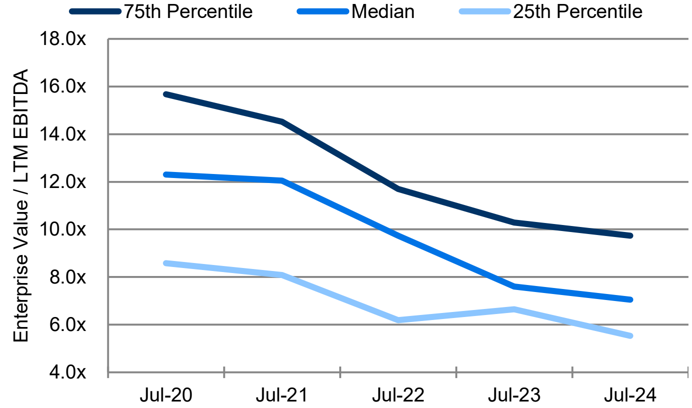
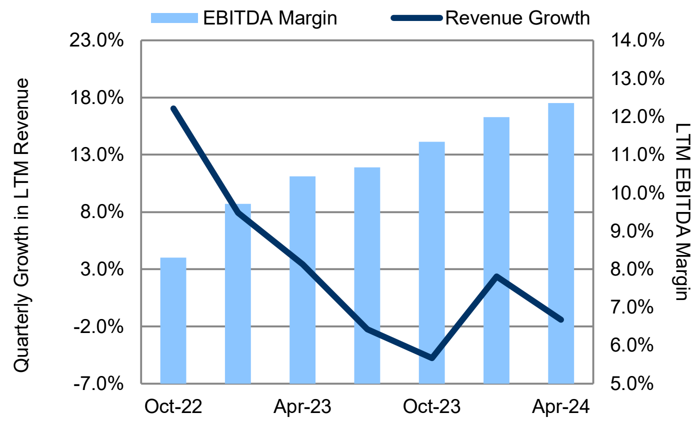
## M&A Activity

- Over the previous few years M&A activity has been highly volatile. After a strong run, the deal environment came to a standstill in 2020 due to the pandemic. M&A activity spiked in 2021 due to government relief and pent-up investor demand, and then slowed again in 2022 and 2023 as financing costs crept up, geopolitical tensions rose, and growth in some sectors waned. After consecutive years of overall decline, M&A seems poised for a strong 2024 with near double-digit growth expected for North America in the second half of 2024 when compared to the first half of the year. At least one interest rate cut is expected this fall which along with low unemployment, strong consumer spending, and rising investment activity should provide a strong deal environment for the remainder of 2024.

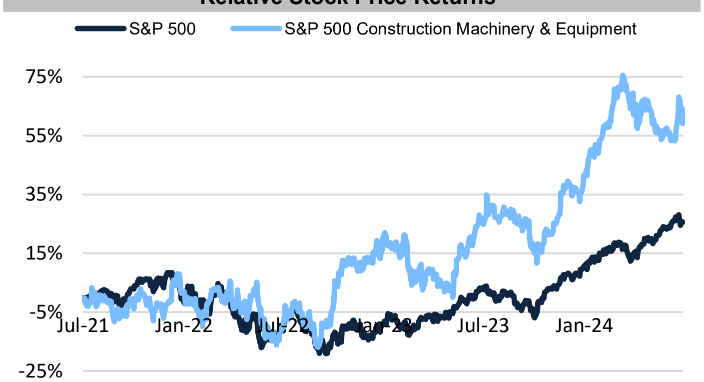
## Trend in Industry EBITDA Multiples[1]



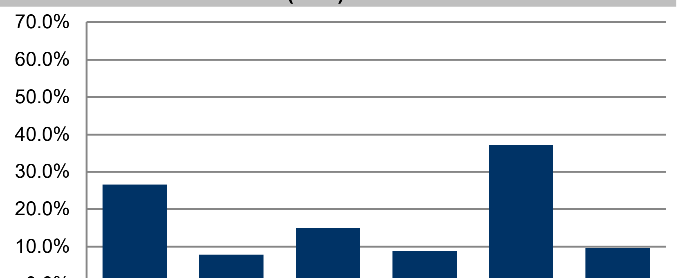

## Trends in Revenue Growth and EBITDA Margins[1]




## Relative Stock Price Returns[2]




## Purchase Price Allocation (PPA) % from Recent Transactions




| | Customer Related | Other | Tech Related | Brand Related | Goodwill | Non-Compete |
|---|---|---|---|---|---|---|
| % of PP | 26.6% | 7.9% | 15.0% | 8.9% | 37.1% | 9.6% |
| Useful Life | 10.5 | 0.0 | 9.3 | 14.0 | 0.0 | 5.0 |

[1] Calculated using aggregated data for MTW, CAT, OSK, TEX, MNTX, PCAR, CMI, NAV, REVG, MTU, ATCO, Tadano, Kato, PAL.
[2] Construction Machinery & Heavy Trucks Industry is a custom, equal-weighted index constructed with the aforementioned companies.

## Notable M&A Deals

OSHKOSH™ | Ausacorp

On May 8, 2024, Oshkosh Corporation, a leading innovator of purpose-built vehicles and equipment, announced it entered into a definitive agreement to acquire AUSACORP S.L., a privately held international company and manufacturer of wheeled dumpers, rough terrain forklifts and telehandlers for the construction, material handling, agriculture, landscape and specialty equipment industries for approximately $124 million.

REV Vehicles for life

On April 30, 2024, REV Group, Inc., which designs, manufactures, and distributes specialty vehicles, and related aftermarket parts and services, sold the operating assets of the Fire Regional Technical Center in Florida. This transaction represented the sale of the company's last remaining owned fire dealership. The business has now transitioned to a fully independent dealership distribution model.

Atlas Copco

Throughout the spring of 2024 Atlas Copco, a leading provider of industrial machinery, supplies and components, completed 6 acquisitions. These included compressed air companies Baraghini, Tecturbo, Druckluft-Technik-Nord, and Pacific Sales & Service, distributor Delta-Temp and the vacuum related assets and brand of Montajes Electromecánicos.