



AUTOMOTIVE VENTURES

AUTO INTEL REPORT \ \ SEPTEMBER 2021

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INTRO <<< ***SEP 2021***

***AUTOMOTIVE VENTURES
INTEL REPORT***

WELCOME TO THE



AUTOMOTIVE VENTURES INTEL REPORT

SEPTEMBER 2021

In this issue, we go deeper into the AutoTech M&A landscape, and help entrepreneurs answer the perennial question “what’s my company worth?”

We then look at the evolution of the wholesale/ remarketing space. Based on the volume of M&A deals, there’s been an awakening in this segment of the AutoTech landscape.

We have a guest article from the Presidio Group on two-sided marketplaces, and an argument for why their time has come.

And we have a new slate of “Companies to Watch” for September.

As always, please send me a note if there’s anything I’ve missed, or if there’s any content that I can add in future editions that will be helpful.

Many thanks and have a great month!

Steve Greenfield
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WHITEPAPERS AVAILABLE

AUCTION DISRUPTORS


















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FREE TO DOWNLOAD ↓

WHOLESALE AUCTIONS

AUCTION CHANNELS AND MARKET SHARE

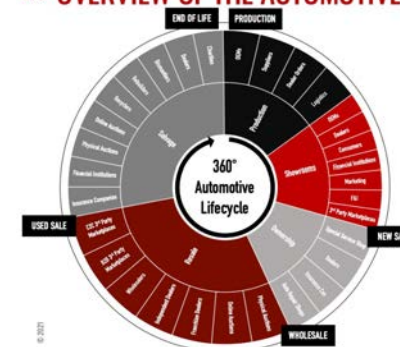
AUCTION CHANNELS AND MARKET SHARE					Market Share by Channel			
					High	Medium	Low	None
					Consignor Type			
Wholesale Channel	Description	Examples	OEM Captive Finance	Financial Institution (Repo)	Fleet	Franchise Dealers	Independent Dealers	
Upstream Online	<ul style="list-style-type: none">Off-lease cars listed for sale online, closed OEM dealer & open optionsCar is on dealer's lot	 	40%	0%	0%	0%	0%	
Dealer-to-Dealer/Trade-ins	<ul style="list-style-type: none">Direct-to-dealer, dealer-to-dealer or between dealers & wholesalersCar location can vary		0%	0%	80%	20%	55%	
Digital Trade Network	<ul style="list-style-type: none">Online or mobile live auction for dealers, primarily franchiseCar is on dealer's lot	   	0%	0%	0%	10%	1%	
Online Pre- & Post-Auction Sales	<ul style="list-style-type: none">Online sales with buy now or bid sale before and/or immediately after auctionCar at dealer lot, in-transit, or at auction	  	5%	5%	0%	10%	5%	
Simulcast	<ul style="list-style-type: none">Live stream of physical auctionRemote buyers for cars in the lane	  	25%	40%	10%	30%	9%	
Physical Auction	<ul style="list-style-type: none">Traditional in-person auctionCar is in the lane	 	30%	55%	10%	30%	30%	
Total			100%	100%	100%	100%	100%	

Source: Automotive Ventures Estimates

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AUTO INDUSTRY OVERVIEW

OVERVIEW OF THE AUTOMOTIVE LIFECYCLE

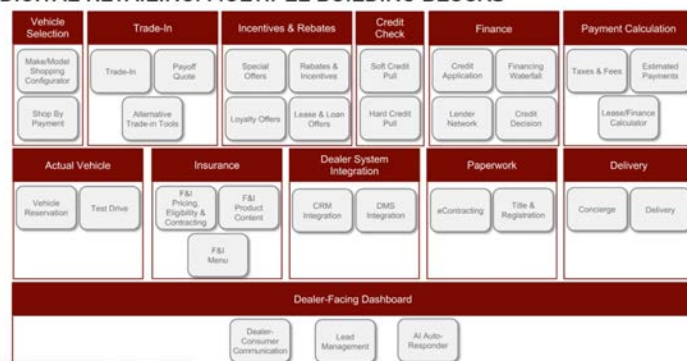


THE AUTOMOTIVE LIFECYCLE IS MULTI-FACED AND SUPPORTS THOUSANDS OF RELATED COMPANIES

FREE TO DOWNLOAD ↓

DIGITAL RETAILING

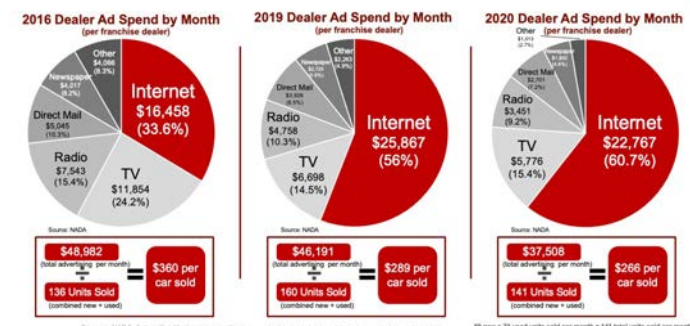
DIGITAL RETAILING: MULTIPLE BUILDING BLOCKS



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AUTOMOTIVE ADVERTISING

WHERE DO DEALERS SPEND AD DOLLARS?



FREE TO DOWNLOAD ↓

INVESTORS IN AUTO TECH

PRIVATE EQUITY PLAYERS FOCUSED ON AUTOMOTIVE



FREE TO DOWNLOAD ↓

IN THE NEWS

>>> IN THE NEWS

Cleaner Battery And Electric Vehicle Tech Startups Are Getting Bigger Checks

Aug 4, 2021

crunchbase news

Public retailers go on a buying spree

Aug 16, 2021

Automotive News

M&A surpasses \$1 trillion for 3rd straight period; VC speeds up deployment

Aug 13, 2021

S&P Global
Market Intelligence

Inventory stabilizes but remains low at 1.2M

Aug 16, 2021

Automotive News

Dow, S&P Hit Records as Inflation Remains High

Aug 11, 2021

BARRON'S

Auto Makers Warn Chip Shortage Will Continue to Impact Vehicle Production

Aug 3, 2021

THE WALL STREET JOURNAL.

Ford Wants More Buyers to Order Online and Wait, Rather Than Pick Off the Lot

Aug 17, 2021

THE WALL STREET JOURNAL.

Ford will halt F-150 plant for a week over chip shortage

Aug 18, 2021

Automotive News

Auto chip maker warns supply crunch will last through 2022

Aug 27, 2021

Automotive News

Toyota will cut global output by 40% in Sept. on chip shortage

Aug 19, 2021

Automotive News

Private-equity powerhouses are sitting on piles of uninvested cash

Aug 25, 2021

MarketWatch

Wall Street stocks hit fresh highs after Powell's Jackson Hole speech

Aug 27, 2021

FT
FINANCIAL
TIMES

>>> THEY SAID IT

“ Quotes

“The second quarter was a landmark quarter for Carvana and one that will always play a central role in our story. It was the first quarter we delivered over a 100,000 cars to our customers. It was our first quarter of over \$3 billion in revenue. It was the first quarter we achieved \$5,000 total GPU. It was the first quarter we hit a \$100 million EBITDA and it was our first quarter of positive net earnings.”

- Ernie Garcia, Carvana CEO

“I think who wins in the marketplace of the future are companies that have a brand, a customer-friendly experience, a digital platform to interact with our customers and the operating ability to be very profitable. That’s the combination that wins in the marketplace.”

- Mike Jackson,
AutoNation CEO &
Director

“Reflecting back on the first year of our five-year plan, we are considerably ahead of schedule and have the required capital to carry us to and beyond \$50 in EPS and \$50 billion in revenue. At \$8 billion in added revenues since planned inception, we have acquired 40% of our targeted \$20 billion in annualized revenues.”

- Bryan DeBoer,
Lithia President &
CEO



GREENFIELD'S POINT OF VIEW

GREENFIELD'S POINT OF VIEW

The AutoTech Investment Landscape

The Automotive Ventures marketing effort seems to be working; as a result, we receive inbounds from about 5 companies per day who are looking to raise money.

Despite Covid, inventory shortages and high used vehicle prices, dealerships and OEMs have been printing record profits.

Private-equity firms have been piling up dry powder reserves for deals as their investors continue to pour money into the asset class in search of yield in a flat-interest-rate environment.

Markwatch recently reported that global dry powder total of \$2.3 trillion in August. That is a significant increase from December, when the worldwide total was just under \$2 trillion; in December 2019, the figure was \$1.6 trillion.

The U.S. government is in the middle of delivering the largest stimulus of all time.

As a result of a whole lot of confident money chasing opportunities, company valuations are sky high, and investing terms favor the entrepreneur. Not unlike a hot housing market, good companies can get funded quickly on their terms, and the process is very competitive for the

investors. Speaking to VC and PE players, we've got too much money trying to find a home, which is driving up valuations.

As a new fund manager, I believe it's a good time to be cautious. Luckily, we are seeing a lot of early-stage deals to choose from. But, in this environment, we often need to back away due to very high valuation expectations of the entrepreneur.

What We Look For:

In early stage investing, we believe the most important things to look for include:

»»»» GREENFIELD'S POINT OF VIEW

1. **A bulletproof team:** deep experience, full-time, proven excellent execution
2. **Large market:** Total Addressable Market (TAM) of at least \$1b, and the ability to achieve a \$100m exit valuation
3. **Defensible product:** some “secret sauce” that will enable a competitive moat to protect against better funded competitors

Thank You

Whether you're looking to raise money or sell your business let me know how I can

help. I am personally committed to the best outcomes for automotive technology entrepreneurs and their teams.

At Automotive Ventures, we will continue to publish content that helps you understand and navigate through the ambiguity and change coming to the industry. And we will continue to offer services to entrepreneurs to ensure they can build the best businesses and achieve the best outcomes when they're ready to sell.

It's an exciting time to be in an industry that is going to see more change in the

next 10 years than it's seen in the past 100. No matter where you are in the ecosystem, we can help. I look forward to taking this journey with you.

Thank you for your continued support.



Steve Greenfield

CEO and Founder
Automotive Ventures





WHAT'S MY COMPANY WORTH?

WHAT'S MY COMPANY WORTH?

I'm asked this question multiple times a week.

If you're an entrepreneur struggling with the answer, here are some models for you to consider:

Startup Valuation Methods

Several startup valuation methods are available:

1. **The Market Multiple Approach**
2. **The Discounted Cash Flow (DCF) Method**
3. **The Venture Capital Method**
4. **The Risk Factor Scorecard**

Market Multiple Approach (focused on market comps)

The Market Multiple Approach is one of the most popular startup valuation methods. Recent acquisitions or financings in the market of a similar nature to the startup in question are taken into consideration, and a base multiple is determined, based on the value of the recent acquisitions. The startup is then valued using the base market multiple.

Discounted Cash Flow Method (focused on future cash flows)

The Discounted Cash Flow (DCF) Method focuses on projecting the startup's future cash flows. A rate of return on investment, called the "discount rate," is then estimated, which is a basis on which it is determined how much the projected cash flows are worth. Since startups are just starting out and have an inherent high risk, a high discount rate is generally applied.

The Venture Capital Method (focused on the eventual exit)

The VC Method is comprised of six steps:

1. Estimate the Investment Needed

WHAT'S MY COMPANY WORTH?

2. Forecast Startup Financials
3. Determine the Timing of Exit (IPO, M&A, etc.)
4. Calculate Multiple at Exit (based on comps)
5. Discount to Present Value at the Desired Rate of Return
6. Determine Valuation and Desired Ownership Stake

Risk Factor Scorecard

For any of the valuation methods above, there may always be additional factors that should be considered. The Risk Factor Scorecard values a startup by making

quantitative adjustments based on all risks associated with the business that can affect the return on investment. To the initial valuation, the effect, whether positive or negative, of different types of business risks are taken into account, and an estimate is deducted or added to the initial value based on the effect of the risk.

Some of these adjustments may include:

1. Strength of the Management Team
2. Size of the Opportunity
3. Product/Technology
4. Competitive Environment
5. Marketing/Sales Channels/

Partnerships

6. Need for Additional Investment
7. Political risk
8. Manufacturing risk
9. Legal risk

If you're trying to calculate an appropriate valuation for your startup, you can triangulate a few of these methods.

Becoming informed of different valuation methods will help you better defend your preferred valuation when you speak with investors.

- *Steve*

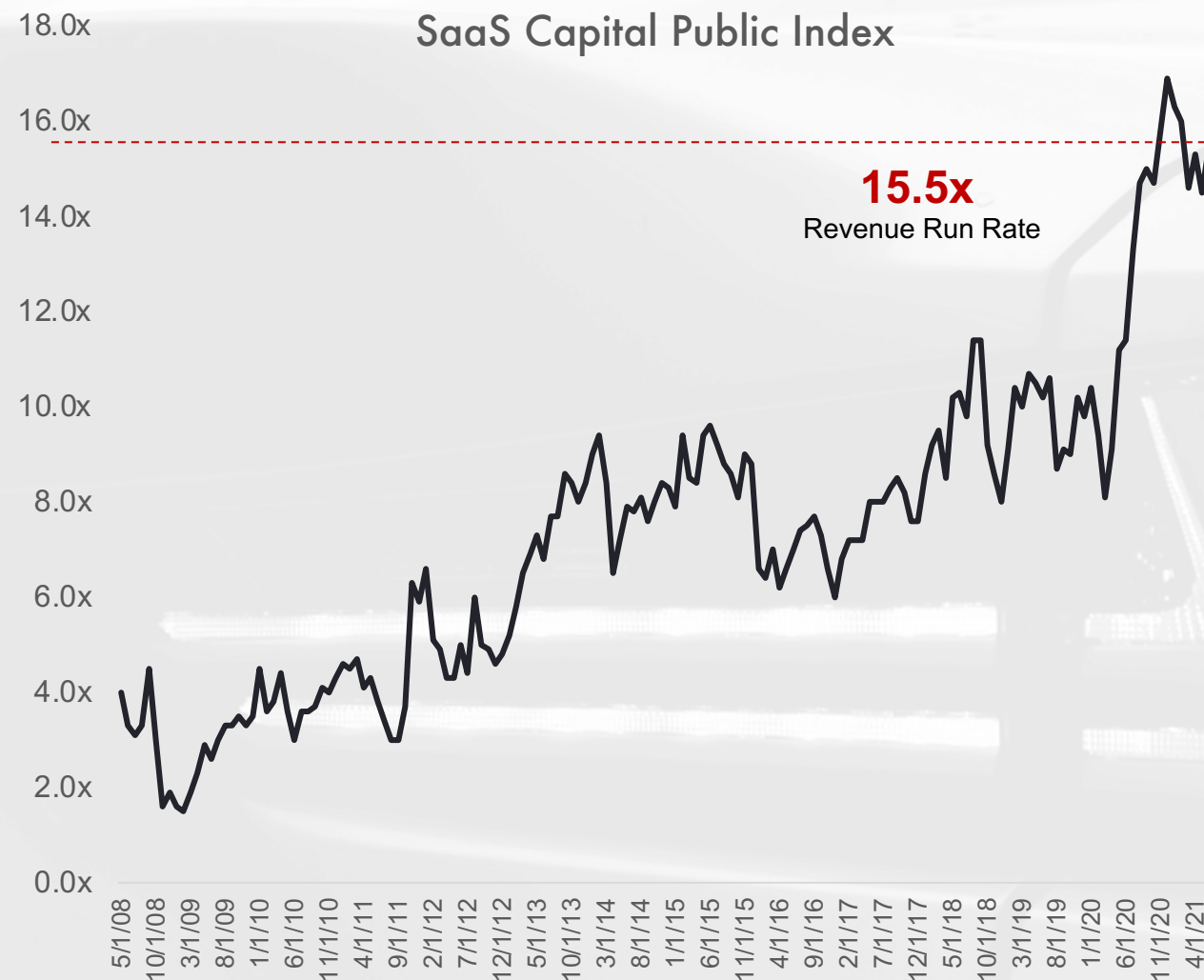
FUNDING LEVELS

(Categories are rough estimates only)

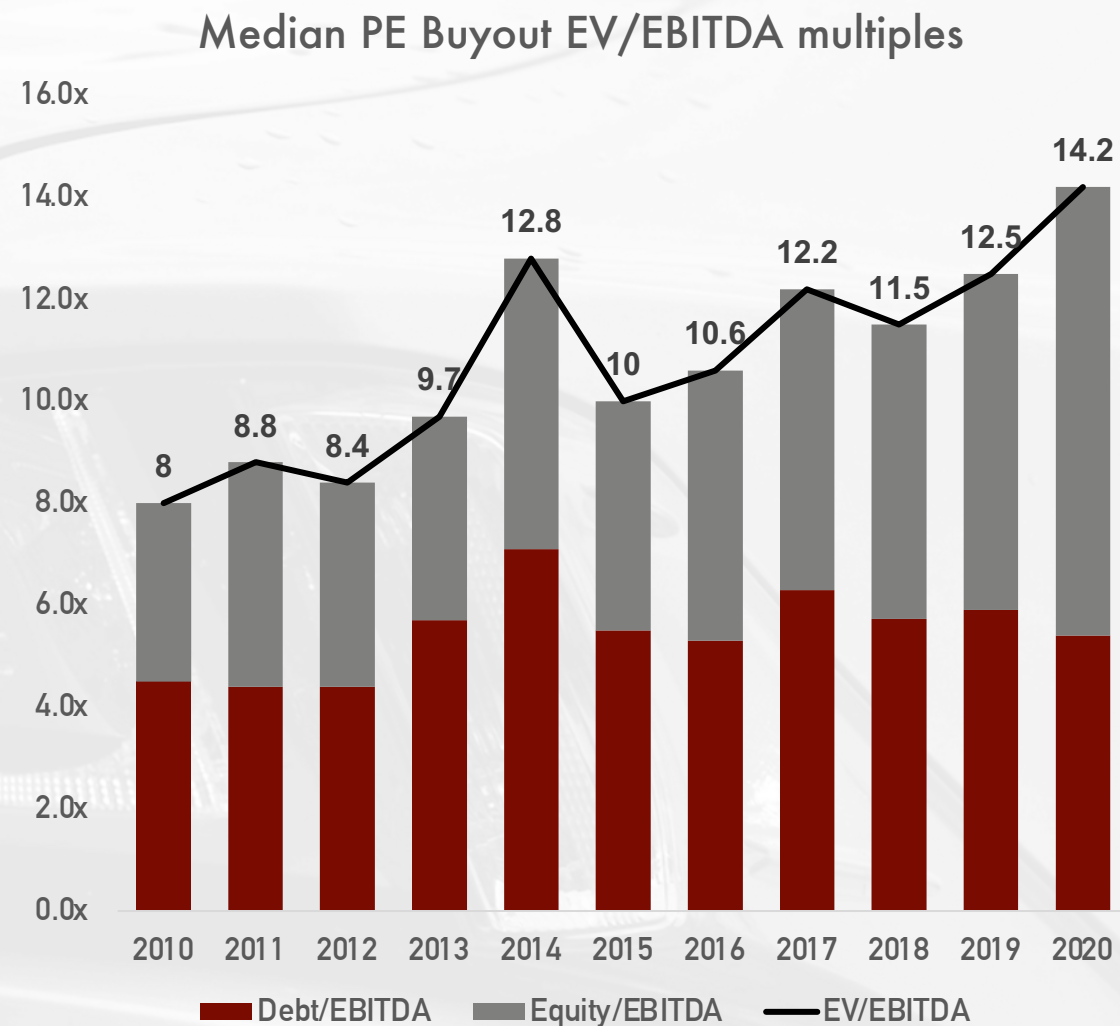
Source: Christoph Janz at Point Nine Capital

	PRE-SEED	SEED	SERIES A	SERIES B	SERIES C
ARR	\$0	\$0 - \$200k	\$1m - \$1.5m	\$3m - \$5m	\$10m+
ARR GROWTH (Y/Y)	NA	300%	300%	250%	200%
VALUATION	\$1m - \$3m	\$4m - \$11m	\$15m - \$40m	\$50m - \$140m	\$100m+
ROUND SIZE	\$200k - \$500k	\$1m - \$4m	\$5m - \$14m	\$15m - \$40m	\$20m+
INVESTORS	Friends, Family, Angels	Angels, Micro VCs	VCs	VCs	VCs, PE
TEAM	Smart, committed team with relevant experience	Strong fit between founders' skills and market need	Proven ability to attract and manage great hires	Experienced leaders in most functions; Proven ability to recruit senior people	Complete senior management team
PRODUCT/MARKET FIT	Market research indicates strong need for the project	Product is loved by early users; strong engagement & stickiness	High usage, low churn; passionate customers; large TAM	Increasing evidence of strong product/market fit in huge market	Clear and increasing evidence of product/market fit
SALES/MARKETING & UNIT ECONOMICS	Understanding best practices; good ideas	Signs of organic traction	Early evidence of a repeatable, scalable, profitable sales model; CAC payback <12 months	Short sales cycle relative to ACV; Net dollar retention >100%; LTV:CAC >3:1	Predictable, profitable, scalable sales/marketing machine
TRACTION	Growing waiting list of first pilot customers	Engaged first users; adding a few \$k in MRR per month	Get from 0 to \$100k MRR within 12 – 18 months; Growing 300%/year	Growing 250% per year	Growing 200% per year; negative net MRR churn
DEFENSIBILITY	None	Speed to market	Brand is emerging; evidence of unique data asset	First signs of a successful brand, platform or data play	Strong signs of a successful brand, platform or data play
MARKET POTENTIAL	Belief in \$10M+ ARR potential	Conviction there's \$100m - \$300m+ ARR potential	Increasing evidence of \$500m+ ARR potential	Increasing confidence in exit potential	Increasing confidence in strategic buyer or IPO potential

>>> PUBLIC MARKET SAAS AND PE BUYOUT MULTIPLES



Source: The SaaS Capital Index



Source: PitchBook

>>> AUTOMOTIVE TECHNOLOGY TRANSACTION MULTIPLES

Business Model	Definition	Revenue Multiple
Pure SaaS	Uses software to provide customers with a service. Creates, develops, hosts, and updates the product. Has access to a global market and can scale without increasing product delivery costs.	10.0x+
Tech-Enabled Services	Brings new or innovative user-experiences using existing technologies to the market. Consumes and/or creates technology (physical infrastructure, hardware or software) designed and configured into a solution delivered to an end user customer.	3.0x-5.0x
Pure Services	A business that generates income by providing services instead of selling physical products.	1.0x-2.0x

Multiples higher for companies that have:

1. Predictable, recurring revenue
2. Low churn
3. High gross margins
4. High growth rates
5. High annual revenue growth
6. Strong upsell opportunities



EVOLUTION OF WHOLESALE

»» EVOLUTION OF WHOLESALE/REMARKETING

We're witnessing strong M&A momentum in the wholesale/remarketing space. Just in the last 12 months we've seen:

- KAR Global acquire CarWave for \$450m, which equates to about \$4,500 per car sold
- KAR Global acquire Auction Frontier (for \$80m in cash and up to an additional \$15m) to take control of their Simulcast technology
- KAR Global acquire BackLotCars in September 2020 for \$425m, which equated to about \$2,700 per car sold

- CarGurus acquire 51% of CarOffer in December 2020 for a total implied valuation of \$275m, which equated to about \$3,900 per car sold
- ACV go public in March 2021 at a \$4.8b valuation; implying about \$12k per car sold
- Independent auction chain The XLerate Group in July 2021 acquire Liquid Motors for an undisclosed amount
- CarLotz go public in January 2021 at a market cap of \$1.4b; a good portion of their investor deck ([link](#)) focused on

allowing commercial sellers to achieve retail pricing, and bypass the traditional auction channel entirely

What's fueling this interest?

For one, ACV Auctions came on the scene and was able to aggressively take dealer consignment market share away from the physical auction players, who were ill prepared. ACV did this by a hyper-focus on the user experience, making it VERY easy for a dealer to have their vehicles inspected and listed on ACV. ACV runs short 20-minute online auctions, which provides certainty if the car sells. They

»» EVOLUTION OF WHOLESALE/REMARKETING

also deliver a much more cost-effective alternative than consigning to the traditional auction channel.

Both ACV and CarLotz have now focused their gaze on the commercial vehicle segment. If they can succeed in taking market share in this area, it will cause more pain for the physical auction incumbents.

Manheim has reacted by increasing investment in their own technology, as well as the significant acquisition of Fyusion in January 2021 (undisclosed amount, but probably close to \$200m).

KAR Global retreated TradeRev back into Canada, and declared BackLotCars as their online dealer to dealer platform in the U.S. But now they've made another bold move with the acquisition of CarWave, at a valuation higher than that of BackLotCars. This signals KAR's seriousness in competing with technology-first disruptors like ACV.

(Remember that KAR Global made a significant investment of \$210m in Openlane back in 2011, and as a result has the majority of the "upstream remarketing" business, even today.)

CarGurus made the bold move (for an

advertising classified/marketplace player) of acquiring upstart CarOffer. In addition to helping dealers acquire used inventory from other dealers, CarGurus recently started helping their dealers acquire inventory from private sellers. CarOffer already has dealer "buy lists"; they should be able to help those dealers acquire vehicles from both other dealers' inventory as well as directly from consumers.

It is likely that we'll see other marketplaces like Cars.com, TrueCar and Autotrader react to CarGurus' move, but we may see build/buy/partner moves

»» EVOLUTION OF WHOLESALE/REMARKETING

from each of them before the end of this year.

The challenge that these third party classified marketplaces have is that they feel the pressure to evolve towards full digital retailing, to enable their dealer customers to compete with the likes of Carvana, Vroom, Shift and now CarMax. Compelled to make not insignificant investments in Digital Retailing while at the same time attempting to help their dealers better source inventory may split their strategy, focus and resources.

Where do we expect to see entrepreneurs innovate (and VC money follow), specific

to wholesale/remarketing?

1. **Online Marketplaces:** the big numbers paid for BackLotCars and CarWave mean that we'll see more entrepreneurs launch B2B auction platforms for dealers. Dealers will continue to have a confusing array of B2B platforms to choose from.
2. **Condition Reports:** Despite numerous attempts, we still don't have a "bulletproof" universal condition report standard to provide the bidding dealer confidence in both the cosmetic and mechanical condition of the vehicle. There are a few

companies focused on damage recognition based on photographs, and others working to diagnose mechanical condition based on an OBDII scanner. We're certain to see continued innovation in these areas.

3. **Consumer Sell Options:** Consumers now have more opportunities to get a "cash backed" offer for their car sight unseen. I expect more innovation to provide consumers with transparent options to get a fair value on their vehicle, while helping dealers more efficiently source the vehicles they need to drive more profit.

»» EVOLUTION OF WHOLESALE/REMARKETING

It's an exciting time to be in the wholesale space -- an area that hasn't been known for its pace of innovation. Back when I was at Manheim 20 years ago, I overheard the President of Manheim said that "we're only going to invest in technology to get cars into the physical auction lanes."

How times have changed.

Let the wholesale/remarketing innovation and M&A continue!

- *Steve*



AUTO TECH LANDSCAPE

AUTOMOTIVE TECHNOLOGY LANDSCAPE

TRAFFIC GENERATION (awareness & direct-response)

Traditional Media

Lee Enterprises, CBS Radio, Entercom, Gannett, Tegna, Hearst, Clear Channel, Cox, Dow Jones, Raycom Media, Gatehouse Media, ABC, digitalfirst, iHeart, Cumulus, NBC.

Digital Advertising

R1 Lick, OfferUp, Letgo, eBay, CarGurus, Google, Autotrader, Cars.com, TrueCar, Autoweb, Car & Driver, Carzine, Carzine.

Advertising Agencies

Sokal, M, C-4 Analytics, GSM, Stream, Naked Lime, Moore & Scarry, Turnkey, Raycom Media, Dealer World, Appearance, Strategic Marketing.

Advertising Technology

Helix, Appearance, Spincar, Tapads, Outsell, Epsilon, Speed Shift Media, DealerX, Dealer Teamwork, V12, eBizAutos, Digital Air Strike, Tecubi, AutoSweet, C-4.

CONVERSION (converting consumer traffic to sale)

Mystery Shopping

Maritz Research, J.D. Power, Imyst, Intelli Shop, DealerSynergy, Pladoogle, Pied Piper.

In-Store Training

DealerSynergy, Automotive Dealership Institute, J.D. Power, NADA, Dealer Solutions, CORMOSLEY, NCM, Staker, Kain, David Lewis & Associates, Inc.

RETENTION (retain as service/repeat customer)

Customer Retention Tools

TeamVelocity, DataClover, Ooxtime, iPrecheck, Spireon, Experian, Helix, Affinity, AutoLoop, DealerSocket, elead, DealerWing, Outsell, automotiveMastermind, AutoAlert, 3birds, Digital Air Strike.

SOFTWARE

Social / Reputation Management

Social Dealer, Reputation.com, SNAP, DealerRate, SureCritic, ActivEngage, Podium, MXS.

Dealer Websites

CDK Global, DEP, DealerSocket, Dealer.com, DealerInpire, DealerZone, eBizAutos.

Merchandising Support

REDLINE, WheelsTV, CarStory, SnapCell, Experian, UnityWorks, TruImages, EVN, HomeNet, SPINCAR, Dealer Specialist, Kcite, Blackwidow, MAX Digital.

Dealer Management System (DMS)

Reynolds & Reynolds, ADVENT, QUORUM, Dealertrack, DealerBuilt, PBS Adam, TEKION.

Customer Relationship Management (CRM)

DriveCentric, CRM Suite, Momentum, DealerPeak, Plogix, DealerSocket, elead, CDK Global, Affinity, VinSolutions, Dominion, ProMax, DealerMine, VOTENZA.

Key Systems

Key Control Systems, SHAREBOX, PINPOINT LOCAL SERVICES, KEYTRAK, TRUE SPOT.

Vehicle Acquisition / Auctions

ACV, Manheim, Accu-Trade, VAN, Auction Edge, TradeRev, Black, CARVANA, Boost Acquisition, DealerLink, Dignifi, P-E-N, F&I Technology, 700Credit, F&I Technology, Dignifi, P-E-N, F&I Technology, 700Credit, F&I Technology, Dignifi, P-E-N, F&I Technology, 700Credit.

E-Contracting

CDK Global, Dealertrack, eOriginal.

Email Handling & Chat

Auto Labs, CarNow, Conversica, 360, Matador, Dealertrack, eOriginal.

Automotive Data

JATO, EVX Images, Motor, alg, CCC, autodata, xoxo, CARFAX, Experian, VinAudit, MarketCheck, Solego, Carleton, izmocar, dataone, Motive Retail, IHS Markit, OFFERLOGIX, EQUIFAX, TransUnion.

Service & Parts

singlethread, Advisor, DealerFX, Sunbit, RapidRecon, Revolution Parts, Promise, Solego, DealerSocket, DealerZone, eBizAutos.

Workforce Management

DrivingSales, auto, ADP, Hireology, eAdvisor, Dignifi, mykoarma, truvideo, Synatron, RECONTRACT.

Vehicle Subscription

fair SIXT+, Hertz, mycar, JUST DRIVE, REVOLVE, PASSPORT, LESS, Audi select, Subscribe, MOBILITI, CARE BY VOLVO, DriveAway, ACCESS, FreshCar, LMP SUBSCRIPTIONS.

Desking

VinSolutions, Dealertrack, elead, ProMax, DS Dealer Specialties.

Inspections

VINTEK, Kcite, PAVE, DS Dealer Specialties.

Online Retailing

CARMAX, gettacar, CARVANA, SHIFT, vroom.

Vehicle History

VinAudit.com, DMVdesk, CARFAX, NNVTS.

Registration & Titling

ATC, Dealertrack, DLRmy, REVIVER, FIVE64, TitleTec, REVIVER, ATC, Dealertrack, DLRmy, REVIVER, FIVE64, TitleTec, REVIVER.

Peer-to-Peer (P2P)

Cars.com, CanGurus, TRED, OfferUp, blinker, Autotrader.

Vehicle Imaging

BLACKWIDOW, MONK, Click-ins, RAVIN, UVEYE.

Outsourced BDC

STROLID, TRAWER, Paramount.

Vehicle Insurance

DEALER POLICY, SURE, gabi, COVERHOUND.

Process Improvement

PowerDealer, nextup, TRUE SPOT, A2Z SYNC, DealerDOCX, Lotzup, Strategic Source, xoxo, WerrCloud, frogdata, DEALEROPS, REVERSE, access, CDC, Credit Bureau Connection, STROLID, TRAWER, esuresale.

Phone Call Management

Car Wars, CallRevu, CallSource, Marchex, Interactivevel, Calldrip, Who's Calling, PHONE NINJAS.

P2P Rentals

RVshare, Rthxy, Outdoorsy, TURO, getaround.

Connected Car

LYNKD, LoJack, REVIVER, CarIQ, TRUE SPOT, Spireon.

Accessories

NSI GROUP, VELOCITY TECH SOLUTIONS, AC, AUTO COUNTRY, autodata, ADD THE SOCKS, INTERACTIVE GARAGE, ICON MEDIA.

Vehicle Appraisal

Accu-Trade, eAuto Appraise, autohub, TRADEPENDING, Black Book, CLAVIN GENIUS, MAX DIGITAL, KBB.com, Kelley Blue Book.

Floor Planning

AFS, Westlake, BANK OF AMERICA, US AUTO CREDIT, CITY AUTO FINANCE, NEXTGEAR CAPITAL, CHASE, AFS, US AUTO CREDIT, CITY AUTO FINANCE, AFS, US AUTO CREDIT, CITY AUTO FINANCE.

Remote Service

REPAIR SMITH, SIMPLETIRE, SparkCharge, spiffy, YOSHI.

Vehicle Management

RECON, Velocity, LoJack, TRUE SPOT, Spireon, Quickride, MDL, AR RAPIDRECON, MDL.

Vehicle Transportation

DRIVER, ACERTUS, CONVOY, REDCAP, hopdrive, AUTOCAR, BEZCAR.

EV Manufacturers



Charging Infrastructure



Battery Technology



Autonomy



Dealership Digitization



SEGMENTS TO WATCH

Commercial Vehicle Innovation



Mobility-as-a-Service





2021 TRANSACTIONS

>>> AUGUST 2021 TRANSACTIONS



>>> 2021 TRANSACTIONS: JAN - MAR

Jan 2021

Feb 2021

Mar 2021

CRESTA Investment by PORSCHE VENTURES	Faraday Future \$3.4b SPAC	autozen \$4.2m Financing	AUTO 1 GROUP \$1.2b IPO	DIESEL MINNESOTA Acquired by DICKINSON FLEET SERVICES	pony.ai \$100m Series C Extension	microvast \$3b SPAC	otonomo \$1.4b SPAC	BATON \$10.5m Series A 8VC	PRODIGY THE FUTURE OF AUTOMOTIVE RETAIL acquired by Upstart	CAZOO \$7b SPAC	Lightyear ∞ SA48m Financing
FREEWIRE \$50m Series C RIVER STONE	carlotz SPAC Acamar Partners	EVgo FAST CHARGING \$2.6b SPAC	PROTERRA \$1.6b SPAC	LUCID \$12b SPAC	volta \$2b SPAC	gettaCar \$25m Financing	metropolis \$41m Financing	CH! Chargerhelp! \$2.75m financing	SERVICE MY CAR \$10m Seed Bahwan IT	ACV \$414m IPO	ParkMobile acquired by easyPARK
UV EYE Investment by HYUNDAI	FUSE AUTOTECH Financing	CRUISE \$2.0b Investment	R3E \$3b-\$4b SPAC	nextmv \$8.0m Series A	HYZON \$2.7b SPAC	3L Acquisition by Sonic Automotive	LOT VANTAGE Acquisition	CARPAY \$9.9m Series A	digitalmotors. \$10m Series A	ZEGO \$150m Series C	BARAJA \$31m Series B
CameraMatics €4.0m Financing	TACTILE MOBILITY Investment by nexteer	loop \$3.25m Seed	RIVIAN \$2.65b Financing	RECOGNI \$48.9m Funding	AKASOL acquired by BorgWarner	carbiz Acquisition by Sonic Automotive	BestRide Acquisition	REFRACTION AI \$4.2m Seed	Lo/Jack acquired by Spireon	remix Acquisition by VIA	optibus \$107m Series C
BlueDriver Acquired by asTech	BAYIQ Acquired by AutoVitals	oxbotica \$47m Series B	KEEPS Investment by SSM PARTNERS	AEYE \$2b SPAC	swift NAVIGATION \$50m Series C	DEALERPOLICY \$30m Series B	momenta \$500m Funding	CUBERG acquired by northvolt	flexclub Drive your way \$5m Financing	CLUTCH \$60m Financing	
DrivenBrands IPO	LUXOR Acquired by COX AUTOMOTIVE	FYUSION Acquired by COX AUTOMOTIVE	TRADEPENDING Recapitalization by CAPSTREET	PlusAi \$200m Series B	CCC \$6.5b SPAC	MIDWEST acquired by AKG	CarCapital \$8.8m Series A	DEALER-FX \$200m acquisition	RED Diagnostics Acquired by asTech		
VERUSEN Series A	kyte. \$9.0m Investment	SocialAuto \$1.5m Seed	SBD SWEETIE BOY DELIVERS Investment by CIT GAP FUNDS	XOS \$2.0b SPAC	adasThink Acquisition by asTech	voyage acquired by CRUISE	RVN \$15m Series A	PERRONE ROBOTICS \$10m funding			
SILA NANOTECHNOLOGIES \$590m Series F	AEVA \$200m Financing	MotoRefi \$10m Financing	ENEVATE \$81m Series E	SmartHop \$12m Series A	SQUARE ROOT \$25m Acquisition	II \$2m Funding	RUMBLE ON Combines with RIPOW	DONLEN \$891m Acquisition			

>>> 2021 TRANSACTIONS: APR - JUN

Apr 2021

May 2021

Jun 2021

ottopia \$9m Funding HYUNDAI	SES \$139m Investment GM	Jerry \$28B Series B GOODWATER CAPITAL	TRITIUM \$1.2b SPAC DCRC+	irp systems \$31m Series C	Lender Compliance Technologies \$4.15M Series A AUTOMOTIVE	WeRide \$310M Fundraising YUTONG	TRACTABLE \$60M Series D INSIGHT PARTNERS GeorgianPartners	CARRO \$360M Series C SoftBank Vision Fund	Mister CAR WASH Filed To Go Public	buser \$138M Fundraise
CRUISE \$2.75b Funding Walmart	KAVAK.COM \$485m Funding	Pulsar AI Acquired By SPINCAR	PDM AUTOMOTIVE \$4m Fundraising FUSE	wejo \$1b SPAC VIRTUOSO	Waabii \$83.5M Series A khosla ventures	locoNav \$37M Series B QUIET CAPITAL	CABANA \$10M Series A CRAFT GOLDREST CAPITAL	kodiak Investment by BRIDGESTONE	northvolt \$2.75B Fundraising FÖRSTA AP-FONDEN OMERS	Auto Exchange Acquisition by AA
nuvo cargo \$12m Series A QED INVESTORS	lyft Level 5 \$550m Acquisition by woven planet	E/NRIDE \$110m Series B	OCULII \$55m Series B CATAPULT CONDUCTIVE	InnoVusion \$64m Series B TEMASEK	DEEPMAP Acquisition By NVIDIA	Zong Mu \$190M Series D xiaomi	QUANERGY SPAC Merger CITIC CAPITAL 中信資本	IoTecha \$13.2M Financing bp ventures	GoMechanic \$35M Series C TIGERGLOBAL	ELECTRA \$3.6M Seed Round LIFT
BlaBlaCar \$115m Financing UNU GLOBAL	polestar \$550m Funding	WeaveGrid \$15m Series A	Auction Frontier Acquisition by KAR GLOBAL	Solid Power \$130m Series B	CRUISE \$5B Line of Credit gm FINANCIAL	ELECTRIC ERA \$3M Seed Round REMUS CAPITAL	LOCUS \$50M Series C Qualcomm ventures	DRIVEN DATA \$4.5M Series Seed B	noblr Acquisition by USAA	wallbox SPAC KENSINGTON
INNOVIZ TECHNOLOGIES IPO	IDELIC \$20m Funding HIGHLAND AXA CAPITAL PARTNERS Venture Partners	ROCSYS \$6.3m Fundraising FORWARDone Advancing your innovations	Affectiva Acquired by smart eye	TWAICE \$26m Series B ENERGIZE VENTURES	EMBARK SPAC Merger Northern Genesis	KEEP TRUCKIN \$190M Series E G2 VENTURE PARTNERS	Where Is My Transport \$14.5 Series A Ext. NASPERS Cathay Atracinvest Innovation Fund	Aramis auto IPO	lendbuzz \$60M Series C WELLINGTON MANAGEMENT	DriveltAway Investment From Knightsgate
EASY MILE \$66m Series B SEARCHLIGHT	WaveSense \$15m Fundraising RHAPSODY IMPOSSIBLE VENTURES	WeRide Series C Funding 文远知行	MotoRefi \$45m financing Goldman Sachs	VIRTUO \$96m Funding AXA Venture Partners	PocketExpert Acquisition By mykaarma	brumbrum €65M Fundraising DIP	TRED \$3M Fundraising	满帮 Full Truck Alliance \$20B IPO	ROADSTER \$336M Acquisition by CDKGlobal	
edmunds \$404m Acquisition CARMAX	AxleHire \$20m Series B AJAX STRATEGIES	AUTOPAY Merger rategenius	DealerSocket Acquisition by Solera	Omnitracs Acquisition by Solera	Solid Power Potential Merger DCRC+	Justos Raised \$2.8M Kaszek VENTURES	Joyride \$3.7M Financing	mobiletechrX Acquisition by asTech	eDriving Acquisition by Solera	
tu simple \$1.35b IPO	oxbotica \$13.8m Investment ocado GROUP	Passport SIXTH STREET \$90m Funding GROWTH	monoDrive Acquisition By nl	cinch £1bn Fundraising CONSTELLATION AFFIRMATIVE EARLY	HESAI \$300M Series D ventures	sennder \$80M Series D BAILLIE GIFFORD	Exeter Acquisition by WARBURG PINCUS	CREDR \$6.5M Financing YAMAHA	WAYMO \$2.5B Funding	
CarCapital \$20m Credit Line NP	CarTrade.com Filed for IPO	carsales Acquiring 49% of TRADER INTERACTIVE	mileauto \$10.3m Seed Round	electriphi Acquisition by Ford	motorway \$67.7M Series B Index Ventures	FLixmobility \$650M Series G	Gubagoo Acquisition by Reynolds & Reynolds	trustworthy ai Acquisition by WAYMO		

>>> 2021 TRANSACTIONS: JUL - AUG

Jul 2021




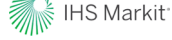
















Aug 2021

DARWIN AUTOMOTIVE Acquired by J.D. POWER	NAVOMATIC Acquired By superpedestrian	SONATUS \$35m Series A Translink CAPITAL	Aurora SPAC IPO Reinvent TECHNOLOGY PARTNERS	RECARGO \$25m Acquired by EVgo	FleetMaster Acquired by COX AUTOMOTIVE™	DEALERPOLICY \$110m Financing Goldman Sachs	iLendingDIRECT \$35m Financing FIRST EAGLE INVESTMENT MANAGEMENT	TURO Filed for IPO	BEAR FLAG PARTNERS \$250m acquisition JOHN DEERE	YAA \$4.2m Seed FLYBRIDGE CAPITAL PARTNERS	CARWAVE \$450m Acquisition KAR GLOBAL
garagepet Acquired by KAVAK	MOONX Acquired by WeRide	olive SPAC IPO M-D-H M&M Acquisition Corp	CAMERA Acquired by woven planet	netradyne \$150m Series C SoftBank Vision Fund	SES \$3.6b SPAC IPO IVANHOE CAPITAL ACQUISITION CORP.	LOOP \$2.5m Seed UBIQUITY VENTURES	DealerPeak \$3m Investment GEWEKE	RIVIAN Filed for IPO	THIRD WAVE VENTURES \$40m Series B NORWEST VENTURE PARTNERS	CARZEUS \$400k Acquisition autoweb	QCRAFT \$100m Series A+ YFA CAPITAL
FIXCRAFT \$1m Equity/Debt ubiQUITY	LUCID SPAC IPO CHURCHILL CAPITAL IV	TRANSPLACE \$2.25b Acquisition Uber Freight	Lightico \$27m Series B CAPITAL ONE VENTURES	NOTRAFFIC \$17.5m Series A Nilsen Ventures	SPINNY \$100m Series D TIGERGLOBAL	Hdvi \$32.5m Series B WEATHERFORD CAPITAL	waycare \$61m acquisition REKOR AI DRIVEN DECISIONS	carputty \$7.2m Seed KICK START	veoneer \$4.6b acquisition Qualcomm	Bolt €600m financing SEQUOIA	DigiSure \$13.1m pre-Series A morado venture partners
FLOCK \$17m Series A SOCIALCAPITAL	Venti Technologies \$8m Financing LOV RESEARCH PARTNERS	bipi €100m Acquisition RCI BANK AND SERVICES	LULA \$18m Series A FOUNDERS FUND khosla ventures	Employ/Us/ Acquired by Hireology	MAXDIGITAL \$60m Acquired by ACV	shotl Acquired by SWL	HopSkipDrive \$25m Series C ENERGY IMPACT PARTNERS	voi. \$45m financing RAINE	INCEPTIO TECHNOLOGY \$270m Series B 京东物流 JD Logistics	MotoRefi \$5m financing Cural	DeepMotion \$77m Acquisition mi xiaomi
REDWOOD MATERIALS \$700m Series C T.RowePrice	R3E SPAC IPO 10X CAPITAL	has-to-be eMobility €250m Acquired by -chargepoint+	algolux \$23m CAD Series B FORTE VENTURES	widewail your partner in online engagement™ \$1.5m Seed Funding	tru Payments Acquired by PURECARS	ample \$160m funding Shell REPSOL	InnoFusion \$66m Series B+ 國泰君安國際 GUOTAI JUNAN INTERNATIONAL	BLACKBUCK \$67m Series E TRIBE CAPITAL	ELROY AIR \$40m Series A LOCKHEED MARTIN	InstaCarr \$23m Series B EJ-VENTURES STRONGER TOGETHER	Upstream \$62m Series C Mital Santhosh Insurance
allego \$3.14b SPAC Merger Spartan Acquisition Corp. III	RIVIAN \$2.5b Funding THE CLIMATE PLEDGE	UVEYE VEHICLE INSPECTION SYSTEMS \$60m Series C CARmax	caura \$4.2m Financing TWINFOCUS	ABN "AUTOMOTIVE" BROADCASTING NETWORK Acquisition by spectrio	REPAIR SMITH \$42m funding CAPITAL	CHAMptiles \$8.5m Series A Eos Venture Partners	FUSE AUTOTECH \$10m Series A TARGET GLOBAL	Niron Magnetics \$21.3 Financing NIRON	ClearRoad \$2.35m Seed SPACE CAPITAL	VIA \$450m Acquisition Ideanomics	
ONTO \$175m Series B Alfvén & Didrikson	Faraday Future SPAC IPO	iCarAsia \$200m Acquisition CARSOME	freetech \$100m Series A eLIF 中國互聯網投資基金 China Internet Investment Fund	LACUNA TECHNOLOGIES \$16m Series A XPLOER CAPITAL	canadadrives \$100m CDN funding HONOR VENTURES	HAGERTY \$3.13b SPAC ALDEL FINANCIAL	VIRICITI €75m Acquisition -chargepoint+	freightify \$2.5m pre-Series A NORDIC E&E VENTURE CAPITAL	Udrive anywhere, everywhere \$5m financing	TRADE \$10m Financing cuhoVC	
TRADE \$44m CAD Financing AIMIA	COBLI \$35m Series B SoftBank	shopmonkey \$75m Series C BESSEMER VENTURE PARTNERS Index Ventures	MotorDocs Acquisition by keyloop	Griip Minority Investment PORSCHE VENTURES	PrivacyCARS Series A FM CAPITAL	FIX CAPITAL \$7.2m financing TACTICO	CarIQ \$25m Series B FORTE VENTURES	CEPTON SPAC IPO GROWTH CAPITAL ACQUISITION CORP.	OCTANE \$52m Series D PROGRESSIVE	Gatik \$85m Series B KOCH DISRUPTIVE TECHNOLOGIES	
RODO \$18m Series B Holman STRATEGIC VENTURES	RELAY \$60m Series C	imove €16M Series A Auto Scout24	LIQUIDMOTORS Acquisition by erate GROUP	GHOST \$100m Series D SUTTER HILL VENTURES	kovi \$104m Series B VALOR	NE Nanotech Energy \$64m Financing Fubon Financial	Jerry \$75m Series C GOODWATER CAPITAL	azuga Acquired by BRIDGESTONE	fetch \$50m Series C CELOT CAPITAL MANAGEMENT	HAAS ALERT \$5m Seed Round Blu Venture INVESTORS	

































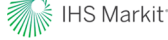







































2020 TRANSACTIONS

 acquired by Adevinta	 acquired by J.D. POWER	 \$300m Financing	 \$3.0b Financing	 \$14m Financing	 \$20m Financing	 \$827m SPAC Acamar Partners	 acquired by KAR GLOBAL	 \$23m Financing	 \$1.45b sale to EP FRANCISCO PARTNERS	 \$260m sale to DealerSocket
 Invests in Circular	 acquired by J.D. POWER	 acquired by HEARST AUTOS	 \$25m Financing	 \$100m Financing	 Public Offering (SPAC)	 Acquisition CATTERTON	 Public Offering (SPAC)	 service simplified. acquired by Protective	 \$44.0b sale to S&P Global	 \$45m Series C FORTROSS VENTURES
 \$2.5b Financing	 Financing	 \$50m Financing	 acquired by MAG McCONKEY AUCTION GROUP	 acquired by CarGurus	 \$1.5m Financing	 \$724.4m IPO	 acquired by NATIONAL AUTO CARE	 \$150m Financing Advent International GLOBAL PRIVATE EQUITY	 \$875m sale to ATHENE	 POWERING OUT OF STATE TITLE & REGISTRATION Investment PCF polarispartners
 acquired by ASBURY AUTOMOTIVE GROUP	 Public Offering (SPAC)	 Public Offering (SPAC)	 Acquired by MAG McCONKEY AUCTION GROUP	 acquired by CAZOO	 \$311m Financing	 \$100m+ Financing KKR Tritium	 acquired by NATIONAL AUTO CARE	 \$55m Financing Durable CAPITAL PARTNERS	 \$1.3b SPAC C & CO INSU II	 \$5m Seed Round VOLVO NEXTGEAR VENTURES
 \$50m Financing GM SAIC	 Public Offering (SPAC)	 Public Offering (SPAC)	 Offers 13.3m Class A stock	 Taken Private by Tencent 腾讯	 \$7.0m Financing	 \$1.33b SPAC RMG	 acquired by auto experience	 \$140m Financing	 \$7m Financing FM CAPITAL	 \$823m SPAC GigCapital
 IPO	 Trust the Asset. Trust the Transaction.™ €231m Acquisition Wolters Kluwer	 \$7m Financing	 Offers 5.0m Class A stock	 \$1.375m Financing	 \$20m Financing	 acquired by LMP AUTOMOTIVE	 Financing PORSCHE VENTURES	 acquired by Reynolds & Reynolds	 \$7m Financing OurCrowd	 \$5m Financing THE ENGINE Built by MIT
 \$2.1b SPAC INTERPRIVATE	 \$267m Financing ONTARIO TEACHERS' PENSION PLAN	 \$6.2m Financing	 \$15m Series A HONDA	 Public via SPAC	 Acquired by CUNA MUTUAL GROUP	 acquired by Uber	 \$1b+ SPAC FORUM MERGER III CORPORATION	 \$25m Financing WITTINGTON VENTURES	 \$6m Financing	 \$45m Financing
 AUTO GROUP \$5m Financing POWERBAND SOLUTIONS	 \$24.5m Acquisition KINGSWAY FINANCIAL	 \$50m Financing T.RowePrice INVEST WITH CONFIDENCE	 StoneEagleF&I Majority Investment BV Battery Ventures	 \$20m Financing Kayne Anderson Capital Advisors, L.P.	 \$13m Financing OX	 €20 million Series A	 \$5.4b+ SPAC CIG MERGES CORP	 \$275m Acquisition CarGurus	 \$15m Series A INSIGHT PARTNERS	 \$3.5m Financing Wireframe VENTURES
 \$120m Acquisition vroom	 \$5.0m Financing redfortcapital	 \$23m Financing VENTURES	 \$1.9b SPAC COLONNADE	 \$20.5m Series A CAFFEINATED CAPITAL	 \$1.0b+ SPAC	 \$350m Financing VectoIQ	 \$700k Financing avis budget group	 Investment JMI EQUITY	 Plug into your future \$1.4b SPAC TPG FROM REVENUE FINANCE	 \$8m CAD Seed Round Threshold

>>> MOST IMPORTANT AUTO TECH DEALS BY YEAR: 2012-2016

2012	2013	2014	2015	2016
 BY  PRICE PAID: \$1.1B EBITDA MULTIPLE: 9.9x	 BY  PRICE PAID: \$25M REVENUE MULTIPLE: 0.8x	 BY  PRICE PAID: \$1.1B REVENUE MULTIPLE: 12.0x	 BY  PRICE PAID: \$460M REVENUE MULTIPLE: 6.5x	 BY  PRICE PAID: \$15M REVENUE MULTIPLE: N/A
 BY  PRICE PAID: \$10.0M REVENUE MULTIPLE: NA	 BY  PRICE PAID: \$1.4B EBITDA MULTIPLE: 14.0x	 BY  IPO Valuation: \$1.3B REVENUE MULTIPLE: NA	 BY  PRICE PAID: \$165M EBITDA MULTIPLE: 5.9x	 BY  PRICE PAID: \$5.9B REVENUE MULTIPLE: N/A
 BY  PRICE PAID: \$351M EBITDA MULTIPLE: 10.0x	 BY  PRICE PAID: \$1.1B EBITDA MULTIPLE: 11.5x	 BY  PRICE PAID: \$377.5M REVENUE MULTIPLE: 7.6x	 BY  PRICE PAID: \$4.6B REVENUE MULTIPLE: 4.4x	 BY  PRICE PAID: \$1.2B EBITDA MULTIPLE: 15.0x
 BY  PRICE PAID: NA REVENUE MULTIPLE: NA	 BY  PRICE PAID: \$974M REVENUE MULTIPLE: 4.2x	 BY  PRICE PAID: \$2.5B EBITDA MULTIPLE: 15.9x	 BY  PRICE PAID: \$6.5B EBITDA MULTIPLE: 14.2x	 BY  PRICE PAID: \$1.1B EBITDA MULTIPLE: 12.9x
 BY  PRICE PAID: NA REVENUE MULTIPLE: NA	 BY  PRICE PAID: \$550M REVENUE MULTIPLE: 15.0x	 BY  PRICE PAID: \$325M REVENUE MULTIPLE: 6.0x	 BY  PRICE PAID: \$142.5M EBITDA MULTIPLE: 11.9x	 BY  PRICE PAID: \$156M EBITDA MULTIPLE: 4.3x
 BY  PRICE PAID: \$49M REVENUE MULTIPLE: N/A	 BY  PRICE PAID: \$53M REVENUE MULTIPLE: N/A	 BY  PRICE PAID: \$193M EBITDA MULTIPLE: 17.5x	 BY  PRICE PAID: \$125M REVENUE MULTIPLE: 1.8x	 BY  PRICE PAID: N/A REVENUE MULTIPLE: N/A
	 BY  PRICE PAID: \$30M REVENUE MULTIPLE: 10.0x	 BY  PRICE PAID: \$65M REVENUE MULTIPLE: 3.6x	 BY  PRICE PAID: \$55M REVENUE MULTIPLE: 1.6x	 BY  PRICE PAID: \$35M REVENUE MULTIPLE: N/A

>>> MOST IMPORTANT AUTO TECH DEALS BY YEAR: 2017-2021

2017	2018	2019	2020	2021
 BY  PRICE PAID: \$125M REVENUE MULTIPLE: N/A	 BY  INVESTED: \$180M (minority investment) REVENUE MULTIPLE: N/A	 BY  INVESTED: \$500M REVENUE MULTIPLE: N/A	 BY  PRICE PAID: \$50M (14% Stake) EBITDA MULTIPLE: 10.0x	 BY  IPO VALUATION: \$4.8B REVENUE MULTIPLE: 23.1x
 BY  PRICE PAID: \$43.0M REVENUE MULTIPLE: N/A	 BY  PRICE PAID: \$22M REVENUE MULTIPLE: 10.0x	 BY  PRICE PAID: \$720M REVENUE MULTIPLE: N/A	 BY  PRICE PAID: \$263M REVENUE MULTIPLE: 7.4x	  IPO VALUATION: \$827M REVENUE MULTIPLE: 7.5x
  IPO VALUATION: \$2.0B REVENUE MULTIPLE: 2.9x	 BY  PRICE PAID: \$525M REVENUE MULTIPLE: 3.5x	  BY  PRICE PAID: \$2.2B REVENUE MULTIPLE: N/A	 BY  PRICE PAID: \$155M REVENUE MULTIPLE: 7.8x	 BY  PRICE PAID: \$336M REVENUE MULTIPLE: 12x
 BY  PRICE PAID: \$435M* REVENUE MULTIPLE: 8.7x	 BY  PRICE PAID: N/A REVENUE MULTIPLE: N/A	 BY  PRICE PAID: \$1.9B EBITDA MULTIPLE: 16.5x	 BY  \$275m Acquisition PRICE PAID: \$275M (51% stake) REVENUE MULTIPLE: N/A	 BY  IPO VALUATION: \$7.0B REVENUE MULTIPLE: 11.7x
 BY   PRICE PAID: \$680M REVENUE MULTIPLE: 5.0x	 BY  INVESTED: \$385M EBITDA MULTIPLE: N/A	 BY  PRICE PAID: \$4.4B EBITDA MULTIPLE: N/A	  IPO VALUATION: \$730M REVENUE MULTIPLE: 3.8x	 BY  IPO VALUATION: PENDING EBITDA MULTIPLE: N/A
  IPO VALUATION: \$1.95B EBITDA MULTIPLE: 8.8x	 BY  PRICE PAID: \$50M (7% Stake) REVENUE MULTIPLE: N/A	 BY  PRICE PAID: €2.9B REVENUE MULTIPLE: N/A	  IPO VALUATION: \$2.5B REVENUE MULTIPLE: 2.1x	  IPO VALUATION: PENDING REVENUE MULTIPLE: 30.4x
  IPO VALUATION: \$3.0B REVENUE MULTIPLE: 15.2x	 BY  PRICE PAID: \$205M REVENUE MULTIPLE: 10.0x	 BY  PRICE PAID: \$1.2B EBITDA MULTIPLE: 16.5x	 BY  \$120m Acquisition PRICE PAID: \$120M REVENUE MULTIPLE: 6.0x	 BY  PRICE PAID: \$404M EBITDA MULTIPLE: 11.5x

*IHS Markit acquired approximately 78 percent of automotiveMastermind for a purchase price of approximately \$392 million.



KEY TRANSACTION OVERVIEW

>>> DEAL DETAILS: CARWAVE & KAR GLOBAL

OVERVIEW OF TRANSACTION

- In August 2021, KAR Global announced they were acquiring CARWAVE for \$450m.
- The California-based dealer-to-dealer online wholesale marketplace was founded in 2009, and its network of dealer customers includes stores in Arizona, California, Nevada, Oregon and Texas.
- Co-founders John Lauer and Bill Lauer will stay on with the company, which will continue operating out of California.

SIGNIFICANCE TO INDUSTRY

- With the back-to-back acquisitions of first BackLotCars (\$425m) and now CARWAVE, KAR Global is signaling to the market that they're "all-in" on online sales, and willing to take on ACV.
- CARWAVE sold ~100k units over the past 12 months, which equates to paying ~\$4,500 per unit sold. That's a premium to what KAR paid for BackLotCars (~\$2,700 per unit sold).
- After this acquisition, the last remaining independently-owned big player is Eblock out of Canada (recently making moves into the USA).



\$450m Acquisition of



>>> DEAL DETAILS: AUTOWEB ACQUIRES CARZEUS

OVERVIEW OF TRANSACTION

- Autoweb makes \$400K all-cash purchase of vehicle acquisition company CarZeus.

SIGNIFICANCE TO INDUSTRY

- AutoWeb has taken this first step to play in the consumer used vehicle disposal market, which is highly fragmented and very large (~25 million vehicles / \$230 billion per year).
- CarZeus buys vehicles directly from consumers and resells them in the wholesale market.
- This allows Autoweb to enhance their offering to dealers beyond providing leads and clicks and start a dialogue around access to a new source of inventory in an efficient and cost-effective manner.
- Opens up new revenue growth potential and improve the gross profit dollars that they generate on a per transaction basis.
- Consumers benefit by having an alternative vehicle disposal option. Dealers benefit by being able to purchase these vehicles in the wholesale market. CarZeus benefits by earning margin per unit.
- Autoweb has signaled that they have national aspirations for this business model.



\$400k Acquisition of



>>> DEAL DETAILS: DEALERPOLICY & GOLDMAN SACHS

OVERVIEW OF TRANSACTION

- DealerPolicy is an automotive insurance marketplace
- Announced its \$110 million Series C investment led by Goldman Sachs after raising \$30 million in February of this year.
- The company's pre-money valuation was \$450 million.

SIGNIFICANCE TO INDUSTRY

- The convergence of "InsurTech" and "FinTech" is hot right now, with big financing rounds for companies such as Clearcover, Root and Lemonade.
- DealerPolicy intends to triple its product and engineering teams over the next 12 months by hiring new talent. Additionally, the company will increase investments in strategic partnerships.
- On average, DealerPolicy saves consumers \$64 per month on automotive insurance. Automotive dealerships report on average 44% higher gross margins in their F&I departments because of increased customer budgets from their insurance savings.
- The news comes on the back of sales-channel strategic alliances with JM&A Group and Darwin Automotive, which should greatly accelerate growth.



\$110m Fundraise

**Goldman
Sachs**

Pre-money valuation of \$450m

>> ***GUEST OP-ED***

THE PRESIDIO CORNER

THE TIME IS RIGHT FOR THE AUTOMOTIVE TWO-SIDED MARKETPLACE

»» THE PRESIDIO CORNER

The time is right for the automotive two-sided marketplace

The Roman Forum is the future of automotive retail. We don't mean wearing togas to the dealership. But the Forum was the earliest example of a two-sided marketplace, and The Presidio Group believes that such marketplaces are where automotive retail is headed.

In the Forum, multiple vendors offered goods and services and consumers could stroll among vendors comparison shopping. A more recent example of a two-sided marketplace is the New York Stock Exchange. Those transactions took place by phone in earlier times. Now they occur digitally. The most familiar and largest example of a digital two-sided marketplace is, of course, Amazon, with millions of buyers and sellers transacting daily. That transaction is the defining characteristic of a two-sided marketplace. Amazon does not provide leads; it provides orders.

In the automotive retail sector, Rodo is a two-sided

marketplace pioneer. Leveraging thousands of dealership partners nationwide, Rodo allows consumers to lease or buy a new car in minutes without ever visiting a dealership. In July of this year, Presidio announced it served as exclusive financial advisor to Rodo in a Series B financing round that secured an additional \$18 million in growth capital. Holman Enterprises and Evolution Partners led the round. Existing investor IAC/Interactive Corp and Kevin Hart's HartBeat Ventures also participated, along with auto industry veterans Mack McLarty, Vice Chairman of RML Automotive; Franklin McLarty, Chairman and CEO of McLarty Diversified Holdings; and Ken Schnitzer, former Chairman of Park Place Automotive Group.

This group of investors understood that the two-sided marketplace is the future of automotive retail and the time is right for its emergence. Why? Because consumers are now comfortable buying almost anything online and with hundreds of millions of problem-free transactions completed, they trust the technology.

Transparency also builds trust, and two-sided marketplaces are transparent. In a Rodo transaction, for example, consumers instantly know not only the price they will pay for an auto but also the monthly payments for that vehicle. Those are set during the online order. This is very important as, according to a recent CarGurus study, not knowing the monthly payment amount was the top frustration for auto shoppers.

Dealers can also benefit from a two-sided marketplace. The internet has already taken away much of their control over customers. Now, the internet can give some of it back. In a two-sided marketplace the customer is paying the price the dealer has set for a product or service, without haggling. The sales process is reduced to a few simple steps: setting the price, confirming the sale, and delivering the vehicle.

The dealership's workforce productivity increases exponentially and while gross profit per unit may decline, the net profit per unit will actually increase because many of the operating costs, especially

>>> THE PRESIDIO CORNER

40

personnel, marketing, and sales, will decrease in a marketplace fulfillment world. Dealers who embrace this model will almost certainly increase their profitability.

The Presidio Group is an independent merchant banking firm focused on investment banking and principal investing primarily but not exclusively in the automotive retail and consumer mobility sectors. We work with clients on mergers and acquisitions, private capital raising, and investing in dealerships and companies servicing the auto retail services and consumer mobility sector both today and in the future. The team has an unmatched breadth and depth of experience in the auto retail and technologies sectors as well as deep relationships in the broader corporate and financial communities. Collectively in their careers, the professionals at The Presidio Group have closed over 200 transactions valued at more than \$13.5 billion, and it remains a leader in the automotive sector.



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 acquired by  2021	 served as the exclusive financial advisor to  \$18 Million Series B Financing 2021	 acquired by  2021	
 acquired by  2020	 acquired by  2020	 acquired by  2021	 has completed a growth recapitalization with  2021



The Presidio Group provides M&A advisory services through its wholly owned investment bank, Presidio Merchant Partners LLC, Member FINRA and SIPC.



COMPANIES TO WATCH

>>> SEPTEMBER COMPANIES TO WATCH



www.recurrentauto.com

By providing more transparency and confidence in pre-owned electric car transactions, Recurrent accelerates the overall adoption of electric vehicles. This is key to reducing the 20% of U.S. carbon emissions that are currently produced by light-duty combustion engine vehicles.



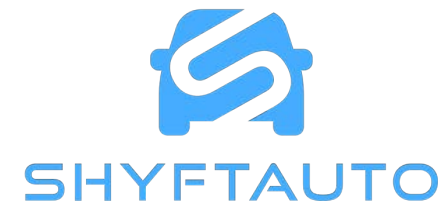
<https://momentenergy.ca>

Moment Energy creates sustainable energy storage systems to increase energy reliability in off-grid areas. With supply relationships with OEMs including Nissan, the solution is created using second life electric vehicle (EV) batteries to provide a reliable, environmentally friendly, and price-competitive offering.



www.lct1.com

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<https://shyftauto.com>

With Shyft Auto, There's a better way to grow your auto repair shop. Shyft Auto's modern and easy to use software helps you minimize the chaos so that you can focus on operations and take your repair shop to the next level.



www.aucto.com

Aucto.com is a place where buyers and sellers can buy and sell industrial equipment with peace of mind using the speed & power of E-Commerce. Whether you are selling heavy machinery, or hand tools, selling a few spare parts or liquidating a complete assembly line, Aucto.com provides a simple and effective way to sell surplus industrial assets.



<https://hyperspec.ai>

Hyperspec boosts the car's reliance on real time scene construction and reduces the reliance on prior maps and localization. This is achieved by processing 360 sensor data in real time and extracting the semantic context of a scene. Having a robust understanding of scene context reduces reliance on prior maps and localization.



<https://roadstr.io>

















































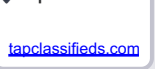















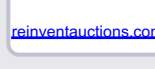


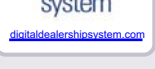
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 strolid.com	 fuseautotech.com	 recallrabbit.com	 tapclassifieds.com	 getcarbly.com	 karus.ai	 informed.ig	 quotible.com	 lct1.com	?	?	?
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>>> 2020 COMPANIES TO WATCH











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A black and white photograph of the front of a classic Ford Mustang. The car features dual round headlights, a chrome bumper, and a 'coda' badge on the grille. The license plate is a Minnesota plate that reads 'RIP' with 'HAY' and '10,000 lake' below it. A red diagonal graphic element is overlaid on the left side of the image.

AUTO TECH'S GOT TALENT

AUTOTECH'S *got talent* LEADERBOARD

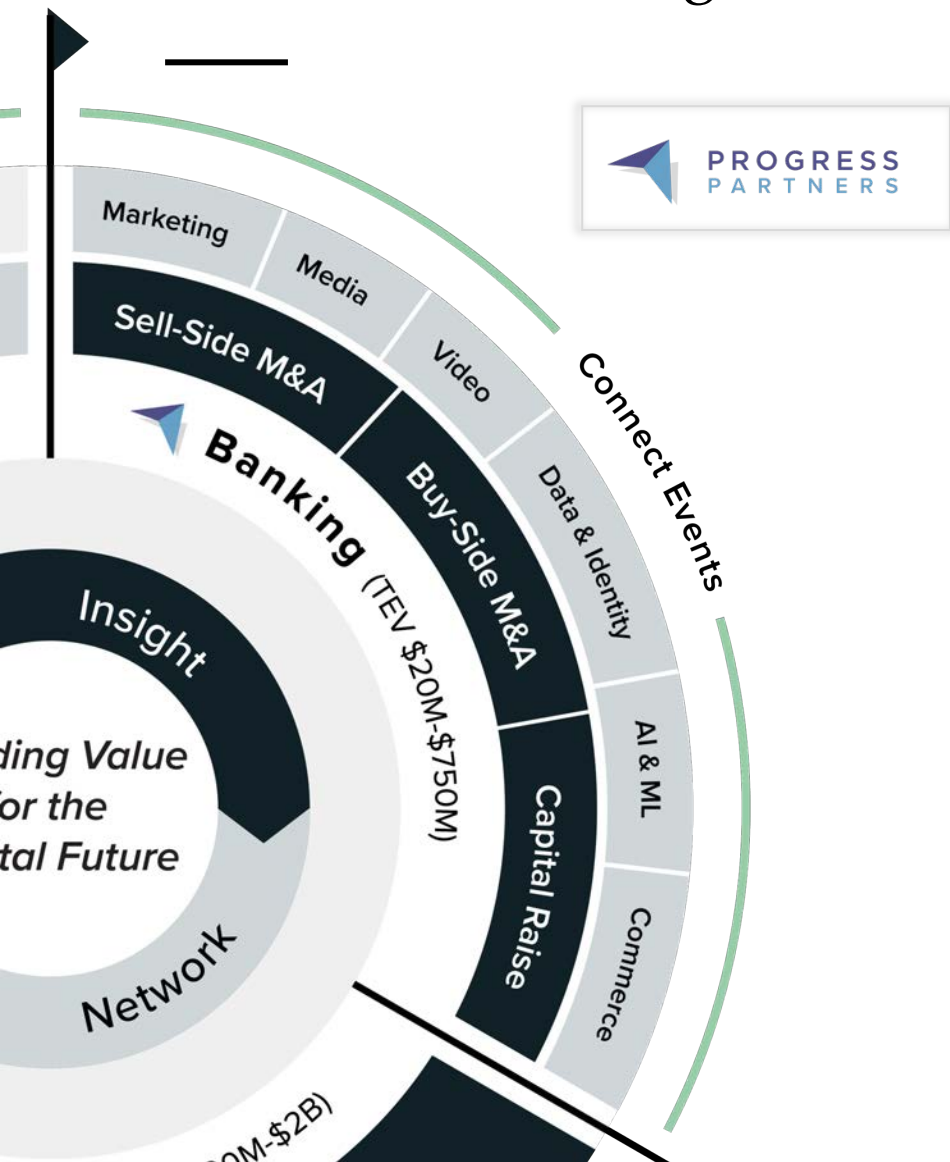
Scored	Rank	Company	Name	Judges' Score	LinkedIn Score	Total
	1		One Auction View	8.17	9.15	8.66
	2	 Selly Automotive	Selly Automotive	7.5	9.24	8.37
	3	 bankmybike	Bank My Bike	6.67	6.72	6.69
On Deck	Rank	Company	Name	Judges' Score	LinkedIn Score	Total
	NA		TruckTractorTrailer.com	7.00		
	NA	 cognitiondigital.io	Cognition Digital			
	NA		ADAPT			
	NA		LotPop			
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	NA	 SHYFTAUTO	Shyft Auto			
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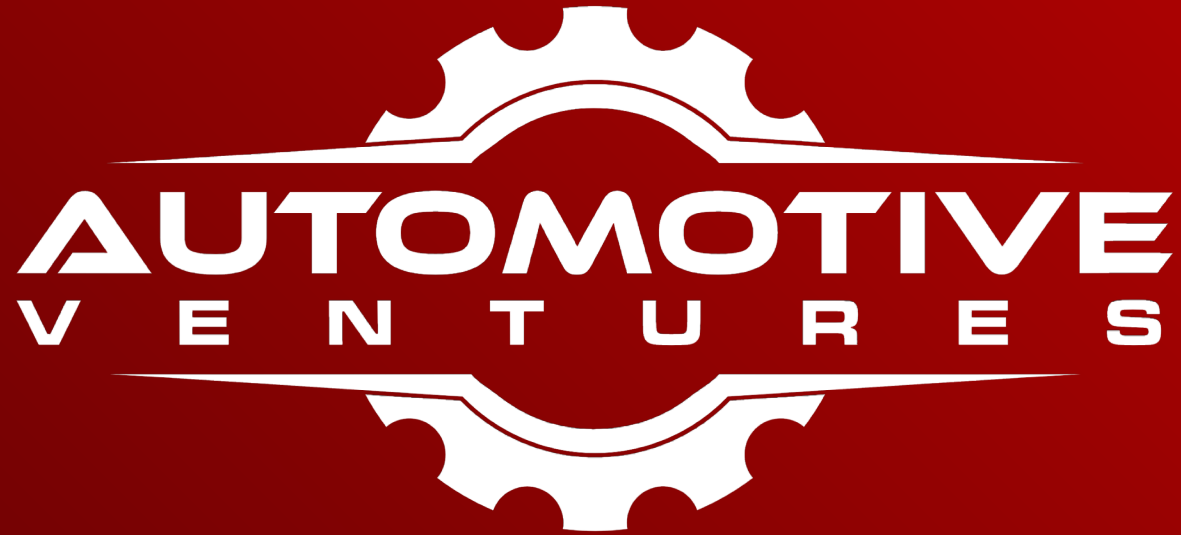
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Steve Greenfield | *Managing Director*

- 15+ years in the automotive technology space
- CEO/Founder at Automotive Ventures
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