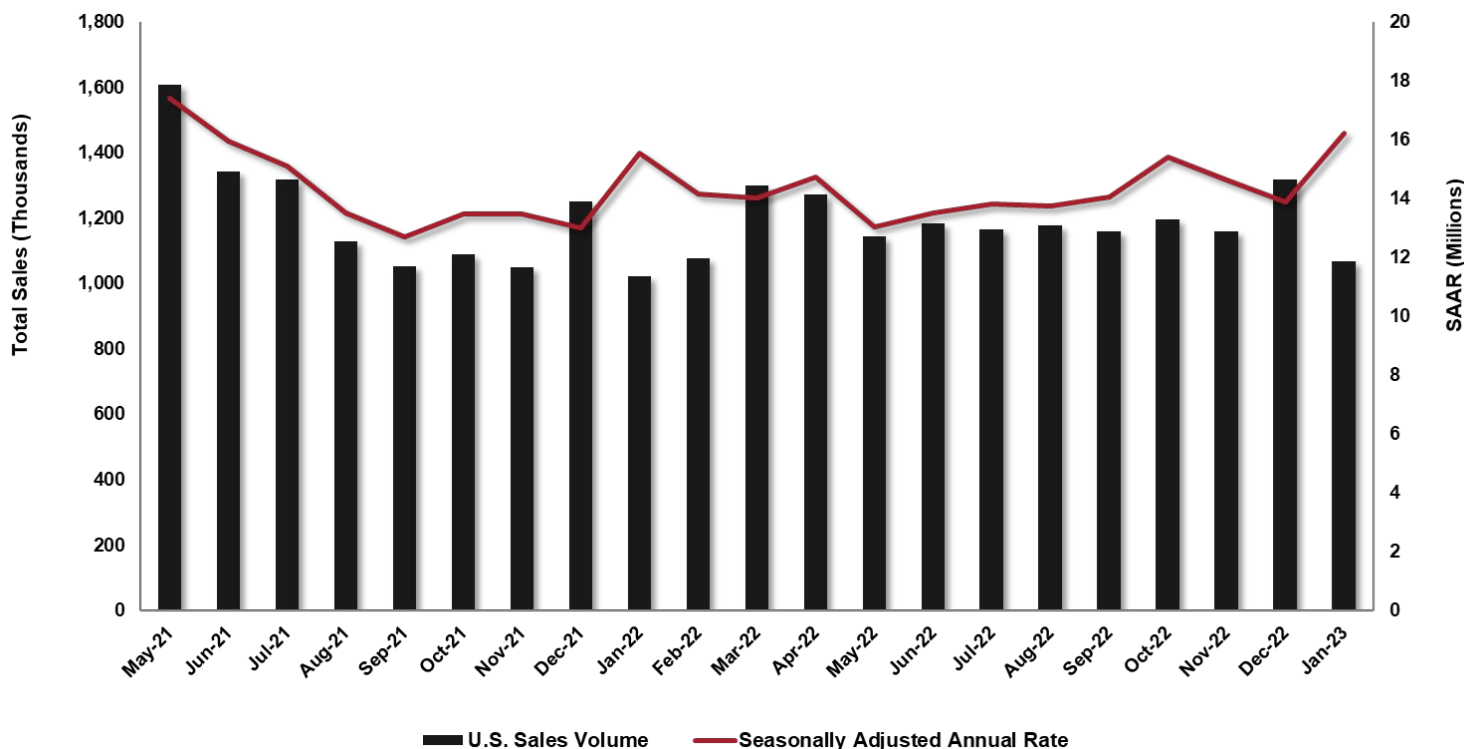


Industry Trends

January - February 23

ACQUISITION

U.S. Sales Volume by Month & SAAR All Manufacturers



All US Sales

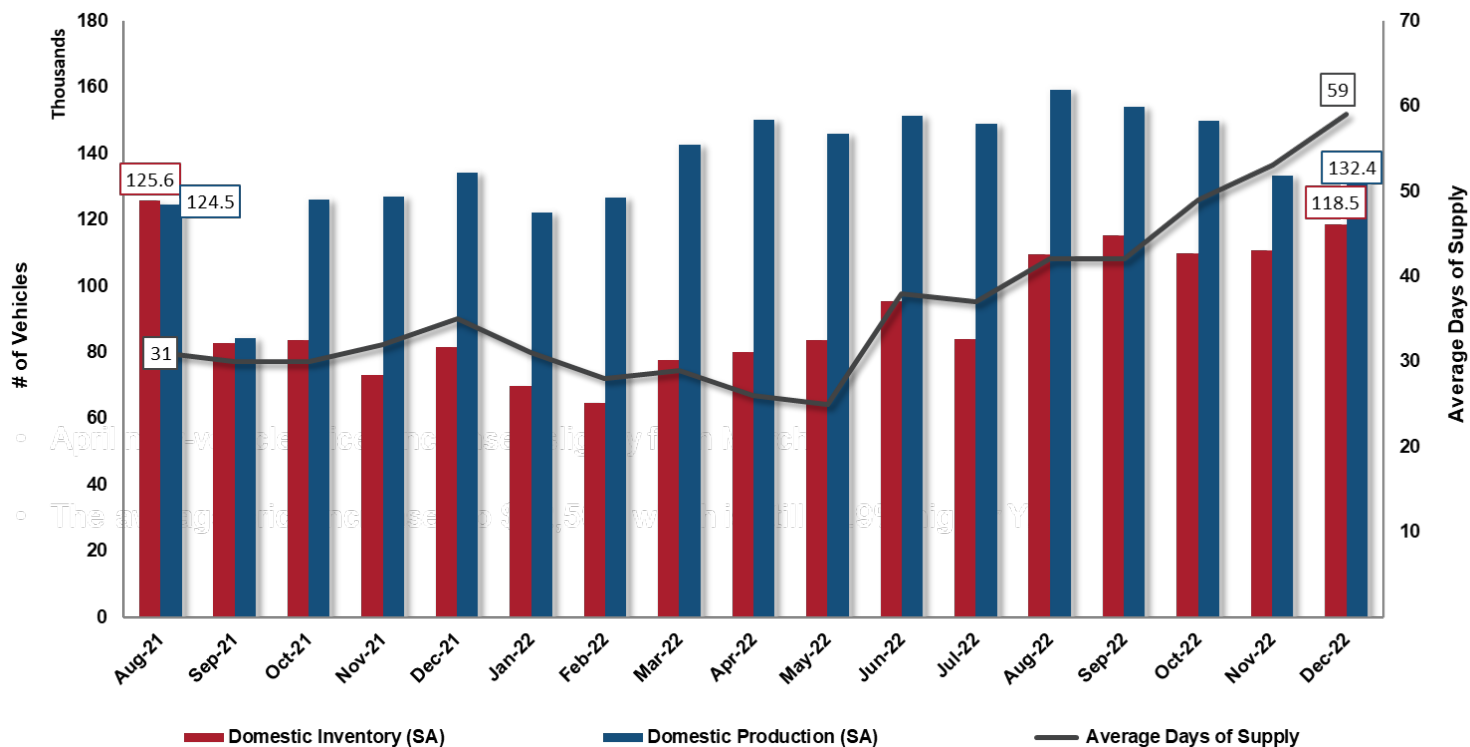
- January's sales increased by 17.7% M/M
- Passenger vehicles sales increased by 2.9% Y/Y, and light truck increased by 4.5% Y/Y
- January's light trucks sales accounted for 80% of all sales

Fleet Sales Only

- In January, 154,379 total fleet units were sold, an 58% Y/Y increase.

ACQUISITION

Dealer Inventory & Days of Supply

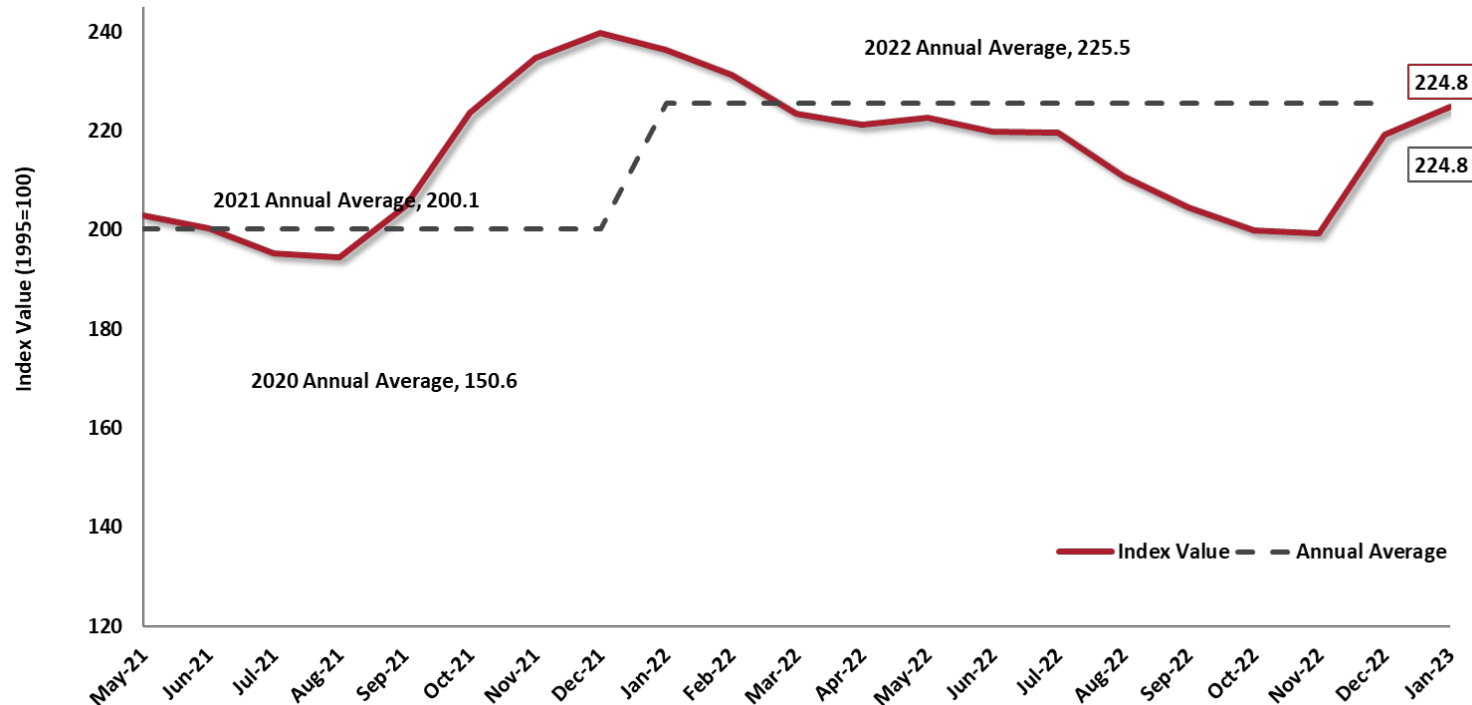


- December new vehicle inventories were at the highest levels since Mar 2021, and Domestic inventory for December is up 45% Y/Y.
- The average dealership days' supply increased to 59 compared with 70 days in December 2020.
- New vehicle production decreased slightly M/M, and Y/Y production dipped 1%

- December's new-vehicle prices increased M/M
- The average price increased to \$49,507 which is 1.9% higher Y/Y

WHOLESALE RESALE MARKET

Manheim Used Vehicle Value Index

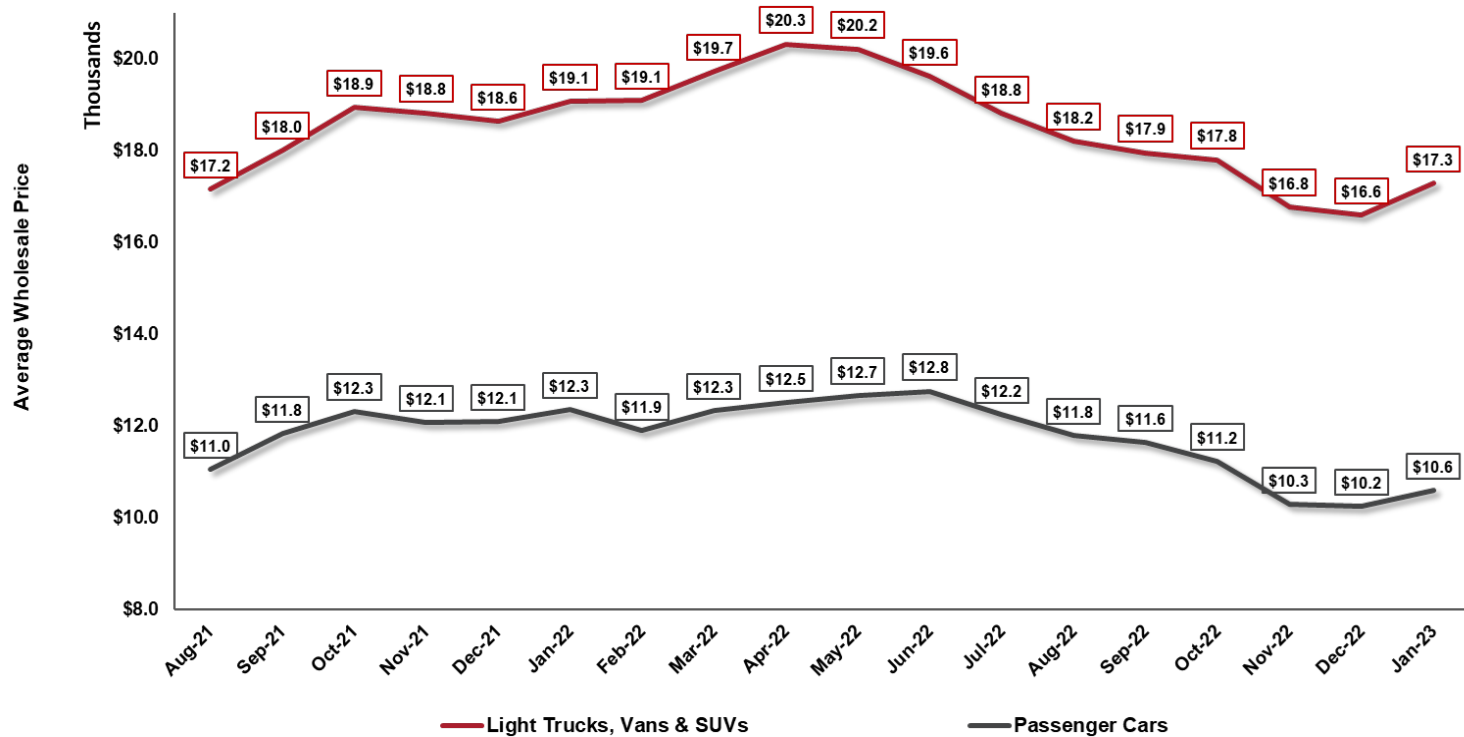


- Wholesale used vehicle prices increased 4.22% M/M in January
- The Manheim Used Vehicle Value Index decreased by 4.9% Y/Y.
- Total volume of used vehicle sales were down for the 13th straight month, 8% Y/Y in Jan.
- 022 ended with an Annual average of 225.5

- All major market segments saw seasonally adjusted price decrease in Jan. Y/Y.
- Smallest decreases were realized by compact cars, vans and pickups, with sedans, SUV's and luxury cars having greater decreases.

WHOLESALE RESALE MARKET

Average Wholesale Price by Segment



- Wholesale prices increased for the first time in 7 months in January up 4.2% M/M.
- Wholesale prices are now down 10% Y/Y
- January wholesale prices are 36.9% above Pre-pandemic prices

- 2021 average prices were up more than 45% above pre-COVID19.

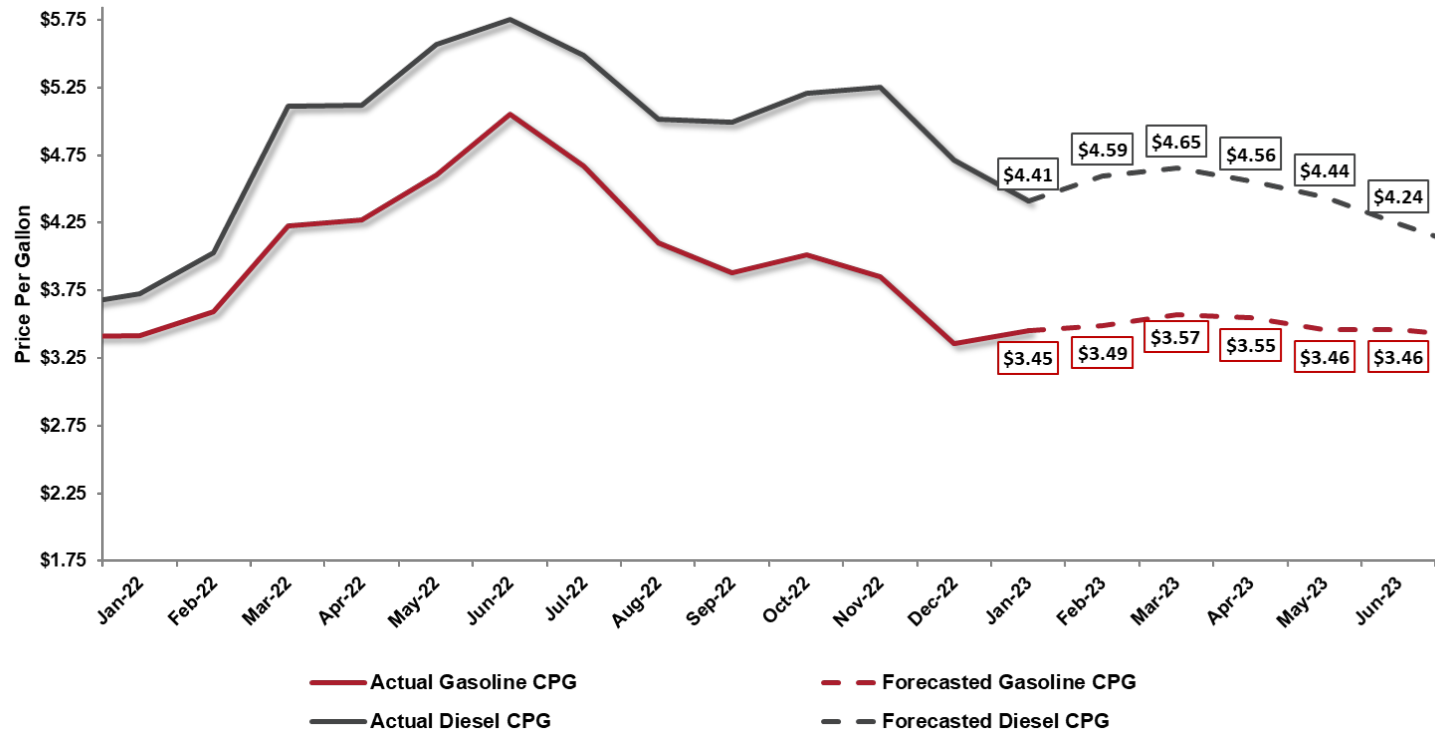
• Recommendation:

Review current inventory for any under utilized vehicles that can be sold, to take advantage of the high market.

Source: ADESA; Kontos Commentary

FUEL

National Average Cost per Gallon Regular Grade & Diesel



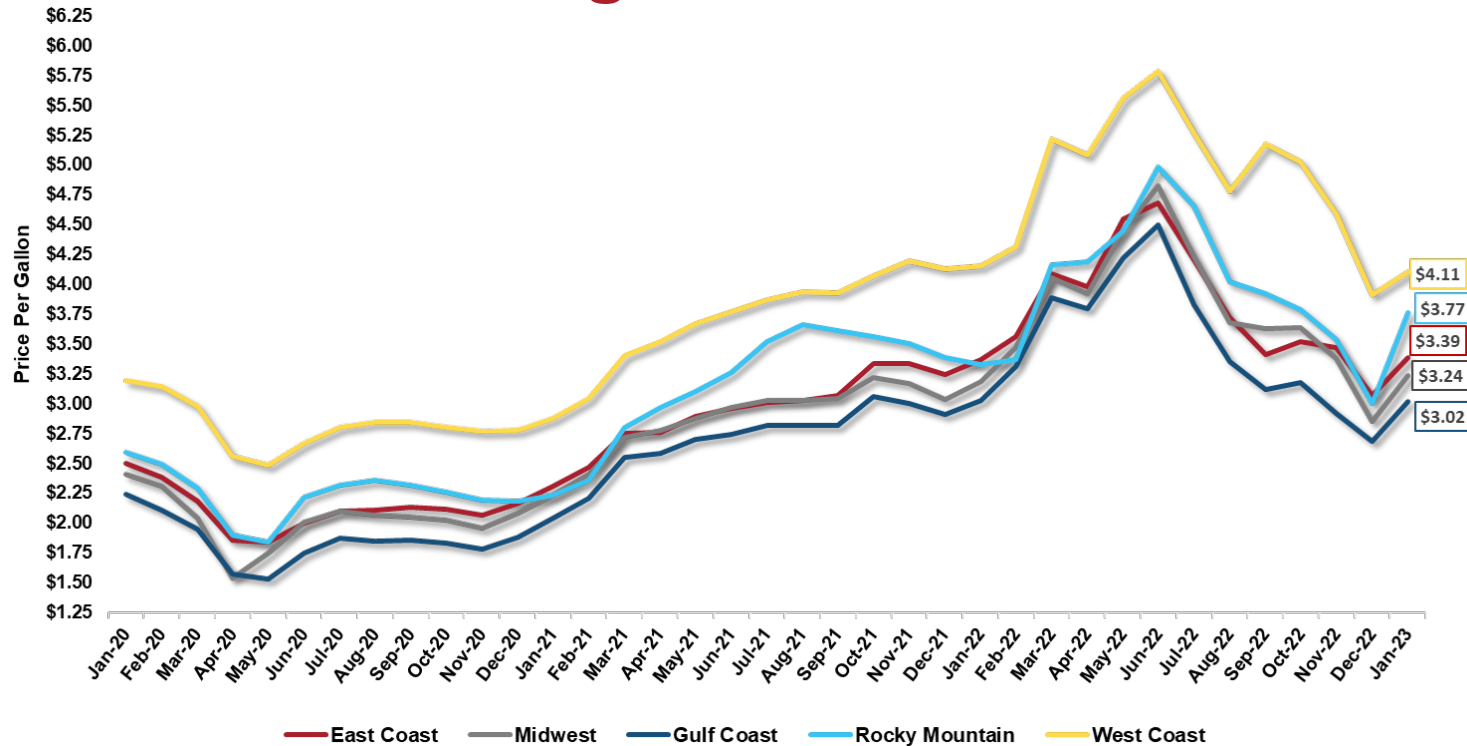
- U.S. regular gasoline prices increased from the previous month and averaged \$3.45/gal. in January
- U.S. diesel retail prices decreased from the previous month and averaged \$4.41/gal

- January was up 2% gasoline and diesel was up 19% Y/Y.
- March forecast for gasoline retail price is \$3.57/gal. and diesel retail price of \$4.65/gal.
- **Recommendation:**
Closely monitor fuel prices for accurate fuel budget forecasting.

Source: U.S. Energy Information Administration; FRED

FUEL

Regional Average Cost per Gallon – Regular Grade



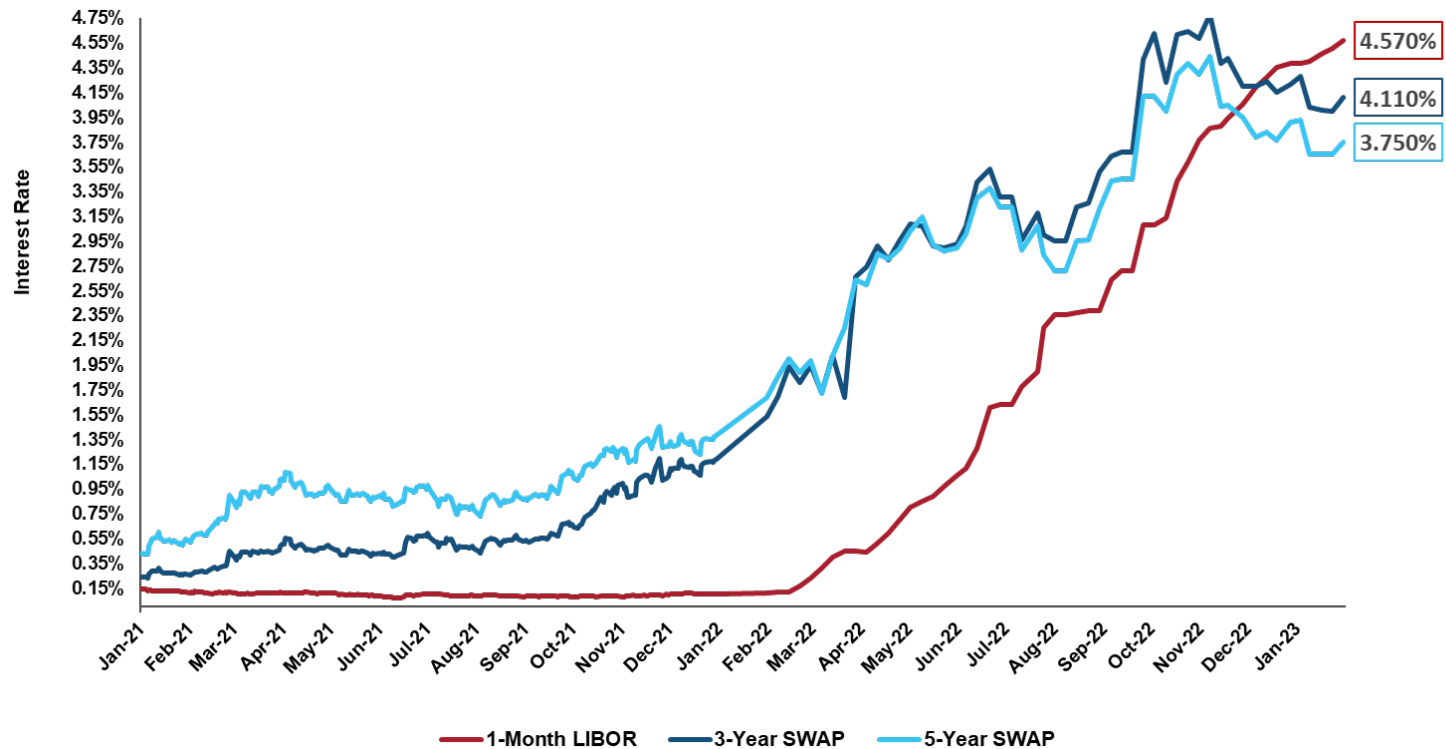
- Fuel prices decreased from the previous month
- Some factors that contribute to regional gas price differences:
 - Distance from supply
 - Transportation costs
 - State and local taxes
 - Retail Competition

Recommendation:

Closely monitor fuel prices for accurate fuel budget forecasting.

INTEREST

Interest Rates



- 1-Month LIBOR rate is currently at 4.570% and this is the 12th month in a row that it is above 0.20% since June 2020.
- The 5-Year SWAP rate decreased and is currently 3.750%.

- All rates are expected to increase through at least the first portion of 2023.