

| Description                       | Guide                               |
|-----------------------------------|-------------------------------------|
| <b>Dealership</b>                 |                                     |
| <b>Dealership <i>PROFIT</i> %</b> | <b>26%</b>                          |
| Cash Days Supply                  | 90+ days                            |
| <b>Cash Retention</b>             | <b>90% plus</b>                     |
| Return on Gross Profit            | 41.0%                               |
| Return on Sales                   | 6.3%                                |
| Fixed Absorption                  | 133%                                |
| <b>Total Absorption</b>           | <b>139%</b>                         |
| Current Ratio                     | 150%                                |
| Debt to Equity Ratio              | 3:1                                 |
| Contracts in transit              | F&I provided cycle time plus 2 days |
| V/R Days Supply                   | <7 days                             |
| A/R Days Supply                   | <25 days                            |
| W/R Days Supply                   | Manufacturer cycle time plus 7 days |
| Sublet Inventory                  | <2 days                             |
| WIP Inventory (service)           | <2 days                             |

|  |                            |
|--|----------------------------|
| WIP Inventory (body)                                     | <5 days                    |
| Open ROs (service)                                       | <2 days                    |
| Open truck sales (booked, not in accounting)             | <2 days                    |
| Physical to GL parts recon                               | <1/2%                      |
| Physical to GL WIP recon                                 | <1/2%                      |
| A/P Days Supply  | 30 days                    |
| Management Overhead % of gross                           | <5%                        |
| Total dealership headcount to accounting/admin headcount | 15:1                       |
| <b>Accounting</b>  |                            |
| <b>Days to close</b>                                     | <b>&lt;7 calendar days</b> |
| <b>DMS</b>   |                            |
| <b>Review and revise DMS setups on a quarterly basis</b> |                            |

These are the KEA Advisors operational performance guides for 2025. They are not based on average performance, but best of class performance and are achieved by numerous KEA customers.

For more information please contact KEA Advisors at [info@keaadvisors.com](mailto:info@keaadvisors.com)

| Description   | Guide                     |
|---|---------------------------|
| <b>Parts Department Continued</b>                     |                           |
| Counter Gross % (includes wholesale)                  | 28%                       |
| Customer Pay Repair Order Gross%                      | 32%                       |
| Warranty Gross %                                      | 24%                       |
| Internal Gross %                                      | 28%                       |
| Total Gross %   | 30%                       |
| Personnel Expense % Gross                             | 45%                       |
| Personnel Expense % Sales                             | 13.5%                     |
| Cost of sales per person (total department headcount) | \$55,640/month per person |
| Semi Fixed % of Gross                                 | 12%                       |
| Semi Fixed % of Sales                                 | 3.6%                      |
| Net freight expense % Gross                           | <0%                       |
| Fixed % of Gross                                      | 11%                       |
| Fixed % of Sales                                      | 3.3%                      |
| Total Expense % of Gross                              | 68%                       |
| Total Expense % of Sales                              | 20.4%                     |
| Net as % of Gross                                     | 32%                       |
| Net as % of Sales                                     | 9.6%                      |
| Gross Inventory Turns                                 | 8                         |
| <b>True Inventory Turns</b>                           | <b>6.5</b>                |
| Days Supply of Inventory                              | 45                        |
| <b>First-time fill-rate from inventory</b>            | <b>90%+</b>               |
| <b>Gross Return on Inventory Investment</b>           | <b>342%</b>               |

|   |                                 |
|---|---------------------------------|
| <b>Net Return on Inventory Investment</b> | <b>110%</b>                     |
| Inventory Obsolescence                    | <2% >12 months no sale          |
| Months No sales vs Months No Receipts     | <2% > 12 months no sale         |
| Fixed Expense Allocation                  | 33%                             |
| Piece counts variance (absolute value)    | <2%                             |
| Inventory cycle counts                    | 4 times/year                    |
| Inventory integrity review                | Daily                           |
| Demand integrity review                   | Daily                           |
| Lost sales (transactions)                 | 4 per day                       |
| Dirty cores                               | none over 30 days               |
| Dirty core vs liability                   | 100% credit vs vendor available |
| Inventory Reset and Review                | Quarterly                       |
| <b>Service Department</b>                 |                                 |
| Customer Gross %                          | 78%                             |
| Warranty Gross %                          | 75%                             |
| Internal Gross %                          | 78%                             |
| Machine Earning                           | 90%                             |
| Sublet                                    | 20%                             |
| Total Gross %                             | 74%                             |
| Personnel % Gross                         | 38%                             |
| Personnel % Labor Sales                   | 28%                             |
| Semi Fixed % Gross                        | 16%                             |
| Semi Fixed % Labor Gross                  | 12%                             |
| Fixed % Gross                             | 12%                             |

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|--|--|
| Fixed % Labor Sales                              | 9%                                       |
| Total Expense % Gross                            | 66%                                      |
| Total Expense % Labor Sales                      | 49%                                      |
| <b>Net as % Gross</b>                            | <b>34%</b>                               |
| <b>Net as % Labor Sales</b>                      | <b>25%</b>                               |
| <b>Return on Technician Investment</b>           | <b>114% x (ELR - Avg Tech Rate)</b>      |
| Technician Productivity                          | 95%                                      |
| Technician Efficiency                            | 120%                                     |
| Technician Proficiency                           | 114%                                     |
| Facility Utilization                             | 85% 1 shift,<br>65% 2 shifts<br>50% 24/7 |
| Unapplied Time as % of Sales                     | <2%                                      |
| Policy as % of Gross                             | <2%                                      |
| Gross Effective Labor Rate                       | 95%                                      |
| Hrs. per customer RO (HD)                        | 5-7                                      |
| Hrs. per customer RO (MD)                        | 4-6                                      |
| Customer Parts to Customer Labor                 | 1.1:1                                    |
| Fixed Expense Allocation                         | 42% (w/ body shop change to 28%)         |
| WIP Days supply                                  | 16hrs per tech                           |
| Reconcile tech time daily to actual payroll time | Daily                                    |
| <b>RO open to first punch</b>                    | <b>&lt;2 hour</b>                        |
| <b>RO first punch to last punch</b>              | <b>&lt;FRH x 2</b>                       |
| <b>RO last punch to close</b>                    | <b>&lt;2 days</b>                        |

| <b>Body Shop</b>                                       |                                     |
|--|-------------------------------------|
| Customer Gross %                                       | 78%                                 |
| Warranty Gross %                                       | 75%                                 |
| Internal Gross %                                       | 78%                                 |
| Sublet   | 20%                                 |
| Paint and materials                                    | 40%                                 |
| Total Gross %  | 68%                                 |
| Personnel % Gross                                      | 48%                                 |
| Personnel % Labor Sales                                | 33%                                 |
| Semi Fixed % Gross                                     | 16%                                 |
| Semi Fixed % Labor Sales                               | 11%                                 |
| Fixed % Gross  | 12%                                 |
| Fixed % Labor Sales                                    | 8%                                  |
| Total Expense % Gross                                  | 76%                                 |
| Total Expense % Labor Sales                            | 52%                                 |
| <b>Net % of Gross</b>                                  | <b>24%</b>                          |
| <b>Net as % of Labor Sales</b>                         | <b>16%</b>                          |
| <b>Return on Technician Investment</b>                 | <b>123% x (ELR - Avg Tech Rate)</b> |
| Technician Productivity                                | 88%                                 |
| Technician Efficiency                                  | 140%                                |
| Technician Proficiency                                 | 123%                                |
| Unapplied Time as % of Sales                           | <2%                                 |
| Policy as % of Gross                                   | <2%                                 |
| Fixed Expense Allocation                               | 14%                                 |
| WIP Days supply  | 40hrs / tech                        |
| Reconcile Technician time daily to actual payroll time | Daily                               |

| Description   | Guide              |
|---|--------------------|
| <b>Used Truck</b>   |                    |
| Gross Profit % Sales (combined wholesale & retail)                  | 10%                |
| Personnel/Variable Exp.% Gross                                      | 50%                |
| Personnel/Variable Exp. % Sales                                     | 5.0%               |
| Semi Fixed % of Gross   | 15%                |
| Semi Fixed % of Sales   | 1.5%               |
| Fixed % of Gross  | 15%                |
| Fixed % of Sales  | 1.5%               |
| Total Expense % of Gross  | 80%                |
| Total Expense % of Sales  | 8.0%               |
| Net as % of Gross   | 20%                |
| Net as % of Sales   | 2.0%               |
| Advertising % of Gross  | 3%                 |
| Inventory Turns (\$ and #)  | 6                  |
| Inventory Aging   | <120               |
| <b>Gross Return on Inventory Investment</b>                         | <b>67%</b>         |
| <b>Net Return on Inventory Investment</b>                           | <b>13.3%</b>       |
| Fixed Expense Allocation  | 8%                 |
| <b>Days to front line ready (without major body reconditioning)</b> | <b>&lt;10 days</b> |
| <b>Review of cost to market value (per unit)</b>                    | <b>Monthly</b>     |
| Review of asking price to retail market asking price (per unit)     | Monthly            |
| Review of activity by unit  | Monthly            |

| <b>New Truck</b>                            |             |
|---|-------------|
| Gross Profit % Sales                        | 6%          |
| Personnel/Variable Exp. % Gross             | 50%         |
| Personnel/Variable Exp. % Sales             | 3.0%        |
| Semi Fixed % of Gross                       | 15%         |
| Semi Fixed % of Sales                       | .9%         |
| Fixed % of Gross                            | 15%         |
| Fixed % of Sales                            | .9%         |
| Total Expense % of Gross                    | 80%         |
| Total Expense % of Sales                    | 4.8%        |
| Net as % of Gross                           | 20%         |
| Net as % of Sales                           | 1.2%        |
| Advertising % of Gross                      | 3%          |
| Inventory Turns (\$ and #)                  | 6           |
| Inventory Aging                             | <360        |
| <b>Gross Return on Inventory Investment</b> | <b>38%</b>  |
| <b>Net Return on Inventory Investment</b>   | <b>7.7%</b> |
| Fixed Expense Allocation                    | 17%         |
| <b>Awareness rate %</b>                     | <b>70%</b>  |
| <b>Participation rate %</b>                 | <b>90%</b>  |
| <b>Closing rate %</b>                       | <b>75%</b>  |
| <b>F&amp;I</b>                              |             |
| <b>New Penetration</b>                      | <b>40%</b>  |
| <b>Used Penetration</b>                     | <b>60%</b>  |