

Cat Rock Capital
Technical Case – Question #1
Additional Notes

1) Performance & Attribution

- a) Related positions should be combined when calculating attribution:
 - i) KSPI US / KSPI LI
 - ii) DCBO CN / DCBO US
 - iii) JET LN / TKWY NA
 - iv) 2330 TT / TSM US
- b) The performance of “TSM US” (TSMC ADRs) should be used for TSMC’s 2024’s stock price performance.

2) Top 10 Position Analysis

- a) Please use organic constant currency revenue and profit growth rates where available.
- b) For portfolio level statistics, please calculate both revenue growth and insider ownership using a weighted average based on position size.
- c) For portfolio level statistics, please use a “look-through” methodology to calculate both a valuation multiple and profit growth:
 - i) Valuation multiple – To calculate a “look-through” valuation multiple, Cat Rock Capital’s implied equity percent ownership in each company should be multiplied by that company’s relevant profitability metric (CRC Net Income or CRC Recurring FCF) to determine Cat Rock Capital’s implied share of each company’s profits. The resulting figures for each portfolio company should then be summed to find Cat Rock Capital’s total implied share of profits, and Cat Rock Capital’s total equity stake in its top 10 positions should be divided by this figure to find a portfolio level valuation multiple.
 - ii) Profit growth – A similar methodology should be used to determine profit growth. Please multiply Cat Rock Capital’s implied equity percent ownership in 4Q24 by the applicable company profitability figures in CY23 and CY24, and find a total growth rate on the total. Proper adjustments should be made to each position to properly account for organic constant currency growth where applicable.
- d) Please use either CRC EBIT or CRC EBITDA Less Capex as the applicable profitability metric for each company, as designated below (*Exhibit 1*).
- e) Please use either CRC Net Income or CRC Recurring Free Cash Flow as the applicable valuation metric for each company, as designated below (*Exhibit 1*).
- f) Cat Rock Capital’s modeled estimates as of 4Q24 should be used for each company’s projected figures.
- g) Financials should be calendarized for companies that do not have a fiscal year ending 12/31.
- h) Pro forma figures should be used where provided.

Exhibit 1

3Q24					
Company	Profitability Metric	Valuation Metric	Insider Ownership	'23-'24 Buybacks?	Notes
META	CRC EBITDA-Capex	CRC Net Income	13.7%	Yes	
KSPI	CRC EBITDA-Capex	CRC Net Income	47.7%	Yes	
PDD	CRC EBITDA-Capex	CRC Net Income	33.2%	No	
SEMR	CRC EBITDA-Capex	CRC Net Income	52.0%	No	
ASX:CTT	CRC EBITDA-Capex	CRC Net Income	33.0%	Yes	
MSFT	CRC EBITDA-Capex	CRC Net Income	—	Yes	
NYSE:TSM	CRC EBITDA-Capex	CRC Net Income	0.4%	Yes	As of 3Q24, Cat Rock owned 231,100 TSM ADRs, which each represent 5 ordinary shares of the company
TSX:DCBO	CRC EBITDA-Capex	CRC Net Income	42.0%	Yes	
FA	CRC EBITDA-Capex	CRC Net Income	64.9%	Yes	
LSE:SCT	CRC EBITDA-Capex	CRC Net Income	33.0%	No	
4Q24					
Company	Profitability Metric	Valuation Metric	Insider Ownership	'23-'24 Buybacks?	Notes
META	CRC EBIT	CRC Net Income	13.7%	Yes	
NYSE:TSM + TWSE:2330	CRC EBIT	CRC Net Income	6.8%	Yes	As of 4Q24, Cat Rock owned 206,200 TSM ADRs, which each represent 5 ordinary shares of the company; Cat Rock additionally owned 250,000 ordinary shares in the company; These positions should together be treated as one combined position for purposes of the analysis
MSFT	CRC EBIT	CRC Net Income	0.0%	Yes	
FOUR	CRC EBITDA-Capex	CRC Recurring FCF	31.0%	Yes	
KSPI	CRC EBIT	CRC Net Income	47.7%	Yes	
PDD	CRC EBIT	CRC Net Income	26.0%	No	
LRN	CRC EBITDA-Capex	CRC Recurring FCF	3.0%	No	
FA	CRC EBITDA-Capex	CRC Recurring FCF	55.5%	Yes	
SEMR	CRC EBIT	CRC Net Income	58.0%	No	
LSE:SCT	CRC EBITDA-Capex	CRC Recurring FCF	32.8%	No	