – a fact that will hold true as the UK addresses these challenges and others in the short to medium term.

Saying this, taking an aggregate view of a country's economic performance can be misleading. The UK's trajectory over the next few years will affect every sector differently. For example, some are better insulated from fluctuations in consumer demand or energy prices, while others face major and abrupt changes to their entire business model.

But what is really going to matter – almost regardless of the trading conditions for individual industries – is a business' ability to differentiate itself from the competition. Investment is key here, and strong management teams with their house in order and a clear business plan are best placed to secure the capital they need to thrive.

The challenges and opportunities economic shifts create force businesses to focus on what's important, and prioritisation must increasingly represent one of the most critical considerations for management teams.

Innovation is a hallmark of British industry, and we will see more firms move to enhance, or pivot away from their core offerings to pursue growth. Management teams must maintain a deep understanding of their sector and the markets they operate in. Only then can they effectively allocate the resources at their disposal.

One area that all management teams must keep in their crosshairs is ESG. Prioritising initiatives that improve sustainability and promote diversity and inclusion, for example, will help to future-proof their businesses and support recruitment and retention as the competition for talent intensifies.

The UK's economic outlook will present both opportunities and challenges for businesses. At LDC, we invest through the ups and downs of the economic cycle.

We invested in 32 companies during the global financial crisis in 2008-2009, four times more than any other mid-market private equity firm, and we deployed £400m to support the ambitions of new management teams and our portfolio at the height of the Covid-19 pandemic in 2021.

We take a long-term view, and support management teams to navigate volatility as they build resilience and achieve their growth objectives.

*"We used LDC to fund a management buyout and they stayed with us for 10 years. Their courage and determination through the cycle definitely helped our resilience."*

**Nigel Brown**  
CEO, Microlease



