



BDT & Company and MSD Partners to Combine as the Preeminent Advisory and Investment Firm Serving Family- and Founder-led Business Owners and Strategic, Long-Term Investors

- Combined Firm Will Offer Strategic Family and Company Advisory Services, a Differentiated Investment Platform, and an Unparalleled Global Network of Business Owners and Founders
- Byron Trott and Gregg Lemkau to Serve as Co-Chief Executive Officers; Trott to Serve as Chairman of the Combined Firm; Michael Dell to Become Chairman of the Advisory Board

Chicago, IL and New York, NY (October 20, 2022) – BDT & Company Holdings, L.P. (“BDT”) and MSD Partners, L.P. (“MSD”) today announced that they have entered into a definitive business combination agreement under which they will create the preeminent advisory and investment firm serving the distinct needs of family- and founder-led business owners and strategic, long-term investors. The combination will unite BDT, the merchant bank to the closely held, founded in 2009 by Byron Trott, and MSD, a premier, long-term-oriented investment firm that invests on behalf of like-minded investors, including Dell Technologies Founder Michael Dell and his family.

The firm will continue to be uniquely positioned as a trusted advisor and capital partner to closely held businesses and their owners, helping them to pursue their strategic and financial objectives. The combination brings together two teams with strong leadership, expertise, and track records in their respective investment strategies, which will enable the firm to offer a differentiated set of investment opportunities tailored to investors seeking long-term, risk-adjusted compounding returns. The combined firm’s offerings will include:

- **Trusted Advice and Capital:** The firm will offer strategic family and company advisory services and long-term capital through its affiliated funds to help clients sustain and grow their businesses, manage their legacies, and create social impact. In addition to traditional company advisory, including M&A and Capital Structure Optimization, the firm provides specialized advisory services across Ownership and Governance, Trust and Estate, Family Office, Next Generation Transitions, and Philanthropy.
- **Differentiated Investment Platform Across Private Capital, Credit, Real Estate, and Growth Equity:** The combined firm will seek to provide investors with high-quality investment offerings in four core areas:
 - **Private Capital:** The firm will seek to provide differentiated, aligned private capital to business owners, with a focus on family- and founder-led businesses with strong, durable fundamentals. In line with this strategy, BDT Capital Partners has invested more than \$30 billion across 43 portfolio companies through its affiliated investment funds and co-investments from its global investor base, more than 90% of which comprises active business owners, their family offices, and foundations. MSD Private Capital has taken a similar approach, investing \$3 billion in 12 companies, supporting founders, entrepreneurs, and management teams with the goal of building outstanding businesses and creating long-term value.

- **Credit:** The firm will be a creative financing solutions provider capable of investing across capital structures for a broad range of businesses throughout market sectors and geographies. MSD Credit is a flexible financing partner that uses its differentiated sourcing network, deep market expertise and structuring skills with the goal of delivering long-term capital appreciation for investors. Over the last 10 years, the MSD Credit team has deployed more than \$20 billion across private and public credit investments, preferred instruments, and real estate-related opportunities.
- **Real Estate:** The firm's real estate equity investments will continue to focus on complex, large-scale, high-quality assets in high barrier-to-entry locations. MSD is a preferred partner with a long-duration mindset and significant operational and execution capabilities, which MSD believes help drive value for investors across asset classes. The MSD Real Estate team has invested in more than 30 real estate transactions with a current portfolio value of approximately \$10 billion.
- **Growth Equity:** The firm will invest in private high-growth companies with proven business models and large market opportunities, principally in the technology, consumer, and healthcare sectors. MSD Growth's approach is defined by the patient, long-term nature of its capital and its ability to be a flexible, value-added partner investing alongside exceptional founder-led businesses and world-class management teams.
- **Unparalleled Global Network:** The firm will maintain its world-class network of more than 250 business-owning advisory clients and fund investors, enabling them to benefit from the wisdom and experience of other entrepreneurs, business owners, and leaders of exceptional closely held companies, as well as their family offices and foundations.

The firm will be distinguished by its stable, long-term capital base and its shared culture of aligned investing. BDT and its employee owners are the largest investor in aggregate across all BDT funds. Similarly, MSD employees are the firm's largest investor in aggregate outside of the Dell family, representing nearly 15% of non-Dell capital invested today. This core principle unites the firms and drives important alignment with investors as they seek to deliver long-term, risk-adjusted returns. Since 2010, BDT and MSD have collectively deployed more than \$50 billion in total capital across their investment strategies.

"Over the past 13 years, we have built BDT as a differentiated merchant bank to align to the needs of our business-owning clients and investors, providing trusted advice, long-term, risk-adjusted capital, and an unparalleled global network. Since our founding in 2009, our objective has never been to be the biggest firm, but rather to be the best at what we do – that same principle holds true today. MSD shares BDT's commitment to excellence and high integrity, and has developed attractive, highly complementary investment strategies. We are thrilled to combine and meaningfully enhance our investment and advisory offerings to business-owning families and founders around the world," said Byron Trott, Founder, Chairman and CEO, BDT. "Gregg Lemkau is an extraordinary leader and advisor, and Michael Dell is one of the world's most iconic founders and technology visionaries. We are excited to work with them and our talented teams in this next chapter of our evolution."

Gregg Lemkau, CEO, MSD, added, "MSD and BDT are remarkably complementary firms. We share similar cultures and approaches to investing, and we are both focused on serving strategic investors who seek to consistently compound capital over the long-term. As we were looking to expand MSD's ability to provide superior solutions to our investment partners, we saw a perfect match in BDT's capabilities and global investor base. I've had the pleasure of knowing Byron for nearly three decades, and I look forward to working alongside him to realize the potential of our combined firm for the benefit of our clients."

“I am very excited about the combination of these incredible firms,” said Michael Dell. “The MSD team has provided outstanding risk-adjusted returns for my family over the past 25 years, and I am extraordinarily proud of what they have accomplished. I am a great admirer of what Byron and the BDT team have built by providing comprehensive solutions for families like mine, and the opportunity to combine is extremely compelling. Most importantly, the cultures of the two firms are very consistent, and I am committed to supporting Gregg, Byron and their combined team in continuing to build a special investment firm to last for generations.”

Upon close, Trott and Lemkau will serve as Co-Chief Executive Officers, Trott will also serve as Chairman of the combined firm, and Dell will become Chairman of the Advisory Board. Dan Jester and San Orr will serve as Presidents. Brendan Rogers will serve as Chief Operating Officer. The combined firm will be co-headquartered in Chicago and New York City, with offices also located in Dallas, Denver, Los Angeles, Palm Beach, San Francisco, London, and Frankfurt.

The transaction is expected to be completed in early 2023. Financial terms were not disclosed. Ardea Partners LP served as the exclusive financial advisor to the transaction.

Please visit the transaction website at BDTMSD.com.

About BDT & Company

Established in 2009, BDT & Company is a merchant bank that provides advice and long-term capital through its affiliated funds to help family- and founder-led businesses pursue their strategic and financial objectives. The firm works with the owners and leaders of these closely held businesses to find creative solutions to their most complex issues, while also providing access to its world-class network. The firm’s affiliate, BDT Capital Partners, has deployed more than \$30 billion in capital through its investment funds and co-investments by its global investor base. For more information, visit bdtcapital.com.

About MSD Partners

MSD Partners, L.P. is a leading investment firm focused on maximizing long-term capital appreciation across its core areas of investing expertise – Credit, Growth, Private Capital and Real Estate. The firm deploys capital on behalf of Dell Technologies founder and CEO Michael Dell and his family, as well as other like-minded, long-term-oriented investors. MSD Partners, which operates from offices in New York, Santa Monica and West Palm Beach, manages in excess of \$20 billion. For further information about MSD Partners, please see msdpartners.com.

Contacts:

BDT & Company

Sara Evans / Matthew Glasser

T: (312) 529-6548 / (312) 385-2883

E: communications@bdtcap.com

MSD Partners

Todd Fogarty / Anntal Silver

T: (212) 521-4854 / (212) 521-4849

E: todd.fogarty@kekstcnc.com / anntal.silver@kekstcnc.com