



INTREPID CAPITAL ADVISORY GROUP
Market Update
January 2023

Mergers & Acquisitions | Capital Advisory

Los Angeles | Menlo Park | Charlotte | Chicago | New York | intrepidib.com | 310.478.9000

A member of MUFG, a global financial group. Member FINRA/SIPC

Five Things to Consider if Raising Capital in 2023

1

Double-digit interest rates are here to stay, but private credit markets remain open

- Sticky inflation is expected keep the Fed Funds Rate north of 4% through at least Q1 2024
- Deals are getting done, albeit at lower leverage and higher spreads

2

A healthy balance sheet is a happy balance sheet

- If you think you need a cash cushion...get it! Don't wait until it's too late and options are limited
- Plan 12-24 months ahead: flexibility in a challenging economic environment is paramount

3

Leave no stone unturned

- Attractive returns continue to entice capital allocators into credit funds, offering ever more creative solutions
- Lender mandates and investment strategies change constantly; a broad outreach typically yields the best outcome

4

Be ready to negotiate

- Terms are shifting against borrowers (tighter covenant packages, multi-year call protection, high upfront fees, *etc.*)
- Build detailed cash flow forecasts, know what you can afford, and stress test your assumptions

5

Get your house in order

- Lenders are increasingly vigorous with respect to due diligence and underwriting criteria
- Prepare and clean up your financials in advance (and consider a *Quality of Earnings* report); time is of the essence

Running highly competitive processes to navigate current market conditions and find the perfect source of capital is becoming ever more critical. Intrepid brings a full arsenal of resources to help clients achieve their capital raising goals.

Intrepid Capital Advisory Group: Private Debt Deals of the Year

Intrepid's broad industry expertise and access to capital sources consistently delivers top-notch results throughout economic cycles.

	2022	2021	2020	2019
Intrepid Client				
Lender(s)				
Industry	Residential Services	Beauty & Personal Care	Business Services	Healthcare IT
Transaction Type	Senior Secured Loan	Unitranche	Subordinated Debt	Unitranche
Uses of Funds	Debt Refinance Growth Capital Dividend	Debt Refinance Growth Capital	Growth Capital Bridge to Sale	Debt Refinance Growth Capital
	2018	2017	2016	2015
Intrepid Client				
Lender(s)	 		 	 
Industry	Business Services	Digital Media	Industrials	Consumer Technology
Transaction Type	Revolver & Senior Term Loan	Revolver & Senior Term Loan	Senior Term Loan & Mezzanine	Revolver & Subordinated Debt
Uses of Funds	Debt Refinance Dividend	Debt Refinance Growth Capital	Management Buyout	Debt Refinance Turnaround Financing

Introductions



Jonathan Zucker

Managing Director

JZucker@IntrepidIB.com

(m) 310-749-8182

Jonathan is the Head of the Capital Advisory Group at Intrepid. He is responsible for advising entrepreneurs and private equity investors on raising institutional debt and equity capital for a variety of uses such as funding growth, acquisitions, recapitalizations or working capital.

During his more than 20-year career in finance, Jonathan has been involved in a wide range of capital transactions, from IPOs to early-stage venture financings. He has executed capital raises for companies across a diverse set of industry sectors, including: consumer, digital media, technology, business services and industrials.

Prior to joining Intrepid, he served as Vice President and Head of the Los Angeles office of U.S. Capital Partners, a direct lender and provider of capital-raising advisory services to middle-market companies. Previously, he worked at Credit Suisse and FBR & Co., in addition to co-founding NotTV Network, a digital media company focused on live entertainment.

An accomplished songwriter and musician, Jonathan is a former voting member of the Recording Academy and a board member of In the Band, a nonprofit organization dedicated to bringing mobile music education programs to community centers and schools throughout Los Angeles. He is also a board member of the Los Angeles chapter of the Association for Corporate Growth, a global network of middle-market dealmaking professionals. He is a graduate of the Wharton School of the University of Pennsylvania.



Boris Zikratov

Vice President

BZikratov@IntrepidIB.com

(m) 424-341-8205

Boris is Vice President of the Capital Advisory Group at Intrepid where he primarily advises business owners on raising institutional financing throughout the entire capital structure. He is also active in special situations and M&A transactions across select industry verticals.

Over the past decade, Boris worked on a broad range of strategic transactions, including initial public offerings, mergers, acquisitions, divestures, recapitalizations, and bankruptcy proceedings. His industry expertise includes agriculture, food, consumer goods, retail, media/entertainment, and industrials.

Prior to joining Intrepid, Boris was a Senior Director at Sierra Constellation Partners, a middle-market advisory firm focused on operational and financial restructuring. Previously, Boris worked for five years in Morgan Stanley's investment banking division in Los Angeles and London. He started his career at a Russia-focused investment bank in Moscow.

In his free time, Boris is an avid forager (an expert in wild mushrooms and berries). He also dabbles in a variety of adventure sports such as snowboarding, surfing, paddleboarding, and mountain biking. Golf is on his wish list. He is a graduate of Georgetown University.



OUR VALUES

- We always place the client first.
- We strive for excellence in everything we do.
- Integrity and tenacity is coded in our DNA.
- We treat everyone with respect because that's how we were brought up.
- Our passion drives outsized results.
- We use creativity to deliver exceptional results—our clients built great businesses by challenging convention.
- Winning is important to us—being the best means beating the competition.
- Objectivity lets us be true to ourselves and our clients.
- If we don't have fun, it's hard to take work seriously.

INVESTMENT BANKING SERVICES

MERGERS & ACQUISITIONS

Sell-side Advisory
Buy-side Advisory

CAPITAL ADVISORY

Growth financing
Acquisition financing
Recapitalizations
Debt refinancing
Turnaround plan financing

INDUSTRIES

Business Services
Consumer Products & Services
Digital Media & Technology
Healthcare
Industrials

Mergers & Acquisitions | Capital Advisory

Los Angeles | Menlo Park | Charlotte | New York | Chicago | intrepidib.com | 310.478.9000

A member of MUFG, a global financial group. Member FINRA/SIPC