



Piper Sandler Heavy Duty & Commercial Vehicle Report

An Overview of M&A, Public Equity and Industry Trends

Spring 2023



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Foreword

Welcome to the inaugural Piper Sandler Heavy Duty & Commercial Vehicle Report, an overview of M&A trends, public market indicators, industry developments and market data relevant to the heavy duty & commercial vehicle landscape (referred to colloquially as the “heavy duty” market). Please do not hesitate to reach out to our team with questions about this report or its source information.

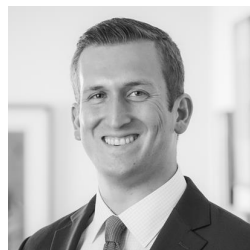
Piper Sandler Heavy Duty & Commercial Vehicle Investment Banking

**Treavor Hill**

Managing Director
Vehicle Aftermarket
Treavor.Hill@psc.com
C: 617 230-2724

**Jim Reilly**

Managing Director
Vehicle Aftermarket
James.Reilly@psc.com
C: 612 271-2850

**Ari Lowell**

Vice President
Vehicle Aftermarket
Ari.Lowell@psc.com
C: 612 849-6357

**Brad Kaplita**

Vice President
Vehicle Aftermarket
Brad.Kaplita@psc.com
C: 612 463-2701

About Our Team

The Piper Sandler heavy duty & commercial vehicle team uniquely specializes in end-to-end coverage of the entire aftermarket value chain; including dealerships & dealer service, parts suppliers, distributors, e-commerce and service providers.

We offer a comprehensive suite of investment banking products and financial advisory services including M&A, debt capital markets, equity private placements and restructuring, and take pride in featuring high touch and senior led execution on every engagement.

MacKay & Company — Market Research for the Commercial Trucking, Construction and Agricultural Machinery Verticals

About MacKay & Company

MacKay & Company is the preeminent source of market research and consulting services for the commercial trucking, construction and agricultural equipment industries.

The firm's decades long history centers on delivering market analysis of components, distribution channels and market trends for both original equipment and the aftermarket across these respective markets.

**John Blodgett**

Vice President
Sales and Marketing
John.Blodgett@mackayco.com

**Molly MacKay Zacker**

Vice President
Operations
Molly.Zacker@mackayco.com

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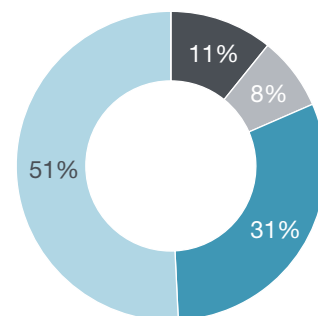
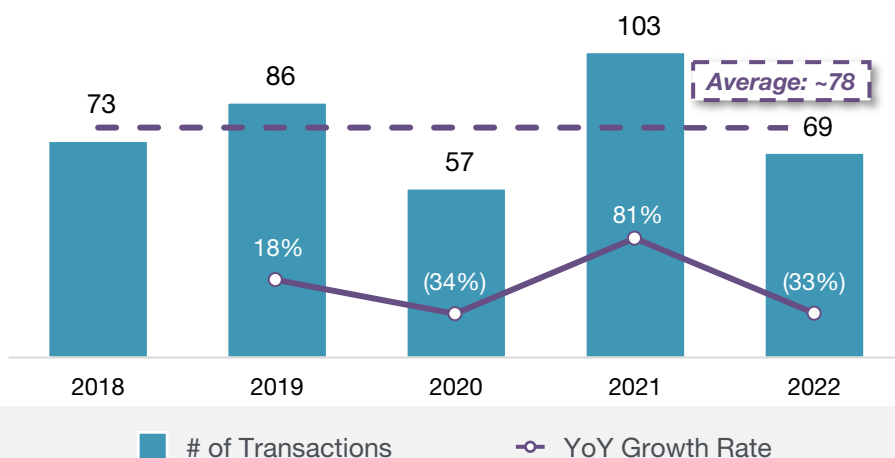
I. M&A Trends From 2018 to 2022

- Since 2018, there have been ~390 M&A transactions involving heavy duty targets and acquirers. Transaction volume has largely moved in-line with the broader M&A market — with a record number of transactions in 2021, followed by a return to historical levels in 2022
- Of transactions with disclosed values, ~89% had valuations (measured in enterprise value, “EV”) under \$1B, with a majority (~51%) below \$100M
 - Of the transactions analyzed in this report, ~17% had publicly disclosed values
- The mix of buyer by type has been relatively consistent throughout, with private acquirers (inclusive of private equity-owned portfolio companies) driving ~76% of M&A volume during the period
 - Notably, the sector has consistently garnered institutional interest — new platforms account for ~11% (~44 transactions) of all activity over the last five years

In Aggregate: 2018 – 2022 M&A

(Number of Transactions)

Percent of Total Transactions by Value¹: 2018 – 2022



Transactions by Buyer Type: 2018 – 2022 M&A

(Number of Transactions)

Percent of Total Transactions by Buyer Type: 2018 – 2022

