
TOFFCAP MONDAY MONITOR #24

April 22, 2024

SPIN-OFFS

| Company | Ticker | Mar.Cap. (lc, m) | Comments |
|------------------------|-----------------|------------------|---|
| Maersk | MAERSKB Denmark | 166,257 | As a reminder, Maersk will spin Svitzer Group in the near-term (effective spin date April 30). Very profitable unit (c. \$250m ebitda in 2023 at almost 30% margins). |
| Gaming Innovation | GIG Norway | 4,393 | Operates two divisions; GiG Media which is going strong, recently achieving record revenue, player intake and ebitda growth, and Platform & Sportsbook a relatively more commoditized business. GIG is on track to split the units; the spin should be completed in. Overall upside of >100% as >50% upside just on Media alone, while the rest is 'free'. |
| Magnora | MGN Norway | 1,943 | Will spin its legacy oil divisions from the 'green' divisions. These kinds of splits are generally very good opportunities, as one of the two parts could be pressured a lot. Extra AGM in mid-Feb. UPDATE (April 22, 2024) All seems ready for the split (structure, approvals, etc). Split (~70%) to be completed in Q2, probably June. |
| 3M | MMM US | 51,059 | Will spin its health care business into an independent public company ('Solventum'). Spin effective April 2. UPDATE (April 8, 2024) 3M completed the separation of its health care business Solventum (SOLV). Shares -17% since (April 5). Classic pre-coverage period. |
| General Electric | GE US | 161,869 | GE is set to spin its energy business ('Vernova') on April 2. Will trade under 'GEV'. UPDATE (March 15, 2024) GE dove deep into the medium-term expectations of the upcoming spin-offs during the recent investor day. UPDATE (April 8, 2024) GE completed the spin-off of GE Vernova (GEV). Shares -4% since listing (April 5). Classic pre-coverage period. |
| Cryo-Cell | CCEL US | 61 | Cryo-Cell announced plans to spin off its newly formed subsidiary Celle Corp to maximize shareholder value, exploring strategic alternatives post spin-off such as equity/debt financings, sale, or merger. |
| MDU Resources | MDU US | 4,895 | After the recent spin of Knife River, MDU now also plans to spin its construction services business. Remaining company will be a pure-play energy delivery business. UPDATE: MDU provided an update of its intended spin of the construction business 'Everus'. Spin expected 'late 2024'. |
| AFC Gamma | AFCG US | 241 | Intends to spin its commercial real estate loan portfolio into a (to be) REIT, "Sunrise Realty Trust". The separation will create two companies, one focused on the cannabis industry and the other on CRE. Separation expected to be completed 'mid-2024'. Might be interesting given different character of businesses. |
| Western Digital | WDC US | 21,543 | Western Digital is back to planning the spin of its Flash and HDD franchises after the busted deal talks with Kioxia. Original timing was Q4 2023; now H2 24. UPDATE: Rumored that talks with Kioxia will resume in late April. |
| Vivendi | VIV France | 10,192 | Trying (again) to figure out ways to reduce the conglomerate discount. Now exploring a split of the company into several entities (Havas, Canal+ and an InvestCo). UPDATE: Recently provided an update on its spin project. So far Vivendi seems serious about the plans (and share price is reacting). |
| Matthews International | MATW US | 811 | Company working to enhance market value; discount a consequence of its random collection of businesses. Might IPO / spin the Energy Solutions business or the entire Industrial Technology business in 2024, unlocking significant SOTP value. |
| Arizona Metals | AMC CN | 246 | Arizona Metals announced that it intends to create two new companies through the spin-out of the Sugarloaf Peak Gold Project and two newly-created royalties on its Kay Mine Project. Spin expected to complete before the end of Q2 24. |
| Cargotech | CGCBV Finland | 4,028 | Approved the split of Kalmar, "a technology forerunner in container handling and heavy logistics with strong market positions, geared to grow by making the industry electrified and more sustainable". Planned completion date is 30 June 2024. |
| Sodexo | SW France | 11,583 | Sodexo to spin-off Pluxee in early 2024. Pluxee current growing much more rapidly at much higher margins than Sodexo. Might be interesting to keep an eye on. Pluxee spin to be completed by February 1. Ebitda projected to grow mid-teens% pa + strong cash flow generation. UPDATE (Feb 2, 2024) Pluxee now listed; ticker PLX (France). Trading at ~7x 2024e EV/EBITDA (FY ending August), for 10-15% ebitda cagr over the medium-term and roughly 3x net cash / 24e ebitda. Might be interesting to keep an eye on. |
| Lionsgate | LGF/A US | 2,313 | Spin-off of the movie / TV studio business estimated in September. Lots of action with bondholders forming a bond group to block the spin, and appear to be succeeding. UPDATE (Jan 7, 2024) Now intends to spin studio business via SPAC Screaming Eagle (SCRM US). |
| Wärtsilä | WRT1V Finland | 9,009 | Wärtsilä decided to initiate a strategic review of its Energy Storage and Optimisation (ES&O) business. On a twelve-month rolling basis, the ES&O net sales by the end of Q3 2023 amounted to € 983m. On the same twelve-month rolling basis, the business turned to profitability. Could be an interesting SOTP case. |
| Glatfelter | GLT US | 70 | Lots of action at GLT and Berry Global (BERY) given spin + assets movements. |
| SITE Centers | SITC US | 7,046 | SITE Centers announced that its intends to spin-off its Convenience assets into a separate publicly-traded REIT to be named Curblin Properties ('CURB'). Interesting, unique growth company. Will list with a net cash (debt free) balance sheet. Timing H2 24. |

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| Premier Investments | PMV Australia | 4,757 | PMV will review a few of its brands, potentially spinning these off, with the intention to focus more on the more rapidly growing part of the business; 'the Review will consider a range of options... including dividend policies and a separation of the Group into two or more distinct entities by way of demerge'. |
| Top Ships | TOPS US | 59 | Intends to spin off subsidiary Rubico, holding one (!) Suezmax tanker, to shareholders. Given micro-cap size (<\$ 12m) and relatively low liquidity, could be ground for interesting trading dynamics. UPDATE. Top (still) anticipates the spin-off to be complete in September (* not yet completed). |
| Calumet | CLMT US | 1,202 | Calumet is preparing to spin its MR unit in a few months, targeting > CLMT's current EV. Management recently dedicated a slide to what they believe is an intrinsic value range for Calumet's equity, \$31-56 p/s. |

STRATEGIC ALTERNATIVES (potential take-outs, asset sales, M&A, etc.)

| Company | Ticker | Mar.Cap. (lc, m) | Comments |
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| Zuora | ZUO US | 1,351 | Reports out (ao Reuters) that Zuora hired Qatalyst Partners to explore a potential sale and that founder/CEO Tien Tzuo could participate in the transaction. |
| Carr's Group | CARR UK | 116 | Following an internal review, CARR announced that it will split the company in order to unlock value. Co currently exploring options to maximise shareholder value. |
| Nordstrom | JWN US | 3,089 | The WSJ reported that members of the Nordstrom family are considering a take private bid. The company formed a special committee to evaluate options, working with Morgan Stanley and Centerview. Pretty muted share price reaction. |
| 23andME | ME US | 233 | Evaluating options. Might split company. Stock price strongly under pressure given continued cash burn. Net cash balance sheet. Split goodco/badco might create an interesting opportunity. UPDATE (April 22, 2024) CEO Anne Wojcicki (~49% voting control) stated she's weighing a buyout bid. |
| Procaps | PROC US | 306 | Illiquid, busted nano-cap Procaps initiated a strategic review. Procaps has a cdmO segment which accounts for 30% of sales and are the are top 5 manufacturers of softgel tech cdmO globally and top 1 in latam. Their main facility in colombia is fda approved and they also own CDMO facilities in Florida. Lot of debt and has been working with creditors. If they can sell their cdmO operations they could be very much net cash. Many thanks to @FernandoInvests. |
| Digital Media Solutions | DMSL US | 4 | VERY indebted Digital Media solutions announced securing of \$22m new financing and the exploration of strategic options, including a potential sale of the company. Might be interesting as the company's total EV (c. \$285m) basically fully reflects the debt, hence everything above 10x FY25 ev/ebitda could be explosive to the equity (but we just screened this of BB!). |
| Synlogic | SYBX US | 22 | Another one for the list of net-cash, busted biotechs, reviewing strategic alternatives. |
| Sequans | SQNS US | 34 | Wireless semi company. Renesas agreed to acquire for ~\$3 p/s but pulled out because of (allegedly) adverse tax decision, tanking the stock to ~50c. SQNS just got a 1-month maturity pause from debt holders (including Renesas) to "effectively negotiate and finalize a strategic transaction." Claims termination of MOU with Renesas led to "interest from multiple key industry participants." Might be interesting. H/t @theotheraharon for the idea. |
| Itafos | IFOS Canada | 252 | Phosphate fertilizer company, trading at <2x ev/ebitda on 2024e. Strongly reduced debt. Strategic review ongoing (since roughly a year). Just seems too cheap. |
| EML Payments | EML Australia | 386 | Interesting SOTP investment thesis from @puppyeh1. EML appears to have relatively inefficient assets that could be sold off, or the company as a whole. STOP value / share could be >\$1.70 vs \$1.09 current share price (October 30). Strong indications of near-term catalysts. Refer to @puppyeh1 thread (Oct. 26) for a more detailed explanation. UPDATE (Jan 21, 2024) Announced a full exit from PCSIL. Strategic review ongoing. Other assets could be next (Sentenial, perhaps clean pieces too). UPDATE (April 15, 2024) EML to sell Sentenial for \$54m. UPDATE (April 8, 2024) Stock pressured on Board changes as Connor Haley (Alta Fox Capital) leaving (hence fear AFC - 8% owner - might sell). |
| Bragg Gaming | BRAG Canada | 195 | Peer GAN to be taken out at >100% premium. Bragg is higher quality and profitable, trading at large discount to implied (similar) deal valuation. UPDATE (April 8, 2024) Reviewing strategic alternatives, which may include the sale of the company or of its assets, a merger, financing, further acquisitions, or other strategic alternatives. No timetable to complete the strategic review process has been established. |
| Allovir | ALVR US | 86 | Classic example of a loser biotech. Share price <\$1 means Nasdaq delisting is very likely (hence more forced selling). ALVR has \$165m net cash on the b/s and recently significantly reduced opex (95% reduction of workforce) and the discontinuation of clinical development. Now the co is 'assessing strategic alternatives'. Next steps are potential reverse stock split to regain compliance, liquidation or take-over. |
| Aclaris | ACRS US | 88 | Aclaris is another one (i.c. net-cash busted biotech, -45% workforce reduction, 'evaluating strategic alternatives'). Guesstimating (mainly assumptions for cash burn going forward and value NOLs), we can see a bear-bull case of \$1-3 per share here, or -20% to +140%. We highlight the write up from our friend Amadeus Value. |
| Reneo | RPHM US | 58 | The third on this week's list of net-cash, busted biotechs, reviewing strategic alternatives. |
| Ocean Wilson | OCN UK | 483 | Investment holdco trading at a significant discount to NAV. Announced strategic review of Wilson Sons (\$PORT3) which might unlock value. Strong upside in case of liquidation. UPDATE (April 8, 2024) Strategic review ongoing but company expects it to be completed in 2024. |
| Marlowe | MRL UK | 490 | Shares down strongly on recent results. Strategic review ongoing; company is considering sale or spin-off of TIC. Currently trading at ~6.3x FY23e ebitda, roughly 40% below peers. UPDATE (April 8, 2024) To sell GRC software and service assets. After the deal, Marlowe will have a net cash position ~GBP200m (current market cap of c. GBP500m). The company will return at least GBP150m through share buybacks and/or dividends. There remains significant upside potential in our opinion. |

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| Sharecare | SHCR US | 237 | Evaluating strategic alternatives. Sharecare is actively engaging with parties interested in acquiring the company. Sharecare has a strong net cash b/s (though relatively high cash burn). Little share price reaction so far. |
| GrowGeneration | GRWG US | 130 | GrowGeneration is exploring strategic opportunities for its benching, racking, and storage business, MMI. Screens like an interesting play given (under the radar) ramp of distribution and e-commerce business. |
| Kineta | KA US | 6 | Kineta is exploring strategic alternatives, looking to sell itself. Roughly \$6m net cash (remaining) as of Q3. Very recent presentation on IR site. Seems like Kineta might have some interesting assets. |
| Xperi | XPER US | 433 | Rubric Capital (7.6% owner) pushing for strategic alternatives for the company's AI unit. Officially announced to be evaluating strategic alternatives (of Perceive business). Based on Bloomberg ccs, XPER will grow very quickly over the next few years and is trading at <3x 25e ev/ebitda. Co has a solid balance sheet (net cash). <i>UPDATE:</i> Activist Rubric Capital nominated two independent Directors. Rubric also taking increasingly strong stance. Very interesting action. |
| VSE | VSEC US | 1,198 | Launched a strategic review of its fleet segment. |
| Newpark Resources | NR US | 630 | Initiated a strategic review for its Fluid Systems business, with options including selling the entire segment or winding down its working capital. Divestment could generate \$200m, and will increase the quality of the business. H/t @ideahive for the idea. <i>UPDATE:</i> Strategic review expected to be completed mid-2024. |

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| abrdn European Logistics Inc. | ASLI UK | 251 | Launched a strategic review and is considering all options, including full sale. Trading at 30% discount to NAV. Looks like a very good chance for a deal (dividend target will have to be cut, but will reduce the already low liquidity). H/t @Estebanalbanil for the idea. <i>UPDATE:</i> Received proposals and is in discussions. Seems a matter of time. |
| Talis Biomedical | TLIS US | 35 | Interesting set-up from @InvestSpecial. Talis is undergoing a strategic review and is now basically a cash shell trading at an unusually large discount (>50%) to its current net cash. Most of the workforce already laid off and liquidation seems imminent. Greenlight holds ~8%. |
| DMC Global | BOOM US | 340 | Small diversified industrial company heavily levered to energy recently announced strategic alternatives for 2 of its 3 business lines, including DynaEnergetics, which many consider its crown jewel. Decent balance sheet, trades under book (though tangible book is negligible) and near 5-year low price. Recently refinanced. H/t @theotheraharon for the idea. |
| Luxfer Holdings | LXFR US | 262 | Small industrial/materials conglomerate with several niche businesses of various attractiveness says it will update shareholders on "strategic review to unlock value" at its next earnings call in late February, if not before. OK balance sheet, trading right around all-time low. H/t @theotheraharon for the idea (yes - the third idea!). |
| Premier | PINC US | 2,538 | Completed its strategic review. Premier announced a \$1bn buyback (roughly 40% of market cap) of which \$400m accelerated share repurchase. Trading at <6x 2024e ev/ebitda (though not much growth) and very cash flow generative. |
| Green Plains | GPRE US | 1,429 | Announced it will evaluate strategic alternatives. Activist Ancora is pushing for a sale of the company. |
| The Children's Place | PLCE US | 103 | Announced it will evaluate strategic alternatives (should new financing efforts fail). Mithaq Capital took >50% of equity and aid restructuring efforts. |
| Frontier Communications | FYBR US | 5,334 | Pursuing strategic alternatives. |
| 2seventy bio | TSVT US | 232 | Announced strategic alternatives (realignment, to be precise). TSVT will sell some R&D programs and focus on cost savings; target of \$200m cost reduction pa as of 2025. Might be interesting given that would drastically improve cash burn. Net cash b/s. |
| Limoneira | LMNR US | 353 | Launched a strategic review. Options include full sale of the company. Management believes that the current market value is not reflective of the company's inherent value. |
| Benchmark Holdings | BMK LN | 322 | Announced to review strategic alternatives (i.e. a sale of the company). Despite the >20% jump in share price, Benchmark is still trading at c. 10x 24e ev/ebitda (on Bloomberg ccs), with >20% ebitda growth pa. over the next few years. |
| Kingsland Minerals | KNG Australia | 14 | Strategic review of its uranium project. We've <i>not</i> vetted this one, but Bloomberg is giving it a \$17m market cap and -\$5bn (not million) EV (!) |
| Zenith Minerals | ZNC Australia | 33 | Reviewing its lithium operations. |
| Walgreens Boots Alliance | WBA US | 15,736 | Reviewing strategic options + insider purchases. Share price almost at 52wk lows. |
| Pulmatrix | PULM US | 7 | Busted net cash biotech pico-cap Pulmatrix announced strategic alternatives. |
| Camping World | CWH US | 392 | Reviewing strategic options for its Good Sam division, incl. a potential sale or spin. |
| Vista Outdoor | VSTO US | 1,883 | Vista to sell its Sporting Products operations for \$1.9bn (or about 5x ev/ebitda on the unit's FY24e). Spin off the table. Current public stockholders of Vista Outdoor to receive shares of Outdoor Products (recently rebranded as Revelyst) and approximately \$750 million in cash in the aggregate. <i>UPDATE:</i> Activists ColtCZ disclosed a stake and launched a bid for \$30 p/s and a \$900m buyback, which the company rejected. Interesting to keep assessed, could continue to see some fireworks. |
| Innovative Food | IVFH US | 47 | Microcap Innovative Food is exploring strategic alternatives regarding its e-commerce business. A LOT of interesting stuff is going on here, and might be interesting to keep an eye out. |
| Velo3D | VLD US | 74 | Velo3D announced that it has started a strategic review 'to maximise shareholder value'. CEO recently left. |
| Ether Capital | ETHC Canada | 124 | Lots going on at cryptocurrency investor Ether Capital: CEO change, buyback announced as well as to initiate exploring strategic alternatives. Company has a strong balance sheet. |
| Zynex | ZYXI US | 366 | To review strategic alternatives. If BB consensus is anywhere near correct, Zynex is trading at ~11x ev/ebitda on 2023e for >50% ebitda cagr over the next few years. Also, already cash flow positive. |
| Regenxbio | RGNX US | 769 | To explore strategic alternatives. Roughly 50% of market cap in net cash. Recently raised \$125m. |
| Allfunds | ALLFG Netherlands | 4,092 | To explore strategic options, incl. sale, according to Vozpopuli. Hired Goldman and Citi, looking for 5bn. Makes no sense for this company to remain public, in our opinion. <i>UPDATE:</i> See Nexi note. Allfunds is part of H&F Fund VIII as well, and H&F has also slightly more than 20% stake in Allfunds. Fund is old vintage (2014) with H&F looking to close this fund. |

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| Profrac | ACDC US | 1,294 | Evaluating strategic options for its Proppant Production segment, which operates through its Alpine Silica subsidiary. Options under strategic review include an IPO, sale or merger of Alpine Silica. |
| Clean Air Metals | AIR Canada | 12 | Exploring strategic alternatives including strategic funding, strategic partnerships or joint ventures, full company sale. |
| Beyond | BYON US | 1,039 | Lots of action at Beyond (old Overstock.com), with several activists pressuring the company to launch strategic review and improve balance sheet (via eg asset sales). To keep an eye on given high volatility. |
| Euroapi | EAPI France | 255 | BIG share price reactions on bad results and suspension of its medium-term target. Might be interesting to keep an eye on this one, given relatively high quality assets. Management will be performing a strategic review. |
| Future | FUTR UK | 714 | Sky News reported the company was exploring the sale of all or most of its business-to-business operations. The company is working with advisers at JEGI Clarity to gauge interest from buyers for assets including SmartBrief. Could unlock lots of value. |
| MEI Pharma | MEIP US | 22 | Clinical stage biotech, attempting to merge with Infinity Pharmaceuticals (INFI US). Interesting dynamics given activists pressuring the company + potential liquidation in case of failure to merge. <i>UPDATE</i> . Cable Car and Anson Advisors nominated new directors. Sounds like 'fight' is becoming more aggressive. |
| Millicom | TIGO US | 3,456 | Takeout candidate with plenty of interest. See Dalius SSI for background. |
| Merrimack Pharmaceuticals | MACK US | 214 | To receive \$ 225m (vs. market cap. of ~\$ 214m (13/02)) from Ipsen after FDA approval for Onivyde (within 12 months). Cash to be returned to shareholders via special dividends. |
| Covestro | 1COV Germany | 9,167 | Rejected a \$ 12bn offer from Abu Dhabi National Oil (ADNOC), but 'open to discuss deal at higher price'. To keep in mind that Covestro is basically 100% free float. Potential fair price high 50s. To be continued. <i>UPDATE</i> . Covestro confirmed its engaging with Adnoc regarding a potential take-over. Adds to previous reports on informally lifted 'proposals' towards €60/share as trigger for starting official negotiations. |
| Topcon | 7732 Japan | 191,189 | Attractively valued company with new management and US activist (ValueAct Capital) with decent track record in Japan increasing pressure. |
| Enhabit | EHAB US | 514 | Ongoing review of strategic alternatives, including full sale of the company. Sector deals have been performed at mid-teens ebitda multiples. A similar deal valuation would suggest 50-100% upside. |
| TSR Consulting | TSRI US | 17 | Reviewing strategic alternatives. Options include a sale of the company. Profitable nano-cap with net cash balance sheet. |

NOTICEABLE LARGE BUYBACKS (six months rolling)

| Company | Ticker | Mar.Cap. (lc, m) | Comments |
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| Better Choice | BTTR US | 6 | Approved a (up to) \$5m stock repurchase plan (on a \$5.6m market cap, 19/04). |
| Royalty Management Hold. | RMCO US | 14 | Busted SPAC RMCO announced a \$2m stock buyback program, roughly 15% of the current market cap (19/04). |
| Roivant Sciences | ROIV US | 8,429 | On the brink of sealing a \$7.25bn deal with Roche for their Telavant project. Once deal closed, cash (~\$7bn) + 57% stake in Immunovant \$IMVT results in roughly \$12 per share - vs. current share price of \$11; hence free optionality for everything else that Roivant is developing. UPDATE (April 8, 2024) Approved a \$1.5B stock repurchase, c. 16% of the current market cap (April 8), with the first \$648m for the buy out Sumitomo Pharma. |
| TD SYNEX | SNX US | 9,933 | Announced a \$2bn buyback, roughly 19% of the market cap (05/04). |
| National CineMedia | NCMI US | 437 | Good ol' NCMI popped back on our screens (remember the bankruptcy exit play), this time due to a \$100m buyback, roughly 19% of the market cap (05/04). |
| RCM Technologies | RCMT US | 151 | Announced a \$50m buyback, but also a \$100m shelf. RCM appears to have a solid b/s and is trading at <7x FY24e ev/ebitda, for what seems decent growth. |
| Fiverr International | FVRR US | 760 | To buy back \$100m in shares, c. 13% of market cap (05/04). We don't know this company, but at first sight we notice the strong net cash b/s, ebitda inflection into positive territory and <7x ev/ebitda on FY24e for >30% estimated ebitda growth. |
| Victoria's Secret | VSCO US | 1,341 | Announced a \$250m buyback, roughly 17% of the market cap (15/03). The share price recently dropped >30% following horrible earnings. |
| Patterson | PDCO US | 2,331 | Approved a \$500m buyback program, roughly 20% of current market cap (15/03). |
| Eventbrite | EB US | 514 | Announced a \$100m buyback program, on a current market cap of \$560m (15/03). According to BB, Eventbrite has \$280m net cash and operating earnings are on the verge of inflecting positively, with strong growth ahead. EB is trading at c. 5x ev/ebitda on 2024e. |
| Bowlero | BOWL US | 1,782 | Very high short interest as a percentage of float. Company continues to execute on sale lease back and roll up bowling alley strategy with a focus on expanding leagues, ancillary fees, and events. Co continues to buy back shares. Recently announced a dividend and new \$200m BB authorization. H/t Josh Klein for the idea. |
| TrueCar | TRUE US | 266 | Boosted its buyback to \$100m. TrueCar has a ~\$120m net cash position and operating earnings seem to be inflecting positively in 2024 (according to ccs). Cheap on street estimates. |
| ODP | ODP US | 1,842 | Approved a \$1bn buyback, roughly 50% of the market cap. ODP has become a real cannibal over the past few years, and it seems it has no intention to stop. The # s/o declined by >25% over the past few years + initiated a strategic review of Varis division; update expected in early May. |
| United Parks & Resorts | PRKS US | 3,324 | The old Seaworld approved a \$500m buyback, ~15% of the market cap (01/03). |
| Obsidian Energy | OBE Canada | 862 | Now that leverage has been strongly reduced over past years, Obsidian initiated a buyback for 10% of s/o. |
| Lear | LEA US | 7,567 | Increased its buyback yet again, this time to \$1.5bn, roughly 19% of market cap (01/03). |
| Golden Heaven Group | GDHG US | 10 | Announced a \$6m buyback on a \$21m market cap (01/03). Stock obliterated after Hindenburg report. |
| Nextdoor | KIND US | 779 | Announced a \$150m buyback, roughly 18% of the market cap (01/03). Nextdoor has c. 55% of its market cap in net cash (though appears slightly cash burning). |
| Sirius XM | SIRI US | 11,886 | Announced a \$18bn buyback (on \$20bn market cap). Of course Sirius does not have this cash on the b/s, but it is becoming a true cannibal (-30% s/o over the past 9 years) and with continued strong cash generation, Sirius will continue to reduce the number of s/o. |
| Patterson UTI-Energy | PTEN US | 4,641 | Announced a \$1bn buyback, roughly 20% of the market cap (16/02). Very cash flow generative company. |
| ChampionX | CHX US | 6,761 | Announced a \$750m buyback, roughly 13% of the market cap (16/02). |
| Mattel | MAT US | 6,210 | Announced a \$1bn buyback, roughly 15% of the market cap (16/02). |
| Aurinia Pharma | AUPH US | 722 | Announced a \$150m buyback, roughly 19% of the market cap (16/02). Aurinia recently dropped >30% after concluding its strategic review without a sale. The company has a \$250m net cash position and strongly growing revenues. |
| AMTD Idea Group | AMTD US (ADR) | 108 | Announced a \$20m buyback, roughly 18% of the market cap (16/02). Didn't dive into this one, but shares got decimated over past year while earnings increased a ton. Trading at <1x p/e according to BB(!) |
| Garrett Motion | GTX US | 2,129 | Announced a \$350m buyback, roughly 16% of the market cap (16/02). |
| Chegg | CHGG US | 730 | Increased buyback authorization by \$ 200m (to ~\$ 290m) - on a c. \$ 1.2bn market cap. UPDATE: Continues to buy back shares at a very high pace. |

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| Solid Power | SLDP US | 296 | Announced a \$50m buyback, ~16% of current market cap (02/02). Solid has ~\$180m net cash on \$300m market cap (though seems to have quite the cash burn). |
| Metavesco | MVCO US | 3 | Pico-cap Metavesco announced a \$1m buyback, 20% of market cap (02/02). The board "has determined that the current market price of Metavesco does not reflect its fair value" given the "intrinsic value and growth potential of the company". |
| Liberty Energy | LBRT US | 3,730 | Announced a \$500m buyback, ~15% of current market cap (02/02). Trading at 3.3x 24e ev/ebitda on BB ccs, and quite cash generative. |
| American Eagle Outfitters | AEO US | 4,412 | Announced a buyback of 30m s/o, ~15% of total. |
| PubMatic | PUBM US | 1,081 | Announced a \$100m buyback, roughly 9% of s/o. PubMatic has a strong net cash position (c. 17% of market cap 01/03) and is trading at ~10x FY24e ev/ebitda (BB cons.) for mid-teens % ebitda growth over the medium-term. |
| State Street | STT US | 22,121 | Announced a \$5bn buyback, on a \$23bn market cap. |
| LQR House | LQR US | 5 | Announced a \$3m buyback on a \$8m market cap. If Bloomberg ccs is to be believed, this pico-cap is set to grow very rapidly. |
| Adtalem Global Education | ATGE US | 1,816 | Announced a \$300m buyback (roughly 12% of shares outstanding). |
| Friedman Industries | FRD US | 131 | Announced a buyback of roughly 15% of current market cap (07/01). |
| System1 | SST US | 180 | Announced a ~\$80m buyback program (roughly 30% of current market cap.) |
| Cherry Hill Mortgage | CHMI US | 99 | Announced a \$50m buyback program (on a \$100m market cap.) |
| Protect Pharma | PRTT US | 57 | Announced a buyback program of \$10m of shares outstanding, on a market cap of roughly \$60m. Lots going on here (Bosfor acquisition, audit progressing). Could be interesting to keep an eye on. |
| Seadrill | SDRL US | 3,679 | Out of bankruptcy in 2022. Recently announced a \$ 250m buyback (on ~\$ 4bn market cap; clean balance sheet). To note, Elliott owns ~8%; Greenlight Capital recent buyer. Since its (re)listing, Seadrill continues to print cash and buy back shares. |
| Seanergy Maritime | SHIP US | 191 | Announced a new \$25m buyback, roughly 17% of market cap. |
| Quantasing | QSG US | 189 | Another Chinese net cash, negative EV company announced a big buyback, \$20m or ~20% of market cap. |
| G-III | GIII US | 1,255 | Announced a buyback of 10m shares outstanding, >20% of market cap. |
| Designer Brands | DBI US | 503 | Designer Brands continues to buy back shares; now roughly 30% of s/o bought back over past 12 months. |
| Academy Sports & Outdoors | ASO US | 4,218 | Announced a new \$600m buyback program, for a total of \$700m, roughly 18% of the market cap. |
| JOYY | YY US | 1,962 | Chinese JOYY (with a net cash position of \$2.7bn on a \$2.3bn market cap), announced a \$530m buyback program (c.23% of market cap.) |
| Aware | AWRE US | 36 | Announced a buyback of up to \$10m (almost 30% of market cap). Aware is a (unprofitable) nano-cap with ~67% of its market cap in net cash. |
| Sohu.com | SOHU US | 370 | Chinese Sohu.com (with a net cash position of >\$1bn on a \$290m market cap), announced a \$80m buyback program (c. 30% of market cap.) |
| Brighthouse Financial | BHF US | 3,076 | Announced a \$750m buyback, >22% of the market cap. |
| El Pollo Loco | LOCO US | 259 | Company acquired ~10% of shares outstanding, another \$20m lined up. Plus, new CEO. |
| Peabody | BTU US | 3,091 | Buyback machine. Company acquired ~10% of shares outstanding, and has \$700m left (and on the bank!) on its program; or >20% of the market cap. |
| Brink | BCO US | 3,893 | Recently increased its buyback authorisation to ~\$700m (>20% of the market cap). |
| Phillips 66 | PSX US | 65,717 | Bought back c. 3m shares on a total of 36m during the last quarter. Continues to increase buyback authorisation. |
| Polaris | PII US | 4,929 | Adds \$1bn buyback capacity. Total now ~\$1.2bn, c.25% of market cap. |
| Dave & Buster's Entert. | PLAY US | 2,164 | Recently increased buyback program to \$200m (from \$100m), roughly 13% of market cap. |
| ON24 | ONTF US | 276 | Continues to buy back shares (like crazy). Roughly 70% of the market cap is cash (no debt). |

INTERESTING INSIDER PURCHASES (six months rolling)

| Company | Ticker | Mar.Cap. (lc, m) | Comments |
|-------------------------|-------------|------------------|---|
| America's Car-Mart | CRMT US | 372 | We note the strong and continuous buying in the open market from large shareholder Magnolia Group (now at c. 12%, 19/04). Also CEO recently bought as well. |
| Applied Optoelectronics | AAOI US | 465 | Insiders buying at this interesting company which seems to be inflecting positively on operating earnings. According to BB, the sell-side expects AAOI to be ebitda break-even in FY24 and ramp up strongly thereafter. Applied is trading at ~9x FY25 ev/ebitda for very strong growth going forward. Might be interesting to dive in. |
| Paragon 28 | FNA US | 812 | Another one with insiders buying at a company where earnings seem to be inflecting positively (though this one seems more expensive on forward BB estimates). |
| Datasea | DTSS US | 18 | Announced the CEO's intent to purchase \$3m in shares in the open market over the next 12 months. That's roughly 17% of the market cap (19/04). This comes on top of a recent relatively large order win announcement. |
| Journey Medical | DERM US | 69 | Insider buying at this micro-cap. Journey has a net cash b/s and earnings seem on the verge to inflect positively. According to BB, DERM is trading at ~2x FY25e ev/ebitda. |
| OmniAB | OABI US | 547 | VERY strong recent purchases by insiders. Might be interesting to keep an eye on. |
| Herbalife | HLF US | 882 | The lower the price goes, the more insiders seem to be buying. A lot going on here. |
| Journey Energy | JOY Canada | 218 | Insiders acquired some shares. Very neat, clean company with strong torque to rising commodity prices. |
| AMN Healthcare | AMN US | 2,158 | Strong insider buying by the CEO and CFO. Shares recently dropped almost 30% on earnings miss. |
| FMC | FMC US | 7,217 | Strong insider buying action. If you follow us you'll know we keep close tabs with chemicals. Agri had (in our opinion) a classic cyclical downturn; markets seem to be moving in the right direction. Might be interesting to keep FMC assessed as earnings inflect. |
| Innovid | CTV US | 313 | Quite some insiders buying activity. Innovid is a classic busted SPAC, but has a net cash balance sheet and seems to be inflecting on earnings. Based on street estimates. Innovid is trading at ~10x ev/ebitda on 2024e for ~30% ebitda growth over the next few years. |
| AerSale | ASLE US | 346 | We note the relatively large insider purchases in this battered stock. |
| NanoXplore | GRA Canada | 372 | Continued (very) strong insider purchases in this very interesting company. After years of losses, NanoXplore seems on the verge of strong profitability growth. Might be interesting to keep this one assessed. |
| Rezolute | RZLT US | 138 | Interesting to note the CEO acquiring a decent number of shares in this pre-revenue, net cash / negative EV biotech. |
| SR Bancorp | SRBK US | 87 | Insiders have consistently been buying shares into this micro-cap. |
| PCB Bancorp | PCB US | 220 | The same for PCB (strong and consistent insider buying). |
| Peoples Financial Corp. | PFBX US | 73 | Very strong and prolonged insider purchases at this nano-cap bank. Income has been growing quite nicely over the past years. |
| Worthington Steel | WS US | 1,658 | Decent insider buying into this recent spin of Worthington Industries (WOR). |
| Comet Lithium | CLIC Canada | 9 | Decent insider buying in this pico-cap explorer. |
| Beyond Air | XAIR US | 56 | BIG insider purchases in this busted bio/med-tech nano-cap. M&A coming up? |
| Ayr Wellness | AYRWF US | 150 | Large insider purchases in this micro-cap as well. |
| African Oil Company | AOI Canada | 1,089 | Announced a 10% buyback + big insider purchases. AOI is ~25% net cash, very profitable and cash generative. |
| SuRo Capital | SSSS US | 98 | Continued big insider buying in this micro-cap. |
| Biglari Holdings | BH US | 619 | Insiders purchased \$2.3m in shares (>4% of s/o). Biglari now owning >60% of s/o. |
| Spartan Delta | SDE Canada | 724 | Strong insider purchases. Stock decimated over past year; now ~\$3 p/s vs \$14 a year ago. |
| Cambium Networks | CMBM US | 91 | Relatively strong insider buying. We highlighted CMBM in our interesting companies list as the stock has been under strong pressure but should have very strong tailwinds over the next few years. |
| Lazydays | GORV US | 50 | Continued strong insider purchases (CEO and CFO). Largest shareholder has also been acquiring shares. Stock hammered over past few months. |
| Crescent Energy | CRGY US | 1,971 | Strong insider buying from the c-suite. Co trades at c. 2.5x ev/ebitda. |
| GrowGeneration | GRWG US | 130 | Very strong insider buying in GrowGeneration. Company seems to be hitting a rough patch, but insiders appear to love it. Net cash b/s. |

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|-------------------------|------------|-------|---|
| PetMed Express | PETS US | 87 | Decent insider purchases in online pet pharmacy PetMed. Stock clobbered ytd; net cash b/s (about 1/3 of market cap), ~17% dividend yield (if sustainable). |
| Howard Hughes | HHH US | 3,025 | Another week, another purchase by Ackman (Pershing Square) of HHH. Company announced it would spin off its Seaport and other related assets. ~90% upside to NAV (according to HHH). |
| Presidio Property Trust | SQFT US | 12 | Presidio (a REIT) announced a \$10m buyback, on a \$11m market cap. Plenty of insider buying recently. |
| Shyft Group | SHYF US | 366 | Strong insider buying in this beaten up small-cap. BBccs is at 100% ebitda growth next two years; trading at c. 11x ev/ebitda on FY23 ccs. |
| Barnes Group | B US | 1,813 | Big insider purchases after a >30% sell-off of the stock. |
| Cegedim | CGM France | 194 | Continued strong insider buying + share repurchases. 5x ev/ebitda FY23 for MSD-HDS% ebitda growth, though relatively levered. H/t @evfcaddict for the idea. |
| Solitron Devices | SODI US | 38 | Nano-cap with seemingly increasing business momentum. Sizable insider purchases by CEO and COO. CEO Eriksen active on X (@eriksen_tim). H/t @LogicalThesis for the idea. |
| Orchid Island | ORC US | 438 | Continued relatively large insider purchases by executive team. Stock is down 40% over the past few months as unrealised losses strongly increased. |
| Crescent Energy | CRGY US | 1,971 | Insiders continue to buy on the market. Potentially interesting given high oil prices and increasing M&A activity in the space. |
| Lee Enterprises | LEE US | 79 | Decent insider buying in this sold-off name. Interesting company given paper-to-digital newspaper transition. |

LIQUIDATIONS

| Company | Ticker | Mar.Cap. (lc, m) | Comments |
|----------------------------|---------|------------------|--|
| Seritage Growth Properties | SRG US | 525 | Liquidation. At a strong pace. Could see \$10-17 per share distribution on \$9.64 share price (April 5), or 'potential strategic transactions'. |
| Signature Bank | SBNY US | 226 | Very attractive liquidation, with many assets already liquidated and CRE portfolio remaining. Significant upside to equity (as in, multiples). Will take some years to play out, but seems nice IRR potential. |
| Gyrodyne | GYRO US | 18 | Evaluating strategic alternatives and liquidation contingencies. The company recently successfully closed a rights offering "to supplement its cash on hand to ensure it is operating from a position of strength through the duration of the liquidation process...". As of Q3, Gyrodyne had \$54m in assets held for sale on the b/s and roughly \$26m liabilities (incl. estimated liquidation costs) on a market cap of \$13m (15/03). |
| Neubase | NBSE US | 2 | To liquidate. Neubase had ~\$7m net cash back in June. |
| Palace Capital | PCA UK | 90 | UK REIT liquidation, trading at 20-30% discount to NAV. Should liquidate over the next 12-18 months. H/t @RealAssetsValue for the idea |
| Atreca | BCEL US | 3 | Liquidation of asset base for 6ct + one CVR valued at 17ct; current share price (05/01) roughly 12ct. |
| Cohbar | CWBR US | 3 | To commence liquidation. Cohbar has ~\$9m in cash and cash equivalents on the b/s, with ~\$1.5m in accrued liabilities (hence negative EV). |

'INTERESTING' SITUATIONS (but not exactly event-driven or special sit.)

| Company | Ticker | Mar.Cap. (lc, m) | Comments |
|----------------------------|-------------------|------------------|---|
| Rent the Runway | RENT US | 45 | If you like dumpster diving, RENT received a notice from Nasdaq stating that the company is not in compliance with the minimum Market Value of Listed Securities required for continued listing. The company has a period to regain compliance with the MVLS Requirement, and a reverse stock split at a ratio of 1-for-20 was approved. Stock massively pressured by restructuring (and leverage), but could reach ebitda break-even soon. UPDATE (April 22, 2024) Very strong share price movements after positive comments from the company regarding future growth potential (i.e. long-term goal of >25% annual revenue growth). IF achieved, RENT has multi-bagger potential given relatively low valuation and quite the levered b/s. |
| InPost | INPST Netherlands | 7,590 | Advent (PE) sold another stake (5%) to PPF. PPF now owns ~22%, with option for the another 10%. Shares have reacted positively (again) as 'shareholder overhang' is reduced. UPDATE (April 22, 2024) Advent sold another stake to PPF. PPF now owns c. 29% of InPost shares. |
| Taiga Building Products | TBL Canada | 366 | Interesting case from @bitmoreleverage. Trading at less than 3x ebitda with strong FCF generation and a good balance sheet. They've >70% owned by Avarga, a Singapore holdco, which seems a good owner. No coverage. Stock has good momentum. |
| Avation | AVAP UK | 75 | Avation slowly grinding down towards 100p. As a reminder, Avation is a sub-scale aircraft lessor with a large maturity wall ahead (in a much higher interest rate environment), hence a low valuation to book value. The company has been selling planes and should continue to do so, or better sell itself. There are signs that the latter could be in the works. In November AVAP disclosed it received a takeover approach over the summer. There have also been new shareholders which have been amassing a pretty large stake in the company. We expect some action in the future. |
| Entravision Communications | EVC US | 188 | EVC crashed after losing Meta (40% of their ebitda). However, they sit on very valuable spectrum rights which they've monetized in the past and should in the future. EVC also owns tv and radio stations in the hispanic market (good given election year). H/t @FernandoInvests for the idea. |
| Long Centrotec | CEV Germany | 650 | CEV sold its climate solutions business to Ariston and received both cash and stock. Stock is trading at €50, while net cash is €71 per share and doesn't include the remaining operating business. Main owner is almost at 90% and could do a squeeze-out soon. Minority shareholders are (somewhat) protected in Germany and squeeze-outs are usually done at BV per share which is €85 per share. H/t @absreturnchase for the idea. |
| Smith Douglas Homes | SDHC US | 1,276 | We flag the upcoming IPO of home builder Smith Douglas Homes. Market cap targeted around \$1bn (mid-range); estimated p/e around 7-8x, which screens well given the profitability and relatively strong growth. IPO over next week. UPDATE: Stock down as market pressured. Broker initiations suggest Smith Douglas is trading at c. 10x FY24e ev/ebitda (19/04) for >30% ebitda growth p.a. over the next few years. |
| Nexi | NEXI Italy | 7,097 | Bloomberg mentioned CVC Capital Partners is in the early stages of considering a potential bid for European payments firm Nexi. Share price jumped, but got smashed again after the Worldline mess. Hellman & Friedman (PE) has c.20% stake in Nexi, part of Fund VIII. Fund VIII is an old vintage (2014) and H&F is looking to wind this fund down. UPDATE (April 22, 2024) Share price now once again at the lows (i.e. when all the speculation started). Might be interesting to keep an eye on. |
| Sunshine Biopharma | SBFM US | 2 | Very interesting and chaotic case. Sunshine performed a reverse stock split and equity raise issuing a bunch of warrants. There's much confusion regarding the adjustments of the warrants post-reverse split and there has been massive selling pressure. Overall, SBFM had c. \$8m revenue in Q4 23, growing 30% yoy. That's >\$30m revenue annualized for FY24 with much more growth to come, potentially reaching positive net income this year. The only question is what is a representative market cap! Keep an eye on the discussion on X. |
| Bpost | BPOST Belgium | 710 | To acquire 3rd party logistics provider Staci. Transformational acquisition. |
| Liquida Technologies | LQDA US | 1,010 | Patent litigation. Could stand to gain a lot if resolved and product brought onto market. See old VIC write-up. UPDATE (Jan 7, 2024) Recently won litigation against United Therapeutics (UTHR US). Secured additional funding. LQDA could be a multi-bagger if product successfully brought onto market. UPDATE (April 8, 2024) FDA to probably approval for PAH and ILD indications. LQDA can start to sell immediately, which is a major catalyst for growth. |
| Lifecore Biomedical | LFCR US | 204 | Strategic alternatives. Potential buy-out. Demand for similar CDMO assets is high. Large shareholders pushing for sale. Potentially 75-100% upside. UPDATE (Jan 7, 2024) LFCR expanded and extended its CDMO activities with main partner Alcon. Reiterated to continue to actively evaluate strategic alternatives; still working on refiling. Trigger could be imminent. UPDATE (April 8, 2024) Stock is depressed after the 'failure' of the sale. Might earn \$80m ebitda with the expansion by FY27. At 10x (pretty low) and \$200m debt (rough figs) that's 3x in a few years... |

| | | | |
|------------------------|------------------|-------|--|
| Smith Micro Software | SMSI US | 20 | Smith Micro Software approved a reverse stock split of one-for-eight, effective on April 10, 2024. Trading under the new CUSIP number will commence on April 11. Might be interesting as a share price that moves <\$1 often means forces selling. A reverse stock split might (partially) reverse that action. |
| Surf Air Mobility | SRFM US | 47 | Micro-cap Surf Air will hold its first investor day ever on June 7. Might be interesting as the stock is massively pressured (ao due to potential delisting as the share price is <\$1). No idea what's real here, but Canaccord is plugging a \$200m revenue estimate for FY25. |
| Hanesbrands | HBI US | 1,635 | Considering selling its Champion brands and strong rumors that it has received multiple bids. As a reminder, HBI is currently exploring strategic options. UPDATE (April 8, 2024) To sell its Champion brand to Authentic Brands for ~\$1bn. |
| Ascential | ASCL UK | 1,393 | Ascential to sell two divisions after a strategic review. Remainco valued at ~5x ev/ebitda; peers trading at >10x. H/t @ClarkSquareCap for idea and write-up. UPDATE (April 8, 2024) Ascential revealed a plan to return GBP 850m to shareholders in a combo of tender offer, special dividend and share buyback. |
| Vishay Intertechnology | VSH US | 2,875 | Announced a \$1bn buyback, roughly 20% of shares outstanding (16/02). VHS has a net cash b/s and is trading at roughly 7x 2024e ev/ebitda. UPDATE (Mar 1, 2024) Will be holding its first capital markets day on April 2. Could be interesting given relatively low valuation and what seems trough earnings. Might be bullish. UPDATE (April 8, 2024) Hosted the first ever analyst day. VHS is looking for >\$5 EPS and \$700m FCF by FY28. |
| Nuvation | NUVB US | 641 | Busted biotech SPAC with >\$600m net cash on balance sheet, trading at negative EV. Currently pursuing last trials. If success, stock is cheap; if failure, NUVB becomes a cash-distribution play. To play out over next ~12 months. UPDATE. Big insider buying recently, while share price under pressure. UPDATE (April 8, 2024) To acquire AnHeart Therapeutics. Massive stock price reaction. No clue on the impact, but sell side strongly increased TPs. |
| Veradigm | MDRX US | 818 | Recently delisted, with strongly pressured stock price. Growth has been declining but stability looks ahead. Strong share price potential if Veradigm can indeed get back to growth (and uplist again). Good cash flow generation. H/t @EgweneAlVer for the idea. |
| JAMF | JAMF US | 2,387 | Jamf hosted an Investor Day on March 13 reviewing the company's business, strategy, and long-term financial targets. The company seems ready to scale profitability targeting accelerating top-line growth, and resp. 25% and 26% operating income margin and unl. FCF by 2026. If achieved, JAMF will trade at c.12x ebit and plenty of growth potential left (>80% GMs). |
| WonderFi | WNDR Canada | 153 | Interesting action at this crypto trading platform. WonderFi is (finally) starting to show some revenue generation. Might be interesting to keep assessed as crypto moons once agains. Also, decent insider purchases. |
| Surgepays | SURG US | 71 | Getting VERY close to the shut-down of ACP finding (funding depleted by April). Company recently raised \$15m, probably as a defensive move in order to fund the growth of its wireless mobile product. This one will remain volatile (which means opportunity; check our blog for background on the thesis) UPDATE: Shares (finally) back down to earth after company acknowledged that ACP funding is drying up. Expect horrible Q2 and Q3. |
| ZimVie | ZIMV US | 420 | Valuation burdened by large debt and declining spine business (though healthy dental business). End of last year ZimVie announced to sell the a transaction entire spine business to HIG Capital (\$375m, \$315m cash and \$60m PIK note). Sale eliminated both issues. Story now much simpler but market and analysts still need to catch up. Large rerating potential. |
| Guerbet | GBT France | 427 | Family-controlled French maker of (primarily) contrast mediums for medical imagining with significant US operations. Stock at year highs (down ~50% in last 5 years), up 30% in the past month, at the recent death of founder's son, on presumed speculation that it will be acquired. Still quite cheap on various metrics. H/t @theotheraharon for the idea. |
| SoftwareOne | SWON Switzerland | 2,617 | Once again reports that the company is for sale. |
| Bet-at-home | ACX Germany | 17 | Net-net pico-cap. €25m net cash on €20m market cap. Stock suffered over past few years due to new regulations. Business might be slowly but steadily improving. No large cash burn (it seems). |
| Core Scientific | CORZ US | 573 | To emerge from bankruptcy in Jan. 2024 + right offering announced. Lots going on which will create volatility (hence opportunity). UPDATE: Emerged from bankruptcy and relisted on Nasdaq on Jan. 23. Post-emergence net debt of \$571m and Plan Equity Value of \$929m. Messy structure might create opportunity. |
| Zegona Communications | Zegona UK | 1,732 | Zegona acquired Vodafone Spain and intends to turn it around, do a sale and leaseback and pay a (large) dividend. Interesting as many moving parts, relatively illiquid and you can be sure of volatility. Fwiw, the two analysts covering it are look for ~90% upside. H/t @tacoentusiast2 for the idea. |
| Seas Getters | SG Italy | 643 | Sold its medtech business for \$900m. Tendered for stock (roughly €140m), will pay a €12.5 p/s dividend (on €34 stock price); remaining €350m to be reinvested in business. Roughly €20m net debt position (pre-sale consideration). H/t @tacoentusiast2 for the idea. |
| Collectis | CLLS US | 183 | Collectis received a \$25m up-front payment from Astrazeneca, and a \$80m equity investment at a \$365m valuation. Collectis' market cap is ~\$170m (10/11/2023). |

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|----------------------|-----------------|-------|---|
| Worldline | WLN France | 2,687 | Massive reaction after results, with shares dropping >50% to all-time lows. WLN adjusted all targets downwards; expect BIG cuts for 2024. Might be interesting to keep an eye on. PE very interested in the sector in the past (Network International 15x, Worldpay 10x ev/ebitda, Nexi PE interest). |
| United Natural Foods | UNFI US | 551 | UNFI has a 'transformation program' in place. Insiders (CEO and CFO) have recently purchased shares. Shares are down ~60% YTD (27 October). Might be interesting to keep an eye on. |
| Enzo Biochem | ENZ US | 56 | Sold clinical lab business for \$105m. Enzo has \$56m remainco net cash on \$63m market cap (but relatively high burn). |
| NSI | NSI Netherlands | 355 | NSI board member (top shareholder) resigns to prevent potential conflict of interest. Company trading at >50% discount to book value (NTA). High probability of a take-out. @estebanalbanil for more info (on anything RE related). |

MISCELLANEOUS (merger arb., out-of-bankruptcy, IPOs, uplistings, activist action, etc.)

| Company | Ticker | Mar.Cap. (lc, m) | Comments |
|---------------------------|-------------|------------------|---|
| Blackbaud | BLKB US | 3,950 | It seems that Clearlake is once again getting ready to bid on Blackbaud, according to the usual 'people familiar with knowledge of the matter'. The last offer was (rejected) at \$71 p/s (current share price \$76 (19/04)). |
| Azelis | AZE Belgium | 5,561 | Rumors (Bloomberg) that main shareholder EQT (owns ~50%) might actually take Azelis back private, or sell its stake to others (which would then take the company private). Makes sense in our opinion as Azelis is trading at a large discount with IMCD while basically the same quality (though indeed share overhang and less liquid). Spec chem distributors are a perfect match for PE as they are easily levered (Azelis was 7x pre-IPO!). Take-out, lever, do many add-ons and re-IPO. |
| Thunderbird Entertainment | TBRD Canada | 106 | Large shareholder pushing TBRD to review strategic alternatives; buybacks and/or liquidity event. UPDATE (April 22, 2024) Voss Capital (c. 17% owner at April 4) continues to acquire shares in the open market. |
| Barnes & Noble Education | BNED US | 12 | After the massively dilutive arrangement to equitize the 2L holders and infuse more equity, the company trades at a PF market cap of \$160m + \$100m of net debt = \$260ish EV. Assuming you subscribe all your rights. Probably many old shareholders selling after the painful outcome. If they can make \$80 and \$100m EBITDA on their FEC biz for fy24 and fy25 as they promise, this is too cheap. Many thanks to @FernandoInvests. |
| Primerica | PRI US | 7,462 | We highlight The Bear Cave's new short report, this time regarding Primerica. |
| NCR Voyix | VYX US | 1,727 | Speculation regarding the potential sale of the Digital Banking unit (roughly 25% of pre-corp ebitda). Sale would unlock the strong SOTP dynamics, with >70% upside on our (back of the envelope) estimates. Remainco seems cheap as well. |
| Charles & Colvard | CTHR US | 11 | Trading very much below net cash and inventory, with little debt but some cash burn. Management seems focussed on reducing this cash burn, and has been acquiring a lot of shares. |
| FlatexDeGiro | FTK Germany | 1,122 | CEO Frank Niehage to step down. We generally don't comment on C-suite changes unless it's a big deal. This is a big deal. Expect either an acceleration towards adjacent new businesses, or perhaps even a (preparation for a potential) sale of the broker. |
| Vanda Pharma | VNDA US | 294 | Rejected (another) offer from Future Pak. The latest offer was ~\$7.5 per share, vs current share price of \$5.1 (19/04). Vanda is a net cash biotech (\$390m net cash on \$293m market cap (April 19)), BUT actually has \$190m revenues, is profitable (after interest income) and has relatively low cash burn. |
| James River | JRVR US | 352 | Rumored take-over of James River for \$15 p/s vs current share price of \$9.36 (19/04). More info @InvestSpecial. |
| Ducommun | DCO US | 762 | Rejected an unsolicited offer from Albion River (\$60 p/s vs current share price of \$52 (19/04)). |
| Sapiens International | SPNS US | 1,675 | Exploring a sale according to Bloomberg. Engaged investment bank to gauge interest. |
| Edible Garden | EDBL US | 1 | Nano-cap Edible Garden intends to effect a reverse stock split of its common stock at a ratio of 1-for-20 shares, effective on April 5, 2024. Despite the horrible share price performance, revenues have actually been growing steadily. Might provide a bump as compliance is regained. |
| Ashford | AINC US | 16 | Ashford approved a 1-for-10,000 reverse stock split, followed by a 10,000-for-1 forward stock split. Stockholders with <10,000 shares would receive \$5.00 per share in cash. Directors and officers owning 37.9% of shares are expected to vote in favor of the transaction. Stock trading at \$4.66 (April 5). |
| Landos Biopharma | LABP US | 68 | Landos Biopharma to be acquired by AbbVie for \$20.42 per share in cash + a CVR valued up to \$11.14 per share. Current LABP share price \$21.50 (05/04). |
| Rubicon Technologies | RBT US | 18 | In another dumpster dive exercise, Rubicon Technologies received a notice from the NYSE stating non-compliance with listing standards regarding market capitalization and stock price (<\$1.00). The company has time to submit a plan to regain compliance, generally done by stock splits. Shares are generally pressured on these circumstances. RBT has c. \$300m in debt and prefs and a market cap of \$22m, on \$700m revenues. Might be interesting to keep an eye on. |
| Nu Ride | NRDE US | 29 | Nu Ride is the post-reorg reincarnation of Lordstown. A net-cash, negative EV, busted SPAC with \$1bn in NOLs. Litigation against Foxconn. Messy but interesting. |
| Amplify Energy | AMPY US | 285 | Oil & Gas company trading at ~4x ev/ebitda on FY24e. Two major catalysts over the next six months: the results of Beta wells and the conclusion of the Bairoil sale. Cash flows to expect to significantly grow after FY25. Plus obvious commodity exposure. |
| Sun Corp. | 6736 Japan | 75,744 | This Japanese company is the main shareholder in Cellebrite (CLBT) and trades at over 60% discount to the value of its stake and cash. Co. is looking into ways to monetize its stake/discount with the help of activist investors. H/t @SpecSitsCapMgmt for the idea. UPDATE (April 8, 2024) We note the recent write-up of Clark Square Capital on Sun Corp. CSC is a highly recommended platform. |
| Bally's | BALY US | 586 | Merger arb. Takeover bid from Standard General at \$15 p/s. Set up a special committee to evaluate the offer. Roughly 13% spread (15/03). UPDATE (April 8, 2024) Bally's announced the retention of advisors in connection with the offer (and potential strategic alternatives to the offer). |

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|-----------------------|-------------------|--------|---|
| Clasquin | ALCLA France | 319 | MSC to launch tender offer for Clasquin's (remaining) shares. Chairman Yves Revol already sold his stake for €142 per share. Current share price €137 (April 5). Looks like a nice trade for a short period. H/t @Govro12 and @InvestSpecial for the idea. |
| HashiCorp | HCP US | 4,783 | Looking to sell itself. Held exploratory talks with several players (according to BB). |
| Turtle Beach | HEAR US | 304 | Looks like an sale might be imminent. Company created a 'value enhancement committee' and hired Jefferies as a financial advisor . Also, Donerail Group (who previously bid \$32.86 / share and \$36.50 / share), now has 5/7 of the BOD seats and 2/3 seats on the value enhancement committee. <i>UPDATE:</i> Announced a very interesting deal (DPD). Company 'incredibly optimistic on 2024 prospects'. |
| Vista Outdoor | VSTO US | 1,883 | Vista to sell its Sporting Products operations for \$1.9bn (or about 5x ev/ebitda on the unit's FY24e). Spin off the table. Current public stockholders of Vista Outdoor to receive shares of Outdoor Products (recently rebranded as Revelyst) and approximately \$750 million in cash in the aggregate. Activists ColtCZ disclosed a stake and launched a bit for \$30 p/s and a \$900m buyback, which the company rejected. Interesting to keep assessed. <i>UPDATE:</i> Recently rejected a bid from MNC Capital. Share price moved >\$30. |
| Ambase | ABCP US | 17 | Ambase has a an undervalued litigation asset and summary judgement in Sep 2024. This has been going on for quite some time, but there's now better visibility on an outcome. Multi-bagger if good, otherwise 0. Check out @URadars for more info. |
| Vaso | VASO US | 52 | Micro-cap that will uplist onto Nasdaq via SPAC (Achari). Move will certainly improve liquidity and visibility. Current share price \$0.30 (March 1) for implied \$0.93 p/s equity post-SPAC. Vaso has ~50% of market cap in net cash. Check out SRK Capital for more info. H/t @ideahive for the idea. |
| Ceasars Entertainment | CZR US | 8,263 | Could monetise its stake in Centaur before end of the year, possibly over the next few months. |
| BJ's Restaurants | BJRI US | 750 | Shareholder Fund 1 is pushing for a sale. The fund is of the opinion that BJ would be of interest to many parties. <i>UPDATE:</i> Activist continues to pressure BJRI, pushing for cost efficiencies, board changes and stock buybacks. Heat is on. |
| OCI | OCI NA | 5,237 | One of the most interesting opportunities on our screens for 2024 in the larger mid-cap space. OCI is trading at 2.5-3x ev/ebitda on a pro-forma basis after the announcement of two large division sales. Peers are trading at 5-7x (on what I would argue are low multiples). |
| Ayala Pharma | ADXS US | 24 | Ayala will sell assets related to its AL101 and AL102 programs (constituting basically all assets) to Immunome (IMNM) for \$20m cash, 2,175,489 IMNM shares (worth c. 50m as at 16/02) and up to \$37.5m in cash contingency. Ayala had \$4m net cash as at Q4 23 (pro forma Biosight merger) and roughly 41.5m s/o after convert and warrant conversion. That implies a \$1.7-2.6 p/s (excl wc movements). Current share price is \$0.60. |
| QSAM Biosciences | QSAM US | 35 | Signed a merger agreement with Telix Pharma (TLX) for \$33m (stock of cash) and contingent value rights of up \$90m within 10 years of closing. Transaction expected to complete in H1 24. |
| Olink | OLK US | 2,719 | Merger Arb. Olink is being acquired by Thermo Fisher. Seems to be an 'easy' deal. Roughly ~9% spread for a few weeks. H/t Jason (TMM comments section) for the idea. |
| DSM-Firmenich | DSFIR Netherlands | 27,657 | DSM-Firmenich announced it will separate (probably sell) its Animal Health Unit. Very interesting, as this unit has been the main culprit of the bad results. With ANH gone, the result of the company is much higher quality. To note that DSFIR trades at ~30% discount to Givaudan (GIVN, Feb. 16). |
| SoftwareOne | SWON Switzerland | 2,617 | Once again reports that the company is for sale. <i>UPDATE:</i> Tensions between shareholders (who want to sell the company) and the board (who refuses). Upcoming EGM will be interesting. |
| Camellia | CAM UK | 125 | Marginally-profitable mostly-agricultural (tea and fruits) microconglomerate selling its stake in its insurance division for \$100m, guiding to close in Q1 24. Has also started process of winding-down its serially-unprofitable UK fruits division. When sale goes through, its net cash & marketable securities will approximate its market cap and far exceed its LT obligations. H/t @theotheraharon for the idea. |
| Kin and Carta | KCT UK | 230 | Kin has a an offer from BC Partners at 130p. Apax already bid for KCT at 110p (bid was accepted). Stock trading at 134p (Feb. 2), with decent chance that Apax might increase the offer. |
| Biote | BTMD US | 416 | Asset light, cash generative company. Founder and wife currently in divorce. Wife (25% owner) selling shares as (we understand) intention is to sell out. Share overhang might provide good entry point. <i>UPDATE:</i> Announced a \$30m buyback, ~7% of market cap (02/02). Also, Jefferies recently initiation coverage with a TP of \$6.55 per share, c.70% upside. |
| Talen Energy | TLNE US | 5,466 | Filed to uplist to a major exchange. Recently exited bankruptcy and trading OTC. No coverage yet. Could be explosive given recent Uranium price spike. Announced a \$300m buyback (~10% of market cap). Still a few catalysts ahead (uplisting, no coverage yet, buybacks). <i>UPDATE:</i> Uplisting now expected by Q2/Q3. |
| Homestreet | HMST US | 239 | Merger agreement with Firstsun (FSUN). Seems like an interesting merger: combination appears very accretive, will strongly improve liquidity, uplisting to Nasdaq, fee income will be 20-25% of revenue (should earn higher multiple). Projection of >\$6 eps in 2025 (~2.5x p/e on 2025e on \$14.5 share price). |

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| Parks! America | PRKA US | 30 | <p>Interesting action at cool micro-cap Parks America. Activist Focused Compounding is actively pursuing a board takeover (reduction from 7 to 3). A special shareholders meeting will be held next month. The business operates three drive through safari parks; one is very profitable while two struggle. They could sell off the unprofitable parks and turn it into a cash cow (or other). H/t @MoS_Investing for the idea.</p> <p><i>UPDATE:</i> Besides all the action here, to note that PRKA will hold its first ever investor day on June 6. This promises some action.</p> |
| Stratasys | SSYS US | 698 | <p>After the busted merger agreement with Desktop Metal (DM US) and the initiation of a strategic review. Nano Dimension (NNDM US) will acquire Stratasys for \$16.50 p/s, roughly 20% above the current share price (05/01).</p> |
| Silver Sun Technologies | SSNT US | 70 | <p>Micro-cap SSNT announced a weird transaction; XPO chairman Jacobs to invest \$900m in Silver Sun, Sequoia \$100m, existing Silver Sun business to be spun-off. M&A shell remains (tbc QXO), setting a target of >\$1bn revenues by year 1 with acquisitions is building products space.</p> |
| Yellow | YELLQ US | 407 | <p>Currently in bankruptcy proceedings. Relatively valuable asset base with already some good bids; main uncertainty is pension liabilities. High risk/reward trade. H/t @AmadeusValue for idea and more info.</p> <p><i>UPDATE :</i> Positive newsflow regarding (pricing of assets in) auctions; strong share price reaction so far.</p> |
| E2open | ETWO US | 1,212 | <p>Recent blow up. Busted spac, (Low quality) software. Activists circling the company; Elliott recently upped its stake to 14%</p> |
| Clarus | CLAR US | 239 | <p>Has received bids for certain assets of the companies. Does not appear to be a high quality company, but might be interesting in case of sale given relatively high leverage.</p> |