

A background image of a bowling alley. In the foreground, a large, glossy red bowling ball is positioned on the right side. In the background, a row of white bowling pins with red stripes is lined up on the bowling lane. The scene is dimly lit, with some lights visible in the distance.

## US private equity firm partners with leading UK leisure and entertainment operator

DEAL FLASH | CONSUMER & RETAIL, PRIVATE EQUITY | APRIL 2024

### DEAL SNAPSHOT

**Trive Capital (Trive) has announced the completion of its take-private acquisition of Ten Entertainment Group (Tenpin), a premier bowling and family entertainment center operator based in the UK, which was formerly listed on the London Stock Exchange.**

Trive is a Texas-based private equity firm with more than US\$4 billion of regulatory assets under management. The firm focuses on investing equity and debt in what it sees as strategically viable middle-market companies with the potential for transformational upside through operational improvement.

Tenpin currently offers customers a unique and differentiated experience through a mix of bowling lanes, video arcades, escape rooms, karaoke, laser tag, pool, table tennis and soft play across 53 centers. The company employs approximately 1,800 people. The partnership with Trive will enable Tenpin to accelerate its expansion strategy in the UK, and continue to invest in the company's site portfolio to enhance and elevate customer experience.

Graham Blackwell, CEO at Tenpin, said, "We are delighted to partner with Trive as we continue to push our brand forward and deliver our customers an exceptional experience. The leadership team looks forward to collaborating with Trive on our next phase of growth, both organically and through M&A, and expanding upon what we have built."

"We are excited to partner with a leading leisure and entertainment operator, with a high-quality management team focused on innovation and providing a best-in-class customer experience. Trive looks forward to continuing to invest in and behind the platform to support the employee base, enhance the existing portfolio, and facilitate estate expansion."

**SHRAVAN THADANI**  
PARTNER  
TRIVE CAPITAL  
USA

### OAKLINS' EXPERTISE WAS INSTRUMENTAL IN FACILITATING THIS DEAL

Oaklins Cavendish, based in the UK, were sole financial advisors to Trive for the acquisition, providing strategic and tactical advice regarding discussions with the target and shareholders, and providing regulatory and technical expertise in navigating the complexities of the UK Takeover Code and LSE Listing Rule requirements.

TRIVE CAPITAL

## MARKET TRENDS & DEAL DRIVERS

Tenpin offers affordable family-focused entertainment that people of all ages can enjoy together, with a pricing structure as well as a range of activities to suit every budget. This value-for-money proposition has been a key driver for growth, with its offering resonating with customers against a tough economic backdrop and well-documented cost of living pressures. Tenpin has a demonstrably resilient and cash generative business model.

The UK bowling market has for a time been dominated by two listed players — one of which was Tenpin — and an otherwise fragmented, underfunded and, to an extent, unsophisticated market. A continuing buy-and-build strategy and the potential for international expansion with a replicable model are seen as attractive future growth drivers.

## M&A VALUATION ASPECTS

The acquisition implied an equity value to Tenpin of £287 million (~US\$368 million) – approximately implying a >45% premium of the volume-weighted average price of a Tenpin share over six- and twelve-month horizons, and 33% to the closing price on the day before announcement. The pre-IAS 17 property lease enterprise value of £282 million (~US\$361 million) represents a trailing EV/EBITDA of approximately 5.0x and forward of 4.6x.

## TALK TO OUR ADVISORS



✉ **HENRIK PERSSON**

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Henrik has extensive experience in all aspects of corporate advisory and broking work, having acted on several IPOs and secondary fundraisings, including private equity exits and founder sell-downs. He leads Oaklins Cavendish's market-leading team focused on public takeovers, shareholder activism and other specialist advisory situations, acting on both sides of such corporate activity. Recent clients include STM Group, SailPoint Technologies and IQGeo Group.



✉ **CARL HOLMES**

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Carl has over 14 years of growth company strategic and corporate finance advisory experience on both the Main Market and AIM. His experience covers a wide range of industries, with a particular focus on the consumer & retail and technology sectors. Carl's past and present clients include First Derivatives, The Character Group, PROACTIS Holdings, Best of the Best, HR Owen and The Barkby Group plc.

“It was terrific to be asked to support Trive in their first UK and first take-private transaction. They were a joy to work with and we have every confidence that the Tenpin story will be a success. There are many great acquisition opportunities on the UK capital markets, and we are pleased to have the capabilities and leading credentials to support anyone that is considering a transaction with UK-listed companies.”

**HENRIK PERSSON**  
OAKLINS CAVENDISH

**OAKLINS HAS CLOSED 802 DEALS IN  
CONSUMER & RETAIL AND 1,385 IN PRIVATE EQUITY**

United by a strong belief that we can achieve the extraordinary. Oaklins is a global team of 800+ financial advisory professionals in 40 countries providing M&A, growth equity, ECM, debt advisory and corporate finance services to support entrepreneurs, corporates and investors in reaching their goals.

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