

Sheinberg

From: HSRHelp
Sent: Friday, April 28, 2023 2:16 PM
To: Walsh, Kathryn E.; Musick, Pamela; Shaffer, Kristin; Sheinberg, Samuel I.; Six, Anne; Whitehead, Nora; Fetterman, Michelle
Subject: FW: H.S.R. and earnout

From: Walsh, Kathryn E. <kwals1@ftc.gov>
Sent: Friday, April 28, 2023 2:16:16 PM (UTC-04:00) Eastern Time (US & Canada)
To: [REDACTED]
Cc: HSRHelp <HSRHelp@ftc.gov>
Subject: FW: H.S.R. and earnout

If you can estimate the value of the earnout now, you have a determined acquisition price. If you can't, you have to do a full market valuation.

Sent: Friday, April 28, 2023 10:08:00 AM
To: [REDACTED]
Subject: [REDACTED]

Dear Sir or Madam,

We are hoping to [REDACTED] depend on how the transaction size is determined – in this case, the threshold as the parties are negotiating an earnout.

- The consideration payable in the transaction consists of:
 - a "Base Consideration" of USD 300-340 million payable upon closing, depending on certain adjustments
 - an "Earn-Out Consideration" of up to USD 350 million payable after 2025 on the basis of certain financial KPIs (the Earn-Out Consideration may also end up being 0 EUP).

The entire consideration is therefore USD 300-690 million (so could be up to over USD 145.5 million). We are where within this corridor.

We are sorry for any inconvenience.

Best regards,

[REDACTED]

[REDACTED]

