



# Automotive and Powersports Update

Q4 2020



March 2021

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AN AFFILIATE OF  
**NATIXIS**  
BEYOND BANKING



# **PJ SOLOMON Automotive and Powersports Sector Coverage**

# PJ SOLOMON Overview

**PJ SOLOMON is an independently operated investment bank with proprietary access to global financing capabilities and international coverage through our parent company, Natixis**

- Founded in 1989, we are a leading financial advisory firm with a legacy as one of the first independent investment banks
- We offer unmatched industry knowledge in the sectors we cover, providing comprehensive strategic solutions tailored to generate long-term shareholder value
- We offer the “best of both worlds”: the experience of a boutique culture with the international reach and capabilities of a global institution

**New York**  
Headquarters

**135**  
Employees

**100**  
Investment  
Bankers

**25**  
Managing  
Directors

**9**  
Senior  
Advisors

# Our Sectors

## Consumer Retail

We provide strategic and financial advisory services to public and private companies across the intersection of consumer, retail, e-commerce, digital media and technology.

### Areas of Focus

- **Automotive & Powersports**
- Beauty, Health & Wellness
- Branded Apparel, Footwear and Accessories
- Broadline, Discount & Specialty Retail
- Consumer Products
- Home Improvement & Goods
- Sporting Goods & Outdoor

## Financial Sponsors

Our experienced team works with all sector bankers to provide alternative investment managers with access to quality deal flow and investment ideas. We marshal firm resources to offer creative solutions to our clients, which include M&A, financing and restructuring advisory services.

## Technology, Media & Telecommunications

Our approach to advisory services within the TMT space is to thoroughly understand the dynamics across the sector while delivering comprehensive sub-sector expertise in each of our senior bankers' areas of focus.

## FinTech

We partner with clients to provide differentiated financial and strategic advisory services across the Financial Services and FinTech ecosystems

## Grocery, Pharmacy & Restaurants

Grocery, pharmacies and restaurants are experiencing significant change, driven by a variety of emerging factors. We have advised our clients, many family-owned, on some of the largest and most significant food retail M&A transactions in the past two decades.

## Infrastructure, Power & Renewables

Our clients range from specialized infrastructure, power and renewables private equity funds to municipal entities, corporates and pension funds. We support high-profile and historic projects across Europe and the Americas.

## Healthcare

We provide our healthcare clients with deep industry knowledge and strategic advice across the healthcare landscape, with a core focus on Healthcare Technology & Tech-Enabled Services and the full continuum of Pharmacy Services (Retail, Infusion Therapy, PBM).

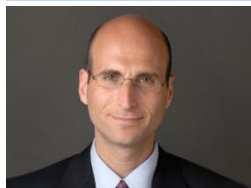
# PJ SOLOMON Automotive and Powersports Sector Coverage

Globally recognized strategic advisor to leading automotive, powersports and outdoor recreation companies

## Overview and Areas of Focus

Retail	Parts and Accessories	Service and Repair
<ul style="list-style-type: none"><li>• Specialty Retail</li><li>• E-Commerce</li><li>• Distribution</li><li>• Dealerships and Marinas</li></ul>	<ul style="list-style-type: none"><li>• Tires, Wheels and Suspension</li><li>• Vehicle Technology</li><li>• Aftermarket Parts and Supplies</li><li>• Chemicals and Lubricants</li><li>• Tools and Equipment</li><li>• Apparel, Safety Gear and Accessories</li></ul>	<ul style="list-style-type: none"><li>• General Repair</li><li>• Rental and Ridesharing</li><li>• Oil Change and Lubrication</li><li>• Collision and Glass Repair</li><li>• Car Wash and Detailing</li><li>• Tire Change</li></ul>

## Automotive and Powersports Team



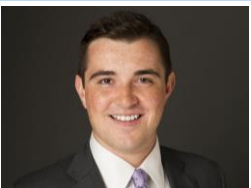
**Jeffrey Derman**  
Managing Director  
Co-Head, Automotive  
Aftermarket & Powersports  
[jderman@pjsolomon.com](mailto:jderman@pjsolomon.com)  
(917) 648-2176



**Patrick Furlong**  
Director  
Co-Head, Automotive  
Aftermarket & Powersports  
[pfurlong@pjsolomon.com](mailto:pfurlong@pjsolomon.com)  
(412) 983-5170



**Addison Bakken**  
Associate  
[abakken@pjsolomon.com](mailto:abakken@pjsolomon.com)  
(701) 590-2516



**Sean Leahy**  
Associate  
[sleahy@pjsolomon.com](mailto:sleahy@pjsolomon.com)  
(414) 573-4822



**Dominic Benitez**  
Analyst  
[dbenitez@pjsolomon.com](mailto:dbenitez@pjsolomon.com)  
(305) 608-9436



**Steve Odland**  
Senior Advisor  
Former Chairman, President &  
CEO of AutoZone  
[sodland@pjsolomon.com](mailto:sodland@pjsolomon.com)  
(202) 469-7822
















## Sr. Advisor



# Relevant Automotive and Powersports Advisory Experience

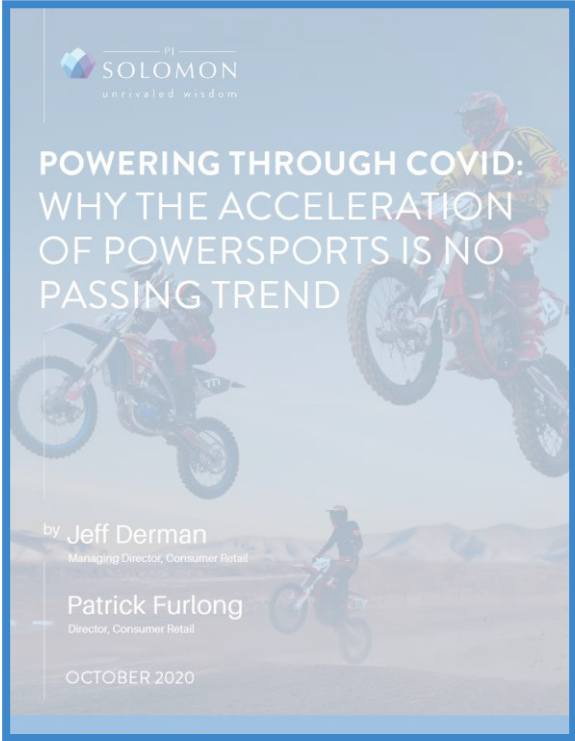
Our team of enthusiasts and experts have significant experience positioning growth stories focused on automotive, powersports and outdoor brands and a proven track record of working with corporate clients to effect strategic transactions

- PJ SOLOMON is a globally recognized strategic advisor with deep automotive, powersports and outdoor recreation industry experience
- Breadth and depth of experience encompasses the automotive, motorcycle, powersports, marine and outdoor recreation industries, from retail and e-commerce to parts and accessories to service and repair
- Provide M&A, restructuring and financing advisory services to clients ranging from multi-national, large-capitalization corporations to smaller, high-growth, privately-held companies

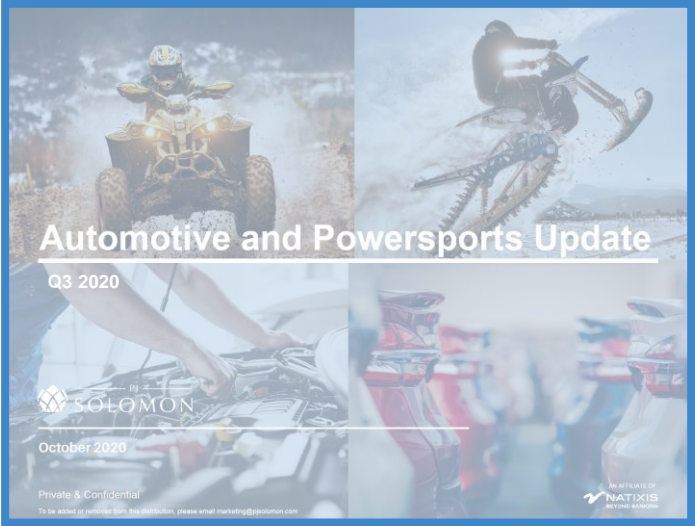
				
				
				
Service	E-Commerce	Manufacturing	Cross-Border	Technology
Served as financial advisor for 20+ years to Monro, a leading automotive repair and service provider, on various buy-side and strategic assignments	Served as financial advisor to RevZilla, a leading motorcycle online retailer, on its sale to Prospect Hill Growth Partners, owner of Cycle Gear	Served as JLA and Bookrunner to Truck Hero, a leading truck accessories manufacturer and retailer, on its \$675M First Lien Term Loan and \$250M Second Lien Term Loan through our affiliate Natixis	Served as financial advisor to FortNine, a leading Canadian powersports online retailer, on its investment from Novacap	Served as financial advisor to Rand McNally, a leading mobility technology provider to the commercial transportation industry, on its sale to Teleo Capital

# PJ SOLOMON Industry Perspectives

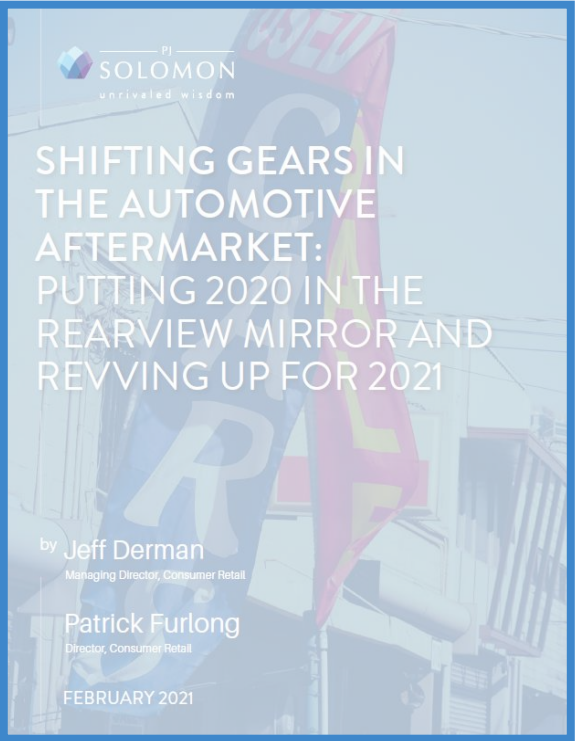
Read our recent publications for our latest thoughts on industry developments and trends



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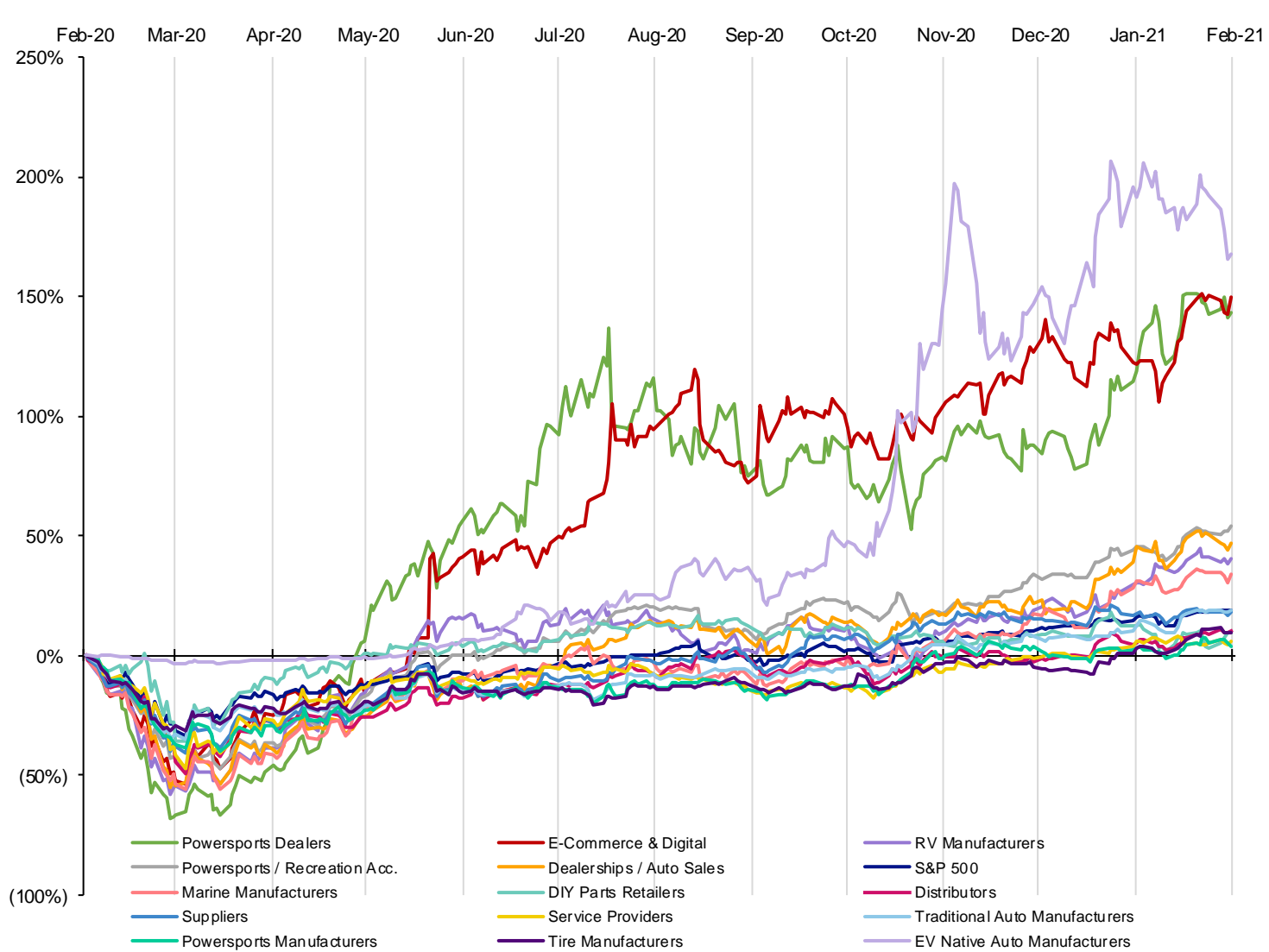


# Automotive and Powersports Market Update

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# Outdoor-Friendly and Digital Companies Outperformed Broader Market Over Last Twelve Months



See pages 28-35 for further detail

EV Native Auto Manufacturers: 168%
E-Commerce & Digital: 150%
Powersports Dealers: 143%
Powersports / Recreation Acc.: 54%
Dealerships / Auto Sales: 47%
RV Manufacturers: 40%
Marine Manufacturers: 34%
Traditional Auto Manufacturers: 19%
S&P 500: 19%
Suppliers: 18%
Distributors: 10%
Tire Manufacturers: 10%
DIY Parts Retailers: 10%
Service Providers: 6%
Powersports Manufacturers: 4%

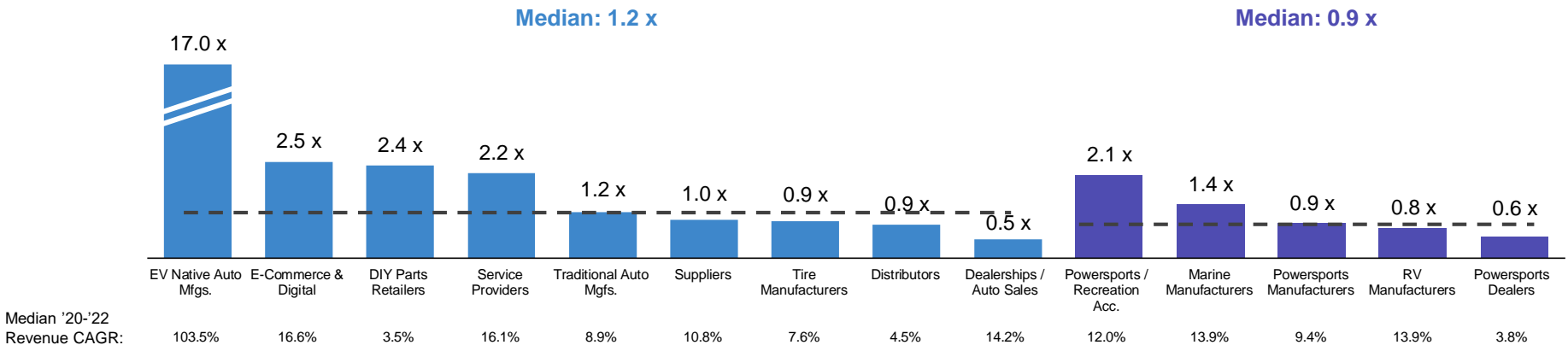
Note: Represents change in total sector market capitalizations. Refer to pages 28-35 for constituents in each category. EV Native Auto Manufacturers excludes Tesla which increased 353% year-over-year.  
Source: Capital IQ as of February 19, 2021.

# Automotive and Powersports Sector Valuation Summary

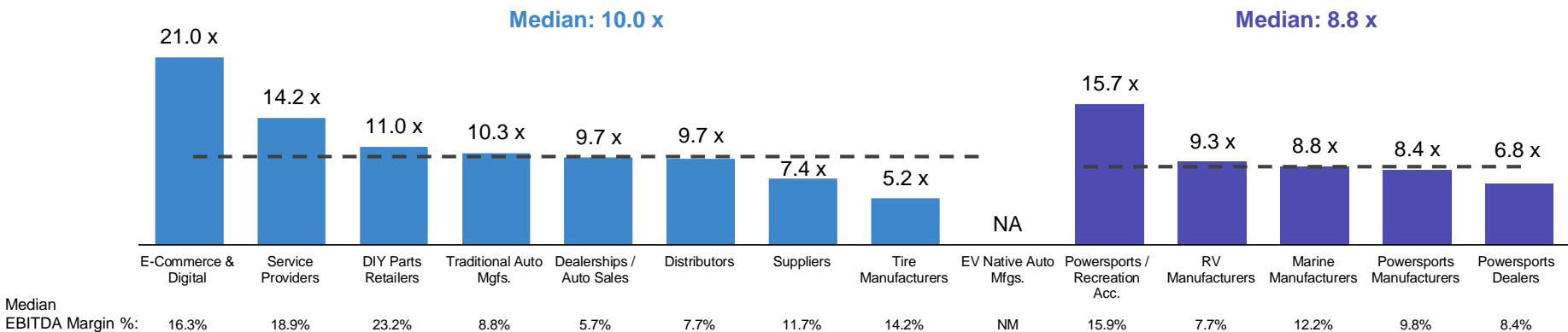
Automotive Powersports

See pages 28-35 for further detail

## Median Enterprise Value / 2021E Revenue



## Median Enterprise Value / 2021E EBITDA



Note: Refer to pages 28-35 for constituents in each category.  
 Source: Public filings and Capital IQ as of February 19, 2021. Forward estimates represent median aggregate consensus estimates from Capital IQ or Thomson Eikon.



# Automotive and Powersports M&A Update

- The M&A market remained active in Q3'20 to date with a significant number of processes currently underway

Date	Announced	Acquiror	Target	Target Category	Target Description
Feb-21		Camping World Holdings	Flagg RV	Dealership	Dealership offering new and used recreational vehicles
Feb-21		Wynnchurch Capital	The Wheel Group	Parts & Accessories	Designer and distributor of branded aftermarket products
Feb-21		Tuscan Holdings Corp.	Microvast	Manufacturer	Manufacturer of electric vehicle battery technologies
Jan-21		H.I.G. Capital	Continental Batteries	Distributor	Distributor of automotive aftermarket batteries
Jan-21		RV Retailer	Family RV Group & Northgate RV	Dealership	Dealerships offering new and used recreational vehicles
Jan-21		OneWater Marine	Roscioli Yachting Center	Marina	Full-service marina and yachting facility
Jan-21		OneWater Marine	Walker Marine Group	Dealership	Dealership offering new and used boats
Jan-21		Berkshire Partners	National Carwash Solutions	Manufacturer	Provider of car wash equipment, services and solutions
Jan-21		Malibu Boats	Maverick Boat Group	Manufacturer	Manufacturer of center console, dual console, flats and bay boats
Jan-21		Holley Performance Products	Drake Automotive Group	Manufacturer	Manufacturer of automotive aftermarket parts and accessories
Dec-20		Golden Gate Capital	Tidal Wave Auto Spa	Service	Operator of premium conveyor car wash systems
Dec-20		Pivotal Investment Corporation II	XL Fleet	Manufacturer	Manufacturer of electric drive solutions for commercial and municipal vehicles
Dec-20		THOR Industries	Tiffin Motorhomes	Manufacturer	Premium manufacturer of luxury recreational vehicles
Dec-20		L Catterton	Truck Hero	Parts & Accessories	Provider of functional aftermarket accessories for pickup trucks and Jeep vehicles
Nov-20		Kensington Capital Acquisition	QuantumScape	Manufacturer	Manufacturer of solid-state battery technologies
Nov-20		MidOcean Partners	FullSpeed Automotive	Service	Automotive aftermarket services platform
Nov-20		RV Retailer	Sierra RV	Dealership	Dealership offering new and used recreational vehicles
Nov-20		Camping World Holdings	All RV Needs	Dealership	Dealership offering new and used recreational vehicles
Nov-20		Holley Performance Products	Simpson Performance Products	Parts & Accessories	American motorsports automotive aftermarket parts and accessories supplier
Nov-20		OneWater Marine	Tom George Yacht	Dealership	Dealership offering new and used boats
Nov-20		CenterOak Partners	CollisionRight	Service	Provider of auto body repair services
Nov-20		Camping World Holdings	Outlet Recreation	Dealership	Dealership offering new and used travel trailers, fifth wheels and motorhomes
Nov-20		Wheel Pros	Performance Replicas	Distributor	Manufacturer and distributor specializing in factory reproduction wheels
Oct-20		Spartan Energy Acquisition Corp.	Fisker Automotive	Manufacturer	Manufacturer of electric vehicles
Oct-20		Kohlberg & Company	Parts Authority	Distributor	Distributor of automotive aftermarket parts
Oct-20		MarineMax	SkipperBud's	Dealership	Brokerage, service and marina/storage group
Oct-20		RV Retailer	Lifestyle RVs	Dealership	Dealership offering new and used recreational vehicles
Sep-20		Mavis Express Tire Services	Town Fair Tire	Service	Distributor of branded discount tires
Sep-20		Meritage Group	Les Schwab Tire Centers	Service	Independent tire dealer
Sep-20		Legacy Acquisition Corp.	PARTS iD, Inc.	E-Commerce	Digital automotive aftermarket parts and accessories commerce platform

# Automotive Market Update



# Automotive – Key Trends

## Key Indicators in the Aftermarket Pressured by COVID-19

- **Total light vehicle aftermarket sales expected to decline ~9% in 2020 to ~\$281 billion (but projected to rebound to ~\$314 billion in 2021)**
- New light vehicle sales declined precipitously at the beginning of COVID-19, bottoming out at 8.6 million units on a seasonally adjusted annual rate (SAAR) basis in April, **but recovering to 85% of 2019 levels as of December**
  - Used car sales SAAR was down only ~5% as of December, as consumers remain sensitive to costs during a period of uncertainty
- **Vehicle Miles Traveled (“VMT”) is currently down ~12% from 2019 levels as of November 2020**, driven by work-from-home and stay at home orders
  - Long term impact on VMT from anticipated go-forward work-from-home policies uncertain (WFH); up to 25-30% of employers to offer full or partial WFH beyond 2021
- **DIY maintenance segment, which typically represents ~20% of the aftermarket, climbed as high as ~43% in early August before receding to ~36% by the end of Q3 2020**
  - However, increased vehicle complexity and anticipated continued technology adoption will drive DIFM sales longer term

## Key Factors Provide Confidence for Future of the Industry







- **Total vehicles miles traveled will continue to rebound as air travel and public transportation use remains low**
  - Global air travel expected to be down 40-60% in 2021, and not fully recover until 2024
  - Work / commuting-related vehicles will see resumed utilization as pandemic-related work stoppages end post-vaccine
- **A suburban migration over the next several years could provide a tailwind as miles driven and car parc increases**
  - Would reverse recent decline in vehicle ownership trends pre-pandemic and partially offset impact of WFH
  - One-in-seven consumers moved or cited plans to move to suburbs due to COVID-19
  - 90%+ of consumers in suburban areas generally own or have access to a vehicle; average mileage driven typically 20-50% higher
- **E-commerce penetration continues to grow during the pandemic, evidencing an accelerated shift to digital and the industry's ability to adapt to consumer demands**
  - Online sales of aftermarket parts increased by 30% in 2020
- Vehicles in operation and the average age of vehicles continues to rise, **driving stable long-term demand for off-warranty aftermarket service**
  - Vehicles aged 16+ expected to reach 84 million by 2023, more than double the level in 2002
  - Notwithstanding a slowdown in new vehicle sales in 2020, the cohorts of older aged vehicles (i.e. 4-11 years) continues to grow

## New Technologies Beginning to Take Hold, but Wholesale Adoption Still Years Away

- Increasingly prevalent new technologies including EVs, advanced crash avoidance and self driving capabilities will increase repair complexity and may present challenges for smaller independent service providers
- **Non-ICE powertrains (hybrid, plug-in hybrid, EV) approaching 5% of new vehicle sales; however, given size of car parc (290M+) will take many years to materially change composition**
  - Bloomberg New Energy Finance forecasts global BEV sales will grow from 1.7 million in 2025 to 54 million in 2040, **representing 58% of anticipated new car sales globally**

# Automotive – Earnings Update

## Representative Category Participants

Category	Selected Company	MRQ Results (USD Millions)					Management Commentary																				
Parts Retail		<div>Quarter ended Dec-20</div> <table><thead><tr><th></th><th>Actual</th><th>Street</th><th colspan="2">Beat / (Miss)</th></tr><tr><th></th><th></th><th></th><th>\$</th><th>%</th></tr></thead><tbody><tr><td>Sales</td><td>\$2,829</td><td>\$2,787</td><td>\$42</td><td>1.5%</td></tr><tr><td>EPS</td><td>5.40</td><td>5.13</td><td>0.27</td><td>5.3%</td></tr></tbody></table>						Actual	Street	Beat / (Miss)					\$	%	Sales	\$2,829	\$2,787	\$42	1.5%	EPS	5.40	5.13	0.27	5.3%	<ul style="list-style-type: none"><li>“The strength of demand in our industry has stayed very strong throughout 2020, and it is also clear that we benefited from an increased willingness by DIY consumers to invest in repairing and maintaining their vehicles...” - Gregory Johnson, CEO &amp; Co-President</li></ul>
	Actual	Street	Beat / (Miss)																								
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Parts Manufacturer		<div>Quarter ended Dec-20</div> <table><thead><tr><th></th><th>Actual</th><th>Street</th><th colspan="2">Beat / (Miss)</th></tr><tr><th></th><th></th><th></th><th>\$</th><th>%</th></tr></thead><tbody><tr><td>Sales</td><td>\$1,075</td><td>\$1,027</td><td>\$48</td><td>4.6%</td></tr><tr><td>EPS</td><td>0.58</td><td>0.43</td><td>0.15</td><td>34.9%</td></tr></tbody></table>						Actual	Street	Beat / (Miss)					\$	%	Sales	\$1,075	\$1,027	\$48	4.6%	EPS	0.58	0.43	0.15	34.9%	<ul style="list-style-type: none"><li>“We think <b>people are going to drive more</b>, and they're going to more frequently purchase vehicles in the post COVID-19 world, given concerns that consumers are likely to have around ride-sharing services and public transportation.” - Robert Bryant, CEO, President &amp; Director</li></ul>
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	Actual	Street	Beat / (Miss)																								
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Sales	\$4,252	\$4,313	(\$61)	(1.4%)																							
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Auto Service		<div>Quarter ended Dec-20</div> <table><thead><tr><th></th><th>Actual</th><th>Street</th><th colspan="2">Beat / (Miss)</th></tr><tr><th></th><th></th><th></th><th>\$</th><th>%</th></tr></thead><tbody><tr><td>Sales</td><td>\$653</td><td>\$630</td><td>\$23</td><td>3.7%</td></tr><tr><td>EPS</td><td>0.41</td><td>0.37</td><td>0.04</td><td>10.8%</td></tr></tbody></table>						Actual	Street	Beat / (Miss)					\$	%	Sales	\$653	\$630	\$23	3.7%	EPS	0.41	0.37	0.04	10.8%	<ul style="list-style-type: none"><li>“...The <b>predictive power of our data analytics</b> allows us to reach the right customers at the right time... This approach led to healthy growth in our active customer base in company-owned stores in Q1.” - Samuel Mitchell, CEO &amp; Director</li></ul>
	Actual	Street	Beat / (Miss)																								
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Dealership		<div>Quarter ended Dec-20</div> <table><thead><tr><th></th><th>Actual</th><th>Street</th><th colspan="2">Beat / (Miss)</th></tr><tr><th></th><th></th><th></th><th>\$</th><th>%</th></tr></thead><tbody><tr><td>Sales</td><td>\$5,812</td><td>\$5,738</td><td>\$74</td><td>1.3%</td></tr><tr><td>EPS</td><td>2.49</td><td>2.11</td><td>0.38</td><td>18.0%</td></tr></tbody></table>						Actual	Street	Beat / (Miss)					\$	%	Sales	\$5,812	\$5,738	\$74	1.3%	EPS	2.49	2.11	0.38	18.0%	<ul style="list-style-type: none"><li>There's no question that now there's a pent-up demand for equipment, and the <b>new technology</b>, the <b>emissions</b>, the <b>fuel economy</b>,... the <b>telematics</b> is all driving this.” - Roger Penske, Chairman &amp; CEO</li></ul>
	Actual	Street	Beat / (Miss)																								
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	Actual	Street	Beat / (Miss)																								
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Sales	\$37,518	\$36,287	\$1,231	3.4%																							
EPS	1.93	1.64	0.29	17.7%																							

Source: Capital IQ as of February 19, 2021.

Note: MRQ = Most Recent Quarter. Financials presented in millions and adjusted to exclude unusual and extraordinary items.

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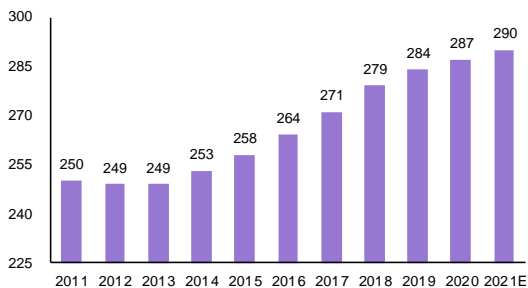
# Key Trends in the U.S. Automotive Aftermarket

## Vehicles in Operation



- **Total vehicle population continues to grow**, with ~290 million vehicles currently on the road
- **One-in-four households plan to add a second (or third vehicle) in 2021<sup>(a)</sup>**
- **Proliferation of new technologies** (e.g., hybrid, electric, etc.) takes significant time, given new vehicle sales (irrespective of technology features or powertrain type) represent just ~5% of the total car parc

**Light Vehicles in Operation (Millions)**

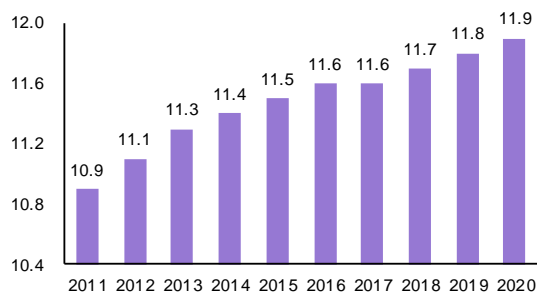


## Average Age of Vehicles



- Post-recession demand for new vehicles has led to a large **“sweet spot” of vehicles aged 6-11 years today**
- Volumes of vehicles in the new to five-year old category will grow 2% from 2018-2023, while **vehicles in the 6-11 year old range, which are typically beyond standard auto warranties, will grow 27%**
- **Vehicles aged 16+ expected to reach 84 million by 2023**, more than double the level in 2002

**Average Age of Vehicles (Years)**

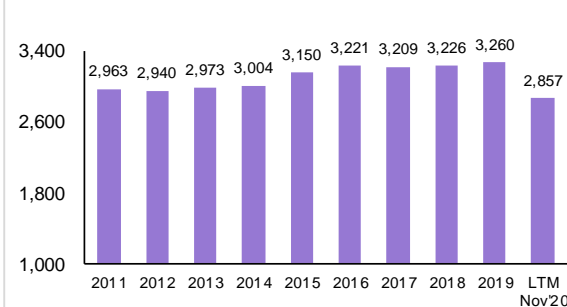


## Vehicle Miles Traveled



- VMT declined ~12% YoY in 2020
- **Though miles driven has been pressured due to the COVID-19 pandemic, car travel is expected to rebound** given perceived safety benefits (relative to air travel and public/shared transportation) and suburbanization trends
- Latest estimates indicate **global air travel traffic was down ~60% in 2020**; 2021 expected to be down 40-60%

**Annual Miles Traveled (Billions)**

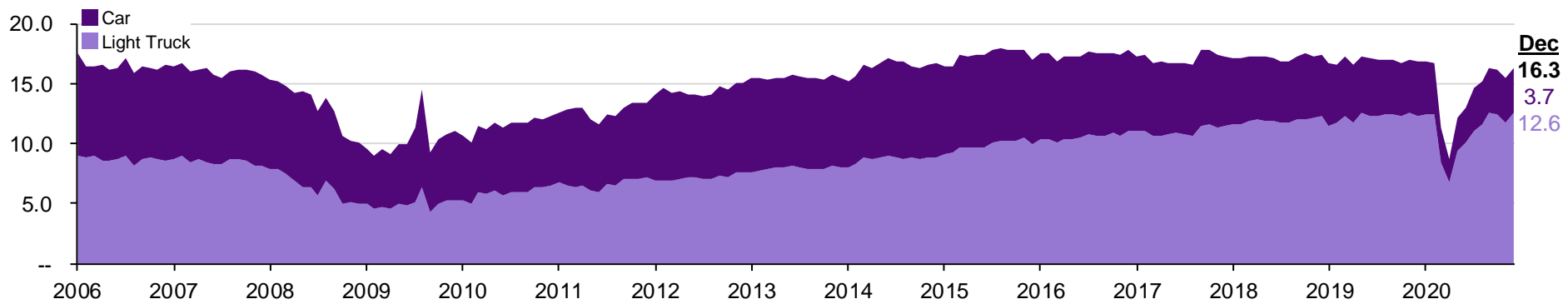


# New Vehicle Sales

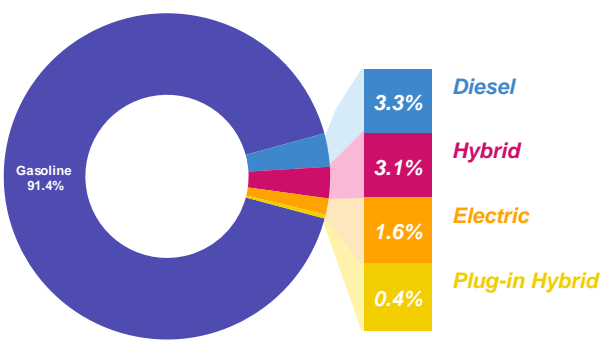
## New Light Weight Vehicle Sales (Seasonally Adjusted Annual Rate)

- While the Great Recession created headwinds within the car parc, vehicle sales responded with several years of increasing demand
- Growth in light trucks relative to cars, driven by popularity of crossover vehicles and continued strength in pickup category
- Traditional gasoline powertrains still represent 91% of new vehicle sales; electric, hybrid and plug-in hybrid represent ~5% of cohort

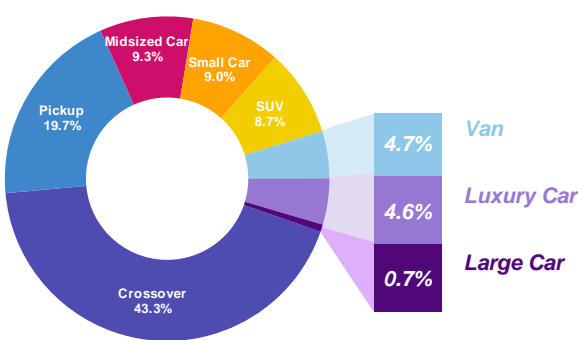
(Amounts in Millions)



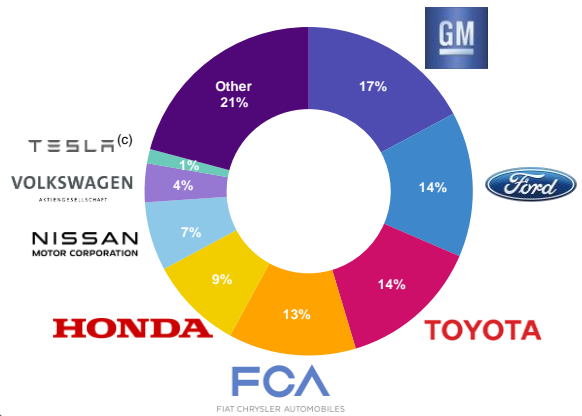
## Market Share by Drive Powertrain



## Market Share by Segment



## Market Share by Manufacturer



Source: U.S. Bureau of Economic Analysis, National Automobile Dealers Association, Wards Intelligence and other publicly available information.

a) Reflects seasonally adjusted annual rate observed during the month of December.

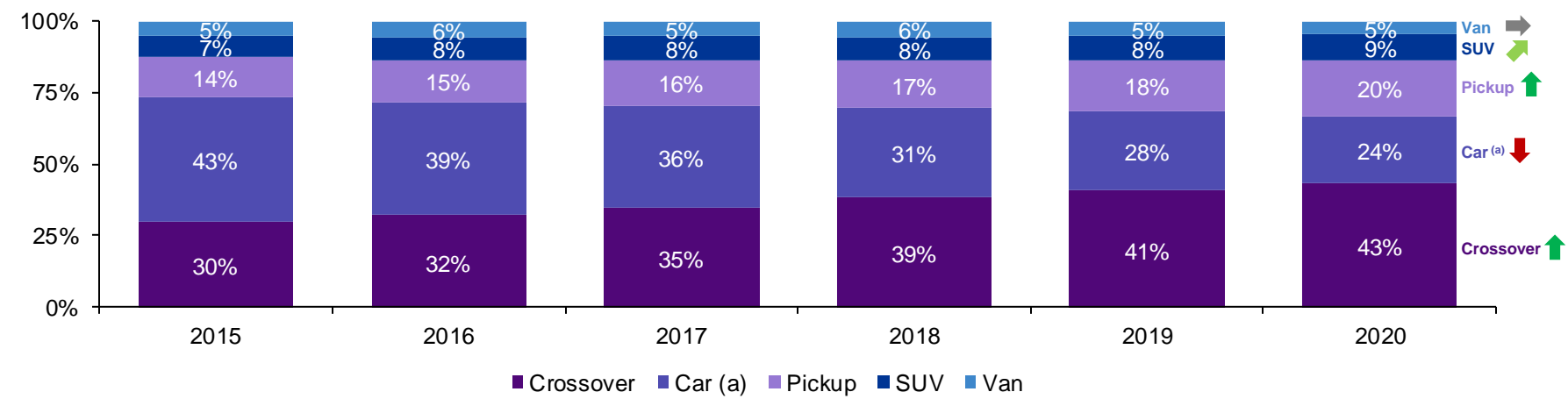
b) Reflects seasonally adjusted annual rate observed during the period of time between January and December.

c) Reflects estimated U.S. portion of 184,944 vehicles produced Q2 2020 YTD based on revenue generated in the United States as a percentage of total revenue.

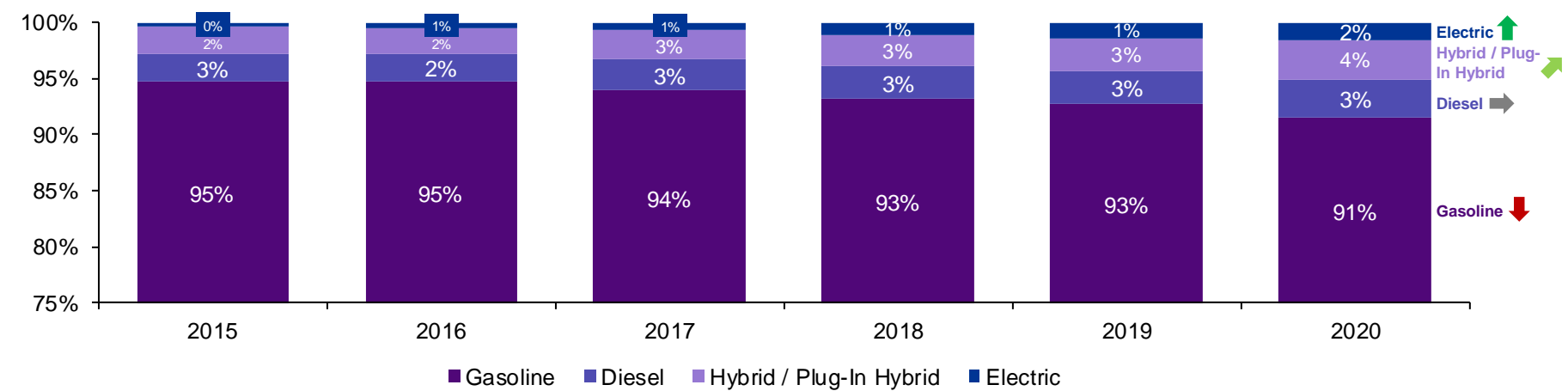
# New Vehicle Sales (Cont'd)

New vehicle sales market share percentage by segment

## Pickup Trucks and Crossover Increasingly Popular



## Non-ICE Powertrains Growing, Though Remain Small Part of Car Parc Today



a) Includes small car, midsize car, large car and luxury car segments.



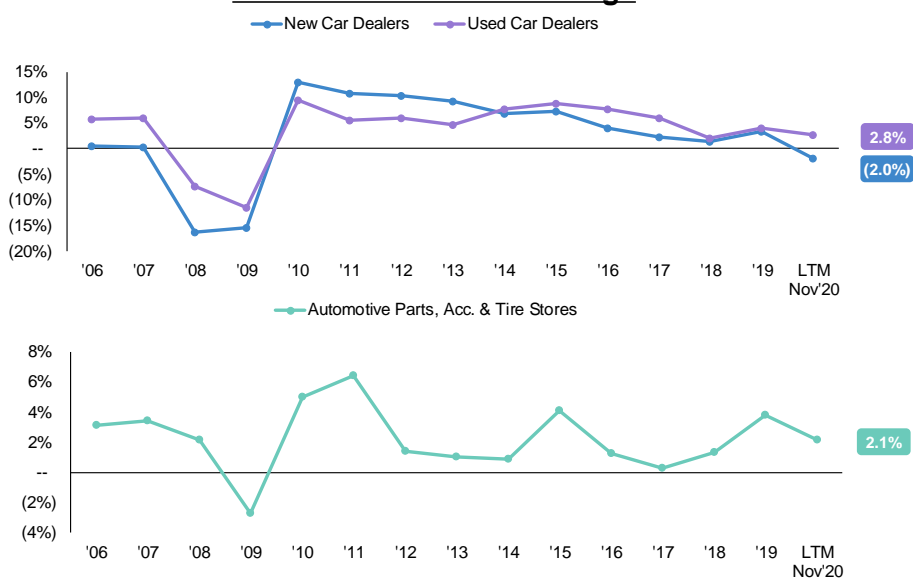
# Automotive – Retail and Online Sales Trends

## Retail Sales



- **COVID-19 has led to an increase in used car sales** as consumers avoid mass transportation and are sensitive to costs during periods of economic uncertainty
  - **New car and light truck revenue has recovered after a big dip in March and April**, but still comping negatively for the year
- Personal consumption of aftermarket automotive parts has been at an all-time high, with consumer spending at retailers returning to 2018-2019 levels
- Notable growth among digital-centric parts (CarParts.com, CARiD) and vehicle (Carvana, Vroom, Shift) retailers

**Retail Sales – YoY % Change**

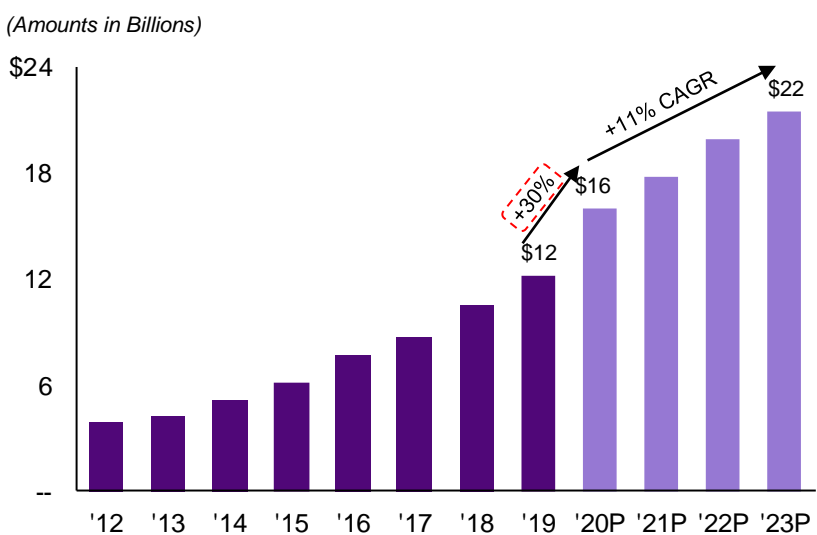


## Online Parts Sales



- **~30% increase in online sales in 2020**, reflecting an estimated \$2B of incremental revenue
  - Excludes significant third-party auto marketplace sales (estimated ~\$17B in total), including Amazon (~\$6B) and eBay motors (~\$6-7B)
  - **~60% of transactions, or \$10B, completed on mobile devices**
- Canadian e-commerce sales estimated at \$3.7B

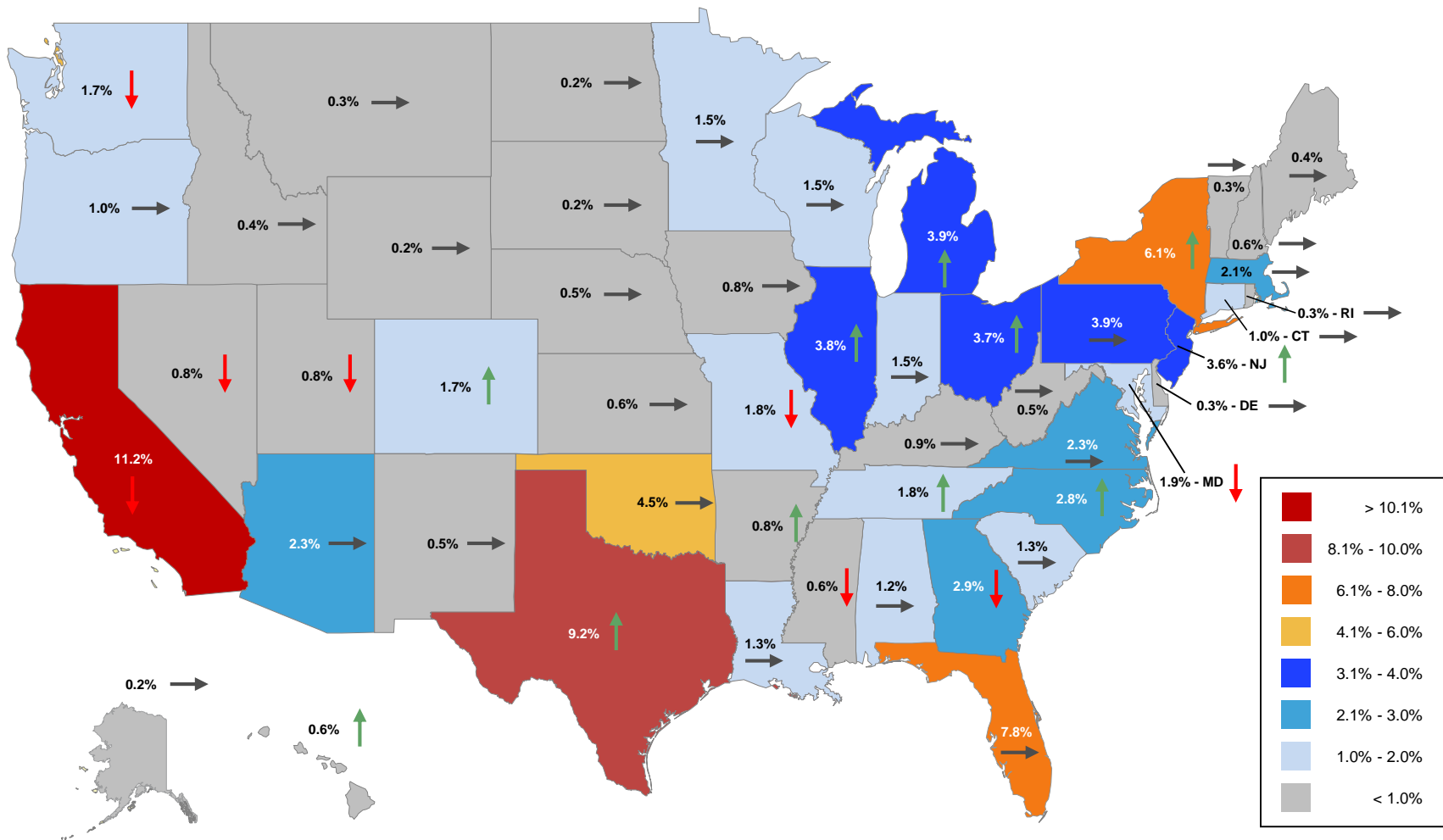
**Online Sales of New Auto Parts & Accessories**



Source: U.S. Census Bureau, Hedges & Company, J.D. Power and other publicly available information.

# New Vehicle Registrations by State (2019)

In percent of total registrations



Source: IHS Markit.  
Note: Arrow represents relative change from prior period.

# Powersports Market Update



# Powersports – Key Trends

Strong growth in key categories across the sector, despite ongoing COVID-19 pandemic

## Interest Growing in Getting Outside

- **Consumers seeking out recreational activities that enable them to stay occupied and healthy while following social distancing guidelines**
  - Manufacturers are ramping up production for this year as trends are expected to continue impacting purchasing decisions and consumer behavior through the end of 2021 at minimum, with potential for a step-function change in consumer preferences broadly over the next 5 years
  - **Rising prevalence of recreational riding clubs<sup>(a)</sup> and proliferation of racing and off-roading events<sup>(b)</sup>** driving engagement for existing owners and initiating new enthusiasts into the community

## Powersports

- **Powersports category grew 18.4% in 2020<sup>(c)</sup>, with expectations to grow 5-6% annually through 2025<sup>(d)</sup>**
  - Dealer channel entered 2021 with inventories down 50-60% from same time last year; expecting to end down 20-30% by year end
  - Increased youth interest in outdoor recreational activities such as motorcycle riding, trail sports and water sports and increasing ownership among women and minorities is growing a new customer demographic for powersports
  - Off-road and dual-sport motorcycles are exhibiting strong growth trends, growing 47% and 22%, respectively, in 2020
  - Side-by-side vehicles are also demonstrating increased popularity as one of the fastest growing subsegments of the powersports market
    - Straddle the line between utility and sport by offering driving characteristics more similar to conventional vehicles
- **Significant cross ownership with 90% of prospective off-road buyers already having a powersports vehicle in their garage<sup>(e)</sup>**

## Marine

- **Total registrations in the marine category will surpass 300,000 in 2020, the highest sales in the U.S. in the last 13 years**
  - Notwithstanding continued inventory shortages due to unprecedented demand, the total marine industry was up 9.2% in 2020, with the main powerboat segment up 12.8% and PWCs up 4.1%<sup>(f)</sup>
- **U.S. sales of boats, marine products and services are estimated to total \$47 billion in 2020, up 9% from 2019**
  - Estimated that over 140M people go boating annually; 10M+ registered recreational boats in U.S.

## RV

- **RV shipments finished the year with 430,412 units, up 6.0% against 2019, on par with the third highest annual shipment total on record<sup>(g)</sup>**
  - COVID-19 has driven consumer interest in RVing, with a June 2020 survey finding that ~45M people are planning to go RVing sometime over the next 12 months<sup>(h)</sup>

*Analysts estimate that reduced spending on travel, restaurants and other in-person entertainment has freed-up \$500 billion of discretionary dollars that could go to enthusiast and other discretionary categories.*

a) For example, All-Terrain Vehicle Association, American Motorcyclist Association.

b) Including Grand National Cross-Country Series, Pro UTV Racing, UTV World Championship and Lucas Oil Off Road Racing Series.

c) Source: Motorcycle Industry Council.

d) Source: Research & Markets, Global Market Insights.

e) Source: Cycle Trader.







f) Source: Statistical Surveys.

g) Source: RVIA.

h) Source: Ipsos Research.

# Powersports – Earnings Update

## Representative Category Participants

Category	Selected Company	MRQ Results (USD Millions)					Management Commentary
RV Retailer		Quarter ended Sep-20			Beat / (Miss)		<ul style="list-style-type: none"> <li>“...We continue to grow and enhance our online and digital initiatives with investments in <b>new and proprietary tools and technologies</b>. Website activity across all brands continues to experience significant growth.”</li> <li>- Marcus Lemonis, Chairman &amp; CEO</li> </ul>
			Actual	Street	\$	%	
		Sales	\$1,679	\$1,516	\$163	10.8%	
		EPS	1.58	1.19	0.39	32.8%	
RV Manufacturer		Quarter ended Oct-20			Beat / (Miss)		<ul style="list-style-type: none"> <li>“As the RV industry opened up, as campgrounds opened up and dealers were able to open up, we saw this quick build and demand from retail <b>customers looking for a way to still travel</b> throughout a global pandemic.”</li> <li>- Robert Martin, President, CEO &amp; Director</li> </ul>
			Actual	Street	\$	%	
		Sales	\$2,537	\$2,385	\$152	6.4%	
		EPS	2.05	1.60	0.45	28.1%	
Marine Retailer		Quarter ended Dec-20			Beat / (Miss)		<ul style="list-style-type: none"> <li>“MarineMax continues to benefit and capitalize on the surge in demand and the desire of consumers to find a <b>safe recreational activity</b>.”</li> <li>- Brett McGill, CEO, President &amp; Director</li> </ul>
			Actual	Street	\$	%	
		Sales	\$412	\$387	\$25	6.3%	
		EPS	1.04	0.61	0.43	70.5%	
Marine Manufacturer		Quarter ended Dec-20			Beat / (Miss)		<ul style="list-style-type: none"> <li>“Our dealers have remained agile in this more virtual environment. And as a result, we are seeing an <b>unprecedented increase in customer generated custom orders</b>.”</li> <li>- Jack Springer, CEO &amp; Director</li> </ul>
			Actual	Street	\$	%	
		Sales	\$196	\$190	\$6	3.0%	
		EPS	1.22	1.03	0.19	18.4%	
Accessories Manufacturer		Quarter ended Dec-20			Beat / (Miss)		<ul style="list-style-type: none"> <li>“It's always easier when the staycation trend is there, when people are prepared to spend more money on sustainable, high-quality products than buying average products.”</li> <li>- Magnus Welander, CEO &amp; President</li> </ul>
			Actual	Street	\$	%	
		Sales	\$194	\$170	\$24	14.1%	
		EPS	0.19	0.13	0.06	46.2%	
Powersports Manufacturer		Quarter ended Dec-20			Beat / (Miss)		<ul style="list-style-type: none"> <li>“During the early days of the lockdowns, it <b>quickly became apparent that many people were seeking ways for their families to enjoy the outdoors</b>.”</li> <li>- Michael Speetzen, CEO</li> </ul>
			Actual	Street	\$	%	
		Sales	\$2,156	\$2,106	\$50	2.4%	
		EPS	3.34	2.90	0.44	15.3%	

Source: Capital IQ as of February 19, 2021.

Note: MRQ = Most Recent Quarter. Financials presented in millions and adjusted to exclude unusual and extraordinary items.

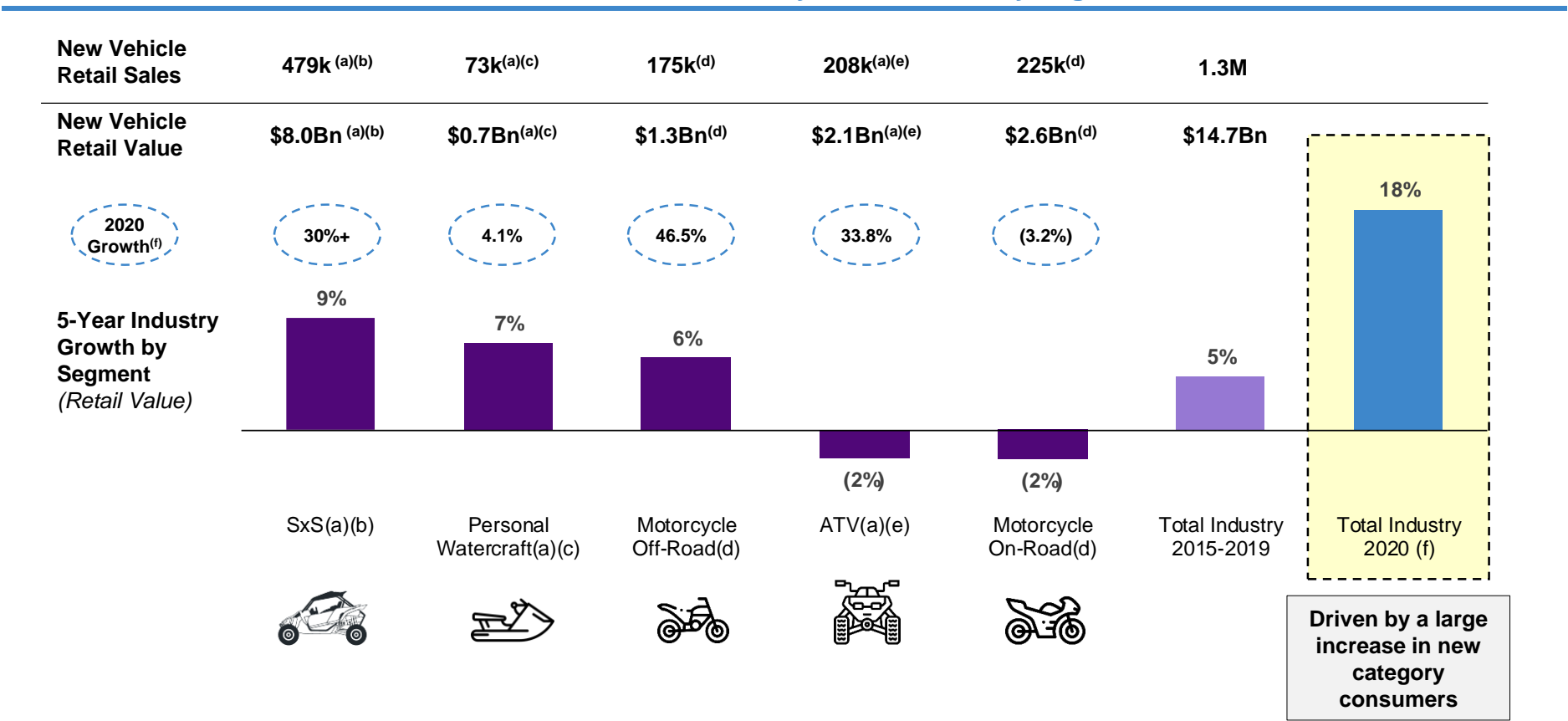
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# Demand Trends by Vehicle Type

Industry growth is driven by demand for higher performance, customization and safety

2019 New Vehicle U.S. Industry Size Estimate by Segment



a) Source: Motorcycle Industry Council, Powersports Business, Statistical Surveys and Wall Street Research.  
 b) 2019 extrapolated using 2015-2018 CAGR. Retail value assumes an average MSRP of \$14k in 2015 and \$16k in 2018.  
 c) 2015-2019 CAGR. Retail Value assumes an average MSRP of \$10k.  
 d) 2019 extrapolated using 2015-2018 CAGR. Adjusted to exclude Harley Davidson. Off-road motorcycle category includes dual-purpose motorcycles.  
 e) 2015-2019 CAGR. Retail Value assumes an average MSRP of \$10k.  
 f) Motorcycle Industry Council.



# Powersports – 2020 Performance Has Been Exceptional Across Categories

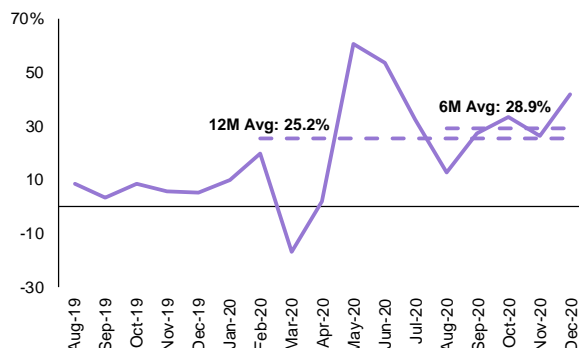
- 2020 volume growth expected to anniversary in 2021 with continued interest from first time buyers

## Powersports Dealerships



- Powersports dealers continued to demonstrate strong growth in major units in December (+41.6%) following unprecedented growth in May (+60.7%), June (+53.6%) and July (+32.6%)
- The strongest growth in major units was among dealers in the Northwest (+50.7%) and Northeast (+47.9%), though growth was positive in all regions in December

**Powersport Dealerships**  
Major Units Sales – YoY % Change (a)

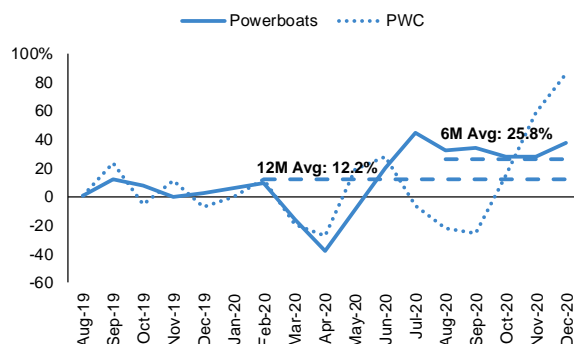


## Powerboats and Personal Watercraft (PWC)



- Most recent December data further confirms the broad retail strength reported by industry OEMs and dealers
  - OneWater Marine: MRQ SSS +24%
  - MarineMax: MRQ SSS +20%
- First time buyers (estimated 40% of purchases in 2020) expected to drive step-function increase in demand over the next several years

**Powerboats and PWC**  
New Boat Retail Unit Sales – YoY % Change (b)

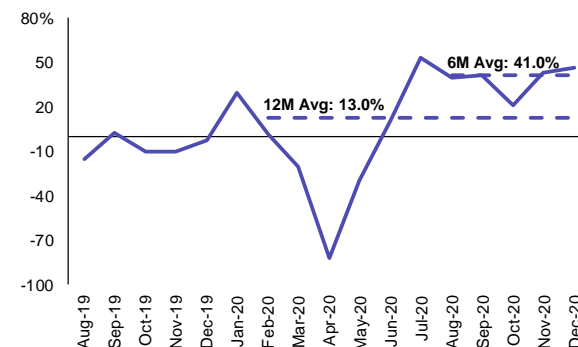


## Recreational Vehicles (RV)



- One of the most popular ways to travel for summer 2020, accommodating families and professionals who can learn and work from the road
  - Lazydays: +36.2% MRQ revenue
  - Camping World: +21.0% MRQ revenue
- July represented the highest shipment figures among surveyed manufacturers in four decades, reflecting broad appeal of RVs to a wide range of consumers

**Total RV**  
Shipments – YoY % Change (c)



Source: CDK Global Lightspeed; Statistical Surveys, Inc. and Wall Street Research; RVIA.

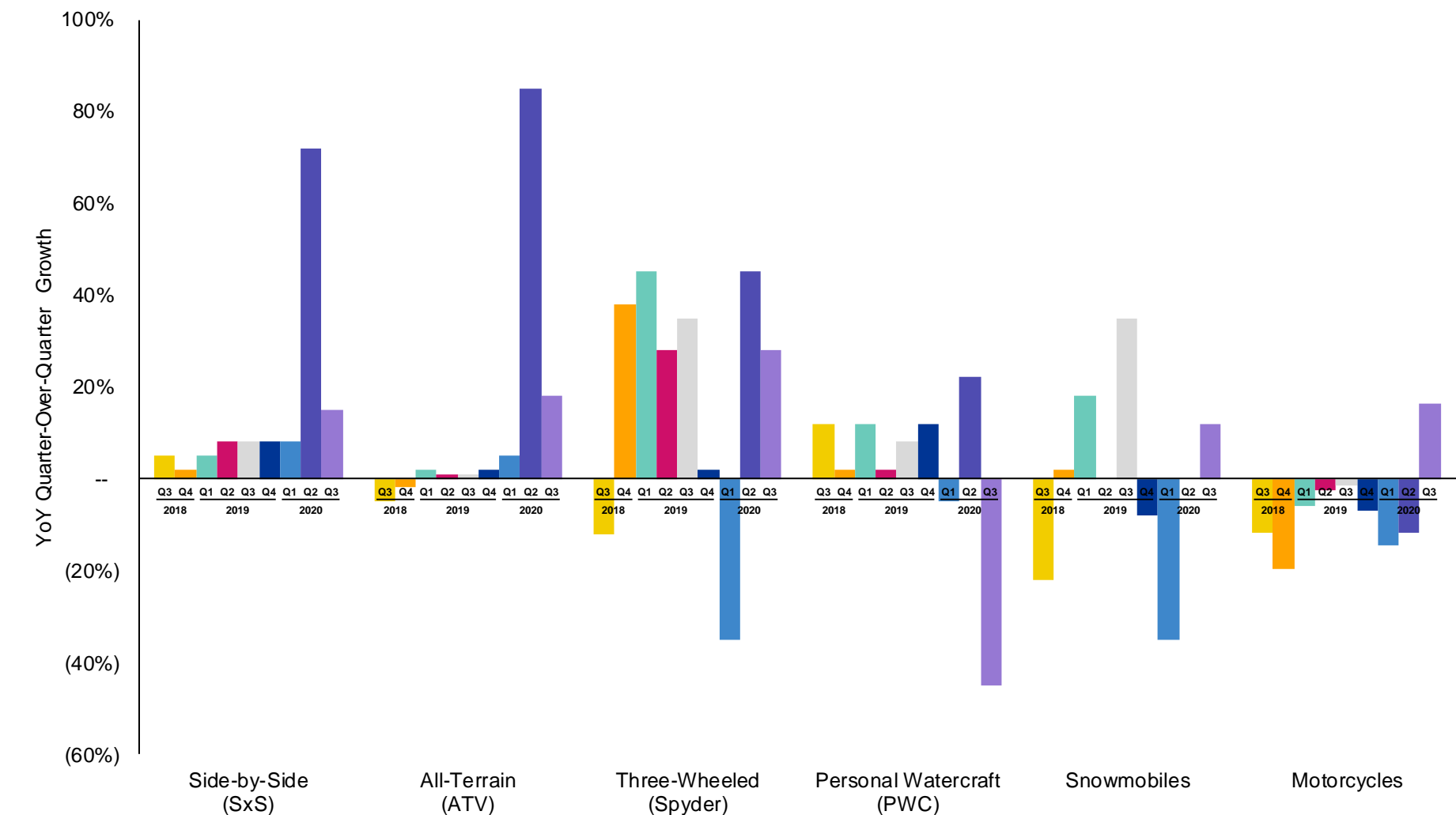
(a) Dealerships data is for Major Unit sales from over 1400+ dealerships in the Lightspeed DMS network.

(b) Powerboats data represents Traditional Segment plus Ski/Wake sales. Powerboats and PWC data includes states typically accounting for 55-65% of total market share.

(c) Recreational Vehicles data is representative of Total RV Shipments, which includes all Towable RVs and all Motorhomes.

# Strong Powersports Retail Growth in North America

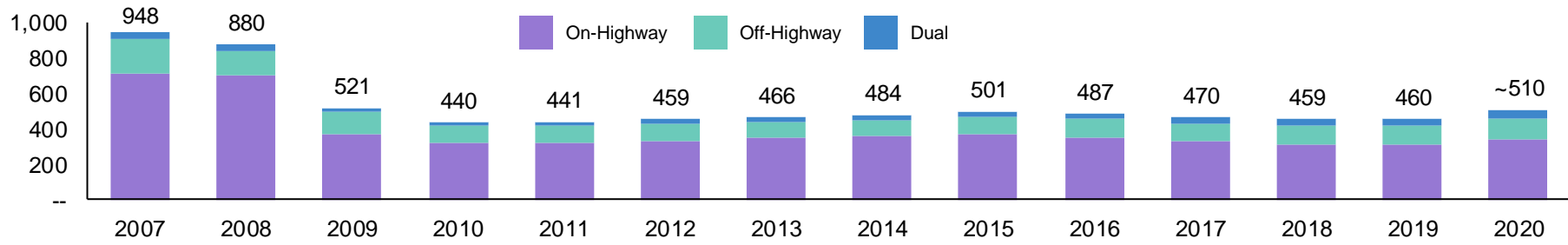
Despite initial declines in Q1 2020, performance recovered rapidly with off-road (SxS, ATV and dirt) posting 30-50% gains for the year



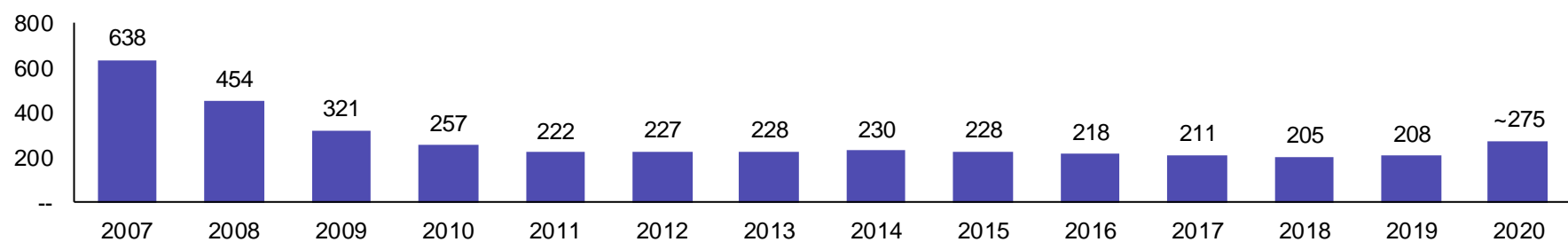
Source: Public filings and other publicly available information.  
Note: Data excludes snowmobiles during off-season periods. Motorcycle data excludes Harley-Davidson. Motorcycle data corresponds to quarters on a calendar year basis while other categories correspond to quarters for years ending January 31.

# While Motorcycle and ATV Unit Sales Remained Flattish Post Great Recession, PWC Sales Have Steadily Risen

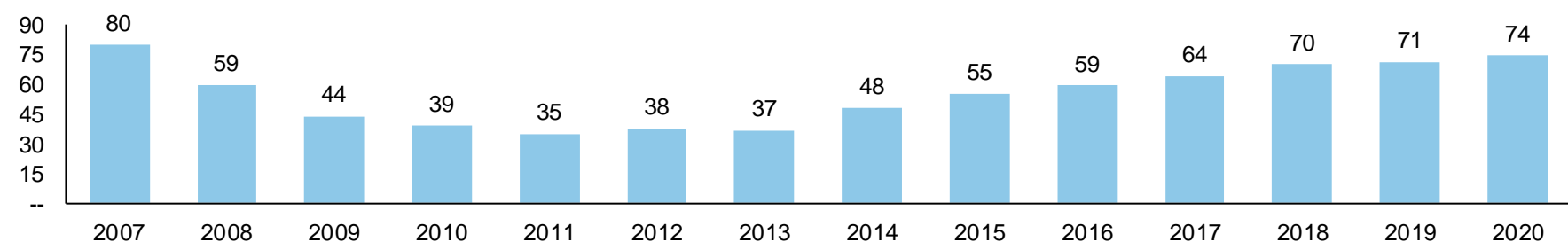
## Annual New Unit Sales: Motorcycles



## Annual New Unit Sales: ATVs



## Annual New Unit Sales: PWCs

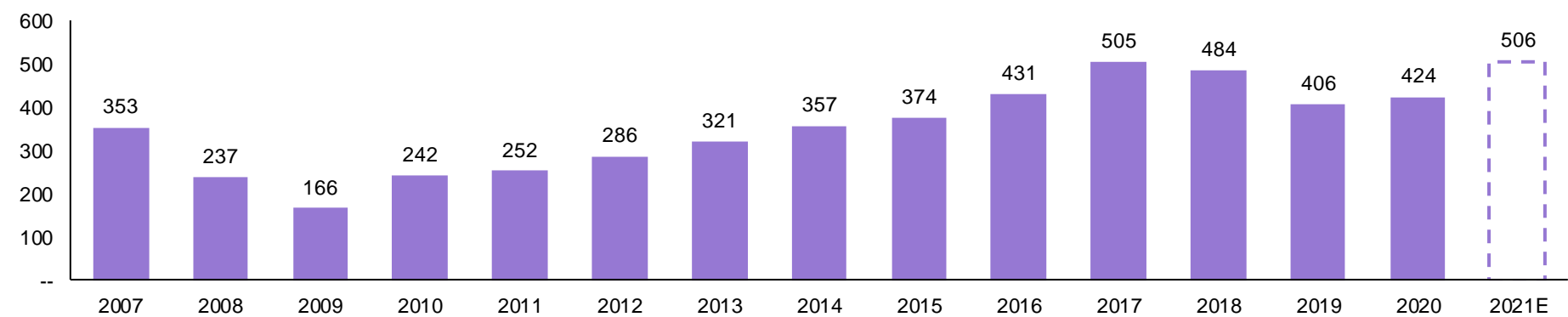


Source: Powersports Business, Motorcycle Industry Council and Statistical Surveys.  
Note: Amounts in thousands.

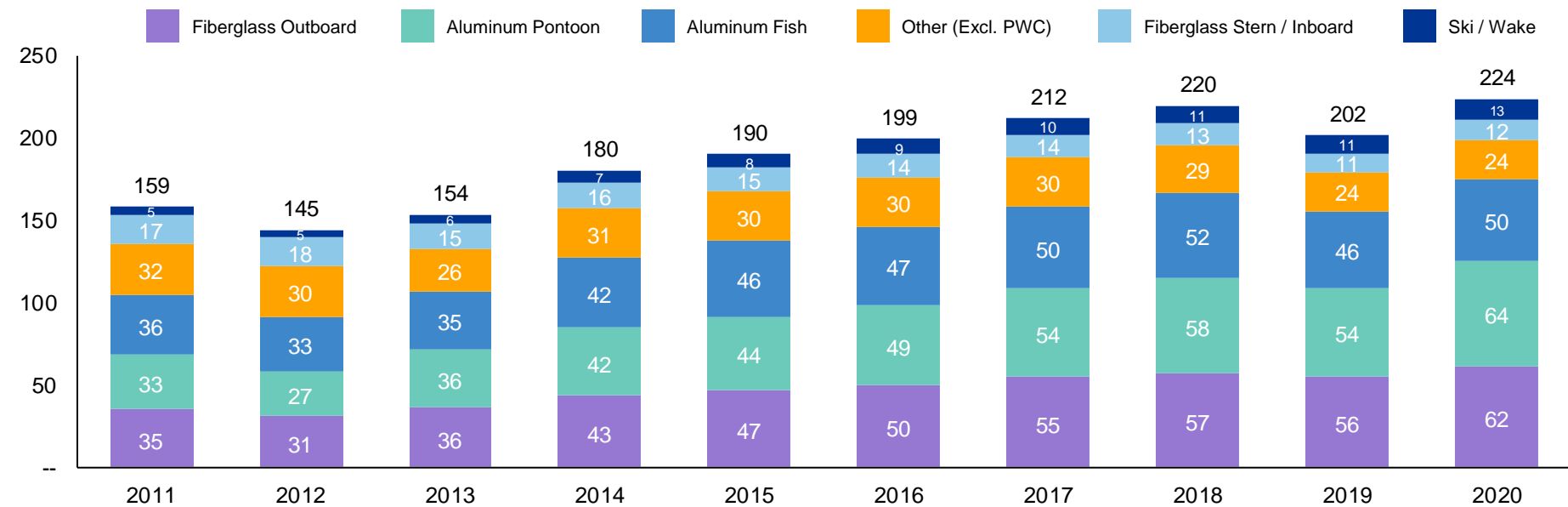


# Notwithstanding a Slowdown in 2018-19, RV and Powerboat Sales Have Generally Grown Steadily Since the Great Recession

## Annual Unit Shipments: RVs



## Annual Registrations: Powerboats



Source: RVIA, Statistical Surveys, Inc.  
Note: Amounts in thousands.

# Automotive and Powersports Trading Update

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# Automotive – Trading Analysis

(Amounts in USD Millions)	Stock Price	% of 52 Week	YTD %	Equity Value	Enterprise Value <sup>(a)</sup>	LTM Revenue	EV / Revenue			EV / EBITDA <sup>(b)</sup>			P / E		LTG	P/E/G	Dividend
Company Name	2/19/21	High	Change	Value	Value <sup>(a)</sup>	Revenue	LTM	2021E	2022E	LTM	2021E	2022E	2021E	2022E	Rate	2021E	Yield <sup>(c)</sup>
Valvoline	\$25.21	100.0 %	8.9 %	\$4,574	\$6,096	\$2,399	2.5 x	2.2 x	2.1 x	9.7 x	10.6 x	9.8 x	14.8 x	13.4 x	10.0 %	1.3 x	2.0 %
Driven Brands <sup>(1)</sup>	30.89	89.5	40.4	5,171	7,097	798	8.9	5.6	5.2	35.0	25.0	22.5	NM	44.1	NA	NM	--
Boyd Group	174.59	91.6	0.2	3,749	4,282	1,705	2.5	2.1	1.8	27.8	14.4	12.1	39.3	32.1	NA	NM	0.3
Monro	63.59	98.9	19.3	2,126	2,700	1,106	2.4	2.2	2.1	19.8	14.0	13.3	34.7	29.0	15.0	1.9	1.4
Service Providers	Mean	95.0 %	17.2 %				4.1 x	3.0 x	2.8 x	23.0 x	16.0 x	14.4 x	29.6 x	29.7 x	12.5 %	1.6 x	1.2 %
	Median	95.2	14.1				2.5	2.2	2.1	23.8	14.2	12.7	34.7	30.6	12.5	1.6	1.4
O'Reilly Automotive	\$460.41	92.9 %	1.7 %	\$32,746	\$36,403	\$11,604	3.1 x	3.1 x	2.9 x	13.3 x	13.9 x	13.0 x	19.5 x	17.6 x	12.7 %	1.4 x	-- %
AutoZone	1,205.73	94.0	1.7	27,441	31,384	12,993	2.4	2.4	2.3	10.4	11.0	10.4	15.5	13.8	8.8	1.6	--
Advance Auto Parts	165.98	93.9	5.4	11,186	11,384	10,106	1.1	1.1	1.1	10.3	9.9	9.4	17.0	15.0	11.2	1.3	0.6
DIY Parts Retailers	Mean	93.6 %	2.9 %				2.2 x	2.2 x	2.1 x	11.3 x	11.6 x	10.9 x	17.4 x	15.5 x	10.9 %	1.4 x	0.6 %
	Median	93.9	1.7				2.4	2.4	2.3	10.4	11.0	10.4	17.0	15.0	11.2	1.4	0.6
Genuine Parts Company	\$102.36	94.5 %	1.9 %	\$14,781	\$16,481	\$16,537	1.0 x	0.9 x	0.9 x	12.6 x	11.3 x	10.7 x	18.0 x	16.6 x	5.8 %	2.9 x	3.2 %
LKQ Corporation	38.79	97.4	10.1	11,775	14,373	11,629	1.2	1.2	1.1	10.6	9.8	9.0	14.0	12.6	NA	NA	--
Inter Cars	79.09	95.1	23.7	1,121	1,485	2,393	0.6	0.6	0.5	12.0	9.7	9.2	13.4	12.1	NA	NA	--
Mekonomen	12.27	93.1	11.3	691	1,248	1,417	0.9	0.9	0.8	6.9	6.2	6.1	10.0	9.3	11.3	0.8	--
Uni-Select	6.90	73.6	7.3	293	756	1,472	0.5	0.5	0.4	8.5	6.7	5.7	27.6	9.7	20.0	0.5	--
Distributors	Mean	90.8 %	10.9 %				0.8 x	0.8 x	0.8 x	10.1 x	8.7 x	8.2 x	16.6 x	12.1 x	12.4 %	1.4 x	3.2 %
	Median	94.5	10.1				0.9	0.9	0.8	10.6	9.7	9.0	14.0	12.1	11.3	0.8	3.2
PPG	\$136.67	89.9 %	(5.2) %	\$32,362	\$36,212	\$13,834	2.6 x	2.3 x	2.1 x	16.6 x	12.4 x	11.5 x	18.6 x	16.9 x	10.5 %	1.6 x	1.6 %
BorgWarner	43.56	97.0	12.7	10,651	13,084	10,165	1.3	0.9	0.8	11.0	5.9	5.4	10.8	9.0	16.9	0.5	1.6
Snap-On	194.96	100.0	13.9	10,567	11,127	3,942	2.8	2.9	2.8	11.1	10.6	10.0	15.7	14.7	7.5	2.0	2.5
Axalta Coating Systems	28.46	91.8	(0.3)	6,659	9,299	3,738	2.5	2.1	2.0	12.6	9.9	9.2	15.0	13.6	15.4	0.9	--
Gates Industrial	16.99	100.0	33.2	4,942	7,572	2,793	2.7	2.4	2.3	15.4	11.0	10.3	15.4	13.9	NA	NA	--
Visteon Corporation	121.88	84.0	(2.9)	3,402	3,378	2,548	1.3	1.1	1.0	21.7	13.0	9.6	38.3	20.6	111.5	0.2	--
NGK Spark Plug Co.	17.73	87.3	6.1	3,606	4,052	3,888	1.0	1.0	0.9	5.3	4.8	4.5	9.6	8.7	14.6	0.6	2.7
Dorman Products	93.08	91.4	7.2	2,986	2,815	1,031	2.7	2.5	2.3	17.5	15.3	13.0	24.9	22.0	NA	NA	--
Meritor	31.34	95.0	12.3	2,273	3,229	3,032	1.1	0.8	0.8	15.5	7.4	6.1	12.1	8.1	NA	NA	--
Standard Motor Products	40.83	75.4	0.9	916	912	1,087	0.8	0.9	0.9	7.4	6.4	NA	13.8	13.7	NA	NA	2.4
Tenneco	10.67	85.0	0.7	845	6,259	14,872	0.4	0.4	0.4	7.6	4.7	4.3	3.4	2.6	4.9	0.5	--
Motorcar Parts of America	20.79	79.0	6.0	396	470	523	0.9	0.8	0.7	15.0	5.3	4.6	9.5	7.4	NA	NM	--
Superior Industries International	5.84	82.8	42.8	149	842	1,073	0.8	0.6	0.6	8.0	4.7	NA	NM	NM	NA	NA	--
Suppliers	Mean	89.1 %	9.8 %				1.6 x	1.4 x	1.4 x	12.7 x	8.6 x	8.0 x	15.6 x	12.6 x	25.9 %	0.9 x	2.2 %
	Median	89.9	6.1				1.3	1.0	0.9	12.6	7.4	9.2	14.4	13.7	14.6	0.6	2.4

Source: Public filings and Capital IQ as of February 19, 2021. Forward estimates represent median aggregate consensus estimates from Capital IQ or Thomson Eikon.

Note: LTM balance sheet, cash flow and income statement items do not reflect pro forma adjustments for post close acquisitions and divestitures.

(a) Enterprise Value represents equity value plus book value of total debt (excluding leases and floor plan financing, where applicable), preferred stock and minority interests less cash.

(b) EBITDA burdened for estimated interest expense associated with floor plan financing, where applicable.

(c) Dividend yield represents annualized dividend per share divided by current share price.

(1) YTD % change reflects percentage change from price at time of IPO.

# Automotive – Operating Analysis

(Amounts in USD Millions)												
Company Name	LTM EBITDA <sup>(a)</sup>	Growth Rates				Operating Efficiency			Credit Statistics			
		Revenue CAGR		EBITDA CAGR		Gross Margin	EBITDA Margin	EBITDA - Capex / Sales <sup>(b)</sup>	Total Debt <sup>(c)</sup>	Credit Rating <sup>(d)</sup>	Total Debt / EBITDA	EBITDA - Capex / Int. <sup>(e)</sup>
'18-'20	'20-'22	'18-'20	'20-'22									
Valvoline	\$630	1.0 %	11.5 %	7.1 %	13.1 %	36.7 %	26.3 %	19.7 %	\$2,049	BB	3.3 x	6.1 x
Driven Brands	203	35.0	23.8	61.3	24.7	47.1	25.4	19.5	2,109	--	10.4	1.9
Boyd Group	154	6.4	20.6	32.1	23.3	45.8	9.0	7.3	646	--	4.2	3.5
Monro	137	(3.2)	6.8	(16.8)	26.5	35.3	12.3	7.6	600	--	4.4	2.9
<b>Service Providers</b>	<b>Mean</b>	<b>9.8 %</b>	<b>15.7 %</b>	<b>20.9 %</b>	<b>21.9 %</b>	<b>41.2 %</b>	<b>18.3 %</b>	<b>13.5 %</b>			<b>5.6 x</b>	<b>3.6 %</b>
	<b>Median</b>	<b>3.7</b>	<b>16.1</b>	<b>19.6</b>	<b>24.0</b>	<b>41.3</b>	<b>18.9</b>	<b>13.5</b>			<b>4.3</b>	<b>3.2</b>
O'Reilly Automotive	\$2,734	10.1 %	3.5 %	14.2 %	1.4 %	52.4 %	23.6 %	19.5 %	\$4,123	BBB	1.5 x	14.1 x
AutoZone	3,014	5.6	4.7	5.0	4.6	53.5	23.2	19.6	5,748	BBB	1.9	12.1
Advance Auto Parts	1,110	2.7	1.9	6.1	5.4	44.4	11.0	8.3	1,033	BBB-	0.9	NM
<b>DIY Parts Retailers</b>	<b>Mean</b>	<b>6.2 %</b>	<b>3.4 %</b>	<b>8.5 %</b>	<b>3.8 %</b>	<b>50.1 %</b>	<b>19.2 %</b>	<b>15.8 %</b>			<b>1.4 x</b>	<b>13.1 %</b>
	<b>Median</b>	<b>5.6</b>	<b>3.5</b>	<b>6.1</b>	<b>4.6</b>	<b>52.4</b>	<b>23.2</b>	<b>19.5</b>			<b>1.5</b>	<b>13.1</b>
Genuine Parts Company	\$1,275	0.4 %	3.2 %	2.2 %	6.7 %	34.2 %	7.7 %	6.8 %	\$2,677	BBB	2.1 x	12.0 x
LKQ Corporation	1,356	(1.3)	4.5	3.3	9.9	39.6	11.7	10.2	2,871	BB+	2.1	11.4
Inter Cars	124	6.8	6.0	19.3	4.8	29.7	5.2	4.1	434	--	3.5	5.6
Mekonomen	181	22.4	2.1	61.1	5.1	46.0	12.8	8.4	599	--	3.3	7.4
Uni-Select	59	(8.7)	8.0	(14.4)	25.5	29.5	4.0	3.6	513	--	8.7	1.6
<b>Distributors</b>	<b>Mean</b>	<b>3.9 %</b>	<b>4.8 %</b>	<b>14.3 %</b>	<b>10.4 %</b>	<b>35.8 %</b>	<b>8.3 %</b>	<b>6.6 %</b>			<b>3.9 x</b>	<b>7.6 %</b>
	<b>Median</b>	<b>0.4</b>	<b>4.5</b>	<b>3.3</b>	<b>6.7</b>	<b>34.2</b>	<b>7.7</b>	<b>6.8</b>			<b>3.3</b>	<b>7.4</b>
PPG	\$2,181	(5.7) %	11.6 %	2.5 %	15.3 %	44.0 %	15.8 %	13.6 %	\$5,749	BBB+	2.6 x	13.6 x
BorgWarner	1,193	(3.1)	28.4	(10.8)	32.3	18.8	11.7	6.8	3,787	BBB	3.2	9.5
Snap-On	1,002	(3.7)	6.3	(5.8)	9.8	51.0	25.4	23.7	1,461	A-	1.5	NM
Axalta Coating Systems	737	(11.4)	11.3	(9.0)	17.2	34.5	19.7	17.5	3,955	BB	5.4	4.0
Gates Industrial	490	(9.8)	10.3	(19.1)	23.4	37.1	17.6	15.5	2,772	--	5.7	2.8
Visteon Corporation	156	(7.4)	16.6	(19.8)	34.0	9.6	6.1	2.0	349	BB-	2.2	3.3
NGK Spark Plug Co.	764	NA	NA	NA	NA	30.3	19.7	11.8	1,819	--	2.4	NM
Dorman Products	161	4.5	7.3	(10.0)	15.1	34.5	15.6	13.9	--	--	NM	NM
Meritor	208	(17.3)	20.0	(32.7)	56.9	10.4	6.9	4.3	1,204	BB	5.8	1.7
Standard Motor Products	123	0.3	(4.7)	9.7	NA	29.0	11.3	9.7	12	--	0.1	NM
Tenneco	824	12.8	8.5	(2.8)	22.0	12.9	5.5	2.1	5,772	B	7.0	1.1
Motorcar Parts of America	31	6.6	9.2	32.6	22.5	22.6	6.0	3.1	88	--	2.8	0.9
Superior Industries International	105	(15.3)	11.7	(18.8)	NA	5.7	9.8	5.1	628	B	6.0	1.2
<b>Suppliers</b>	<b>Mean</b>	<b>(4.1) %</b>	<b>11.4 %</b>	<b>(7.0) %</b>	<b>24.8 %</b>	<b>26.2 %</b>	<b>13.2 %</b>	<b>9.9 %</b>			<b>3.7 x</b>	<b>4.2 %</b>
	<b>Median</b>	<b>(4.7)</b>	<b>10.8</b>	<b>(9.5)</b>	<b>22.2</b>	<b>29.0</b>	<b>11.7</b>	<b>9.7</b>			<b>3.0</b>	<b>2.8</b>

Source: Public filings and Capital IQ as of February 19, 2021. Forward estimates represent median aggregate consensus estimates from Capital IQ or Thomson Eikon.

Note: LTM balance sheet, cash flow and income statement items do not reflect pro forma adjustments for post close acquisitions and divestitures.

(a) EBITDA burdened for estimated interest expense associated with floor plan financing, where applicable.

(b) Excludes business acquisitions, where applicable and available.

(c) Total debt excludes operating lease liabilities and floor plan financing, where applicable.

(d) S&P Credit Rating.

(e) Excludes interest expense associated with floor plan financing, where applicable.



# Automotive – Trading Analysis (Cont'd)

(Amounts in USD Millions)	Stock Price	% of 52 Week	YTD % Change	Equity Value	Enterprise Value <sup>(a)</sup>	LTM Revenue	EV / Revenue			EV / EBITDA <sup>(b)</sup>			P / E		LTG Rate	P/E/G	Dividend Yield <sup>(c)</sup>		
Company Name	2/19/21	High					LTM	2021E	2022E	LTM	2021E	2022E	2021E	2022E		2021E			
CarMax	\$121.32	94.9	%	28.4	%	\$19,720	\$34,522	\$19,883	1.7 x	1.6 x	1.5 x	27.2 x	21.8 x	21.7 x	21.4 x	19.5 x	10.3 %	1.9 x	-- %
Lithia Motors	380.69	97.4		30.1		10,098	13,799	13,124	1.1	0.8	0.7	17.3	14.2	12.5	18.7	16.7	22.1	0.8	0.3
AutoNation	78.74	99.1		12.8		6,475	10,767	20,390	0.5	0.5	0.5	9.2	8.7	8.4	10.7	9.8	9.0	1.1	--
Penske Automotive Group	65.97	98.8		11.1		5,300	10,084	20,444	0.5	0.4	0.4	12.3	9.7	9.3	9.0	8.4	7.0	1.2	2.6
Asbury Automotive Group	160.90	96.0		10.4		3,103	5,447	7,132	0.8	0.6	0.6	12.6	11.1	11.1	10.9	10.4	16.8	0.6	--
Group 1 Automotive	148.73	93.4		13.4		2,624	5,023	10,852	0.5	0.4	0.4	8.3	9.3	8.9	8.4	8.2	7.9	1.0	0.8
Sonic Automotive	41.25	85.3		6.9		1,735	3,822	9,767	0.4	0.3	0.3	9.7	8.9	8.0	9.5	8.3	(0.1)	NM	1.0
Dealerships / Auto Sales	Mean	95.0	%	16.2	%				0.8 x	0.7 x	0.6 x	13.8 x	12.0 x	11.4 x	12.7 x	11.6 x	10.4 %	1.1 x	1.2 %
	Median	96.0		12.8					0.5	0.5	0.5	12.3	9.7	9.3	10.7	9.8	9.0	1.1	0.9
Toyota Motor Corp.	\$76.41	95.4	%	1.4	%	\$213,635	\$366,339	\$252,249	1.5 x	1.3 x	1.2 x	11.0 x	12.0 x	12.3 x	10.5 x	8.5 x	NA %	NA x	2.7 %
Volkswagen AG	206.92	100.0		11.9		110,371	310,085	268,747	1.2	1.1	1.0	21.5	8.1	7.3	7.1	5.9	(0.6)	NM	2.8
Daimler AG	81.56	100.0		16.3		87,254	234,775	187,223	1.3	1.1	1.1	14.4	8.8	8.5	9.0	7.6	26.6	0.3	2.0
General Motors Company	52.57	92.4		26.2		75,749	166,352	122,485	1.4	1.2	1.1	12.2	7.1	6.3	10.0	8.4	10.7	0.8	--
Bayerische Motoren Werke AG	86.85	93.3		(0.9)		56,198	168,719	119,964	1.4	1.3	1.3	15.8	10.3	9.5	8.3	7.1	8.7	0.8	3.5
Ford Motor Company	11.58	97.1		31.7		46,073	177,126	127,144	1.4	1.2	1.1	36.8	15.0	12.5	10.1	7.6	31.6	0.2	--
PACCAR	95.19	95.6		10.3		33,025	39,174	18,729	2.1	1.8	1.6	19.4	15.6	12.9	16.7	14.1	18.2	0.8	2.1
Oshkosh Corporation	99.83	100.0		16.0		6,827	6,761	6,738	1.0	0.9	0.9	11.8	10.3	8.6	17.0	13.5	16.5	0.8	1.3
Navistar International Corp.	44.10	98.4		0.3		4,393	7,980	7,503	1.1	0.9	NA	NM	12.3	10.4	22.6	NM	NA	NA	--
Traditional Auto Manufacturers	Mean	96.9	%	12.6	%				1.4 x	1.2 x	1.2 x	17.9 x	11.1 x	9.8 x	12.4 x	9.1 x	15.9 %	0.6 x	2.4 %
	Median	97.1		11.9					1.4	1.2	1.1	15.1	10.3	9.5	10.1	8.0	16.5	0.8	2.4
Tesla	\$781.30	88.5	%	10.7	%	\$749,934	\$743,801	\$31,536	23.6 x	15.6 x	12.1 x	NM x	NM x	NM x	NM x	NM x	169.8 %	NM x	-- %
NIO	55.04	87.6		12.9		86,008	84,865	1,931	44.0	17.0	10.8	NM	NM	NM	NM	NM	NA	NA	--
Xpeng	40.88	56.6		(4.6)		31,411	29,043	563	NM	13.4	7.1	NM	NM	NM	NM	NM	(33.5)	NM	--
Li Auto	29.84	67.9		3.5		26,784	24,168	866	27.9	8.4	4.5	NM	NM	NM	NM	NM	NA	NA	--
Nikola Corporation	21.36	26.8		40.0		8,204	7,301	0	NA	NM	30.7	NM	NM	NM	NM	NM	NA	NA	--
Fisker	17.99	83.2		22.8		4,988	4,965	--	NA	NA	10.4	NM	NM	NM	NM	NM	NA	NA	--
Lordstown Motors Corp.	24.76	80.5		23.4		4,084	4,084	--	NA	38.5	2.8	NA	NM	NM	NM	NM	NA	NA	--
Workhorse Group	32.96	79.7		66.6		3,973	4,016	1	NM	29.5	13.0	NM	NM	NM	NM	NM	NA	NA	--
Canoo	15.31	78.9		10.9		3,608	4,006	3	NM	NA	NA	NM	NA	NA	NM	NM	NA	NA	--
Hyliion	18.00	45.6		9.2		2,995	2,995	--	NA	NM	10.7	NM	NM	NM	NM	NM	NA	NA	--
XL Fleet Corp.	17.57	53.9		(26.0)		2,284	2,359	10	NM	34.6	9.3	NM	NM	NM	NM	NM	NA	NA	--
EV Native Auto Manufacturers	Mean	68.1	%	15.4	%				31.8 x	22.4 x	11.1 x	NA x	NA x	NA x	NA x	NA x	68.2 %	NA x	NA %
	Median	78.9		10.9					27.9	17.0	10.6	NA	NA	NA	NA	NA	68.2	NA	NA

Source: Public filings and Capital IQ as of February 19, 2021. Forward estimates represent median aggregate consensus estimates from Capital IQ or Thomson Eikon.

Note: LTM balance sheet, cash flow and income statement items do not reflect pro forma adjustments for post close acquisitions and divestitures.

(a) Enterprise Value represents equity value plus book value of total debt (excluding leases and floor plan financing, where applicable), preferred stock and minority interests less cash.

(b) EBITDA burdened for estimated interest expense associated with floor plan financing, where applicable.

(c) Dividend yield represents annualized dividend per share divided by current share price.

(1) Assumes conversion of any shares held by LLC unitholders / pre-IPO investors due to "up-C" corporate structure.

# Automotive – Operating Analysis (Cont'd)

(Amounts in USD Millions)												
Company Name	LTM EBITDA <sup>(a)</sup>	Growth Rates				Operating Efficiency			Credit Statistics			
		Revenue CAGR		EBITDA CAGR		Gross Margin	EBITDA Margin	EBITDA - Capex / Sales <sup>(b)</sup>	Total Debt <sup>(c)</sup>	Credit Rating <sup>(d)</sup>	Total Debt / EBITDA	EBITDA - Capex / Int. <sup>(e)</sup>
		'18-'20	'20-'22	'18-'20	'20-'22							
CarMax	\$1,267	(0.3) %	14.2 %	(9.8) %	21.3 %	14.6 %	6.4 %	5.3 %	\$15,039	--	11.9 x	12.0 x
Lithia Motors	798	7.5	27.0	19.8	20.8	17.0	6.1	5.1	3,862	BB+	4.8	6.3
AutoNation	1,168	(0.4)	6.0	13.4	5.7	17.6	5.7	5.0	4,862	BBB-	4.2	6.4
Penske Automotive Group	820	(4.1)	9.8	9.8	8.1	15.6	4.0	3.1	4,834	BB	5.9	3.8
Asbury Automotive Group	434	3.7	14.5	9.3	8.5	17.2	6.1	5.3	2,348	BB+	5.4	5.1
Group 1 Automotive	604	(1.1)	9.5	11.8	(0.3)	16.3	5.6	4.7	2,487	BB+	4.1	4.9
Sonic Automotive	394	1.2	14.6	8.4	15.2	14.6	4.0	3.0	2,297	BB-	5.8	4.3
<b>Dealerships / Auto Sales</b>	<b>Mean</b>	<b>0.9 %</b>	<b>13.7 %</b>	<b>8.9 %</b>	<b>11.3 %</b>	<b>16.1 %</b>	<b>5.4 %</b>	<b>4.5 %</b>			<b>6.0 x</b>	<b>6.1 %</b>
	<b>Median</b>	<b>(0.3)</b>	<b>14.2</b>	<b>9.8</b>	<b>8.5</b>	<b>16.3</b>	<b>5.7</b>	<b>5.0</b>			<b>5.4</b>	<b>5.1</b>
Toyota Motor Corp.	\$33,286	NA %	NA %	NA %	NA %	17.2 %	13.2 %	0.6 %	\$227,140	A+	6.8 %	11.0 x
Volkswagen AG	14,416	4.8	8.4	(7.3)	20.1	14.8	5.4	(0.3)	255,757	BBB+	NM	NM
Daimler AG	16,296	4.3	7.4	(2.6)	30.4	16.5	8.7	5.0	176,950	BBB+	10.9	NM
General Motors Company	13,653	(4.7)	10.3	36.0	11.9	11.8	11.1	(5.6)	109,894	BBB	8.0	NM
Bayerische Motoren Werke AG	10,704	19.3	5.0	(6.5)	16.3	12.4	8.9	2.9	135,984	A	12.7	7.1
Ford Motor Company	4,807	(11.2)	15.0	(33.6)	54.3	4.8	3.8	(0.7)	161,684	BB+	NM	NM
PACCAR	2,015	(11.8)	19.4	(34.8)	37.1	12.3	10.8	2.0	10,983	A+	5.4	NM
Oshkosh Corporation	571	(9.1)	8.9	(27.5)	34.5	15.9	8.5	6.8	833	BBB	1.5	7.9
Navistar International Corp.	(27)	(15.3)	NA	(34.4)	46.9	15.2	NM	NM	5,330	B	NM	NM
<b>Traditional Auto Manufacturers</b>	<b>Mean</b>	<b>(3.0) %</b>	<b>10.6 %</b>	<b>(13.8) %</b>	<b>31.4 %</b>	<b>13.4 %</b>	<b>8.8 %</b>	<b>1.3 %</b>			<b>7.6 x</b>	<b>8.6 %</b>
	<b>Median</b>	<b>(6.9)</b>	<b>8.9</b>	<b>(17.4)</b>	<b>32.4</b>	<b>14.8</b>	<b>8.8</b>	<b>1.3</b>			<b>7.4</b>	<b>7.9</b>
Tesla	\$4,273	20.6 %	40.3 %	92.7 %	44.4 %	21.0 %	13.5 %	3.3 %	\$11,797	BB	2.8 x	1.3 x
NIO	(839)	80.7	77.1	NM	NM	3.8	NM	NM	1,280	--	NM	NM
Xpeng	(623)	2,328.3	115.1	NM	NM	0.4	NM	NM	302	--	NM	NM
Li Auto	(136)	NA	92.0	NM	NM	14.7	NM	NM	136	--	NM	NM
Nikola Corporation	(256)	NA	NA	NM	NM	19.4	NM	NM	5	--	NM	NM
Fisker	(15)	NA	NA	NM	NM	NA	NA	NM	11	--	NM	NM
Lordstown Motors Corp.	--	NA	NA	NA	NA	NA	NA	NM	--	--	NM	NM
Workhorse Group	(22)	50.1	1,242.7	NM	NM	NM	NM	NM	123	--	NM	NM
Canoo	(103)	NA	NA	NA	NA	73.7	NM	NM	7	--	NM	NM
Hyllion	(16)	NA	NA	NM	NM	NA	NA	NM	117	--	NM	NM
XL Fleet Corp.	(14)	49.8	243.5	NM	NM	1.6	NM	NM	25	--	NM	NM
<b>EV Native Auto Manufacturers</b>	<b>Mean</b>	<b>505.9</b>	<b>301.8 %</b>	<b>92.7 %</b>	<b>44.4 %</b>	<b>19.2 %</b>	<b>13.5 %</b>	<b>3.3 %</b>			<b>2.8 x</b>	<b>1.3 %</b>
	<b>Median</b>	<b>50.1</b>	<b>103.5</b>	<b>92.7</b>	<b>44.4</b>	<b>14.7</b>	<b>13.5</b>	<b>3.3</b>			<b>2.8</b>	<b>1.3</b>

Source: Public filings and Capital IQ as of February 19, 2021. Forward estimates represent median aggregate consensus estimates from Capital IQ or Thomson Eikon.

Note: LTM balance sheet, cash flow and income statement items do not reflect pro forma adjustments for post close acquisitions and divestitures.

(a) EBITDA burdened for estimated interest expense associated with floor plan financing, where applicable.

(b) Excludes business acquisitions, where applicable and available.

(c) Total debt excludes operating lease liabilities and floor plan financing, where applicable.

(d) S&P Credit Rating.

(e) Excludes interest expense associated with floor plan financing, where applicable.

# Automotive – Trading Analysis (Cont'd)

(Amounts in USD Millions)																															
	Stock Price	% of 52 Week	YTD % Change	Equity Value	Enterprise Value <sup>(a)</sup>	LTM Revenue	EV / Revenue			EV / EBITDA <sup>(b)</sup>			P / E		LTG	P/E/G	Dividend														
Company Name	2/19/21	High					LTM	2021E	2022E	LTM	2021E	2022E	2021E	2022E	Rate	2021E	Yield <sup>(c)</sup>														
Bridgestone	\$39.00	92.4	%	21.7	%	\$27,464	\$29,678	\$28,370	1.0	x	0.9	x	0.9	x	9.4	x	5.0	x	5.1	x	11.3	x	11.9	x	NA	%	NA	x	2.4	%	
Michelin	144.44	100.0		13.4		25,760	30,254	24,835	1.2		1.1		1.1		7.3		5.7		5.2		13.4		10.9		28.1		0.4		1.9		
Pirelli	5.71	99.1		6.2		5,712	11,474	5,515	2.1		2.0		1.9		13.8		8.3		7.5		13.5		11.2		1.3		8.5		--		
Hankook Tire	46.33	100.0		29.9		5,652	6,177	5,748	1.1		1.0		0.9		5.8		5.0		5.0		11.0		10.0		6.7		1.5		1.1		
Goodyear Tire & Rubber Company	13.90	97.1		27.4		3,241	7,873	12,321	0.6		0.5		0.5		15.1		5.4		4.4		15.1		8.1		10.0		0.8		--		
Toyo Tire	17.95	100.0		20.9		2,764	3,450	3,257	1.1		0.9		0.9		6.4		5.3		5.0		9.6		8.8		19.0		0.5		2.4		
Yokohama Rubber	17.05	89.4		17.3		2,738	4,459	5,406	0.8		0.8		0.7		5.8		5.0		5.2		9.8		8.5		18.5		0.5		3.6		
Cooper Tire & Rubber Company	43.77	100.0		8.1		2,205	2,088	2,543	0.8		0.7		0.7		5.6		4.7		4.5		11.2		9.1		NA		NA		1.0		
Kenda Rubber Industrial Co.	1.22	92.4		(2.1)		1,114	1,371	1,057	1.3		1.1		NA		12.1		NA		NA		11.1		NM		NA		NA		1.1		
Kumho Tire	3.63	94.9		5.9		1,042	2,578	1,959	1.3		1.2		1.1		9.9		NA		NA		NM		NM		NA		NA		--		
Nexen Tire	6.70	94.6		19.5		688	1,561	1,537	1.0		0.9		0.9		7.3		5.2		4.9		8.6		7.3		NA		NA		1.4		
Tire Manufacturers	Mean	96.4	%	15.3	%					1.1	x	1.0	x	1.0	x	9.0	x	5.5	x	5.2	x	11.4	x	9.5	x	13.9	%	2.0	x	1.9	%
	Median	97.1		17.3						1.1		0.9		0.9		7.3		5.2		5.0		11.2		9.1		14.3		0.6		1.7	
Carvana <sup>(1)</sup>	\$308.74	100.0	%	28.9	%	\$54,221	\$55,728	\$4,864	11.5	x	6.9	x	5.0	x	NM	x	NM	x	NM	x	NM	x	NM	x	NA	%	NA	x	--	%	
Copart	117.07	92.0		(8.0)		27,644	27,432	2,286	12.0		10.4		9.5		27.1		22.8		20.4		35.4		30.7		18.5		1.7		--		
IAA	60.12	91.0		(7.5)		8,084	9,132	1,385	6.6		5.8		5.4		23.0		19.2		17.3		31.0		27.0		10.0		2.7		--		
Vroom	49.48	67.0		20.8		6,444	5,532	1,307	4.2		2.2		1.4		NM		NM		NM		NM		NM		43.0		NM		--		
KAR Auction Services	14.78	66.4		(20.6)		1,917	4,896	2,188	2.2		2.0		1.9		13.8		10.2		9.0		17.0		12.6		12.0		1.1		--		
CarParts.com	19.50	89.2		57.4		935	886	387	2.3		1.9		1.7		NM		NM		36.1		NM		NM		NA		NA		--		
Shift Technologies	10.62	91.1		28.4		872	1,126	150	7.5		2.8		1.5		NM		NM		NM		NM		NM		NA		NA		--		
CARiD.com	9.00	97.3		41.5		296	259	378	0.7		NA		NA		19.6		NA		NA		NM		NM		NA		NA		--		
RumbleON	43.37	81.8		43.6		97	141	473	0.3		0.3		0.2		NM		35.3		11.4		NM		NM		NA		NA		--		
E-Commerce & Digital	Mean	86.2	%	20.5	%					5.3	x	4.0	x	3.3	x	20.9	x	21.9	x	18.8	x	27.8	x	23.4	x	20.9	%	1.8	x	--	%
	Median	91.0		28.4						4.2		2.5		1.8		21.3		21.0		17.3		31.0		27.0		15.2		1.7		--	

Source: Public filings and Capital IQ as of February 19, 2021. Forward estimates represent median aggregate consensus estimates from Capital IQ or Thomson Eikon.

Note: LTM balance sheet, cash flow and income statement items do not reflect pro forma adjustments for post close acquisitions and divestitures.

(a) Enterprise Value represents equity value plus book value of total debt (excluding leases and floor plan financing, where applicable), preferred stock and minority interests less cash.

(b) EBITDA burdened for estimated interest expense associated with floor plan financing, where applicable.

(c) Dividend yield represents annualized dividend per share divided by current share price.

(1) Assumes conversion of any shares held by LLC unitholders / pre-IPO investors due to "up-C" corporate structure.

# Automotive – Operating Analysis (Cont'd)

(Amounts in USD Millions)												
Company Name	LTM EBITDA <sup>(a)</sup>	Growth Rates				Operating Efficiency			Credit Statistics			
		Revenue CAGR		EBITDA CAGR		Gross Margin	EBITDA Margin	EBITDA - Capex / Sales <sup>(b)</sup>	Total Debt <sup>(c)</sup>	Credit Rating <sup>(d)</sup>	Total Debt / EBITDA	EBITDA - Capex / Int. <sup>(e)</sup>
		'18-'20	'20-'22	'18-'20	'20-'22							
Bridgestone	\$3,141	(9.3) %	6.7 %	(26.6) %	37.3 %	36.3 %	11.1 %	4.4 %	\$9,533	A	3.0 x	5.5 x
Michelin	4,123	(3.4)	6.3	(7.9)	19.1	27.9	16.6	9.9	10,602	A-	2.6	8.8
Pirelli	831	(9.6)	7.7	(10.7)	17.9	66.0	15.1	10.0	7,039	--	8.5	1.8
Hankook Tire	1,072	(2.6)	7.3	(3.1)	7.0	27.3	18.7	13.8	1,813	BBB	1.7	NM
Goodyear Tire & Rubber Company	521	(11.0)	11.3	(45.2)	81.7	17.0	4.2	(1.0)	5,990	B+	11.5	NM
Toyo Tire	543	(6.5)	8.1	(7.4)	12.0	35.9	16.7	10.2	1,025	--	1.9	NM
Yokohama Rubber	766	(6.4)	6.5	(17.7)	15.1	31.6	14.2	8.8	1,969	--	2.6	8.9
Cooper Tire & Rubber Company	374	(5.2)	7.5	9.4	8.2	19.3	14.7	9.0	358	BB-	1.0	9.4
Kenda Rubber Industrial Co.	113	(1.3)	NA	NA	NA	22.7	10.7	4.0	631	--	5.6	4.9
Kumho Tire	260	(9.8)	10.5	NA	NA	23.7	13.3	9.3	1,716	--	6.6	2.3
Nexen Tire	215	(7.1)	8.8	(15.9)	22.9	26.5	14.0	5.2	1,186	--	5.5	4.5
<b>Tire Manufacturers</b>												
	Mean	(6.6) %	8.1 %	(13.9) %	24.6 %	30.4 %	13.6 %	7.6 %			4.6 x	5.8 %
	Median	(6.5)	7.6	(10.7)	17.9	27.3	14.2	9.0			3.0	5.2
Carvana	(\$266)	65.9 %	43.6 %	NM %	NM %	14.3 %	NM %	NM %	\$1,262	CCC+	NM x	NM x
Copart	1,012	8.5	14.5	12.8	21.8	48.6	44.3	23.5	404	--	0.4	NM
IAA	397	1.5	10.9	1.4	16.0	38.8	28.7	23.6	1,280	BB-	3.2	5.8
Vroom	(153)	26.1	72.8	NM	NM	5.2	NM	NM	249	--	NM	NM
KAR Auction Services	356	(4.6)	7.1	(8.7)	13.0	41.3	16.3	11.6	3,182	B	8.9	2.0
CarParts.com	8	19.9	10.7	250.0	42.9	34.9	2.2	0.0	11	--	1.2	0.0
Shift Technologies	(63)	23.0	99.2	NM	NM	6.6	NM	NM	49	--	NM	NM
CARiD.com	13	NA	NA	NA	NA	21.6	3.5	3.5	0	--	0.0	NM
RumbleON	(34)	68.4	18.6	NM	NM	7.0	NM	NM	47	--	NM	NM
<b>E-Commerce &amp; Digital</b>												
	Mean	26.1 %	34.7 %	63.8 %	23.4 %	24.2 %	19.0 %	12.5 %			2.8 x	2.6 %
	Median	21.5	16.6	7.1	18.9	21.6	16.3	11.6			1.2	2.0

Source: Public filings and Capital IQ as of February 19, 2021. Forward estimates represent median aggregate consensus estimates from Capital IQ or Thomson Eikon. Note: LTM balance sheet, cash flow and income statement items do not reflect pro forma adjustments for post close acquisitions and divestitures.

(a) EBITDA burdened for estimated interest expense associated with floor plan financing, where applicable.

(b) Excludes business acquisitions, where applicable and available.

(c) Total debt excludes operating lease liabilities and floor plan financing, where applicable.

(d) S&P Credit Rating.

(e) Excludes interest expense associated with floor plan financing, where applicable.



# Powersports – Trading Analysis

(Amounts in USD Millions)	Stock Price	% of 52		YTD % Change	Equity Value	Enterprise Value <sup>(a)</sup>	LTM Revenue	EV / Revenue			EV / EBITDA <sup>(b)</sup>			P / E		LTG Rate	P/E/G 2021E	Dividend Yield <sup>(c)</sup>
	2/19/21	Week High	Low					LTM	2021E	2022E	LTM	2021E	2022E	2021E	2022E			
Company Name	2/19/21	High	Low					LTM	2021E	2022E	LTM	2021E	2022E	2021E	2022E		2021E	
Camping World Holdings <sup>(1)</sup>	\$36.97	87.4	80.0	41.9	\$3,312	\$3,985	\$5,278	0.8 x	0.7 x	0.7 x	9.0 x	7.4 x	7.7 x	10.7 x	11.8 x	NA %	NA x	2.0 %
MarineMax	46.43	95.6	85.0	32.5	1,028	960	1,617	0.6	0.5	0.5	7.3	6.4	5.9	11.1	10.7	NA	NA	--
OneWater Marine <sup>(1)</sup>	35.60	96.7	85.0	22.4	533	677	1,083	0.6	0.6	NA	7.1	6.8	NA	8.9	NM	NA	NA	--
Lazydays Holdings	22.73	97.7	85.0	39.9	215	295	765	0.4	0.4	NA	6.3	5.6	NA	13.5	NM	25.0	NM	--
Apollo Tourism & Leisure	0.28	90.9	80.0	11.1	51	249	289	0.9	1.1	1.0	9.3	9.5	6.2	NM	10.9	(30.2)	NM	--
Powersports Dealers	Mean	93.7	85.0	29.6				0.6 x	0.6 x	0.7 x	7.8 x	7.1 x	6.6 x	11.1 x	11.1 x	(2.6) %	NA x	2.0 %
	Median	95.6	85.0	32.5				0.6	0.6	0.7	7.3	6.8	6.2	10.9	10.9	(2.6)	NA	2.0
Honda Motor Co.	\$28.24	95.2	85.0	3.6	\$48,764	\$96,377	\$123,208	0.8 x	0.7 x	0.7 x	9.6 x	9.3 x	8.1 x	7.9 x	6.1 x	20.2 %	0.3 x	2.8 %
Suzuki Motor	46.91	87.0	85.0	3.5	22,776	23,380	28,781	0.8	0.8	0.7	7.6	6.3	5.4	13.7	12.0	17.4	0.7	1.5
Yamaha Motor Co.	22.67	96.1	85.0	13.7	7,922	10,092	13,939	0.7	0.7	0.6	8.2	6.0	5.7	11.6	9.7	31.5	0.3	1.9
Polaris	121.86	97.9	85.0	27.9	7,552	8,386	7,108	1.2	1.0	1.0	9.8	8.0	7.8	14.0	13.1	NA	NA	2.1
BRP	71.73	93.6	85.0	7.5	6,307	7,450	4,566	1.6	1.4	1.3	12.2	8.7	8.3	15.7	14.5	15.0	1.0	0.5
Harley-Davidson	35.97	84.5	85.0	(2.0)	5,441	11,171	4,054	2.8	2.7	2.6	34.2	15.8	14.3	14.9	12.5	8.0	1.6	1.7
Kawasaki Heavy Industries	21.73	87.1	85.0	(1.3)	3,630	7,886	14,575	0.5	0.6	0.5	9.2	11.3	8.8	NM	22.0	NA	NA	--
Pierer Mobility AG	83.72	97.9	85.0	3.8	1,871	2,782	1,656	1.7	1.3	1.1	11.6	7.9	7.1	27.8	23.2	5.4	4.3	--
Powersports Manufacturers	Mean	92.4	85.0	7.1				1.3 x	1.1 x	1.1 x	12.8 x	9.2 x	8.2 x	15.1 x	14.1 x	16.3 %	1.4 x	1.7 %
	Median	94.4	85.0	3.7				1.0	0.9	0.9	9.7	8.4	8.0	14.0	12.8	16.2	0.8	1.8
Fox Factory	\$137.88	98.6	85.0	30.4	\$5,752	\$5,864	\$814	7.2 x	5.8 x	5.3 x	40.9 x	27.3 x	24.1 x	40.3 x	34.3 x	14.1 %	2.4 x	-- %
Thule Group	40.56	98.4	85.0	9.0	4,241	4,294	947	4.5	4.4	4.1	20.4	19.6	18.1	28.3	26.1	10.3	2.5	2.4
Dometic Group	13.98	95.2	85.0	6.1	4,136	4,896	1,961	2.5	2.1	2.0	15.7	11.8	10.0	17.9	16.0	27.0	0.6	2.0
LCI Industries	147.27	97.6	85.0	13.6	3,704	4,391	2,796	1.6	1.3	1.2	13.7	11.3	9.8	16.5	15.5	14.7	1.1	2.0
ARB Corporation	30.15	95.8	85.0	24.4	2,438	2,409	408	5.9	5.4	5.0	25.2	22.0	21.8	38.3	35.9	10.0	3.6	1.0
Patrick Industries	81.95	100.0	85.0	19.9	1,915	2,688	2,487	1.1	0.9	0.8	10.9	8.3	7.7	13.1	11.5	16.5	0.7	1.4
Johnson Outdoors	126.56	99.9	85.0	12.4	1,269	1,073	632	1.7	1.6	NA	10.8	NA	NA	18.2	NM	11.0	NM	0.7
Horizon Global Corp.	9.80	91.1	85.0	14.1	257	457	628	0.7	NA	NA	NM	NA	NA	NA	NA	NA	NA	--
Powersports/Recreation Acc.	Mean	97.1	85.0	16.2				3.2 x	3.1 x	3.1 x	19.7 x	16.7 x	15.2 x	24.7 x	23.2 x	14.8 %	1.8 x	1.6 %
	Median	98.0	85.0	13.8				2.1	2.1	3.1	15.7	15.7	14.1	18.2	21.1	14.1	1.7	1.7
Brunswick	\$91.33	98.5	85.0	19.8	\$7,103	\$7,478	\$4,348	1.7 x	1.5 x	1.4 x	10.7 x	8.8 x	8.1 x	14.3 x	12.8 x	NA %	NA %	1.2 %
Malibu Boats <sup>(1)</sup>	77.71	97.6	85.0	24.5	1,667	1,815	678	2.7	1.8	1.7	14.8	8.7	8.1	12.2	11.5	NA	NA	--
Bénéteau	14.20	94.7	85.0	23.6	1,159	1,603	1,650	1.0	1.2	1.1	8.7	12.7	8.4	NM	17.9	NA	NA	2.0
Sanlorenzo	24.24	98.2	85.0	21.1	835	838	637	1.3	1.3	1.2	12.5	8.7	7.8	17.8	16.0	12.4	1.3	--
Marine Products Corporation	17.70	83.5	85.0	21.7	599	568	240	2.4	1.9	1.8	21.5	14.9	13.8	21.1	19.5	NA	NA	2.1
MasterCraft Boat Holdings	27.45	94.7	85.0	10.5	520	602	376	1.6	1.1	1.0	12.1	7.5	6.2	10.1	8.0	NA	NA	--
Marine Manufacturers	Mean	94.5	85.0	20.2				1.8 x	1.5 x	1.4 x	13.4 x	10.2 x	8.7 x	15.1 x	14.3 x	12.4 %	1.3 x	1.8 %
	Median	96.1	85.0	21.4				1.7	1.4	1.3	12.3	8.8	8.1	14.3	14.4	12.4	1.3	2.0
Thor Industries	\$119.11	92.8	85.0	28.1	\$6,595	\$7,888	\$8,547	0.9 x	0.7 x	0.6 x	11.9 x	8.6 x	8.1 x	15.1 x	13.8 x	9.0 %	1.5 x	1.4 %
Trigano	190.61	100.0	85.0	8.5	3,675	3,531	2,650	1.3	1.1	1.0	14.0	9.9	9.1	15.5	14.3	NA	NA	1.4
Winnebago Industries	71.68	97.4	85.0	19.6	2,405	2,649	2,560	1.0	0.8	0.8	12.4	7.9	8.3	11.8	12.2	14.0	0.9	0.7
REV Group	12.30	100.0	85.0	39.6	785	1,116	2,278	0.5	0.5	0.5	24.3	10.1	8.8	18.5	13.4	NA	NA	--
KABE Group	20.81	99.4	85.0	4.2	187	161	243	0.7	NA	NA	13.8	NA	NA	NA	NA	NA	NA	--
RV Manufacturers	Mean	97.9	85.0	20.0				0.9 x	0.8 x	0.7 x	15.3 x	9.1 x	8.6 x	15.2 x	13.4 x	11.5 %	1.2 x	1.1 %
	Median	99.4	85.0	19.6				0.9	0.8	0.7	13.8	9.3	8.5	15.3	13.6	11.5	1.2	1.4

Source: Public filings and Capital IQ as of February 19, 2021. Forward estimates represent median aggregate consensus estimates from Capital IQ or Thomson Eikon.

Note: LTM balance sheet, cash flow and income statement items do not reflect pro forma adjustments for post close acquisitions and divestitures.

(a) Enterprise Value represents equity value plus book value of total debt (excluding leases and floor plan financing, where applicable), preferred stock and minority interests less cash.

(b) EBITDA burdened for estimated interest expense associated with floor plan financing, where applicable.

(c) Dividend yield represents annualized dividend per share divided by current share price.

(1) Assumes conversion of any shares held by LLC unitholders / pre-IPO investors due to "up-C" corporate structure.

# Powersports – Operating Analysis

(Amounts in USD Millions)												
Company Name	LTM EBITDA <sup>(a)</sup>	Growth Rates				Operating Efficiency			Credit Statistics			
		Revenue CAGR		EBITDA CAGR		Gross Margin	EBITDA Margin	EBITDA - Capex / Sales <sup>(b)</sup>	Total Debt <sup>(c)</sup>	Credit Rating <sup>(d)</sup>	Total Debt / EBITDA	EBITDA - Capex / Int. <sup>(e)</sup>
		'18-'20	'20-'22	'18-'20	'20-'22							
Camping World Holdings	\$441	10.7 %	3.8 %	43.1 %	(0.7) %	30.0 %	8.4 %	7.8 %	\$1,186	--	2.7 x	7.1 x
MarineMax	131	10.2	17.2	9.2	46.0	27.3	8.1	7.2	53	--	0.4	NM
OneWater Marine	95	27.7	NA	17.2	NA	23.6	8.8	8.2	122	--	1.3	NM
Lazydays Holdings	47	23.2	NA	63.2	NA	21.4	6.1	3.7	107	--	2.3	3.6
Apollo Tourism & Leisure	27	(7.4)	0.1	(32.0)	27.0	34.6	9.3	3.2	216	--	8.1	1.7
<b>Powersports Dealers</b>	<b>Mean</b>	<b>12.9 %</b>	<b>7.1 %</b>	<b>20.1 %</b>	<b>24.1 %</b>	<b>27.4 %</b>	<b>8.1 %</b>	<b>6.0 %</b>			<b>2.9 x</b>	<b>4.1 %</b>
	<b>Median</b>	<b>10.7</b>	<b>3.8</b>	<b>17.2</b>	<b>27.0</b>	<b>27.3</b>	<b>8.4</b>	<b>7.2</b>			<b>2.3</b>	<b>3.6</b>
Honda Motor Co.	\$10,005	(2.7) %	9.5 %	(20.0) %	22.4 %	20.4 %	8.1 %	5.5 %	\$74,992	A-	7.5 x	NM x
Suzuki Motor	3,084	(11.3)	7.2	(27.0)	29.6	27.8	10.7	4.7	7,440	--	2.4	NM
Yamaha Motor Co.	1,231	(6.9)	8.7	(19.6)	23.9	25.3	8.8	5.3	4,424	--	3.6	NM
Polaris	852	7.1	9.4	12.7	9.9	25.2	12.0	9.0	1,469	--	1.7	9.6
BRP	613	6.1	10.8	23.8	7.5	23.5	13.4	8.9	2,211	--	3.6	5.5
Harley-Davidson	326	(15.7)	10.3	(31.4)	25.5	25.5	8.1	4.8	8,987	BBB	NM	NM
Kawasaki Heavy Industries	856	(1.7)	1.0	(20.8)	18.4	14.4	5.9	1.2	5,399	--	6.3	4.9
Pierer Mobility AG	241	2.3	14.7	3.1	16.6	27.5	14.5	3.7	764	--	3.2	3.0
<b>Powersports Manufacturers</b>	<b>Mean</b>	<b>(2.8) %</b>	<b>9.0 %</b>	<b>(9.9) %</b>	<b>19.2 %</b>	<b>23.7 %</b>	<b>10.2 %</b>	<b>5.4 %</b>			<b>4.0 x</b>	<b>5.8 %</b>
	<b>Median</b>	<b>(2.2)</b>	<b>9.4</b>	<b>(19.8)</b>	<b>20.4</b>	<b>25.2</b>	<b>9.8</b>	<b>5.1</b>			<b>3.6</b>	<b>5.2</b>
Fox Factory	\$143	18.9 %	12.9 %	25.6 %	18.2 %	32.6 %	17.6 %	8.6 %	\$390	--	2.7 x	9.2 x
Thule Group	210	8.6	6.1	15.9	8.6	41.2	22.2	20.0	139	--	0.7	NM
Dometic Group	311	(5.8)	11.1	(9.3)	26.0	32.7	15.9	14.3	1,718	BB-	5.5	5.8
LCI Industries	321	5.2	15.1	11.1	16.8	25.3	11.5	9.4	738	--	2.3	NM
ARB Corporation	96	7.2	10.5	17.0	9.4	53.7	23.5	19.6	37	--	0.4	NM
Patrick Industries	247	3.2	15.2	1.0	21.1	18.5	9.9	8.6	818	BB-	3.3	5.0
Johnson Outdoors	99	5.3	NA	NA	NA	45.3	15.7	13.0	--	--	NM	NM
Horizon Global Corp.	(19)	NA	NA	NA	NA	15.3	NM	NM	244	--	NM	NM
<b>Powersports/Recreation Acc.</b>	<b>Mean</b>	<b>6.1 %</b>	<b>11.8 %</b>	<b>10.2 %</b>	<b>16.7 %</b>	<b>33.1 %</b>	<b>16.6 %</b>	<b>13.4 %</b>			<b>2.5 x</b>	<b>6.7 %</b>
	<b>Median</b>	<b>5.3</b>	<b>12.0</b>	<b>13.5</b>	<b>17.5</b>	<b>32.7</b>	<b>15.9</b>	<b>13.0</b>			<b>2.5</b>	<b>5.8</b>
Brunswick	\$697	1.3 %	12.1 %	11.9 %	16.7 %	28.6 %	16.0 %	11.8 %	951	BBB-	1.4 x	7.6 x
Malibu Boats	122	6.8	29.2	1.2	45.0	24.7	18.1	13.1	\$164	--	1.3	NM
Bénéteau	184	(8.5)	4.2	(23.0)	30.4	53.4	11.1	5.9	534	--	2.9	NM
Sanlorenzo	67	15.8	6.3	38.4	13.8	21.1	10.6	5.7	129	--	1.9	10.6
Marine Products Corporation	26	(11.6)	15.8	(18.9)	29.9	22.4	11.0	10.0	--	--	NM	NM
MasterCraft Boat Holdings	50	(6.7)	28.2	(22.0)	54.2	22.8	13.2	7.4	94	--	1.9	6.4
<b>Marine Manufacturers</b>	<b>Mean</b>	<b>(0.5) %</b>	<b>16.0 %</b>	<b>(2.1) %</b>	<b>31.7 %</b>	<b>28.8 %</b>	<b>13.3 %</b>	<b>9.0 %</b>			<b>1.9 x</b>	<b>8.2 %</b>
	<b>Median</b>	<b>(2.7)</b>	<b>13.9</b>	<b>(8.9)</b>	<b>30.1</b>	<b>23.7</b>	<b>12.2</b>	<b>8.7</b>			<b>1.9</b>	<b>7.6</b>
Thor Industries	\$661	11.1 %	18.1 %	6.7 %	26.5 %	13.9 %	7.7 %	6.6 %	\$1,603	BB-	2.4 x	5.4 x
Trigano	252	(1.0)	10.3	(7.6)	22.6	31.1	9.5	7.3	255	--	1.0	NM
Winnebago Industries	214	8.5	17.6	(4.7)	39.0	14.5	8.4	7.0	517	B+	2.4	4.3
REV Group	46	(4.0)	5.1	(17.1)	32.2	10.0	2.0	1.3	342	--	7.5	1.1
KABE Group	12	NA	NA	NA	NA	11.0	4.8	4.5	2	--	0.2	NM
<b>RV Manufacturers</b>	<b>Mean</b>	<b>3.6 %</b>	<b>12.7 %</b>	<b>(5.7) %</b>	<b>30.1 %</b>	<b>16.1 %</b>	<b>6.5 %</b>	<b>5.3 %</b>			<b>2.7 x</b>	<b>3.6 %</b>
	<b>Median</b>	<b>3.7</b>	<b>13.9</b>	<b>(6.2)</b>	<b>29.3</b>	<b>13.9</b>	<b>7.7</b>	<b>6.6</b>			<b>2.4</b>	<b>4.3</b>

Source: Public filings and Capital IQ as of February 19, 2021. Forward estimates represent median aggregate consensus estimates from Capital IQ or Thomson Eikon.

Note: LTM balance sheet, cash flow and income statement items do not reflect pro forma adjustments for post close acquisitions and divestitures.

(a) EBITDA burdened for estimated interest expense associated with floor plan financing, where applicable.

(b) Excludes business acquisitions, where applicable and available.

(c) Total debt excludes operating lease liabilities and floor plan financing, where applicable.

(d) S&P Credit Rating.

(e) Excludes interest expense associated with floor plan financing, where applicable.

Private and  
Confidential

# Macroeconomic Update

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# Coordinated Monetary And Fiscal Stimulus

The Federal Reserve and U.S. Government Have Enacted Expansive Monetary and Fiscal Stimulus Measures to Counteract the Disruption Caused by COVID-19: Biden Pushing for a \$1.9 Trillion Stimulus Package

## Monetary Policy



- Near-Zero Interest Rates
- “Open Ended” Quantitative Easing Program
- Temporary Easing of Supplementary Leverage Ratio to Expand Credit to Households and Businesses
- Depository Banks’ Use of Discount Window
- Establishment of Facilities in Support of:
  - Investment Grade Corporate Bond Market (For Bonds Rated BBB-/Baa3 or Above as of March 22); program extended to directly purchase individual bonds
  - Commercial Paper Market
  - Money Market Funds
  - States and Municipalities; recently expanded to smaller municipalities
- Main Street Lending Program
  - 5-Year, Deferred Payment Loans to Businesses with up to 15,000 Employees or Revenues Less than \$5.0BN
  - Considering extension of funding to nonprofits

## Fiscal Policy

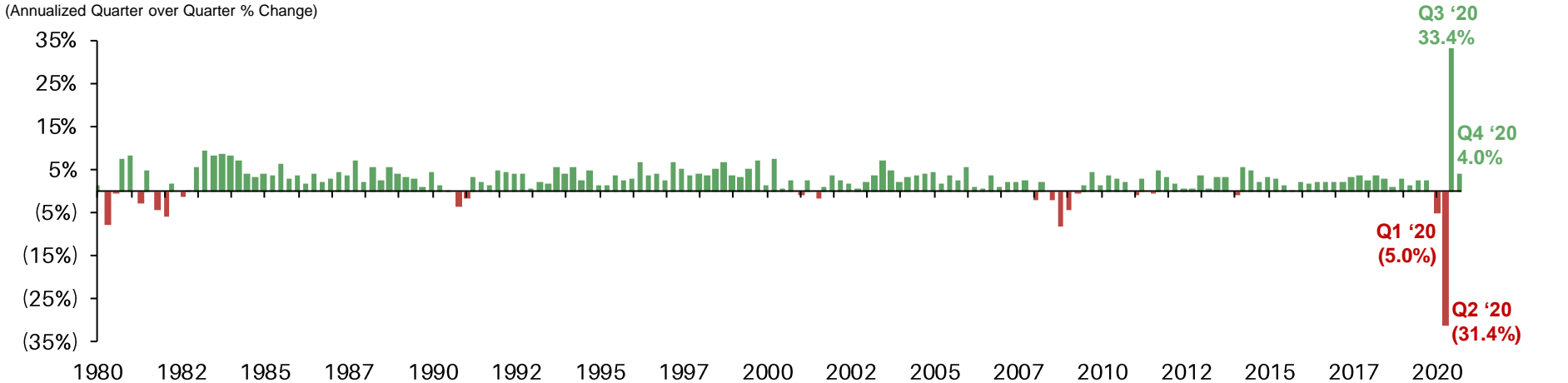


- **Phase I: \$8.3BN**
  - Vaccine Research
  - Money to State and Local Governments
- **Phase II: \$100-125BN**
  - Sick Leave and Unemployment Insurance
  - Additional Funding for Medicaid
- **Phase III “CARES Act”: \$2.2TN**
  - Unemployment Insurance, Direct Checks, Small Business Loans and Tax Benefits and Bail Outs for Distressed Industries
- **Phase III Supplement: \$484BN**
  - Replenish PPP and EIDL, Funding for Hospitals and Testing
- **“State of Emergency” Funding: \$50BN**
- **“Lost Wages Assistance” Plan: \$44BN**
  - \$300 Additional Weekly Unemployment Benefits
- **Second Stimulus Package: \$908BN**
  - Direct Checks and Unemployment Benefits
  - Small Business Loans
  - Funding to States to Distribute to Schools, for Public-Health Measures and for Transportation
  - Rental Assistance and SNAP Benefits
- **Discussions Ongoing Around \$1.9 Trillion Stimulus Package Including \$1,400 Stimulus Checks and Aid for State and Local Governments**



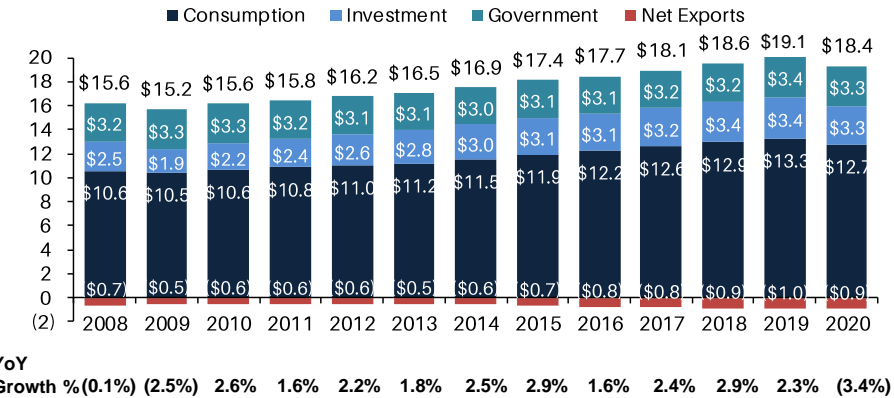
# U.S. Real GDP In Q3 2020 Had Record Increase, While Q4 Growth Slowed

## U.S. Real GDP Growth (Constant 2009 Dollars)



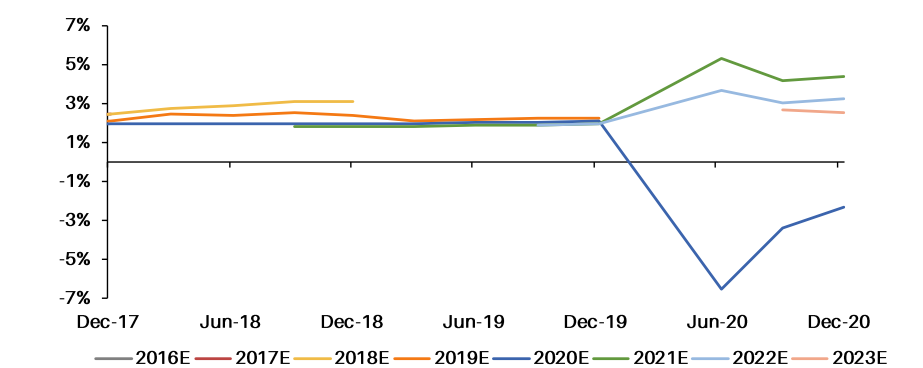
Source: Bureau of Economic Analysis as of February 2021.

## U.S. Real GDP (Constant 2009 Dollars)



Source: Bureau of Economic Analysis as of February 2021.

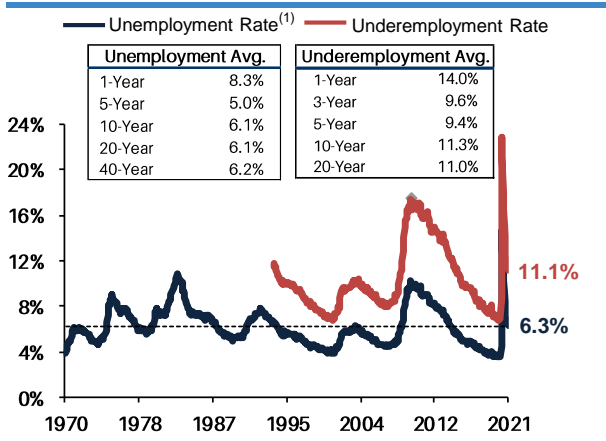
## FOMC GDP Growth Projections Over Time



Source: FOMC as of February 2021 (December represents latest available data).

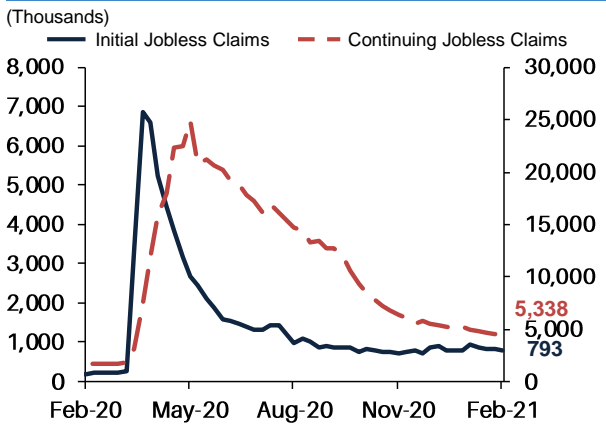
# After Over 70 Million Initial Claims Since March, Continuing Claims And The Unemployment Rate Have Fallen Since April; Labor Force Participation Remains Near 50-Year Low

## U.S. Unemployment Rate<sup>(a)(b)</sup>



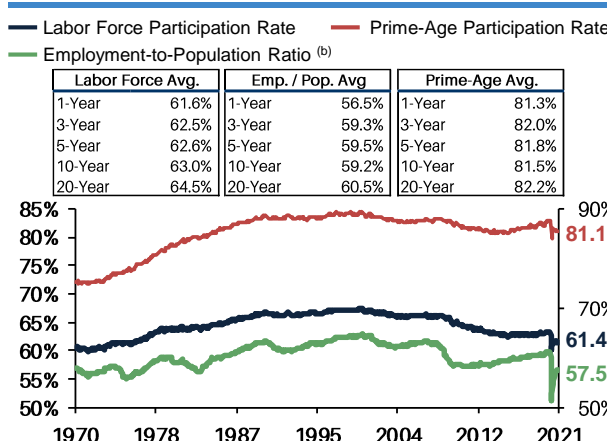
Source: BLS as of February 2021 (January represents latest available data).  
(a) Unemployment represents U-3 rate. Underemployment represents U-6 rate and is defined as total unemployed, plus all marginally attached workers plus total employed part time for economic reasons, as a percent of all civilian labor force plus all marginally attached workers.  
(b) There was a large number of workers who were classified as employed but absent from work; BLS and the Census Bureau are investigating this misclassification error.

## Initial and Continuing Jobless Claims



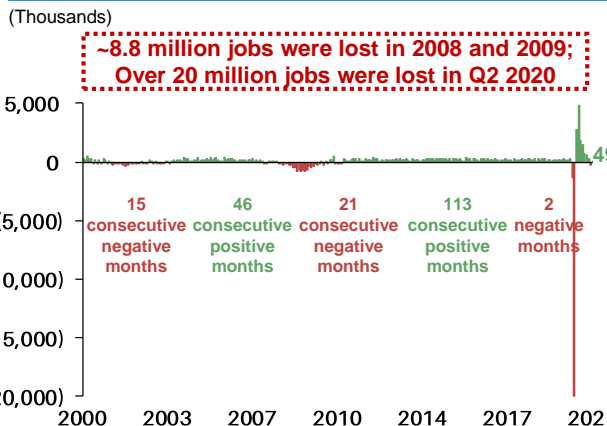
Source: BLS as of February 2021.

## Labor Force Participation & Employment Rates



Source: BLS as of February 2021 (January represents latest available data).  
(b) Defined as the civilian labor force as a percentage of the total civilian population; the civilian labor force is defined as those either unemployed or employed and excludes those who want a job and have looked for work in the past 12 months, but who are not currently looking.

## Change in Nonfarm Payrolls



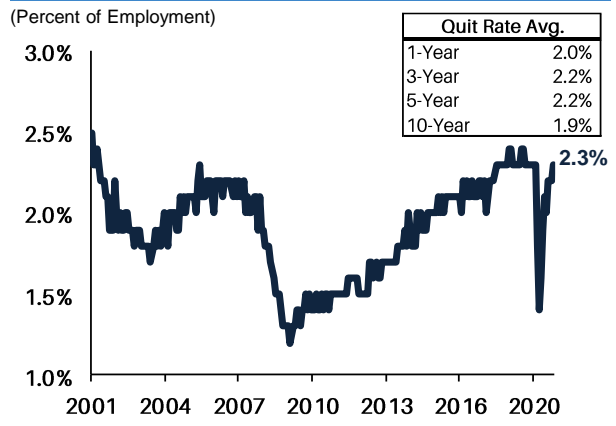
Source: BLS as of February 2021 (January represents latest available data).

## Job Openings



Source: BLS as of February 2021 (December represents latest available data).  
(b) Defined as the civilian labor force as a percentage of the total civilian population; the civilian labor force is defined as those either unemployed or employed and excludes those who want a job and have looked for work in the past 12 months, but who are not currently looking.

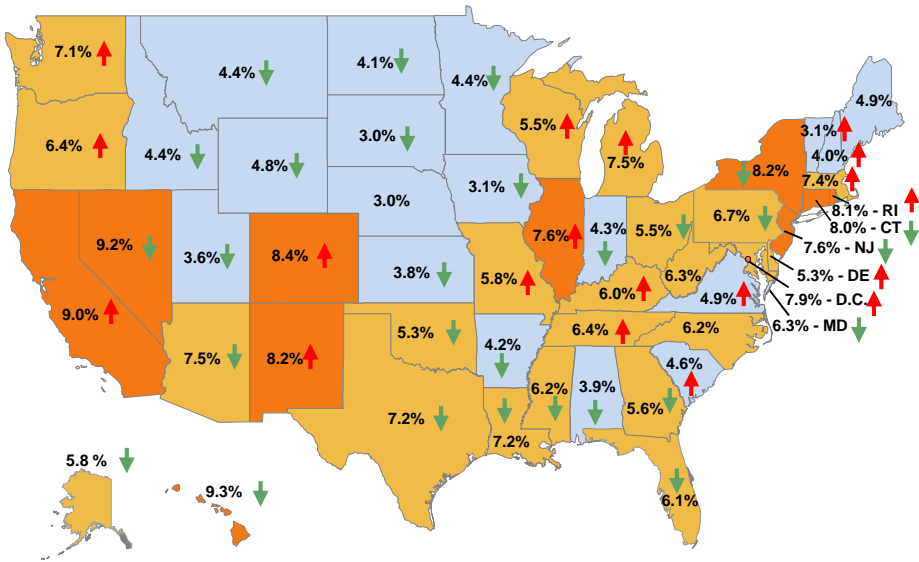
## Quit Rate



Source: BLS as of February 2021 (December represents latest available data).

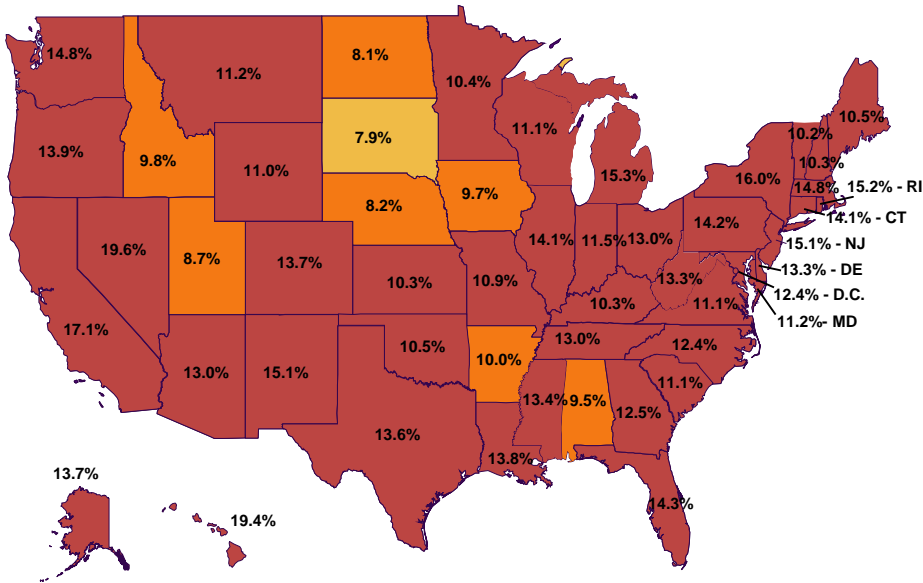
# COVID-19 Shutdown Resulted In A Drastic Increase In Unemployment And Underemployment Across The U.S. , Which Remain Well Above Long-Term Averages

Current U.S. Unemployment Rate: 6.3%(a)(b)



Unemployment Rate		Unemployment Avg.	
Dark Red	> 10.0%	1-Year	8.3%
Orange	7.6% - 10.0%	5-Year	5.0%
Yellow	5.1% - 7.5%	10-Year	6.1%
Light Blue	0.0% - 5.0%	20-Year	6.1%
		40-Year	6.2%

Current U.S. Underemployment Rate: 11.1%(c)

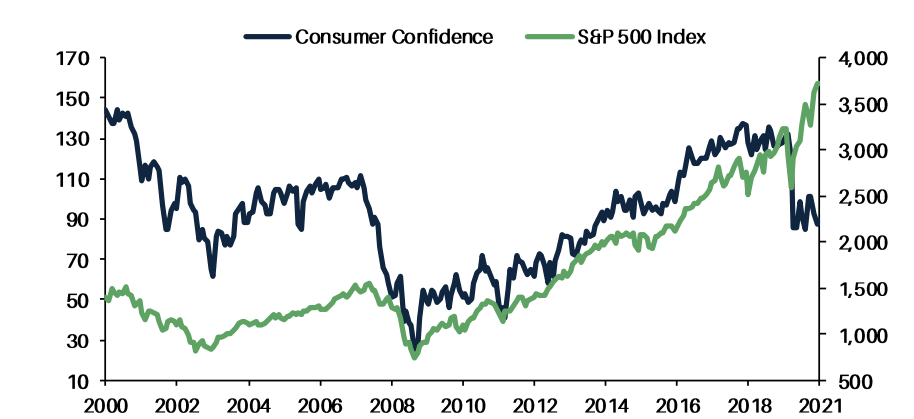


Underemployment Rate		Underemployment Avg.	
Dark Red	> 10.0%	1-Year	14.0%
Orange	8.1% - 10.0%	3-Year	9.6%
Yellow	6.1% - 8.0%	5-Year	9.4%
Light Blue	0.0% - 6.0%	10-Year	11.3%
		20-Year	11.0%

Source: BLS as of February (January represents latest available state by state data).  
a) Includes unemployed workers who are actively looking for work, involuntarily part-time workers and marginally attached workers (those who desire and are available for a job but are not actively looking).  
b) National unemployment rate (U-3) reflects January 2020; state unemployment rates reflect December 2020 (the latest available data); arrows demonstrate decreases (green) and increases (red) in a state's unemployment rate over the prior month.  
c) National underemployment rate (U-6) reflects January 2020; state underemployment rates reflect 12-month average for period ending Q4 2020, the latest available data. State underemployment figures are updated quarterly.

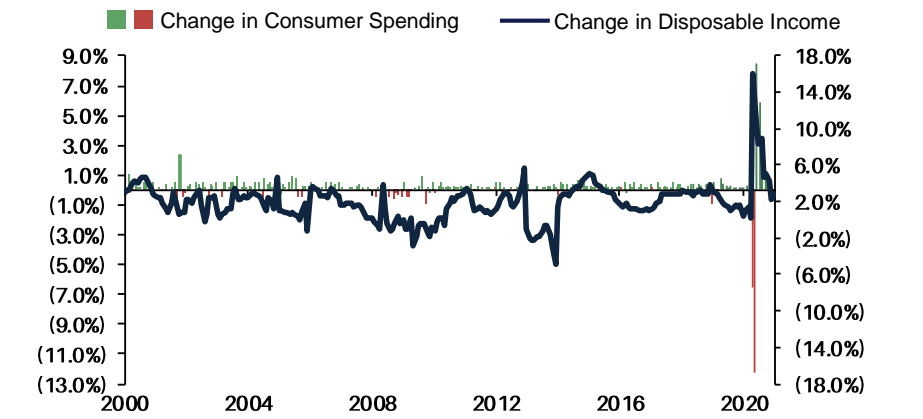
# After A Temporary Rebound, Consumer Confidence And Spending Declined Slightly, As Disposable Income Remains Pressured And The Savings Rate Continues To Be Elevated

## Consumer Confidence and S&P 500



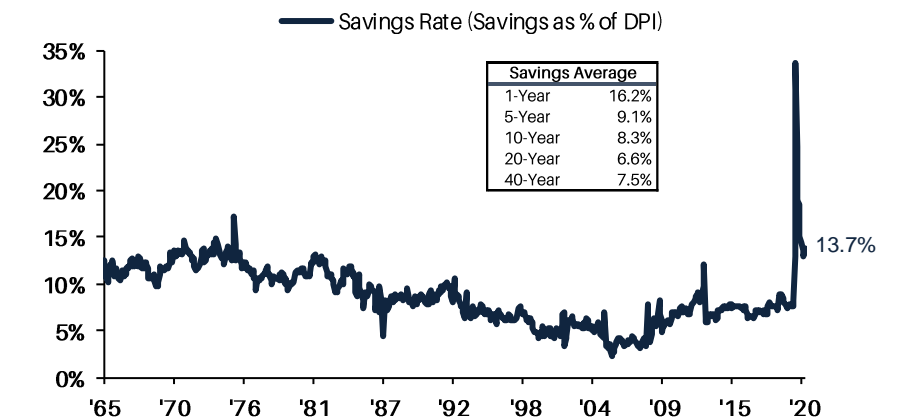
Source: Conference Board Consumer Confidence Index as of February 2021 (January represents the latest available data).

## U.S. Real Consumer Spending and Disposable Income



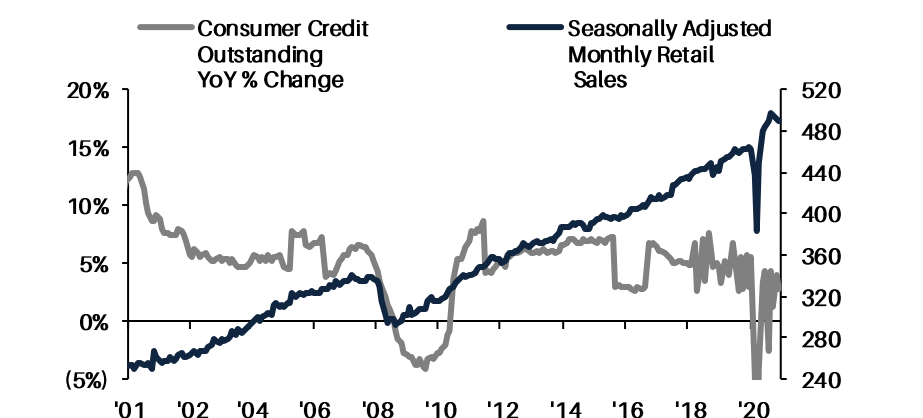
Source: BEA as of February 2021 (December represents latest available data).

## Savings Rate



Source: Federal Reserve Bank of St. Louis as of February 2021 (December represents the latest available data). DPI is Disposable Personal Income.

## Consumer Credit and Retail Sales

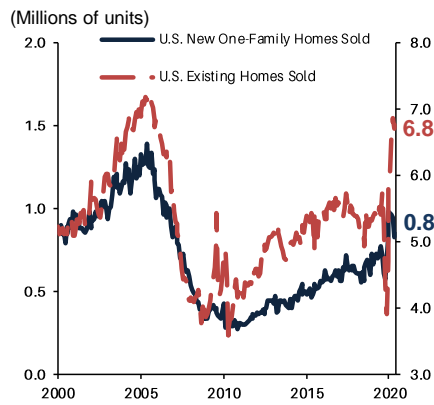


Source: Federal Reserve Board (Consumer Credit) and Census (Retail Sales) as of February 2021 (December represents the latest available data for Retail Sales and Consumer Credit).



# Homebuilder Confidence, Mortgage Applications And Housing Starts Have Rebounded Significantly Since April, As Mortgage Rates Remain Historically Low

## Home Sales



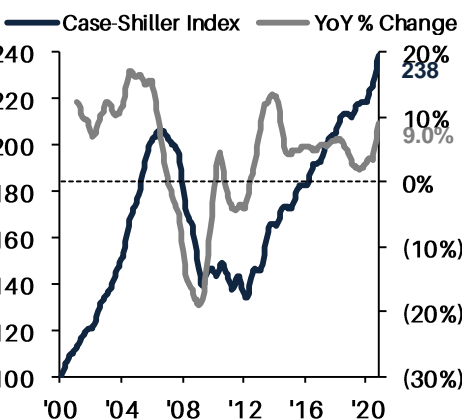
Source: U.S. Department of Commerce; Bureau of The Census Construction Reports as of February 2021 (December represents latest available data).

## Homebuilder Confidence



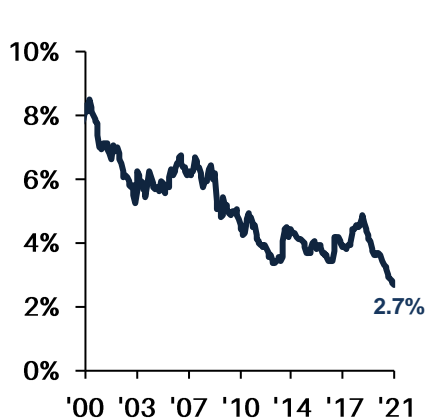
Source: National Association of Home Builders as of February 2021 (January represents latest available data)..

## Home Prices



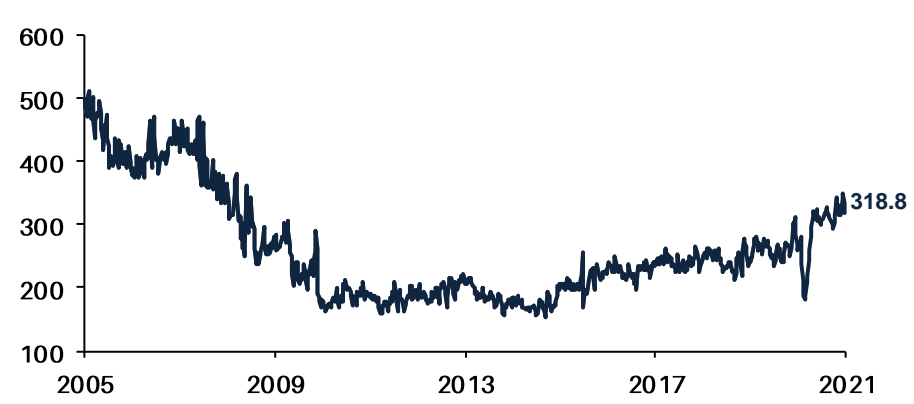
Source: S&P / Case-Shiller Composite-20 Home Price Index as of February 2021 (November represents latest available data).

## 30-Yr Fixed Rate



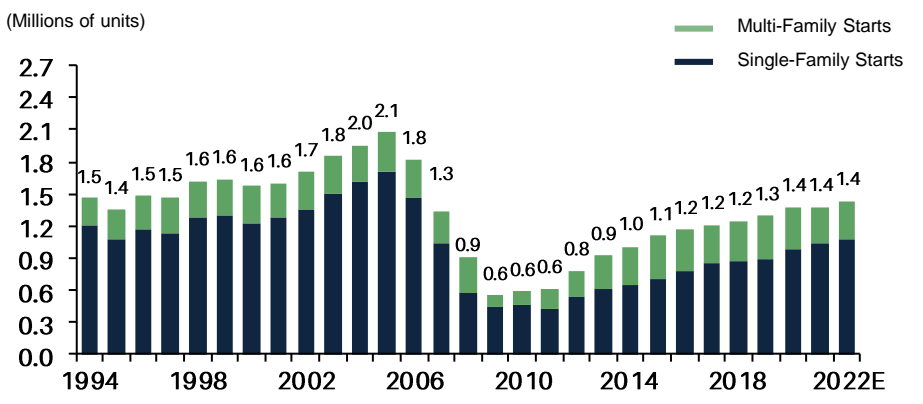
Source: Freddie Mac as of February 2021 (January represents latest available data).

## Mortgage Applications



Source: Mortgage Bankers Association as of February 2021.

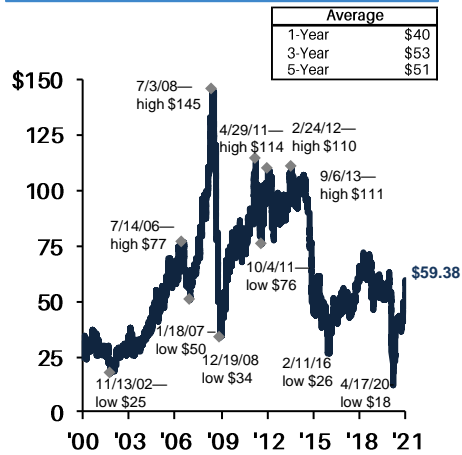
## Housing Starts



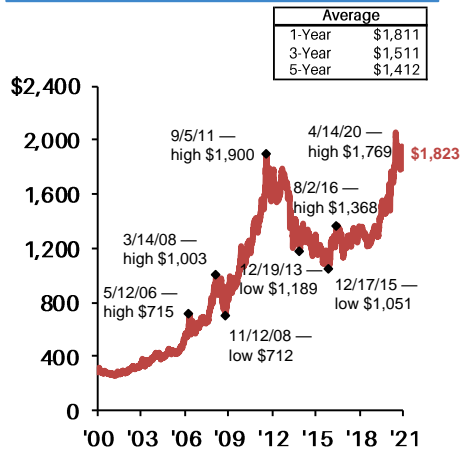
Source: National Association of Home Builders (Housing Starts) as of February 2021.

# Oil Prices Have Begun To Rebound After Being Pushed To Historic Lows; Gold Remains Elevated As Investors Flock To Safe Havens

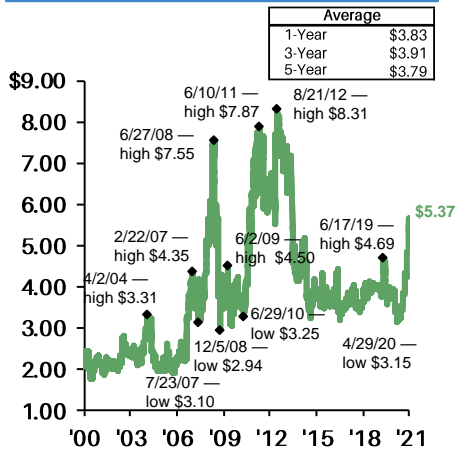
**NYMEX Crude Oil Price (\$/Barrel)**



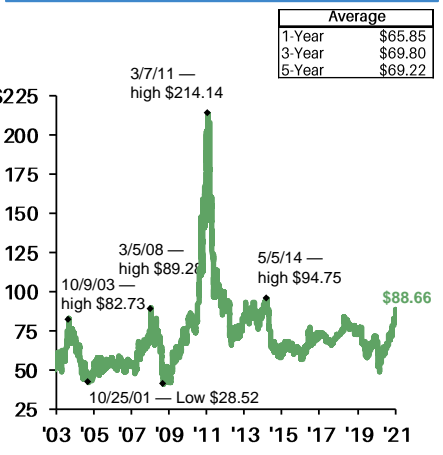
**Gold (\$/Troy Oz.)**



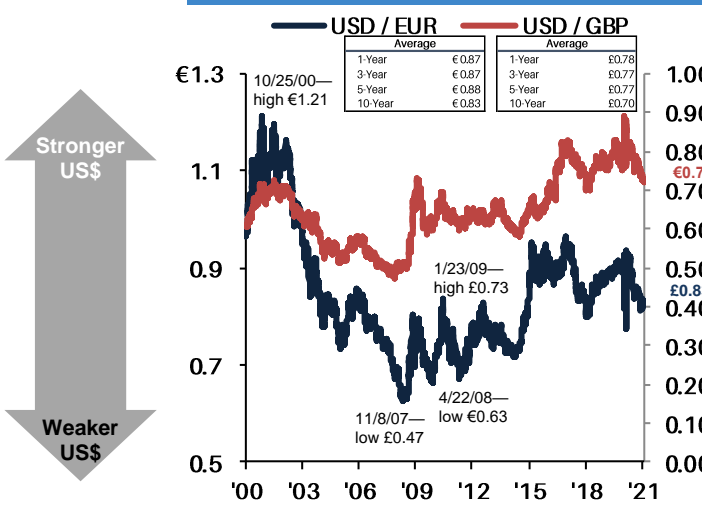
**Corn (\$/Bushel)**



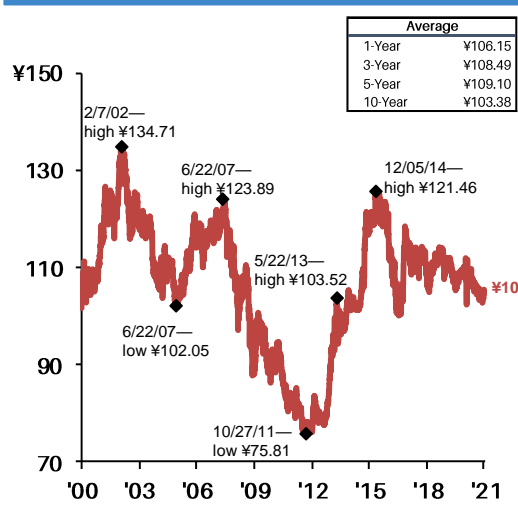
**Cotton (\$/Bushel)**



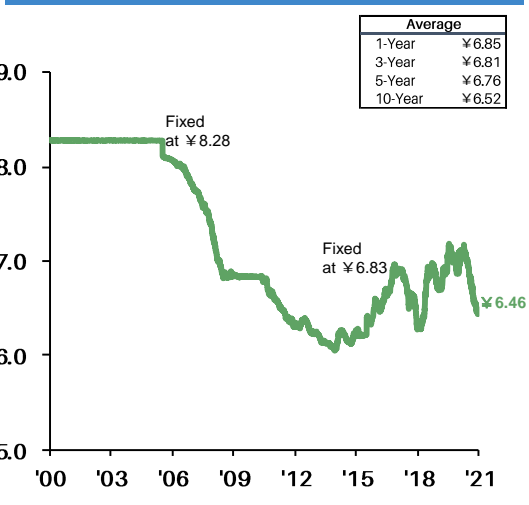
**USD / EUR & USD / GBP**



**USD / JPY**



**USD / CNY**



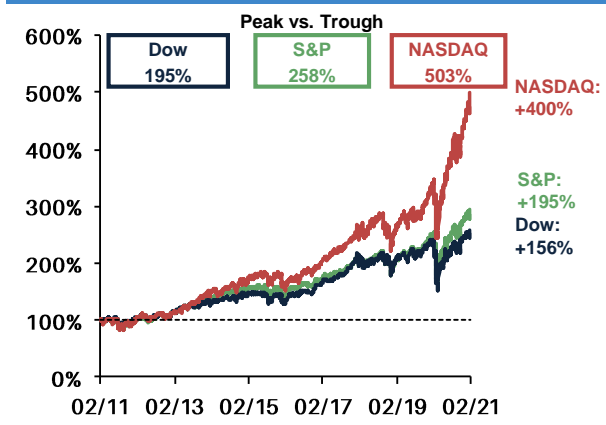
# Financial and M&A Markets Update

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# Markets Continue To Rally As Volatility Declines and Vaccine Rollout Continues, Notwithstanding Meaningful Challenges Across The Country

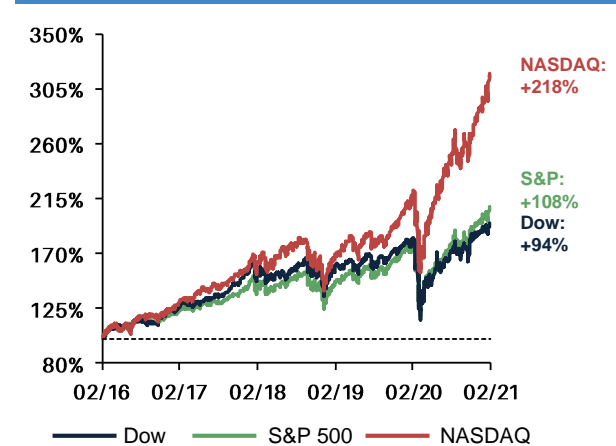
## Equity Market Performance

### 10 Year



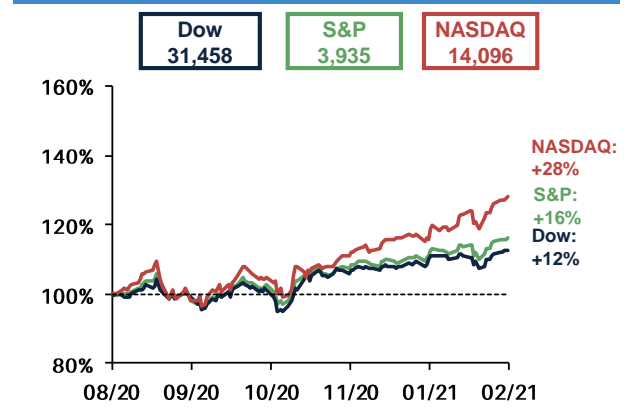
Source: Capital IQ as of February 2021.

### 5 Year



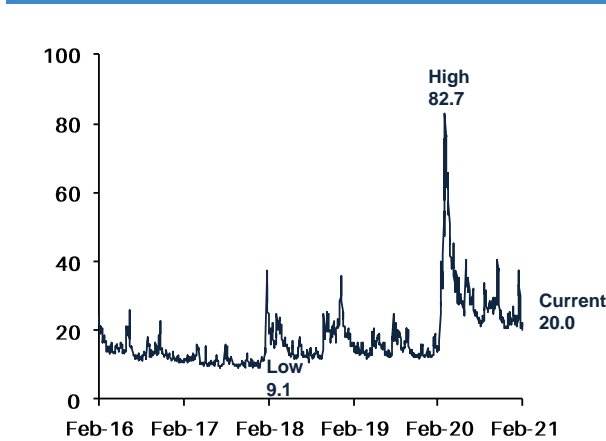
Source: Capital IQ as of February 2021.

### 6 Months



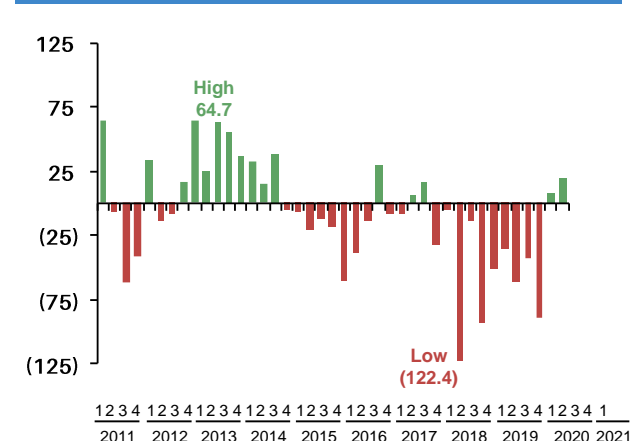
Source: Capital IQ as of February 2021.

## VIX S&P Volatility Index



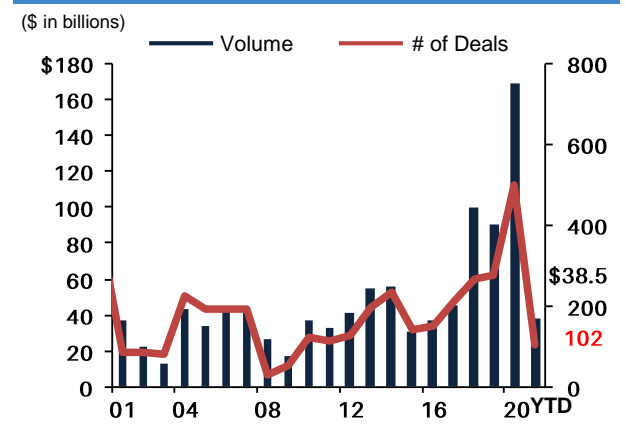
Source: Capital IQ as of February 2021.  
Represents CBOE Volatility S&P 500 Index.

## Equity Mutual Fund Flows



Source: Lipper US Fund Flows as of February 2021.

## IPO Volume and # of Deals



Source: Capital IQ as of February 2021.

# BBB All-In Yields Have Decreased Since March And Remain At Recent Lows Amid Extremely Tight Treasury Rates, Which Have Been Increasing

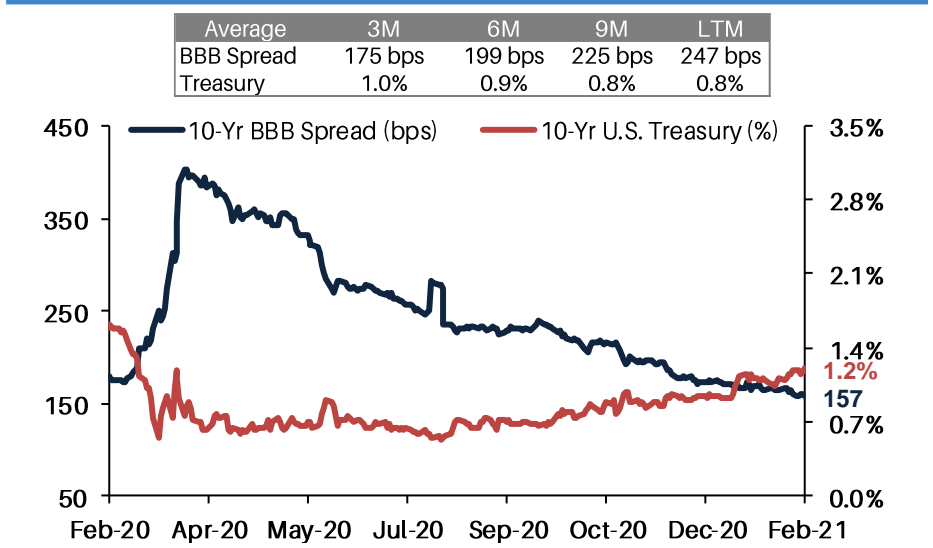
## 10-Year BBB Spread Over Treasuries (15 Years)



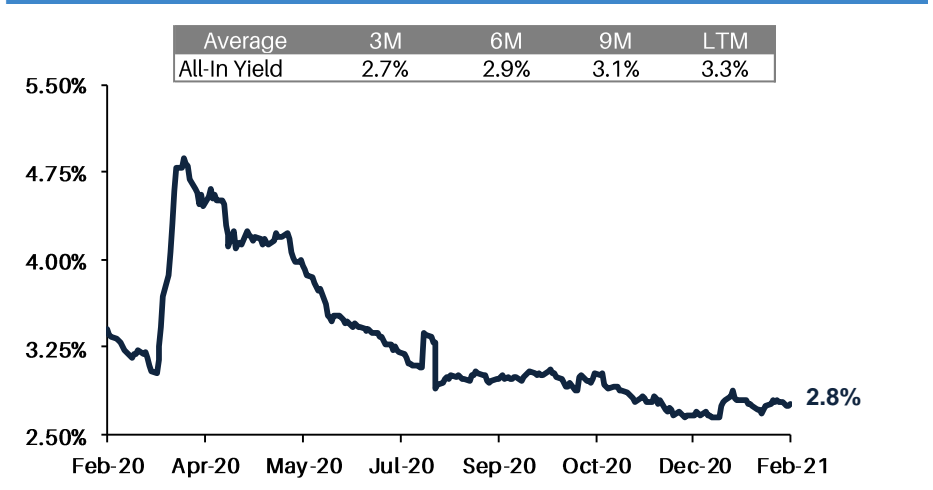
## 10-Year BBB All-In Yield (15 Years)



## 10-Year BBB Spread Over Treasuries (LTM)



## 10-Year BBB All-In Yield (LTM)



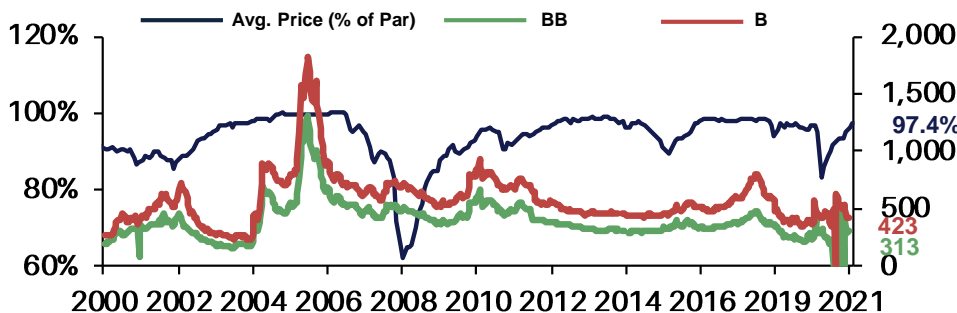
Source: Capital IQ as of February 2021.



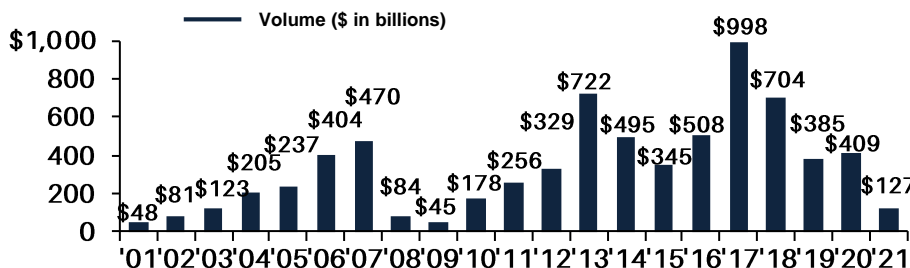
# Leveraged Loan Prices Have Rebounded Since Mid-April; High Yield Inflows and Issuance Have Remained Resilient Given Fed Support, Notwithstanding Default Increases

## Leveraged Loan Update

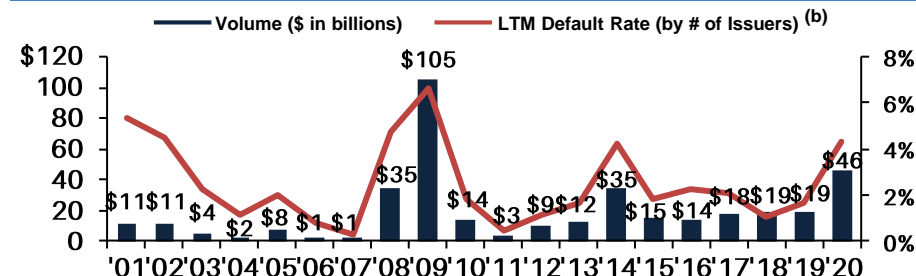
Leveraged Loan Average Price and BB and B Spreads<sup>(a)</sup>



Institutional Leveraged Loan New-Issue Activity (Inflation Adjusted)



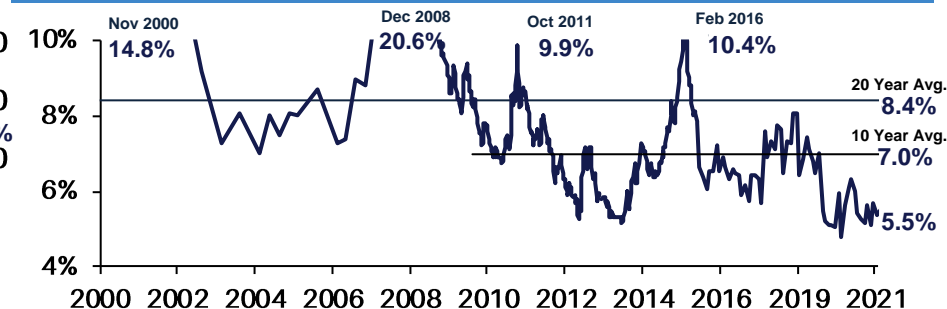
Leveraged Loan Defaults (Inflation Adjusted)



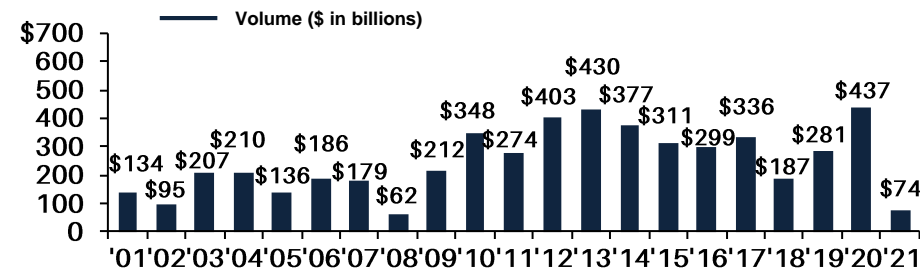
Source: Wall Street research and market indices as of February 2021.  
 Note: Inflation adjusted volume numbers are adjusted to the CPI-U Index.  
 a) BB and B data represent spreads to worst over comparable treasuries.  
 b) Represents par-weighted default rates.

## High-Yield Bond Update

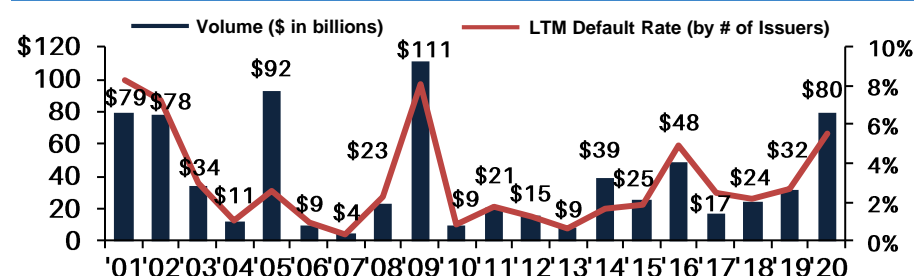
Average High-Yield Bond Yields



High-Yield Bond New-Issue Activity (Inflation Adjusted)

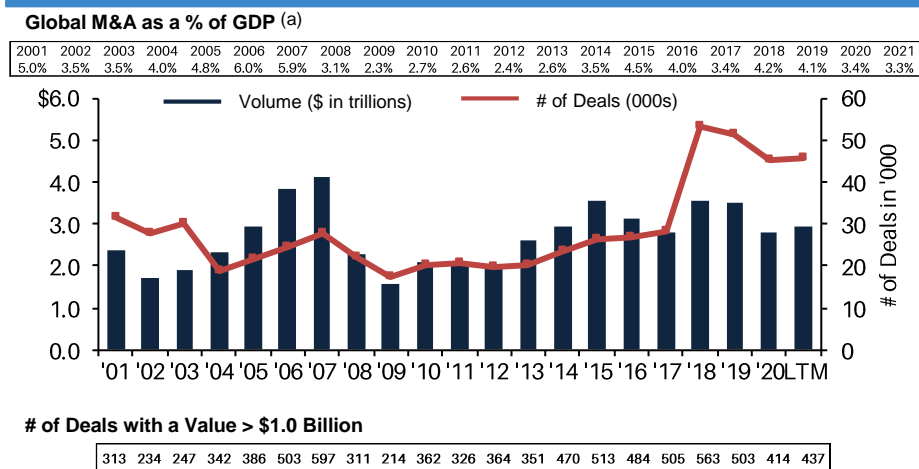


High-Yield Bond Defaults (Inflation Adjusted)

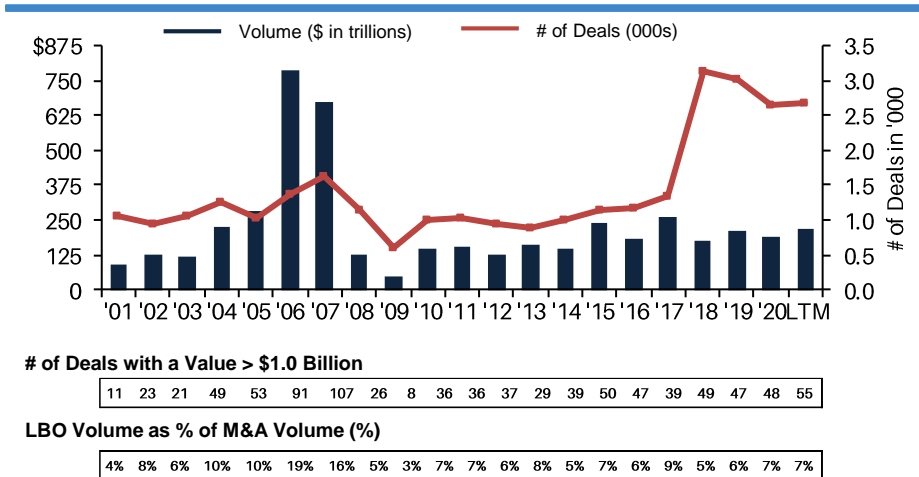


# M&A Activity Continues, Particularly In The Grocery Sector; However, The Pace In Many Other Industries Has Slowed Amid Operating Challenges

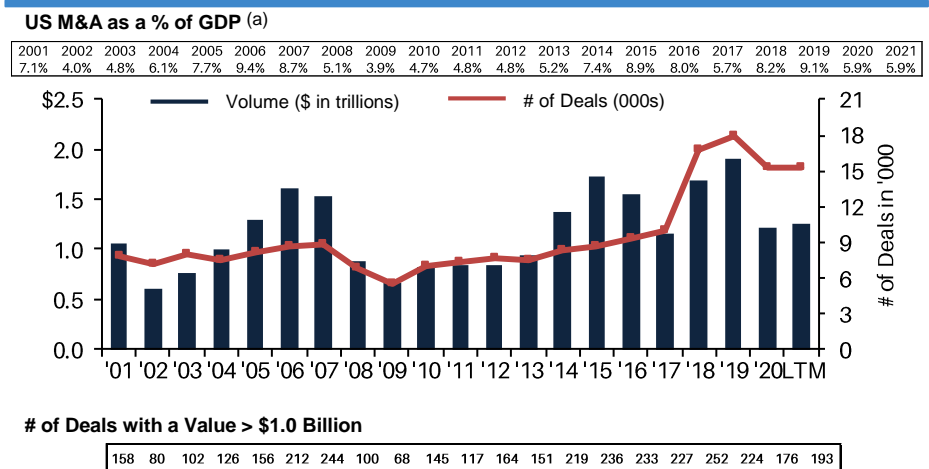
## Global Announced M&A Volume (Inflation Adjusted)



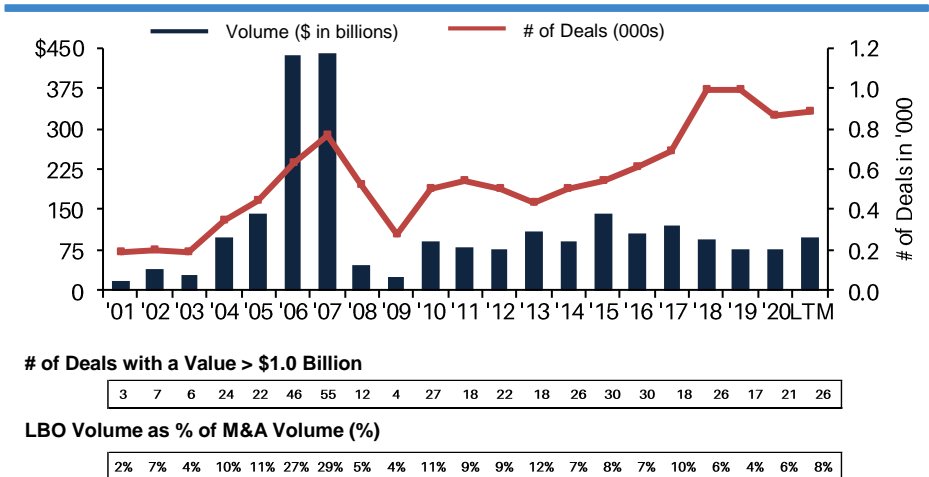
## Global Announced LBO Volume (Inflation Adjusted)



## U.S. Announced M&A Volume (Inflation Adjusted)



## U.S. Announced LBO Volume (Inflation Adjusted)



Source: Capital IQ as of February 2021.  
Note: Inflation adjusted volume numbers are adjusted to the CPI-U Index.  
a) Global and U.S. GDP figures at current prices per the International Monetary Fund.

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