



AUTOMOTIVE *IQ*

AmherstPartners

EXPERIENCE | SOLUTIONS | RESULTS

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Industry-Specific Overview of Recent M&A and Capital Markets Activity

APRIL 2025

Recent Market Observations

Automotive Industry Update | April 2025

The U.S. automotive sector was characterized by generally positive momentum as 2024 unfolded, with light vehicle sales reaching 15.9 million for the year, up from 15.5 million in 2023 and the highest level since 2019. Easing inflation and interest rate cuts resulted in improved new vehicle affordability, while rising inventory levels fueled competition among dealerships and pushed incentives from 6.0% of average transaction prices in March 2024 to 7.1% a year later. Given these generally positive trends, as we moved into Q1 2025, many industry analysts projected light vehicle sales to exceed 16 million for the year.

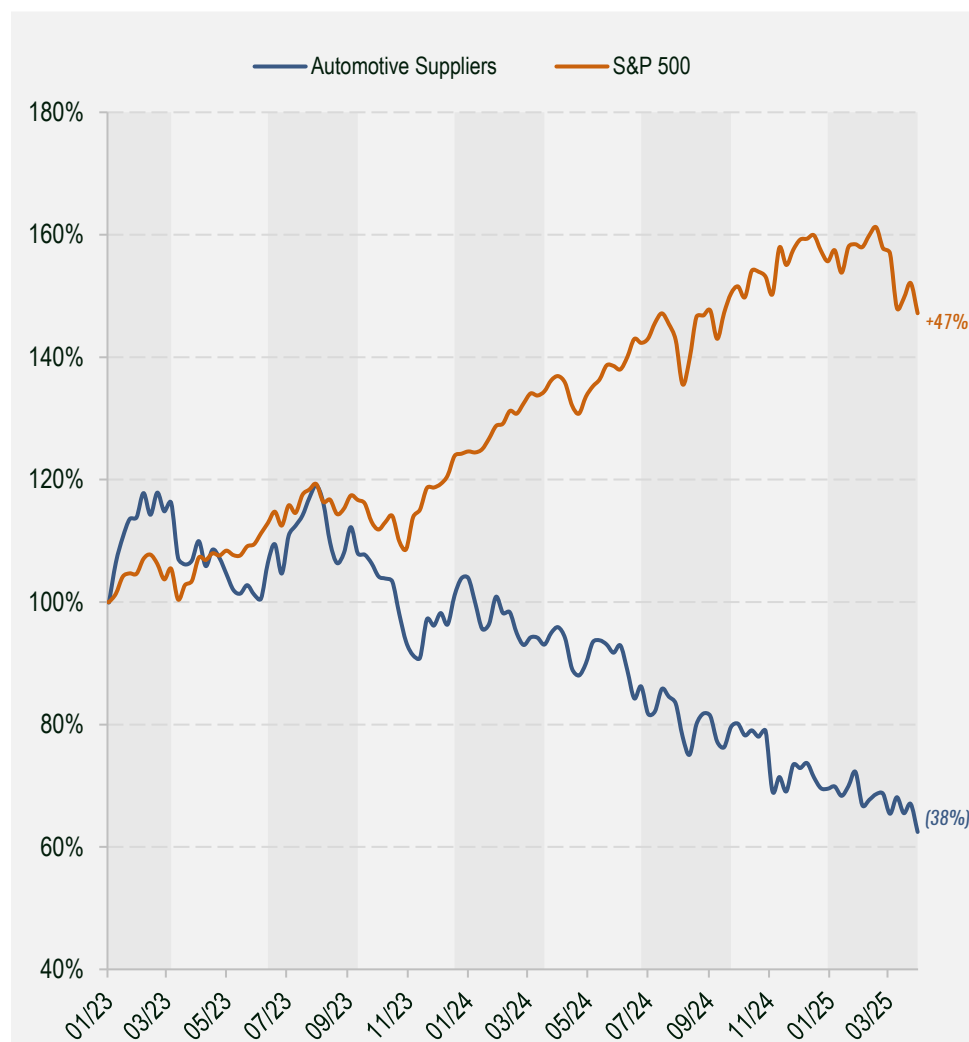
However, despite this favorable backdrop, as we move into April 2025, the industry finds itself navigating a complex environment shaped by shifting economic conditions, evolving regulations, and potential trade disruptions that could materially impact the outlook – most notably the potential for new tariffs that could disrupt the deeply integrated North American auto supply chain. Canada and Mexico supply 23% of vehicles sold in the U.S., as well as 42% and 10% of parts that go into those vehicles, respectively. A 25% tariff on imported steel and aluminum alone could add an estimated \$1,500 to the production cost of each vehicle. If broader tariffs on finished vehicles and components are enacted, particularly on Mexico or China, they could trigger supply chain dislocations and compel automakers to reduce daily production by as much as 20,000 units (from the current level of 63,000), tightening inventories, eliminating incentives, and driving up retail prices by an estimated \$5,000 to \$10,000 per vehicle. These pressures could ultimately cut annual U.S. light vehicle sales by 1.5 to 2 million units.

To counter these risks, the U.S. government is proposing incentives, including a 200% tax deduction for wages paid to American auto workers (up to \$150,000) to encourage domestic manufacturing. However, relocating production is costly and time-consuming, potentially requiring at least two years and over \$1 billion to build a vehicle assembly line. In parallel, automakers and suppliers are reevaluating global sourcing strategies, reducing foreign inventory exposure, and leveraging mechanisms like the First Sale Rule to manage valuation and duty costs, though these steps offer only limited insulation from broader policy shocks.

Another challenge is the slower-than-expected adoption of EVs due to inadequate charging infrastructure and rising competition from Plug-in Hybrid Electric Vehicles (PHEVs) and Hybrid Electric Vehicles (HEVs). The EPA is also considering rolling back emission standards, lowering the fleetwide emissions target to 50% by 2032 from the previously set 2027 target. Additionally, a potential rollback of the \$7,500 clean vehicle tax credit could widen the price gap between EVs and traditional vehicles, further dampening EV demand. The result is an increasingly fragmented market outlook, with automakers shifting toward a balanced mix of gasoline, hybrid, and full electric vehicle production to hedge against policy and demand uncertainty.

If tariffs and EV policy changes take effect, domestic M&A activity could very well accelerate. Slower new vehicle production may lead to postponed development programs, impacting suppliers, especially those already struggling with post-pandemic fluctuations, making them prime acquisition targets. Industry consolidation, carve-outs, and supply chain realignments could further define the deal landscape as companies adapt to a rapidly shifting environment.

Recent Stock Price Performance – Automotive Suppliers Index

















Source: Capital IQ

Automotive Suppliers Universe: APTV, AXL, BWA, CPS, DAN, GNTX, GT, LEA, MGA, MRE, SRI, SUP, THRM, VC

Public Market Trading Multiples

Automotive Industry Update | April 2025

(\$ in millions, other than stock price)		03/31/2025	Quarterly	Market	Total	LTM		Gross	EBITDA	Net Debt /	Enterprise Value / LTM	
Company		Stock Price	Price Δ	Cap.	EV ⁽¹⁾	Revenue	EBITDA	Margin	Margin	EBITDA	Revenue	EBITDA
 American Axle & Manufacturing		\$4.07	(30%)	\$482	\$2,758	\$6,125	\$742	12%	12%	2.9x	0.5x	3.7x
 Aptiv		59.50	(2%)	13,652	21,256	19,713	3,067	19%	16%	2.3x	1.1x	6.9x
 BorgWarner		28.65	(10%)	6,294	8,717	14,086	1,913	19%	14%	1.1x	0.6x	4.6x
 Cooper-Standard Holdings		15.32	13%	265	1,279	2,731	189	11%	7%	4.6x	0.5x	6.8x
 Dana Inc		13.33	15%	1,943	4,619	10,284	743	9%	7%	3.0x	0.4x	6.2x
 Gentex Corporation		23.30	(19%)	5,294	5,047	2,313	563	33%	24%	NM	2.2x	9.0x
 Gentherm		26.74	(33%)	823	953	1,456	176	25%	12%	0.7x	0.7x	5.4x
 Goodyear Tire & Rubber		9.24	3%	2,639	10,765	18,878	1,606	19%	9%	4.1x	0.6x	6.7x
 Lear Corporation		88.22	(7%)	4,732	7,236	23,306	1,650	8%	7%	1.3x	0.3x	4.4x
 Magna International		33.99	(19%)	9,786	16,032	42,836	4,044	14%	9%	1.3x	0.4x	4.0x
 Martinrea International		4.88	(22%)	355	1,091	3,485	383	19%	11%	1.8x	0.3x	2.8x
 Stoneridge		4.59	(27%)	127	267	908	37	21%	4%	3.3x	0.3x	7.3x
 Superior Industries		2.13	4%	62	805	1,267	123	9%	10%	3.6x	0.6x	6.6x
 Visteon		77.62	(13%)	2,102	1,986	3,866	404	14%	10%	NM	0.5x	4.9x
Median								16%	10%	2.6x	0.5x	5.8x

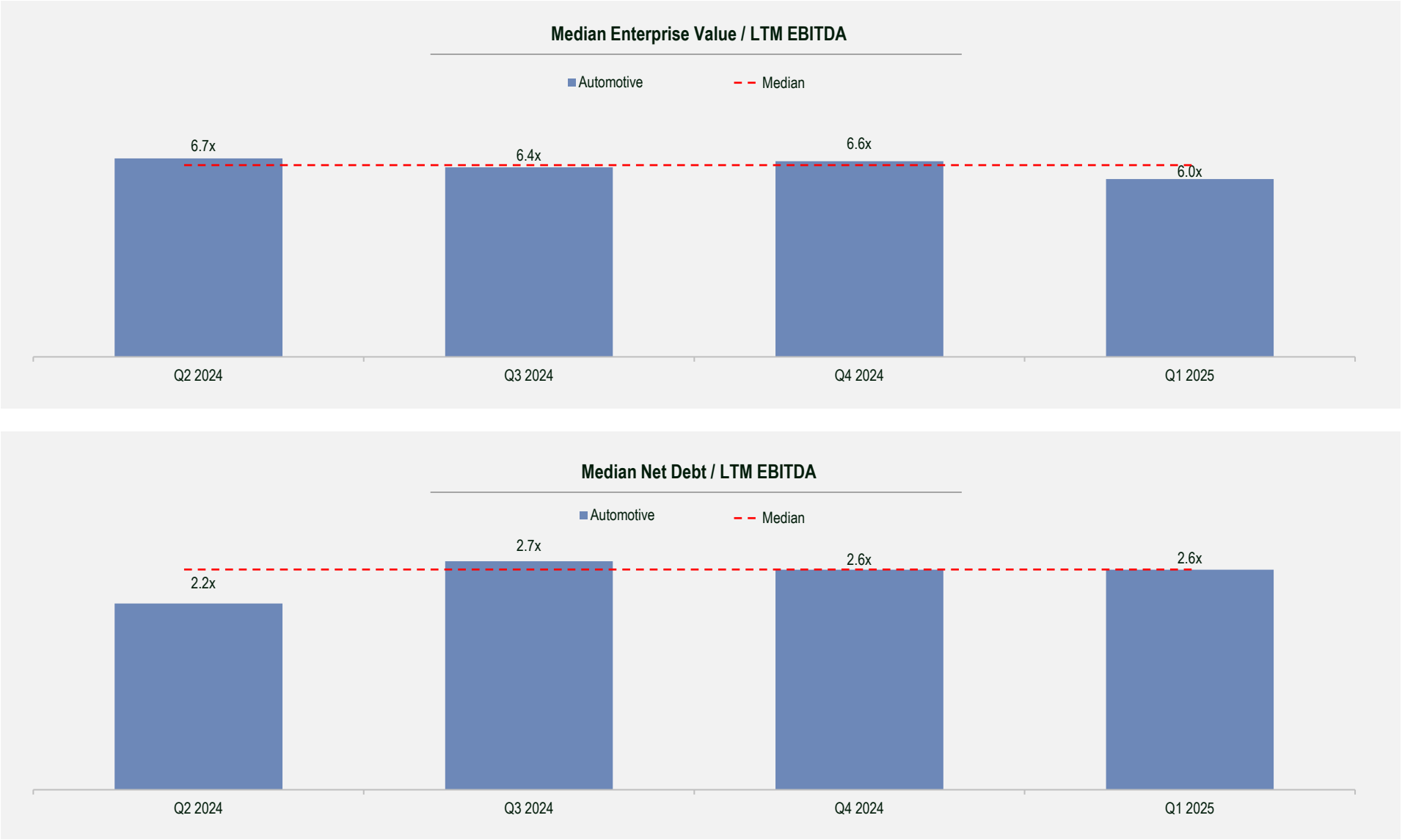
Source: Capital IQ

(1) EV ("Enterprise Value") is defined as market capitalization plus net debt, preferred equity, and minority interest.

(2) Median excludes all non-meaningful values.

Valuation and Debt Multiples

Valuation levels in the sector have slightly declined since Q2 2024, while debt levels have risen modestly

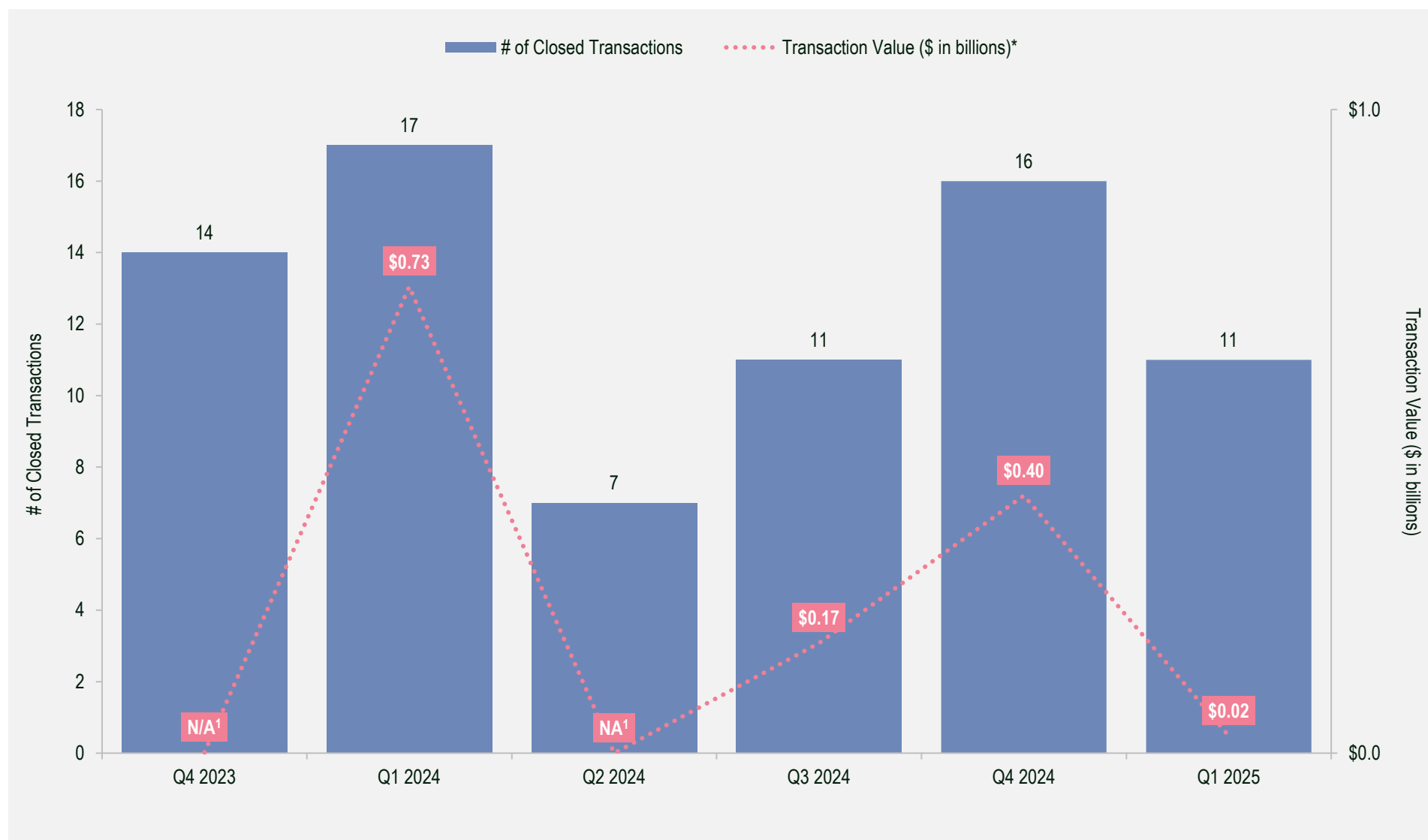


Source: Capital IQ
(1) EV ("Enterprise Value") is defined as market capitalization plus net debt, preferred equity, and minority interest.
(2) Medians exclude all non-meaningful values.

U.S. M&A Activity

Automotive Industry Update | April 2025

Deal volume in Q1 2025 declined by 35% compared to Q1 2024, driven by market uncertainty



































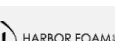



Source: Capital IQ

*Transaction Value represents publicly announced deal terms

(1) There were no transaction values publicly disclosed during this quarter.

Recent Transaction Activity

Automotive Industry Update | April 2025

Date	Target	Acquiror	Enterprise Value (\$M)	Target Description
2/25	 AirPro	 Rotunda	Undisclosed	Develops remote vehicle scanning and diagnostic solutions
2/25	 Medallion	 PATRICK	Undisclosed	Offers bagger gauges and instrumentation solutions for on and off highway, recreational, military, marine, commercial, and recreational markets
2/25	 Aeromotive Vaporworx	 Aeromotive	Undisclosed	Manufactures fuel delivery systems for fuel-injected cars
2/25	 PRETECKT	 DIESEL LAPTOPS	Undisclosed	Develops and operates a cloud-based platform to predict and prescribe maintenance diagnostics for vehicles
1/25	 ACI WINDOW DOOR COMPONENTS	 WAI	Undisclosed	Manufactures washer pumps, window regulators, and door components distribution to both domestic and international markets
1/25	 A	 REALTRUCK	Undisclosed	Manufactures automotive dealer-installed accessories for OEM manufacturers
12/24	 SHEPPARD	 Balmoral Funds	Undisclosed	Designs and manufactures engineered products for truck, bus, rail, construction, military, and recreational vehicle industries
12/24	 PEP	 SBI	Undisclosed	Manufactures and supplies automotive parts, such as engine parts
11/24	 KI	 AIAC	Undisclosed	Manufacturer of custom automotive parts and components
11/24	 EVICTUS	 SPARTAN	Undisclosed	Manufactures drivetrain components like bolt-on suspension kits, transmission coolers, limited slip and locking differentials, and extended-range fuel tanks
11/24	 Arnott Suspension Products	 MID OCEAN PARTNERS	Undisclosed	Manufactures air suspension products and accessories for automobile industry
11/24	 Specialty Paint Services	 HEXAGON AGILITY	Undisclosed	Manufactures CNG and LNG fuel system parts
10/24	 UNITED SAFETY & SURVIVABILITY CORPORATION	 COGENUITY	Undisclosed	Manufactures operator and passenger seats, and parts for heavy-duty transit, medium-duty/paratransit, rail, locomotive, truck, industrial forklift, off-road, military, and motor coach markets
10/24	 APS CO	 IR Ingersoll Rand	113.2	Manufacturer of pneumatic cylinders, controls, and valves for mobile equipment, heavy trucks, and automotive markets
09/24	 RIGGER	 AAC ENTERPRISE	Undisclosed	Manufacturer of wireless control systems for vehicle lighting and accessories
09/24	 BettsHD	 HIGH BAR BRANDS	Undisclosed	Semi-truck parts manufacturer and distributor
08/24	 HARBOR FOAM	 FOAM HOLDINGS, INC.	Undisclosed	Manufacturer of expanded polystyrene foam products for construction, recreational vehicles, and general industrial markets
08/24	 FORGE LINE	 LACKS	Undisclosed	Engineers and manufactures racing performance wheels

Amherst's Representative Automotive Transactions

Automotive Industry Update | April 2025

Alternative Fuel Containers

Wilmington, DE
an affiliate of



Has made a significant convertible debt investment in

Framergy
College Station, TX



AmherstPartners

Acted as advisor to Alternative Fuel Containers

ARRK Corporation

Osaka, Japan



has divested Ditemsa, S.A. de C.V.



Ditemsa Acquisition Corp
Saltillo, Mexico



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Acted as advisor to the ARRK Corporation

ARRK Corporation

Osaka, Japan



Has divested Omega Tool Corporation
Ontario, Canada



To Revstone
Paris, KY



AmherstPartners

Acted as advisor to ARKK Corporation

ASC, Inc.

Southgate, MI



has been acquired by

Questor Management Company
Southfield, MI



AmherstPartners

Acted as advisor to ASC, Inc

Autospect, Inc.

Ann Arbor, MI

Autospect, Inc.

has been acquired by

Perceptron, Inc.
Plymouth, MI



AmherstPartners

Acted as advisor to Autospect, Inc.

Blue Water Plastics, Inc.

Marysville, MI



has been acquired by

Caro Manufacturing, Inc.
Caro, MI

Caro
Manufacturing

AmherstPartners

Acted as advisor to Blue Water Plastics, Inc.

Blue Water Plastics, Inc.

Marysville, MI



has been acquired by

Sarna Polymer Holding, Inc.
Sarnen, Switzerland



AmherstPartners

Acted as advisor to Blue Water Plastics, Inc.

Cargill Detroit Corporation

Clawson, MI



has been acquired by

CDC Acquisition Co.
Shelby Township, MI
a subsidiary of Utica Enterprises, Inc.



AmherstPartners

Acted as advisor to Cargill Detroit Corporation

Cargill Detroit Corporation

Clawson, MI



Has acquired

Stellar Engineering, Inc.
Warren, MI



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Acted as advisor to Cargill Detroit Corporation

CPI Products

Charlevoix, MI



has been acquired by

Destaco
Auburn Hills, MI



AmherstPartners

Acted as advisor to CPI Products

(1) Transactions executed by Amherst professionals while employed at previous firms

Amherst's Representative Automotive Transactions (cont'd)

Automotive Industry Update | April 2025

<p>Curt Manufacturing, Inc. Wixom, MI</p>  <p>has been recapitalized by</p> <p>Pfingsten Partners, LLC Chicago, IL</p>  <p>AmherstPartners</p> <p><i>Acted as advisor to Curt Manufacturing, Inc.¹</i></p>	<p>DieTech North America Roseville, MI</p>  <p>has been acquired by</p> <p>Alpha Group Livonia, MI</p>  <p>AmherstPartners</p> <p><i>Acted as advisor to Die Tech North America</i></p>	<p>Efficient Engineering Company, Inc. and PD Interactive Troy, MI</p>  <p>have been acquired by</p> <p>Modern Engineering, Inc. Rochester Hills, MI</p>  <p>AmherstPartners</p> <p><i>Acted as advisor to Efficient Engineering Company, Inc. and PD Interactive</i></p>	<p>Empire Die Casting Macedonia, OH</p>  <p>has been acquired by</p> <p>American Light Metals Ludington, MI a subsidiary of</p>  <p>AmherstPartners</p> <p><i>Acted as advisor to Empire Die Casting</i></p>	<p>Federal-Mogul Corp. Southfield, MI</p>  <p>has divested its Wagner Division to</p> <p>Decoma International, Inc. Concord, ON a subsidiary of Magna International, Inc.</p>  <p>AmherstPartners</p> <p><i>Acted as advisor to Federal Mogul Corp.</i></p>
<p>Federal-Mogul Corp. Southfield, MI</p>  <p>has divested its Signal Strat Division to</p>  <p>Truck-Lite Co., Inc. Falconer, NY a subsidiary of the Penske Corporation</p>  <p>AmherstPartners</p> <p><i>Acted as advisor to Federal Mogul Corp.¹</i></p>	<p>Federal-Mogul Corp. Southfield, MI</p>  <p>has divested its Blazer Aftermarket Division to</p> <p>Clean-Rite Products LLC Buffalo Grove, IL</p>  <p>AmherstPartners</p> <p><i>Acted as advisor to Federal Mogul Corp.</i></p>	<p>Innatech, LLC. Rochester, MI</p>  <p>has been acquired by</p> <p>Engineered Plastic Components, Inc. Grinnell, IA</p>  <p>AmherstPartners</p> <p><i>Acted as advisor to Innatech, LLC</i></p>	<p>KSR International Co. Ridgetown, ON</p>  <p>has been acquired by</p> <p>Electronic Motion Systems Holdings Limited Swansea, Wales, UK</p>  <p>AmherstPartners</p> <p><i>Acted as advisor to KSR International Co.</i></p>	<p>L&L Fittings Manufacturing Fort Wayne, IN</p>  <p>has been acquired by</p> <p>JMAC, Inc. Columbus, OH</p>  <p>AmherstPartners</p> <p><i>Acted as advisor to L&L Fittings Manufacturing</i></p>

(1) Transactions executed by Amherst professionals while employed at previous firms

Amherst's Representative Automotive Transactions (cont'd)


Automotive Industry Update | April 2025

<p>Lear Corporation Southfield, MI</p>  <p>has divested its Byron Center Operations to Soroc Products Inc. Burton, MI a holding of Humphrey Capital Group</p>  <p>AmherstPartners</p> <p>Acted as advisor to Lear Corporation</p>	<p>Manufacturers Equipment and Supply Co. Flint, MI</p>  <p>has been acquired by TVS Logistics Services, Ltd. Chennai, India</p>  <p>AmherstPartners</p> <p>Acted as advisor to Mesco</p>	<p>Mercury Manufacturing Company Wyandotte, MI</p>  <p>has been acquired by O2 Investment Partners, LLC Bloomfield Hills, MI</p>  <p>AmherstPartners</p> <p>Acted as advisor to Mercury Manufacturing Company</p>	<p>Metal Powder Products, LLC Westfield, IN</p>  <p>has been acquired by Millstein & Co. New York, NY</p>  <p>AmherstPartners</p> <p>Acted as advisor to Metal Powder Products, LLC</p>	<p>Parkway Products, Inc. Florence, KY</p>  <p>has been acquired by Oxford Financial Group, Ltd. Indianapolis, IN</p>  <p>AmherstPartners</p> <p>Acted as advisor to Oxford Financial Group, Ltd. and Parkway Products</p>
<p>Precision Die Casting Russellville, KY</p>  <p>has been acquired by Rane (Madras) Limited Chennai, India</p>  <p>AmherstPartners</p> <p>Acted as advisor to Precision Die Casting, Inc.</p>	<p>QuEST, LLC Schenectady, NY</p>  <p>has been acquired by Lexel Corporation a subsidiary of Magna International, Inc. Concord, ON</p>  <p>AmherstPartners</p> <p>Acted as advisor to QuEST, LLC</p>	<p>Red Spot Paint and Varnish Co. Evansville, IN</p>  <p>has been acquired by Fujikura Kasei Co., Ltd. Tokyo, Japan</p>  <p>AmherstPartners</p> <p>Acted as advisor to Red Spot Paint and Varnish Co.</p>	<p>Ross Casting & Innovation Sidney, OH</p>  <p>has been acquired by ABI-Showatech Chennai, India</p>  <p>AmherstPartners</p> <p>Acted as advisor to Ross Casting & Innovation</p>	<p>Saginaw Machine Systems Saginaw, MI</p>  <p>has been recapitalized by Fair Friend Enterprise Group Taipei, Taiwan</p>  <p>AmherstPartners</p> <p>Acted as advisor to Saginaw Machine Systems</p>

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Amherst's Representative Automotive Transactions (cont'd)

Automotive Industry Update | April 2025

<p>Siemens VDO Regensburg, Germany</p>  <p>has divested its Nancy, France business to Combined Industrial Group Network Grosse Pointe, MI</p>  <p>AmherstPartners</p> <p>Acted as advisor to Cignet</p>	<p>Simpson Industries, Inc. Plymouth, MI</p>  <p>has acquired the Vibration Attenuation Division of Holset Engineering Company A subsidiary of Cummins Engine Co. Columbus, IN</p>  <p>AmherstPartners</p> <p>Acted as advisor to Simpson Industries, Inc.⁽¹⁾</p>	<p>Superior Industries, Inc. Southfield, MI</p>  <p>has acquired Uniwheels AG Bad Dürkheim, Germany</p>  <p>AmherstPartners</p> <p>Acted as co-advisor on the capital raise</p>	<p>Sur-Seal Corporation Cincinnati, OH</p>  <p>has been acquired by Capital Partners, Inc. Norwalk, CT</p>  <p>AmherstPartners</p> <p>Acted as advisor to Sur-Seal Corporation</p>	<p>Talon Automotive Detroit, MI</p>  <p>Has acquired Production Stamping, Inc. New Baltimore, MI</p>  <p>AmherstPartners</p> <p>Acted as advisor to Talon Automotive⁽¹⁾</p>
<p>Trim Trends Co., LLC Farmington Hills, MI</p>  <p>has been acquired by Patriarch Partners LLC New York, NY</p>  <p>AmherstPartners</p> <p>Acted as advisor to Trim Trends Co., LLC</p>	<p>TTD Mexico Queretaro, MX</p>  <p>The production assets of TTD Mexico have been acquired by A Global Supplier of Mechanical Assemblies</p> <p>AmherstPartners</p> <p>Acted as advisor to Toledo Tool & Die Mexico</p>	<p>Tweddle Group Clinton Township, MI</p>  <p>has been acquired by CJK Group, Inc Brainerd, MN</p>  <p>AmherstPartners</p> <p>Acted as exclusive financial advisor to Tweddle Group</p>	<p>Veltri Metal Products, Inc. Troy, MI</p>  <p>has been acquired by Flex-N-Gate Corporation Urbana, IL</p>  <p>AmherstPartners</p> <p>Acted as advisor to Veltri Metal Products</p>	<p>Wagon plc (LSE: WAGN) Birmingham, UK</p>  <p>has divested its Hawtal Whiting Resource Services Division to Acro Service Corporation Livonia, MI</p>  <p>AmherstPartners</p> <p>Acted as advisor to Wagon plc</p>

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The Amherst Partners Team

Automotive Industry Update | April 2025

With a track record spanning 30 years, Amherst Partners is a boutique investment banking firm focused on providing M&A advisory and capital raising services primarily for closely-held businesses

Boutique investment bank with significant Wall Street experience



Core Execution Team



Donald Luciani
Partner



Charles Chandler
Partner



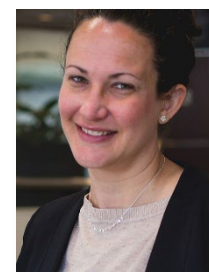
Fahad Siddiqui
Director



John Wendzinski
Vice President



Sam Jabara
Associate



Emily Pachla
Controller



Amber Dunn
Director of Marketing

Operations Advisory



Jon B. Cotton
CEO, Apex Health, Former President,
Meridian Health Plan of Michigan



Ray Dallavecchia, Jr.
Owner, Venetian Associates



Terry Robinson
Former Senior Vice President and Director
of Middle Market Banking – Comerica Bank



S. Evan Weiner
President/CEO, Edw. C. Levy Co.

AmherstPartners

EXPERIENCE | SOLUTIONS | RESULTS

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