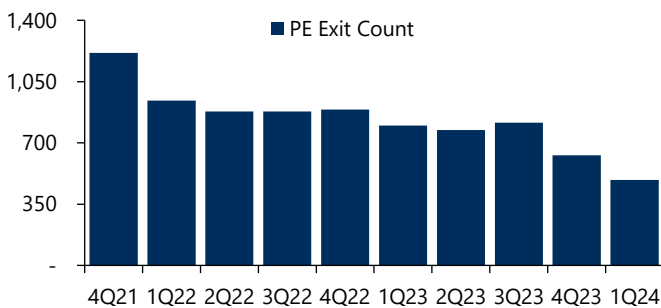


**Happy Tax Day!** Refunds from Uncle Sam are not the only way get money back this year. Shareholders take note – dividend recapitalizations are back in style. After over two years on the “no fly zone,” investment committees have started to open their checkbooks. That said, the bar is high.

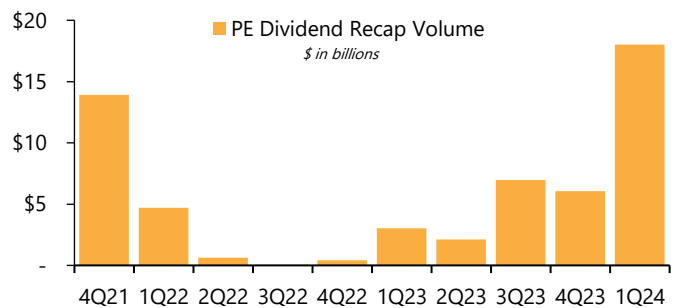
- Notwithstanding elevated new deal activity, successful private equity exits in Q1 were limited. With no guarantee of a soft landing, sponsors are hedging their bets by exploring recapitalizations as a short-term solution to return capital to LPs.
- Lenders – many of whom were under-deployed in 2023 – are entertaining such discussions across sectors. To get to the finish line, the credit needs to be pristine and the sponsor must have an impeccable track record.
- Telling the right story is crucial for a successful outcome. We’re here to help.

## Resurgence of Dividend Recap Activity Amid Vibrant Credit Markets

While PE Exits Remain Muted...



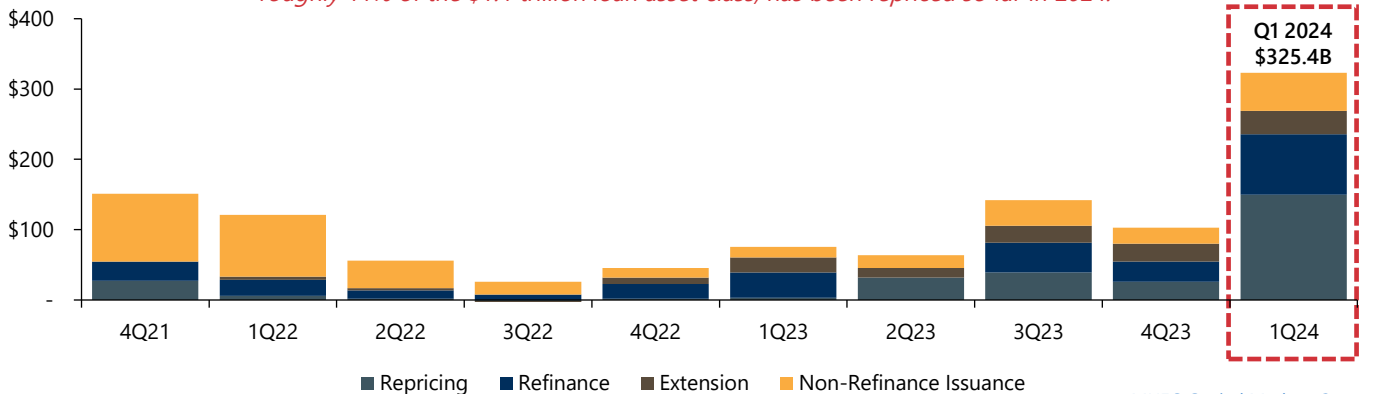
...Dividend Recapitalizations Have Resurfaced



Source: Pitchbook LCD

## Proprietary Insights from Our Colleagues at MUFG

*“Opportunistic deal flow picked up in the leveraged loan market in March after a dip in February with \$108 bn of total deal activity in March alone, the second highest reading in three years, bringing the total for Q1 to \$325 bn. A total of \$151 bn, or roughly 11% of the \$1.4 trillion loan asset class, has been repriced so far in 2024.”*



MUFG Capital Markets Strategy

**Jonathan Zucker**  
Managing Director  
Head of Capital Advisory  
jzucker@intrepidib.com

**Boris Zikratov**  
Vice President  
Capital Advisory  
bzikratov@intrepidib.com

**Stephen Senior**  
Analyst  
Capital Advisory  
ssenior@intrepidib.com

**Jonty Nobbs**  
Analyst  
Capital Advisory  
jnobbs@intrepidib.com

Intrepid’s Capital Advisory Group enables founders, management teams, and financial sponsors to access institutional capital across all forms of debt and equity to execute mission-critical transactions. We are experts at solving complex capital structure needs for our clients, and have global access to capital sources including banks, direct lenders, hedge funds, family offices, and private equity institutions.

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