

Snowball Research

Idea Generation Report



Raghuraman.S.S

raghu@snowballresearch.com

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Simpson Manufacturing (SSD) - solid moat; Excellent FCF; Recent FCF is masked by recent manufacturing expansion; New CEO's M&A strategy has resulted in significant increase in FCF; ValueAct initiates stake in recent quarter

WHY ARE WE FLAGGING THIS?

List of funds that initiated a stake in Q2 2025

- ValueAct Holdings – Ownership: 3.35%. ValueAct operates a concentrated fund of 18 stocks; Simpson represents about 4% of the portfolio.
- Rivulet Capital – Concentrated fund of just 14 stocks; Simpson accounts for roughly 4% of its portfolio.

Note: Portfolio percentages may be inaccurate. They are calculated from reported fair-market values at quarter-end and may not reflect true economic exposure.

I. Business

Simpson manufactures and sells structural products for wood and concrete construction.

a) Wood Construction (86% of revenue)

- Approximately 86% of total revenue is generated from wood construction products.
- The company offers over 15,000 products designed to strengthen, support, and connect wood in residential, commercial, and DIY projects. These products improve structural integrity and help resist seismic, wind, and gravity forces. Key categories include:
 - Connectors: Metal products that join wood, concrete, masonry, or steel, such as hold-downs and truss connector plates.
 - Fasteners: Nails, screws, staples, and fastening systems used in decking, subfloors, drywall, roofing, and other applications.
 - Lateral-Force Systems: Prefabricated shear walls, Anchor Tie down Systems, and Yield-Link connections to resist earthquake and wind forces.

b) Concrete Construction

- Approximately 14% of total revenue is generated from wood construction products.
- The company also markets more than 3,000 products for concrete, masonry, and brick projects across industrial, infrastructure, residential, commercial, and DIY

markets. These products enhance anchoring, protection, and strengthening functions while improving resistance to external forces. Main categories include:

- Anchor Products: Adhesives, mechanical anchors, drill bits, and powder-actuated tools for attaching elements to concrete, brick, and steel.
- Repair and Protection Products: Grouts, coatings, sealers, mortars, fiber-reinforced systems, and asphalt products for concrete repair and strengthening.

II. WHAT WE LIKE

1. Signs of competitive advantage/moat

a) Building code specification

- A building code is a set of rules created by local, state, or national authorities that set minimum standards for how buildings are designed, constructed, and maintained to ensure public safety. Getting a product featured in a building code is difficult because it must meet strict technical standards, undergo extensive testing, and earn trust among engineers and code officials, which can take years.
- Simpson's products enjoy competitive advantage through building codes primarily because they meet or exceed the strict technical standards required for inclusion in these codes. This achievement is backed by extensive testing, certification, and proven performance over time, building trust among engineers, contractors, and code officials.
- While building codes don't mention brand names explicitly, Simpson's products are often referenced in official evaluation reports and certification listings that authorities rely on for code compliance. This recognition effectively makes Simpson a preferred choice.
- Example - As you can see from this link (<https://icc-es.org/wp-content/uploads/report-directory/ESR-1679.pdf>), Simpson's product is mentioned in the Evaluation Report issued by ICC-ES, an independent, third-party organization authorized by the International Code Council (ICC) to assess and verify building products. This certification demonstrates the product's verified performance and acceptance in the construction industry.

Our founder, Barkley Simpson, kind of helped set up a pretty unique business model where we have longstanding relationships with code officials. We help them design codes using our products that make structures stronger and safer. Those products are then specified by engineers and designers. Oftentimes, they're almost all the time when you look at a set of plans, you're going to see the Simpson name and specific products called out." - CFO -Simpson, Wells Fargo Conference - Strategic Growth insights

b) Market share

As per [Global Growth Insight](#), the company holds 22% market share of the global timber construction connectors.

c) Wide SKUs

- The company has over 15,000 SKUs, covering a wide range of structural needs. This broad scope addresses nearly every structural application in construction, making the product line unusually comprehensive in the industry.
- This scale makes it hard for new entrants to offer comparable product depth or innovation, which are critical in gaining acceptance among professionals.
- Moreover, the company has invested heavily in R&D and, since at least 2006, has typically developed 45 to 70 new products each year.

2. Solid financials

- The company's revenue rose from \$705 million in FY2013 to \$2.27 billion in the LTM period ended June 2025. Over the same period, operating income grew from \$81 million to \$446 million, cash from operations increased from \$107 million to \$352 million, and free cash flow rose from \$90 million to \$164 million. The most recent free cash flow figure is heavily influenced by a large manufacturing-facility investment, which will be discussed later.
- Above-market growth relative to U.S. housing starts: In Q4 2025 earnings call, the management noted that historically (over the last eight years), the company has grown approximately 300 basis points above U.S. housing starts, but this outperformance accelerated to about 700 basis points over the last three years, and was 600 basis points in 2024.

3. Recent price hike:

- The company announced an ~8% price hike on select U.S. products, effective June 2, 2025, to offset higher costs (labor, energy, transport, equipment) and new tariffs. This is their first increase in years.

4. Buyback:

- The Board approved a \$100M stock buyback program for 2025. By June 30, the company had repurchased 363,285 shares for \$60M, leaving \$40M available.
- As per the Q2 2025 earnings call, the company remain committed to returning at least 35% of its free cash flow to stockholders.

5. New CEO's M&A strategy

In January 2023, the company appointed Mr. Olosky as CEO. He served as the company's COO (Nov '20 to Jan '22). Prior to that, he spent more than 22 years in numerous leadership positions at Henkel, a global chemical and consumer goods company. He most recently served as the Regional President, Henkel North America and Head of the Electronics and Industrial Division.

Recent M&A

From 2015 to 2021, the company spent just \$45 million on acquisitions, underscoring that M&A was not a meaningful growth driver during that period.

This changed after the appointment of Mr. Olosky as CEO. Under his leadership, the company executed acquisitions worth \$855 million. The largest was the \$805 million purchase of ETANCO in 2022, a France-based manufacturer of fastener and fixing products. More recently, in August 2024, the company acquired Monet DeSauw and certain properties of Callaway Properties for \$49 million.

Discipline to repay debt

To fund the ETANCO acquisition, the previously debt-free company raised \$716 million of debt as of QE March 2022. Importantly, despite the scale of this acquisition, the company has demonstrated strong financial discipline, reducing its debt by nearly 50% to \$375 million as of the quarter ended June 2025. This ability to integrate large acquisitions while rapidly deleveraging highlights both balance sheet strength and prudent capital management.

COMMENTS

Free cash flow - Recent expansion masks true FCF; Maintenance Capex

a) Huge capex due to expand manufacturing facilities

(\$, mm)	2022	2023	2024	6M ended June 2025
Capex	62	89	180	121

In May 2025, the company opened its significantly expanded Columbus, Ohio facility, doubling capacity for both manufacturing and warehousing. The expanded site now consolidates all warehousing and manufacturing functions for the Midwest and Northeast into a single location, eliminating the need for multiple leased warehouses in Columbus and delivering efficiency gains and increased productivity.

Moreover, the company also completed its new fastener facility in Gallatin, Tennessee, which is expected to double the production and also produce about 50% of its fastener products in-house. At present, roughly one-third of fasteners are manufactured in Gallatin, with the remaining two-thirds sourced mainly from Taiwan. The company's goal is to shift this mix closer to 50/50 — half produced internally and half imported.

b) Maintenance capex? In the recent “Annual Diversified Industrial & Services” conference (Sep 2025), the company mentioned that it expects 2026 Capex to be normal - which is roughly in the range of \$75 million.

M.Cap: \$6.97 billion

Debt: \$375 million

Cash: \$190 million

EV: \$7.16 billion

Cash from operation: LTM June 2025: \$352 million

Maintenance capex: \$75 million

FCF: \$277 million

FCF/EV: 3.9%

Core pitch?

Between 2015 and 2017, the average FCF was \$67M

Between 2018 and 2021, the average FCF was \$146 million

Now, the FCF (excluding recent significant growth capex) is \$282 million.

The recent growth in free cash flow (FCF) has been driven largely by acquisitions that expanded the company’s cash-generating capacity. At the same time, Simpson has repaid a substantial portion of its debt. With major facility investments nearing completion, annual capex is expected to decline, creating additional FCF tailwinds and enabling either accelerated debt reduction or cash accumulation.

If the company maintains its disciplined M&A approach, it is well positioned to sustain — and potentially accelerate — FCF growth in the years ahead.

Atlas Energy Solutions (AESI): Leon Cooperman initiates stake; Moat

I. WHY ARE WE FLAGGING THIS?

Notable new buys in Q2 2025 13F filing:

- Leon Cooperman (Omega Advisors) - billionaire investor and famous value investor - allocated 2.4% of portfolio in Atlas Energy in Q2 2025 - owns 4% of outstanding shares.
- Corigliano Investment Advisors - focuses mostly in Energy stocks - top 10 stocks account for 50% of total portfolio - allocated 2% of portfolio in Atlas Energy in Q2 2025.

II. RESEARCH

BASICS

The company specializes in providing proppant and proppant logistics services to the oil and gas industry, with a primary focus on the Permian Basin of West Texas and New Mexico.

So, what does “proppant” mean? A "proppant" is a special material, usually sand, that is used in oil and gas drilling during a process called hydraulic fracturing (fracking). After cracks are made in underground rocks to release oil or gas, proppant is pumped into those cracks to hold them open once the drilling fluid is removed. This is important because the open cracks allow oil or gas to flow freely to the well, making the extraction much more efficient and increasing how much energy can be collected from the ground. Without proppant, the cracks would close back up, and most of the oil or gas would stay trapped in the rock

The company serves the oil and gas end markets, and its sand reserves contain deposits of fine grade 40/70-mesh and 100-mesh sizes that the American Petroleum Institute (“API”) specifies for use in wellsite fracturing operations.

What does the word “mesh” mean? Mesh" is just a way to describe sand grain size. "Mesh" measures sand grain size by how many holes per inch are in the sorting screen. A higher mesh number means finer grains (e.g., 100-mesh is finer than 40/70). In oil and gas, sizes like 40/70 and 100-mesh are used to hold rock cracks open during fracking so oil and gas can flow out.

The company's reserves are composed of approximately 44% 40/70-mesh, 37% 70/140-mesh, and 19% 40/140-mesh substrate sand.

- World's largest conveyor system: The 42-mile Dune Express conveyor system is described as the only proppant conveyor system in the world and the longest in the United States. This unique asset creates a significant moat by lowering logistics costs, increasing delivery reliability, and reducing environmental impact. As the Permian's largest annual logistics provider, the company's scale and the cost efficiencies of the Dune Express provide clear operational and economic advantages over competitors.
 - <https://www.newsweek.com/mapped-dune-express-texas-conveyor-belt-2043458>
 - <https://www.powertransmission.com/dune-express-provides-historic-42-mile-long-electric-conveyor-system>
- Low-Cost, high-quality production: Being a low-cost producer of high-quality, locally sourced proppants with various mesh sizes positions the company well in terms of pricing competitiveness, reliability, and product quality—key factors in customer retention and contract wins.
- Proximity to customers: The locations of the company's facilities are within close proximity to well activity. This proximity allows the company to deliver proppant directly to customers' wellheads using a variety of methods, which reduces handling costs and delivery lead time.
- A fleet of over 120 trucks, including early autonomous delivery systems with proprietary trailers and patented drop-depot processes, adds operational flexibility and efficiency that competitors without such technology cannot easily replicate.
- Cost-effective production: The sand deposits at their facilities do not require crushing or extensive processing to eliminate clays or other contaminants, enabling the company to cost-effectively produce high-quality proppant meeting API specifications.
- Substantial reserves: As of December 31, 2024, the company had an estimated 592.9 million tons of proven and probable sand reserves across its Kermit, Monahans, and On Core facilities.
- Long reserve life: Estimated reserve lives are substantial, including approximately 30 years for the K1/K2 facilities, 28 years for the Monahans facility, and 21 years for the OnCore distributed mining network.
- Market share: The Company estimates that it has expanded its market share from only 15% at the time of its IPO to the high 20s by 2024 (bolstered by the Hi-Crush acquisition). Current Estimate (Q2 2025): The Company estimates it currently accounts for approximately 35% of all sand sold in the Permian Basin.

(\$, mm)	FY 2021	FY 2022	FY 2023	FY 2024	LTM June 2025	6M June 2024	6M June 2025
Net sales	172	483	614	1056	1162	480	586
Product sales	143	408	468	515	539	242	266
Service sales	30	74	146	541	599	239	297
Rental revenue	-	-	-	-	-	-	23
Operating income	47	232	265	114	69	68	23
Net Income	0.8	217	226	60	14	42	-4

III. CURRENT CHALLENGES

The Company is navigating significant uncertainty and volatility in the oilfield sector, primarily driven by global trade concerns and macroeconomic uncertainty which have pressured commodity prices.

1. Commodity price volatility and activity slowdown: The WTI forward strip declined approximately 20% since early April 2025, influencing customer spending behavior and deferring near-term activity.
2. Customer deferrals and pauses: Customers have adopted a "wait-and-see attitude" or "flat until further clarity" stance, leading to pauses in growth plans and the deferral of several development projects originally scheduled for the second quarter into the second half of 2025.
3. Reduced frac crew count: The Permian frac crew count declined significantly, dropping from a peak of approximately 95 in March 2025 to around 80 by August 2025—the lowest count since 2017 (excluding the COVID downturn). The reduction of completion activity has a heightened effect due to increased frac efficiencies and sand intensity gains in recent years.
4. Pricing pressure and supply rationalization: Spot prices for West Texas sand remain low (mid- to high teens), levels deemed insufficient to justify continued reinvestment for much of the industry. In response to these market conditions, the Company is witnessing competitors idling underutilized mines, reducing shift schedules, and anticipating further supply rationalization over the next few quarters.
5. Lower-end of target: In Q2 2025, the company generated revenues of \$288.7 million, adjusted EBITDA of \$70.5 million, a 24% margin. EBITDA was at the low end of its \$70 million to \$80 million guidance range as volumes came in slightly

below expectations as operator schedule shifts deferred some second quarter volumes into the third quarter.

6. Further decline expected: The Company expects incremental growth in its Power business from higher unit deployments, but lower proppant pricing and reduced shortfall revenue will more than offset this, leading to a sequential decline in revenue and EBITDA in Q3. Overall - the Company anticipates ongoing challenges in the West Texas oilfield services market through the end of 2025

COMMENTS

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The company faces some short-term profitability challenges but is strategically positioned for growth due to its unique logistics capabilities, technology investments, and dominant Permian Basin presence.

// Diversification through acquisition

In Q1 2025, Atlas acquired Moser Energy Systems for \$220 million, and Q2 was the first full quarter of combined operations.

Moser provides customized power solutions for remote energy sites, using automation, remote monitoring, and renewable integration to improve efficiency and reliability. These systems support oilfield activities like fracking and drilling.

Two benefits –

a) The acquisition opens growth into the fast-growing power market, expanding Atlas's customer base beyond oil and gas into commercial, industrial, micro grid, and production support uses.

b) Moser also gives Atlas exposure to the steadier production phase of the oilfield services cycle, helping stabilize cash flows. A key goal is to secure longer contracts, especially in emerging markets, where deals often run for more than a decade.

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Recent positives - The Company reached several key internal milestones and organizational changes:

- Dune express commissioning: The construction and commissioning of the Dune Express conveyor system were completed on time and the commercial operations were launched in the first quarter of 2025. This conveyor system is viewed as the "biggest step change in sand and logistics space ever". **Impact?** By Q2 2025, the Dune Express had shipped over 1 million tons and 1.5 million tons during the

quarter, eliminating nearly 8 million sand truck miles from Delaware Basin public roads. The system's operational efficiencies are now tangible, and customers are actively securing access to its benefits for 2026. . By eliminating long-haul trucking and compressing the total landed cost, the Dune Express is opening doors to customers in the Delaware Basin who had never sourced sand directly from the company.

- Record performance: Q2 2025 saw the Kermit plant and the OnCore network of mines set all-time production records. The logistics team also set a quarterly volume record of 5.5 million tons delivered to the well site.
- Autonomous trucking: The autonomous trucking program completed over 500 deliveries by Q1 2025, and the first autonomous multi-trailer delivery was achieved in Q2 2025.
- Debt refinanced: The Company completed a successful equity raise and refinanced its debt in Q1 2025, consolidating debt into a single facility, which reduced annual amortization by \$220 million and enhanced liquidity and optionality.

JAKKS Pacific (JAKK): Debt-free; Solid FCF generation; trading at a very low FCF multiple

I. WHY ARE WE FLAGGING THIS?

Latest (Q2 2025) 13F activity: We are flagging this because Gratia Capital initiated a position in Q2 2025, allocating 3% of its portfolio to JAKKS. Gratia now owns 1.35% of the company's outstanding shares. Other new investors, though with much smaller positions, include Segall Bryant & Hamill and Hillsdale Investment Management.

II. RESEARCH

1. Business

The company is a worldwide producer and marketer of children's toys and consumer products primarily through these two distinct segments.

Toys/Consumer Products (TCP) segment

- The segment accounts for 81% of revenue.
- This segment covers a broad range of toys and leisure products — including action figures, dolls, vehicles, play sets, plush, construction, role-play, and outdoor items.

Costumes segment

- The segment accounts for 19% of revenue.
- Under the Disguise brand, this segment designs and sells every day and seasonal costumes with accessories, supporting events like Halloween, Carnival, and Book Week. Disguise is a global leader in costumes and holds licenses for major entertainment properties.

The company's three largest customers are Target®, Walmart® and Amazon®, which accounted for 29.6%, 24.2% and 10.6%, respectively, of the company's net sales in 2024.

2. Strong brand partnerships and licensing agreements:

The company operates in an industry with low barriers to entry. Nevertheless, the company has strategic alliances with major entertainment and toy brands such as Disney, Nickelodeon, Pokémon, and major film franchises. These partnerships give the company access to popular intellectual properties, allowing it to create high-demand licensed products that differentiate them from competitors and attract loyal fans.

3. Strong balance sheet

No debt

Cash: \$43M

4. Valuation

M.Cap: \$212 million

Debt: Nil

Cash: \$43 million

EV: \$169 million

FCF (2024): \$27.7 million

LTM June 2025: \$39.6 million

EV/FCF (LTM June 2025): 4.2X

5. Conservative management team - cautious approach to inventory, focus on margin and cash

Stephen Berman co-founded JAKKS Pacific in January 1995 and currently serves as the Company's CEO and Director. He holds a 2.8% ownership stake in the company

Strategic focus on cash and margin: In the recent earnings call, management emphasized profitability and cash generation as their top priorities. They aim to maximize cash flow, strengthen the balance sheet, and selectively pursue opportunities. The company is optimizing for margin dollars rather than chasing metrics like sales revenue or market share, which could risk eroding cash or diluting bottom-line results. Management also stressed that patience is essential in the current economic climate. They acknowledge that customer and consumer behavior remain "a bit more than unknown" and that the market dynamics are "pretty challenging to forecast".

Inventory prudence: Moreover, the management is also taking a highly cautious approach to inventory, particularly in the U.S. They are becoming more selective in planning and focusing on ensuring sell-through within the year, rather than building excess stock to chase uncertain sales targets.

6. International growth focus: With U.S. sales expected to remain somewhat unpredictable, the company is prioritizing expansion in international markets. Management has made increasing non-U.S. sales a major initiative, and international sales rose 33% in the first half of the year. To support this momentum, inventory levels are intentionally higher in international regions, while U.S. inventory remains lean.

7. Acquisition opportunities: The Company remains cautious but open to acquisitions, noting that market turbulence is creating a growing number of potential opportunities.

Astronova (ALOT): Samir Patel (Askeladden Capital) points to recent M&A suggesting AstroNova's aerospace unit alone may equal the company's entire current valuation; Recent significant changes

I. BUSINESS

1. Product ID

69% of total revenue is generated by the PI segment.

This segment provides end-to-end printing and labeling solutions for industrial and commercial applications. It offers a complete ecosystem — hardware, software, and supplies — designed for companies that require professional label and packaging printing.

The company sells digital printers (color and monochrome) capable of printing on labels, packaging, and large materials such as boxes, bags, and other flexible or rigid surfaces. It also manufactures customized printers for original equipment manufacturers (OEMs).

Its software manages the full printing workflow — from design and image storage to print control — supporting both local and networked environments.

The company also supplies compatible consumables, including inks, toners, labels, ribbons, and tags, ensuring consistent performance and quality.

Comprehensive support and maintenance services are provided through on-site assistance, remote troubleshooting, spare parts, and service contracts.

2. Aerospace (formerly Test & Measurement segment)

This segment encompasses two main business areas: airborne printing/networking solutions and data acquisition systems.

- In aerospace, T&M is a leading supplier of cockpit and cabin printers used by aircraft to print essential flight data such as weather maps, flight plans, and air traffic control messages. They also supply aircraft networking systems that handle high-speed onboard data transfer.

- Its products gather data from sensors and networked systems — both wired and wireless — to monitor performance and operations across industries. The company's data acquisition systems are used in research and development; flight testing; missile/rocket telemetry; production monitoring; and power and maintenance applications.

3.Solid recurring revenue with high installed based

- The company's two segment has solid installed base driving recurring revenue -
 - Product identification segment: 10,000+ printers
 - Aerospace: 30,000+ printers
- Recurring revenue
 - Product identification: Roughly 82% of revenue
 - Aerospace: 49% of revenue.

II. CURRENT CHALLENGES

AstroNova has faced several significant challenges recently:

1. Prolonged operational issues, especially a two-year ink quality problem (2022-2024) that cost over \$10 million in lost revenue and damaged its reputation.
2. The acquisition of MTEX in May 2024 for \$18.7 million led to a 70% write down, a \$16.9 million operating loss on MTEX including goodwill impairment, and a breach of debt covenants forcing the company to seek waivers.
3. Declining revenues, with a 10.9% year-over-year drop to \$36.1 million in Q2 fiscal 2026, negatively impacted by shipment delays in the Product ID segment and weak aerospace orders.
4. Customer attrition: The Product ID segment has been losing customers over the last number of years, resulting in a \$2.6 million decline in recurring supplies, parts, and service from customer attrition in Q2 2026.
5. Compressed gross margins due to lower volumes and an unfavorable product mix, alongside a widening net loss (\$1.2 million in Q2 2026).

III. RECENT CHANGES

Settlement agreement with Askeladden Capital

- In early 2025, Samir Patel of Askeladden Capital pushed for board changes due to concerns over AstroNova's financial underperformance, a problematic acquisition of Portugal-based MTEX, and governance issues.
- On August 21, 2025, AstroNova and Askeladden reached a cooperation agreement that ended the proxy fight. The board expanded from six to seven members with the addition of independent director Shawn Kravetz, appointed by Askeladden.

Samir uncovered some deep problems with the company - for example - from his interview with former employees he found that the management was focused mostly on “exhibitions” to generate leads and was not involved in digital marketing. If you are interested to read more, please read slides 39 to 43.

Presentation by Askeladden Capital

<https://www.sec.gov/Archives/edgar/data/8146/000121465925009096/z610251dfa n14a.htm>

Recent changes

1. New CEO

In August 2025, Jorik E. Ittmann was promoted to President and CEO of the company.

Mr. Ittmann joined AstroNova in September 2024 as Vice President of Commercial Operations for the Product Identification segment. Prior to AstroNova, he held senior roles at Zebra Technologies and Health Link Solutions, where he led revenue growth, expanded international markets, and strengthened sales teams.

2. Cost reduction initiative

- The management executed a restructuring plan expected to deliver \$3 million in annual cost savings
- Status? \$1.9 million of annualized cost saving actions were completed in Q1 2026, with the remainder expected to be completed in Q2 2026. The full benefit of the \$3 million annualized cost reductions is expected to be realized in the second half of fiscal year 2026.

3. Sales team restructuring: The Company began restructuring its sales team earlier this year to become more customer-centric. The company has been losing customers over the past several years — according to the new CEO, this is largely due to its go-to-market approach and sales compensation structure. The new CEO has reorganized the sales organization into two dedicated teams — Customer Acquisition and Customer Retention — to strengthen focus on serving existing customers, winning back former ones, and attracting new business.

4. Go-to-market overhaul: The Company is upgrading the skills of its sales team to align with new, higher-value print solutions and capital project offerings. These products involve a longer, more complex sales cycle compared to legacy tabletop printers. The new CEO noted that progress is being made under the revised go-to-market strategy, with results expected to show over the next few quarters. The company is currently addressing two key challenges:

- MTEX product validation: Customer feedback is being gathered to confirm that recent upgrades meet expectations on quality, speed, reliability, and cost efficiency. Several units have been shipped, and further sales will depend on customer

response. If results fall short of expectations, the CEO stated that the company will need to reconsider that portfolio.

- Mail & sheet printer supply constraints: Demand is exceeding production capacity. Despite strong customer and partner feedback, the company has struggled to meet demand. The PI leadership team is actively working to resolve these constraints and capture the growth opportunity.

5. ToughWriter transition

- The company is aggressively advancing the transition of customers from legacy flight deck printers to its higher-margin ToughWriter brand. This move is strategic to reduce manufacturing costs by simplifying the product portfolio, lowering inventory levels, and decoupling the company from royalty costs associated with legacy products.
- Status? The ToughWriter transition is making rapid progress. ToughWriter printers represented 42% of shipments in Q1 2026 and 50% of shipments in Q2 2026. The company is on track to reach a target of over 80% of shipments by the fiscal year-end. The transition is expected to be completed by the end of fiscal year 2027.
- 6. Debt refinancing: As per the Q2 2026 earnings call, the company's funded debt to adjusted EBITDA leverage ratio was 3.5x. The bank waived the fixed charge coverage ratio requirement for the quarter, and the company is in discussions to restructure its debt, which is expected to be completed within 60 days of the September 9, 2025, earnings call.

COMMENTS

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Founded in 2016, Askeladden Capital is a long-only value investing firm based in the Dallas/Ft. Worth metroplex, focused on small and micro-cap securities.

Samir Patel of Askeladden Capital stated that the fund is not a "serial activist." Instead, it focuses on investing in companies with strong business models. The activist effort at AstroNova, he explained, is a last resort—undertaken only after the company repeatedly failed to address long-standing concerns raised over several years.

The fund began researching AstroNova in 2016, made its initial investment that same year, and has remained a significant long-term shareholder. In June 2020, Askeladden filed a Schedule 13G disclosing a 5.5% ownership stake.

Given the long-tenured investment horizon, it is clear that this is not a "hit and run" activist situation.

// The primary focus of Samir Patel of Askeladden Capital caught my attention. While I expect the new management team to address operational challenges, this will not be an overnight fix—something Samir Patel acknowledges in his proxy campaign

presentation, stating, “we believe positioning PID may take hard work over many years.”

Samir acknowledges this challenge, emphasizing that it will take considerable time and effort.

Given the distinct profiles of the company’s segments, current market valuation, and low liquidity, Samir argues that exploring strategic options—including a potential sale or merger—is the best path forward. He explicitly does not seek a “fire sale” but calls for a comprehensive evaluation of how to maximize shareholder value.

Samir highlighted a relevant valuation insight: Servotronics, an aerospace components business, generated \$45 million in revenue and less than \$1 million in Adjusted EBITDA before being acquired by TransDigm for approximately \$110 million in May 2025. In comparison, AstroNova’s aerospace division generates \$49 million in revenue and \$11 million in segment operating profit—reflecting significantly higher margins. If valued at the same revenue multiple of around 2.4x as Servotronics, AstroNova’s aerospace division alone would be worth \$120 million—almost equal to AstroNova’s entire current enterprise value. This starkly suggests that the market is assigning little to no value to the ‘Product ID’ segment, despite its \$100 million in revenues.

Exhibits

BACKGROUND

Askeladden’s Primary Research

- We believe it is the fiduciary duty of any Board to thoroughly understand the business which they oversee. Objective governance and independent oversight requires directly sourcing key insights that are not filtered through the biases of the CEO.
- Since March, we have interviewed 21 relevant experts (a few multiple times):
 - 8 AstroNova employees – ranging from front-line quality and sales managers to high-level leaders in charge of geographies or functional areas – and one customer
 - 3 people directly involved in MTEX (incl. sales leader who directly reported to CEO Eloi Ferreira, and private equity firm that evaluated purchasing MTEX)
 - 6 representatives of suppliers or direct competitors – managers at Epson / OKI, C-level exec and other leader at Afinia, Senior Vice President at Memjet who managed the AstroNova relationship and is intimately familiar with AstroNova, Astro Machine, MTEX, CEO Greg Woods, and CTO Mike Natalizia
 - 3 key leaders at industrial printing peers Domino and Markem-Imaje
- Any one individual can have incomplete information or biases, but we saw many patterns emerge, with most points substantiated across multiple interviews. Despite the limitations of being outside the company (i.e. not having access to customer lists), we continue to work to identify additional relevant experts.

We believe we’ve conducted far more due diligence on MTEX alone in the past few months than AstroNova’s Board did before acquiring. We think after this presentation, you’ll agree.

OKI/IM Partnerships & Channel Strategy

Former Managing Director at OKI/IM

Speaker: [Name] | Date: [Date] | Information: [Link] | Show: [Link]

Speaker: [Name] | Date: [Date] | Information: [Link] | Show: [Link]

Speaker: [Name] | Date: [Date] | Information: [Link] | Show: [Link]

Trigen Label Customer’s Perspective

Trigen Label Customer - Current CEO of an essential oils online retailer

Speaker: [Name] | Date: [Date] | Information: [Link] | Show: [Link]

Speaker: [Name] | Date: [Date] | Information: [Link] | Show: [Link]

META Post-Acquisition Challenges

Former Sales Director at META

Speaker: [Name] | Date: [Date] | Information: [Link] | Show: [Link]

Speaker: [Name] | Date: [Date] | Information: [Link] | Show: [Link]

Product B Go-to-Market Challenges

Former Sales Manager at [Company]

Speaker: [Name] | Date: [Date] | Information: [Link] | Show: [Link]

Speaker: [Name] | Date: [Date] | Information: [Link] | Show: [Link]

Domino & Product Identification Landscape

Former Director at Domino Printing

Speaker: [Name] | Date: [Date] | Information: [Link] | Show: [Link]

Speaker: [Name] | Date: [Date] | Information: [Link] | Show: [Link]

Shown above and at right are some of the interviews we conducted... but there are many more!

- Expert Insight: Competitor - 15 May 25
Former SVP at Memjet Believes AstroNova Needs Clear Marketing Strategy for Growth and Profitability
ALOT, AstroNova Inc.
- Expert Insight: Former 3Dgs - 07 May 25
Former Director at AstroNova Believes Competitors’ Faster Solutions Pose Challenges and Emphasizes Need for ALOT, AstroNova Inc.
- Expert Insight: Competitor - 07 May 25
Director at Domino Printing Sciences Sees Late-Stage Customization and Machine-Readable Codes as Key Trend.
ALOT, AstroNova Inc.
- Expert Insight: Former - 06 May 25
Former Quality Manager at AstroNova Believes Aggressive Change and Leadership Are Key for Competitive Edge
ALOT, AstroNova Inc.
- Expert Insight: Competitor - 05 May 25
Former Manager at Epson America Thinks AstroNova Must Embrace Advanced Technology to Compete With Chinese.
ALOT, AstroNova Inc.

Acadia Healthcare (ACHC): Engine Capital and Khrom Capital are urging for strategic alternatives; Management is also making changes

I. BUSINESS

Acadia Healthcare is a large U.S. company that runs hospitals, clinics, and centers for people with mental health and substance abuse problems. It focuses only on behavioral healthcare—treating patients with psychiatric disorders, addiction, or other complex behavioral conditions.

Types of care

- Acute inpatient facilities (53% of revenue): These are short-term hospitals for people who may harm themselves or others. Stays typically last a few days. Care includes constant psychiatric supervision and therapy.
- Specialty treatment facilities (19%): Treat substance addictions, eating disorders, and related emotional illnesses. Patients receive detox, therapy, group sessions, and other long-term programs.
- Comprehensive treatment centers (17%): Provide outpatient medication-assisted treatment for opioid addiction. Patients receive both medication (like methadone or buprenorphine) and counseling.
- Residential treatment centers (11%): Non-hospital environments for longer-term therapy. Often serve youth with severe emotional, behavioral, or substance issues.

II. RECENT CHANGES

1. Two activists are pushing for change / sale

a) Operational issues highlighted by Engine Capital

In September 2025, Engine Capital disclosed 3% ownership and sent a letter to the board/management highlighting operational problems. Given the nature of the complaint, it is worth understanding that. I have summarized the major complaints-

- Engine Capital attributes Acadia's weak operating performance to the company's 2022 reorganization led by CEO Mr. Hunter. Previously, the business operated under a regional model—local leaders managed both Acute and Specialty facilities within defined territories (East, Central, and West) and reported to regional presidents with deep market knowledge. The new structure replaced this setup with a centralized, service-line model in which facility operators across the

country now report to national executives overseeing either Acute or Specialty services. According to Engine, this shift removed essential local-market expertise in a business that depends heavily on regional dynamics. Each market has distinct regulatory, insurance, and pricing conditions that require hands-on oversight. The centralized structure has reduced accountability, weakened supervision of local facilities, and eroded the company's geographic insight—ultimately leading to poor operational execution.

- Lack of cross-selling between service lines: Acadia operates different facility types (Acute, Residential, Specialty, and CTC) in the same regions but is failing to leverage internal referrals to boost patient volume. The current organization rewards leaders for the profitability of their service line, not regional performance. This undermines cooperation between facilities in the same market, increasing customer acquisition costs and reducing potential growth.
- Centralization of power and rising overhead: Corporate functions have grown excessively, adding bureaucracy and inefficiency. Extra management layers and expanded departments—such as strategy, marketing, and admissions—have increased overhead costs.
- Poor capital allocation: Management has focused on expanding bed capacity and facilities rather than ensuring strong returns on investment, often prioritizing lower-utilization locations over higher-return opportunities. Example: At Azure Acres in California, 14 new beds were added, only for the facility to shut down within 18 months due to leadership turnover, weak oversight, and deteriorating service quality. Moreover, since 2022, the company has spent over \$2 billion in capital expenditures, including \$1.6 billion to add 2,906 beds, yet mid- and long-term growth targets have been revised downward. Despite aggressive expansion, hundreds of beds have been closed, underscoring poor execution and inefficiencies in capital deployment.

Engine Capital recommended that the Board establish a Capital Allocation Committee to evaluate potential asset sales aimed at unlocking value and generating cash for share repurchases. With similar assets trading at roughly 13x EBITDA in private markets, there is a meaningful arbitrage between Acadia's asset value and its public valuation.

Potential actions the committee could explore include:

- Strategic review of the CTC segment, which operates independently and could command a premium multiple.
- Sale of geographically isolated assets in markets where Acadia lacks network density.
- Divestiture of underperforming facilities whose real estate value may exceed their operating worth.
- Sale of select newer, high-quality facilities to fund accretive share buybacks.

- Sale-leaseback of owned real estate to unlock capital not reflected in the company's valuation.

Engine Capital letter <https://enginecapital.s3.us-west-1.amazonaws.com/Letter+to+Acadia+Healthcare.pdf>

b) Khrom Capital urges the board to explore sale

On October 1, 2025, Khrom Investments Fund (5.5%) announced plans to engage with management and the board to explore ways to maximize shareholder value. Khrom Capital urged the Board to immediately begin a formal strategic review process, including a potential sale of all or part of the company, noting that credible bidders appear to exist.

Khrom Capital letter:

<https://www.sec.gov/Archives/edgar/data/1520697/000153949725002580/exh4.htm>

III. RECENT CHANGES INITIATED BY THE MANAGEMENT

1. Cut in capex and streamlining operations

As per the recent Jefferies 2025 Healthcare Services Conference, the company's management outlined a series of strategic and financial adjustments aimed at improving operational efficiency, strengthening profitability, and enhancing free cash flow generation.

- Cut in CAPEX: The Company completed a detailed review of its facilities and significantly reduced its planned capital investments. The company expects 2026 CapEx to be at least \$300 million lower than 2025 levels, with additional cuts planned for 2027. Reductions focus on projects with weaker demand, labor, or competitive trends, while investments are being redirected to markets with stronger reimbursement and growth potential. Despite the pullback, the company plans to add 500–700 beds in 2026, including new joint venture facilities with Geisinger Health and Ascension.
- Streamlining operations: The Company is streamlining operations and sharpening its focus on core business lines. Five facilities have been closed—two due to underperformance and three nonstrategic eating disorder facilities. Additional sites remain under review.

2. Outlook?

- a) The company has faced softer 2025 volumes, mainly from weaker Medicaid trends in acute care, but expects improvement as newly added capacity ramps up. The company added about 1,800 beds between 2024 and 2025, which should support future growth.
- b) The strategic changes are aimed at boosting profitability and accelerating free cash flow generation. Acadia expects a significant improvement in EBITDA in 2026 and 2027, driven by ramping volumes, lower start-up costs, and the closure

of underperforming assets. The company anticipates generating positive free cash flow in 2026. Rate growth is projected to moderate to low single digits across most payers, with some potential for mid-single-digit increases in underserved markets.

3. Plan to repurchase 12% of o/s shares: On February 25, 2025, the board approved a share buyback program of up to \$300 million.

COMMENTS

//

Low insider ownership leaves the company exposed to activist pressure, as there are few internal votes to block change. Together, Engine Capital and Khrom Capital control about 8.5% of the shares—enough to form a solid foundation for a proxy campaign. Incorporation in Delaware further simplifies the process, as its legal framework supports shareholder rights and fair access to board nominations. With the February 28, 2026 nomination deadline approaching, the activists have both time and structural advantages.

Challenges for activism? The major shareholders in this company — Wellington Management, Vanguard Group, BlackRock, FMR, and T. Rowe Price — collectively hold approximately 45% of the outstanding shares. This ownership concentration creates a significant barrier for activist investors seeking to gain board representation or effect strategic change. These shareholders tend to be skeptical of short-term, aggressive activism and may require compelling evidence that activist proposals align with a credible long-term strategy. While not impossible, persuading these large, sophisticated shareholders to support an activist campaign is particularly challenging.

These are my personal opinions.

// AI research

I used AI tools to conduct a focused search aimed at identifying negative discussions and sentiment related to the company.

Negative discussions - quality of service/facility, competitive challenges, management quality

<https://www.snowballresearch.com/content/files/2025/10/Acadia-Healthcare--ACHC----Negative-reviews-and-sentiments.pdf>

Regulatory actions and fines against Acadia and competitors

<https://www.snowballresearch.com/content/files/2025/10/Regulatory-actions-and-fines-against-Acadia-and-competitors.pdf>

Note: The purpose of this AI research is not to *decide* but to *direct* our next steps — to identify potential red flags, pressure points, and perception gaps that warrant further investigation.

Dave & Buster's Entertainment (PLAY): Recent changes; New CEO's compensation tied to Adj. EBITDA, stock purchase and stock price goal

Dave & Buster's combines dining, alcohol, arcade gaming, and sports viewing into a single experience, distinguishing it from traditional restaurants or standalone arcades. This hybrid "eatertainment" model appeals to a wide demographic, from young adults to families.

RECENT CHANGES

(a) Founder of Hill Path joins the board; Trading below the purchase price:

In January 2025, the company entered into a revised settlement agreement with Hill Path and appointed Scott I. Ross, in addition to James Chambers who was appointed in 2020. Mr. Ross is the Founder and Managing Partner of Hill Path Capital. Mr. Ross was previously a Partner at Apollo Management (which he joined in 2004) where he focused on private equity and debt investments in the lodging, leisure, entertainment, consumer and business services sectors. Trading below the purchase cost of

- The average purchase cost of Hill Path Capital is \$31.1.
- The current stock price is \$19.1

(b) Background of new CEO

Tarun Lal, appointed CEO of Dave & Buster's in July 2025, is a highly experienced global executive with more than 25 years at Yum! Brands. Most recently, he served as President of KFC U.S., where he oversaw all aspects of brand operations nationwide. Prior to this, Lal held several key leadership roles at KFC, including Global Chief Operating Officer and Managing Director for KFC Middle East, Turkey, Africa, India, and Pakistan. In these positions, he led significant brand expansions, championed digital innovation, and achieved consistent growth in multiple complex markets.

(c) Recent changes

1. Compensation tied to EBITDA and stock price goal: The new CEO's compensation is highly performance-driven, with much of the potential upside tied to ambitious same-store sales, substantial EBITDA growth, personal stock purchase and aggressive stock price hurdles.

- Performance Stock Units (PSUs): Two separate grants of 124,766 PSUs each, earned based on aggressive operational metrics—one for achieving 3% same-store sales growth for four consecutive quarters, and another for hitting targets like \$600–675

million 2027 Adjusted EBITDA and 3–5% average same-store sales growth, with further adjustment depending on total shareholder return versus a sector index.

- **Stock price-based options:**

- 124,766 options at \$32.06 per share, earned if stock price 2x the grant price before Feb 1, 2028.

- 83,177 options at \$48.09 per share, earned if stock price 3x the grant price before Feb 1, 2028. Vesting is tied to achieving specific stock price milestones and one- to two-year holding after milestones are met.

- **Investment-based options:** 31,191 stock options at \$32.06 per share, vesting over three years, contingent on Lal purchasing \$1 million of Dave & Buster's shares on the open market by December 31, 2026.

- **Source:**

- <https://www.sec.gov/ix?doc=/Archives/edgar/data/1525769/000162828025034977/play-20250715.htm>

- **Insider buying:** In July 2025, Lal purchased shares worth \$251K

2. Immediate performance goals: He has made it clear that his near-term goals are to grow same-store sales and generate and grow free cash flow now.

3. Marketing

- Lal aims to rectify the prior missteps of having an unfocused promotional strategy and moving away from TV advertising. He is focusing on refining messaging to improve consideration, frequency, and leverage the national sports viewing platform. Lal stated that he does not believe the dollar amount of investment needs to change at this point, but rather the current spend needs to be made more effective.

- **Simplifying value messaging:** Lal believes the company has strong value but previously confused customers with its communication and retail marketing. The fix involves simplifying the messaging and making the value transparent for guests.

- **Targeted promotions:** The Company is sharpening promotions with fewer, more focused offerings.

- **Seasonal passes:** Building on past success, the company launched a new fall season pass providing unlimited daily gameplay and exclusive food and beverage discounts. A winter pass is also being developed for the fourth quarter.

4. "Back to Basics" menu launch: Lal is focused on transforming F&B offerings with the launch of the "Back to Basics" menu nationwide in Q3 (October). This menu reintroduces fan favorites that were cut previously

5. Annual Game Lineup: Lal plans to introduce a marketable lineup of 10 or more new games each year. Moreover, the company will push harder to include exclusive titles and more culturally relevant Intellectual Property (IP).

6. Game Pricing: Changes have been implemented to address previous complex pricing structures. The objective is to increase dwell time by allowing guests to spend the same amount of money but have their Power Card extend longer, providing a better value.

7. Remodel Program

Lal is addressing the prior issues where the remodel program was overspending, underperforming its potential, and lacking marketing support.

- Program revamp: The new strategy involves revamping the remodel program.
- New prototype: Developing and launching a new prototype that is expected to drive better results at a fraction of the cost, coupled with appropriate marketing support to drive awareness and traffic. This revised program is launching in the "coming weeks" (as of the Q2 call).

8. FCF focus: Management is focused on converting operating cash flow to free cash flow through stricter management and eliminating "ineffective and inefficient spend"

9. New store growth: Lal affirmed the continued commitment to double-digit new store growth (targeting 11 new stores in Fiscal 2025) because the 6% to 7% growth achieved through net new units is viewed as non-distracting and necessary to energize the team, given the strong returns generated by new units.

ADDITIONAL WORK

//AI Research

Negative discussions : I used AI tools to conduct a focused search aimed at identifying negative discussions and sentiment related to the company.

<https://www.snowballresearch.com/content/files/2025/10/Dave---Busters---Negative-reviews---comments.pdf>

Note: The purpose of this AI research is not to *decide* but to *direct* our next steps — to identify potential red flags, pressure points, and perception gaps that warrant further investigation.

Duluth Holdings (DLTH): Recent changes

I. New CEO

In April 2025, the company appointed Stephanie Pugliese as its new CEO.

Track record

- Former CEO of Duluth Trading: She first joined Duluth Trading in November 2008 as VP of Product and was rapidly promoted to Chief Marketing Officer in 2010, COO in 2014, and CEO in February 2015, a position she held until August 2019.
- Top executive of Under Armour (Revenue: \$5 billion): From September 2019 to May 2020, she served as President of North America for Under Armour, Inc. and as its President of the Americas from June 2020 until March 2023.

II. Significant recent changes

1. Profitable after several quarters of losses: After five quarters of operating losses, the company posted positive operating income of \$3.3 million in the quarter ended August 2025.

2. Repayment of debt: In the recent quarter, the company repaid debt of \$32 million

3. Promotional reset The Company has reduced the depth of its promotional activity to strategically elevate full-price sales, increase average unit retails (AUR), and improve profitability. This shift is intentional, focusing on higher quality sales, and has contributed to an 8% increase in AUR. While sales revenue contracted year-over-year due to this, it led to gross margin improvement and SG&A leverage. The company is also implementing "buy more and save" discounts on key programs like underwear and Long tail T to offer value while mitigating cost increases

4. Cost control and savings: The Company is rightsizing its cost structure and is on track to achieve \$10 million in cost savings in fiscal 2025. These savings primarily stem from headcount reductions announced on June 4 and optimizing controllable expenses such as consulting, travel, depreciation, and amortization. The company reported a \$5.2 million (7.1%) reduction in SG&A spend compared to last year in Q2.

Inventory Management A disciplined approach to inventory management has led to a 12% reduction in Q2 ending inventory compared to the prior year, primarily by rightsizing inventory receipts. The company expects year-end inventory to decrease by double digits. For the upcoming fall/winter season, the company has tightened its

assortment and reduced its SKU count. For spring/summer 2026, there will be a reduction of over 20% in SKU count to create a more focused and relevant assortment and drive higher sell-throughs. This also ensures healthy inventory levels to support core products.

Map: \$133M

Debt: \$58M (Line of credit: \$33M; Long term debt: \$25M)

Cash: \$6M

EV: \$185M

In the recent quarter the company generated roughly \$32 million of free cash flow.

C3.AI (AI): Recent significant changes

RESEARCH

Founded by Tom Siebel, C3.ai is an Enterprise AI software company.

What does that mean in simple words?

The company makes software to help big organizations use Artificial Intelligence (AI) to solve business problems more easily and quickly. Instead of building AI from scratch, companies can buy ready-made or customizable AI programs from the company and use them for things like predicting equipment failure, finding fraud, or managing supply chains.

Big companies like Shell, the US Air Force, and Koch Industries use C3.ai to make their operations more efficient, reliable, and safe

Signs of moat

a) Patentended Agentic AI:

- The company invented and patented a new type of technology called "agentic AI," and it has become their most successful and fastest-growing product since late 2022. Agentic AI solutions use small, specialized software programs called "AI agents" that work independently and together to automate and manage complex business or industrial tasks, such as processing orders, handling product returns, or running machinery.
- As of April 2025, the company's IP is protected by 35 issued U.S. patents, 30 international patents, and over 160 pending applications worldwide.

b) First mover advantage: The Company claims that it has a significant first-mover advantage in Enterprise AI, based on its significant investment in products and technology over the last decade of development.

c) Limited competition? The company claims that it is unaware of any end-to-end Enterprise AI development platforms that are directly competitive with the C3 Agentic AI Platform. The company believes that it has the world's most extensive Enterprise AI production footprint. The company claims its main competition comes from do-it-yourself, custom AI platforms built by internal IT teams. Such projects, often managed by firms like Accenture, are costly, slow, and prone to failure; even when they succeed, returns may take years. Many customers, the company claims, first attempt these efforts at great expense before turning to the company for an AI solution.

CURRENT CHALLENGES

After growing revenue from \$91.5 million in FY 2019 to \$389 million in FY 2025, the company faced a setback in Q1 2026—its 19th quarter as a public company. This marked the first quarter in which the company not only missed its revenue guidance but also experienced a revenue decline. For Q1 2026 (quarter ended July 2025), revenue fell 19.4% year-over-year to \$70.3 million, significantly below the initial expectations of \$100 million to \$109 million. Additionally, the company has withdrawn its previous full-year fiscal 2026 guidance.

Why?

Thomas Siebel, the Founder, CEO, and Chairman of the Board, attributed the root cause of the decline to internal issues, confirming there was no major change in the competitive dynamics, market size, or secular trends. When a Needham analyst questioned the reasons behind the Q1 underperformance, the CEO replied that 70% was due to sales disruption from leadership changes and 30% was due to his reduced involvement in the sales process because of health issues.

The financial results of the first quarter were completely unacceptable and completely unacceptable in virtually every respect. I've given this a lot of thought as to what the root cause of this is, okay? Is there a market? The market is huge. Is there some new competitor that changed the competitive dynamics of the space? There is not. Is there some secular change in the market that we haven't seen before? There is not. - Thomas Siebel, Q1 2026 earnings call.

In Q1 2026 earnings call, regarding the full year (FY2026), the CFO acknowledged that most analysts are forecasting revenue ranging from \$290 million to \$300 million, and the company would not argue against any number within that range.

RECENT CHANGES

1. Appointment of new CEO

In September 2025, the company appointed Stephen Ehikian as the new CEO.

Track record of new CEO

a) Airkit.ai, CEO & Co-Founder (2018-2023)

- Pioneered generative AI customer service agents, delivering high resolution rates and 24/7 service.
- Led Airkit.ai to be acquired by Salesforce, where its technology became the core of Salesforce's agentic platform, Agentforce.

b) Salesforce, VP of Product (2014-2017)

- Integrated RelateIQ as the foundation of Salesforce Einstein, launching SalesforceIQ, a major new CRM/email integration product.
- Oversaw some of the company's fastest-growing product lines.

c) RelateIQ (Acquired by Salesforce), COO/CFO (2011-2014)

- Developed the first AI-powered CRM platform, transforming sales workforce productivity through automation and intelligence.
- Successfully led the company through acquisition by Salesforce.

d) Others

- Former Analyst at SRS Investment Management (2010), a global L/S equity HF focused on TMT;
- VP at Westbrook Partners (2006–09), a PE firm;
- IB Analyst at Morgan Stanley (2004–06)

2. Transition of Tom Siebel (founder)

Tom Siebel has moved to the role of Executive Chairman, focusing on strategic partners, key customers, and product strategy. He will stay actively involved in overseeing and supporting the sales transition to ensure a smooth ramp-up in sales and service capacity.

3. Global sales and service organization restructuring

The sales and service organizations have been completely restructured globally due to poor sales execution and resource coordination.

- **New leadership across sales and service:** New, highly experienced leadership has been brought in to drive growth and customer satisfaction. New leadership appointments include:
 - EVP & Chief Commercial Officer overseeing Sales, Customer Teams, and Alliances.
 - General Manager, EMEA.
 - Group VP, North America East Sales.
 - Group VP, Nordics.
 - An internal leader promoted to Group VP, Customer Services, now oversees all professional and customer service operations.
 - <https://www.sec.gov/Archives/edgar/data/1577526/000162828025039359/exhibit992-fy26q1salesands.htm>
- **Chief Commercial Officer:** The sales and service organizations have been combined under a new Chief Commercial Officer to create a more seamless customer experience focused on delivering value.
- **Regional and federal leadership:** New leadership appointments include a General Manager of EMEA, a Group Vice President for North American operations, and significant leadership in the federal business operations.

4. Strategic programs & improvements

- C3.ai introduced the Strategic Integrator Program in Q1, which is a software OEM program. Under this program, the C3 Agentic AI platform is licensed to other entities, enabling them to design, develop, provision, and operate industry- and domain-specific applications.
- In September 2025, the company introduced a new kind of process automation based on its C3 Agentic AI Platform. Instead of relying on traditional robotic process automation (RPA) tools that follow fixed rules, this system uses AI models that can reason and make decisions. Companies can now handle routine work more intelligently by combining AI's decision-making with simple step-by-step controls. The product has a no-code, natural language interface, so even non-technical users can quickly create and launch scalable AI processes in just minutes.

COMMENTS

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The company remains well capitalized, closing the quarter with \$711.9 million in cash.

//

Management acknowledged that the Q1 performance has put the company behind schedule, but they remain committed to achieving non-GAAP profitability and free cash flow.

//

The company's industry-specific data models and pre-built applications deliver faster time-to-value and greater customization than generic platforms, creating a meaningful advantage for customers that need domain-tailored solutions.

Long-term partnerships with major cloud providers and large enterprise clients amplify this advantage through a network effect: switching costs are high because migrating enterprise workflows, data integrations, and validation processes is complex and costly.

Finally, C3.ai sells into high-complexity, highly regulated verticals (energy, defense, pharma) where trust, security, and compliance are decisive purchasing factors. Its track record with large customers and industry certifications bolster credibility that generic AI offerings cannot easily replicate.

Collectively, these factors suggest favorable prospects for sustained revenue growth, provided the company converts pilots at scale and preserves its product and services delivery quality.

// As per the Seeking Alpha article dated October 2, 2025, Wedbush has identified C3.ai as one of the 12 top takeout targets in the technology sector, highlighting the company's strong positioning in enterprise AI and its strategic value amid accelerating M&A activity.

<https://seekingalpha.com/news/4501214-12-top-takeout-targets-in-tech-as-wedbush-says-ma-is-set-to-accelerate>

// Comparables

Palantir Technologies (PLTR)

- Like C3.ai, Palantir focuses on enterprise AI and data analytics solutions, serving both government and commercial clients.
- Both companies heavily rely on long-term contracts with large organizations and emphasize scalable AI platforms tailored for complex enterprise use cases.
- Revenue: \$3.4 billion; EV: \$443 billion; EV/Revenue: 127X
- Historically, Palantir has traded at an EV/Revenue multiple in the range of 10x to 20x. However, recent stock price appreciation has caused the EV/Revenue multiple to spike to unusually high levels.

UiPath (PATH)

- UiPath specializes in robotic process automation (RPA) powered by AI, which complements enterprise automation solutions C3.ai offers.
- Both companies operate within the broader AI-driven automation and software platform market targeting enterprise customers.
- Revenue: \$1.5 billion; EV: \$5.4 billion; EV/Revenue: 3.6X

[C3.ai](#) - Revenue: \$372 million; EV: \$1.8 billion; EV/Revenue: 4.9X

UiPath VS [C3.ai](#): C3.ai offers a more comprehensive enterprise AI platform that supports a wide range of AI applications across multiple industries such as energy, defense, manufacturing, and government. This breadth positions C3.ai as a full-stack AI solution provider beyond just automation. UiPath mainly focuses on robotic process automation (RPA) with AI capabilities layered on top, giving C3.ai a more diversified revenue base and larger total addressable market.

// AI research

I conducted a focused search on Reddit using AI tools to identify negative discussions and sentiment related to the company. In particular, the analysis examined themes around management quality, product-related complaints, and competitive

pressures. I've highlighted a few of the more noteworthy and recurring points below for further review.

<https://www.snowballresearch.com/content/files/2025/10/C3.AI---Reddit-for-negative-discussions---Perplexity-AI-report.pdf>

<https://www.snowballresearch.com/content/files/2025/10/C3.ai-Under-Scrutiny -Comprehensive-Analysis--Perplexity-AI.pdf>

<https://www.snowballresearch.com/content/files/2025/10/C3.ai -Public-Perception---Performance---Chatgpt---Deep-research.pdf>

Note: The purpose of this AI research is not to “decide” but to “direct” our next steps—to identify potential red flags, pressure points, or perception gaps worth investigating further.

Exhibits

Letter from Thomas M. Siebel (Dec 2020)

Source: [S-1 document link](#)

This is my fourth decade in the information technology industry.

After completing my graduate work in Computer Science, specifically relational database theory, I was recruited to the then start-up Oracle. The relational database market was nascent when I joined Larry Ellison and Bob Miner at Oracle in 1983. The global market for information technology was \$224 billion, and, as I recall, the RDBMS market was less than \$20 million. I was satisfied that the fundamental economics of application development and information processing assured the ascendance of RDBMS. That turned out to be a pretty good bet.

A decade later, Oracle grew to exceed \$1 billion in revenue. The information technology market had grown to exceed \$510 billion. We established a clear market leadership position in the RDBMS market.

In the mid-1990s, the industry experienced a step function of innovative information technology that proved to dramatically accelerate IT market growth. This included graphical user interface technology, popularized by Microsoft Windows 95, nomadic laptop computers, first introduced by Compaq, broad bandwidth communications, and the post-Mosaic browser ubiquitous internet.

As of 1993, as an industry we had successfully applied information technology to automate many business processes including accounting, manufacturing automation, and general office productivity. And yet the business processes of sales, marketing, and customer service were still analog and manual, largely untouched by information technology.

In July of 1993, convinced that this presented a huge unserved market opportunity, I founded Siebel Systems, a computer software company committed to successfully applying this new step function of information and communications technology to the business processes of sales, marketing, and customer service. That too turned out to be a good idea.

Six years later, Siebel Systems exceeded \$2 billion in revenue with 8,000 employees in 29 countries, becoming one of the fastest growing enterprise software companies in history. At Siebel Systems, I believe we invented the CRM market as you know it today, and established a clear global market leading position in that market. Siebel Systems merged with Oracle in 2006. The CRM market is now a \$60+ billion software industry.

From 1983 through 2006, we saw one wave after another of new technologies: mainframes, minicomputers, personal computers, the internet, relational database technology, enterprise application software, and client-server computing. Each technology breakthrough represented a replacement market for its predecessor, fueling a \$1.3 trillion industry by 2006.

Assessing the IT landscape at the beginning of the 21st century, it became apparent that a new set of technologies was destined to constitute another step function that would change everything about the information processing world, dramatically accelerating the growth of IT markets. This step function of technologies – substantially more impactful than anything we had seen before – included: elastic cloud computing, big data, the internet of things, and AI or predictive analytics. Today, at the confluence of these technology vectors we find the phenomenon of Enterprise AI and Digital Transformation, mandates that are rising to the top of every CEO's agenda. The global IT market exceeds \$2.3 trillion today.

These technologies were largely nascent in January 2009 when we founded C3.ai with the goal of developing a comprehensive unified software development and enterprise applications solution designed to enable organizations to exploit these new technologies.

We succeeded at that task. And in the process, we developed a set of inventions we believe are fundamental to any enterprise AI application, and that are proprietary and patented. We succeeded at deploying high-value Enterprise AI applications at small scale, at medium scale, and at the largest industrial scale. We succeeded across a diverse range of industries and across a wide range of AI use cases.

We serve a large and rapidly growing market, estimated to be \$174 billion in 2020, growing to \$271 billion in 2024. Our goal is to establish a global market-leading position in this market as we did at Oracle and at Siebel Systems. The difference being that this market is an order of magnitude larger than either of those opportunities.

I believe we are well-positioned to succeed. The market is large and rapidly growing. We have succeeded at developing a highly differentiated and efficacious AI development platform and an associated family of AI applications. We have manageable competitive risk compared to others, including – (1) companies attempting to build the application from

scratch – with little to no success – and (2) a plethora of AI point solutions each of which addresses a small slice of the problem.

It boils down to execution risk. Does the C3.ai team have the skills and experience to succeed? Can they manage a rapidly growing business? Can they successfully implement mission critical enterprise application deployments? Can they attract, retain, and motivate the top people in the industry? Can they establish rewarding strategic partnerships with customers and market partners? Can they effectively scale and manage business sales, marketing, and support infrastructures globally? Can they accelerate and maintain technology leadership? I believe that the strength and experience of management and human capital at C3.ai is our strongest asset. This is unquestionably the most talented and experienced team that I have worked with in my career.

I believe C3.ai is uniquely qualified to tackle these challenges. But clearly, as an investor, you will need to resolve these questions to your satisfaction.

You can expect us to operate a highly disciplined, professional business that is engineered to become structurally profitable and structurally cash-positive in the long term. We will focus on maintaining continuing technology leadership. We will strive to attract, retain, and motivate high performance teams. We will focus on top-line growth to establish market leadership. We will work to establish and enhance brand equity and thought leadership. We will strive to assure that each and every one of our customers is delighted. We will focus on building a high-performance corporate culture known for excellence in execution. We will strive for high levels of predictability in our technology roadmap, our customer engagements, and our financial results.

We have seen many changes in the information technology markets in the past few decades: Disruptive technologies. The diversity and motivation of human capital. Increased accountability. Increased regulatory rigor. The expectations – indeed the demands – of customers, markets, employees, investors, and regulators have been in a constant state of change. I expect the rate of change in such expectations will only accelerate in the coming decades. We are here to serve our stakeholders and to be a good member of the communities in which we operate. You can expect that as these expectations of stakeholders continue to change in the coming years, we will be attentive to those changes and modify our business practices accordingly.

Our singular focus is to leverage our technology leadership, first-mover advantage, and management leadership to establish and maintain a global leadership position in Enterprise AI. Should we succeed at that objective, we will have built C3.ai into one of the world's great software companies.

Sincerely,

Thomas M. Siebel

Founder and CEO

Methode Electronics (MEI): Recent changes

I. BASICS

- Automotive: This segment accounts for 49% of total revenue. This business makes electronic and electro-mechanical parts for car manufacturers and their suppliers. Examples include switches hidden in dashboards, LED lighting, sensors that detect motion or pressure, and molded plastic parts used in transmission systems and consoles. These components help control vehicle functions and improve driver comfort and safety.
- Industrial: This segment accounts for 47% of total revenue. This unit builds electrical and power distribution components for large equipment and specialized markets. Products include heavy-duty cables, busbars, lighting systems, and remote-control devices used in aerospace, military, data centers, and power systems. In simple terms, this segment supports industries that need reliable, high-power electrical connections and controls.

II. RECENT CHANGES

1. Improved financial performance due to cost reduction

- Gross profit: In the recently published quarterly report (Q1 2026), gross profit remained flat year-over-year despite lower sales of \$18 million, due to better cost control relative to production.
- Solid improvement in EBITDA: Adjusted EBITDA was \$15.7 million, up \$5.9 million from the same period last year. On a sequential basis, adjusted EBITDA increased \$22.8 million from the fiscal '25 fourth quarter. The main driver of the improved operating income was a \$9.6 million reduction in S&A related to lower professional fees and compensation expenses.

2. FCF: FCF was \$18 million in the quarter ended August 2025, an increase of \$20.7 million compared to negative \$2.7 million in the prior year. The FCF increase was mainly driven by lower working capital and lower capital expenditures.

3. Net debt reduction: Net debt decreased by \$11.7 million in the quarter ended Aug 2025 contributing to a total reduction of \$41 million over the last three quarters. As of Q1 2026, net debt was \$202 million.

4. Structural cost reduction and headcount: The Company has reduced its headcount by approximately 500 people and continues to refine staffing levels in various facilities, including those in Mexico and Egypt. Furthermore, the consolidation of the headquarters facility is on track to be completed by the middle of the fiscal year, and the

company continues to look for opportunities to remove structural costs globally in areas like engineering and warehousing.

5. CapEx efficiency: Capital expenditures for the quarter were \$7.1 million, down significantly from \$13.6 million in the prior year. This decrease aligns with the company's plan, as much of the program launch investments are now complete.

6. Regional performance: Performance in the EMEA region, particularly in Egypt, has notably improved, and Asia continues to show solid ongoing performance. This regional stability helps offset challenges in North America related to program roll-offs and delayed EV programs.

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Delayed EV Programs: The Company had anticipated significant EV growth in North America, which is now facing headwinds. Sales have been affected by a \$100 million decline in sales driven by lower EV demand. Specifically, the delay in EV programs, particularly with regard to Stellantis, has impacted the North American business. The near-term softness is mostly in North America, partially offset by strength in Europe and Asia. The company expects this pressure to continue in the near term, anticipating a significant overall rebound in EV sales in fiscal 2027 based on customer forecasts.

A micro-cap company, The Beauty Health Company (SKIN), appoints a senior executive from \$240-billion Abbott Laboratories as its new CEO

I. NOTABLE NEW CEO APPOINTMENT

In September 2025, the company appointed Pedro Malha as CEO.

Track record of Malha

1) Top executive at Abbott Laboratories

- Revenue: \$43 billion; EV: \$238 billion
- He served as Division President & Corporate Officer of Abbott Neuromodulation from September 2021 to September 2025, leading Abbott's global neuromodulation business. This division is a major global healthcare business with 21 principal operating and manufacturing facilities, providing advanced medical device technologies in over 100 countries. As a corporate officer and division president, this is a top executive role with full P&L and operational responsibility across all functions.
- Top-level executive:
 - Held a top executive role as part of Abbott's senior leadership team, with the title of Corporate Vice President, as listed in [Abbott's annual report](#).
 - Abbott's executive management structure includes 21 executives and 29 corporate vice presidents, placing Pedro Malha within the key leadership cadre.

2) Zimmer Biomet (May 2017 – Sep 2021)

- Group President (2019–2021) – Led two global operating divisions in Thoracic, CMF (Cranio-Maxillofacial), and Dental surgical solutions.
- Division President & Executive Board Member (2017–2019) – Reported directly to the CEO, managing full P&L across commercial, manufacturing, and R&D operations for the Dental business, with operations in 75 countries.

3) Abbott Laboratories – Vision and Diabetes Care Divisions (2008–2016)

- Global Head of Strategy, Vision Care (2015–2016) – Directed global strategy and growth initiatives for Abbott's ophthalmic surgical business (later part of J&J).
- VP Americas, Vision Care (2014–2015) – Managed \$600M P&L for the Americas region.
- VP EMEA, Vision Care (2012–2014) – Led turnaround of a \$400M regional business achieving double-digit sales and margin growth.

- General Manager, Diabetes Care North Europe (2010–2012) – Oversaw operations across six countries, delivering strong sales and market share growth.
- Head, Pharmaceutical Division Portugal (2008–2010) – Managed \$70M P&L and achieved record growth with *Humira* and *Kaletra*.

II. RECENT CHALLENGES

- **Decline in equipment sales:** The Company has seen a significant year-over-year decline in global equipment sales. Global device sales declined 40% in Q4 2024, 43.5% in Q1 2025, and 36.5% in Q2 2025, leading to overall consolidated revenue declines in the Americas, APAC, and EMEA.
- **Macroeconomic headwinds and financing pressure:** Providers remain cautious about capital equipment purchases due to macroeconomic uncertainty and high borrowing costs. High interest rates continue to put pressure on the sales process
- **China transition revenue impact:** The strategic shift to a third-party distributor model in China, while intended to be capital-light and drive long-term profitability, results in lower revenue streams in the near term. The full year 2025 guidance factored in \$10 million to \$15 million of top-line pressure from this change.

COMMENTS

// Consumables is the key - still growing and management has raised price

Consumables accounted for over 70% of revenue in Q2 2025. This recurring revenue stream is fundamental to the company's "razor-razor blade model" and is driving margin expansion and profitability. The total active device base, which drives consumable demand, expanded to over 35,000 active devices globally as of the end of Q2 2025.

Growth in consumables sales

- Q2 2025: 0.8% (Excluding the transition impact in China (APAC), consumable sales increased by 5.3%)
- Q1 2025: 8.2%
- Q4 2024: 8.7%

The favorable mix shift towards high-margin consumable net sales contributed significantly to the strong gross margins recorded in Q2 2025 (Adjusted Gross Margin was 65.9%).

The company implemented an average overall price increase of nearly 5% across its consumables portfolio, effective July 3, 2025. This marked the first price increase in three years and was designed to partially offset expected tariff pressure.

// Management has raised its outlook for 2025

As per the recent earnings call (Aug 2025), following strong performance in the first half of 2025, the company raised the low end of its full-year net sales guidance to \$285–\$300 million and increased both the top and bottom ends of its adjusted EBITDA guidance to \$27–\$35 million.

// Chairman of the board is a major shareholder and a former CEO of \$63 billion Allergan

Brenton L. Saunders owns roughly 11% (excluding stock option).

He has served on the Board of Directors since 2021 and currently serves as the Chairman of the Board.

He previously led Allergan as Chairman and CEO until its \$63 billion acquisition by AbbVie in 2020. He has also held top executive roles at globally recognized companies such as Bausch + Lomb, Forest Laboratories, and Schering-Plough.

// Another director is a major shareholder and a co-founder of a PE firm

Brian Miller owns roughly 26% stake.

Brian Miller has served on the Board of Directors since 2021. Mr. Miller is the Co-Founder and Partner of Linden Capital Partners LLC, a private equity firm.

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My guess is that these two directors, Saunders and Miller, likely played a crucial role in recruiting a top executive from Abbott Laboratories as the company's new CEO.

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The company ended the quarter with \$212 million in cash and equivalents, down from \$370 million at year-end 2024. The decrease mainly reflects the completion of a convertible note exchange, under which the company repurchased about \$20 million in principal and exchanged \$413 million of 2026 notes for a mix of cash and \$250 million in new 7.95% secured notes due 2028. This transaction significantly extends the company's debt maturity profile and strengthens long-term financial flexibility.

Procore Technologies (PCOR) appoints a new CEO who led the sale of Ansys for \$35 billion

BUSINESS

M.Cap: \$10.7 billion

Procore's main goal is to connect everyone in construction on a single platform and help transform the industry, which is considered one of the oldest, largest, and least digitized in the world.

The company provides a central, digital system that allows key stakeholders—like owners, general contractors, and specialty contractors (subcontractors)—to access and collaborate on project information from any location using an internet-connected device (such as computers, smartphones, and tablets).

The platform is divided into four integrated product categories that cover the entire construction project lifecycle:

1. Preconstruction: These products help teams collaborate on planning, budgeting, estimating, bidding, and design coordination before the building physically starts. The goal here is to reduce financial and operational risk.

2. Project Execution: These tools connect teams on the jobsite, ensuring project information is always up-to-date and accurate in the cloud. This includes features for managing the project, ensuring quality and safety, and handling closeout procedures.

3. Resource Management: This helps customers schedule, track, and forecast things like workforce productivity, equipment usage, and material movement, which helps them better manage profitability.

4. Financial Management: These products give customers visibility into the financial health of individual projects and their overall portfolios, helping with cost management, invoicing, and payments (like the Procore Pay solution)

By digitizing processes, Procore helps customers achieve several important results: they can increase productivity and efficiency, reduce rework and costly delays, improve safety and compliance, and enhance financial transparency and accountability.

Revenue model

The company generates almost all of its revenue from subscriptions to access its products

Subscription Pricing

The fixed subscription fee is generally based on two main factors:

- The specific combination of products a customer chooses.
- The annual construction volume (the fixed aggregate dollar amount of construction work the customer contracts to run on the platform each year).

Collaborator model fuels customer growth - not charged per user

The company's pricing model does not charge per user, enabling broad adoption within projects. This approach drives strong network effects—free collaborators gain familiarity with the platform and are often later incentivized to become paying customers to manage their own projects and data.

- The company has millions of active users, most of whom are collaborators—non-paying users invited to work on shared projects.
- About half of Procore's 17,000 paying customers initially joined as collaborators, showing this model is a crucial way they attract new paying customers.
- The collaborator system acts like a viral growth loop: collaborators experience the platform's value firsthand and many later convert to paying customers to manage their own projects and data.

Management emphasized plans to accelerate this conversion process through improved engagement, marketing, and expanded use cases, though specific initiatives were not detailed.

But how do they increase revenue? As customers expand their usage across more products or larger project volumes, the company's revenue grows accordingly.

Financial performance

Revenue increased from \$112M in FY 2017 to \$1.23 billion in LTM July 2025. During the same period, gross profit increased from \$87 million to \$987 million and FCF improved from \$(30) million to \$140 million.

WHY ARE WE FLAGGING THIS?

New CEO has a solid track record

The company appointed Ajei S. Gopal as its new CEO.

- He served as CEO of Ansys, Inc. from 2017 to 2025. During his tenure, he drove strong growth—nearly tripling revenue (from \$1 billion in FY 2017 to \$2.5 billion in FY 2024) and almost quadrupling market value—culminating in a \$35 billion acquisition by Synopsys.

- He served as “Operating Partner” of Silver Lake, a PE firm (2013 to 2016)
- SVP, HP Software, Hewlett-Packard for 2 years (2011 to 2013)
- Served as CTO of Symantec, a cybersecurity business (2004 to 2006)
- <https://www.linkedin.com/in/ajeigopal/details/experience/>

COMMENTS

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The company’s go-to-market (GTM) transition is a significant strategic initiative aimed at evolving its sales model to accelerate top-line growth and build deeper customer partnerships. This GTM shift involves moving from a transactional sales approach to a more consultative model that includes product specialists and a localized general manager model. The goal is to expand enterprise sales, improve cross-selling, and demonstrate strong ROI from Procore’s platform.

However, this transition has posed near-term challenges for Procore. In the first half of 2025, the company experienced some disruption and slower growth as it adapted to the new GTM model. There's increased spending in sales and marketing, which raises customer acquisition costs in the short term. Also, booking disruptions and execution challenges have slightly impacted revenue growth visibility.

Despite short-term headwinds, the GTM transition is viewed as essential for scaling revenue past \$1 billion and for better penetrating international markets.

The new CEO brings over 35 years of global technology leadership experience, notably as former CEO of Ansys, where he successfully scaled the business and led major acquisitions. The CEO change provides a strong foundation for stabilizing the go-to-market transition, enhancing operational discipline, and driving sustained revenue growth.

A micro-cap company, Silvaco Group Technology (SVCO), appoints former Mentor Graphics CEO who led \$4.5 billion sale

BUSINESS

The business is an expert provider of highly specialized software tools and pre-designed components used by companies that manufacture semiconductors (computer chips) and photonics devices.

In simple terms, they help their customers—including chip makers and equipment manufacturers—design, simulate, and verify these complex electronic devices more quickly and cheaply before committing to expensive physical manufacturing.

This is accomplished by offering three main types of solutions:

1. TCAD (Technology Computer-Aided Design) software: This software acts like a virtual lab for devices. Customers use it to model and simulate how a chip's materials and processes behave, starting at the atomic level. This allows them to test new designs and optimize performance (like power consumption, size, and reliability) without running expensive, time-consuming physical experiments in a factory.
2. EDA (Electronic Data Automation) software: This software helps engineers design the intricate electrical circuits (Integrated Circuits, or ICs) that make up the chip. It provides tools to capture and simulate the design from concept to analysis, ensuring the design is correct and will result in a good manufacturing yield before the final physical chips are produced.
3. SIP (Semiconductor Intellectual Property) solutions: These are pre-designed, verified, and ready-to-use building blocks for chips. When a company builds a complex System-on-a-Chip (SoC), they can license these SIP blocks instead of designing every component from scratch, which significantly accelerates their time-to-market.

Essentially, the company provides the "technology behind the chip," offering solutions that cover the entire development process, from simulating the materials at the atomic level all the way up to system-level design.

They also use advanced techniques, like combining their semiconductor expertise with machine learning, to create "digital twins" of manufacturing wafers. This solution, called FTCO, allows customers to run virtual tests to predict how changes will impact manufacturing yield, further reducing the need for expensive physical wafers.

II. WHY ARE WE FLAGGING THIS?

a) New CEO has a solid track record

On August 21, 2025, the company appointed Walden "Wally" C. Rhines as its new CEO.

- CEO of Mentor Graphics:
 - He served as CEO of Mentor Graphics from 1993 to 2017, during which time the company's annual revenue grew nearly fourfold from about \$340 million to over \$1.3 billion, and the market value increased tenfold before its \$4.5 billion acquisition by Siemens AG in 2017.
 - He also served as Chairman of the Board for 17 years at Mentor. Under his leadership, Mentor Graphics expanded its electronic design automation (EDA) portfolio beyond traditional IC tools to include embedded systems, automotive design, thermal analysis, and PCB design, positioning the company as a leader in automotive EDA and adjacent markets
- He led successful business turnarounds, including at Texas Instruments where he pioneered the digital signal processor (DSP) business and oversaw advanced CMOS process development before joining Mentor

b) New CFO brings exit experience

On Sep 4, 2025, the company appointed Chris Zegarelli as its new CFO.

- Sale of GaN for \$830 million: He served as CFO of GaN Systems for less than three years (Jun 2021 to Dec 2023). During his tenure, the company got acquired by Infineon Technologies for \$830 million.
- Subsequently, he was appointed as the SVP- Finance of Infineon Technologies.
- Note: Since 2016, he has worked at four companies, with Silvaco being his fifth. His tenure in senior roles such as CFO or SVP has generally been short, typically lasting less than three years.

COMMENTS

In the last two quarters, the company's revenue is declining rapidly - (19.5)% in QE July 2025 and (11.3)% in QE March 2025. The company blamed "soft end market demand" for its poor performance.

Katherine S. Ngai-Pesic, who co-founded Silvaco in 1984, owns about 36% of the company's shares. At 75, she may have hired these two senior executives (new CEO and new CFO) to review the company's future and possibly prepare it for a sale. This is only a guess, but the timing and choice of hires suggest that could be the plan.

CPI Card Group (PMTS): Expanding into high-valuation metal card and closed-loop markets offers upside, but elevated interest costs warrant a wait-and-watch approach

The U.S. credit and debit card manufacturing market is highly concentrated, with only a handful of major players, and the company ranks among the top credit card manufacturers in the country. This market remains dominated by well-established global firms, with no significant disruptive entrants emerging recently.

What makes the company's current position interesting are two notable developments?

1. The company has recently entered the metal card segment, which is currently dominated by Composecure. Metal cards represent less than 1% of the overall payment card market, yet Composecure commands a substantial valuation premium—trading at approximately 7 times revenue compared to the CPI Card Group's valuation of 0.9 times revenue. This highlights the potential value upside if the company can expand its presence in this niche segment.
2. The company is investing in prepaid packages for the U.S. closed-loop market, where it has limited presence today but sees significant growth opportunity. Closed-loop cards are store- or retailer-specific cards that function only within a designated merchant network, unlike open-loop cards that operate on payment networks like Visa or MasterCard. The company is on track to begin delivering closed-loop shipments in the fourth quarter of 2025, having already secured customer commitments. This initiative could serve as a meaningful new revenue stream.

COMMENTS

While these developments offer exciting growth prospects, I'm highly concerned about the debt level. As per the recent quarter, interest expense is roughly 86% of operating income (EBIT). Therefore, it is prudent to revisit the stock after the company successfully reduces its debt load and/or demonstrates improving revenue momentum from these strategic initiatives.

The Hain Celestial Group (HAIN): Wait and watch; A case study of poor capital allocation

COMMENTS

This is a textbook example of poor capital allocation. The company raised substantial debt to fund acquisitions and aggressive share repurchases and is now burdened with \$705 million in debt.

In FY 2022, it completed a \$260 million acquisition. Between FY 2020 and FY 2022, the company spent more than \$615 million on share buybacks—largely financed through borrowings—which drove total debt to \$889 million by FY 2022.

Following that period, both revenue and profitability declined sharply. Today, the company's interest expense totals \$47.8 million, while operating income is only \$57 million—a precarious position.

In response, management has initiated several strategic changes, including hiring Goldman Sachs to help “unlock shareholder value.” However, the outsized debt load remains a major constraint.

During FY 2021 alone, the company repurchased roughly 3% of its outstanding stock, at an average price of \$34.87 per share. Today, that same stock trades around \$1.43.

Sometimes when a board says the stock is cheap, what they really mean is: ‘Wait till you see it after we’re done. We’ll make it cheaper.’

Wait and watch.

RECENT CHANGES

- The company is conducting a significant strategic review with Goldman Sachs to maximize shareholder value. As a part of its turnaround initiatives, management is simplifying the portfolio by exiting unprofitable and low-margin SKUs, reallocating resources toward brands and categories with stronger growth and margin potential.
- Interim Chief Business Transformation Officer Sara Turchwell has been appointed to lead cost reduction, streamlining, and restructuring initiatives. A major organizational shift is underway to unwind much of the global infrastructure and transition to a leaner, regionally focused operating model supported by a smaller

central team. The President of North America role has been eliminated as part of this restructuring.

- The company is also exiting or divesting businesses where it lacks a structural advantage or a clear “right to win.” Following years of limited pricing actions, it is now implementing comprehensive revenue growth management programs across most of the portfolio.
- Operational improvements are also evident: accounts payable targets were exceeded in FY2025, with further gains expected, and the company anticipates generating positive free cash flow in FY2026 through tighter inventory control and ongoing working capital discipline.
- Meanwhile, the Board is conducting a search for a permanent CEO to lead the next phase of transformation.

Graham Corporation (GHM): Assessing its competitive advantages/moat

I. BUSINESS

The company specializes in designing and making custom-engineered equipment that plays important roles in managing fluids and temperature in various industries.

Core products

- **Vacuum Systems:** These are machines that create and control very low-pressure environments (vacuum) used in processes that require removing air or gases.
- **Heat Exchangers:** Devices that transfer heat from one fluid to another, helping to either cool down or heat up parts of industrial processes.
- **Cryogenic Pumps:** Specialized pumps designed to handle extremely cold fluids, such as liquid hydrogen or oxygen.
- **Turbomachinery:** These are high-speed rotating machines such as turbines, compressors, and pumps that move and control fluids and gases efficiently.

Industry mix

- Defense 58%
- Energy & Process 35%
- Space 7%.

II. SIGNS OF MOAT

- Early and deep project involvement: Graham's engineering sales, project estimating, and application engineering teams work with customers early and throughout the project life cycle, enabling optimal equipment utilization and deep integration into customer systems—a process critical in defense, space, and highly engineered industrial end-markets.
- Handling of complex, custom orders: The company is adept at administering highly complex, engineered-to-order, process-critical equipment, requiring rigorous risk management, documentation, and continual customer interaction during product design and delivery.
- Mission-critical supplier for the U.S. Navy and other defense programs: The Company has developed a leading and sometimes sole-source position in key systems and subsystems used in nuclear and non-nuclear propulsion as well as

power, thermal management, and fluid transfer systems on U.S. Navy submarines, torpedoes, aircraft carriers, and advanced radar/laser systems.

- Proprietary and patented technology: The company leverages a portfolio that includes recent acquisitions (Barber-Nichols and P3 Technologies), adding patented solutions (e.g., MCD diffusers and SCAMP pumps for cryogenic applications) along with internally developed innovations like the NextGen™ steam ejector nozzle, which improves energy efficiency in industrial processes.
- Strong brand and reputation: The Graham and Barber-Nichols names are well recognized in their markets as reliable partners for mission-critical equipment,
- The company's products are mission critical - meaning they are essential for the safe and reliable operation of ships, energy plants, rockets, and other advanced systems.

The company's business involves managing multi-year, complex government and defense contracts requiring close customer collaboration, stringent quality and engineering demands, and significant customization—factors that deter commoditized or less agile newcomers. On the top of this, long bidding cycles, contract award processes, and government budget dependencies further act as practical barriers, preventing new competitors from quickly acquiring market share.

Liquidity Services (LQDT): Assessing its competitive advantages/moat

I. BUSINESS

The company runs online marketplaces that help organizations and individuals resell surplus items, prevent waste, and recover value. The company connects millions of buyers with thousands of sellers through their e-commerce auction marketplaces, search engines, asset management software, and related services. It handles a vast array of surplus assets across over 750 product categories, including consumer electronics, general merchandise, real estate, industrial equipment, heavy equipment, and more.

- Retail Supply Chain Group (RSCG) - 64% of total revenue - Works with corporations in the U.S. and Canada to sell excess, returned, and overstocked consumer goods. They provide services like returns management and asset recovery through marketplaces like Liquidation.com (business-to-business) and AllSurplus Deals and Secondipity (direct-to-consumer).
- GovDeals - 21% of revenue - Helps government agencies (city, county, state, federal) in the U.S. and Canada sell surplus property and real estate assets
- Capital Assets Group (CAG) - 10% of revenue - Helps commercial businesses sell surplus industrial assets on their AllSurplus marketplace, covering sectors like industrial manufacturing, oil and gas, heavy equipment, biopharma, and electronics.

II. MOAT

- Network effect: It has a vast and expanding registered buyer base (~5.9 million buyers), creating strong network effects where more buyers and sellers enhance liquidity and asset recovery rates, making it hard for new entrants to replicate this scale quickly.
- Extensive Network of Warehouses - operational complexities
 - The company operates a "network of warehouses" across the United States and Canada. This physical infrastructure is crucial for handling the vast and varied inflow of surplus assets. Moreover, the company handles diverse lot sizes, from individual items and pallets to less-than-truckload (LTL) and full-truckload (FTL) auctions, providing flexible solutions for various liquidity challenges.
 - Within its warehouses and at seller locations, the company's field service teams provide a wide range of pre- and post-sale value-added services. These include unloading, manifesting, and reconciling discrepancies for incoming assets; preparing, merchandising, and organizing items for sale; writing product descriptions and capturing digital images or video; as well as optional services

such as returns management (RM), return-to-vendor (RTV), product de-labeling, data wiping, testing, refurbishment, and repackaging.

- The company's shipping logistics group specifically "manages and coordinates inbound and outbound shipping of merchandise for sellers and buyers," utilizing "multiple vetted and pre-qualified carrier partners".
- Developing the operational processes, training personnel, and building the necessary expertise in handling diverse surplus asset categories and reverse logistics is a significant undertaking.
- Establishing a comparable network of geographically dispersed warehouses and equipping them to handle such a wide array of specialized services (from data wiping electronics to handling heavy equipment) is operationally challenging for a newcomer.

How the Jones Act creates a moat for Matson (MATX)

The Jones Act, a cornerstone of U.S. maritime law, requires that all vessels transporting cargo between U.S. ports be U.S.-built, U.S.-flagged, U.S.-owned, and primarily U.S.-crewed. This legislation, while often debated, forms a durable economic and regulatory moat for established domestic shipping operators—particularly Matson, Inc.

1. Protected market share in key routes

Matson's primary domestic operations in Hawaii and Alaska—routes governed by the Jones Act—represent a major portion of its business. These trades accounted for roughly 50% (2024), 55% (2023), and 39% (2022) of Matson's Ocean Transportation revenue. Because no foreign-flagged carriers can legally operate on these routes, Matson enjoys monopoly-like pricing power and stable demand. These non-contiguous markets—particularly Hawaii—are highly dependent on ocean transport for goods, ensuring consistent traffic and limited substitution risk.

2. High Barriers to entry

The Jones Act effectively limits local competition by making market entry prohibitively expensive. U.S.-built ships typically cost four to five times more than comparable foreign-built vessels. Moreover, these ships also tend to have smaller capacities and higher operating costs, especially when combined with U.S. labor and regulatory compliance standards. As a result, potential new entrants face steep upfront capital costs and structurally higher operating expenses—conditions that protect established players like Matson from meaningful domestic competition. As a result, Matson and a handful of incumbents face virtually no new domestic challengers.

3. Limited number of vessels that qualify for the Jones Act

The small—and declining—number of Jones Act-qualified vessels illustrates the scarcity of capacity and competition.

- As of 2024–2025, there are only approximately 92 to 93 Jones Act-qualified oceangoing vessels worldwide. In contrast, the total U.S. maritime fleet (including barges, tugs, and smaller craft) exceeds 40,000 vessels, underscoring how few operators meet full Jones Act compliance.
- This scarcity of compliant vessels directly limits capacity in the Hawaii, Alaska, and Guam trades—creating a supply-constrained market that benefits established operators like Matson through pricing power and volume stability.

Controversy

Multiple policy and academic studies—especially from organizations like the Grassroot Institute of Hawaii and Pacific Legal Foundation—argue that the Act inflates Hawaii's shipping and energy costs by restricting market entry and forcing reliance on higher-

cost U.S. carriers and shipyards.

Estimates from these studies suggest Hawaii may bear \$1–1.5 billion annually in higher costs, equating to roughly \$1,800 per household, though these figures are debated.

Critics, including the American Maritime Partnership, counter that shipping costs represent a small share of retail prices and that Hawaii's elevated living costs stem largely from housing, land scarcity, and regulatory factors rather than maritime policy.

Despite controversy, political and security considerations make full repeal unlikely. The U.S. government views the Jones Act as essential for maintaining a domestic maritime industrial base and national security capability.

In short, the Jones Act transforms what would otherwise be a commoditized shipping business into a strategically defended franchise with limited domestic competition and stable long-term profitability.

Key takeaways from reviewing the last two years of 13F filings by the 13D Activist Fund

Ken Squire is a well-known figure in the activist investing space. He writes extensively about 13D activism and is the founder and Chief Investment Strategist of the 13D Activist Fund, a hedge fund focused on investing in activist-driven opportunities. Beyond managing the fund and his writing, Ken also organizes the annual Active-Passive Investor Summit, a major conference for the activist investing community. His extensive experience has made him a respected voice within shareholder activism.

Why are we discussing Ken and the 13D Activist Fund?

Ken has been running the 13D Activist Fund since December 2011—about 14 years now. The fund’s unique approach involves basing its investments primarily on activist investors’ 13D filings rather than conducting its own fundamental research. The fund carefully evaluates each activist’s track record, expertise, and investment approach to assess the potential for successful activism outcomes. It invests across multiple activist campaigns to capture long-term value creation, not just short-term price movements.

What can we learn from this?

This memo is not about calling out specific stock ideas. Instead, the objective is to identify which activist investors Ken Squire and his fund are comfortable co-investing with. Fourteen years of experience has given Ken deep insights into which activists are trustworthy and which types of situations tend to deliver compelling returns.

I reviewed the 13F filings over the last two years (eight quarters) to identify the fund’s “new buys.” After adjusting for duplicates (where the fund re-entered positions), the 13D Activist Fund invested in 26 stocks linked to various activists.

Activist	Number of stocks
Starboard	7
Jana Partners	3
Elliott Investment Management	3
Carl Icahn	2
Politan Capital	1

Pershing Square	1
Mantle Ridge	1
HG Vora Capital Management	1
Green Equity Investors	1
Glendon Capital Management	1
Garden Investment Management	1
Engaged Capital	1
Corvex Management	1
Anson Funds	1
Ancora Advisors	1

The list provides valuable insight into the activist investors whose strategies Ken Squire trusts and believes hold strong potential for shareholder value creation.

I'll share more insights in the next issue/report.

For more information-

<https://www.13dactivistfund.com/History>

<https://www.13dactivistfund.com/PerformancePage>

<https://www.13dactivistfund.com/Content/Docs/13D%20Activist%20Fund%20Fact%20Sheet%20Q2-25.pdf>

The difference between “shareholder” and “stockholder of record” — and why it matters in board nominations

Owning shares and being officially recognized by the company are not the same thing.

Let me explain.

When you buy shares, you become a shareholder, meaning you have an ownership interest in the company and are entitled to economic benefits—like dividends and price gains. However, most people hold their shares through brokers, which means their names don’t appear directly on the company’s shareholder register.

The person or entity whose name does appear on that register is called the “stockholder of record”. This is the official owner in the company’s eyes—the one who gets proxy materials, can vote directly at meetings, and receives formal communications.

Why “Stockholder of Record” status matters in board nominations?

Many companies’ advance notice bylaws require that anyone nominating board candidates must be a stockholder of record—not just a beneficial shareholder—on the date the nomination notice is delivered (or within a specific window around that date). This ensures the company can verify the nominator’s standing and gives it time to process and disclose nomination details to shareholders.

A good example comes from March 2016, when Spear Point Capital Management and FiveT Capital tried to nominate directors at TheStreet (TST). Their nominations were rejected because the firms were not *stockholders of record* when they submitted the notice—only beneficial owners holding shares through intermediaries.

TheStreet emphasized two key points:

1. Being a record holder as of the annual meeting record date does *not* satisfy the requirement to be a record holder at the time the nomination notice is submitted.
2. The investors had ample time to register their shares but only attempted to do so after the advance notice deadline passed.

Delaware courts have upheld such provisions, reinforcing that strict timing and record-holder requirements are enforceable to ensure orderly nomination processes.

Takeaway-

If you plan to nominate directors, ensure your shares are registered in your own name—not held in street name—*before* the advance notice deadline. Contact the company’s transfer agent early to avoid disqualification on a technicality.

RED FLAGS

Notable auditor resignation

1. VitaSpring Biomedical (VSBC): Vague explanation

On August 5, 2025, TAAD LLP abruptly resigned as the company's independent auditor, citing "new information brought to its attention." The filing adds that there were no disagreements or reportable events under Regulation S-K, yet provides no detail on what this "new information" was. The lack of clarity raises questions about the circumstances leading to the resignation.

2. ABVC BioPharma (ABVC): WWC Ends Audit Relationship; No Letter Provided to SEC

On October 10, 2024, WWC, P.C. ("WWC"), the Company's independent registered public accounting firm, informed the Company of its decision not to renew its engagement. The Company's Board of Directors formally acknowledged and approved the decision on October 17, 2024. Nearly a year later, on September 12, 2025, the Company filed an 8-K reiterating WWC's decision not to renew its engagement and noted that WWC had neither agreed nor declined to provide a letter to the SEC confirming whether it concurred with the Company's disclosure. Very strange.

Debt

1. Awaysis Capital (AWCA): Liquidity issue

The company received a waiver of impending maturity dates for over \$6 million in promissory notes from its Co-CEO and an affiliate because the company was unable to meet the August 31, 2025, maturity deadline. This indicates acute short-term liquidity issues and reliance on affiliated parties to avoid default.

2. LivePerson (LPSN): PIK

New Secured Notes accrue 10.00% annual interest, payable solely in PIK until March 15, 2027, which similarly increases the outstanding debt principal. Payment-in-Kind (PIK) interest means the borrower pays interest by issuing more debt instead of cash — often a sign of tight liquidity or financial strain.

3. Harrow (HROW) - High interest rate

On September 8, 2025, Harrow, Inc. raised \$250.0 million through the issuance of 2030 Notes, which bear a high interest rate of 8.625% per annum.

4. Beyond Meat (BYND): Company trades 0% notes for costly 7% secured convertibles

The Company is exchanging 0% unsecured notes for new 7.00% Convertible Senior Secured Second Lien PIK Toggle Notes. This transition significantly increases interest expense and subordinates existing unsecured creditors by granting a secured claim (second lien) to the new noteholders. Furthermore, the note has a potential 9.50% interest rate if paid in kind (PIK), which increases the debt principal if cash payments are deferred.

Notable bylaw changes

1. Castle Biosciences, Inc.

- Nominee/Proponent disclosure: Requires extensive background information, additional information, representations, and certifications from proponents regarding their proposals, nominees, intended proxy solicitations, solicitation cost, and compliance with laws.
- These detailed disclosure requirements create numerous grounds for the company to legally challenge an activist filing for technical non-compliance, thereby derailing a campaign.

2. Select Medical Holdings (SEM)

- Solicitation threshold: Requires the stockholder to provide evidence that they have solicited proxies from holders of at least 67% of the voting power of the outstanding capital stock entitled to vote in the election of directors.
- This extremely high solicitation threshold imposes a significant financial and logistical hurdle on any activist seeking to use the universal proxy mechanism.

3. ASGN Incorporated (ASGN)

- Disclosure requirements: The new bylaws enhance disclosure requirements for stockholders in connection with director nominations and submissions of proposals regarding other business at meetings. This enhancement includes requiring additional background and ownership information and disclosures regarding proposing and nominating stockholders and other persons related to or participating in a stockholder's solicitation of proxies. Furthermore, stockholder nominees are now required to complete a questionnaire providing certain background information, representations regarding disclosure of voting or compensation arrangements, compliance with Company policies, and intent to serve the entire term.
- Why anti-activist? Increased disclosure burdens, particularly requiring information about "other participants in the solicitation" and detailed nominee questionnaires, can impose significant compliance costs and legal risks on activist shareholders, making it harder for them to organize and disclose their proxy campaign network.

4. Ardelyx (ARDX)

- Solicitation threshold: Requires a stockholder to solicit holders of shares representing at least 67% of shares entitled to vote to align with Rule 14a-19 requirements.
- This high solicitation threshold significantly increases the cost and logistical burden for an activist launching a proxy contest, especially since the activist must solicit a large majority of the voting pool

5. Harley-Davidson, Inc.

- Disclosure requirements & proxy solicitation: The company updated advance notice disclosure requirements for shareholder nominations and proposals (excluding Rule 14a-8 proposals). This specifically requires the notice to include certain information from any other participants in the solicitation. It also requires additional background information and disclosures regarding proposing shareholders, proposed director nominees, and business.

6. LivePerson, Inc.

- The company adopted Fourth Amended and Restated Bylaws that reduced the quorum required to transact business at any special meeting of stockholders from 50% to 33 1/3% of the issued and outstanding voting stock. The quorum for annual meetings remained at 50%.

7. OS Therapies (OSTX)

- The quorum required for the transaction of business at all stockholder meetings was changed to one-third of the voting power of the outstanding shares entitled to vote. This one-third quorum requirement also applies where a separate vote by class or classes is necessary.

8. ALT5 Sigma (ALT5)

- Lowered the quorum requirement for stockholder meetings from requiring a majority of shares outstanding and entitled to vote, to requiring thirty-three and one-third percent (33 1/3%) of the shares outstanding and entitled to vote (represented in person or by proxy)

High withheld votes

Tracking withheld/against vote trends provides valuable insights into shareholder

sentiment. Elevated withheld percentages—typically above 20%—often highlight underlying tensions between shareholders and the board.

Outdoor Holding Co (POWW)

- Christos Tsentas- 22%
- Wayne Walker – 21%
- Source - <https://www.sec.gov/Archives/edgar/data/1015383/000149315225012556/form8-k.htm>

Oxford Square Capital Corp. (OXSQ)

- Barry A. Osherow – 25%
- Source - https://www.sec.gov/Archives/edgar/data/1259429/000121390025079371/ea0254138-01_8k.htm

Midland States Bancorp, Inc. (MSBI)

- R.A DeanABingham – 33%
- Jerry L. McDaniel – 41%
- Source - https://www.sec.gov/Archives/edgar/data/1466026/000110465925075265/tm2522893d1_8k.htm

Monro, Inc. (MNRO)

- Stephen C. McCluski – 21%
- Source- <https://www.sec.gov/Archives/edgar/data/876427/000119312525179854/d945790d8k.htm>

Biolife solutions Inc (BLFS)

- Rachel Ellingson – 49%
- JoydeepGoswami – 43%
- Source - <https://www.sec.gov/Archives/edgar/data/834365/000083436525000018/blfs-20250820.htm>

LiveOne, Inc. (LVO)

- Kenneth Solomon – 32%
- Source - https://www.sec.gov/Archives/edgar/data/1491419/000121390025086225/ea0256567-8k_liveone.htm

BlackSky Technology Inc. (BKSJ)

- Magid Abraham – 39%
- Source - <https://www.sec.gov/Archives/edgar/data/1753539/000175353925000097/bksj-20250910.htm>

Belpointe PREP, LLC (OZ)

- Shawn Orser – 32%
- Source - <https://www.sec.gov/Archives/edgar/data/1807046/000149315225013700/form8-k.htm>

Powerfleet, Inc. (AIOT)

- Michael Brodsky – 22%
- Michael McConnell – 21%
- Source - <https://www.sec.gov/Archives/edgar/data/1774170/000149315225013706/form8-k.htm>

Worthington Steel, Inc. (WS)

- Mary Schiavo – 22%

- Source -<https://www.sec.gov/Archives/edgar/data/1968487/000119312525223315/ws-20250924.htm>

Short exit – CEO & CFO

Company Name	M.Cap	Title	Length of Tenure	Details
The Beauty Health Company (SKIN)	\$215M	CEO	1 year 5 months	Marla Beck, who was appointed as CEO in Apr 2024, resigned in September 2025
Opendoor Technologies Inc. (OPEN)	\$7B	CFO	11 months	Selim F. Freiha, who was appointed as CFO in Oct 2024, resigned in September 2025
Cohen & Steers, Inc. (CNS)	\$3.5B	CFO	1 year 3 months	Raja Dakkuri, who was appointed as CFO in Jun 2024, resigned in September 2025
Isabella Bank Corporation (ISBA)	\$244M	CFO	1 year 4 months	William M. Schaefer, who was appointed as CFO in Apr 2024, resigned in August 2025

STRATEGIC ALTERNATIVES

Wendy's Co (WEN) | M.Cap: \$1683M | Restaurants

Wendy's launched "Project Fresh", a comprehensive strategic plan to revitalize its brand, improve profitability, and enhance shareholder value by focusing on four pillars: brand revitalization through stronger positioning and marketing led by Greg Creed's firm; system optimization to drive U.S. AUV growth and efficient international expansion; operational excellence via investments in digital tools, hospitality, and efficiency; and optimized capital allocation, including reduced Build-to-Suit spending and redirected investment toward technology and marketing. [Link](#)

THUMZUP MEDIA Corp (TZUP) | M.Cap: \$91M | Advertising Agencies

Thumzup Media (Nasdaq: TZUP) issued a shareholder letter outlining its strategic transformation into cryptocurrency mining with the pending acquisition of DogeHash Technologies. [Link](#)

1 800 Flowers Com Inc (FLWS) | M.Cap: \$329M | Specialty Retail

On Sep 4, 2025, 1-800-FLOWERS.COM's stated that its long-term growth strategy focuses on driving cost savings and organizational efficiency, building a more customer-centric and data-driven model, expanding beyond its core e-commerce sites into new channels, and strengthening the team through enhanced talent and accountability. [Link](#)

Chemung Financial Corporation (CHMG) | M.Cap: \$255M | Banks - Regional

The company sold its former "Ithaca Station" branch, recognizing a gain on the sale in the second quarter of 2025. The branch was officially consolidated on November 15, 2024. In June 2025, the company also sold \$245.5 million in available-for-sale securities as part of a balance sheet restructuring. [Link](#)

WD-40 Company (WDFC) | M.Cap: \$2.9B | Specialty Chemicals

On September 2, 2025, WD-40 Company announced the sale of its homecare and cleaning product businesses in the United Kingdom. The divested brands include 1001 and 1001 Carpet Fresh. The transaction involved the sale of all associated trademarks, intellectual property, inventory, and existing manufacturing contracts to Supreme Imports Ltd. The all-cash deal was valued at up to £5.6 million (\$7.5 million). For the fiscal year ending August 31, 2024, these businesses generated approximately \$9.0 million in net sales. The divestiture aligns with the company's strategy to focus on higher-growth, higher-margin maintenance products. [Link](#)

Verint Systems Inc. (VRNT) | M.Cap: \$1.2B | Software - Infrastructure

The company completed a quality managed services divestiture that closed on January 31, 2024. This divestiture was noted as affecting year-over-year financial comparisons in the company's report for the quarter ended July 31, 2025. [Link](#)

Ingevity Corporation (NGVT) | M.Cap: \$2.2B | Specialty Chemicals

On September 3, 2025, the company entered into an Asset Purchase Agreement to sell a significant portion of its business to Mainstream Pine Products, LLC.

The assets being sold include substantially all of the assets related to its industrial specialties product line and its North Charleston, South Carolina crude tall oil (CTO) refinery. The sale excludes Ingevity's lignin dispersant, alternative fatty acid-based products, and road technologies product line.

The transaction is expected to close by early Q1 2026. The revenue associated with the assets being sold is expected to be approximately \$130 million for 2025. Starting with its third-quarter 2025 reporting, Ingevity will classify the assets being sold as discontinued operations.

The sources also mention the closure of the company's plants in Crossett, Arkansas, and DeRidder, Louisiana as part of a repositioning of its Performance Chemicals segment. [Link](#)

Service Properties Trust (SVC) | M.Cap: \$481M | REIT - Hotel & Motel

The company identified 122 hotels managed by Sonesta for disposition in 2025. As of August 29, 2025, it had sold 10 of these hotels, entered into agreements to sell 111 hotels, and was actively marketing the one remaining hotel for sale. Sonesta agreed to waive any termination fees associated with the management agreements for these hotels. [Link](#)

John Wiley & Sons, Inc. (WLY) | M.Cap: \$2.2B | Publishing

The company undertook several divestitures, which were primarily completed in Fiscal 2024, with the remainder in the first half of Fiscal 2025. The company's first-quarter 2026 revenue was lower due to foregone revenue from these divested businesses.

Specific divestitures include University Services, CrossKnowledge, Wiley Edge, and Tuition Manager. The sale of University Services was completed on January 1, 2024, and during the quarter ended July 31, 2025, the company received approximately \$120 million in cash proceeds related to this divestiture. The company also closed its operations in Russia, completing the formal liquidation of the Russian entity in the fourth quarter of fiscal year 2025. [Link](#)

Greif, Inc. (GEF) | M.Cap: \$2.9B | Packaging & Containers

Greif, Inc. completed the sale of its Containerboard Business, which includes its CorrChoice sheet feeder network.

- Date: The sale was effective August 31, 2025, and was announced in a press release on September 2, 2025.
- Buyer: Packaging Corporation of America.
- Transaction Details: The purchase price was \$1.8 billion, subject to certain adjustments. The results of the Containerboard Business, previously part of the company's paper segment, are now classified as a discontinued operation. Greif intends to use approximately \$1.4 billion of the proceeds to reduce debt. [Link](#)

CommScope Holding Company, Inc. (COMM) | M.Cap: \$3.6B | Communication Equipment

CommScope entered into an agreement to sell its Connectivity and Cable Solutions (CCS) reporting segment.

- Date: The company entered into a Purchase Agreement with the buyer, which was previously reported on a Form 8-K filed on August 7, 2025. The transaction had not yet closed as of September 2, 2025.
- Buyer: Amphenol Corporation.
- Transaction Details: To incentivize a key executive through the closing of the sale, the company entered into a Success Bonus Agreement with the president of the CCS segment. [Link](#)

Maui Land & Pineapple Company (MLP) | M.Cap: \$370M | Real Estate Services

On Sep 10, 2025, Maui Land & Pineapple Company (NYSE: MLP) announced it is conducting a strategic review of its water source and infrastructure assets, with a newly formed board subcommittee exploring options for a potential sale or lease. [Link](#)

New Fortress Energy Inc. (NFE) | M.Cap: \$373M | Oil & Gas Midstream

On Sep 5, 2025, New Fortress Energy (Nasdaq: NFE) has initiated a process to evaluate strategic alternatives to strengthen its capital structure, retaining Houlihan Lokey as financial advisor and Skadden as legal counsel. [Link](#)

Lands' End, Inc (LE) | M.Cap: \$475M | Apparel Retail

On March 7, 2025, Lands' End, Inc announced that its Board of Directors initiated a process to explore strategic alternatives, including a potential sale, merger, or similar transaction, with the goal of maximizing shareholder value. [Link](#)

DENTSPLY SIRONA Inc. (XRAY) | M.Cap: \$2699M | Medical Instruments & Supplies

On September 8, 2025, DENTSPLY SIRONA Inc issued a press release announcing that it has completed its previously disclosed process to evaluate strategic alternatives for its Wellspect Healthcare business ("Wellspect") and the Company's Board of Directors has determined that Wellspect will continue to operate within the Company's portfolio. [Link](#)

Anebulo Pharmaceuticals, Inc. (ANEB) | M.Cap: \$97M | Biotechnology

On September 12, 2025, Anebulo Pharmaceuticals announced that while pursuing its going-private transaction and reverse stock split, the Board has also launched a review of all strategic alternatives, including a potential asset sale or merger. [Link](#)

Pitney Bowes Inc (PBI) | M.Cap: \$1964M | Integrated Freight & Logistics

On September 12, 2025, Pitney Bowes announced the initial phase of its strategic review, appointing Todd Everett as President of Sending Technology Solutions and Wayne Walker as an independent board member, while also restructuring oversight of The Pitney Bowes Bank and Global Financial Services. [Link](#)

Seritage Growth Properties (SRG) | M.Cap: \$247M | Real Estate Services

On September 2, 2025, a subsidiary of Seritage Growth Properties entered into a purchase and sale agreement for the sale of its property located in Aventura, Florida. The purchase price for this sale is \$131.0 million, less a credit for any unpaid leasing costs for existing leases. [Link](#)

Ready Capital Corporation (RC) | M.Cap: \$698M | REIT – Mortgage

The company is actively engaged in liquidating its non-core portfolio and managing Real Estate Owned (REO) assets. [Link](#)

Lands' End, Inc (LE) | M.Cap: \$467M | Apparel Retail

Lands' End, Inc. exited its kids and footwear lines of business. [Link](#)

New Fortress Energy Inc (NFE) | M.Cap: \$387M | Oil & Gas Midstream

New Fortress Energy Inc. completed the sale of its Jamaican operations during the second quarter of 2025, resulting in a gain of \$473 million. [Link](#)

Bally's Corporation (BALY) | M.Cap: \$491M | Resorts & Casinos

Bally's Corporation is in the process of divesting its International Interactive Business (BII), which includes its UK and Spanish operations, to Intralot S.A. [Link](#)

Clear Channel Outdoor Holdings, Inc. (CCO) | M.Cap: \$661M | Advertising Agencies

Clear Channel Outdoor Holdings, Inc. announced on September 8, 2025, that it had entered into a definitive agreement to sell its business in Spain to Atresmedia Corporación de Medios de Comunicación, S.A. for an expected purchase price of approximately USD 135 million. [Link](#)

Allegiant Travel Company (ALGT) | M.Cap: \$1189M | Airlines

Allegiant Travel Company completed the sale of its Sunseeker Resort at Charlotte Harbor, Aileron Golf Course, and related properties in Southwest Florida to affiliates of Blackstone Real Estate Group on September 4, 2025. The company received cash proceeds of \$200,000,000 from this sale. [Link](#)

Sonoco Products Company (SON) | M.Cap: \$4656M | Packaging & Containers

Sonoco Products Company announced on September 8, 2025, that it had signed a definitive agreement to sell its ThermoSafe business unit to Arsenal Capital Partners for up to \$725,000,000. [Link](#)

Chrome Holding Co (MEHCQ) | M.Cap: \$111M | Diagnostics & Research

Chrome Holding Co. On July 14, 2025, Chrome Holding Co. sold substantially all of its assets to 23andMe Research Institute for \$302.5 million in cash, with 23andMe Research Institute also assuming certain liabilities. The Lemonaid telehealth business, which includes telehealth services, pharmacy fulfillment, and lab and test ordering services operated by Lemonaid Health Inc., was initially retained by Chrome Holding Co. As part of this transaction, 23andMe Research Institute had agreed to acquire Lemonaid Health for \$2.5 million, subject to higher and better offers. Subsequently, on September 10, 2025, Chrome Holding Co. received a higher offer from Bambumeta Ventures, LLC. A stock purchase agreement was entered into on this date for the Purchaser (Lemonaid SPV, Inc.) to acquire 100% of the outstanding capital stock of Lemonaid Health Inc. and Chrome Pharmacy Holdings, Inc. (collectively, the "Lemonaid Companies") for a total purchase price of \$10 million in cash, in addition to certain cure payments. [Link](#)

BGSF, Inc (BGSF) | M.Cap: \$86M | Staffing & Employment Services

BGSF, Inc. BGSF, Inc. divested its Professional Division. The closing of this divestiture was announced on September 8, 2025. The Professional Division was sold to INSPYR Solutions, a portfolio company of A&M Capital Partners, for a cash amount of \$99 million. The transaction involved transferring certain assets and liabilities related to the Professional Division to BGSF Professional, LLC, selling the equity interests of the Company's foreign subsidiaries (excluding a 1% interest in an Indian subsidiary), and selling the equity interests of BG Finance and Accounting, Inc. and BGSF Professional, LLC to INSPYR Solutions Intermediate, LLC. [Link](#)

Hooker Furnishings Corporation (HOFT) | M.Cap: \$110M | Furnishings, Fixtures & Appliances

Hooker Furnishings Corporation discontinued its Accentrics Home product line and entered into an agreement for the full closure and lease termination of the Savannah Warehouse, which was primarily utilized for this product line, effective October 31, 2025. [Link](#)

Portillo's Inc. (PTLO) | M.Cap: \$440M | Restaurants

Portillo's announced a strategic reset of its development and growth plans, which included the discontinuation of its Chicago breakfast pilot to simplify operations. This announcement was made on September 10, 2025. [Link](#)

Ecovyst Inc (ECVT) | M.Cap: \$1000M | Specialty Chemicals

On September 10, 2025, Ecovyst Inc. entered into a Stock Purchase Agreement with Technip Energies N.V. to divest its Advanced Materials & Catalysts business to the Purchaser. This business constitutes Ecovyst's advanced materials and catalysts reporting segment. The transaction is expected to be completed in the first quarter of 2026. [Link](#)

Perma-Pipe International Holdings, Inc. (PPIH) | M.Cap: \$193M | Building Products & Equipment

On Sep 15, 2025, Perma-Pipe International Holdings (NASDAQ: PPIH) stated that it has initiated a strategic review to maximize shareholder value, with options including continuing execution of its business plan, a tax-efficient sale of one or more divisions, or a sale of the entire company. [Link](#)

LightPath Technologies (LPTH) | M.Cap: \$312M | Electronic Components

On Sep 15, 2025, LightPath Technologies (NASDAQ: LPTH) announced an \$8 million private placement from Ondas Holdings and Unusual Machines, with each investing \$4 million at \$5.00 per share. The proceeds will fund commercialization initiatives and working capital, while the partnerships strengthen LightPath's push into drone applications, leveraging its BlackDiamond™ Glass as a cost-effective U.S.-made alternative to Germanium amid global supply restrictions. [Link](#)

Forward Industries, Inc. (FORD) | M.Cap: \$2574M | Footwear & Accessories

In March 2025, Forward Industries decided to exit its Original Equipment Manufacturer (OEM) segment and committed to a sale plan. On May 16, 2025, it sold Forward Switzerland and other

OEM-related assets to Forward China, classifying the OEM segment as discontinued operations. This disposal represents a strategic shift with significant impact on operations and financial results, leaving the company with only one reportable segment going forward. [Link](#)

Lifeway Foods, Inc. (LWAY) | M.Cap: \$409M | Packaged Foods

On Sep 18, 2025, Lifeway Foods (Nasdaq: LWAY) announced that following Danone's withdrawal of its acquisition proposal, it will continue executing its growth strategy while exploring value-enhancing opportunities under the oversight of a Strategic Review Committee of independent directors. [Link](#)

Apartment Investment and Management Company (AIV) | M.Cap: \$1124M | REIT – Residential

On August 5, 2025, AIMCO agreed to sell its \$740M "Boston Portfolio" of five properties, completing the first closing on September 9 with four properties for \$490M; the \$250M sale of the fifth property is pending, and the transaction is treated as a discontinued operation due to its strategic impact. [Link](#)

Horizon Bancorp, Inc. (HBNC) | M.Cap: \$862M | Banks – Regional

Horizon launched a balance sheet repositioning strategy, raising equity in an August 22, 2025 stock offering, selling ~\$1.7B of investment securities, signing LOIs to sell ~\$190M of indirect auto loans (expected close by September-end), and reducing exposure to non-core, higher-cost deposits. [Link](#)

Toll Brothers, Inc (TOL) | M.Cap: \$13478M | Residential Construction

On September 18, 2025, the company announced an agreement for Kennedy Wilson to acquire its Apartment Living platform. Following the closing of the transaction, which is expected in October 2025, Toll Brothers intends to dispose of its remaining apartment and student housing properties over time and exit the multifamily development business. [Link](#)

LivePerson, Inc (LSPN) | M.Cap: \$28737M | Software – Application

The company plans the sale or other disposition of the business of Engage Pty Ltd. [Link](#)

Paramount Group, Inc (PGRE) | M.Cap: \$1446M | REIT – Office

On September 17, 2025, the company entered into an agreement to be acquired by Rithm Capital Corp. As part of this transaction, Paramount Group will merge with and into a subsidiary of Rithm Capital, and its separate corporate existence will cease. [Link](#)

OPKO Health, Inc. (OPK) | M.Cap: \$1190M | Diagnostics & Research

On September 15, 2025, OPKO Health divested BioReference's U.S. oncology lab testing businesses to LabCorp for up to \$225M in cash, including \$192.5M at closing and up to \$32.5M in contingent consideration. [Link](#)

Radian Group Inc. (RDN) | M.Cap: \$5041M | Insurance – Specialty

On September 18, 2025, Radian Group announced plans to divest its Mortgage Conduit, Title, and Real Estate Services businesses, aiming to complete the process by Q3 2026 as part of a strategic shift to become a global multi-line specialty insurer. [Link](#)

Service Properties Trust (SVC) | M.Cap: \$484M | REIT - Hotel & Motel

On September 16, 2025, the company sold two hotels with 318 keys for a combined price of \$25.0 million. This is part of an agreement to sell 113 hotels. To date, nine hotels have been sold for a combined price of \$88.9 million. [Link](#)

ePlus inc (PLUS) | M.Cap: \$1983M | Software – Application

On June 30, 2025, the company completed the sale of its domestic subsidiaries that made up the majority of its financing business segment. [Link](#)

Strata Critical Medical, Inc (SRTA) | M.Cap: \$496M | Airports & Air Services

Strata Critical Medical, Inc. Strata Critical Medical, Inc. divested its passenger business as part of a growth strategy. The divestiture was referred to as "recently completed" in documents dated September 16, 2025, and the company's 2025 financial outlook classifies the passenger business as "discontinued operations". [Link](#)

GameSquare Holdings, Inc (GAME) | M.Cap: \$77M | Electronic Gaming & Multimedia

GameSquare is discontinuing the operations of Frankly Media, its programmatic advertising solutions provider. This is a strategic shift to exit non-core, lower-margin operations. The cessation of Frankly's operations was expected to be completed on September 15, 2025. [Link](#)

Maxcyte, Inc. (MXCT) | M.Cap: \$165M | Medical Devices

On September 22, 2025, the Board of Directors of MaxCyte, Inc. approved a workforce reduction plan (the "Plan") as part of the Company's ongoing efforts to streamline operations, improve its cost structure, and align resources with strategic priorities. [Link](#)

Xponential Fitness, Inc. (XPOF) | M.Cap: \$382M | Leisure

Xponential Fitness, Inc. On September 19, 2025, the company announced the divestiture of its Lindora brand to Next Health Management Group, Inc. [Link](#)

Centerspace (CSR) | M.Cap: \$969M | REIT – Residential

The company completed the disposition of five communities in the St. Cloud, MN, market for an aggregate sale price of \$124.0 million. This transaction marks the company's exit from the St. Cloud market. [Link](#)

Evolent Health, Inc (EVH) | M.Cap: \$1048M | Health Information Services

On September 23, 2025, the company announced it had agreed to sell its value-based primary care business, Evolent Care Partners ("ECP"), to Privia Health Group, Inc. The CEO described this as a "strategic divestiture" to allow the company to focus on its core specialty business. The transaction, valued up to \$113 million, is expected to close during the fourth quarter of 2025. [Link](#)

Outdoor Holding Company (POWW) | M.Cap: \$176M | Aerospace & Defense

On April 18, 2025, the company completed the sale of its Ammunition Manufacturing Business to Olin Winchester, LLC for a gross purchase price of \$75,000,000. [Link](#)

AAR Corp (AIR) | M.Cap: \$2985M | Aerospace & Defense

AAR CORP. divested its Landing Gear Overhaul business. The impact of this divestiture is reflected in the company's adjusted organic sales growth figures for the first quarter of fiscal year 2026. The organic sales growth for the Repair & Engineering segment was 8%, which excludes the sales from the divested Landing Gear business. [Link](#)

XPLR Infrastructure, LP (XIFR) | M.Cap: \$912M | Utilities – Renewable

On September 22, 2025, several indirect subsidiaries of XPLR completed the sale of their interests in Meade Pipeline Co, LLC, and Redwood Meade Midstream MPC, LLC. Meade owned an investment in natural gas pipeline assets in Pennsylvania. XPLR received total cash consideration of approximately \$1.1 billion. [Link](#)

H.B. Fuller Company (FUL) | M.Cap: \$3074M | Specialty Chemicals

H.B. Fuller Company divested its North America Flooring business, with the sale occurring in the first quarter of fiscal 2025. [Link](#)

Ambac Financial Group, Inc. (AMBC) | M.Cap: \$393M | Insurance - Specialty

On Sep 29, 2025, Ambac Financial Group (AMBC) completed the \$420M cash sale of its legacy financial guarantee businesses (Ambac Assurance Corp. & Ambac Assurance UK) to Oaktree, finalizing its transformation into a pure-play MGA and specialty insurance platform. [Link](#)

Faraday Future Intelligent Electric Inc. (FFAI) | M.Cap: \$191M | Auto Manufacturers

On Sep 30, 2025, Faraday Future (FFAI) closed its \$41M PIPE investment in Qualigen Therapeutics (NASDAQ: QLGN), securing ~55% ownership, while Founder YT Jia added ~\$4M for ~7% ownership with a two-year lockup. QLGN will rebrand as CXC10 to focus on crypto and Web3, advancing FF's "Dual-Flywheel & Dual-Bridge" eco-strategy. [Link](#)

ALT5 Sigma Corp (ALTS) | M.Cap: \$305M | Software - Application

ALT5 Sigma had planned to spin off Alyea Therapeutics and finance it separately, but the previously announced June 2025 record date and timeline will not proceed as disclosed. [Link](#)

Mountain Lake Acquisition Corp. (MLAC) | M.Cap: \$325M |

Avalanche Treasury Co. (AVAT) will merge with Mountain Lake Acquisition Corp. (MLAC) in a \$675M+ deal, including \$460M in treasury assets, to list on Nasdaq in Q1 2026. Launching with a \$200M discounted AVAX token purchase, AVAT offers investors a 23% discount and targets a \$1B+ treasury. [Link](#)

Owens & Minor Inc/VA/ (OMI) | M.Cap: \$365M | Medical Distribution

On Oct 7, 2025, Owens & Minor (NYSE: OMI) announced a definitive agreement to sell its Products & Healthcare Services segment to Platinum Equity for \$375 million in cash and a 5% retained equity stake, transforming the company into a pure-play home-based care platform. [Link](#)

Trilogy Metals Inc. (TMQ) | M.Cap: \$1446M | Other Industrial Metals & Mining

On Oct 7, 2025, Trilogy Metals (NYSE American: TMQ; TSX: TMQ) announced a strategic \$35.6 million investment from the U.S. Department of War (DOW) to advance development of the Upper Kobuk Mineral Projects (UKMP) in Alaska, held through its 50/50 joint venture with South32. [Link](#)

Scilex Holding Company (SCLX) | M.Cap: \$130M | Drug Manufacturers - General

On September 23, 2025, Scilex Holding Company and its wholly-owned subsidiary, Scilex, Inc., entered into a Securities Purchase Agreement to sell 12,500,000 shares of common stock of its majority-owned subsidiary, Semnur Pharmaceuticals, Inc., to an institutional investor. The closing of this disposition of assets occurred on September 25, 2025. [Link](#)

Ambac Financial Group, Inc (AMBC) | M.Cap: \$401M | Insurance - Specialty

On September 29, 2025, Ambac Financial Group completed the sale of its legacy financial guarantee businesses, Ambac Assurance Corporation and Ambac Assurance UK Limited, to funds managed by Oaktree Capital Management, L.P. for \$420 million in cash. This sale marked the completion of the company's strategic transformation into a pure-play MGA and specialty insurance platform. [Link](#)

Tiptree Inc (TIPT) | M.Cap: \$688M | Insurance - Specialty

On September 26, 2025, Tiptree Inc. entered into an Agreement and Plan of Merger to sell its subsidiary, The Fortegra Group, Inc., to DB Insurance Co., Ltd. The acquisition price is \$1.65 billion in cash, and the transaction is expected to close in mid-2026. [Link](#)

SiriusPoint Ltd (SPNT) | M.Cap: \$2138M | Insurance - Specialty

On September 29, 2025, a subsidiary of SiriusPoint Ltd. entered into a definitive agreement to sell ArmadaCorp Capital, LLC, the holding company for its supplemental health insurance program manager, ArmadaCare. The business was sold to a subsidiary of Ambac Financial Group Inc. for a purchase price of \$250 million. The transaction is expected to close in the fourth quarter. [Link](#)

Green Plains Inc (GPRE) | M.Cap: \$703M | Chemicals

On September 25, 2025, Green Plains Inc. completed the sale of its ethanol plant located in Rives, Tennessee, to POET Biorefining – Obion, LLC for \$190 million in cash. [Link](#)

Service Properties Trust (SVC) | M.Cap: \$415M | REIT - Hotel & Motel

On September 23, 2025, SVC sold three hotels with 399 keys for a combined sales price of \$22.5 million. This is part of a larger plan to sell 113 hotels, and SVC remains under agreement to sell the remaining 90 hotels, with sales expected to be completed by the end of 2025. [Link](#)

CommScope Holding Company, Inc. (COMM) | M.Cap: \$3336M | Communication Equipment

The company entered into a purchase agreement to sell its Connectivity and Cable Solutions (CCS) reporting segment to Amphenol Corporation. The sources do not provide the date of the agreement or closing. [Link](#)

Sanuwave Health, Inc (SNWV) | M.Cap: \$268M | Medical Devices

The company completed the sale of certain intravascular shockwave patents, which was disclosed in a report filed on August 21, 2025. [Link](#)

Dana Incorporated (DAN) | M.Cap: \$2438M | Auto Parts

The company announced on September 30, 2025, that it has advanced the divestiture of its Off Highway business, which is expected to close late in the fourth quarter of 2025. [Link](#)

MVB Financial Corp. (MVBF) | M.Cap: \$341M | Banks - Regional

MVB Financial Corp. sold substantially all assets and operations of Victor Technologies, Inc. (Victor) to Jack Henry & Associates. The transaction was completed on September 30, 2025. Victor was a Fintech company and a wholly owned subsidiary of MVB Edge Ventures, Inc., and part of MVB Bank. The transaction is expected to generate a pre-tax gain of approximately \$33 million for MVB. [Link](#)

Chrome Holding Co. (MEHCQ) | M.Cap: \$101M | Diagnostics & Research

Chrome Holding Co. (formerly 23andMe Holding Co.) completed the sale of nearly all its assets related to the core consumer business—including the Personal Genome Service® and Research Services segments—to 23andMe Research Institute for \$302.5 million on July 14, 2025. It also agreed on September 10, 2025, to sell its Lemonaid Health telehealth platform to Lemonaid SPV, Inc. for \$10 million. Earlier, in November 2024, the company announced its exit from all therapeutics programs, discontinuing development and winding down clinical trials. [Link](#)

BioCryst Pharmaceuticals, Inc. (BCRX) | M.Cap: \$1528M | Drug Manufacturers - General

BioCryst Pharmaceuticals, Inc. completed the sale of its European ORLADEYO® business on October 1, 2025, transferring all equity interests in BioCryst Ireland Limited to Neopharmed Gentili S.p.A. for \$250 million in cash, subject to adjustments, with up to \$14 million in potential milestone payments. [Link](#)

SEACOR Marine Holdings Inc. (SMHI) | M.Cap: \$164M | Marine Shipping

SEACOR Marine Holdings Inc. completed the sale of two U.S. flag liftboats, L/B Jill and L/B Robert, along with certain uninstalled vessel equipment, to JAD Construction Limited on September 29, 2025, for a total of \$77 million—\$45 million for L/B Jill, \$31 million for L/B Robert, and about \$1 million for the equipment. [Link](#)

LXP Industrial Trust (LXP) | M.Cap: \$2724M | REIT - Industrial

LXP Industrial Trust closed the sale of two vacant development projects totaling 2,138,640 square feet in Ocala, Florida, and Indianapolis, Indiana, on September 30, 2025, for an aggregate gross sale price of \$175 million. [Link](#)

Bakkt Holdings, Inc. (BKKT) | M.Cap: \$919M | Software - Infrastructure

Bakkt Holdings, Inc. completed the sale of its loyalty and travel redemption business, including equity interests in Bridge2 Solutions, LLC, Aspire Loyalty Travel Solutions, LLC, Bridge2 Solutions Canada, Ltd., and B2S Resale, LLC, on October 1, 2025. [Link](#)

AngioDynamics, Inc. (ANGO) | M.Cap: \$458M | Medical Instruments & Supplies

AngioDynamics, Inc. divested its Dialysis and BioSentry businesses in June 2023 and sold its PICC, Midline, and tip location product portfolios in February 2024. The company also discontinued its Radiofrequency Ablation and Syntrax support catheter products as of February 29, 2024. [Link](#)

Helios Technologies, Inc. (HLIO) | M.Cap: \$1671M | Specialty Industrial Machinery

Helios Technologies, Inc. completed the sale of its Custom Fluid Power (CFP) business, a hydraulic fluid power solutions and service provider, to Questas Group on September 27, 2025. [Link](#)

Veritex Holdings, Inc. (VBTX) | M.Cap: \$1740M | Banks - Regional

Veritex Holdings, Inc. is exiting its independent existence through a planned merger with and into Huntington Bancshares Incorporated, which will remain as the surviving corporation. The merger is expected to close on October 20, 2025. [Link](#)

Veeco Instruments Inc. (VECO) | M.Cap: \$1789M | Semiconductor Equipment & Materials

Veeco Instruments Inc. is set to exit its independent existence through an all-stock merger with Axcelis Technologies, Inc., under which Veeco will become a wholly owned subsidiary of Axcelis. The transaction is expected to close in the second half of 2026. [Link](#)

ZimVie Inc. (ZIMV) | M.Cap: \$534M | Medical Devices

ZimVie Inc. is exiting its independent existence through a merger agreement to be acquired by Zamboni Parent Inc., with ZimVie continuing as the surviving corporation and becoming a wholly owned subsidiary of Parent. A stockholders meeting to approve the transaction is scheduled for October 10, 2025, with closing subject to customary conditions. [Link](#)

White Mountains Insurance Group, Ltd. (WTM) | M.Cap: \$4821M | Insurance - Property & Casualty

White Mountains Insurance Group, Ltd. entered into a definitive agreement on October 3, 2025, to sell its controlling interest in Bamboo, a data-enabled insurance distribution platform operating in California and Texas. The transaction values Bamboo at \$1.75 billion, with closing expected by the end of Q4 2025. White Mountains expects to receive about \$840 million in net cash proceeds and retain a roughly 15% fully diluted equity stake valued at \$250 million. [Link](#)

Green Plains Inc. (GPRE) | M.Cap: \$703M | Chemicals

Green Plains Inc. completed the sale of its ethanol plant in Rives, Tennessee, on September 25, 2025, to POET for \$170 million plus preliminary working capital of \$13.8 million. [Link](#)

Richardson Electronics, Ltd. (RELL) | M.Cap: \$154M | Electronic Components

The majority of the Healthcare segment assets were sold in January 2025. Following the sale, the Healthcare segment has been consolidated into the Power and Microwave Technologies Group (PMT) segment for reporting. [Link](#)

Braemar Hotels & Resorts Inc. (BHR) | M.Cap: \$179M | REIT - Hotel & Motel

The company entered into a definitive agreement on October 6, 2025, for the sale of The Clancy hotel located in San Francisco, California, for \$115 million in cash. The transaction is expected to close in the fourth quarter of 2025, anticipated for November 2025. [Link](#)

Owens & Minor, Inc. (OMI) | M.Cap: \$365M | Medical Distribution

Owens & Minor announced a definitive agreement for the sale of its Products & Healthcare Services (P&HS) segment to Platinum Equity. [Link](#)

SiriusPoint Ltd. (SPNT) | M.Cap: \$2138M | Insurance - Reinsurance

On October 6, 2025, SiriusPoint announced an agreement to sell its 49% equity stake in the managing general agent Arcadian Risk Capital to Lee Equity Partners for \$139 million, including a pre-close dividend. The share purchase agreement was signed on October 3, 2025, and the transaction is expected to close before the end of the first quarter of 2026. SiriusPoint anticipates recording a pre-tax gain of \$25–30 million upon completion. [Link](#)

Service Properties Trust (SVC) | M.Cap: \$415M | REIT - Hotel & Motel

On September 30, 2025, Service Properties Trust (SVC) completed the sale of five hotels totaling 640 keys for \$50 million as part of its broader agreement to sell 113 hotels. [Link](#)

AZZ Inc (AZZ) | M.Cap: \$3180M | Specialty Business Services

During the first quarter of fiscal 2026, AZZ Inc.'s AVAIL joint venture completed the sale of its Electrical Products Group (EPG) business to nVent Electric plc. Following the transaction, AZZ received \$273.2 million in distributions from AVAIL, which contributed to net cash provided by operating activities for the six months ended August 31, 2025. [Link](#)

RYTHM, Inc (RYM) | M.Cap: \$96M | Farm & Heavy Construction Machinery

Effective September 2, 2025, Agrify Corporation changed its corporate name to RYTHM, Inc. The company fully exited its legacy operations, ceasing all Extraction Business activities as of March 31, 2025, and having previously sold its Cultivation Business on December 31, 2024. Separately, on December 12, 2024, the company acquired substantially all assets related to the Señorita beverage brand, marking a strategic shift toward the beverage sector. [Link](#)

EXTRACTS FROM THE FUND LETTERS

Fund Name: The Hayden Capital

Source: <https://haydencapital.com/#hc-il>

Company Name: SmartRent, Inc. (SMRT)

Market Cap: \$278M

PORTFOLIO REVIEW: SmartRent (SMRT)

This quarter, we sold our remaining shares in SmartRent. "Disappointing" is the only way to describe our investment over the last three years.

While shareholders could easily blame it on the macro environment, I think our investment mistake runs much deeper. It was misjudging the people.

We first invested in mid-2022, and were excited by a rapidly growing software business, that was disrupting the multifamily apartment industry. Revenues grew y/y the first year of our ownership, and traction continued at y/y in 2023. Meanwhile operating margins trended in the right direction, improving from to during that time frame – well on their way to profitability the following year. (See our original investment thesis for more information).

Starting with smart access (keyless entry), SmartRent had an opportunity to eventually become the "operating system" for multifamily rental operations.

But the problems started as interest rates jumped over the past few years. For their multifamily customers, it became harder to finance & acquire new buildings for their portfolios. SmartRent's new deployments fell alongside these declining industry transaction volumes.

SmartRent installation costs \$1,300 per apartment unit, and \$3 - 8 per month afterwards. Elevated interest rates mattered for a couple reasons. First, new buildings typically install SmartRent after being bought by a customer that uses SmartRent for the rest of their portfolio.

For example, the bulk of SmartRent's customers are large public REITs or multifamily owners that own units. When these customers buy a new 200-unit property, they're going to install SmartRent to integrate with the rest of their properties, since the technology allows them to efficiently manage the operations and maintenance of their entire portfolio.

Second, the upfront cost of several hundred thousand dollars is considered capex, and financed as part of the property transaction or funded separately with debt. As interest rates rise, it makes it harder to borrow money and the interest burden harder to justify.

But with over \$200M on the balance sheet (of total market cap), we were betting that SmartRent had more than enough capital to weather this headwind. In the meantime, they could focus on deploying their backlog, and getting to profitability through pricing increases.

For example, they had 550K units actively "deployed" in 2022, but also a backlog of over 850K "committed" units with signed contracts and just waiting to be installed.

However, by early 2024, cracks started appearing in the thesis. We started seeing SmartRent's institutional customers delay their backlog installations – choosing to conserve cash instead of deploying it in an uncertain real estate environment.

Not only did this affect growth, but also part of our original thesis is that the medium & small sized owners would be spurred to adopt this technology, forced by competition by the large players. These smaller operators tended to pay software rates closer to \$8 per unit per month, versus the \$3-4 the larger customers were paying.

I always saw signing the large customers as benefitting SmartRent's brand (i.e. "if Equity Residential (EQR) is using it, we [a smaller owner] should try it too"), while the real profits would come from higher margin "long-tail" customers. As such, these changes affected SmartRent's cash flow trajectory.

However, the final straw came when I learned about the board of directors' disputes with Lucas (SmartRent's founder), on the interim growth strategy and their subsequent handling of the situation.

Lucas wanted to launch new products to sell to their Top 15 customers (the ones who own units), in an effort to grow wallet share / revenues with them. However, this came at the cost of higher R&D and manufacturing costs – a major reason why SmartRent wasn't profitable yet.

Alternatively, the board wanted to focus on the high-margin software piece, and focus on raising ARPU and renewing their sales effort to grow their customers into the "long-tail" customer base (the ones who pay \$8 per month).

I agreed with the board's strategy, but ultimately disliked their way of handling the situation. I'll save the gritty details, but effectively the disagreement / lack of goodwill was so large, that Lucas resigned the same day that the board voted in going in a new direction (in July 2024). Obviously, the sudden departure of the founder & long-time CEO isn't good for anyone.

The company spent six months looking for a replacement and announced a new CEO starting in February 2025. But Shane Paladin lasted a mere 6 weeks, before the board asked him to leave in April 2025. He was then replaced by Frank Martell, who has been on the board for a year. Frank was previously the CEO of loanDepot (LDI), and the CEO of CoreLogic before that.

While I believe the board ultimately made the right decision in bringing Frank into the seat, the manner in which it was handled left a bad taste in our mouth. I've met the Chairman of the Board, in-person and over Zoom several times. While I think he and the rest of the board have good intentions and are moving the company in the right direction, I just fear the company doesn't have enough sense of urgency. There are also a few members of the board where I question if there would be more appropriate replacements.

I do think the fundamental business problems are fixable – but it needs the right people & culture in place. The company needs to move faster, and they just aren't at this time. As such, we chose to exit our position earlier this year.

I don't think this is the end of the story for SmartRent, and still believe they'll reach profitability soon. But given the concentrated nature of our portfolio, we don't have room for companies

who don't operate at their full potential. So we'll watch the situation unfold from the sidelines for now, and have reallocated the proceeds into more attractive opportunities.

This mistake cost us on the position. We purchased our shares at an average cost of \$3.34 and sold them at an average of \$1.66. We've learned a costly lesson in the misjudgment of people.

Fund Name: Tourlite Capital

Source: https://static.seekingalpha.com/uploads/sa_presentations/914/113914/original.pdf

Company Name: Sable Offshore Corp. (SOC)

Market Cap: \$2.6B

We continue to see asymmetric upside as Sable approaches the restart of its pipeline. The company now expects first revenue in September, having completed all required repairs outlined in the Consent Decree governing the restart. Final approval from the Office of the State Fire

Marshal (OSFM) could come at any time. Regulatory risk remains an important factor, with the Coastal Commission trial scheduled for October.

Management has increased reported oil in storage to 350k barrels, up from 130k barrels in the first quarter, and expect sales to ramp quickly once approval is granted. The company has also outlined plans to initiate a \$4 dividend.

Fund Name: Riverwater Small Cap Strategy

Source: <https://riverwaterpartners.com/wp-content/uploads/2025/07/Q2-2025-Small-Cap-Strategy-Commentary.pdf>

Company Name: Centrus Energy Corp. (LEU)

Market Cap: \$3.7B

Centrus Energy (LEU) was our top contributor for Q2 and a new addition to the portfolio in the quarter. LEU supplies nuclear fuel components for the nuclear power industry. The stock returned roughly 181% in Q2, driven by a strong earnings report, positive news flow on the nuclear industry from the US administration, large investment bank buy initiation reports with high price targets, and likely some short covering. LEU surged from the \$60s—where we initiated our position—to over \$200 per share by quarter-end. While we did not establish a full position initially, we continue to believe there are meaningful catalysts ahead that could drive further upside. Given the rapid price appreciation, we took the opportunity to trim a small portion of the position in the \$200s, maintaining a core stake in anticipation of continued momentum.

Centrus Energy Corp. (LEU): Centrus represents a unique investment opportunity at the intersection of national security, nuclear energy independence, and next-generation reactor technology. As the only U.S.-owned and licensed producer of both Low-Enriched Uranium (LEU) and High-Assay Low-Enriched Uranium (HALEU), Centrus is poised to fill a critical supply gap in a market historically dependent on Russian imports. The company's strategic transformation from a broker of foreign-sourced nuclear fuel to a domestic producer is underpinned by strong

government support, demonstrated by multi-billion-dollar DOE contracts worth up to \$3.4 billion and a growing backlog of \$3.8 billion.

With an unmatched regulatory position and commercial partnerships with major players like TerraPower and Oklo, Centrus stands to benefit from both near-term LEU demand and long-term HALEU-driven growth. However, execution risks around scale-up, funding, and geopolitical volatility remain key factors to monitor as the U.S. nuclear renaissance unfolds.

Company Name: Vestis Corporation (VSTS)

Market Cap: \$593M

Vestis Corporation (VSTS) significantly underperformed in Q2 2025, weighed down by a sharp decline in revenue and a surprising swing to a net loss. Revenue dropped more than analysts anticipated—driven by lower rental volumes and direct sales from existing customers. The company incurred a loss in net income, missing expectations for a modest profit and taking a hit from a one-time bad-debt charge. In response, Vestis eliminated its dividend and amended its credit agreement to shore up liquidity, but these moves highlighted both financial stress and diminished investor confidence in the near-term outlook. We still hold a small position in the stock but could look to sell in the future if the situation does not improve.

Company Name: Knife River Corporation (KNF)

Market Cap: \$4.5B

Knife River Corporation (KNF): KNF is a vertically integrated construction materials and contracting firm operating across 14 U.S. states, with leadership positions in aggregates, ready-mix concrete, and asphalt production. Backed by 1.2 billion tons of aggregate reserves and a network of over 360 material sites, KNF plays a critical role in supplying infrastructure projects such as roads, bridges, and airport runways. The company benefits from durable demand trends driven by the Infrastructure Investment and Jobs Act, with 62% of allocated funds yet to be spent in its core markets and a \$938.7 million backlog heavily skewed toward public-sector projects. Since its 2023 spin-off from MDU Resources Group, Inc. (MDU), KNF has expanded EBITDA margins by 460 bps, with further upside guided by The EDGE program's pricing, throughput, and efficiency initiatives as well as accretive M&A activity. With stable public revenue exposure, significant operating leverage, and improving margins versus peers, KNF offers compelling long-term value amid the nation's urgent infrastructure upgrade cycle.

Company Name: HealthStream, Inc. (HSTM)

Market Cap: \$830M

HealthStream (HSTM): Founded in 1990, HSTM originally pioneered the use of online learning to hospitals, with courses specifically tailored to educate healthcare professionals and meet hospitals' required regulatory needs, i.e., Red Cross training. Today, HealthStream's solutions help hospitals effectively onboard, retain, engage, educate, manage, and develop workforce talent; meet rigorous GRC requirements; optimize staff scheduling and capacity management; and automate the management of medical staff credentialing, privileging, and enrollment. To achieve this, HSTM has developed its proprietary hStream SaaS technology platform, which is designed to create interoperability among the various applications in its ecosystem. HealthStream serves a large and growing TAM of approximately 22 million health care service providers employed in the healthcare and social services segment of the economy. The 5.4 million hospital-based healthcare professionals registered with Medicare are required by

federal and state mandates and accrediting bodies to complete training, including OSHA safety training, HIPAA confidentiality training, etc. Additionally, ongoing pressure to reduce costs by healthcare organizations has driven interest in help with scheduling, capacity management, credentialing, and privileging for healthcare employees. HealthStream's new platform enables customers to leverage the information on these segments and gain efficiencies.

Founder Robert A. Frist, Jr., has been achieving his vision to help healthcare providers effectively manage their most important asset – their people – since the company's founding in 1990. The company is projected to grow revenue and EBITDA by 6-8% and 10-12% annually. This accelerating growth profile and reasonable multiple should enable HealthStream to be a good compounder over time.

Company Name: AtriCure, Inc. (ATRC)

Market Cap: \$1.8B

Atricure Inc. (ATRC): ATRC is a leading innovator of treatments for atrial fibrillation (Afib), left atrial appendage (LAA) management and post-operative pain management. Afib is an irregular heartbeat, or arrhythmia, which affects over 37 million people worldwide, including more than eight million people in the United States, and is a growing epidemic. It is the most common cardiac arrhythmia encountered in clinical practice and results in high utilization of healthcare services and significant cost burden. ATRC serves the Cardiac (open-heart) and Minimally-Invasive Ablation and LAAM markets. ATRC's cardiac ablation and LAAM products are used by physicians during open-heart and minimally invasive surgical procedures.

Minimally invasive procedures (MIA) are performed on a standalone basis and often include multidisciplinary or "hybrid" approaches, combining surgical procedures using AtriCure ablation and AtriCure LAAM products with catheter ablation performed by an electrophysiologist. ATRC's pain management solutions are used by physicians to freeze nerves during cardiothoracic or thoracic surgical procedures. Many surgeons use multimodal pain management strategies that include oral delivery of opioid and non-opioid pain medications. ATRC cryoICE cryoSPHERE probe for pain management (Cryo Nerve Block) provides temporary relief of postoperative pain, allowing the patient's body to heal after surgery while the nerves regenerate and sensation is regained.

ATRC expects revenue to grow 14-16% annually, and will be cash flow positive going forward. The stock sold off during 2024 as newly introduced pulse-field ablation (PFA) procedures took most of the cardiology lab's attention during 2024, causing surgical ablation/LAAM procedures to fall, negatively impacting ATRC. Using the EU's previous experience with PFA taking mindshare and market share a few years ago, and then returning to cardiac ablation and LAAM as an example, ATRC should be well-positioned to resume this growth trend in 2025.

Fund Name: Cove Street Capital

Source: [Strategy Letter | Number 60 | The Endless Summer — Cove Street Capital](#)

Company Name: Six Flags Entertainment Corporation (FUN)

Market Cap: \$2.3B

Which brings us to Six Flags Entertainment (FUN) – FUN. This has been owned on and off for 25 years along with a few of its peers from time to time. It has cyclicalities in the business and how investors value it. We would and continue to argue that a well-run regional theme park business

is a solid moat business with high margins, returns and solid free free-cash flow. But it is not a straight line due to “need something new” capex spending and the vagaries of attendance, which can be affected by general economic conditions, gas prices, and the relative insanity of management on how they price tickets. But somehow, here we are 25 years later making almost the same pitch. We see higher labor costs as real, but much of the rest is the same. This is a place for kids under 21 to get the hell out of their parent’s Dodge and for the next generation of parents who have exhausted every other entertainment option for their kids. You know who you are. One thing that has changed is we have a mess on a much bigger scale as Six Flags and Cedar Fair merged last year, bringing together a management team that couldn’t run a theme park with a management team that can’t run an integration.

Naturally, we think we know better. And we aren’t tied to legacy acrimony. So we are sticking our nose in the mix here and being public with this Letter to the Board. First a word to the math. Take the trailing 12 months and add 20% to it and put a ten multiple of EBITDA. Then take the Aspirational Plan in the Sky and take 20% off it and put on a ten multiple. That will give you roughly 39 and 77. That is unadjusted for nonsense or stock comp and uses the current debt level. The stock is 23 as of this writing. Different fun can be had taking capex down and making attendance projections on a DCF. And there is arguably well north of \$500mm of potential asset sales that will barely dent operating earnings. One of the funny things about theme parks is many of them were built “way out of town” 30 years ago. Now, they are right in the middle of high-end suburban construction where “higher and better use” may be a value add.

Read the letter. We have a “guy” who sits on the Board with a non-theme park background. That background was CFO for a decade of what has become ABInBev (BUD), so he has the ability to set in place proper integration at a pace that is not the current pony trot. This is not “activism,” this is simply paying attention to what you own and helping shorten the road to the bank.

The work in recent weeks in Six Flags is oddly reminiscent of the world in 1999 when efforts were focused in “insurance and food” as the natural antidotes to the dot-com craziness on that time. I “feel” a whiff of that pattern today. I think I have used this Walter Lippmann quote before, but I still like it... “I am ashamed,” Lippmann wrote of his post-World War I idealism, “all the more so because I had no excuse for not knowing better.”

Company Name: Viasat, Inc. (VSAT)

Market Cap: \$4.1B

In closing, we continue to hate many things we see about the world at large and continue to see places to put fresh money. Yes, we still own a LOT of Viasat (VSAT) and are happy to chat with whomever wants that update, but \$45 is a first stop for us. New ideas include more Aerospace and Defense, more AG Chemical, and an influencer marketing company. And activity has included reducing what has suddenly become more popular beyond its means and paying attention to position sizing.

Fund Name: McIntyre Partnerships

Source: https://mcusercontent.com/62fde6ed921acc0a0407c30f4/files/e856cea0-ff00-45f9-931a-26d020501a93/McIntyre_Partnerships_Q2_2025_Letter.pdf

Company Name: Sotera Health Company (SHC)

Market Cap: \$4.4B

Over the last two years, SHC has been experiencing an atypical downturn in its end markets. I describe it as atypical, as one does not normally think of things like hip replacements and syringes as economically sensitive. However, excessive stocking of medical equipment during COVID and hoarding during the 2021 supply chain shortages created bloated inventories at hospitals and distributors, which, as these customers returned to normal inventory levels, resulted in flat volumes versus SHC's historical mid-single digit volume growth. While SHC's share price has expressed great skepticism, given my belief in SHC's dominant position and long-term healthcare trends, I was confident it was a matter of when, not if, SHC's volumes recovered. During H1, management's tone began to change regarding the recovery, and SHC reported 6% volume growth in Q2, confirming my thesis and driving SHC's shares from -16% YTD at the end of June to +21% at the end of August.

I believe this quote from the conference call best expresses the current outlook for SHC:

Michael Polark, Analyst:

As we reflect on the last 2, 3 years... of, let's call it, post-COVID destocking of COVID era inventory bloat. We've worked through it because end markets are still pulling through units like hospital utilization and procedures and people are taking drugs and all the stuff. And like [business] is back [to normal].

Michael Petras, CEO:

Yes, Michael, I think some of your comments are right on. We've been talking the last couple of quarters that we are not hearing about destocking in a significant way, right? We've been telling you that. And again, we're not hearing that at all. I think you're starting to see volumes starting to match up a little closer with the volumes that you're seeing in the end markets.

We saw it across multiple categories here. We talked about bioprocessing a minute ago, but we're seeing it across multiple categories. And as we said earlier in the year, we expected that to continue throughout the year, and we think that will still be the case. And our customers, we're in active dialogue with them and the volumes are coming through.

For perspective, SHC grew volumes 4-7% from 2019 through 2022, and during that time SHC traded 18- 22x EBITDA. If SHC can return to its historical EBITDA growth of ~10%, I believe SHC will again be viewed as a consistent compounder, warranting a high multiple. 18x my 2027 EBITDA estimate would yield \$35 versus the current \$16 price.

Company Name: Seaport Entertainment Group Inc. (SEG)

Market Cap: \$309M

In August, SEG announced two significant catalysts. First, SEG improved operations to a \$7MM adjusted loss in Q2 2025 from a \$28MM adjusted loss in Q2 2024. Second, SEG announced the sale of 250 Water Street for \$151MM, yielding pro-forma net cash of ~\$17 per share versus its current \$24 price. Further, I estimate 250 Water Street was ~\$10MM annual drag on results and believe the additional cash can result in at least \$5MM of annual interest income. With this swing in profitability, I believe SEG will be comfortably profitable as Meow Wolf and other recently signed tenants begin operations over the next two years. I project \$3 in 2028 FCF/sh. with at least \$10 in net cash. A 15x multiple and credit for net cash yields a \$55 price target.

Fund Name: Silver Beech Capital

Source: [Silver Beech - Second Quarter 2025 Investor Letter \(9.2.2025\)](#)

Company Name: Southwest Gas Holdings, Inc. (SWX)

Market Cap: \$5.5B

Southwest Gas Holdings ("SWX") is a mid-capitalization holding company with two segments: (i) Southwest Gas Corporation, a stable, regulated natural gas utility serving customers in Arizona, Nevada, and California, and (ii) a majority-owned stake in Centuri Holdings (CTRI), a North American utility infrastructure services company.

Our investment thesis is centered on a straightforward premise: the true value of SWX's core regulated utility business is currently obscured by Centuri's consolidated financials, which are in the final stages of being simplified. As this simplification occurs over the coming quarters, we anticipate a significant re-rating of the company's valuation, driven by several powerful catalysts.

Catalyst 1: Deconsolidation. The Path to a Pure-Play Utility

As of the second quarter, SWX holds a ~52% stake in Centuri, requiring the consolidation of Centuri's financials. This accounting treatment masks the financials of the core utility. We expect SWX will continue to sell down its Centuri position to below the 50% ownership consolidation threshold within the next six months. The resulting deconsolidation will be a pivotal event, clarifying the investment case for a broader universe of investors and likely triggering credit rating upgrades. The market has historically rewarded pure-play utilities with higher valuations, and we expect SWX to benefit from this migration of capital as dividend-focused funds and retail investors recognize the less-levered, streamlined enterprise.

Catalyst 2: Deleveraging. Fortifying the Balance Sheet

The proceeds from Centuri stock sales are being deployed in a shareholder-friendly manner. Management is systematically reducing holding company debt, which strengthens the balance sheet and mitigates the need to issue the company's equity at currently depressed prices to fund growth. Our conviction in this disciplined capital allocation strategy is reinforced by the presence of Carl Icahn's nominees on the Board of Directors (3 of 11 seats) and large equity ownership in the company, which provides strong oversight and an alignment with shareholder interests.

Catalyst 3: Understated Rate Base Growth. Market-Leading Growth

The core utility operates in prime service territories (Arizona, Nevada, California) characterized by robust population growth and accelerating demand for natural gas. While management has guided to a 6%-8% compounded annual growth rate (OTC:CAGR) for its rate base over the next five years, our analysis suggests this is conservative.

This official guidance notably excludes the ~\$1+ billion incremental rate base opportunity at SWX's Great Basin Gas Transmission Company. Factoring in this opportunity, we project a more realistic 8%- 12% rate base CAGR. For a regulated utility, this level of growth is exceptional and market-leading, and is not yet reflected in the company's low valuation. As SWX's earnings are intrinsically linked to rate base growth, this represents a powerful, underappreciated driver of future income.

Figure 1: Pipeline construction at SWX's Great Basin Gas Transmission Company

Figure 1: Pipeline construction at SWX's Great Basin Gas Transmission Company

Catalyst 4: Enhanced Profitability. Improving Regulatory Landscape

Historically, SWX has been hampered by backwards-looking regulatory frameworks in Arizona and Nevada, creating a "regulatory lag" that prevented the company from earning its authorized return on equity (ROE). This headwind is shifting as recent legislative and regulatory actions in both states now permit the use of forward-looking formula rates (Arizona in December 2024, Nevada in June 2025). This structural improvement in the regulatory framework will directly address regulatory lag, helping SWX to close the gap between its achieved and authorized ROE and grow its earnings power.

SWX Conclusion

in aggregate, these catalysts of corporate simplification, deleveraging, superior growth, and regulatory tailwind create a powerful case for a substantial re-rating of SWX's valuation. We believe a premium multiple of 1.6x – 1.8x EV / rate base is warranted for this high-quality regulated utility, leading to an intrinsic value of \$104 – \$124 per share. This represents 40%+ upside from SWX's June 30, 2025 share price.

Fund Name: ClearBridge SMID Cap Growth Strategy

Source: [ClearBridge Investments](#)

Company Name: Ashland Inc. (ASH)

Market Cap: \$2.5B

After several quarters of poor performance, we made the decision to exit our holding in Ashland (ASH), a specialty chemical company in the materials sector that provides additives and specialty ingredients to customers in the life sciences, personal care and household, and specialty and solvents industries. The company has struggled to overcome the headwinds posed by persistent destocking and divestiture trends over the last few years, and the added macro pressures from tariffs and economic uncertainty, combined with recent management turnover, have reduced confidence in our long-term thesis.

Fund Name: ClearBridge Small Cap Strategy

Source: [ClearBridge Investments](#)

Company Name: Oxford Industries, Inc. (OXM)

Market Cap: \$770M

Oxford Industries, an apparel company that includes brands such as Tommy Bahama and Lilly Pulitzer, also stumbled due to increased tariff costs and softening consumer spending. However, while near-term tariff pressures and lower guidance have weighed on the stock, management's focus on accelerating its supply chain away from China (with an expected full exit by 2026) and its focus on brand innovation and core customer engagement leave us optimistic about the company's future.

Company Name: Anterix Inc. (ATEX)

Market Cap: \$404M

Meanwhile wireless communications company Anterix (ATEX) drifted lower despite exceeding earnings expectations for its fiscal third quarter, as revenue came in lower than expected and net margins declined. However, we believe that the company's expansion agreement with the Lower Colorado River Authority, which will expand broadband coverage to 102 counties in Texas, highlights the scale of its spectrum capabilities.

Company Name: Abacus Global Management, Inc. (ABL)**Market Cap: \$606M**

We also exited our position in alternative asset manager Abacus Global (ABL). Since initiating the position, the company has transitioned its strategy to focus on its brokerage division and has further raised concerns about performance after lowering its discount rate to improve margins in the first quarter of 2025. With declining conviction in the company, a short report alleging Abacus had inflated the value of policies purchased through a conflict of interest with its third-party valuation partner prompted us to exit the position.

Fund Name: LRT Capital Management

Source: https://www.lrtcapi.com/wp-content/uploads/2025/10/2025-09-September-Investor-Update.pdf?utm_source=newsletter&utm_medium=email&utm_term=2025-10-05&utm_campaign=LRT+Global+Opportunities+September+2025+-+Investor+Update

Company Name: StoneX Group Inc. (SNEX)**Market Cap: \$5.2B**

StoneX Group Inc. operates as a diversified and globally- focused financial services network, providing a critical suite of products that connect clients to the world's markets. The company delivers execution, clearing, payment, and advisory services across a broad range of asset classes, including commodities, foreign exchange, and securities. While the financial services industry is intensely competitive, StoneX has carved out a formidable position by focusing on underserved client segments and providing high-touch expertise in complex, niche markets. This has established the firm as an indispensable partner for its clients and a durable, compounding enterprise.

The company's competitive advantage is built on a foundation of deep institutional knowledge, comprehensive service offerings, and a robust global infrastructure. StoneX acts as a vital intermediary for thousands of commercial, institutional, and retail clients who rely on its platform to manage risk and transact efficiently. In the physical and financial commodity markets, for example, the company provides not just execution but also vital market intelligence and logistical support, a level of service that larger, more transactional-focused institutions often neglect. This high-touch, value-added approach fosters deep, long- standing client relationships characterized by high switching costs.

StoneX's growth strategy is a disciplined combination of organic expansion and strategic acquisitions. The company has a long history of successfully acquiring and integrating businesses that add new capabilities, expand its geographic footprint, and broaden its client

base. The transformational acquisition of GAIN Capital, for instance, significantly scaled its retail foreign exchange and CFD business, creating new avenues for growth and cross-selling opportunities across the entire StoneX network. Management has proven adept at identifying complementary businesses and leveraging the firm's existing infrastructure to unlock synergies and enhance profitability.

This acquisitive growth is supported by a strong and consistent focus on organic investment in technology and talent. The firm continuously enhances its proprietary platforms to provide clients with more efficient execution and better access to market data and insights. This commitment to technological leadership, combined with a culture that attracts and retains top talent with specialized market expertise, creates a powerful and self-reinforcing business model. Management's disciplined approach to risk management and capital allocation ensures that growth is pursued prudently, with a clear focus on generating sustainable, long-term shareholder value. In a complex and often opaque financial world, StoneX provides clarity, access, and expertise, making it a critical part of the global financial ecosystem.

Company Name: Simpson Manufacturing Co., Inc. (SSD)

Market Cap: \$7B

Simpson Manufacturing Co., Inc. represents a category-defining enterprise and the undisputed leader in the North American market for engineered structural connectors. Through its iconic Simpson Strong-Tie brand, the company provides essential, high-performance products that are critical to the structural integrity and safety of residential and commercial buildings. The company's deep competitive moat, rooted in decades of innovation, exceptional service, and unparalleled brand equity, have solidified its position as a mission-critical partner to the construction industry, making it a truly high-quality, compounding enterprise.

The cornerstone of Simpson's durable competitive advantage is its products being specified directly into building codes. Architects, engineers, and builders do not simply choose Simpson products; they are often required to use them to meet stringent local and national safety standards for seismic activity, high winds, and general structural load. This creates immense switching costs, as deviating from the specified product would require costly and time-consuming engineering re-evaluations. The brand itself has become synonymous with trust and reliability, a reputation earned through a relentless focus on product quality, rigorous testing, and engineering excellence. This trust is a powerful, intangible asset that is nearly impossible for a competitor to replicate.

Furthermore, Simpson has cultivated an unmatched distribution network and service model. Its products are ubiquitously available through a vast network of home centers, lumberyards, and contractor suppliers, ensuring that builders have immediate access to the necessary components. This physical availability is augmented by best-in-class technical support and field service for engineers and contractors, reinforcing its role as an indispensable partner rather than a mere product supplier. This holistic approach—from code specification to engineering support to on-site availability—cements Simpson's dominant market position.

The company's growth is propelled by durable, secular tailwinds. The persistent need for new housing construction and the consistent, non-discretionary nature of the repair and remodel market provide a stable foundation for demand. Moreover, the increasing frequency of extreme

weather events and a growing focus on building resiliency are driving stricter building codes, which in turn increases the content and value of Simpson's products per structure. Management has a long and proven track record of operational excellence and disciplined capital allocation. The company consistently generates strong free cash flow, which it prudently reinvests in product innovation and strategically returns to shareholders through consistent dividends and opportunistic share repurchases.

In essence, Simpson Manufacturing is not just a building products company; it is a critical component of the construction safety ecosystem. Its entrenched position in building codes, trusted brand, and comprehensive service model create a formidable competitive fortress. This allows the company to capitalize on the enduring need for safer, more resilient buildings, ensuring a long runway for continued growth and value creation.

Company Name: Asbury Automotive Group, Inc. (ABG)

Market Cap: \$4.9B

Asbury Automotive Group, Inc. stands as a premier operator and strategic consolidator within the vast U.S. automotive retail landscape. The company manages a geographically diverse and growing portfolio of dealerships, providing a comprehensive suite of offerings that includes new and used vehicles, financing and insurance products, and, most critically, parts and service operations. While the automotive retail sector is often characterized as fragmented and cyclical, Asbury's disciplined operational methodology, clear strategic focus, and shareholder-friendly capital allocation have established it as a category leader with a durable model for long-term, profitable growth.

The fundamental competitive advantage of Asbury is rooted in the resilience of its business model, particularly its high-margin parts and service segment. This division generates a consistent, annuity-like revenue stream that provides significant profit stability throughout economic cycles. As vehicles become increasingly complex and technologically advanced, the specialized expertise and equipment housed within a franchised dealer's service bay become ever more essential, deepening this protective moat against independent competition. This operational backbone is complemented by the company's strategic focus on owning dealerships with desirable import and luxury brands situated in attractive, high-growth metropolitan areas. This brand mix not only ensures access to a strong and resilient customer base but also drives higher-margin service work and greater customer loyalty over the lifetime of the vehicle.

Management has cultivated a well-defined, dual-pronged strategy for growth that demonstrates both discipline and ambition. First, Asbury has proven itself to be a highly effective and shrewd consolidator in an industry with a long runway for consolidation. Its ability to execute large-scale, strategic acquisitions was best demonstrated by the transformational purchase of Larry H. Miller Dealerships, a move that significantly expanded the company's operational footprint and earnings power. This transaction, the second-largest of its kind in the industry's history, underscored management's capability to identify, integrate, and extract value from major acquisitions, fundamentally reshaping the company's scale and competitive posture.

Second, this acquisitive growth is balanced with a deep commitment to organic improvement and digital innovation. The company's proprietary "Clicklane" platform provides a seamless, end-to-end digital retailing tool, fully integrating the online and in-store guest experience. This

omnichannel approach is more than a convenience; it is a significant competitive advantage that addresses the evolving preferences of the modern consumer while driving operational efficiencies and enhancing customer loyalty. By creating a frictionless, transparent process, Asbury captures and retains customers more effectively than smaller competitors who lack the scale to invest in such a sophisticated platform.

This synthesis of a robust and stable service business, a proven M&A engine, and a forward-looking digital strategy is underpinned by a disciplined capital allocation framework. Management has consistently demonstrated a commitment to creating shareholder value, opportunistically repurchasing shares and prudently managing its balance sheet to maintain financial flexibility for future growth. Asbury is not merely participating in its industry; it is actively shaping it, creating a platform designed to compound shareholder value for the long term.

Company Name: Chemed Corporation (CHE)

Market Cap: \$6.4B

Chemed Corp. represents a unique and highly successful holding company, operating two distinct, market-leading businesses in entirely non-correlated sectors: VITAS Healthcare, the nation's largest provider of end-of-life hospice care, and Roto-Rooter, the premier provider of plumbing and drain cleaning services in North America. This unconventional structure is masterfully managed with a disciplined focus on operational excellence and shareholder-friendly capital allocation, creating a remarkably resilient and durable compounding enterprise.

The cornerstone of the Chemed portfolio is VITAS Healthcare. As a category-defining leader in hospice care, VITAS benefits from one of the most powerful and predictable secular tailwinds: the aging of the U.S. population. The demand for high-quality, compassionate end-of-life care is set for a multi-decade expansion, and VITAS is uniquely positioned to meet this need. Its competitive moat is built on its immense scale, its clinical expertise in managing complex patient needs, and its deep, long-standing relationships with referral sources within the healthcare community. The business operates under the stable and predictable reimbursement framework of the Medicare hospice benefit, which provides excellent revenue visibility.

Complementing this is Roto-Rooter, an iconic brand with unparalleled recognition in its industry. Roto-Rooter operates in the highly fragmented and essential plumbing and drain cleaning market. Its services are non-discretionary and recession-resistant; a clogged drain or a burst pipe requires immediate attention regardless of the broader economic climate. The company's primary competitive advantage is its brand, a powerful intangible asset cultivated over nearly a century of reliable service and effective marketing. This allows it to command premium pricing and generate consistent demand from both residential and commercial customers. This brand strength, combined with a flexible operating model of company-owned branches and independent franchisees, allows for deep market penetration and efficient service delivery.

The genius of the Chemed model lies in its corporate strategy. The parent company acts as an expert capital allocator, allowing the individual business units to focus entirely on their operational execution. The robust and steady cash flows generated by these two best-in-class businesses are then prudently deployed by management. Chemed has a long and consistent

history of returning significant capital to shareholders through a growing dividend and opportunistic share repurchases. By combining two market leaders with completely different demand drivers—one driven by demographics, the other by necessity—Chemed has constructed a uniquely durable enterprise built to create shareholder value for the long term.

Company Name: RLI Corp. (RLI)

Market Cap: \$5.9B

RLI Corp. stands as a premier specialty insurance company, a category-defining enterprise that has distinguished itself through a culture of exceptional underwriting discipline. For decades, the company has successfully navigated the complexities of the property and casualty market by adhering to a simple, yet powerful, philosophy: consistently generate an underwriting profit. This unwavering focus, a true rarity in the insurance industry, has allowed RLI to build a formidable competitive moat and a remarkable track record of compounding shareholder value.

The cornerstone of RLI's success is its deep-seated expertise in niche, underserved markets. The company deliberately avoids commoditized insurance lines where competition is based primarily on price. Instead, it seeks out complex and specialized risks where its superior underwriting knowledge allows it to accurately price policies and earn an attractive return. This strategy is executed by a highly experienced and empowered team of underwriters who are incentivized to prioritize profitability over top-line growth. This disciplined approach means RLI is willing to shrink its business in certain areas when pricing becomes inadequate, a testament to its long-term perspective.

This outstanding underwriting culture is reinforced by significant employee ownership, which creates a powerful alignment of interests between the company's employees and its shareholders. When employees think and act like owners, the focus naturally shifts to long-term, sustainable value creation rather than short-term gains. This unique cultural advantage permeates the entire organization and is a key driver of its consistent, best-in-class performance.

Furthermore, RLI's management team has demonstrated an exemplary commitment to prudent and shareholder-friendly capital allocation. The company's consistent underwriting profitability generates significant free cash flow. Management has established an unparalleled legacy of returning this excess capital to its owners, evidenced by a multi-decade history of raising its regular dividend, supplemented by the frequent payment of large special dividends. This demonstrates a clear understanding that the company's capital belongs to its shareholders and should be returned when it cannot be redeployed at highly attractive rates of return. By combining a superior, disciplined underwriting model with a deeply ingrained ownership culture and a shareholder-focused capital allocation strategy, RLI has solidified its position as a truly elite operator in the specialty insurance industry.

Company Name: The Toro Company (TTC)

Market Cap: \$7.5B

The Toro Company stands as a premier, category-defining enterprise in the design, manufacture, and marketing of solutions for the turf, landscape, and construction markets. Through its portfolio of iconic brands, including Toro, Exmark, and Ditch Witch, the company

has cultivated an unparalleled reputation for quality, innovation, and reliability. This has established Toro not merely as a product manufacturer, but as an indispensable partner to its professional and residential customers, creating a durable competitive moat and a long-term compounding enterprise.

The foundation of Toro's competitive advantage is its powerful brand equity and its unmatched global distribution network. The Toro brand is synonymous with performance and durability, particularly among high-end professional users such as golf course superintendents, groundskeepers for sports fields, and landscape contractors who rely on the equipment for their livelihoods. This brand loyalty is reinforced by a culture of continuous innovation, which has consistently delivered solutions that enhance productivity and efficiency. This brand strength is amplified by a vast, independent network of dealers and distributors, a critical asset that is nearly impossible to replicate. This network provides not only sales but also expert service, parts, and support, fostering deep, long-standing customer relationships and creating significant switching costs.

Management has executed a disciplined and highly effective growth strategy, balancing organic innovation with strategic, value-enhancing acquisitions. The company has a long history of successfully identifying and integrating businesses that expand its technological capabilities or provide entry into attractive, adjacent markets. The transformational acquisition of The Charles Machine Works, the parent company of Ditch Witch, is a prime example of this strategy. This move significantly expanded Toro's presence in the high- growth underground construction market, capitalizing on secular tailwinds such as the buildout of fiber optic networks and the modernization of aging infrastructure.

This strategic growth is underpinned by a culture of operational excellence and a prudent, shareholder- friendly approach to capital allocation. The company consistently generates strong free cash flow, which management thoughtfully reinvests in research and development to maintain its product leadership. Furthermore, Toro has an exceptional, multi-decade track record of consistently paying and growing its dividend, demonstrating a clear and unwavering commitment to returning capital to its shareholders. By combining its portfolio of trusted brands, its dominant distribution network, and a disciplined management team, The Toro Company has solidified its position as a best-in-class operator poised for continued, durable growth.

Company Name: Colliers International Group Inc. (CIGI)

Market Cap: \$7.9B

Colliers International Group Inc. stands as a premier global leader in commercial real estate services and investment management, distinguished by a unique and deeply Colliers ingrained entrepreneurial culture. While many of its competitors operate under a more centralized corporate structure, Colliers has built a durable competitive moat through its decentralized model, which empowers local leaders and fosters a powerful sense of ownership throughout the organization. This approach, combined with a disciplined strategy of growth and significant insider ownership, has established Colliers as a best-in-class compounding enterprise.

The foundation of the company's success is its enterprising culture. Colliers operates as a partnership of professionals, guided by a management team with a substantial equity stake,

ensuring a profound alignment of interests with long-term shareholders. This ownership mindset permeates the firm, attracting and retaining top-tier talent that thrives on autonomy and is incentivized to drive profitable growth in their local markets. The company's global brand provides the scale, resources, and reputation necessary to compete for major mandates, while the decentralized structure allows for the agility and customized service of a boutique firm. This "best of both worlds" model is a key differentiator and a formidable competitive advantage.

Colliers' growth strategy is a masterclass in disciplined execution. The company pursues a balanced approach, combining steady organic growth with a programmatic and accretive acquisition strategy. Management has a long and successful history of acquiring well-run, entrepreneurial firms that enhance its service capabilities or expand its geographic reach. These acquisitions are carefully integrated to preserve their unique cultural strengths while leveraging the benefits of the broader Colliers platform.

Crucially, the company is strategically focused on expanding its most durable and highest-margin business lines: Investment Management and Outsourcing & Advisory. These segments generate stable, recurring revenue streams that are less susceptible to the cyclical nature of transactional capital markets business. By deliberately growing these annuity-like revenue sources, management is progressively increasing the quality and predictability of the company's earnings profile. This disciplined capital allocation, which prioritizes long-term stability and profitability over short-term transactional volume, is a hallmark of a truly elite operator. By combining its unique ownership culture with a proven and intelligent growth strategy, Colliers is well-positioned to continue compounding value for many years to come.

Company Name: Group 1 Automotive, Inc. (GPI)

Market Cap: \$5.6B

Group 1 Automotive, Inc. operates as a premier, internationally diversified automotive retailer, with a significant presence in both the United States and the United Kingdom. The company has distinguished itself through a disciplined growth strategy and a focus on operational excellence, managing a portfolio of dealerships that represent many of the world's leading automotive brands. By adhering to a rigorous framework of strategic acquisitions, prudent capital management, and superior customer service, Group 1 has built a resilient and compounding enterprise in a highly fragmented industry.

The company's competitive strength is derived from several key pillars. First, its international diversification provides a natural hedge against regional economic fluctuations and allows management to deploy capital in the most attractive markets. The U.K. operations, in particular, represent a significant and profitable segment that differentiates Group 1 from its purely domestic peers. Second, the company maintains a strong focus on luxury and import brands, which typically attract a more affluent and resilient customer demographic and generate higher-margin service business. This parts and service segment is the operational cornerstone of the company, providing a stable, high-margin, annuity-like revenue stream that performs well throughout economic cycles and is less susceptible to the cyclical nature of new vehicle sales.

Group 1's growth model is defined by a methodical and disciplined approach to consolidation. Management has a long and successful track record of acquiring well-run dealerships and

dealership groups at sensible prices, then leveraging the company's scale and operational expertise to enhance their performance and profitability. This strategy is not centered on growth for its own sake, but on the intelligent expansion of the company's footprint in a way that is immediately accretive to shareholder value. This acquisitive growth is complemented by a commitment to enhancing the customer experience through digital innovation. The company's AcceleRide platform provides a comprehensive digital retailing solution, allowing customers to complete the entire vehicle transaction online, a critical capability in the modern retail environment.

This disciplined approach to both external growth and internal improvement is a testament to an experienced management team with a deep understanding of the industry. The company's focus on maintaining a strong balance sheet provides the financial flexibility to act opportunistically on acquisitions while consistently returning capital to shareholders. By combining geographic diversification, a favorable brand mix, a resilient high-margin service business, and a proven consolidation strategy, Group 1 Automotive has built a best-in-class platform poised for continued, durable growth.

Company Name: IES Holdings, Inc. (IESC)

Market Cap: \$7.6B

Integrated Electrical Services, Inc. (IESC) is a diversified provider of essential electrical and technology infrastructure services across the United States. The company operates through four distinct segments-Communications, Infrastructure Solutions, Commercial & Industrial, and Residential-allowing it to serve a wide array of end markets and mitigate the risks of cyclicality in any single sector. This structure has enabled IESC to establish a durable foundation while strategically capitalizing on high-growth secular trends, particularly the build-out of the nation's digital infrastructure.

The company's Communications and Infrastructure Solutions segments are its primary growth engines, positioned at the forefront of the digital revolution. The Communications segment provides critical network infrastructure for data centers, technology corporations, and other high-tech facilities. The Infrastructure Solutions segment delivers custom-engineered electro-mechanical products, such as power distribution systems and generator enclosures, that are vital for the uninterrupted operation of these same data centers and other industrial clients. Together, these segments address the surging demand for data processing, storage, and connectivity driven by artificial intelligence, cloud computing, and e-commerce.

The Commercial & Industrial and Residential segments provide a broad and stable base of operations. The Commercial & Industrial segment offers electrical and mechanical services for a variety of facilities, including educational and healthcare institutions, while the Residential segment serves as a one-stop shop for electrical, plumbing, and HVAC needs for both single-family and multi-family housing. While exposed to the housing market, the Residential segment benefits from long-term demographic trends and provides consistent operational scale.

IESC's competitive advantage stems from its technical expertise, its ability to manage large and complex projects, and its disciplined strategy of pursuing growth through both organic expansion and strategic bolt-on acquisitions. By providing a comprehensive suite of services from design and installation to maintenance, the company embeds itself as a critical partner to

its clients. Its strong balance sheet and prudent capital allocation strategy provide the financial flexibility to invest in expanding capacity and to acquire companies that enhance its service offerings and geographic reach, ensuring it can continue to meet the evolving needs of its diverse customer base.

Fund Name: Donville Kent Asset Management

Source: <https://donvillekent.com/wp-content/uploads/2025/09/DKAM-ROE-Reporter-September-2025.pdf>

Company Name: VerticalScope Holdings Inc. (VFORF)

Market Cap: \$52M

VerticalScope (OTCQX:VFORF) (FORA) – We were waiting to see how quickly VerticalScope could address the changes to the Google (GOOG, GOOGL) algorithm before we made a definitive decision. During the last month we sold our position in FORA and used the proceeds to buy more VitalHub, Enterprise, and Constellation, as each of these positions pulled back in the month.

Company Name: MDA Space Ltd. (MDALF)

Market Cap: \$3.1B

On September 8th, EchoStar announced cancellation of their \$1.8B contract with MDA. That contract was just announced in August. The stock sold off +25% on this news after initially reacting close to +20% on the original announcement of getting the contract. Their Q2 results were a record for the company and they now have a ~\$5B backlog and \$13B pipeline with potential contract wins with Eutelsat (OTCPK:EUTLF)(OTCPK:ETCMY)/OneWeb, Apple (AAPL)/GlobalStar (GSAT), Artemis, and Radarsat replacement. The market reaction after announcing the EchoStar deal and then losing it was understandable but we're still early in the secular growth of space commercialization and MDA is reporting significant earnings growth. We expect them to announce more satellite constellation contract wins.

MDA Reported Q2 Earnings

Revenue \$373m +54%

Adj. EBITDA \$76m +57%

EBITDA Margin 20%

Net Income \$48m +106%

\$420m Net Cash

Current backlog over \$6B

Company Name: Vitalhub Corp. (VHIBF)

Market Cap: \$446M

As covered earlier, VitalHub's stock has been weak due to the AI narrative. They reported a record Q2 and have significant capacity to be opportunistic with +\$120M in cash and no debt on the balance sheet.

VitalHub Reported Q2 Earnings

Revenue \$23.9m +47%

ARR \$79.6m +55%

14% organic growth

Adj. EBITDA \$6.3m +50%

EBITDA Margin 26%

Cash Earnings 5.1m +132%

Cash Margin 21%

Novari acquisition closed after the quarter end Including Novari the ARR increases to \$91.6m

Sitting on +\$120m of Cash and no debt currently

Company Name: Tornado Infrastructure Equipment Ltd. (TGHLF)

Market Cap: \$183M

Tornado had a great quarter, and they are winning business over Badger. We expect the high margin equipment finance segment to grow quickly.

Tornado Infrastructure (TGH)

Revenue \$45m +31%

Gross Profit \$9m +45%

EBITDA \$5.6m +49%

Cash Earnings \$3.6m +36%

Cash Margin 8%

Acquired CustomVac for \$28m May 15th

Company Name: Tantalus Systems Holding Inc. (TGMPF)

Market Cap: \$143M

Tantalus spent years developing TruSense and the results from that investment are just starting to materialize. They are modernizing the electrical grid and providing the utilities with the data they need.

Tantalus Reported Q2 Earnings

Revenue \$13.1m +22%

ARR \$13.3m +11%

Adj. EBITDA \$510k

Operating Cash Flow \$759k

Net Cash

Secured initial orders from 45 utilities for TruSense (up from 33 last quarter)

Company Name: Propel Holdings Inc. (PRLPF)

Market Cap: \$768M

Propel continues to execute and their integration of Quidmarket appears to be going well. Their opportunity for LaaS loans is significant, which should support growth and an increase in margins.

Propel Reported Q2 Earnings

Revenue \$143m +34%

Loan Book \$520m +33%

Net Income \$19.2m +16%

ROE 32%

Revenue in-line with estimate, Net Income better

Maintained 2025 guidance (34% ROE)

Increased dividend 9%

Fund Name: Night Watch Investment Management

Source:

<https://static1.squarespace.com/static/65554ad23182d210f95181f7/t/68deadb028ef760ab124e915/1759423920579/Q3+2025+Update+Website.pdf>

Company Name: Brookdale Senior Living Inc. (BKD)

Market Cap: \$2B

Brookdale Senior Living We have reinitiated a position in Brookdale Senior Living (BKD). The bull case for senior living facilities (SLF) is strong: baby boomers are about to turn 80+ starting next year, increasing the demand for SLF. In anticipation of this uptick in demand, the industry overbuilt in 2017. The industry was then hit by Covid which shrunk the target population, followed by a nursing shortage which squeezed margins. Operating SLFs has been a very poor business model in the last decade. Over the last 8 years, the construction of new facilities has

come to a halt and the orderbook is at a multi-decade low, right at the moment demand is about to tick up.

We have owned Brookdale during 2024, but grew impatient with a management team that could not manage to increase the occupancy of their facilities. In 2025, an activist shareholder was successful in the replacement of the management team, after which Brookdale has been rapidly closing the gap with peers. This gave us the confidence to buy back into the name

Fund Name: Infuse Partners

Source: [Q3 2025 Letter](#)

Company Name: TransMedics Group, Inc. (TMDX)

Market Cap: \$3.9B

In TransMedics' core market – DCD liver transplants – it already has over 60% penetration in the US. A lot of future growth is based on technologies that haven't even started FDA trials, like kidneys. And for kidneys, the value prop is much weaker since they can be on-ice for 24 hours, compared to one hour for livers. Further, the company owns more than 20 private jets that depreciate at 10% per year and require constant maintenance. That's not exactly ideal for high returns on invested capital!

Right now, most of the business is reliant on donor after cardiac death (DCD) liver transplants where there is increasing competition. The most formidable competitor, OrganOx, was growing over 100% and was bought by a large Japanese medtech company called Terumo. It seems likely that Terumo can accelerate the global distribution of OrganOx systems.

Lastly, a decent chunk of TransMedics's growth plans are based on international expansion, of which there has been virtually no traction since inception. Different countries have different transplant waitlists and regulations. This makes the process much more difficult than the US – where there is one waitlist and the landmass is huge, so the core value prop of TransMedics is amplified.

To address some of these concerns, TransMedics has a deep, vertically integrated moat. Its technology has almost single-handedly grown the DCD transplant market. While buying planes is incredibly capital intensive, it solidified the competitive advantage. The process power that comes from doing thousands of transplants annually is underrated and the logistics infrastructure is getting more efficient every quarter. While there will always be competition, no other system enables the same flexibility and transplant successes. Even OrganOx has vastly inferior post-transplant results. And hospitals love TransMedics for many reasons. For one, surgeons don't need to get paid overtime for transplants at 1 am. Two, multiple transplants can be scheduled for the same day, increasing revenue severalfold, compared to old methods. Three, TransMedics has their own staff to deliver the organs and even do the surgeries if requested. And fourth, post-op results are significantly better so hospitals get better ratings.

While it will likely be a slog internationally, TransMedics can use its future cash flow to slowly build out a global infrastructure. That won't happen overnight but with kidney indications, and improved technology on current systems, the company could conceivably grow its revenues by

a factor of 4-5x. That is the strongest bear-case – that the opportunity isn't unconstrained – there are only so many people who die every year who opt in to transplants with healthy organs. But TransMedics will likely do an excellent job in executing on their mission to save lives and in the process, becoming very profitable.

Fund Name: Halvio Capital

Source:

<https://static1.squarespace.com/static/6771ff72f1421821bd094e6a/t/68e395c7b1007143265fa638/1759745479062/Q3+2025+Letter+.pdf>

Company Name: Cipher Pharmaceuticals Inc. (CPHRF)

Market Cap: \$294M

I increased our Cipher position during the quarter as I felt the market was undervaluing the potential earnings power of the company combined with a smart capital allocator at the helm. So far it was the right call as Cipher reported extremely good results for Q2 and the stock reacted favourably. Cipher earned the most revenue in a quarter in their history of \$13.4m and \$7.6m in EBITDA. Their Q3 should be even better as their Natroba product generates more revenues in the warmer months as it is a bit seasonal. They paid down \$15m of the debt from their last year's acquisition with another \$7m after the quarter which would bring their total debt now to \$18m. This is a company that had \$40m in debt this time last year, which shows the cash flows the company is able to produce today. At the same time they've been buying back stock in the market as well. \$2m during the second quarter and by my calculation just under \$3m so far in Q3.

This summer the CEO did an interview and confirmed that the company generates over US\$2m in cash flow a month which means they will be in a net cash position again soon by potentially the end of the year. They are extremely focused on making another product or business acquisition that would strengthen their US business and will have the balance sheet to do so with access to a \$65m revolver as well. Their goal is to be a larger, more US focused business and then uplist to the NASDAQ down the road.

Company Name: Net Lease Office Properties (NLOP)

Market Cap: \$441M

NLOP is our office REIT that is in wind down mode. During the quarter they paid their first, and hopefully many more, special dividend of \$3.10/share totalling \$46m. They also sold a property for \$25m and currently have a few listed including the famous Binoculars Building in Venice.

There was a buyout of an office REIT in July, City Office REIT, for \$1.1 billion. While their office buildings are in better located, larger cities with favourable demographics (employment, population growth) and a diverse tenant base, if you apply 2/3s of the \$204 price per/sq.ft that they received to NLOP's square footage without the encumbered properties, it's a \$43 stock today. I still think it's worth a bit more than that but using that conservative number still gets you to a stock price higher than today's.

And the special dividends that will be coming will increase the IRR of the investment. By my numbers the buyout was also done at a 7% cap rate vs NLOP's current high teens cap rate.

Looking at the balance sheet can still cause some investors confusion as it looks like they have \$117m of debt on the books. But this debt is for 6 properties out of 35 that they can hand back the keys to and wipe the debt out. They also took an \$82m impairment charge on their largest property which could be giving investors a little bit of hesitation. The reason given in the 10-Q was they changed their discount rates.

Definitely something to keep an eye on but this property still has 5 years' worth of \$20m contractual rent owing and it remains to be seen what they ultimately can get for it.

Company Name: Mestek, Inc. (MCKK)

Market Cap: \$377M

Mestek Inc. (OTCPK:MCKK) is a new position and is, in the CEO's own words, "an oddball investment". It's a \$347m market cap OTC company that's been around since the 1940's and owns over 45 specialty manufacturers of HVAC and metal forming equipment businesses that they've purchased over the past 60-70 years with their most recent acquisition in 2021. They manufacture mature products like louvers, baseboard heaters, HVAC fan coils, fire dampers, etc. Their HVAC segment makes up over 80% of their sales and they principally sell into North America. Last year they did \$400m in revenue and \$34m in operating earnings. Although they are tied to the cyclical construction industry (industrial, commercial, office), their operating earnings the past 10 years have been relatively stable and they didn't even suffer a loss during COVID.

What makes this an "oddball investment" is that the CEO, who owns 75%, has taken the cash flows from the business and started trading commodities like platinum futures. This has created some noise in the financials but by my calculations, he's generated about \$189m in pre-tax commodity income the past decade. With platinum up 50% YTD, this year's commodity gains are \$62m so far. While not ideal to have a commodity hedge fund inside a stable manufacturing business, there is now a vast cash balance that makes up for a majority of the enterprise value. With a \$347m market cap, cash/ST investments and the commodity portfolio total \$327m which offers substantial downside protection. With other liability adjustments, the total enterprise value is \$90m right now. This would put the trailing EV/EBIT at 2.6x and the company has already done \$21m in EBIT in the first 6 months of 2025. Larger comparable companies that touch the HVAC space trade at high teens EV/EBIT multiples and small niche manufacturers trade at a minimum of high single digit EV/EBITDA.

A recent transaction that caught my eye was Worthington Enterprises \$93m purchase of Elgen Manufacturing, a smaller privately-owned New Jersey HVAC manufacturer of parts and components for 7x EV/EBITDA. Applying that same multiple to Mestek's 2025 estimated EBITDA results in an \$85 stock price which is about 85% upside. Mestek also reports their inventory using LIFO which underreports their inventory and over-reports COGS. Adjusting for this would add a few dollars more per share to the value as well.

The CEO has said that he would much rather acquire some more businesses than pay dividends so while a special dividend would definitely be welcomed, I take some comfort from the extremely cheap entry multiple provided the commodity portfolio doesn't blow up. Even if you disregard the commodities on the balance sheet, there is still a little upside by estimates.

Company Name: Citizens Bancshares Corporation (CZBS)

Market Cap: \$81M

Citizens Bancshares Corp. (OTCPK:CZBS) earned over \$7 of EPS when adjusting for the amount paid on their preferred dividends in 2024 putting them at 7x adjusted trailing earnings. They continue to trade at a substantial discount to their adjusted BVPS of \$85/share vs a stock price of \$47 and just announced a share buyback for \$4 million.

Fund Name: Palm Valley Capital

Source:

https://www.palmvalleycapital.com/files/ugd/ef2f99_fada56cb83924e4081d78a03ef9c73a5.pdf

Company Name: Teleflex Incorporated (TFX)

Market Cap: \$5.6B

Teleflex produces single-use medical devices (92% of revenue) used by hospitals and healthcare providers in critical care and surgical procedures, including catheters, stents, clips, and tools used in anesthesia, respiratory, and urological applications. The company's stock has been punished due to short-term revenue weakness in certain categories in addition to investor uncertainty about recent major strategic decisions, including a large, debtfinanced acquisition announced in February on the same day that management presented a plan to split the business into two independent companies. Teleflex offers revenue stability with high operating margins and generous free cash flow. Shares are trading near a record low valuation despite above-average business quality.

Company Name: Robert Half Inc. (RHI)

Market Cap: \$3.4B

Robert Half provides staffing and consulting services through the Robert Half and Protiviti brands. The firm specializes in finance and accounting placements and also provides labor for technology and office roles. Results have been pressured by weakness in the staffing industry, which has disconnected from the greater labor market due to unique features of the post-COVID economy. Additionally, some investors have concerns about the ongoing demand for finance staffing if AI displaces certain jobs.

While Robert Half's staffing trends have mimicked the industry, overall performance has been supported by strong trends for the Protiviti consulting segment, which has effectively leveraged Robert Half's resources into winning share against Big Four competitors. Although trailing results for the entire company are below normal, Robert Half remains profitable and cash generative. It has zero debt and offers a 7% dividend yield, which is supported by cash flow. The company's target white collar market could experience a delayed demand trough versus blue collar temporary labor, but we are confident Robert Half will be an industry survivor.

Company Name: LKQ Corporation (LKQ)

Market Cap: \$7.9B

LKQ Corporation (LKQ) is the largest distributor of aftermarket and recycled auto parts in the United States and Europe. It's a roll-up success story. In the U.S., the company focuses on collision products (e.g., headlights, fenders, bumpers, paints). In Europe, LKQ's parts offering is mostly mechanical in nature (e.g., engines, brakes, suspension). Unlike other major auto parts distributors, LKQ sources a significant percentage of its parts by recycling old vehicles purchased from auctions and stored at the firm's junkyards. Selling auto parts for damaged

vehicles has generally been a recession resistant business. Demand is driven by several factors including the number of repairable auto insurance claims, parts inflation and complexity, the aging and size of the car parc, the willingness of insurers to utilize non-OEM parts, and structural trends such as accident avoidance technology and the shift to electronic vehicles.

LKQ's stock has fallen as declines in repairable claims have negatively impacted the company's results. Management attributes the trends to a weak economy, high auto insurance rates, and elevated repair costs, which are causing vehicle owners to defer and ignore repairs. These are cyclical factors. LKQ has long outperformed industry auto claims through high service levels and share gains. The company's key competitive advantage is its extensive distribution network that results in fill rates substantially higher and faster than most competitors. Additionally, LKQ offers repair shops several options for parts, ranging from OEM to new aftermarket to recycled. While LKQ currently has 2.5x leverage, the company generates prodigious free cash flow and can delever quickly. The stock recently touched a five-year low and is trading for 10x earnings, 8.5x EBITA, and provides a 3.9% dividend yield.

Company Name: Avista Corporation (AVA)

Market Cap: \$3B

We also bought a small position in Avista Corporation (AVA) during the quarter. Founded in 1889, Avista is an electric and natural gas utility operating in Washington, Oregon, Idaho, and Alaska. We repurchased its shares after a weaker than expected earnings report and a decline in its stock price. While the company has suffered impairments on some of its clean energy investments, its core utility business continues to perform well and makes up most of our valuation. We believe successful rate cases in its regulated utility business will create earnings clarity and growth in 2025 and 2026. In our opinion, Avista is currently attractively priced, trading at 14x expected earnings, 1.2x tangible book value, and offers a 5.2% dividend.

Company Name: Seaboard Corporation (SEB)

Market Cap: \$3.3B

During the third quarter, we sold our investment in Seaboard (SEB) Corporation (ticker: SEB). Seaboard was acquired in late 2024 at a large discount to tangible book value, which increased in the first part of 2025 to nearly 50%. Although the company's operating results are volatile due to its participation in cyclical industries like hog farming, grain trading, and marine shipping, century-old Seaboard has generated profits throughout various business cycles. The asset-heavy company is aggressively deploying cash flows into modernizing and expanding its infrastructure. Seaboard's shares rallied sharply in the quarter, exceeding our valuation.

Fund Name: 1 Main Capital Partners

Source:

<https://static1.squarespace.com/static/5e03bb9dcc191357f10902ad/t/68e070da968bdd159176dfec/1759539418617/Q3%2725+letter.pdf>

Company Name: Radiant Logistics, Inc. (RLGT)

Market Cap: \$277M

RLGT is an underfollowed non-asset-based third-party (3PL) multinational logistics company at just 7x trailing and 5x normalized EBITDA, which is a low absolute multiple and a significant

discount to larger peers. The company was founded in 2005 by CEO Bohn Crain, who grew it through a series of acquisitions and who still holds a 22% stake.

RLGT provides transportation and value-added services to customers needing to make large shipments. It does so by operating an agency network in the US and Canada, which includes ~30 company-owned and ~70 independent agent (strategic partners) locations that operate exclusively on its behalf. These agencies arrange the shipment of products, materials or equipment when they are larger than those handled by integrated global carriers like FedEx or UPS.

As a 3PL, RLGT relies on its vast network of asset-heavy carrier partners, including truck operators, railroads, airlines and ocean lines. As a complement to its transportation offerings, RLGT provides customers with other value-added services including materials management and distribution, customs brokerage and global trade management services.

This model shields the company from the large fixed cost and utilization risk faced by traditional carriers during cyclical downturns, providing significant flexibility and allowing it to adapt quickly to volume shifts while avoiding the heavy capital expenditure associated with asset ownership.

Capital allocation is a core differentiator for RLGT. The company acquires agencies (from within its own network) and other greenfield operations at mid-single-digit EBITDA multiples. From 2006 to today, revenues grew 35 times to over \$900 million, while the share count rose only ~40% and the balance sheet remained pristine, being net cash as of its most recent quarter and fiscal-year end.

Currently, we are three years into a steep freight recession. RLGT has capitalized on this slowdown by accelerating its pace of acquisitions while reducing its share count. The current pipeline remains robust and management is actively pursuing additional acquisition opportunities, positioning the company to emerge significantly larger and stronger when volumes recover.

As you know, I like to invest in companies that can play offense when others are playing defense. And while I am not expecting RLGT to be sold anytime soon, I could see a larger logistics company buy it for a big multiple at some point over the next decade. In the meantime, the company will continue to generate cash and deploy it intelligently while we wait for earnings power to normalize and shine through.

Fund Name: Black Bear Value Partners

Source:

https://www.blackbearfund.com/files/ugd/6c9cac_3ed50c5e008449e9a1287d5c56cdeb39.pdf?utm_campaign=90c9e8a2-46d4-4e8d-a977-93f5f079ab29&utm_source=so&utm_medium=mail&cid=73e8ccf9-de48-419c-b155-7d64a1404e34

Company Name: Flagstar Financial, Inc. (FLG)

Market Cap: \$4.9B

Flagstar Financial is the former New York Community Bank (a mashup of Flagstar Bank, New York Community Bank and assets from Signature Bank). Like our SHORT investments in Silicon Valley Bank and First Republic, FLG had a hole in their balance sheet (from soured multifamily and office real estate vs. long-duration securities). That is where the similarities end.

FLG raised over \$1BB in additional capital, led by former Treasury Secretary Steven Mnuchin. They revamped the management team and brought in a superstar CEO in Joseph Otting. They have reviewed nearly all the loans on the books, sold off non-core assets, raising additional capital and are focused on delivering a narrowly focused, well-capitalized boring regional bank. In this case boring is good. Importantly, they have taken a conservative view of their loan book and a large credit reserve. This contrasts with several bank/private credit lenders we are short who have taken minimal reserves.

Flagstar continued making progress in their turnaround in the 2nd quarter. Their losses are shrinking, and the balance sheet is getting more stabilized. They have been deliberately reducing their exposure to the riskier segments of the commercial real estate market.

At quarter-end the bank was trading at ~65% of a conservatively marked balance sheet. This is in contrast with similar banks (who are NOT conservatively marked) trading at 140-160% of their tangible book value. FLG should complete working thru the bulk of their issues by the end of 2025 and approach "normal" during 2026. Given the conservative nature of the management team, I wouldn't be surprised if it happened sooner. At these prices the downside seems minimal and could see this business up 50-150% over the next 1-3 years as it is more appropriately valued.

Company Name: Tidewater Inc. (TDW)

Market Cap: \$2.6B

Tidewater is a marine services firm that operates one of the world's largest fleets of offshore support vessels (OSVs). They serve the energy industry by transporting crew and supplies, towing and anchoring drillships and supporting offshore construction projects. The long-term outlook for international and offshore markets is strong, while the near-term is a little cloudier. As current resource plays (the Permian) slow down, worldwide demand will continue to grow and require more oil. It is expected that offshore capital commitments will rebound in the next 1-2 years.

What's striking about this industry is the lack of investment in the OSV fleet. Since the GFC, global shipyard capacity has shrunk by nearly 60%. In addition, newbuild investment is lacking as many banks have pulled back from lending. Over the next decade, as fleets age, the global OSV market is expected to shrink by ~40%.

What this adds up to is a potential for large pricing moves, in our favor, coupled with high utilization. But we do not have to bank on that as they are currently generating \$300MM+ in FCF vs. a \$2.7bb market cap or an 11% yield. In a more normal environment, I'd expect them to generate 500mm-1bb which gets to ~20-35% yields. Importantly, their share buybacks were historically limited by debt covenants. That debt has been paid off (they have minimal debt now) and they recently instituted a buyback plan for \$500MM.

Company Name: Warrior Met Coal, Inc. (HCC)

Market Cap: \$3.4B

Warrior Met Coal is a leading metallurgical coal producer (coal used to steel production). Currently the bulk of HCC's FCF is being invested in a capital project that will be concluding this year. Once the business winds down their investment period, they will gush cash.

In Q2 2025, Warrior Met Coal saw revenue down 30% year-over-year due to compressing met coal prices. Despite a 6% production increase and tight cost control, negative free cash flow of \$57 million reflects heavy investment in the Blue Creek mine. Liquidity remains robust at \$545 million. Management maintained its full-year guidance, emphasizing the strength of contracted sales, cost discipline, and continued advancement of the Blue Creek project amid market headwinds.

HCC's existing mines should generate \$100-\$350MM in annual free cash flow (assuming lower-for-longer met coal prices). Blue Creek development is wrapping up by the beginning of 2026 and at mid-cycle should generate \$100-\$500MM in additional free cash flow. The combined assets should generate \$200MM-\$850MM in free cash flow with non-heroic pricing and volume assumptions. This equates to ~\$4-\$16 in annual per share cash generation vs. a price of ~\$64 or a 6-25% unlevered annual free cash flow yield. 2026 should be a sea-change in their free cash flow generation.

IV. USA 13D| SHAREHOLDER ACTIVISM

Lululemon Founder Chip Wilson Blames Finance-Driven Leadership for Brand's Decline, Calls for Return to Innovation and Vision at lululemon athletica inc. (LULU)

Key Summary: Chip Wilson's October 2025 letter argues lululemon has lost its innovative spirit and top talent under finance-led leadership, and urges a return to visionary, product-driven management and board diversity to revive the brand.

Market Cap: \$20 billion | lululemon athletica inc., together with its subsidiaries, designs, distributes, and retails technical athletic apparel, footwear, and accessories for women and men under the lululemon brand in the United States, Canada, Mexico, China Mainland, Hong Kong, Taiwan, Macau, and internationally.

On October 7, 2025, lululemon founder Chip Wilson issued a [letter](#) arguing that lululemon's decline stems from replacing innovation-driven, founder-style leadership with finance-focused executives who prioritize immediate results over long-term brand strength, resulting in an exodus of top talent, misguided strategic decisions, and diminishing brand reputation; he calls for the company to refocus on creative leadership, product excellence, and a diverse, entrepreneurial board to restore its original edge and vision.

Stilwell intends to seek board representation at Lake Shore Bancorp, Inc (LSBK)

Key Summary: On July 31, 2025, Stilwell (9.4%) expressed intent to work with management and the board to enhance shareholder value. On October 6, 2025, Stilwell (9.9%) stated that he intends to seek board representation.

Market Cap: \$102 million | Lake Shore Bancorp, Inc. operates as the savings and loan holding company for Lake Shore Savings Bank that provides banking products and services in New York.

On July 31, 2025, Stilwell (9.4%) stated that he hopes to work with management and the board to maximize shareholder value. [Source](#)

On October 6, 2025, Stilwell (9.9%) stated that he intends to seek board representation at the company's 2026 annual meeting of shareholders. [Source](#)

Glass Lewis recommends against STAAR Surgical (STAA) –Alcon merger, bolstering Broadwood's campaign

Key Summary: Broadwood Partners noted progress in STAAR Surgical Company. On Jan 10, 2024 (22.1%), despite a stock price dip, it believed in the company's growth and opposed undervalued acquisitions. It stressed corporate governance and planned to engage for more enhancements and value creation. On March 3, 2025, Broadwood Partners increased its stake to 24.2% and supported the new CEO, aiming for improved profitability and long-term shareholder value. On April 2, 2025, Broadwood Partners raised its stake to 25.4%, backed the new CEO and Interim CFO for their strong track

records, and welcomed governance improvements, including separating the CEO and Chair roles and adding Asia-focused directors. On August 5, 2025, the company agreed to be acquired by Alcon, but Broadwood Partners remains undecided and is reviewing the process while exploring alternatives. On August 5, 2025, the company agreed to be acquired by Alcon, but Broadwood Partners said it will vote against the deal, citing process and valuation flaws, including Alcon's earlier higher \$55 + \$7 CVR offer, no proper market check, and STAAR's improving fundamentals being ignored. On September 15, 2025, Broadwood Partners filed proxy materials urging stockholders to vote **against** the proposed merger with Alcon Research. On September 22, 2025, Yunqi Capital (5.1%) announced it will vote against the company's proposed \$28 per share sale to Alcon.

Market Cap: \$1.3 billion | STAAR Surgical Company designs, develops, manufactures and sells implantable lenses for the eye and delivery systems used to deliver the lenses into the eye.

- On January 10, 2024, Broadwood Partners (22.1%) stated that despite the company's stock price having fallen since its last filing in November 2023, it believed the company had continued to grow and improve its financials. It opposed any acquisition offer at a price below its perceived long-term value. Broadwood Partners also emphasized the importance of corporate governance and shareholder alignment, noting past contributions and recent improvements. It planned to remain engaged in dialogue with the Board and other shareholders for further governance enhancements and value creation. [Source](#)
- On March 3, 2025, Broadwood Partners raised its stake to 24.2% and expressed support for the new CEO, expecting improved profitability and growth, while also engaging with the Board on governance and strategic issues to foster long-term shareholder value. [Source](#)
- On April 2, 2025, Broadwood Partners raised its stake to 25.4% and support the new CEO and Interim CFO, citing their track records, and welcome recent governance improvements, including the separation of CEO and Chair roles and the addition of Asia-focused directors.
- On August 5, 2025, the company agreed to be acquired by Alcon, but Broadwood Partners remains undecided, seeking records on the merger process and exploring alternative partners or strategies to enhance shareholder value. [Source](#)
- On August 5, 2025, the company announced that it had entered into a definitive merger agreement through which Alcon will acquire the company. On September 2, 2025, Broadwood Partners announced it will vote against Alcon's proposed acquisition, citing serious process and valuation flaws. Broadwood argued the deal undervalues STAAR, noting Alcon's earlier, higher \$55 + \$7 CVR offer, the lack of a proper market check, and that STAAR's improving fundamentals and cost discipline were ignored when the deal was struck. [Source](#)
- On September 15, 2025, Broadwood Partners filed proxy materials urging stockholders to vote **against** the proposed merger with Alcon Research, arguing it is not in shareholders' best interests. [Source](#)
- On September 22, 2025, Yunqi Capital (5.1%) announced it will vote against the company's proposed \$28 per share sale to Alcon, arguing the deal materially undervalues STAAR and results from a flawed process. In an open [letter](#), Yunqi criticized the Board for engaging only with Alcon, limiting competing bids, and

adopting an overly pessimistic view of China—STAAR’s key market—despite signs of recovery. While open to a transaction at a fair price, Yunqi urged shareholders to reject the current terms, stressing STAAR’s strong standalone prospects in the global refractive surgery market.

- On September 24, 2025, the Broadwood Partners filed a definitive proxy statement and GREEN proxy card with the SEC urging shareholders to vote **AGAINST** the proposed merger and related compensation proposal at the upcoming special meeting. They also issued a press release and letter to stockholders announcing their campaign website, www.LetSTAARShine.com, arguing the merger is suboptimal due to poor timing, a flawed process, and conflicts of interest within the board and management. [Source](#)
- On October 2, 2025, Broadwood Partners issued an investor [presentation](#) titled “The Wrong Time, Wrong Process and Wrong Price”.
- On October 6, 2025, Broadwood Partners issued a [letter](#) to the shareholders urging them to vote “AGAINST” the \$28-per-share sale to Alcon, calling it unjustified after the board rejected Alcon’s \$58 offer last year.
- On October 7, 2025, Yunqi Capital strongly opposes the proposed merger with Alcon, arguing that STAAR significantly underestimates its business strength, especially in China, and misrepresents its performance and market position. [Source](#)
- On October 9, 2025, Glass Lewis & Co. recommended that shareholders vote against the proposed \$28-per-share sale of STAAR to Alcon AG. [Source](#)

Past

In 2015, Broadwood Partners disclosed a 2.3% stake and sought a board seat, while it increased its holdings from 17.3% to 21.6%, citing governance and alignment concerns and faith in management. In 2016, Broadwood's stake grew to 27%, recognizing governance improvements but maintaining alignment concerns, emphasizing the need for more progress. In August 2018, holding 24.7%, Broadwood Partners noted substantial company progress under improved management, better results, and increased recognition, acknowledging governance advancements and committing to ongoing dialogue for long-term value. In August 2020, with a 23.6% stake, it reaffirmed its belief in the company's progress, and on January 28, 2021, at 21.5%, expressed satisfaction with ongoing corporate governance enhancements, crediting shareholder-oriented governance since 2014-2016 via shareholder-board dialogue.

Hartman issued a letter to the shareholders of Silver Star Properties (SLVS)

Key Summary: In Oct 2023, Allen R. Hartman advocated for Silver Star's liquidation and criticized mismanagement, leading to legal disputes regarding annual meetings. In Dec 2023, Hartman was sued by Silver Star for alleged misconduct. In Jan 2024, the company is conducting a Consent Solicitation to re-elect directors, which Hartman opposes, citing board actions that thwart stockholder choices and violate the company's charter. On March 21, 2025, Allen R. Hartman delivered a letter to the company nominating a slate of three director candidates for election to the board at the 2025 Annual Meeting of Stockholders. On April 10, 2025, Al Hartman criticized Silver Star CEO Gerald Haddock for awarding himself 1 million shares, calling it excessive and a breach of duty. On October 3, 2025, the Hartman Group accused Silver Star of delaying the shareholder vote for a sixth time through a lawsuit seeking to void all Hartman "blue" proxy votes and postpone the meeting to December 31, 2025

Market Cap: \$79 million| Silver Star Properties REIT, Inc. is a self-managed real estate investment trust that is currently repositioning in an orderly manner into the self storage asset class.

- On October 17, 2023, Allen R. Hartman (15%) expressed his belief that Silver Star should pursue a liquidation strategy and return capital to investors due to perceived mismanagement. He argued that most stockholders would prefer their capital returned in a Texas commercial property REIT rather than risking it in a national self-storage strategy. Mr. Hartman attributed Silver Star's declining value to mismanagement by the Executive Committee, led by Gerald Haddock. He accused Silver Star of adopting a short-term liquidation approach with asset sales at discounted prices and overinvestment in self-storage ventures at high costs to investors. Silver Star hadn't held an annual stockholder meeting since 2013, leading Mr. Hartman to file a lawsuit for a 2023 meeting. In response, Silver Star changed its Bylaws to allow stockholders to act without a meeting, a move contested by Mr. Hartman as violating Maryland law. Additionally, he and vREIT requested access to Silver Star's stock ledger, which was denied, claiming a lack of a "legitimate purpose." [Source](#)
- On October 19, 2023, Mr. Hartman and vREIT filed a First Amended Complaint in the Maryland Litigation to compel a 2023 annual meeting, inspect the stock ledger, and declare the Purported Bylaw Amendment unlawful. [Source](#)
- On December 14, 2023, Allen R. Hartman issued a [press release](#) disclosing that he object to the ongoing consent solicitation and that he is going to vote "NO" to the proposal in the Consent Solicitation for the re-election of Jack I. Tompkins, Gerald W. Haddock and James S. Still to the Board.
- On December 14, 2023, Silver Star Properties REIT, Inc. initiated legal proceedings against Allen R. Hartman and related parties, alleging multiple charges including fraud, conspiracy, slander of title, and breach of contract. The company contends that the Hartman Defendants engaged in self-dealing, misused company resources, breached fiduciary duties, and conducted fraudulent litigation, resulting in substantial damages. These legal actions seek to address the alleged misconduct and facilitate the recovery of damages. [Source](#)
- On January 8, 2024, Silver Star Properties REIT, Inc. stated that it is conducting a Consent Solicitation to re-elect incumbent directors while seeking to reduce the board's size, effectively removing Allen Hartman. Hartman, the largest stockholder, strongly opposes the re-election, alleging that the board is avoiding an annual meeting, violating the company's charter, and preventing meaningful stockholder choices. [Source](#)

Silver Star has not held an annual meeting of stockholders in a number of years. The Entrenched Directors have blocked all of Hartman's efforts to hold an annual meeting where stockholders could have a choice between re-electing the Entrenched Directors versus an alternative slate that has a different vision of the Company. This summer, Hartman reminded the Company of its obligations under law and its charter to hold an annual meeting for the purpose of electing directors and asked when one would be scheduled. Rather than schedule a meeting, the Board enacted a bylaw amendment in an attempt to avoid an annual meeting where stockholders would have a choice, and instead the bylaw amendment would permit directors to be elected by stockholder

consent obtained through a consent solicitation. The Hartman Group believes the bylaw amendment was made in bad faith by the Entrenched Directors, is a blatant manipulation of the corporate machinery by them to remain in office, and violates Silver Star's charter and Maryland law. Hartman has been forced to resort to litigation, and has in fact sued the Company and the Entrenched Directors to declare the bylaw amendment invalid and to compel an annual meeting.

- On January 12, 2024, Allen Hartman and the Hartman Group sent an email to the shareholders, expressing frustration with the current Board and advocating for the liquidation of the company instead of pursuing a self-storage strategy. They proposed a new board focused on selling properties, paying down debt, and returning capital to shareholders. They cited an estimated conservative value of \$8.00 per share and urged investors to revoke their consent solicitation votes to push for liquidation. [Source](#)
- On January 18, 2024, Allen Hartman and the Hartman Group sent a [letter](#) to the shareholders countering Haddock's (CEO of the company) claims and the ongoing Consent Solicitation. Hartman denied using the company for personal gain, unlike Haddock, who took fees and awarded himself convertible units. He criticized Haddock's lack of experience and mismanagement, leading to poor company performance and auditor issues. Hartman emphasized the need for liquidation as per the company's charter, opposing the Board's new strategy. He called for a shareholder meeting to decide on asset sales and capital return, urging shareholders to revoke consent to the Board's current plans.
- On Feb 1, 2024, the company [announced](#) that its consent solicitation closed on January 29, 2024. A Maryland court granted a preliminary injunction preventing the Company from counting votes until further notice. The Company is evaluating its options, but existing directors, including the Executive Committee, will remain in place regardless of the vote outcome.
- On March 21, 2025, Allen R. Hartman (7.9%) delivered a letter to the company nominating a slate of three director candidates, Allen R. Hartman, Brent Longnecker and Benjamin Thomas, for election to the board at the 2025 Annual Meeting of Stockholders. [Source](#)
- On April 1, 2025, the Hartman Group issued a [letter](#) to the shareholders criticizing Silver Star Properties' leadership under Haddock, blaming them for destroying \$278 million in net asset value since 2022 through their failed "New Direction Plan." They disputed SSP's financial claims, highlighted past tenant satisfaction, and accused management of poor asset sales, mismanagement, and excessive compensation. The letter referenced a court order requiring a shareholder vote within six months to choose between liquidation and an alternative strategy, urging shareholders to consider replacing the board and holding management accountable.
- On April 10, 2025, Al Hartman issued a [letter](#) to Silver Star shareholders condemning CEO Gerald Haddock's award of 1 million shares to himself, calling it excessive and lacking endorsement from reputable compensation experts. Hartman said he spoke with 35 major shareholders representing nearly 20% of shares—97% of whom want Haddock removed. He accused Haddock of breaching fiduciary duty and prioritizing self-enrichment despite the company's poor performance, suggesting legal action may follow his removal.
- On May 27, 2025, Al Hartman, former CEO and largest shareholder of Silver Star Properties REIT, urged shareholders to vote in an upcoming proxy to replace

current leadership, citing drastic value destruction under CEO Haddock. He highlighted the company's NAV decline from \$412M in 2020 to \$134M by mid-2024 and accused Haddock of fiduciary breaches, financial non-disclosure, and misuse of funds to delay the shareholder meeting set for July 7. [Source](#)

- On June 12, 2025, the Hartman Group urged shareholders to vote for its plan to return capital, criticizing current leadership for selling \$395M in legacy assets and reinvesting in speculative, cash-negative properties, while insiders enriched themselves. It opposes a \$50M preferred equity raise that would dilute common shareholders. [Source](#)
- On June 19, 2025, the Hartman Group issued a [letter](#) blaming Silver Star Properties' collapse on poor leadership following Al Hartman's forced exit. They cited plunging occupancy, distressed asset sales, and negative cash flow, contrasting it with Hartman's past performance, including high occupancy and profitable exits. The letter urged shareholders to vote the BLUE proxy card to restore former leadership and stop further value destruction.
- On June 23, 2025, the Hartman Group, owning ~7.8% of Silver Star Properties, alleges the Board triggered a poison pill and changed the Annual Meeting date and record date to entrench its control and dilute their stake. They call it a second misuse of the poison pill to suppress dissent. The group urges shareholders to vote the BLUE proxy card to remove key Board members, reject the company's strategy, and support asset liquidation and capital return. Legal action is being considered. [Source](#)
- On July 8, 2025, the Hartman Group warned shareholders that Silver Star Properties is illegally soliciting proxy votes despite being barred by the SEC for failing to file audited financials. Hartman urged shareholders to ignore calls from Silver Star or Alliance Advisors, avoid voting on the WHITE card, and stick with the BLUE proxy if already voted. They also flagged Silver Star's use of a second "poison pill" and confirmed that the Hartman Shareholder Alliance will honor the resulting share split. [Source](#)
- On July 18, 2025, the Hartman Group issued a [letter](#) urging to reject the company's turnaround plan and instead support their proposed orderly liquidation strategy, arguing it would return capital to shareholders. They criticized CEO Gerald Haddock for mismanagement, claiming his team caused a 70% NAV decline, sold \$550M worth of assets for \$395.8M, diverted funds into low-yield storage investments, and enriched themselves with no-cost share awards. The Hartman Group asserted that Haddock's "New Direction Plan" is value-destructive and called on shareholders to vote the BLUE proxy card to elect their slate and restore accountability.
- On August 4, 2025, the Hartman Group issued a [presentation](#) on Silver Star Properties challenging the current board's governance and legal practices, citing poor performance and lack of transparency. Hartman's group advocates for an "orderly liquidation" of assets to maximize shareholder returns and urges investors to support their nominated directors for improved oversight and value realization.
- On August 14, 2025, the Hartman Group sent a [letter](#) to Silver Star Properties' board members Jack Tompkins and Jim Still, accusing CEO Haddock of mismanagement, erratic behavior, costly legal battles, self-enrichment through stock awards, and mishandling a stock split to deny rightful shares. The letter highlights falling occupancy, failed leasing efforts, and properties being sold at "fire-sale" prices, while criticizing the board for enabling Haddock and exposing themselves to liability. It

warns against interfering with the upcoming August 29 shareholder vote, urges immediate accountability, and cautions that further stonewalling could trigger class action lawsuits. Also on August 14, 2025, the Hartman Group distributed a presentation to shareholders. The [presentation](#) highlights a 70% NAV decline since 2022 from mismanagement, occupancy losses, and distressed property sales; mini-storage investments are losing money with high debt costs; and CEO Haddock faces criticism for self-enrichment and regulatory breaches. It urges board change and backs three independent nominees—Brent Longnecker, Benjamin Thomas, and Allen R. Hartman—to restore governance and shareholder value.

- On August 26, 2025, the Hartman Shareholder Alliance sent a [letter](#) criticizing Silver Star's decision to postpone its shareholder meeting to October 6, calling it an excuse to mislead investors, conceal illegal activity, and avoid accountability. The letter accused the Board of chaotic communication, false SEC filings, and violations of fiduciary duty, stressing that every day of delay further erodes shareholder value through mismanagement and asset fire sales. Hartman urged immediate compliance with books and records requests and demanded the shareholder vote proceed without further delay to protect value and restore trust.
- On September 11, 2025, the Hartman Group accused Silver Star Properties' management of potential fraud, citing concealed records, self-dealing, discriminatory stock distribution, and SEC misrepresentations, while urging shareholders to reject the "42-cent" offer, join a call, and vote for accountability on October 6 AGM. [Source](#)
- On October 3, 2025, the Hartman Group accused Silver Star of delaying the shareholder vote for a sixth time through a lawsuit seeking to void all Hartman "blue" proxy votes and postpone the meeting to December 31, 2025, arguing this is a desperate attempt to avoid accountability and silence shareholders by shifting the blame onto Hartman while actually trying to cancel shareholder voices themselves. Hartman contended it has complied with all vote protocols, submitted proxies early, and kept communications transparent, urging shareholders to vote "Blue" to end alleged obstruction, support liquidation, and ensure their voices are heard, while also inviting open dialogue and inviting shareholders to contact them directly for meeting details. [Source](#)

Biglari Capital Urges Shareholders to Withhold Votes against Cracker Barrel (CBRL) Directors

Key Summary: On September 18, 2025, Biglari Capital (2.9%) urged shareholders to vote **WITHHOLD** on CEO/director Julie Masino and director/Compensation Chair Gilbert Dávila at the November 20 meeting, citing value destruction, brand missteps, failed marketing, excessive pay, and the Board's misuse of capital to block dissent.

Market Cap: \$1 billion| Cracker Barrel Old Country Store, Inc. develops and operates the Cracker Barrel Old Country Store concept in the United States.

- On September 18, 2025, Biglari Capital (2.9%) urges shareholders to vote **WITHHOLD** on the re-election of CEO/director Julie Masino and director/Compensation Chair Gilbert Dávila at the November 20, 2025 annual meeting. Biglari Capital argues that under Masino's leadership the Company has suffered value destruction, brand missteps, and alienated customers, while Dávila

bears responsibility for failed marketing strategies and excessive executive pay. They criticize the Board for wasting shareholder capital, resisting accountability, and spending heavily to block dissenting voices. [Source](#)

- On October 7, 2025, Biglari Capital criticized the board for repeated strategic missteps over 14 years, including failed new concepts (Holler & Dash, Punch Bowl Social), an underperforming acquisition (Maple Street Biscuit), and a \$700 million remodel plan opposed by the group, which they argue ignored core customer needs and ultimately backfired following significant public backlash and declining traffic. The [letter](#) argues that both current CEO Julie Felss Masino and board member Gilbert Dávila have overseen a sharp drop in shareholder value and urges shareholders to vote “AGAINST” their re-election to restore brand authenticity, accountability, and lost credibility, echoing similar calls from major institutional shareholders and a company founder.

Background:

- Biglari lost five proxy campaigns to elect directors in the FY 2011, 2012, 2013, 2014 and 2020
- On November 5, 2021, Biglari Capital Corp (8.7%) issued a [letter](#) to shareholders expressing its concerns on the performance of the company that it has lagged behind both the peer median and the S&P MidCap 400 Index since the onset of Covid-19 and since the 2020 shareholder meeting held on November 19, 2020. Further, it urged that the Board should consider a more aggressive dividend payout policy.
- On December 14, 2021, Biglari Capital Corp (8.7%) issued a [letter](#) to shareholders expressing its concerns on the performance of the company. It urged that the Board should consider a more aggressive dividend payout policy.
- On June 6, 2022, Biglari Capital Corp (8.8%) issued a [letter](#) to shareholders reiterating its concerns.
- On August 18, 2022, Biglari Capital Corp (8.8%) delivered a letter to the company nominating Jody L. Bilney and Kevin M. Reddy for election to the Board at the 2022 AGM. [Source](#)
- On September 28, 2022, Biglari Capital Corp entered into an agreement with the company, leading to the expansion of the Board from ten to eleven members and the appointment of their nominee, Jody L. Bilney. [Source](#)
- On August 16, 2024, Biglari Capital Corp (9%) nominated Milena Alberti-Perez, Julie Atkinson, Sardar Biglari, and Michael W. Goodwin for election to the Board at the 2024 annual meeting. On August 18, 2024, they submitted a supplemental nomination for Michelle Frymire, bringing the total number of nominees to five. [Source](#)
- On September 23, 2024, Biglari Capital Corp (9.3%) filed proxy materials seeking support for its nominees.
- On September 23, 2024, Biglari Capital Corp withdrew their nomination of Julie Atkinson and Michelle Frymire as nominees for election at the Annual Meeting. With the withdrawal, Biglari Capital Corp intend to solicit proxies to elect the remaining Nominees to the Board at the Annual Meeting. [Source](#)
- On October 1, 2024, Biglari Capital Corp filed proxy materials seeking support for its nominees.

- On October 8, 2024, Biglari Capital Corp. issued a [letter](#) to shareholders expressing concern over the company's declining market value, which has dropped over \$2.9 billion since 2019. Despite ownership of 2,069,141 shares and attempts to highlight management failures, the Board's appointment of CEO Julie Felss Masino and her transformation plan have not restored confidence, leading to a 50.9% decrease in share price since her appointment. Biglari criticized the Board for its poor capital allocation decisions, including costly new stores and unsuccessful brand launches, which have resulted in significant losses. He emphasized the need for a Board overhaul and proposed focusing on core operations, halting new store openings, and improving existing store performance to regain customer traffic.
- On October 24, 2024, Biglari released an investor [presentation](#) titled '*Cracker Barrel is in Crisis*,' reiterating its concerns and seeking votes for its nominees.
- On October 31, 2024, Biglari issued an additional Investor [Presentation](#), "Setting the Record Straight" asserting that their nominees seek to collaborate rather than control, with no intention of executive roles.
- On November 12, 2024, Biglari Capital Corp issued a [press release](#) announcing that Glass Lewis recommended that shareholders vote **for** two of Biglari capital's nominees and ISS recommends shareholders vote **for** one of Biglari capital's nominees
- On November 13, 2024, Biglari Capital Corp, in a [letter](#) to the shareholders, highlighted a significant decline in the company's stock value, with a \$100 investment in January 2019 now worth only \$30. He argued that the current board, including Carl Berquist and Meg Crofton, was responsible for a 70% loss and had failed to turn the company around. He urged shareholders to vote for them, warning that without change, the company risked further losses.
- At the [AGM](#) held on November 21, 2024, shareholders re-elected all the company's director nominees. Biglari's nominees were not elected to the Board.

Daniel S. Farb nominated Board Candidates to Artelo Biosciences, Inc (ARTL)

Key Summary: On September 19, 2025, Daniel S. Farb nominated himself and Scott D. Pomfret for the Board at the annual meeting

Market Cap: \$11 million | Artelo Biosciences, Inc., a clinical stage biopharmaceutical company, develops and commercializes therapeutics that target lipid-signaling pathways in the United States.

On September 19, 2025, Daniel S. Farb nominated himself and Scott D. Pomfret for the Board at the annual meeting and signaled plans to engage stakeholders on unlocking value through potential transactions, capital changes, or business combinations while keeping flexibility to adjust his stake. [Source](#)

JCP Investment Management Sees Earnings Growth Potential, Plans Engagement with Board of Denny's Corporation (DENN)

Key Summary: On September 15, 2025, JCP Investment Management said it plans to engage with management and the Board on ways to enhance stockholder value, noting significant earnings growth potential in the coming years.

Market Cap: \$284 million | Denny's Corporation, through its subsidiaries, owns and operates franchised full-service restaurant chains under the Denny's and Keke's Breakfast Cafe brand names in the United States and internationally.

On September 15, 2025, JCP Investment Management (7.8%) stated that it intends to engage in discussions with management and the Board regarding opportunities to enhance stockholder value, and believe there is a significant opportunity for the company to increase its earnings over the coming years. [Source](#)

Lakeview Opportunity Fund Presses Commercial Vehicle Group, Inc (CVGI) for Strategic Alternatives, Including Possible Sale

Key Summary: On September 15, 2025, Lakeview Opportunity Fund (8.5%) engaged with the management and Board and plans to continue discussions on value creation, including a review of strategic alternatives such as a potential sale.

Market Cap: \$73 million | Commercial Vehicle Group, Inc., together its subsidiaries, provides systems, assemblies, and components to the vehicle market and electric vehicle markets.

On September 15, 2025, Lakeview Opportunity Fund (8.5%) communicated with the management team and Board and expects to continue to communicate with the management team and Board, regarding their views on the company and opportunities for value creation, including through a review process that explores strategic alternatives, including a sale of the company. [Source](#)

Scott J. Dworschak, nominee of Joseph Stilwell secures Board seat at IF Bancorp, Inc (IROQ)

Key Summary: On August 26, 2025, Joseph Stilwell (7.5%) announced his intent to nominate Scott J. Dworschak for election as a director at the upcoming annual meeting of stockholders. On September 17, 2025, Joseph Stilwell said nominee Scott J. Dworschak will join the board under a Standstill Agreement, with his and alternate Douglas P. Hutchison Jr.'s nominations withdrawn.

Market Cap: \$83 million | IF Bancorp, Inc. operates as the savings and loan holding company for Iroquois Federal Savings and Loan Association that provides a range of banking and financial services to individual and corporate clients.

- On August 26, 2025, Joseph Stilwell (8.9%) announced his intent to nominate Scott J. Dworschak for election as a director at the upcoming annual meeting of stockholders, with Douglas P. Hutchison as his alternate nominee. [Source](#)
- On September 11, 2025, Stilwell Activist Investments criticized IROQ's board for failing to act on last year's shareholder-approved proposal to sell the bank, accusing it of inaction and incompetence. Stilwell announced it will nominate Scott J. Dworschak to replace long-serving director Alan D. Martin at the upcoming annual meeting. [Source](#)
- On September 17, 2025, Joseph Stilwell stated that under a [Standstill Agreement](#), nominee Scott J. Dworschak will be appointed to the board, leading to the

withdrawal of his election nomination and that of alternate nominee Douglas P. Hutchison Jr. at the 2025 Annual Meeting.

Past

- On December 14, 2018, Joseph Stilwell (6.2%) urged management and the board to maximize shareholder value through repurchases of outstanding Common Stock with excess capital. He stated that he would aggressively seek board representation if the company pursued any action that diluted tangible book value per share. [Source](#)
- On September 24, 2019, Joseph Stilwell reduced his stake to 0.6% stating, that the Board had acted in good faith to maximize shareholder value through share repurchases.
- On September 18, 2023, Joseph Stilwell (6.6%) stated that he hopes to work with management and the board to maximize shareholder value. [Source](#)
- On May 28, 2024, Joseph Stilwell (7.5%) announced the submission of a stockholder proposal to prompt the sale of the company. Further, he stated if the Proposal doesn't result in the prompt sale, the intention is to pursue board representation.
- On November 15, 2024, Joseph Stilwell increased his stake to 8.5%

Barnwell (BRN) Directors Adjourn Annual Meeting Again, Impose Bylaw Amendment to Restrict Opposition Shareholders' Voice

Key Summary: On January 27, 2021, Barnwell settled with MRMP to re-nominate board representatives. MRMP planned a proxy contest in 2022, and in January 2023, Barnwell agreed to nominate new directors. On January 21, 2025, MRMP terminated the agreement due to a breach and plans to file a proxy statement for new board nominations. On January 28, 2025, Ned L. Sherwood (30%) condemned the company's shareholder rights plan as a move to protect ineffective management and the Kinzler/Grossman family's interests. On February 14, 2025, Ned L. Sherwood submitted a slate of five director nominees for consideration at the company's 2025 Annual Meeting. On September 16, 2025, the Sherwood Group (29.9% holder) accused Barnwell directors Grossman and Horowitz of adjourning the annual meeting again, lowering quorum rules to entrench themselves, ignoring potential \$10–15M recoveries, wasting resources, and pushing BRN toward insolvency despite weak shareholder support.

Market Cap: \$11 million | Barnwell Industries, Inc. operates in four segments namely Oil and Natural Gas Segment, Land Investment Segment, Contract Drilling Segment and Residential Real Estate Segment

- On January 27, 2021, Barnwell entered into a settlement agreement with the shareholder group consisting of MRMP-Managers LLC, NLS Advisory Group, Inc., Ned L. Sherwood, and Bradley M. Tirpak. Pursuant to it, the company would re-nominate MRMP-Managers' three representatives to the board at 2021 AGM.
- With respect to the annual meeting of shareholders of the Company scheduled to be held on May 6, 2022, ISS and Glass, Lewis have each recommended that shareholders vote against the Company's Proposal No. 4, the proposal to amend the Company's certificate of incorporation to authorize blank-check preferred stock. Pursuant to the Cooperation and Support Agreement dated January 27, 2021 with the Company, as a result of the adverse recommendations released by ISS and Glass

Lewis, Mr. Sherwood (18.3%) will vote his shares against the Company's Proposal No. 4. [Source](#)

- At the [AGM](#) held on May 6, 2022, the amendment to the Company's certificate of incorporation to authorize blank-check preferred stock was not approved.
- On October 27, 2022, MRMP-Managers LLC (20.1%) has announced that it plans to run a proxy contest for full board control at the company at its 2023 AGM. Ned L. Sherwood of MRMP commented: "We believe change is long overdue at Barnwell. We have grown tired of poison pills, millions of dollars spent on anti-takeover lawyers, and constant roadblocks placed in the way of success for the company. We plan to refocus Barnwell on making profits for shareholders instead of preserving jobs for the CEO and the board. We are confident that we can leave a better legacy than CEO Kinzler's \$42 million in net operating losses." [Source](#)
- On January 21, 2023, Barnwell entered into a settlement [agreement](#) with the shareholder group consisting of MRMP-Managers LLC and Ned L. Sherwood (together 19.6%) and pursuant to it, the Company agreed to nominate Messrs. Woodrum, Grossman and Kinzler, along with two new independent directors, Joshua Horowitz and Laurance Narbut, for election to the Board AGM and 2024 AGM.
- On January 21, 2025, MRMP-Managers LLC, the Ned L. Sherwood Revocable Trust, and Ned L. Sherwood terminated their Cooperation and Support Agreement with Barnwell Industries due to a material breach by the Company involving a "Special Committee" that overstepped its authority. As a result, the shareholder group is free to purchase additional shares and plan to file a proxy statement to nominate directors at the next annual meeting if the Company rejects their proposals. Sherwood, frustrated by excessive compensation to management and resistance from the board, is now proposing a new slate of five directors to focus on value-building and fair treatment for all shareholders while removing Kinzler, Grossman, and their associates. [Source](#)
- On January 28, 2025, Ned L. Sherwood (30%) condemned the company's shareholder rights plan as a move to protect ineffective management and the Kinzler/Grossman family's interests. He criticized excessive legal fees and executive compensation, especially amid poor performance. Sherwood urged shareholders to support his efforts for change, stating he had backing from at least 40% of shares and called for both sides to use personal funds for any legal battles. [Source](#)
- On February 5, 2025, Ned L. Sherwood, addressing shareholders, responded to inquiries regarding recent company actions and expenditures. He highlighted concerns over an \$18 million company retaining Skadden Arps for a proxy fight, questioned the rationale behind a newly formed "Special Committee," and urged for the prompt scheduling of the 2025 Annual Meeting to mitigate unnecessary expenses. [Source](#)
- On February 14, 2025, Ned L. Sherwood (30%) submitted a slate of five director nominees for consideration at the company's 2025 Annual Meeting, following unsuccessful attempts to agree on a board slate. The company reported a quarterly loss of \$1.9 million or \$0.19 per share, underscoring the urgency to elect his slate for a turnaround. The nominees, selected for their expertise in finance, oil and gas, mergers and acquisitions, investment, and private equity, aim to enhance shareholder value by optimizing oil assets, leveraging tax loss carryforwards, and reducing overhead costs. [Source](#)

- On March 14, 2025, Ned L. Sherwood sent a [letter](#) to shareholders soliciting consent to replace the current board. The Sherwood Group claims that the current board's leadership has resulted in a 53.5% decline in BRN's share price since 2002, arguing that their proposed board members, with over 172 years of collective experience, are better equipped to turn the company around. They urge shareholders to support the new slate by signing and returning the enclosed BLUE consent card.
- On April 3, 2025, Ned L. Sherwood issued an open [letter](#) to the shareholders reiterating his consent solicitation to replace the entire board with five nominees. The proposed slate promises a strategic overhaul, emphasizing cost reduction, operational consolidation, and efficient use of tax assets to enhance shareholder value.
- On April 17, 2025, Ned L. Sherwood issued a [presentation](#) arguing that urgent change is needed at Barnwell Industries due to years of underperformance, poor capital allocation, and entrenched management under President & COO Alex Kinzler, whose tenure has seen declining market cap, wasted capital, and minimal returns to shareholders. Highlighting a looming financial crisis—with under \$2M in cash and expected losses in March 2025—they allege mismanagement, excessive executive pay, and shareholder disenfranchisement through tactics like bylaw changes and poison pill plans. To address this, Sherwood proposes replacing the board with five independent nominees, closing the Hawaii office, reducing overhead, leveraging tax assets, and focusing on disciplined, value-driven governance.
- On August 21, 2025, The Sherwood Group (29.9%) accused Barnwell's board of wasteful spending, poor governance, and entrenchment, highlighting the company's worsening cash burn and a \$3 million loss from a failed Texas investment. Sherwood demanded an immediate investigation into the Texas deal, alleging breaches of fiduciary duty by former and current directors, and warned that delaying action could forfeit potential multimillion-dollar recoveries critical to Barnwell's survival. [Source](#)
- On September 16, 2025, the Sherwood Group (29.9%) issued a [letter](#) to the shareholders criticizing Barnwell Industries' directors Grossman and Horowitz for again adjourning the annual meeting due to lack of quorum, amending bylaws to lower quorum to 33.3%, and entrenching themselves despite weak shareholder support. Sherwood accused them of manipulating governance, wasting company resources, ignoring a potential \$10–15M recovery from the Texas investment, pushing BRN toward insolvency, and nominating unqualified candidates like Phil McPherson, while stripping shareholders of their voice and rights.

Exclusive Resorts Challenges Buyerlink Deal with \$39M Bid for Inspirato Inc (ISPO)

Key Summary: On July 31, 2025, Brent and Bradley Handler (8.2% owners) demanded records to probe the Buyerlink merger. Stoney Lonesome HF LP opposed the deal on September 2, and two days later Inspirato received a \$3.15 per share (\$39M) all-cash offer from Exclusive Investments, which the Handlers deemed superior. Questioning Buyerlink's \$326M valuation versus CEO Zamani's \$100M+ estimate, both the Handlers and Stoney Lonesome urged the board to engage with Exclusive; on September 8, Stoney Lonesome reiterated its opposition, citing dilution, governance risks, and inflated valuation.

Market Cap: \$39 million | Inspirato Incorporated, together with its subsidiaries, operates as a luxury hospitality club in the United States and internationally.

- On July 31, 2025, Brent Handler, co-founder and former CEO and board member of the company, along with Bradley Handler, co-founder and former Executive Chairman of the board (together 8.2%), submitted a formal demand on July 31, 2025, under Delaware law to inspect certain corporate books and records. This request aims to investigate the actions of the company's senior management and board regarding the proposed merger with Buyerlink, Inc., as outlined in the company's preliminary proxy statement dated July 25, 2025. [Source](#)
- On August 4, 2025, Stoney Lonesome HF LP oppose the proposed reverse merger with Buyerlink Inc., viewing it as unfairly benefiting CEO Payam Zamani at the expense of minority shareholders, and intend to vote against it. They are actively engaging with the Issuer's management, board, and other stakeholders regarding their opposition. While they currently have no other concrete plans, they may consider various strategic actions in the future based on the Issuer's financial and market conditions. [Source](#)
- On September 2, 2025, Stoney Lonesome HF LP released a [presentation](#) opposing the Proposed Merger with Buyerlink, citing value destruction for minority stockholders, a flawed approval process by the Special Committee and Board, a substantial windfall for Chairman and CEO Payam Zamani at stockholders' expense, and the creation of a conglomerate structure lacking synergies.
- On September 3, 2025, Brent and Bradley Handler, who had filed a Section 220 demand to review Inspirato's (ISPO) records on its proposed merger with Buyerlink, Inc., reported that the demand remains unanswered and urged shareholders—especially the 66% not bound by voting agreements—to vote against the deal.
- On September 4, 2025, the company received an unsolicited non-binding all-cash acquisition proposal from Exclusive Investments, LLC at \$3.15 per share (\$39M), which Brent and Bradley Handler argue offers more value than the proposed Buyerlink merger. They note the offer carries a premium to market pricing since the merger announcement and urge the board to engage with Exclusive. They also question Buyerlink's \$326M valuation, citing Payam Zamani's July 2024 estimate of just "somewhere over \$100M," and reiterate concerns over the Buyerlink deal. [Source](#)
- On September 8, 2025, Stoney Lonesome HF LP reiterated that it opposes the Buyerlink merger, citing dilution, governance risks, Buyerlink's troubled history, and inflated valuation. They urge the board to reject the deal and pursue the \$3.15 per share all-cash offer from Exclusive Investments, which they view as a superior, immediate-value alternative. [Source](#)
- On September 11, 2025, Payam Zamani, the President and CEO of One Planet Group LLC, a Delaware limited liability company, was quoted in the following article published by BusinessDen. Inspirato (ISPO) received an unexpected \$39M (\$3.15/share) takeover bid from Exclusive Resorts, a firm co-founded by Brad and Brent Handler, just weeks before shareholders vote on Inspirato's proposed merger with Zamani's Buyerlink. Although the Handlers no longer control either company, they support the Exclusive Resorts offer, citing concerns over conflicts of interest and self-dealing in the Buyerlink deal, which would raise Zamani's stake from 49% to 91%. Fellow shareholder Clint Coghill (5%) also urged the board to accept Exclusive's bid, criticizing the inflated Buyerlink valuation. Inspirato's board,

however, continues to recommend proceeding with the Buyerlink transaction while a special committee reviews the new proposal. [Source](#)

- On September 18, 2025, Brad and Brent Handler urged the board to seriously consider Exclusive Investments' revised \$3.50 per share buyout offer—well above the current stock price—and criticized management for not disclosing it while pursuing the Buyerlink deal. They expressed support for a transaction on these terms, stressing it would serve stockholders' best interests. [Source](#)

Duc Pham and Riverstyx Fund Launch Board Challenge at Charles & Colvard (CTHR) 2025 Annual Meeting

Key Summary: On August 22, 2025, Riverstyx Capital Management nominated three Board candidates. On August 25, 2025, Duc Pham submitted a nomination for election to the board at the October 13 annual meeting. On September 3, 2025, Duc Pham, holding 6.7% voting power, seeks Board election to drive governance reform, financial stabilization, and a turnaround. Along with Riverstyx Fund, he is nominating directors at the 2025 Annual Meeting

Market Cap: \$2 million| Charles & Colvard, Ltd. operates as a fine jewelry company in the United States and internationally.

Riverstyx Capital Management

- On August 27, 2024, Riverstyx Capital Management (8.7%) submitted notice to the Company that it intends to nominate three candidates for election to the Board of Directors at the next annual meeting of shareholders. [Source](#)
- On October 1, 2024, Riverstyx Capital Management issued a [letter](#) to the shareholders urging them to support for real change at the company.
- On October 7, 2024, the company stated that the nomination notice from Riverstyx Capital Management to elect three candidates to the Board of Directors is invalid. It stated that the notice failed to meet the requirements of the company's 2011 Amended and Restated Bylaws. Missing information includes candidate biographies, ownership stakes, and consent to serve. [Source](#)
- On August 22, 2025, Riverstyx Capital Management (7.4%) submitted to the company, via email and UPS, a notice nominating three individuals, Ben Franklin, Michael R Levin, and Lloyd M Sems, for election to the Board at its 2025 annual meeting. [Source](#)
- On August 22, 2025, Riverstyx Capital Management submitted a nomination notice to the company proposing Ben Franklin, Michael R. Levin, and Lloyd M. Sems for election to the Board at the 2025 Annual Meeting. [Source](#)
- On September 3, 2025, Riverstyx Capital blasted the Board for adopting a Fiscal 2026 Executive Incentive Program that grants insiders nearly 1.2M shares—almost 40% of the company—at an artificially low price of \$0.15 per share. The plan heavily favors the Executive Chairman with twice the CEO's allocation, allows directors to grant equity to themselves, and includes a cash payout feature that could drain the company's weak balance sheet. Riverstyx called the move blatant self-enrichment at the expense of long-suffering shareholders and announced it has nominated three independent directors to push for governance reform. [Source](#)

- On September 25, 2025, Riverstyx Capital Management, Duc Pham, and affiliates, who collectively control about 17% have filed a proxy statement seeking shareholder support to elect four nominees—Benjamin O. Franklin IV, Michael R. Levin, Duc Pham, and Lloyd M. Sems—to the company’s five-member board at the October 13, 2025 annual meeting. [Source](#)

Pham Duc Hoang

- On August 22, 2025, Duc Pham, a long-time investor, stated that he has grown increasingly concerned about the Company’s trajectory and, after securing an irrevocable proxy on August 20, 2025, now controls 9.6% of the voting power (4.99% from his own holdings and 4.61% from Don Pham), making him one of the largest voting shareholders. He plans to seek a board seat to push for governance reform, financial stabilization, and an operational turnaround to restore long-term shareholder value. [Source](#)
- On August 25, 2025, Duc Pham submitted a nomination for election to the board at the October 13 annual meeting. [Source](#)
- On September 23, 2025, Duc Pham, holding 6.7% voting power, seeks Board election to drive governance reform, financial stabilization, and a turnaround. Along with Riverstyx Fund, he is nominating directors at the 2025 Annual Meeting. [Source](#)

Carlos Daniel Valadez

- On April 11, 2023, Carlos Daniel Valadez (5.16%) stated that he intended to engage in discussions with the management and the board regarding the company's strategic marketing plan, capital allocation strategy, branding strategy and other related topics. [Source](#)
- On May 15, 2023, Mr. Valdez sent a [letter](#) to the Board, requesting certain changes to the company’s strategy.

HCI Grove entered into a letter agreement with Grove Collaborative Holdings, Inc (GROV)

Key Summary: On July 8, 2025, Jason H. Karp and HCI Grove, LLC (5.4%) urged the Board to explore strategic alternatives, citing poor returns, limited float, and challenges in balancing growth and profitability due to high costs. On Sept 21, 2025, the company and HCI Grove entered a Letter Agreement tied to their Working Group

M.Cap: \$61 million | Grove Collaborative Holdings, Inc., a consumer products company, develops and sells household, personal care, beauty, and other consumer products in the United States.

- On July 8, 2025, Jason H. Karp, HCI Grove, LLC (5.4%) sent a letter to the Board urging a pursuit of strategic alternatives—such as a sale, merger, or take-private deal—citing poor shareholder returns, limited float, and the company's struggle to balance growth and profitability due to high costs. [Source](#)
- On August 7, 2025, the company and Jason H. Karp, HCI Grove, LLC formed a working group to explore value-creation options, with Jason H. Karp favoring a sale, merger, or take-private deal and engaging on strategic, financial, and governance opportunities.

- On Sept 21, 2025, the company and HCI Grove entered a [Letter Agreement](#) tied to their Working Group, imposing 18-month confidentiality, a six-month standstill (extendable to Sept 2026 if a Trigger Event occurs), and a lock-up on share transfers. The agreement restricts ownership above 9.99%, certain proposals, campaigns, and unsolicited deals. HCI Grove may exit anytime, the Issuer after six months, and the group ends by Sept 30, 2026.

Khrom Capital urges Acadia Healthcare Company, Inc (ACHC) for Strategic Review and Potential Sale

Key Summary: On September 24, 2025, Engine Capital LP (3%) urged Acadia Healthcare's board to revamp its strategy and governance, citing years of poor returns from weak execution, excessive bureaucracy, and leadership turnover. On October 1, 2025, Khrom Investments Fund (5.5%) urged Acadia's board to launch a public strategic review, including a potential sale, citing years of underperformance, poor capital allocation, weak governance, and shareholder frustration.

Market Cap: \$2.3 billion | Acadia Healthcare Company, Inc. provides behavioral healthcare services in the United States and Puerto Rico.

- On September 24, 2025, Engine Capital LP, holding about 3%, sent a [letter](#) to the Board urging the company to overhaul its strategy and governance, highlighting years of poor shareholder returns due to ineffective execution, a bloated corporate structure, and management turnover. Engine criticized the 2022 restructuring that shifted from a regional to a service-line reporting model, resulting in loss of local oversight and operational decline. It called for a refreshed board with behavioral health expertise, halted growth capital investments, cost-cutting, asset sales for share buybacks, improved executive incentives, and reinstatement of geographically focused leadership.
- On October 1, 2025, Khrom Investments Fund (5.5%) stated that it plans to engage with the management and board on ways to maximize shareholder value, as outlined in their letter. In the [letter](#), Khrom Capital blasted the company's decade-long underperformance, poor capital allocation, entrenched board, and weak governance, aligning with Engine Capital's recent demands but urging more decisive steps. The letter calls for an immediate public strategic review, including a potential sale of all or part of the company, citing credible buyer interest and shareholder frustration evidenced by large "against" votes at the last annual meeting. It criticizes the board's lack of refreshment, minimal ownership, and failure to implement governance reforms, arguing that ongoing DOJ investigations cannot justify inaction. Khrom warns that if the board resists, it will pursue director nominations and broader shareholder action to enforce accountability.

Hearst Completes Merger with DallasNews (DALN)

Key Summary: DallasNews agreed to a \$14.00 per share cash merger with Hearst on July 9, 2025, but MNG countered with escalating offers—\$16.50, \$17.50, \$18.50, and ultimately \$20.00 per share—criticizing the board's rejection and rights plan while filing a 13D disclosing 9.9% ownership. Proxy advisors backed Hearst's deal, and by September 17, GAMCO, despite earlier concerns, announced support for Hearst's

revised offer ahead of the September 23 vote. On September 23, 2025, shareholders approved the July 9 merger agreement, and on September 24 Destiny Merger Sub merged into the company, making it a wholly owned Hearst subsidiary.

Market Cap: \$84 million | DallasNews Corporation, together with its subsidiaries, publishes and sells newspapers in Texas.

- On July 9, 2025, DallasNews Corporation agreed to be acquired by Hearst Media West, LLC under a merger agreement providing \$14.00 per share in cash.
- On July 22, 2025, MNG Enterprises submitted a non-binding proposal to acquire all remaining shares at \$16.50 per share in cash, a 276%+ premium to the July 9 price and 18%+ above Hearst's \$14.00 offer; MNG and affiliates also filed an initial Schedule 13D disclosing 9.9% ownership and a Joint Filing Agreement with Strategic Investment Opportunities LLC, MNG Investment Holdings LLC, Heath Freeman, and Alden Global Capital LLC.
- On July 31, 2025, MNG Enterprises, Inc. sent a [letter](#) to the Board of Directors of DallasNews Corporation expressing strong disappointment over the board's outright rejection of MNG's all-cash acquisition proposal of \$16.50 per share, which was higher than the competing \$15.00 per share offer from Hearst. MNG criticized the board for refusing to engage in any discussions and for adopting a shareholder rights plan that favored Hearst's offer, thereby limiting shareholder choice and potentially violating fiduciary duties. Emphasizing their commitment to preserving the print edition of The Dallas Morning News and its local journalistic mission, MNG asserted they are better positioned than Hearst to support the paper's long-term success. They remain open to constructive dialogue, including working with Robert Decherd, but warned that if the board refuses engagement, they will appeal directly to shareholders to reconsider and accept what MNG claims is the superior offer for the benefit of all stakeholders and the North Texas community.
- On August 11, 2025, MNG submitted an enhanced proposal to acquire all outstanding shares of the company it does not already own for \$17.50 per share in cash, up from its initial \$16.50 offer. [Source](#)
- On August 19, 2025, MNG submitted a further enhanced proposal to acquire all outstanding shares of the company it does not already own for \$18.50 per share in cash—up from its initial \$16.50 offer and its prior \$17.50 enhanced proposal. [Source](#)
- On September 10, 2025, GAMCO filed 13D, noting the company's recent adoption of a 10% poison pill without shareholder approval, which conflicts with its guidelines. GAMCO has not decided how to vote on the September 23 Hearst acquisition but said the pill will factor into its evaluation. [Source](#)
- On September 15, 2025, the company announced that Glass, Lewis & Co. and Institutional Shareholder Services Inc. recommend shareholders vote FOR the Hearst Merger. [Source](#)
- On September 16, 2025, MNG submitted an Improved Proposal Letter to the Board offering \$20.00 per share in cash to acquire all outstanding shares it does not already own, representing increases of \$3.50, \$2.50, and \$1.50 per share over its initial (\$16.50), enhanced (\$17.50), and further enhanced (\$18.50) offers, respectively. [Source](#)
- On September 17, 2025, GAMCO (6.08%) stated that on September 10, 2025, they said they were assessing how to vote on the proposed Hearst Communications

acquisition at the September 23 special meeting. After the company raised the purchase price on September 15, they concluded the revised terms were more attractive and now intend to support the merger. [Source](#)

- On September 23, 2025, shareholders approved the merger agreement dated July 9, 2025, under which Destiny Merger Sub, a wholly owned subsidiary of Hearst Media West, merged into the company on September 24, 2025, making the company a wholly owned subsidiary of Hearst. [Source](#)

Two Seas Capital opposes CoreWeave acquisition of Core Scientific Inc (CORZ)

Key Summary: On August 7, 2025, Two Seas Capital (6.3%) stated that it will vote against Core Scientific's sale to CoreWeave, calling it undervalued and risky, and plans to rally shareholder opposition.

Market Cap: \$4.4 billion | Core Scientific, Inc. provides digital asset mining services in the United States.

- On August 7, 2025, Two Seas Capital (6.3%) said it will vote against Core Scientific's proposed sale to CoreWeave, calling the deal undervalued and risky due to its uncollared, all-stock structure. While supportive of a merger in principle, it believes the current terms unfairly favor CoreWeave and plans to urge other shareholders to reject the deal. [Source](#)
- On September 29, 2025, Two Seas Capital filed a definitive proxy statement and issued a letter urging shareholders to vote **AGAINST** the proposed sale to CoreWeave arguing the \$16.50-per-share deal is mispriced, poorly structured, and benefits executives at the expense of shareholders. [Source](#)

Lifeway (LWAY) and Danone signed a Cooperation Agreement

Key Summary: Since 2021, Edward and Ludmila Smolyansky have consistently pushed for leadership and governance changes at Lifeway Foods, including multiple director nominations, calls to replace CEO Julie Smolyansky, and demands for a strategic review. After a brief settlement in July 2022, tensions resurfaced in 2024 with renewed proxy efforts, legal disputes, and criticisms over insider compensation, governance practices, and rejection of acquisition offers from Danone. By August 2025, Danone, frustrated by failed negotiations and board entrenchment, signaled its intent to support Edward's campaign to replace the board if a deal isn't reached. On August 7, 2025, Edward and Ludmila Smolyansky, controlling ~26% of Lifeway Foods, extended the WHITE consent card deadline in their solicitation to September 30, 2025. On September 30, 2025, the company and Danone have signed a Cooperation Agreement to refresh the board by appointing four independent directors and separate the roles of Chair and CEO.

Market Cap: \$422 million | Lifeway Foods, Inc. produces and markets probiotic-based products in the United States and internationally.

- On October 15, 2021, Ludmila Smolyansky, Chairperson of the Board, and Edward Smolyansky, COO of the company, disclosed 38.4% and stated that Edward Smolyansky intends to nominate up to three directors at the 2021 AGM. [Source](#)

- On February 21, 2022, the concerned shareholders (38.2%) notified the Board of their belief that the Company should replace the Company's CEO, and commence an exploration of the Company's strategic alternatives. [Source](#)
- On March 11, 2022, Edward Smolyansky notified the corporate secretary of the company of his intent to nominate himself, Ludmila Smolyansky, Robert Whalen, Austin Hollis and Iana Trifonova for election to the Board at the 2022 AGM. As Mr. Smolyansky continues to prepare for a potential proxy contest in connection with the 2022 AGM, he intends to continue to engage in discussions with the Board regarding his belief that the Company should replace the Company's CEO, and commence an exploration of the Company's strategic alternatives. [Source](#)
- On July 27, 2022, Edward Smolyansky entered into a [settlement agreement](#) with the Company which terminates his potential proxy contest or solicitation with respect to the appointment of new directors to the Board. Pursuant to the Settlement Agreement, the Company has agreed, that (i) the Board will nominate: Juan Carlos Dalto, Jodi Levy, Dorri McWhorter, Perfecto Sanchez, Jason Scher, Pol Sikar, Julie Smolyansky and Ludmila Smolyansky, and (ii) the Board's Audit and Corporate Governance Committee will oversee a review of strategic alternatives for the Company.
- On February 10, 2023, Ludmila Smolyansky and Edward Smolyansky provided a notice to the Company regarding potential breaches of the Settlement Agreement, dated as of July 27, 2022, as amended, among the Company, Ludmila Smolyansky and Edward Smolyansky (the "Settlement Agreement"). Under the Settlement Agreement, Ludmila Smolyansky's and Edward Smolyansky's "standstill" obligations under Section 6 of the Settlement Agreement terminate in the event of a material breach by the Company that is not cured within ten days by the Company. On February 22, 2023, the Company provided a written response, claiming that it had not materially breached the Settlement Agreement, and noting that a committee of the Company's board of directors had approved the engagement of a nationally recognized financial advisor, and that certain terms of the engagement were being negotiated and remained subject to approval by the committee. [Source](#)
- On May 5, 2023, Mr. Smolyansky again notified the Company, in accordance with the Company's bylaws, that he intended to nominate seven candidates for election as directors at the 2023 annual meeting.
- On May 9, 2023, Mr. Smolyansky filed proxy materials seeking support for its nominees.
- At the AGM held on June 15, 2023, all of the company's director nominees were elected to the Board.
- On October 26, 2023, Ludmila Smolyansky and Edward Smolyansky (together 31.1%) informed the company. that they are nominating a director in accordance with the Settlement Agreement from July 27, 2022. As per the agreement, the Board must appoint the nominee if approved by the Board and its Audit and Corporate Governance Committee in good faith, with no unreasonable withholding of approval. They also mentioned a second contingent nominee to be considered if the first nominee is not approved by the Board or the Committee. [Source](#)
- On July 18, 2024, Ludmila Smolyansky and Edward Smolyansky (together 8.4%) issued a press release demanding (i) the resignation of Julie Smolyansky, CEO and chairperson of the Company, (ii) the resignation of certain of the Company's directors, including Jason Scher, Pol Sikar, Jody Levy, Dorri McWhorter and Perfecto

Sanchez, (iii) the termination of Jason Burdeen, the Company's chief of staff, (iv) the adoption of an anti-nepotism policy and (v) an operational and strategic review of the Company.

- On August 13, 2024, Ludmila Smolyansky and Edward Smolyansky filed proxy materials soliciting consent for the Board Removal Proposal and the Director Election Proposal. [Source](#)
- On December 30, 2024, Danone North America accused Lifeway Foods and CEO Julie Smolyansky of breaching a Shareholder Agreement by issuing nearly 300,000 shares without consent, declaring the action void. This follows rejected acquisition offers and Lifeway's leadership entrenchment, with Danone alleging shareholder value erosion through unauthorized stock grants and excessive compensation, hinting at potential litigation. [Source](#)
- On February 3, 2025, Ludmila Smolyansky and Edward Smolyansky issued a [press release](#) regarding a lawsuit filed against Mr. Smolyansky by Julie Smolyansky, the CEO of the Company and confirming Mrs. Smolyansky and Mr. Smolyansky's goals with respect to the Company's management and board of directors.
- On March 3, 2025, Danone filed a lawsuit against the company and its Board, accusing them of breaching fiduciary duties and violating the shareholder agreement. Danone seeks to have the share issuance rescinded and intends to continue pursuing legal action to enforce its rights under the agreement. [Source](#)
- On March 13, 2025, Edward Smolyansky sent the [letter](#) to the company notifying his intent to nominate seven directors for election at the Company's 2025 annual meeting of shareholders.
- On March 17, 2025, Mr. Smolyansky also made available a [letter](#) to Company shareholders on his website, www.freeLifeway.com
- On March 28, 2025, Ludmila Smolyansky and Edward Smolyansky filed proxy materials seeking support for their nominees
- On June 2, 2025, Edward and Ludmila Smolyansky (27%) filed a revised preliminary consent statement seeking to replace Lifeway Foods' board, citing weak Q1 results and poor governance. Despite a reported EPS increase, they argue earnings were driven by a one-time gain, not core operations. Key concerns include declining operating margins, weak sales, rising expenses, and insider stock sales. They criticized the Board's handling of Danone's offer, CEO/Chair Julie Smolyansky's compensation, and called for independent oversight and strategic review, asserting broad shareholder support for immediate change. [Source](#)
- On July 2, 2025, Edward and Ludmila Smolyansky (23.2%) solicited shareholder consents to replace the board and implement governance reforms. Their four proposals include the *Bylaws Restoration Proposal* (to repeal any bylaw changes made after March 24, 2023), the *Board Removal Proposal* (to remove all current directors including CEO Julie Smolyansky), the *Director Election Proposal* (to elect a new seven-member slate), and the *Anti-Nepotism Proposal* (to bar employment of any immediate family of the CEO or President). [Source](#)
- **On July 29, 2025**, Edward and Ludmila Smolyansky urged shareholders to support their consent solicitation to replace the current board. They criticized the board, led by Julie Smolyansky, for rejecting Danone's 72% premium offer, adopting entrenchment tactics (poison pill, delayed annual meeting), and awarding \$8.5M in CEO compensation (94% of 2024 net income). They also flagged insider stock sales and alleged violations of governance policies. Shareholders were urged to submit

consents by August 1 to restore accountability and enable independent review of Danone's offer. [Source](#)

- On August 1, 2025, Danone (22.7%) stated that in September and November 2024, it proposed to acquire Lifeway, but both offers were rejected and no substantive negotiations took place at that time. Discussions resumed in late June 2025 when Lifeway approached Danone to "reset" their relationship, leading to the signing of a confidentiality and limited standstill agreement on August 1, 2025, which restricts certain actions by Danone until at least September 15, 2025, with a possible seven-day extension if negotiations continue. If no acquisition agreement is reached by the standstill expiration date, Danone currently plans to support Edward Smolyansky's efforts to replace Lifeway's Board. [Source](#)
- On August 7, 2025, Edward and Ludmila Smolyansky, who control ~26% of Lifeway Foods, extended the requested deadline for shareholders to return WHITE consent cards in their ongoing consent solicitation from August 1 to September 30, 2025, while continuing efforts to secure support for their proposals. [Source](#)
- On September 30, 2025, the company and Danone have signed a [Cooperation Agreement](#) to refresh the board by appointing four independent directors and separate the roles of Chair and CEO. The agreement also stays pending litigation, with Danone waiving certain shareholder rights and agreeing to support the board's recommended candidates in 2025 and 2026.

Concerned Vaxart (VXRT) Stockholders Urge Fellow Stockholders to Vote "AGAINST" Reverse Stock Split and Demand Board Accountability

Key Summary: On September 2, 2025, Concerned Vaxart Stockholders, holding over 2.5M shares, urged a vote AGAINST the September 5 reverse stock split, citing its prior 59% rejection, lack of board accountability, and risks of reduced liquidity, higher volatility, and masking deeper issues.

Market Cap: \$87 million | Vaxart, Inc., a clinical-stage biotechnology company, discovers and develops oral recombinant protein vaccines based on its vector-adjuvant-antigen standardized technology proprietary oral vaccine platform in the United States.

On September 2, 2025, the Concerned Vaxart Stockholders, a group holding over 2.5 million shares, urged investors to vote **AGAINST** Vaxart's proposed reverse stock split at the September 5 special meeting. They noted that stockholders already rejected a similar proposal on June 13, 2025, with 59.1% voting against, and withheld support from most directors, including Chairman Michael Finney and CEO Steven Lo. Despite this, the board is pushing the split again, which the group argues would cut liquidity, heighten volatility, and mask deeper issues. They called for accountability and urged stockholders to reject the plan. [Source](#)

Trevor Montano Urges FINS Shareholders to Reject Angel Oak Advisory Agreement Over Poor Performance and Governance Issues

Key Summary: On August 26, 2025, shareholder Trevor Montano urged FINS investors to vote **AGAINST** renewing Angel Oak Capital Advisors as adviser, citing a 35% share price decline, persistent NAV discounts, underperformance vs. peers, excessive fees, and weak governance that entrenches Angel Oak and unelected trustees.

Market Cap: \$443 million | The Angel Oak Financial Strategies Income Term Trust ("FINS") is a closed-end fund that seeks current income with a secondary objective of total return.

On August 26, 2025, shareholder Trevor Montano urged Angel Oak Financial Strategies Income Term Trust (NYSE: FINS) investors to vote AGAINST a new investment advisory agreement with Angel Oak Capital Advisors at the upcoming special meeting. He cited FINS' poor performance since inception, including a 35% share price decline, persistent discounts to NAV, underperformance versus peers, and advisory fees exceeding net income. Montano also criticized entrenched governance, unelected trustees, and Angel Oak's use of leverage to enrich itself, calling for accountability and a competitive advisor selection process. [Source](#)

Altai Capital Engages with Stakeholders of OraSure Technologies (OSUR) to Enhance Shareholder Value

Key Summary: On September 9, 2025, Altai Capital Management (5.13%) said it may engage with management, the board, shareholders, and other stakeholders on strategy, governance, capital structure, and board composition to enhance shareholder value.

Market Cap: \$245 million | OraSure Technologies, Inc develops, manufactures, markets, sells, and distributes diagnostic products, specimen collection devices, and other diagnostic products in the United States, Europe, Africa, and internationally.

On September 9, 2025, Altai Capital Management (5.13%) stated that it has engaged, and may continue to engage, with the management, board, shareholders, and other stakeholders on matters such as strategy, governance, capital structure, and board composition, with the goal of enhancing shareholder value. [Source](#)

Starboard nominated Board candidates to BILL Holdings, Inc (BILL)

Key Summary: On September 5, 2025, Starboard nominated four directors to the Board

Market Cap: \$4.7 billion | BILL Holdings, Inc. provides financial operations platform for small and midsize businesses worldwide.

On September 4, 2025, Starboard (8.5%) stated that it intends to nominate a slate of directors at the 2025 annual meeting and continue engaging with management and the board on value creation, representation, and governance. [Source](#)

On September 5, 2025, Starboard nominated Liat Ben-Zur, Nancy Disman, Peter A. Feld, and Frank T. Young for election to the board at the 2025 annual meeting. [Source](#)

Carronade Capital Nominates Four Directors and Proposes Changes to Boost Cannae Holdings (CNNE) Shareholder Value

Key Summary: On March 20, 2025, Carronade Capital announced it would nominate four director candidates for Cannae's 2025 Annual Meeting. Carronade criticized Cannae's underperformance and governance, proposing cost reductions, better capital

allocation, and stronger governance to boost shareholder returns by at least 50%. On September 4, 2025, Carronade resubmitted its nomination of directors to the Board.

Market Cap: \$1 billion | Cannae Holdings, Inc. is a principal investment firm. The firm primarily invests in restaurants, technology enabled healthcare services, financial services and more.

- On March 20, 2025, Carronade Capital Management announced it would nominate four director candidates for election at 2025 Annual Meeting. Carronade criticized Cannae's underperformance and poor governance practices, citing persistent capital allocation issues and misalignment between management and shareholders. The firm proposed reducing overhead costs, improving capital allocation, unlocking portfolio value, and instituting stronger governance to increase shareholder returns by at least 50%. [Source](#)
- On April 7, 2025, Carronade issued a [press release](#) nominating four independent candidates for the Board. Carronade criticizes Cannae's recent actions as insufficient to address chronic underperformance, poor governance, and excessive executive payouts. The firm believes the current Board's behavior undermines shareholder value and that new independent directors are needed to unlock potential and address ongoing issues.
- On June 10, 2025, Carronade Capital Management filed proxy materials seeking support for its nominees.
- On September 4, 2025, Carronade resubmitted its nomination of Mona Aboelnaga, Benjamin C. Duster IV, Dennis A. Prieto, and Cherie L. Schaible for election to the board at the December 12, 2025 annual meeting, after the Issuer delayed the meeting by more than 175 days past the prior year's anniversary. Carronade had initially nominated the same slate on December 19, 2024, but was required to renominate under the company's bylaws due to the delay. [Source](#)

Engaged Capital Reaffirms Board Engagement with Portillo's Inc (PTLO) Under Cooperation Agreement

Key Summary: On August 15, 2024, Engaged Capital (9.9%) announced ongoing talks with the Board to unlock value through optimizing restaurant performance, improving cash returns, enhancing governance, and exploring a potential sale. On February 28, 2025, they proposed nominating directors with recent restaurant operations and marketing expertise at the upcoming annual meeting. On March 3, 2025, Engaged Capital (8.6%) nominated two independent candidates. On April 28, 2025, Engaged Capital entered into a Cooperation Agreement with the company to appoint a new director possessing relevant restaurant industry experience following the company's 2025 Annual Meeting. On September 11, 2025, Engaged Capital (7%) engaged, and will continue to engage, with the Board under the Cooperation Agreement.

Market Cap: \$442 million| Portillo's Inc. owns and operates fast casual restaurants in the United States.

- On August 15, 2024, Engaged Capital (9.9%) announced its ongoing communication with the Board and management to unlock the business's intrinsic value. This includes optimizing restaurant performance, improving cash returns at the

restaurant level, enhancing corporate governance, and possibly exploring a company sale. [Source](#)

- On February 28, 2025, Engaged Capital stated its belief that the company and its stockholders would benefit from adding directors with recent restaurant operations and marketing expertise. They plan to nominate such candidates for election to the Board at the upcoming annual meeting. [Source](#)
- On March 3, 2025, Engaged Capital (8.6%) nominated two independent candidates, Charlie Morrison and Nicole Portwood, for election to the Board at the 2025 Annual Meeting. Morrison, former CEO of Wingstop, delivered a ~760% return for shareholders, while Portwood, a former CMO of Tito's Handmade Vodka, brings extensive marketing expertise. [Source](#)
- On April 28, 2025, Engaged Capital entered into a Cooperation Agreement with the company to appoint a new director possessing relevant restaurant industry experience following the company's 2025 Annual Meeting. [Source](#)
- On September 11, 2025, Engaged Capital (7%) engaged, and intend to continue to engage, in discussions with the Board in accordance with the terms of the Cooperation Agreement. [Source](#)

Land & Buildings Issues Letter to Six Flags Entertainment Corporation (FUN)

Key Summary: On September 26, 2025, Land & Buildings Investment Management issued a public letter urging the company to unlock substantial trapped value in its real estate by monetizing these assets through a REIT spin-out or sale, potentially attracting multiple bidders and valuing the real estate up to \$6 billion. On December 21, 2022, Land & Buildings Investment Management (3%) issued a presentation detailing why it believes the Company is significantly undervalued and how Six Flags could unlock substantial value by executing a strategy to monetize its real estate while driving an operational turnaround. On January 30, 2020, H Partners entered into a Cooperation Agreement with the company regarding the membership and composition of the Board.

M.Cap: \$2.1 billion | Six Flags Entertainment Corporation owns and operates regional theme and water parks under the Six Flags name.

Land & Buildings Investment Management

- On December 21, 2022, Land & Buildings Investment Management (3%) issued a [presentation](#) detailing why it believes the Company is significantly undervalued and how Six Flags could unlock substantial value by executing a strategy to monetize its real estate while driving an operational turnaround. Key takeaways from the presentation include: (i) Six Flags could add \$11 per share today by unlocking its real estate value, (ii) The Company is poised for an operational rebound, (iii) There are clear precedents for monetizing Six Flags' real estate, (iv) There are attractive partners for sale-leaseback transactions, (v) Land & Buildings is optimistic that discussions with management can remain constructive.
- On September 26, 2025, Land & Buildings Investment Management issued a public [letter](#) urging the company to unlock substantial trapped value in its real estate by monetizing these assets through a REIT spin-out or sale, potentially attracting

multiple bidders and valuing the real estate up to \$6 billion. This approach, combined with driving an operational turnaround post-merger with Cedar Fair, could deliver immediate significant upside—estimated at over 75%—to the current depressed share price. Land & Buildings highlights that spinning off a REIT would allow shareholders to capture value while preserving operational growth upside and suggests evaluating sales of non-core parks as well. With the company's stock down over 50% due to merger integration issues and poor weather, the proposal presents a clear path to realize fair value after years of underperformance.

H Partners

- On January 16, 2020, H Partners (6.51%) stated that it is concerned by the recent deterioration in the company's operational and stock price performance. To address these concerns, H Partners have engaged in discussions with the Board regarding suggestions aimed at improving the governance of the company, including the addition of a representative of H Partners to the Board. [Source](#)
- On January 30, 2020, H Partners entered into a [Cooperation Agreement](#) with the company regarding the membership and composition of the Board. Pursuant to the Cooperation Agreement, the company appointed Arik Ruchim to the Board as a director, and Mr. Ruchim was appointed to the Nominating and Corporate Governance Committee and the Compensation Committee of the Board. The company also committed to appoint three additional independent directors to the Board. H Partners will be permitted to present to the Board a list of up to eight candidates who are not affiliates or representatives of H Partners for consideration for appointment to the Board as a New Independent Appointee.

V. CANADA – EARLY WARNING REPORT| SHAREHOLDER ACTIVISM

Sylogist Ltd.

- On September 9, 2025, OneMove Capital Ltd., a significant shareholder of Sylogist Ltd., announced its intention to requisition a special meeting of shareholders to hold the Board accountable for what it described as years of value destruction. OneMove Capital plans to nominate three independent, highly qualified directors aimed at restoring discipline, accountability, and shareholder trust. The fund criticized the deterioration under current leadership, highlighting a steep decline in EBITDA margins from 57% to 15%, a 58% drop in EBITDA, and a 35% decline in share price since Barry Foster became Chairman in 2020. [Source](#)
- On September 13, 2025, Sylogist's board formed a special committee of three independent directors—Tracy Edkins, Andrea Ward, and Kim Fennell—to consider any requisitions, the conduct of the meeting, and shareholder engagement. The company had engaged with OneMove earlier in 2025 and responded to its board seat request in September, explaining that its priority was upcoming strategy meetings and promising a response after. Sylogist regrets OneMove's decision to escalate instead of continuing constructive dialogue but remains committed to ongoing shareholder engagement, good governance, and acting in the best interests of the company through the special committee and management. [Source](#)

Dye & Durham

- OneMove Capital Ltd., a major shareholder of Dye & Durham Limited, demanded an immediate market update on the company's true financial position and outlook following concerns about an impending debt default. On September 24, 2025, OneMove criticized the company's board, led by Chairman Arnaud Ajdler of Engine Capital, for failing to file audited financial statements for the fiscal year ending June 30, 2025, and warned that Dye & Durham's soaring leverage and liquidity strain might lead to a rushed and damaging asset sale. OneMove highlighted the lack of communication since the March 31, 2025 financials, calling for transparency on debt obligations, financial outlook amid poor strategy and overspending, lender waivers, and progress in the strategic review and full sale process. The shareholder also condemned the board's leadership for accelerating decline in revenue quality, customer attrition, and operational discipline, urging Chairman Ajdler to resign and for substantive board renewal to restore accountability and shareholder value. [Source](#)
- OneMove Capital Ltd., a major shareholder of Dye & Durham Limited, has publicly criticized the company's board (referred to as the "Engine Board") for its mismanagement and disregard for shareholder interests. In a letter dated October 6, 2025, OneMove highlights that more than 68 days have passed since the company announced a strategic alternatives review without meaningful progress or communication. OneMove is aware of a credible, bona fide offer received nearly two weeks prior to acquire Dye & Durham at a significant premium to the recent share price, but accuses the board of failing to seriously engage with this bidder. Furthermore, OneMove expresses concern that the board is pursuing sales of high-growth assets that are value-destructive and warns that disposing of material assets while the company is "in play" would oppress minority shareholders. Despite good-

faith attempts by OneMove and former board member Ronnie Wahi to engage constructively, the board has rebuffed these efforts. OneMove urges the board to fulfill its fiduciary duties by engaging with credible bidders and halting any value-destructive actions, emphasizing that time has run out and the board's mismanagement is unsustainable. [Source](#)

Tethys Petroleum Limited

- On September 15, 2025, Fincraft Group LLP, a significant shareholder holding about 26.95% of Tethys Petroleum Limited, submitted a non-binding letter of intent to acquire the remaining shares of Tethys for CAD 1.38 per share in cash, representing a 62.35% premium over the recent market price. Fincraft expressed strong dissatisfaction with the current Tethys board's reluctance to engage with them and refusal to grant Fincraft board representation, despite Fincraft's earlier attempt to nominate a highly qualified director with extensive experience in Kazakhstan's oil and gas sector. Fincraft criticized that most board members lack experience in Kazakhstan's market and have little understanding of its unique challenges, which hampers the company's growth and governance. [Source](#)
- On September 18, 2025, Tethys Board of Directors has agreed to form a special committee made up of the independent Directors to review the proposal. The Board disputed Fincraft's claims that it lacked Kazakhstan market experience, citing over 33 years of combined board experience and deep operational knowledge. The Board highlighted Tethys's financial turnaround from significant losses and borrowings in 2015 to profitability and net debt elimination by 2025, projecting strong future growth. Regarding the exclusion of 18 million shares ordered cancelled by Kazakhstan's International Arbitration Centre, the Board affirmed the legality of this action and declined Fincraft's request for confirmation those shares would not be cancelled, arguing that reversing the ruling would harm shareholders. [Source](#)

Sierra Metals Inc.

- On July 18, 2025, Alpayana S.A.C. publicly expressed its dissatisfaction with separation agreements entered into by Sierra Metals Inc. with several of its executives, clarifying that it neither supported nor endorsed these agreements which triggered significant change of control payments totaling approximately US\$3 million. Alpayana raised concerns about Sierra Metals' liquidity issues, noting that the company was managing cash tightly due to high debt and corporate expenses prior to the agreements, making the payments inappropriate and detrimental to the company's financial health. Alpayana also criticized the timing of the disclosure of these agreements and questioned the validity of their purpose, arguing that the agreements were designed to trigger change of control payments without a legitimate business rationale, further straining Sierra Metals' already weak balance sheet during a protracted hostile takeover bid initiated by Alpayana. [Source](#)
- On July 29, 2025, Sierra Metals held its annual general and special meeting where shareholders overwhelmingly approved the second-step acquisition by Alpayana, moving toward privatization. The amalgamation transaction was approved by 99.95% of shareholders, signaling strong shareholder support for Alpayana's

takeover, with Sierra Metals expected to be delisted from the Toronto Stock Exchange in early August 2025. [Source](#)

Electra Battery Materials Corporation

- On July 21, 2025, Highbridge Capital Management, LLC, UBS Asset Management (Americas) LLC (O'Connor business unit), and Whitebox Advisors LLC, along with Whitebox General Partners LLC, each announced their intention to engage with the management and board of Electra Battery Materials Corporation regarding consensual transactions aimed at deleveraging and recapitalizing the company. These efforts may involve requesting or obtaining board representation for each of these joint actors. [Source](#)
- After the July 21, 2025 announcement of Highbridge Capital Management, UBS Asset Management, and Whitebox Advisors' intention to engage with Electra Battery Materials Corporation for deleveraging and recapitalization, Electra made significant progress in its restructuring efforts:
 - In September 2025, Electra announced detailed terms of a US\$30 million brokered private placement financing to support completion of its cobalt sulfate refinery construction, scheduled to close by mid-October. This offering was fully subscribed, reflecting strong investor confidence including institutional investors.
 - The company amended its recapitalization plan to convert approximately US\$41.3 million of secured convertible notes into about 55 million units at US\$0.75 per unit, reducing 60% of convertible debt and leaving 40% as a new three-year term loan. Units include shares and warrants exercisable at US\$1.25 for 36 months.
 - Electra issued a one-time bonus of 3.82 million common shares to lenders and aligned its capital structure with its production timeline, significantly improving its financial flexibility.
 - Shareholders were notified to vote on restructuring proposals in an October 2025 special meeting, amid logistical challenges like a Canada Post strike.
 - These actions mark clear steps toward deleveraging, recapitalization, and completing North America's first battery-grade cobalt sulfate refinery, supported by a strengthened board and favorable policy environment.
- These updates indicate active engagement by the investors and progress in Electra's financial restructuring and strategic execution. [Source](#)

VI. CEO & CFO CHANGES

Company Name (Ticker)	M.Cap	Revenue	Industry	Difference (in months)
Phathom Pharmaceuticals, Inc. (PHAT)	824	114	Biotechnology	6.3
Sprinklr, Inc. (CXM)	1841	821	Software - Application	11.2
CAMPBELL'S Co (CPB)	9324	10253	Packaged Foods	10.3
Gitlab Inc. (GTLB)	8145	858	Software - Infrastructure	9.7
Open Text Corp (OTEX)	9520	5168	Software - Application	1.7
Five Below, Inc (FIVE)	8639	4232	Specialty Retail	10.1
Power Integrations Inc (POWI)	2415	442	Semiconductors	2.2
Leslie's, Inc. (LESL)	52	1251	Specialty Retail	12.9
Opendoor Technologies Inc. (OPEN)	7742	5181	Real Estate Services	11.5
Canopy Growth Corp (CGC)	463	275	Drug Manufacturers - Specialty & Generic	9.8
Universal Electronics Inc (UEIC)	63	403	Consumer Electronics	2.1

Opendoor Technologies Inc. (OPEN)	7043	5181	Real Estate Services	0.3
Seaport Entertainment Group Inc. (SEG)	312	104	Real Estate Services	0
Community Health Systems Inc (CYH)	409	12647	Medical Care Facilities	0
Mechanics Bancorp (HMST)	262	78	Banks - Regional	0
Sanara MedTech Inc. (SMTI)	308	97	Medical Instruments & Supplies	7.4
Beacon Financial Corp (BHLB)	1212	439	Banks - Regional	0
White Mountains Insurance Group Ltd (WTM)	4730	2579	Insurance - Property & Casualty	0
Sprinklr, Inc. (CXM)	2003	806	Software - Application	10.1
WillScot Holdings Corp (WSC)	4259	2353	Rental & Leasing Services	8.9
Solesence, Inc. (SLSN)	249	64	Household & Personal Products	0
Silvaco Group, Inc. (SVCO)	163	55	Software - Application	0.3
Myers Industries Inc (MYE)	611	825	Packaging & Containers	9.6

VII. NEW CEO APPOINTMENTS

Company Name	Ticker	M.cap	Revenue	CEO Name
Stoke Therapeutics, Inc.	STOK	1469	200	Ian F. Smith
Plug Power Inc	PLUG	4810	673	Jose Luis Crespo
Primoris Services Corp	PRIM	7416	6929	Koti Vadlamudi
Core Natural Resources, Inc.	CNR	5029	3276	James A. Brock
Beauty Health Co	SKIN	250	310	Pedro Malha
Legacy Housing Corp	LEGH	649	184	Kenneth E. Shipley
Brookdale Senior Living Inc.	BKD	2000	3052	Nikolas W. Stengle
SKYY Platforms Corp.	SKYY	127	89	Leonard J. Sokolow
Portillo's Inc.	PTLO	467	728	Michael A. Miles
CNX Resources Corp	CNX	4293	1813	Alan K. Shepard
Molson Coors Beverage Co	TAP	9221	11283	Rahul Goyal
Procore Technologies, Inc.	PCOR	10710	1232	Ajei S. Gopal
Opendoor Technologies Inc.	OPEN	7742	5181	Kaz Nejatian
HighPeak Energy, Inc.	HPK	943	964	Michael L. Hollis
Pangaea Logistics Solutions Ltd.	PANL	364	580	Mads Petersen
Arrow Electronics, Inc.	ARW	6133	28500	William ("Bill") F. Austen
Southside Bancshares Inc	SBSI	930	255	Keith Donahoe
Blackstone Mortgage Trust, Inc.	BXMT	3329	237	Timothy S. Johnson

Seaport Entertainment Group Inc.	SEG	312	104	Matt Partridge
Community Health Systems Inc	CYH	409	12647	Kevin J. Hammons

