

KEY INVESTMENT CRITERIA

FINANCIAL PARAMETERS

- Revenues of at least \$10 million
- EBITDA: \$2-15 million
- Investment Size: \$5-50 million
- Securities: Equity and/or mezzanine debt
- Record of consistent growth and profitability; earnings visibility
- Strong EBITDA margins
- Attractive return on assets

STRATEGIC PARAMETERS

- Geography: Companies based in USA. We may invest opportunistically in Israeli export-oriented companies with US end markets
- Strong scalable management teams
- Strong and defensible market position
- Proven and scalable business model
- Differentiated products or services
- Multiple levers for value-creation
- Favorable macroeconomic trends

SECTOR FOCUS

- Business Services
- Consumer
- Niche Manufacturing

TRANSACTION TYPES

- Generational Changes of Ownership
- Growth Capital
- Management and Leveraged Buyouts
- Recapitalizations
- Turnarounds

HOW WE ARE DIFFERENT

- Flexibility with respect to management, investment structure and time horizon
- Conservative leverage
- High standards of integrity and reliability
- High degree of partner involvement with each portfolio company
- Significant partner level investment alongside our limited partners

LMM CAPITAL PARTNERS OVERVIEW

Based in NYC, LMM is a family-backed private investment firm seeking to acquire, recapitalize and assist in the operation of lower middle-market US-based niche manufacturing, business services and consumer companies with enterprise values up to \$150MM.

ADDED VALUE

We can help business owners achieve complete or partial liquidity by providing capital as well as industry expertise and relationships. We serve as trusted advisors to our management teams, assisting with ongoing financial, strategic and operational initiatives.

PARTNERING WITH SELLERS

We respect business owners and appreciate their lifetime of experience in building up their companies. That's why we are adamant about being collaborative in our approach and work hard to accomplish our aligned goals while preserving company culture.

OUR TEAM

The foundation of our business is our team of talented and dedicated investment principals, operators and entrepreneurs, who have extensive experience with small to mid-sized companies and understand the nuances of investing in this sector.

OUR APPROACH

Our investing approach consists of the following key principles:

Long-Term View with an Operator's Mindset We believe that the best investment results come through effective ground-level execution, not creative financial engineering or excessive leverage.

Disciplined Strategy We focus on: (i) identifying investment opportunities with a defensible sustainable business model, a differentiated approach to serving an existing market need and multiple addressable deficiencies that provide opportunity to create value through "company-building"; (ii) targeting industries in which our principals have extensive experience or know-how; and (iii) backing impressive management teams with track records of success.

Flexible Financing We take a solutions oriented approach to investing and seek to craft capital structures that work for all stakeholders. We understand the importance of providing feedback quickly, being creative in transaction structuring, and closing transactions on time.

Partnership Approach Experience has taught us that building better businesses takes time and that having financially aligned, like-minded partners is a critical component of success. Therefore, we make sure to gain a full understanding of the strategic goals of each investment, the company culture and the set of incentives in place to achieve success. "Getting it right upfront" is a large part of our investment process.

Sharing the Rewards We believe all parties should share in the success of our investments, so we provide our executives with attractive equity incentives and encourage existing team members to rollover existing equity into our transaction.

Outside Deal Partners We actively seek out and work with executives, merchant bankers, and other minority deal partners.

LMM CAPITAL PARTNERS, LLC

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