

# Operational Turnaround & Growth Platform

## SIRVA Worldwide

A moving and relocation company including Allied and North American Van Lines

### INVESTMENT SUMMARY

EGI made an initial investment in SIRVA in 2007 through a series of secondary market purchases of the company's bank debt, which was converted to a second lien loan and equity following the company's emergence from Chapter 11 in 2008. We consistently increased our position as other lenders exited and eventually became one of two primary owners of SIRVA.

During our 11-year ownership, we were highly engaged with two board seats, guiding SIRVA in developing its business strategy, refinancing its balance sheet, implementing substantial operational improvements, and developing the company into a growth platform. When EGI exited the investment in 2018, SIRVA's EBITDA had grown from essentially break even into the double-digits.

### INVESTMENT HIGHLIGHTS

#### DEPRESSED VALUATION

SIRVA's valuation suffered from the company's exposure to the housing market during the Global Financial Crisis.

#### INDUSTRY LEADING BRANDS

SIRVA held strong moving brands (Allied Van Lines and North American Van Lines) and had historically generated strong earnings.

#### TURNAROUND OPPORTUNITY

- SIRVA had experienced a failed rollup of two moving companies and six relocation businesses. Further, the company was suffering from a sizable portfolio of unsold single-family homes it had acquired from customers.
- Within two years of EGI's stewardship, we had significantly de-risked the business by monetizing the portfolio of homes and reducing further exposure by dramatically limiting SIRVA's home purchase program, as well as by eliminating redundancies and streamlining operating costs.
- In 2013, we transitioned SIRVA from a turnaround to a growth platform. We led management in rewriting the company's business strategy, including a material expansion of company's sales force and an expanded footprint into Europe. As a result, SIRVA started growing market share for the first time in 10 years.

