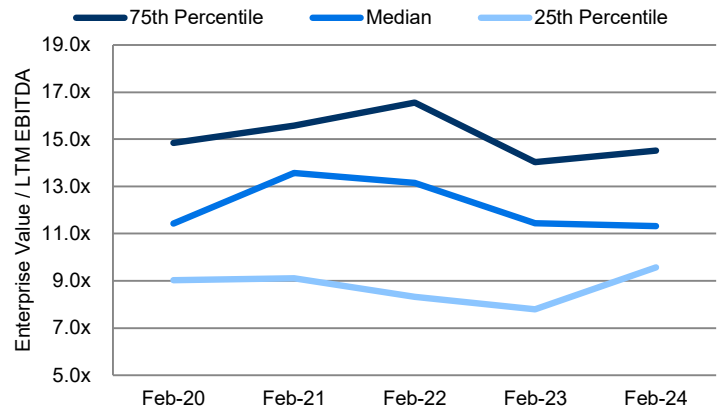


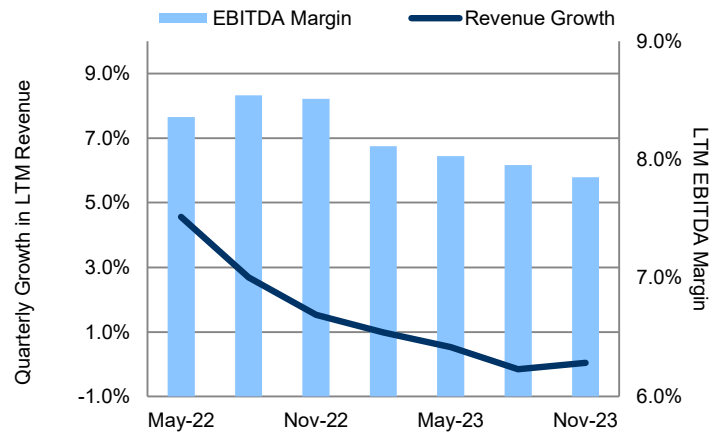
M&A Activity

- Putting 2023's slow second half in the rear-view, early indicators for 2024 deal activity are somewhat positive, particularly in the US market. Inflation is easing and rate cuts are expected, which offers some potential relief to the broader deal environment. M&A activity is expected to increase in 2024, broadly speaking, with motivating factors such as industry consolidation, digital transformation, AI, and private debt financing. Regulatory environments are seen as being the main obstacle, particularly in advanced economies, with antitrust figuring prominently as well as consideration for ESG compliance.
- On January 9, 2024, McKesson, a leading provider of pharmaceuticals, medical supplies, laboratory solutions and health information products and services, completed its acquisition of Compile, Inc., a healthcare data platform that aggregates and integrates data from across the US healthcare system to characterize providers and their patient panels.
- On December 20, 2023, Henry Schein, Inc., a healthcare solutions provider, announced it signed an agreement to acquire a major interest in Santa Clarita-based TriMed, Inc., a developer of solutions for the orthopedic treatment of lower extremities and upper extremities.

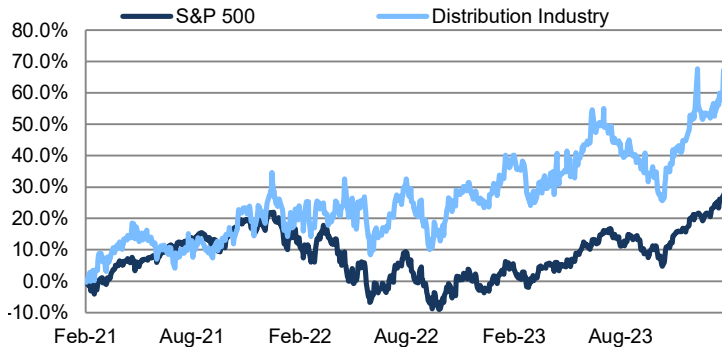
Trend in Industry EBITDA Multiples¹



Trends in Revenue Growth and EBITDA Margins²



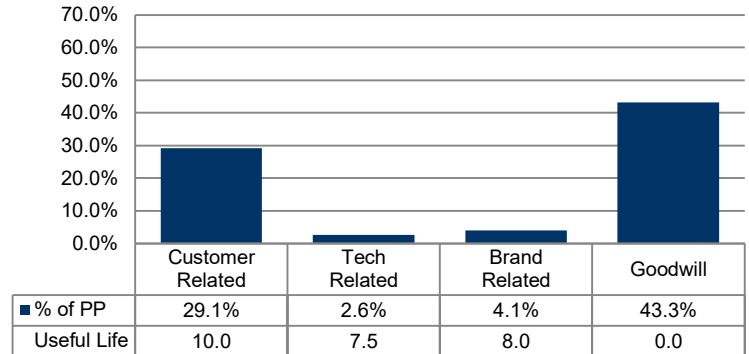
Relative Stock Price Returns¹



¹ Distributor Industry is a custom, equal-weighted index constructed with the aforementioned companies.

² Calculated using aggregated data for ARW, AVT, ABC, SITE, FAST, BECN, CAH, CDW, CHEF, CORE, GPC, GWW, HDS, HSIC, LKQ, MCK, MSM, PFGE, SY, TECD, UNFI, UNVR, USFD, WCC, WSO.

Purchase Price Allocation (PPA) % from Recent Transactions



Notable M&A Deals



On January 31, 2024, Cardinal Health announced that it entered into a definitive agreement to acquire Specialty Networks, a technology-enabled multi-specialty group purchasing and practice enhancement organization for \$1.2 billion in cash. Specialty Networks creates clinical and economic value for independent specialty providers and partners across multiple specialty GPOs.



On January 22, 2024, MSC INDUSTRIAL SUPPLY CO., a premier distributor of Metalworking and Maintenance, Repair, and Operations (MRO) products and services to industrial customers throughout North America, announced that it acquired KAR Industrial Inc., a metalworking distributor supplying measuring and cutting tools and other manufacturing related supplies across Canada's industrial landscape.



On December 1, 2023, US Foods Holding Corp. completed the acquisition of Fresno-based Saladino's, Inc., a distributor of food products for restaurants in California, Arizona, Nevada, and Oregon. It distributes beverages, cheeses, dairy products, fresh produce, groceries, meat, meat commodities, seafood, disposables, janitorial/linen, smallwares, office supplies, and safety/first aid products.