



SNOWBALL
RESEARCH

Project - X

Snowball Research team

Published on September 28, 2023



MANUAL

SEGMENT & OWNER-OPERATOR/"CONTROLLED COMPANY" PROJECT

1. Segment

Objective

The ultimate objective is to discover companies with 'hidden jewels' and compile a database of companies that have interesting segments and hidden jewels.

Process

We manually open company filings under \$5 billion to check whether the company has multiple segments.

If a company operates in multiple segments, we feature that company. The report gives you a quick overview of the company. To expedite the process, we flag unique segments, alerting you to potentially interesting situations.

Additional note

If you are an activist investor, you can screen for stocks where you think you can unlock value by divesting a segment.

2. Owner-operator/ controlled company

We identify and profile companies that have either an owner-operator or a controlling person. We provide brief notes focusing on compensation, related-party transactions, and ownership structure. The objective is to identify good/ok/bad owner-operators.

COMMON POINTS

Randomness

- In our 'segment' and 'owner-operator' projects, stocks are featured randomly according to the process flow. We do not cherry-pick.
- Consequently, the appeal of the stocks may vary from month to month.

How to use this report?

- Both projects are forms of 'raw screening' research. The right mindset while reviewing the stock is to consider whether there could be a 'hidden gem' or if a particular segment could be more valuable.
- We recommend creating a Google Sheet where you can add brief notes next to each stock, such as 'Potential segment play', 'Good owner-operator,' or 'Looks like a hidden gem.'

INDEX

I. Segment

Notable companies

1. [Newpark Resources \(NR\)](#): Company is exploring strategic alternatives on its money losing segment
2. [VSE Corporation \(VSEC\)](#): New management team is trying to divest Federal & Defence segment
3. [AMN Healthcare Services \(AMN\)](#): Technology segment generates 50% operating margin and is a hidden gem; Solid FCF; Roll-up strategy
4. [NV5 Global \(NVEE\)](#): Geospatial Solutions is a niche business segment within the company; Owner-operator
5. [Perdoceo Education Corporation \(PRDO\)](#): CTU is a high margin business
6. [Sonic Automotive \(SAH\)](#): EchoPark segment is losing a lot of money which the company is trying to fix; Owner-operator
7. [MasterCraft Boat Holdings \(MCFT\)](#): One small segment is losing money; #1 player in Ski-wake
8. [Blue Bird Corporation \(BLBD\)](#): Spare parts business is a high margin business

Others

9. [Euronet Worldwide \(EFT\)](#): Three unique businesses
10. [Standex International Corporation \(SXI\)](#): Five unique businesses
11. [Digital Turbine \(APPS\)](#): Stock down due to loss of a customer
12. [Resources Connection\(RGP\)](#)
13. [Movado Group \(MOV\)](#)
14. [The Andersons \(ANDE\)](#)
15. [Qurate Retail \(QRTE.A\)](#)
16. [Sunoco LP \(SUN\)](#)
17. [Avnet \(AVT\)](#)

II. Owner-operator/Controlled company

18. [Alta Equipment Group \(ALTG\)](#): No dual class of shares; Owner-operator
19. [Upexi \(UPXI\)](#) CEO is a serial entrepreneur; Owner-operator
20. [CarGurus \(CARG\)](#): Controlled company
21. [Duluth Holdings \(DLTH\)](#): Controlled Company
22. [The RMR Group \(RMR\)](#): Related party transaction runs for more than 8 pages in the proxy statement

Newpark Resources (NR): Company is exploring strategic alternatives on its money losing segment

Market cap: \$613M| Debt: \$117M| Cash: \$22M| EV: \$708M| Revenue: \$828M| EV/Rev: 0.86

I. Segment

- **Fluids Systems** —Fluids Systems segment provides customized drilling, completion, and stimulation fluids products and related technical services to customers for oil, natural gas, and geothermal projects primarily in North America and EMEA, as well as certain countries in Asia Pacific and Latin America.
- **Industrial Solutions** —Industrial Solutions segment provides temporary worksite access solutions, including the rental of our recyclable composite matting systems, along with related site construction and services.

(\$, mm)	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	LTM Jun 2023		6M Jun 2022	6M Jun 2023
Fluids Systems									
Revenue	716	620	355	421	623	616		286	279
Operating income (loss)	40	4	-66	-19	-16	-14		4	5
Operating margin	6%	1%	-19%	-5%	-3%	-2%		1%	2%
Industrial Solutions									
Revenue	231	200	130	185	193	213		84	104
Operating income (loss)	61	47	13	42	44	55		16	27
Operating margin	26%	24%	10%	23%	23%	26%		19%	26%
Source	Link	Link	Link	Link	Link	Link		Link	Link

II. Interesting notes/observations

1. Fluids Systems: Announcement of strategic alternatives

- This segment provides drilling, completion, and stimulation fluids products and related technical services to customers for oil, natural gas, and geothermal projects.
- As you can infer from the above table, the segment has been losing money for the past four years.
- **Recent divestment:** The company divested certain underperforming business units in 2022 within its Fluids Systems segment, which has reduced its dependency on customers in the volatile E&P industry.
 - In November 2022, the company exited the Excalibur U.S. mineral grinding business.
 - In December 2022, the company completed the sale of substantially all assets associated with our Gulf of Mexico completion fluids operations.
- **Strategic alternative:** In June 2023, the company announced that it is exploring all viable options that are in the best long-term interests of the Fluids Systems business.

Source: <https://www.newpark.com/news/newpark-resources-provides-strategic-portfolio-update/>

We've also taken significant actions over the past year to focus and strengthen our Fluids Systems business, transforming the business into a more agile and capital-light model and exiting underperforming markets. – CEO, June 2023

2. Industrial Solutions segment

- The segment provides temporary worksite access solutions, including the rental of recyclable composite matting systems, along with related site construction and services to customers in various markets.
- This segment has been the primary source of operating income and cash generation in recent years.
- Moreover, the management is currently focusing on this segment. In fact, approximately 83% of 2022 capital expenditures is spent on this segment.

Suggested further reading

Liberty Park Capital - Newpark Resources: Worth Multiples Of Its Current Value
<https://seekingalpha.com/article/4619912-newpark-resources-stock-worth-multiples-of-its-current-value>

VSE Corporation (VSEC): New management team is trying to divest Federal & Defence segment

Market cap: \$926M| Debt: \$393M| Cash: \$4M| EV: \$1.3B| Revenue: \$1B| EV/Rev: 1.3

I. Segment

- **Aviation segment** provides aftermarket repair and distribution services to commercial, business and general aviation, cargo, military and defense, and rotorcraft customers globally. Core services include parts distribution, engine accessory maintenance, MRO services, rotatable exchange and supply chain services.
- **Fleet segment** provides parts, inventory management, e-commerce fulfillment, logistics, supply chain support and other services to support the commercial aftermarket medium- and heavy-duty truck market, the United States Postal Service ("USPS"), and the DoD. Core services include vehicle parts distribution, sourcing, IT solutions, customized fleet logistics, warehousing, kitting, just-in-time supply chain management, alternative product sourcing, and engineering and technical support.
- **Federal and Defense segment** provides aftermarket MRO and logistics and sustainment services to improve operational readiness and extend the life cycle of military vehicles, ships and aircraft for the DoD, federal agencies and international defense customers. Core services include base operations support; procurement; supply chain management; vehicle, maritime and aircraft sustainment services; IT services and energy consulting.

(\$, mm)	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	LTM Jun 2023	6M Jun 2022	6M Jun 2023
Aviation								
Revenues	145	225	165	248	408	448	198	238
Operating income (loss)	11	18	-36	-14	36	53	14	31
Operating margin	8%	8%	-22%	-6%	9%	12%	7%	13%
Capex	2	8	3	7	6	-	-	-
Fleet								
Revenues	215	215	242	234	261	285	132	156
Operating income (loss)	31	30	27	20	24	26	12	14
Operating margin	14%	14%	11%	9%	9%	9%	9%	9%
Capex	0.8	1	0.6	2	6	-	-	-
Source	Link	Link	Link	Link	Link	Link	Link	Link

- Federal and Defence segment reported in "discontinued operations"

(\$, mm)	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Revenues	337	314	254	269	280
Operating income (loss)	16	18	26	20	-0.8
Operating margin	5%	6%	10%	7%	0%

II. Interesting notes

1. Management change and change in strategy; Potential sale of Federal & Defense segment

- A new management team was formed during 2019-2020
- The new management team divested two non-core aviation assets, introduced new & differentiated value propositions.
- The current plan is to 1) focus on two segments – Aviation and Fleet and 2) divest Federal & Defense segment
- The current sale deal was terminated
 - In May 2023, the company entered into an agreement to sell the Federal & Defense segment to Bernhard Capital.
 - On Sep 27, 2023, the company entered into a mutual agreement to terminate the deal.

2. Recent acquisition

- In July 2023, the company acquired Desser Holding, a global aftermarket solutions provider of specialty distribution and MRO services for \$94 million.

3. Capital raise to repay debt

- In July 2023, the company raised \$113 million and used the proceeds to repay debt

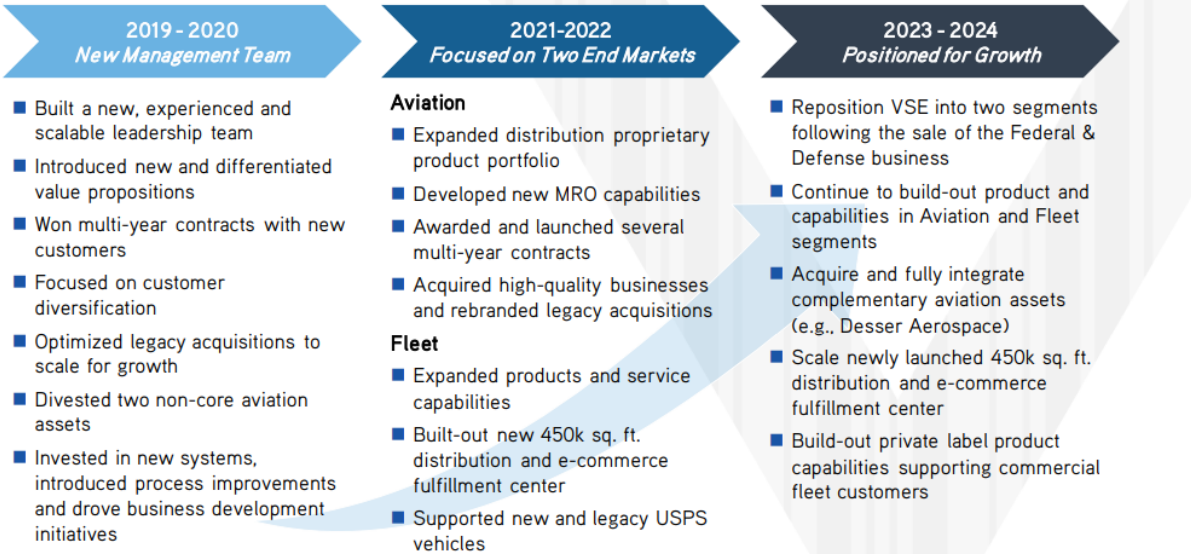
RECENT ANNOUNCEMENTS / STRATEGIC UPDATE



Completed an Oversubscribed Follow-on Equity Offering
Announced the Strategic Repositioning of the Business with Increased Exposure to Aviation Aftermarket

Balance Sheet Optimization	Repositioned portfolio	
<p>Follow-on Equity Offering:</p> <ul style="list-style-type: none"> ▪ Completed oversubscribed equity offering with net proceeds of approximately \$113 million in July 2023 ▪ Net proceeds used to repay outstanding borrowings under the Company's revolving credit facility accelerating de-leveraging and helps reposition the balance sheet to support opportunistic growth investments <p>Executed Variable-to-Fixed Interest Rate Swap</p> <ul style="list-style-type: none"> ▪ Entered into \$100M 3-year fixed interest rate swap in July '23 ▪ Aggregate of \$250M fixed interest rate debt 	Sale of Federal & Defense Segment	Acquisition of Desser Aerospace
	<ul style="list-style-type: none"> ▪ Announcement: May 2023, VSE announced a definitive agreement to sell FDS to Bernhard Capital Partners for up to \$100M in total cash consideration ▪ Rationale: Sale allows VSE to reposition the business and focus on high-growth, high-margin business opportunities within Aviation and Fleet Aftermarket segments ▪ Progress on Close/Timing: VSE has created a new legal entity and is in the process of obtaining a security clearance for that entity. The transaction is still expected to close in late 2023 or early 2024 and is subject to customary closing conditions and approvals 	<ul style="list-style-type: none"> ▪ Announcement: July 2023, VSE announced it closed on its previously announced acquisition of Desser Holding Company LLC ("Desser Aerospace"), a global aftermarket solutions provider of specialty distribution and MRO services ▪ Transaction Details: VSE acquired Desser Aerospace for a net purchase price of \$94M (subject to working capital adjustment), following the sale of Desser Aerospace's Proprietary Solutions businesses ▪ Rationale: Acquisition increases VSE's exposure to aviation distribution and MRO markets and provides a platform for geographic expansion into international markets. Desser is a global market leader in aerospace tire distribution and wheel-and-brake MRO

NEW MANAGEMENT TEAM REFOCUS VSE ON TWO DISTINCT END MARKETS POSITIONING THE COMPANY FOR ABOVE MARKET GROWTH



AMN Healthcare Services (AMN): Technology segment generates 50% operating margin and is a hidden gem; Solid FCF; Roll-up strategy

Market cap: \$3.2B | Debt: \$1.1B | Cash: \$7M | EV: \$4.3B | Revenue: \$4.4B | EV/Rev: 0.96 |

I. Segment

- The nurse and allied solutions segment includes the company's travel nurse staffing (including international nurse staffing and rapid response nurse staffing), labor disruption staffing, local staffing, international nurse and allied permanent placement, allied staffing and revenue cycle solutions businesses.
- The physician and leadership solutions segment includes the company's locum tenens staffing, healthcare interim leadership staffing, executive search, and physician permanent placement businesses.
- The technology and workforce solutions segment includes the company's language services, vendor management systems ("VMS"), workforce optimization, virtual care, credentialing solutions, and outsourced solutions businesses.

(\$, mm)	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	LTM Jun 2023	6M Jun 2022	6M Jun 2023
Nurse and Allied Solutions								
Revenue	1431	1563	1699	2990	3982	3166	2329	1513
Operating income	202	220	232	461	576	437	355	216
<i>Operating Margin</i>	14%	14%	14%	15%	14%	14%	15%	14%
Physician and Leadership Solutions								
Revenue	617	563	467	594	698	684	355	341
Operating income	86	71	62	81	92	103	40	51
<i>Operating Margin</i>	14%	13%	13%	14%	13%	15%	11%	15%
Technology and Workforce Solutions								
Revenue	88	97	228	400	563	531	294	262
Operating income	41	44	93	187	299	260	161	122
<i>Operating Margin</i>	47%	45%	41%	47%	53%	49%	55%	47%
Source	Link	Link	Link	Link	Link	Link	Link	Link

II. Notable points

a) Technology & Workforce solutions: Crown jewel?

- This segment generates 49% profit margin.
- The company built this segment through a series of acquisitions.
- Generally speaking, tech businesses are valued more than the staffing business.
- Software solutions
 - Language Service:
 - The app allows clients to request, locate, and schedule interpreters.
 - Over 3,300 medical interpreters offer services in 208 languages. Revenue doubled within two years post-acquisition.
 - Vendor Management Service (VMS):
 - SaaS-based tech for efficient staffing. Typically charges a 4-5% fee on gross billings.

- Smart Square:

- SaaS healthcare scheduling platform with demand forecasting, customizable scheduling, and business intelligence tools.

- Silversheet:

- Cloud-based compliance/credentialing software.

b) Transformation to "Total Talent Solutions":

- Shifted from a traditional staffing model in 2008 to a total talent solutions provider by 2023.
- Traditional staffing revenue dropped from 95% in 2008 to 25% in 2023. "Workforce solutions" grew from 5% in 2008 to 75% in 2023.

c) Growth through acquisitions

- The company invested over \$1 billion in acquisitions over the past five years.

d) Comprehensive services

- The company provides a more extensive range of services than its competitors.

Most Comprehensive Set of Total Talent Solutions

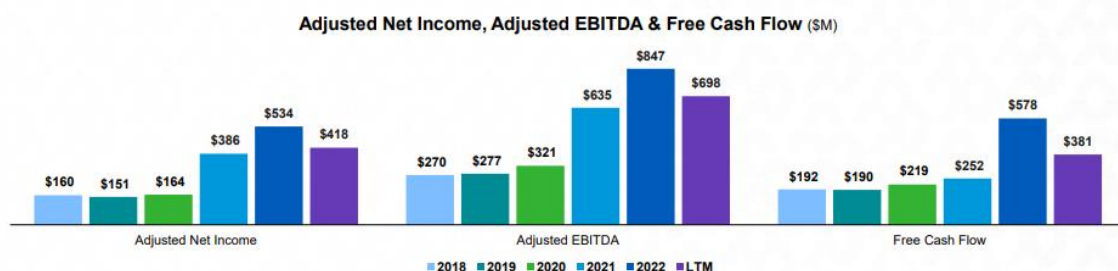


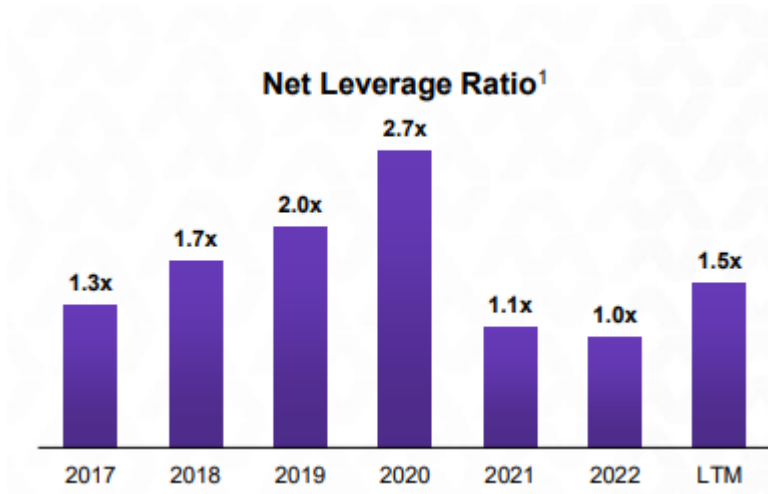
	Staffing Solutions			Workforce Solutions				
	Travel Nurse	Allied Health	Locum Tenens	MSP	Leadership / Search	RPO	VMS	Video Interpretation
AMN Healthcare	✓	✓	✓	✓	✓	✓	✓	✓
CHG Healthcare	✓	✓	✓				✓	
Jackson	✓	✓	✓	✓	✓			
medical solutions	✓	✓		✓			✓	
CROSS COUNTRY HEALTHCARE	✓	✓	✓	✓	✓	✓		

e) Excellent FCF and repayment of debt

- The company claims that it has the ability to flex cost structure and create operating leverage to drive attractive cash flow and earnings growth.
- The company generates free cash flow and uses it to fund M&A, repay debt and buyback shares.

Strong Free Cash Flow Generation





f) Repurchase

Since 2016, AMN repurchased 12.4 million shares for \$1.1B (As of June 30, 2023).

g) Special mention: AMN Passport

- Launched in 2020, AMN Passport is a top clinician-rated mobile application that provides a centralized experience for nurses and allied professionals to find, book, and manage assignments, access time and pay details, and receive instant alerts and updates.
- Passport uses a matching algorithm to offer customized opportunities to candidates based on their evolving preferences and the dynamic job market.
- As of January 2023, the app has more than 170,000 registered users and approximately 40,000 average monthly active users.

NV5 Global (NVEE): Geospatial Solutions is a niche business segment within the company; Owner-operator

Market cap: \$1.5B| Debt: \$267M| Cash: \$29M| EV: \$1.7B| Revenue: \$ 801M| EV/Rev: 2.18

I. Segment

- Infrastructure includes the company's engineering, civil program management, utility services, and construction quality assurance, testing and inspection practices.
- Building, Technology & Sciences includes the company's environmental health sciences, clean energy consulting, buildings and program management, and MEP & technology design practices.
- Geospatial Solutions includes the company's geospatial solution practices.

(\$, mm)	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	LTM July 2023		6M July 2022	6M July 2023
<u>Infrastructure</u>									
Gross revenues	254	331	353	384	395	377		203	185
Segment income before taxes	44	55	63	72	68	67		35	34
Margin	17%	17%	18%	19%	17%	18%		17%	18%
<u>Building, Technology & Sciences</u>									
Gross revenues	163	178	157	186	233	218		122	107
Segment income before taxes	27	28	21	35	44	36		25	17
Margin	17%	16%	13%	19%	19%	17%		20%	16%
<u>Geospatial Solutions</u>									
Gross revenues	-	-	149	137	158	204		69	115
Segment income before taxes	-	-	30	33	43	49		16	22
Margin			20%	24%	27%	24%		23%	19%
Source	Link	Link	Link	Link	Link	Link		Link	Link

II. Observation/Short notes

1. Ranking

- The company is not only in the top category but also improving its ranking year-over-year.
 - Top 500 Design Firms (#24 in 2022, #27 in 2021, #27 in 2020, #34 in 2019, and #45 in 2018)
 - Top 200 Environmental Firms (#58 in 2022, #72 in 2021, #92 in 2020, and #89 in 2019)
 - Top 100 Pure Designers (#14 in 2022, #14 in 2021, #13 in 2020, #18 in 2019, and #25 in 2018)
- Record Top 20 Design Firm by Sector:
 - Power List (#12 in 2022, #13 in 2021, #18 in 2020, and #20 in 2019)

- Water List (#17 in 2022 and #18 in 2021)

2. Solid FCF; M&A strategy; repayment of debt

- The company generates solid FCF.
- M&A
 - The company has a dedicated M&A team led by executive personnel, focusing on target identification and deal execution.
 - Since 2018, it has spent approximately \$670 million in cash on acquisitions.
- Repayment of Debt
 - When not pursuing acquisitions, the company uses its FCF for debt repayment.
 - Interest expense decreased from \$15 million in FY 2020 to \$3.8 million in FY 2022.

3. Geospatial data solutions is a unique segment

- This segment's revenue and profitability is consistently increasing.
- 96% of its revenue is "reoccurring".
- This segment is built through acquisitions – a) 2017: Skyscene b) 2019: Quantum Capital c) 2021: Geodynamics d)2022: GE01 and e)2023: L3Harris and Axim.

4. Owner-operator

- Dickerson Wright, CEO & Chairman of the board owns 10.6%.
- No eye-popping compensation structure / perks
- No significant "related party transactions"
- Compensation table

Year	Salary (\$)	Bonus (\$)	Stock Awards (\$)	Option Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Nonqualified Deferred Compensation Earnings (\$)	All Other Compensation (\$)	Total (\$)
2022	\$702,752	-	\$1,848,517	-	-	-	\$40,269	\$2,591,538
2021	\$650,923	-	\$1,500,739	-	-	-	\$51,309	\$2,202,971
2020	\$632,308	-	\$989,917	-	-	-	\$37,590	\$1,659,815

Perdoceo Education Corporation (PRDO): CTU is a high margin business

Market cap: \$1.2B| Debt: \$30M| Cash: \$569M|EV: \$661M|Revenue: \$727M|EV/Rev: 0.85

I. Segment

- Colorado Technical University (CTU) is committed to providing quality and industry-relevant higher education to a diverse student population through innovative technology and experienced faculty, enabling the pursuit of personal and professional goals. CTU is focused on serving adult, non-traditional students seeking career advancement, as well as addressing employer's needs for a well-educated workforce. CTU offers academic programs in the career-oriented disciplines of business and management, nursing, healthcare management, computer science, engineering, information systems and technology, project management, cybersecurity and criminal justice.
- The American InterContinental University System (AIUS or AIU System) is committed to providing quality and accessible higher education opportunities for a diverse student population, including adult and other non-traditional learners and the military community. AIUS places emphasis on the educational, professional and personal growth of each student. AIUS offers academic programs in the career-oriented disciplines of business studies, information technologies, education, health sciences and criminal justice.

(\$, mm)	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	LTM Jun 2023		3M Jun 2022	3M Jun 2023
<u>CTU segment</u>									
Revenue	376	392	406	409	420	439		100	119
Operating Income/(Loss)	112	109	138	148	142	149		33	40
Capital Expenditure	0.1	0.5	0.1	3	4	-		-	-
Margin	30%	28%	34%	36%	34%	34%		33%	34%
<u>AIUS segment</u>									
Revenue	205	235	281	283	274	274		67	67
Operating Income/(Loss)	8	16	31	39	33	39		11	17
Capital Expenditure	0.2	0.4	1	2	1	-		-	-
Margin	4%	7%	11%	14%	12%	14%		16%	25%
Source	Link	Link	Link	Link	Link	Link		Link	Link

II. Observation/Short notes

1. CTU has a better margin than AIUS

- With just 200 more employees, CTU produces \$165 million more in revenue. CTU's revenue per employee is \$231,053, whereas AIUS's is \$161,176, indicating CTU's superior efficiency.
- Data

- CTU: Generates \$439 million with 1,900 employees.
- AIUS: Generates \$274 million with 1,700 employees.

2. Both the universities are primarily an online institution.

3. No debt; Cash: \$578 million

4. Inaugural quarterly dividend of \$0.11 per share for Q2 2023

5. Excellent free cash flow

- FY 2022: \$135 million
- FY 2021: \$181 million
- FY 2020: \$170 million

6. Recent acquisition strategy

Since 2020, the company is regularly acquiring business. From 2020 to 2022 (three years), the company spent cash of \$181 million on acquisitions.

Sonic Automotive (SAH): EchoPark segment is losing a lot of money which the company is trying to fix; Owner-operator

Market cap: \$1.7B| Debt: \$3.6B| Cash: \$407M| EV: \$5.2B| Revenue: \$14.2B|EV/Rev:0.37

I. Segment

- Franchised Dealerships Segment - retail automotive franchises that sell new vehicles and buy and sell used vehicles, sell replacement parts, perform vehicle maintenance, warranty and repair services, and arrange finance and insurance products.
- EchoPark Segment - pre-owned vehicle specialty retail locations that provide guests an opportunity to search its nationwide inventory, purchase a pre-owned vehicle, select finance and insurance products and sell their current vehicle.
- Powersports Segment - retail locations that sell new and used powersports vehicles, perform vehicle maintenance, warranty and repair services, and arrange finance and insurance products.

(\$, mm)	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	LTM Jun 2023	6M JUN 2022	6M JUN 2023
Franchised Dealership								
Revenue	9251	9292	8348	10051	11485	11627	5672	5814
Operating profit (loss)	157	211	231	530	642	571	326	256
Operating margin	2%	2%	3%	5%	6%	5%	6%	4%
Capex	117	89	92	205	130	144	52	65
EchoPark								
Revenue	700	1162	1419	2345	2463	2431	1283	1251
Operating profit (loss)	-53	9	4	-72	-134	-164	-70	-100
Operating margin	-8%	1%	0%	-3%	-5%	-7%	-5%	-8%
Capex	47	36	35	94	97	57	48	9
Powersports								
Revenue	-	-	-	-	54	125	8	79
Operating profit (loss)	-	-	-	-	3	6	0	3
Operating margin					5%	4%	-4%	3%
Capex	-	-	-	-	0	2	0	2
Source	Link	Link	Link	Link	Link	Link	Link	Link

II. Observation/Short notes

As of July 27, 2023, the company operated 108 stores in the Franchised Dealerships Segment, 25 stores in the EchoPark Segment and 13 stores in the Powersports Segment.

1. Mature franchise operations

- Franchised Dealerships Segment generates roughly 99% of operating income.
- This is a stable and mature business that generates free cash flow.

2. EchoPark is losing a lot of money & recent management action

- EchoPark business operates independently from its franchised dealerships business.
- The EchoPark Segment sells used cars and light trucks and arranges F&I product sales for its customers in pre-owned vehicle specialty retail locations.
- The company opened its first EchoPark in 2014.
- As you can observe from the table above, the segment's operating loss was roughly \$100 million in the recent 6 months ended June 2023.
- Management action:
 - In June 2023, the company closed 25 EchoPark locations due to lower availability of used vehicles and higher wholesale vehicle prices.
 - As per the recent Q2 CC, the suspended operations represented 14% of EchoPark segment unit sales volume.
 - Management believes that the suspension would allow the company to reach its goal of breakeven EchoPark segment adjusted EBITDA by the first quarter of 2024.

3. Powersports

- This segment is built through acquisitions.

4. Owner-operator

- David Bruton Smith controls 100% of class-B shares.
- Insiders as a group control 40.6% of voting rights.
- Related party transactions – yes, Read page 26 and 27
<https://www.sec.gov/ix?doc=/Archives/edgar/data/1043509/000104350923000006/sah-20230403.htm>

Given the high voting rights held by insiders, if you do not like their strategy of expanding into Powersports or EchoPark, there is nothing you can do.

MasterCraft Boat Holdings (MCFT): One small segment is losing money; #1 player in Ski-wake

Market cap: \$371M| Debt: \$54M| Cash: \$111M| EV: \$313M|Revenue:\$662M|EV/Rev:0.5

I. Segment

- The MasterCraft segment produces boats at its Vonore, Tennessee facility. These are premium recreational performance sport boats primarily used for water skiing, wakeboarding, wake surfing, and general recreational boating.
- The Crest segment produces pontoon boats at its Owosso, Michigan facility. Crest's boats are primarily used for general recreational boating.
- The Aviara segment produces luxury day boats at its Merritt Island, Florida facility. Aviara boats are primarily used for general recreational boating.

(\$, mm)	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
MasterCraft						
Net sales	266	312	237	351	466	469
Operating income (loss)	49	54	36	73	105	101
Operating margin	18%	17%	15%	21%	23%	22%
Crest						
Net sales	-	77	62	103	141	141
Operating income (loss)	-	7	-42	14	20	20
Operating margin	-	9%	-68%	14%	14%	14%
Aviara						
Net sales	-	-	10	12	35	52
Operating income (loss)	-	-	-3	-8	-9	-5
Operating margin	-	-	-30%	-67%	-26%	-10%
Source	Link	Link	Link	Link	Link	Link

II. Interesting notes

The company is one of the leading boat manufacturers with diversified portfolio of strong brands, committed to quality, innovation, and growth Trading at attractive valuation given record operating and financial performance and brand leadership

1. Brands

- Ski-wake: The company is the #1 player in ski-wake with 20.5% market share. Ski-wake is the fastest-growing and most profitable category of recreational boats. The company built the brand equity over the past 50+ years.
- Crest: The company's brand is one among the top 10 pontoon brands.
- Industry data: As of December 2022, based on Statistical Surveys, Inc. data, the top five brands accounted for approximately 71% of the ski-wake markets and approximately 50% for the pontoon market.

2. Aviara is an in-house built brand

- This brand was developed in-house, and focused on serving the luxury recreational day boat category
- The company introduced the brand in Feb 2019 and within five years the brand is generating \$52 million in revenue.

3. Solid FCF

- FY 2023: \$104 million
- FY 2022: \$61 million
- FY 2021: \$43 million

4. Recent divestment

- In September 2022, the company exited from the loss making NauticStar business.

5. Buyback

- In June 2021, the company initiated \$50 million repurchase plan. As of Q2 2023, 70% of the total authorization is completed.

Blue Bird Corporation (BLBD): Spare parts business is a high margin business

Market cap: \$662M| Debt: \$137M| Cash: \$51M| EV: \$748M|Revenue:\$1B|EV/Rev: 0.69

I. Segment

- Bus segment, which includes the manufacture and assembly of buses to be sold to a variety of customers across the U.S., Canada, and in certain limited international markets.
- Parts segment, which consists primarily of the purchase of parts from third parties to be sold to dealers within the Company's network and certain large fleet customers.

(\$, mm)	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	LTM July 2023		9M July 2022	9M July 2023
BUS									
Net sales	963	952	823	625	724	993		488	757
Gross profit	100	110	76	50	5	40		19	54
Gross margin	10%	12%	9%	8%	1%	4%		4%	7%
Parts									
Net sales	62	67	57	59	77	95		55	73
Gross profit	22	23	20	22	31	44		22	35
Gross margin	35%	34%	35%	37%	40%	46%		40%	48%
Source	Link	Link	Link	Link	Link	Link		Link	Link

Euronet Worldwide (EFT): Three unique businesses

Market cap: \$3.9B | Debt: \$1.9B | Cash: \$1.9B | EV: \$3.9B | Revenue: \$3.5B | EV/Rev: 1.11 |

I. Segments

- Through the EFT Processing Segment, the Company processes transactions for a network of ATMs and POS terminals across Europe, the Middle East, Africa, Asia Pacific and the United States. The Company provides comprehensive electronic payment solutions consisting of ATM cash withdrawal services, ATM network participation, outsourced ATM and POS management solutions, credit, debit and prepaid card outsourcing, dynamic currency conversion, domestic and international surcharges and other value added services.
- Through the epay Segment, the Company provides distribution, processing and collection services for prepaid mobile airtime and other electronic payment products in Europe, the Middle East, Asia Pacific, the U.S. and South America.
- Through the Money Transfer Segment, the Company provides global money transfer services under the brand names Ria, AFEX, IME, and xe. Ria, AFEX, and IME provide global consumer-to-consumer money transfer services through a network of sending agents, Company-owned stores and Company-owned websites, disbursing money transfers through a worldwide correspondent network.

(\$, mm)	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	LTM Jun 2023	3M Jun 2022	3M Jun 2023
EFT Processing								
Total revenues	754	889	469	591	924	958	249	282
Operating income	197	297	-67	-1	183	198	55	69
Operating margin	26%	33%	-14%	0%	20%	21%	22%	24%
epay								
Total revenues	744	769	836	1011	998	1034	228	264
Operating income	79	89	97	123	121	123	24	27
Operating margin	11%	12%	12%	12%	12%	12%	11%	10%
Money Transfer								
Total revenues	1043	1096	1184	1401	1444	1471	369	395
Operating income	123	135	60	120	154	161	41	47
Operating margin	12%	12%	5%	9%	11%	11%	11%	12%
Source	Link	Link	Link	Link	Link	Link	Link	Link

Standex International Corporation (SXI): Five unique businesses

Market cap: \$1.7B | Debt: \$207M | Cash: \$196M | EV: \$1.7B | Revenue: \$741M | EV/Rev: 2.31

Segments

- Electronics – manufacturing and selling of electronic components for applications throughout the end-user market spectrum.
- Engraving – provides mold texturizing, slush molding tools, project management and design services, roll engraving, hygiene product tooling, low observation vents for stealth aircraft, and process machinery for a number of industries.
- Scientific – specialty temperature-controlled equipment for the medical, scientific, pharmaceutical, biotech and industrial markets.
- Engineering Technologies – provides net and near net formed single-source customized solutions in the manufacture of engineered components for the aviation, aerospace, defense, energy, industrial, medical, marine, oil and gas, and manned and unmanned space markets.
- Specialty Solutions – an aggregation of *two* operating segments that manufacture and sell refrigerated, heated and dry merchandizing display cases, and single and double acting telescopic and piston rod hydraulic cylinders.

(\$, mm)	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	LTM Mar 2023	9M March 2022	9M March 2023
Electronics								
Net Sales	204	185	253	304	306	300	232	226
Operating income	41	30	47	70	69	66	55	52
Operating margin	20%	16%	19%	23%	23%	22%	24%	23%
Capex	13	5	11	12	17	-	-	-
Engraving								
Net Sales	150	144	147	146	152	153	109	110
Operating income	24	20	23	22	25	27	16	18
Operating margin	16%	14%	16%	15%	16%	18%	15%	16%
Capex	14	11	7	7	3	-	-	-
Scientific								
Net Sales	58	58	79	84	75	67	65	57
Operating income	14	14	18	18	17	15	14	12
Operating margin	24%	24%	23%	21%	23%	22%	22%	21%
Capex	0.07	0.3	0.6	0.2	0.2	-	-	-
Engineering Technologies								
Net Sales	105	104	76	78	81	79	57	59
Operating income	11	14	6	9	11	13	6	8
Operating margin	10%	13%	8%	12%	14%	16%	11%	14%

Capex	4	1	1	1	2	-	-	-
Specialty Solutions								
Net Sales	123	114	101	123	127	140	88	101
Operating income	19	19	14	16	25	34	10	19
Operating margin	15%	17%	14%	13%	20%	24%	11%	19%
Capex	2	1	1	2	2	-	-	-
Source	Link	Link	Link	Link	Link	Link	Link	Link

Successful Transformation to Operating Company



	FY2019 Pre-pandemic	FY2023
Sales (\$M)	791.6	741.0
Adj. Operating Margin %	10.6%	15.2%
Adj. EPS (\$)	4.03	6.70
R&D (\$M)	6.6	17.2
Free Cash Flow (\$M)	38.8	66.5



DIVESTED non-strategic businesses

- Refrigeration Solutions Group
- Enginetics
- Procon Pumps

ACQUIRED attractive bolt-ons

- Agile
- Tenibac
- GS Engineering
- Renco
- Sensor Solutions
- Minntronix (Q1 FY24)

KEY INITIATIVES

- Focused Growth and R&D Investments
- Enhanced Pricing Disciplines
- Financial Systems Optimization
- G&A Cost-Out
- Shared Services Implementation

- **Increased operating margin > 450 bps**
- **Increased EPS <> 65%**
- **Nearly tripled R&D investments**
- **Record Free Cash Flow in FY 2023**

Digital Turbine (APPS): Stock down due to loss of a customer

Market cap: \$601M|Debt: \$406M|Cash: \$59M|EV: \$948M| Revenue: \$623M|EV/Rev: 1.5

On Device Solutions (“ODS”) - The Company re-named the ODM segment On Device Solutions to better reflect the nature of the segment's product offerings. This segment generates revenue from the delivery of mobile application media or content to end users. This segment provides focused solutions to all participants in the mobile application ecosystem that want to connect with end users and consumers who hold the device, including mobile carriers and device OEMs that participate in the app economy, app publishers and developers, and brands and advertising agencies. This segment's product offerings are enabled through relationships with mobile device carriers and OEMs.

App Growth Platform (“AGP”) - This segment consists of the previously reported IAM-A and IAM-F segments. AGP customers are primarily advertisers and publishers and the segment provides platforms that allow mobile app publishers and developers to monetize their monthly active users via display, native, and video advertising. The AGP platforms allow demand side platforms, advertisers, agencies, and publishers to buy and sell digital ad impressions, primarily through programmatic, real-time bidding auctions and, in some cases, through direct-bought/sold advertiser budgets. The segment also provides brand and performance advertising products to advertisers and agencies.

(\$, mm)	FY 2021	FY 2022	FY 2023	LTM Jun 2023	3M Jun 2022	3M Jun 2023
ODS						
Net revenue	314	503	420	399	119	98
Segment profit	135	198	173	145	68	40
Profit margin	43%	39%	41%	36%	57%	41%
AGP						
Net revenue	-	262	253	230	72	49
Segment profit	-	179	184	200	21	37
Profit margin	-	68%	73%	87%	29%	76%
Source	Link	Link	Link	Link	Link	Link

II. Notes

The company’s stock is down due to loss of a customer.

If you are interested to study the upside, please read the notes published by Greenhaven Road Capital. <https://seekingalpha.com/article/4627786-digital-turbine-stock-large-partnerships-on-the-horizon>

Resources Connection(RGP)

Market cap: \$508M|Debt: \$18M|Cash: \$117M|EV: \$409M|Revenue:\$776M|EV/Rev: 0.53

Segment

- RGP – a global business consulting firm focused on project execution services that power clients’ operational needs and change initiatives with experienced and diverse talent
- Sitrick/ Other segment – a crisis communications and public relations firm which operates under the Sitrick brand, providing corporate, financial, transactional and crisis communication and management services. Sitrick does not individually meet the quantitative threshold to qualify as a reportable segment. Therefore, Sitrick is disclosed in Other Segments.

(\$, mm)	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
RGP					
Revenue	690	662	588	764	765
Adjusted EBITDA	88	88	78	134	132
Other Segments					
Revenue	39	41	42	41	11
Adjusted EBITDA	3	3	4	4	1
Source	Link	Link	Link	Link	Link

Movado Group (MOV)

Market cap: \$566M|Debt: \$81M|Cash: \$219M|EV: \$427M|Revenue:\$711M|EV/Rev: 0.6|

Segments

- Watch and Accessory Brands and Company Stores. The Company's Watch and Accessory Brands segment includes the designing, manufacturing and distribution of watches and, to a lesser extent, jewelry and other accessories, of owned and licensed brands, in addition to revenue generated from after-sales service activities and shipping.
- The Company Stores segment includes the Company's retail outlet business.

(\$, mm)	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	LTM Jul 2023	6M Jul 2022	6M Jul 2023
<u>Watch and Accessory Brands</u>								
Net sale	596	612	447	626	640	602	298	260
Operating Income/(Loss)	45	30	-153	86	95	63	45	13
Operating margin	8%	5%	-34%	14%	15%	10%	15%	5%
<u>Company Stores</u>								
Net sale	84	89	59	106	112	109	49	46
Operating Income/(Loss)	17	13	11	32	25	21	11	7
Operating margin	20%	15%	19%	30%	22%	19%	22%	15%
Source	Link	Link	Link	Link	Link	Link	Link	Link

The Andersons (ANDE)

Market cap: \$1.8B| Debt: \$741M|Cash:\$107M|EV: \$2.4B|Revenue:\$16.8B| EV/Rev: 0.14

Segment

- The Trade business includes commodity merchandising and the operation of terminal grain elevator facilities.
- The Renewables business produces ethanol and co-products through its four co-owned and fully consolidated ethanol production facilities as well as purchases and sells ethanol and ethanol co-products.
- The Nutrient & Industrial (formerly Plant Nutrient) business manufactures and distributes plant nutrient products such as agricultural inputs, primarily fertilizers and turf care products along with industrial products such as deicers, dust abatement solutions and corncob-based products.

(\$, mm)	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	LTM Jun 2023		6M Jun 2022	6M Jun 2023
<u>Trade</u>									
Revenue	1434	6145	6141	9304	13047	12440		6182	5575
EBIT	22	-17	25	88	95	112		27	44
EBIT margin	2%	0%	0%	1%	1%	1%		0%	1%
Capex	17	31	15	18	29	-		-	-
<u>Renewables</u>									
Revenue	747	1212	1260	2441	3179	3330		1566	1717
EBIT	27	48	-47	81	108	18		74	-16
EBIT margin	4%	4%	-4%	3%	3%	1%		5%	-1%
Capex	101	104	40	29	43	-		-	-
<u>The Nutrient & Industrial</u>									
Revenue	691	647	663	867	1099	1029		680	610
EBIT	12	9	16	43	39	22		49	32
EBIT margin	2%	1%	2%	5%	4%	2%		7%	5%
Capex	16	20	17	22	35	-		-	-
Source	Link	Link	Link	Link	Link	Link		Link	Link

Qurate Retail (QRTE.A)

Market cap: \$281M| Debt: \$7.8B|Cash: \$1.5B| EV: \$6.6B| Revenue: \$11.6B| EV/Rev: 0.46

Segment

- QxH – QVC U.S. and HSN market and sell a wide variety of consumer products in the United States, primarily by means of their televised shopping programs and via the Internet through their websites and mobile applications
- QVC International – QVC International markets and sells a wide variety of consumer products in several foreign countries, primarily by means of its televised shopping programs and via the Internet through its international websites and mobile applications
- CBI – CBI consists of a portfolio of aspirational home and apparel brands in the U.S. that sell merchandise through brick-and-mortar retail locations as well as via the Internet through their websites

(\$, mm)	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	LTM Jun 2023		6M Jun 2022	6M Jun 2023
<u>QxH</u>									
Revenue	8544	8277	8505	8277	7359	7,140		3438	3,219
Adjusted OIBDA	1630	1536	1547	1439	750	617		457	324
<i>OIBDA margin</i>	19%	19%	18%	17%	10%	9%		13%	10%
Capex	161	257	182	182	169	178		-	-
<u>QVC International</u>									
Revenue	2738	2709	2967	3077	2528	2418		1308	1198
Adjusted OIBDA	429	446	510	562	358	308		199	149
<i>OIBDA margin</i>	16%	16%	17%	18%	14%	13%		15%	12%
Capex	67	34	36	41	38	38		-	-
<u>CBI</u>									
Revenue	-	-	1070	1238	1313	1250		638	575
Adjusted OIBDA	-	-	94	137	78	32		75	29
<i>OIBDA margin</i>	-	-	9%	11%	6%	3%		12%	5%
Capex	-	-	23	14	39	-		-	-
Source	Link	Link	Link	Link	Link	Link		Link	Link

Sunoco LP (SUN)

Market cap: \$3.9B | Debt: \$4.2B | Cash: \$239M | EV: \$7.9B | Revenue: \$24M | EV/Rev: 0.34 |

Segments

- **Fuel Distribution and Marketing** - Distributor of motor fuels and other petroleum products which they supply to third-party dealers and distributors, to independent operators of commission agent locations, other commercial consumers of motor fuel and to their retail locations.
- **All Other segment** - All Other segment includes the Partnership's retail operations in Hawaii and New Jersey, credit card services, and franchise royalties.

(\$, mm)	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	LTM Jun 2023		6M Jun 2022	6M Jun 2023
Fuel Distribution and Marketing									
Revenue	17281	17360	10333	17190	25314	23181		13031	10898
Adjusted EBITDA	554	545	654	672	807	850		374	417
EBITDA Margin	3%	3%	6%	4%	3%	4%		3%	4%
Capex	77	111	94	131	143	153		46	56
All Other									
Revenue	1482	929	599	818	949	906		463	420
Adjusted EBITDA	84	120	85	82	112	135		31	54
EBITDA Margin	6%	13%	14%	10%	12%	15%		7%	13%
Capex	26	37	30	26	43	65		9	31
Source	Link	Link	Link	Link	Link	Link		Link	Link

Avnet (AVT)

Market cap: \$4.4B| Debt: \$3.3B| Cash: \$288M| EV: \$7.4B| Revenue: \$26.5B| EV/Rev: 0.28|

Segment

- Electronic Components operating group primarily supports high and medium-volume customers. It markets, sells, and distributes electronic components from the world's leading electronic component manufacturers, including semiconductors, IP&E components (interconnect, passive and electromechanical components), and other integrated and embedded components.
- Farnell operating group primarily supports lower-volume customers that need electronic components quickly to develop, prototype, and test their products. It distributes a comprehensive portfolio of kits, tools, electronic components, industrial automation components, and test and measurement products to both engineers and entrepreneurs, primarily through an e-commerce channel.

(\$, mm)	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	LTM Apr 2023		9M Apr 2022	9M Apr 2023
Electronic Components									
Sale	18060	16340	18031	22503	24803	26923		16573	18693
Operating income	615	350	455	872	1180	1433		616	869
Operating margin	3%	2%	3%	4%	5%	5%		4%	5%
Capital Expenditures	80	46	22	26	153	-		-	-
Farnell									
Sale	1458	1294	1504	1807	1734	1658		1365	1289
Operating income	159	76	87	243	166	115		180	129
Operating margin	11%	6%	6%	13%	10%	7%		13%	10%
Capital Expenditures	34	20	26	23	41	-		-	-
Source	Link	Link	Link	Link	Link	Link		Link	Link

Alta Equipment Group (ALTG): No dual class of shares; Owner-operator

Market cap: \$395M | Debt: \$1.1B | Cash: \$2M | EV: \$1.5B | Revenue: \$1.7B | EV/Rev: 0.86 |

Ryan Greenawalt, CEO

Founded by his father in 1984, Ryan became the sole owner in 2017 after buying out his father and other family members.

1. Ownership: 22.6%

2. Compensation – Mr.Greenawalt

	Salary (\$)	Bonus (\$)	Stock Awards (\$)	Option Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	All Other Compensation (\$)	Total (\$)
2022	6,18,000	—	17,86,644	—	11,12,400	16,490	35,33,534
2021	5,96,538	—	3,95,882	—	4,80,000	17,595	14,90,015
2020	4,76,615	60,000	—	—	—	3,342	5,39,957

3. Related party transactions

i) There were plenty of lease agreements between the company and entities that has ties up with Mr.Greenawalt.

As of December 31, 2022, almost all real estate owned partly by related persons was sold to unrelated third parties in the fourth quarter of 2022, except for one property. Consequently, the lessors under those Lease Agreements are no longer related parties.

ii) In 2022, the company's CEO, CFO, and COO jointly held a minority stake in OneH2, Inc. The company bought \$0.3M of hydrogen from OneH2 and invested \$3.1M for a hydrogen plant expected to operate in late 2023.

Please refer to pages 32 to 34 in the link below

https://www.sec.gov/ix?doc=/Archives/edgar/data/1759824/000119312523122351/d445706ddef14a.htm#toc445706_39

COMMENT

Since taking over the company from his father in 2017, Mr.Greenawalt has executed a roll-up strategy that has led to revenue growth and product diversification.

Upexi (UPXI) CEO is a serial entrepreneur; Owner-operator

Market cap: \$30M| Debt: \$29M| Cash: \$1M| EV: \$58M| Revenue: \$94M| EV/Rev: 0.62|

Allan Marshall, CEO

Mr. Marshall joined the Company as CEO in May 2019, having previously been a serial entrepreneur before his retirement.

Notable track record: Mr. Marshall established Segmentz, Inc. in November 2000 and acted as its CEO. He successfully acquired five logistics companies, raised over \$25 million in capital, and laid the groundwork for what is now XPO Logistics, Inc. (NYSE: XPO), a company with revenues exceeding \$17 billion.

1. Ownership: 14% (excluding stock options)

2. Related party transactions: Nil

3. Compensation

Year	Salary (\$)	Bonus (\$)	Stock Awards (\$)	Option Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Nonqualified Deferred Compensation Earnings (\$)	All Other Compensation (\$)	Total (\$)
2022	840,000	1,096,000	—	2,977,300	—	—	90,000	5,003,300
2021	284,615	741,910	—	—	—	—	—	1,026,525

CarGurus (CARG): Controlled company

Market cap: \$2B| Debt: \$207M| Cash: \$454M| EV: \$1.8B| Revenue: \$1B| EV/Rev: 1.47|

Langley Steinert, Executive Chairman

He is currently serving as the “Executive Chairman” of the company.

Langley Steinert founded CarGurus in 2006 and served as its CEO until January 2021.

Before CarGurus, he co-founded TripAdvisor.

1. Ownership

- Class A: 0%
- Class B: 100%
- Overall voting rights: 62%

2. Related party transactions: Nil

3. Executive Chairman Compensation

Year	Salary	Bonus	Stock Awards	NQSO Awards	Non-Equity Incentive Plan Compensation	All Other Compensation	Total
2022	\$10,000	—	\$2,575,722	—	—	—	\$2,585,722
2021	\$10,000	—	\$1,876,728	\$625,000	—	—	\$2,511,728
2020	\$10,000	—	\$2,291,672	—	—	—	\$2,301,672

Duluth Holdings (DLTH): Controlled Company

Market cap: \$199M|Debt: \$192M|Cash:\$11M|EV:\$380M|Revenue:\$652M|EV/Rev: 0.58

Stephen L. Schlecht, Chairman of the Board and Senior Advisor

Mr.Schlecht founded the company and served as CEO from August 2019 to May 2021. Since May 2021, he has been the Chairman of the Board and Senior Advisor.

1. Ownership

- Class A: 100%
- Class B: 23.5%
- Overall voting rights: 63.3%

2. Compensation

- 2022: \$502,458
- 2021: \$648,138

3. Related party transaction

1. Lease payment to Mr.Schlecht

Property	Total	Less Than 1 Year	1-2 Years	3-5 Years	More than 5 Years
100 and 102 West Main St, Mt. Horeb	\$622,950	\$151,200	\$314,500	\$157,250	—
119 S. 2nd Street, Mt. Horeb	\$70,372	\$52,693	\$17,680	—	—
Total	\$693,322	\$203,893	\$332,180	\$157,250	—

2. Richard W. Schlecht, son of Stephen L. Schlecht, serves as SVP of Product Development and Creative. In 2022, he received compensation of \$502,458 (2021: \$648,138).

The RMR Group (RMR): Related party transaction runs for more than 8 pages in the proxy statement

Market cap: \$407M|Debt:\$30M|Cash:\$295M|EV:\$142M|Revenue:\$242M|EV/Rev: 0.15

Adam D. Portnoy

He has been the President and CEO of RMR Inc. since shortly after the company's formation in 2015.

1. Voting rights: 91%

2. Compensation

Year	Salary	Bonus (\$)	Stock Awards (\$)	All Other Compensation (\$)	Total (\$)
2022	3,75,000	2,900,000	8,30,110	43,484	4,148,594
2021	3,50,000	2,700,000	1,052,505	1,71,576	4,274,081
2020	3,50,000	2,675,000	693,330	38,683	3,757,013

3. Related party transactions

- Related party transaction runs for more than 8 pages in the proxy statement.
https://www.sec.gov/Archives/edgar/data/1644378/000110465923004611/tm232658-1_def14a.htm#SCT / See pages A2-A11 for related party transactions.