

ROOK

Post-Venture Buyout

Strategy Summary

Rook acquires majority control of overlooked, physically-enabled technology companies – robotics, automation, and industrial AI – that no longer fit the venture model but retain defensible IP, commercial traction, and paths to profitability. These companies are often stranded in the “Valley of Death”, no longer a fit for VC yet too early for PE. Rook bridges this gap.

Why Now

Over 10,000 companies raised a Series A from 2019-2021. Data released by Carta estimates that 80% of these companies have not raised a Series B and are now capital-starved. Many have spent \$50M–\$100M+ in R&D but are misaligned with VC return profiles and are likely to fail in the next 24 months. Rook capitalizes on this dislocation by acquiring controlling positions at the moment of their maxim mispricing and optimizes for 3–5 year exits.

Differentiated Model

- **Control Ownership (51%–100%):** Enables full governance, alignment, and value creation.
- **De-Risked Entry:** Only targets businesses with validated technology, real customers, and high-margin use cases.
- **Rapid Path to Profitability:** Cash flow positive in under 24 months with <\$10M of capital invested.
- **Downside Protection:** Structural priority on capital recovery, with liquidation preferences and investor carve-outs.
- **Repeatable Playbook:** Proven turnaround framework applied post-close, including cost realignment, governance overhaul, and go-to-market focus.

Track Record

- **Roam Robotics:** Transformed from a near-shutdown into a profitable defense supplier in under 12 months. Our \$3.5M invested → \$45M value in 12 months; targeting \$79M return within 24 months.
- **Inevitable Tech:** Recapitalized robotics-based AgTech firm with \$101M sunk R&D. Our \$2M invested → \$20M value in 12 months.

Return Profile

- Target exits of \$50M–\$200M per company.
- Strong downside protection, exits in 3–5 years
- Fund Level MOIC shown in appendix below

Appendix: Fund Level MOIC

| Success Rate | | Average Exit | | | | | | | | |
|--------------|----------------------------|--------------|-------|-------|--------|--------|--------|--------|--------|-------------------|
| | Fund MOIC \$10M AVG INV | \$25M | \$50M | \$75M | \$100M | \$125M | \$150M | \$175M | \$200M | w/ One Outlier |
| | 50% | 1.21 | 2.29 | 3.24 | 4.08 | 4.66 | 5.11 | 5.88 | 6.65 | +5x |
| | 60% | 1.45 | 2.75 | 3.89 | 4.89 | 5.59 | 6.14 | 7.06 | 7.98 | +5x |
| | 70% | 1.69 | 3.20 | 4.54 | 5.71 | 6.52 | 7.16 | 8.23 | 9.31 | +5x |
| | 80% | 1.93 | 3.66 | 5.19 | 6.52 | 7.45 | 8.18 | 9.41 | 10.64 | +5x |
| | 90% | 2.17 | 4.12 | 5.84 | 7.34 | 8.38 | 9.20 | 10.59 | 11.97 | +5x |
| | 100% | 2.41 | 4.58 | 6.49 | 8.15 | 9.31 | 10.23 | 11.76 | 13.30 | +5x |