

Afiniti Successfully Completes Chapter 15 Reorganization



December 2024

Reorganization of Afiniti's Existing Secured
Liabilities and Preferred Equity

*Smith Goffman Partners served as Financial
Advisor to Afiniti*

Transaction Overview

- Afiniti took on secured debt in from 2019 to 2021 to fund its expansion but struggled to refinance its obligations due to the higher interest rate environment and other macroeconomic conditions
- Creditors agreed to exchange their existing senior secured debt for two new tranches of debt: a senior secured First Lien Term Loan, and a convertible Second Lien Term Loan ("2L") with PIK interest
- Existing Preferred Shareholders were due to receive the remaining a portion of the reorganized post conversion common equity
 - A significant existing preferred shareholder, The Resources Group (TRG), agreed to provide backstop to a "Rights Offering" offered to existing shareholders, resulting in Warrants for additional common equity above certain valuation thresholds as additional consideration
- The transaction was effected as a prepackaged, Bermuda Scheme coupled with a Delaware Chapter 15 case and closed on December 3, 2024
- M&A Advisor named it a Turnaround Award Winner as its Restructuring of the Year (\$500mm to \$1bn)

Transaction Commentary⁽¹⁾

"We are pleased to have completed this recapitalization process and are focused on continuing to deliver value and innovative AI-powered solutions to Afiniti's customers. Vista Credit Partners has long been an operationally focused financing partner, and **we look forward to welcoming Afiniti to the Vista ecosystem and leveraging our deep expertise in enterprise software to help them chart an ambitious path forward.**"

Brendan Renehan, Managing Director at Vista Credit Partners

Company Overview

- Afiniti is a leading customer experience artificial intelligence (CX AI) platform which uses proprietary software to improve customer engagement between businesses and customers

Note: This case study is provided for informational purposes and is intended to illustrate the services provided by Smith Goffman as a compensated adviser to Afiniti and should not be construed as an offer to sell or a solicitation of an offer to buy any security, interest, or investment product, nor does it constitute investment advice. This quote should not be interpreted as a guarantee of future performance or outcomes. Statements regarding Vista's operational approach or anticipated contributions are forward-looking in nature and subject to various risks and uncertainties.