Houlihan Lokey

# 2024 Going Private Transaction Study

May 2025

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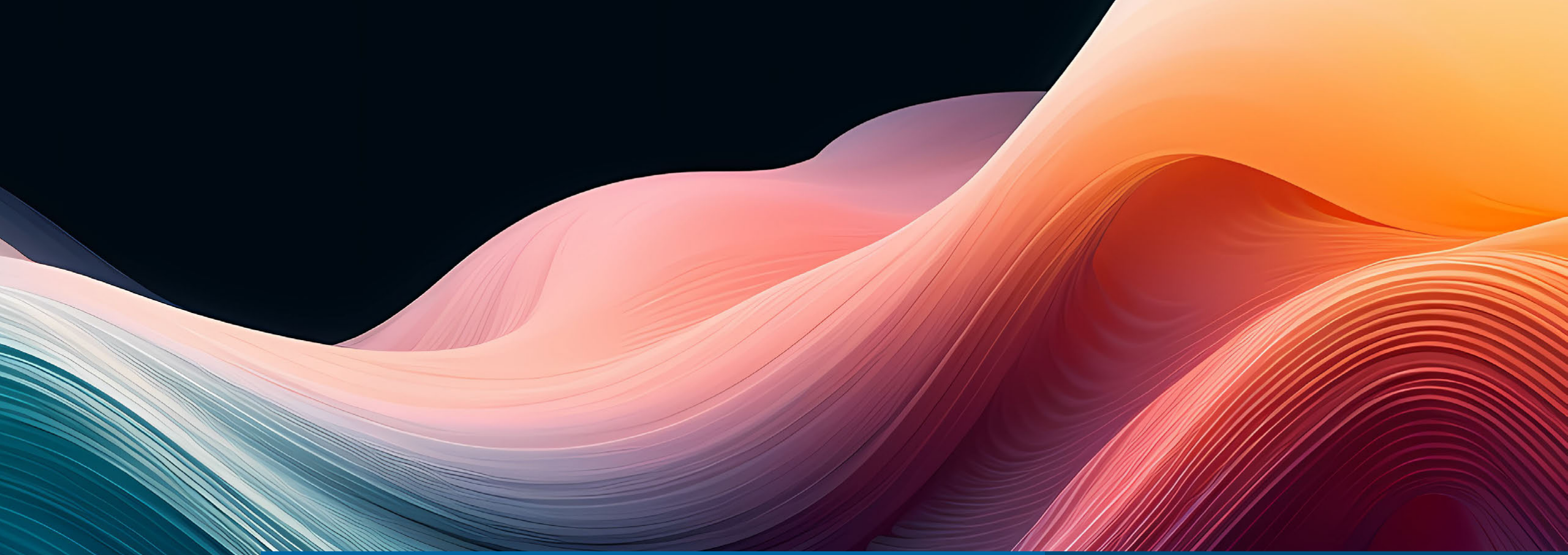


# Study Overview

01

# Introduction

In the 2024 Going Private Transaction Study (the "Study"), we have summarized and analyzed 36 going private transactions announced in the calendar year ended December 31, 2024.

As of the date of this Study, 29 of the going private transactions have closed, and seven are pending closing.

For purposes of this Study, a target company is generally considered to have "gone private" if its pre-transaction publicly traded shares were purchased by a privately held financial sponsor, investment company, or similar entity (generically referred to as a "financial buyer"), typically in a leveraged buyout transaction.

Specifically, this Study analyzes the following items for each of the 36 transactions:

- Transaction background, focusing on management, stockholders, and board involvement;
- Transaction valuation (including transaction multiples and acquisition premiums);
- Deal protection measures and fiduciary provisions;
- Transaction structure and financing; and
- Termination provisions.

*The Study was authored by Richard De Rose, Matt Kavney, and Gretta Conrath of Houlihan Lokey. If you have any questions or comments, please contact Mr. De Rose at +1 212.497.7867, Mr. Kavney at +1 404.495.7030, or Ms. Conrath at +1 312.462.6407.* *We would also like to recognize contributions from Neha Shah, Kobby Quayenortey, and Kyle Poorman of Houlihan Lokey's New York office in preparation of the Study.*

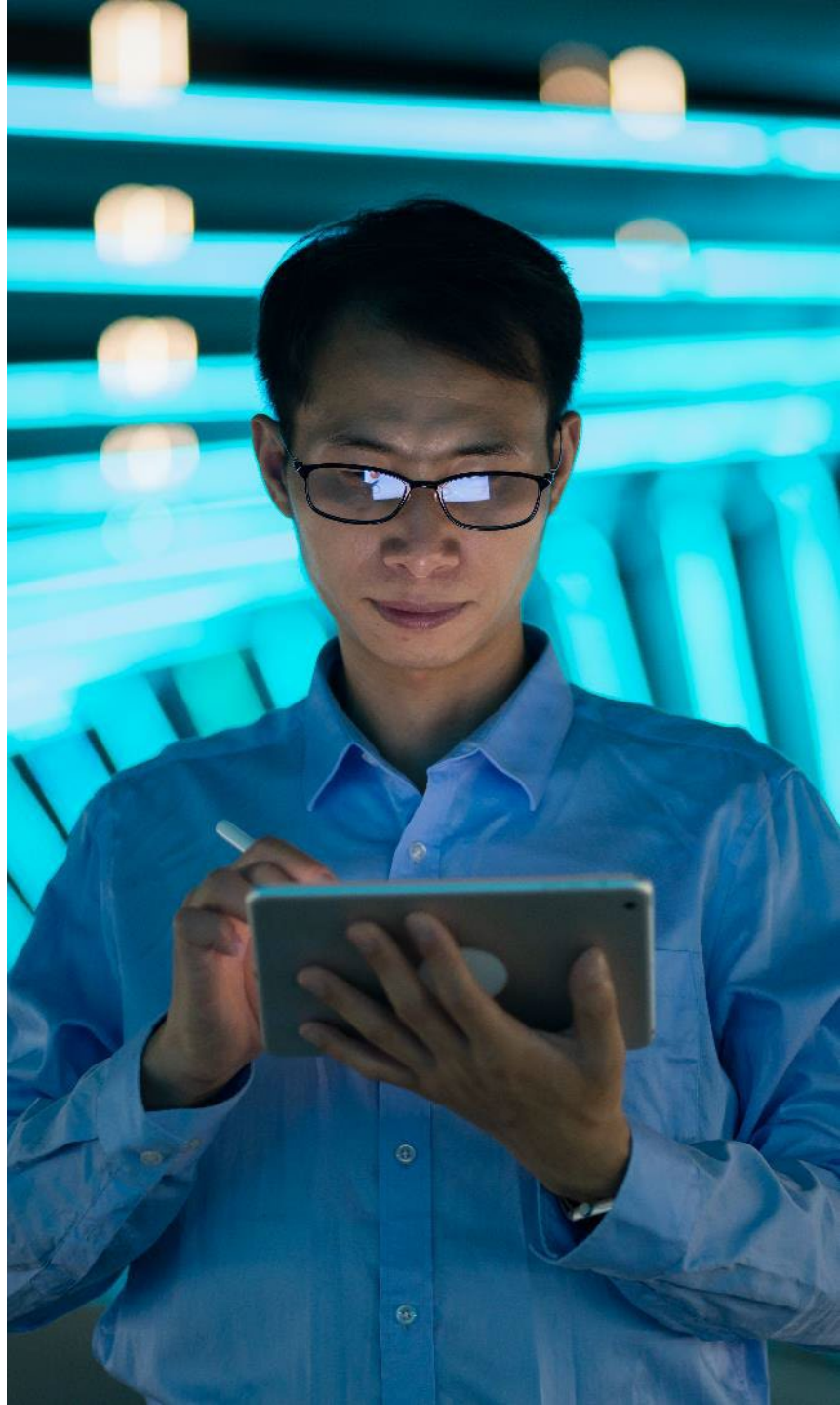
# Definition of Key Items in the Study

We used the following methodology to analyze each of the transactions:

| | |
|---|---|
| Transaction Value | We calculated transaction value (TV) using data from S&P Capital IQ. TV represents the cost to acquire all common equity, preferred equity, and convertible securities, plus the face value of all outstanding debt, less cash, and marketable securities. |
| Valuation Multiples | The valuation multiples include TV/Revenue, TV/EBITDA, and TV/EBIT. We derived Revenue, EBITDA, and EBIT figures from S&P Capital IQ as of the latest 12-month (LTM) period prior to the announcement. |
| Acquisition Premiums | We obtained acquisition premiums from S&P Capital IQ. These premiums are calculated by measuring the percentage change from the offer price per share to the trading prices one day, one week, and one month prior to the transaction announcement date. When there was public disclosure of an auction process prior to signing the agreement, the acquisition premiums were calculated based on the unaffected stock price prior to such disclosure. |

# Transaction Screening Methodology

- We identified the potential universe of going private transactions through several screens from widely used transaction databases, including LSEG (formerly Refinitiv) and S&P Capital IQ, as well as by reviewing transactions requiring a Schedule 13E-3 filing with the Securities and Exchange Commission (SEC).
- For this Study, we excluded transactions with the following characteristics:
  - Transactions involving target companies that have their primary business operations outside of the United States;
  - Transactions involving targets with an implied enterprise value under $50 million;
  - Transactions for which there was insufficient information regarding terms (generally, smaller transactions);
  - "Going-dark" transactions, in which a publicly traded company reduces the number of stockholders of record below a certain threshold (often through reverse stock splits and share repurchases) that would otherwise trigger SEC filing requirements;
  - Transactions involving a privately held, nonfinancial (i.e., strategic) buyer;
  - Transactions involving bankrupt, reorganizing, or distressed target companies; and
  - Transactions that were canceled or withdrawn prior to the execution of a merger agreement.



# Selected Market Observations

02

# Going Private Transactions
## Houlihan Lokey Observations

- The number of sponsor-backed going private transactions increased from 33 transactions in 2023 to 36 transactions in 2024 and continues to be elevated relative to historical activity levels.
  - Transaction values in 2024 were considerably higher than transaction values in 2023, with average transaction values of $2.6 billion and $3.8 billion observed in 2023 and 2024, respectively, as sponsors focused on public companies with scale.
- The median LTM EBITDA multiple decreased from 12.8x in 2023 to 12.5x in 2024, and the median one-day acquisition premium decreased from 46.3% in 2023 to 29.9% in 2024.
- The use of auctions remains prevalent, though there was a notable increase from 2023 in the use of targeted auctions, indicating sellers favored more controlled processes and wanted to avoid the complexity of broad sales processes.
  - 11 (31%) of transactions in the Study utilized a targeted auction process, where fewer than five prospective buyers were solicited, representing a meaningful increase from 3% in 2023, when sales processes were much broader.
- In 2024, eight (22%) of the sponsor-backed transactions were club deals involving two or more sponsors (compared to 39% in 2023).
- The delivery of debt commitment letters upon signing increased meaningfully, from 51% in 2023 up to 80% in 2024; however, the percentage of financial sponsors guaranteeing reverse termination fees slightly decreased from 88% in 2023 to 83% in 2024.
  - In 2024, there was a notable increase in the use of reverse termination fees, with 86% of transactions utilizing a reverse termination fee compared to 58% in 2023, reflecting the increase in "specific performance lite" constructs used to address the availability of debt financing at closing.
- Substantial or significant stockholders rolled over their shares in 31% of transactions in 2024, compared to 14% in 2023, as take-privates of recent IPOs and de-SPACs remain prevalent.
- No transactions in 2024 initiated by a significant or substantial shareholder were subject to a majority of the minority vote, potentially reflecting increased shareholder vocalism in buyout situations and the uncertainty of achieving stockholder approval thresholds.
- Special committee formation declined from 45% in 2023 to 36% in 2024, indicating fewer conflict transactions and more activity among third-party financial buyers.
- Overall, negotiation periods have been shortened; however, they still remain elevated compared to historical periods, reflecting extended diligence periods with management teams and volatility in debt and equity markets.
  - In 2024, seven (19%) transactions were negotiated for more than 200 days between the initial bid received by the target and the signing of the merger agreement, compared to 42% in 2023.
  - In 2024, 33% of transactions had a final deal price below the first offer price, compared to 39% being revised downward prior to signing in 2023.

# Going Private Transactions

## Key Themes for 2024 Market Activity

| | |
|---|---|
| Activity Remains Robust | • Large-cap buyout funds increasingly targeted companies with complex public market dynamics (such as undervalued stocks, activist involvement, and underperformance) that still offered significant growth potential.<br>• Buyers prioritized targets with clear operational improvement opportunities to justify high valuations, including carve-outs of non-core business units and investments in AI-driven efficiency gains.<br>• After surpassing the $1 trillion mark in 2022 and reaching its peak in 2023, dry powder remained above $1 trillion but began to decline, signaling that sponsor GPs were increasing capital deployment as deal activity began to pick up.<br>• Private equity firms remained the primary acquirers in take-private transactions, although there was a resurgence of competition from strategic acquirers as regulatory pressures eased and financing markets became more favorable. |
| Recent IPOs Returning Private | • Businesses that went public during the 2020 to 2021 IPO boom reverted to private equity as declining share prices and rising public company costs drove take-private deals.<br>• Some recent take-private deals featured a "legacy sponsor" with pre-existing financing for the target secured before interest rate hikes (e.g., Silver Lake Technology Management LLC's acquisition of Endeavor Group Holdings, Inc.).<br>• Prolonged heightened interest rates increased the cost of capital, which led to lower public market valuations and made it harder for some public companies to raise funds through equity. |
| Shifts in Private Equity Dealmaking: Club Deals and Activist-Driven Transactions | • Club deals remained popular due to the larger capital requirements of megadeals, though they decreased slightly as the financing market improved in the latter half of 2024.<br>• Activist investors often acted as catalysts, pushing companies to explore strategic alternatives, including take-private transactions, when they believed a firm was undervalued. A stronger M&A environment, where companies can more easily find buyers, tends to encourage activist investors to push for corporate changes, including change-of-control transactions. |
| The Role of Private Credit in Financing Transactions | • Despite the resurgence of the syndicated loan market in late 2024, private credit was a key source of capital for financing transactions due to its flexibility and tailored solutions.<br>• Private credit can be attractive to borrowers because it involves a more direct relationship with a smaller pool of lenders, leading to greater efficiency and certainty of deal execution.<br>• Private credit's fixed-rate loans and covenant-lite structures make it an attractive choice for borrowers seeking stability and flexibility, especially amid heightened market volatility and uncertainty. |

*Source: Public filings.*

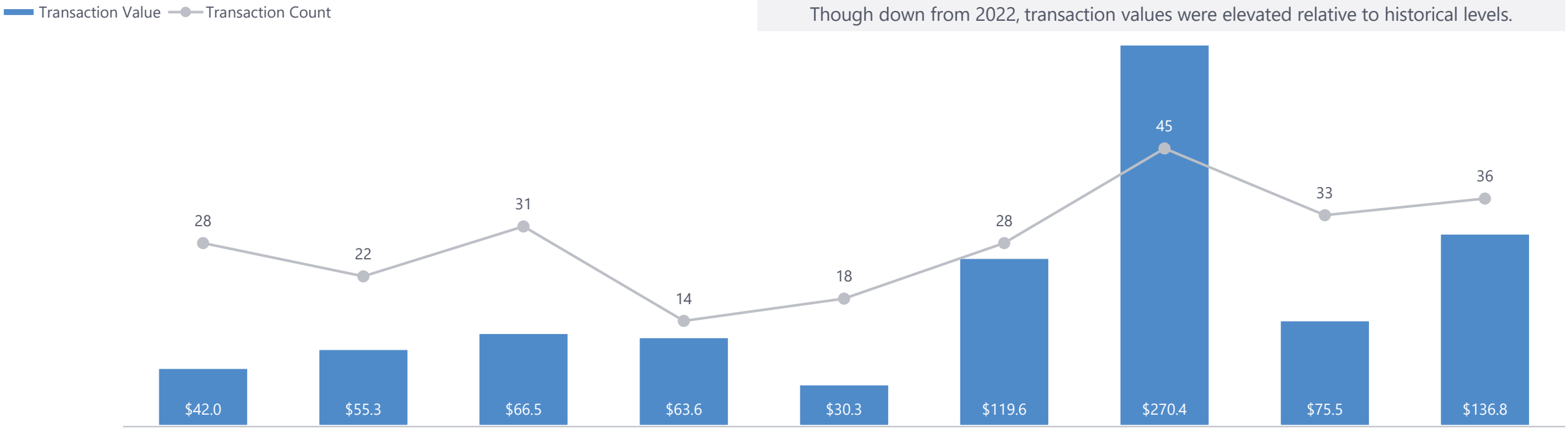
# Sponsor-Backed Going Private Activity

## Though down from the 2022 peak, sponsor-backed going private activity in 2024 was elevated by historical standards.

**U.S. Sponsor-Backed Take-Private Transactions (2016–2024)[1]**

(Dollars in Billions)

Sponsor-backed take-private transactions remained resilient by deal count, despite increased interest rates and a rally in the equity markets that made certain targets more expensive. Though down from 2022, transaction values were elevated relative to historical levels.



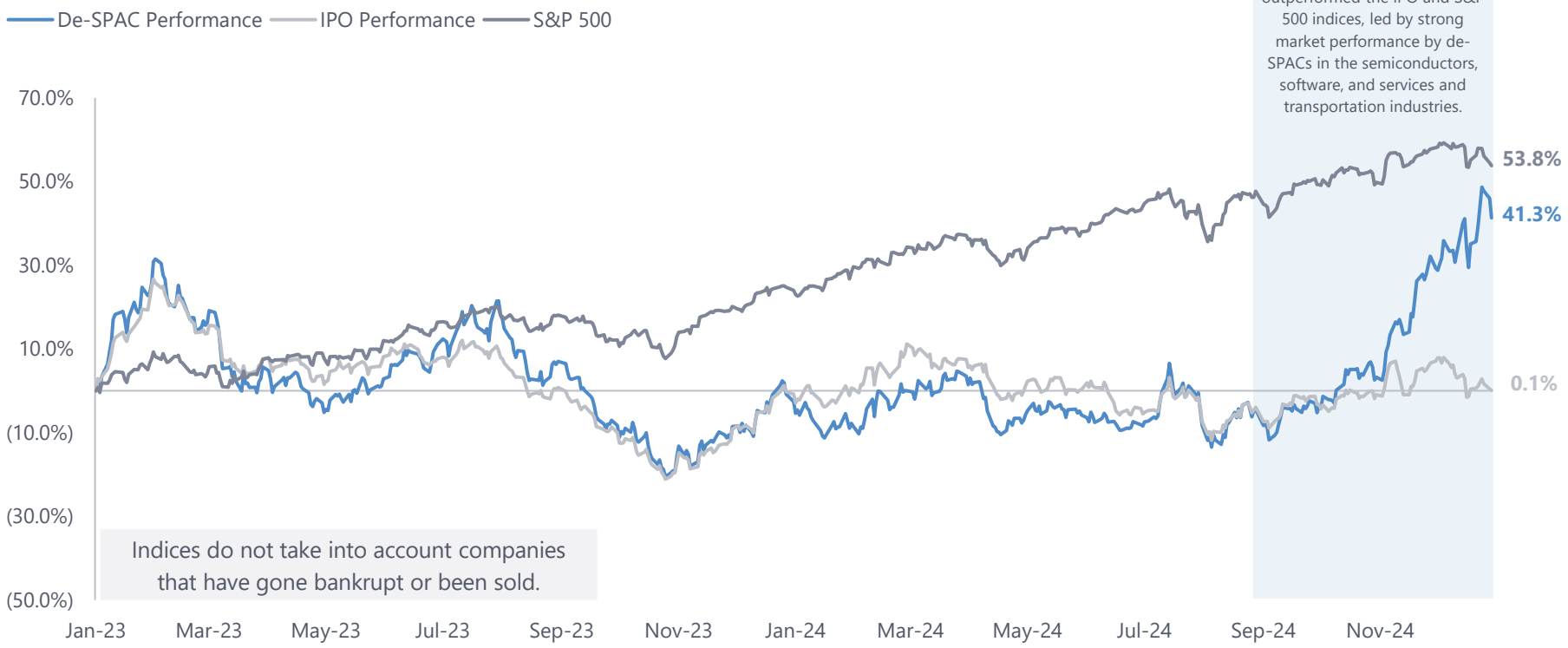

| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|---|---|---|---|
| **Avg. Deal Size** | $1.5 | $2.5 | $2.1 | $4.5 | $1.7 | $4.3 | $6.0 | $2.3 | $3.8 |

*(1) Represents announced going private transactions involving targets with an implied enterprise value greater than $50 million.*
*Source: LSEG (formerly Refinitiv).*

# Recently Listed Public Companies Underperformed the Market

Companies that made a public market debut between 2020 and 2022 have underperformed the overall market, with companies listed via de-SPAC transactions faring comparatively better than those listed via a traditional IPO.

**2020–2022 Vintage Traditional IPOs and De-SPACs[1]**




*Note: Figures shown above calculated as of December 31, 2024; Indices derived based on equal-weighting methodology.*
*(1) The De-SPAC and recent IPO indices shown above include a fixed number of companies with (i) business combinations closed between January 2020 and December 2022 or (ii) IPOs completed between January 2020 and December 2022. Excludes companies that have been acquired or gone bankrupt after Q4 2024; (2) Adjusted for reverse stock splits, as applicable. Percentages are based on de-SPACs that remain publicly traded as of Q4 2024, excluding companies that have been acquired or gone bankrupt after Q4 2024; (3) Includes pending transactions with definitive agreements in place prior to December 31, 2024. Sources: S&P Capital IQ and PrivateRaise.*

**De-SPAC Trading Performance Snapshot as of Q4 2024**

~80%

Are Trading Below $10.00 per Share[2]

~35%

Are Trading Below $1.00 per Share[2]

70+

De-SPACs Acquired[3]

40+

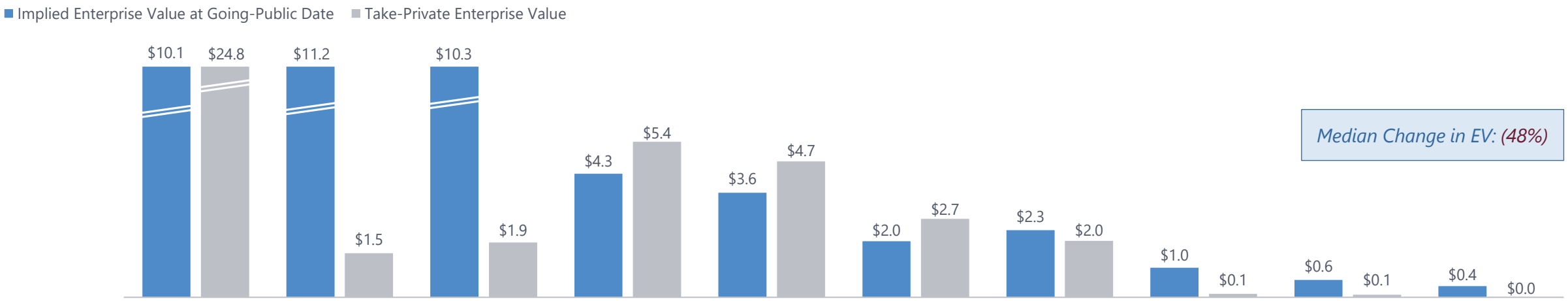
De-SPACs Filed for Bankruptcy

# Sponsor Buyouts of Recently Listed Public Companies

## 2024 Buyouts of Companies Recently Listed[1] Via Traditional IPO

### Buyout transactions have been completed shortly following an IPO, typically at a significant discount to the IPO price.

(Dollars in Billions)




| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| **Change in EV** | 146% | (86%) | (81%) | 26% | 30% | 40%[2] | (16%) | (87%)[2] | (84%) | (101%) |
| **Target** | ENDEAVOR | NeueHealth. | thoughtworks | PowerSchool | INSTRUCTURE | ASSETMARK. | DUCKHORN PORTFOLIO | ngmBIO | Keypath | SINGULAR GENOMICS |
| **Buyer** | SILVERLAKE | NEA | Apax | ONEX BainCapital VISTA | KKR DRAGONEER | GTCR | butterfly | THE COLUMN GROUP | STERLING PARTNERS | DEERFIELD Advancing Healthcare |
| **Take-Private Announce Date** | 4/2/24 | 12/23/24 | 8/5/24 | 6/7/24 | 7/25/24 | 4/25/24 | 10/7/24 | 2/26/24 | 5/24/24 | 9/12/24 |
| **Years Public[3]** | 2.9 | 3.5 | 2.9 | 2.9 | 3.0 | 4.8 | 3.6 | 4.9 | 3.0 | 3.3 |

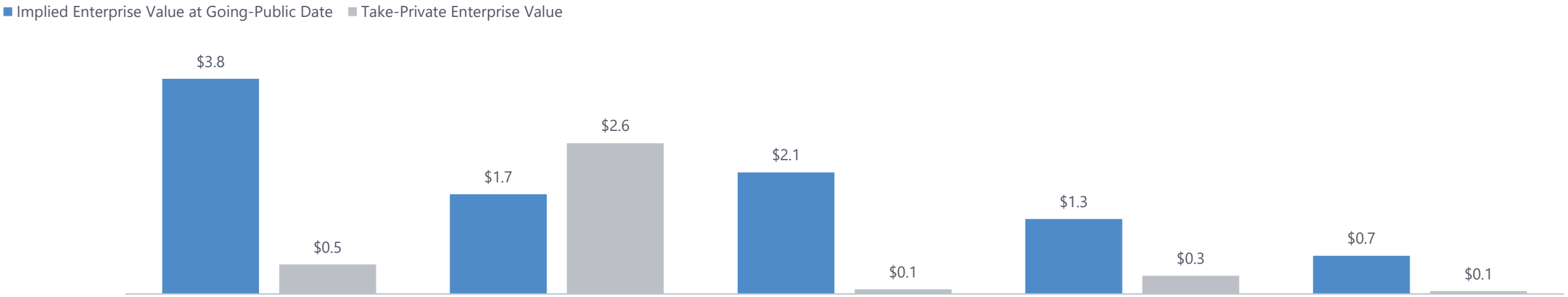
*Note: Enterprise value at IPO determined based on the closing price of the first day of trading; Sorted from left to right based on the greater of the implied enterprise at going-public date and the take-private enterprise value.*
*(1) "Recently listed" is defined as any company that completed its IPO on a Major U.S. exchange in or after 2019; (2) Based on equity value; (3) Represents the period between the closing of the IPO and the announcement date of the take-private transaction.*
*Sources: S&P Capital IQ, LSEG (formerly Refinitiv), and press releases.*

# Sponsor Buyouts of Recently Listed Public Companies (cont.)

## 2024 Buyouts of Companies Recently Listed Via De-SPAC

### Buyout valuations for certain de-SPAC targets reflect the limited viability of the business or operations.

(Dollars in Billions)




| | | | | | |
|---|---|---|---|---|---|
| **Change in EV** | (86%) | 51% | (96%) | (7%) | (92%) |
| **Target** | sharecare | agiliti | ASTRA | ZEROFOX | MariaDB |
| **Buyer** | ALTARIS | THL Thomas H. Lee Partners | Led by Co-Founders | HAVELI | K1 Investment Management |
| **Take-Private Announce Date** | 6/21/24 | 2/26/24 | 3/7/24 | 2/6/24 | 2/16/24 |
| **Years Public(1)** | 3.0 | 5.1 | 2.7 | 1.5 | 1.2 |

*Note: Sorted from left to right based on the greater of the implied enterprise at the going-public date and the take-private enterprise value.*
*(1) Represents the period between the closing of the de-SPAC transaction and the announcement date of the take-private transaction.*
*Sources: S&P Capital IQ, LSEG (formerly Refinitiv), and press releases.*

# Direct Lending

## As direct lenders competed for market share, debt was available to fund going private transactions in 2024 on favorable terms.

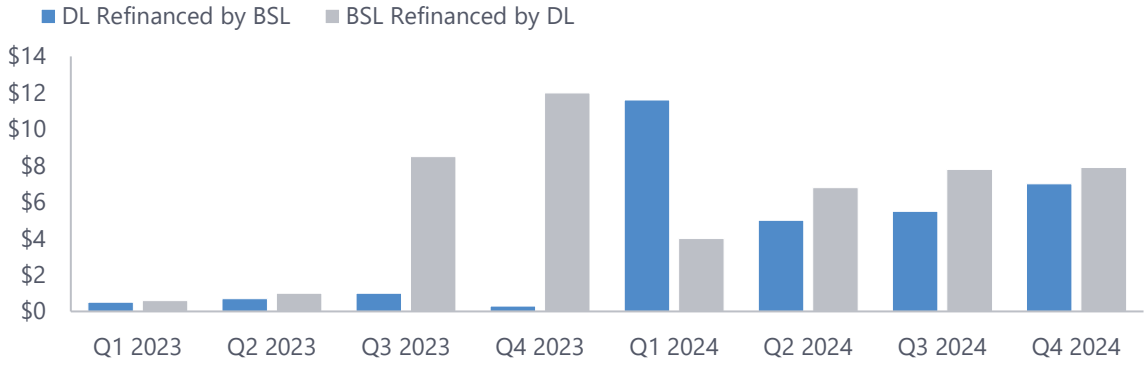
### The Rise of Direct Lending

- The rise of direct lending began after heightened regulations were brought on by the 2008/2009 financial crisis, leaving a funding gap that was filled by direct lenders.
- In recent years, the direct lending market has exhibited stability and continues to offer competitive terms relative to the public markets, particularly with sponsors seeking certainty.
- Some of the key features and distinctions of direct lending include:
  - PIK Flexibility
  - Potential for Portability
  - Greater Flexibility on Structure and Process (e.g., Ratings, Timing Certainty, Smaller Number of Lenders)
- Direct lending has been an appealing option for borrowers who are experiencing slowing revenue and higher borrowing costs.
- The features of direct lending are particularly attractive to borrowers facing challenging financing or requiring tailored financing solutions.
- In 2024, the syndicated loan market experienced a resurgence, driven by a decline in interest rates that enabled borrowers to refinance existing debt at more favorable terms.
  - Despite the resurgence of the syndicated market, some borrowers, particularly those with lower credit ratings, are still turning to direct lending.

### Market Impact on BSL and DL

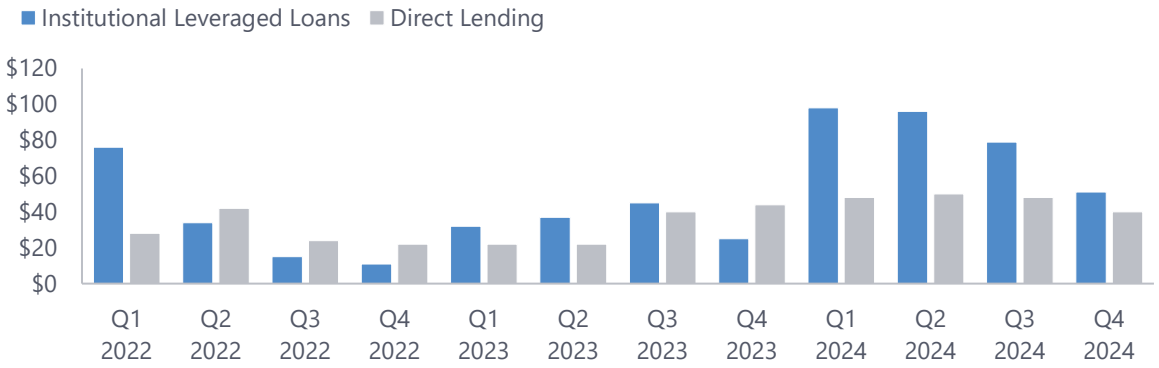
Syndicated Loans and Direct Lending Takeouts

(Dollars in Billions)




### New Issue Volume for PE-Backed Borrowers

(Dollars in Billions)




*BSL refers to Broadly Syndicated Loans; DL refers to Direct Lending; PE refers to Private Equity; Q refers to Quarter.*
*Source: PitchBook.*

# Study Results

03

# Summary Financial Statistics

## In the following table, we summarize the low, high, median, and mean financial metrics of the 36 transactions analyzed in the Study.

### Summary Metrics

(Dollars in Millions)

| | | LTM Multiples | | | Acquisition Premiums | | |
|---|---|---|---|---|---|---|---|
| | TV | TV Revenue | TV/EBITDA | TV/EBIT | 1-Day | 1-Week | 4-Weeks |
| **Low** | $78.7 | 0.3x | 3.5x | 5.4x | 10.2% | 8.1% | 6.8% |
| **High** | $24,786.1 | 12.0x | 42.5x | 38.3x | 105.6% | 99.1% | 97.4% |
| **Median** | $1,989.5 | 3.0x | 12.5x | 19.7x | 29.9% | 30.8% | 36.1% |
| **Mean** | $3,800.9 | 3.6x | 15.2x | 21.5x | 37.5% | 36.8% | 39.0% |

*Notes: The high and low metrics shown in this chart represent the high and low TVs, TV multiples, and acquisition premiums shown in the study. The low TV multiples and acquisition premiums, respectively, are not necessarily associated with the transactions with the lowest transaction value, and the high TV multiples and acquisition premiums, respectively, are not necessarily associated with the transactions with the highest transaction value. Similarly, the low and high acquisition premiums, respectively, are not necessarily associated with the transactions with the lowest and highest transaction value or TV multiples.*
*Source: S&P Capital IQ.*

# Transaction Analysis by Target Company Size

- Eight (22%) of the transactions in the Study had a transaction value in excess of $5.0 billion, with two (6%) transactions in excess of $10.0 billion.
  - For the calendar year ended December 31, 2023, there were a total of 33 going private transactions with a median and average TV of $1,663.1 million and $2,595.3 million, respectively, versus $1,989.5 million and $3,800.9 million, respectively, for the calendar year ended December 31, 2024.[1]

## Analysis by Target Company Size

(Dollars in Millions)

| | | | | LTM Multiples | | | Acquisition Premiums | | |
|---|---|---|---|---|---|---|---|---|---|
| Transaction Value | Number of Transactions | | TV | TV Revenue | TV/EBITDA | TV/EBIT | 1-Day | 1-Week | 4-Weeks |
| More Than $10.0 Billion | 2 | Median | $20,630.7 | 4.0x | 39.3x | NMF | 33.9% | 32.9% | 36.5% |
| | | Mean | $20,630.7 | 4.0x | 39.3x | NMF | 33.9% | 32.9% | 36.5% |
| $5.0 Billion to $10.0 Billion | 6 | Median | $7,504.4 | 7.0x | 18.1x | 31.9x | 24.9% | 31.0% | 24.4% |
| | | Mean | $7,421.5 | 6.8x | 21.8x | 31.9x | 24.7% | 26.8% | 23.9% |
| $1.0 Billion to $5.0 Billion | 21 | Median | $1,974.2 | 2.7x | 10.2x | 19.7x | 30.0% | 28.3% | 35.9% |
| | | Mean | $2,335.7 | 3.4x | 12.0x | 21.7x | 36.6% | 35.8% | 40.9% |
| Less Than $1.0 Billion | 7 | Median | $199.5 | 1.2x | 5.5x | 11.7x | 63.2% | 56.3% | 47.3% |
| | | Mean | $284.8 | 1.5x | 9.1x | 15.5x | 52.2% | 49.6% | 46.7% |
| All Transactions | 36 | Median | $1,989.5 | 3.0x | 12.5x | 19.7x | 29.9% | 30.8% | 36.1% |
| | | Mean | $3,800.9 | 3.6x | 15.2x | 21.5x | 37.5% | 36.8% | 39.0% |

*Notes: The high and low metrics shown in this chart represent the high and low TVs, TV multiples, and acquisition premiums shown in the study. The low TV multiples and acquisition premiums, respectively, are not necessarily associated with the transactions with the lowest transaction value, and the high TV multiples and acquisition premiums, respectively, are not necessarily associated with the transactions with the highest transaction value. Similarly, the low and high acquisition premiums, respectively, are not necessarily associated with the transactions with the lowest and highest transaction value or TV multiples; (1) See "2023 Going Private Transaction Study Summary" in the Appendix for more detail.*
*Source: S&P Capital IQ.*

# Transaction Analysis by Date Announced

- Transaction volume peaked in Q2 2024, while the other quarters remained consistently active.
- Transaction values were relatively consistent throughout the year.
- Average implied multiples and acquisition premiums generally remained consistent throughout the year.

## Analysis by Transaction Announcement Date

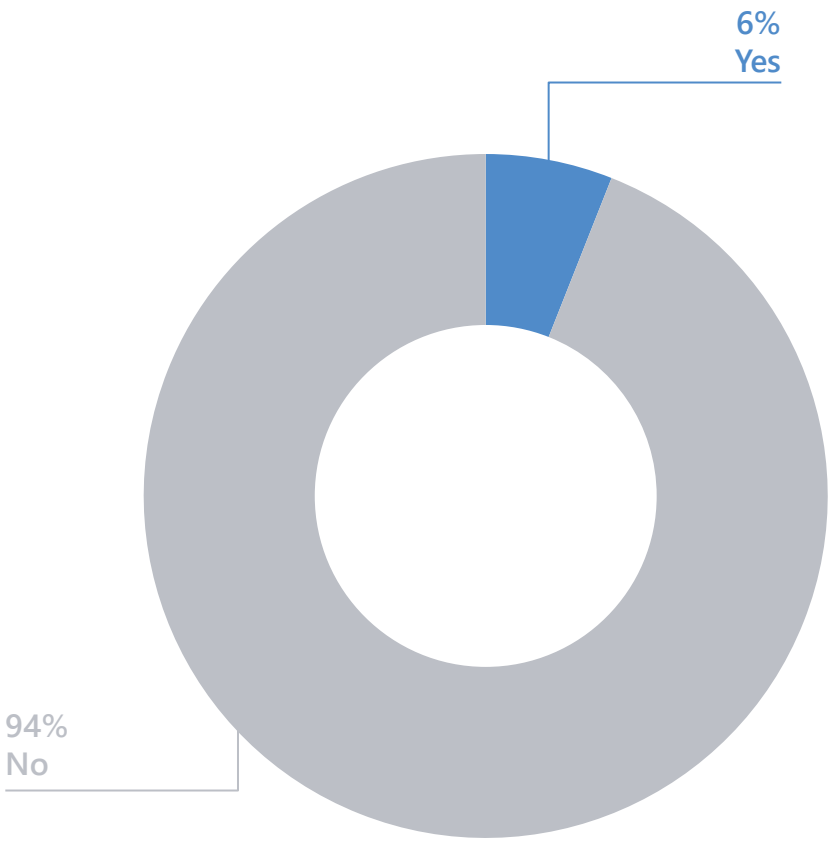
(Dollars in Millions)

| | | | | LTM Multiples | | | Acquisition Premiums | | |
|---|---|---|---|---|---|---|---|---|---|
| Transaction Value | Number of Transactions | | TV | TV Revenue | TV/EBITDA | TV/EBIT | 1-Day | 1-Week | 4-Weeks |
| 1/1/2024–3/31/2024 | 7 | Median | $1,884.3 | 2.4x | 15.8x | 27.4x | 30.9% | 26.7% | 35.9% |
| | | Mean | $3,672.7 | 2.4x | 17.8x | 24.6x | 42.4% | 42.7% | 46.7% |
| 4/1/2024–6/30/2024 | 14 | Median | $1,539.2 | 3.7x | 12.0x | 14.4x | 32.0% | 31.4% | 31.1% |
| | | Mean | $4,439.3 | 3.9x | 16.2x | 18.0x | 37.9% | 35.8% | 34.3% |
| 7/1/2024–9/30/2024 | 8 | Median | $3,145.3 | 2.9x | 13.5x | 17.4x | 29.1% | 31.2% | 37.6% |
| | | Mean | $3,855.2 | 3.6x | 14.3x | 20.9x | 30.9% | 33.5% | 41.1% |
| 10/1/2024–12/31/2024 | 7 | Median | $3,104.0 | 2.7x | 9.7x | 19.7x | 29.3% | 28.3% | 42.4% |
| | | Mean | $2,590.2 | 4.3x | 11.5x | 23.5x | 39.3% | 36.7% | 38.2% |
| All Transactions | 36 | Median | $1,989.5 | 3.0x | 12.5x | 19.7x | 29.9% | 30.8% | 36.1% |
| | | Mean | $3,800.9 | 3.6x | 15.2x | 21.5x | 37.5% | 36.8% | 39.0% |

*Notes: The high and low metrics shown in this chart represent the high and low TVs, TV multiples, and acquisition premiums shown in the study. The low TV multiples and acquisition premiums, respectively, are not necessarily associated with the transactions with the lowest transaction value, and the high TV multiples and acquisition premiums, respectively, are not necessarily associated with the transactions with the highest transaction value. Similarly, the low and high acquisition premiums, respectively, are not necessarily associated with the transactions with the lowest and highest transaction value or TV multiples.*
*Source: S&P Capital IQ.*

# Management Initiation

## Was the Transaction Initiated by Management?



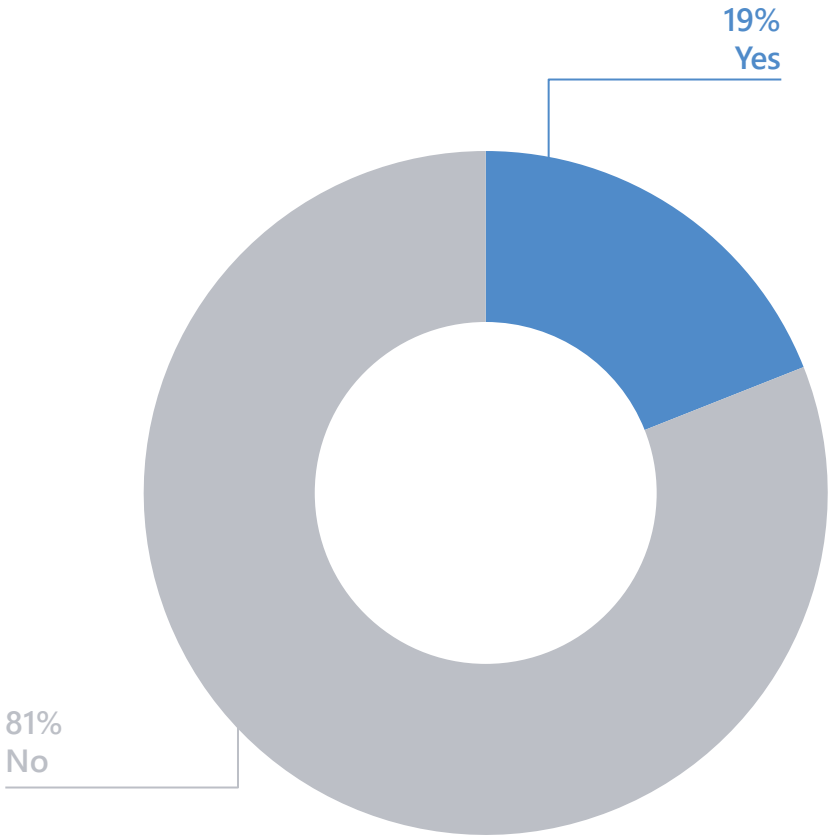

**2023 Study:**
Yes: 3%
No: 97%

- Two transactions (6%) in the Study were initiated by the management of the target. For purposes of the Study, "management" does not include directors.

*Source: Public filings.*

# Board of Directors Initiation

## Was the Transaction Initiated by the Board of Directors?



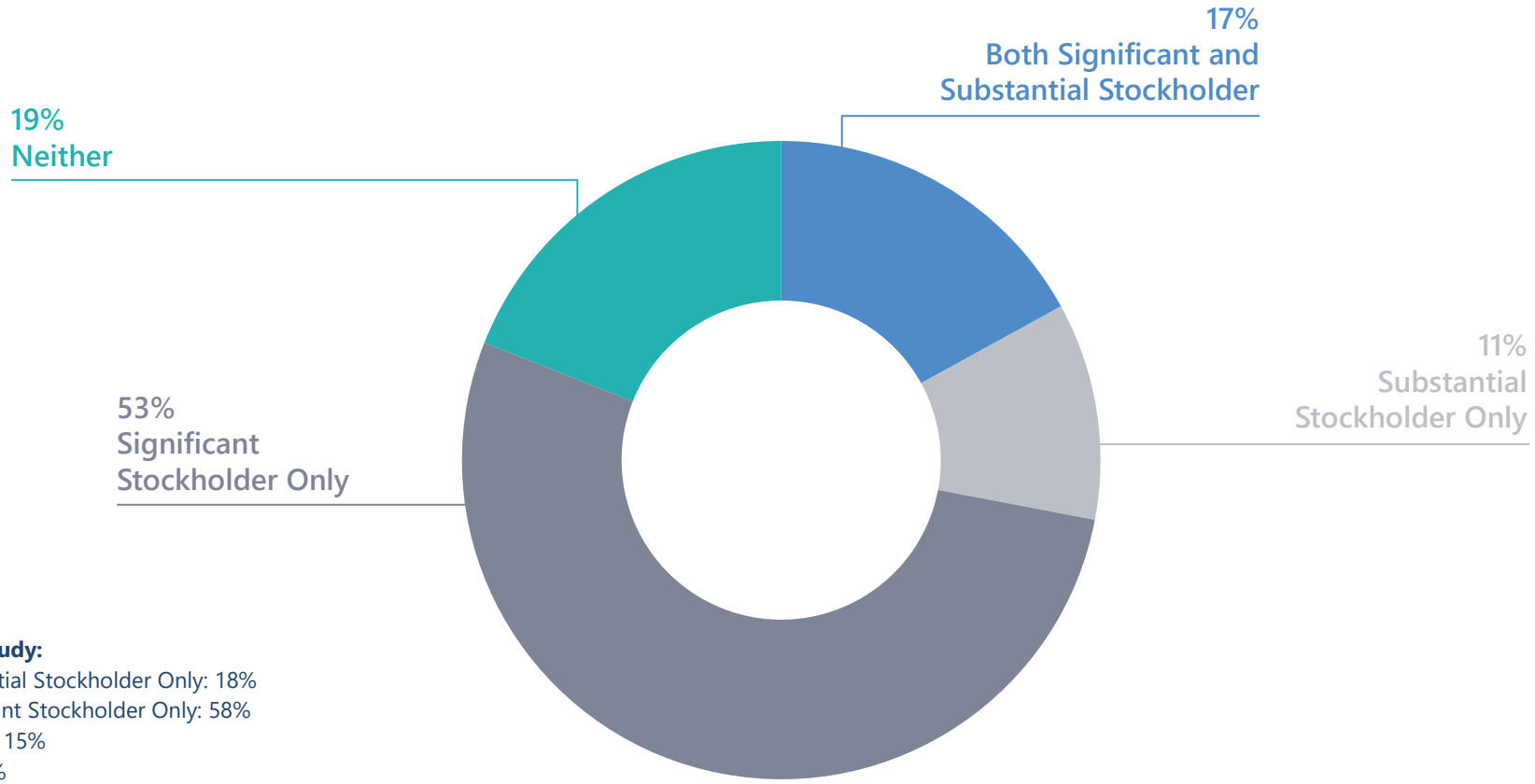

**2023 Study:**
Yes: NA
No: NA

*Source: Public filings.*

- Seven transactions (19%) in the Study were initiated by a director of the target (exclusive of directors who were also members of management).

# Material Stockholders

**Was There a Substantial (≥ 35%) or Significant (> 10% and < 35%) Stockholder Prior to the Transaction?**




**2023 Study:**
Substantial Stockholder Only: 18%
Significant Stockholder Only: 58%
Neither: 15%
Both: 9%

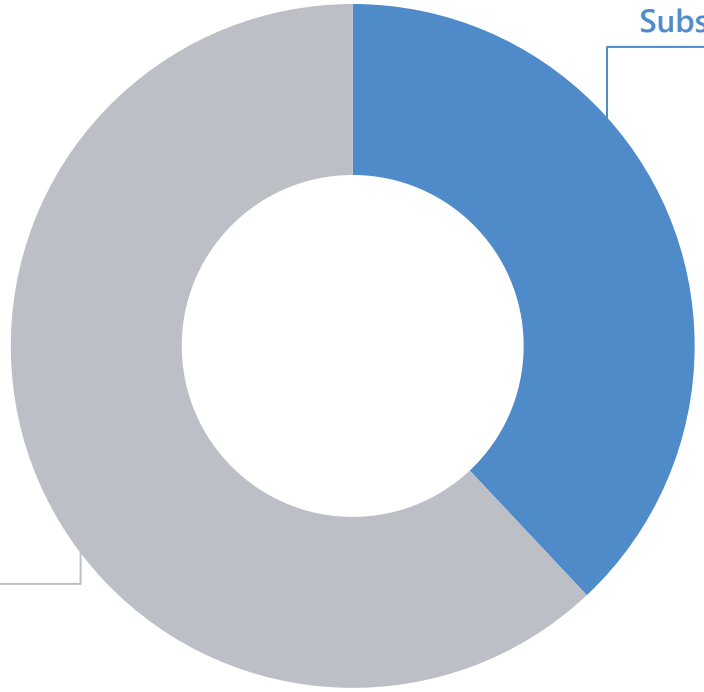
*Source: Public filings.*

- 29 (81%) target companies in the Study had at least one significant or substantial stockholder prior to the transaction, and six (17%) of the target companies had both a significant and substantial stockholder prior to the transaction.

# Non-Passive Stockholders

## If There Was a Substantial or Significant Stockholder Prior to the Transaction, Were They Characterized as Non-Passive?

**2023 Study:**
At Least One Non-Passive Substantial or Significant Shareholder: NA
No Non-Passive Substantial or Significant Shareholder: NA




- A passive stockholder allocates capital in a broad, systematic manner without actively seeking to influence the company's management or operations (e.g., BlackRock, Vanguard). While they may vote on governance matters, they rarely engage in operational decisions.
- A non-passive stockholder invests with the intent to influence or control a company. This group includes activists, strategic buyers, and founders who often take a more hands-on approach (e.g., private equity firms, activist hedge funds, or individuals).
- Of the cases with a substantial or significant stockholder prior to the transaction, 11 (38%) involved at least one passive stockholder.

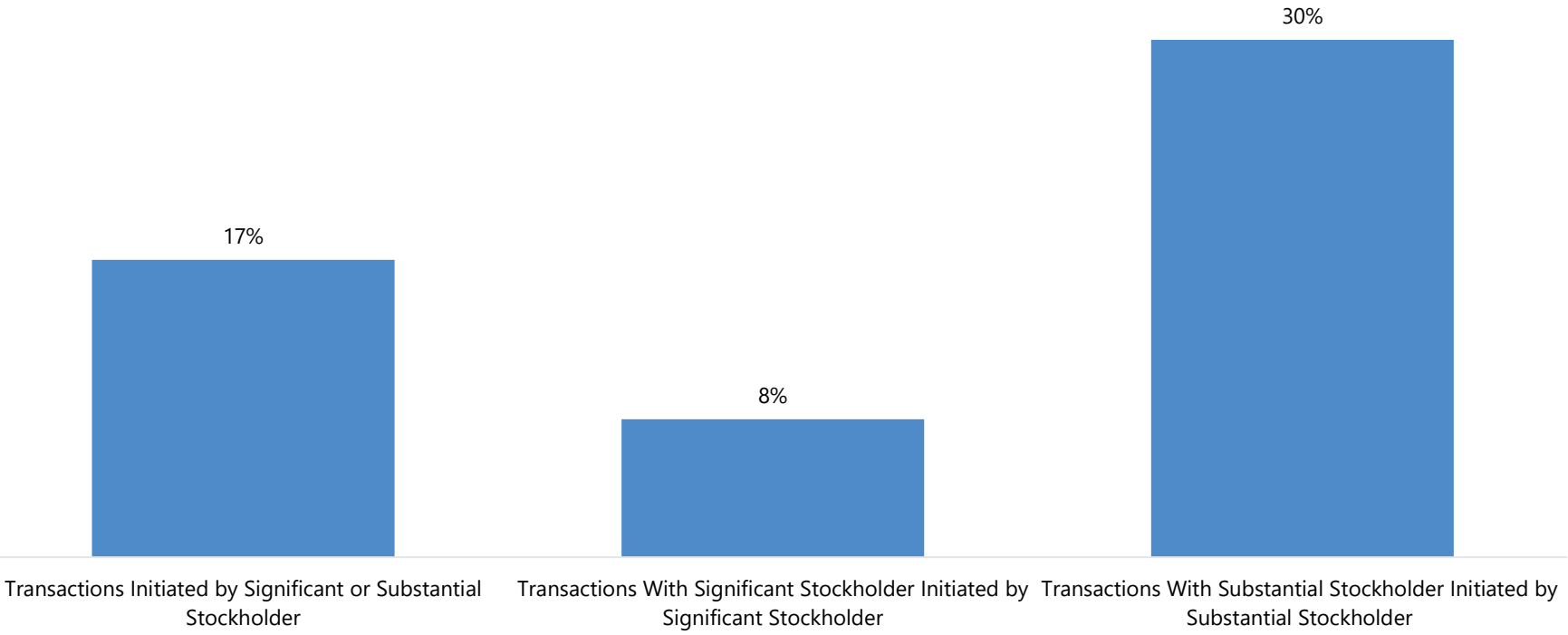
*Source: Public filings.*

# Material Stockholder Initiation

## Did a Significant or Substantial Stockholder Initiate the Transaction Process?

% of Transactions

**2023 Study:**
Substantial or Significant: 21%
Significant Stockholder: 18%
Substantial Stockholder: 33%




*Source: Public filings.*

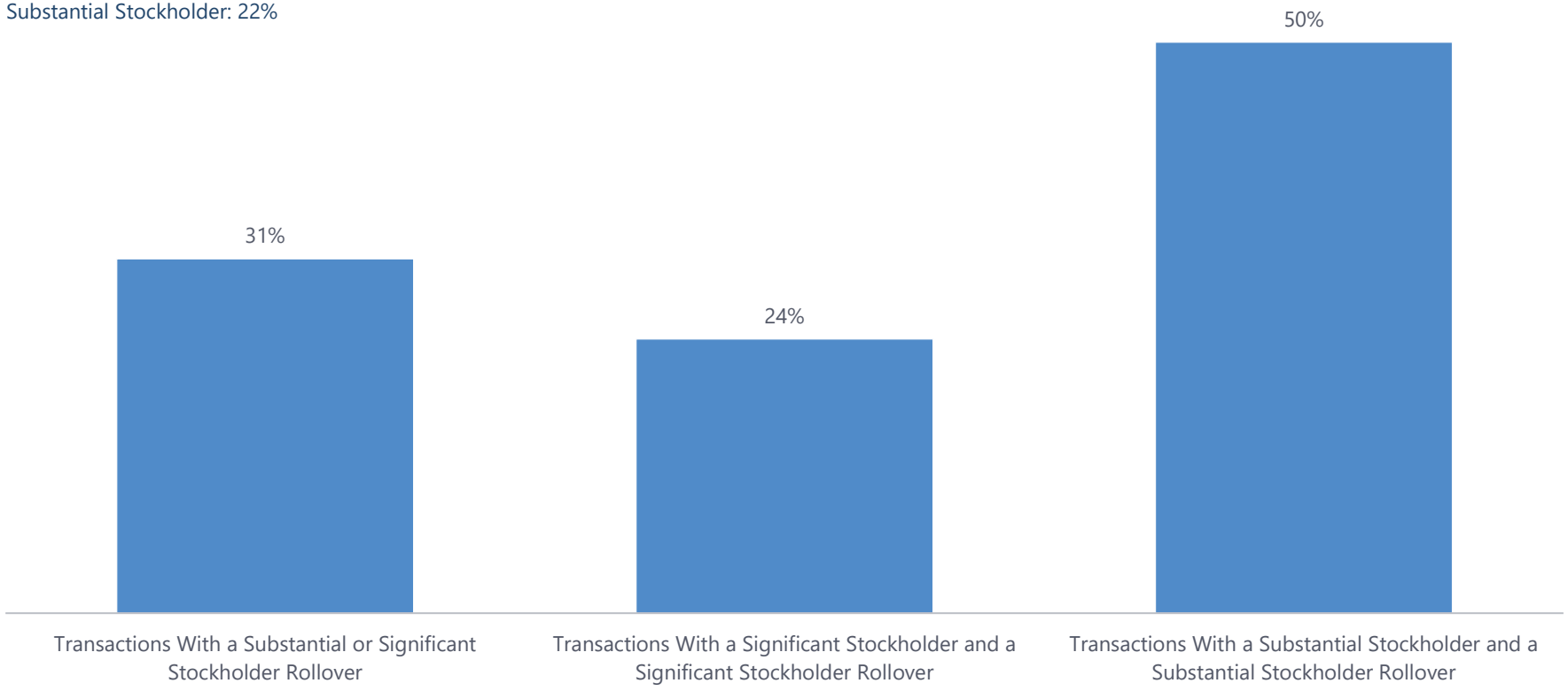
- Of the 29 transactions in which the target company had a significant or substantial shareholder, five (17%) were initiated by the significant or substantial stockholder.
- Significant stockholders were less likely to initiate a transaction, doing so in two (8%) of the 25 cases in which there was a significant stockholder.
- Of the 10 transactions in which the target company had a substantial stockholder prior to the transaction, three (30%) transactions were initiated by that substantial stockholder.

# Material Stockholder Rollover

## Major Stockholder Rollover

% of Transactions

**2023 Study:**
Significant or Substantial: 14%
Significant Stockholder: 9%
Substantial Stockholder: 22%

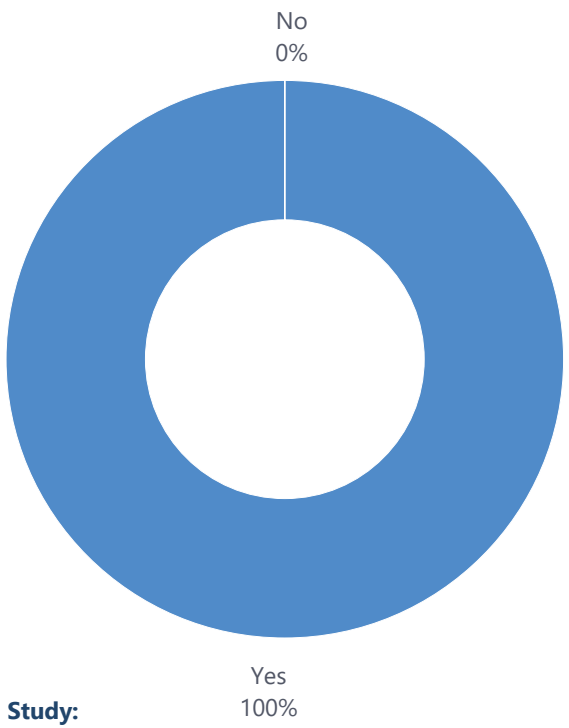



*Source: Public filings.*

- In the Study, significant and substantial stockholders rolled over their target stock into stock of the acquisition vehicle or the surviving corporation in nine (31%) of the 29 applicable transactions.
- Six (24%) of the 25 transactions with a significant shareholder rolled over their holdings into the acquisition vehicle or surviving corporation.
- Where a substantial stockholder existed prior to the transaction, at least a portion of that stockholder's position was rolled over in five (50%) of the 10 applicable transactions.

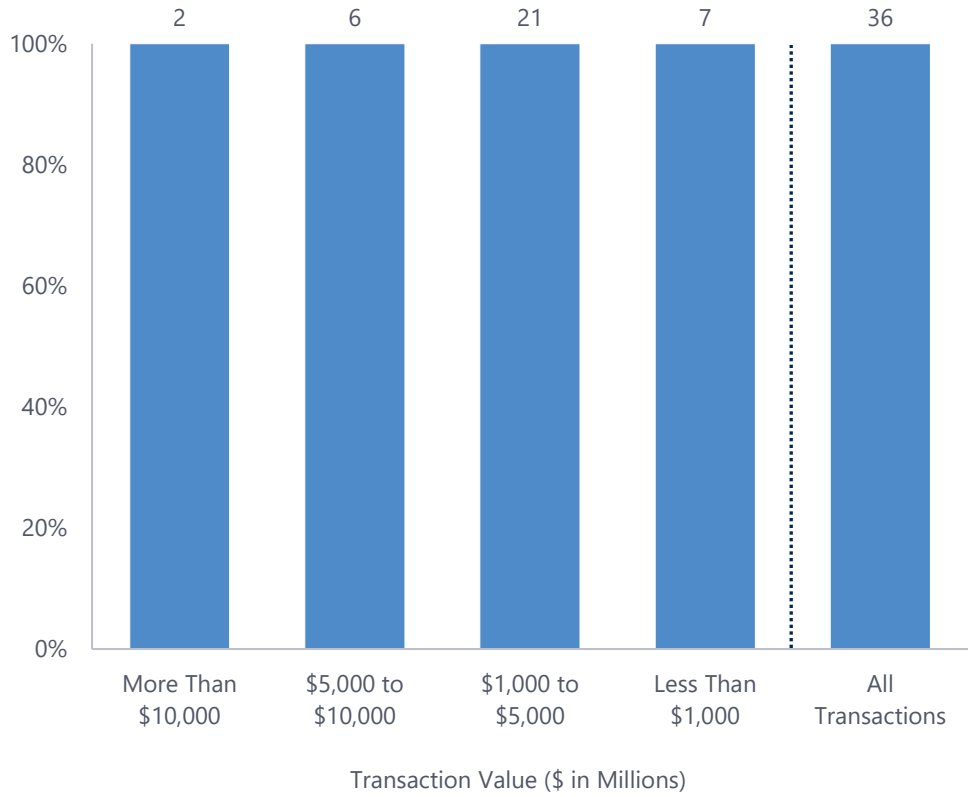
# "Auctioned" Targets

## Was the Company "Auctioned?"




**2023 Study:**
Yes: 97%
No: 3%

## % of Total Transactions "Auctioned"

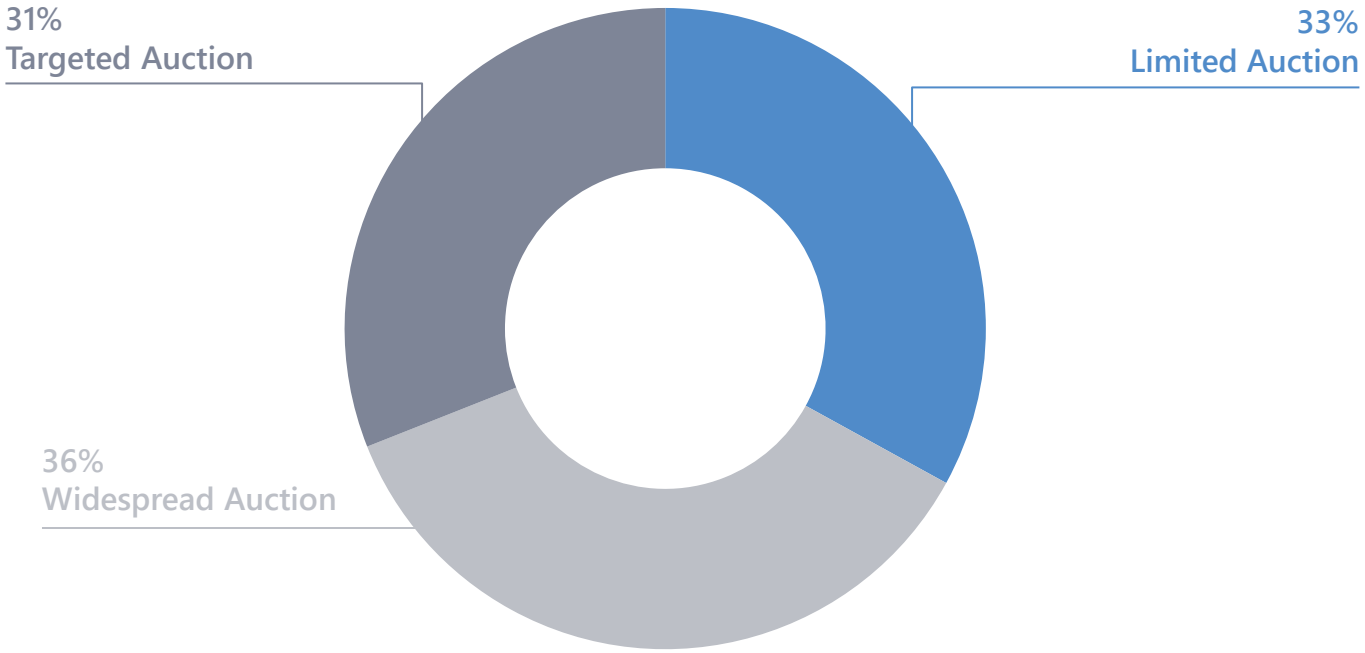



- In going private transactions, the target company often retains a financial advisor to contact potential buyers and solicit proposals to acquire the target company (an "auction").
- 36 (100%) of the targets in the Study undertook a process to auction the company prior to the execution of a transaction agreement.

*Source: Public filings.*

# Auction Process

**If the Company Was Shopped Prior to an Acquisition Agreement Being Signed, Was the Process a Widespread, Limited, or Targeted Auction?**




**2023 Study:**
Targeted: 3%
Limited: 28%
Widespread: 69%

- In 13 (36%) of the 36 transactions where the target was auctioned prior to the execution of a transaction agreement, the auction process was widespread (in excess of 15 prospective buyers solicited). This represented a 47.8% decline from the 2023 study.
- 12 (33%) of the auctioned transactions involved limited auctions (five to 15 parties solicited).
- 11 (31%) of the auctioned transactions involved a targeted auction (fewer than five parties solicited), a significant increase from the 2023 study.

*Source: Public filings.*

# Auction Process (cont.)

| Widespread Auction Processes (13 Transactions) | | | LTM Multiples | | | Acquisition Premiums | | |
|---|---|---|---|---|---|---|---|---|
| | (Dollars in Millions) | TV | TV Revenue | TV/EBITDA | TV/EBIT | 1-Day | 1-Week | 4-Weeks |
| | Low | $78.7 | 0.3x | 4.0x | 5.4x | 10.7% | 8.5% | 6.8% |
| | High | $5,403.4 | 11.3x | 37.7x | 34.1x | 105.1% | 99.1% | 97.4% |
| | Median | $1,160.5 | 2.4x | 10.2x | 15.4x | 30.3% | 30.8% | 27.3% |
| | Mean | $1,689.9 | 3.5x | 13.6x | 18.6x | 42.1% | 39.5% | 36.0% |

| Limited Auction Processes (12 Transactions) | | | LTM Multiples | | | Acquisition Premiums | | |
|---|---|---|---|---|---|---|---|---|
| | (Dollars in Millions) | TV | TV Revenue | TV/EBITDA | TV/EBIT | 1-Day | 1-Week | 4-Weeks |
| | Low | $128.4 | 0.5x | 3.5x | 12.8x | 11.0% | 12.5% | 12.8% |
| | High | $16,475.3 | 7.9x | 42.5x | 34.4x | 73.7% | 71.7% | 66.3% |
| | Median | $4,104.3 | 3.6x | 15.5x | 25.2x | 23.8% | 27.9% | 35.1% |
| | Mean | $5,051.0 | 3.9x | 18.0x | 24.2x | 29.2% | 31.2% | 37.1% |

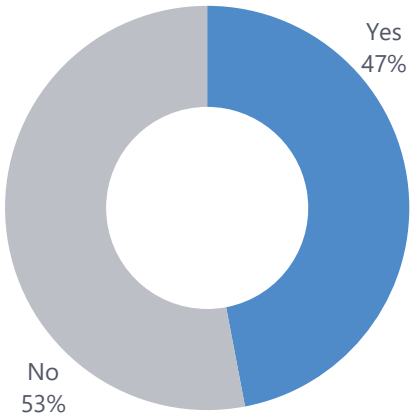
| Targeted Auction Processes (11 Transactions) | | | LTM Multiples | | | Acquisition Premiums | | |
|---|---|---|---|---|---|---|---|---|
| | (Dollars in Millions) | TV | TV Revenue | TV/EBITDA | TV/EBIT | 1-Day | 1-Week | 4-Weeks |
| | Low | $1,059.7 | 1.2x | 4.7x | 8.3x | 10.2% | 8.1% | 16.0% |
| | High | $24,786.1 | 12.0x | 36.1x | 38.3x | 105.6% | 91.0% | 82.9% |
| | Median | $2,004.9 | 2.6x | 10.6x | 19.7x | 30.9% | 34.1% | 39.3% |
| | Mean | $4,932.1 | 3.4x | 14.1x | 21.5x | 41.0% | 39.7% | 44.5% |

*Notes: The high and low metrics shown in this chart represent the high and low TVs, TV multiples, and acquisition premiums shown in the study. The low TV multiples and acquisition premiums, respectively, are not necessarily associated with the transactions with the lowest transaction value, and the high TV multiples and acquisition premiums, respectively, are not necessarily associated with the transactions with the highest transaction value. Similarly, the low and high acquisition premiums, respectively, are not necessarily associated with the transactions with the lowest and highest transaction value or TV multiples. Source: S&P Capital IQ and public filings.*

- Average acquisition premiums were higher for transactions with a widespread and targeted auction process (more than 15 parties) than with a limited auction process (five to 15 parties). Eleven transactions featured a targeted auction process (fewer than five parties).

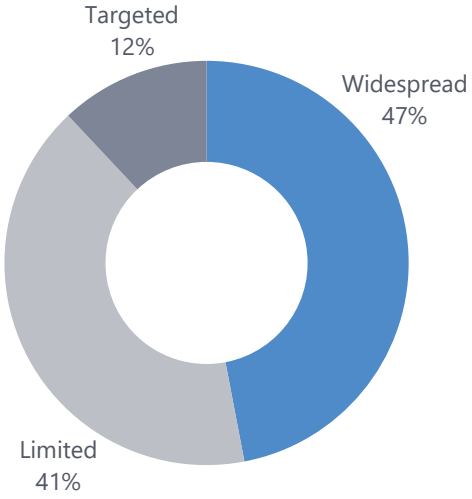
# Public Disclosure

## Was There Contemporaneous Public Disclosure of the Auction Process?



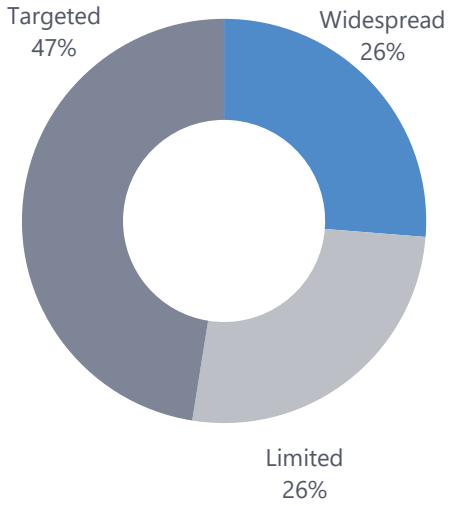

**2023 Study:**
Yes: 53%
No: 47%

## If There Was Public Disclosure, Was the Process a Widespread, Limited, or Targeted Auction?




**2023 Study:**
Targeted: 0%
Limited: 29%
Widespread: 71%

## If There Was No Public Disclosure, Was the Process a Widespread, Limited, or Targeted Auction?




**2023 Study:**
Targeted: 7%
Limited: 27%
Widespread: 67%

- In 53% of the 36 transactions where there was an auction, there was no contemporaneous public announcement of the auction process.
- Widespread auctions constituted (i) eight (47%) of the 17 transactions in which an auction process was publicly disclosed and (ii) five (26%) of the 19 transactions in which the process was not publicly disclosed.
  - Auction processes with public disclosure include transactions with generally higher transaction values as compared to auction processes without public disclosure.

## Transaction Value Analysis

(Dollars in Millions)

| | Public Disclosure | No Public Disclosure |
|---|---|---|
| **Low** | $78.7 | $128.4 |
| **High** | $24,786.1 | $9,211.9 |
| **Median** | $3,670.1 | $1,361.3 |
| **Mean** | $5,004.4 | $2,169.7 |

*Sources: S&P Capital IQ and public filings.*

# Public Disclosure (cont.)

| | | | LTM Multiples | | | Acquisition Premiums | | |
|---|---|---|---|---|---|---|---|---|
| | (Dollars in Millions) | TV | TV Revenue | TV/EBITDA | TV/EBIT | 1-Day | 1-Week | 4-Weeks |
| Publicly Disclosed (17 Transactions) | Low | $78.7 | 0.3x | 4.3x | 8.2x | 10.2% | 8.1% | 6.8% |
| | High | $24,786.1 | 11.3x | 24.8x | 34.4x | 78.8% | 77.8% | 73.8% |
| | Median | $3,792.8 | 3.6x | 13.2x | 18.3x | 28.4% | 30.7% | 33.2% |
| | Mean | $5,679.2 | 3.9x | 13.7x | 21.4x | 32.0% | 30.7% | 30.6% |

| | | | LTM Multiples | | | Acquisition Premiums | | |
|---|---|---|---|---|---|---|---|---|
| | (Dollars in Millions) | TV | TV Revenue | TV/EBITDA | TV/EBIT | 1-Day | 1-Week | 4-Weeks |
| Not Publicly Disclosed (19 Transactions) | Low | $128.4 | 0.5x | 3.5x | 5.4x | 10.7% | 8.5% | 19.3% |
| | High | $9,211.9 | 12.0x | 21.4x | 38.3x | 105.6% | 99.1% | 97.4% |
| | Median | $1,547.3 | 2.4x | 8.1x | 19.7x | 30.9% | 31.2% | 39.3% |
| | Mean | $2,120.4 | 3.3x | 10.5x | 21.5x | 42.4% | 42.3% | 46.4% |

*Notes: The high and low metrics shown in this chart represent the high and low TVs, TV multiples, and acquisition premiums shown in the study. The low TV multiples and acquisition premiums, respectively, are not necessarily associated with the transactions with the lowest transaction value, and the high TV multiples and acquisition premiums, respectively, are not necessarily associated with the transactions with the highest transaction value. Similarly, the low and high acquisition premiums, respectively, are not necessarily associated with the transactions with the lowest and highest transaction value or TV multiples. Sources: S&P Capital IQ and public filings.*

- Higher average and median implied multiples of EBITDA and EBIT were observed in transactions with an auction process that were publicly disclosed as compared to transactions with auctions that were not publicly disclosed.
  - The same is not observed in the acquisition premiums.

# Exclusivity

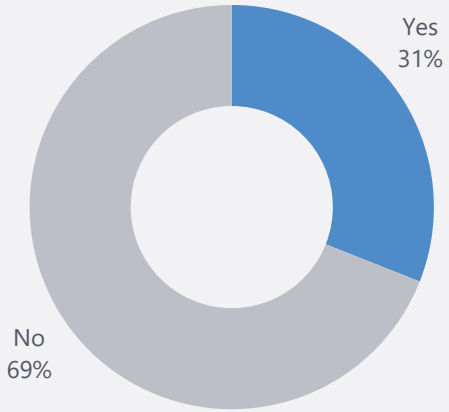
| Transactions With Exclusivity Periods | | | LTM Multiples | | | Acquisition Premiums | | |
|---|---|---|---|---|---|---|---|---|
| | (Dollars in Millions) | TV | TV Revenue | TV/EBITDA | TV/EBIT | 1-Day | 1-Week | 4-Weeks |
| | Low | $78.7 | 0.3x | 4.0x | 5.4x | 10.2% | 8.1% | 16.0% |
| | High | $4,285.7 | 6.9x | 24.8x | 34.7x | 72.4% | 62.4% | 66.3% |
| | Median | $1,059.7 | 2.2x | 6.9x | 15.7x | 24.6% | 26.7% | 29.1% |
| | Mean | $1,709.0 | 2.6x | 10.6x | 17.4x | 31.8% | 31.3% | 34.6% |

| Transactions Without Exclusivity Periods | | | LTM Multiples | | | Acquisition Premiums | | |
|---|---|---|---|---|---|---|---|---|
| | (Dollars in Millions) | TV | TV Revenue | TV/EBITDA | TV/EBIT | 1-Day | 1-Week | 4-Weeks |
| | Low | $128.4 | 0.5x | 3.5x | 12.8x | 10.7% | 8.5% | 6.8% |
| | High | $24,786.1 | 12.0x | 42.5x | 38.3x | 105.6% | 99.1% | 97.4% |
| | Median | $2,630.3 | 3.4x | 15.2x | 20.3x | 30.9% | 31.2% | 37.0% |
| | Mean | $4,721.4 | 4.1x | 17.6x | 23.8x | 40.0% | 39.3% | 40.9% |

*Notes: The high and low metrics shown in this chart represent the high and low TVs, TV multiples, and acquisition premiums shown in the study. The low TV multiples and acquisition premiums, respectively, are not necessarily associated with the transactions with the lowest transaction value, and the high TV multiples and acquisition premiums, respectively, are not necessarily associated with the transactions with the highest transaction value. Similarly, the low and high acquisition premiums, respectively, are not necessarily associated with the transactions with the lowest and highest transaction value or TV multiples. Sources: S&P Capital IQ and public filings.*

- Exclusivity was granted to a prospective acquirer in 11 (31%) of the 36 transactions in the Study where the Target was auctioned prior to the execution of a transaction agreement.
- Transactions with exclusivity periods garnered lower LTM multiples and lower acquisition premiums, on average, as compared to those without exclusivity periods.

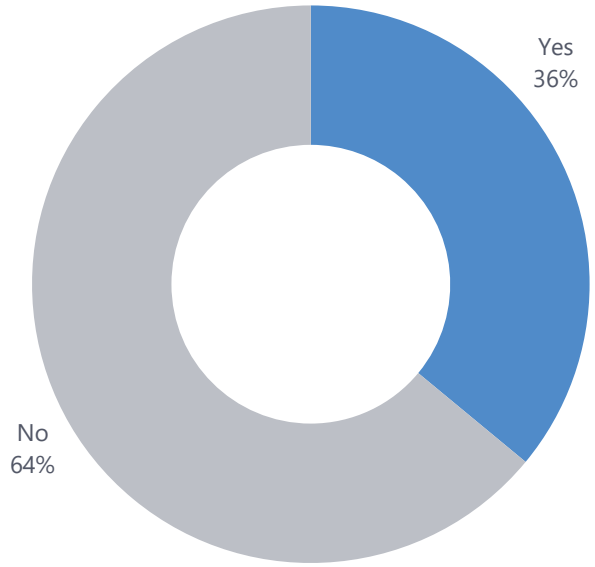
## Was Exclusivity Granted to Any Bidder During the Auction Process?




**2023 Study:**
Yes: 25%
No: 75%

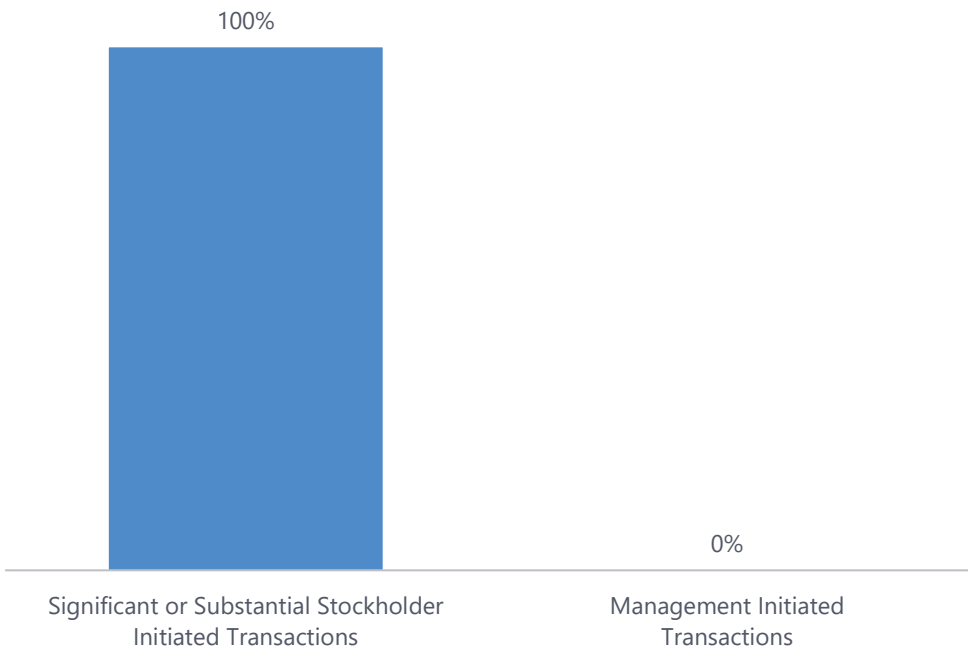
# Special Committees

## Was a Special Committee of Independent Directors Formed to Review the Transaction?




**2023 Study:**
Yes: 45%
No: 55%

## % of Transactions With Special Committees




**2023 Study:**
Significant or Substantial: 86%
All: 100%

- In 36% of the transactions in the Study, a committee of independent directors was appointed to review and/or negotiate the transaction.
- Special committees were appointed in five (100%) of the five transactions that were initiated by a substantial or significant stockholder.

*Source: Public filings.*

# Special Committees (cont.)

**Special Committee Monthly Compensation**

| Target | Special Committee Chairperson | Special Committee Member |
|---|---|---|
| ARC Document Solutions, Inc.[1] | -- | $10,000 |
| Squarespace, Inc. | $25,000 | $20,000 |

**Special Committee Per Meeting Compensation**

| Target | Special Committee Chairperson | Special Committee Member |
|---|---|---|
| PowerSchool Holdings, Inc. | -- | $1,500 |
| Zuora, Inc. | -- | $2,000 |

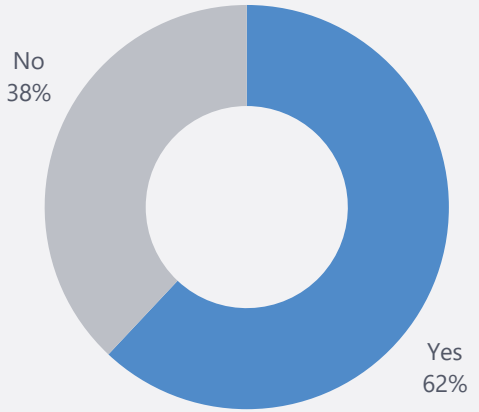
**Special Committee Lump Sum Compensation**

| Target | Special Committee Chairperson | Special Committee Member |
|---|---|---|
| Thoughtworks Holding, Inc. | $100,000 | $75,000 |
| R1 RCM Inc. | -- | $100,000 |
| Endeavor Group Holdings, Inc. | -- | $250,000 |
| Agiliti, Inc. | $45,000 | $25,000 |

*(1) Committee members were also paid a lump sum of $25,000.*
*Source: Public filings.*

- In eight (62%) of the 13 transactions where a special committee was formed, compensation paid to the committee members was disclosed.
  - In four instances, each committee member was paid a flat fee.
  - In four instances, each committee member was paid on a per-meeting or per-month basis.

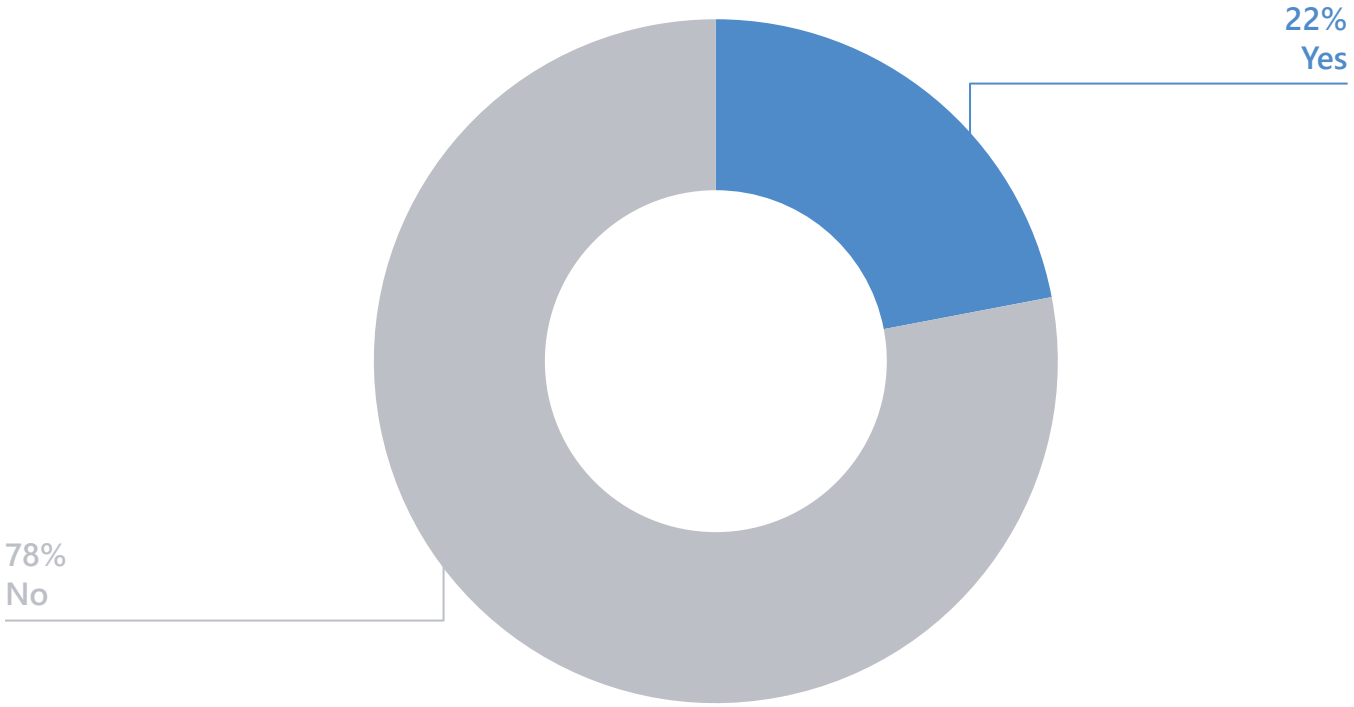
**If There Was a Special Committee Formed, Was Compensation to Its Members Disclosed?**




**2023 Study:**
Yes: 27%
No: 73%

# Post-Transaction Employment

**Did Management Discuss Post-Transaction Employment Prior to the Board's Selection of a Winning Bid?**



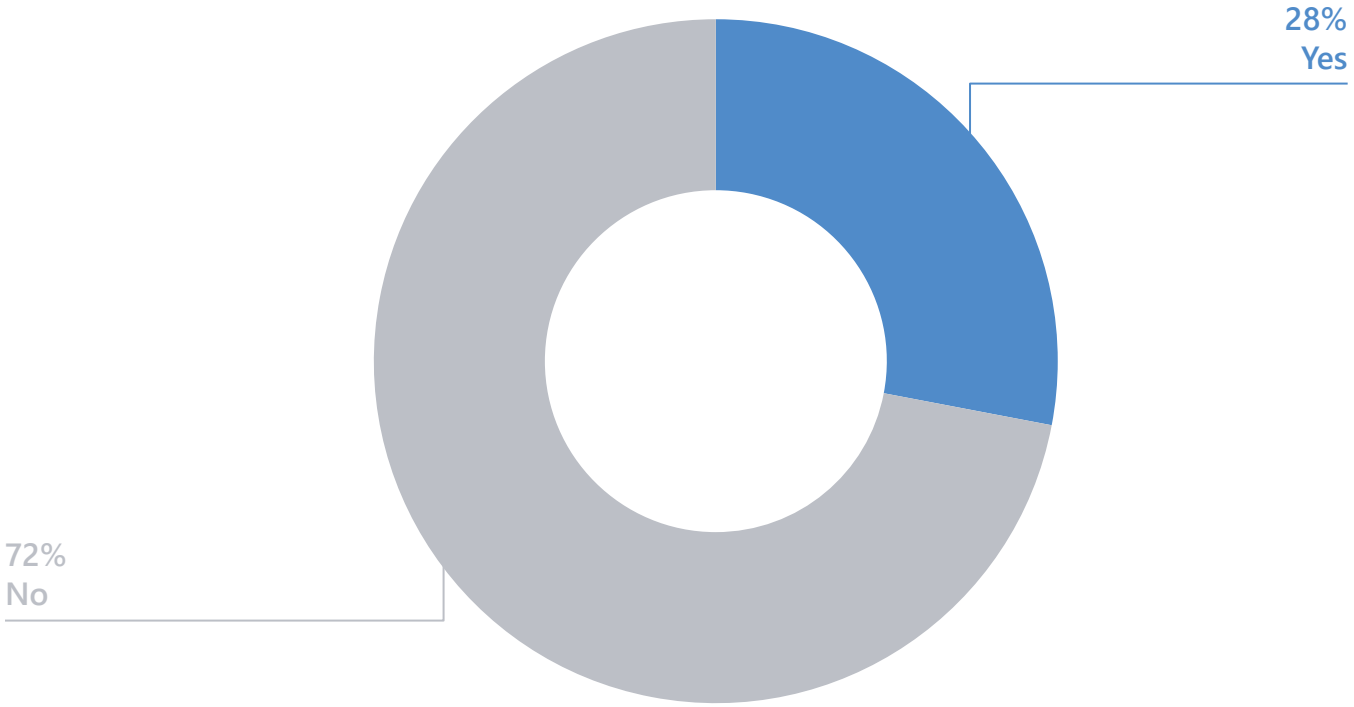

**2023 Study:**
Yes: 15%
No: 85%

*Source: Public filings.*

- Boards of directors of going private targets are reluctant to allow management to discuss post-transaction employment prior to the board's selection of a winning bidder.

# 13E-3 Transactions

## Was the Transaction a 13E-3 Transaction?



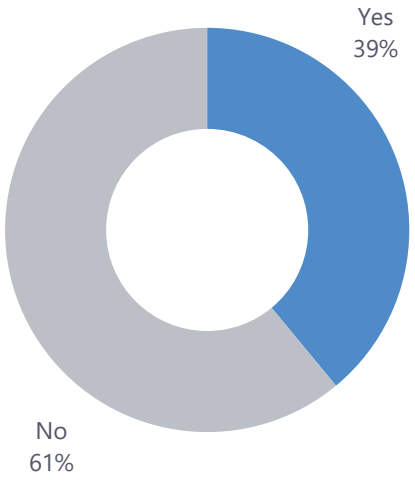

**2023 Study:**
Yes: 27%
No: 73%

- 10 (28%) of the transactions in the Study were "13E-3 transactions" as defined under the Securities Exchange Act of 1934.[1]

*(1) A going private transaction is subject to Rule 13E-3 if, among other things, it involves (i) a purchase of any equity security by the issuer of such security or by an affiliate or (ii) a tender offer for any equity security made by the issuer or by an affiliate. An affiliate is viewed as a person who directly or indirectly controls, is controlled by, or is under common control with the issuer. Due to the potential for abuse and overreaching by the issuer and/or its affiliates, who may be viewed as having roles on both sides of the transactions, and the significant impact that such transactions can have on minority shareholders, Rule 13E-3 imposes certain filing, dissemination, heightened disclosure, and anti-fraud requirements on issuers and their affiliates engaged in these types of transactions. Source: Public filings.*

# Stockholder Lock-Ups

### Transactions With Stockholder Lock-Ups as a % of Total Transactions

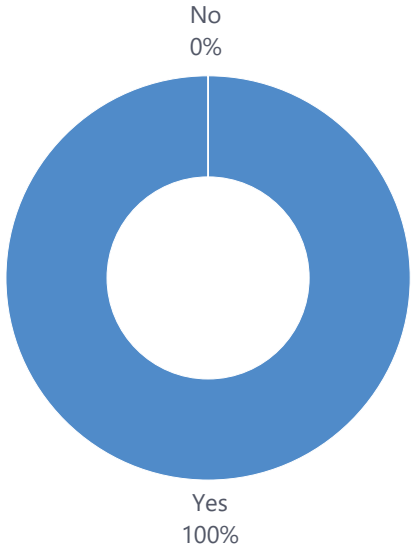



**2023 Study:**
Yes: 48%
No: 52%

### Transactions With Significant Stockholder Lock-Ups as a % of Total Transactions With Significant Stockholders

**2023 Study:**
Yes: 50%
No: 50%

### Transactions With Substantial Stockholder Lock-Ups as a % of Total Transactions With Substantial Stockholders



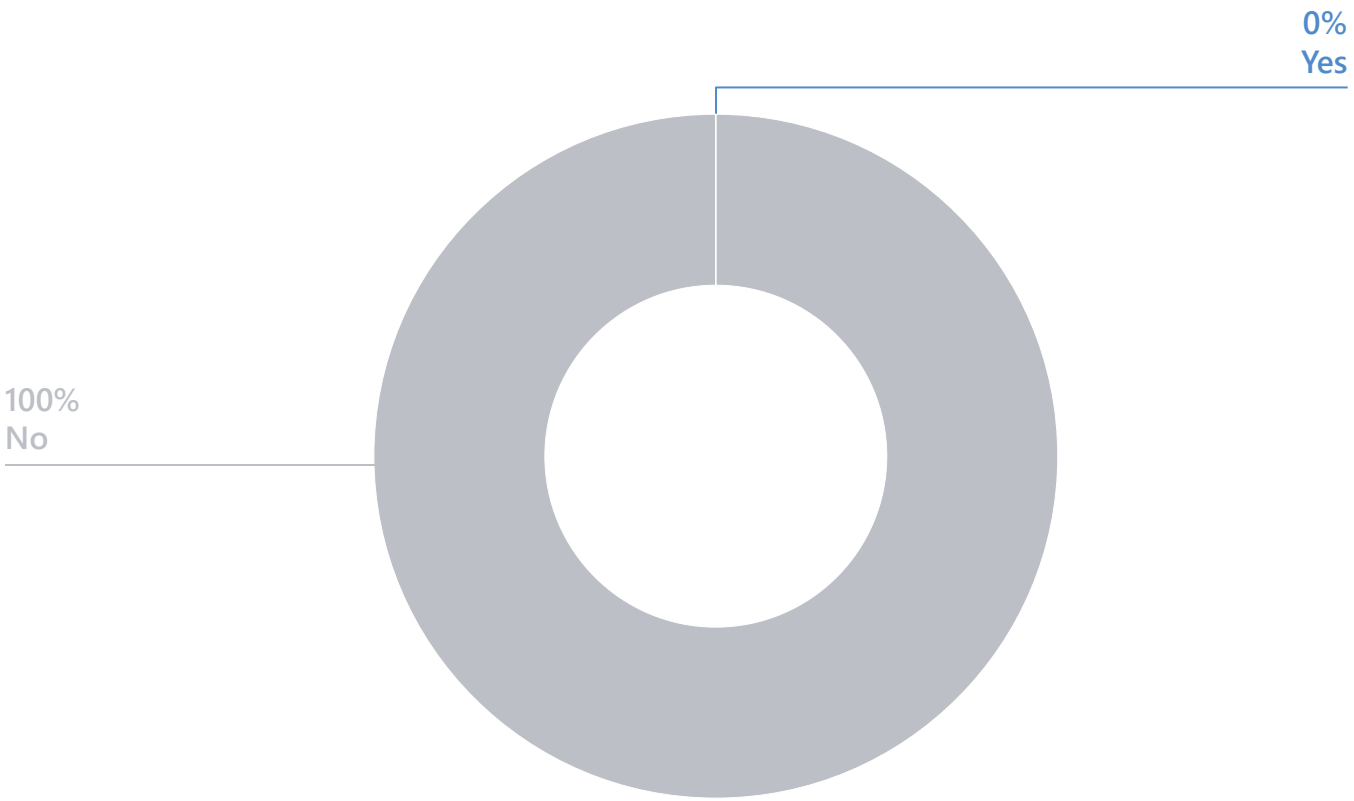

**2023 Study:**
Yes: 78%
No: 22%

- Stockholder agreements to vote in favor of the transaction (a "lock-up") were observed in 39% of the transactions in the Study.
- Of the 25 transactions involving a target with a significant stockholder, eight (32%) had a lock-up of a significant stockholder.
- 10 (100%) of the 10 transactions involving a target with a substantial stockholder had a lock-up of that stockholder.

*Source: Public filings.*

# Approval by a Majority of the Minority

**Was the Transaction Subject to Approval by a Majority of the Minority if Initiated by a Substantial Stockholder, Significant Stockholder, or Management?**



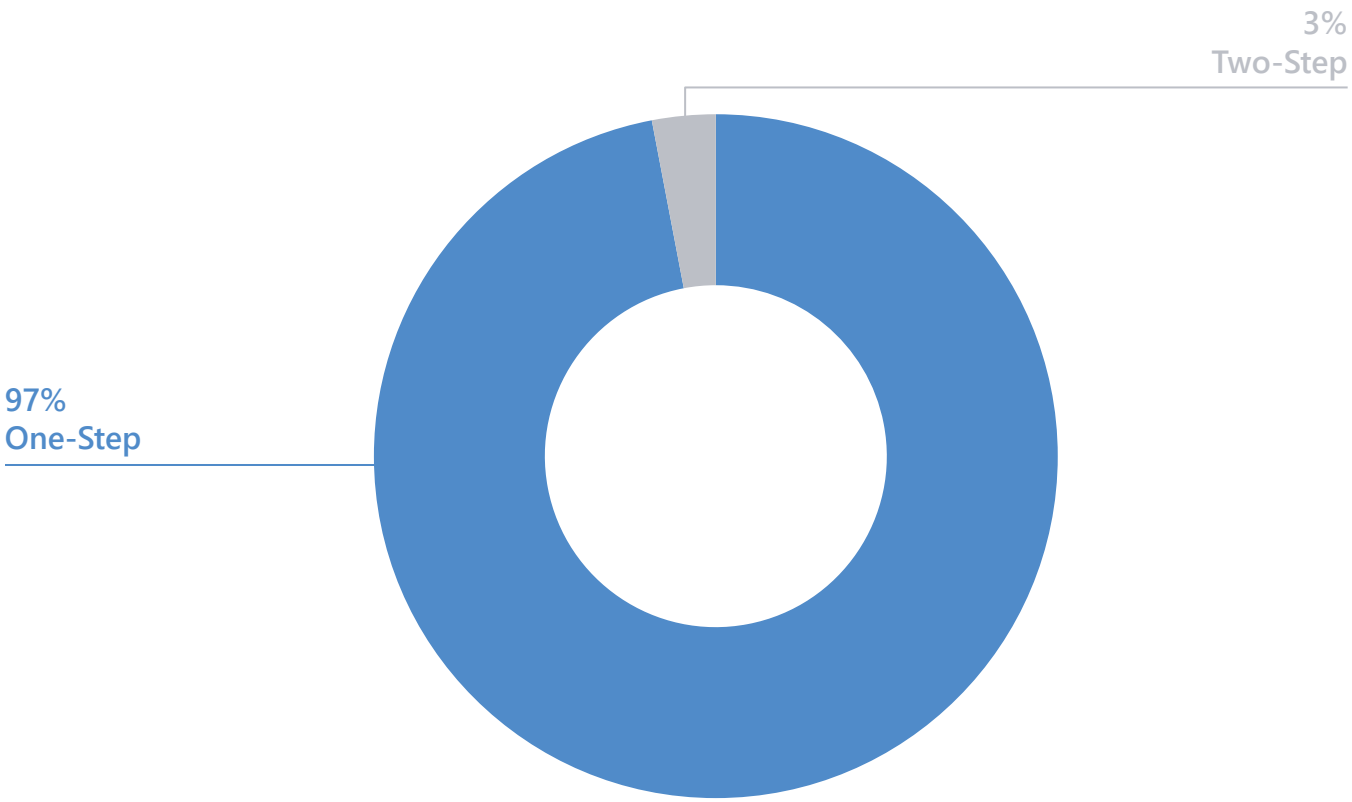

**2023 Study:**
Yes: 0%
No: 100%

*Source: Public filings.*

- In the Study, none of the seven transactions initiated by a substantial or significant stockholder or management were subject to approval by a majority of the minority stockholders.

# Transaction Structure

## Was the Transaction Structured as a One-Step or a Two-Step Merger?




**2023 Study:**
Two-Step: 6%
One-Step: 94%

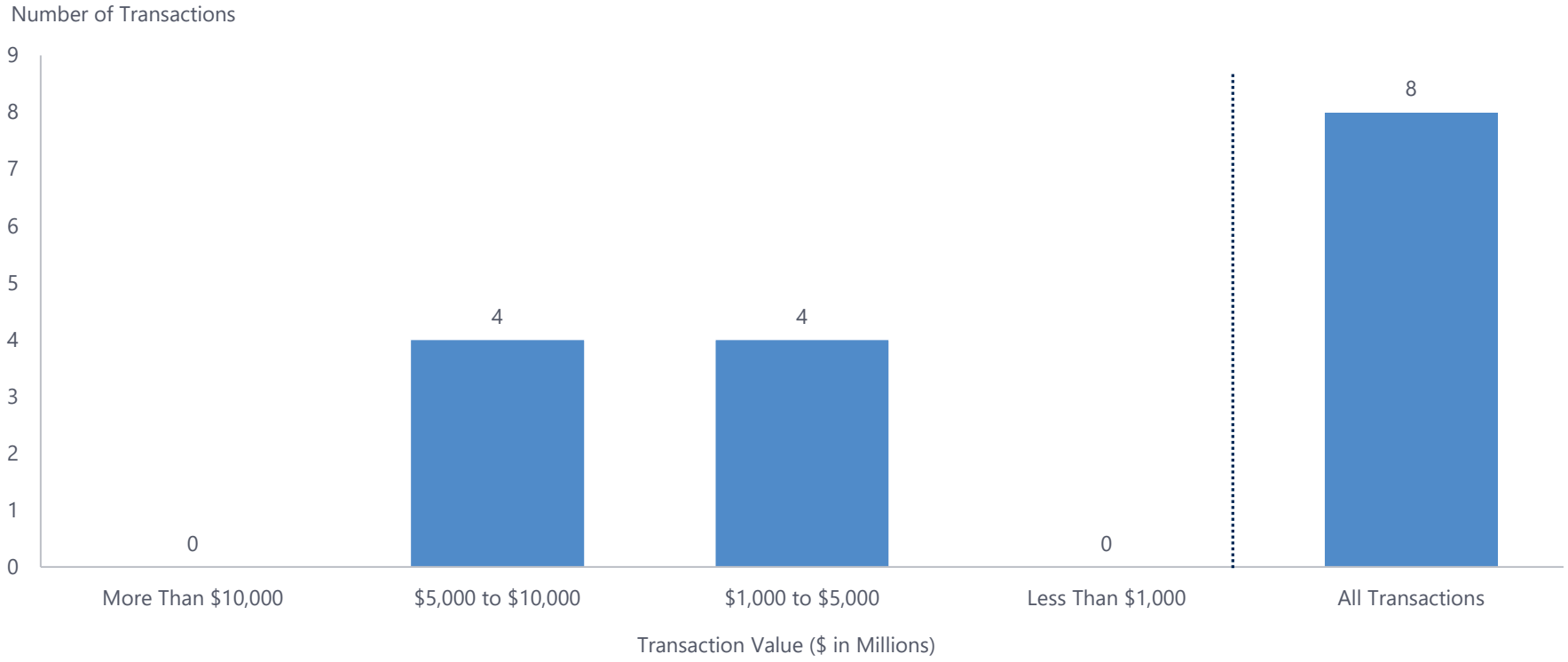
*Source: Public filings.*

- Despite the advantage of being able to quickly gain control of a target through the use of a tender offer, 97% of the transactions in the Study were structured as one-step merger transactions.

# Club Deals

## Number of Club Deals by Transaction Value

(Dollars in Millions)



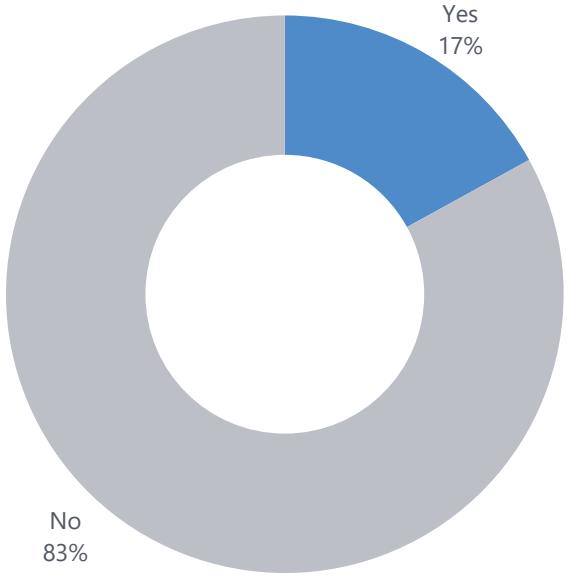

**2023 Study:**
Club Deals: 39%

- Eight (22%) of the transactions in the Study were "club deals" involving two or more sponsors.

*Sources: S&P Capital IQ and public filings.*

# Go-Shop Provisions

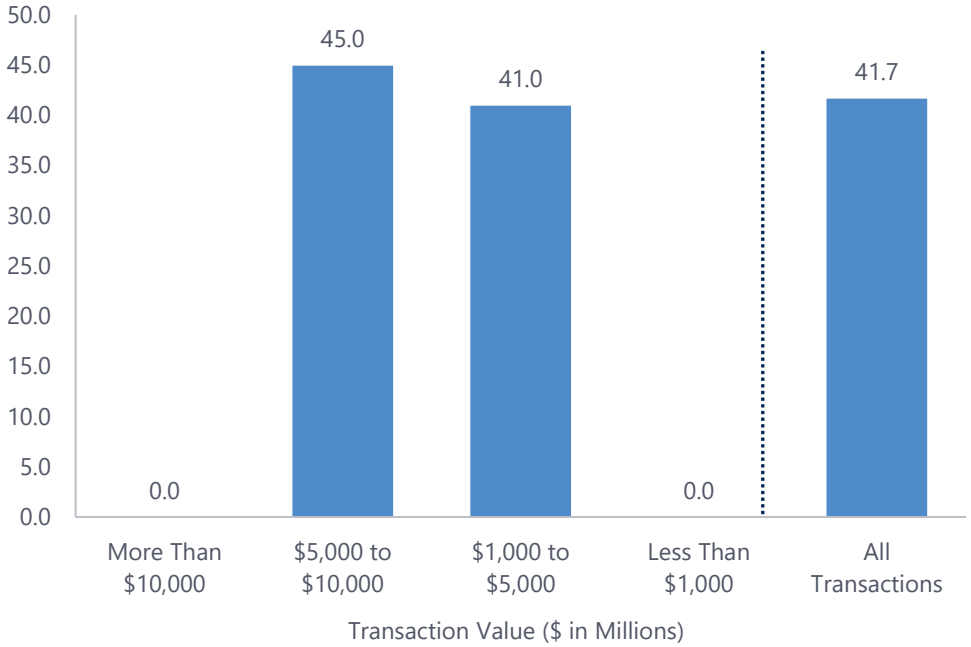
## Was There a Go-Shop Provision?




**2023 Study:**
Yes: 21%
No: 79%

## Average Length of Go-Shop (Days)

(Dollars in Millions)



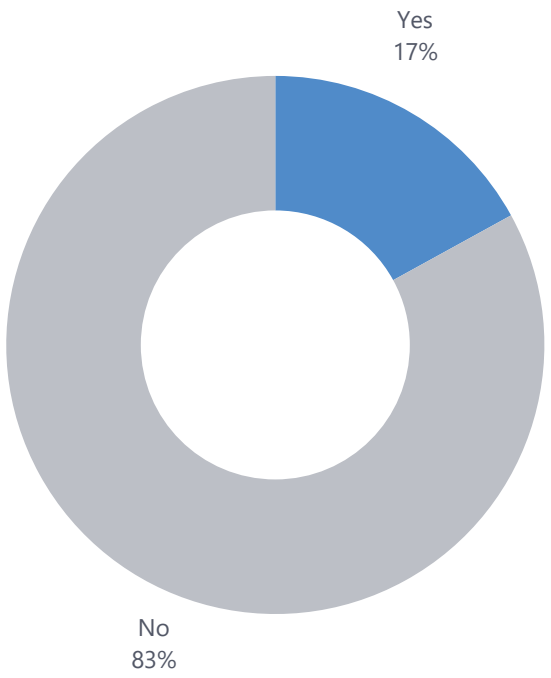

**2023 Study:**
All Transactions: 35.0 days

- Six (17%) of the transactions in the Study provided for a post-agreement go-shop period.
- The average go-shop period length for all of the observed transactions was 41.7 days, with larger transactions having longer average "shopping days."

*Sources: S&P Capital IQ and public filings.*

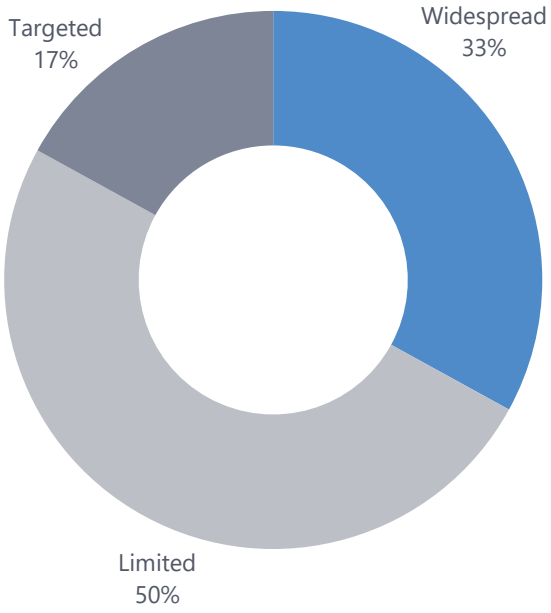
# Go-Shop Provisions (cont.)

### If There Was an Auction Process, Was There a Go-Shop Provision?




**2023 Study:**
Yes: 22%
No: 78%

### If There Was an Auction Process, Was the Process a Widespread, Limited, or Targeted Auction?



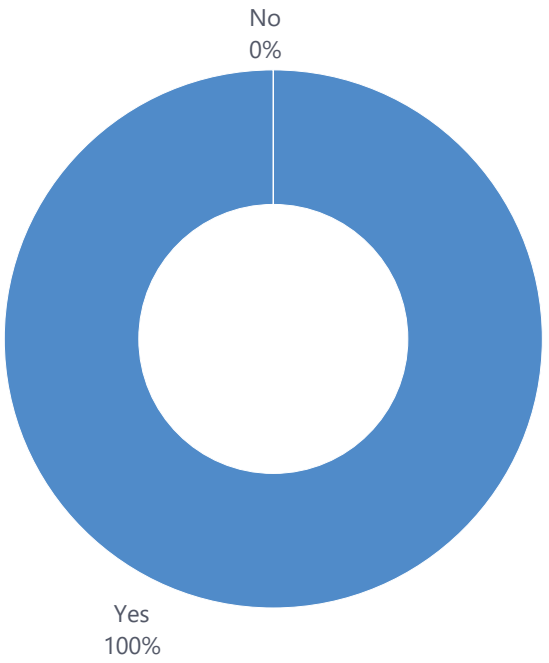

**2023 Study:**
Widespread: 71%
Limited: 29%
Targeted: 0%

- In six (17%) of the 36 transactions with auction processes, there was also a go-shop provision.
  - Of these six, two (33%) were widespread auction processes, three (50%) were limited auction processes, and one (17%) was a targeted auction process.
- Go-shop provisions were not present in any transaction that was not preceded by an auction process.

*Source: Public filings.*

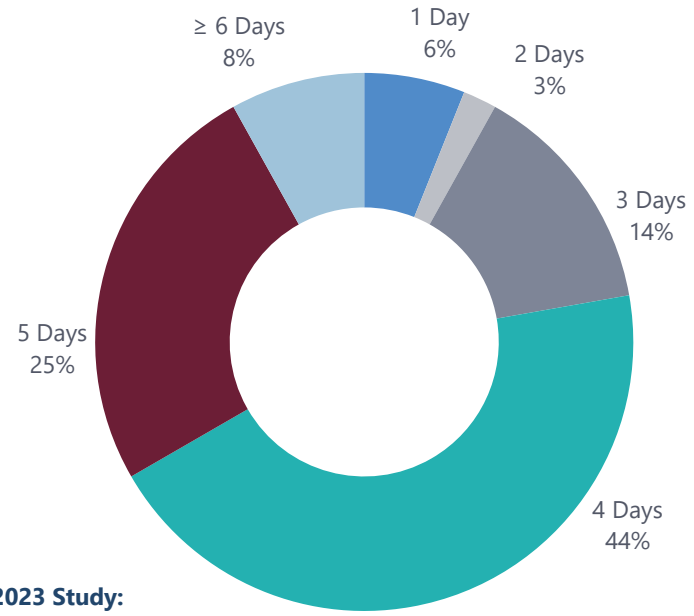
# Fiduciary Out to a Superior Proposal

## If There Was a Fiduciary Out for a Superior Proposal, Did the Original Bidder Have Matching Rights?




**2023 Study:**
Yes: 100%
No: 0%

## If the Bidder Did Have Matching Rights, Over What Period Were the Matching Rights Effective?



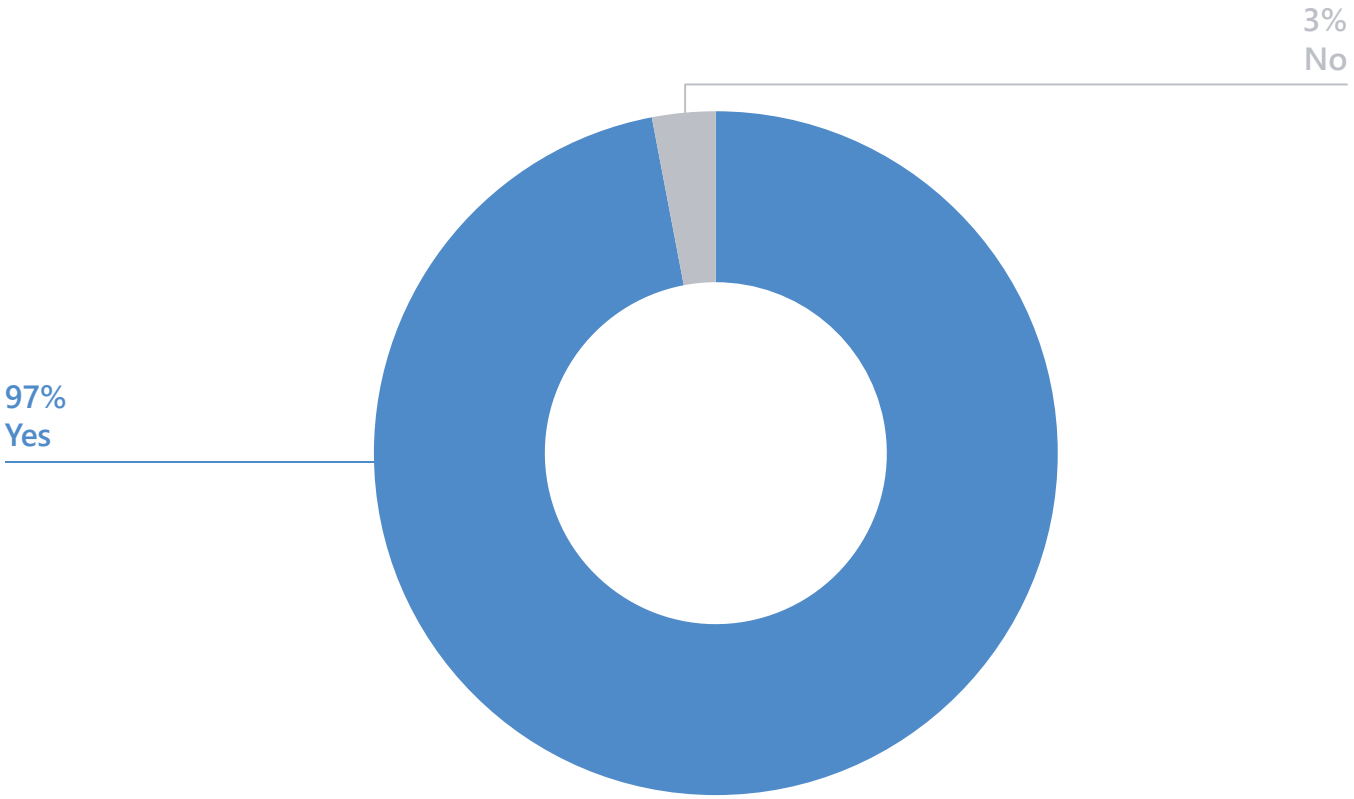

**2023 Study:**
≥ 6 Days: 0%
5 Days: 16%
4 Days: 61%
3 Days: 10%
2 Days: 6%
1 Day: 6%

- All the transactions in the Study contained a fiduciary out in the event the target received a superior outside proposal (either pursuant to a go-shop provision or otherwise); however, in all cases, the original bidder was granted matching rights effective for a period of up to eight days.

*Source: Public filings.*

# Fiduciary Out for an Intervening Event

## Was There a Fiduciary Out for an "Intervening Event"?



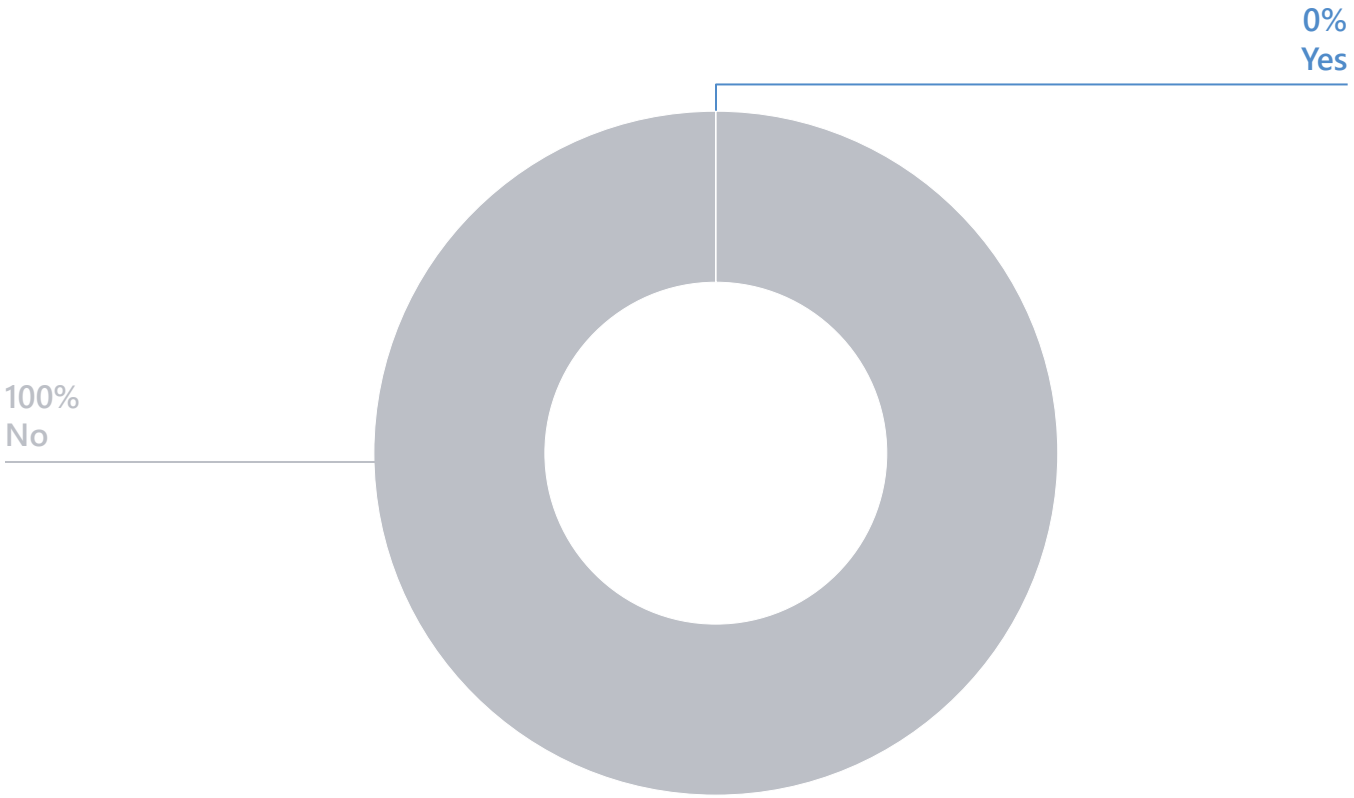

**2023 Study:**
Yes: 100%
No: 0%

*Source: Public filings.*

- In 35 (97%) of the 36 transactions in the Study, the target board was permitted to change its recommendation in favor of a deal by reason of an "intervening event."
  - The definition of an intervening event varies by deal, but typical definitions may include that such event was not known by the target's board and/or management as of the date of the merger agreement, is material, was not reasonably foreseeable, and/or occurs or arises after the date of the merger agreement.

# Financing

## Was There a Financing Out in the Agreement?



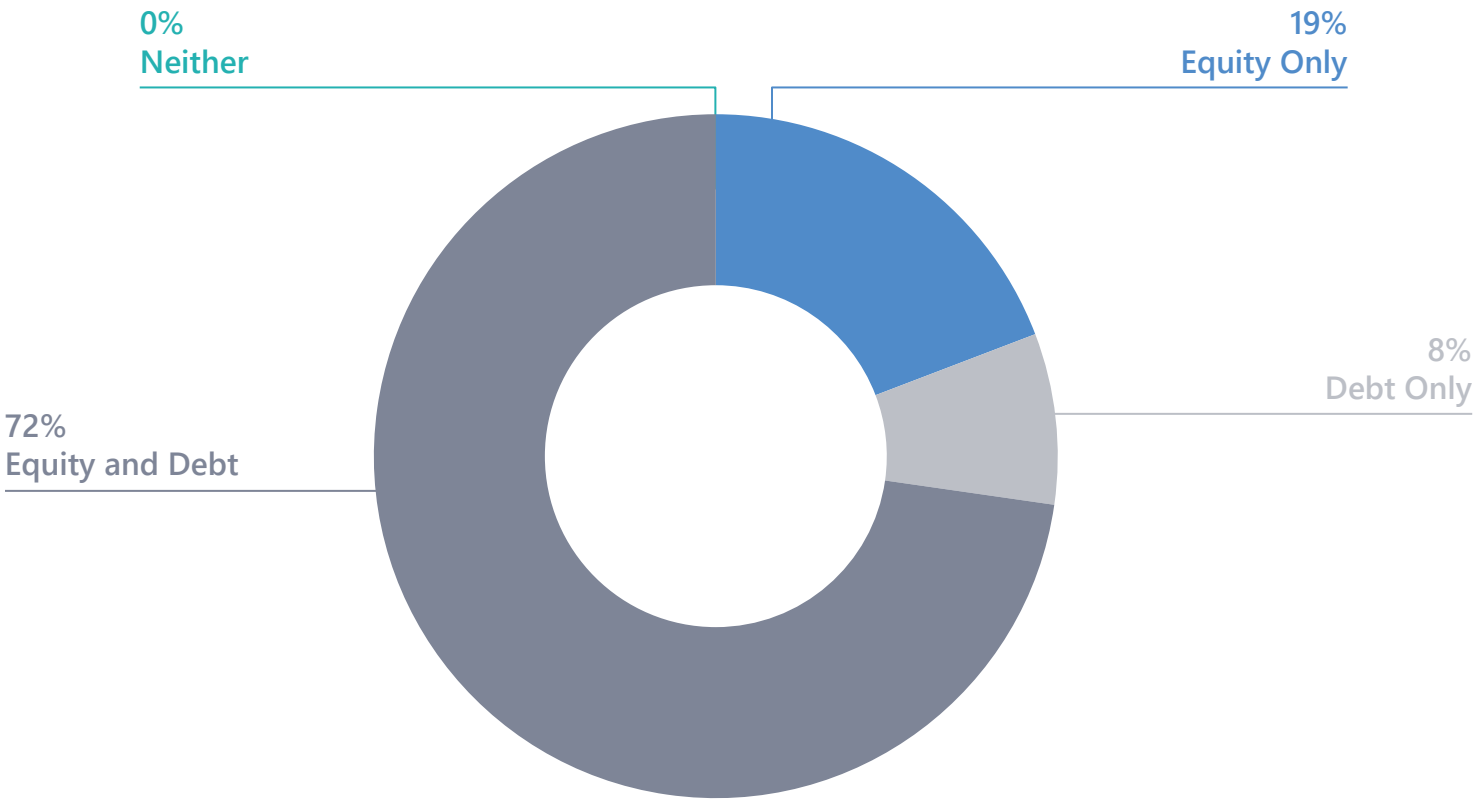

**2023 Study:**
Yes: 0%
No: 100%

*Source: Public filings.*

- None of the transactions in the Study were conditioned on the availability of financing.

# Financing (cont.)

## Was a Commitment Letter Delivered Upon Signing the Transaction Agreement?



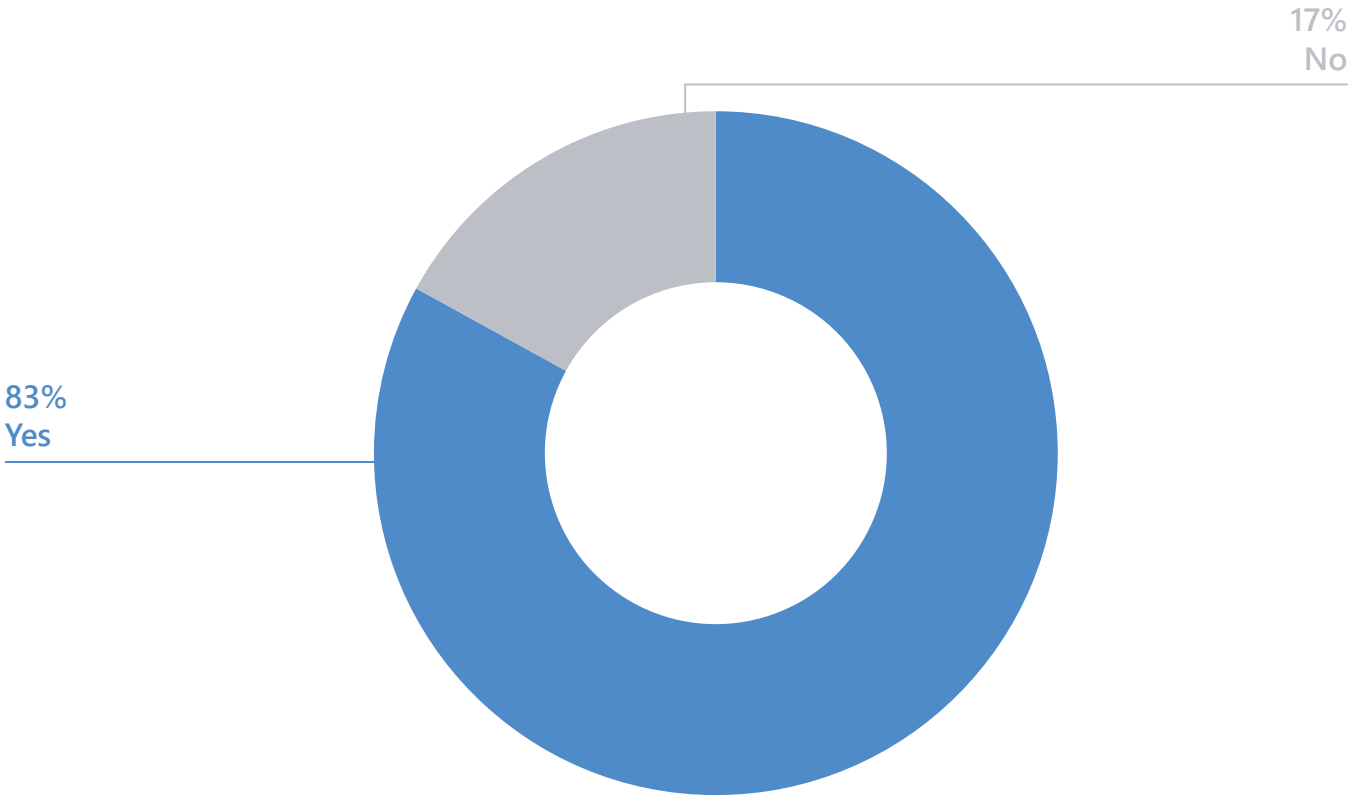

**2023 Study:**
Equity & Debt: 45%
Equity Only: 45%
Debt Only: 6%
Neither: 3%

*Source: Public filings.*

- Commitment letters for the provision of debt and/or equity financing were delivered prior to signing the acquisition agreement in 100% of the transactions in the Study.

# Financing (cont.)

## Did the Financial Sponsor Guarantee the Reverse Termination Fee?



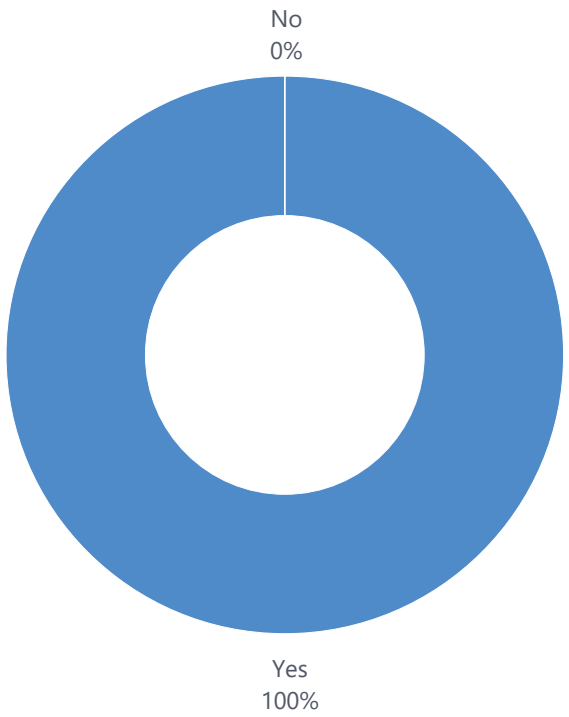

**2023 Study:**
Yes: 88%
No: 12%

*Source: Public filings.*

- In 83% of transactions, the financial sponsor (through the fund making the investment) guaranteed the payment of any reverse termination fees.

# Termination Fees

## Did the Transaction Have a Termination Fee?




**2023 Study:**
Yes: 97%
No: 3%

## Termination Fee as a % of Transaction Value

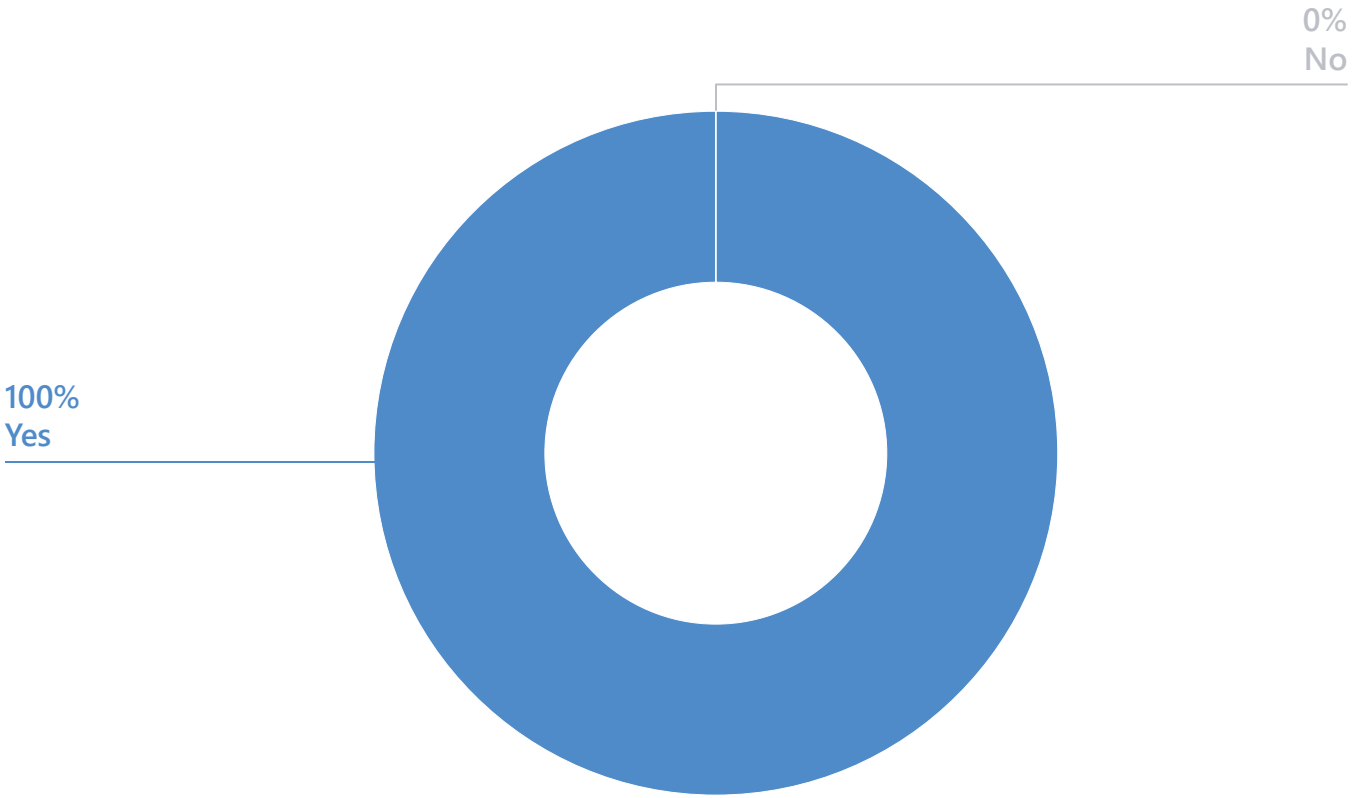
| | More Than $10.0 Billion | $5.0 Billion to $10.0 Billion | $1.0 Billion to $5.0 Billion | Less Than $1.0 Billion | All Transactions |
|---|---|---|---|---|---|
| **Low** | 2.1% | 2.6% | 1.7% | 1.3% | 1.3% |
| **High** | 2.2% | 3.2% | 5.8% | 7.4% | 7.4% |
| **Median** | 2.2% | 3.1% | 2.8% | 2.8% | 2.8% |
| **Mean** | 2.2% | 3.0% | 3.1% | 3.2% | 3.1% |

- 100% of the transactions in the Study featured a termination fee payable to the acquirer under certain circumstances in which the transaction did not close.
- Median and mean termination fees as a percentage of transaction value were approximately 2.8% and 3.1%, respectively, for all transactions.

*Sources: S&P Capital IQ and public filings.*

# Bifurcated Termination Fees

**For Transactions With Go-Shop Provisions, Was the Fee Bifurcated During the Go-Shop Period?**



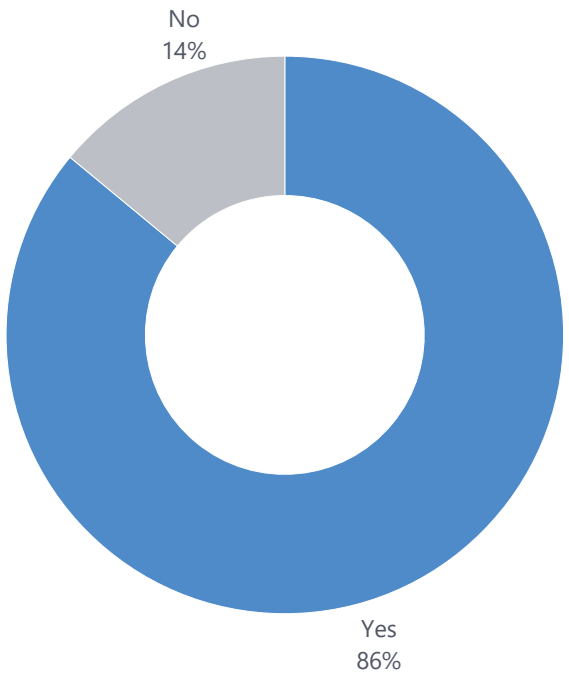

**2023 Study:**
Yes: 100%
No: 0%

*Source: Public filings.*

- All of the transactions in the Study that had a "go-shop" provision had a bifurcated structure pursuant to which the termination fee during the go-shop period was lower than the termination fee payable after the go-shop period had ended.

# Reverse Termination Fees

## Did the Transaction Have a Reverse Termination Fee?




**2023 Study:**
Yes: 58%
No: 42%

## Reverse Termination Fee as a % of Transaction Value

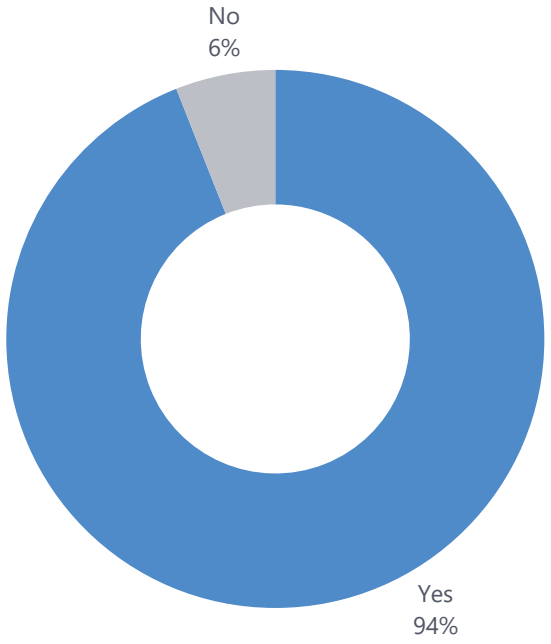
| | More Than $10.0 Billion | $5.0 Billion to $10.0 Billion | $1.0 Billion to $5.0 Billion | Less Than $1.0 Billion | All Transactions |
|---|---|---|---|---|---|
| **Low** | 3.5% | 3.5% | 3.6% | 0.3% | 0.3% |
| **High** | 5.5% | 9.6% | 10.0% | 6.4% | 10.0% |
| **Median** | 4.5% | 6.1% | 5.7% | 2.9% | 5.6% |
| **Mean** | 4.5% | 6.2% | 6.1% | 3.5% | 5.6% |

- 86% of the transactions in the Study had a reverse termination fee payable by the acquirer if the financing for the transaction fell through or the acquirer otherwise terminated the acquisition agreement.
- Median and mean reverse termination fees as a percentage of transaction value were both 5.6% for all transactions.

*Sources: S&P Capital IQ and public filings.*

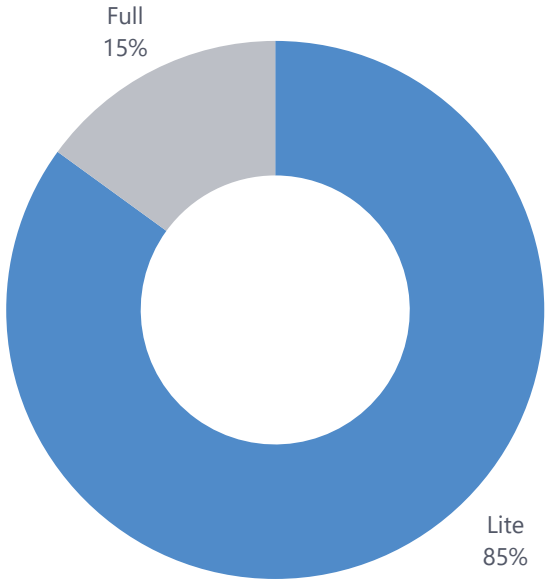
# Specific Performance

## Was the Transaction Subject to Specific Performance?




**2023 Study:**
Yes: 100%
No: 0%

## Was the Transaction Subject to Specific Performance Lite or Full Specific Performance?



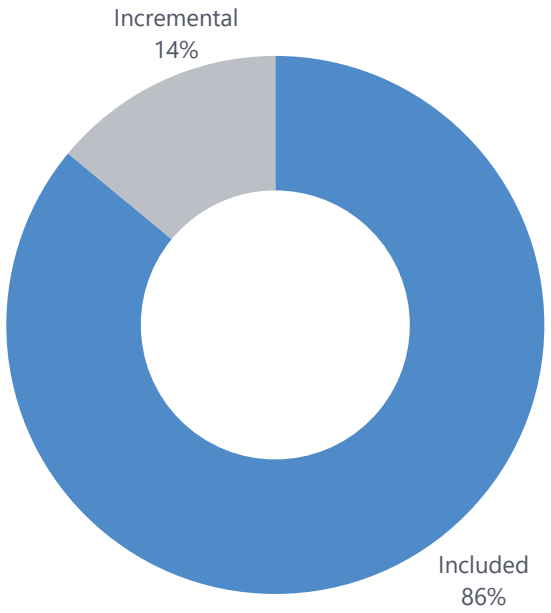

**2023 Study:**
Lite: 45%
Full: 55%

- 34 (94%) of the 36 transactions in the Study provided for specific performance. Of these, 29 (85%) provided for specific performance only if the acquirer's debt financing was available (specific performance lite).

*Source: Public filings.*

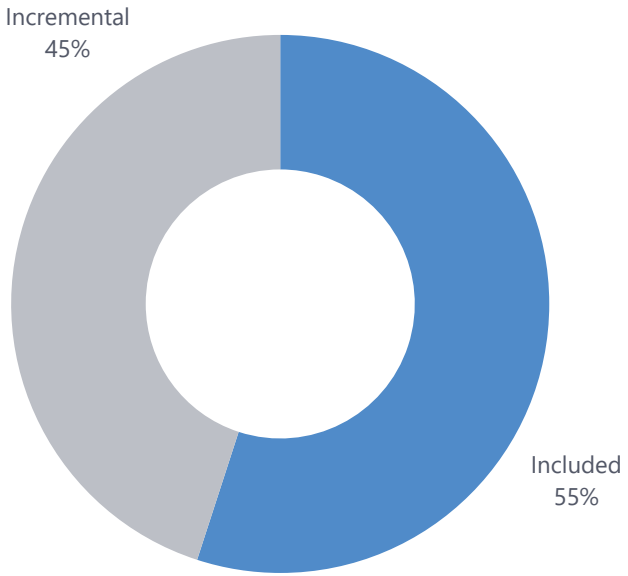
# Expense Reimbursement in the Event of Termination

## Were Expenses Included in the Termination Fee or Incremental?




**2023 Study:**
Incremental: 6%
Included: 94%

## Were Expenses Included in the Reverse Termination Fee or Incremental?



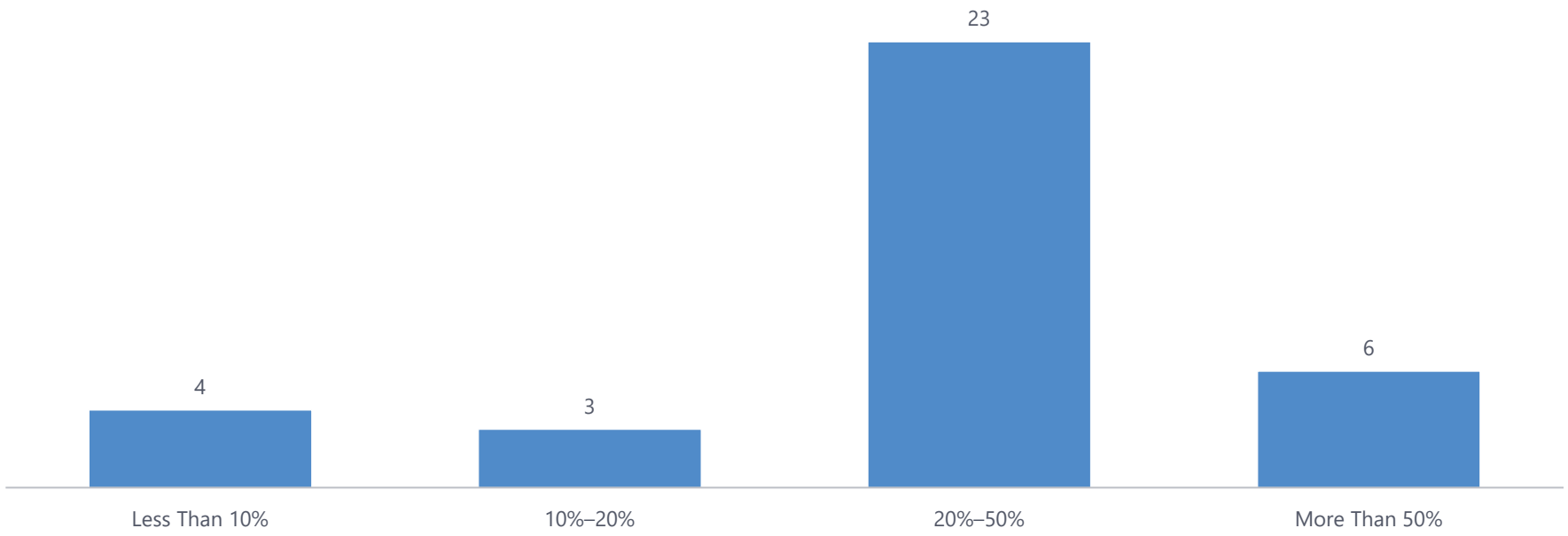

**2023 Study:**
Incremental: 5%
Included: 95%

- 36 of the termination fee provisions observed in the Study addressed treatment of expenses. Of these, five (14%) transactions provided for the reimbursement of transaction expenses (i.e., expense reimbursement was incremental to the termination fee payable upon termination). Additionally, expense reimbursement was treated as an incremental expense in 14 (45%) of the 31 reverse termination fee provisions that specified expense treatment.

*Source: Public filings.*

# Initial Offer per Share Price Premium

## What Was the % Premium of the First Offer to Market Price of the Target's Stock?



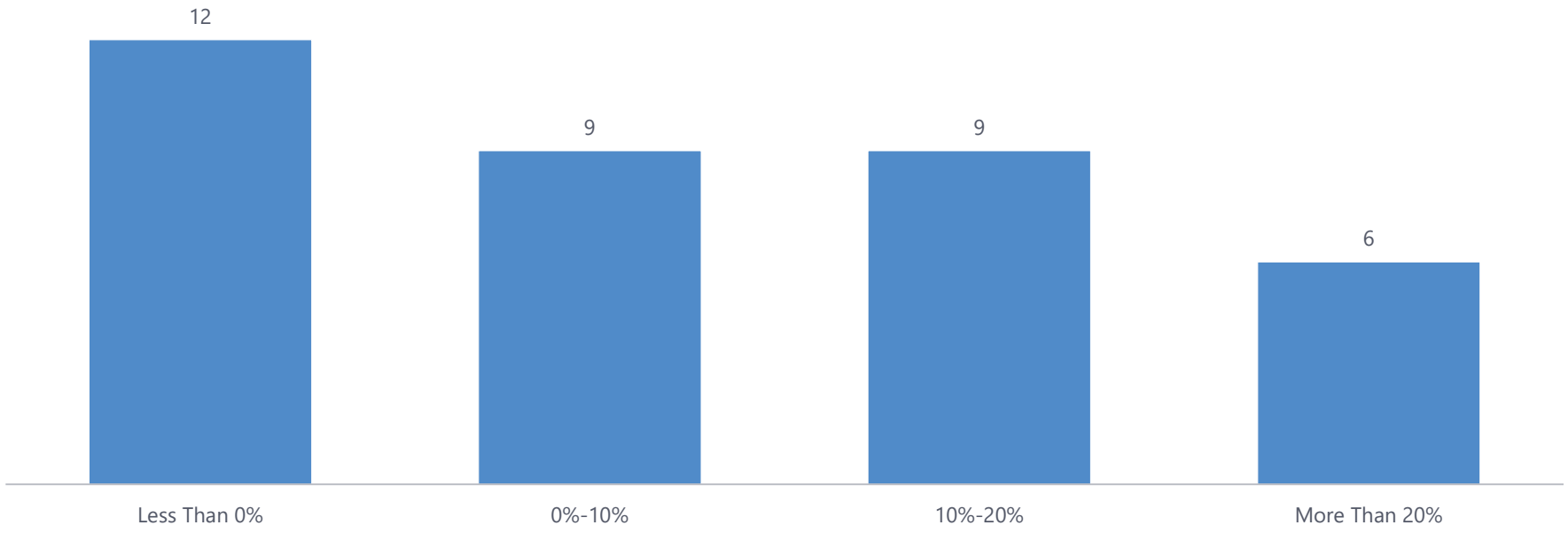

**2023 Study:**
Less Than 10%: 6
10%–20%: 7
20%–50%: 16
More Than 50%: 4

*Source: Public filings.*

- In 23 (64%) of the transactions in the Study, the first per-share offer by any bidder was 20% to 50% higher than the target's current stock price as of that date.

# Final Transaction Value per Share Premium

## What Was the % Premium of the Final Deal Price to the First Offer Price?



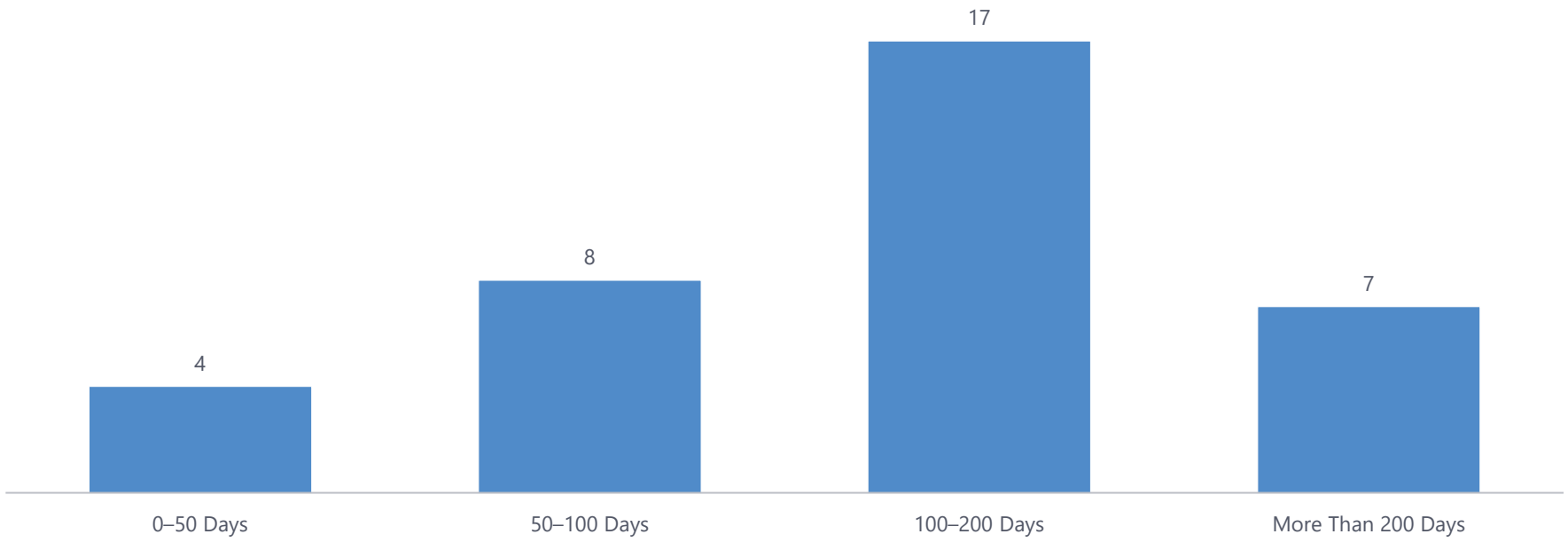

**2023 Study:**
Less Than 0%: 13
0%–10%: 9
10%–20%: 6
More Than 20%: 5

*Source: Public filings.*

- In nine (25%) of the transactions in the Study, the final deal price was 0% to 10% higher than the initial per share offer by any bidder, and, notably, 12 (33%) of the transactions had a final deal price below the first offer price.

# Duration of Negotiation Process

## What Was the Number of Days Between the Initial Bid and the Signing of the Merger Agreement?




**2023 Study:**
0–50 Days: 4
50–100 Days: 8
100–200 Days: 7
More Than 200 Days: 14

*Source: Public filings.*

- In seven (19%) of the transactions in the Study, more than 200 days passed between the initial bid received by the target and the signing of the merger agreement.

# Appendices

## Transaction Details

04

# Transaction Details

| | | | | | LTM Multiples | | | Acquisition Premiums | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Date Announced | Status | Target | Acquirer Name(s) | TV ($mil) | TV/ Revenue | TV/ EBITDA | TV/ EBIT | 1-Day | 1-Week | 1-Month |
| 12/11/2024 | Announced | Patterson Companies, Inc. | Patient Square Capital, LP | $3,481.9 | 0.53x | 9.3x | 14.4x | 45.1% | 46.1% | 42.6% |
| 11/06/2024 | Closed | Avid Bioservices, Inc. | Ampersand Management LLC; GHO Capital Partners LLP | $1,036.6 | 6.89x | NM | NM | 18.6% | 23.2% | 19.3% |
| 11/06/2024 | Closed | Retail Opportunity Investments Corp. | Blackstone Real Estate Advisors LP; Blackstone Real Estate Partners X LP | $3,792.8 | 11.26x | 18.4x | 33.1x | 36.7% | 28.3% | 42.4% |
| 11/04/2024 | Announced | Air Transport Services Group, Inc. | Stonepeak Partners LP | $3,104.0 | 1.58x | 6.2x | 34.7x | 29.3% | 30.8% | 51.1% |
| 10/17/2024 | Closed | Zuora, Inc. | Silver Lake Technology Management, LLC; GIC Special Investments Pte. Ltd. | $1,194.7 | 2.68x | NM | NM | 19.5% | 17.6% | 9.6% |
| 10/07/2024 | Closed | Barnes Group Inc. | Apollo Global Management, Inc. | $3,547.4 | 2.19x | 9.7x | 15.7x | 20.7% | 20.1% | 19.5% |
| 10/07/2024 | Closed | The Duckhorn Portfolio, Inc. | Butterfly Equity LP | $1,974.2 | 4.87x | 13.8x | 19.7x | 105.6% | 91.0% | 82.9% |
| 09/24/2024 | Closed | Smartsheet Inc. | Vista Equity Partners Management, LLC; Blackstone Management Partners LLC; | $7,702.9 | 7.39x | NM | NM | 25.1% | 30.7% | 37.0% |
| 08/28/2024 | Closed | ARC Document Solutions, Inc. | TechPrint Holdings, LLC | $199.7 | 0.70x | 4.3x | 15.1x | 30.3% | 30.8% | 27.3% |
| 08/07/2024 | Closed | PetIQ, Inc. | Bansk Group LLC | $1,361.3 | 1.20x | 11.8x | 19.7x | 50.7% | 41.7% | 39.3% |
| 08/05/2024 | Closed | Thoughtworks Holding, Inc. | Apax Partners LLP; Turing EquityCo II LP | $1,916.7 | 1.86x | NM | NM | 29.8% | 34.1% | 71.9% |
| 08/01/2024 | Closed | R1 RCM Inc. | Clayton, Dubilier & Rice, LLC; TowerBrook Capital Partners LP | $8,643.9 | 3.63x | 15.2x | 34.4x | 28.4% | 31.6% | 38.2% |

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*LTM refers to Latest 12 Months.*
*NM refers to Not Meaningful.*
*TV refers to Transaction Value.*
*Source: S&P Capital IQ.*

# Transaction Details (cont.)

| | | | | | LTM Multiples | | | Acquisition Premiums | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Date Announced | Status | Target | Acquirer Name(s) | TV ($mil) | TV/ Revenue | TV/ EBITDA | TV/ EBIT | 1-Day | 1-Week | 1-Month |
| 07/26/2024 | Announced | Everi Holdings Inc. | Apollo Global Management, Inc. | $2,004.9 | 2.57x | 6.6x | 14.3x | 55.9% | 71.7% | 75.3% |
| 07/25/2024 | Closed | Instructure Holdings, Inc. | KKR & Co. Inc.; Dragoneer Investment Group, LLC | $4,726.7 | 7.93x | 22.9x | NM | 16.7% | 19.3% | 23.8% |
| 07/11/2024 | Closed | Envestnet, Inc. | BlackRock, Inc.; State Street Global Advisors, Inc.; Bain Capital Private Equity, LP | $4,285.7 | 3.28x | 24.8x | NM | 10.2% | 8.1% | 16.0% |
| 06/21/2024 | Closed | Sharecare, Inc. | Altaris, LLC | $517.5 | 1.23x | NM | NM | 78.8% | 77.8% | 73.8% |
| 06/17/2024 | Closed | The Aaron's Company, Inc. | IQVentures Holdings, LLC | $1,004.0 | 0.48x | 3.5x | 12.8x | 34.0% | 25.2% | 33.1% |
| 06/07/2024 | Closed | PowerSchool Holdings, Inc. | Bain Capital Private Equity, LP | $5,403.4 | 7.47x | 37.7x | NM | 37.3% | 31.6% | 6.8% |
| 06/05/2024 | Announced | SPAR Group, Inc. | Highwire Capital, LLC | $78.7 | 0.29x | 6.6x | 8.2x | 72.4% | 56.3% | 36.2% |
| 05/29/2024 | Announced | Surmodics, Inc. | GTCR LLC | $615.9 | 4.31x | 21.4x | 33.4x | 22.5% | 21.9% | 66.3% |
| 05/13/2024 | Closed | Squarespace, Inc. | Permira Advisers LLC | $7,305.9 | 6.61x | NM | NM | 21.8% | 31.2% | 27.1% |
| 05/09/2024 | Announced | PlayAGS, Inc. | Brightstar Capital Partners, LP | $1,059.7 | 2.87x | 6.9x | 15.9x | 39.5% | 42.2% | 29.1% |
| 05/09/2024 | Closed | Vapotherm, Inc. | Perceptive Advisors LLC; Perceptive Discovery Fund LP | $128.4 | 1.83x | NM | NM | 73.7% | 71.7% | 47.3% |
| 05/06/2024 | Announced | ALLETE, Inc. | Canada Pension Plan Investment Board; Global Infrastructure Management, LLC | $6,260.7 | 3.64x | 13.2x | 29.5x | 11.0% | 12.5% | 12.8% |

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# Transaction Details (cont.)

| | | | | | LTM Multiples | | | Acquisition Premiums | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Date Announced | Status | Target | Acquirer Name(s) | TV ($mil) | TV/ Revenue | TV/ EBITDA | TV/ EBIT | 1-Day | 1-Week | 1-Month |
| 04/26/2024 | Closed | U.S. Silica Holdings, Inc. | Apollo Global Management, Inc. | $1,917.9 | 1.34x | 4.7x | 8.3x | 18.7% | 20.9% | 26.4% |
| 04/25/2024 | Closed | AssetMark Financial Holdings, Inc. | GTCR LLC | $2,700.0 | 3.81x | 10.8x | NA | 30.0% | 31.6% | 40.1% |
| 04/08/2024 | Closed | Apartment Income REIT Corp. | Blackstone Real Estate Partners X LP | $9,211.9 | 11.99x | 21.0x | NM | 24.8% | 23.1% | 21.7% |
| 04/08/2024 | Closed | Model N, Inc. | Vista Equity Partners Management, LLC | $1,160.5 | 4.53x | NM | NM | 10.7% | 8.5% | 19.8% |
| 04/02/2024 | Closed | Endeavor Group Holdings, Inc. | Silver Lake Technology Management, LLC | $24,786.1 | 3.99x | 36.1x | NM | 55.6% | 47.4% | 39.8% |
| 03/11/2024 | Closed | The L.S. Starrett Company | MiddleGround Management, LP | $130.4 | 0.52x | 4.0x | 5.4x | 63.2% | 62.4% | 19.7% |
| 02/27/2024 | Closed | Perficient, Inc. | EQT Private Capital Asia; Baring Private Equity Asia Fund VIII | $2,748.7 | 3.03x | 15.8x | 20.8x | 13.6% | 13.3% | 21.6% |
| 02/26/2024 | Closed | Agiliti, Inc. | Thomas H. Lee Partners, LP | $2,630.3 | 2.24x | 9.4x | 38.3x | 30.9% | 26.1% | 35.9% |
| 02/06/2024 | Closed | ZeroFox Holdings, Inc. | Haveli Investment Management LLC | $322.6 | 1.38x | NM | NM | 24.6% | 26.7% | 56.5% |
| 02/05/2024 | Closed | Catalent, Inc. | Novo Holdings A/S | $16,475.3 | 4.02x | 42.5x | NM | 12.1% | 18.4% | 33.2% |
| 02/05/2024 | Closed | Everbridge, Inc. | Thoma Bravo, LP | $1,517.3 | 3.38x | NM | NM | 47.1% | 52.6% | 62.4% |

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*NA refers to Not Available.*
*TV refers to Transaction Value.*
*Source: S&P Capital IQ.*

# Transaction Details (cont.)

| | | | | | LTM Multiples | | | Acquisition Premiums | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Date Announced | Status | Target | Acquirer Name(s) | TV ($mil) | TV/ Revenue | TV/ EBITDA | TV/ EBIT | 1-Day | 1-Week | 1-Month |
| 01/19/2024 | Closed | Kaman Corp. | Arcline Investment Management LP | $1,884.3 | 2.43x | 17.1x | 34.1x | 105.1% | 99.1% | 97.4% |
| | | | Low | $78.7 | 0.29x | 3.5x | 5.4x | 10.2% | 8.1% | 6.8% |
| | | | High | $24,786.1 | 11.99x | 42.5x | 38.3x | 105.6% | 99.1% | 97.4% |
| | | | Median | $1,989.5 | 2.95x | 12.5x | 19.7x | 29.9% | 30.8% | 36.1% |
| | | | Mean | $3,800.9 | 3.61x | 15.2x | 21.5x | 37.5% | 36.8% | 39.0% |

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# Appendices

## 2023 Going Private Transaction Study Summary

04

# 2023 Transaction Analysis by Target Company Size

- Four (12.1%) of the transactions in the Study had a transaction value in excess of $5.0 billion, with one (3.0%) transaction in excess of $10.0 billion.
- Transaction values in 2023, on average, were materially lower than transaction values in recent previous years.
  - For the calendar year ended December 31, 2022, there were a total of 45 going private transactions with a median and average TV of $2,976.3 million and $6,007.9 million, respectively.

## Analysis by Target Company Size

(Dollars in Millions)

| | | | | LTM Multiples | | | Acquisition Premiums[1] | | |
|---|---|---|---|---|---|---|---|---|---|
| Transaction Value | Number of Transactions | | TV | TV/Revenue | TV/EBITDA | TV/EBIT | 1-Day | 1-Week | 4-Weeks |
| More Than | 1 | Median | $10,910.9 | 7.5x | NMF | NMF | 59.8% | 69.8% | 87.5% |
| $10.0 Billion | | Mean | $10,910.9 | 7.5x | NMF | NMF | 59.8% | 69.8% | 87.5% |
| $5.0 Billion to | 3 | Median | $7,377.4 | 1.4x | 8.5x | 13.6x | 25.0% | 23.2% | 44.0% |
| $10.0 Billion | | Mean | $7,362.4 | 3.0x | 8.5x | 13.6x | 36.7% | 35.0% | 48.3% |
| $1.0 Billion to | 20 | Median | $1,996.1 | 3.2x | 12.1x | 21.1x | 33.7% | 35.2% | 48.2% |
| $5.0 Billion | | Mean | $2,451.2 | 3.7x | 41.4x | 32.7x | 38.9% | 38.9% | 45.2% |
| Less Than | 9 | Median | $331.4 | 2.4x | 26.5x | 25.4x | 53.1% | 60.3% | 54.9% |
| $1.0 Billion | | Mean | $402.6 | 2.8x | 31.2x | 30.1x | 56.6% | 71.7% | 65.0% |
| All Transactions | 33 | Median | $1,663.1 | 2.6x | 12.8x | 20.4x | 46.3% | 39.2% | 50.1% |
| | | Mean | $2,595.3 | 3.5x | 36.1x | 30.0x | 43.3% | 47.7% | 52.0% |

*Notes: The high and low metrics shown in this chart represent the high and low TVs, TV multiples, and acquisition premiums shown in the study. The low TV multiples and acquisition premiums, respectively, are not necessarily associated with the transactions with the lowest transaction value, and the high TV multiples and acquisition premiums, respectively, are not necessarily associated with the transactions with the highest transaction value. Similarly, the low and high acquisition premiums, respectively, are not necessarily associated with the transactions with the lowest and highest transaction value or TV multiples.*
*(1) Calculation excludes negative premiums.*
*Source: S&P Capital IQ.*

# 2023 Transaction Analysis by Date Announced

- Transaction volume peaked in Q1 2023, while the other quarters remained consistently active.
- Transaction values were meaningfully higher in the first quarter as compared to the rest of the year.
- Average implied multiples and acquisition premiums generally remained consistent throughout the year, with the highest average acquisition premiums observed in Q2 2023.

## Analysis by Transaction Announcement Date

(Dollars in Millions)

| | | | | LTM Multiples | | | Acquisition Premiums[1] | | |
|---|---|---|---|---|---|---|---|---|---|
| Transaction Date | Number of Transactions | | TV | TV/Revenue | TV/EBITDA | TV/EBIT | 1-Day | 1-Week | 4-Weeks |
| 1/1/2023–3/31/2023 | 11 | Median | $2,368.9 | 4.6x | 10.6x | 13.0x | 31.9% | 29.0% | 55.1% |
| | | Mean | $3,373.4 | 4.4x | 65.2x | 15.9x | 46.9% | 40.5% | 58.5% |
| 4/1/2023–6/30/2023 | 7 | Median | $1,663.1 | 1.4x | 9.7x | 17.8x | 57.3% | 76.7% | 54.6% |
| | | Mean | $2,466.7 | 1.4x | 24.1x | 18.5x | 56.9% | 84.0% | 59.6% |
| 7/1/2023–9/30/2023 | 10 | Median | $1,360.1 | 2.7x | 13.6x | 20.4x | 39.4% | 32.6% | 46.2% |
| | | Mean | $1,900.2 | 2.6x | 15.1x | 25.6x | 34.9% | 35.3% | 42.6% |
| 10/1/2023–12/31/2023 | 5 | Median | $2,151.8 | 2.5x | 12.8x | 20.4x | 46.3% | 43.0% | 51.7% |
| | | Mean | $2,454.0 | 5.9x | 69.0x | 87.8x | 34.9% | 35.9% | 48.4% |
| All Transactions | 33 | Median | $1,663.1 | 2.6x | 12.8x | 20.4x | 46.3% | 39.2% | 50.1% |
| | | Mean | $2,595.3 | 3.4x | 36.1x | 30.0x | 43.3% | 47.7% | 52.0% |

*Notes: The high and low metrics shown in this chart represent the high and low TVs, TV multiples, and acquisition premiums shown in the study. The low TV multiples and acquisition premiums, respectively, are not necessarily associated with the transactions with the lowest transaction value, and the high TV multiples and acquisition premiums, respectively, are not necessarily associated with the transactions with the highest transaction value. Similarly, the low and high acquisition premiums, respectively, are not necessarily associated with the transactions with the lowest and highest transaction value or TV multiples.*
*(1) Calculation excludes negative premiums.*
*Source: S&P Capital IQ.*

# Appendices

## Introduction to Houlihan Lokey

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# About **Our Firm**

## Houlihan Lokey is a leading global investment bank with expertise in mergers and acquisitions, capital solutions, financial restructuring, and financial and valuation advisory.

Houlihan Lokey is the trusted advisor to more top decision-makers than any other independent global investment bank.

### CORPORATE FINANCE

2024 M&A Advisory Rankings
All Global Transactions

| | Advisor | Deals |
|---|---|---|
| **1** | **Houlihan Lokey** | **415** |
| 2 | Rothschild & Co | 406 |
| 3 | Goldman Sachs & Co | 371 |
| 4 | JP Morgan | 342 |
| 5 | Morgan Stanley | 309 |

*Source: LSEG (formerly Refinitiv).*
*Excludes accounting firms and brokers.*

**No. 1**
Global M&A Advisor

**Leading**
Capital Solutions Group

### FINANCIAL RESTRUCTURING

2024 Global Distressed Debt &
Bankruptcy Restructuring Rankings

| | Advisor | Deals |
|---|---|---|
| **1** | **Houlihan Lokey** | **88** |
| 2 | PJT Partners Inc | 59 |
| 3 | Rothschild & Co | 48 |
| 4 | Lazard | 44 |
| 5 | Perella Weinberg Partners LP | 40 |

*Source: LSEG (formerly Refinitiv).*

**No. 1**
Global Restructuring Advisor

**1,800+**
Transactions Completed Valued at More Than $3.8 Trillion Collectively

### FINANCIAL AND VALUATION ADVISORY

2000-2024 Global M&A
Fairness Advisory Rankings

| | Advisor | Deals |
|---|---|---|
| **1** | **Houlihan Lokey** | **1,243** |
| 2 | Duff & Phelps, A Kroll Business | 1,045 |
| 3 | JP Morgan | 1,020 |
| 4 | UBS | 792 |
| 5 | Morgan Stanley | 698 |

*Source: LSEG (formerly Refinitiv).*
*Announced or completed transactions.*

**No. 1**
Global M&A Fairness Opinion Advisor Over the Past 25 Years

**2,000+**
Annual Valuation Engagements

Learn more about how our advisors can serve your needs:


Corporate Finance →
Financial Restructuring →
Financial and Valuation Advisory →
Our Industry Coverage →

# Our Product Knowledge, Industry Expertise, and Global Reach Deliver Superior Results

## PRODUCT EXPERTISE

- Mergers and Acquisitions
- Capital Solutions
- Financial Restructuring
- Financial and Valuation Advisory
- Private Funds Advisory

## DEDICATED INDUSTRY GROUPS

- Business Services
- Consumer
- Energy
- Financial Services
- FinTech
- Healthcare
- Industrial
- Real Estate, Lodging, and Leisure
- Technology

## FINANCIAL SPONSORS

- Active Dialogue With a Diverse Group of More Than 1,000 Sponsors
- Private Equity Firms
- Hedge Funds
- Capital Alliances

## KEY FACTS AND FIGURES

**34**
Locations Worldwide

**2,707**
Global Employees

**339**
Managing Directors[1]

**$2.2B**
Revenue[2]

**$11.37B**
Market Capitalization[3]

HLI
LISTED
NYSE

*(1) As of March 31, 2025.*
*(2) LTM ended December 31, 2024.*
*(3) As of April 30, 2025.*

# Overview of Financial Sponsors Group

Houlihan Lokey has one of the largest financial sponsors groups focused on mid- and large-cap funds. In the past five years, more than 800 private equity firms have chosen Houlihan Lokey to advise on M&A or capital raising for their portfolio companies.

## Financial Sponsors Group

| | |
|---|---|
| Importance of Sponsors | • Houlihan Lokey has sold more than 200 companies to financial sponsors in 2024. |
| Broad and Deep Financial Sponsor Coverage Group | • Houlihan Lokey has 27 senior officers dedicated to the sponsor community in the Americas and Europe.<br>• Coverage of 1,500+ private equity firms, 300+ credit funds, and 70+ family offices.<br>• Organized geographically to ensure client coverage proximity. |
| High-Quality Relationships | • 209 completed M&A transactions in 2024 (with sponsors).<br>• 81 FRG transactions closed in 2024 (with sponsors).<br>• 950 FVA engagements worked on in 2024 (with sponsors).<br>• Provide financial sponsors access to successful solutions—with coverage officers facilitating two-way information flow between the sponsors and Houlihan Lokey. |
| Unparalleled Data on Buyer Behavior | • Knowledge of, and database on, financial sponsor preferences and behavior through our relationships and deal flow.<br>• Collect and analyze comprehensive data on industry, size, and general market trends. |

## Deep Relationships Across Fund Sizes and Types

ARDIAN, ARES, BainCapital, Bregal Unternehmerkapital, Bridgepoint, capiton, capvis, CARLYLE, CASTIK CAPITAL, Cinven, COURT SQUARE, CVC, Deutsche Beteiligungs AG, DEUTSCHE PRIVATE EQUITY, EQT, EQUISTONE, GENERAL ATLANTIC, HELLMAN & FRIEDMAN, Hg, H.I.G. CAPITAL, Investment Partners, KKR, LDC BACKING AMBITION, MARLIN EQUITY PARTNERS, NMC NEW MOUNTAIN CAPITAL, PERMIRA, Riverside, TA ASSOCIATES, THOMA BRAVO, VERITAS CAPITAL, VISTA EQUITY PARTNERS, VITRUVIAN PARTNERS

# Deep Expertise in Conflict-Prone Situations

## Featured Related-Party and 13E-3 Transaction Fairness Opinion Engagements

**Startek**
has been acquired by funds managed by
CSP Capital Square Partners
Financial Advisor

**Standard Diversified Inc**
has merged with a wholly-owned subsidiary of
**Turning Point Brands**
Financial Advisor

**TK Teekay LNG Partners L.P.**
has eliminated its incentive distribution rights through the issuance of common units to
TK Teekay Corporation
Financial Advisor & Fairness Opinion

**NCM America's Movie Network**
has amended its Amended and Restated Exhibitor Services Agreements with
Cinemark USA, Inc.
and
Regal Cinemas, Inc.
Financial Advisor

**Connecture**
has been acquired by
FP Francisco Partners
Financial Advisor

**BAM! Books • Toys • Tech • More**
**Books-A-Million, Inc.**
has been taken private by
**Clyde B. Anderson on behalf of the Anderson family**
We served as financial advisor and rendered a fairness opinion to the Special Committee of BAMM's Board of Directors
Fairness Opinion

**itg international textile group**
has been acquired by
Platinum Equity
Financial Advisor

**FC Full Circle Capital**
has merged with
Great Elm Capital
Financial Advisor

**Retail Ventures Inc.**
has merged with
DSW
DSW, Inc.
Fairness Opinion

**Spherix**
holder of certain patents acquired from
Rockstar
has merged with
North South Holdings
Fairness Opinion

**Star Bulk Carriers Corp.**
has purchased 34 dry bulk vessels and certain other assets from
Excel Maritime Carriers Ltd
Fairness Opinion

**Travelport**
a portfolio company of
Blackstone
has converted approximately $498 million of PIK Loans into newly issued common equity and subordinated notes
Fairness Opinion

**Penske Automotive**
has acquired a 14.4% interest in
Penske Truck Leasing
Fairness Opinion

**dunkin' brands**
has agreed to repurchase 15,000,000 shares of its common stock from certain shareholders
Fairness Opinion

**vantiv**
has agreed to repurchase 17,452,958 shares of its common stock from certain shareholders
Fairness Opinion

**Diana Containerships Inc.**
has raised $92 million from unaffiliated investors, management and
Diana Shipping Inc.
Fairness Opinion

**Yongye**
has been acquired by
a consortium led by Yongye's Chairman and CEO, Morgan Stanley Private Equity Asia, Lead Rich International and Full Alliance International
Sellside Advisor & Fairness Opinion

**LJ International Inc.**
has been acquired by
**Flora Bloom Holdings Limited**
Sellside Advisor & Fairness Opinion

**Forum**
each a portfolio company of SCF Partners
have combined to form
Forum Energy Technologies
Fairness Opinions

**Pulse Electronics**
has been acquired and taken private by affiliates of
Oaktree Capital Management, L.P.
Fairness Opinion

**CHEMSPEC**
has been acquired by
Halogen Limited and Halogen Mergersub Limited
Sellside Advisor & Fairness Opinion

**ChinaEdu 弘成教育**
has been acquired by
a consortium led by ChinaEdu's Chairman and CEO and McGraw-Hill Education
Sellside Advisor & Fairness Opinion

**Sino Gas**
has been acquired by
a consortium led by Sino Gas' Chairman and CEO, Morgan Stanley Private Equity Asia and Zhongyu Gas Holdings Ltd.
Sellside Advisor & Fairness Opinion

Steel Excel Inc.
has announced the acquisition of
Sun Well Service, Inc.
from
BNS Holding, Inc.
Financial Advisor

**Hanwha Q CELLS**
has been acquired by a wholly-owned subsidiary of
Hanwha Chemical
Sellside Advisor & Fairness Opinion

**Sport Supply Group**
has been acquired by
ONCAP
ONCAP II, L.P.
Sellside Advisor & Fairness Opinion

**TIMCO**
has been taken private by
TAS Holdings, Inc.
and
Owl Creek Management, LP
Fairness Opinion

**Crown Media Holdings, Inc.**
has completed a recapitalization transaction with
Hallmark
Financial Advisor & Fairness Opinion

**ORBITZ**
has agreed to a debt-for-equity exchange with
PAR Investment Partners, LP
and has issued equity securities to
Travelport
Financial Advisor & Fairness Opinion

**Standard Pacific**
has raised $187.5 million through the exercise of an amended warrant owned by
Matlin Patterson
Fairness Opinion

**Vermont Teddy Bear**
has been acquired by
Mustang Group LLC
in a going private transaction
Fairness Opinion

**ALICO Incorporated**
has been acquired by
Silver Nip Citrus
Fairness Opinion

*Tombstones included herein represent transactions closed from 2005 forward.*

# Appendices

## Selected Professional Biographies

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# Richard De Rose

**Senior Advisor**

NEW YORK

## QUALIFICATIONS

University of Pennsylvania
B.A.

Brown University
Ph.D.

New York University
J.D.

Bear, Stearns & Co.

Wachtell, Lipton, Rosen & Katz
PAST

Mr. De Rose is a member of Houlihan Lokey's Financial and Valuation Advisory business, where his primary responsibilities include providing investment banking, valuation, and transactional opinion services. He is a member of the firm's Fairness, Solvency, and Technical Standards committees. With over three decades of investment banking experience, Mr. De Rose has extensive expertise in successfully managing complex transactions across a broad spectrum of industries.

Before joining Houlihan Lokey, Mr. De Rose served as Managing Director in the M&A Group of Bear, Stearns & Co. Inc. In that capacity, he advised clients in negotiated M&A, divestitures, leveraged buyouts, contested takeovers, and proxy fights—completing more than 200 M&A transactions. In addition, he was a Managing Director in Bear Stearns' Financial Restructuring Group, advising debtors, senior lenders, bondholders, and prospective acquirers of Chapter 11 debtors and other financially distressed companies. He also served as a member of Bear Stearns' Valuation Committee.

Mr. De Rose began his career as a corporate attorney at Wachtell, Lipton, Rosen & Katz. His responsibilities there included providing counsel to clients in M&A transactions and public and private securities offerings, as well as advising banks and institutional investors in connection with debt financings and troubled loan workouts.

Mr. De Rose earned a B.A. in Philosophy from the University of Pennsylvania, a Ph.D. in Philosophy from Brown University, and a J.D. from the New York University School of Law. He is currently a member of the Mergers & Acquisitions Committee of the American Bar Association and the American Bankruptcy Institute. Mr. De Rose is a member of the Corporation Law Committee and a former member of the M&A Committee of the New York City Bar Association. He is also the past Chairman of the Corporation Law Committee of the New York State Bar Association (NYSBA) and a member of the Executive Committee of the Business Law Section of the NYSBA. Mr. De Rose has been qualified as an expert in valuation by the Delaware Chancery Court.

# Matt Kavney

**Vice President**

ATLANTA

## QUALIFICATIONS

Georgia Institute of Technology
B.S.

Wells Fargo Securities
PAST

Mr. Kavney is a member of Houlihan Lokey's Board and Special Committee Advisory and Transaction Opinions practices within the firm's Financial and Valuation Advisory business. He primarily advises boards of directors, special committees, general partners, and other stakeholders in evaluating transaction proposals as well as understanding critical deal-related issues.

Mr. Kavney is experienced in providing fairness, solvency, and other transaction opinions to public and private clients on reverse mergers, take-privates, spin-offs, recapitalizations, and securities issuances across a variety of industries. He has substantial experience analyzing transactions, including conflict-prone situations involving issues of corporate governance.

Before joining Houlihan Lokey, Mr. Kavney was awarded an investment banking summer analyst position at Wells Fargo Securities.

Mr. Kavney graduated with highest honors from the Georgia Institute of Technology, earning a B.S. in Mechanical Engineering and a Certificate of Finance. He is a current member of the board of directors of the Georgia Tech Alumni Association.

# Gretta Conrath

**Associate**

CHICAGO

## QUALIFICATIONS

University of Wisconsin–Madison

B.B.A.

Certified Public Accountant

OTHER

Deloitte

PAST

Ms. Conrath is a member of Houlihan Lokey's Financial and Valuation Advisory business. Her experience includes fairness opinions, solvency opinions, ESOP-related transactions, and general business valuation.

Before joining Houlihan Lokey, Ms. Conrath worked as a Senior Consultant in Deloitte's investment management tax practice.

Ms. Conrath graduated with distinction and honors from the University of Wisconsin–Madison with a B.B.A. in Accounting and Information Systems and a concentration in French. She is a Certified Public Accountant in the state of Illinois.

# Appendices

## Disclaimer

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