



### Quarterly Update

- The U.S. auto industry had a strong 2023 with many manufacturers reporting double digit annual sales gains. The sector is continuing that growth in 2024.
- Core fundamentals of the automotive aftermarket – miles traveled, average age of vehicles, vehicle population – have remained strong and are expected to increase.
- Electric vehicle sales growth is starting to slow and fall short of the industry's lofty ambitions to pivot from internal combustion engines. Automotive aftermarket participants are betting on strong future growth for internal combustion vehicles.
- The automotive aftermarket sector continues to see heightened M&A activity. Companies providing nondiscretionary aftermarket services are of particular interest to buyers, along with distributors and parts suppliers.
- With supply chain snarls in the rearview and demand high, companies with recurring revenue, sticky customer base, and defensible gross margins will garner the most attention from buyers.

### Selected Recent Industrials Transactions

**MPS**  
MULTI PARTS  
has been  
recapitalized by  
**RADIAL**

**THOR**  
PRECISION, INC.  
has been acquired by  
**STAR**  
REDEFINING THE DESIGN CLEARANCE  
a portfolio company of  
**MANGROVE**  
EQUITY PARTNERS

**MIDWEST-D**  
PRECISION PRODUCTS INC.  
Specialists for Pilots  
has been acquired by  
**ANCRACARGO**  
a division of  
**THE HEICO**  
COMPANIES

**PROFUSION**  
has been  
recapitalized by  
**WOLFE PARTNERS**  
18 YEARS



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Sources: MEMA Aftermarket Suppliers; Hedges & Company; Aftermarket News

## Recent Selected Automotive Aftermarket Transactions

### Axalta Acquires Transtar Subsidiary



Target



Buyer

- **May 2024** – Axalta Coating Systems (NYSE: AXTA) has signed a definitive agreement to acquire The Coverflexx Group, a subsidiary of Transtar Holding Company located in Brighton, MI.
- The Coverflexx Group specializes in manufacturing and distributing coatings for automotive refinish and aftermarket applications.

### Lawson Acquires Auto Parts Supplier, S&S



Target



Buyer



Parent

- **May 2024** – Lawson Products, an operating company of Distribution Solutions Group (NASDAQ: DSGR), has acquired S&S Automotive of Woodbridge, IL.
- S&S is a leading automotive and industrial parts supplier in the Chicagoland area that distributes parts primarily to the automotive dealership market.

### Genuine Parts Acquires Largest NAPA Owner



Target



Buyer

- **April 2024** – Genuine Parts Company (NYSE: GPC), a leading global distributor of automotive and replacement parts, has acquired Motor Parts & Equipment Corporation (MPEC).
- MPEC is the largest independent owner of NAPA Auto parts stores in the U.S., operating 181 locations across the Midwest.

### Fenix Parts Completes Two Acquisitions



Targets



Buyer



Sponsor

- **April 2024** – Fenix Parts, a leading recycler and reseller of OEM automotive parts has acquired Neal Auto Parts and Green Auto Parts & Recycling.
- Neal Auto Parts is an automotive recycler servicing Central Illinois. Green Auto Parts & Recycling is a full-service automotive recycler servicing the Los Angeles market.

### Vehicle Accessories Acquires Maxton Group



Target



Buyer



Sponsor

- **April 2024** – Vehicle Accessories, an integrated manufacturer of products for the automotive industry, has acquired Maxton Group.
- Maxton Group is a leading designer and producer of emblem overlays, badging, LED lighting products, tailgate products, and other accessories to automotive OEMs. It is located in Ormond Beach, FL.

### FleetPride Acquires WheelCo Truck & Trailer



Target



Buyer



Sponsor

- **March 2024** – FleetPride, a leading independent distributor of aftermarket heavy duty parts, has acquired Wheelco Truck & Trailer Parts and Service of Sioux Falls, SD.
- Wheelco consists of six retail parts locations, two service centers, one distribution center, and Wheelco Manufacturing Components OEM division.

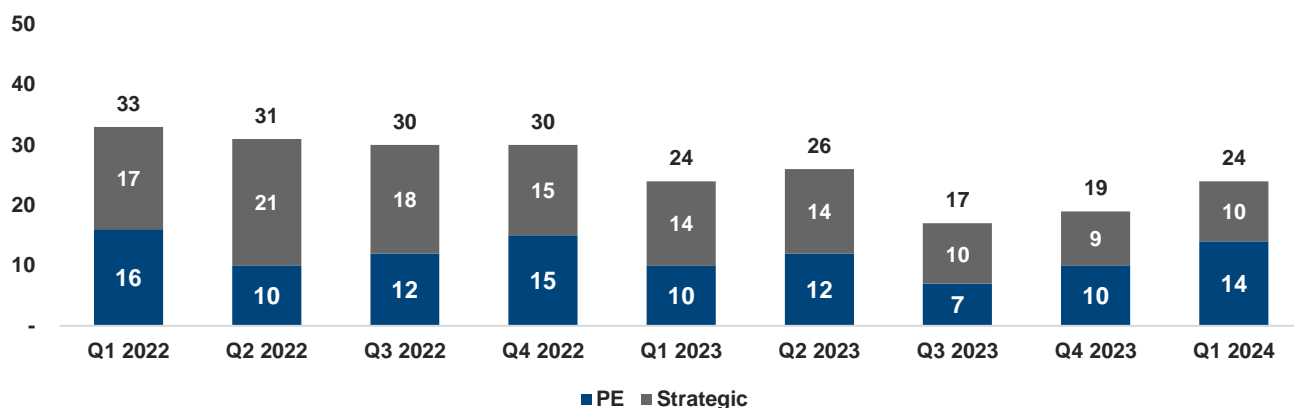
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## Recent Selected Transactions

Target	Date	Buyer / Investor	State (Target)	Sponsor (if applicable)
The CoverFlexx Group	May 24	Axalta Coating Systems (NYSE: AXTA)	MI	-
S&S Automotive	May 24	Distribution Solutions Group (NAS: DSGR)	IL	-
Motor Parts & Equipment Corporation	Apr 24	Genuine Parts Company (NYSE: GPC)	IL	-
Neal Auto Parts	Apr 24	Fenix Parts	IL	Stellex Capital Management
Green Auto Parts & Recycling	Apr 24	Fenix Parts	CA	Stellex Capital Management
Maxton Group	Apr 24	Vehicle Accessories	FL	Kinderhook Industries
Wheelco Truck & Trailer Parts and Service	Mar 24	FleetPride	SD	American Securities
Fleet Parts & Service	Feb 24	Galleher Industries	NJ	Boyne Capital
Pro Parts Center	Jan 24	Continental Auto Parts	TX	Kinderhook Industries
Stafford's Auto Parts	Jan 24	Fenix Parts	IL	Stellex Capital Management
American Chrome Company	Jan 24	Multi Parts Supply	IL	Radial Equity Partners
QualCast	Jan 24	Melling Engine Parts	TN	-
American Auto Recycling	Jan 24	B&R Auto	AZ	Highview Capital
New Way Auto Sales & Parts	Jan 24	B&R Auto	AZ	Highview Capital
Charlie's Towing	Jan 24	B&R Auto	OR	Highview Capital
Arch Auto Parts	Dec 23	Transtar Holding Company	NY	Blue Point Capital
Taylor Diesel Group	Dec 23	M&D Distributors	WY	Gridiron Capital
English Color & Supply	Dec 23	Wesco Group	TX	Tinicum Incorporated

## Recent Sector M&A Activity

Sources: Pitchbook (May 22, 2024)



## Select Platforms (Date of Investment and Sponsor)

